

## Effect of Knowledge Acquisition on Organizational Performance

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### ABSTRACT

*In today's ever-evolving and fiercely competitive business environment, the acquisition, assimilation, and effective utilization of knowledge have emerged as quintessential drivers of organizational success. Knowledge acquisition, which encompasses not just the accumulation of data but also the cultivation of tacit and explicit knowledge, plays a pivotal role in fuelling innovation, facilitating informed decision-making, and fostering adaptability. This study examines the impact of knowledge acquisition on organizational performance, with a null hypothesis guiding the inquiry. The research design adopted was survey research, A purposive technique was utilized. A sample size of 412 respondents from selected manufacturing companies in Oyo State, Nigeria, formed the study's subject group. Data collection was executed through a questionnaire, with a rigorous validation process. The findings of this study indicate a significant positive effect of knowledge acquisition on organizational performance. Enhanced knowledge acquisition is shown to empower organizations to achieve sustainability by developing new competencies that cascade across different organizational levels. This underscores the vital role of knowledge acquisition in positively influencing organizational performance. It was recommended that organizations invest in structured knowledge acquisition processes, mentorship programs, and knowledge management systems. Fostering a culture of continuous learning and knowledge sharing should also be a top priority, as these measures are poised to yield substantial enhancements in overall organizational performance and long-term sustainability.*

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**Keywords:** Knowledge acquisition, Organizational performance, Manufacturing companies

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### INTRODUCTION

The fast-paced and ever-changing dynamics of the contemporary business environment necessitate a keen recognition of the pivotal role that knowledge acquisition plays in shaping the success of organizations. As organizations navigate an intricate and highly competitive environment, the capacity to collect, absorb, and harness knowledge has emerged as a critical factor influencing their overall performance and long-term viability. The intricate interplay between knowledge acquisition and organizational performance has garnered substantial

attention from scholars and practitioners alike, driving extensive research to unravel the nuances of this phenomenon.

Knowledge is a versatile asset acquired through experience or education, encompassing both explicit and tacit forms of information (Lejeune, 2011). Explicit knowledge includes shareable data and facts, while tacit knowledge comprises experiential insights and individual expertise. Whether pooled collectively or held by individuals, knowledge empowers business entities with heightened awareness and understandings, enhancing their capacity to perceive, discover, and learn. Knowledge acquisition encompasses the dynamic and purposeful process through which organizations actively seek to procure, assimilate, and expand their reservoir of knowledge (Tseng and Lee, 2014). This can be achieved through various means, such as research and development, learning from experience, external collaborations, or internal knowledge sharing. Knowledge acquisition transcends mere information accumulation; it involves the strategic and systematic application of acquired knowledge to bolster decision-making, adapt to changing environments, foster innovation, and ultimately enhance organizational performance. It represents a continuous and vital endeavour that equips organizations to remain competitive, innovative, and resilient in today's intricate business environment (Rahi, 2019).

Organizational performance serves as a comprehensive yardstick of an entity's ability, whether it is a business, a non-profit organization, or a governmental agency, to effectively realize its overarching objectives. It encompasses diverse dimensions, including but not confined to financial prosperity, operational efficiency, strategic flexibility, employee contentment, customer and stakeholder relationships, and the capacity to adapt and excel within a competitive or operational context (Wood and Ogbonnaya, 2018). Organizational performance mirrors the organization's proficiency in utilizing its tangible and intangible resources to meet or surpass predetermined benchmarks, sustain long-term growth, and generate value for its stakeholders (Kathambi, 2019). This assessment can be made through a diverse array of key performance indicators, such as profitability, market share, innovation, customer loyalty, employee retention, and social responsibility initiatives. These indicators collectively reflect the entity's overall well-being, sustainability, and its capability to flourish in a dynamic and demanding business environment.

As organizations navigate the dynamic and increasingly competitive business environment, their ability to consistently acquire, absorb, and effectively leverage knowledge from a multitude of sources assumes a pivotal role in shaping their success. Knowledge acquisition, which encompasses not only the acquisition of data and information but also the cultivation of tacit and explicit knowledge, serves as the lifeblood of innovation, informed decision-making, and adaptability (Mabey and Zhao, 2017). It empowers organizations to remain agile and responsive in the face of evolving market environments and technological advancements. By embracing the ever-expanding reservoir of knowledge, organizations can drive creativity, enhance their processes, and bolster their overall competitive edge, ultimately leading to improved organizational performance. This symbiotic relationship is underpinned by knowledge's transformative and evolutionary potential, allowing organizations to thrive in an increasingly knowledge-driven world. Consequently, this study aims to examine the effect of knowledge acquisition on organizational performance. To address these objectives, a null hypothesis has been formulated:

H01: There is no significant relationship between knowledge acquisition and organizational performance.

