

Achieving Organisational Performance through Knowledge Management Practices in Information Technology Companies in India: Mediating Effect of Organisational Innovation



Y. Faiza Tarnam¹, Dr U. Syed Aktharsha^{2*}, Dr G. Sivanesan³

¹PhD Part-Time Research Scholar, Jamal Institute of Management, Jamal Mohamed College (Autonomous), Affiliated to Bharathidasan University, Tiruchirappalli, Tamil Nadu, India. E-Mail: tarnamfaiza@gmail.com

^{2*}Associate Professor, Jamal Institute of Management, Jamal Mohamed College (Autonomous), Affiliated to Bharathidasan University, Tiruchirappalli, Tamil Nadu, India. E-Mail: samba@jmc.edu

³Professor and Director, Jamal Institute of Management, Jamal Mohamed College (Autonomous), Affiliated to Bharathidasan University, Tiruchirappalli, Tamil Nadu, India. E-Mail: snmba@jmc.edu

Abstract

This study explores Organisational Innovation (OI) as a mediator in the relationship between Knowledge Management (KM) practices and Organisational Performance (OP), using Partial Least Squares-Structural Equation Modelling (PLS-SEM). The study examines both the direct effects of selected KM practices on organisational performance and the indirect effects through organisational innovation. The findings indicate that Knowledge Management practices contribute more effectively to Organisational Performance. When Organisational Innovation acts as a mediator, particularly among employees in the Information Technology sector, it contributes more to performance. The study also identifies different perceptions among IT employees regarding organisational performance. Overall, the research highlights the importance of integrating knowledge management and innovation to improve organisational performance.

Keywords: Knowledge Management, Organisational Innovation, KM practices, Information Technology, Organisational Performance.

Introduction

Knowledge Management is conceptualised as a systematic process through which organisations leverage knowledge, experience, and expertise to develop new competencies, thereby improving performance, and scholars emphasise the strategic value of knowledge to examine how organisations can utilise this asset for organisational benefit. (Gold et al., 2001). According to empirical research, Knowledge Management ability plays a significant role in enhancing organisational performance by creating long-term intellectual assets (Shafique et al., 2022a). Knowledge management is an effective tool for achieving organisational objectives, enhancing performance, fostering innovation, and establishing a competitive advantage in the marketplace. Factors such as the knowledge-based economy, globalisation, technological advancement, and innovation are integral to organisational success (Barley et al., 2018). Knowledge Management practices encompass the processes of acquiring, creating, sharing, and utilising knowledge within organisations (Obeidat, 2016). The researchers noted in their study that virtuous knowledge management processes will help companies re-engineer their business processes, increase flexibility, and ultimately achieve a resilient supply chain model. To accomplish this, knowledge management enables the development of capabilities for supply chain resilience. With developments in

information technology, the pace of gathering, analysing, and generating knowledge has been greatly accelerated. Organisations sustain competitive advantages by being responsive to the dynamics of their environments and by launching new products and services (Shafique et al., 2022a, 2022b). Knowledge Management Infrastructure encompasses all the elements, such as structure, culture, and technology, that facilitate knowledge flows (Ahmad et al., 2017).

A researcher noted in his study that Knowledge Management practices comprise four components: knowledge generation and acquisition, knowledge organisation and storage, knowledge dissemination and sharing, and knowledge application (Pomffyova, 2010). Knowledge generation and acquisition are accomplished through individual actions, in that individuals integrate and internalise existing knowledge, leading to the creation and development of new ideas. Knowledge generation involves creating new knowledge, either through individual action or teamwork. Organisations are constantly engaged in knowledge generation, which is an important element of Knowledge Management (Nonaka, 1994). This knowledge is utilised for the benefit of the organisation by organisational agents or participants (Vorbeck & Finke, n.d., 2001). Knowledge organisation and storage involve organising and

securing knowledge so that it can be used when the need arises. Knowledge is stored by organisations in various formats, including written documents, electronic databases, and other formats. New knowledge is always stored by organisations after it has been developed (Gray & Fu, 2004). Knowledge dissemination and sharing relate to how knowledge is shared after its generation. Indeed, one of the reasons for storing knowledge is to facilitate its sharing when the need arises (Vorbeck & Finke, n.d., 2001). Research in the area of Knowledge Application has been extensive, and KM focuses on the strategic planning processes adopted by managers for the identification, creation, sharing, storing, distribution or transmission of knowledge within organisations (Nonaka, 1994). Although there have been variations in the definition of knowledge among scholars, all scholars agree that Knowledge Management is a strategic asset (Rechberg & Syed, 2013; Tseng & Fan, 2011).

