PREMIUM E-JOURNAL OF SOCIAL SCIENCES

2687-5640

Yıl / Year : 2021
Cilt / Volume : 5
Sayı / Issue : 13
ss / pp : 182-195

http://dx.doi.org/10.37242/pejoss.2101
Araştırma Makalesi / Research Article
Makale Geliş / Received : 06.04.2021
Yayınlama / Published : 28.05.2021

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EMPLOYEES' PERCEPTION ABOUT THE ROLE OF EFFECTIVE KNOWLEDGE MANAGEMENT ON INNOVATION AND ORGANIZATIONAL PERFORMANCE IN THE PUBLIC SECTOR

ABSTRACT

The purpose of the study to identify the role and impact of effective knowledge management on innovation and organizational performance, determine the relationship between effective knowledge management and both innovation and organizational performance. The data were collected by a questionnaire format through online application in different Iraq organizations from 1 September 2020 to 10 January 2021. The sample size was 950 participants. The present study's findings indicated the role and impact of effective knowledge management on innovation and organizational performance, effective knowledge management has a beneficial relationship with both innovation and organizational performance.
Keywords: Knowledge Management, Innovation, Employee, Organizational Performance

1. INTRODUCTION

Today's work environment is more complex because we now need to attend daily to increase the number of subjective knowledge items (Dalkir, 2017). In the past few decades, effective knowledge management has been one of the most effective and prominent innovative methods in the arts and sciences of management. Knowledge management is now a popular confabulation promoted by scholars, consultants, experts, and the business press (Scarbrough et al. 2005). Recent research has shown that knowledge management impacts work performance by providing organizations with an effective basis for implementing their innovative strategies (Moustaghfir and Schiuma, 2013). Hence, effective knowledge management appears to be an effective way to improve an organization's innovation performance (Lee, V.-H., Leong, L.-Y., Hew, T.-S., & Ooi, K.-B., 2013). Knowledge is an essential component of all forms of innovation and, therefore, continuous innovation. It is a widely recognized principle of modern innovation management. Regardless of this, conscious knowledge management has yet to be distributed to support innovations across organizations. While some innovation researchers see this as a weakness in the organizations involved, others argue that companies are really better off not using overly structured approaches and tools to collect and disseminate knowledge. This can even lead to the suppression of innovations if done wrongly. Therefore, our understanding of how to manage knowledge processes that truly encourages innovation remains limited (Chapman and Magnusson, 2006). Innovation has become the backbone of all organizations.

The nature of world economic growth has changed due to the speed of innovation made it possible to rapid advances in technology, shorter product life cycles, and higher rates of development of new products. Organizations need to ensure that their line of work strategies are innovative to create and maintain a competitive advantage. However, innovations are becoming more complex due to changing client needs, strong competitive compress, and prompt technological change. The organization has to constantly work on its specific skills to maintain its competitive edge. However, the knowledge required for innovation in a factory is more complex, and even large organizations face a knowledge shortage. Due to their limited resources, companies try to work with other companies to gain knowledge, resources and share learning between organizations to drive innovative performance. Effective Knowledge management is described as the clear and systematic management of critical knowledge and processes associated with the creation, organization, dissemination, and utilization of knowledge." From a practical point of view, organizations see the importance of knowledge management to stay competitive (Salojärvi, S., Furu, P., & Sveiby, K. E., 2005). Knowledge has an ingrained value in management, application, development, and utilization. Knowledge can be considered an asset that raises management questions about traditional assets, for example: When, how much, and in what investment. As an intangible asset that an organization needs, knowledge must be carefully managed (Michailova and Husted 2003). Consequently, innovative organizations need advanced and effective knowledge management that considers the specific requirements of reactive knowledge and knowledge measurement. Especially in developing distributed organizations, efficiency depends largely on how people share knowledge (Alavi and Leidner, 2001). The role of effective knowledge management as an assortment technique is demonstrated by evidence that organizations that tend to develop additional innovations are more likely to have advanced knowledge management techniques and practices. It can be assumed that these organizations will be able to manage knowledge and be able to use other available resources effectively (Darroch, 2005). The necessary knowledge for organizations' innovation activities is quite complex, and even large-scale organizations face the ambivalence of knowledge. Given their rare resources, organizations try to collaborate with other organizations to get the knowledge to enhance innovation performance. An industrial bloc is a new form of organization that aims to increase regional development. By forming a bloc, organizations can facilitate the gain of professional labor and lower their investment costs, knowledge, and cultivate professional labor, techniques to get common suppliers, enhance competitiveness, and enhance not directly effects of techniques and knowledge (Lai et al. 2014).

