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KNOWLEDGE MANAGEMENT: A NECESSITY FOR ENHANCING ORGANISATIONAL PERFORMANCE

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ABSTRACT

The aim of this paper is to investigate knowledge management as a necessity for enhancing organizational performance. The concept of knowledge management and its dimensions were reviewed and the concept of organizational performance and its measured were also reviewed. This paper is anchored on Becker's (1962) Human Capital Theory of Earnings. Becker's Human Capital Theory of Earnings explains that organizations increases their productive capacity through their employees attaining more education and skill trainings. The study concluded that knowledge creation improves the performance of an organization. This paper concluded that knowledge storage enhances organizational performance by boosting its market share. It was also recommended that Organizations should embrace knowledge management processes such as knowledge creation, storage, sharing and application as well as adopting technologies that will support programs which will in turn bring about financial performance such as return on investment, sales costs and growth on the other hand and operational performance such as product quality, customer satisfactory, timeliness of delivery, productivity, efficiency, market share, strategic goal accomplishment.

Keywords: Knowledge Management, Knowledge Shearing, Financial Performance, Organisational Performance

INTRODUCTION

Knowledge is a familiarity, awareness, or understanding of someone or something, such as facts, skills or objects that gives a structure to assessing and fusing new aptitudes and data. It emanates from and applies to those of the ability to understand (Gronau et al., 2016). It can be stated that knowledge is an indispensable and intangible asset, in which its acquisition involves complex cognitiive processes of perception, learning, communication, association and reasoning (Epetimehin & Ekundayo, 2011). Knowledge is the concept, skill, experience and vision that provides a framework for creating, evaluating and using the information (Soltani & Navimipor, 2016). Knowledge has been termed as a vital resource of economy and possibly the single source of gaining competitive advantage (Intezari & Gressel, 2017).

Today's business world embraces the economy of knowledge to improve their corporate performance. It is the responsibility of an organization to have knowledge management on how to improve both their internal and external competitiveness (Tseng & Lee,2014).Knowledge management means the process of managing knowledge through a systematically and organizationally specified process (Wong et al., 2015).

Information technology improvement and introduction of innovations have enabled many organizations to remain competitive and these organizations are able to realize the changes from resource economy pertaining control of land,labour and capital and knowledge economy of business value creation by adequately using intangible knowledge. On the other hand, the key concern has been how to successfully achieve knowledge management (Hasan, 2016).

To stay competitive and to survive, there is a need to continuously modify strategies so as to achieve the needs of the business and this regards to the knowledge management growth in recent time (Pearlson et al., 2016). Organizations need a different kind of knowledge strategy

for different kinds of situations. According to Bishwas (2014), strategies regarding the management of crisis, knowledge and performance of organization are dependent on each other but not independent. The best transformation from tacit knowledge to explicit knowledge enables that organization to use the knowledge in finding the solution and to utilize any new chance and support organizational learning (Bishwas, 2014). The organizations that work as if their environment is still stable (old world of business), not only are they losing the competitive advantage; but also, they are facing massive financial losses (Muthee, 2014). They also lose knowledge of best practice in a specific area of operations because of a criticalemployee's departure and finally they lose in the relationship with a key client or supplier ora sponsor by the departure of key individuals (Muthee, 2014).
Knowledge management is a key source of competitive advantage for the organization as it enables organizations in acquiring skills and understanding through experimenting and process (Yiu&Law, 2014). The major concern, however, is, for effective implementation of knowledge management in organizations. itis crucial for organizations to identify and understand the essential practices that will influence the success of knowledge management initiatives as these may have profound effects on the organization performance (Yiu& Law,2014). These techniques are the main thrust in completing learning administration, they do not simply improve information in the organization by invigorating the formation of information, but they persuade members of a group to impart their insight and encounters to each other, enabling authoritative information to develop simultaneously and efficiently (Muthee, 2014).
This work operationalizes knowledge management in terms of knowledge creation, knowledge sharing, and knowledge storage. Knowledge creation is the continuous combination, transfer, and conversion of different kinds knowledge. The next dimension of knowledge management is knowledge sharing which is an activity through which information, skills, or expertise is exchanged within and among individual or entities. The third dimension of knowledge management is knowledge storage which is the organizational memory formation process, in which knowledge is formally retained as values, rules and beliefs that are associated to culture and organizational structure (Alavi&Leidener, 2001; Argote et al., 2003).
One of the major reasons why organizations invest huge financial resources is optimize organizational performance (Rouse, 2019). Organizational performance is simply the actual output or results of an organization as measured against intended output (or goal and objectives). This research work measures organizational performance in terms of financial performance and operational performance. Obviously, every organizational goal is to have higher output and better performance. Depending on their size and need, business organizations invest in knowledge management to be abreast with their environment and remain relevant in the market.
The pace at which organizations manage their knowledge is very low. Although organizations claim to have relevant knowledge, only few firms train and retrain their employees from time to time. This is perhaps due to organizations not identifying human capital (employees) as an asset as presuppose by Becker's (1962) human capital theory of earnings. There is need therefore to theoretically examine the necessity of knowledge management in enhancing organizational performance.

