KNOWLEDGE MANAGEMENT AND ORGANIZATIONAL PERFORMANCE: CASE OF MURAN'GA COUNTY GOVERNMENT, KENYA

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ABSTRACT

County governments play a pivotal role in formulating and implementing practices that enhance stakeholder and citizen satisfaction. With the increasing emphasis on knowledge management as a driver of efficiency, transparency, and service delivery, this study assessed how knowledge management influences the performance of Murang'a County Government, Kenya. Specifically, it examined knowledge management practices. The study adopted a descriptive research design, analyzing responses from employees across different levels of the county government. Murang'a County was selected as the study site, with a target population of 300 employees comprising senior managers, middle-level managers, and general staff. Using Nassiuma's (2015) formula and stratified random sampling, a sample size of 144 respondents was determined. This sample included 15 senior managers, 35 middle-level managers, and 94 employees. Data were collected using questionnaires and interviews and was analyzed using descriptive statistics and content analysis. The regression analysis was carried out to investigate the joint effect of knowledge management practices on county performance. The findings revealed that while Murang'a County Government has made significant strides in publicizing information, sharing data, and integrating information and communication technology systems, gaps remain in the consistent application and institutionalization of knowledge management processes. Regression analysis indicated that knowledge management practices had a positive and significant effect on performance, whereas managerial capacity and knowledge application showed negative but significant effects, highlighting possible implementation bottlenecks. Correlation analysis revealed weak associations, suggesting the need for stronger alignment of knowledge management with organizational priorities. The study concludes that effective knowledge management has the potential to enhance county performance, but fragmented strategies limit its impact. It recommends that county leadership embed knowledge management into strategic planning, policymakers institutionalize supportive frameworks, employees foster a stronger knowledge-sharing culture, and researchers further investigate sectoral knowledge management applications. Collectively, the study underscores that knowledge management, when coherently integrated, can significantly improve county-level performance and service delivery.

Keywords: Knowledge Management, Organizational Performance, Managerial Capacity, Knowledge Application, Strategic Planning.

INTRODUCTION

The background emphasizes knowledge management (KM) as a contemporary approach to organizing, retrieving, assessing, and sharing essential information assets within organizations. Scholars such as Hajric (2019) and Chebet and Njuguna (2020) highlight KM as a key driver of effective performance, innovation, operational efficiency, and quality service delivery. KM encompasses knowledge creation, sharing, acquisition, archiving, and application, supported by human expertise, information and telecommunication technology (ICT) systems and data, all of which enhance decision-making and strategic planning (Mburia & Bett, 2021; Bosua et al., 2018).

Globally, governments and organizations increasingly rely on KM to improve service delivery and achieve competitive advantage. In the United States, effective information sharing enhances organizational performance, while in Malaysia, KM practices gained prominence in the late 1990s through multinational corporations and government reforms aimed at shifting the economy toward knowledge-based development. In Africa, KM is increasingly recognized as essential for institutional adaptability and improved governance (Gakuo & Rotich, 2018). Uganda demonstrates growing KM adoption through consulting firms and government knowledge portals.

In Kenya, the Council of Governors' strategic plans (2014–2017; 2017–2022) advocate KM adoption to enhance systematic knowledge sharing among county governments. However, gaps persist, including the absence of structured mechanisms for organizational learning. Public dissatisfaction with county performance remains high, with a 2021 survey indicating concerns regarding service delivery in infrastructure, health, education, and corporate social responsibility.

Organizational performance is defined as the extent to which predetermined goals and objectives are achieved. It includes financial and non-financial measures such as profitability, return on assets, market share, adaptability, and customer satisfaction. In this study, performance is assessed through improvements in key public service sectors.

Knowledge management involves creating, organizing, retaining, and sharing institutional knowledge to maximize efficiency and competitiveness. Advances in technology and social media have accelerated KM adoption, enabling firms to gather insights and respond swiftly to changing demands. Kenya's 2022 KM policy reinforces the government's commitment to promoting knowledge generation and utilization for socioeconomic transformation.

Statement of the Problem

For any organisation to be able to evaluate performance, an effective and efficient knowledge management system must be put in place. According to Gatua (2022), knowledge management leads to organizational learning and makes it easy to create new knowledge thereby enhancing an organization's ability in innovation.

It is imperative that county governments play a pivotal role in formulating appropriate practices that align with their goal of enhancing stakeholder and customer satisfaction. This can only be achieved through supplying the resources required to carry out the activities (Inkinen, 2016). Effective project implementation requires improved knowledge management. Numerous initiatives are launched and managed by county governments in Kenya, particularly since the adoption of the new constitution.