Nowadays, Iraq suffers on almost all levels, after the decline in oil revenues, the main source of income for the government, the outbreak of the Coronavirus, and the government's failure to obtain material assistance to combat it to the American New York Times report. The country is in the process of being redeveloped. In the past, the country faced many crises and difficult conditions, such as the economic blockade, the first and second Gulf War, and the American war from 2003. These conditions have considerably contributed to the collapse of the infrastructure in various sectors, such as oil, education, electricity (Al-Azzawi, 2011). The security problem is most important; other factors include the currently weak infrastructure and the lack of professionals' training to impede knowledge management. There is also a need for new ideas to boost the growth of penetration (Al Hakim and Hassan, 2013). Due to all of the above-mentioned Suffers, the relationship between successful implementation of effective knowledge management, innovation, and organizational performance remains unclear. Actually, in Iraq, research is very limited in this field. Thus, the current research adds to previous studies through the proposed and checked theoretical structure, which describes the role of effective knowledge management and its effect on innovation and organizational performance, and the type of relationship between there.

2. THEORETICAL BACKGROUND AND HYPOTHESES

2.1. Knowledge Management

Knowledge management is founded on the idea that the most valuable resource of an organization is its employees' knowledge. Thus, the performance of the organization will depend, among other things, on the efficiency with which its employees can create new knowledge, share knowledge around the organization, and use that knowledge to best effect. Many of us simply do not think in terms of managing knowledge, but we all do it. Each of us is a repository of personal knowledge that includes learning, experience, and an informal network of friends and colleagues. When we want to solve the problems, we try our best or explore an opportunity (Servin and De Brun, 2005). Manufacturing knowledge is one of the most important assets of the organization. At the beginning of the information age, knowledge has become an increasingly central force in organizations' competitive success Rentzsch, W., Shercliff, H., Bréchet, Y., & Legras, L., 2005). Hence, knowledge management is a conscious strategy that can help you obtain the right knowledge of the right persons at the right time and help people share information and implement it in a way that improves the performance of the organization (Girard and Girard, 2015). Knowledge management is a punishment that aims to improve personal and organizational performance by preserving the current and future value of knowledge resources and harnessing them. Knowledge management systems include both human and machine activities and related artifacts. From this perspective, knowledge management is not so much new as it is an integrative practice. It provides a framework for balancing the many technologies and approaches that add value and integrating them into a coherent whole (Newman and Conrad, 2000).

2.1.1. Types of Knowledge

2.1.1.1. Explicit knowledge

Explicit knowledge represents content that has been captured in some tangible form. It is the knowledge that will be captured and written down in documents or databases. Examples of specific knowledge embrace instruction manuals, words, audio recordings, images, written procedures, best practices, lessons learned, and analysis findings (Servin and De Brun 2005; Dalkir, 2017). These are objects of knowledge that have been expressed in such a way that they can be transferred from one individual to another directly and fully. This usually means they have been codified to be touched, observed, heard, sensed, and manipulated (Newman and Conrad, 2000). Explicit knowledge is easy for people to capture, manage, communicate and disseminate (Akram, K., Siddiqui, S. H., Nawaz, M. A., Ghauri, T. A., & Cheema, A. K. H., 2011).

