



KNOWLEDGE CREATION AND APPLICATION AND ORGANIZATIONAL PERFORMANCE IN SELECTED MONEY DEPOSIT BANKS IN LAGOS, NIGERIA

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Abstract

The impact of knowledge creation and application on organisational performance was examined using a sample of money deposit banks in Lagos, Nigeria. The objective was to determine how the creation and application of knowledge affected organisational performance in the areas of customer satisfaction, market share expansion, and new product development. To determine the level of expansion of the banks' shares, both primary and secondary data were collected and analysed. The study utilised descriptive and inferential statistical designs and regression and ANOVA for its statistical analysis. In order to collect data from 263 respondents, simple and targeted random sampling techniques were used. There was a significant correlation between knowledge creation and application and organisational performance, according to the findings. The study recommended a significant increase in the understanding of the significance of knowledge creation and application on the management processes of businesses, the provision of an environment conducive to the creation and improvement of job performance, and the implementation of modern technology-based systems to facilitate the creation and application of knowledge to the organization's productivity.

Keywords: *knowledge application, knowledge creation, market share expansion, new product development, organizational performance.*

1. Introduction

Knowledge has evolved into one of the most critical resources that a company need to have a big effect on the global economic environment (King & Zeithalm, 2003). Knowledge comprises a person's knowledge and abilities gained through experience or education; the condition of knowing about a certain fact or situation; and information, which is seen as a resource to be utilised and provided in an industry.

Knowledge may be traced back to man's conception and was given in codes by books of ancient Hindus and Greek hence in 1911, Frederick Taylor transformed workers' experience and tacit talents into rules and formulas (Lekhanath Khanal & Santosh Raj; Poudel, 2017).

Knowledge management is the process of assessing knowledge, experience, and expertise that result in new skills, which leads to successful job performance, fosters innovation, and results in high customer value (Huang, 2014). It is an intentional, clear, and systematic process of creating and implementing knowledge to increase organisational performance (Wiig, 1999). Governments and businesses all across the world are worried about knowledge management. This is because global economies and business organisations have realised that information is the primary source of prosperity in the twenty-first century.

Knowledge management is an important part of a company that is based on information and knowledge resources. The term Knowledge Management initially appeared in the 1990s, owing mostly to globalised economies and the different goods and services that became extremely knowledge-intensive, as well as the rapid growth of information technology (Alavi and Denford, 2001).

In recent years, knowledge management has become a hot topic in many enterprises as well as global economies throughout the world. Previous research has shown that knowledge management may be favourably associated with some desired organisational phenomena. Willard (2004), for example, believes that a knowledge management programme may assist a positive transformation in



company culture. It may also improve organisational decision-making (Kongpichaynond, 2009) and is often regarded as the driving force behind successful organisational competitiveness and innovation (Daniels & Bryson, 2002; Hegazy & Gharab, 2014). Furthermore, Sculz and Jobe (2001) showed a favourable association between knowledge management and organisational performance, whereas Saeed (2016) observed that increased information sharing has a significant impact on employee performance, which eventually leads to organisational performance.

Despite the contributions of previous research to identifying the influence of knowledge management on organisational performance, nothing has been done in a developing country like Nigeria to empirically assess the degree to which knowledge management is related to organisational performance. As a result, the current cross-sectional research aims to provide new insights into the link between knowledge management and organisational performance via the use of chosen money deposit banks in three senatorial districts in Lagos, Nigeria. Specifically this paper aims ascertain the extent to which (i) knowledge creation and (ii) knowledge application would influence organizational performance in selected money deposit banks in Lagos, Nigeria.

2. Literature Review

The Concept of Knowledge

The importance of knowledge in organizations in today's modern economy cannot be over-emphasized. This has been acknowledged by so many authors (Nonaka 1994; Alawneh, Abuali & Alharabeth 2009; Mohammad, Rouhollah & Parisa 2015; Nor, 2018, Onifade, Tongo, & Adetayo, 2022). Hence, it has been put forward that the management of knowledge is mainly concerned with making, empowering and giving support to conditions of learning to inspire and enable individuals to effectively share their insight and gain new knowledge (Kianto, Vanhala & Heilmann, 2016).

The origin of knowledge can be traced back to the inception of man (Lekhanath & Santosh, 2017). They noted that ancient Hindu and Greek texts portrayed first the existence of knowledge, this was far before Frederick Taylor attempted to formalize workers' experience and informal skills into rules and standards in 1911 (Lekhanath & Santosh, 2017).

