Knowledge Management Orientation and Organizational Performance: The Mediating Effect of Organizational Agility in Sri Lankan Listed Companies

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Abstract

Knowledge management plays a critical role in enhancing organizational performance; however, the behavioral effect of knowledge management on performance remains inconclusive. This paper investigates the effect of Knowledge Management Orientation (KMO) on Organizational Performance (OP) and examines the missing link between KMO and OP through Organizational Agility (OA). The conceptual model was tested using data collected from 254 listed companies in Sri Lanka. The measurement and structural models were analyzed using the Structural Equation Modelling technique. The findings revealed a significant positive relationship between KMO and OP and confirmed that organizational agility partially mediates the relationship between KMO and OP. This indicates that knowledge-oriented behaviors alone do not directly ensure performance improvement unless firms possess the agility to respond effectively to market volatility and sudden environmental changes. The results highlight that the ability of a firm to respond to dynamic market conditions is essential to achieve superior performance while managing organizational knowledge. The link between KMO, OA, and OP generates a holistic perspective that extends knowledge management and strategic management literature. Practically, the findings suggest that managers of Sri Lankan listed companies should strengthen knowledge-oriented practices while simultaneously developing organizational agility to enhance overall firm performance and competitiveness.

Keywords - *Knowledge Management, Knowledge Management Orientation, Agility, Organizational Performance*

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Introduction

In the knowledge economy era, knowledge is regarded as a critical driver of wealth, business success, and competitive advantage (Byukusenge & Munene, 2017; Farooq, 2019; Dzenopoljac et al., 2018; Grant, 1996). Knowledge Management (KM) enables organizations to adapt to uncertain environments and enhance performance (Farooq & Vij, 2019; Wang et al., 2009). However, literature lacks clarity on how KM influences organizational performance (Darroch, 2005; Lee & Choi, 2003; Hussein et al., 2016), encouraging this study to examine its impact. KM alone is inadequate for success in highly competitive markets, demanding integration with other organizational capabilities and contextual factors (Wang & Lin, 2013; Mushara et al., 2014). Scholars affirm the behavioral perspective of knowledge management, which has directed attention toward the emergence of Knowledge Management Orientation (KMO) as a systematic behavioral approach to utilizing knowledge resources for improving organizational performance (Darroch, 2005; Lee & Choi, 2003; Hussein et al., 2018; Latilla et al., 2018; Ullah et al., 2019). KMO is based on the Knowledge-Based View (KBV) theory, which highlights the behavioral role of knowledge resources for competitive advantage (Grant, 1996; Nonaka, 1994; Wang et al., 2008; Kinyua et al., 2015).

Organizations must also improve Organizational Agility (OA) to effectively respond to market change (Navaro et al., 2015; Lu & Ramamurthy, 2011; Sambamurthy et al., 2003). The Dynamic Capability theory proposes that firms should be agile in resource allocation and capability deployment to thrive in volatile environments (Cegarra-Navarro et al., 2016). OA is linked to both financial and non-financial performance and is considered a direct source of superior organizational performance (Theyel & Hofmann, 2021; Kurniawan et al., 2020; Liu et al., 2012; Overby et al., 2006). Although KM is centered on organizational efforts to incorporate knowledge resources with desired objectives, the behavioral approaches that integrate knowledge with organizational ability to memorize, share, be receptive, absorb, and re-use organizational knowledge have not been sufficiently connected and tested with organizational performance (Jaymapathi et al., 2021; Hussein et al., 2018; Wang et al., 2008). Typically, KM scholars have conducted studies to investigate the link between KM and performance; however, they do not adequately address the behavioral integration of knowledge to explain performance changes (Grant, 1996). The existing literature on KM studies recognizes the connection between KMO and organizational performance as uncertain without considering the behavioral perspective of knowledge management (Zia, 2020; Hussein et al., 2018; Wang et al., 2009; Wang, 2008) to explain organizational performance (Wang et al., 2008; Grant, 1996).

Thus, the central research problem of this study is that behavioral KM approaches have not been adequately tested with performance, particularly through an integrative mechanism that explains how knowledge-oriented behaviors translate into improved organizational outcomes. Due to the limited amount of empirical evidence on the nexus between the behavioral perspective of knowledge management

(KMO) and organizational performance, an empirical investigation is needed to validate the relationship between KMO and OP. This outward and underspecified combination can be better addressed by incorporating OA into the KM and OP models. Organizational agility is considered a critical mediator because knowledge-oriented behaviors alone may not directly translate into performance unless organizations possess the capability to sense, respond, and reconfigure resources in dynamic environments. KMO facilitates knowledge sharing, absorption, and responsiveness, while OA operationalizes these behavioral capabilities into swift decision-making and adaptive actions that ultimately enhance performance. Therefore, OA is conceptualized as the missing link between KMO and OP and is expected to mediate the relationship between KMO and OP.

Furthermore, this study focuses on Sri Lankan listed companies as the most suitable population to examine this relationship. Listed companies operate in highly competitive and knowledge-intensive environments, utilize structured knowledge systems, and engage in formalized knowledge-driven decision-making processes compared to SMEs. These organizations rely heavily on knowledge resources for strategic and operational activities and demonstrate greater adoption of knowledge management practices and agile capabilities. Hence, Sri Lankan listed companies provide an appropriate empirical context to examine how KMO influences organizational performance through organizational agility.

Apparently, it is expected to produce three main contributions from this study. First, the study identifies the relationships between KMO and OP to uncover the behavioral understanding of KM in performance improvements. Second, the study focuses on identifying the effects of KMO on OA, and OA on OP. Third, the study is extensively engaged to examine the broader connection between KMO and OP with the mediating effect of OA, integrating OA as an important dynamic capability of firms where it is well established with OP.