Various research findings indicate that organisations that apply Knowledge Management are more successful than those that do not adopt Knowledge Management strategies. For example, through a comprehensive literature search, it was found that previous research conducted in India has largely focused on the efficacy of Knowledge Management practices, and they were focused on improving performance (Kammani et al., 2013). Various empirical studies examine the linkages between Organisational Innovation (OI) and its practice in the OI literature (Hult et al., 2004). A few highlights that Knowledge Management facilitates organisational learning (Park & Kim, 2018), while others claim that Knowledge Management increases innovation levels in both learning and innovation, which aids in improving performance (Donate & Guadamillas, 2010; Donate & Sánchez de Pablo, 2015). The researchers have mentioned that Knowledge Management activities are strongly related to organisational performance (Ahmad et al., 2017b). There exist various studies focusing on the relationship between Knowledge Management practices and performance; not all, but some scholars argue that Knowledge Management practices positively influence performance (Bhatti et al., 2011; Donate & Guadamillas, 2010; Kotrba et al., 2012; Rechberg & Syed, 2013). There was substantial overlap, with some researchers focusing on the theoretical basis of Knowledge Management, performance measurement, and the evaluation of Knowledge Management performance. Several models have been proposed by scholars to examine the relationship between Knowledge Management practices and organisational performance (Alavi et al., n.d.; Choy et al., 2006). Each model has its own strengths, and no single model is universally accepted as the best. Trying to identify a unique model would prove counterproductive. Nevertheless, identifying an unexplored relationship might prove rewarding for future research endeavours (Chen & Chen, 2006).

Literature Review

Knowledge Management infrastructure refers to all components, such as organisational structure, culture, and technology, that help in transferring knowledge (Payal et al., 2019). There have been several studies by scholars that have recognised organisations using Knowledge Management practices as those that are performing better than others, and any company can advance through knowledge management (Marqués & Garrigós-Simón, 2006; Chang & Lin, 2007). It is a set of strategies that associates software engineering, business practices, technology, human resource management, and organisational behaviour (H.-Y. Lee & Roth, 2008a, 2008b; K. Shahzad et al., 2016). Improve the quality of decision-making and the growth of organisational performance for the establishment of innovation and creativity (Marqués & Garrigós-Simón, 2006). Effective application of knowledge has been a distinctive feature of many successful companies. For those who wish to maintain their position, understanding the significance of knowledge management and its contribution to organisational success is essential. Knowledge and innovative learning management are essential components of organisational performance (Rajiani & Normuslim, 2023a, 2023b). The significant advancements in organisation are the development of knowledge functions that facilitate the use of knowledge and skills by the management whenever there is a need for the upliftment of organisational performance (Migdadi, 2022). Knowledge is an essential component for growth and innovation in organisations, particularly when employees are supposed to fulfil their obligations and the difficulties faced when adopting a knowledge-sharing culture (Donatus & PhD, 2022). The systems are many and difficult to solve, but fortunately, some bits of literature have managed to address the difficulties that come along with the adoption of knowledge systems, knowledge networks, innovation and organisational performance (Olan et al., 2022).

Knowledge acquisition is defined as the process whereby organisations get knowledge through different means, either within the organisation or externally (Payal et al., 2019). Personal interactions or interpersonal relationships, inter-organisational interactions, and codified knowledge, like reports and manuals, are some instances of sources and means of acquiring knowledge (Dokas & Panagiotakopoulos, 2006; Henttonen et al., 2013). An organisation's capability to realise, recognise, and utilise knowledge, which helps improve its performance, is what drives the knowledge acquisition process (Henttonen et al., 2016; Payal et al., 2019). The arrangement and retention of information within the firm's data sources is referred to as knowledge storage. The success with which innovations in the area of knowledge storage are assumed by an organisation largely hinges on the flexibility of the firm's organisational structures (Y. Y. Chang et al., 2017;