This study will employ a quantitative research methodology, integrating perspectives from survey questionnaires, academic literature, and empirical data collected from a carefully selected group of manufacturing firms across three distinct industries, namely the food processing industry, plastic industry, and breweries, all of which are situated in Oyo State, Nigeria. By illuminating the strategies and practices that form the foundation of the intricate relationship between knowledge acquisition and organizational performance, this research endeavour will furnish invaluable insights to business proprietors, management professionals, and decision-makers in these industries, facilitating informed decision-making, promoting sustainable growth, and enhancing competitive advantage.

## LITERATURE REVIEW

### Concept of Knowledge Acquisition

Every organization seeks to fill knowledge gap or gain expertise to boost its productivity and create values to their customers. The understanding and ability to manage the mechanisms by which an organization gains new and long-lasting knowledge has thus become increasingly important for organizations to harness the power of knowledge to enhance their performance, and this endeavour is multifarious, encompassing various dimensions that span the spectrum of human understanding and intellectual exploration. This process, by which an organization attains knowledge, whether from external sources or within, is known as knowledge acquisition (Nag and Gioia, 2012). There are three critical dimensions to knowledge acquisition - tacit and explicit knowledge, knowledge creation and transfer, and the concept of a learning organization.

Knowledge, in its broadest sense, is categorized into two primary forms: tacit and explicit knowledge. Tacit knowledge is often described as the unwritten, unspoken, and deeply ingrained knowledge that resides in an individual's mind, making it challenging to articulate and codify. On the other hand, explicit knowledge is tangible and readily transmittable through documentation and structured information (Lejeune, 2011). The significance of these two knowledge types in knowledge acquisition lies in their interplay. Organizations not only need to capture and codify explicit knowledge but also effectively tap into the tacit knowledge held by their employees. Tacit knowledge often derived from experience, intuition, and personal insights, can be the wellspring of innovation and superior problem-solving (Mohajan, 2016). To excel in knowledge acquisition, organizations must develop strategies for identifying, sharing, and leveraging tacit knowledge. This includes creating platforms for informal knowledge sharing, fostering a culture of open communication, and encouraging collaborative learning. The effective blending of both tacit and explicit knowledge results in a more comprehensive understanding of organizational processes, improved decision-making, and heightened competitive advantage (Hau et. al. 2013).

Knowledge creation and transfer from another vital dimension of knowledge acquisition. Organizations are not static entities; they are adaptive systems that continuously generate new knowledge and adapt to changing circumstances. Nonaka et. al. (1996) introduced the concept of "knowledge creation," emphasizing the dynamic nature of knowledge within organizations. Knowledge creation involves the transformation of individual and collective knowledge into valuable innovations. It's a process of converting tacit knowledge into explicit knowledge and vice versa. This dynamic interplay is essential for an organization's long-term success.

Knowledge created within the organization should also be efficiently transferred to ensure that it benefits the entire organization and is not confined to isolated pockets. The effective transfer of knowledge often involves mechanisms like mentoring, training programs, documentation, and the use of information systems (Agarwal and Isalam, 2015). Facilitating this process encourages the dissemination of best practices and lessons learned, leading to improvements in organizational performance and innovation.

A fundamental concept that underpins successful knowledge acquisition is that of a learning organization. A learning organization is one that actively promotes continuous learning, adaptation, and the development of new knowledge as part of its organizational culture. This concept, popularized by Peter Senge (1990), emphasizes that learning is not limited to individuals but is a collective endeavour. Learning organizations foster an environment where employees are encouraged to acquire, share, and apply knowledge to achieve common goals (Harrim, 2010). They value experimentation, innovation, and feedback. Learning organizations are characterized by open communication channels, a willingness to embrace change, and a commitment to knowledge acquisition as an ongoing, integral process. In such organizations, knowledge acquisition becomes a strategic imperative, leading to improved organizational performance, greater adaptability to changes in the business environment, and enhanced competitiveness in the market (Rahi, 2019).