Different writers have defined knowledge in various ways. Ismail, Al-Alawi, Yousuf, Marzooqi, and Fraidon Mohammed (2007) defined knowledge as the synthesis of individual information, experience, abilities, and values (Badur, 2018). Nonaka (1994) described knowledge as a dynamic resource for justifying personal views to discover the truth. According to Epetimehin and Ekundayo (2011), knowledge is an invisible or intangible asset that requires complex cognitive processes of perception, learning, communication, association, and reasoning to acquire; Poonkothai (2016) views knowledge as a critical component required by organisations to be competitive, innovative, and sustainable.

According to O'Dell and Hubert (2011), "Knowledge" is information in action. Many people have long conflated knowledge with information and data. As a result, to comprehend the notion of knowledge properly, it is vital to understand the distinctions, similarities, and relationships between data, information, knowledge, and wisdom.

Knowledge has been identified as distinct from data and information, despite their close relationship. Hegazy and Gharab (2014) defined data as a raw amount of words concerning facts, observations, or impressions, while information is processed data with a purpose and relevance. Knowledge is actionable information that is important to a choice because it gives answers to issues. It is a strategic resource that is highly valued as an asset in today's contemporary economy. Knowledge is also regarded as the primary driver of effective competitiveness and innovation in the commodities chain, which promotes regional and national development (Bhat, 2000; Daniels & Bryson, 2002; Hegazy & Gharab, 2014). Knowledge is difficult to manage because it resides in the mind of the person, while information is readily recognised, structured, and dispersed from the perspective of management. This makes knowledge management very important in terms of creating an adequate environment for employees to perform efficiently to the benefit of the firm (Terra & Terezinha, 2003).

Knowledge Creation

Knowledge creation means how new knowledge is created. It is the creation of ideas that could lead to a huge advantage on the part of an organization. (Almal & Kosinen, 2008) defined knowledge creation as the process whereby new content is developed or the replacement of existing information within the tacit and explicit knowledge. Therefore, knowledge creation can be referred to as the creation of new concepts and helpful ideas which comes to bear through the manifestation of implicit and explicit knowledge in the mind of the individual which is put to use in different aspects of organizational activities ranging from technology processes, administrative practices as well as product management.

According to Wang and Noe (2010), creativity is part of knowledge creation. For an employee to be creative, it means he must be innovative. This is exhibited as a result of new knowledge available to the individual through advanced technology (Parjanen, 2012; Tongo & Ajayi, 2022). Gong et al, (2012) noted that interactions with others in the workplace can accumulate various informational resources needed in the workplace; this gives them great exposure to various ideas and different ways of thinking (Tongo et al, 2023), and therefore, there is a greater opportunity of converting the accumulated knowledge into new ideas which enhances creativity.

Eisenhardt and Martin (2000) opined that knowledge creation plays a major role in enhancing supported performance in difficult times in an organization. Hence, knowledge-creating organizations put in place employee development potentials to develop new experiences which would ultimately result in great improvement at all levels of the organization (Scharmer 2001).

Knowledge Application.

Knowledge application is when available knowledge is utilized by individuals and businesses to make decisions and perform routine tasks. Knowledge application is often viewed as the process through which individuals make use of knowledge that other individuals have without actually acquiring such knowledge or creating it (Fadia and Kamel, 2014). It is the process where individuals utilize knowledge. This process enables organizations to continuously translate their organizational expertise into embodied products.

According to Lekhanah and Santosh, (2017), knowledge application is when knowledge is made active and more appropriate to suit the organization in the creation of value in their products and services. It is also viewed as the ability of the employee to make use of adequate knowledge to solve a particular problem or challenge for the organization thereby improving his efficiency and reducing his mistakes (Gold et al 2001). Therefore, from past literature, knowledge application can be understood to be an organization's value-creating activity by making use of new knowledge.

The Concept of Organizational Performance

The concept of performance is one area that has been perceived differently by different researchers, scholars and theorists alike (Hashem 2015). The various concepts that have been attributed to performance in an organization include shareholders' profitability, customer satisfaction, market share expansion, organizational productivity, organizational efficiency and organizational effectiveness. However, this issue is one of the very vital areas of concern for most organizations whether profit or non-profit ones (Ismael et al, 2010). According to Mckeen, Zack and Satyendra (2006), organizational performance is a multidimensional concept whereby the conditions of the organization are scrutinized while comparing it to that of its competitors in the same industry. Performance was also viewed as a set of financial and non-financial indices which spells out the extent of organizational achievements of objectives and results (Lebans & Euske 2006). It is therefore inferred that the achievement of organizational objectives and organizational performance are very closely related.