2.1.1.2. Tacit knowledge

Tacit knowledge is difficult to express and difficult to translate into sentences, documents, or drawings (Dalkir, 2017). The knowledge that peoples have in their minds. It is much less palpable than explicit knowledge. It is a lot of associate degree "unspoken understanding" regarding one thing, knowledge that's harder to write down during a document or info (Servin and De Brun, 2005). Simply put, those that defy description and codification are tacit artifacts. This is not to suggest that objects of tacit knowledge are without effect. The old saw is the most vivid example of what would happen to the centipede if she stopped thinking about how to walk (Newman and Conrad, 2000). tacit knowledge is attributed to what is known, but it is attributed to the knower as well. Sometimes, the level of knowledge of an individual is growing, but he could not describe it inefficiently, or sometimes the person does not have enough resources to share his knowledge. To the person who really wants it. Tacit knowledge can only be seen by

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practice, which is why tacit knowledge is difficult to capture, manipulate and disseminate among organizational members (Akram et al., 2011).

2.1.2. Knowledge Management Processes

Knowledge management is the planning, coordination, encouragement, and monitoring of staff, processes, and structures within the organization to ensure that the knowledge-based assets are enhanced and efficiently utilized. Related information assets include expertise in the form of written documents such as patent and guides, the knowledge contained in electronic archives such as a best practice database, knowledge of staff about the best way to do their job, knowledge kept by teams working on particular problems, and knowledge that is incorporated in the organization's goods, processes and relations. Knowledge management processes include acquiring, creating, refining, storage, transfer, sharing, and utilizing knowledge. The organization's knowledge management role operates these processes, establishes methodologies and structures to help them, and enables people to engage in them. Knowledge management objectives are to exploit and enhance the organization's knowledge assets to incorporate better knowledge practices, improved organizational behavior, better decision-making, and improved organizational efficiency. While individuals can certainly individually conduct any of the knowledge management processes, knowledge management is primarily an organizational practice that focuses on what managers can do to allow knowledge management objectives to be accomplished, how they can empower individuals to engage in achieving them, and how they can create social processes that will facilitate knowledge management success (King, 2009). Knowledge management is the transfer of appropriate knowledge to the right individual at the right time to help individuals to share information and improve the organization and its effectiveness, in addition to adopting modern methods that develop the abilities of individuals to create and innovate. It has a critical aspect of production, in addition to human resources and capital. It is also a source of excellence for organizations and the basis for their advancement and success the processes of knowledge management assist the organization in generating, acquiring, discovering, and organizing knowledge and in using and disseminating it among the working people, and transferring information and experiences that the organization has and applying them in its management activities, such as decision making, job procedures, and strategic planning (Hussinki, H., Ritala, P., Vanhala, M., & Kianto, A 2017).

2.2. Innovation

The primary and fundamental goal of innovation is to create new knowledge that can evolve and find viable solutions for society. Innovation is a method and process that gathers, acquires, manages, and disseminates knowledge intending to develop new knowledge to develop and produce distinctive and distinctive types of goods and services. The basic purpose of innovation is to generate value for the business. Innovation is a soul for enterprise in today's competitive age since innovation organizations generate new goods and services. Innovation is also important because of the rapid change in the customer's tastes and preferences of emerging and developed markets (Akram et al., 2011). the innovation is usually illustrated by two approaches. They are traditional structuralism approach and process-oriented approach. In a conventional organized approach, innovation is characterized as an entity with fixed parameters generated by some external suppliers. The process-oriented approach disputes that innovation is not an entity to be moved from one place to another, rather it has to be seen as a complex process that follows a politically charged design and a decision process that regularly is related to several social groups within the organizations. Innovation is thus a phase of development and the introduction of new ideas by people who ultimately interact with others in organizations (Mehrabani and Shajari, 2012).