Literature Review and Hypotheses

Theoretical Lenses

Three underpinning theories were followed to develop the conceptual framework of the study: Resource-Based View (RBV), Knowledge-Based View (KBV), and Dynamic Capability (DC) Theory. The RBV theorizes a firm as a collection of valuable and rare resources that, when effectively managed, lead to sustainable competitive advantage (Kinyua et al., 2015). It emphasizes the importance of acquiring, integrating, and managing resources to enhance organizational effectiveness (Darroch & McNaughton, 2003; Kinyua et al., 2015). The KBV extends the RBV by highlighting knowledge as the most vibrant resource for organizational growth and success. It underlines that firms should generate strategies concentrated on knowledge creation, security, and transfer to improve performance. Grant (1996) explains organizations as knowledge-integrating avenues that leverage knowledge for competitive advantage and growth (Byukusenge & Munene, 2017). The DC theory aims on a firm's capability to dynamically reconfigure its resources to react to market

dynamics. It suggests that firms must develop and adapt skills to maintain a competitive position (Baloch et al., 2018; Zia, 2020; Teece, 2007). Ahead of owning tangible and intangible assets, firms should apply effective management practices to enhance dynamic capabilities and achieve organizational success (Shamim et al., 2019). Knowledge Management (KM) involves systematically handling organizational activities such as knowledge creation, organization, storage, and application to gain a competitive advantage (Dzenopoljac et al., 2018). Scholars widely acknowledge that effective KM is essential for firms to survive in competitive markets and drive industry growth (Dayan et al., 2017). The literature highlights KM as a strategic initiative to enhance firm performance (Hussein et al., 2016; Darroch, 2005; Lee & Choi, 2003; Gholami et al., 2013; Wang & Wang, 2012). Additionally, KM helps organizations identify market opportunities and maintain long-term customer relationships (Donate & Pablo, 2015). However, given the evolving business environment and increasing customer demands, KM alone is insufficient to drive superior organizational performance (Wang & Lin, 2013). Researchers emphasize the need to integrate other factors alongside KM to achieve optimal business outcomes (Zia, 2020; Shamim et al., 2019; Hussein et al., 2018; Wang et al., 2013; 2008). Implementing an efficient knowledge management program helps firms reduce manufacturing costs and time (Portera-Zanotti & Rinsche, 2010). In modern organizations, both manufacturing and service sectors rely heavily on knowledge management (KM) for competitiveness and performance. Knowledge Management Orientation (KMO) is a behavioral approach to KM, focusing on how organizations acquire, share, and respond to knowledge. Initially, Darroch and McNaughton (2003) defined KMO as a combination of knowledge acquisition, dissemination, and responsiveness. Wang et al. (2008) later expanded the concept to include organizing, implementing, and absorbing new knowledge. KMO reflects an organization's ability to manage and integrate internal and external knowledge effectively (Carter & Scarbrough, 2001; Rodiah et al., 2019). It facilitates knowledge accumulation, sharing, and learning (Kmieciak & Michna, 2018; Wang et al., 2008). Organizations with strong KMO behaviors are better equipped to identify, evaluate, and capitalize on new opportunities, enhancing overall performance (Farooq & Vij, 2018).

KMO

Knowledge Management Orientation (KMO) emerged as a new phenomenon in the KM literature with the evolution of the knowledge management concept and is considered a key component of strategic management. KMO represents an individual behavioral orientation in applying KM within organizations. Initially, Darroch and McNaughton (2003) conceptualized KMO as a combination of knowledge acquisition, knowledge dissemination, and responsiveness to knowledge. Later, Wang et al. (2008) described KMO as an organizational behavior of organizing and implementing KM practices through managing existing knowledge, sharing knowledge, absorbing knowledge, and being receptive to new knowledge. KMO reflects the relative tendency of organizations to create knowledge memory, share and absorb external knowledge, integrate it with internal

knowledge, and accept new knowledge (Carter & Scarbrough, 2001; Rodiah et al., 2019). It also represents the propensity of firms to manage knowledge accumulation, sharing, utilization, and learning (Kmieciak & Michna, 2018; Wang et al., 2008). KMO behaviors strengthen capabilities and opportunity recognition to enhance organizational performance (Farooq & Vij, 2018). A recent model identifies five KMO dimensions: organizational memory, knowledge sharing, receptivity, absorption, and re-use (Jayampathi et al., 2022).

KMO Constructs

Knowledge Management Orientation (KMO) consists of four key dimensions identified by Wang et al. (2008) in their UK-based study: Organizational Memory (OM), Knowledge Sharing (KS), Knowledge Absorption (KA), and Knowledge Receptivity (KR). This framework marked a significant advancement in KMO literature, covering a broad scope of knowledge management in organizations. A systematic literature review by Jayampathi et al. (2022) introduced Knowledge Re-use (KRe) as an additional dimension, enhancing the applicability of existing KMO models. These five dimensions serve as first-order constructs representing the broader KMO concept. While each construct is significant, none alone is sufficient to fully describe KMO (Barney & Mackey, 2005; Wang et al., 2009). The current study adopts the Wang et al. (2008) model, incorporating the validated KRe dimension by Jayampathi et al. (2022).

Organizational Memory

Conducting business activities by means of the knowledge that already exists within the company refers to OM (Wang et al., 2008). OM is the ability of a firm to recall and learn from past experiences of the organization by avoiding reiterations of past mistakes and following systematically proven methods for achieving organizational success (Johnson & Paper, 1998). The information that appears from the history of the business and is being utilized for problem-solving and decision-making is significant for the improved performance (Brewer & Brewer, 2010). Through the OM, a firm can acquire, retain, and retrieve existing and new knowledge, and the organization can realize their goals and objectives by applying its day-to-day operations (Lin, 2015).

Knowledge Sharing

As Moorman and Miner (1998) posited KS is a collective action of behaviors or beliefs on exchanging employee knowledge, attitudes, experiences, lessons learnt from previous events, and skills within their own department where they work. KS behavior refers to both the demand and the supply of organizational knowledge. KS is essential to exchange information, skills, expertise, and knowledge to develop new strategies to face competitiveness (Nonaka & Takeuchi, 1995; Lin, 2015). KS activities as a critical part of the performance appraisal system of the organization, depriving or keeping hold of organizational benefits for employees because of not sharing knowledge, and visibly appreciate, recognize, and reward employees for sharing knowledge (Farooq & Vij, 2109). Scholars have contended that KS in organizations stimulate innovative

behaviours and enhances performance while creating competitive advantage (Zhang et al., 2006; French, 2010; Navimipour & Charband, 2016).

Knowledge Absorption

KA is identifying the importance and value of external knowledge and developing strategies to integrate (assimilate) and apply that knowledge to gain a competitive advantage (Lin, 2015). The KA refers to the absorptive capacity of an organization (Lin, 2015). The success of the KMO is partly dependent on the ability of a firm to absorb external knowledge. KA reflects the firm's ability to ascertain the importance of new wisdom and its worth, absorb it, and apply it when needed (Cohen & Levinthal, 1990). KA is referred to the firm's ability to recognize new knowledge, assimilate, and implement such new knowledge in the business process (Wang et al., 2008). The study conducted by Yao et al. in 2013 suggested that OA has a significant effect on OP. Yazhou & Jian (2013) also proposed a significant effect of KA on business performance. Further, Zahra and George (2002) pointed out that only the firms that have the real absorptive capability in knowledge can get a competitive advantage in the marketplace through innovations and product developments.