### **Concept of Organizational Performance**

Organizational performance is a crucial measure of success for any business, encompassing financial performance, operational performance, customer satisfaction employee retention, and innovation (Oiku and Adeyeye, 2023). It serves as a litmus test, evaluating the degree to which an organization has successfully achieved its goals and objectives (Wood and Ogbonnaya, 2018). Organizational performance is a combination of financial performance, operational performance, innovation and creativity in the organization.

Financial performance is perhaps the most tangible and quantifiable dimension of organizational performance. It directly addresses the fiscal health and sustainability of an organization (Lin and Wang, 2016). Examining financial performance involves evaluating an organization's revenue, profitability, and its ability to generate sustainable cash flows. Key components of financial performance include revenue growth, profit margins, return on investment, and liquidity ratios. In essence, a healthy financial performance is indicative of an organization's ability to not only cover its operational expenses but also to invest in growth, innovation, and the development of new products or services (Mishra et. al., 2012). Strong financial performance often attracts investors, facilitates access to capital, and is crucial for an organization's long-term survival in a competitive marketplace. It also allows organizations to reward their stakeholders and reinvest in their future (Zhongping et. al., 2023). Understanding the financial dimension of performance requires an analysis of financial statements, budgeting, and financial forecasting.

Operational performance delves into the nitty-gritty of how efficiently an organization carries out its day-to-day functions (Anh et. al. 2020). This dimension focuses on the management of resources, processes, and systems to optimize productivity and minimize waste. Operational performance involves streamlining workflows, reducing lead times, and enhancing the quality of products and services. Key metrics in operational performance include cycle time, production efficiency, inventory turnover, and defect rates. Efficient operations not only lower

costs but also enable an organization to deliver better value to its customers (Ausat et. al., 2023).

In a rapidly evolving business environment, organizations must not only excel in traditional financial and operational metrics but also prioritize innovation and creativity. This dimension of performance centres on an organization's ability to generate novel ideas, products, and solutions (Rampa and Agogué, 2021). Innovation is the catalyst for staying competitive, adapting to change, and seizing new opportunities. Innovation and creativity metrics include the number of new product launches, the rate of patent filings, R&D investment, and the degree of employee engagement in innovative activities. Successful organizations foster a culture of innovation, encouraging employees to think outside the box, take calculated risks, and experiment with new approaches. Innovation can manifest in various forms, from product innovation to process innovation and business model innovation (Hanifah et. al, 2019).

### **Relationship between Knowledge Acquisition and Organizational Performance**

In the context of business organizations, the impact of knowledge acquisition on organizational performance is profound and multifaceted. Knowledge acquisition, the process of gathering and assimilating new information, insights, and expertise, serves as a pivotal driver of improved performance (Lejeune, 2011). It enhances organizational performance by fostering informed decision-making, allowing for more data-driven and strategically sound choices (Rehman and Iqbal, 2020). Furthermore, it fuels innovation and creativity by introducing novel perspectives and best practices, ultimately leading to the development of new products, services, and processes. Knowledge acquisition also equips organizations with the ability to adapt swiftly to changing environments, enabling them to anticipate trends and respond effectively to emerging opportunities or threats. It confers a competitive advantage, as knowledge-rich organizations tend to outperform competitors by offering superior products and services, better customer experiences, and maintaining strong market positions (Rahi, 2019). Efficiency and productivity are also positively impacted as acquired knowledge often leads to the discovery of more efficient processes and methodologies (Gou et. al., 2021). Moreover, it aids in talent attraction and employee retention by creating an environment that fosters growth and development, ultimately contributing to higher employee morale and commitment. Furthermore, knowledge acquisition aids in risk mitigation by identifying potential risks and vulnerabilities in advance and taking proactive measures to mitigate them. It enhances customer satisfaction by tailoring products and services to customer needs and preferences, resulting in increased loyalty and repeat business (Gatuyu and Kinyua, 2020). In a nutshell, knowledge acquisition is a proactive and strategic endeavour that directly influences an organization's capacity to thrive and excel in a rapidly changing business environment, making it a cornerstone of high organizational performance. Those organizations that effectively harness the power of knowledge acquisition are better positioned to make sound decisions, innovate, compete, and achieve their goals, ensuring sustained success.

