The contribution of knowledge management process capability on supply chain performance: a general review in Malaysia

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Abstract: The contribution of knowledge management process capability (knowledge sources, knowledge generation, knowledge storage, knowledge exchange and knowledge application) on supply chain performance (flexibility, resource and output performances) remain largely unexplored, particularly in the context of Malaysian manufacturing firms. Thus, this study aims to investigate the separate and collective magnitude of contribution of selected elements of knowledge management process capability on supply chain performance among the manufacturing firms in Malaysia as per Federation of Malaysian Manufacturers Directory 2015. None of the past studies has incorporated all of these five elements of knowledge management process capability in a single research and the collective contribution of these selected elements of knowledge management process capability on supply chain performance is not well-established. Hence, the proposed research framework is deemed to have the capability in delivering superior values to both academics and industry practitioners alike in terms of establishing a set of ‘best practices’ that may serve as a benchmark across the industries; provided that a strong linkage between the chosen set of knowledge management process capability and supply chain performance can be indisputably established. However, whether the proposed framework can be generalised across all industries remains a very good area to be further explored.

Keywords: flexibility performance; knowledge application; knowledge exchange; knowledge generation; knowledge management process capability; knowledge sources; knowledge storage; output performance; resource performance; supply chain performance.


Biographical note: Foo Pik Yin is a fairly new tutor at the Faculty of Business and Finance, Universiti Tunku Abdul Rahman, Malaysia. She obtained her Bachelor’s degree in Commerce Accounting from Universiti Tunku Abdul Rahman, Malaysia back in 2011. She has completed 12/14 papers for ACCA and is currently pursuing Master of Philosophy (a pure research program) at her alma-mater on a part-time basis and is keen on learning and mastering the art of researching. She worked in the Finance Department of a MNC for almost 4 years prior to joining the academic world.
1 Introduction

1.1 Background of the study

Knowledge is power. Every one of us depends on knowledge management capabilities for survival and also for the sake of humankind advancements to a certain extent. Manufacturing firms are of no exception. This is particularly true in the Malaysian context given the fact that Malaysian manufacturing industries now proudly take up 25\% of the nation’s gross domestic product (GDP) and account for more than 60\% of total exports on top of engaging a total of 1,028,147 employees as in October 2015 (Department of Statistics Malaysia, Official Portal, 2015; Trading Economics, 2015). It is undeniable that the manufacturing sector plays a pivotal role in advancing Malaysia’s dreams of achieving a ‘knowledge-based’ economy (i.e. k-economy) given the aforementioned statistics. In order for Malaysia to enjoy a smooth transition towards k-economy, the nation must first be well-equipped with knowledgeable and highly-skilled k-workers who possess strong knowledge management capabilities, coupled with active and ongoing research and development (R&D) activities on effective knowledge management mechanisms, plus comprehensive networks of infrastructures and various technological platforms that are essential in ensuring operations are running at optimum performance.

This brings us to the focus of our study where the impacts or contributions of knowledge management capabilities, in particular knowledge management process capability, which is being comprehensively represented by variables including knowledge sources, knowledge generation, knowledge storage, knowledge exchange and knowledge application (by integrating the works of Kim et al., 2012 and Woolliscroft et al., 2013) on the supply chain performance of manufacturing firms in Malaysia are being investigated. Supply chain performance which encompasses flexibility performance, resource performance and output performance, as adapted from Sezen (2008), is brought to the limelight in this study because supply chain performance is believed to precisely gauge the degree of successful management of knowledge management capabilities at the operational, tactical and strategic organisational levels besides comprehensively covering all the scopes of organisational strategic goals (Beamon, 1999).

This paper focuses on the contributions of knowledge management process capability on supply chain performance because knowledge management process capability is resulted from successful implementation, management and transformation of knowledge management practices or processes that aim towards creating, maintaining and even enhancing value for every stakeholder (Lippman and Rumelt, 2003; Morrow et al., 2007; Reyes, Worthington and Collins, 2015) that is believed to eventually lead to enhanced supply chain performance, which ultimately leads to improved firm performance and enhanced firm competitiveness (Friesl, 2012; Henderson and Cockburn, 1994; Ismail et al., 2012; Reyes, Worthington and Collins, 2015).
1.2 Rationales behind the research

“You just do what you are told, don’t ask so much.”
“Well, this is what my predecessor asked me to do; so now it is your turn.”
“You are my supplier (or customer) (supply chain partners), why do you need to know so much?”

