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**Influence of Knowledge Management Practice on Performance of
Manufacturing Firms. A Review of Literature**

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Abstract

Purpose: The purpose of this study is to assess the influence of knowledge management practice on the manufacturing firms.

Methodology: The research was carried out with consideration given to previous theoretical literature

Findings: The study revealed that knowledge management has a positive significant impact on the performance of manufacturing companies. It facilitates innovations in production, manufacturing process and stirs operational performance and this helps the company to remain competitive in the market as it's able to meet customer demands.

Unique Contribution to Theory, Practice and Policy: The authors has highlight on importance of knowledge management practice to improve performance of these firms. The study therefore recommends that all firms should create room for knowledge sharing in their operations to enhance sustainability and continuity of manufacturing sector.

Keywords: *Manufacturing Companies, Innovation, Performance, Product, Knowledge Management Practices*

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INTRODUCTION

The concept of knowledge management was created as a management function that aims to produce and share knowledge and information. Knowledge acquisition, distribution, and responsiveness are the three key activities of knowledge management that Darkir (2013) has underlined. It has become clear that innovation is affected by knowledge management. The concepts of knowledge, learning, and invention are interconnected. In other words, learning occurs when knowledge is applied in the workplace, and this learning ultimately leads to creativity and innovation (Darkir, 2013).

Intense rivalry, unheard-of technology advancements, and erratic markets describe the present business environment that affects industrial businesses. Globalization, free trade agreements, improvements in information and production technologies, shortened product life cycles, and swiftly shifting consumer wants are some of the main reasons that have led to this state of affairs. Manufacturing businesses are therefore under increasing pressure to better utilize knowledge-based resources in a way that improves their operational performances and thereby maintains their competitiveness. In this context, knowledge management (KM) and innovation are viewed as key strategic options that can significantly improve an organization's capacity to respond to erratic customer needs and developing technologies, maintaining their competitive performance in today's challenging business environment (Dahiyat, 2015).

Knowledge management (KM) is a process that deals with the creation, archiving, retrieval, and sharing of knowledge inside an organization in order to support and enhance its operational performance (Wang, 2012). Companies are becoming more aware of the importance of knowledge as a resource and the need for careful management of it. Companies must use knowledge to become innovative as well as remain competitive. To be successful, KM requires a significant change in organizational culture and dedication from all levels of a company. An organization may apply all of its organizational learning and knowledge to any challenge, wherever in the globe, at any time, ideally through an encouraging organizational culture and good knowledge management (KM).

According to Mazdeh and Hesamamiri (2014), Hoque (2014), and Perez-López and Alegre (2012), the relationship between KM and performance primarily focuses on measuring performance in terms of organizational effectiveness, competitiveness, organizational performance, balanced scorecard, and market performance. Nonetheless, it appears that there is a void in the literature regarding how KM affects operational success. Manufacturing businesses' operational performance is a key indicator of their effectiveness and efficiency because it shows how well knowledge resources are handled and put to use to support organizational efforts to innovate new products and processes. Also, there is a lack of study on the anticipated direct and indirect effects of KM on such a performance (Hamid, 2015).

However, the innovation-performance relationship has frequently been viewed as ambiguous and one that is addressed by a body of existing literature that is characterized by contradictory and muddled findings (Hashi and Stojcic, 2013), necessitating the need to conduct additional research to examine the relationships between various forms of innovation and performance (Damanpour and Aravind, 2012). Particularly, there inadequate study on how different types of innovation affect the operational effectiveness of manufacturing organizations (Abdallah et al., 2016). Furthermore, there aren't enough research examining the connections between Knowledge

Management, innovation, and operational performance to identify the specific sorts of innovation that are essential for enhancing operational effectiveness and enabling the business to accomplish its competitive priorities (Gunday et al., 2011).

When new knowledge is combined with existing knowledge to reorganize organizational skills and competences, innovations take place, producing value-added goods. In this context, "knowledge management" (KM) refers to methods that make it easier to generate and acquire new knowledge, integrate it with an organization's current knowledge base, share it, and use it to produce value-added outputs. As a result, it is asserted that KM may greatly improve an organization's innovation process (Dahiyat, 2015).

