

## The Impact Of Knowledge Management Practices On Employee's Performance In Banking Sector Of Pakistan

Ghulam Mustafa Shami, Rakhshan Ummar, M Khyzer Bin Dost, Qamar Shahzadi, Farhan Mirza

Article Info	Abstract
<p><b>Article History</b></p> <p>Received: May 04, 2021</p> <p>Accepted: August 09, 2021</p> <p><b>Keywords :</b> Knowledge Management Practices, Employee Performance, Banking Sector of Pakistan</p> <p><b>DOI:</b> 10.5281/zenodo.5172979</p>	<p><i>Knowledge Management (KM) has advanced from a rising idea to an inexorably regular capacity in business associations. The Banking industry is focusing to understand the significance and importance of Knowledge management practices and is starting to encouraging the KM practice as important asset to enhance employee performance. The main purpose of this research is to develop a theoretical and conceptual model of mediating mechanism between KM practices and performance of employees. A total number of 480 questionnaires were distributed among employees and 430 takes into consideration for research analysis. On the basis of literature review and conceptual model total 8 hypotheses were developed and tested through mediation analysis and for whole data analysis PLS SEM 3.23 were used. This research has also sound practical implications, as research findings endow with constructive information and facilitate deepen the indulgent of banks management, policy makers to satisfy and motivate their employees' tendencies to connect in knowledge management practices.</i></p>

### Introduction

The instability of worldwide business condition constrained and drove the banks to receive Knowledge Management (KM) and excuse the administrations so as to increase the upper hand (Dzinkowski, 2019). KM is similarly essential and significant for banks all things considered for different establishments and associations. The information based hypothesis of the association expresses that extreme intensity does not get through the making of new learning instead of the application and sharing of the information (Akran and Hilman, 2018) and positive authoritative culture (Rabelo, Oliveira, and Viena, 2015). Sharing of new and old information further improves the current assortment of learning which at last upgrades the general learning archive of hierarchical learning (Imran, Ilyas, and Aslam, 2018). It is commonly recognized that hierarchical culture is a basic factor of authoritative exhibition and a wellspring of economical upper hand under the states of the contemporary economy (Idris, Wahab and Jaapar, 2015). The primary target of this examination is to direct quantitative research to have the option to make a more extensive arrangement of proof with respect to the connection among KM and performance of employees having organization culture as interceding factor. Kinicki and Kreitner (2007), employees are the mainly important resource of most companies as they can perform the within the firm notoriety and can adversely persuade productivity. Employees are the most of the time extraordinary heft to fundamental effort to be done just as customer devotion and the environment of substance and occasion's execution as indicated by, Yazid, Razali, and Hussin (2012). As indicated by Mehta (2010), the key factors that add to viable KM are human and specialized. Human conduct is the way to progress or disappointment of KM exercises, as KM includes an accentuation on authoritative culture, cooperation, the advancement of learning, and sharing of abilities and experience. Leonard-Barton (2015) presented in their analysis that organizations that give importance to knowledge sharing gain more competitive advantage and also consistency learning from the outer environment. Information sharing by employers among staff and employees is very effective in creating a competitive advantage (Uriarte, 2008). The Organization Culture is fundamental to energize connections among people and to encourage the learning stream. The CVF model is a prominent and most widely used model in respect of organizational culture research literature inquires about because of its unwavering quality and viability. CVF expects to analyze and trigger the adjustments in the Organizational Culture changes while the associations develop and experience outside condition weight. Four overwhelming society types rise up out of the CVF model: group, adhocracy, market, and chain of command. In light of the distinguishing proof of the four CVF social sorts, Cameron and Quinn (2011) created and approved the Organizational Culture Assessment Instrument (OCAI). This instrument uses a survey to check and set up an OC profile. By utilizing OCAI it is conceivable to distinguish the current authoritative profile, just as the liked or wanted one. These distinguished societies can investigate the impact of learning sharing on representative execution. The present research will survey the impact of KM practices on employee performance will be checked through the interceding impact of

organizational culture following the CVF hypothesis. The figured ends may both move future research and discover its application.

### **Knowledge Management Practices in Banking Sector**

The application of Knowledge management practices in financial institutions starts by the World Bank during 1996 along with was trailed by other financial institutions in a small number of advances nations, for example, USA, UK, Australia, Portugal, Germany, Canada, and Japan, toward the start of the most current decades. In any case, that was as yet constrained. In reality, a study intended for by the International Data Corporation crosswise more than 600 financial institutions in Western Europe in about two thousand found just 20% of all financial institutions connected a Knowledge management procedure. In this manner, the European financial division burned through \$155.4 million on knowledge practices frameworks in 2000 and intended to arrive at \$511.4 million by 2004 (Ribiere along with Chou, 2001). Amidst the most recent decade, the use of KM began in some building up nations' banks, for example, UAE, Libya, Malaysia, Lebanon, KSA and Tunisia, and the Bangladesh, at that point reached out to Indonesia, China, India and Pakistan.