Notably, only a few studies are available on county performance and knowledge management hence creating conceptual gaps. Despite the various initiatives the government is putting in place to improve knowledge based systems, KM at county level is still at its infantry. The current study set out to close this gap by examining the relationship between organizational performance and knowledge management in Muranga county government. The current study set out to close this gap by examining the relationship between organizational performance and knowledge management in Murang'a County Government, Kenya

Objective of the Study

To assess knowledge management practices, and their effects on county government performance

Theoretical and Conceptual Framework

The study is grounded in the Knowledge-Based View (KBV) theory, first advanced by Grant (1996). KBV explains the existence and competitiveness of firms based on their ability to acquire, integrate, and apply knowledge. It posits that knowledge resides in people, organizational systems, structures, and culture, and that firms gain advantage by developing heterogeneous, hard-to-imitate knowledge resources. Because knowledge is difficult to transfer and socially complex, firms—not markets—coordinate specialized knowledge. KBV holds that knowledge appreciates in value and is central to production processes. This theory informs the study's independent variable: knowledge management practices. The conceptual framework shows the relationship that is anticipated between knowledge management and performance.
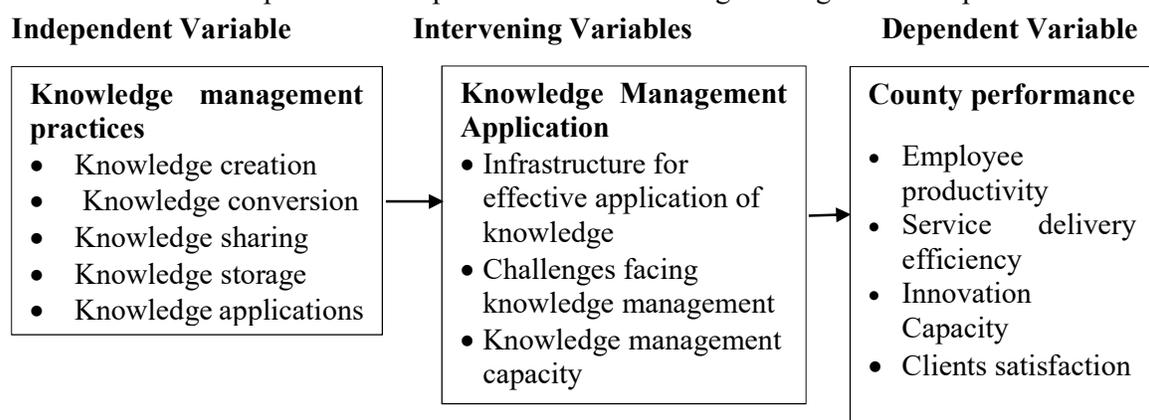
Independent Variable   **Intervening Variables**   **Dependent Variable**

Knowledge management practices	Knowledge Management Application	County performance
• Knowledge creation • Knowledge conversion • Knowledge sharing • Knowledge storage • Knowledge applications	• Infrastructure for effective application of knowledge • Challenges facing knowledge management • Knowledge management capacity	• Employee productivity • Service delivery efficiency • Innovation Capacity • Clients satisfaction

Figure 1: Conceptual Framework

The study is guided by the relationship between knowledge management (KM) and county government performance. The independent variable is knowledge management practices (knowledge creation, sharing, storage, and application), which are expected to directly

influence the dependent variable; county government performance, measured through service delivery, efficiency, and accountability. The capacity of the county government in managing knowledge (availability of resources, skills, and infrastructure) strengthens or weakens this relationship by determining how effectively KM practices are implemented. In addition, challenges such as information silos, resistance to knowledge sharing, or weak systems affect the relationship between knowledge management and organizational performance. When decisions are guided by accurate and reliable data, KM practices are more effective, thereby improving performance. Thus, the interaction among these variables illustrates that effective KM practices, supported by adequate capacity and infrastructure, lead to improved county government performance despite prevailing challenges.

Mugwanga (2018) focused on knowledge management value chain practices and operational performance of Saccos in Kenya. Establishing the impact of knowledge management value chain methods on the operational effectiveness of Sacco services in Kenya was the study's main goal. The results showed that Saccos' implementation of KM had a beneficial impact on the firm's operational performance measures while significantly raising customer satisfaction levels. Additionally, the degree of customer loyalty and the turnaround time for services had both shown favorable results, which transferred to better performance indicators including responsiveness time, product availability, and innovation rate.