Franco & Mariano, 2007; T. S. Lee & Tsai, 2005; Mishra & Uday Bhaskar, 2011; Singh & Soltani, 2010). As noted by (Y. Y. Chang et al., 2017; Gold et al., 2001; Ittner et al., 2003), Innovations affect the different aspects of commercial performance within an organisation, such as the quality of the faculty and productivity of order responses and such innovations also provide easy access to organisational resources that produce competitive advantage. Innovation is an entrepreneur's responsibility in creating new wealth through the generation of wealth creation means (Ittner C et al., 2003). The transformational leadership model is important in endorsing innovation and learning among employees. The leader, through learning and innovation, overcomes the inner cynicism and outer distractions that make learning and innovation difficult within the organisation (Franco & Mariano, 2007). Different empirical studies form the basis of Organisational Innovation literature, which explores the relationship between Organisational Innovation and practice (Hult et al., 2004). Performance is a key factor that determines whether an organisation succeeds or fails in its operations (Masa'deh et al., 2016). For example, organisations that perform well in their respective markets are deemed successful, while organisations that underperform in the same markets are regarded as failures in the marketplace. Knowledge is considered an important organisational resource in some researchers' views, such as (Obeidat, 2016; Obeidat et al., 2016). For the purposes of sustaining organisational success and competitive advantage, knowledge must be managed properly, according to (F. Shahzad et al., 2012).

The researchers conducted research concerning the influence of knowledge creation on organisational resilience on organisational performance within the Saudi Banks. The researchers used surveys whereby a total of 300 respondents were sent emails, of which 240 responses were completely filled out. The results showed that knowledge creation positively influences resilience capacity, hence improving organisational performance (Alharthy et al., n.d.). The authors adopted a survey method while testing their hypotheses through multiple regression analysis for knowledge creation and organisational performance, which has a mediating process from organisational agility. The findings of the research showed that knowledge creation processes boost creativity within an organisation, resulting in better organisational performance (Chung et al., 2019). The researchers have done a study on the relationship between organisational culture and performance with knowledge management practices as a moderator in information technology companies in India. The results reveal that cooperative culture, innovative culture, consistent culture, and effectiveness culture were all positively and significantly related to organisational performance. Various researchers have clearly stated that Knowledge Management practices were positively and significantly related to

organisational performance, and KM practices moderate the relationship between various dimensions of organisational culture and organisational performance (Shea et al., 2023).

An investigation carried out by Tamsah et al. (2020) on the relationship between training, knowledge, and work-life quality in civil servants' performance in Indonesia showed that knowledge sharing influences civil servants' performance indirectly, rather than directly. The research utilised a quantitative methodology for SEM-AMOS analysis. Research conducted by Li et al. (2019) regarding intellectual capital, knowledge sharing, and innovation performance in the Chinese construction industry found that knowledge sharing has a positive effect on the innovation performance of the firm. A questionnaire survey method was used for data collection. The study focused on managers and workers of construction firms operating in China. Exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) were applied. The empirical research on knowledge management and organisational performance among SMEs from Malaysia was carried out by Park & Kim (2018). The study comprised 116 SME top managers. Hypotheses were tested using SmartPLS 2.0 (M3). The results showed that knowledge protection positively influences organisational performance.

However, despite abundant literature in the area, failure to reach an acceptable level of agreement regarding the link between Knowledge Management practices and organisational performance has been a major drawback (Inkinen, 2016; Nonaka, 1994; Perez-Arrau et al., n.d., 2014). Hence, to overcome this drawback, the current paper mainly focuses on Knowledge Management and Performance mediated with Innovation. From all the above research studies, it has been clearly shown that Knowledge Management plays a vital role in all areas, with Performance, Innovation and in a few other ways. In this study, Knowledge Management is more effective for Organisational Performance when mediated by Organisational Innovation among the employees in Information Technology companies. This study also finds that various perceptions shared among IT employees regarding performance and the organisation's performance may depend on various aspects. In this study, knowledge management practices with the organisation's innovation have been carried out in a few ways, and KM is positively and significantly associated with performance and innovation.

H1: Knowledge Management is significantly and positively associated with Organisational Innovation.

H2: Organisational Innovation is significantly and positively associated with Organisational Performance.

H3: Knowledge Management is significantly and positively associated with Organisational Performance.