The defination by Turban et al. (2014) illustrated that associations ought to have frameworks set up that help the procedure of learning sharing. A genuine case of such frameworks would be PC based frameworks due to its speed, capacity to store huge volumes of data and recovery abilities. Information sharing empowers associations, for example, banks to combine towards learning entrances as opposed to isolate storehouses of information (Moneyweb 2013). Learning sharing happens during acceptance (of new representatives) or when workers quit the association. Educated and experienced workers who have information ought to be happy to share it. Learning shared by people and by a network of training ends up hierarchical information.

Shah et al. (2014) explored the information the board rehearses in the client administration and loaning branches are one of Pakistan's top retail and commercial banks and revealed that KM procedures needs to be additionally improved. In spite of the fact that fundamentals of knowledge sharing are apparent from the KM practices in various divisions of the bank, the restrictions, for example, protection from the change of the executed KM frameworks are blocking the adequacy of the information the executive's procedure. Additional preparation and motivators are expected to expand information creation and sharing. In addition, an unmistakably explained KM technique alongside progress criteria and responsibility and backing from senior administration is required. There was a serious absence of learning the executives considers in Bulgarian setting as a rule and Bulgarian financial area specifically.

According to the discussion by Ahmad et al., (2015) there is a positive effect of learning obtaining, information change, information application, learning insurance on authoritative execution. Learning creation, move, and application is essential for an association's survival. Without information, the board exercises associations will endure if there should be an occurrence of high worker turnover. Particularly in the event of administrations area where the deliverable is indivisible and redone arrangement is required in light of an inquiry. Without teach the executives, a perpetual client whose foundation data is as of now with the association however not being overseen appropriately can be lost. Learning will be used by hierarchical staff for performing routine exercises. Information picked up by representatives and used in routine business exercises results in innovativeness which results in an item or administration development. Item or administration development drives an association to consumer loyalty. Information the executives likewise decrease item or administration cost by improving operational stream and lessening inefficient exercises. By actualizing information the executives exercise associations can pick up a preferred position as excellent items and administrations. By overseeing learning firms can likewise react rapidly to the natural changes. Thusly associations can hold existing just as new clients giving them often inventive items and administrations. It will result in steadfast clients and increased monetary benefits. Along these lines, associations which are in absence of executing learning the board frameworks can improve their exhibition by actualizing information the executive's practices embraced by other effective association, s. There is likewise need to distinguish different variables which can influence information the board. Without considering their significance a few associations actualized learning the board frameworks yet neglected to accomplish wanted targets. After effects of this examination are in adaptation to as of now contemplates (Vaccaro et al., 2010) Expressed that learning organization instruments are explicitly associated with higher cash related execution. (Holsapple and Wu, 2011) Identified the impact of data organization on execution inside an association and results confirmed learning organization is elite inside an association. Affiliations which have viably executed learning organization activities are in a better position than gather data about their present customer's future essentials, learning expanded about customers can be spared in chronicles, there will be no risk of faculty turnover in light of the way that an enormous part of the data constrained by people is authoritative asset. Associations can switch overtaking in got from customers and staff into useful shape with the objective that it very well may be used as a section without limits for operational activities and also key decision making. Data picked up and changed over from different sources is futile except if affiliation does not have any kind of affect it into its activities and furthermore essential decision making. Data organization enables the relationship to ensure that learning should be associated where it is required and old data is discarded. On the off chance that quite possibly all the learning picked up by affiliation is available to

unimportant people within an affiliation and what's more various affiliations, it won't give the purpose of inclination to the relationship as business part pioneers, so data constrained by an affiliation should be verified. So, affiliations can guarantee its data by executing learning organization practices which will overhaul its execution by limiting odds of corporate knowledge.

### **The Study Problem**

Inside the space of KM, scientists and experts have thought about a wide cluster of hypothetical inquiries, key issues and specialized methodologies, including learning formation, the infectious of finest practices, so the estimate of scholarly principal, the establishment of group of experts and the cultivating of joint effort (Alavi et al., 2015). KM practices are a vibrant and consistent arrangement of practices and procedures inserted within peoples just in gathering and physical procedures. Anytime in a given association, people and gatherings might be engaged with various parts of the KM procedure (Pirkalainen and Pawllowski, 2014). In this manner, KM practices have to be considered as a sequence of occasion and calisthenics (for example formation, stockpiling, move, utilization of learning) which at last direct to KM results (Eaves, 2014). A portion of these examinations was just led in nations of many countries as Korea Chooi, B. (2015), in Pakistan, Saeed, Lodhi, and Iqbal, (2014) and in Damascus Al-Faris, Suliman, (2010). And furthermore, none of these examinations have utilized a similar estimating instrument that will be embraced for this investigation. The examination on the Effect of Knowledge the executives on Employee execution has not been led particularly in the banking division of Pakistan. In the past investigations directed in Korea and Pakistan, Chooi, B. (2015) and also in Pakistan Saeed, Lodhi, and Iqbal, (2014) and Damascus Al-Faris, Suleiman, (2010), There was no writing that shown the examination demonstrating the connection between Knowledge the board and worker execution utilizing the example of representative especially in the banking industry in Pakistan. This identify there is some research gap exists for future investigations. To begin with, there are limited examinations on the collision of information the board on worker execution, henceforth the necessity for auxiliary research to approve their connection. Also, this subject is under inquired about as for Pakistan and its budgetary segment. An exhaustive quest for pertinent investigations both in Pakistan and globally required the requirement for this exploration.