Turulja and Bajgorić (2020) focused on knowledge acquisition, knowledge application, and innovation towards the ability to adapt to change. In particular, the relationship between knowledge acquisition and knowledge application and product and process innovation as well as corporate performance is examined and empirically tested. The findings confirm that product and process innovation have a direct impact on business performance. The findings also demonstrate the indirect impact of knowledge application and knowledge acquisition on company performance via process and product innovation. This article demonstrates that even if KM can include additional processes and is a complicated notion of knowledge management in a corporation, each process directly and indirectly affects business performance. Additionally, it supports the idea that innovation mediates the relationship between organizational business performance and knowledge application and acquisition. Furthermore, Western nations have been the subject of the majority of similar investigations.

Gatua (2022) focused on effects of knowledge management on the financial performance of the Deposit-taking saving and credit cooperative societies (DT-SACCOs) in Kenya. The quantitative data were evaluated using frequencies and percentages. The outcomes were displayed using frequency distribution tables. Regression and correlation analysis were used to examine the relationship between Knowledge Management and financial performance in order to evaluate the study objectives. 63.8% of performance variations could be attributable to the independent variables that were selected, according to the data's R^2 value of 0.638. The study also found that financial success among Kenyan DT-SACCOs was strongly and negatively connected with knowledge acquisition, business size, and leverage. Knowledge and liquidity distribution did not differ much.

King'aru (2017) focused on the influence of knowledge management on perceived performance of commercial banks in Nairobi. The study's data analysis section was driven by a content analysis of the interviews' collected data. The study discovered that the two models were successful for the business. The low-cost approach in particular has been successful because it allows the business to break even sooner and, as a result, be in a position to offer competitive prices to the market. Additionally, enhancing a product's value or utility boosts its marketability, appeal, and the rate at which the business can turn over its inventory. The company's business is improved, profits to investors are increased, and the life of the business is extended by utilizing new items. The company's business is improved, profits to investors are increased, and the life of the business is extended by utilizing new items. In conclusion, the chosen strategy strengthens the company's ability to compete in the market if it is correctly assessed and put into practice.

RESEARCH DESIGN AND METHODOLOGY

This chapter presents the research methodology, covering the research design, population, sampling procedures, instruments, data collection, analysis methods, and ethical considerations guiding the study. A descriptive research design was adopted to allow observation of respondents in their natural environment and to gather their views on knowledge management and the performance of Murang'a County Government. The study examined independent variables—knowledge creation, sharing, storage, and utilization—intervening variables such as county capacity and KM challenges, and the dependent variable, county performance measured through service delivery, efficiency, and accountability.

Murang'a County was selected as the study site, with a target population of 300 employees comprising senior managers, middle-level managers, and general staff. Using Nassiuma's (2015) formula and stratified random sampling, a sample size of 144 respondents was determined. This sample included 15 senior managers, 35 middle-level managers, and 94 employees.

Data were collected using questionnaires and interviews. Questionnaires captured quantitative data and included both open- and closed-ended items addressing the study variables. Interviews, guided by a structured interview schedule, were administered to eight senior managers to gather qualitative insights on knowledge management practices and decision-support structures. Participants were assigned unique codes (R1–R8) to maintain anonymity and ensure systematic qualitative analysis.

Questionnaire data were cleaned and analyzed using SPSS version 28. Descriptive statistics, such as frequencies, percentages, mean score and standard deviation were used to summarize quantitative findings, presented through tables and charts. Qualitative data from interviews and open-ended questions were analyzed through content analysis to identify emerging themes. Logistical and ethical considerations included obtaining approval from Kenyatta University and NACOSTI, securing informed consent, ensuring confidentiality through coding, and maintaining objectivity in reporting results. All sources were appropriately acknowledged, and data were handled discreetly to protect respondents' privacy and uphold research integrity.

RESEARCH FINDINGS AND DISCUSSION

The study focused on three key dimensions of knowledge management practices (KMP), knowledge creation, knowledge sharing, and knowledge storage, and their contribution to organizational outcomes such as employee productivity, service delivery efficiency, innovation capacity, and citizen satisfaction. Respondents were asked to rate the extent to which these practices are applied within the County and how they influence the performance of departments and service delivery. The results are presented in Table 1.