While theoretical research highlights the critical part that knowledge management (KM) plays in fostering innovation, empirical research is still in its infancy and has inconsistent findings and measurements (Andreeva and Kianto, 2011). Further empirical research are required to investigate and explain the linkages between the anticipated impact of KM on product and process innovations (Darroch, 2005). The majority of the research that were published were done in wealthy nations. It is extremely difficult for manufacturers in emerging nations like Jordan to keep up with the global competition. The current study adds to the body of literature by examining the postulated links in the context of a developing nation, in this case Jordan. With product and process innovations serving as mediating variables, the current study aims to make a dual contribution by empirically examining the direct and indirect effects of KM on the performance of manufacturing organizations. The investigation of how product and process innovations affect operational performance is another contribution that results from this study.

The manufacturing sector is essential to the expansion of the economy. According to Hitt, Hoskisson, Ireland, and Harrison (2012), businesses can attain strategic competitiveness the best through creating innovative technologies. As a result, a company can only improve its operations and activities through innovation if it wants to maintain a competitive advantage. Innovation can be used to create dynamic capabilities to manage changes in the organization's environment, achieve first-mover advantages, or respond quickly to market changes even if it does not directly benefit from them. According to a study by Fagerberg and Mowery (2015), inventive countries have greater levels of productivity and income than less-innovative ones, demonstrating the importance of innovation.

Innovation is the acceptance of any concept or behaviour connected to a product, service, technology, gadget, policy or program that is new to the adopting organization, according to Kor and Maden (2013). The inclusion of any policy, program, structure, process, market, or product that a management believes to be true is what Mousa (2014) characterized as innovation in the same context. Innovation, is the "creation, acceptance, and implementation of new ideas, goods, processes, or services" (Thompson (1965). The successful use of original ideas within a company can be summed up as innovation. In essence, innovation is the novelty of an idea, which enhances organizational performance. The foundation for this research's focus is provided by this definition.

LITERATURE REVIEW

The different elements and procedures that occur on a daily basis have a significant impact on knowledge management in the manufacturing industry. Technology, product and process

innovation, operational excellence, human resource administration, and business performance are some of these.

Product Innovation

Product innovation can be accomplished either by utilizing new technologies and knowledge or by utilizing novel combinations of the currently available technologies and knowledge (Gunday, 2011). Product innovation involves both the introduction of new items and the enhancement of current ones. Product innovation may involve design modifications that have a significant impact on how a product is used or its attributes. Enhancing the value a product delivers and achieving more efficiency are the two main objectives of product innovations in a company. Product innovation gives producers the chance to maintain the competitiveness of their product line and, as a result, achieve the desired competitive advantage (Chang, 2012). Notwithstanding all of the prior benefits of product innovation, it is still a costly and dangerous endeavor given the data that demonstrate poor success rates and a high number of projects that are abandoned midway through the development cycle. Product innovation should have significant contacts with the organization's consumers and suppliers in order to successfully accomplish its goals (Gunday et al., 2011).

According to LI (2013), a company that takes a responsive market orientation consistently tries to take its customers' wants in their markets or segments into consideration; as a result, it innovates to improve the services or goods. Paying close attention to customers gives businesses the opportunity to learn more about market developments, which is crucial for successful product creation from the perspective of information processing. Also, responsive market orientation gives businesses the chance to improve the accuracy and predictability of information search, as well as to simplify the use of information during the new product creation process (Zhang and Duan, 2010). Focusing on client wants for the foreseeable future alerts businesses to emerging markets and technological advancements and helps them acquire the skills necessary to exploit these advancements to create new products. As a result, this will take part in supplying services with unique benefits.

The study by Naidoo (2014) clarifies how market orientation, marketing innovation, competitive advantage, and organizational performance are related. According to the study, market orientation serves as an accelerator for the marketing innovation's first stages, which are favorably associated with competitive advantage. Competitive advantage, which is attained through differentiation, cost leadership, and focus strategies, has a favorable impact on the company's performance. According to Baer and Frese's 2003 study, process innovation and firm success are positively moderated by climate for initiation. The study demonstrated a link between company innovation and performance, transformational leadership, and organizational learning. The findings indicate that organizational learning has a greater impact on corporate innovation than transformational leadership.

Research by Bennett (2015), Knowledge of various clientele, associated relationships, and market traits is related to product knowledge. The technical and managerial systems utilized in production are referred to as process factors. Technological processes could include a lot of manual labor and rely on tacit knowledge, or they might be automated using explicit (codified) information stored in computer systems. Programmed to problem-solving organizations make up the spectrum of management processes. To create new projects, problem-solving organizations rely on tacit

knowledge. This is required to satisfy the design and construction needs of clients who cannot be satisfied with the available solutions (Bennett, 2015). Individual and group characteristics are related to people factors. While skilled teams (suppliers, designers, and manufacturers) are essential for the manufacturing process, effective management structures are also required.