Knowledge Receptivity

The KR refers to a positive disposition to new ideas and identifies the ease of the internal acceptance of new ideas (Wang et al., 2008). The ease with which the organization can access the latest information, thoughts, and skills is considered KR (Ullah et al., 2019). Wang et al. (2008) asserted that KR is the extent of the ability of an organization to encourage its employees to new ideas and assess them on fair, effective bases regularly and get such knowledge resources into practice in the business. This dimension especially focuses on employees producing their novel intellectual ideas to see the growth of the firm. o uptake and implement new ideas. More KR ensures more acceptance and accommodation of new ideas, systems, methods, structures, and operations. Thus, KR is related to the administrative and technical innovative capabilities of the organization.

Knowledge Re-use

Knowledge Re-use (KRe) enables organizations to effectively apply previously acquired knowledge in future situations (Gold et al., 2001; Cegarra-Navarro et al., 2016). It involves transferring knowledge across different contexts (Martelo & Cegarra, 2014) and is a crucial aspect of Knowledge Management (KM) behavior, supporting decision-making and innovation. Grant (1996) categorized KRe into knowledge acquisition (replication) and knowledge integration, emphasizing that integrated knowledge is essential for radical innovation. Knowledge reuse enhances shared experiences between knowledge sources and recipients (Nonaka, 1994) and is commonly facilitated through practices, procedures, and problem-solving processes (Martelo & Cegarra, 2014). Strategic knowledge reuse contributes to competitive advantage, organizational growth, and improved performance (Raudeliūnienė et al., 2016; Yusr et al., 2017).

Organizational Agility

Organizational Agility (OA) refers to a firm's ability to quickly adapt to changing market conditions and respond to rapid innovation (Ortega-Gutiérrez et al., 2015; Lu & Ramamurthy, 2011; Sambamurthy et al., 2003). It is considered one of the most critical dynamic capabilities, enabling organizations to manage knowledge effectively in response to shifting environments (Cegarra-Navarro et al., 2016). The ability to develop agility depends on a firm's unique capabilities and is essential for addressing changes in production factors and stakeholder needs (Rafi et al., 2021; Kurniawan et al., 2020; Shahrabi, 2012). OA plays a significant role in driving exceptional organizational performance (Kurniawan et al., 2020; Liu et al., 2012; Overby et al., 2006). According to Sambamurthy et al. (2003), OA consists of three main dimensions: customer agility, partnering agility, and operational agility.

Organizational Performance

Organizational performance refers to a firm's ability to meet stakeholder expectations while ensuring growth and survival (Farooq & Vij, 2018). Business performance indicates how effectively a company delivers quality products and services while maximizing stakeholder wealth. Achieving superior performance requires organizations to translate entrepreneurial abilities into strategic actions and continuously improve operational aspects (Nazarian et al., 2017; Javed et al., 2020). Performance can be assessed using financial and non-financial criteria (Perera & Perera, 2020). Financial metrics include ROA, ROE, NI, ROI, and EPS (Santos & Brito, 2012), while non-financial measures encompass company reputation, goodwill, public image, employee satisfaction, and customer satisfaction (Lumpkin & Dess, 2001). Some firms evaluate performance based on tangible outputs such as profit, market share, employment generation, and product quality (Vij & Farooq, 2016). Performance measurement involves both objective (numerically assessed) and subjective (relative and non-quantifiable) indicators (Vij & Bedi, 2016; Wall et al., 2004).

Direct effect of knowledge management orientation on organizational performance

Many studies have conducted on the effect of KM on OP in organizations and have recognized the effect of KM on OP (Farooq et al., 2021; Hussein, 2018; Kaya & Patton, 2011). KMO is an effective element for the improvement of OP and firm (Zaied et al., 2012; Wang et al., 2008). Scholars have sufficiently confirmed the direct or indirect influence of KMO on OP (Farooq & Vij, 2019; Lin, 2015; Wang et al., 2008; Darroch, 2005; Darroch & McNaughton, 2003). Among them, some studies have opined a significant and positive influence of KMO on OP in organizations (Hussein, 2018; Farooq et al., 2021; Yazhou & Jian, 2013; Kaya & Patton, 2011). Based on these arguments, this study also supposed that the KMO of an organization would positively influence on the OP. Firms with good KMO capable to be innovative and introduce new products and services which facilitate to perform better with good financial performance than who are poor in KMO (Darroch & McNaughton, 2003). Contradictory findings of literature necessitate the

emerge of more empirical findings to understand the influence of KMO on OP.

H_1: Knowledge Management Orientation has a significant and positive effect on Organizational Performance.

Direct effect of knowledge management orientation on organizational agility

The dynamic capability theory postulates that firms need to build, integrate, and reconfigure inside and outside knowledge, skills, and competencies to compete with rivals (Teece, 2007). DCs of the firm and KM ability shows a direct link and explain how to manage organizational activities in an uncertain environment (Prieto & Easterby-Smith, 2006). Literature affirmed that KM practices supports to develop DCs and in improving organizational overall performance (Santoro et al., 2018; Cepeda & Vera, 2007). DCs assist firms to scan the emerging needs of internal and external stakeholders and adjust with the market dynamics (Wu et al., 2013). More KM practices is applied ensures the more DCs in the firm (Gyemang & Emeagwali, 2020). KMO is playing a significant role in providing solutions for organizational issues and, more knowledge capabilities, supports to improve the DC of the firm and, DC will ensure the firm performance (Gyemang & Emeagwali, 2020; Tsai & Hsub, 2014; Wang & Ahmed, 2008). A study carried out by Yazhou and Lin (2012) discovered the link between KM capacity and radical innovative capability in a firm. On the contrary, when the competitive intensity is fierce, the firm should have a systematic procedure to acquire, transfer and apply knowledge regarding the competitor actions (Ghasemi et al., 2020; Kmieciak & Michna, 2018). Due to the unavailability of empirical findings to prove the real effect of KMO on OA, a new study is needed to understand the KMO construct and its real effect on OA.

H_2: Knowledge Management Orientation has a significant and positive effect on Organizational Agility.