Table 1: Knowledge management practices

	SD		D		N		A		SA		Total		
	N	%	N	%	N	%	N	%	N	%	N	Mean	STD
We always obtain knowledge from external sources.	11	5.5	13	6.5	41	20.5	76	38.0	59	29.5	200	4	1
We always obtain knowledge from business partners.	8	4.0	25	12.5	29	14.5	78	39.0	60	30.0	200	4	1
Employees within the County exchange knowledge with their coworkers.	7	3.5	22	11.0	42	21.0	66	33.0	63	31.5	200	4	1
The County has proper mechanisms for retrieving stored work procedures and manuals.	7	3.5	16	8.0	42	21.0	67	33.5	68	34.0	200	4	1
All stakeholders use created knowledge to improve service delivery.	7	3.5	22	11.0	47	23.5	64	32.0	60	30.0	200	4	1

The County actively creates new knowledge from lessons learned.	13	6.5	16	8.0	52	26.0	63	31.5	56	28.0	200	4	1
The County safeguards critical knowledge from being lost when employees leave.	10	5.0	19	9.5	37	18.5	68	34.0	66	33.0	200	4	1
The County encourages innovation and idea generation among employees.	10	5.0	23	11.5	42	21.0	75	37.5	50	25.0	200	4	1

The Descriptive results shown in Table 1 indicates that most respondents acknowledged the presence of KM practices, with between 59% and 68% agreeing that the county obtains external knowledge, encourages employee knowledge exchange, retrieves stored procedures, and safeguards knowledge when employees leave. However, across all items, 15–25% of respondents disagreed or were neutral, indicating that while KM structures are present, their use is not consistent across departments. This inconsistency highlights gaps in embedding KM into the county's daily processes, which may weaken its overall contribution to performance outcomes such as employee productivity, service delivery efficiency, and innovation capacity. Specifically, on knowledge creation as shown in Table 1 more that half (59.5%) of the respondents agreed that the county develops new knowledge from lessons learned, but 40.5% either disagreed or remained neutral, suggesting a lack of systematic institutionalization of experiential learning. This finding mirrors Turulja and Bajgorić (2020), who argued that knowledge acquisition and application drive innovation and adaptability, but fragmented learning processes often reduce organizational responsiveness. The lack of universal buy-in within Murang'a County Government may therefore hinder innovation-driven performance.

For knowledge sharing, 64.5% of respondents agreed that employees exchange knowledge with coworkers, yet 35.5% disagreed or were neutral, indicating cultural and structural barriers. This resonates with Kipkosgei, Kang, and Choi (2020), who found that trust and supportive organizational climates are crucial for knowledge sharing in Kenyan institutions. The uneven perceptions in Murang'a suggest that some employees may operate in knowledge silos, reducing collective performance benefits.

In terms of knowledge storage and retrieval, 67.5% agreed that the county has proper mechanisms for retrieving manuals and procedures, but 32.5% disagreed or were neutral, implying that access to stored knowledge is not universal. This aligns with King'aru (2017), who noted that perceived organizational performance depends not just on the existence of KM systems but on their accessibility and reliability. Similarly, while 67% agreed that critical knowledge is safeguarded when employees leave, a notable 32% were unconvinced, raising questions about the robustness of succession and continuity planning.

Encouragingly, 62.5% of respondents agreed that the county promotes innovation and idea generation, but the 37.5% who disagreed or remained neutral signals that a sizeable proportion of employees do not perceive innovation as embedded in the county's culture. This supports Mugwanga (2018), who established that the value chain effect of KM on performance is only realized when all employees actively engage with innovation processes. Similarly, Gatua (2022) found that while KM significantly influenced SACCO performance, uneven implementation across organizational units reduced overall impact.

Taken together, the findings show that while the majority of respondents recognize positive KM practices, the presence of 15–25% dissent or neutrality across most indicators reveals a lack of full institutionalization. From the perspective of the Knowledge-Based View (KBV), this partial adoption dilutes the strategic role of knowledge as an organizational asset. In line with the conceptual framework, KMP are positively linked to county performance, but unless the gaps in knowledge creation, sharing, and storage are closed, the county risks underutilizing knowledge as a driver of service delivery, innovation, and citizen satisfaction.

Regression Analysis

The regression analysis was carried out to investigate the joint effect of knowledge management practices on county performance. The composite scores of the four independent variables—Knowledge Creation, Knowledge Sharing, Knowledge Application, and Data-Driven Decision-Making, were regressed against County Performance. The result of the model summary, ANOVA, and coefficients are presented in Table 2, 3, and Table 4, respectively. The model summary is shown in Table 2:

Table 2: Model Summary

Model	R	R Square	Adjusted R Square	SSE
1	.771^a	.621	.583	.5621

a Predictors: (Constant), Knowledge management practices, Knowledge management capacity, Knowledge management application and data driven decision

b Dependent Variable: Performance.