Richard, Devinney, Yip, and Johnson (2009) divided organizational performance into three specific areas of outcomes; (1) financial performance (include profits, return -on -assets, return-on-investment); (2) market performance (include sales and market share); and (3) shareholder's return. Performance can therefore be viewed as an attempt to examine the competency of an organization in meeting its aspirations and objectives using variables like efficiency, effectiveness, customer satisfaction, new product development, expansion of market share, productivity etc. But Lorsch, J.W



(1970) tend to differ in opinion regarding organizational performance measurement as he opines that a good relationship between the organization and its environment as well as proper treatment of various individual contributors to the organization is what is needed. This argument did not resolve the various discordant views in the concept and was able to point out one of the already listed variables which is client/customer satisfaction (Hashem 2015).

3. Methodology

Area of Study

The research was carried out in Lagos, Nigeria. Lagos metropolitan, is West Africa's biggest and most populated city. It concentrated on a few chosen deposit banks in Lagos' three senatorial districts. The research employed five banks, which were chosen based on their high client deposit statistics from the Nigerian Bureau of Statistics Database. Access Bank, First Bank, Guaranty Trust Bank, Diamond Bank, and Zenith Bank were among the banks involved. Each of these banks had three branches inspected, totaling 15 banks. The survey included 30 randomly chosen consumers from three branches of each deposit bank, as well as managers at different levels.

Research Design

The study used a descriptive research approach to establish the link between knowledge management and organisational performance, which were the independent and dependent variables. The different managers from the chosen deposit banks, as well as 30 clients from three branches of each of these banks in the three senatorial districts of Lagos State, Nigeria, served as the unit of analysis. Questionnaires were utilised to collect information from respondents, and yearly reports from different banks were also utilised. The Taro Yamane formula was used to determine the sample size.

Population of Study

The population of the study were the various managers of the three branches of each of the selected deposit banks as well as 30 customers of the banks in the three Senatorial Districts in Lagos, Nigeria. These banks included Access Bank, Zenith Bank, Guaranty Trust Bank, First Bank and Diamond Bank. Three branches of each of the banks were investigated making a total of 15 Banks used for the study.

Sample and Sampling Technique

This study adopted purposive and random sampling techniques. The sample frame of the bank population was drawn using the Taro Yamane formula. A total number of 263 questionnaires were administered to various respondents. Thirty (30) customers of each bank were picked randomly making a total of one hundred and fifty (150). The remainder of the population (113) were managers of the various banks.

Method of Data Collection

The method of data collection that was adopted by this study was from both primary and secondary data. A structured (closed-ended) questionnaire was used to solicit a response from about 263 respondents and the various banks' annual reports were used as a secondary source of data. The annual reports were analysed and compared to the previous year's report to establish the extent of the banks' market share expansion.

Research Instrument

The questionnaire and the various banks' annual report were the instrument for data collection for this study. The questionnaire was divided into two parts 1 & 2. Part 1 focused on ascertaining the demographic profile of the respondents while Part 2 was divided into 3 sections A, B, & C respectively. Section A was centred on the level of knowledge creation in these banks, section B was on the extent of knowledge application in these organizations, while section C was centred on organizational performance. All variables were measured using the Likert 5-point Scale: Strongly Agree -5, Agree -4, Undecided -3, Disagree -2, and Strongly Disagree -1.

Validity and Reliability of Research Instrument

The reliability of a test instrument concerns its ability to provide similar results when repeated measurements are made under similar conditions. According to Cooper and Schindler (2006), Cronbach's Alpha is a measure of internal reliability for multi-item summated scales which ranges from 0-1. The higher the Cronbach's Alpha coefficient, the more reliable the scale. Therefore, Cronbach's Alpha was employed to measure the reliability and consistency of the data that was collected to know how closely related the items were.

Table 1: Cronbach Alpha Reliability

Reliability Statistics	
Average inter-item covariance	2033.381
The number of items in the scale:	15
Cronbach's Alpha	0.9924
Cronbach's Alpha Based on Standardized Items	0.9924

Source: Authors Computation (2021)

From Table 1, Cronbach's Alpha is at 0.9924 which is above the reliable scale as recommended by Cooper and Schindler (2006). Therefore, the scale of responses to statements given could be relied upon given the high Cronbach's Alpha of all variables.

Method of Data Analysis

Various analytical approaches were employed to examine the outcomes of the data obtained from the survey to meet the study work's objectives.

Simple descriptive statistics were used to offer a description of the demographics of the respondents. The data supplied by the respondents was shown using tables, pie charts, and bar charts.