2.3. Relationship between Effective Knowledge Management and Innovation

Close collaborative relationships can provide access to other organizations' processes that could be applied in different contexts. Acquiring skills and knowledge through communion is seen as an important and efficient means of successful innovation. However, building and maintaining an innovation program has become increasingly challenging due to evolving consumer demands, extensive competitive pressure, and Simple technical change. Organizations are making it more difficult to internalize innovation. Therefore, some major companies have begun to work collaboratively across organizational borders to ensure sustainable innovation and competitive advantage (Cavusgil, S. T., Calantone, R. J., & Zhao, Y., 2003). Organizations must establish receptors that acquire or absorb external knowledge, and this process is closely associated with innovation potential. Also, benchmarking helps organizations to obtain explicit and tacit knowledge from different sources. These external sources of information can be combined with explicit and tacit internal organizational knowledge. There is a knowledge gap that new knowledge acquisitions will bring innovation to bear (Akram et al., 2011). To achieve a competitive advantage, organizations can continue to learn from any outside sources. Organizations may bring innovation through the proper dissemination and sharing of knowledge. So, organizations must develop such channels within the organizations to share their knowledge with one another (Ju, T. L., Li, C. Y., & Lee, T. S, 2006). Organizations that quickly capture and incorporate new knowledge around the organization will promote innovation compared to organizations that do not concentrate on this aspect (Cavusgil et al. 2003). Innovation focused on knowledge. To bring innovation, organizations need to understand expertise and wealth. Organizations should develop alliances across organization processes to bring innovation and develop a stable competitive advantage. This partnership allows the organization to tackle new insights that can help fill the organization's knowledge gap. This partnership eventually brings innovation to the organization, and this collaboration will reduce the risk and expense of innovation. They also argued that the first and most important element of innovation is to increase the capacity of innovation to recognize and capture the organization's tacit knowledge. Tacit knowledge may be gained from outside the organization, such as clients, vendors, bankers, etc. The development of tacit knowledge plays a crucial role in facilitating the process of innovation. Tacit knowledge is becoming more important in those unique industries where clear knowledge is scarce. Via knowledge management may recognize its tacit knowledge, which it generally does not know before. Knowledge management also allows the organization to tacit knowledge in the form of explicit knowledge, and this is a good foundation for innovation (Du Plessis, 2007).

2.4. Organization Performance

Organizational performance is the most important criterion in assessing organizations, their actions, and their environments. Improving organizational performance is a prerequisite for the organization's strategic management that seeks maximum performance (Cania, 2014). Performance is a holistic term for all operations in all forms of organizations. Organizational performance is defined as a quality of work, efficiency of staff in decision making, improvement and development of processes, staff relationship with their leaders, diversity of services and products, innovations, market share, staff skills and experience in problem-solving, new methods and modern techniques of product development (Imran, 2014). Organizational performance is also referred to as the degree by which the organization meets its own needs and stakeholders' needs to survive and grow (Pandey and Dutta, 2013). Organizational performance is the organization's ability to access and handle various organizational resources to achieve its goals and objectives (Sangiorgi and Siboni, 2017). The performance measurement system is vital for organizations because it provides information on the quality of their operations within

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organizations, it helps in the development of strategic plans, and it evaluates the achievement of organizational goals (Alrowwad, A. a., Obeidat, B. Y., Tarhini, A., & Aqqad, N., 2017).

2.5. Knowledge Management and Organization Performance

Due to the complexities of the market climate and the strength of competition, organizations have realized that the importance of intangible assets is a primary determinant of their competitiveness (Abualoush, S., Masa'deh, R., Bataineh, K., & Alrowwad, A., 2017). Knowledge management is a driver of innovation and one of the main reasons affecting organizations' success, especially as it is the originator and catalyst for growth and achievement. This allows organizations to achieve a competitive edge to attract intellectual capital and strive to grow and preserve it in a way that distinguishes them from rivals to ensure its longevity and continuity. Organizations must be innovative and superior in their proposals to achieve the desired excellence through intellectual resources and have successful solutions to follow and future problems (B. Y. Obeidat et al. 2017). Measuring knowledge management's effectiveness and its contribution to organizational performance is a major challenge to many organizations, which determines the effectiveness of knowledge management in terms of the beneficial results gained from knowledge management (Tubigi and Alshawi, 2015). The organization's knowledge base is usually considered as the main factor embedded in the performance levels. Explicit and tacit knowledge is the main resource of the companies for obtaining and maintaining a competitive advantage. knowledge sharing and incorporation gathers fragmented knowledge to encourage innovation, ultimately leading to gains that boost performance (Piri, M., Jasemi, M., & Abdi, M., 2013).

