Understanding the Link of Knowledge Management and Organizational Performance: Empirical Insights from the Hospitality Industry

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ABSTRACT

Purpose: Knowledge management nowadays becoming a huge area in terms of managing in any organization that closely related to human resources, organizational development, change management, information technology, brand and reputation management, performance measurement, and evaluation. The emergence of knowledge management in light of the very dynamic workforce in the hospitality industry especially in developing states ignites the need to understand its role. Thus, this study aims to discover the relationship of knowledge management and employee commitment in the hospitality industry so organizations can devise a good HR plan most especially for committed employees.

Design/methodology/approach: This study was done in Davao Region, Philippines with 450 employees from the various sectors of the hospitality industry using a survey method.

Findings: Empirical findings revealed that knowledge management and organizational commitment are of high levels are described by the respondents. Further, knowledge management and organizational commitment are significantly correlated with each other which implies significant role in the developing and molding skillful and committed employees in the hospitality industry.

Paper type: Research paper

Keyword: Employees, Hospitality, Knowledge Management, Organizational Commitment

Received : January 15th
Revised : January 18th
Published : March 31st

I. INTRODUCTION

Knowledge management is an approach of allowing the proper and right learning to occur on individuals. This is done in an auspicious way to help individuals offer and place information without hesitation. It talks about a precise and integrative technique that encourages associations to discover, to arrange, to allot and to move significant proof, information, and mastery of basics for issue settling, self-paced learning, and basic leadership. This achieves the fundamental objectives of the business (Obeidat et al., 2016).

Furthermore, it is expressed that knowledge management is included the procedures of catching, sharing, spreading, and application of learning. This incorporates four stages: learning acquisition, information allotment, learning understanding, and authoritative memory (Obeidat et al., 2014). Yang & Wan (2004) also expressed that knowledge management practices can benefit hospitality industry. This is likewise the same with pronouncement of Bouncken (2002) the knowledge management now, existing their effort in the observance in the hospitality chain to enhance the effectiveness of an organization.

Consequently, despite the fact that information is a convoluted idea to be characterized and estimated, the meanings of learning range from reasonable to functional and from thin to wide Obeidat et al., (2016). The possibility of knowledge management gives us a primer thought while considering, for instance, the activities that make it up. In this manner, there are a greater number of ideas on information the executives than just knowledge Moh et al., (2015).
However, Szulanski (1996) stated that sharing an idea will help them to more productive in any work activities for the employee. Moreover, sometimes employees do not use knowledge management in knowledge sharing because of insufficient time, lack of knowledge in some issues and the effort needed to systematize and share knowledge, especially when there is low trust between the employees who are contributing to or reusing the knowledge (Hew & Hara, 2007; Kankanhalli et al., 2005; Wang & Noe, 2010).

On the other hand, the study of organizational commitment has become more popular nowadays. It associates in the organizations on how the employee feels with their job experience. It often one of the major causes of job turnover and job satisfaction among employees as well as job performance. (Veronica Tarigan & Dorothea Wahyu Ariani, 2015). Commitment of an employee to his/her organization will be motivated and more efficient compared to an employee who is not. Furthermore, such commitment of an employee may arise as a result of working conditions, association with the aims and objectives of the organization or simply as a result of no other viable alternative (Chich-Jen Shieh, 2014). Similarly, job satisfaction has been found to important factors such behaviors like tardiness, lateness to work and ineffectiveness among employees (Veronica Tarigan & Dorothea Wahyu Ariani, 2015).

Moreover, in the modern organization the leaders are assigned in ingaging, cultivating and hold onto talents with the skills and capabilities to maintain a competitive advantage in their companies. (Ajay Pangarkar & Teresa Kirkwood, 2013; Clifton J, 2014; Nicole Alvino, 2014). The new era, modern environment of economic uncertainty, easily change, continued globalization, wide competition, and the rise of the mobile millennial generation serves as the backdrop and potential driver of this increased attention and focus on employee commitment from both practitioners and scholars (Gibb, 2011; Morrow, 2011). Thus, this study was initiated to further understand the relationship of knowledge management and employee commitment.