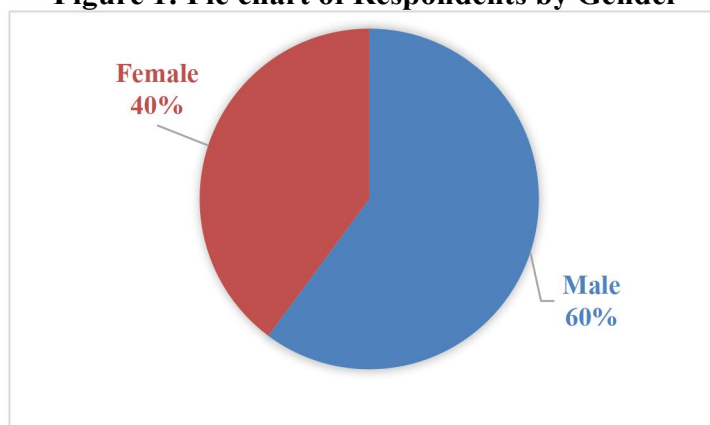
Regression analysis was also employed to evaluate each hypothesis. This is because equivalent data samples were produced, regression analysis showed a connection between the two constructs in each segment, and the results of the segment were comparable (knowledge creation and organisational performance and knowledge application and organisational performance). Regression analysis thus helped in deciding if the data obtained was suitable for the research purpose..

4. Results and Discussion

Analysis of Demographic characteristics of Respondents

Tables and symbols were used to denote the demographic characteristics of 263 copies of questionnaires distributed to respondents.

Figure 1: Pie chart of Respondents by Gender



Source: Field Survey (2021)

Figure 1 shows the percentage of the gender of the respondents. Sixty percent (60%) of the respondents were male while forty percent of those who responded to the questionnaire were female.



Table 1: Identification with Bank

Identification with Bank	N	Percentage (%)
MGT Staff	111	43.4
Customers	145	56.4
Total	256	100

Source: Field Survey (2021)

In administering the questionnaire for this work, about fifty-six percent of the respondents were customers of the banks in focus while about forty-four percent were management staff of the different banks.

Table 2: Educational Qualifications

Educational Qualification	N
Diploma	19
Bachelor	47
Masters	158
PhD	19
Others	13

Source: Field Survey (2021)

The table above represents the educational qualification of respondents and it shows that majority of the respondents were master's degree holders.

Table 3: Age of Respondents

Age	f	Percentage %
26-35	119	46.5
36-45	87	34
46-55	40	15.6
55 above	10	4
Total	256	100

Source: Field Survey (2021)

The breakdown of statistics of respondents showed that about forty-seven percent of respondents were between the ages of twenty-six and thirty-five (26-35). Thirty-four percent of the respondents were aged between thirty-six and forty-five (36-45) years old. Also, close to sixteen percent (15.6%) were between forty-six and fifty-five (46-55) years old while the remaining respondents (4%) were aged fifty-five above.

Table 4: Work Experience (Bank staff only)

Working Experience (MGT)	N	Percentage (%)
0-5	11	9.91
6--10	48	43.25
11--15	22	19.82
16--21	14	12.62
22--25	10	9.01
26 above	6	5.41
Total	111	100.02

Source: Field Survey (2021)

The table above shows management staff of the banks that have worked from 0-5yrs were 10%, those with 6-10 years' experience was 43%, those with 11-15 years' experience was 20%, those with 16-21 years were 13%, while 9% of the respondents had worked for 22-25 years and 26years and above were only 5% of the respondents.

Table 5: Duration of Customers with the Bank (Customers only)

Customer Duration	N	Percentage (%)
0--5	42	28.97
6--10	33	22.76
11--15	29	20
16--20	25	17.25
21 above	16	11.04
Total	145	100.02

Source: Field Survey (2021)

The Table 5 revealed that 42 customers had banked for a period of 0-5 years which was about 29% of the customer respondents, those with 6-10 duration were 33 in number and it resulted to about 23% of the customer population, 11-15 years customer-ship were 29 and it amounted to 20% of the population, those with 16-20 years duration were 25 and 17% of the population, while 16 customers had transacted with the bank for about 21 years and above which was 11% of the customer population.

Table 6: Level of Management Staff in the Bank (Bank Staff Only)

Level in the Bank (Mgt Staff)	N	Percentage (%)
Top Mgt	16	14.42
Middle Mgt	32	28.83
Lower Mgt	63	56.76
Total	111	100.01

Source: Field Survey (2021)

The table above showed that 16 of the bank population were top management which was about 14% of the bank population, 32 were middle management staff which made up about 29% of the bank population while 63 were lower-level management staff which resulted in about 57% of bank population.

Table 7: Nature of Employment (Bank Staff Only)

Nature of Employment (Bank staff)	N	Percentage (%)
Contract	21	18.9
Permanent	90	81.1
Total	111	100

Source: Field Survey (2021)

The table above revealed that 21 staff of the bank population were contract staff while 90 were permanent staff which resulted in 19% and 81% respectively.