The aforementioned conversations are common scenarios in industries, including but not limited to manufacturing industries. This suggests that non-cooperation among employees (internal organisational problem) and conflicting interests or goals among the supply chain partners (external organisational problem) are common problems that are prevalent among the industries settings (Grant, 1996). Generally speaking, people are reluctant to share knowledge with external organisational members such as suppliers and customers; or even with internal organisational members such as superiors, subordinates or fellow coworkers from different departments for fear that they might lose the edge over their internal or external competitors. People tend to believe that keeping their mouths shut is the best way to safeguard a company’s ‘secrets’. Many a time this ‘gag code’ behaviour might lead to suboptimisation problem, particularly among manufacturing industries, where employees of certain departments might place their personal or individual department’s interests above the best interests of the company as a whole; thus causing serious misalignment between operational or tactical goals with strategic organisational goals; and hence causing detrimental effects on supply chain and overall organisational performances.

The benefits of developing and using knowledge management process capability as a prominent strategy to achieve and sustain supply chain performance will be detailed out in Sections 1.5 and 2.

1.3 Problem statements

1 What are the best practices/strategies/capabilities that manufacturing firms need to employ to achieve and/or enhance supply chain performance in the context of knowledge management?

2 Can knowledge management process capability efficiently and effectively achieve, improve and sustain supply chain performance, which is a sub-part of firm performance?

1.4 Research questions and research objectives

<table>
<thead>
<tr>
<th>Research objective</th>
<th>Research question</th>
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<tbody>
<tr>
<td>To critically evaluate whether knowledge management process capability will lead to the achievement and improvement of supply chain performance among manufacturing firms in Malaysia</td>
<td>Will knowledge management process capability lead to the achievement and improvement of supply chain performance among manufacturing firms in Malaysia?</td>
</tr>
</tbody>
</table>

Source: Developed for the research
1.5 Significance of the study

The proposed research framework has the potential to yield remarkable theoretical and managerial implications on the lives of academics and practitioners alike (Pan et al., 2015). The points for theoretical and managerial implications will be provided towards the end of this paper.

2 Literature review

2.1 Knowledge and knowledge management

It is an indisputable fact that the success of organisations especially modern ones is closely tied to sound knowledge management system. Hence, the concepts of knowledge and knowledge management have warrant considerable amount of research in the past 20 years in emerging and developing economies (Akroush, 2006; Bruton, Dess and Janney, 2007; Carrillo et al., 2003; Lin and Tseng, 2005; Maddan, 2009; Tsai and Shih, 2004; Wong, 2004; Young, 2006). Knowledge or cognizance means organised facts, information and theoretical or practical skills gained through formal or informal experience or education (Oxford Advanced Learner’s Dictionary, 2015). In organisations, knowledge is not only embedded in documents, databases or repositories but also presents itself in organisational practices, routines and culture (Ke and Wei, 2007; Zheng, 2005). Knowledge is widely recognised as the cornerstone in an organisation’s efforts to sustain its competitive position in the marketplace. As knowledge is synthesised and disseminated throughout an organisation, it has the power to enhance an organisation’s capability to respond to and deal with ad-hoc situations with renewed zest and gusto (Gharakhani and Mousakhani, 2012). The prominence of knowledge as one of the indispensable ingredients in sustaining an organisation’s competitive advantages (Fong et al., 2011; Lee et al., 2011) and the fact that knowledge represents one of the essential building blocks of economic performance was first being advocated by the pioneers in knowledge management research (Nonaka and Takeuchi, 1995). This view is being further supported by Davenport and Prusak (1998) who demonstrated that knowledge is a valuable asset that needs to be managed effectively. As more and more academics, researchers and practitioners realise and recognise the infinite potential that knowledge and knowledge management have in driving innovation (Lee et al., 2013), improving performance and ultimately delivering excellence; this field has sparked great interest among avid researchers and practitioners alike (Cavaleri, 2004).

One of the most frequently cited definitions of knowledge management is “Knowledge management is a discipline that promotes an integrated approach to identifying, capturing, evaluating, retrieving, and sharing all of an enterprise’s information assets. These assets may include databases, documents, policies, procedures, and previously uncaptured expertise and experience in individual workers” (Duhon, 1998). Knowledge management is a rising star in the management field given its power to mitigate risks and uncertainties, to enhance organisational performance and to sustain an organisation’s competitive advantages, as emphasised by experts (Assudani, 2005; Gharakhani and Mousakhani, 2012; Hsu and Sabherwal, 2011; Madsen and Desai, 2010). Thus, organisations that are capable of sourcing for new knowledge and gathering
intelligence, assimilating, integrating and applying new knowledge add to their existing knowledge databases and repositories (Zollo and Winter, 2002). The efforts of combining new knowledge resources to existing databases and repositories have very high potential of leading towards new knowledge discovery within the organisation (Salge et al., 2012; Vasudeva and Anand, 2011), not forgetting the entrepreneurial opportunities that might be created along the way (Zahra, 2008).