Hence, to investigating this gap this research will look at the impact of Knowledge management practices on the employee performance with mediation of culture prevails in banking sector of Pakistan.

### **The Study Question**

The following is the main research questions of this study:

- 1- Do organization cultures mediate the relationship between knowledge management practices and performance of employees?**

#### **The importance of the study**

##### **Theoretical Significance**

Knowledge management (KM) has emerged in the form of common function of business organizations (Hislop, Bosua&Helma, 2018). The examination is relied upon to be of significance with respect to the writing on Knowledge management practices and Employee Performance and organizational culture. Keeping in mind the level of its emergence, a good number of journals has been devoted to KM and organizational resource management. Bulk of work is available in the area of KM comprising of conceptual frameworks and theoretical models (Mierzejewska, 2018). Out of this few survey studies; there are limited number of articles that put forward empirical investigation of the relationship between knowledge management and organizational performance (Laihonen&Mantyla, 2018). As per a positive relationship between authoritative culture and learning creation process, forming a hierarchical social factor are a key to an association's capacity to oversee information viably. It will see whether learning the executives will prompt Employee execution in the Pakistani financial segment. The Saeed Saidgi (2017) found organization culture CVF model has direct relation with employee performance but he did not explore the mediation factor, this is first study in literature that examine CVF model mediation between KM practices and performance of employees which is major contribution in conceptual, empirical and theoretical literature.

##### **Practical Significance**

The investigation of present study identifies with implication of KM practices in banks has the positive impact on performance of employees, so it will help the policy makers and practitioners of banking sector to adapt and develop more KM practices in banks which result in enhancement the level of employees performance. Worker execution is the best criteria for evaluating representative against their viability in the organization (Manssori, Yazid and Khatibi, 2018). The developing country like Pakistan the implication KM practices is limited to evaluate employee performance, the present research gives new insight the bank management and policy makers to adopt more knowledge management practices to enhance employee performance and consider the KM practices as most significant performance tool.

##### **Limitations of the study**

The delimitations depend upon the researcher decision of inclusion and exclusion in current research, the delimitation of this study is as bellow:

There are several new findings which are theoretically and practically contributed in the literature and policies but there are several limitations of this research. The scope of study is only discussed specially on the banking industry of Pakistan while the implication of KM practices is also necessary on other fields as well, so this study is only limited on the banking industry, the general research of other fields is essential to study in the perspective of knowledge management.

The data is collected through online surveys from employees on banks in different provinces; the employees of the same sector may have positive attitudes, knowledge and beliefs. All variables data is collected from employees of the same sector so it may enhance the chances of manipulated responses which are considered as a limitation of this research. Although different measures are taken to overcome this limitation and data is collected from all the provinces of Pakistan.

### **Previous Studies**

In the last one and a half decade, Knowledge management (KM) has emerged in the form of a common function of business organizations (Hislop, Bosua&Helma, 2018). Keeping in mind the level of its emergence, a good number of journals has been devoted to KM and organizational resource management. Bulk of work is available in the area of KM comprising of conceptual frameworks and theoretical models (Mierzejewska, 2018). But there is still a sheer lack of practical evidences of this concept in the banking industry. There is also a significant gap in the literature regarding the large-scale empirical evidence that KM brings about in organizational performance. Majority of the research related to Knowledge management is descriptive in nature while survey research is also being appearing in the journals but in less number. Out of this few survey studies; there are limited number of articles that put forward empirical investigation of the relationship between knowledge management and organizational performance (Laihonen&Mantyla, 2018). Worker execution is contended to be the best commitment a representative can make to an association as it adds to an association accomplishing its vital objectives (Arvey and Murphy 2008). There are various investigations which demonstrate that a high performing representative can create between two to multiple times the yield of a low performing worker (Ackerman and Kanfer, (2013)). The present study looks forward to conduct an exploratory as well as quantitative examination of knowledge management and organizational performance to create a broader set of evidence regarding the relationship between these two variables. Although organizational performance is a useful indicator, but the ultimate measure of success of an organization relies upon its competitive ability (Valmohammadi& Ahmadi, 2015). First formal beginning of banking in Pakistan took place during the time of British imperialism (Goel &Manrai, 2016). After the freedom from British imperialism in 1947, extent of Pakistan is constitutively expanding. State Bank of Pakistan is pioneer of banks of Pakistan and it can also be termed as national bank of the country. According to State Bank of Pakistan information, there are 50.565 million financial balances in Pakistan, giving an infiltration rate of 24.34%. What's more, there are 15,053 bank offices, 14,148 ATMs, and 53,269 POS machines dynamic in the nation (State Bank of Pakistan, 2018).