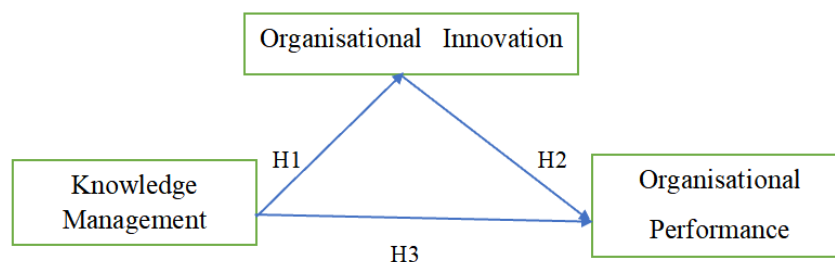


Figure 1. Conceptual Model

Methods

Research Methodology

The methodology to be used in the study comprises several components that provide a sensible, systematic approach through which this research will observe the impact of Knowledge Management practices on innovation and performance, from the design of the research and its methods of data collection and analysis to the general tactic towards answering the research questions. This study uses a mixed-methods design that integrates both qualitative and quantitative methods. The design enables a comprehensive examination of the influence of Knowledge Management practices on innovation and performance, as the methodology captures numerical data and insights. It involves a structure that emphasises the statistical tests necessary for identifying relationships among variables, such as the implementation of Knowledge Management practices, the efficacy of organisational innovation, and performance, as per a qualitative approach. It shall provide the depth needed to understand the mechanisms and experiences through various processes.

Sample Size

A carefully created survey instrument was distributed. The data were collected from 295 respondents from 5 information technology companies in India. After analysing the psychometric properties of the instrument, this paper examines the sample from the employees in the IT industry in India. The employees in 5 companies were contacted, and the survey instrument was distributed to 1000 IT employees. We received 648 surveys. Out of these, 353 were incomplete and hence were not a part of the analysis. In all, 295 responses were used in the data analysis. The sample size of 295 was deemed large enough to provide a robust dataset for SEM analysis. We have analysed Construct Reliability and Validity, Discriminant Validity - Fornell - Larcker criterion, Heterotrait - Monotrait Ratio (HTMT) - Matrix, Model Fit, and Total Effects - Mean, STDEV, T-value, p-value. This provides sufficient power to detect significant relationships among the variables, thereby

contributing to the validation of the model.

Sampling Method

Convenience Sampling is used due to practical limitations and the need for efficient data collection. It enables quick access to data at minimal cost for a study using an existing database of Knowledge Management practices. Though this approach may introduce bias, it shall yield meaningful insights into how Knowledge Management practices influence organisational innovation and performance.

Data Collection Methods

A) Quantitative Data Collection: Structured questionnaires were used for employees in IT companies. These questionnaires shall contain questions related to the knowledge process, implementing innovative ideas, introducing innovative products, developing new knowledge technologies, capturing the organisation's performance, effective measures, and so on. The survey will use 5-point Likert scales to determine responses and will be circulated via an online platform to capture a wide audience.

B) Qualitative Data Collection: Telephonic interviews with a few Project Managers were conducted to gather information about the process and effectiveness of Knowledge Management practices being implemented in IT organisations.

Data Analysis Techniques

The basic features of data collected from surveys and web analytics will be briefed and labelled.

Relationships between Knowledge Management practices, organisational innovation and performance can be tested using various techniques. The hypotheses related to the interrelation between Knowledge Management practices, organisational innovation and performance will be tested using Structural Equation Modelling. Thematic Analysis helps classify and analyse themes and patterns from

interviews. Data are coded to sort responses and draw out meaningful perceptions related to Knowledge Management practices and their influence on performance. The analysis of the content from the interviews will bring out how Knowledge Management practices have been applied in practice and are alleged to present aids or tasks.

Research Approach

Validity and reliability certify the findings from quantitative and qualitative data, confirming the strength of the results. A mixture of purposive and random sampling was used to certify that the study is proper and abides by the following standards:

- a) Obtain informed consent from all participants surveyed.
- b) Confirm that information from the survey and interview remains confidential.
- c) Ensures accountable data management and protection in accordance with privacy laws.

Results

The PLS-SEM algorithm is used, and the items are

found to be consistent with the guidelines recommended by (Hair et al., 2013). The algorithm should be joined in an iteration lower than the maximum number of iterations as set in the algorithm's parameter settings (Sarstedt & Liu, 2024). The path coefficients in the structural equation model have to be observed, after which the indicator reliability, internal consistency reliability, discriminant validity, and convergent validity of the reflective measurement model are to be tested and should be found suitable (Kwong & Wong, 2015).