A. Research Objectives

This study aims to attain the following:
1. To assess the level of knowledge management of the employees in the hospitality industry in terms of:
   a. Knowledge management policy;
   b. Familiarity with knowledge management;
   c. Knowledge management development; and
   d. Knowledge implementation.

2. To ascertain the level of organizational commitment of the employees in the hospitality industry in terms of:
   a. Affective commitment;
   b. Continuance commitment; and
   c. Normative commitment.

3. To determine the significant relationship between knowledge management and organizational commitment.

II. METHODS

This study used the quantitative non-experimental research utilizing descriptive correlational technique. Further, the researcher determined the relationship between organizational commitment and knowledge management of the employees in the hospitality industry. In determining the total number of respondents, a stratified random sampling method approach was employed. The respondents of this research were the employees of the hospitality industry in Davao Region, Philippines as show in the breakdown below. Those who are included in the study are rank and file employees and mid-level managers who have been working for at least 10 years.

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lodging</td>
<td>112</td>
</tr>
<tr>
<td>Food</td>
<td>175</td>
</tr>
</tbody>
</table>
III. RESULTS AND DISCUSSION

The data on the level of knowledge management among employees of the hospitality industry is reflected in Table 2. As shown in the table, the overall mean score of 3.86, described as high. Knowledge management policy got a mean of 3.98, knowledge management strategy development got 3.92, knowledge management implementation got 3.87, while knowledge management and information technology interface got the lowest mean score of 3.79. The high-level result is an indication that the employees in this region have trust on knowledge management throughout their organization.

### Table 2. Level of Knowledge Management

<table>
<thead>
<tr>
<th>Indicator</th>
<th>SD</th>
<th>Mean</th>
<th>Descriptive Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge management policy</td>
<td>0.50</td>
<td>3.98</td>
<td>High</td>
</tr>
<tr>
<td>Knowledge management strategy development</td>
<td>0.54</td>
<td>3.92</td>
<td>High</td>
</tr>
<tr>
<td>Knowledge management implementation</td>
<td>0.55</td>
<td>3.87</td>
<td>High</td>
</tr>
<tr>
<td>Knowledge management and information technology interface</td>
<td>0.55</td>
<td>3.79</td>
<td>High</td>
</tr>
<tr>
<td>Overall</td>
<td>0.46</td>
<td>3.86</td>
<td>High</td>
</tr>
</tbody>
</table>

Results uncovered that the level of knowledge management of hospitality employees in Davao Region is considered generally high. However, there are some aspects of KM that employees need to work on to achieve the highest level. The high result is an indication that hotel employees in this region have trust on knowledge management throughout their organization. As such they have the belief that KM is beneficial to their respective hotels where they are connected. This supports the statement of Yang & Wan (2004) that knowledge management practices can benefit the hotel industry. This is likewise aligned with the pronouncement of Bouncken (2002) the knowledge management now, existing their effort in the observance in the hospitality chain to enhance the effectiveness of an organization.

As such they believe that knowledge management is beneficial to their respective organization. This view is aligned with the statement of Yang & Wan (2004), that knowledge management practices can benefit hospitality industry.

Reflected in Table 3 is the level of organizational commitment of the employees in Davao Region. As shown in Table 2, the overall level of organizational commitment of employees is 3.46, with a standard deviation of 0.46 this is considered high. This shows that the organizational commitment of the employees in Davao region is oftentimes manifested. Evaluating the individual results, the indicator reveals that the mean score for normative level performance has the highest mean score of 3.62, while the continuance level is 3.52 while the affective level has the lowest score of 3.25. The data shows that employees can freely express their opinions, ideas, or complaints without fear of repercussions (John P. Meyer & Natalie J. Allen, 1991). This is...
interpreted that the organizational commitment of employees is oftentimes manifested all the time in the work place.