2.2 Knowledge management process capability

Knowledge management can be seen as an elixir of life that is an essential ingredient in transforming useful resources into capabilities that ultimately lead to sustained organisational performance. The transformation of knowledge into capabilities is the critical success factor to improved performance (Reyes, Worthington and Collins, 2015). According to Friesl (2012) and Ismail et al. (2012), knowledge management capabilities are especially valuable to organisations in their race to outperform competitors by emerging as winners in the game of ‘survival of the fittest’ by improving organisations’ competitive position in the strategic context. Organisations are expected to experience enormous gains from the ability to take in new, external knowledge when faced with highly challenging competitive situations and hostile and taxing environmental threats that might threaten organisations’ competitive position (Schlegelmilch and Chini, 2003; Vasudeva and Anand, 2012) by having a robust knowledge management process or mechanism in place in order to harness knowledge and turn knowledge into useful capabilities. Organisations are highly likely to absorb complementary knowledge resources and attain superior performances in every dimension by having a laser focus on their continuous efforts to enhance knowledge management capabilities, including knowledge management process capability to ensure survival in highly competitive and testing times (Hsu and Sabherwal, 2011; Ismail et al., 2012).

An organisation needs to pay undivided attention in building and assimilating knowledge by actively and effectively engaging in continuous efforts to update its knowledge repertoires; including establishing a systematic framework or mechanism in order to gather highly useful and relevant knowledge before transforming it into firm-specific but difficult-to-imitate resources that serve as strategic, intellectual assets that truly make the organisation stands out in the tug-of-war by successfully differentiating its products and services from its competitors (Reyes, Worthington and Collins, 2015; Wiltbank et al., 2006) on top of delivering value as well as feasible and practical solutions to various stakeholders, especially customers. The definitions of the five elements of knowledge management process capability which are the independent variables of this study are described as follows:

1 Knowledge sources: Knowledge sources, which is also commonly known as knowledge acquisition, involve obtaining tacit and explicit (or a mixture of both) knowledge by collecting, incorporating and relating internal or external information that relates to human knowledge and experiences in order to meet and satisfy existing and future needs, to pin-point and exploit acquired knowledge assets and to identify and develop new opportunities (Essam, 2010; Gharakhani and Mousakhani, 2012; Huber, 1991; Quintas, Lefrere and Jones, 1997).

2 Knowledge generation: Knowledge generation, which is also commonly known as knowledge creation, involves discovering and creating new knowledge through
creative and innovative means (Abdelsatar, Kandilgy and Ghasan, 2012; Woolliscroft et al., 2013).

3 Knowledge storage: Knowledge storage, which is also popularly known as organisational memory, involves accumulating and storing knowledge (in various forms such as documents, data, information, etc.) in experiential systems such as databases and repositories, which are to be updated regularly to discard obsolete and irrelevant information and contain only up-to-date and relevant information (Abdelsatar, Kandilgy and Ghasan, 2012; Jasimuddin, 2005; Woolliscroft et al., 2013).

4 Knowledge exchange: Knowledge exchange, which is also popularly referred to as knowledge sharing or knowledge transfer, involves sharing, transferring or exchanging personal or organisational knowledge, practices, routines, know-how and experiences within or beyond organisational boundary through formal or informal settings (Gharakhani and Mousakhani, 2012; Kim et al., 2012).

5 Knowledge application: Knowledge application involves adapting, integrating, deploying, utilising and applying knowledge to solve problems, rectify and minimise mistakes-makings, reduce redundancy, improve efficiency and effectiveness, fulfil organisational needs and requirements on top of improving organisational practices, processes and ultimately delivering products and services of superior values (Gharakhani and Mousakhani, 2012; Gold and Arvind Malhotra, 2001; Grant, 1996).