Indicator Reliability

Reliability is a prerequisite for validity; indicator reliability is first assessed to confirm that the associated indicators share much in common, captured by the latent construct. After examining the outer loadings for all latent variables, indicators should be removed if their outer loadings are below the 0.4 threshold. All indicators are retained because their outer loadings exceed the 0.4 threshold (Table 1).

Table 1: Outer Loadings

	Knowledge Management	Organisational Innovation	Organisational Performance
KM1	0.702		
KM2	0.787		
KM3	0.737		
KM4	0.541		
KM5	0.814		
KM6	0.808		
KM7	0.805		
KM8	0.738		
OI1		0.667	
OI2		0.761	
OI3		0.778	
OI4		0.727	
OI5		0.579	
OI6		0.718	
OI7		0.753	
OI8		0.790	
OI9		0.710	
OP1			0.783
OP2			0.746
OP3			0.859
OP4			0.841
OP5			0.805
OP6			0.829
OP7			0.827
OP8			0.669

Convergent validity

The text explains that convergent validity refers to the model's ability to explain the variance among the indicators. The AVE can provide evidence of convergent validity, and a threshold of 0.5 is often

suggested as indicative of it. All of our constructs exceeded this level. Since all of these constructs met discriminant validity and other reliability tests, they are kept in the model to maintain content validity. The AVE for the latent constructs Knowledge Management, Organisational Innovation, and

Organisational Performance are 0.557, 0.523, and 0.635, respectively, as given in Table 2, well above the required minimum level of 0.50. Therefore, the measures of the three reflective constructs can be said to have high levels of convergent validity.

Table 2: Validity and Reliability Statistics

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Knowledge Management	0.883	0.884	0.908	0.557
Organisational Innovation	0.884	0.889	0.907	0.523
Organisational Performance	0.917	0.918	0.933	0.635

Discriminant Validity

A common and conservative approach that has to be used to assess discriminant validity (Larcker, 1981). To establish the discriminant validity, the square root of average variance extracted (AVE) of each latent variable should be larger than the latent variable correlations (LVC) (Fornell & Larcker, 1997). Table 3

clearly shows that discriminant validity has been met for this research because the square root of AVE for Knowledge Management (KM), Organisational Innovation (OI), and Organisational Performance (OP) is much larger than the corresponding LVC.

Table 3: Fornell-Larcker Criterion

	KM	OI	OP	$\sqrt{\text{AVE}} > \text{LVC}$
KM	0.746			Yes
OI	0.587	0.723		Yes
OP	0.670	0.676	0.797	Yes

The square root of AVE values is shown in bold and printed in italics, the remaining elements are the latent variable correlations (LVC).

Results Based on PLS-SEM

The PLS structural model and hypotheses were tested by computing path coefficients (β s). Since the objective of PLS is to maximise explained variance rather than fit, prediction-oriented measures, such as R^2 , are used to evaluate PLS models. According to the recommendations, a bootstrapping procedure using

295 subsamples was performed to assess the statistical significance of each path coefficient. Hypothesised path coefficients, along with their bootstrap values, t values, and significance levels, are presented in Table 4.

Table 4: Path Coefficient

	Original Mean (O)	Mean of sample (M)	Standard Deviation (STDEV)	Path Coefficient β	T Statistics (O/STDEV)	P Values
KM -> OI	0.587	0.591	0.037	0.587	16.021	0.000
KM -> OP	0.416	0.415	0.058	0.416	7.135	0.000
OI -> OP	0.432	0.434	0.061	0.432	7.113	0.000

KM -> OI -> OP	0.254	0.257	0.042	0.254	6.083	0.000
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The results showed that all hypothesised relationships were significant, as shown in Table 4 and Figure 2. As predicted, the relationship between Knowledge Management (KM) and Organisational Innovation (OI) was positive ($\beta = 0.587$, $t = 16.021$, $p < 0.05$), thus supporting hypothesis H1. Regarding hypothesis H2, Knowledge Management (KM) has a significant relationship with Organisational Performance (OP) ($\beta = 0.416$, $t = 7.135$, $p < 0.05$). Hence, H2 was also supported. Regarding hypothesis

H3, Organisational Innovation (OI) has a significant relationship with Organisational Performance (OP) ($\beta = 0.432$, $t = 7.113$, $p < 0.05$). Hence, H3 was also supported. Regarding Hypothesis H4, the indirect effect of the construct is examined. Since Organisational Innovation acts as the mediator in the path between Knowledge Management and Organisational Performance, the indirect path is found to be significant ($\beta = 0.254$, $t = 6.083$, $p < 0.05$).

