

# **University of Zimbabwe**



## **An Analysis of the Influence of Selected Knowledge Management Success Factors on the Performance of Retail Organisations in Zimbabwe**

**By**

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**A dissertation submitted in partial fulfillment of the requirements for the  
requirements for the degree of Master of Business Administration**

**July 2015**

**Graduate School of Management  
University of Zimbabwe**

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## **DEDICATION**

To my lovely kids, Natanya and Leon.

## **ACKNOWLEDGEMENT**

For the successful completion of this study, I am thankful to my supervisor Dr. M. Sandada, all members of staff at Graduate School of Management who had their own contributions, fellow students who had special assistance and encouragement, and colleagues at work. I also express my special gratitude to my family for standing with me during this demanding work.

## **EXECUTIVE SUMMARY**

This research adopted a quantitative methodology to study the influence of selected success factor of Knowledge Management initiative on the performance of retail organisations in Zimbabwe. The study considered the research topical given numerous literature sources suggesting that Knowledge Management is evolving into a new strategic framework for modern business in the digital economy. A sample of 153 participants was drawn from randomly selected retail organisations. Data was gathered using the questionnaire instrument. The study was keen to test and verify the hypothesis that there is a positive relationship between selected Knowledge Management success factors and the performance of retail organisations.

The study found that organisational culture, leadership commitment, ICT infrastructure, measurement and evaluation capabilities of the organisation, structure, roles and responsibilities of knowledge sharing individuals as well as employee and customer needs in a knowledge sharing organisation setting were critical success factors of Knowledge Management in a retail business. All of these factors were found to be positively related to organisational performance brought about through Knowledge Management initiative. The study had ample evidence to accept the hypothesis stated initially and managed to address the questions and fulfill the objectives that the research was out to achieve.

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## **LIST OF ACRONYMS**

|      |                                           |
|------|-------------------------------------------|
| KM   | Knowledge Management                      |
| FMCG | Fast Moving Consumer Goods                |
| RAZ  | Retail Association of Zimbabwe            |
| ICT  | Information Communication Technology      |
| HR   | Human Resources                           |
| CSF  | Critical Success Factors                  |
| KMO  | Kaiser-Meyer-Okin                         |
| SPSS | Statistical Package for Service Solutions |

## CHAPTER ONE

### 1.1 INTRODUCTION

This research carries out an analysis of the benefits of selected success factors of a Knowledge Management initiative to retail business in Zimbabwe. There is growing recognition, among retail organisations in Zimbabwe that knowledge is a key business asset. As a result, Knowledge Management (KM) is an evolving tool for strategic management which has dramatically become an integral business function for many organisations across the retail industry (Metaxiotis, Bontis and Kitopoulos, 2005). Clarke and Rollo (2001) cautioned that knowledge is a social construct and cannot be managed as a physical asset and hence stressed the need to maintain a sense of trust and reciprocity in Knowledge Management. Wunram (2000) defines Knowledge Management as a systematic, goal-oriented application of measures to steer and control the tangible and intangible knowledge assets of organisations to enable the creation of new knowledge as well as using existing knowledge within and outside the organisation for value creation, innovation and performance improvement. Wunram (2000) argues that knowledge produced by individuals only reaches the potential to create economic value when it becomes part of organisational routine.

Thus, the study attempts to reveal how selected critical success factors of Knowledge Management initiative can benefit a retail business. Given that Knowledge Management is a complex and elusive concept which can be challenging to implement, certain critical success factors are thought to be the missing piece in the puzzle. A broad range of factors that can influence the success of Knowledge Management implementation has been mentioned in various literature sources. Saraph (1989) viewed critical success factors (CSFs) as those critical areas of managerial planning and action that must be practiced in order to achieve effectiveness in Knowledge Management. Thus, this study explored areas of managerial planning and action for a Knowledge Management initiative in the context of retail organisations precisely in the case of Zimbabwean retail industry. In this study, the critical success factors being considered are those internal, controllable factors that build up organisations' activities and practices when interacting with their own business knowledge.

## **1.2 BACKGROUND TO STUDY**

Retail organisations in Zimbabwe are facing fierce competition due to the increasing number of new players entering the market. Thus, the legal framework for the retail sector has posed some challenges by allowing competition from foreign owned retailers. The economic environment has also remained unfavourable resulting in most retailers struggling to keep afloat, let alone meeting their performance or growth targets. Political instability experienced in Zimbabwe since the beginning of millennium 2000 also created lasting business uncertainty and lack of investor confidence and still troubles most organisations to date. KM is a discipline, designed to provide strategy, process, and technology to increase organisational learning. The objective is to manage, share, and create relevant knowledge assets that will help meet tactical and strategic requirements. On the other hand, technology is fast moving and information is undergoing a rapid turnaround that requires proactive and strategic response on the part of retail operators, so as to keep up with the changing business environment.

Thus, there is growing need for a wide range of strategic and tactical requirements given the prevailing operating environment outlined above. OK Zimbabwe, which is one of the largest retailers in the country, has emerged from re-structuring, downsizing and business process re-engineering programmes and the organisation is realising that they have neglected knowledge built up over decades. At the same time the organisation is now becoming aware of the opportunities and threats presented by e-commerce and other emerging business platforms, and are recognising the need to share the new knowledge and skills of the digital economy. It is for this reason that the organisation has of late been investing in Management Information Systems in order to improve the management of knowledge within the organisation. However since this is a new concept that has recently been adopted by the organisation, there is no evidence of a research by the organisation on the critical success factors of the initiative.

Knowledge Management Systems are huge capital expenditure programmes and thus there is need to ensure that the resources are deployed efficiently. It is against such a background that this study assesses the critical success factors of Knowledge Management and how they relate to the benefits of Knowledge Management in order to help retail organisations pay attention to those areas that are critical for the successful implementation of the program.

Knowledge is increasingly being recognised as an important asset for sustainable competitive advantage. Knowledge is the primary asset for modern organisations as indicated by the extent to which they invest on human capital development.

## **1.1 STATEMENT OF THE PROBLEM**

The Zimbabwean retail industry is becoming more congested as some foreign players are making their way into the local market. More so, the increasing scourge of informal trading, shrinking markets due to low disposable income and high unemployment as well as general low economic activity characterized by liquidity crunch and poor industrial capacity have threatened the retail business. Apart from that, rapid changes in technology have exposed retailers to the risk of elimination from the distribution channel since producers and consumers can now interact more easily than ever before. In light of these threatening developments, most retail organizations are compelled to seek new strategies for survival and growth. In this era of information revolution, embarking on Knowledge Management initiative appears to be a key strategic management tool that can be adopted in order to cope with the changing business environment. Indeed every retail organization seeking to gain competitive advantage in terms of efficiency, profitability and cost effectiveness is persuaded to embark on a Knowledge Management initiative of some sort. Should implementation modalities be the missing link, this study managed to shed light by providing an assessment of the critical success factors of, benefits of and barriers to Knowledge Management initiative in retail business in Zimbabwe.

## **1.3 OVERALL OBJECTIVE**

The overall objective of this research is: To assess the influence of selected Knowledge Management success factors on the performance of a retail business in Zimbabwe.

### ***1.3.1 Sub-objectives***

1. To assess the role of critical success factors of KM towards achieving desired business performance.
2. To come up with recommendations of improving the implementation of Knowledge Management in retail business.

## **1.4 MAIN RESEARCH QUESTION**

What is the influence of selected Knowledge Management success factors on the performance of retail business in Zimbabwe?

### ***1.4.1 Sub-questions***

1. What factors are critical to the success of Knowledge Management initiative to a retail business in Zimbabwe?
2. How can Knowledge Management be successfully used as a strategic management tool in a retail organisation in order to achieve desirable business performance?

## **1.5 PROPOSITION**

This study claims that there is a positive relationship between selected success factors of Knowledge Management initiatives and the performance of a retail business.

## **1.6 JUSTIFICATION OF STUDY**

Although there is much research work previously done on the aspect of Knowledge Management, there seems to be little attention paid on the critical success factors of Knowledge Management (KM) initiatives, particularly with respect to retail business in Zimbabwe. Studying the critical success factors for implementing Knowledge Management in small and medium enterprises in Malaysia, Wong (2005) stresses the need for a more systematic and deliberate study on critical success factors for implementing KM. Wong (2005) reveals that ignorance and oversight of necessary important factors hinders an organisation's effort to realise the full benefit of implementing KM initiative. Martensson (2000) conducted a critical review of KM as a management tool and emphasised the need for organisations in Sweden to exercise good capacity to retain, develop, organise and utilise their knowledge capabilities. The study maintains that KM is a necessary factor for organisational survival and competitive strength. On the contrary, researchers are called to enlighten the business world on the practicability of all these intellectually conceived ideas and strategies in Knowledge Management initiatives rather than debating much on whether Knowledge Management is an ideal tool in comparison to other strategic management tools.

Having noted that there is hardly any study previously conducted to assess the critical success factors of Knowledge Management initiatives in the retail industry in Zimbabwe; this research seeks to fill the identified literature gap. In addition to that, this study might also come up with new insights and or help cement existing ideas thereby adding some intellectual value to Knowledge Management as a field of study in Strategic Management. On the other hand, this research can also produce valuable information that help retail organisations in Zimbabwe formulate successful strategies to ensure competitive advantage in business. Lastly, this research study is also important in that it helps prepare a platform for further research by providing groundwork that might form part of literature in future studies on critical success factors of Knowledge Management initiative. In a study to review the critical success factors influencing project success in the construction industry, Garbharrani, Govender and Msani (2012) revealed that 95 project managers and 61 active contractors sampled in Durban, South Africa strongly support that certain critical success factors determine the success of their projects.

### **1.7 SCOPE OF THE RESEARCH**

Knowledge Management is a broad subject that encompasses various dimensions. In addition, it draws upon a number of diverse fields such as Organisational Science, Education and Training, Cognitive Science, Information Technologies as well as Information and Library services to mention but a few. Given such multidisciplinary nature, this study focuses on Knowledge Management as an Organisational Science. Precisely, the research focuses on critical success factors of a Knowledge Management initiative and considers this aspect of the subject in the context of retail industry in Zimbabwe. Apart from that the study is also delimited to formal retail organisations and concentrates on the major players that are considered to as market leaders. This research is only going to focus on the major retail outlets located in Harare.

### **1.8 DISSERTATION OUTLINE**

This research is made up of five chapters. The first chapter provides introduction and background, statement of the problem, objectives of the study, research questions and justification in order to highlight an overall picture of what the whole study is all about.

Chapter two provides literature review in which both theoretical and empirical literature were covered so as to enlighten the research gap that is to be filled through scientific inquiry. Chapter three focuses on research methodology where the approach being adopted to tackle the problem is elaborated. Chapter four gives presentation of research findings while chapter five concludes by a winding up discussion, overall conclusion, recommendations and areas for further study.

## **1.9 CHAPTER SUMMARY**

Effective knowledge management is considered to play an increasingly important role in creating competitive advantage. Knowledge is becoming a driving force for organisational change and wealth creation. As a result, retail organisations are bound to consider implementing knowledge based strategies in their efforts to improve competitiveness. Hence the research problem for this study is quite a topical one, especially in this era of modern retailing where electronic commerce (e-commerce) and various other emerging new technologies are taking the retail industry through a dramatic revolution that would see Knowledge Management taking a center stage in strategic management. The next chapter focuses on literature review.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 INTRODUCTION**

This chapter gives a review of literature on the critical success factors and benefits of a Knowledge Management initiative in order to construct theoretical foundation for the subject while acknowledging ideas and any substantial findings by other researchers. This is useful in building up a conceptual framework guiding the study on how best to tackle the problem at hand. Previous work by other researchers is also analysed and synthesised to establish convergence or divergence of views among various scholars while attempting to place the study into a unique literature gap.

#### **2.2 KNOWLEDGE MANAGEMENT INITIATIVE**

Knowledge Management (KM) is about making the right knowledge available to the right people. It is about making sure an organisation can learn, and that it will be able to retrieve and use its knowledge assets in current applications as and when they are needed. In the words of Peter Drucker, it is "the coordination and exploitation of organisational knowledge resources, in order to create benefit and competitive advantage" (Drucker 1999:17). Babalola (2007) views Knowledge Management as relating to a commitment to use the right knowledge at the right time in the right manner and at the right cost. In addition, Choo and Bontis (2002), Takeuchi and Nonaka (2004), as well as Uhlaner and Van Santen (2007) concur with the view that Knowledge Management should not only be concerned with the notions of knowledge transfer and knowledge sharing, but with the entire knowledge acquisition and utilisation process, including locating and capturing as well as enhancing the creation of new and up-to-date knowledge within the firm.

Knowledge Management has now become the latest strategy for achieving organisational competitiveness (Bell & Jackson, 2001). Along the same lines, Stonehouse *et. al* (2001) note that the concept of Knowledge Management has evolved and argues that it is simply the next phase of an evolutionary process of strategic frameworks that seek to explain how an organisation may

generate superior performance relative to the competitors in its market. Earlier approaches centred on the competitive position of an organisation within its industry. Subsequent attention was focused on the creative mastery of an organisation's core competencies to achieve competitive advantage (Stonehouse *et. al*, 2001).

BenMoussa (2009) argues that KM is a discipline that needs to be considered in any modern business strategy and planning. The study maintains that most firms now find it inevitable to invest heavily in KM with the aim of building a knowledge capacity and use it to achieve competitive advantage. On the other hand, Desouza (2003) outlines that KM has made headway in all business fields in recent times and continues to emerge as a pivotal task for organisations to survive in today's competitive marketplace. Moreover, Desouza (2003) notes that organisations now realise the need to exploit not only the tangible but also intangible assets such as business knowledge for effective and efficient attainment of organisational goals. With the above in mind, this study acknowledges that BenMoussa (2009) presents a number of benefits associated with successful KM initiatives ranging from providing competitive advantage through allowing organisations to solve problems and seize opportunities, increased responsiveness and innovation, cost-saving, supported decision making, facilitated collaboration among organisations' members, increased employee productivity as well as mitigating knowledge loss associated with employee turnover.

The shift from information to knowledge means that awareness of the value of knowledge in most firms is exceeding their ability to extract it from the goods and services in which it is embedded as well as to advance the knowledge. Lang (2001) argues that the real task of Knowledge Management is to connect people to people to enable them to share what expertise and knowledge they have at the moment, given that cutting edge knowledge is always changing. This is in line with the argument put forward by BenMoussa (2009) who distinguishes codification and personalisation approaches to KM and argues in favour of the later in that the approach involves people-to-people interaction and dialogue thereby enhancing the utilisation of tacit knowledge to create value for the organisation. On the other hand knowledge embedded in goods and services is largely explicit and easily availed through organisational repository.

Damodaran and Olphert (2000) as well as Edwards, Shaw and Collier (2005) argue that in general, a push-strategy, that is, when information and knowledge are ‘pushed’ through to the potential users, is less effective than a pull-strategy, which is based on creating a basic organisational culture and context that encourages organisational learning that is end-user driven and where the employees have access to knowledge as and when they need it. This converges with the view of Hasanali (2002) that KM succeeds when it is grassroots or demand-pull rather than a top-down or technology-push initiative.

Dalkir (2005: 68) points out that for many years, organisations have been practicing “KM on the fly.” That is, giving the practice of KM minimal attention. However, through experience, a great deal of valuable empirical lessons and best practices were acquired by KM practitioners interacting with many diverse organisations. Dalkir (2005) emphasises that KM needs to be grounded in more robust, sound theoretical foundations. A similar argument was raised by Gray and Meister (2004) who view KM as a collaborative and integrated approach to the creation, capture, organisation, access and use of the enterprise’s intellectual assets. Cementing the same idea, Frappaolo (2006) stresses that KM needs to be a systematic approach to manage the use of information in a manner that provides continuous flow of knowledge to the right people at the right time so that efficient and effective decision making is assured in the organisation’s daily business. More so, KM can be viewed as a concept under which information is turned into actionable knowledge and made available in a useable form to people who can apply it.

Lang (2001) elaborates that for any given KM initiative, there is always uncodified and uncodifiable content and context. The study revealed that businesses are in the midst of economic transition from an era of competitive advantage based on information to competitive advantage based on knowledge creation, sharing and utilisation. Cementing the same view, Drucker (1992), cited by Lang (2001), points out that Land, Labour and Capital are now becoming secondary to knowledge as the primary resource in production, effectively placing KM at the centre of modern business strategy.