Table 8: Marital Status of Respondents

Marital Status	N	Percentage %
Single	77	30.1
Married	165	64.5
Others	14	5.5
Total	256	100

Source: Field Survey (2021)

From the table, 77 members of the population were single, 165 were married while 14 were others which were 30%, 65% and 6% respectively.

Knowledge Creation

The components of knowledge creation were listed as having an enabling environment, the high use of technology, the availability of information, provision of ideas to solutions, and giving rewards for the creation of knowledge. The responses from the questionnaire are presented in Table 9.

From Table 9, about 32 percent of respondents strongly agreed that the provision of an enabling environment facilitates knowledge creation. About 44 percent agreed on providing an enabling environment as a necessity for generating ideas for higher productivity. 7 percent are undecided while the rest of the respondents did not agree that providing an ideal environment fosters knowledge

creation. It is safe to consider the higher percentage of respondents (75%) who view the thought of having an ideal environment as key to knowledge creation.

About 35 percent strongly agree that the high use of technology supports knowledge creation. 44 percent agreed, 6 percent of respondents are undecided while about 12 percent of respondents disagreed

About 76% of the respondents agreed that the availability of information aids knowledge creation while 5% disagreed and 16% were undecided. 81% of the population agree that the provision of ideas to solution aid knowledge creation. 11% were undecided, while 5% disagreed.

Regarding reward for knowledge creation in an organization, 51% of the respondent agreed, while 12% disagreed and 33% were undecided.

Table 9: Responses about Knowledge Creation

	Scale	Frequency	Percent (%)
Provision of enabling environment for members to create knowledge for improved job performance.	Strongly Agree	84	31.94
	Agree	116	44.11
	Undecided	19	7.23
	Disagree	28	10.65
	Strongly Disagree	7	2.67
	Missing	9	3.43
	Total	263	100.03
High use of technology in the organization which help generate the right ideas for higher productivity	Strongly Agree	92	34.99
	Agree	116	44.11
	Undecided	16	6.09
	Disagree	21	7.99
	Strongly Disagree	11	4.19
	Missing	7	2.67
	Total	263	100
Availability of Information to members to enhance knowledge creation	Strongly Agree	70	26.62
	Agree	129	49.05
	Undecided	43	16.35
	Disagree	10	3.81
	Strongly Disagree	3	1.15
	Missing	8	3.05
	Total	263	100
Produce and provide ideas for problems faced and innovative solutions	Strongly Agree	119	45.25
	Agree	95	36.13
	Undecided	28	10.65
	Disagree	11	4.19
	Strongly Disagree	3	1.15
	Missing	7	2.67
	Total	263	100
Provide scientific awards to upgrade & encourage knowledge creation	Strongly Agree	35	13.31
	Agree	101	38.41
	Undecided	88	33.47
	Disagree	18	6.85
	Strongly Disagree	12	4.57
	Missing	9	3.43



	Total	263	100
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Source: Field Survey (2021)

Knowledge Application

Table 10 revealed that 82% agreed that the organization encourages the application of existing knowledge for decision making; 8% disagreed while 7% were undecided.

Table 10 also shows that 82 percent of the respondents agreed that the management of the organization provides consistent support for the application of gained knowledge. 11 percent disagreed while 4 percent were undecided.

Table 10 reveals that 76% supported the claim that their organization invests in necessary facilities to apply gained knowledge. 9% disagreed while 12% were undecided.

Table 10 shows that 46% of the respondents agreed that the organization encourages employees to participate in decision-making; 37% disagreed while 14% were undecided.

Table 10 revealed a total of 77% in agreement with the claim that applied knowledge is a response to change; 11% disagreed and 10% were undecided.

Table 10: Responses about Knowledge Application

	Scale	Frequency	Percent (%)
Encourage the application of existing knowledge for decision making.	Strongly Agree	89	33.85
	Agree	127	48.29
	Undecided	19	7.23
	Disagree	13	4.95
	Strongly Disagree	7	2.67
	Missing	8	3.05
	Total	263	100.03
Provision of consistent support for the application of gained knowledge	Strongly Agree	101	38.41
	Agree	116	44.11
	Undecided	11	4.19
	Disagree	20	7.61
	Strongly Disagree	8	3.05
	Missing	7	2.67
	Total	263	100
Investment of all necessary facilities to apply gained knowledge	Strongly Agree	77	29.28
	Agree	124	47.15
	Undecided	32	12.17
	Disagree	19	7.23
	Strongly Disagree	4	1.53
	Missing	7	2.67
	Total	263	100
Encouragement of employee participation in decision making	Strongly Agree	41	15.59
	Agree	81	30.8
	Undecided	36	13.69
	Disagree	75	28.52
	Strongly Disagree	21	7.99
	Missing	9	3.43
	Total	263	100
Utilize knowledge	Strongly Agree	99	37.65



application as a means of response to change	Agree	103	39.17
	Undecided	25	9.51
	Disagree	21	7.99
	Strongly Disagree	7	2.67
	Missing	8	3.05
	Total	263	100