Process Innovation

Process innovation was characterized by Lichtenthaler (2011) as the use of new or enhanced production or delivery methods that involve significant adjustments to procedures, tools, and software. Process innovation raises the effectiveness and productivity of production processes, improves product quality, and lowers the cost per unit of output. Process innovation either entails enhancing the production and logistical processes or enhancing many processes, including accounting, computing, purchasing, and maintenance. Companies that employ process innovation strive to produce both new and innovative products (Gibson, 2013). This can call for the use of novel, previously untried techniques.

Lendel (2015) identified the initiation and implementation phases as the two primary stages of process innovation. He argued that the "openness to the innovation" component of the initiation stage is dependent on whether organizational members are willing to accept or reject innovation. The significance of the stages of process innovation has been reemphasized and redesigned in recent research. Finding client needs and innovation possibilities, looking for fresh ideas, converting those ideas, spreading them, and generation are some of these steps (Ferreira, 2015). Making a powerful combination of internal and external sources to get greater results is another factor. The core of an organization's innovation is believed to be how it utilizes the knowledge and ideas of external partners throughout the process innovation. In order to assess deviations and failures of all stages of process innovation and ensure successful implementation, it is crucial to develop an efficient control system.

The performance of the firm was related by Perez-(2014) Luno's study between the two innovation aspects of speed and magnitude. The study found a beneficial association between a firm's performance and how quickly innovations are adopted. The study looked at the results of adopting different innovation kinds and discovered that innovation had a good effect on business performance.

The beneficial connection between organizational learning, innovation, and business performance. The study offers more proof that innovation improves performance (Jiménez-Jiménez & Sanz-Valle, 2011). According to the study, learning orientation has a favorable link with company performance and innovation. The ability and performance of a corporation to innovate depends on its learning orientation, which is related to knowledge management. For developing a strategic positioning, such as innovation, knowledge and the transmission of knowledge are essential.

Operational Performance

Manufacturing organizations must develop operations plans that support the implementation of their own corporate competitive strategies since the operations function plays a crucial role in establishing and maintaining competitiveness. Manufacturing competitive priorities are the means through which a company has the option to select the kinds of markets it seeks in addition to choosing to compete in the market. Operational performance is the output or outcome attained as

a result of distinctive operational capabilities (Tan, 2007). Operational performance can be viewed as either internal performance or process performance, according to Manikas and Terry (2010). Operational performance, according to Flynn (2010), is the enhancement of an organization's responsiveness to a shifting competitive environment.

Operational performance is typically evaluated across a range of variables that reflect an organization's internal operations in terms of the quality of its products and processes as well as its productivity and efficiency (Phan (2011). In several research, internal operations' productivity, effectiveness, and efficiency were used to gauge operational performance (Abdallah, 2014). Cost, quality, delivery, and flexibility, however, are the metrics for operational performance that are most frequently employed in the literature (Ortega, 2012). Our strategy is to leverage the commonly accepted operational performance metrics of cost, quality, delivery, and flexibility.

Knowledge Management typically addresses four groups of crucial success factors, including those that are human-oriented (culture, people, and leadership), organizationally-oriented (processes and structures), technologically-oriented (infrastructure and applications), and process-oriented (management processes) (strategy, goals, and measurement)(Heisig, 2016).

Firm Performance

The study by Cingoz and Akdogan (2011) adds to the body of knowledge supporting the positive effects of innovation on company score records. They looked at the connection between organizational performance, organizational features, and corporate innovation. The study also suggested a correlation between projected good performance outcomes and innovative conduct, which is seen as a crucial resource for an organization to prosper in a constantly shifting business environment. According to Sok and O'Cass' (2011) study, resource complementarity and innovation-based performance have a favorable link. Recently, the relationship between two types of innovation (product & process) and firm performance was overly refined by Camisón & Villar-López (2014). The researchers came to the conclusion that innovation capabilities and company performance are positively correlated.

A favorable mediator between process innovation and firm performance is atmosphere for initiation (Shithebe's, 2016). Organizational learning, transformational leadership, company innovation, and performance were examined by Glarcia-Morales in 2011. The findings indicate that organizational learning has a greater impact on corporate innovation than transformational leadership.