2.6. Hypothesis

H1. There is a role and impact of effective knowledge management on innovation and organizational performance.

H2. There is a relationship between effective knowledge management and innovation.

H3. There is a relationship between effective knowledge management and organizational performance.

3. METHODOLOGY

The study was a descriptive cross-sectional design, conducted in different organizations in the Kurdistan region in Iraq from 1 August 2020 to 10 January 2021. The author distributed 1000 questionnaires through an online application format and gave the participants 15 days to respond, 950 questionnaires were received and completed properly, and 50 questionnaires were missing, so the study's sample size was 950 participants. Data were collected via the mobile app through online due to the COVIC-19 outbreak in Iraq. The data were analyzed using SPSS version 23 software to enter data analyze, and interpret the results. The inclusion criteria included all participants who desired to participate, but exclusion criteria were included for participants who did not respond to the questionnaire format. The study's limitation was the COVID-19 pandemic, so the author was unable to make the field visits to gather information. Ethical consideration and permission from the organizations' management were taken to conduct the study. The questionnaire was used to collect data consisting of four parts, the first part related to socio-demographic characteristics comprised of 7 questions, the second part associated with effective knowledge management consisted of 10 items or questions, the third part related to innovation consisted of 10 questions, and the fourth part related organizational performance consisted 10 questions addressed to the participants through the questionnaire formats.

4. RESULTS

Table 1 Socio-Demographic Characteristics for Sample Study

Variables		Frequency	Percent
	Male	543	57.2
Gender	Female	407	42.8
	Total	950	100.0
Age	18-25	186	19.6
	26-40	311	32.7
	41-50	285	30.0
	51 and above	168	17.7
	Total	950	100.0
Race	Kurdish	818	86.1
	Turkmen	88	9.3
	Arabic	44	4.6
	Total	**950**	**100.0**
Education Level	Primary	18	1.9
	Secondary	65	6.8
	Diploma	199	20.9
	Bachelor	486	51.2
	Master	122	12.8
	PhD	60	6.3
	Total	**950**	**100.0**
Year of Experiences	Less than 5 years	73	7.7
	Less than 10 years	354	37.3
	More than 10 years	523	55.1
	Total	**950**	**100.0**
Economic Status	High	92	9.7
	Middle	660	69.5
	Low	198	20.8
	Total	**950**	**100.0**
Marital Status	Single	317	33.4
	Married	610	64.2
	Divorced	23	2.4
	Total	**950**	**100.0**

Table 1 Indicated that the majority of participants were male gender which is about 57.2%. Most of the participants were middle-aged between 26-40, which is about 32.7%. Most of the participants were Kurdish people, which is about 86.1% because the study was conducted in the Kurdistan region; more residence is Kurdish people. Most participants had a bachelor's degree, which was about 51.2%. Simultaneously, some participants had master's degrees, about 12.8%, and doctorate level, which was about 6.3%. Most of the participants had more than 10 years of work experience, which was about 55.1%. About the economic status of the participants, most of them were in the middle status, which is about 69.5%, a little high economic status of residence, which is about 9.7%, but 20.8% were in the low economic condition due to the financial crisis that the country is going through at this time. Finally, the majority of them were married, which is about 64.2%.