Direct effect of organizational agility on organizational performance

Dynamic Capabilities (DC) positively impact organizational performance (OP), especially in volatile market conditions, by helping firms adapt to market changes and improving operational efficiency (Gyemang & Emeagwali, 2020; Hitt, 2001). Organizational Agility (OA), as a form of DC, plays a crucial role in converting market opportunities into revenue and responding swiftly to changes, which leads to success in competitive environments (Harraf et al., 2015). Studies show that OA is particularly vital in unstable conditions, significantly enhancing firm performance (Tallon & Pinsonneault, 2011; Felipe et al., 2020). Firms operating in dynamic and complex environments benefit from higher levels of agility, resulting in better customer effectiveness and performance (Gligor et al., 2015; Alhadid, 2016). High levels of OA enable firms to recognize opportunities quickly and develop strategies to achieve excellent performance (Sambamurthy et al., 2003). OA fosters continuous improvements in value creation and competitiveness through innovative products, services, and strategies

(Mikalef & Pateli, 2017). Therefore, OA is assumed to have a significant positive effect on organizational performance.

H_3: Organizational Agility has a significant and positive effect on Organizational Performance.

Indirect Effect of Organizational Agility

A firm's ability to develop capabilities and apply new knowledge to compete in unstable and unpredictable markets refers to Organizational Agility (OA). While Knowledge Management (KM) literature considers the direct impact of KM applications on organizational performance (Cegarra-Navarro et al., 2016), applying knowledge plays a significant role in organizational learning and the creation of new knowledge (Tallon & Pinsonneault, 2011). Firms that effectively apply knowledge are better positioned to leverage internal activities and adapt to market changes. However, the mere possession or orientation toward knowledge does not automatically generate performance outcomes unless such knowledge is translated into timely strategic and operational actions.

Knowledge Management Orientation (KMO) reflects the behavioral capability of organizations to acquire, share, absorb, and utilize knowledge for strategic purposes. These knowledge-oriented behaviors enhance a firm's awareness of market changes and improve its responsiveness to environmental signals. Through effective knowledge absorption and sharing, firms are able to detect opportunities and threats more quickly, support informed decision-making, and foster flexible resource deployment. In this sense, KMO strengthens a firm's internal capability base, which subsequently enhances its agility. Therefore, KMO contributes to building organizational conditions necessary for agility by improving knowledge responsiveness, learning capability, and adaptive decision-making.

Organizational Agility (OA), which enables quick responses to market changes and innovation in products and services, has a direct positive relationship with organizational performance (Tallon & Pinsonneault, 2011; Sharhabhi, 2012; Alegre & Sard, 2015). Companies lacking agility struggle to adapt to market dynamics and knowledge signals (Cegarra-Navarro et al., 2016). From a dynamic capability perspective, OA transforms knowledge-based capabilities into performance outcomes by enabling firms to sense opportunities, seize them through timely responses, and reconfigure resources accordingly. Thus, while KMO enhances the firm's knowledge base and behavioral readiness, OA operationalizes this knowledge into adaptive actions that improve organizational performance.

Accordingly, OA provides the underlying mechanism through which KMO influences organizational performance. OA partially mediates the relationship between knowledge application and organizational performance, as its effectiveness relies on the firm's ability to seize opportunities and mitigate market threats. In this context, KMO strengthens knowledge-based behaviors that enhance agility, and agility, in turn, translates these capabilities into improved performance outcomes. Therefore, OA is proposed as a

mediating mechanism linking KMO with organizational performance.

H4: Organizational Agility mediates the relationship between knowledge management orientation and organizational performance.

Conceptual Model

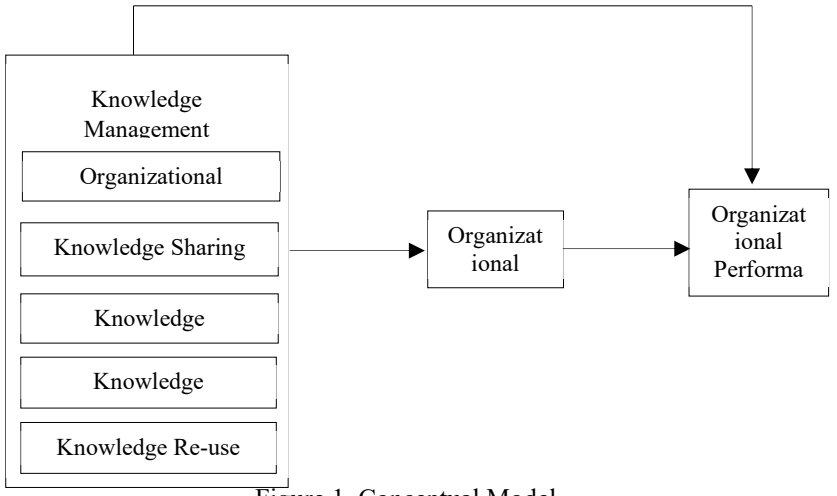

Figure 1. Conceptual Model

The PLS-SEM technique supports to overcome the possible contradiction between explanation and prediction, which is used for developing managerial implications (Hair et al., 2019). The proposed model is analyzed using two different approaches; the first model consisted of latent variables (measurement models) which define the relationship between unobserved variables and latent variables, and the second approach addresses the structural model that considers the relationships between exogenous variables and endogenous variables. Based on the SEM technique, the conceptual model was developed. The KMO was identified as the exogeneous variable, which was developed based on five observed variables. These five observed variables consisted of 35 first-order latent constructs. Meanwhile, the model was identified as the OP as the endogenous variable of the study. OA was considered as the mediating variable to identify the missing link between KMO and OA. The conceptual model proposed by the study is illustrated in the Figure 1.

Methodology

The model was tested using a five-point Likert scale questionnaire via e-mail survey. As a preceding requirement of Covariance-based Structural Equation Modelling (CB-SEM) has been followed by many scholars for many years to explain the complex relationships among observed and latent variables (Hair et al., 2019). However, recently, the use of Partial Least Squares Structural Equation Modelling (PLS-SEM) has increased significantly among social Science scholars (Hair et al., 2017) to analyze multivariate studies.

the full-scale data collection, the study considered three levels of pretests to estimate the quality of the research design. Further, these pretests were conducted to evaluate the face and content validity of the research instrument. The first pretest was conducted with three managers from three listed companies to get some managerial insights to improve the quality of the research design. The second pretest involved three managers from three listed companies and three academics. In addition to that, one of the most prominent KMO model developers (Catherine L. wang) was contacted and taken her valuable insights for the proposed research model. The purpose of the second pretest was to see the face and content validity of the research instrument in par with the objectives of the study. The second pretest was helpful to fine-tune the items in the questionnaire and were able to remove some items which were not provided a significant contribution to assess the study variables. The third pretest was administered with two executives from two listed companies. The purpose of the third pretest was to obtain feedback on the questionnaire filling mechanism, understandability of the items, and determine the time required to complete the survey. As a result of these three pretests, it was able to ensure that the survey instrument is free with basic issues of a survey, and incorporate the face validity, content validity, simplicity, understandability, meaningfulness, conciseness, and relevance to the study objectives.