The study also reviews that some micro-entrepreneurs used a combination of push and pull strategy in implementing knowledge sharing across the organisations. Push strategy makes a decision on what information is to be allocated to whom and automatically alerts users of changes, while pull strategy is based on user requests and needs (Davenport & Prussak 1998). For instance, through physical meetings, the micro-entrepreneurs attempted to internalise knowledge to more persons so that through this process, the employees' experiences become transformed into useable knowledge within the organisation.

In summary, it can be said that the micro-entrepreneurs had the right attitude, built on their skills and aptitudes, created the right organisational culture and provided direction using their leadership as micro-entrepreneurs to work through KM initiative, towards their enterprises' growth. In addition, the experientially acquired knowledge over time seemed to provide direction towards sound implementation of Knowledge Management initiative.

### **2.3 CRITICAL SUCCESS FACTORS**

The success of a Knowledge Management initiative depends on many factors, some within an organisation's control while others are beyond. Hasanali (2002) puts the critical success factors of Knowledge Management into five primary categories, namely (1) leadership; (2) culture; (3) structure, roles and responsibilities; (4) information technology infrastructure; as well as (5) measurement and evaluation. Sharing the same view as cited by Wong (2005), Skyrme and Amidon (1997) highlight seven key success factors for KM initiative namely strong link to business imperative, compelling vision and architecture, knowledge leadership, knowledge creating and sharing culture, continuous learning, well developed technology infrastructure and systematic organisational knowledge process.

In a similar research study, Holspple and Joshi (2000) propose three major classes of critical success factors of KM initiative which include managerial, resource and environmental factors. Managerial factors include aspects of co-ordination, control, measurement and leadership. Resource factors focus on the availability of knowledge itself, human capital, material and financial capacity for the implementation of Knowledge Management initiative. Environment

factors include competition, markets, time pressure, government and economic climate to mention but a few.

Davenport and Probst, (2002) reiterate that Davenport, DeLong and Prusak (1998) cautioned that linking the identified factors to the success of Knowledge Management should be viewed as hypothesised rather than proven or definite. Chourides *et. al*, (2003) identify various critical success factors for the implementation of Knowledge Management in five organisational functional areas namely strategy, human resource management, information technology (IT), quality and marketing.

### ***2.3.1 Knowledge Management and Leadership***

Leadership plays a key role in ensuring success in almost any initiative within an organization. Its impact on KM is even more pronounced because this is a relatively new discipline. Nothing makes greater impact on an organization than when leaders model the behaviour they are trying to promote among employees. The CEO at Buckman Laboratories, a chemicals company, champions the cause for KM within the organization and personally reviews submissions to its knowledge bank.

Several other best-practice organisations have demonstrated this commitment to KM. At the World Bank, the president's support led to the creation of an infrastructure that promoted and supported the growth of communities of practice not only throughout the organisation, but also around the world in the field of KM (Wong, 2005).

Soliman and Spooner (2000) submit that leadership that is up to task is required as a means for driving success in KM initiative since it helps set clear and well-planned strategy that provides foundation for how organisations deploy their capabilities and resources to achieve their KM goals.

### ***2.3.2 Knowledge Management and Organisational Culture***

Babalola and Omobowale (2012) summarise that micro-entrepreneurs can be said to have the right attitude, built on their skills and aptitudes, if they created the right organisational culture and provided direction using their leadership as they work towards effective Knowledge Management.

In addition, the experientially acquired knowledge over time seemed to provide each of the micro-entrepreneurs with knowledge that improved their ability. Babalola and Omobowale (2012) thus conclude that as much as innovation is essential for entrepreneurial success, Knowledge Management is particularly germane to the success and development of entrepreneurial organisations. With these cybercafé micro-entrepreneurs, this paper identified contextual factors of employee welfare, self-discipline, customer relations, knowledge transfer, diversification and technology in not only building trust, but to enhance knowledge management and innovation. Hence, this paper concluded that trust building is imperative in innovation and Knowledge Management, especially as regards the entrepreneurs studied.

### ***2.3.3 Knowledge Management and IT Infrastructure***

Lang (2001) argues that extended IT industry is growing aware of the notion that KM does not only lower the cost structure but also increases strategic flexibility in addition to facilitating the creation and utilisation of knowledge especially for firms competing in dynamic markets. CIO Enterprise Mag (1999) cited by Lang (2001), articulates that KM is in the danger of being perceived as so seamlessly entwined with technology that its true critical success factors will be lost in the pleasing hum of servers, software and IT gadgets.

### ***2.3.4 Structure, Roles and Responsibilities***

Knowledge Management succeeds when it is a grassroots or demand-driven rather than top-down or technology push initiative. Knowledge is generally assumed to be largely cognitive and therefore highly personal. Thus, KM initiative should help an organisation structure its knowledge resources in such a way that individuals possessing particular knowledge have a crucial role to play in certain tasks and duties for which such knowledge is applicable. Wong (2005) cites that Davenport *et. al* (1998) point out that establishing a set of roles and teams to perform knowledge-related tasks. Thus, despite the fact that some existing organisational functions such as Human Resources Management and Information Technology already work with organisational knowledge resources, Wong (2005) emphasises that establishing a group of people with specific and formal responsibilities for KM is crucial, suggesting that these roles can either be devolved to existing positions or to new ones.

### ***2.3.5 Measurement and Evaluation in KM***

Employees often create their own network instead of using the formal or official organisation-wide network. It is misguided to conclude that knowledge sharing is absent because no-one is using organisational knowledge repository. Wong (2005) says measurement acts like data collection system giving information about particular situation or activity in KM. Without measurement, KM initiative would not succeed. Measurement enables the organisation to track progress of the KM initiative and to determine benefits and effectiveness (Arora, 2002). Wong (2005) cites that Ahmed et al (1999) argue that measuring KM is necessary because it enables the organisation to evaluate progress towards the attainment of its envisioned goals of KM. According to Wong (2005), measurement provides a basis for organisations to evaluate, compare, control and improve upon the performance of KM initiative. Wong (2005) says Ahmed et al (1999) acknowledge that it is difficult to quantify the benefits of KM in the short-term but it is important to articulate indicators that reflect success at the early stages of KM initiative. Moreover, Wong (2005) identifies that another key aspect of measurement is to evaluate the impact it has on the bottom line financial results and business performance. On the other hand, Hassanali (2002) says in measurement, it is important to incorporate both traditional hard measures which include profitability, market share and cost leadership as well as soft non-financial measures such as intellectual capital metrics and balanced score board so as to provide a more holistic approach to measuring KM.

### ***2.3.6 Employee and Customer Needs in KM***

Knowledge flows well when members perceive a climate of trust and sense of credibility while engaging in bidirectional exchange of Knowledge. The micro-entrepreneurs made knowledge available to their employees and customers through the provision of magazines and journal articles (explicit knowledge) in their workplace and also through internal weekly assessment and discussions on problems and issues (tacit knowledge) encountered during the week. Belonging to a professional association by an entrepreneur according to Gray and Meister (2004) , is a driver for networking, exchange of business and technical knowledge, as well as social interactions

among smaller firms. The constant interaction between the micro-entrepreneurs with their employees must enable them to personalise and tailor-make services that contribute to an atmosphere of trust in running their enterprises. Borrowing from Feld's (1981) terminology, trust must have provided focus for both the employees and their employer to become 'interpersonally tied'.

A careful analysis of the styles of operations of Cybercafe micro-entrepreneurs showed the use of trust, knowledge transfer through mentoring and good relationships with employees and customers. It also affirmed that trust building is important for the entrepreneurial development, most especially a micro-enterprise. According to Lopez, Peon and Ordas (2004), once employees' loyalty is secured, knowledge transfer through mentoring, technology and diversification could be rightly harnessed for optimal results in entrepreneurial development. Likewise, by ensuring customer trust in the organisation (in this case, the cybercafé), customer patronage is retained. Thus, when innovations are introduced, both employee and customers potentially trust the entrepreneur's ingenuity at delivering good services.

#### **2.4 THE INFLUENCE OF CRITICAL SUCCESS FACTORS ON KM INITIATIVE**

Lang (2001) points out that given the social nature of knowledge, several impediments to its creation and utilisation exist and hence emphasise that the task of Knowledge Management is to identify and overcome such impediments. Looking into managerial concerns in KM, Lang (2001) notes that knowledge differs markedly from information and data implying that IT alone cannot deliver KM since knowledge is not synonymous to information. Lack of such fundamental understanding has been cited as one of the critical obstacles hampering successful implementation of KM best practice that would translate into competitive advantage in terms of efficiency, profitability and cost effective business operation.

BenMoussa (2009) claimed that not all KM initiatives succeed, substantiating this argument by providing an analysis of five documented cases of failed KM projects. The analysis of the above mentioned KM initiative also provides impediments to KM that were cited namely; poor organisational planning, lack of motivation, absence of enabling environment as well as other personal barriers among members responsible for putting the KM initiative into practice.

The following is an illustration of the framework of barriers to KM constructed by BenMoussa (2009).

There are several hindrances to the successful implementation of KM initiative, most of which are interrelated. In the following discussion, these hindrances are reviewed under the subheadings outlined in the conceptual framework of the study. That is, the study considers obstacles to the implementation of KM as broadly classified under poor corporate strategy, lack of motivation, employee turnover, shortage of resources, absence of enabling environment and personal barriers.

Oliva (2014) undertakes a discussion of the factors critical to KM, putting forward the argument that KM is an important strategic management tool that adds value to products and services thereby making them unique and more competitive. Oliva (2014) cites that Szulanski (2003) presents the main barriers hindering transfer of knowledge within companies into four sets, that is, barriers inherent to the knowledge process, barriers inherent to the source of knowledge, barriers the recipient of knowledge and those barriers inherent to the cultural context. Brandt and Hartmann (1999) propose a classical analysis of the obstacles to management in socio-technical systems that form the thrust of KM and these obstacles are grouped into technology-related, organisation-related and people related barriers.

Barney (1991) subscribes to the view that a firm can obtain sustained competitive advantage from its controllable resources and capabilities that are valuable, rare, imperfectly imitable and non-substitutable if it makes effort to overcome certain obstacles associated with the management of knowledge. Barson *et. al* (2000) analyse barriers to KM by categorising them into three groups namely technological, organisational and people related barriers. Building on the same classification, McLaughlin *et. al* (2008) develop a list of the main barriers to knowledge creation and sharing grouping them into technological, organisation and cross-category barriers.

Schilling and Kluge (2009) use a variant classification of the barriers into action-personal, organisational-structural and societal-environmental barriers and further argue that barriers to

organisational learning include problems of intuiting, interpreting, integrating and institutionalising knowledge. Criticising other researchers for not considering the aspect of knowledge storage in their analysis of the barriers to KM, Rego *et. al* classified the barriers to KM into individual hindrances, socio-organisational impediments and technology barriers. Ranjbarfard *et. al* (2014) conduct an extensive analysis of barriers to KM adopting a more precise classification of the barriers into those related to people, technology, organisation, environment and characteristics of the knowledge.

#### ***2.4.1 Corporate Strategy***

Most KM initiatives are hindered by poorly defined or ultimate unavailability of organisational goals in KM. Lucier and Torsiliera (1997), Newell (2001), Patton and Carlsen (1998) as well as Scarbrough and Swan (1999) agree that most planners overlook the essential task of setting goals and ensure all members of the organisation understand the diversities of KM. Newell (2001) points out that it is inadequate to hinge on more general aspirations such as sharing best practice, profit growth or improving competitive advantage without crafting and giving detailed explanation of specific goals to end-users of KM initiative. Storey and Barnett (2000) caution that KM initiatives fail because they are not planned beyond present needs, and often neglect the input of customers who should be central to planning since they are apparently a vital source of intellectual capital.

McCann and Syke (2004) reveal that information is fundamentally confused with knowledge such that many organisations direct their efforts towards Information Technology rather than KM whereas KM and Information Technology are not synonymous. Tiwana (2001) argues that although effective KM is hardly possible without good Information Systems in place, Information Technology becomes a barrier to KM when organisations misconceive it for KM. McCann and Syke (2004) argue that organisations are often misguided to think that mountains of information captured by very expensive, often inflexible Information Systems or IT is KM yet this might in fact make it difficult to identify and measure what really drives organisational performance.

Because of the representational limitation problem, elevating IT as a milestone to KM may end up under emphasising what matters most, that is, the people working for organisations (Strassmann, 1997). Instead, the goal is to connect questions to answers, or to people who can help find answers (Stewart, 1997). To enable competencies for building communication in people networks, and to promote on-the-job learning and knowledge sharing, effort to mitigate various impediments to KM will be necessary.

#### ***2.4.2 Employee Motivation***

Desouza (2003) says knowledge originates in the minds of individuals and so it must be realised that unless organisation's stakeholders are motivated to share, IT solution cannot deliver desirable KM goals. On the same note, BenMoussa (2009) understands that most studies suggest that the biggest hurdle to KM has nothing much about implementing cutting edge IT solutions but motivating people to contribute to the KM effort through sharing their know-how at the workplace. Lucier and Torsilieri (1997) stress that it has been noted that getting employees to share what they know is no longer a technology challenge but a corporate culture challenge (Hibbard and Carillo, 1998). Motivational barriers also relate to lack of managerial leadership which can limit knowledge sharing practice (Du Plessis, 2008).

#### ***2.4.3 Employee Turnover***

Drucker (2003) argues that knowledge is between two ears and as such, it is essential to ensure close involvement and cooperation of the knowing individuals for KM initiative to succeed. This implies that organisations, to a greater extent, experience serious drawbacks in their efforts to ensure effective KM due to employee turnover. With a high rate of turnover, the organisation does not realise progress in training and staff education using KM systems and other technological tools for managing knowledge (Wong, 2005). Those organisations constantly hiring new staff, without retaining it for a long time often fails to sustain a successful KM initiative since it is difficult for such organisations to realise the full potential and benefit from their capabilities. Robertson and Hammersley (2000) argue that the question of how to retain employees through providing opportunities to grow and advance their career is central to successful KM.

#### ***2.4.4 Shortage of Resources***

Adoption of new and up-to-date technology, providing training and technical support services, IT management and software upgrading, management of other KM facilities and end-user involvement and various elements of KM initiative require funding and this entails a cost to the organisation. As a result, it is sometimes difficult to fulfil these all requirements to ensure a fully functional KM initiative due to shortage of resources. Lang (2001) outlines a number of hindrances or obstacles to knowledge creation and utilisation in organisations. The obstacles are considered to stem from shortage of resources and these include inadequate consideration of those organisational relationships that promote knowledge creation, insufficient linkage between KM and corporate strategy as well as inaccurate valuation of the contribution of KM to the organisation's bottom line, which in most cases, is profitability and growth. This is largely attributed to pervasive lack of holism in KM efforts and poor capacity to impart skills required by end-users to interact with knowledge.

#### ***2.4.5 Absence of Enabling Environment***

As cited by Lang (2001), Stewart (1997) suggests that, first, a new IT architecture is needed that includes new languages, categories, and metaphors for identifying and accounting for skills and competencies oriented toward problem-solving and representation, rather than output and transactions captured by most organisations to inform KM initiative. Second, there needs to be a new organisational architecture that is more social, transparent, open, flexible, and respectful of the individual users. That is, both technological and organisational initiatives are needed to create an enabling environment for KM initiative to succeed. If these are aligned and integrated, they can provide a comprehensive infrastructure to support KM processes productively.

#### ***2.4.6 Personal Impediments***

MacKlinay (2002) is convinced that most KM initiatives fail due to lack of incentives, among individuals, to devote time and effort to contribute to KM processes. BenMoussa (2009) also points to lack of commitment by individuals to extend concrete willingness to address complex problems that constitute personal barriers to KM initiatives. Such problems include micro-political processes or end-users' lack of acceptance of the implemented KM systems.

As a result, prospective users tend to reject or under-utilise the implemented KM systems as they find them lacking in usefulness. Knowledge is also bound up within people's individual ego and occupational meaning and for this reason; it does not flow easily across role or functional boundaries in the organisation (Davenport, 1998).