Table 3. Level of Organizational Commitment

<table>
<thead>
<tr>
<th>Indicator</th>
<th>SD</th>
<th>Mean</th>
<th>Descriptive Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normative</td>
<td>0.47</td>
<td>3.62</td>
<td>High</td>
</tr>
<tr>
<td>Continuance</td>
<td>0.56</td>
<td>3.52</td>
<td>High</td>
</tr>
<tr>
<td>Affective</td>
<td>0.65</td>
<td>3.25</td>
<td>Moderate</td>
</tr>
<tr>
<td>Overall</td>
<td>0.45</td>
<td>3.46</td>
<td>High</td>
</tr>
</tbody>
</table>

The high level of organizational commitment is due to the high ratings of the respondents on their emotions toward their organization having a strong sense of belonging. This exhibits emotional responsibility is related with the announcement of Jain & Moreno (2015) that affective commitment is manifested if employees desire to belong in the organization. In normative commitment, the respondents also scored high in their sense of moral obligation to stay in the organization. As stated by Obeidat et al., (2014), normative commitment is present when employees choose to stay because of loyalty. Another factor on the high rating in organizational commitment is the respondents’ high score in continuance commitment; this shows their need to continue their stay in the organization.

A. Correlation between Knowledge Management and Organizational Commitment

Depicted in Table 4 is the correlation test between KM (knowledge management) and OC (organizational commitment). The overall coefficient of correlation is 398 with a p<value of 0.05. There is a significant degree of correlation because the p< value since it is lesser than the value set for the level of significance in this study.

Knowledge management policy in the survey correlates with affective, continuance and normative commitment yielded an overall coefficient of .328 at p<0.05. Knowledge management strategy development correlates with affective; continuance and normative commitment got an overall coefficient of .293 at p<0.05. Knowledge management implementation correlated with affective, continuance and normative commitment got an overall coefficient of .296 at p<0.05 and knowledge management and information interface correlated with affective, continuance and normative commitment got an overall coefficient of .418 at p<0.05.

Furthermore, the correlation test between the indicators of KM and OC shows Affective Commitment links with knowledge management policy, knowledge management implementation, knowledge management strategy development and knowledge management and information technology interface got an overall coefficient of .330 with p<0.05. Continuance Commitment links with knowledge management implementation, knowledge management strategy development, knowledge management policy, and knowledge management and information technology interface got an overall coefficient of .276 with p<0.05 and normative commitment links with knowledge management policy, knowledge management implementation, knowledge management strategy development, and knowledge management and information technology interface got an overall coefficient of .347 with p<0.05. The p<0.05 indicates a significantly reciprocal correlation concerning knowledge management and organizational commitment.

Table 4. Correlations Between Knowledge Management and Organizational Commitment

<table>
<thead>
<tr>
<th>Organizational Commitment</th>
<th>Knowledge Management</th>
<th>Affective</th>
<th>Continuance</th>
<th>Normative</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>knowledge management policy</td>
<td>.330**</td>
<td>.188**</td>
<td>.253**</td>
<td>.328**</td>
<td></td>
</tr>
</tbody>
</table>
The correlation test revealed a significant relationship between all tested variables. For instance, the test on correlation between knowledge management and organizational commitment showed that all indicators between the variables have significant relationships. This affirmed the statement of the following authors on the significance of knowledge management and organizational commitment relationship based on the findings of their studies. Cohen (2007) averred that knowledge management and organizational commitment have a powerful relationship. Albdour & Altarawneh (2014) acknowledged that Knowledge Management has a tight association with organizational commitment.

IV. CONCLUSION

Employees in the hospitality industry demonstrate a high sense of knowledge management. In knowledge management policy, knowledge management implementation knowledge management strategy development, and knowledge management information technology interface high level, among employees. This shows that the organizations ensure that everyone knows what is expected of them in terms of knowledge management. Although there still are some aspects of KM that employees need to work on to achieve the highest level of knowledge management. The respondents demonstrate overall high level of organizational commitment indicated by affective, normative, and continuance commitments. The study concluded that there is significant relationship between knowledge management and organizational commitment as affirmed by Tsai (2014).

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