The pilot study was conducted based on 45 listed companies out of the population. It was able to identify lower loadings against each latent construct and removed them as to improve the internal consistency among data and the validity of study constructs. During these pretests and pilot study, it was able to obtain valuable insights from the experts and the survey itself, and were able to incorporate all suggestions and insights obtained to fine-tune the final survey instrument. As a result, the final research instrument was consisted with 35 items to measure KMO, 13 items to measure OA, and six items to measure OP.

The questionnaire was consisted with four main sections; part A - Profile of respondents, part B - to measure KMO, part C- to measure OA, and Part D - to measure OP, and five-point Likert-type questions (5- Strongly agree to 1- Strongly disagree) were used to measure the respondents' perception on study variables. The study was referred to the official website of the Colombo Stock Exchange to identify the population of the study. The full-scale data collection was done based on all the companies (295) listed at the Colombo Stock Exchange as of 13th August 2022 following the census survey method. All listed companies were selected using a census method because the total population is relatively small and manageable, enabling the study to capture complete and more reliable data from the entire population without sampling error. As the population of the study is small, the companies involved in the pretest were also included into the final survey. As to get quality data and ensure the sufficient sense about the study constructs by respondents, Senior Manager from each company was approached to collect data for the study. Each company was sent the questionnaire through email. Following three reminders, it was able to collect 254 responses (86.1% response rate).

Nonresponse bias was estimated to avoid the variations in the external validity (Lindner & Murphy, 2001) and the common method bias was tested based on the Harman's single factor test. For the non-response bias, the effect size was considered for KMO, OA, and OP following the independent sample t-test and projected with the Cohen's effect size test. The effect size for KMO was -3.245 which is less than the Cohen's threshold level of 0.02. OA and OP also reported acceptable level of effect size which are -3.047 and -3.013 of t-values respectively. These results confirms that the data is free from response bias. For the common method bias, first factor accounted for only 46% of variance (less than 50%-Harman's Single Factor) and remaining factors were loaded less than 4%. Thus, common method bias was not a critical issue in the study. PLS-SEM was followed to analyze the data as the basic objective of the study was to explain the endogenous variable (OP) over the exogeneous variable (KMO) (Hair et al., 2019).

Measures

35 items used in the study to assess the Knowledge Management Orientation (KMO) variable, which was measured by five dimensions: Organizational Memory (OM), Knowledge Sharing (KS), Knowledge Receptivity (KR), Knowledge Absorption (KA), and Knowledge Re-use (KRe). The first four dimensions of the KMO were adapted from the scale developed by Wang et al. (2008), with some modifications based on expertise feedback through pretests to better fit the Sri Lankan context. KRe, introduced by Jayampathi et al. (2022), was added to address gaps in previous models. The study included 8 items for OM, 8 items for KS, 5 items for KR, 7 items for KA, and 7 items for KRe. To measure Organizational Agility (OA), the model developed by Sambamurthy et al. (2003) was adapted, directing on three constructs: Operational Agility (OPA), Customer Agility (CA), and Partnering Agility (PA), with 5 items for OPA, 4 items for CA, and 4 items for PA. The Organizational Performance (OP) was measured using subjective performance measures adapting the Balance Scorecard model (Kaplan & Norton, 1992). Financial and non-financial performance metrics were involved, covering market share, sales, employment opportunities, product/service quality, customer satisfaction, and employee satisfaction. Objective performance criteria were not assessed due to recent global economic challenges, Easter-Sunday attack and the Covid-19 pandemic, which impacted the capability of Sri Lankan businesses to meet real performance targets.

Results

Profile of Respondents

The table 1 describes the demographic information of respondents. Respondents of the study were selected from the listed companies who registered at the CSE of Sri Lanka. As the table 1 indicates, out of the total respondents, 49.2% of respondents (125) were represented the middle level management category. Top level management (81) was represented by 31.9% and lower-level management (48) was contributed by 18.9% in the survey. This is a good indicator to identify the trustworthiness and the vigor of the responses received from the respondents.

Table 1. Profile of Respondents

Respondent's Profile	Frequency	Percentage (%)
Role of the respondent	81	31.9
Top level management	125	49.2
Middle level management	48	18.9
Lower-level management	03	1.00
Age of the Company		
Less than 5 years	03	1.00
6-10 years	05	1.97
11-15 years	11	4.33
16-20 years	14	5.60
More than 20 years	221	87.1
Type of the Company		
Manufacturing	96	37.8
Service	158	62.2

Further the table 1 describes most of companies (221) participated in the study are more than 20 years of age. 5.6% of total respondents (14) were represented the 16-20 years of age category. Companies who hold out for 11-15 years were 4.3% from the total respondents. 2.9% of companies were operate less than 10 years of their age. The study considered two types of companies: manufacturing and service. According to the information given in the table 1, the survey consisted with 158 of service companies and ninety-six of manufacturing companies. Out of the total responses, 62.2% of respondents were service companies where manufacturing companies represented by 37.8%.

Outer measurement model

PLS-SEM consisted with two-steps procedure recommended by Henseler et al. (2009) which entails to evaluate the outer measurement model and assess the inner structural model. Measurement model assessment is the prerequisite of the structural model assessment in PLS-SEM. Measurement model is important to validate the theoretical model with data and further sees the connections among latent variables, dimensions, and their indicators. As Hair et al. (2019) recommended, Reliability, Convergent Validity, and Discriminant Validity can be tested at the measurement model assessment.

Outer loadings

The standardized outer loadings of observed variables indicate the reliability of the single observed variable over the variance of an individual observed comparatively to an unobserved variable (Hussain et al., 2018). Observed variables with greater than 0.7 of outer loadings are determined to be highly acceptable (Hair et al., 2019), where outer loadings less than 07 should be eliminated. Nevertheless, the study accepted the ≥0.7 as the cut-off value for the outer

loadings (Hair et al., 2019). The table 2 given below depicts that the outer loadings of observed variables are ranged between 0.719 to 0.879. This confirms that all indicators are conceptually reliable to test what they are really intended to measure.

