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# MEASURING THE DETERMINANTS OF KNOWLEDGE MANAGEMENT STRATEGIES TOWARDS ORGANIZATIONAL PERFORMANCE IN ABU DHABI GOVERNMENT ENTITIES

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**Abstract:**
The purpose of this study is to determine the determinants of knowledge management strategies towards organizational performance in Abu Dhabi government entities. After forming a testable conceptual framework, this study initiated to test the specific relationship of hypotheses via measurement model using Structural Equation Modeling (SEM) approach. The sample size was 331 for this study and simple random sampling was employed. For this research, the measurement model explained the relationships among the variables by employing statistical analysis. The findings show that, Knowledge Management Structure (KMS) is positively related to Knowledge Management Strategy (KMST), same to Knowledge Management Practice (KMP) is positively related to Knowledge Management Strategy (KMST). However, Knowledge Management Structure (KMS) was found not really positively related to Organizational Performance (OP). Surprisingly, Knowledge Management Practice (KMP) has not also found significant either in terms of positively related to Organizational Performance (OP). On the other hand, Knowledge Management Strategy (KMST) is positively related to Organizational Performance (OP) as well as reciprocal relationship found between Knowledge Management Structure (KMS) and Knowledge Management Practice (KMP). This research has contributed to the existing knowledge by providing an empirically tested/validated model which could be used to predict a material portion of the variables that contributes to the eventual success of the government entities with the level of influence each of the independent variables excerpt on the success of government entities performance.

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**Keywords:** knowledge management structure, knowledge management practice, knowledge management strategies, organizational performance, government entities, Abu Dhabi

## 1. Introduction

Managing knowledge is important, whereby the numerous approaches and taxonomies, such as 'belief', 'understanding', 'information', 'experience', 'power', etc. are offered by them in different times and studies to convey the meaning of knowledge from a variety of perspectives as found in the academia. The knowledge management is vital for knowledge integration in organizations to sustain their competitive advantages with a distinct value of cost-effectiveness.

In the public sector, the knowledge management is considered as the essential tool to bring reforms by governments for the societal improvements and implementing strategies (Azam & Moha Asri; 2015; Tarofder et al., 2017). However, it has been repeatedly noted that the government policy initiatives for the reform of public organization have largely failed to promote knowledge creation. Moreover, the knowledge management in private sector has been adopted earlier in comparison to the public sector where the governments have been found struggling to implement the notion of knowledge management due to intrinsic barriers associated with organizational knowledge. There are also evidences suggesting that the knowledge management in public sector when surveyed was found higher in 32 developing countries where the respondents showed complete awareness of the correlation between the knowledge management and the organizational performance. This suggests that the knowledge management is gaining widespread acceptance in the public sector when the governments are increasingly using knowledge management to enhance the governance efficiency.

The implementation of the knowledge based system into public sector organizations for the knowledge capture and knowledge sharing components of the knowledge management processes are very important. It is very important for the knowledge capture and knowledge sharing components of the knowledge management processes are very important. The management and the organizational knowledge have to be integrated into the process and procedures of the organization for increased growth and performance. It is very important for the knowledge capture and knowledge sharing components of the knowledge management processes are very important.

The knowledge management in organizations integrates knowledge with distinctive capability to improve employee performance. The management and the organizational knowledge have to be integrated into the process and procedures of the organization for increased growth and performance. The Knowledge management literature distinguishes among various types of knowledge so that it can be appreciated in individualized contexts. Thus, some experts differentiate between technical and

strategic aspects of knowledge (Liebenskind 1996). However, the most discussed types of knowledge include tacit knowledge, explicit knowledge and the implicit knowledge. In order to pave the way for the knowledge management in any organization, the organizational management must improve the organizational culture to enhance adaptability among the staff (Zander & Kogut, 1995). However, absence of a comprehensive knowledge in this regards hinders the effort of the organizational performance in Abu Dhabi government entities. Thus, it is important to examine whether there is a significant relationship between the knowledge management strategies and organizational performance in Abu Dhabi. Furthermore, the research questions designed for this quantitative study also aim to determine the correlation between the knowledge management strategies and the organizational performance while identifying the factors affecting knowledge management in the context of Abu Dhabi.

## 2. Literature Review

The Knowledge Management is vital for knowledge integration in organizations to sustain their competitive advantages with a distinct value of cost-effectiveness. In the public sector management, the correlation between organizational knowledge and the knowledge management has been discussed at length in the empirical literature (Tsoukas, 2005). In contrary to traditional management philosophies, the organizational knowledge is considered as the trigger of the innovation in organization. Since the focus of this study is to determine the correlation between the knowledge management (KM) strategies and organizational performance, the organizational knowledge is of paramount importance in this whole scenario to determine the critical factors affecting knowledge management.

The management and the organizational knowledge have to be integrated into the process and procedures of the organization for increased growth and performance (Dahari et al., 2011; Azam et al., 2014; Tham et al., 2017). It is very important for the knowledge capture and knowledge sharing components of the knowledge management processes are very important. The Knowledge management literature distinguishes among various types of knowledge so that it can be managed well. Thus, some experts differentiate between technical and strategic knowledge. The more common types of knowledge, however, include tacit knowledge, explicit knowledge, and implicit knowledge. The companies have to enable organizational culture and organizational structure within the organization to explore knowledge management. Basically, the knowledge management in organizations integrates knowledge with distinctive capability to improve employee performance. The management and the organizational knowledge have to be integrated into the process and procedures of the organization for increased growth and performance.

However, there is no uniformity or common conformity on the part of the scholars as to the definition and nature of knowledge, an intrinsically ambiguous or

equivocal term. Thus, numerous approaches and taxonomies, such as 'belief', 'understanding', 'information', 'experience', 'power', etc. are offered by them in different times and studies to convey the meaning of knowledge from a variety of perspectives as found in the literature.