Table 2 Test Distribution for Socio-Demographic Characteristics

	Gender	Age	Race	Education Level	Year of Experience	Economic Status	Marital Status
Mean	1.4880	2.4436	1.2219	3.8593	2.4676	2.0606	1.7109
Std. D	1.11493	1.38638	1.11838	1.40262	1.18434	1.09836	1.41914
Absolute	.015	.028	.026	.026	.020	.015	.017
Positive	.015	.028	.026	.026	.020	.013	.014
Negative	-.010	-.020	-.021	-.024	-.016	-.015	-.017
Test Statistic	.015	.028	.026	.026	.020	.015	.017
Asymp. Sig. (2-tailed)	.200	.069	.113	.119	.200	.200	.200

Table 2 Shown test distribution about socio-demographic characteristics, the significant value for all items more than the value (0.05) that indicates the test distribution is normal for all variables.

Table 3 The Descriptive Statistics and The Test Distribution about Effective Knowledge management Items.

Items	Mean	Std. Deviation	Asymp. Sig. (2-tailed)
Effective knowledge management in the organization enhances the development of new technologies.	2.553	2.110	.200
The organization encourages employees to think and behave in original and novel ways.	2.644	1.559	.200
Effective knowledge management Encourages employees to be creative and to innovate with processes.	2.393	1.272	.200
The organization develops innovative administration in planning procedures.	2.497	2.061	.200
The organization develops innovative administration in process control systems.	2.628	1.194	.200
The organization enhances the development of new technologies.	2.637	2.147	.200
Knowledge is shared among colleagues.	2.616	2.229	.200
Knowledge is shared between supervisors and subordinates.	2.612	2.067	.200
Applying knowledge to solve new problems	2.557	1.177	.057
Utilizing knowledge into practical use.	2.496	1.231	.200

Source: (Kör and Maden, 2013)

Table 3 Revealed that the second part of the questions related to independent variable included knowledge management, which was about 10 items, so the statistical analysis revealed that the means value of all items more than the standard of study value, which about 2.34; this part indicated that a high acceptance rate according to the standards of the study and this shown that the high level of all the questions about knowledge management. The significant value for all items more than the value (0.05) indicates the test distribution is normal for all variables about effective knowledge management.

Table 4 The Descriptive Statistics and The Test Distribution about Innovation Items

Items (Kör and Maden 2013)	Mean	Std. Deviation	Asymp. Sig. (2-tailed)
C1. Employees receive a lot of support from managers if they want to try new ways of doing things.	2.773	1.129	.136
C2. Knowledge is obtained from employees.	2.552	1.163	.083
C3. We are willing to try new ways of doing things and seek unusual novel solutions.	2667	2.057	.200
C4. The staff feels that the knowledge is available with complete freedom to apply it.	2.570	1.158	.200
C5. When we cannot solve a problem using conventional methods, we easily come up with new methods.	2.559	2.185	.200
C6. When we need new technology to try new ways of doing things, the organization will provide it.	2.666	2.121	.200
C7. The organization facilitates new processes to improve quality and lower costs.	2.635	1.184	.200
C8. We are constantly improving our work processes.	2.517	1.146	.200
C9. Applying knowledge to solve new problems	2.554	1.176	.200
C10. The dialogue encourages the employees of the organization to exchange ideas.	2.469	1.200	.141

Source: (Kör and Maden, 2013)

Table 4 Indicated that the Third part of the questions associated with the dependent variable included innovation items, which were about 10 items, so the statistical analysis revealed that the means value of all items more than the standard of study value, which about 2.34; this part indicated that a high acceptance rate according to the standards of the study and this shown that

the high level of all the questions about innovations. The significant value for all items more than the value (0.05) indicates the test distribution is normal for all variables about innovation.

Table 5 The Descriptive Statistics and The Test Distribution about Organizational Performance Items.