Table 2. Outer loadings

Dimension	Item Code	Outer Loadings	Dimension	Item Code	Outer Loadings
Organizational Memory (OM)	OM1	0.852	Operational agility (OPA)	OPA1	0.788
	OM2	0.862		OPA2	0.846
	OM3	0.801		OPA3	0.837
	OM4	0.788		OPA4	0.848
	OM5	0.798		OPA5	0.800
	OM6	0.747			
Knowledge Sharing (KS)	KS1	0.847	Customer Agility (CA)	CA1	0.875
	KS2	0.869		CA2	0.879
	KS3	0.820		CA3	0.854
	KS7	0.755		CA4	0.833
	KS8	0.781			
Knowledge Absorption (KA)	KA1	0.787	Partnering Agility (PA)		
	KA2	0.837		PA1	0.854
	KA3	0.855		PA2	0.806
	KA4	0.847		PA3	0.826
	KA5	0.831		PA4	0.843
Knowledge Receptivity (KR)	KR1	0.823	Organizational Performance (OP)	OP1	0.781
	KR2	0.813		OP2	0.818
	KR3	0.835		OP3	0.819
	KR4	0.835		OP4	0.758
	KR6	0.847		OP5	0.831
	KR7	0.831			
Knowledge Re-use (KRe)	KRe1	0.777			
	KRe2	0.805			
	KRe3	0.842			
	KRe4	0.810			
	KRe5	0.820			
	KRe6	0.817			

Reliability

The internal consistency of the measurement model was assessed using Cronbach's alpha and Composite Reliability. Cronbach (1951) postulates that constructs with higher Cronbach's alpha values show that the items measuring the construct are consistent in range and meaning. Furthermore, the assessment of internal consistency through PLS includes Composite Reliability, which is believed to be a better method over Cronbach's alpha as it considers the standardized loadings of study variables (Hair et al., 2019; Chin,

1998). The results depicted in table 2 show that both Cronbach's alpha and Composite Reliability values for all constructs exceed 0.8, indicating strong internal consistency. Thus, the scales used to assess the study variables were recognized to be reliable, with all latent construct values greater than the 0.7 threshold (Hair et al., 2019).

Convergent Validity

To test the convergent validity of the study variables, Average Variance Extracted (AVE) was considered for each latent construct. AVE values should be greater than 0.50 (AVE ≥ 0.5) to meet the convergent validity (Hair et al., 2019). The AVE indicates that minimum of 50% of variance in the observed variable should be explained by the latent constructs in the model. Table 3 given below depicts that AVE values for all constructs are greater than 0.5. Thus, the convergent validity was confirmed. As such, the table 2 and 3 indicates that the convergent validity and the internal consistency of the measurement model are established.

Table 3. Reliability and Convergent Validity

Variable	Dimension	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)
KMO		0.967	0.968	0.534
	OM	0.894	0.896	0.654
	KS	0.873	0.874	0.665
	KA	0.869	0.872	0.657
	KR	0.910	0.911	0.690
	KRe	0.898	0.898	0.662
OA		0.942	0.943	0.593
	OPA	0.882	0.883	0.679
	CA	0.883	0.883	0.740
	PA	0.852	0.854	0.693
OP		0.878	0.883	0.622

Discriminant Validity

Discriminant validity is used to identify, if, any observed variable is distinct from other constructs in the measurement model. It explains that the cross-loading values of the latent variable should be greater than the any other constructs of the path model. Discriminant validity can be tested based on three different statistical tests: Fornell-Larcker Criterion, Heterotrait-Monotrait ratio (HTMT), and cross-loadings (Hair et al., 2017; 2019). The Fornell-Larcker

Criterion emphasizes that square-root of AVE of any construct or variable should be greater than the other construct's coefficient values (Hair et al., 2019). Table 4 shows that all the coefficient values are smaller than the relative square root of AVE along in the diagonal line. This confirms that the discriminant validity of the measurement model is established.

Table 4. Convergent Validity - Fornell and Larcker Criterion

Dimension	CA	KA	KR	KRe	KS	OM	OPA	PA
CA	0.861							
KA	0.634	0.811						
KR	0.636	0.805	0.831					
KRe	0.717	0.719	0.777	0.813				
KS	0.638	0.797	0.784	0.743	0.815			
OM	0.608	0.697	0.733	0.700	0.782	0.809		
OPA	0.798	0.652	0.650	0.689	0.601	0.590	0.824	
PA	0.767	0.563	0.599	0.700	0.608	0.572	0.729	0.832

Recently, Henseler et al. (2015) proposed Heterotrait-Monotrait ratio as an alternative approach to assess the discriminant validity using PLS-SEM. The inter-constructs HTMT values should be less than 0.90 (HTMT < 0.9) to establish the discriminant validity (Hair et al., 2019). The table 5 given below depicts the HTMT values generated from the measurement model PLS-algorithm. The table illustrates that all HTMT values are less than 0.9 which indicates an acceptable level of discriminant validity. Thus, based on the HTMT values, the discriminant validity is established.

Table 5. Convergent Validity - HTMT

Dimension	CA	KA	KR	KRe	KS	OM	OPA
CA							
KA	0.719						
KR	0.709	0.894					
KRe	0.806	0.810	0.856				
KS	0.727	0.895	0.878	0.839			
OM	0.684	0.785	0.810	0.781	0.885		
OPA	0.893	0.740	0.725	0.773	0.684	0.662	
PA	0.883	0.648	0.677	0.801	0.702	0.654	0.839

To secure the discriminant validity, an item-level discriminant validity can be examined through cross-loading analysis (Chin, 1998). Each indicator should be reported more than 0.70 of loading values and should be greater than all its cross-loadings (Hair et al., 2016). The table given below (Table 6) shows that loadings for each item are greater than 0.7. therefore, the findings of the study confirms that cross-loading assessment of the study provides a validation for the discriminant validity of the measurement model.