Since the time of the ancient Greek philosophers, Western thought has been dominated by the study of epistemology, or the nature, sources, limitations and validity of knowledge (Sankaran, 2006). In 360 BC, in his *Theaetetus*, Plato defines knowledge as 'justified true belief' (Project Gutenberg, 1999). Although debated and modified in many ways, Plato's concept of knowledge is still widely articulated in Western thought (Nonaka and Takeuchi, 1995). More recently, Drucker (1993) coins the term 'knowledge worker' and argued that, in the 'knowledge society', it was no longer capital or labor or natural resources, rather the knowledge that would be the basic economic resource.

According to Allee (1997), knowledge is experience that can be communicated and shared; though, by experience, he emphasizes more on information. This is echoed by Leonard and Sensiper (1998), who believe such information is tacit in nature. Bhagat *et al*. (2002) embrace the notion that knowledge is derived from creation and restructuring of information, which, according to Beckman (1997), enhances an individual's productivity, problem-solving and decision-making skills through logical reasoning.

While defining the knowledge, Cavaleri and Reed (2000) mention that knowledge, essentially, is composed of and grounded in potential acts/activities or signs – social in nature. These can be relevant to political issues and beliefs resulting from an individual's experience. This knowledge denotes the capacity for effective action. Davenport and Prusak (1998, p.5) hold that knowledge is the 'fluid mix of framed experience, values, contextual information, and expert insight originated in the minds of the knowers. In an organization, it often becomes embedded not only in documents or repositories but also in organizational routines, processes, strategies, and norms.' Moreover, a number of definitions of KM available in the literature are mentioned in Table 1.

**Table 1:** Definitions of Knowledge Management by Different Authors

| **Author (Year)** | **Definition of Knowledge Management** |
|---|---|
| Allee (1997); Davenport *et al.* (1998); Alavi and Leidner (2001) | KM is managing the corporation's knowledge through a systematically and organizationally specified process for acquiring, organizing, sustaining, applying, sharing and renewing both the tacit and explicit knowledge of employees to enhance organizational performance and create value |
| Malhotra (1998) | KM caters to the critical issues of organisational adaptation, survival and competence in face of increasingly discontinuous environmental change; it embodies organizational processes that seek synergistic combination of data and information processing capacity of information technologies and the innovative capacity of human beings |
| Gupta *et al*. (2000) | KM is a process that helps organizations find, select, organize, disseminate, and transfer important information and expertise necessary for activities |

| | |
|---|---|
| Bhatt (2001) | KM is a process of knowledge creation, validation, presentation, distribution and application |
| Holm (2001) | KM is getting the right information to the right people at the right time, helping people create knowledge and sharing and acting on information |
| Horwitch and Armacost (2002) | KM is the creation, extraction, transformation and storage of the correct knowledge and information in order to design better policy, modify action and deliver results |

In these times of intense competition, firms are striving to cope with the challenges posed by various forces ranging from globalization to the diffusion of technology innovation to the creation, adoption and dissemination of knowledge (Haque et al., 2014; Moha Asri & Azam, 2015; Haur et al., 2017). The upshot of such tumultuous changes has caused a paradigm shift in setting firm priorities that lay emphasis more on the utilization of its knowledge base than on the physical resources at its disposal. Consequently, conventional business strategies must adjust to the dynamics of the evolving business landscape through the employment of knowledge-based resources in order to harvest a sustained competitive advantage (Grover and Davenport, 2001; Jackson *et al*. 2003; Sharkie, 2003). Firms, which are involved in such generation and deployment of knowledge, are, therefore, poised to reap the windfalls in these days of exponential knowledge growth. It is thus no wonder that various aspects concerning knowledge management have consumed a considerable attention from academicians as well as industry players with the latter beginning to envisage managing their knowledge-base as part of their overall strategic initiatives (Hung *et al*., 2005).

Based on the literature support in the preceding sections, the hypothesized research model and the key relationships to be tested in this study are illustrated in Figure 1.

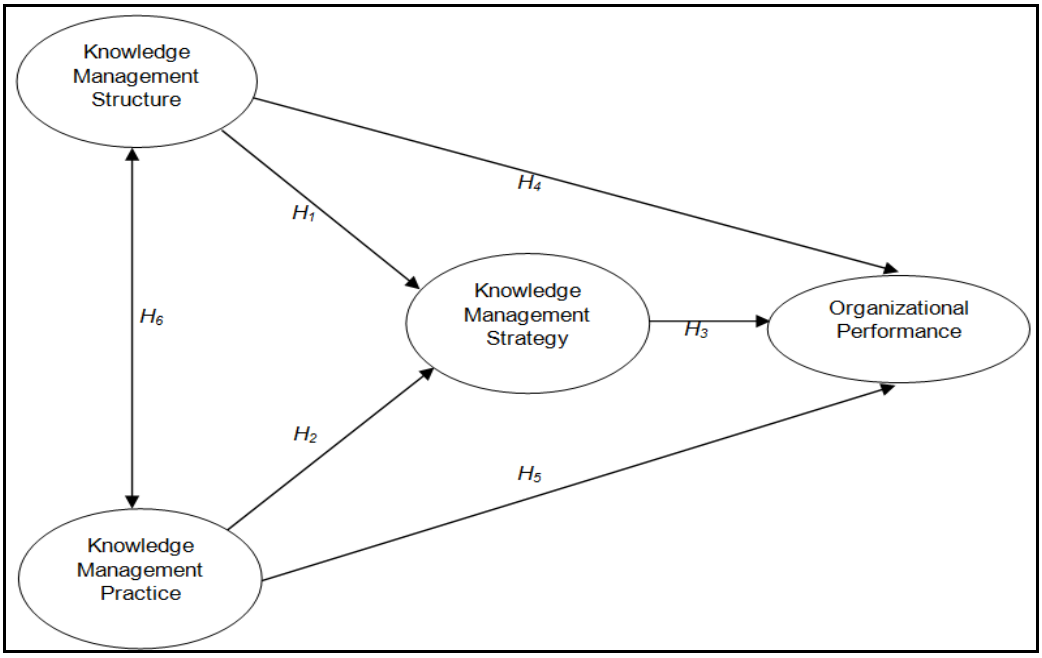


**Figure 1:** The Conceptual Framework

In this proposed model, six primary hypotheses are developed to test the relationships among the various variables; besides, a couple of mediated relationships are also tested.