Alavi and Leidner (2001) build up a structure for investigation of the supporting job of a data framework with KM, explicitly four arrangements of socially established, related learning forms:

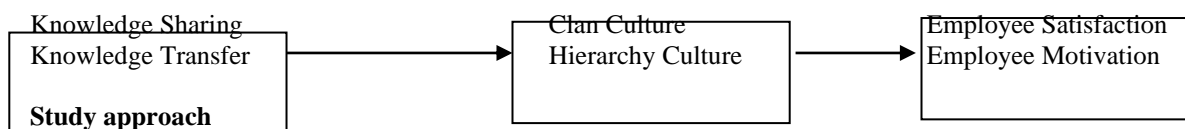
- Knowledge sharing
- Knowledge transfer

Knowledge sharing has turned out to be a standout amongst the most much esteemed wares in the cutting-edge economy. Further, information is viewed as the essential instrument of aggressiveness and advancement in the arrangement of the item chain to the more extensive procedures of local and national monetary improvement (Shapira et al., 2006). A latest global perspective is that within the organization there must be strong organizational learning. Lin and Lee (2016) Boer (2016) has characterized learning sharing as social-connection process in which representatives endeavor to set up a typical comprehension about point and make a strategy for changing this comprehension into an activity to improve association performance. Lin and Lee (2006) expressed that information sharing will impact the accomplishment of any information the board activity and administrators in effectives, not viably imparting learning to association will invalidate the point of having a Knowledge Management Sharing, also the accomplishment of association is because of the aggregate exertion of it workers to meet association objective Akhavan (2006) demonstrated that one of the achievement components of any information the executives activity is information sharing which basic to accomplish a fruitful Knowledge Management Sharing. Master et al., (2016) chose two critical segments in making effective various leveled learning; (i) correspondence and (ii) information planning. Most by far of the present Knowledge transfer moves models were set up from correspondence model, bundle information getting ready model and data creation model. Correspondence based model was explained by schramm and later being improvised by Jacobson while the second is based from Hinsz's and tindale model. The third one is based from Nonaka's A dynamic Theory of Organizational learning creation model. Inside the correspondence based procedure, the trading of learning is seen as a message encoded in a medium by a sender to a recipient in a given setting. Wiig (2016) suggested that

Knowledge Management is a gathering of clearly defined procedure or techniques used to look through significant information among different knowledge the board tasks. He additionally included that learning management aims were initially to encourage an association in acting shrewdly, all together to secure its practicality and achievement, and besides to make an association to acknowledge the best estimation of its information resources. Along these lines, the universally useful of knowledge management is to augment association's adequacy (Wiig, 2007).

As referenced by Swart et al. (2016) this employee prevalent execution happens simply because of good quality preparing program that prompts worker inspiration and their needs fulfillment. According to Wright and Geroy (2014), employees' abilities are changed through viable preparing programs. It not only improves the general execution of the representatives to viably play out the present place of employment yet in addition upgrade the knowledge, abilities a frame of mind of the laborers vital for the future occupation, along these lines adding to predominant hierarchical performance. A great employee performance is essential for the association, since an association's success is subordinate upon the representative's inventiveness, advancement and responsibility (Ramlall, 2008). As indicated by Hawthorne contemplates, and numerous other research chip away at efficiency of laborer featured the way that representatives who are happy with their activity will have higher occupation execution, and in this manner incomparable activity maintenance, than the individuals who are not content with their employments (Landy, 2016). Quinn and Rohrbaugh (1983) determined the CVF by dissecting the relationship among Campbell's (1977) adequacy criteria. In a two-section examine, they requested that seven scholastic specialists assess which of Campbell's 30 adequacy criteria were significant for authoritative viability and dissected reactions with multidimensional scaling. Results uncovered that a three-dimensional symmetrical arrangement was the best portrayal of these adequacy criteria. These three fundamental measurements, which were alluded to as center, structure, and means-closes, were proposed to speak to contending guiding principle that "speak to what individuals esteem about an association's exhibition" (Cameron and Quinn, 1999, p. 31.). The Structure of the CVF how the components of center and structure overlay to characterize the four social sorts including the CVF: Clan, adhocracy, market, and hierarchy culture.