Swan (1999) reveals that KM initiatives aiming at codifying knowledge, particularly tacit knowledge, often translate into no benefits for the organisation as individuals are bound to consider the approach useless, redundant, irrelevant to a wider audience, politically naïve and inaccurate. In addition to that, there is a need for integration of the right technology for a successful sharing strategy as individuals often consider ease of use, task-technology fit and user-friendliness as well as training and technical support services in their determination of a useful IT system lest IT itself becomes a barrier that works hand in hand with other personal barriers to impede the successful implementation of a KM initiative.

Pawar *et. al* (2001), Riege (2005) and McLaughlin (2008) concur with the idea of people-related barriers as critical impediments to KM. McLaughlin (2008) put forward that people-related barriers include basic psychological phenomena such as how people perceive the knowledge sharing environment, lack of motivation and fear of being disadvantaged during the process of interacting with other knowledge users. Riege (2005) emphasises fear of losing ownership and control of knowledge property and competitive edge or professional identity as key people-related impediments to KM. People view their knowledge as a source of power and consider sharing as something that would diminish their value at the workplace (Yih-Tong Sun and Scott, 2005). Pawar *et. al* (2001), Szulanski (1996) and Thoben *et. al* (2002) second this idea as they converge on the position that most people prefer a position of privilege and superiority over their intellectual property as a way of preserving their individual competitiveness. Schilling and Kluge (2009) argue that fear of losing knowledge ownership is not purely individual but associated with a specific organisational culture.

## **2.5 PERFORMANCE MEASUREMENT IN KM INITIATIVE**

Understanding business performance and what constitutes an accurate measure of performance is crucial in any strategic initiative and Knowledge Management is not an exception (Tucker,

Thorne and Gurd 2007:5). Gibson and Cassar (2005:208) noted that business performance is multidimensional, and therefore this study looks at the aspect of competitive advantage in terms of efficiency, cost-effectiveness, profitability, market share expansion and productivity as key performance parameters to be considered. Thus, given the various definitions of performance, the study subscribes to Reijonen (2008:617) who defined business performance as an indicator that measures the business' efficiency and effectiveness in achieving its goals.

Measuring business performance is essential since it enables a comparative analysis of different aspects of the organisation's activities in relation to planned goals and objectives of various initiatives within which those activities are undertaken (Crowther, 1996:5). Thus, performance measurement in Knowledge Management enables retail organisations to track progress. Tangen (2003:347) argues that performance measurement enables the business organisation to assess possibilities for productivity improvement which leads to increased profitability and competitive advantage. In addition, Tangen (2003:347) further articulates that measuring business performance ensures that the business adopts a long-term focus and increases efficiency in its resource allocation as well as its operations.

Ogiogio (2005:2) maintains that performance measurement is necessary to assess prospects available for attaining goals of a particular business initiative. Ogiogio (2005:3) summarises that performance measurement helps organisations control, monitor and evaluate performance with respect to defined standards and set benchmarks. Performance measurement provides guidelines to the implementation of performance improvement plans, the designing performance tracking system. In addition to that, it guides organisational growth and development, thereby simplifying the accountability of results. Bititci, Turner and Begemann (2000:696) are of the view that continuously monitoring developments and changes in the internal and external environments is critical in dynamic performance measurement the role of dynamic performance measurement. Performance measurement plays a central role as a review system to check whether the objectives and priorities are attained thereby facilitating the internal deployment of resources in a particular strategic initiative such as KM.

Measuring performance in a Knowledge Management initiative is important for assessing survival and growth prospects brought to a business organisation as a result of implementing KM initiative (Robinson, Anumba, Carrillo and Al-Ghassani, 2005:18). Robinson *et. al* (2005) argue that by constantly reviewing performance, progress towards the achievement of Knowledge Management goals can be kept on check. In general, businesses need to keep reviewing performance in their strategic initiatives so as to understand and improve their processes, identify shortfalls in the strategic plan and therefore align organisational needs and Knowledge Management initiative.

Cocca and Alberti (2010:186) argue that being able to measure performance effectively is a necessary condition for an organisation to perform well. This is because Cocca and Alberti (2010:186) are premised on the view that an organisation can only manage what it can measure or that a business achieves what it can measure. This implies that organisations can only be able to follow the right course of action and be aware of any anomalies through performance measurement and evaluation of progress in its initiatives. Thus, organisations with greater ability to react and adapt to internal and external forces are better placed to achieve competitive advantage through such strategic initiatives as Knowledge Management.

It can be argued that organisations can better achieve competitive edge when they are able to measure various aspects of performance in their strategic initiative (Gomes, Yasin and Lisboa, 2004:511). According to Gomes, Yasin and Lisboa, (2004:511), efforts aimed at benchmarking organisational performance to world class standards achieve less in the absence of effective performance measurement. Gomes, Yasin and Lisboa, (2004:511) suggest that through performance measurement, organisations are able to deploy resources in a manner that ensures best practices. Along the same argument, Chow and Van der Stede (2006:1) support the view that performance measurement helps performance business organisations to turn strategy into desired behaviour and hence attain targeted results. Chow and Van der Stede (2006:1) elaborate that measurement enables organisations to communicate expectations, monitor progress, provide feedback, and motivate employees through performance-based rewards in a KM initiative.

Performance measurement in KM initiative seeks to ensure control of the organisation's activities against planned goals and to assess need for any corrective measures should there be challenges encountered in the implementation of KM initiative (Crowther, 1996:6). Moreover, through performance measurement, business organisations are able to account for their decisions and give feedback to stakeholders in a Knowledge Management initiative. Crowther (1996:5) emphasises that organisations should understand the aspects of performance to be measured and choose the best indicators, otherwise effective measurement might not be achieved. On that note, Antony and Bhattacharyya (2010:4) mentioned creativeness, innovativeness, productivity, efficiency, effectiveness, competitiveness, and profitability as fundamental performance indicators that guide business organisations to determine whether a KM initiative has succeeded.

Wadongo, Kambona, Odhuno and Othuon (2010:5) found that competitiveness, financial performance, quality service, flexibility, resource utilisation, innovation, supplier performance, and community or environmental perspective are crucial aspects of performance in the Kenyan hospitality industry. Wadongo *et. al*, (2010) further indicate that in the order of decreasing importance, significant indicators of performance in the Kenyan hospitality industry include total revenue achieved, profit ratios, volume of sales, total operating costs, total sales, sales growth, customer satisfaction, quality of service and relative market share. In a similar study, Haktanir and Harris (2005:39) found that employee performance, customer satisfaction, financial performance and innovativeness are key indicators of performance among organisation in the hospitality industry in Cyprus.

Eusebio, Andreu and Belbeze (2006:145) argue that in Spanish tourism and hospitality industry, which is closely related to the retail industry, organisations regard consumer-based measures such as market share and customer satisfaction as leading indicators of high performance. Chan and Chan (2004:203) confirmed that performance indicators for measuring organisational success include time, cost, profit, health and safety, environmental performance and quality as the predominant indicators. The most commonly used performance indicators, according to the above discussion, are customer satisfaction, financial performance, quality service, customer retention, sales growth, profits, market share, and innovativeness.

This study considers competitive advantage in terms of efficiency, cost effectiveness, profitability and market share as more relevant indicators of performance to a retail organisation implementing KM initiative.

## **2.6 THEORETICAL FRAMEWORK**

To succeed, Knowledge Management initiative must have a robust theoretical foundation. The major KM activities described in the literature above need a theoretical framework to operate within; otherwise the activities will be difficult to coordinate and fail to produce the expected KM benefits. Knowledge Management models are presented by Choo (1998), Weick (2001), Nonaka and Takeuchi (1995), Wiig (1993), Von Krogh and Roos (1995), Boisot (1998), Beer (1984), as well as Bennet and Bennet (2004). All the models present different perspectives on the key theoretical elements that form the basic framework of Knowledge Management initiative. These are described, compared and contrasted in order to provide a sound understanding of the discipline of Knowledge Management. Knowledge management encompasses data, information, and knowledge, sometimes referred to collectively as content, and addresses both tacit and explicit forms of knowledge.

Dalkir (2005) presents the Von Krogh and Roos KM model which takes an organisational epistemology approach of managing organisational knowledge. That is, the model takes a cognitive perspective and views knowledge as a self-organising system in which humans are transparent to the information they obtain from the surrounding such that they make logical deductions while rejecting any contradictory propositions. The model emphasises that knowledge resides both in the minds of individuals and in the relations they form with other individuals. Von According Krogh and Roos model of KM , the KM competence of an organisation depends on the mobilisation of individual cognitive resources.

Von Krogh, Roos and Kleine (1998) are cited by Dalkir (2005) who submits that KM tend to be fragile in nature when examined in terms of the mindset of individuals, communication I organisations, organisational structure, relationship between members and the management of human resources. On that note, Dalkir (2005) reveals that the Von Krogh and Roos model emphasises a connectionist approach to KM which takes a more holistic than reductionist view

and maintains that individuals perceive wholeness, global properties, patterns, synergies and gestalts when interacting with knowledge. As such, according to this model, knowledge resides in the minds of individuals and in connections that exist among these individuals. These connections form a network which is at the core of organizational KM.

According to Dalkir (2005) the Nonaka and Takeuchi KM model focuses on knowledge spirals that explain the transformation of tacit knowledge into explicit knowledge and then back again as the basis for individual, group, and organisational innovation and learning. The model maintains that knowledge creation and sharing occurs through a knowledge spiral. That is, starting at individual level, knowledge moves through knowledge sharing communities across sections, departments and organizational boundaries. As cited by Dalkir (2005), Nonaka and Takeuchi (1995) argue that organisations have to promote a facilitating context in which organizational knowledge creation and sharing process can take place easily.

Dalkir (2005) says Choo and Weick adopt a sense-making approach to model knowledge management that focuses on how information elements are fed into organisational actions through sense making, knowledge creating, and decision making. The Choo and Weick model presents that knowledge creation entails transforming personal knowledge between individuals through dialogue, discourse, sharing and conferencing. Choo and Weick (2001) argue that knowledge sharing is a component of KM that helps reduce uncertainty and ambiguity associated with unclear information.

Dalkir (2005) indicates that the Wiig KM model is based on the principle that in order for knowledge to be useful and valuable, it must be organised through a form of semantic network that is connected, congruent, and complete, and that has perspective and purpose. Dalkir (2005) cites that Wiig (1993) defines three types of organizational knowledge namely public knowledge, shared expertise and personal knowledge. In addition, the model articulates that knowledge can be found in the form of factual, conceptual, expectational and methodological. Together, the three forms of knowledge and four types of knowledge mentioned above can be synthesised to construct the basis of the Wiig model. Dalkir (2005) remarks that the Wiig model of KM

provides an organised approach to knowledge categorisation and is perhaps the most pragmatic model easily integrates into any other model.

Complex adaptive systems are particularly well suited to model KM as they view the organization much like a living entity concerned with independent existence and survival. Beer, as well as Bennet and Bennet, have applied this approach to describe the cohesiveness, complexity, and selective pressures that operate on intelligent complex adaptive systems (Dalkir, 2005). Snowden (2000) describes complex adaptive systems theory as a model that utilises the sense-making technique using self-organising capabilities of the informal communities and identifies a natural flow model of knowledge creation, distribution and utilization.

From the models reviewed above, it has become apparent to this study that Desouza (2003) has a valid claim that a multitude of approaches to KM were suggested and all of them can be categorised as either codification or personalisation approaches. The codification approach focuses on amalgamating individual knowledge, putting it in a cohesive context and making it available to members of the organisation. This approach entails separating knowledge from its creator. On the contrary, personalisation approach involves knowledge sharing fostered through people-to-people interactions and dialogue while permitting knowledge to retain its source. This approach implies the need to identify the source of the required knowledge before one can request it. The approach does not require a central repository as an enabler of knowledge sharing.

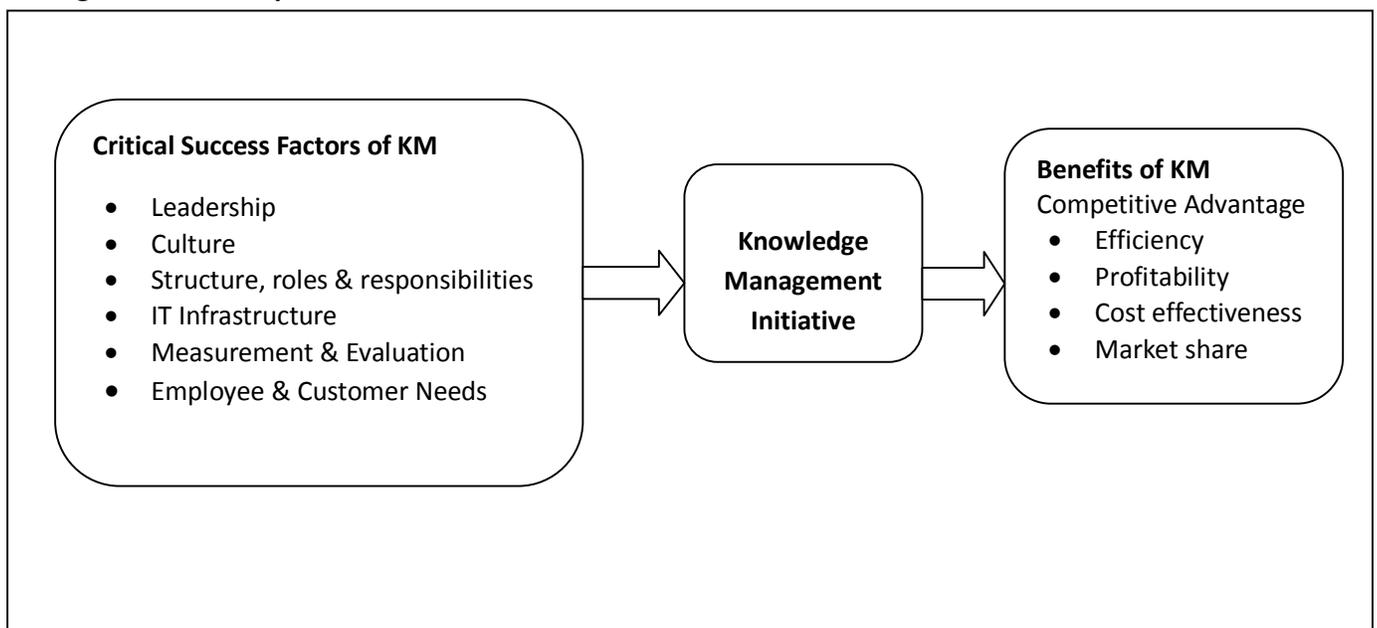
The study has learnt that KM models' key role is to ensure a certain level of completeness or depth in the practice of KM such that it becomes easy to ensure all critical factors have been addressed. The second practical benefit of a model-driven KM approach is that models do not only enable a better description of KM initiative but also helps provide a better prescription for meeting organisational goals through Knowledge Management. KM models reviewed help to explain what is happening in the discipline of KM, and they provided the study with a valid road map for getting organisations understand the critical success factors of, benefits of and barriers to Knowledge Management initiative in retail business.

## 2.7 CONCEPTUAL FRAMEWORK

Based on the literature from previous studies reviewed, the following is a conceptual framework guiding this study. As outlined on the illustration below, the critical success factors being considered to underlie the implementation of a Knowledge Management initiative include leadership, culture, IT infrastructure, measurement and evaluation, employee and customer needs as well as structure, roles and responsibilities among knowledge sharing members. Thus, organisations are thought to achieve competitive advantage as a result of efficiency, profitability and cost effectiveness that comes alongside successful implementation of Knowledge Management initiative. A number of factors critical to the successful implementation of a KM initiative have also been reviewed in literature. These include employee turnover, poor corporate strategy, lack of motivation, absence of enabling environment, shortage of resources and personal impediments on the part of end-users of a KM initiative.

Since this study is an assessment of the critical success factors and benefits of KM initiatives in retail business, the conceptual framework illustrated below reveals that successful KM translates into competitive advantage in terms of efficiency, profitability and cost leadership. However, the study maintains that the success of KM initiative hinges on the firm's ability to withstand certain draw backs to KM as well as its ability and commitment to fine-tune the critical success factors outlined.