2.3 Supply chain performance

Firms that are over obsessive of short-term financial or accounting performance are less likely to emphasise on enhancing their knowledge management capabilities (Collins and Hitt, 2006). Traditional performance measures are many a time inept in capturing operational efficiencies not to mention entrepreneurial opportunities that new knowledge management capabilities could yield (Collins et al., 2010). This has led the researcher to probe into supply chain performance, which is a subset of firm performance (Collins et al., 2010) in order to gauge the contributions of knowledge management process capability on the entire value chain of an organisation in terms of flexibility, resource and output performances, which encompass both financial and non-financial measures, as advocated by established researchers such as Beamon (1999), Gunasekaran, Patel and Tirtiroglu (2001) and so on.

Supply chain performance has been in the limelight in extant and current research because more people recognise the indispensable role effective supply chains play in achieving and sustaining organisational competitive position by improving organisational competitiveness (Christopher, 1999; Simchi-Levi and Kaminsky, 1999). As opposed to past researchers such as Arntzen et al. (1995), Lee and Billington (1993), Pyke and Cohen (1994) who used cost (main focus), activity time and customer responsiveness as primary measures of supply chain performance because of the perceived ease of implementation in quantitative models, Beamon enthusiastically took a bolder step by developing and coming out with three types of performance measures that comprehensively measure the flexibility, resource and output dimensions in the context of supply chain performance in 1999. Quite a number of researchers happily adopted, adapted or built-on Beamon’s way of measuring supply chain performance in their
Knowledge management process on supply chain performance

research studies including Gunasekaran, Patel and Tirtiroglu (2001), Lai, Ngai and Cheng (2002, 2004), and Sezen (2008); suggesting the intrinsic values or inherent appropriateness that Beamon’s framework of measuring supply chain performance in terms of flexibility, resource and output dimensions of a supply chain can bring. The definitions of the three performance measures that holistically represent supply chain performance which are adopted from Sezen (2008) are described as follows:

1 Flexibility performance: Flexibility performance measures the ability of an organisation to respond to changes in mix, volume, products and delivery times (Sezen, 2008).

2 Resource performance: Resource performance measures the efficiency in employing and utilising various resources in the supply chain and includes measures such as the costs of utilising resources, Return On Investments (ROI ratio) and organisational inventory levels (Sezen, 2008).

3 Output performance: Output performance measures customer satisfaction in the context of sales volume, profits, response time, order fulfilment rate, lead time between ordering and product delivery (Sezen, 2008).

Table 2 Measurement items for each dimension of supply chain performance

<table>
<thead>
<tr>
<th>Flexibility performance</th>
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<tbody>
<tr>
<td>1 Ability to respond to and accommodate demand variations,</td>
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<tr>
<td>such as seasonality</td>
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<tr>
<td>2 Ability to respond to and accommodate periods of poor</td>
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<tr>
<td>manufacturing performance (machine breakdowns)</td>
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<tr>
<td>3 Ability to respond to and accommodate periods of poor</td>
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<tr>
<td>supplier performance</td>
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<tr>
<td>4 Ability to respond to and accommodate periods of poor</td>
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<tr>
<td>delivery performance</td>
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<tr>
<td>5 Ability to respond to and accommodate new products, new</td>
</tr>
<tr>
<td>markets or new competitors</td>
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<tr>
<td></td>
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<tr>
<td>Resource performance</td>
</tr>
<tr>
<td>1 Total cost of resources used</td>
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<tr>
<td>2 Total cost of distribution, including transportation and</td>
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<tr>
<td>handling costs</td>
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<tr>
<td>3 Total cost of manufacturing, including labor, maintenance</td>
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<td>and re-work costs</td>
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<tr>
<td>4 Costs associated with held inventory</td>
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<tr>
<td>5 Return on investments</td>
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<td></td>
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<tr>
<td>Output performance</td>
</tr>
<tr>
<td>1 Sales</td>
</tr>
<tr>
<td>2 Order fill rate</td>
</tr>
<tr>
<td>3 On-time deliveries</td>
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<tr>
<td>4 Customer response time</td>
</tr>
<tr>
<td>5 Shipping errors</td>
</tr>
<tr>
<td>6 Manufacturing lead time</td>
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<tr>
<td>7 Customer complaints</td>
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</tbody>
</table>

Source: Sezen (2008)
2.4 Relationship between knowledge management process capability and supply chain performance