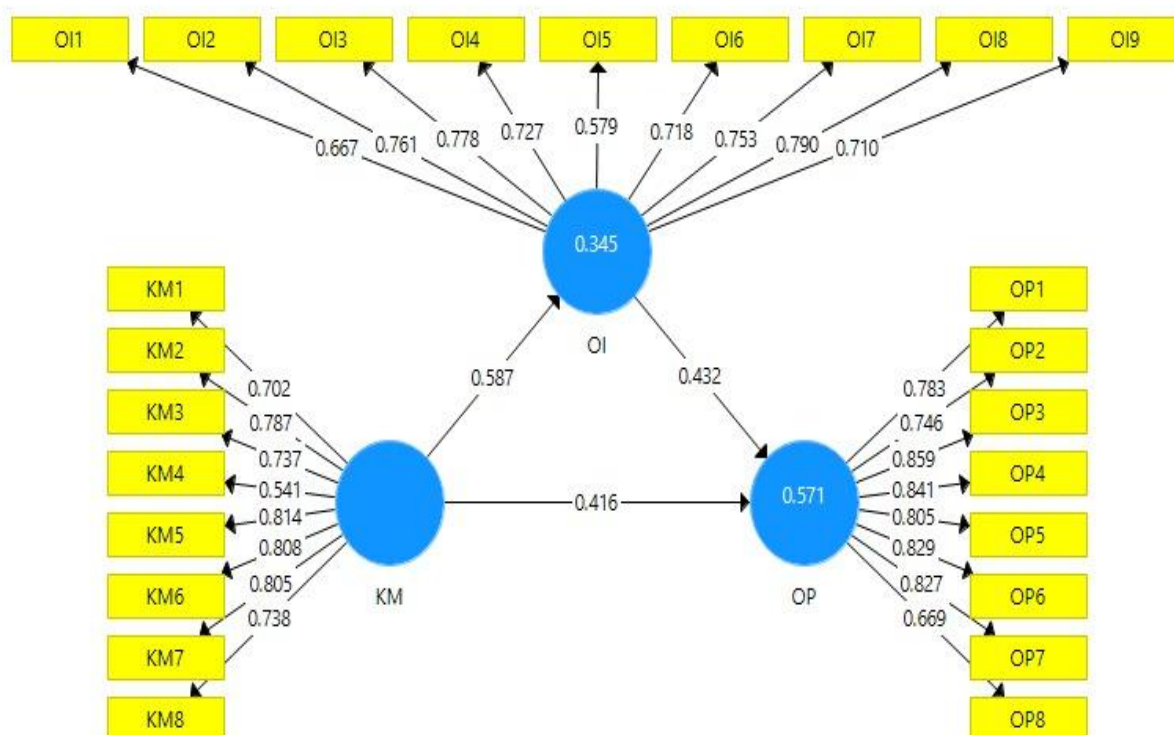


Figure 2: PLS-SEM exhibiting Path Coefficient, Outer loading and R-Square

The value of multiple R^2 may be decomposed in terms of the multiple regression coefficients and the correlations between the dependent variable and the explanatory variables. This decomposition helps understand the contribution of each explanatory

variable to the prediction of the dependent variable (i.e., OI). KM contributed 34.50% to R^2 , while OP and KM together contributed 57.10%, as shown in Table 5 and Figure 3.

Table 5: R^2 (R-Square)