ICT

Building proper ICT systems is an essential element of effective knowledge management, according to the majority of the knowledge-related literature. Information and communication technologies are powerful enablers of organizational knowledge processes. According to Adams and Lamont (2003), achieving and sustaining a sustainable competitive advantage requires the use of knowledge management systems, such as technological information systems made up of hardware, software, and procedures that organizations use to improve communication and information processing.

Alvanitis (2013) came to the conclusion that there are normally two main uses for IT after analyzing the application of ICT in organizational KM projects. Secondly, for the development of

knowledge repositories that may contain informal internal knowledge, such as lessons learned, organized internal knowledge (research reports, marketing materials, and procedures), and external knowledge, such as competition intelligence. Another common use is to increase information access by developing corporate knowledge directories (like business phone books) and expert networks.

There are three main effects that information technologies can have on a company's production processes: process automation, better information delivery, and process transformation (Zuboff, 2015). Improved information enables more effective decision-making, automation enables information technology to replace human labor, and transformation impacts happen when a company redesigns its production processes to attain noticeably higher levels of efficiency. Information technology has been asserted to have its greatest impact on the production process through activity coordination, in addition to its role as a production technology. This allows for knowledge transfer and integration both within and across organizational boundaries, as well as organizational change.

Delen (2013) discovered that the performance of knowledge management is enhanced by information technology. Zia (2016) discovered that a knowledge management strategy with an emphasis on quality and productivity in information technology enhances innovation performance. The relationships between KM enablers, knowledge production processes, organizational creativity, and performance were examined by Lee and Choi (2001). Tanriverdi (2011) found that an MNC's KM capability increases with its information technology relatedness, use of common information technology infrastructures, and adoption of common information technology management processes across business units, all of which have a positive effect on the firm's financial performance.

It will improve an competitiveness and financial performance of the organization to the extent that its ICT systems support its knowledge work processes. ICT makes it possible to handle organizational knowledge effectively and efficiently, and this in turn makes it a crucial competitive advantage. Also, there is evidence that ICTs improve a company's financial success.

Human Resource Management

HRM policy and practice are crucial to KM and a potent tool for coordinating employee activities with the company's knowledge strategy. Direct attention should be (re-)focused on the organization's capability for knowledge production in modern human resource management. According to Inkinen (2015), KM has significant ramifications for the management of human resources, especially in the growth of knowledge exchange.

Employee selection procedures, remuneration plans, and career development programs are three components of HRM that Inkinen (2015) identified as being particularly crucial in influencing the movement of people and knowledge. First, because it is the process of adding to an organization's knowledge and competencies, effective hiring practices are essential. Employers should look for candidates who possess the expertise and abilities they need. Second, compensation plans can aid in KM promotion. Employees might be motivated to share and produce knowledge by both tangible and intangible rewards. The third factor is career systems, which deal with systematic

employee education and training as well as ways to keep knowledgeable workers around even after they leave the company.

According to Mohrman (2012), HRM strategies like development and incentive systems should be focused on energizing and strengthening people's capacities to perform well and contribute more significantly to knowledge leveraging, generation, and application. In order for employees to view this behavior as essential to their jobs, the employment relationship will need to be redefined. In their study of 300 Malaysian managers, Yahya and Goh (2002) discovered that paying for knowledge contributions was typical for knowledge organizations, or businesses with efficient knowledge processes.

According to Chuang (2013), specific human resource management (HRM) practices are important KM supporting elements. By enhancing knowledge processes including knowledge acquisition, creation, sharing, and utilization, HRM practices enhance innovation performance. Enhancing an environment of esteem and confidence and an innovative corporate culture, especially when managers take part, motivate, support, and assign responsibilities to competent workers. By using strategic knowledge management, businesses can identify their most valuable strategic knowledge assets and concentrate their efforts on utilizing them to gain a competitive edge. Strategic knowledge protection, application, and upgrading have been noted as improving firm performance (Hurmelinna-Laukkanen, 2011). Techniques that make use of the firm's potentially fruitful tacit knowledge base include the gathering and application of best practices and mentoring programs. Last but not least, work organization techniques can boost company performance, particularly in terms of role and unit creation.

Studies have shown that sharing of knowledge actually goes against people's natural inclinations and must be actively encouraged in order to occur. Knowledge sharing is unlikely to occur unless reward structures reflect it. Remuneration plans designed to encourage information sharing might be monetary or non-monetary, tangible (bonuses or one-time prizes), and intangible (status and recognition). The best outcomes for fostering information sharing—as well as other knowledge processes like knowledge use—are probably achieved by using a variety of incentives.