$H_1$: Knowledge management structure is positively related to knowledge management strategy.

$H_2$: Knowledge management practice is positively related to knowledge management strategy.

$H_3$: Knowledge management strategy is positively related to organizational performance.

$H_4$: Knowledge management structure is positively related to organizational performance.

$H_5$: Knowledge management practice is positively related to organizational performance.

$H_6$: Knowledge management structure has a reciprocal relationship with knowledge management practice.

## 3. Research Methodology

Research design consists of three main types namely descriptive, explorative and experimental. The current study is using the descriptive design as the most appropriate study design for this kind of study. According to Sekaran and Bougie(2010), "*descriptive study is under taken in order to ascertain and be able to describe the characteristics of the variables of interest in a situation*" (p.105). This type of study is a guide for making observations to proper documentation of phenomenon of interest based on scientific method and therefore it is more reliable than doing casual observation which is conducted by untrained people (Bhattacherjee, 2012).

The main purpose of the study is to determine the knowledge management strategies and organizational performance in Abu Dhabi Government Entities. The two main methods which consist in research approach are deductive and inductive (quantitative and qualitative approach). Quantitative method relies on the collection of quantitative data which is mainly used in descriptive studies for testing a theory. So, to test the specific relationship of hypotheses, quantitative data must be collected to analyze the relationship and finally the result could be generalized on the population and select a sufficient sample size which represents the whole population. For this research, the data are subsequently analyzed to explain the relationships among the variables by employing statistical analysis namely descriptive and inferential statistics. The sample size was 331 for this study and simple random sampling was employed.

## 4. Research Findings

The composition of the sample indicated that the 88% of respondents are represented by males while the remaining 12% are represented by the female respondents. Findings

reveal that the largest group of respondents fell into the 31-35 years age group (41%), followed closely by 41% are above the 36 year age group. Of the rest closely by the 26 - 30 age groups at 15% and below 20 year age group represent by 9%. The educational level of the respondents reflects that the most of the executive officers that had a degree which is noted at 42.5%, 10.0% had a diploma while 30% had the secondary education qualification and 16.9% of the respondents' had qualified with school training. In order to that most of the non-executives of government entities who, are qualified with a degree which is evident from the study.

Item-wise descriptive statistics are presented in Table 2 below. From the table, is can be observed that the item "In their government work, our employees rely on experience, skills and knowledge" has achieved the highest mean value (4.480) with a standard deviation of .670. This confirms that majority of the respondents strongly agreed that government work activities are emphasized by employees' experience, skills and knowledge. On the other hand, the item "Managerial records are kept in proper manner in our organization" has achieved the lowest mean score of 3.480 with a standard deviation of .932. This means that majority of the respondents neither agrees nor disagrees to this statement.

**Table 2:** Descriptive Statistics

| Code | Item | Mean | Std. Deviation |
|---|---|---|---|
| Q1 | Our employees obtain a good extent of new knowledge from internal and external sources | 4.22 | .763 |
| Q2 | Our employees gain new knowledge from business partners and rivals | 4.42 | .651 |
| Q3 | Our organization recognizes knowledge creation as a resource | 4.31 | .674 |
| Q4 | We look for opportunities to learn more about knowledge for internal and external operations | 4.27 | .668 |
| Q5 | In their government work, our employees rely on experience, skills and knowledge | 4.48 | .671 |
| Q6 | Our organization encourages and rewards the sharing of knowledge | 4.18 | .841 |
| Q7 | Our organization encourages engaging in dialogue or brainstorm session for new knowledge | 4.31 | .707 |
| Q8 | Workshops and training programs are thought sufficient in our organization for knowledge management | 4.35 | .699 |
| Q9 | Our organization thinks that the knowledge sharing results in increased proper practice and performance | 4.42 | .710 |
| Q10 | Protecting one's knowledge is considered to be a way of life in this organization | 4.23 | .699 |
| Q11 | Personally gained experience is considered as an important input for knowledge management in our organization | 4.21 | .670 |
| Q12 | Our organization is fair in knowledge-related performance measurement | 4.24 | .635 |
| Q13 | Explicit knowledge is seen as a significant aspect for financial knowledge in the organization | 4.34 | .563 |
| Q14 | The organization has better communicated relevant knowledge with employees for better knowledge management practice | 4.25 | .645 |