## **THEORETICAL REVIEW**

### **Resource-Based Theory (RBT)**

Resource-Based Theory (RBT) or Resource based View (RBV) was originally introduced by Penrose in 2009. Jay Barney's (2007) work was critical to the emergence of RBT and became

the dominant paradigm in strategic management and strategic planning. RBT focuses on how organizations manage their resources to create sustained competitive advantages. It emphasizes the uniqueness and immobility of resources as key factors in achieving these advantages. RBT's two central assumptions highlight the heterogeneity of resources among firms, differentiating their competitive advantages, and the idea that trading resources across firms is complex, reinforcing resource differences. This means that organizations must continually adjust their knowledge acquisition strategies to leverage their unique knowledge assets effectively. RBT posits that valuable, difficult-to-imitate resources, such as specialized knowledge, can provide a competitive edge if controlled by a few firms. This theory supports the idea that organizations can continually reconfigure their resources, including knowledge, to meet market demands and enhance their competitive position.

### **Knowledge Creation Theory**

Nonaka (1994) defines knowledge creation as the process that stems from accumulating information, while knowledge transfer refers to “the transfer of knowledge to places and people, where it is needed to be used to fulfil some activity or task”. Nonaka's Knowledge Creation Theory is highly relevant to understanding the impact of knowledge acquisition on organizational performance. This theory delineates the process of transforming individual knowledge into collective, organizational knowledge, emphasizing the interplay between tacit and explicit knowledge. Tacit knowledge, rooted in personal experiences and intuition, is difficult to formalize and communicate, while explicit knowledge is easily shareable through formal language. Nonaka's theory highlights the conversion of tacit knowledge into explicit knowledge as a crucial step, fostering the transformation of personal knowledge into organizational knowledge. The interaction between these two types of knowledge, facilitated by four modes of conversion, offers insights into how organizations can enhance their performance. These processes help organizations adapt, innovate, and make informed decisions, all of which contribute to improved performance in the competitive business environment. In sum, Nonaka's Knowledge Creation Theory underscores the significance of knowledge acquisition and its conversion for organizational performance, offering a framework for optimizing the utilization of knowledge within the organization.

### **Empirical Review**

In the study by Asiedu Abah & Dei (2022), which explored knowledge management strategies in institutions of higher learning and the corporate world, the research found a lack of extensive literature on knowledge management strategies in higher learning institutions. However, it identified codification and personalization as primary strategies for knowledge management. The study also suggested strategies such as communities of practice, knowledge partnering, and knowledge harvesting. This underscores the importance of higher learning institutions embracing and conducting empirical studies on knowledge management strategies to apply what they teach. The findings can be relevant for enhancing knowledge acquisition and ultimately improving organizational performance in educational settings.

Khalil, Pitafi & Yasin's (2022) investigation into the role of knowledge management in worker's productivity and organizational performance in South Punjab, Pakistan, demonstrated a positive and significant impact of knowledge management enablers on KM practices and processes. Subsequently, these KM practices and processes had a positive effect on worker

productivity and organizational performance. This study also revealed that knowledge workers' productivity significantly enhances organizational performance. These findings emphasize the crucial link between knowledge management and organizational performance, offering insights into how effective knowledge acquisition and management can lead to improved productivity and overall organizational success.

In their 2022 study, Asa, Campbell, and Nautwima conducted a critical review that delved into the role of knowledge management (KM) in fostering innovation within organizations. Their findings underscored the vital importance of effective KM, particularly through information systems, in harnessing individual employees' knowledge and skills to gain a competitive edge. This study emphasized the critical need for organizations to engage in effective external venturing, especially in dynamic environments where the integration of KM and business intelligence for innovation can be challenging. The research highlights the significance of making informed choices when acquiring external data and fostering strong relationships with external partners, which can significantly influence an organization's performance. It underscores the intricate link between knowledge acquisition, through KM, and the organizational capacity for innovation and adaptability.

Khan, Muhammad, and Kazimi's 2022 quantitative study, focused on the government sector of AJ&K, shed light on the profound impact of knowledge management on organizational effectiveness. Their research revealed a statistically significant positive relationship between knowledge management and organizational effectiveness, with specific dimensions such as knowledge conversion and knowledge sharing playing pivotal roles. This empirical evidence underscores the relevance of adopting effective knowledge management strategies in government organizations, as they have the potential to foster innovation, creativity, and heightened productivity. The implications of this study are especially pertinent for policymakers and decision-makers in the public sector, as it provides clear guidance on how the adoption of knowledge management practices can lead to improved organizational effectiveness and, ultimately, better overall performance within governmental entities.