**Figure 2.1: Conceptual Framework**



## **2.8 CHAPTER SYNTHESIS**

From the literature reviewed above, this study managed to consolidate a number of theoretical models that were propounded by various scholars and all of these provide sound theoretical premises for analysing the influence of selected critical success factors of KM initiative on the performance of a retail business. As highlighted above, literature reveals two contrasting approaches to the management of organisational knowledge. That is, from the connectionist approach, knowledge management should emphasise a gestalt perspective in which organisational knowledge is regarded as a wholesome process not a summation of individual intellectual properties.

On the contrary, some of the models reviewed adopt a reductionist approach in which organisational knowledge is regarded as a linear summation of individual knowledge and expertise. The study synthesizes both perspectives and acknowledges that while retail businesses largely obtain information that shapes organisational knowledge from the outside environment, some internal processes also play a significant role in KM.

This study is keen to address the question of whether a retail organisation in the Zimbabwean retail industry can achieve competitive advantage over its rivals through KM initiative, exploring the critical success factors of KM initiative and how they impact on the benefits of KM initiative to the organisation's ultimate goals of profitability, cost leadership and expanding market share. Empirical studies reviewed have not systematically inquired how a KM initiative can be implemented, taking into account certain factors considered to be critical to its success and those barriers that impede the implementation of KM with the ultimate goal of achieving competitiveness in terms of profitability, efficiency, cost leadership and market share expansion. This study would therefore attempt to fill this gap in literature. The retail industry is one of the most dynamic segments of the corporate world and requires such strategic initiatives as KM to prevail over the challenge of market dynamics. Hence it is an ideal context within which to attempt to address the questions that the study is keen to answer. The study attempts to link a KM initiative to the benefits it brings about.

Various measure of organisational performance exist and this study considers organisational performance in terms of standard measurements as reviewed in existing sources of literature.

Ogiogio (2005:2) maintain that performance measurement is necessary to ascertain the extent to which objectives have been achieved at different time periods. In summary, according to Ogiogio (2005:3), performance measurement aids institutions to measure, monitor and evaluate performance, to define and set benchmarks that help to implement performance improvement plans, to design performance tracking system, guide organisational growth and development, and to make accountability for results easy. Bititci, Turner, Begemann (2000:696) maintain that the role of dynamic performance measurement systems include, continuously monitoring the developments and changes in both the internal and external environments, acting as a review.

The modern retail industry is growing into a radically changing market with ost rival player moving on to embrace new technology in an effort to benchmark with emerging world-class retail standards. Zimbabwean retailers are not an exception to this remarkable trend. As a result, KM initiative is likely to bring significant impact upon the performance of most retail organisations. This inquiry seeks to provide a practically informed and educated view of whether KM initiative actually brings about performance improvements to Zimbabwean retailers.

Robinson, Anumba, Carrillo and Al-Ghassani (2005:18) view business performance measurement as crucial for the survival and growth of a business organisation. The authors state that performance measurement ensures continuous improvement as the progress in goal achievement is constantly performed. The authors maintain that if there are problems, these performance measurement systems provide mechanisms for implementing improvement efforts. From the views expressed by different authors about the performance measurement systems, it appears that they generally agree that businesses need to have them in place because this will help them to understand and improve their processes. It also helps to identify the cause of problems and to ensure that quality decisions are made, strategic plans are implemented and finally, that alignment between the business and the needs of the market is achieved.

## **2.9 CHAPTER SUMMARY**

This chapter provided a review of literature considered relevant to the main issues being addressed in this research study. It encompasses a critical analysis of the views of various researchers and scholars as well as acknowledging substantial findings presented in some research studies. The KM initiative, critical success factors of KM, as well as benefits of successful KM initiative were considered so as to synthesize the views in the process of coming up with a theoretical and conceptual framework guiding this study. In the next chapter, the methodology of the study is considered.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.1 INTRODUCTION**

This chapter outlines and justifies the methodology of the study. It provides details on the research philosophy and overall research design, population and sample, research instruments, data collection procedures and data analysis techniques being applied to tackle the research problem at hand. Justification is provided on the choice of each element of the methodology evaluated against its alternatives. Research methodology has been approached differently by various scholars. In this regard, Mondal and Ray (2006) view methodology as the articulation of selected methods of conducting research in comparison with possible alternatives. In the same manner Van Manen (1990:27) brings about the philosophy attached to methodology as he posits that, methodology refers to the philosophical framework, the fundamental assumptions and characteristics of a human science perspective and it includes the general orientation to life. This research was anchored on the application of the core principles of positivism which is deductive in nature.

#### **3.2 RESEARCH PHILOSOPHY**

There are three major research philosophies namely the positivism, the interpretivism and the realism. The research philosophy for this study is that of a positivist approach in which Knowledge Management (KM) initiatives is deemed to yield competitive advantage to a retail organisation if successfully implemented. Positivism is usually associated with natural science research and involves empirical testing found in quantitative research. Positivism strives to control, predict and explain by dividing things into parts and isolating them into mechanistic processes in an external world. They also state that this type of approach is objective, value free, normally uses quantitative data, deductive, and that truth has to be conformed to empirical evidence through hypothesis testing.

Inspired by the positivist philosophy, this study is embedded in the notion that knowledge is valid if developed by testing hypothesis that is derived from theory using data acquired objectively (facts) and externally, that is, with the researcher detached from respondents. For the positivist philosophy, the fundamental assumption is that universal or general laws exist to guide schools of thought in various disciplines of research and that theoretical models can be developed through hypothesis testing and generalised into laws in their particular disciplines if found consistent with empirical evidence.

Thus, this study is considered within the discipline of Management Science in which reviewed literature seemed to suggest a causal relationship between Knowledge Management (KM) initiative and a firm's capacity to attain competitive advantage over rivals in its industry.

KM initiative, which is the subject of concern in this, has been suggested as the next phase of strategic revolution in management by various sources of literature. Hence this study seek to lend empirical evidence to validate the claim that KM initiative can bring about competitive advantage to a retail organisation if adopted as a strategy, taking into cognisance certain critical success factors and barriers that may hinder the successful implementation of such a strategy. For such a study as this, the research problem is explained by cause and effect relationships with focus being given on facts that are gathered and measured using quantitative methods (surveys, experiments, statistical analysis). The study inspired by a positivist philosophy typically depends on large samples, highly structured data collection & analytical procedures and is often associated with quantitative approaches

This study is guided by a quantitative design in which data regarding the critical success factors of, barriers to and benefits of a KM initiative in retail business should be collected, analysed and put into use in numerical terms (Saunders, Lewis & Thornhill, 2009). Based on an explanatory research philosophy, the study adopted a quantitative methodology which appears more desirable since its arguments are considered more objective because they follow objective rather than subjective data analysis. This research philosophy determines the research strategy and methods used in this study.

### **3.3 RESEARCH DESIGN AND STRATEGY**

Research design is part of the research which highlights the overall plan and tactics adopted to answer the research questions (Saunders, Lewis & Thornhill, 2009). Choice of research strategies in this study has largely been influenced by the purpose of the study. Thus, the study is explanatory and hence focuses on establishing relationships among variables of a KM initiative illustrated in the conceptual framework in the previous chapter as opposed to exploratory in which the aim is to establish new insights concerning the phenomenon of KM. The factors that affect successful implementation of a KM initiative are known but the researcher wants to establish the critical factors that apply in the retail industry in Zimbabwe. Hence the researcher perceives little scope for exploratory and so this study was more inclined towards explanatory purpose. The survey strategy was applied through administering a questionnaire in a multiple of cases within the Zimbabwean retail industry.

This research adopts a quantitative, cross-sectional design to study the critical success factors and benefits of KM initiative in the retail business. Bryman and Bell (2007), articulate that a cross-sectional design is used in a study that collects data on relevant variables one time only from a variety of people, subjects, or phenomena. Collis and Hussey (2003) maintain that in a quantitative cross-sectional study, data is collected all at the same time or within a short time frame and thus providing a snapshot of the variables included in the study, at one particular point in time. As pointed out by Collis and Hussey (2003) and Vogt (1993) argue that a research design may reveal how those variables are represented in a cross-section of a population. The cross-sectional study is the most frequently used descriptive design (Malhotra, 1999). All these diverse perspectives strengthen the design of this study thereby making it more effective in addressing the research questions and objectives of the study.

Being a quantitative study, this research is aimed at assessing the critical success factors and thereby establishing the benefits of a successful KM initiative in the retail industry in Zimbabwe. According to Creswell (1994) cited by Blackie and Mouton (2002) and Delpont (2005) a quantitative study is consistent with the quantitative paradigm which entails inquiry into a business, social or human problem, based on testing a theory composed of variables numerically expressed and analysed with statistical procedures, in order to determine whether the predictive

generalizations of the theory hold true. In this case the study seeks to establish whether it holds true that certain factors are critical to the success of a KM initiative in the retail industry in Zimbabwe. In addition, the study is out to validate and or refute some of the barriers noted to impede the successful implementation of a KM initiative in the retail industry as well as verifying, with empirical evidence, whether a KM initiative yields some benefits to a retail organisation. In short, this study is conducted to test the claim that a retail organisation can attain competitive advantage in terms of efficiency, profitability, cost leadership and market share by implementing a KM initiative for which certain barriers and critical success factors must first be fine-tune. To this end, a quantitative design is deemed more appropriate.

The aim of the quantitative research method is to test pre-determined hypotheses and produce generalisable results. Using statistical methods, the results of this quantitative analysis can either confirm or refute hypotheses about how a KM initiative can bring about competitive advantage to a retail organisation given the critical success factors and barriers to the implementation of KM initiative in the retail industry under study.

### **3.4 POPULATION AND SAMPLING PROCEDURE**

Population can be regarded as the universal set of all the elements under study. The population of this research is made up of various formal retail organisations operating legally in the Zimbabwean retail industry and these include OK Zimbabwe Group, Spar chain, , Pick 'n' Pay, Choppies, Food World and several other independent retailers scattered around the country.

The unit of analysis in this study included junior, middle and senior managers of retail organisations in Harare. The sampling frame was taken from company register from Registrar of companies and confined to Harare supermarkets. Simple random probability sampling method was used as every retail outlet manager had the equal chance of being selected. The process resulted in one hundred and seventy five (175) structured questionnaires being distributed to different retail organisations.

### **3.5 RESEARCH INSTRUMENTS**

The study learnt that there are several instruments from which a research study can choose the one appropriate given the research design and strategy adopted and the type of data required. Some of these include interviews, questionnaires, observations, experiments, as well as participatory approach. Of these instruments, some, for instance, interviews and unstructured questionnaires are particularly suitable for qualitative research while others such as structured questionnaires and observations are more useful in quantitative study.

A questionnaire is a set of questions deliberately designed to elicit desired information from the respondents (Annum, 2015). This study makes use of the questionnaire instrument since it is a form of inquiry document which contains a systematically compiled and well organized series of questions intended to elicit the information needed to gain an insight into the aspect KM initiative in retail business. This study prefers a closed questionnaire to an unstructured questionnaire because the research design takes a quantitative approach and therefore requires responses measured in numerical terms. Thus, unlike unstructured questionnaire, the closed questionnaire enables the study to obtain responses of ordinal and nominal magnitude which are quantifiable in numerical terms.

It is essential to ensure the research instrument chosen is valid and reliable since the validity and reliability of the whole study largely depends on the appropriateness of the instrument used (Annum, 2015). This study uses a semi structured questionnaire to collect the required data. The choice of this instrument has been influenced by a number of factors including the research design itself, the nature of information required, among other milestones associated with the instrument over alternatives. The questionnaire is a data collection instrument mainly used in normative surveys as in this study in which an attempt is made to obtain the value judgment of individual respondents on the critical success factors of KM, barriers to KM and how a retail business can attain competitive advantage through a KM initiative taking these critical success factors and barriers into consideration.

The questionnaire designed applies different levels of numerical measurement in various questions as and where appropriate. These levels of measurement include nominal, ordinal and

interval or ratio. Interval or ratio is data measurement which takes the form of a scale in which the numbers go from low to high in equal intervals usually applied in measuring height and weight for example. Ordinal data is that which can be put into an ordered sequence for example the ranking order of athletes after a race from 1st, 2nd, 3rd, up to the last competitor without considering the interval size. Categorical or nominal measurement is data that represents different categories, rather than a scale. It can be applied to sex in which the response is male or female. Questionnaires are often used in survey situations in which the aim is to collect data from a relatively large population from which a sample of at least 100 participants is considered desirable (Rowley, 2014). This study is aims to gather responses from over 100 respondents and the questionnaire becomes an ideal instrument. Rowley (2014) further argues that a questionnaire is more suitable if the study is quantitative where the researcher is concerned with the frequencies on issues to do with opinions, attitudes, experiences, processes, behaviors, or predictions.

### 3.6 DATA COLLECTION METHODS

Polit and Hungler (1999:267) define data collection as information obtained during the course of an investigation or study. In this study, questionnaires were used to obtain data relevant to the study's objectives and research questions. The researcher approached every strata of the population identified in the table above assisted by research assistants who helped in the administering of the questionnaires.

#### **Surveys**

As noted by the Rand (2009) surveys are seen as are fixed sets of questions that can be administered by paper and pencil, as a Web form, or by an interviewer who follows a strict script. In the same vein Bush and Burns (2003) reiterates that there are five advantages of using survey methods: (1) standardization, (2) ease of administration, (3) ability to tap the "unseen," (4) suitability to tabulation and statistical analysis, and (5) sensitivity to subgroup differences. In addition Survey methods lend themselves to probability sampling from large populations. Thus, there is a wider belief that survey research is very appealing when sample generalizability is a central research goal. In its crudest sense survey research is often the only means available for

developing a representative picture of the attitudes and characteristics of a large population. In the same vein taking into cognisance the diverse nature of the study population, Surveys also are the method of choice when cross-population generalizability is a key concern because they allow a range of educational contexts and subgroups to be sampled which is in tandem with our study. The consistency of relationships can then be examined across the various subgroups (Weiss et al., 2001)

As alluded earlier on in the chapter for a survey to succeed, it must minimize the risk of two types of error: poor measurement of cases that are surveyed (errors of observation) and omission of cases that should be surveyed (errors of non-observation) Groves, 1989). In the survey that was conducted questionnaires were administered to the various identified groups in the sample of the population identified earlier in the chapter. At this juncture it is important to note that survey questions are answered as part of a questionnaire. The context created by the questionnaire has a major impact on how individual questions are interpreted and answered. As a result, survey researchers must carefully design the questionnaire as well as individual questions though there is no precise formula in the designing of the questionnaires there are basic principles that needs to be followed in order achieve the desired objective and these include the maintenance of consistent focus on the subject under discussion and the refinement and the pre-testing of the questions.

### **3.7 DATA PRESENTATION AND ANALYSIS**

Data analysis is done using Statistical Programme for Social Sciences (SPSS) where the following tests were run;

#### ***3.7.1 Reliability using the Cronbach's alpha***

Reliability relates to consistency of the research instrument used. In this case, two participants who are the same in terms of the construct being measured should get the same score for the study to conclude that the instrument used is a reliable one. It is essential to check whether the data obtained is reliable or not since it provides a basis from which conclusions about critical success factors of, barriers to and benefits of KM initiative in retail business are drawn.

The Cronbach's alpha is the most common test for reliability. For cognitive test such as intelligence tests a value of 0.8 is acceptable while for ability tests a cut-off of 0.7 may be adequate to conclude the presence of reliability. This study can even accept a value which is slightly lower since Cohen and Swerdlik (2010) claim that in certain diverse psychological constructs, a value that is lower than 0.7 can even be accepted.

However, the study remains aware that in most cases the acceptable values of Cronbach alpha coefficient range from 0.7 to 0.95. Cohen and Swerdlik (2010) advise that a low Cronbach alpha coefficient could be due to a low number of questions, poor relatedness between items or heterogeneous construct among others.

### ***3.7.2 Factor analysis***

The critical success factors being assessed were broken down into individual element and considered in detail one by one. With factor analysis, the construct validity of a questionnaire can be tested (Ratray & Jones, 2007). If a questionnaire is construct-valid, all items together represent the underlying construct well. Hence, one's total score on all items of the questionnaire of interest should represent one's views correctly. Exploratory factor analysis detects the constructs, that is, factors that underlie a dataset based on the correlations between variables (Field, 2009; Tabachnik & Fidell, 2001; Rietveld & Van Hout, 1993). The factors that explain the highest proportion of variance the variables share are expected to represent the underlying constructs. In contrast to the commonly used principal component analysis, factor analysis does not have the presumption that all variance within a dataset is shared (Costello & Osborne, 2005; Field, 2009; Tabachnik & Fidell, 2001). Since that generally is not the case either, factor analysis is assumed to be a more reliable questionnaire evaluation method than principal component analysis in this study (Costello & Osborne, 2005).