| | | | |
|---|---|---|---|
| Q15 | Organizational knowledge is expressed by employees such a way that the organization gets benefit from it | 3.94 | .904 |
| Q16 | Our organization gives priority to the understanding of successful and purposeful knowledge management practice that explains effective strategy | 3.91 | .819 |
| Q17 | Our organization thinks that appropriate knowledge management practice helps to explain the reasoning which enhances proper strategy for business performance | 4.17 | .809 |
| Q18 | Employees in our organization have gained a good extent of knowledge management structure that employs an expected organizational performance | 3.95 | .807 |
| Q19 | Our organization culture encourages teamwork among the employees | 4.21 | .826 |
| Q20 | Our organization culture improves involvement of workers in the workplace | 4.33 | .759 |
| Q21 | We have an open and trusting culture to increase the organizational performance | 4.22 | .729 |
| Q22 | In our organization, knowledge management structure is encouraged for expected knowledge management practice and organizational success | 4.02 | .866 |
| Q23 | Training and learning in regard to appropriate knowledge management strategy is adequate in the organization | 4.17 | .885 |
| Q24 | The knowledge management is communicated throughout the organization for performing suitable risk taking activities | 4.29 | 1.061 |
| Q25 | We encourage employees to benchmark other organizations' best practices | 4.46 | .797 |
| Q26 | For our knowledge management process/activities, our organization does have specific goals and objectives | 3.82 | .648 |
| Q27 | Our organization provides sufficient managerial and operational efforts for appropriate strategy | 3.83 | .932 |
| Q28 | The environment of our organization has established a suitable process which supports controlling of management strategy | 3.77 | .896 |
| Q29 | In our organization, all relative documents are sent out to the respective people in a timely manner | 4.10 | .977 |
| Q30 | The organization controls its knowledge management, make ends meet, plan for the future and choose a suitable knowledge management practice | 3.90 | .912 |
| Q31 | Management control and checking records are appropriately exercised in our organization | 3.67 | .757 |
| Q32 | Managerial records are kept in proper manner in our organization | 3.48 | .932 |
| Q33 | We establish internal benchmark on coordination of strategy, budget, HR systems | 3.59 | .805 |
| Q34 | Our organization's knowledge management is based on management's established structure | 3.54 | .997 |
| Q35 | There is a written knowledge management report prepared by the top management which is raised in each management meeting | 3.95 | .734 |
| Q36 | Our organization's sales turnover has increased | 3.94 | .845 |
| Q37 | Our organization's market share has increased | 4.03 | .902 |
| Q38 | The number of employees has increased in our organization | 3.75 | .792 |
| Q39 | There is an improvement in preparing for the future financial growth | 3.68 | .807 |
| Q40 | There is an improvement in overall business circumstance of our organization | 3.68 | .822 |

The study aimed to identify the construct validity of Knowledge Management Structure (KMS), Knowledge Management Practice (KMP), Knowledge Management Strategy (KMST) and Organizational Performance on the basis of data collected from 331 respondents (n = 331) who were the executives, non-executive and the employees of various Government Entities (GE) in Abu Dhabi. The dimensionality of the Knowledge Management Structure (KMS), Knowledge Management Practice (KMP), Knowledge Management Strategy (KMST) and Organizational Performance (OP) were sought through a principal component analysis (PCA) after which a confirmatory factor analysis (CFA) was conducted to confirm the dimensionality obtained through PCA.

The PCA was to explore the underlying dimensions of Knowledge Management Structure (KMS), Knowledge Management Practice (KMP), Knowledge Management Strategy (KMST) and Organizational Performance within the Abu Dhabi Government Entities (GE) context. First, the statistical assumptions of PCA were tested. The exercise revealed that a substantial number of variables were correlated ($r \geq .30$). In addition, the two measures for inter-correlations among variables supported the use of PCA (Hair et al., 2010; Kline, 2011; Kothari, 2004; Neuman, 2007). Bartlett's Test of Sphericity was statistically significant [4190.487, $p = .000$], while the Kaiser-Meyer-Olkin (KMO) measure of the sampling adequacy (MSA) was .857, indicating that the inter-correlations were sufficient for PCA (Pallant, 2007) (Table 3).

**Table 3:** KMO and Bartlett's Test

| | | |
|---|---|---|
| **Kaiser-Meyer-Olkin Measure of Sampling Adequacy.** | | .857 |
| **Bartlett's Test of Sphericity** | **Approx. Chi-Square** | 4190.487 |
| | **df** | 406 |
| | **Sig.** | .000 |

PCA with Varimax rotation was performed on the data collected. Four latent factors were extracted with eigenvalues greater than one, explaining 55.70% of total variance (Table 4). Thus, the results show that four latent factors were successfully extracted on 29 items. Table 4 shows that factor loadings are between .531 and .784. Following the guideline provided by the scholars (Byrne, 2010; Hair et al., 2010, Kline, 2011; Nunnally & Berstein, 1994), all four factors were renamed as Knowledge Management Structure (KMS), Knowledge Management Practice (KMP), Knowledge Management Strategy (KMST) and Organizational Performance, respectively.