The regression model summary presented in Table 2 show that the multiple correlation coefficient (R) was 0.771, indicating a strong positive relationship between the predictors (KMP, CMC, and KMA) and county performance. The coefficient of determination (R^2) was 0.621, suggesting that 62.1% of the variance in county performance can be explained by the three predictors. The adjusted R^2 was 0.583, which accounts for the number of predictors and

sample size, confirming that 58.3% of performance variation is attributable to the studied knowledge management dimensions. The minimal reduction between R^2 and adjusted R^2 indicates that the model is robust.

Table 3: ANOVA Result

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.691	3	0.897	5.5	0.001
	Residual	31.948	196	0.163		
	Total	34.639	199			
a. Dependent Variable: PERFORMANCE						
b. Predictors: (Constant), KMA, CMC, KMP, DDD						

The ANOVA results presented in Table 3, indicate that the overall model is statistically significant, with $F(3,196) = 5.500$, $p = 0.001$. This confirms that the combined predictors—Knowledge management Practices (KMP), County management capacity, (CMC), Knowledge management applications (KMA), and data-driven Decisions (DDD) jointly influence county performance, meaning the model provides a better fit than a null model with no predictors.

Table 4: Regression Coefficient Result

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	3.777	0.458		8.242	0.000		
	KMP	0.073	0.034	0.067	2.18	0.029	0.978	1.022
	KMC	-0.052	0.026	-0.044	-2	0.045	0.992	1.008
	KMA	-0.027	0.01	-0.026	-2.7	0.007	0.971	1.030
	DDM	0.203	0.067	0.179	3.031	0.003	0.673	1.485
a. Dependent Variable: PERFORMANCE								

From Table 4 the regression Equation can be derived as

County Performance = 3.777 + 0.073 KMP – 0.052 CMC – 0.027 KMA + 0.203 DDM+ e

The result presented in Table 4 indicates that Knowledge Management Practices (KMP) had a positive and significant effect on performance ($\beta = 0.073$, $p = 0.029$). This indicates that improvements in KM processes such as knowledge sharing, storage, and transfer positively enhance county performance, though the effect size is small. Additionally, the outcome indicates that County Management Capacity (CMC) exhibited a negative but significant relationship with performance ($\beta = -0.052$, $p = 0.045$). This suggests that weaknesses in managerial practices—such as inconsistent motivation, limited training, or inadequate resource allocation—may undermine county outcomes. Furthermore, the outcome presented in Table 4 shows that Knowledge Management Application (KMA) also had a negative and significant effect on performance ($\beta = -0.027$, $p = 0.007$). This implies that the county's use of knowledge in decision-making and service delivery is not yet effective, potentially due to system inefficiencies or weak policy enforcement. Finally, the result indicates that DDM is a statistically significant predictor ($\beta = 0.203$, $p = 0.003$).

CONCLUSIONS

Based on the findings, the study concludes that knowledge management is a critical yet underutilized driver of performance in Murang'a County Government. Although the county has embraced various aspects of knowledge management, its overall impact on performance remains uneven because of structural, leadership, and application gaps. First, knowledge management practices such as documentation, inter-departmental sharing, and use of citizen feedback positively influence performance. However, their effect is diluted by weak institutionalization, limited ICT support, and inconsistent adoption across departments. Without systematic capture, sharing, and embedding of knowledge into daily operations, the potential of these practices is only partially realized.

Overall, the study concludes that Murang'a County Government has made progress in embedding knowledge management, but gaps in institutional structures, leadership consistency, and practical application undermine its ability to translate knowledge into sustained performance improvements. Strengthening ICT infrastructure, fostering a culture of knowledge sharing, and enhancing leadership commitment will be essential for knowledge management to function as a reliable driver of county performance.

RECOMMENDATIONS

Based on the study's findings and conclusions, the following recommendations are made for specific stakeholders to strengthen Knowledge management and organizational performance of Muranga County Government.

i. County governments should embed knowledge management (KM) frameworks into their strategic plans and allocate budgets to institutionalize KM.
ii. Continuous staff training should be provided to improve KM skills and competencies ac. ross all departments.
iii. Investment in ICT infrastructure should be prioritized to support KM systems and platforms for knowledge storage, sharing, and retrieval.

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