A common rule of thumb is that a researcher at least needs 10-15 participants per item. Since it largely depends on the proportion of variance in a dataset a factor explains how large a sample needs to be. If a factor explains lots of variance in a dataset, variables correlate highly with that factor. Fortunately, we do not have to do a factor analysis in order to determine whether our sample size is adequate, the Kaiser-Meyer-Ok in measure of sampling adequacy (KMO) can

signal in advance whether the sample size is large enough to reliably extract factors (Field, 2009). When the KMO is near 0, it is difficult to extract a factor, since the amount of variance just two variables share (partial correlation) is relatively large in comparison with the amount of variance two variables share with other variables (correlation minus partial correlation). When the KMO is near 1, a factor or factors can probably be extracted, since the opposite pattern is visible. Therefore, KMO “values between 0.5 and 0.7 are mediocre, values between 0.7 and 0.8 are good, values between 0.8 and 0.9 are great and values above 0.9 are superb.” (Field, 2009: 647)

### ***3.7.3 Test for normality***

Test for normality is essential because it provides basis for deciding whether to adopt parametric or non-parametric analysis for a given dataset. Given that the sample size is less than 2,000, a Shakiro-Wilk test was conducted. The study considers it essential to check if data being analysed follow normal distribution because normality has some desirable characteristics in statistical analysis of quantitative data.

### ***3.7.4 Regression analysis***

Regression analysis is performed where applicable, to check for the nature of correlation between the dependent and independent variables in the study. Regression goes much further than correlation because it does not look at the relationship between the variables but it goes on to provide the nature and magnitude of causation between and or among variables under study (Rowley, 2014). Regression analysis also provides the basis for making predictions about the dependant variable under study and is therefore a tool that informs decision making in strategic planning and management.

### ***3.7.5 Statistical inference***

This test explores the extent to which results from data obtained can be generalised for the population as a whole. Thus, it enables the study to make predictions about the extent to which a KM initiative can bring about competitive advantage to a retail organisation given the critical

success factors available to the organisation and its ability to mitigate barriers facing the implementation of its KM initiative as a competitive strategy.

### **3.8 ETHICAL CONSIDERATIONS**

This research study is guided by certain ethical values as should be the case in any academic research. Since it involves human subjects, the study is committed to avoid subjecting participants to embarrassment, harm or any other material disadvantage. Saunders, Lewis and Thornhill (2009) also emphasise the need to observe ethical conduct in research and elaborate that ethics relate to the appropriateness of the researcher's behaviour in relation to the rights of those who are subjects to the research work.

This study observes proper ethical conduct right from formulation of research topic, design of research strategy, and gaining access to data, processing, storage, analysis and reporting the research findings. Greener (2008) defines ethics as moral choices that govern decisions, standards and behavior. In research, a number of moral choices and dilemmas are faced when trying to address various research questions as well as conducting various research activities as well as reporting scientific communications and deciding how to gather the data and how to deal with people who are not cooperative just to mention a few.

All the research activities are carried out in a moral and responsible manner. Thus, the ethical principles of privacy and confidentiality of information, voluntary participation and right to withdraw partially or completely from the process, informed consent and non deception of participants, avoiding any possible harm, embarrassment, stress or discomfort to subjects, objectivity in all scientific communications, honesty and integrity as well as respect of other people's intellectual property are strictly observed in this study.

In order to gain physical and cognitive access to appropriate data and personal entry to sample retail organisations targeted, the study adopts ethical strategies to ensure that proper research conduct is maintained. The study provides prospective participants with a clear account of purpose and type of contact required so that they participate out of voluntary and informed consent. In addition, the study highlights possible benefits to chosen participants and allows the use of suitable and convenient language by the respondents. Robson (2002) says a clear account

of your requirements allows the intended participants to be aware of what is required from them. Indeed, this study is aware that asking for access and cooperation without being specific about your requirements might prove to be disruptive and also likely to be considered unethical.

### **3.9 CHAPTER SUMMARY**

As outlined above, this chapter provides the methodology of the study. It articulates the research philosophy, research design and strategies, population and sampling procedure, research instruments as well as data collection and analysis techniques being implemented to deal with the problem of the study which involves the assessment of critical success factor of KM, barriers to KM as well as exploring benefits to KM in retail business. The following chapter focuses on presentation and analysis of research findings.

## CHAPTER FOUR

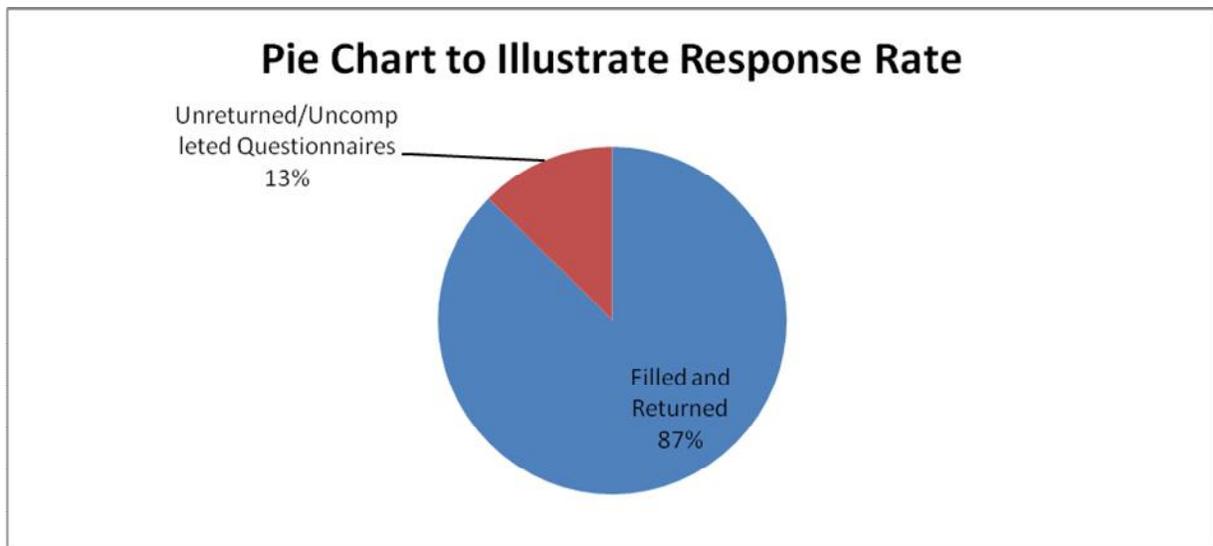
### PRESENTATION, ANALYSIS AND INTERPRETATION OF RESULTS

#### 4.1 INTRODUCTION

In this chapter the study focuses on presentation and analysis of the research findings. The major elements dealt with include response rate, demographic properties, frequency tables, reliability test, normality test, correlation analysis, regression analysis and factor analysis in order to provide a clear picture of the results. A total of 153 participants took part in the research and the following findings were obtained from the sample.

#### 4.2 RESPONSE RATE

The study anticipated a sample of at least 150 participants and administered a total of 175 questionnaires out of which 153 were successfully completed and returned. Therefore, the response rate was more than satisfactory. The following pie chart illustrates the percentage response rate achieved.



**Figure 2: Response Rate**

As shown on the pie chart above, 87% of the questionnaires distributed were completed and returned ready for analysis. All of these questionnaires had been answered fully and were ready for input into the Statistical Package for Social Sciences (SPSS) which was used to aid the analysis of results. The remaining 13% consisted of either unreturned or uncompleted questionnaires.

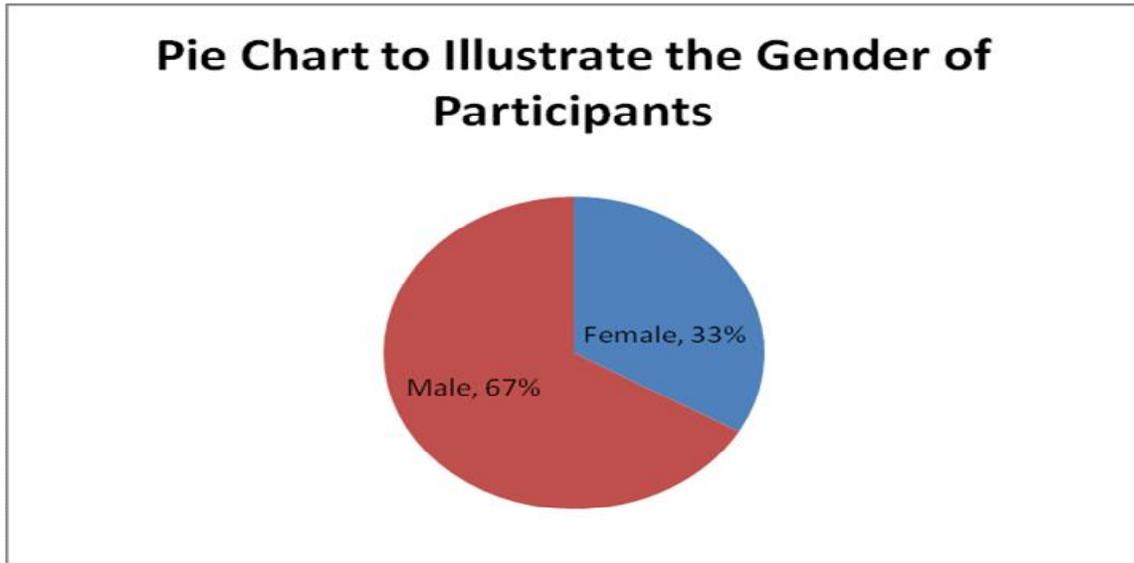
### **4.3 DEMOGRAPHIC PROPERTIES**

The following demographic characteristics namely gender, age, level of education, experience in management and current position held by the participant, were explored and below are the findings obtained.

#### **4.3.1 Gender**

**Table 1: Gender Frequencies**

| <b>Gender Category</b> | <b>Frequency</b> | <b>Percentage</b> |
|------------------------|------------------|-------------------|
| Female                 | 51               | 33.3              |
| Male                   | 102              | 66.7              |
| <b>Total</b>           | <b>153</b>       | <b>100</b>        |



**Figure 3: Gender distribution**

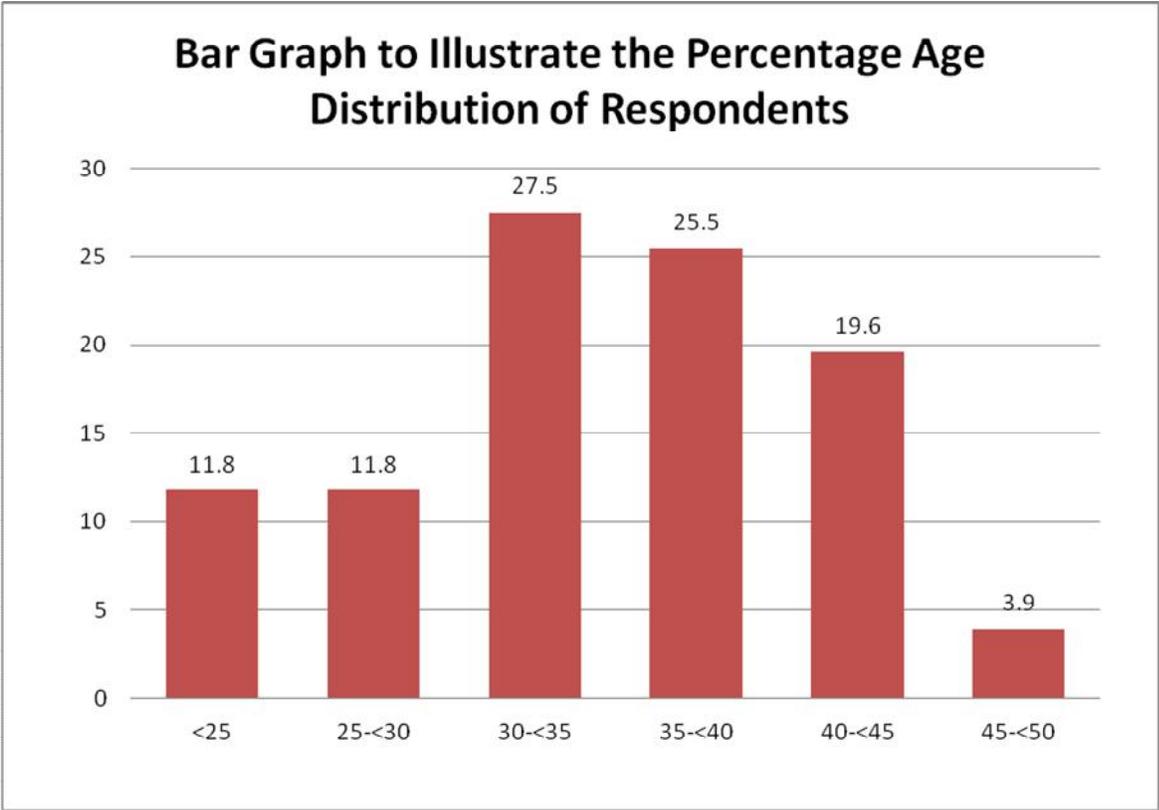
Table 1 and Figure 3 above elaborate on the gender composition of the participants. Out of the 153 respondents who took part in the research, 51 of them are females while the remaining 102 are males. This means we had approximately 33% female participants and 67% male participants in the study. This indicates that the study is not gender balanced but rather biased toward male participants.

**4.3.2 Ages of Respondents**

**Table 2: Age Ranges of Respondents**

| Age Range in Years | Frequency  | Percentage |
|--------------------|------------|------------|
| >25                | 18         | 11.8       |
| 25-<30             | 18         | 11.8       |
| 30-<35             | 42         | 27.5       |
| 35-<40             | 39         | 25.5       |
| 40-<45             | 30         | 19.6       |
| 45-<50             | 6          | 3.9        |
| <b>Total</b>       | <b>153</b> | <b>100</b> |

Table 2 above provides details of the age distribution of the participants. The highest frequent age group was 30-<35. This means the modal age group was those between the ages of 30 to 35 years. The modal age group scored a frequency of 42 which is 27.5% of the total participants. On the other hand, the age group ranging from 45 to less than 50 years appeared least frequently with only 6 out of 153 managers who took part in the study thereby making up 3.9% of the sample. The following bar graph gives further illustration and helps to provide a quick appreciation of the age distribution of the participants. On the bar graph on figure 4.3 below, the horizontal axis represents the age ranges and the vertical axis shows the percentage of participants falling in each of the age ranges.