Source: Field Survey (2021)

Organizational Performance

From Table 11, seventy-six percent (76%) of respondents agreed that knowledge management has led to the production of new goods and services. About thirteen percent (13%) do not share this view and six percent are undecided. This shows that majority of the respondents support the opinion. From the data collected across the organizations surveyed, majority of respondents indicated that knowledge management has brought about market expansion in the organization. This can be attributed to the impact of the various knowledge management components – creation and application of knowledge. Eighty-two percent (82%) of respondents opined that the various components of knowledge management (creation, sharing, application and protection) have considerably increased customer satisfaction in the organization. A number of other respondents (9%) differ on this view while 6% are undecided.

Table 11: Responses about Organizational Performance

	Scale	Frequency	Percent (%)
Knowledge Management leads to the production of new goods & services	Strongly Agree	114	43.35
	Agree	87	33.08
	Undecided	17	6.47
	Disagree	25	9.51
	Strongly Disagree	11	4.19
	Missing	9	3.43
	Total	263	100.03
Knowledge management aiding expansion of market share	Strongly Agree	101	38.41
	Agree	118	44.87
	Undecided	12	4.57
	Disagree	19	7.23
	Strongly Disagree	6	2.29
	Missing	9	3.43
	Total	263	100
Knowledge Management results to Superior Customer Satisfaction.	Strongly Agree	121	46.01
	Agree	97	36.89
	Undecided	14	5.33
	Disagree	16	6.09
	Strongly Disagree	8	3.05
	Missing	7	2.67
	Total	263	100
Knowledge Management Process Enhance Organizational Productivity	Strongly Agree	119	45.25
	Agree	91	34.61
	Undecided	7	2.67
	Disagree	27	10.27
	Strongly Disagree	10	3.81
	Missing	9	3.43



	Total	263	100
Knowledge Management Process Enhances the Leading Pace in the Industry	Strongly Agree	72	27.38
	Agree	106	40.31
	Undecided	26	9.89
	Disagree	39	14.83
	Strongly Disagree	12	4.57
	Missing	8	3.05
	Total	263	100

Source: Field Survey

On the aspect of knowledge management leading to organizational productivity Table 11 shows that Seventy-nine percent (79%) of respondents agreed that knowledge management has enhanced organizational performance. While about four percent (4%) disagreed, and three percent (3%) were undecided. The result revealed that knowledge management leads to organizational productivity. Two-thirds (67%) of respondents agreed that knowledge management practices have helped the case study organizations maintain their leading position in the banking industry. About sixteen percent (16%) disagreed with this view while ten percent (10%) of the respondents were undecided.

Analysis of Organizational Performance Using Secondary Data

For the five (5) banks under review, the following data was obtained from the financial statements of the banks over a period of three (3) years.

Table 12: Customer Deposit Data

	Period	Access Bank	Zenith Bank	GTBank	First Bank	Diamond Bank
CUSTOMER DEPOSITS	2019	5442194	4262289	2640059	4880322	0
	2018	2564908	3690295	2273903	3486691	2256134
	2017	2244879	3437915	2062048	3143338	2013427

Source: The Nigerian Bureau of Statistics Database

An overview of the customer deposit data revealed that Access bank increased customer deposits at a rate of 14.3 % in 2018 and 112.2% in 2019. The growth in 2018 was directly attributed to the implementation of key knowledge management practices vis a vis knowledge creation, sharing, application and protection. In 2019, customer deposits grew exponentially as a result of the merger between Access Bank and Diamond Bank. The impact of knowledge management practices is not excluded from this growth.

Furthermore, Zenith bank increased customer deposits by 7.3 % and 15.55 in 2018 and 2019 respectively. These growths were directly attributed to the influence of knowledge management practices. Also, Guaranty Trust bank grew by 10.3% and 16.1% in 2018 and 2019 respectively while the First bank grew by 10.9% and 40% respectively under the same period. Customer deposits grew in Diamond bank by about 12%. Its merger with Access Bank in April 2019 helped Access bank become the number one bank in Nigeria by the number of customers and customer deposits.

