

KNOWLEDGE MANAGEMENT APPLICATION TOOL AND ORGANIZATIONAL PERFORMANCE OF MULTINATIONALS IN NIGERIA

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ABSTRACT

This work examined the influence of competence network application on organizational performance of multinational corporations in Rivers State, Nigeria. Every multinational corporation aims at continuously optimizing its business performance. One of the deliberate ways multinational corporations maximize this, is by embracing knowledge management tools application. The application of knowledge management tools such as social media tools, video tools, collaborative tools, and competence networks enhances operational processes and ultimately organizational performance of multinational corporations. Specifically, knowledge management tools application makes managerial procedures and service delivery processes a lot easier because it makes relevant information and knowledge available to intended users in real time thereby enhancing organizational performance in terms of improved production, improved market share, and client/stakeholders' satisfaction. The study concluded that increase in competence network application brings about corresponding improvements in the organizational performance of multinational corporations. Consequently, the study recommended among other things that all administrative offices should be equipped with functional state of the art desktop/laptop computer system, and other digital office resource to enhance the quality and speed of data processing across administrative offices.

Keywords: Knowledge Management, Video Conferences, Network Application, Organizational, Performance

INTRODUCTION

One of the major challenges faced by multinational corporations in Nigeria over the years appears to be corporate under-performance. For instance, some of the multinational corporations have not been able to improve their products and services by way of diversification and quality improvement (Uriarte, 2018; Akpan, Ibekwe, Worgu, & Nwangwu, 2018). Some of them have not been able to innovate better customer services and this led to downsizing customer base and low sales revenue. It has also been observed that across industries like Banking, Telecommunication, Oil and Gas, and Fast Food Movable Goods, some of the major players in the past have lost their competitive edge (Al-Shura, Zabadi, Abughazaleh, & Alhadi, 2018). Lack of improvement in product lines and downsizing market share makes it difficult for such multinational corporations to secure reasonable return for their shareholders.

While the poor performance of companies could be blamable on economic realities, the underperformance of many companies in Nigeria has been attributed to inadequate adoption of emerging knowledge management systems (Ozoigbo & Chukuezi, 2017; Agwamba, Onwudiwe, & Ugwuegbu, 2019). Although knowledge management tools like social media tools, video tools, intranet, and communities of practices have existed in many multinational corporations in Nigeria, the level of their adoption has been very low. There appears to be very little deliberate efforts towards employing these tools in the capturing, storage, sharing, and use of implicit and explicit knowledge resources.

The importance of organizational performance and knowledge management tools has spurred various research efforts within and outside Nigeria. For instance, Rašula, Vukšić, and Štemberger, (2012) examined the impact of knowledge management on organisational performance and it was found that knowledge management practices enhance organizational performance. Suryaningrum (2012) examined knowledge management and performance of small and medium entities in Indonesia. The study revealed that organizational learning and competitive strategy have positive correlation with knowledge management. In another study, Meihami and Meihami (2014) examined knowledge management as a way to gain a competitive advantage in manufacturing companies. The study revealed that the adoption of knowledge management enhances organizational performance, customer-oriented and product innovation. Ezinma, Ebele, and Henry (2015) investigated knowledge management and organizational performance in selected commercial banks in Awka, Anambra State, Nigeria; the study equally showed that knowledge management enhances corporate performance of Deposit Money Banks in Akwa, Anambra State, Nigeria. Bagiwa (2016) examined how knowledge management tools such as cloud storage, cloud computing Microsoft, and cloud architect influence organizational performance and it was found that cloud services enhance organizational performance.

In another case, Nada, Rusinah, Ibrahim, and Mahmoud (2016) examined the impact of information technology infrastructure on innovation performance in private Universities In Iraq. The study revealed that information technology infrastructures are positively correlated with innovation performance. Akpan, Ibekwe, Worgu, and Nwangwu (2018) examined the relationship between social media usage and firm performance in Nigerian Telecommunication Sector and it was found that a significant positive correlation exists between social media tools usage and the performance of Telecommunication firms in Nigeria. The weakness of this study is that it did not cover most of the prominent Telecommunication firms in Nigeria. Another study examining the role of knowledge management process and intellectual capital as intermediary variables between knowledge management infrastructure and organizational performance by Shadi, Ra'ed, Khaled, and Ala'aldin (2018) revealed that knowledge management infrastructure enhances organizational performance when the right intellectual capital is in place. This study amplifies the importance of communities of practices in successful knowledge management processes. Agwamba, Onwudiwe, and Ugwuegbu (2019) theoretically examined the relationship between knowledge management and organizational innovation and it was found that knowledge management gives birth to organizational innovation and better performance.