#### **Proposed Model**



According to Pickard (2013) research philosophy describes the research methods, approach, methods and techniques for study examination. The research methods is quantitative or qualitative research approach, interpretive or positivist paradigms, inductive or deductive investigation approach, experimental or contextual objective of the study, and interview or survey collection method. The research paradigm used in this research specially focus on finding relationship between employee performance and knowledge management practices. According to Creswell 2013, and Bell & Bryman 2015, the positivism paradigm is best method to investigate. According to Turyasingura (2011) when the study in social context and depend on the objective view of the respondent the positivism paradigm is most excellent method to examine.

According to SBP source 2018, the total numbers of working employees in banking sector of Pakistan are 73431. According to Zikmund (2010) the large population has divided into different small parts that are known as sample of the population. These small parts are originally representative of the whole population and for the selection of truly sample in research, there is need to use proper scientific approach. Therefore Krejcie and Morgan (2012), Scientific approach will be used for this study. The both give general guideline for the selection of sample hence there is no need of calculation, they conduct their study by using 210 questionnaires among respondents. So for the adopting the model of Krejcie and Morgan (2012) technique for the study there is no requirement for the calculation, their suggested table is for the selection of sample according to population is enough for selection. According to Krejcie and Morgan table, the sample size 382 is appropriate for the population 75000. Simple random sampling method is used for data collection.

The demographic section has been made to get information from the respondents; the questions relate to demographic includes the Province information, Experience in banking sector, education of the respondents and the role in the bank of the respondents. The general information regarding the type of bank is also asked from the respondents for getting proper information of the respondents.

The KM practices have two major dimensions in this study; the knowledge transfer is adapted from the study of Turzasingura W., (2011). The second variable of KM practices knowledge sharing is adapted from the research of Serene and Hala 2018. The third section of the instrument is included the questions relate to banking culture which prevails in the banking sector of Pakistan. The Saeed Saidgi 2017 in his study developed the concept of organizational culture on the foundation of competing value framework. Forth part of section, the questionnaire is on employee performance which is adapted from the study of Shafizal Mat

Loughborough 2016, which has identified two parts of employee performance, employee motivation and satisfaction. In this research the researcher is used likert scale for all statements of the questions from strongly disagree to strongly agree. The measurement model, structural model of mediate hypothesis testing is analyzed through SMART PLS 3.23.

### Study Analysis

The objective of this part is to interpretation of data analysis, the first section is discussing the demographic of the respondents, and the summary of each variable is calculated through descriptive analysis. The mean, standard deviation, and the reliability and validity of each constructed is calculated in this section. Further measurement model and structure equation model analysis is run through PLS SEM 3.23.

### Descriptive Statistics of Questioner Items

The questionnaire of this study contains 6 variables and data was gathered for the study analysis, the below table give the average response of respondents. Knowledge Transfer, Knowledge sharing and second twotype of culture, Clan and hierarchy. The last two variables relate to employee performance; Employee motivation and Employee Satisfaction. The total numbers of 35 questions were used for the analysis of this study. The average score from the respondents were 2.602 to 4.20 on a five point likert scale.

**Descriptive Statistics of Questioner Items**

Variables	N	Minimum	Maximum	Mean	Std. Deviation
KT1	430	2	5	3.733	0.83099
KT2	430	1	5	3.635	1.02154
KT3	430	1	5	3.612	0.83644
KT4	430	1	5	3.686	0.78241
KT5	430	1	5	3.677	0.81944
KT6	430	1	5	3.686	0.84265
KS1	425	2	5	4.026	0.62705
KS2	427	1	5	4.208	0.7323
KS3	430	2	5	3.977	0.67207
KS4	425	2	5	4.101	0.69134
KS5	430	2	5	4.021	0.6273
KS6	430	2	5	4.144	0.66033
KS7	430	1	5	4.147	0.73819
CC1	430	2	5	3.593	0.84149
CC2	430	1	5	3.495	0.98176
CC3	430	2	5	3.619	0.86562
CC4	430	2	5	3.786	0.74845
CH1	430	1	5	3.933	0.70139
CH2	430	2	5	3.863	0.5731
CH3	430	1	5	3.858	0.60369
CH4	430	1	5	3.893	0.65327
EM1	430	1	5	3.416	0.90645
EM2	430	1	5	3.614	0.91595
EM3	430	2	5	3.598	0.8298
EM4	426	2	5	3.707	0.81504
EM5	430	1	5	3.661	0.8085
EM6	430	2	5	3.974	0.73017
EM7	430	2	5	3.751	0.80264
ES1	430	1	5	3.281	0.98822
ES2	430	1	5	3.323	1.04677
ES3	430	1	5	3.684	0.87304

ES4	430	1	5	3.707	0.87849
ES5	430	1	5	3.74	0.82052
ES6	430	1	5	3.814	0.76508
ES7	430	1	5	3.07	1.08594

### Measurement Model Analysis

The measurement model analysis is done to analyze the reliability of the instrument and validity of the data, the detail analysis explains the reliability and validity of each item of the instrument. In this model the Discriminant and convergent validity examines for validity of the data. Convergent validity is examined through average variance explained and factor loading.