Objectives of the Study

The objective of this paper was to examine how knowledge management enhances organizational performance. The objectives of this study included the following:

1. To examine how knowledge creation enhances organizational performance.
2. To examine how knowledge sharing enhances organizational performance.
3. To examine how knowledge storage enhances organizational performance.

Conceptual Review

Concept of Knowledge Management

Knowledge management is defined in different sources by different experts but with minor differences (Appolloni et al., 2014). Chawla and Joshi (2010) define knowledge management as identification and analysis of available and required knowledge in order to achieve organizational objectives. Knowledge is one of the most valuable assets in the modern organizations and it has become one of the most important factors of production in addition to human resources and capital. It is the main engine of economic growth and catalyst for technological progress and productivity. Knowledge generates creativity and transforms it into products and processes(Chien et al., 2015, Masa'deh, 2016).Knowledge management is defined as the processes and activities that assists the organization in generating, acquiring and subsequently discovering, organizing, using and disseminating knowledge in the organization among working individuals, transforming the information and experiences that the organization possesses and employing them in its administrative activities such as decision-making, working procedures and strategic planning (Al-Ti, 2016). Al- Shanti (2017) believes that knowledge management enables the employees of the organization to carry out continuous activities aimed at acquiring knowledge, storing, distributing and applying knowledgeto achieve outstanding performance. Seleim and Khali (2010) defined KM as processes that help the organization generate and transform important information expertise that the organization possess necessary into various management activities, such as a decision making and problem solving, learning and strategic planning.

Knowledge management consisting of knowledge acquisition, development, knowledge economy, sharing, transfer and utilization have long been identified as the bedrock for societal development and achievement of substainable competitive advantage for organisations (Wheelen and Hunger, 2012; Yaacob et al., 2011; Kamukama et al., 2010).

Knowledge management in its broad sense indicates that the availability of information and data in the organization's database is not an important issue in itself without benefiting from and enriching it and conducting various operations aimed at interpreting it and making it more useful. Many researchers disagree in defining the process and the dimensions of knowledge management (Obeid &Rabay's, 2016; Hernaus et al., 2012; Ramadan et al., & Al-Dalahem 2017). Obeidat et al., (2016) consider knowledge management in three processes; namely knowledge dissemination, knowledge application and knowledge use. While, Hsu and Sabherwal (2012) identified three processes including application of knowledge, transformation of knowledge, and acquisition of knowledge. Shujahat et al., (2019) indicated that knowledge management processes include knowledge creation knowledge sharing, knowledge utilization which will be referred to in this study.