Knowledge management capabilities (including, but not limited to knowledge management process capability) were found to be strongly and positively associated with firm performance, which is measured not only in terms of financial indicators such as return on investment (ROI), growth of ROI, profit margin on sales and other quantitative criteria but also in terms of non-financial indicators such as product or service quality, flexibility, efficiency in resource utilisation, order fulfilment cycle time, learning curve, creativity and innovation, organisational responsiveness, organisational decision making, overall competitive position and other qualitative criteria that are able to comprehensively measure firm performance in multiple facets (Bixler, 2000; Chong, Wong and Lin, 2006; Cohen and Levinthal, 1990; Kalling, 2003; Li et al., 2006; Nonaka and Takeuchi, 1995; Sharithillah Devi, Chong and Lin, 2007; Skyrme and Amidon, 1997; Stewart, 2007; Tan, Handfield and Krause, 1998; Venkatraman, 1990). Companies operating in different industrial sectors that have successfully implemented knowledge management strategies were reported to achieve noticeable improvements in firm performance (Wong and Aspinwall, 2005). In essence, a firm has everything to gain (especially in terms of values and benefits) and nothing to lose in the long run by taking a proactive approach in embracing knowledge management efforts and capabilities in its operations (Wong and Wong, 2011).

By zooming into the fine prints of knowledge management process capability, which involves systematically and effectively collecting, reviewing, classifying, storing and managing knowledge resources, the notion that knowledge management process capability being one of the essential ingredients for improved performance is well appreciated among the academics and industry practitioners alike (Wong and Aspinwall, 2006; Wong and Wong, 2011). Knowledge management process capability involves bringing organisational knowledge resources (intangible assets) together to reach for better and higher market and organisational performances (Day, 1994) through value-adding activities and breakthrough innovations via business process improvements or reengineering that promise to not only meet, but even exceed expectations of various stakeholders, especially the big customers (Grant, 1996; Wong and Wong, 2011). This notion was further supported by recent researchers who empirically proved that knowledge asset, being the output from knowledge management process capability, is a source that benefits firms in every way and further amplifies firms’ overall performances by strengthening their strategic competitive positioning (Argote and Ingram, 2000; Lei, Slocum and Pitts, 2000).

3 Hypotheses development

Since knowledge management process capability is empirically proven to be positively linked to overall organisational performance (Day, 1994; Grant, 1996; Wong and Aspinwall, 2006; Wong and Wong, 2011) and given the fact that supply chain performance being a sub-part of firm performance, where supply chain performance focuses on the results at the operational and tactical levels of an organisation while overall organisational performance emphasises on strategic results (Collins et al., 2010);
hence, it is logical to deduce that knowledge management process capability has positive effects (synonymous to contributions) on supply chain performance.

In view of past studies that postulated positive relationships between knowledge management capabilities (including, but not limited to knowledge management process capability) and supply chain or organisational performance as well as aligning with Grant’s knowledge-based view, which advocates that knowledge is a fundamental building block of economic performance (Grant, 1996), the researcher proposed the relationships between the five elements of knowledge management process capability and supply chain performance among the manufacturing firms in Malaysia to be as follows:

*P1: Knowledge sources is positively related to supply chain performance.*

*P2: Knowledge generation is positively related to supply chain performance.*

*P3: Knowledge storage is positively related to supply chain performance.*

*P4: Knowledge exchange is positively related to supply chain performance.*

*P5: Knowledge application is positively related to supply chain performance.*

Figure 1 illustrates the relationships between the five elements of knowledge management process capability and supply chain performance.

**Figure 1** Research model

Sources: ¹Woolliscroft et al. (2013), ²Kim et al. (2012), ³Sezen (2008)
4 Implications of research and limitations

4.1 Theoretical implications

The proposed research framework can be a useful source to future researchers because it had laid a good foundation in advancing the model related to knowledge management process capability. Besides this, the proposed research framework is also an extended model of past studies (Kim et al., 2012; Sezen, 2008; Woolliscroft et al., 2013) and this model is one-of-a-kind because none of the past studies has examined the individual/specific effect as well as bundle effects of this customised cocktail of elements, which aptly represent knowledge management process capability have on supply chain performance.

Woolliscroft et al. (2013) proposed to integrate knowledge management practices into Michael Porter’s Value Chain in order to come out with a framework encompassing the best practices in the form of knowledge management strategy in the context of supply chain. Woolliscroft et al. (2013) proposed to optimise the overall supply chains among the automotive manufacturers in the Slovak Republic through knowledge sharing, knowledge collaboration, and integrating knowledge management practices including knowledge sources, knowledge generation, knowledge storage, and knowledge application into just-in-time manufacturing practices.