Table 6. Crossloadings

Dimension	OM	KS	KA	KR	KRe	OPA	CA	PA	OP
OM1	0.820								
OM2	0.834								
OM3	0.779								
OM4	0.763								
OM5	0.778								
OM6	0.768								
OM7	0.764								
OM8	0.740								
KS1		0.805							
KS2		0.823							
KS3		0.811							
KS4		0.742							
KS5		0.759							
KS6		0.787							
KS7		0.746							
KS8		0.752							
KA1			0.788						
KA2			0.838						
KA3			0.854						
KA4			0.758						
KA5			0.812						
KR1				0.808					
KR2				0.806					
KR3				0.819					
KR4				0.836					
KR5				0.766					
KR6				0.841					
KR7				0.836					
KRe1					0.768				
KRe2					0.794				
KRe3					0.830				
KRe4					0.804				
KRe5					0.822				
KRe6					0.821				
KRe7					0.759				

OPA1	0.788		
OPA2	0.846		
OPA3	0.837		
OPA4	0.848		
OPA5	0.800		
CA1		0.875	
CA2		0.879	
CA3		0.854	
CA4		0.833	
PA1			0.854
PA2			0.806
PA3			0.826
PA4			0.843
OP1			0.782
OP2			0.819
OP3			0.819
OP4			0.758
OP5			0.831
OP6			0.719

Consequently, the conceptual model proposed to test the hypotheses was acceptable with adequate levels of reliability, convergent validity, and discriminant validity.

Inner Structural Model

The measurement model assessment was found to be adequate and acceptable having multiple validation steps. To assess the structural model the validated measurement model was bootstrapped with 5000 of sub-samples. As proposed by Hair et al. (2019), model's predictive relevancy was estimated using multicollinearity test, coefficient of determination (R^2), effect size (f^2), blindfolding-based cross validated redundancy measure (Q^2), and statistical significance and the relationship between constructs was measured through the relevant path coefficients.

Multicollinearity

Multicollinearity is a kind of a problem related to the coefficient matrix where three or more independent variables have highly correlated each other (Hair et al., 2012). Variance Inflation Factor (VIF) is the most common method to detect the multicollinearity issues (Hair et al., 2019). VIF values exceed the 05 are showing the extreme collinearity issues among the predictor latent constructs, however, VIF values less than 5 are acceptable and close to 3 is highly recommended (Hair et al., 2017). The results given in the table 7 shows that largest VIF value was 4.049 and less than recommended value of 05 (VIF < 05), is suggested the absence of multicollinearity among independent variables.

Table 7. Multicollinearity

Indicator	VIF	Indicator	VIF	Indicator	VIF
CA1	2.644	KRe2	2.083	OM3	2.347
CA2	2.697	KRe3	2.399	OM3	3.111
CA3	2.203	KRe4	2.166	OM4	2.436
CA4	2.024	KRe5	2.463	OM4	2.118
KA1	1.802	KRe6	2.382	OM5	2.870
KA2	2.168	KS1	2.450	OM5	2.306
KA3	2.353	KS2	3.133	OM6	2.157
KA4	1.745	KS3	2.358	OM6	1.909
KA5	2.092	KS7	1.689	OP1	2.950
KR1	2.249	KS8	1.750	OP2	3.401
KR2	2.177	OA1	1.992	OP3	2.480
KR3	2.660	OA2	2.416	OP4	2.259
KR4	2.629	OA3	2.221	OP5	2.725
KR4	2.968	OA4	2.565	OP6	1.787
KR6	3.279	OA5	2.101	PA1	2.125
KR6	2.617	OM1	3.278	PA2	1.854
KR7	2.416	OM2	3.694	PA3	1.933
KR7	3.136	OM2	4.049	PA4	2.081
KRe1	1.920				

Coefficient of Determination (R^2)

Coefficient determination measures the variance in endogenous variables explained by exogenous variables (Hair et al., 2019) and thus measures the explanatory power of the model. R^2 helps to determine the predictive accuracy of the model or the in-sample predictive power (Rigdon et al., 2016). R^2 ranged between 0 and 1 where higher values explain greater explanatory power (Hair et al., 2019). Values of 0.75 is considered as substantial, 0.50 is moderate, and 0.25 is weak in predictive power (Hair et al., 2019). As shown in table 7, 53.4% of the variance in OP was explained by KMO and OA. Moreover, the model is explained 59.1% of the variance in OA. All results are above the recommended value of 50 % which ranged from 53.4% to 86.7% which are moderate to substantial significance. The results given in table 8 show that the overall model established a good model fit, recommending that the data fit for structural model (Ringle et al., 2015).

Table 8. Coefficient of Determination (R^2)

Construct	R-square	R-square adjusted
OM	0.764	0.763
KS	0.831	0.830
KA	0.791	0.790
KR	0.846	0.846
KRe	0.782	0.781
OA	0.591	0.589
OPA	0.859	0.858
CA	0.867	0.867
PA	0.802	0.802
OP	0.534	0.531

Effect Size (f^2)

The effect size determines the level of change in the size of path coefficients (Cohen, 1992). As Hair et al. (2019) pointed out, when explaining the endogenous variable, the ranking order of the predictor variable's relevance is usually the same compared with the size of f^2 and the path coefficients. Recommended values for f^2 identified as 0.02-small, 0.15-moderate, and 0.35-strong effect size (Hair et al., 2019). As shown in Table 9, f^2 results are ranged from 0.096 to 0.175, where the f^2 from small to moderate effect sizes.

Table 9. Effect Size (f^2)

Exogenous variable	Effect size (f^2)	Total Effect
KMO	0.175	Moderate
OA	0.096	Small

Cross-validated redundancy measure (Q^2)

Q^2 determines the predictive accuracy of the PLS path model (Hair et al., 2019). The Q^2 metric develops based on the blindfolding process, which eliminates single points in the matrix and reproduces observed values of the model and compares with estimating parameters (Sarstedt et al., 2019). Q^2 values should be greater than zero for specific exogenous variables to give the predictive accuracy for that construct in the structural model. Usually, Q^2 values higher than zero (0) is small, 0.25 has a medium, and 0.5 has a large predictive weight in the PLS path model (Hair et al., 2019). Table 10 shows that all Q^2 values are greater than 0.4 and have a

medium (less than 0.5) to strong (more than 0.5) predictive relevance of the PLS model.

Table 10. Cross-validated redundancy measure (Q^2)

Construct	Q^2 predict
KS	0.831
KA	0.791
KR	0.848
KRe	0.782
OA	0.578
OPA	0.494
CA	0.511
PA	0.455
OP	0.489
KS	0.831

Path Coefficients (β) and T-statistics

Direct effects

Standardized coefficient estimates in the regressions and the path coefficients in the PLS-SEM are similar (Hussain et al., 2018). The hypotheses of the study were tested based on the β value, and the significance level was measured based on the p-value. The β explains the variation in the endogenous variables for a unit variation in the exogenous variable(s). Greater β values denote a higher level of effect on the endogenous variable. The study calculated β values for all paths in the hypothesized model. The significance level of the β values was verified through T-statistics/p-value. The bootstrapping technique was applied to test the significance of the hypotheses, and 5000 subsamples were carried out.