Dimensions of Knowledge Management

Knowledge Creation: knowledge creation includes all the processes through which an organization seeks to produce and acquire knowledge, whether it is between implicit knowledge and explicit knowledge (Obaid & Rabea, 2016), in which it is an interaction between implicit knowledge and explicit knowledge through new knowledge created within the organization to secure the various types of knowledge in favour of future decision (Al-Kasasbeh, 2015, Abualoush et al., 2018a,b; Zawaideh et al., 2018). Knowledge generation is a process by which new knowledge is created through four sub-processes of continuous knowledge generation theory (Shujahat et al., 2019., Al-Tit, 2016). Knowledge generation includes socialization; the conversion of implicit knowledge such as the exchange of experience among staff in an organization. Externalization; the transformation of implicit knowledge into explicit knowledge such as documenting past experiences of members (Ranjbarfard et al., 2014; Balde et al., 2018). Knowledge creation process involves applying new knowledge or replacing current content in the organization's explicit and tacit knowledge, this requires organizations to seek new knowledge and information, both inside and outside the organization (Si Xue, 2017). Knowledge creation is

a process in which new knowledge is created through four sub- processes (socialization, combination, externalization and internalization) of the theory of continuous organizational knowledge creation (Shujahat et al., 2018). Knowledge creation involves activities related to the entry of knowledge into system, namely development, discovery, capture and understanding. Some examples of tools for the creation of collective knowledgeare meetings, discussions and group work. (Torabi et al., 2016). "Creating knowledge requires the presence of someone or group of people who come up with new ideas, new concepts, innovative products or processes. etc." (Pandey, 2014). This is the company's ability to build new ideas and solutions related to various dimensions of organizational activities, from managerial procedures to products/services to technological innovations (Tubigi et al., 2013). Knowledge creation and acquisition is the most influential process in organizational performance. Knowledge creation involves acquisition related knowledge management processes that are focused on obtaining knowledge. Various terms are used to describe these processes namely knowledge acquisition, generation, collaboration and seeking (Kruger & Johnson, 2013). The underlying theme in all these terms is the accumulation of knowledge. Innovation is an aspect of acquisition in that new knowledge is created from the application of existing knowledge. Nonaka (1994) provides some very important insights into how new knowledge is created in the course of the interplay of tacit and explicit knowledge (Schoenherr et al, 2014). Knowledge creation has been defined in so many ways and frequently confused with innovation. Meihami and Meihami (2014) present knowledge creation as innovative products and services brought to the market place. Some view knowledge creation as any major feature that allows for growth in value/cost ratio of a cooperative process (Donate & Sanchez de Pablo, 2015; Wang et al, 2014). There are indeed numerous proposals from various researchers on the methods and agents of knowledge acquisition (Appolloni et al, 2014).
According to Nonaka and Takeuchi (1995), knowledge is created, shared, amplified, enlarged and justified through organsational settings and through social and collaborative processes. Their model recognizes a knowledge conversion cycle consisting of four components/stages, namely:
a) Socialization (the conversion of tacit knowledge to tacit knowledge)
b) Externalization (the conversion of tacit to explicit knowledge)
c) Combination (the conversion of explicit to explicit knowledge)
d) Internalization (the conversion of explicit to tacit knowledge).
Socialization involves the transfer of tacit knowledge from one individual to another. This is usually facilitated in an informal and social setting where there is trust amongst the involved (Schoenherr et al, 2014). Externalization is the process of changing tacit knowledge to explicit knowledge in teams interactions involving dialogue, and the use of metaphors in the language would be quite evident. Combination is the cycle where individuals add and contribute their own explicit knowledge to that which has already been created within the organization.
Internalization consists of converting new explicit knowledge into tacit knowledge through repeated practice (Meihami&Meihami, 2014). The model explains how knowledge held by individuals, organizations and societies can be enriched through spiral, interaction amplifications of tacit and explicit knowledge (Nonaka, 1994).