While it is evident that the studies cited above showed how knowledge management practices has enhanced organizational performance in Anambra State in Nigeria and other countries of the world, none of these studies was done in Rivers State, Nigeria.

Concept of Knowledge Management Tools Application

Knowledge management is essentially about getting the right knowledge to the right person at the right time. This in itself may not seem so complex, but it implies a strong tie to corporate strategy, understanding of where and in what forms knowledge exists, creating processes that span organizational functions, and ensuring that initiatives are accepted and supported by organizational members (Emil, 2018). Alan (2012) stated that knowledge management entails a systematic management of an organization's knowledge assets for the purpose of creating value and meeting tactical and strategic requirements; it consists of the initiatives, process, strategies and systems that sustain and enhance the storage, assessment, sharing, retirement, and creation of knowledge. It is also a conscious effort to get the right knowledge to the right people at the right time so that it can be shared and put into action (Aziri, Veseli, & Ibraimi in Ezinma, Ebele, & Henry, 2015). Furthermore, Sveiby (2014) defined knowledge management as the art of creating value from an organization's intangible assets. Davenport, Thomas and Prusak (2015) defined knowledge

management as concerned with the exploitation and development of the knowledge assets of an organization with a view to furthering the knowledge objectives. The above denotes that the purpose of knowledge management is to enhance organizational performance by explicitly designing and implementing tools, processes, systems, structures, and cultures to improve the creation, sharing, and use of different types of knowledge that are critical for decision-making.

Knowledge management tools (KMTs) are systems organizations use in sharing information internally and externally (Lewis, 2015). They are platforms, kits, devices and arrangements used in creating value and meeting tactical & strategic requirements of an organization, through initiating, processing, strategizing, systematizing and sustaining knowledge. These tools enhance organizations' storage, assessment, sharing, refinement, and creation of knowledge. It also helps in attaining predetermined goals and objectives of the organization. Apparently, in today's competitive business world, knowledge management must create/provide the right tools, people, knowledge, structures (teams), culture, etc. so as to enhance learning; it must understand the value and applications of the new knowledge created; it must store this knowledge and make it readily available for the right people at the right time; and it must continuously assess, apply, refine, and remove organizational knowledge in conjunction with concrete long and short-term factors (Emil, 2018).

Dimensions of Knowledge Management Tools Application

The following were considered as the dimensions of knowledge management tools:

Social Media Tools Application

Social media are interactive computer-mediated technologies that facilitate the creation and sharing of information, ideas, career interests and other forms of expression via virtual communities and networks (*Kietzmann & Kristopher, 2017; Obar & Wildman, 2015*).

Social media tools though may entail different functions but there are common features which they are built on. These include:

1. Social media are interactive Web 2.0 Internet-based applications (*Obar and Wildman, 2015; Kaplan & Haenlein, 2010*).
2. User-generated content, such as text posts or comments, digital photos or videos, and data generated through all online interactions, is the lifeblood of social media.
3. Users create service-specific profiles and identities for the website or app that are designed and maintained by the social media organization.
4. Social media facilitate the development of online social networks by connecting a user's profile with those of other individuals or groups (Kaplan & Haenlein, 2010; Danah & Nicole, 2007).

Social media consists of a collection of internet-based tools work on web technology and ideological basis which help users to create content and share it with other users (Kaplan and Haenlein, 2010). Social media tools among others include blogs, microblogs, social networks, media-sharing sites, social bookmarking and voting sites, evaluation sites, forums, and virtual worlds (Zarella in Ardam & Mohammad, 2019). Social media tools are characterized by user generated content, which has been found to be more effective in managing knowledge within or outside an organization as they promote operations and goal attainment among individual and group of individuals.

Video Tools Application

Video is an incredibly powerful medium for capturing, sharing, and consuming knowledge. The recent availability of cheap video cameras and PC-based editing software has meant that it is now practical for almost anyone to create videos ranging from simple 'how to' instructions, through to recording the presentations of complete conferences. Video sharing allows anyone anywhere to

experience the next best thing to being there (Ronald, 2010). Video tools are essential in the management of knowledge in an organization.