Kim et al. (2012), on the other hand, investigated the direct and mediating relationships of inter-organisational trust, knowledge complementarities and risk of opportunism on knowledge exchange, with IT infrastructure acting as the control variable, among 550 electronic manufacturing services (EMS) companies that joined a national electronics show. In the study by Kim et al. (2012), it was not stated explicitly in which country exactly the research was conducted. Sezen (2008), on the other hand, investigated the relative effects of design, integration and information sharing on supply chain performance among the automotive manufacturers in Turkey.

The current researcher became intrigued and was inspired to come out with the proposed research framework that is believed to provide a more holistic view on how knowledge management process capability, which is being comprehensively represented by knowledge sources, knowledge generation, knowledge storage, knowledge exchange and knowledge application contributes towards the flexibility, resource and output performances of supply chains among the manufacturing firms in Malaysia.

4.2 Managerial implications

The proposed research framework has the potential to serve as a powerful lighthouse that provides valuable insights and guidance (Wong et al., 2014) on whether the selected elements of knowledge management process capability initiates positive and profound impacts (which is synonymous to contributions) on the dimensions of flexibility, resource and output performances to industry practitioners and management teams of manufacturing firms who need to make decisions of varying degrees of importance and urgency at the operational, tactical and strategic levels.

For example, employees of an organisation voluntarily cultivating and embracing the practices of knowledge sourcing, knowledge generation or creation, knowledge storage, knowledge exchange or sharing and knowledge application whenever the needs or
possibilities arise, particularly during brainstorming sessions in search of solutions or better alternatives and troubleshooting of problems where employees who are equipped with relevant skills and expertise share knowledge and technical know-how with fellow co-workers even if they are not from the same department or teams for the sake of organisational success, in terms having good supply chain performance at the operational and tactical levels and achieving and sustaining remarkable overall firm performances at the strategic level.

Another example to clearly illustrate the perceived usefulness of having a rigorous knowledge management process capability in place, especially in the context of manufacturing firms, will be organisational employees sharing and exchanging knowledge, especially complementary knowledge, with external supply chain partners, through informal settings such as socialisation or formal sharing sessions, without jeopardising own firm’s strategic competitive position. For instance, by sharing and exchanging knowledge with upstream supply chain partners (suppliers), organisational employees get opportunities to gain fresh, new ideas or insights on sourcing for better and cheaper substitutes or alternatives which are more energy efficient as well. Another example will be during sessions where organisational employees share and exchange ideas and knowledge with downstream supply chain partners (customers), organisational employees may get new inspirations on new product introductions and developments (Teo et al., 2015) that will help a manufacturing firm to gain first-mover advantage when it successfully produce products that are not yet readily available in the market. This is in line with the well-known concept of Blue Ocean Strategy, where firms that successfully gain first-mover advantage stand very high chances of being able to sustain the competitive advantages achieved (Kim and Mauborgne, 2005).

In view of the above-mentioned well-illustrated points, the proposed research framework is believed to have latent and even underlying potentials of contributing towards the establishment of a robust knowledge management system/framework/mechanism with the ultimate aims of delivering manufacturing excellence in the organisations’ continuous efforts to achieve and sustain unique competitive advantages in order to outshine their competitors in this unpredictable and ever-changing environment.

4.3 Limitations

Some of the limitations of this research are as follows:

Future researchers may probe into other dimensions in the knowledge management context, including but not limited to knowledge management technological, structural and cultural capabilities, efforts attempting to shift the paradigm (since the culture of acting ignorantly, behaving selfishly, keeping quiet and minding own business for fear of discrimination or retribution) and many other predictors that might impact supply chain performance. This is because by focusing solely on a single aspect of knowledge management, firms may risk suboptimising the entire effort to achieve desired outcomes, perhaps caused by detrimental effects on firms’ efforts to please and satisfy customers in terms of products or services (Davenport, De Long and Beers, 1998). Future researchers may also extrapolate on the proposed research model by testing on supply chain or overall organisational performances with attributes that are even better and more comprehensive comparing to the proposed research model.
5  Conclusion

In a nutshell, in order to harness the synergistic effects achievable through rigorous and effective knowledge management process capability, forward-thinking organisations must recognise what is best for the organisation as a whole and design and implement strategies that are value-added so that the cumulative benefits (in terms of ROI, profits, reputation, et cetera) derived are far beyond the sum of the costs of investments by individual stakeholders. The proposed research model also showcased the importance of having a sound knowledge management process capability in place in order to promote win-win relationships among the internal organisational employees and between a firm and its supply chain partners in a firm’s continuous efforts to not only survive and thrive, but also to scale new heights in this increasing challenging and hostile marketplace.

References