Knowledge Sharing: knowledge sharing can be defined as "the exchange of knowledge between and among individuals". And it aims at bringing knowledge sources together and manipulating into new knowledge structures or routines. Knowledge sharing and knowledge transfer are sometimes used synonymously and are considered to have overlapping content (Dan &Suneson, 2012). Swacha, (2015) defined a system of appropriate gamification rules which make use of a number of purposely selected gamification components's and aimed at motivating individuals for various activities related to knowledge sharing. Yong (2013) provided new findings of the respective impacts of organizational rewards, reciprocity, enjoyment and social capital on individuals' knowledge sharing interaction, which prior researchhas ignored so far. Share of knowledge carried out from the individual and group sectors to other sectors, this is so that the knowledge that has been obtained and stored can be transferred to other parties, meaning that here involves the sender and recipient of information. As mentioned by (Torabiet al., 2016) knowledge share consists of communication between two parties, the sender and the recipient. The role of the sender and receiver can be played by all teams or individuals. The process of sharing knowledge is seen as a socio-cultural interaction that involves the exchange of experiences, ideas, and skills through departments and organizations (Alaarj*et*et al.,2016). The aim of sharing knowledge can be to create new knowledge by combining existing knowledge differently or becoming better at exploiting existing knowledge (Gharakhani&Mousakhani, 2012), meaning that individuals, groups and organizations can interact and communicate with each other to exchange knowledge that they have acquired so as to produce new knowledge (Kimaiyo et al., 2015) argues that the failure of employees to share knowledge is a small value for the organization.

Knowledge Storage: Knowledge storage can be defined as an activity that includes separating knowledge into various categories, transferring knowledge, and storing knowledge in organizational databases (Malidi et al, 2018). This raises the concept of organizational memory, which means the existence of knowledge in various structures and formats (i.e. electronic databases. Written documentation, individual and team tacit knowledge, and recognizable knowledge. Organizational memory consists of personal memory (action, experience and observation individuals) as well as information archives (inside and outside the organization), sharing knowledge and interactions, ecology (physical work arrangement) and organizational culture, transformation structure (formal organizational roles) (Abubakar et al., 2017). The storage of organizational knowledge is referred to as the organizational memory. Organizational memory can reside in different forms, such as documented organizational procedures, codified human knowledge stored in expert systems, structured information stored in expert systems, structured information stored in electronic databases and written documentation (Mwila, 2013). Technology plays a big role in the storage of knowledge.

Concept of Organizational Performance

Performance according to (Armstrong & Taylor, 2014) is the result of three determinants: 1) knowledge of facts and facts (called declarative knowledge); 2) Knowledge of how everything is done and skills to do it (Called procedural knowledge and skills), and 3) Motivation to act, to spend effort and to survive (called motivation). For this reason, knowledge plays an important role in organizational performance. Besides, according to (Anggadiota&Mustafid (2014), several factors affect the organizations performance, namely entrepreneurship, human resource competence, innovation, and sustainability. The result is expected to contribute to organization to maintain and improve their performance. The opinion illustrates that knowledge which is part of human resource competence plays an important role in achieving company performance. "The success of a company is more directed at it's ability related to knowledge and learning than it's physical assets." (Torabi et al., 2016). Therefore, people will hope that for companies to successful, they must exploit methodically their knowledge assets (Bolisani&Bratianu, 2017).

Samsonowa (2012) argues that all the different definitions she had to review, in the performance measurement literature, have one common characteristic; they all are related to two terms: effectiveness and efficiency; effectiveness as an indicator of resources that were consumed to reach the level of achievement. In her work (2012), she uses the term "performance" as the level or degree of good achievement of an organization department rather than of individuals.According to Richard et al., (2010) the performance of organization is generated by an organization that includes the results of that financial performance such as profit, as measured by return on assets, return on investment and so on, the performance of markets such as the expansion of market share, and sales. Besides the return of shareholders a return of shareholders and increase the economy of shareholders. In some areas of the organization's performance can also be measured by other things such as strategic planning, operations, and finance, legal and organizational development. In developing institution or organization is a necessity to survive in the competitive world climate.

Increasing organizational performance is a goal every organization is pursuing. Organizational performance can be most simply defined as company performance compared to goals and objective. Measuring organizational performance was in the past limited more or less o financial measures in the form of revenue, profit, net operating income, ROA (Return on Assets), ROE (Return of Equity), ROS (Return on Sales) and other mostly revenue and profit related measures. Although very practical and useful, traditional financial measures cannot create advantages for the organization in an intense competitive environment (Wu & Liu, 2010). New organizational concepts demanded additional measurement information in order for managers to make proper decisions and for shareholders to properly evaluate company performance. New financial and especially non-financial information in measuring performance became more or equally important and provided added value to stakeholders. By incorporating non-financial information in performance criteria as well; this information can reflect intellectual capital and social responsibility as well as promotion of organizational knowledge level (Wu & Liu, 2010).