**Table 4:** Total Variance Explained

| Component | Initial Eigenvalues | | | Extraction Sums of Squared Loadings | | | Rotation Sums of Squared Loadings | | |
|---|---|---|---|---|---|---|---|---|---|
| | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % | Total | % of Variance | Cumulative % |
| 1 | 7.818 | 26.960 | 26.960 | 7.818 | 26.960 | 26.960 | 5.845 | 20.156 | 20.156 |
| 2 | 3.766 | 12.987 | 39.946 | 3.766 | 12.987 | 39.946 | 3.604 | 12.427 | 32.583 |
| 3 | 2.490 | 8.587 | 48.533 | 2.490 | 8.587 | 48.533 | 3.476 | 11.987 | 44.571 |
| 4 | 2.078 | 7.167 | 55.700 | 2.078 | 7.167 | 55.700 | 3.227 | 11.129 | 55.700 |
| 5 | .942 | 3.249 | 58.948 | | | | | | |
| 6 | .914 | 3.151 | 62.099 | | | | | | |
| 7 | .880 | 3.034 | 65.133 | | | | | | |
| 8 | .845 | 2.914 | 68.047 | | | | | | |
| 9 | .785 | 2.708 | 70.755 | | | | | | |
| 10 | .720 | 2.484 | 73.239 | | | | | | |
| 11 | .702 | 2.421 | 75.660 | | | | | | |
| 12 | .646 | 2.229 | 77.889 | | | | | | |
| 13 | .620 | 2.140 | 80.029 | | | | | | |
| 14 | .548 | 1.888 | 81.917 | | | | | | |
| 15 | .518 | 1.785 | 83.702 | | | | | | |
| 16 | .499 | 1.720 | 85.423 | | | | | | |
| 17 | .464 | 1.599 | 87.022 | | | | | | |
| 18 | .460 | 1.588 | 88.610 | | | | | | |
| 19 | .431 | 1.485 | 90.094 | | | | | | |
| 20 | .405 | 1.397 | 91.492 | | | | | | |
| 21 | .364 | 1.256 | 92.748 | | | | | | |
| 22 | .360 | 1.241 | 93.989 | | | | | | |
| 23 | .342 | 1.179 | 95.168 | | | | | | |
| 24 | .279 | .964 | 96.132 | | | | | | |
| 25 | .270 | .929 | 97.061 | | | | | | |
| 26 | .254 | .874 | 97.936 | | | | | | |
| 27 | .227 | .782 | 98.718 | | | | | | |
| 28 | .205 | .709 | 99.427 | | | | | | |
| 29 | .166 | .573 | 100.000 | | | | | | |

The internal consistency of all the factors were obtained by computing the Cronbach's Alpha coefficient on the four extracted factors was retained by PCA. In view of the guidelines by researchers (Cronbach, 1951; Sekaran & Bougie, 2010), Cronbach's Alpha was employed to estimate the reliability of the extracted factors as presented in Table 5. All four factors [Knowledge Management Structure (KMS), Knowledge Management Practice (KMP), Knowledge Management Strategy (KMST) and Organizational Performance (OP)] had good reliability indices of .909, .833, .827 and .833, respectively.

**Table 5:** Reliability Statistics

| Variable | Cronbach's Alpha | N of Items |
|---|---|---|
| Knowledge Management Structure (KMS) | .909 | 11 |
| Knowledge Management Practice (KMP) | .833 | 5 |
| Knowledge Management Strategy (KMST) | .827 | 7 |
| Organizational Performance (OP) | .833 | 6 |
| Overall | .897 | 29 |

The results of CFA to support the discriminant validity of Knowledge Management Structure (KMS), Knowledge Management Practice (KMP), Knowledge Management Strategy (KMST) and Organizational Performance (OP). To achieve the discriminant validity, this study also runs CFA by linking all the constructs together to examine whether these constructs are highly correlated. In the case where the measure of correlation between two constructs is higher than 0.85, one could conclude that the discriminant validity is not achieved (Byrne, 2010; Zainudin, 2012). If the discriminant validity is not achieved, them the researcher needs to drop one of those two constructs for further analysis since it is like the mirror of the other (Byrne, 2010; Hair et al., 2010, Kline, 2011; Zainudin, 2012).