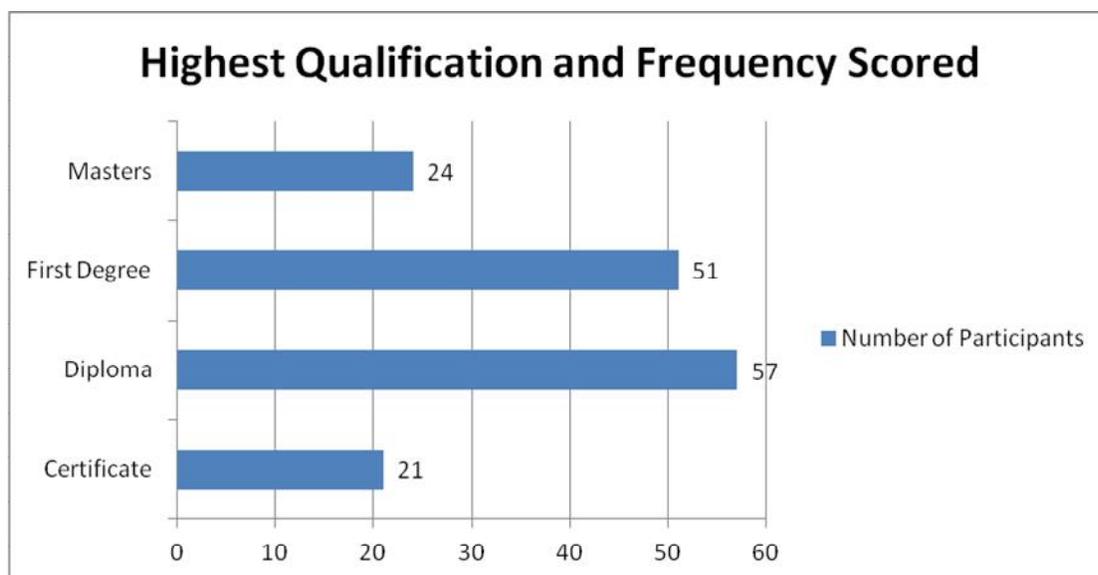
**Figure 4: Age Distribution of Participants**

### 4.3.3 Level of Education

**Table 3: The Participant's Highest Qualification**

| Qualification | Frequency  | Percentage |
|---------------|------------|------------|
| Certificate   | 21         | 13.7       |
| Diploma       | 57         | 37.3       |
| First Degree  | 51         | 33.3       |
| Masters       | 24         | 15.7       |
| <b>Total</b>  | <b>153</b> | <b>100</b> |

Table 3 above illustrates the level of education of the participants. The modal qualification is diploma which scored the highest frequency of 57 out of 153 participants which gives 37.3% of the sample. The least frequent qualification was certificate which scored a frequency of 21 participants which is 13.7%. The following diagram gives a better illustration of the qualifications.



**Figure 5: Level of Education by Highest Qualification**

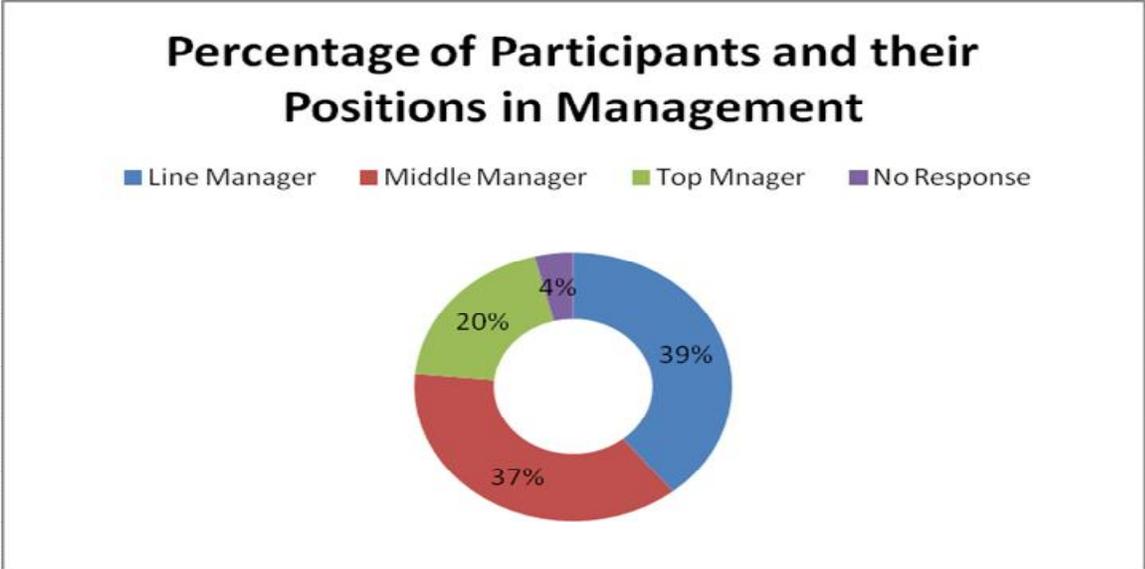
As shown on the diagram above, most of the managers who took part in the study either held a diploma or a first degree. On the other hand, fewer participants held a certificate as highest qualification. Those who held masters degree were more or less as few as those with certificate.

**4.3.4 Participant’s Position in the Organisation**

**Table 4: Level of the Participant's Management Position**

| Position                | Frequency  | Percentage |
|-------------------------|------------|------------|
| Line Manager            | 60         | 39.2       |
| Middle Manager          | 57         | 37.3       |
| Top Manager (Executive) | 30         | 19.6       |
| No Response             | 6          | 3.9        |
| <b>Total</b>            | <b>153</b> | <b>100</b> |

Table 4 above shows that the sample drawn mainly consists of line managers who made up the highest frequency followed by middle manager while top managers constitute the lowest frequency. The following diagram gives a more elaborate illustration of the positions held by participants in their organisations.



**Figure 6: Positions Held by Participants in Management**

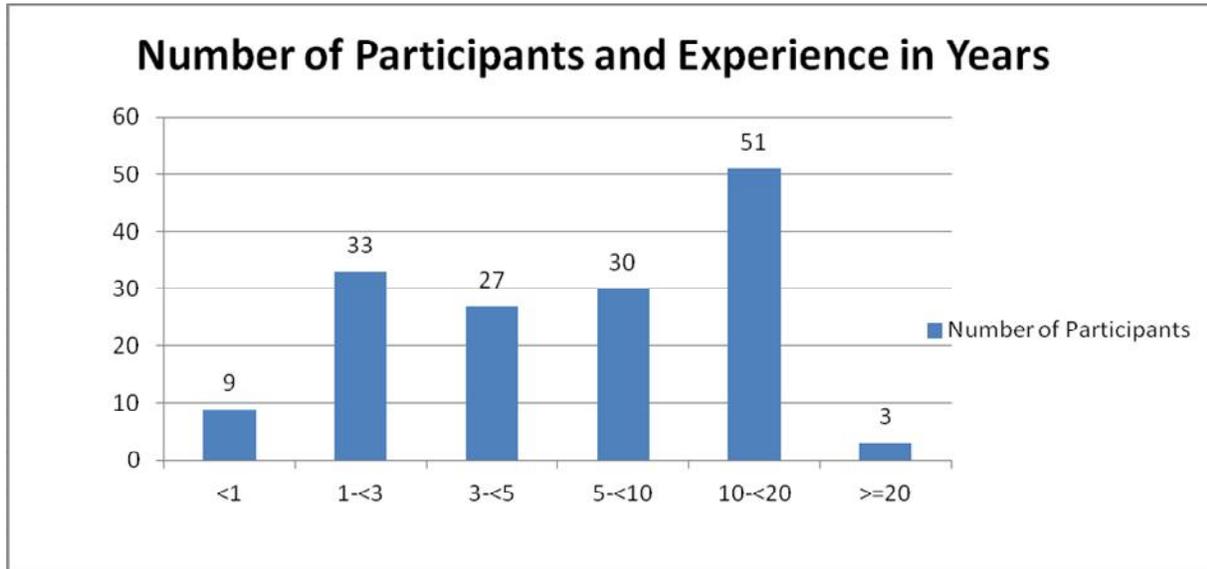
As illustrated on Figure 6 above, line managers occupy the largest proportion of the participants with 39% followed by middle managers who made up 37% of the sample while top managers constituted 20% of the sample. Approximately 4% did not disclose their positions.

#### 4.3.5 Experience in Management

**Table 5: The Experience of Participants in Management**

| <b>Age Range in Years</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------------|------------------|-------------------|
| >1                        | 9                | 5.9               |
| 1-<3                      | 33               | 21.6              |
| 3-<5                      | 27               | 17.6              |
| 5-<10                     | 30               | 19.6              |
| 10-<20                    | 51               | 33.3              |
| >=20                      | 3                | 2                 |
| <b>Total</b>              | <b>153</b>       | <b>100</b>        |

As highlighted on Table 5 above, most of the participants were seasoned managers. The modal category had experience ranging from 10 to less than 20 years and these constituted 33.3% of the sample. Only about 6% of the sample had less than 1 year experience in the position of manager and up to 94% were highly experienced individuals. The following diagram gives an elaborated illustration of the experience held by the sample participants.



**Figure 7: Experience of Participants in Management Position**

The graph above shows the level of experience among the participants. The graph shows that most of the participants are experienced well above 3 years.

#### **4.4 RESPONSE FREQUENCIES ON KM CRITICAL SUCCESS FACTORS**

##### ***4.4.1 Knowledge Management Initiative Leadership***

Table 6 below reveals the views expressed by participants with respect to leadership commitment in Knowledge Management as a critical factor. As shown on the table, 52.9% of the participants strongly agree that Knowledge Management leadership commitment is vital to the success of a Knowledge Management initiative. Another 41.2% agree with the importance of leadership commitment in a Knowledge Management initiative. Just about 6% of the sample was not sure whether leadership is a critical factor to the success of a Knowledge Management initiative. Therefore, there is sufficient evidence from the sample to suggest that leadership commitment is a critical success factor in a Knowledge Management initiative.

**Table 6: Responses on the Importance of Leadership Commitment**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Not Sure            | 9                | 5.9               |
| Agree               | 63               | 41.2              |
| Strongly Agree      | 81               | 52.9              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

Table 7 below indicates the opinions expressed by participants as to whether management in their respective organisations is up to task and can set clear and well planned strategy to lead a successful Knowledge Management initiative. As shown on the table, only 2% disagree while 9.8% was not sure whether they had leadership competent enough to implement a successful Knowledge Management initiative. On the other hand, up to about 55% agree while approximately 33% strongly agree that they had leadership competent enough to implement a successful Knowledge management initiative.

**Table 7: Responses on the Perceived Organisations' Competence to Implement KM initiative**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Disagree            | 3                | 2                 |
| Not Sure            | 15               | 9.8               |
| Agree               | 84               | 54.9              |
| Strongly Agree      | 51               | 33.3              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

#### 4.4.2 Corporate Culture and Knowledge Management

The following table indicates how participants responded to the claim that corporate culture influences knowledge sharing and hence determines the success of a Knowledge Management initiative in an organisation.

**Table 8: Response Frequencies on Corporate Culture**

| Valid Option   | Frequency  | Percentage |
|----------------|------------|------------|
| Disagree       | 9          | 5.9        |
| Not Sure       | 6          | 3.9        |
| Agree          | 78         | 51         |
| Strongly Agree | 60         | 39.2       |
| <b>Total</b>   | <b>153</b> | <b>100</b> |

As shown on the table above, 5.9% of the participants disagree while 3.9% was not sure whether corporate culture determines the success of a Knowledge Management initiative in organisations. However, an overwhelming majority of the sample validated the claim with 51% agreeing while 39.2% strongly agree with the claim that corporate culture influences Knowledge Management initiative; suffice to say corporate culture is a critical success factor of a Knowledge Management initiative.

**Table 9: Responses on Assessment of Organisations' Corporate Culture**

| Valid Option      | Frequency  | Percentage |
|-------------------|------------|------------|
| Strongly Disagree | 3          | 2          |
| Disagree          | 3          | 2          |
| Not Sure          | 27         | 17.6       |
| Agree             | 72         | 47.1       |
| Strongly Agree    | 48         | 31.4       |
| <b>Total</b>      | <b>153</b> | <b>100</b> |

Table 9 above shows the views expressed by participants with respect to the importance of culture in knowledge management. The study found that 2% strongly disagree, another 2%

disagree and 17.6% was not sure while 47.1% agree in addition to the 31.4% which strongly agree with the position that the corporate culture prevailing in their organisations was conducive for a Knowledge Management initiative to succeed.

#### ***4.4.3 The Impact of Structure, Roles and Responsibilities in Knowledge Management initiative***

**Table 10: Responses on Structure, Roles and Responsibilities in KM initiative**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Not Sure            | 15               | 9.8               |
| Agree               | 87               | 56.9              |
| Strongly Agree      | 51               | 33.3              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

As shown on Table 10, 9.8% of the participants are not sure whether structure, roles and responsibilities held by individuals determine the success of a Knowledge Management initiative. On the other hand 56.9% agree while 33.3% strongly agree that structure, roles and responsibilities in an organisation determine the success of a Knowledge Management initiative.

**Table 11: Participants' Assessment of Structure, Roles and Responsibilities in their Organisations**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Disagree            | 27               | 17.6              |
| Not Sure            | 27               | 17.6              |
| Agree               | 51               | 33.3              |
| Strongly Agree      | 48               | 31.4              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

The table above shows how participants responded to the view that Knowledge Management initiative succeeds when it is a grassroots or end-user driven rather than a top down or

technology driven initiative. Results obtained indicate that 17.6% disagree; another 17.6% was not sure while 33.3% agree and 31.4% strongly agree that the claim is true.

**Table 12: Responses on Whether Structure, Roles and Responsibilities are Conducive for KM**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Strongly Disagree   | 3                | 2                 |
| Not Sure            | 18               | 11.8              |
| Agree               | 93               | 60.8              |
| Strongly Agree      | 39               | 25.5              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

As shown on the table above, 2% of the participants strongly disagree, 11.8% was not sure while 60.8% agree in addition, 25.5% strongly agree with the position that structure, roles and responsibilities in their organisations are conducive for the success of a Knowledge Management initiative.

**4.4.4 IT Infrastructure in Knowledge Management initiative**

**Table 13: Responses on ICT Infrastructure in KM**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Disagree            | 15               | 9.8               |
| Agree               | 87               | 56.9              |
| Strongly Agree      | 51               | 33.3              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

The table above shows that 9.8% of the respondents disagree with the importance of IT Infrastructure as a critical success factor of Knowledge Management initiative. On the other hand, 56.9% agree while 33.3% strongly agree with the view that IT Infrastructure is a critical success factor in a Knowledge Management initiative.

**Table 14: Responses on Whether ICT Infrastructure Supports KM initiative**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Strongly Disagree   | 12               | 7.8               |
| Disagree            | 27               | 17.6              |
| Not Sure            | 18               | 11.8              |
| Agree               | 66               | 43.1              |
| Strongly Agree      | 30               | 19.6              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

Table 14 above shows opinions expressed by participants on the question of whether ICT Infrastructure in their respective organisations is flexible enough to support the successful implementation of a Knowledge Management initiative. The study found that 7.8% strongly disagree, 17.6% disagree while 11.8% was not sure of the capability of ICT Infrastructure in their organisations to facilitate a successful Knowledge Management initiative. On the other hand, 43.1% agree and 19.6% strongly agree that their organisations have a flexible ICT Infrastructure to support the successful implementation of Knowledge Management initiative.

#### ***4.4.5 Measurement and Evaluation in Knowledge Management initiative***

The study obtained the following views, shown on Table 15 below, on the position that measurement and evaluation is critical to the successful implementation, coordination and monitoring of progress in a Knowledge Management initiative. As indicated on the table, 2% of the participants strongly disagree, another 2% disagree while 3.9% was not sure whether measurement and evaluation is a critical success factor in a Knowledge Management initiative. However, up to 56.9% of the participants agree that measurement and evaluation is a critical success factor in a Knowledge Management initiative. An additional 35.3% strongly agree that successful Knowledge Management initiative is determined by the capability of an organisation to measure and evaluate the process of Knowledge Management initiative.

**Table 15: Responses on Measurement and Evaluation as a Success Factor of KM initiative**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Strongly Disagree   | 3                | 2                 |
| Disagree            | 3                | 2                 |
| Not Sure            | 6                | 3.9               |
| Agree               | 87               | 56.9              |
| Strongly Agree      | 54               | 35.3              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

Table 16 below highlights the responses obtained on the participants' own opinions with respect to the claim that it is difficult to quantify the benefits of Knowledge Management initiative in the short term unless effective measurement and evaluation is exercised. The study found that 2% of the participants strongly disagree, another 2% disagree and 3.9% was not sure while on the other hand 56.9% agree in addition to the 35.3% who strongly agree with the claim stated above.

**Table 16: Responses on Whether KM can succeed without Measurement and Evaluation**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Strongly Disagree   | 3                | 2                 |
| Disagree            | 3                | 2                 |
| Not Sure            | 6                | 3.9               |
| Agree               | 87               | 56.9              |
| Strongly Agree      | 54               | 35.3              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

Table 17 below shows the responses expressed on the participants' own assessment of their organisations with respect to preferred measures of success between financial and non-financial indicators of performance and or progress. As indicated on the table, 2% of the participants strongly disagree that their organisations prefer financial to non-financial measures in its initiatives. In addition, 2% disagree while 19.6% of the participants were not sure whether the

claim was true for their respective organisations or not. On the other hand, 45.1% agree with the claim and strongly agree.