Organizational performance is considered as one of the most important variable and dimensions studied in management research and business (Cania, 2014). Organizations seeks to make their best efforts to improve their performance which reflects the way organizations benefit from tangible and intangible resources to achieve their objectives and the success of organizations is largely dependent on their performance, which relates to their abilities to effectively implement strategies to achieve organizational goals (Obeidat, 2016). Continuous performance is the focus of any organization, because through performance organizations it is possible to grow (Cania, 2014). Performance concept is broad and comprehensive to all organizations disregarding their size and operations. Performance is known through the quality of work, effectiveness of employees in decision making, development of processes, relationship of employees with managers, provision of various services and products, innovations, market share, staff skills and also their abilities to solve problem quickly with new methods and modern tools of product development (Imran, 2014), and the actual outputs of the organization as compared with targeted or stated outputs.Also, the ability of the organization to access and manage multiple different organizational resources in order to achieve its objectives and goals (Masa'deh et al., 2016). There is a consensus among researchers that performance measurement systems are vital for organizations since it provides information on the quality of processes they perform within the organization which helps in the development of strategic plans and assesses the achievement of organizational goals (Alrewad et al., 2017). In addition, organizational performance is a measure to assess the efficiency and effectiveness of an organization that pursues it'sgoals (Al-Ti, 2016). In the business settings of Jordan, available studies were focused on measuring organizational performance based on two major dimensions: financial performance and operational performance. Financial performance is measured using financial indicators such as return on asset, return on investment, and return on equities, sales, costs and growth. On the other hand, the dimension of operational performance which is non-financial in nature, is measured through product quality, customer satisfaction, employee satisfaction, timeliness of delivery, productivity, efficiency, market share, strategic goal accomplishment, as well as workforce development and enhancement (Abualoush et al., 2018; Alrowwad et al., 2017). These dimensions are also one of the most imperative aims of a company's management is to maximize the present and future financial and operational performance because they impact the impact the market price per share and consequently, shareholders' wealth (Gill et al., 2014).

Whenever there is increase uncertainty, business establishments may decide to diversify their portfolio and/or raise their liquid holdings in order to reduce their risk. Because of the intense of change in the business operation environment, firms face serious competition and that is why a good operating performance is critical for successful business (Goel, 2012).

Measures of Organizational Performance

Financial Performance

Traditionally, financial performance measures were fragmented into four classifications, which are profitable, liquidity/working capital, gearing and investors ratios. Alamro *et al.,* (2012), put forward that today, different researchers use various methods to measure financial performance. For illustration, return on capital employed (ROCE) is a key measure of profitability which shows that net income that is generated from every one dollar assets employed. Return on equity (ROE) displays the amount of net income reimbursed as a percentage of shareholders equity by revealing how much profit a company generates with the money shareholders have invested. ROE is expressed as a percentage and calculated as the ratio of Net Income to Shareholder's Equity. Another measure of financial performance is Return on Assets (ROA) which explains a firm's ability to make use of it's sales. Financial ratio express connections between financial statement items. Although they provide chronological records, management can use these ratios to identify internal strengths, weaknesses thus eventually estimate future financial performance. Investors as well can use ratios to compare companies in the equivalent industry. Ratios do not make sense as standalone figures, but they are meaningful when matched to historical statistics and industry average (Basu, 2015)

Operational Performance

Neil (2019) viewed operational performance as the several techniques and strategies adopted to accomplish the basic goal of delivering quality goods and services to clients in the most cost-effective and timely manner. According to the author, resource utilization, production, distribution and inventory management are most common aspects of operational performance. Kalluru and Bhat (2009) also explained operational performance as the proficiency of corporation to curtail the unwelcomed and maximize resource capabilities so as to deliver quality products and services to customers.