## **METHODOLOGY**

The research design employed in this study was a survey research, which aimed to measure two distinct variables: Knowledge Acquisition (considered the independent variable) and Organizational Performance (treated as the dependent variable). The researcher opted for a purposive sample size comprising 412 individuals, encompassing all employees within the selected manufacturing companies, representing the study's target population. This decision was made subsequent to the calculation of the sample size using the Yamane formula, with due consideration given to potential non-response. The sampling method employed a straightforward random approach to ensure fairness and impartiality in participant selection. The chosen participants were drawn from the workforce of the selected manufacturing companies located in Oyo State, Nigeria.

Data collection was facilitated through a survey questionnaire, chosen for its convenience and cost-effectiveness. The questionnaire featured Likert scale questions, encompassing demographic information about respondents, knowledge acquisition (independent variable), which was adapted from previous studies [Ahmed et al. (2014); Kaira & Phiri (2022)], utilizing a Likert scoring format ranging from 'strongly agree' (5) to 'strongly disagree' (1). Similarly, the scale for organizational performance (dependent variable) was adapted from prior research

[Akanbi (2014); Kaira & Phiri (2022)] and modified to employ a Likert scoring format ranging from 'very high' (6) to 'very low' (1). Both scales demonstrated a commendable reliability, as indicated by a Cronbach alpha value of 0.83. Participants were assured of the confidentiality and anonymity of their responses. To ensure the clarity and efficiency of the research instruments, a pre-test was conducted with a small sample of 20 respondents. The researcher constructed the research instruments and analyzed the pre-test results using the computer program SPSS. Cronbach's Alpha was utilized to assess construct reliability, and correlation values were computed. The research instruments were subsequently revalidated, and the Cronbach alpha reliability coefficients yielded the following results: knowledge acquisition (0.702) and organizational performance (0.778). The study exclusively relied on primary data collection through the questionnaire, chosen for its advantages in terms of autonomy, anonymity, cost-effectiveness, and efficiency.

## DATA ANALYSIS AND PRESENTATION

### Demographic Data

Table 1. Demographic Characteristics of the Respondents

| Variable                      | Sample Composition | Frequency  | Percentage   |
|-------------------------------|--------------------|------------|--------------|
| <b>Gender</b>                 | Male               | 198        | 51.6         |
|                               | Female             | 186        | 48.4         |
|                               | <b>Total</b>       | <b>384</b> | <b>100.0</b> |
| <b>Age</b>                    | 18-25              | 29         | 7.6          |
|                               | 26 – 35            | 139        | 36.2         |
|                               | 36 – 45            | 101        | 26.3         |
|                               | 46-55              | 70         | 18.2         |
|                               | 56 and above       | 45         | 11.7         |
|                               | <b>Total</b>       | <b>384</b> | <b>100.0</b> |
| <b>Marital status</b>         | Single             | 140        | 34.5         |
|                               | Married            | 244        | 65.5         |
|                               | <b>Total</b>       | <b>384</b> | <b>100.0</b> |
| <b>Educational background</b> | Post Graduate      | 26         | 6.8          |
|                               | BSC/HND            | 201        | 52.3         |
|                               | NCE/OND            | 51         | 13.3         |
|                               | Others             | 106        | 27.6         |
|                               | <b>Total</b>       | <b>384</b> | <b>100</b>   |
| <b>Cadre</b>                  | Management staff   | 64         | 16.7         |



|                   |                       |            |            |
|-------------------|-----------------------|------------|------------|
|                   | Senior staff          | 150        | 39.0       |
|                   | Junior staff          | 170        | 44.3       |
|                   | <b>Total</b>          | <b>384</b> | <b>100</b> |
| <b>Department</b> | Sales unit            | 64         | 16.7       |
|                   | Marketing unit        | 74         | 19.3       |
|                   | Personnel unit        | 51         | 13.3       |
|                   | Store/purchasing unit | 61         | 15.8       |
|                   | Accounting unit       | 54         | 14.1       |
|                   | Production unit       | 80         | 20.8       |
|                   | <b>Total</b>          | <b>384</b> | <b>100</b> |