### External Factor Loading

According to Hair, Hult, Ringle and Sarstedt (2016), 0.70 value of external loading of each item is good for data and the value of external loading is show there is no error contain in data and not fit for further analysis if the over 0.70.

	CC	CH	EM	ES	KS	KT
CC1	0.882					
CC2	0.868					
CC3	0.924					
CC4	0.836					
CH1		0.725				
CH2		0.815				
CH3		0.889				
CH4		0.869				
EM1			0.763			
EM2			0.870			
EM3			0.808			
EM4			0.805			
EM5			0.877			
EM6			0.709			
EM7			0.842			
ES1				0.836		
ES2				0.798		
ES3				0.818		
ES4				0.869		
ES5				0.866		
ES6				0.825		
ES7				0.731		
KS1					0.852	
KS2					0.754	
KS3					0.729	
KS4					0.827	
KS5					0.749	
KS6					0.853	
KS7					0.723	
KT1						0.806
KT2						0.720
KT3						0.703
KT4						0.794
KT5						0.725

KT6	0.773
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**Average Variance Extracted**

The second part of convergent validity is average variance extracted at each item level of the instrument. According to Hair et al., (2016) the average variance extracted is equal to the squared loading total divided into the item of each construct. When the value of average variance extracted is at least 0.5 then it is sufficient to meet construct validity. The Cronbach alpha is applied to examine the reliability of each item of construct, the below table show the measurement of each item which in between .768 to .913,

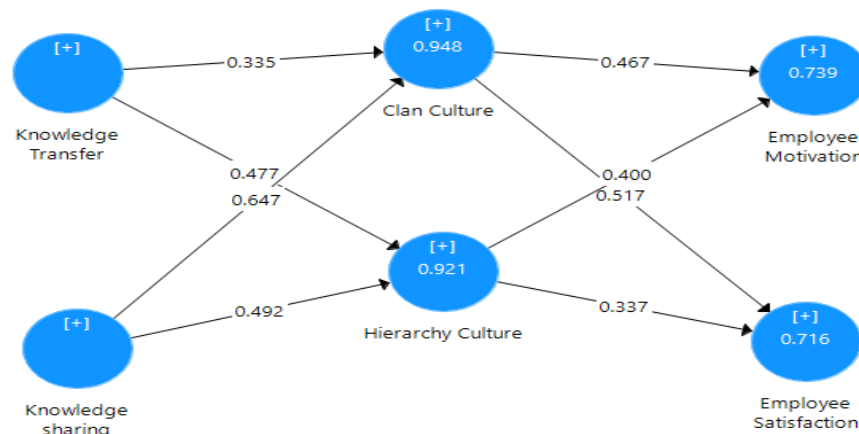
Constructs	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
CLAN CULTURE	0.901	0.931	0.771
HIERARCHY CULTURE	0.821	0.804	0.531
EMPLOYEE MOTIVATION	0.913	0.931	0.660
EMPLOYEE SATISFACTION	0.909	0.927	0.646
KNOWLEDGE SHARING	0.880	0.907	0.582
KNOWLEDGE TRANSFER	0.849	0.888	0.569

**HeterotraitMonotrait Ratio (HTMT)**

The third part of discriminant validity examination is HeterotraitMonotrait Ration (HTMT), According to Henseler (2015), this method is calculate the correlation among different constructs and identified that the relationship among different constructs in normal and valid for analysis. According to Kline (2015), the value of correlation among constructs must be lower than 0.85 for valid Discriminant validity.

	CC	CH	EM	ES	KS	KT
Clan culture						
Hierarchy Culture	0.565					
Employee Motivation	0.844	0.694				
Employee Satisfaction	0.758	0.591	0.751			
Knowledge Sharing	0.704	0.604	0.690	0.558		
Knowledge Transfer	0.823	0.666	0.745	0.848	0.721	