According to Petan, Petan and Vasiliu (2014), in medium or large organizations, especially those that are spread out over several geographical locations, but not limited to that scenario, face-to-face trainings and traditional knowledge-sharing could become prohibitively expensive. Real-time interaction needs to be replaced with media produced for training that is readily available for employees, on demand, often called the just-in-time training paradigm that allows continuous employee improvement. Organizations have long realized the importance of a knowledge repository - an internal knowledge library that allows newer employees, or those that have limited insight into a particular field, to learn from more experienced colleagues, or even reuse available internal company information that was created by other employees for other purposes. In the digital age, training information was shared using various database or file-storing mechanisms: Document or Media Asset Management systems, Sharepoint servers, intranet sites and wikis and many others. However, most of the content found in such systems is text-centric, sometimes improved with pictures and drawings, and thus less engaging and explanatory, and usually lacking interactive features. Studies (Collins, Neville, & Bielaczyc, 2010) show that, among the various types of media, video tools are the most rich and engaging medium, efficiently transmitting information to the receiver well over the most-encountered text-and-image way of storing and sharing information and documentation between organizational members. Video tools as used in knowledge management create better knowledge transfer to the audience (stakeholders). The recorded audio-video sessions are also usually made available after the live webinar.

Acquisition/Preservation Tools

Knowledge acquisition tools refer to those adopted platforms, kits, devices and arrangements used in acquiring knowledge in an organization. Here, the process of extracting, structuring, and organizing domain knowledge from domain experts into a program is being conveyed through a device, kit or arrangement. On the other way, preservation tools are platforms, kits, devices and arrangements used in conserving, protecting, maintaining and safeguarding knowledge used in an organization.

According to Saufi, Rusuli, Tasmin and Takala (2012), in today's age of abundant information, it is necessary for management to adopt mechanisms on which to acquire and preserve knowledge that are promotes the operations of the organization's mission, goals and objectives. It is noteworthy that knowledge must be renewed and expanded to prevent it from becoming stagnant (Sood & Chaubey, 2017). However, information which exists in the organization has upped until now always been treated in discrete sections rather than as a whole. For example, management of organizations have focused on the acquisition, distribution and preservation of information (knowledge) acquired externally to the organization, while record managers focus on documents internal or integral to its management. It is important to state that knowledge preservation also has a significant relation with knowledge management practice in the knowledge process. Haahr (2002) states that the preservation of knowledge, in the form of libraries and other preservative formats allowed enhance effective knowledge management.

Concept of Organizational Performance

The concept of performance has gained increasing attention in recent decades, being pervasive in almost all spheres of the human activity. Performance is a subjective perception of reality, which explains the multitude of critical reflections on the concept and its measuring instruments. The multitude of studies at international level in the field of performance is due to the financial crisis that swept the economy globally, which has led to a continuing need of improvement in the area of performance of organizations (Ion & Criveanu, 2016). According to Hashem (2015), organizations perform various activities to accomplish their organizational objectives. It is these repeatable activities that utilize processes for the organization to be successful that must be

quantified in order to ascertain the level of performance and for management to make informed decisions on where, if needed within the processes to initiate actions to improve performance. Therefore, it can be claimed that there is a close relationship between the organizational objective and the concept of organizational performance. Therefore, all companies probably attempt to achieve certain pre-determined objectives with the help of available resources. Hence, the two aspects of the concept, i.e., the organizational objective, and the organizational inputs or resources can be considered in the definition of organizational performance.

Didier (2002) believes that the performance consists in "achieving the goals that were given to you in convergence of enterprise orientations". In his opinion, performance is not a mere finding of an outcome, but rather it is the result of a comparison between the outcome and the objective. Unlike other authors, Didier considers that this concept is actually a comparison of the outcome and the objective. The author's definition is far from clear, as both outcomes and objectives vary, most often, from one field of activity to another. Most recently, there are a variety of definitions attributed to the concept of performance due to its subjective nature. In the literature there are many articles or studies that define organizational performance closely related to environmental factors. Nevertheless, the researcher took cognizance of some authors' definition of organizational performance that have ties with the measures understudy.