Source: Field Survey (2023)

The respondents in this study were employees of manufacturing firms in Ibadan, Oyo State. Table 1 provides the description of the demographic distribution of the respondents who partake in the survey. Out of the total of 384 respondents, 198 of them (51.6%) are male, while 186 individuals (48.4%) were identified as female. This indicates that there is higher number of male respondents compared to female respondents. Furthermore, the table displays the distribution of respondents according to their age ranges. The results indicate that 29 respondents (7.6%) were below the age of 25 years, 139 respondents (36.2%) fell within the age range of 26-35 years, 101 respondents (26.3%) were between 36-45 years old, 70 respondents (18.2%) were in the age range of 46-55 years, and 45 respondents (11.7%) were 56 years old or above. These findings demonstrate that the age bracket with the highest number of respondents is between 26-35 years, while the age bracket with the lowest number of respondents is 18-25 years. Regarding respondents' marital status, the table reveal that 140 (34.5%) of them are single while 244 (65.5%) respondents were married.

Regarding the educational qualifications of the respondents, 51 individuals (13.3%) held an OND certificate, 210 individuals (52.3%) held a B.Sc./HND certificate, 26 individuals (6.8%) had postgraduate certificates while 106 individuals (27.6%) possessed other certificates outside of those listed. The table also provides insights into the respondents' Cadre. It reveals that 64 respondents (16.7%) are management staffs, 150 respondents (39.0%) are senior staffs while 170 respondents (44.3%) are junior staffs. In terms of department, 64 respondents (16.7%) are in sales unit, 74 respondents (19.3%) are in marketing unit, 51 (13.3%) are in personnel unit, 61 (15.8%) are in store/Purchasing Unit, 54 (14.1%) Are In accounting Unit While 80 (20.8%) Are In production unit. These detailed demographic findings provide valuable insights into the composition of the respondent pool, encompassing factors such as gender, age distribution, educational qualifications, and job status among the employees of manufacturing firms.

### Respondents' Perception on Knowledge Acquisition

Table 2. Survey questionnaire result showing respondents' perception on knowledge acquisition

| <b>Knowledge Acquisition</b>   | <b>Strongly agree<br/>(5)</b> | <b>Agree<br/>(4)</b> | <b>Neutral<br/>(3)</b> | <b>Disagree<br/>(2)</b> | <b>Strongly disagree<br/>(1)</b> | <b>Mean</b> | <b>SD</b>   |
|--|-------------------------------|----------------------|------------------------|-------------------------|----------------------------------|-------------|-------------|
| <b>In our company, knowledge can be acquired easily through formal documents and manuals</b>                 | 213(55.5)                     | 148(38.5)            | 6(1.6)                 | 11(2.9)                 | 6(1.6)                           | 4.43        | .799        |
| <b>In our company, knowledge can be easily acquired from experts and co-workers</b>                          | 122(32.8)                     | 140(36.5)            | 44(11.5)               | 43(11.2)                | 35(9.1)                          | 3.71        | 1.272       |
| <b>In our company, knowledge is acquired by one-to-one mentoring</b>   | 247(64.3)                     | 118(30.7)            | 2(0.5)                 | 9(2.3)                  | 8(2.1)                           | 4.53        | .807        |
| <b>In our company, knowledge like know-how, technical skill, or problem-solving methods is well codified</b> | 182(47.4)                     | 182(47.4)            | 3(0.8)                 | 7(1.8)                  | 10(2.6)                          | 3.84        | 1.274       |
| <b>Grand Mean and SD</b>   |                               |                      |                        |                         |                                  | <b>4.12</b> | <b>.808</b> |

Source: Author's Computation (2023)

Decision Rule: strongly disagree = < 2.00; disagree = 2.00 – 2.49; neutral = 2.50 – 3.49; agree = 3.50 – 4.49; strongly agree = > 4.50.