Theoretical Framework

Knowledge management is anchored in these theories: resource based theory, organizational learning theory and knowledge based theory.

Resource Based Theory

This theory sheds light on why one company succeeds better than another in the same industry. The approach places a strong emphasis on an organization's internal resources while formulating its strategy to gain a long-term competitive advantage in the market. The theory holds that not all organizational resources are crucial for helping it create competitive advantage. An organization's resources must be unique, valuable, non-replaceable, and non-transferable in order for it to maximize its capacity to create average profits (Kraaijenbrink, Spende, 2011).

According to this notion, an organization should be able to conform, consolidate, and transform its resources into a competitive advantage for the enterprise. According to RBV, an organization's financial advantage can be obtained by using its precious resources more efficiently. This theory

has increased the emphasis on the idea that in order for an organization to be more effective, it must use its precious resources, which are expensive to duplicate and equally expensive to replace, in order to outperform the competition. In order for an organization to be effective, according to Helmig (2014), it must be able to thrive with the resources that are given to it as well as maintain and manage its precious resources with the goal of increasing organization effectiveness.

Organizational competence, according to Gong and Chang (2013), should be distinctive because it enables an organization to better differentiate its services or products and gain a competitive advantage while utilizing fewer resources that are distinctive, non-replaceable, valuable, and not imitable. They clarify the variations in organizational performance that are linked to certain organizational resources and capabilities. Superior performance, organizational strategic decisions, competitive advantage, resource characteristics, and advantage acquiring resources are some of Omalaja's (2011) descriptions of the components of RBV. Successful organizations are renowned for combining many competing groups. For an organization's resources to shine, different institutions and organizations have varied strengths and skills. Each also has its own method for creating, preserving, acquiring, and using these resources to achieve greater performance over time. Intangible, physical, and external assets are the three types of organizational resources.

The theory is helpful for this study since it investigates and promotes organizational performance when knowledge exchange is involved. RBV is used to demonstrate how organizational methods are selected or applied in reinforcing distinctive characteristics that affect performance. According to the theory, knowledge sharing, competences, and knowledge assets are intangible resources that can be used to gain a sustainable advantage over competitors; it is at this point that the study must present a convincing argument for the existence of a link between knowledge sharing and organizational performance, and if knowledge sharing actually influences organizational performance. According to this idea, knowledge management and sharing are strategic resources that can affect and determine the overall performance of a company and the resources at their disposal.

Organizational Learning Theory

The majority of organizational learning refers to the practices an organization does to disseminate information, interpret that information, acquire knowledge, and consciously maintain celebration on the positive variance of the organization (Kruger, 2013). Organization learning theory combines processes that are designed to reinforce and protect organizational behavior change, which includes producing knowledge, expertise, and conduct that helps an organization successfully adapt to modern methods of conducting daily business. These processes include creating, acquiring, and gathering information resources with the intention of generating resources.

According to Allameh (2011), an organization's ability to survive in a cutthroat environment only depends on its ability to modify its goals in order to achieve its ultimate mission and vision. The organization should be able to alter its actions in connection to organizational turnarounds in order for information to be successfully shared and training to be undertaken. Cha, Pingry, and Thatcher (2016) provide an explanation of how individual learning occurs in organizations. When information is stored, exchanged, distributed, and accessible to help the business achieve its

objectives, learning occurs. Successful businesses frequently have the ability to assess their constantly shifting environments and make the necessary adjustments.

Companies make an effort to take advantage of the trustworthy information resources at their disposal, such as employees and organizational assets. Obvious knowledge is an organizational resource that has been categorized, recorded, transferred, and represented to others. As opposed to tacit information, which is based on individual experience that has gathered through time, tacit knowledge cannot be duplicated, altered, or understood. As a result, there is a provision for fresh insight and knowledge in which organization behavior is transformed. An organization that is learning is aggressively dependent on shared knowledge, builds, and design data that are vital for sustainability.

Knowledge Based Theory

The theory emphasizes knowledge as a foundation for the development of human potential. This theory's central tenet is that knowledge is a source of competitive advantage for any business, and that firms with knowledge are difficult for rivals in the sector to imitate (Parker, 2012). Theoretically, organizations that have knowledge repositories have an advantage in that they can turn that knowledge into valuable goods and services that improve service delivery. According to Drucker (2013), an organization's capacity to develop and make use of its resources determines the amount to which it may become competitive.