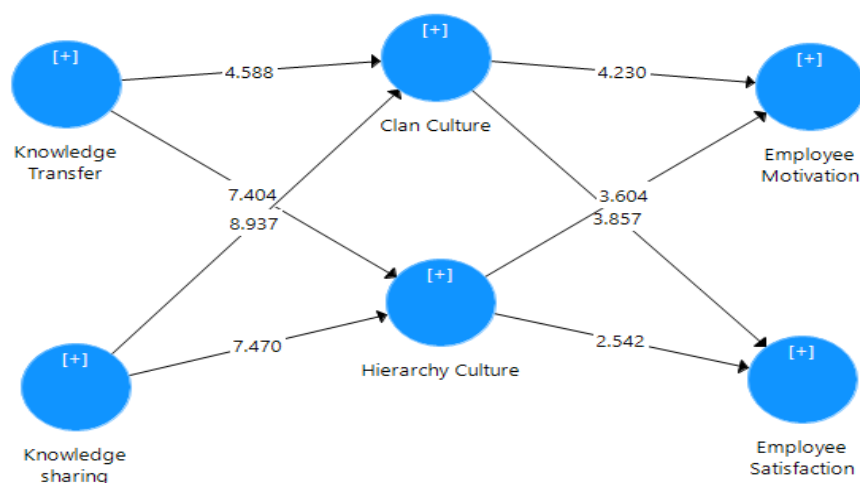
**Study Measurement Model**



**Structural Model**

The structural model equation describes the relationship between variables and to test the hypothesis of the research model. In this study mediation test is used for study analysis which the researcher done on PLS SEM using structural model.





### Mediation Hypothesis

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
Knowledge Transfer -> Clan Culture -> Employee Motivation	0.156	0.159	0.058	2.698	0.007
Knowledge sharing -> Clan Culture -> Employee Motivation	0.302	0.299	0.070	4.335	0.000
Knowledge Transfer -> Hierarchy Culture -> Employee Motivation	0.191	0.191	0.059	3.252	0.001
Knowledge sharing -> Hierarchy Culture -> Employee Motivation	0.197	0.197	0.062	3.172	0.002
Knowledge Transfer -> Clan Culture -> Employee Satisfaction	0.173	0.178	0.070	2.476	0.013
Knowledge sharing -> Clan Culture -> Employee Satisfaction	0.334	0.330	0.080	4.162	0.000
Knowledge Transfer -> Hierarchy Culture -> Employee Satisfaction	0.160	0.160	0.066	2.425	0.015

<b>Satisfaction</b>					
<b>Knowledge sharing -&gt; Hierarchy Culture -&gt; Employee Satisfaction</b>	0.166	0.165	0.071	2.342	0.019

The above table shows the finding of mediate effect of Clan Culture, hierarchy culture between motivation, satisfaction of employees and knowledge transfer, knowledge sharing, the findings express that clan and hierarchy culture has statistically positive and significant mediate relationship between motivation and satisfaction of employees and knowledge transfer & knowledge sharing. According to Joseph F Hair (2016), if the value of P is less than 0.05 and value of T is more than 2 then there is positive relationship between the variable, The above table shows the value of P is equal to 0.00 and value of T is larger than 2, so it shows there is positive and significant mediation between the variables.

#### **Discussion of the study results**

In this research the KM practices use as independent variable which has two dimension: Knowledge transfer, , and knowledge sharing and performance of employees use as dependent variable which has two dimensions: employee motivation and employee satisfaction and mediate variable is organization culture. In this section two dimensions Clan culture and hierarchy culture is discussed. Results and findings of Clan and hierarchy culture mediation between KM practices and performance of employees is discusses in this section in detail. The total four hypotheses are developed under this section and the findings are as below.

The hypothesis is developed to find mediate effect of Clan Culture between motivation of employees and knowledge transfer, the conclusion express that clan culture has statistically significant and positive mediate relationship between motivation of employees and knowledge transfer. The finding of this is same in some past studies which conducted on KM practices, performance of employees and organization culture. According to Abualoush, S. H., Obeidat, A. M., Tarhini, A., Masa'deh, R. E., & Al-Badi, A. (2018) with implementation of knowledge management practices the employee performance enhances. According to saeed saidgi (2017) the clan culture has significant relationship with performance of employees. The hypothesis is developed to find mediate effect of Clan Culture between satisfaction of employees and knowledge transfer, the findings express that clan culture has statistically significant and positive mediate relationship between satisfaction of employees and knowledge transfer. The value of P is equal to 0.00 and value of T is larger than 2, so it shows there is mediation between the variables. So the finding express that with the implementation of KM practices on banking sector of Pakistan and with the mediation role of clan culture so it can be enhance the employee satisfaction. The finding of this is same in some past studies which conducted on KM practices, performance of employees and organization culture. According to saeed saidgi, (2017) the clan culture has direct relationship with satisfaction of employees. According to Dzikowski (2019) the knowledge transfer has direct impact on employee satisfaction. Akram, K., & Hilman, H. (2018) conducted his study on banking sector and found positive relation with knowledge transfer and performance of employees. The hypothesis is developed to find mediate effect of hierarchy Culture between motivation of employees and knowledge transfer, So the finding express that with the implementation of knowledge management practices on banking industry of Pakistan and with the mediation role of clan culture so it can be enhance the employee motivation and employee satisfaction. The finding of this is same in some past studies which conducted on knowledge management practices, employee performance and organization culture. Turyasingura, W., (2011) conduct his study on Knowledge transfer and employee motivation and found positive relationship between them. Saeed saidgi (2017), conduct his study on organization culture and employee performance and found direct relation between hierarchy culture and employee motivation. The next hypothesis is developed to find mediate effect of hierarchy Culture between satisfaction of employees and knowledge transfer, the findings express that hierarchy culture has statistically positive and significant mediate relationship between satisfaction of employees and knowledge transfer. So the finding express that with the implementation of KM practices on banking industry of Pakistan and with the mediation role of hierarchy culture so it can be enhance the satisfaction of employees. The finding of this is same in some past studies which conducted on knowledge management practices, employee performance and organization culture. Herningsih, A. Y., Gani, A., & Mardiyono, S. (2013) conduct his study on organization culture and performance of employees and found direct relation between them. Turyasingura, W., (2011) conduct his study on Knowledge transfer and employee satisfaction and found positive relationship between them.