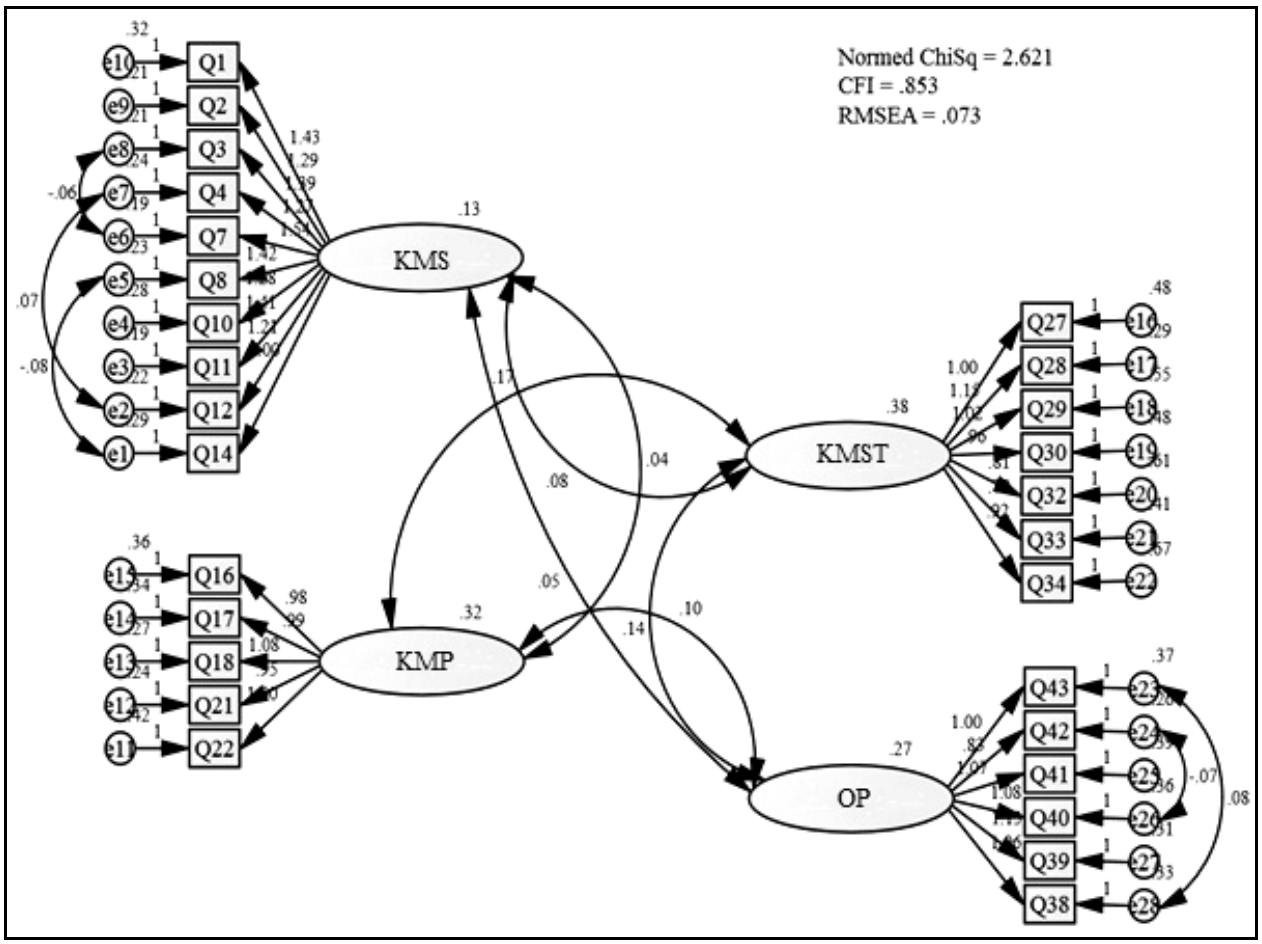


**Figure 2:** Examine Discriminant Validity between Constructs

Table 6 indicates that none of the constructs' correlation is higher than 0.85. Thus, it is assumed that the discriminant validity is achieved. However, in assessing the fitness for the measurement model, it was further found that the MI value between measurement errors e11 and e18, e5 and e18 were more than 15. Thus, Q18 was deleted due to multiple higher MI values with Q8 and Q22 (Byrne, 2010; Zainudin, 2012).

**Table 6:** Correlations among the Constructs

| Construct | Correlation | Construct | Estimate |
|---|---|---|---|
| Knowledge Management Structure | <--> | Knowledge Management Practice | .220 |
| Knowledge Management Structure | <--> | Knowledge Management Strategy | .361 |
| Knowledge Management Structure | <--> | Organizational Performance | .272 |
| Knowledge Management Practice | <--> | Knowledge Management Strategy | .487 |
| Knowledge Management Practice | <--> | Organizational Performance | .334 |
| Knowledge Management Strategy | <--> | Organizational Performance | .487 |

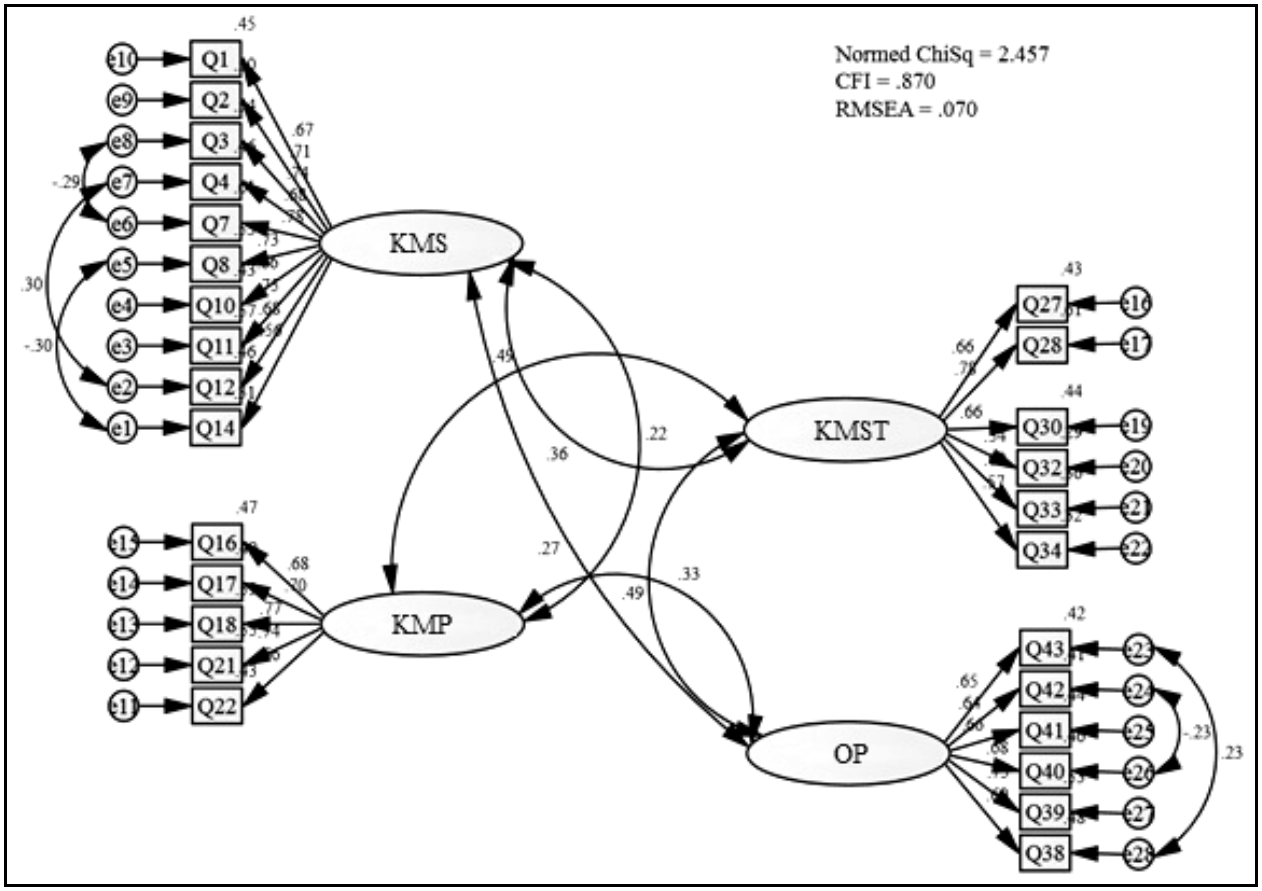


**Figure 3:** Examine Discriminant Validity between Constructs Re-specified

From Figure 3, it can be observed that after re-specifying the measurement model, the fitness level has slightly improved [Absolute fit (RMSEA) = .070, Incremental fit (CFI) = .870; and Parsimonious fit (ChiSq/df) = 2.457]. No further modification was necessary for this model.