Results in Table 2 showed that 1.6% of the respondents strongly disagreed with the assertion that “In our company, knowledge can be acquired easily through formal documents and manuals” 2.9% disagreed, 1.6% could not decide, 38.5% agreed. In comparison, 55.5% of them strongly agreed. Therefore, the majority (89%) agreed with the statement. Concerning whether

the company, knowledge can be easily acquired from experts and co-workers, the result showed that 32.8% of the respondents strongly agreed, 36.5 % agreed, 11.5% could not decide, 11.2% disagreed, while 9.1% strongly disagreed. Therefore, the majority (70%) agreed with the statement. Regarding whether the company, knowledge is acquired by one-to-one mentoring, the result showed that 64.3% of the respondents strongly agreed, 30,7% agreed, 0.5% could not decide, 2.3% disagreed, while 2.1% strongly disagreed. Therefore, the majority (95%) agreed with the statement. Lastly, concerning whether the company, knowledge like know-how, technical skill, or problem-solving methods is well codified, the results showed that about 47.4% of the respondents strongly agreed with the statement, 47.4% agreed, 0.8% could not decide, 1.8% disagreed, while approximately 2.6% strongly disagreed. Therefore, the majority (94.8%) agreed with the idea.

Overall, the grand mean score for all knowledge acquisition items was 4.12, with a standard deviation of .808. According to the provided decision rule, scores above 3.50 indicate agreement. Based on this rule, the findings suggest that respondents have a generally positive perception of knowledge acquisition.

### Respondents' Perception on Organizational Performance

Table 3. Survey questionnaire result showing respondents' perception on organizational performance

| Organizational Performance  | Very low (1) | Somewhat low (2) | Low (3) | High (4) | Somewhat high (5) | Very high (6) | Mean        | SD          |
|---|--------------|------------------|---------|----------|-------------------|---------------|-------------|-------------|
| What is the growth rate of sales or revenue in your organization? | -            | 9(2.3)           | 3(0.8)  | 4(1.0)   | 173(45.1)         | 195(50.8)     | 4.41        | .770        |
| How is the financial strength in your organization?               | -            | 5(1.3)           | 8(2.1)  | 13(3.4)  | 150(39.1)         | 208(54.2)     | 4.43        | .771        |
| What is the public image of your organizations image?             | -            | 4(1.0)           | 8(2.1)  | 24(6.3)  | 130(33.9)         | 218(56.9)     | 4.43        | .789        |
| How would you rate your organizations goodwill?                   | -            | 4(1.0)           | 8(2.1)  | 4(1.0)   | 158(41.1)         | 210(54.7)     | 4.46        | .722        |
| <b>Grand Mean and SD</b>  |              |                  |         |          |                   |               | <b>4.43</b> | <b>.609</b> |

Source: Author's Computation (2023)

Decision Rule: Very low = < 2.00; Somewhat low = 2.00 – 2.49; Low = 2.50 – 3.49; High = 3.50 – 4.49; Somewhat high = > 4.50; Very high > 5.50

Results in Table 3 showed that 0% of the respondents respond very low with the question "What is the growth rate of sales or revenue in your organization?" 2.3% somewhat low, 0.8%

low, 1.0% high, 45.1% somewhat high while 50.8 % of them very high. Therefore, the majority (96%) asserts that growth rate of sales or revenue in the company is high. Concerning the question “How is the financial strength in your organization?” the result showed that 0% of the respondents responds very low, 1.3% responds low, 2.1% responds somewhat low, 3.4% responds high, 39.1% responds somewhat high while 54.2% responds very high. Therefore, the majority (94%) assert that the financial strength in the organization is high. Regarding the question “What is the public image of your organizations image? the result showed that 0% of the respondents responds very low, 1.0% responds low, 2.1% responds somewhat low, 6.3% responds high, 33.9% responds somewhat high while 56.9% responds very high. Therefore, the majority (92) assert that the public image of the organizations image is high. Lastly, concerning the question “How would you rate your organizations goodwill”, the results showed that 0% of the respondents responds very low, 1.0% responds low, 2.1% responds somewhat low, 1.0% responds high, 41.1% responds somewhat high while 54.7% responds very high. Therefore, the majority (97%) asserts that the organizations goodwill is high.

Overall, the grand mean score for all Organizational Performance items was 4.43 with a standard deviation of .585. According to the provided decision rule, scores above 3.50 indicate high performance. Based on this rule, the findings suggest that respondents have a generally perception of high level of organizational performance.

### Test of Research Hypothesis

H0: There is no significant relationship between knowledge acquisition and organizational performance.