Table 13: A Summary of Percentage Increment in Customer Deposit

Year	Access	Zenith	GT Bank	First	Diamond
2019	112.1789164	15.4999533	16.10253384	39.97001742	-
2018	14.25595767	7.34107737	10.27400914	10.92319693	12.05442263

Test of Hypotheses

The hypotheses proposed for this work were tested using regression analysis for each component of Knowledge management. This was done in order to provide evidence for the plausibility

of the hypothesis with the data collected.

The effect of knowledge creation and application were examined on organizational performance. The data collected about the influence of knowledge creation and application on organizational performance were tested separately using regression analysis. This is because each construct contains 5 independent data sets which must be analysed together for their credibility and suitability for this research

Hypothesis 1: Knowledge Creation

H₀: Knowledge Creation will not have any significant influence on organizational performance in selected banks in Lagos, Nigeria.

H₁: Knowledge Creation will have a significant influence on organizational performance in selected banks in Lagos, Nigeria.

Table 14: Regression Result: Knowledge Creation

Source	Partial SS	df	MS	F	Prob > F
Model	21479	4	5369.75	44.38	0.0121
	21479	4	5369.75	44.38	0.0121
Residual		121	1	121	
Total	21600	5	4320		
R-squared	0.9944	Adj R-squared	0.9720	Root MSE	11

Source: Authors Computation

The regression analysis indicated that R^2 is 0.9924. This means that there is a high level of correlation between the two constructs (knowledge creation and organizational performance) tested. This positive correlation will be corroborated by the p-value.

A p-value of 0.0121 indicates that the null hypothesis should be rejected and the alternative hypothesis accepted, i.e. $P < 0.0121$: Reject H_0 and Accept H_1

Therefore, we conclude that Knowledge Creation has a significant influence on organizational performance in the selected banks.

Hypothesis 2: Knowledge Application

H₀: Knowledge Application will not have any significant influence on organizational performance in selected banks in Lagos, Nigeria.

H₁: Knowledge Application will have a significant influence on organizational performance in selected banks in Lagos, Nigeria.

Table 15: Regression Result: Knowledge Application

Source	Partial SS	df	MS	F	Prob > F
Model	24630	4	176.04	0	0.0487
	24630	1	176.04		0.0487
Residual		1		121	
Total	24666	5			
R-squared	0.9985	Adj R-squared	0.9927	Root MSE	6

Source: Authors Computation

The regression analysis indicated that R^2 is 0.9985. This means that there is a high level of correlation between the two constructs (knowledge application and organizational performance) tested.

A p-value of 0.0487 indicates that the null hypothesis should be rejected and the alternative hypothesis accepted, i.e. $P < 0.0121$: Reject H_0 and Accept H_1

Therefore, it is concluded that Knowledge application greatly influences the organizational performance in the selected banks

Analysis of Variance

Analysis of variance provides a method of verifying whether two or more population means are equal. It assesses the potential differences in a scale level dependent variable by a normal variable having two or more categories. For this study, the nominal variable is the components of knowledge management while the dependent variable is organizational performance

Table 16: ANOVA

		Sum of Squares	df	Mean Square	F	Sig
Between People		204901.712	4	51225.428		
Within People	Between Items	3.472	24	.145	.000	1.000
	Residual	37526.688	96	390.903		
	Total	37530.160	120	312.751		
Total		242431.872	124	1955.096		
Grand Mean = 51.032						

Source: Authors Computation

The table above shows how well the regression equation fits the data; that is, its ability to predict the dependent variable. It indicates that the dependent variables were predicted by the regression model significantly well. This reflects the statistical significance of the regression model and how it predicted the outcome variable. This means it was a good fit for the data.

Correlations Analysis

Tables 17 & 18 shows the correlation between variables

Knowledge Creation

Var 1: Enabling Environment

Var 2: High use of technology

Var 3: Availability of information

Var 4: Provision of ideas for a solution

Var 5: Reward for the creation of knowledge

Table 17: Correlation Matrix for Knowledge Creation and Organization Performance

Variable	Var 1	Var 2	Var 3	Var 4	Var 5
Var 1	1.0000				
Var 2	0.9949	1.0000			
Var 3	0.9512	0.9405	1.0000		
Var 4	0.9233	0.9456	0.8622	1.0000	
Var 5	0.6509	0.6165	0.8303	0.5488	1.0000

Source: Authors Computation

The table above shows the correlation matrix for the knowledge creation. It indicates a high degree of correlation between several components of knowledge creation. There is 99.49% correlation between having an enabling environment and the use of technology. Availability of information has a cross correlation of 95.12% with having an enabling environment and 94.1% with the high use of technology in the case study organization. Provision of ideas to solution correlates with enabling environment (92.3%), with the high use of technology (94.5%), with the availability of information (86.2%). The reward of creating knowledge correlates with having enabling environment (65.1%), with high use of technology (61.6%), with the availability of information (83.1%) and with the provision of ideas to solution (54.9%).