Spender (2014) claims that the premise of knowledge-based theory is that organizations have a responsibility to produce and manage knowledge. Whereas Barney (1991) believes that the theory is tacit in nature and so serves as a source of financial gain for supporting company, Grant (1996) believes that knowledge-based theory is a principle of growing human ability. According to the principle, an organization is a repository of information that is used to provide high-quality services and products that satisfy customers. Employee-generated knowledge may and should be ingrained as organizational processes and operations.

The knowledge base hypothesis also suggests that knowledge could provide a competitive edge. But, the method used to do it is not superficial (Spender, 2014). The connection between information sharing and organizational effectiveness was examined in this study because little is known about it.

Empirical Review

Ngaga (2013) studied the variables affecting knowledge management from the perspective of public sector companies. The condition, nature, and level of knowledge in an organization are determined by organizational characteristics, such as leadership, structure, culture, and the technology accessible in the business. To better understand the advantages that may be gained through the adoption and execution of knowledge management, the study offers managerial implications for knowledge management, particularly in a public sector oriented organization.

Agunda (2012) conducted a study to determine the health professionals' level of expertise in the administration of the pentavalent vaccine following its inclusion in the national program. The study discovered that trained responders had a considerably higher percentage (60%) of knowledge regarding the administration and storage of pentavalent vaccine. The trained health workers'

understanding of the five vaccines and the five diseases differed little from that of the untrained responders due to a lack of standard training materials and effective organization. This demonstrates how knowledge management affects the efficiency of various institutions.

Wahome (2012) conducted a study on the impact of knowledge management on the performance of Kenyan automobile valuation companies. The background information from the investigation allowed it to be determined that the car valuation companies do, in fact, have an information database that is regularly utilized as a method of managing knowledge. The many factors, including information acquisition, conversion, application, protection, and organizational performance, demonstrated that there are connections between them. He proved that knowledge protection, application, conversion, and acquisition all improve a company's performance.

Thandi's (2012) studied the impact of knowledge management enablers on the milling industry's competitive advantage, Unga Limited understands the need to become directly involved in the management of new technology in the face of rapid change, but it is unsure of how Information technology encompasses both the information that businesses create and use as well as a wide range of increasingly convergent and linked technologies that process the information. He comes to the conclusion that successful knowledge management requires a strong organizational culture. Additionally, he advised that top management must maintain its visible leadership commitment throughout the knowledge management process in order for it to successfully execute knowledge management.

Mangwa's (2021) focuses on how knowledge sharing impacts and determines performance at KRA, specifically how written knowledge, video conferencing, database sharing, and information sharing meetings impact organization performance there. According to the study, sharing knowledge improves performance. It was therefore advised that Kenya Revenue Authority require modern ICT hardware and software that can be used to link various departments and satellite offices for efficient coordination and operationalization of organizational activities as well as knowledge sharing among employees.

METHODOLOGY

This study adopted a desk methodology. A desk study research design is commonly known as secondary data collection. This is basically collecting data from existing resources preferably because of its low cost advantage as compared to a field research. Our current study looked into already published studies and reports as the data was easily accessed through online journals and libraries.

RESULT

Ngaga (2013); Agunda (2012); Wahome (2012) and Thandi's (2012) posit a conceptual gap as none of these studies addresses the Influence of Knowledge Management Practice on Performance of Manufacturing Firms.

CONCLUSION AND RECOMMENDATIONS

Conclusions

According to the study's findings, knowledge management directly improves the performance of manufacturing organizations. Manufacturing businesses with strong KM programs will have a

built-up reservoir of useful knowledge and information from both internal and external sources that is accessible and adds to operational performance and competitive advantage.

Knowledge management has a very good effect on both product and process innovation. It is strongly advised that manufacturing businesses start KM programs as a core pillar and significant innovation enabler if they are adopting a competitive strategy focused on innovation.

Knowledge management has a favorable direct impact on the operational effectiveness of manufacturing companies. Manufacturing businesses with strong KM programs will have a built-up reservoir of useful knowledge and information from both internal and external sources that is accessible and adds to operational performance and competitive advantage.

Recommendations

Manufacturing companies should completely embrace ICT use to ensure that information is communicated across the staff as quickly as feasible. Manufacturing companies should concentrate on both product and process innovation to remain competitive by satisfying their consumers' changing needs. Manufacturing companies should set up learning platforms for their staff, and anyone who invents a new product or method should be rewarded as a means of encouraging them. They should also hire qualified personnel. Manufacturers must develop operational plans that support the implementation of their own corporate competitive goals.

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