Table 4. Result of correlation analysis of knowledge acquisition and organizational performance

| Independent Variable  | Mean | Std. Dev. | Pearson R | Dependent variables        | Mean | Std. Dev. | N   | Pearson R | P    |
|-----------------------|------|-----------|-----------|----------------------------|------|-----------|-----|-----------|------|
| Knowledge acquisition | 4.12 | .808      | .498**    | Revenue                    | 4.41 | .770      | 384 | .361**    | .000 |
|                       |      |           |           | Financial strength         | 4.43 | .771      |     | .474**    | .000 |
|                       |      |           |           | Public image               | 4.43 | .789      |     | .397**    | .000 |
|                       |      |           |           | Goodwill                   | 4.46 | .722      |     | .357**    | .000 |
|                       |      |           |           | Organizational Performance | 4.43 | .609      |     |           |      |

Source: Author’s Computation (2023)

Table 4 above show the relationship between relationship between knowledge acquisition and organizational performance. The analysis shows that there is a positive correlation between the independent variable (Knowledge Acquisition)  $r = .498^{**}$ ,  $p = .000$  and the dependent variable (Organizational Performance) and are significant at .01 level of significance. This shows that Knowledge Acquisition as a whole exhibits a moderately strong relationship with Organizational Performance. With this value, it means that 1% change in Knowledge Acquisition will result in 49.8% change in Organizational Performance. In the same line of

analysis, Knowledge Acquisition is also positively related to the four sub-variables of Organizational Performance namely, revenue ( $r = .361^{**}$ ,  $p = .000$ ), financial strength ( $r = .474^{**}$ ,  $p = .000$ ), public image ( $r = .397^{**}$ ,  $p = .000$ ) and goodwill ( $r = .357^{**}$ ,  $p = .000$ ). With these respective values, it means that 1% change in Knowledge acquisition, will result in 36.1%, 47.4% 39.7% and 35.7% change in revenue, financial strength, public image and goodwill respectively. As a result of this, the null hypothesis ( $H_0$ ) is rejected and we can conclusively say that there is a significant relationship between Knowledge Acquisition and Organizational Performance.

### **Discussions of Findings**

The first research objective was to ascertain the effect of knowledge acquisition on organizational performance. To address this the, Pearson moment correlation was used and the result provides evidence of a significant positive effect of knowledge acquisition on organizational performance. The findings revealed a significant and positive relationship between knowledge acquisitions on organizational performance. It was found that knowledge can be acquired easily through formal documents and manuals. Knowledge can also be acquired from experts and co-workers. Also, in manufacturing companies, one-to-one mentoring is the usual form of knowledge acquisition. Knowledge acquisition enables the organization to improve its performance as organizations can achieve sustainability by acquiring new competencies and transferring them across various organizational levels. This result indicates that when employees in organizations acquire more knowledge it influences organizational performance positively. The significance of this finding suggests that manufacturing firms should provide avenue for their employee to acquire more knowledge. The research findings align with the findings of similar studies; Asa, Campbell, and Nautwima, (2022); Asiedu et. al. (2022).

### **Conclusion and Recommendations**

The outcomes of this study strongly align with the principal research objective of evaluating the impact of knowledge acquisition on organizational performance. The study highlights the various channels through which knowledge can be acquired, encompassing formal documentation, manuals, expert consultations, and peer interactions, with one-on-one mentoring being a prevalent practice in manufacturing enterprises. This investigation underscores the pivotal role of knowledge acquisition in enhancing organizational performance, emphasizing that the acquisition of new competencies and their effective dissemination across organizational levels bolsters sustainability.

It is strongly recommended that organizations invest in well-structured knowledge acquisition processes, mentorship initiatives, and knowledge management systems. Moreover, prioritizing the cultivation of a culture of continuous learning and knowledge sharing is crucial, as these strategies are poised to yield substantial enhancements in overall organizational performance and long-term viability. Nevertheless, it is imperative to acknowledge certain limitations within the study, including its regional and industry-specific focus, which may limit generalizability. Additionally, challenges related to data accessibility within the manufacturing sector in Oyo State, Nigeria, may have impacted data comprehensiveness. The reliance on self-reported data and survey responses may introduce response bias and limit the depth of insights. Furthermore, the study prompts further research to explore the adaptability and impact of knowledge acquisition strategies in diverse industry contexts and organizations of varying sizes, while

examining moderating factors such as leadership and organizational culture. Investigating the long-term effects and sustainability of knowledge acquisition practices, alongside cross-sector comparisons, will enrich the understanding of this subject matter.

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