As indicated by Ndolo (2015), operational performance is the key determinant of the long-term solvency of businesses. In fact, micro-economic or firm-specific predictors of corporates' financial health evolves around operational performance (Ndolo, 2015). Operational performance has a direct impact on the margins of organizations. Operational performance is often achieved by streamlining firm's core processes in order to effectively respond to continually changing market forces in a more cost-effective manner (Vangie, 2019). In other words, firms can attain operational efficiency by minimizing redundancy and waste while leveraging their resources that contribute mostly to their success; and also utilizing best of their workforce, technology and business processes (Vangie, 2019). According to Vangie (2019), reduced internal costs that result from operational efficiency, help firms to be more successful in highly competitive markets, thereby achieving higher profit margins.

There are several ratios of measuring efficiency. To begin with, we can use Total Asset Turnover ratio which measures a company's ability to generate sales given its investment in total assets. The formula for ratio is dividing net sales by average total assets. Secondly we can use the Fixed-Assets Turnover ratio which is analogue to total asset turnover ratio except is that only fixed assets are taken into account here. Fixed asset turnover is arrived at by dividing net sales by average net fixed assets. Another ratio for measuring operational efficiency is Equity Turnover. This ratio measures a company's ability to generate sales given it's investment in total equity. It is calculated as ratio of net sales to average total equity. These ratio of net sales to average total equity. These ratio shows whether the firm is managing operational cost efficiently which will ultimately have influence upon its profitability (Rao &Lakew, 2012).

Theoretical Review

This paper is anchored on Becker's (1962) Human Capital Theory of Earnings. Becker's Human Capital Theory of Earnings explains that organizations increases their productive capacity through their employees attaining more education and skill trainings.
The human capital theory assumes that:

i. **Human capital is an asset**: human capital is a type of asset which organizations can invest their resources into and is of incentive to the organisation.
ii. **Formal Education is highly instrumental:** education increases the productivity capacity and efficiency of employees.

This theory was succinctly adopted as the theoretical underpinning of this study because it is related to the predictor variable (knowledge management). The theory predicts that firms that sees human capital as an asset and invest into them through training and retraining them from time to time will naturally experience better organizational performance than those that do not.

The Necessity of Knowledge Creation in Enhancing Organizational Performance

In response to the first objective which is to examine how knowledge creation enhances organizational performance, researchers from various disciplines have recognized knowledge as a critical prerequisite for creativity, innovativeness and innovation (Nonaka & Von Krogh, 2009; Yang, 2010). A firm's capacity to innovate is highly contingent on the creation of new knowledge into specific knowledge, which result in the development of new processes, goods and services (Nonaka &Takeuchi, 1995; Mills & Smith, 2011). Knowledge creation process provides easier and quicker access to unique insights and philosophies that expand creativity envelop and enhance innovation process (Schulze &Hoegl, 2006; Easterby-Smith & Lyles, 2011; Nakamori, 2011).
Alegre and Chiva (2013), posited that knowledge creation improved the performance of organization. They posited that knowledge creation process facilitates employees to internally and externally acquire knowledge, and combine it with the current knowledge to create new stocks of knowledge. The new knowledge stocks expand the depth and breadth of already existing organizational knowledge. And thereby increase the capacity to create innovative processes, goods and services. Shu et al., (2012) asserted that knowledge creation process generate synergistic benefits and collective learning during the course of knowledge exchange and internalization. This, in consequence, produces novel products and process improvements.Quintane et al., (2011) also contended that knowledge creation process enables the combination and application of specialized knowledge from different functional areas. This can reduce redundancy, improve process efficiency, and accelerate the speed of new product development.