**Table 17: Responses on Whether Retail Organisations Prefer Financial to Non-financial Measures**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Strongly Disagree   | 3                | 2                 |
| Disagree            | 3                | 2                 |
| Not Sure            | 30               | 19.6              |
| Agree               | 69               | 45.1              |
| Strongly Agree      | 48               | 31.4              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

***4.4.6 Employee and Customer Needs as a Factor for Successful Knowledge Management Initiative***

The study also assessed the opinions of participants towards the view that employees and customers need to perceive a climate of trust and maintain sense of credibility in their multilateral exchange of organizational knowledge. The following table reflects the responses obtained.

**Table 18: Responses on Employee and Customer Needs in KM**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Disagree            | 3                | 2                 |
| Not Sure            | 12               | 7.8               |
| Agree               | 78               | 51.0              |
| Strongly Agree      | 60               | 39.2              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

As shown on the table above, 2% of the participants disagree while 7.8% was not sure with the view that need for trust and credibility among employees and customers is critical to the success of Knowledge Management initiative. On the contrary, 51% revealed that they agree while

39.2% strongly agree with the claim that employee and customer needs are a critical success factor of a Knowledge Management initiative.

The following table shows responses by participants on whether their respective organisations are able to promote a good network of interpersonal exchange of business and technical knowledge to support a successful Knowledge Management initiative through addressing the need for trust and credibility among knowledge sharing members.

**Table 19: Responses on Retail Organisations' ability to create a Conducive Environment in KM**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Strongly Disagree   | 3                | 2                 |
| Disagree            | 12               | 7.8               |
| Not Sure            | 9                | 5.9               |
| Agree               | 93               | 60.8              |
| Strongly Agree      | 36               | 23.5              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

The table reveals that 2% of the participants strongly disagree, 7.8% disagree and 5.9% was not sure whether their respective organisations are capable to establish an effective knowledge sharing network to support Knowledge Management initiative through addressing employee and customer needs in Knowledge Management. In contrast to that, 60.8% agree while 23.5% strongly agree with the need for attending to employee and customer needs, should a Knowledge Management initiative be successfully implemented.

#### 4.5 RESPONSE FREQUENCIES ON BENEFITS OF KNOWLEDGE MANAGEMENT

**Table 20: Responses on Whether KM brings Competitive Advantage**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Disagree            | 6                | 3.9               |
| Agree               | 87               | 56.9              |
| Strongly Agree      | 60               | 39.2              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

As shown on Table 20 above, the study found that only 3.9% of the participants disagree that Knowledge Management initiative brings about competitive advantage to their organisations. Up to 56.9% agree while 39.2% strongly agree that Knowledge Management initiative can bring about competitive advantage to their respective organisations.

**Table 21: Responses on Whether KM Brings Organisational Efficiency**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Not Sure            | 24               | 15.7              |
| Agree               | 63               | 41.2              |
| Strongly Agree      | 66               | 43.1              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

As shown on Table 21 above, 15.7% of the respondents were not sure while 41.2% agree in addition to 43.1% who strongly agree that Knowledge Management initiative is a tool for bringing about organizational efficiency.

**Table 22: Responses on Whether KM Increases Organisational Profitability**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Strongly Disagree   | 3                | 2                 |
| Disagree            | 3                | 2                 |
| Not Sure            | 9                | 5.9               |
| Agree               | 84               | 54.9              |
| Strongly Agree      | 54               | 35.3              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

As shown on Table 22 above, the study found that 2% of the participants strongly disagree, another 2% disagree while 5.9% was not sure whether Knowledge Management initiative can bring about organisational profitability. On the other hand, 54.9% of the participants agree while 35.3% strongly agree that Knowledge Management initiative has the benefits of increasing organisational profitability.

**Table 23: Responses on Whether KM Enhances Cost Effectiveness**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Disagree            | 3                | 2                 |
| Not Sure            | 15               | 9.8               |
| Agree               | 72               | 47.1              |
| Strongly Agree      | 63               | 41.2              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

As indicated on Table 23 above, the study found that 2% of the participants disagree while 9.8% was not sure whether Knowledge Management initiative has the benefit of enhancing cost effectiveness in their respective organisations. In contrast, 47.1% agree while 41.2% strongly agree that Knowledge Management leads to cost effectiveness.

**Table 24: Responses on Whether KM Increases Market Share**

| <b>Valid Option</b> | <b>Frequency</b> | <b>Percentage</b> |
|---------------------|------------------|-------------------|
| Disagree            | 3                | 2                 |
| Not Sure            | 15               | 9.8               |
| Agree               | 78               | 51                |
| Strongly Agree      | 57               | 37.3              |
| <b>Total</b>        | <b>153</b>       | <b>100</b>        |

Table 24 above shows that 2% of the participants disagree while 9.8% was not sure whether Knowledge Management initiative leads to increased market share to their respective organisations. On the other hand, 51% agree and 37.3% strongly agree that Knowledge Management initiative has the benefit of bringing about increased market share to their respective organisations.

#### **4.6 ANALYSIS OF RESULTS**

The findings presented above were processed through Statistical Package for Social Sciences (SPSS) as highlighted earlier on in chapter three. It is essential to first perform certain tests to validate the results before attempting to draw conclusions, make inferences and or give recommendation based on these findings. The followings tests namely reliability test, normality test, correlation analysis, regression analysis were performed as revealed below.

##### **4.6.1 Reliability Test**

**Table 25: Overall Reliability Test**

| <b>Test Variable</b> | <b>Number of Items</b> | <b>Cronbach's Alpha Value</b> |
|----------------------|------------------------|-------------------------------|
| Whole Instrument     | 21                     | 0.782                         |

A test for overall reliability was run using SPSS and the study established a Cronbach Alpha coefficient of 0.678 and hence concluded that the whole instrument was adequately reliable. The instrument used is reliable because the overall reliability coefficient is approximately 0.7 which is sufficient to conclude that the construct is internally consistent and valid.

**Table 26: Reliability of Factors**

| <b>Test Variable</b>             | <b>Number of Items</b> | <b>Cronbach's Alpha Value</b> |
|----------------------------------|------------------------|-------------------------------|
| Critical Success Factors         | 14                     | 0.819                         |
| Benefits of Knowledge Management | 7                      | 0.819                         |
| <b>Overall Cronbach's Alpha</b>  | <b>21</b>              | <b>0.782</b>                  |

Table 26 above shows that critical success factors scored a Cronbach's Alpha coefficient of 0.819, barriers to Knowledge Management scored 0.916 and benefits of Knowledge Management scored 0.819 while overall Cronbach's Alpha coefficient was found to be 0.782 for all the three factors tested for reliability. As explained in chapter three, Cohen and Swerdlik (2010) claim that in certain diverse psychological constructs, a value that is lower than 0.7 can even be accepted although this study had its cut-off stipulated at 0.7. Therefore, since the Cronbach's Alpha coefficients for the variables tested exceed 0.7. Hence the study concludes that the instrument had neither a problem of low questions nor poor relatedness of items alternatively known as problem of heterogeneous construct.

The following table shows item-total statistics to summarise the reliability properties of the research instrument constructed to gather information presented above.

**Table 27: Item-Total Statistics for Reliability**

| <b>Scale if Item Deleted</b> | <b>Scale Variance if Item Deleted</b> | <b>Corrected Item-Total Correlation</b> | <b>Cronbach's Alpha if Item Deleted</b> |
|------------------------------|---------------------------------------|-----------------------------------------|-----------------------------------------|
| Leadership                   | 26.5268                               | 8.545                                   | 0.752                                   |
| Culture                      | 26.7229                               | 7.816                                   | 0.735                                   |
| Structure                    | 24.8111                               | 6.157                                   | 0.695                                   |
| Information                  | 27.0464                               | 6.246                                   | 0.681                                   |
| Evaluation                   | 26.7098                               | 7.770                                   | 0.718                                   |
| Employee                     | 26.7425                               | 7.315                                   | 0.694                                   |
| Benefits                     | 26.6013                               | 8.869                                   | 0.770                                   |

The table above shows that all of the factors tested are reliable since the Cronbach's Alpha coefficients fall below the overall value of 0.782 achieved when all of the factors are included.

#### 4.6.2 Factor Analysis

**Table 28: Factor Analysis for Benefits of KM**

| Factor                       | Component 2 |
|------------------------------|-------------|
| Competitive Advantage        | 0.756       |
| Organisational Efficiency    | 0.732       |
| Organisational Profitability | 0.811       |
| Cost Effectiveness           | 0.781       |
| Market Share Expansion       | 0.694       |

**Table 29: Factor Analysis for Critical Success Factors of KM**

| Factor                                           | Components |        |       |        |        |
|--------------------------------------------------|------------|--------|-------|--------|--------|
|                                                  | 1          | 2      | 3     | 4      | 5      |
| Leadership Commitment                            | 0.584      |        |       |        |        |
| Organisation's Assessed Leadership               | 0.611      |        |       |        |        |
| Corporate Culture                                |            |        | 0.627 |        |        |
| Organisation's Assessed Corporate Culture        |            |        |       |        | -0.498 |
| Organisational Structure                         | 0.607      |        |       |        |        |
| Roles and Responsibilities                       |            |        |       | -0.586 |        |
| Organisation's Assessed Roles & Responsibilities | 0.703      |        |       |        |        |
| IT Infrastructure                                | 0.704      |        |       |        |        |
| Organisation's Assessed IT Infrastructure        | 0.712      |        |       |        |        |
| Measurement and Evaluation                       | 0.584      |        |       |        |        |
| Organisation's Assessed Measurements             | 0.474      |        |       |        |        |
| Preferred Performance Measures                   |            | -0.601 |       |        |        |
| Employee and Customer Needs                      | 0.553      |        |       |        |        |
| Organisation's Assessed Knowledge Sharing        | 0.675      |        |       |        |        |

Tables 28 and 29 above indicate the results of a factor analysis conducted to test the construct validity of the questionnaire used in gathering information required for this research. The study was guided by the Kaiser-Meyer-Okin (KMO) measure of sampling adequacy for which the KMO values are extracted through the method of principal component analysis. KMO values ranging between 0.5 and 0.7 are mediocre; those between 0.7 and 0.8 are good while those between 0.8 and 0.9 are superb. Therefore, most of the values presented on the Factor Analysis tables above exceed 0.7 thereby indicating that the questionnaire used is construct-valid and hence represents the views of respondents correctly.

#### ***4.6.3 Normality Test***

Table 30 below shows the outcome of a normality test conducted to check the distribution of responses on benefits of a Knowledge Management initiative. Using the Shapiro-Wilk (s-w) test, which applies to a sample of less than 2000 participants, the data was tested to check whether the sample was drawn from a normal population and whether responses on the benefits of Knowledge Management initiative fit the normal distribution.

**Table 30: Normality Test on the Distribution of Responses**

| Test for Normality of the Distribution of Responses on Benefits of Knowledge Management | Shapiro-Wilk |                    |                       |
|-----------------------------------------------------------------------------------------|--------------|--------------------|-----------------------|
|                                                                                         | Statistic    | Degrees of Freedom | Level of Significance |
| Benefits                                                                                | 0.841        | 153                | 0.000                 |
| Leadership                                                                              | 0.885        | 153                | 0.000                 |
| Culture                                                                                 | 0.853        | 153                | 0.000                 |
| Structure                                                                               | 0.923        | 153                | 0.000                 |
| Information                                                                             | 0.886        | 153                | 0.000                 |
| Evaluation                                                                              | 0.878        | 153                | 0.000                 |
| Employee                                                                                | 0.896        | 153                | 0.000                 |

At 5% level of significance, the study fails to accept the Shapiro-Wilk null hypothesis that the data is drawn from a normal population and concludes that the data set does not fit normal distribution. Hence non-parametric tests were used in the analysis of results.

#### **4.6.4 Correlation Analysis**

Correlation analysis was conducted to establish the levels of association between the Knowledge Management critical success factors and retail performance. The Spearman’s rank correlation “rho”, which is a non-parametric rank based test, was conducted and revealed the levels of association between the Knowledge Management critical success factor and retail performance stated on Table 31. In general, the correlation coefficient ranges from -1 to +1 where the absolute value indicates the strength of association while the – or + sign shows the direction of association. The study concludes that those variables with a Spearman’s correlation coefficient greater than 0.5 in absolute value have a strong relationship while those with less than 0.5 have a

weak relationship. On the other hand, the sign of the Spearman’s correlation coefficient indicates whether the relationship is direct or an inverse one.

**Table 31: Correlation Analysis**

|                             | <b>Leadership</b> | <b>Culture</b> | <b>Structure</b> | <b>Information</b> | <b>Evaluation</b> | <b>Employee</b> | <b>Benefits/Performance</b> |
|-----------------------------|-------------------|----------------|------------------|--------------------|-------------------|-----------------|-----------------------------|
| <b>Leadership</b>           | 1                 |                |                  |                    |                   |                 |                             |
| <b>Culture</b>              | 0.314             | 1              |                  |                    |                   |                 |                             |
| <b>Structure</b>            | 0.186             | 0.160          | 1                |                    |                   |                 |                             |
| <b>Information</b>          | 0.171             | 0.218          | 0.491            | 1                  |                   |                 |                             |
| <b>Evaluation</b>           | 0.107             | 0.205          | 0.266            | 0.473              | 1                 |                 |                             |
| <b>Employee</b>             | 0.062             | -0.035         | 0.395            | 0.668              | 0.444             | 1               |                             |
| <b>Benefits/performance</b> | 0.303             | 0.170          | 0.259            | 0.185              | 0.004             | 0.053           | 1                           |
| <b>P-values</b>             | <b>(0.01)</b>     | <b>(0.05)</b>  | <b>(0.01)</b>    | <b>(0.01)</b>      | <b>(0.05)</b>     | <b>(0.05)</b>   |                             |

Table 31 above reveals that there is positive correlation between the benefits of Knowledge Management and all of the selected success factors considered in the study. The correlation coefficients for Leadership, Structure and Information are 0.303, 0.259 and 0.185 respectively and these coefficients are significant at 5%. On the other hand, Culture, Employee and Evaluation have correlation coefficients significant at 1% and these are 0.170, 0.053 and 0.004 respectively. The method used is the Spearman’s correlation analysis.

#### **4.7 REGRESSION ANALYSIS**

Regression analysis was conducted to establish the magnitude and direction of the causal relationship suggested by the correlation analysis performed above. The regression is run between selected Knowledge Management success factors and the perceived benefits of Knowledge Management initiative to a retail business. In this regression analysis, critical success factors of Knowledge Management are considered as explanatory or independent variables while

benefits of Knowledge Management initiative or retail performance form a composite explained variable or the dependent variable. The following tables provide details of the regression results.

**Table 32: Model Summary**

| <b>Model</b> | <b>R</b> | <b>R Square</b> | <b>Adjusted R Square</b> | <b>Standard Error of Regression</b> |
|--------------|----------|-----------------|--------------------------|-------------------------------------|
| 1            | 0.789    | 0.623           | 0.579                    | 0.023                               |

Table 32 above shows the model summary of the regression analysis performed to assess the relationship between selected critical success factors of Knowledge Management initiative and the benefits of implementing a Knowledge Management initiative in retail business. The study found that the correlation coefficient (R) had a value of 0.789 which shows that there is a strong positive relationship between the critical success factors of Knowledge Management and benefits of KM to a retail organisation. In general, the correlation coefficient ranges between 0 and 1 in absolute value while a positive sign implies direct linear association. On the other hand, a negative sign indicates the presence of inverse linear association. A value of R closer to 1 suggests a strong linear association between the variables under study. Hence this study concludes that there is a strong positive linear association between the variables included in the regression analysis.

The coefficient of determination (R squared) was found to be 0.623. This means approximately 62% of variation in the dependent variable is explained by variation in the explanatory variables included in the regression analysis. Hence the study concludes that 62% of variation in the benefits of Knowledge Management initiative is explained by variation in the critical success factors selected for the model. The adjusted R squared was estimated at 0.579 with a standard error of regression valued at 0.023. This shows that the model was estimated with very minimal error of regression such that the results are highly reliable.