Items	Mean	Std. Deviation	Asymp. Sig. (2-tailed)
B1. One of our strong qualities is combining our specialisms in multi-disciplinary teams.	2.656	1.095	.200
B2. We have a form in inter colleagues review, in which members discuss their methods of working.	2.456	2.126	.200
B3. Members change jobs regularly, thus distributing their know-how.	2.523	1.198	.200
B4. Knowledge bases help in solving problems related to work	2.608	1.181	.200
B5. The organization cares about the needs and safety of the employees.	2.500	2.142	.200
B6. The organization used the knowledge for increasing organizational performance and fine-tuning strategic vision.	2.620	1.148	.200
B7. Knowledge management in our organization encourages employees to participate in seminars and group discussions.	2.656	2.183	.200
B8. This organization actively collects information about the needs and wishes of clients.	2.591	1.181	.200
B9. The employees in our organizations are willing to support and help each other.	2.482	1.206	.200
B10. Encourages teamwork and learning from experience.	2.488	1.217	.200

Source: (Birasnav 2014)

Table 5 Shows a high acceptance rate of all of the questions about organizational performance according to the study's standards. The test distribution is normal for all variables.

Table 6 Correlation and Influence Analysis

Dependent	R	R square	F	Sig.
C1	.275	.076	7.696	.000
C2	.321	.103	10.765	.000
C3	.318	.101	10.580	.000
C4	.268	.072	7.255	.000
C5	.321	.103	10.802	.000
C6	.253	.064	6.432	.000
C7	.282	.080	8.111	.000
C8	.358	.128	13.818	.000
C9	.261	.068	6.845	.000
C10	.242	.059	5.853	.000
Total	**.2899**	**.0854**	**8.8157**	**.000**
B1	.238	.057	5.629	.000
B2	.285	.081	8.278	.000
B3	.255	.065	6.529	.000
B4	.240	.057	5.717	.000
B5	.288	.083	8.474	.000
B6	.235	.055	5.489	.000
B7	.222	.049	4.867	.000
B8	.365	.133	14.439	.000
B9	.264	.070	7.020	.000
B10	.208	.043	4.263	.000
Total	**.26**	**.0693**	**7.0705**	**.000**

Table 6 Shown that the significance value is (.000), it is less than the approved case (0.05), and this indicated a relationship and correlation between all variables of the study. The correlation average value of innovation was (.2899), and organizational performance was (0.26), which indicated that effective knowledge management has a correlation and a beneficial relationship with both innovation and organizational performance. These findings indicated that depending on effective knowledge management will increase innovation and organizational performance, which enhanced these answers the value of the determination coefficient for innovation items (R square= .0854) and for organizational performance items (R square= .0693). The remaining

rates are other effects on the ability of innovations and organizational performance. It also shows the value of (F= 8.8157) of innovation and the value (F= 7.0705) of organizational performance at the level of significance (.000), which indicates that there was an impact of effective knowledge management on innovations and organizational performance.

5. DISCUSSION

The study developed an integrated model that includes several factors that play an essential role in increasing organizational performance and innovation. The study's findings indicated that effective knowledge management had a positive effect on innovation and organizational performance and revealed that effective knowledge management has a correlation and a beneficial relationship with both innovation and organizational performance. This finding is also consistent with the study presented by (Lai et al, 2014) who mentioned that knowledge management had a positive effect on innovation performance and is the intermediary of the organization's significant and positive effect on innovation performance. This study revealed that organizations must encourage employees to think and behave in original, novel ways and sharing knowledge. This result support similar findings by (Mehrabani and Shajari, 2012) revealed that creating knowledge, organizing knowledge, dissemination knowledge, and knowledge application was essentially associated with innovation capacity. This study obtained that effective knowledge management Encourages employees to be creative and innovate with processes and provide new technology to try new ways. The study is consistent with a previous study by (Carneiro, 2000) who motioned that knowledge management and knowledge development are essential in Promoting innovation and considering the connection between invention, competitive advantage, and knowledge management. Knowledge usage is the most effective aspect of knowledge management that impacts organizational performance, and the only mechanism to dispose of knowledge is technologies (Tubigi and Alshawi, 2015). Knowledge management had an effect on innovation, which is one of the results of this study, that encourages organizations to use the knowledge to bringing innovation, increasing organizational performance, and fine-tuning the strategic vision. The study is consistent with a previous study by (Du Plessis, 2007) Revealed that knowledge management plays an essential role in innovation, understanding professionals' knowledge management and innovation are essential for the relationship between these values and concepts that it can collect in respect to maintaining a competitive advantage for organizations. The other findings of the study indicated that knowledge management had a strong relationship with organizational performance. Hence, the organization encourages the employees to exchange ideas among them and the possibility of obtaining knowledge by the employees. These results support findings by (Abualoush et al., 2018) there was a direct impact of knowledge management processes on the organizations' performance. Infrastructure Knowledge management had an essential effect on organizational performance. The results support findings by (Imran, 2014) revealed that Knowledge management has an essential positive effect on organizational performance. The literature developed a new theory that knowledge management performance can set the relationship between organizational performance and infrastructure knowledge management. However, the infrastructure of knowledge management contributes to organizational performance by increase knowledge management performance. The study's findings indicate that managers' understanding of knowledge management will lead to better run organizations to increase performance, bring innovation, and achieve organizational goals. This finding was agreed with the study done by Inkinen, H., Kianto, A., & Vanhala, M., 2015) mentioned that a high understanding of effective knowledge management practices leads to improving an organization's innovation performance and for the managers to serve. Implementing strategic planning and upgrading practices that consider knowledge to be the key component appears to be positively related to the organization's innovative behavior. At a practical level, strategic