	R-Square	Adjusted R-Square
OI	0.345	0.343
OP	0.571	0.568

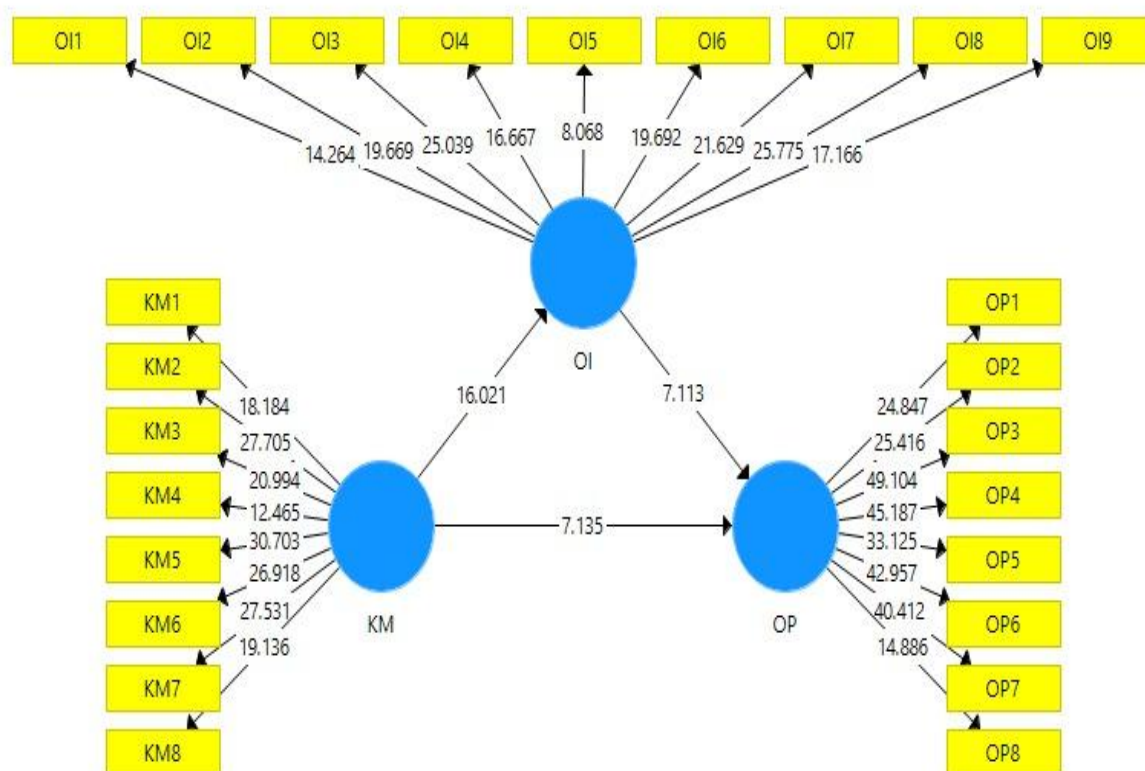


Figure 3: PLS-SEM exhibiting t-values

Collinearity Assessment

Collinearity is a potential issue in the structural model, and a variance inflation factor (VIF) of 5 or higher typically indicates this problem. Since the indicators are reflective in nature, inner VIF values

are used. As shown in Table 6, KM to OI has 1.000, KM to OP has 1.527, and OI to OP has 1.527, all of which are less than 5; there are no collinearity issues in the model.

Table 6: Collinearity Statistics - VIF

	KM	OI	OP
KM		1.000	1.527
OI			1.527
OP			

Effects based on F²

Cohen, n.d. (1988) A guideline that states that F² values of 0.02, 0.15, and 0.35 are interpreted as small, medium, and large effect sizes, respectively, it can be said that, in general, the exogenous variables have medium to large F² effect sizes on the endogenous variables. KM and OI are the two exogenous

constructs, and OP are the endogenous variable. In this model, KM has an F² value of 0.263, which has a medium effect on OP. OI as a Mediator has an F² value of 0.285, which has a medium effect size on OP, as shown in Table 7.

Table 7: F² (F-Square)

		OP	
	β	F ²	R ²

KM	0.587	0.263	0.571
OI	0.432	0.285	

Mediation Effect

To analyse a Mediation Model, the concept formulated by (Zhao et al., 2010) is followed. First Step is to verify the significance of the indirect path, which is the path between KM and OI, OI and OP. They are found to be Significant. Then, as the second step, the direct path is tested, which is KM to OP and is also found to be significant. As the third step, all three path coefficients' polarity signs have to be checked and are found to be positive. Therefore, this model is found to be Complementary Partial Mediation. Hence, Organisational Innovation acts as a Complementary Partial Mediator between KM and OP.

Discussion

Few researchers have evaluated the success with which innovations in the area of knowledge storage are assumed by an organisation, which largely hinges on the flexibility of the firm's organisational structures (Y. Y. Chang et al., 2017; Franco & Mariano, 2007; T. S. Lee & Tsai, 2005; Mishra & Uday Bhaskar, 2011; Singh & Soltani, 2010). The purpose of Knowledge Management is to enable innovation and creativity, enhance decision-making, and increase the performance of organisations through processes like creating, acquiring, storing, sharing, and applying knowledge both internally and externally within organisations (Tubigi & Alshawhi, 2015; Shamim et al., 2019). A researcher on Performance has mentioned it as a key factor that determines whether an organisation succeeds or fails in its operations (Masa'deh et al., 2016).