**Table 7:** The CFA Results Reporting

| Construct | Item | Factor Loading | Cronbach alpha | CR | AVE |
|---|---|---|---|---|---|
| **Knowledge Management Structure (KMS)** | Q14 | .551 | .909 | .904 | .508 |
| | Q12 | .677 | | | |
| | Q11 | .753 | | | |
| | Q10 | .657 | | | |
| | Q8 | .733 | | | |
| | Q7 | .786 | | | |
| | Q4 | .681 | | | |
| | Q3 | .738 | | | |
| | Q2 | .711 | | | |
| | Q1 | .669 | | | |
| **Knowledge Management Practice (KMP)** | Q22 | .646 | .833 | .835 | .504 |
| | Q21 | .737 | | | |
| | Q18 | .759 | | | |
| | Q17 | .714 | | | |
| | Q16 | .690 | | | |
| **Knowledge Management Strategy (KMST)** | Q34 | .563 | .827 | .829 | .513 |
| | Q33 | .585 | | | |
| | Q32 | .535 | | | |
| | Q30 | .637 | | | |
| | Q29 | .661 | | | |
| | Q28 | .801 | | | |
| | Q27 | .679 | | | |
| **Organizational Performance (OP)** | Q43 | .629 | .833 | .833 | .515 |
| | Q42 | .636 | | | |
| | Q41 | .663 | | | |
| | Q40 | .698 | | | |
| | Q39 | .732 | | | |
| | Q38 | .679 | | | |

After this, hypothetical relationships are tested that sometimes is called confirmatory data analysis, is a hypothesis that is testable on the basis of observing a process that is modeled via a set of random variables. A statistical hypothesis test is a method of statistical inference. Commonly, two statistical data sets are compared, or a data set obtained by sampling is compared against a synthetic data set from an idealized model. A hypothesis is proposed for the statistical relationship between the two data sets, and this is compared as an alternative to an idealized null hypothesis that proposes no relationship between two data sets. The comparison is deemed statistically significant if the relationship between the data sets would be an unlikely realization of the null hypothesis according to a threshold probability, the significance level. Hypothesis tests are used in determining what outcomes of a study would lead to a rejection of the null hypothesis for a pre-specified level of significance.

**Table 8:** Hypothesis Testing (Maximum Likelihood Estimates)

| | | | Estimate | S.E. | C.R. | P |
|---|---|---|---|---|---|---|
| Knowledge Management Strategy | <--- | Knowledge Management Structure | .440 | .119 | 3.713 | *** |
| Knowledge Management Strategy | <--- | Knowledge Management Practice | .468 | .084 | 5.603 | *** |
| Organizational Performance | <--- | Knowledge Management Strategy | .286 | .075 | 3.823 | *** |
| Organizational Performance | <--- | Knowledge Management Structure | .176 | .096 | 1.831 | .067 |
| Organizational Performance | <--- | Knowledge Management Practice | .129 | .070 | 1.842 | .065 |
| Knowledge Management Structure | <--> | Knowledge Management Practice | .045 | .015 | 3.052 | .002 |

**Table 9:** Standardized Regression Weights: (Default model)

| Variable | Relationship | Variable | Estimate |
|---|---|---|---|
| Knowledge Management Strategy | <--- | Knowledge Management Structure | .250 |
| Knowledge Management Strategy | <--- | Knowledge Management Practice | .419 |
| Organizational Performance | <--- | Knowledge Management Strategy | .350 |
| Organizational Performance | <--- | Knowledge Management Structure | .122 |
| Organizational Performance | <--- | Knowledge Management Practice | .141 |
| Knowledge Management Structure | <--> | Knowledge Management Practice | .220 |

Total six hypotheses were also answered by goodness-of-fit indices showing that Knowledge Management Structure (KMS) and Knowledge Management Practice (KMP) substantially influence Knowledge Management Strategy (KMST) into the various government entities in Abu Dhabi. Moreover, it also shows the influence of Knowledge Management Strategy (KMST) on Organizational Performance (OP). However, the results did not support the second and fourth hypothesis that relate to the influence of Knowledge Management Structure (KMS) on and Organizational Performance (OP) and the influence of Knowledge Management Practice (KMP) on Organizational Performance (OP). The last research hypothesis was also addressed. It was revealed that there is a significant positive reciprocal relationship exists between Knowledge Management Structure (KMS) and Knowledge Management Practice (KMP). The main findings of the study are summarized in Table 10.