The next hypothesis is developed to find mediate effect of Clan Culture between motivation of employees and knowledge sharing, the findings express that clan culture has statistically significant and positive mediate relationship between motivation of employees and knowledge sharing, So the finding express that

with the implementation of KM practices on banking industry of Pakistan and with the mediation role of clan culture so it can be enhance the motivation of employees. The finding of this is same in some past studies which conducted on KM practices, employee performance and organization culture. North & Kumta (2018) found in his study for better employee performance the firms needs to enhance the knowledge sharing practices. Bavik, Tang & Shao (2018) found that knowledge sharing has positive impact on employee motivation with mediation role of organization culture factors. The next hypothesis is developed to find mediate effect of hierarchy Culture between motivation of employees and knowledge sharing, the findings express that hierarchy culture has statistically significant mediate relationship between motivation of employees and knowledge sharing, So the finding express that with the implementation of KM practices on banking industry of Pakistan and with the mediation role of hierarchy culture so it can be enhance the employee motivation. Dalta, Hala, Alcha (2018) conduct his study on Knowledge sharing and found positive relation between knowledge sharing and motivation of employees. Shafizal Mat Loughborough (2016) found positive relation between hierarchy culture and motivation of employees. The next hypothesis is developed to find mediate effect of hierarchy Culture between knowledge sharing and employee satisfaction, the findings express that hierarchy culture has statistically significant and positive mediate relationship between satisfaction of employees and knowledge sharing, So the finding express that with the implementation of KM practices on banking industry of Pakistan and with the mediation role of hierarchy culture so it can be enhance the employee satisfaction. Gillani, S. M. F., Iqbal, S., Akram, S., & Rasheed, M. (2018) conduct his study on knowledge sharing behavior of employees and impact on performance and they found the positive relationship between them.

### **Conclusion**

In the past investigations directed in Korea and Pakistan, Chooi, B. (2015) and also in Pakistan Saeed, Lodhi, and Iqbal, (2014) and Damascus Al-Faris, Suleiman, (2010), There was no writing that shown the examination demonstrating the connection between Knowledge the board and worker execution utilizing the example of representative especially in the banking industry in Pakistan. This is first study conducted on employees on banking sector of Pakistan, the objective of this research to find the connection between the KM practices and performance of the employees with mediate role of organization culture. This identify there is some research gap exists for future investigations. To begin with, there are limited examinations on the collision of information the board on worker execution, henceforth the necessity for auxiliary research to approve their connection. Also, this subject is under inquired about as for Pakistan and its budgetary segment. An exhaustive quest for pertinent investigations both in Pakistan and globally required the requirement for this exploration. Hence, to investigating this gap this research look at the impact of KM practices on the performance of employees with mediation of culture prevails in banking sector of Pakistan. This study investigates how organization culture dimensions (i.e. Clan culture and hierarchy culture) mediate the relationship between KM practices (i.e. knowledge sharing and Knowledge transfer) and employee performance (i.e. Employee motivation and employee satisfaction). The result of this study is also addition in literature; this study finds mediation of organization culture between all dimensions of KM practices and performance of employees. This study recommend that within all organization culture prevails in banking industry of Pakistan, the management implement the knowledge practices so this can increase the employee motivation and satisfaction and increase the bank productivity.

### **Future Recommendations**

There are two KM practices taken for this research but in literature different KM practices are used, so same research can be studied with different KM practices e.g. knowledge storage which can enhance the scope of this topic.

This research is conducted on banking industry of Pakistan and stratified random sampling is used, due to time and resources limitation the large number of sample is not taken for study analysis, for the future same study can be conducted with large sample.

This research evaluate the performance of employees with implementation of KM practices on banking industry of Pakistan with theoretical lens of organization culture but it is further recommended organization performance in respect of efficiency and profitability can be checked with the implementation of KM practices.

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#### Author Information

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**Dr. Ghulam Mustafa Shami**  
Riphah International University  
Faisalabad

**Dr. Rakhshan Ummar**  
National University of Modern languages

**Dr. M khyzer Bin dost**  
University of Lahore, Lahore

**Qamar Shahzadi**  
Government College Women University  
Faisalabad

**Farhan Mirza**  
University of management and technology  
Sialkot

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