The objective of the present study is to reveal that KM has a positive impact on OP. It is also evident that KM contributed more to OI, and OI, in turn, has a significant impact on OP. The study clearly reveals that KM to OP was successful. Sharing knowledge among the members of the organisation and developing expertise by working together with colleagues has resulted in boosting the research activities in the organisation, which has directly impacted the increase in OP. The study also reveals that KM supports OI. This is evident because it maintains a strong relationship with members in the organisation due to the mode of Knowledge Management. The study explains the relationship between OI and OP, which is found to be positive. This adds to the fact that the performance of any organisation is achieved only via innovation. Since this study involves the mediation effect, it is very clear that the direct path of KM to OP was significant, and the indirect path of KM to OP via OI as a mediator was also significant. This supports the fact that this model is Complementary Partial mediation. But the results further emphasised that the indirect path is stronger

and more effective than the direct path itself. This means that KM is strongly impacting OP when mediated through OI, whereas it is weaker in direct comparison. Therefore, KM is more effective for OP when the OI is maintained among the IT professionals. The research would explain the causality and effects of Knowledge Management practices on organisational innovation and performance. Various organisations and geographical contexts can be focused on; this would establish whether the findings are specific or have wide generalizability. There is a chance to cover Qualitative research, which will give an even more in-depth view of innovation and performance with Knowledge Management practices, thus offering an elaborate understanding of how those practices influence performance. We can explore extra constructs; it would be advisable to include extra constructs to get a more complete model towards other factors affecting performance. The practices of Knowledge Management can help us with continuous improvement, research on innovations, and understanding the new impact on performance. Analysis of Knowledge Management practices can be used to articulate the strategies and experiences that improve overall innovation and performance. The research offers valuable insights into information technology, especially the employees, by decoding the complex ways in knowledge management practices, organisational innovation and organisational performance.

Understanding these dynamics, it empowers companies to adapt their strategies, improve learning abilities, and enhance organisational innovation, leading to organisational performance. Furthermore, the study's findings are essential in improving performance. By grasping the influence of Knowledge Management practices, innovation & performance, employees can create personalised interactions, offer relevant recommendations, and restructure the performance process. This modified approach not only satisfies employees but also cultivates brand innovativeness, learning abilities, performance level and various other factors. This research advances existing theories related to organisational innovation and organisational performance, providing a foundation for future studies. In essence, the research on the impact of knowledge management practices with the mediation of organisational innovation in the information technology sector is not merely an academic pursuit but a catalyst for positive change. Its implications lie in its potential to revolutionise the performance experiences, making it a vital and transformative area of study. Various research findings indicate that organisations that apply

Knowledge Management are more successful than those that do not adopt Knowledge Management strategies. Knowledge Management activities are strongly related to organisational performance (Ahmad et al., 2017b).

Conclusion

The study investigates the relationship between Knowledge Management (KM) practices, Organisational Innovation (OI), and Organisational Performance (OP) in the Information Technology sector. A mixed-methods research approach is used to obtain both quantitative and qualitative evidence about these relationships. Organisational Innovation acts as a mediating variable, meaning that KM practices may improve organisational performance, in part, by encouraging innovation. The study is practically useful because its findings can help IT organisations develop employee's knowledge, innovative capabilities, performance skills, and managerial effectiveness. Organisations that effectively implement KM practices and encourage innovation may be better positioned to achieve their strategic objectives and improve performance. Overall, the study argues that organisational performance is influenced by several factors, with knowledge management and organisational innovation being important contributors.

Limitation

The sample size and configuration may or may not be typical for various information technology organisations. The study only focussed with few practices of Knowledge Management, organisational innovation and performance. It can be a challenging factor to infer the results with information technology organisations. Due to the enormous number of technologies, the tools and applications may vary. The study might have missed a few effects and features due to difficulties in those technological aspects. The extensive view of results may not be possible to the full extent, as the research is based on a specific geographic orientation. Also, all the limitations of statistical methods apply to this research, as it relies on statistical analysis.

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