**Table 33: F-statistic**

| Variable    | Sum of Squares | DF | Mean Squares | F-statistic | P-value |
|-------------|----------------|----|--------------|-------------|---------|
| Leadership  | 4.526          | 8  | 0.566        | 2.038       | 0.046   |
| Culture     | 4.131          | 8  | 0.516        | 1.144       | 0.338   |
| Structure   | 18.160         | 8  | 2.270        | 2.789       | 0.007   |
| Information | 9.910          | 8  | 1.239        | 1.644       | 0.117   |
| Evaluation  | 8.890          | 8  | 1.111        | 3.480       | 0.001   |
| Employee    | 14.117         | 8  | 1.765        | 5.434       | 0.000   |

Table 33 above shows values of the F-statistic which is used to measure the significance of the whole model. The study found that the F-statistic values for Leadership, Culture, Structure, Information, Evaluation and Employee were 2.038, 1.144, 2.789, 1.644, 3.480 and 5.434 respectively. The p-values for culture and information were 0.338 and 0.117 respectively. On the other hand, all other factors included had p-values lower than 0.05. From this result, the study concludes that the model was a significant one.

**Table 34: Regression Coefficients**

| Model              | Unstandardised Coefficients |                | Standardised | t-Statistic | Significance |
|--------------------|-----------------------------|----------------|--------------|-------------|--------------|
|                    | Beta                        | Standard Error | Beta         |             |              |
| <b>Constant</b>    | 2.685                       | 0.483          |              | 5.932       | 0.000        |
| <b>Leadership</b>  | 0.186                       | 0.012          | 0.089        | 2.978       | 0.002        |
| <b>Culture</b>     | 0.214                       | 0.039          | 0.181        | 3.124       | 0.013        |
| <b>Structure</b>   | 0.173                       | 0.128          | 0.027        | 3.109       | 0.008        |
| <b>Information</b> | 0.190                       | 0.071          | 0.064        | 2.998       | 0.029        |
| <b>Evaluation</b>  | 0.179                       | 0.114          | 0.156        | 3.402       | 0.007        |
| <b>Employee</b>    | 0.182                       | 0.036          | 0.097        | 2.911       | 0.082        |

Table 34 above shows the regression coefficients obtained. The regression constant was found to be 2.685 estimated with a standard error of 0.483 with a probability value of 0.000. All of the selected success factors of Knowledge Management initiative were found to be significant in the

model. **Leadership** had a beta value of 0.186 estimated at the standard error of 0.012 with the probability value of 0.002. **Corporate Culture** had a beta value of 0.214 at standard error of 0.039 with a probability value of 0.013. The beta value for **Structure** was estimated at 0.173 with a standard error of 0.128 and a probability value of 0.008. **Information and Communication Technology (ICT)** had a beta value of 0.190 obtained with a standard error of 0.071 at the probability value of 0.029. **Evaluation** had a beta value of 0.179 estimated with a standard error of 0.114 significant at a probability value of 0.007. **Employee and Customer needs** had a beta value of 0.182 with a standard error of 0.036 and a probability value of 0.082. Hence the study concludes that Culture had the greatest impact on Knowledge Management initiative followed by Information and Communication Technology while Leadership was third, Employee and Customer needs was fourth. Evaluation was fifth and Structure had the least impact among the six factors considered. Therefore, the model can be summarised as follows;

**Equation 1: Model of Critical Success Factors and Benefits of KM**

$$[\text{Benefits of KM} = 2.685 + 0.214\text{Culture} + 0.190\text{Information} + 0.186\text{Leadership} + 0.182\text{Employee} + 0.179\text{Evaluation} + 0.173\text{Structure}]$$

**4.8 HYPOTHESIS TEST**

Given the sample evidence presented above, the study could not reject the hypothesis that there is a positive relationship between selected success factors of Knowledge Management initiative and the performance of retail organisations in Zimbabwe.

**4.9 CHAPTER SUMMARY**

This chapter mainly focused on presentation, interpretation and analysis of research findings. The chapter first provided the response rate to highlight the extent to which individuals were willing to participate. Demographic properties of the sample were also revealed to give a picture of the essential characteristics of sample participants. In addition to that, the chapter gave a detailed presentation of the response frequencies on all the questions administered. Various tests including reliability test, factor analysis and correlation analysis were performed to validate the results before any conclusions can be drawn based on the findings. The following chapter

provides discussion of results and an overall evaluation of the extent to which the study managed to achieve its objectives.

## **CHAPTER FIVE**

### **DISCUSSION, CONCLUSION AND RECOMMENDATIONS**

#### **5.1 INTRODUCTION**

This is the final chapter of the study which gives a discussion of findings with respect to objectives, questions and the hypothesis of the study. The chapter provides an evaluation of the extent to which the study managed to achieve its main objectives as well as reflecting on how the results obtained compare with those in related literature sources reviewed. It also provides overall research conclusion, recommendations based on findings and suggested areas for further study.

#### **5.2 DISCUSSION OF RESULTS**

The main purpose of this study was to assess the role of critical success factors of a Knowledge Management initiative towards achieving desired business performance. The study maintained the hypothesis that there is a positive relationship between selected success factors of Knowledge Management initiatives and the benefits that Knowledge Management initiative brings about to a retail business.

To fulfill the above stated objectives and proffer solutions to the questions reiterated above, a quantitative methodology was adopted. Using a semi structured questionnaire for data collection, a sample of 153 managers was drawn from across the retail divide and empirical evidence was gathered to aid the attainment of the objectives of the study and reveal answers to the questions held initially. On the basis of sample evidence obtained, the study could not reject the hypothesis that there is a positive relationship between selected success factors of Knowledge Management and benefits of implementing a Knowledge Management initiative to a retail business.

The study found that all of the selected success factors of Knowledge Management namely (1) leadership commitment, (2) corporate culture, (3) structure, roles and responsibilities (4) measurement and evaluation (5) information and communication technology (ICT) infrastructure and (6) employee and customer needs directly related to the benefits of Knowledge Management initiative. On the same note, implementing a Knowledge Management initiative was found to

bring about competitive advantage in terms of efficiency, profitability, cost effectiveness and market share expansion to a retail business. Of all the critical success factors considered, corporate culture was found to have the strongest impact on Knowledge Management initiative followed by Information and Communication Technology (ICT) infrastructure availability which is meant to support the flow of information. Leadership commitment comes third while employee and customer needs in a knowledge sharing network have the fourth strongest impact. Measurement and evaluation had the second least while structure, roles and responsibilities had the least strong impact to Knowledge Management. Thus, the study found that the critical success factors influencing the performance of a retail business implementing KM initiative are corporate culture, ICT infrastructure, leadership commitment, employee and customer needs, measurement and evaluation as well as structure, roles and responsibilities, arranged in their order of decreasing importance.

A study conducted by Yen (2012) to establish factors affecting Knowledge Management success found contrasting results although there are certain points concurring with what was established in this study. The study by Yen (2012) established empirical evidence to support the argument that capabilities and task characteristics are the prime factor that improves KM performance. Yen (2012) and Jaspersen *et. al* (2005) found empirical evidence to substantiate the position that in most cases, KM initiative fails due to inadequate training, absence of support mechanisms and incentives to arouse employee willingness and creativity required to drive a successful KM initiative. Similarly, this study found that addressing such employee needs as training, support mechanisms and incentives for creativity and knowledge sharing raises the performance of a retail organisation by 0.182. This is because the study found that the regression coefficient between employee needs and benefits of KM is 0.182 as shown on the results above. However, unlike Yen (2012) who only researched on employee needs, this study went further to include customer needs as part of the critical success factors of KM initiative to a retail business.

### 5.3 CONCLUSION

In conclusion, the study found that there is sufficient evidence from the sample to accept the hypothesis that there is a positive connection between selected success factors of a Knowledge Management initiative and the benefits accruing to the implementation of a Knowledge Management initiative. This implies that a retail organisation seeking to achieve competitive advantage through Knowledge Management initiative needs to fine-tune these critical success factors.

Chen (2014) conducted a similar study to assess knowledge management driven firm performance, critically evaluating the roles of business process capabilities and organisational learning. The study found that organisations massively investing in KM focus on internal and external process redesign, ICT systems and human resources. Chen (2014) discovered that knowledge process capabilities have a direct impact on the firm's performance since KM fundamentals such as human resource, organisational structure, external relationships and information systems were found to be prime drivers of organisational performance. These KM fundamentals namely human resource, organizational structure and information systems were also found to have a positive impact on the performance of retail organisations in this research as presented in the previous chapter. However, a slight difference between the results of this study and Chen's findings is that added the aspect of external process redesign which was not covered in this study.

Alex, Ferarresi , Quandt , Dos Santos and Frega (2012) carried out a study on leveraging innovation and performance through Knowledge Management and strategic orientation. In this study, Alex *et. al* (2012) established that KM was understood to be a set of processes embedded in organisational culture and contributes to strategic orientation and innovativeness. This alludes to the fact that corporate culture is the prime success factor in KM initiative as was found to be the case in this study. Indeed, this study found that organisational culture had the greatest impact on organisational performance in KM initiative since the factor scored the highest coefficient of regression among the six factors considered as presented in the previous chapter. However, Alex

*et. al* (2012) could not establish concrete evidence to confirm that innovativeness contributes to business performance but rather confirmed their study maintained intuitive supposition that innovativeness contributes to business performance. This makes it easy to for other researchers to contradict their results. In contrast, this study actually conducted a regression analysis and managed to establish the magnitude of causality between selected success factors of KM and business performance. However, Alex *et. al* (2012) found evidence to support the position that KM necessarily implies the deliberate and systematic coordination of the organisation's people, technology, processes and organisational structure. This position concurs with the hypothesis confirmed by Dalkir (2011) in a similar study. All these findings cement the findings presented in this study.

A study conducted by Cheng Y., Yeh S. and Huang H. (2012) to assess whether knowledge management fit matters to business performance. Their results reinforce what was found by this study since they revealed firms which were good at aligning ICT strategy, Human Resources and organisational culture with KM strategy attained high performance. On the other hand, Cheng Y., Yeh S. and Huang H. (2012) found that firms adopting human-oriented KM strategies must have encouraging reward systems to promote knowledge sharing.

## **5.4 RECOMMENDATIONS**

Based on the findings presented in the previous chapter, the study has the following to recommend on the critical success factors and benefits of a Knowledge Management initiative to a retail organisation in Zimbabwe;

- ❖ Organisations in the retail industry can achieve competitive advantage over rivals through implementing a Knowledge Management initiative.
- ❖ For a Knowledge Management initiative to succeed, there are certain critical factors to be considered namely leadership commitment, organizational culture, structure, roles and responsibilities, measurement and evaluation, availability of adequate ICT infrastructure as well as employee and customer needs.
- ❖ The study recommends retail organisation seeking to achieve efficiency in resource utilisation, enhanced profitability, cost effective business leadership and increased market share to adopt a Knowledge Management initiative.

## **5.5 LIMITATIONS AND AREAS FOR FURTHER STUDY**

While the study attempted to make an analysis of the influence of selected success factors of Knowledge Management on the performance retail organisations, it may also be desirable to carry out a critical assessment of the barriers to effective implementation of a Knowledge Management initiative. In addition to that, one may also find it worthwhile to evaluate the usefulness of Knowledge Management initiative in comparison with other strategic tools available to retail organisations. Apart from that, a similar research problem can also be investigated in other industries since this study was only confined to retail organisations. More so, it might be essential to repeat the same study at different time periods so as to check for consistence of results given that the retail is a dynamic industry. Furthermore, this study made an attempt to address the research problem using quantitative methodology and managed to gather cross sectional data. Other researchers might also want to use a different approach.

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## APPENDIX

# University of Zimbabwe



## Graduate School of Management

### Structured Questionnaire

#### Introduction

I, Ester Gampakwe, am a *bona fide* student studying for a Masters of Business Administration degree with the University of Zimbabwe. The program of study requires me to carry out research into a compelling business problem. To this end, I am conducting an assessment of the critical success factors of and barriers to Knowledge Management initiative in retail business in Zimbabwe. I am kindly asking for your voluntary participation by completing this questionnaire to the best of your knowledge. I assure you that information being gathered through this questionnaire will be used solely for academic purposes. Confidentiality and anonymity is guaranteed since you are not required to provide your name or identity details on this questionnaire.

**Section One: Demographic Information**

**(Please tick the box corresponding to your answer on each of the five questions below)**

1 Gender

|        |  |
|--------|--|
| Male   |  |
| Female |  |

2 Age ( years)

|          |       |       |       |       |       |         |
|----------|-------|-------|-------|-------|-------|---------|
| Below 24 | 25-30 | 31-35 | 36-40 | 41-50 | 51-60 | Over 60 |
|          |       |       |       |       |       |         |

3 Highest Level of Education

|             |         |        |         |           |
|-------------|---------|--------|---------|-----------|
| Certificate | Diploma | Degree | Masters | Doctorate |
|             |         |        |         |           |

4 Current Position

|              |                |                         |
|--------------|----------------|-------------------------|
| Line Manager | Middle Manager | Top Manager (Executive) |
|              |                |                         |

5 Experience in Management Position

|              |           |           |             |               |               |
|--------------|-----------|-----------|-------------|---------------|---------------|
| Below 1 year | 1-3 years | 3-5 years | 5- 10 years | 10 – 20 years | Over 20 years |
|              |           |           |             |               |               |

**Section Two: The following statements describe the Critical Success Factors of Knowledge Management (KM) Initiative in your organisation and you are required to indicate the extent to which you agree or disagree to each statement by ticking/ crossing at the**

appropriate box (where 5=strongly agree, 4=agree, 3=not sure, 2=disagree and 1=strongly disagree)

**Leadership and Knowledge Management initiative**

1. Leadership commitment is critical if an organisation is to implement a successful Knowledge Management initiative.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

2. Management in organisation is up to task and can set clear and well-planned strategy to lead a successful Knowledge Management initiative.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

**Corporate Culture and Knowledge Management initiative**

3. Corporate culture influences knowledge sharing and therefore determines the success of Knowledge Management initiative in an organisation.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

4. The norms and values that my organisation upholds encourage a culture of knowledge sharing and can facilitate the implementation of Knowledge Management initiative.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

**Structure, Roles and Responsibilities in Knowledge Management initiative**

5. Structure, roles & responsibilities of each individual in my organisation determine the success of Knowledge Management initiative since knowledge is largely cognitive and highly personal.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

6. Knowledge Management succeeds when it is a grassroots-driven rather than a top-down initiative.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

7. The structure, roles and responsibilities in my organisation are conducive for the success of a Knowledge Management initiative?

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

**IT Infrastructure and Knowledge Management initiative**

8. IT Infrastructure facilitates the creation and utilisation of knowledge.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

9. My organisation's IT infrastructure flexible enough to facilitate the implementation of a successful Knowledge Management initiative?

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

**Measurement and Evaluation of Knowledge Management initiative**

10. Measurement provides the basis for an organisation to evaluate, compare, control and improve its performance in a Knowledge Management initiative.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

11. It can be difficult to quantify benefits of Knowledge Management initiative in the short term but early indicators of success can be established if good measures are used.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

12. My organisation prefers financial measures to non financial measures as indicators of progress in its initiatives.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

**Employee and Customer Needs in Knowledge Management initiative**

13. Employees and customers need to perceive a climate of trust and credibility in their bilateral exchange of knowledge.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

14. My organization promotes a good network of interpersonal exchange of business and technical knowledge to support a successful Knowledge Management initiative.

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

**Section Three: The following statements indicate the Benefits of Knowledge Management Initiative and you are required to indicate the extent to which you agree or disagree to each statement by marking on the appropriate box (where 5=strongly agree, 4=agree, 3=not sure, 2=disagree and 1=strongly disagree)**

1. Bringing competitive advantage to my organisation

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

2. Bringing efficiency in my organisation

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

3. Increasing the profitability of my organisation

|                |       |          |          |                   |
|----------------|-------|----------|----------|-------------------|
| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|                |       |          |          |                   |

4. Leading to cost effectiveness in my organisation

| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|----------------|-------|----------|----------|-------------------|
|                |       |          |          |                   |

5. Increasing market share

| Strongly agree | Agree | Not sure | Disagree | Strongly disagree |
|----------------|-------|----------|----------|-------------------|
|                |       |          |          |                   |

**Conclusion**

Thank you for taking your time to complete this questionnaire. Kindly check if you completed all the questions in each of the sections above.

**The End**