knowledge management concerns the assessment of current knowledge and the need for future knowledge. innovation performance supported by strategic knowledge management because it helps to determine a strategic knowledge hole which emphasizes the need for new inbound knowledge flows and knowledge creation. Many organizations are trying to provide the best; knowledge management can be achieved to enhance innovation power and organizational performance. The study is consistent with a previous study by (Al-Hakim and Hassan, 2013) indicated that the importance of the knowledge management strategy concerning improving organizational performance and bringing innovation has a positive effect on innovation and organizational performance. The study insists that essential knowledge management leads to an impact on the success of planning by the organization and a positive role in obtaining economic benefits and better environmental policies for the organization. This finding is also consistent with the study presented by (Mardani, A., Nikoosokhan, S., Moradi, M., & Doustar, M, 2018) revealed that knowledge management improves performance and organizational innovation. Knowledge management an essential reason to enhance performance and innovation. The organization can learn about the positive impact of knowledge management and its measurement on performance and innovation. The organizations know that knowledge management with a clear program they can be more innovative, improve processes, achieve better financial results, and develop human resources' capabilities.

6. CONCLUSION

The key reason for maintaining successful knowledge management in organizations is the pressure of competition and technological innovation in the world. In the current work environment, organizations recognize knowledge as a significant economic resource. Knowledge management is essential for enhancing levels of innovation and performance. It can be said that the best way to understand knowledge process precedents and outcomes is to Improving decisions relating to the promotion of innovation and providing a theoretical structure to facilitate the application of knowledge management processes. Innovation and focus on the basic elements that need to be managed. Organizations must consider and be involved in effective knowledge management to gain organizational benefits. The findings of the study confirmed all hypotheses. Performance and effectiveness in organizations can be accomplished by paying attention to effective knowledge management to ensure an innovation process. The internal environment of the organization is characterized by the availability of material capabilities, the availability of information and expertise available to the members of the organization, the flexible administrative system that is not represented by complexity or stagnation, and the climate of trust between individuals, which is the basis for the development of open communication, which in turn helps the flow of information and solve the problems that will affect the innovative behavior of the organization by encouraging the expression, development, protection and appreciation of new ideas. Knowledge management contributes to the achievement of innovation for the organization through its impact on various dimensions: people, processes and products. The study's findings suggested that there were a role and impact of effective knowledge management on innovation capacity and organizational performance, that there was effective knowledge management has a correlation and a beneficial relationship with both innovation and organizational performance. However, more research is required on the role of effective knowledge management in innovation and organizational performance.

7. ACKNOWLEDGMENTS

The author would like to thank the supervisor for scientific guidance and valuable comments and thanks to everyone who participated in achieving this study.

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