The Necessity of Knowledge Sharing in Enhancing Organisational Performance

As a core aspect of knowledge management system, knowledge sharing is a sine qua non for attaining success by organisations and people working in groups (Norulkamar&Hatameleh, 2014). Knowledge sharing is considered the most important subject matter for organisations as it is essential for their profiting through the various knowledge stocks its employees garner through trainings, seminars, conferences, education, experiences, committees work, teams, grafting etc. Thus the attainment of team's success and performance at any level of human interaction and field of human endeavor is incomplete without an effective knowledge sharing network among people of like minds. As, an organization and human capital development tool, knowledge sharing serves as an important asset for behavioral changes and modification towards the attainment for desired outcomes (Widen-Wulff et al.,2004; Haris-Aslam et al 2013). Therefore knowledge sharing and it's imperatives in any group settings whether formal or informal is one of the determinants of the innovativeness, creativity, cohesiveness and performance of such teams workplace and students 'team's success and performance if in the academia (Agyemang et al., 2016). Knowledge sharing at any setting of life involves the transfer of one's competencies, skills, ideas, information and talents to colleagues and other interest persons and at the same time getting same from them so as to entourage learning, learning effecting and helping to achieve sustainable competitive advantage (Yang, 2007, Andolsek&Andolsek, 2015). As a human capital development mechanism, knowledge sharing is one of the most critical element for achieving sustainable growth as it helps the human race to be able to create and recreate their self and domains. Thus knowledge sharing can be seen as a two way communication practice which involves the circulation of information through personal interaction successively or simultaneously (Yang, 2007).

The Necessity of Knowledge Storage in Enhancing Organisational Performance
Scholars have explicitly stated that the key factor in achieving this is organizational memory related to the organization's ability to store and maintain knowledge (Torabi*et* et al., 2016). Knowledge management represents an important aspect of successful organizational management (Mwila, 2013). Knowledge storage involves both soft or hard style recording and retention of both individual and organizational knowledge in a way so as to be easily retrieved. Knowledge storage utilizes technical infrastructure such as modern information hardware and software and human processes to identify the knowledge in an organization, then to code and index the knowledge for later retrieval (Nonaka & Takeuchi, 1995; Santo, 2005; Armstrong 2000:2006). This approach encourages people to search for, and retrieve codified knowledge without having to contact the person who originally developed it. This saves on time and other organizational resources and thus improved performance.

CONCLUSIONS

Organizations are often faced with the challenge of remaining competitive in a dynamic business environment ,and also sustaining its comparative advantage which they hold over competitors. Knowledge is the key resource needed if an organization intends to operate at a level that is equal to no other. The performance of an organization can be measured by (financial performance), the return on investment, sales, costs and growth the (operation performance) such as product quality, customer satisfactory, timeliness of delivery, market share, efficiency, productivity, strategic goal accomplishment. In this the 21st century where organizations strive for more knowledge, the practice of knowledge creation, knowledge storage, and knowledge sharing and knowledge application are indispensable necessities in this era. The study concluded that knowledge creation improves the performance of an organization. This paper concluded that knowledge storage enhances organizational performance by boosting its market share.
It was concluded that knowledge sharing optimizes the organizational performance by improving sales. It was concluded that knowledge application is a necessity for the improvement on performance of every business organization. Suffice it to say that knowledge management practices enhances the financial and operational performance of business organization. Business organizations who fail to embrace this practices may not be able to compete favorably in this global environment today.

RECOMMENDATIONS

Based on the findings and conclusion of the study, the following recommendations were made:

1. Organizations should embrace knowledge management processes such as knowledge creation, storage, sharing and application as well as adopting technologies that will support programs which will in turn bring about financial performance such as return on investment, sales costs and growth on the other hand and operational performance such as product quality, customer satisfactory, timeliness of delivery, productivity, efficiency, market share, strategic goal accomplishment.
2. Management should consciously and deliberately adopt and acquire KM- specific technologies to drive the management of their knowledge assets.

3. Organizations should create and include designated KM positions in their workforce as a practical step towards formalizing knowledge practices. Positions such as KM Officer, Chief Knowledge Officer (CKO) should be created to coordinate the smooth running of KM functions.
4. More awareness should be created about the potentials and benefits of knowledge management practices to business organizations in Nigeria through seminars, conferences, workshops, webinars, training and others in order to ensure its institutionalization.

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