**Table 10:** Summary of the Main Findings of the Study

| H(x) | Hypothesis | Finding |
|---|---|---|
| H1 | Knowledge Management Structure (KMS) is positively related to Knowledge Management Strategy (KMST) | Accepted |
| H2 | Knowledge Management Practice (KMP) is positively related to Knowledge Management Strategy (KMST) | Accepted |
| H3 | Knowledge Management Structure (KMS) is positively related to Organizational Performance (OP) | Rejected |
| H4 | Knowledge Management Strategy (KMST) is positively related to Organizational Performance (OP) | Accepted |
| H5 | Knowledge Management Practice (KMP) is positively related to Organizational Performance (OP) | Rejected |
| H6 | There is a Reciprocal Relationship between Knowledge Management Structure (KMS) and Knowledge Management Practice (KMP) | Accepted |

## 5. Conclusion and Discussion

The first hypothesis was Knowledge Management Structure (KMS) is positively related to Knowledge Management Strategy (KMST).The probability of getting a critical ratio as large as 3.713 in absolute value is less than 0.001; in other words, the regression weight for Knowledge Management Structure in the prediction of Knowledge Management Strategy is significantly different from zero at the 0.001 level (two-tailed). Moreover, the parameter estimates also supported the adequacy of the revised model. This finding is also supported by past findings where the authors. The conventional business strategies must adjust to the dynamics of the evolving business landscape through the employment of knowledge-based resources in order to harvest a sustained competitive advantage (Lee and Choi, 2003; Chuang, 2004). Organizations, which are involved in such generation and deployment of knowledge, are, therefore, poised to reap the windfalls in these days of exponential knowledge growth (Nahm et al., 2004). It is thus no wonder that various aspects concerning knowledge management have consumed a considerable attention from academicians where theories play an important role on overall strategic initiatives (Hung et al., 2005).

Then, the second hypothesis stated that Knowledge Management Practice (KMP) is positively related to Knowledge Management Strategy (KMST). Results indicated that, the probability of getting a critical ratio as large as 5.603 in absolute value is less than 0.001, the regression weight for Knowledge Management Practice in the prediction of Knowledge Management Strategy is significantly different from zero at the 0.001 level (two-tailed). This finding is also supported by past findings where the authors. According to Schermerhorn (1999), knowledge management can harmonize various other organizational drives such as proper practice and building up the strategy (Lee and Choi, 2003; Hung et al., 2005). These days, knowledge is thus increasingly considered pivotal to achieving business excellence (McAulay et al., 1997; Nahm et al., 2004) with the high-performing organizations stimulating an atmosphere of continual learning through gaining knowledge, through discovery and innovation, and through courting risk (McGill et al., 1992).

Next, the third hypothesis stated that Knowledge Management Structure (KMS) is positively related to Organizational Performance (OP). The probability of getting a critical ratio as large as 1.831 in absolute value is .067, the regression weight for Knowledge Management Structure in the prediction of Organizational Performance is not significantly different from zero at the 0.05 level (two-tailed). This finding is also supported by past findings where the authors argue that the organizations performance in a social milieu, and hence the importance of a particular cultural context or norm it is driven by (Hofstede, 2001). Deemed therefore as a form of organizational capital (Camerer and Vepsalainen, 1988), the prevalence of a knowledge culture is instrumental in instituting knowledge management strategies in an organization and ultimately making it a success (Nahm et al., 2004). Besides, the relationship between organizational culture and the role it plays on its performance is highlighted in various studies Hung et al. (2005).

After that, the fourth hypothesis stated that Knowledge Management Strategy (KMST) is positively related to Organizational Performance (OP). The probability of getting a critical ratio as large as 3.823 in absolute value is less than 0.001, the regression weight for Knowledge Management Strategy in the prediction of Organizational Performance is significantly different from zero at the 0.001 level (two-tailed). This finding is also supported by past findings where the authors. According to Bhatt (2000), a learning culture devoted to upgrading the skills and capability of individuals helps an organization widen its breath of knowledge base. Such learning capabilities facilitate the employees in applying their conceptual knowledge (Tsai and Lee, 2006). This is critical as it would lead to creating and sustaining core competencies for the organisation (Simonin, 1997). This is in congruence with the study of See (2002), where a learning culture is found to be an antecedent in knowledge creation activities that consequently impact organisational performance. Besides, resource-based view of the firm holds that firms are a source of value-added capabilities (Wernerfelt, 1984), and such underlying organizational competencies would stem from judging the firm's resources from a knowledge-based standpoint (Prahalad and Hamel, 1990; Conner and Prahalad, 1996).

Furthermore, the fifth hypothesis stated that Knowledge Management Practice (KMP) is positively related to Organizational Performance (OP). The probability of getting a critical ratio as large as 1.842 in absolute value is .065, the regression weight for Knowledge Management Practice in the prediction of Organizational Performance is not significantly different from zero at the 0.05 level (two-tailed). This finding is also supported by past findings where the authors argue that performance rewards organizations that recognize their employees for what they know as well as for exchange of that knowledge nurture a climate that contributes to knowledge management efforts. However, since the role of a knowledge worker may occupy a new role within an organization, the flowering of a desired knowledge culture for exchange and utilization of knowledge requires some time. In order for such a culture fostering a knowledge sharing behavior to take firm root in an organization, it is critical that

exchange of knowledge and ideas within and across teams is rewarded, and not the individual performance, which might give way to knowledge hoarding (Walczak, 2005).

Finally, the sixth hypothesis stated that there is a Reciprocal Relationship between Knowledge Management Structure (KMS) and Knowledge Management Practice (KMP). The probability of getting a critical ratio as large as 3.052 in absolute value is .002, the covariance between Knowledge Management Structure and Knowledge Management Practice is significantly different from zero at the 0.01 level (two-tailed). This finding is also supported by past findings. Knowledge Management is important for organizations to develop competitive advantage (Walczak, 2005). The companies need proper management of the knowledge resources to create a greater ability to adapt and all managers and directors should realize that their knowledge resources with the employees is the greatest resource of the organization. All employees of the companies have mentioned matrix of knowledge as either collective or individual (van Zolingen et al., 2001; Hofstede, 2001). The companies need proper management of the knowledge resources to create a greater ability to adapt and all managers and directors should realize that their knowledge resources with the employees is the greatest resource of the organization.

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