Michel cited in Ion and Criveanu (2016) characterizes the performance as future-oriented, designed to reflect particularities of each organization/individual and is based on a causal model linking components and products. He defines a "successful" business as one that will achieve the goals set by the management coalition, not necessarily one that achieved them. Thus, performance is dependent as much of capability and future. Unlike other authors, Michel Lebas noted the difference between "a performance", "performance" and "being performance". "A performance" is subject generally to a measured result, higher than that provided for or arising from the previous results. "A performance" thus indicates always a positive connotation. "Performance" can be both positive and negative and relates to past results. Patently, organizational performance is not an objective reality, waiting somewhere to be measured and assessed, but a socially constructed reality that exists in people's minds, if it exists somewhere. Organizational performance may include: components, products, consequences, impact and can also be linked to economy, efficiency, effectiveness, cost effectiveness or equity.

Socio-Technical Theory

This theory was originated by to Eric Trist, Ken Bamforth and Fred Emery, during the World War II era, based on their work with workers in English coal mines at the Tavistock Institute in London. The socio-technical theory is made up of two main constructs joined together:

1. Socio: It has to do with people and society
2. Technical: It has to do with machines and technology.

Thus, the socio-technical refers to the interrelatedness of social and technical aspects of an organization. The socio-technical theory is founded on two cardinal assumptions:

1. The interaction of social and technical factors creates the conditions for successful (or unsuccessful) system performance" (Walker, Spear, Gould, & Lee, 2016). These interactions are comprised partly of linear 'cause and effect' relationships, the relationships that are normally 'designed', and partly from 'non-linear', complex, even unpredictable relationships, which are those that are often unexpected.
2. The second major principle of socio-technical theory is that "optimization of either socio, or far more commonly the technical, tends to increase not only the quantity of unpredictable, 'un-designed', non-linear relationships, but those relationships that are actually injurious to the system's performance" (Walker, et al., 2016). Thus, second principle of socio-technical theory hinges on joint optimization. This second principle holds that improving only one aspect of the organization (e.g. workforce) and abandoning the other element (technical computer systems, and other knowledge management

infrastructure) will be detrimental to the system. Both the human and technological resources of an organization must be optimized simultaneously for expected results to be achieved. The implication of the joint optimization principle of socio-technical theory in multinational companies is that continuous capacity building to increase workers' awareness of how to use knowledge management tools may not lead to organizational performance in the workplace except it is matched with an upgrade of sophisticated knowledge management systems. In this jet age, where knowledge is the life blood of any organization; a multinational company may not be able to outperform its competitors if its knowledge management tools are not properly harnessed and shared within the horizon of the organization.

CONCLUSIONS

Every multinational corporation aims at continuously optimizing its business performance. One of the deliberate ways multinational corporations maximize this, is by embracing knowledge management tools application. The application of knowledge management tools such as social media tools, video tools, collaborative tools, and competence networks enhances operational processes and ultimately organizational performance of multinational corporations. The study therefore concluded that increase in knowledge management tools application brings about corresponding improvements in the organizational performance of multinational corporations. The study also concluded that multinational corporations who fail to continuously embrace knowledge management tools application may not perform considerably in terms of production, market share, and client/stakeholders' satisfaction.

RECOMMENDATIONS

Based on the conclusions, the following recommendations were made:

1. Management of Multinational Corporations should strengthen the use of social media platforms such as whatsapp, blogs, and other platforms among teams and units of the organization to enhance timely knowledge sharing which will lead to improved production and service delivery.
2. Management should provide and upgrade existing video conferencing facilities to promote audio-visual knowledge sharing and corporation among staff across all levels. This will enhance clearer clarification among team members and it will result to product improvement.
3. Standard customer database management system should be used to capture customers' purchasing behaviour for analysis and to enable the organization gain knowledge about how to continually improve customers' experience.
4. Various group of professionals in the organization should constitute community of practice to enable them create and share professional updates that will contribute to the continuous improvement of product and service delivery.
5. There should be serious collaboration among various knowledge management machineries such as community of practice, work committees, and quality assurance unit to ensure that products and services.
6. Customer service units of Multinational Corporations should collaborate with communities of practice, quality assurance units, and other knowledge management machineries. Such collaboration will help them to innovate ways of improving customers' experience thereby giving rise to client/customers satisfaction.
7. More investment should be done on organizational technological infrastructure ranging from basic office information systems to cloud computing facilities ensure the smooth flow of knowledge resources across all arms of the organization. The availability of functional internet connectivity, cloud computing services, and basic office tools such as laptops,

printers, etc. will smoothen the knowledge management process which will in turn boost organizational performance.

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