Knowledge Application

Var 1: Encouraging the application of existing knowledge for decision making

Var 2: Management providing consistent support for the application of gained knowledge

Var 3: Organization investing in necessary facilities to apply gained knowledge

Var 4: Organization encouraging employee participation in decision making

Var 5: Applied knowledge is a response to change

Table 18: Correlation Matrix for Knowledge Application and Organization Performance

Variable	Var 1	Var 2	Var 3	Var 4	Var 5
Var 1	1.0000				
Var 2	0.9861	1.0000			
Var 3	0.9890	0.9575	1.0000		
Var 4	0.6015	0.5852	0.6556	1.0000	
Var 5	0.9771	0.9913	0.9562	0.5664	1.0000

Source: Authors Computation

In the table above, the support and encouragement of the application of existing knowledge in the organization (98.6%) affirms its position in providing facilities for knowledge acquisition (98.9%). The support for the application of gained knowledge resulted in its increased use as a response to change which was (97.7%).

Table 19: Correlation Matrix for Knowledge Creation, Knowledge Application and Organizational Performance

	KC	KA	OP
KC	1		
KA	0.96637	1	
OP	0.977066	0.997018	1

Source: Authors Computation

From the Table 19, knowledge creation has a positive correlation (0.977066) with organizational performance. It is also noted that providing an enabling environment (0.7602) improves organizational performance. It is also supported by the high use of technology (0.9182) and the availability of information in the organization (0.9857). Critically, the provision of ideas to solve problems (0.9777) and the reward for knowledge creation (0.9809) were found to have a higher effect on creating knowledge, therefore improving organizational performance in the banks studied. The first objective of this work is thus achieved

The correlation between knowledge application and organizational performance (0.997018) indicates a very strong positive association between them. This implies that knowledge application greatly influences the performance of the selected organizations. This can be easily observed from the correlated factors in Table 19 which shows that the applying knowledge initiates a change (0.9897) which supports knowledge application and hence, organizational performance. Also, encouraging employee participation in decision making (0.983), investing in necessary facilities to apply gained knowledge (0.9869), encouraging the application of existing knowledge for decision making (0.6882) and providing consistent support for the application of gained knowledge by management (0.9771) all increase the level of knowledge application thereby improving organizational performance in the case study banks. This explains the objective (iii) of this work.

5. Conclusion

Because of the extremely competitive global business environment, knowledge has become one of the most crucial resources that businesses need to remain afloat in their sector; hence, governments and commercial entities all over the globe are worried about knowledge management. This is due to global economies and business organisations recognising that information is the primary source of

wealth in the twenty-first century.

Against this backdrop, this research evaluated the link between knowledge management and organisational performance in three senatorial districts in Lagos state. The knowledge management process was divided into two stages: knowledge development and knowledge application. The study's findings demonstrated a very significant association between the chosen organisational performance indicators of new product creation, customer happiness, and market share growth. These findings were found to be consistent with previous studies. The varied studies depicted knowledge management as an essential instrument that would boost any organization's performance. As a result, if organisations and businesses want to improve their overall performance, they must ensure that adequate measures are in place to facilitate knowledge management.

According to the study, in order for employees to improve the tacit knowledge and skills they have gained through experience or learning and use them to the organization's advantage, the organisation must ensure high use of technology, make information readily available to employees, and put in place a reward system for exceptional performance.

To ensure that employees are properly trained and developed to handle the changing global business environment, strategic frameworks for training and development should be in place. As a result, people will start to exhibit certain skills that are essential for the efficiency of the organisation. Without the requisite information, a company will continue to run in circles, but those that embrace knowledge management and its procedures will lead the way in their respective industries.

6. Recommendations

Based on the study results, the following suggestions were made for consideration and implementation.

- i. Organizations should improve their fundamental understanding of organisational knowledge management processes such as knowledge development and application. This would significantly increase an organization's overall performance.
- ii. Organizations and organisations should provide an atmosphere in which their workers may develop knowledge for increased job performance.
- iii. Organizations should put in place a system that takes advantage of contemporary technological networks since this improves knowledge application to the organization's development.
- iv. Organizations should also ensure that an efficient compensation system is in place to incentivize workers to give their all in the performance of their duties.
- v. Management of organizations should provide consistent support for employees to apply gained knowledge to the growth of the business.
- vi. Finally, Organizations should be proactive in responding to change through the adequate application of gained knowledge, this would put the organization at the top of the industry as an organization that chooses to operate with old traditional methods has planned to fail.

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