Table 11. Path Coefficients (β) and T-statistics

No	Effect	Coefficient	T statistics	P value	Result
H_1	KMO->OP	0.700	14.811	0.000	Supported
H_2	KMO->OA	0.768	11.271	0.000	Supported
H_3	OA -> OP	0.673	10.963	0.000	Supported
H_4	KMO -> OA -> OP	0.254	2.068	0.019	Supported

As the study proposed, H1 predicted that KMO would significantly and positively affect OP. As predicted, the results of the study (Table 11) confirmed that the KMO is significantly influenced on OP (β =0.700, T=14.811, p < 0.000), and confirmed H_1. Thus, H_1 was supported with robust measures. The H_2 was to predict the combination between KMO and OA. It was predicted that there was a significant and positive effect of KMO on OA (H_2). The findings of the study (Table 11) statistically confirmed that the organizational KMO ability is significantly and positively influenced on OA (β =0.768, T=11.271, p < 0.000), and supported H_2. The effect of OA on OP was predicted by the H_3. As shown in Table 11, statistical findings of the study endorsed that the OA has a significant and positive effect on OP (β =0.673, T=10.963, p < 0.000), and H_3 was confirmed.

Indirect effect

The H_4 was anticipated to examine the mediating effect of OA on the effect between KMO and OA. To assess the mediating effect, three prerequisites should be addressed (Hair et al., 2019). First, the predicting variable (KMO) should be correlated with the prospective mediating variable (OA) (H_2). H_2 was achieved through the significant path found in the analysis; KMO has a significant and positive effect on OA. The second requirement was that the mediator should be related to the endogenous variable (OP) of the study. This was endorsed by the significant path found in the analysis of H_1. H_1 was satisfied as KMO has reported a significant and positive effect on OP. Third, the relationship between KMO and OP should be rejected or considerably reduced when the mediator is integrated as a predictor in the path model. When the OA is not included in the model, the KMO is positively related to OP (β =0.700, T=14.811, p < 0.000). next, OA was incorporated into the path model as the mediator. Then, the relationship between KMO and OP was significant. However, the size of the β was reported to be a comparatively less value (β =0.446, p < 0.002). As such, the significant and positive effect between KMO and OA was substantially reduced with the presence of OA as the mediator. Also, the indirect effect results generated through the PLS-SEM also reported a significant statistic for the mediator analysis (β =0.254, T=2.068, p < 0.019). These results confirm that OA partially mediates the effect between KMO and OP and, thus, H_4 is accepted in the analysis.

Discussion

The study employed descriptive statistics, such as Mean, Standard Deviation, Skewness, and Kurtosis. The Skewness and Kurtosis values performed within the acceptable range of ±3 (Hair et al., 2019), confirming that the data satisfactorily met normality assumptions. The findings specify that most companies used in the survey have been engaging in business for over 20 years, indicating that experienced respondents provided reliable and specific information for the study. Moreover, most respondents represented service organizations rather than manufacturing firms. This demographic distribution heightens the credibility and validity of the study's results. Within the Sri Lankan context, many listed companies are long-established organizations operating in service-oriented sectors such as finance, telecommunications, and diversified

holdings, where knowledge-intensive activities, formalized organizational structures, and hierarchical decision-making are prominent. Such organizational characteristics make knowledge-oriented behaviors and agile capabilities particularly relevant for sustaining competitiveness in the local business environment.

The study directed to identify the role of Knowledge Management Orientation in organizations, supporting the Resource-Based View, Knowledge-Based View, and Dynamic Capability theories. It is anticipated that KMO significantly impacts Organizational Performance (OP) and that the KMO-OP effect is mediated by Organizational Agility, which align with the cognition-action-outcome framework in strategic management (Thomas et al., 1993; Wang et al., 2009). Using PLS-SEM, the study empirically validated the mediating effect of OA in the effect of KMO on OP among listed companies in Sri Lanka. Findings asserted a significant positive impact of KMO on OP ($P = 0.000$, $\beta = 0.700$), supporting the idea that managing knowledge resources enhances firm performance (Dzenopoljac et al., 2018; Davenport et al., 1998; Nonaka & Takeuchi, 1995). In the Sri Lankan business culture, where organizational hierarchies and formal decision-making structures are prevalent, effective knowledge sharing, absorption, and re-use become essential mechanisms for enhancing coordination and performance across organizational levels.

The study also highlighted that KMO positively influences OA ($P = 0.000$, $\beta = 0.768$), stressing that knowledge-oriented organizations are more adaptable in vibrant environments (Prieto & Easterby-Smith, 2006; Martinez-Conesa et al., 2017). Furthermore, OA was found to significantly impact OP ($P = 0.000$, $\beta = 0.673$), fortifying that agility enables firms to thrive in volatile markets (Harraf et al., 2015; Tallon & Pinsonneault, 2011; Felipe et al., 2019). These findings are particularly meaningful in Sri Lanka's economically volatile and post-conflict business environment, where firms frequently encounter policy shifts, market uncertainties, and resource constraints. In such a context, agility supports firms in responding swiftly to environmental disruptions, technological changes, and competitive pressures. The study reinforced OA's partial mediating role between KMO and OP, indicating that organizations leveraging KMO practices increase agility, eventually improving performance (Tallon & Pinsonneault, 2011; Cegarra-Navarro et al., 2016). These insights emphasize the necessity for Sri Lankan firms to develop agility to exploit opportunities, manage uncertainty, and maintain competitiveness in a dynamic and evolving economic environment.

Conclusion

Strategic management scholars have long waited to realize why some organizations outperform others, especially in the knowledge-based economy where knowledge is viewed as a vibrant resource for wealth creation (Farooq, 2019; Byukusenge & Munene, 2017; Grant, 1996). Knowledge is ensured as a critical tool for attaining organizational goals in complex and unclear environments, specifically for competing with larger counterparts (Mohajan, 2019). Effective management of organizational knowledge is supposed to increase organizational performance (Wang et

al., 2008). However, the literature on Knowledge Management Orientation (KMO) does not have adequate studies that broadly examine its multidimensionality and its impact on Organizational Performance (OP), and there are conflicting views on the relationship between KMO and OP. This gap prompted the current study, which addresses the question of "what should we know?" about the role of KMO in improving performance. This study is the first to empirically validate the mediating role of Organizational Agility (OA) in the KMO-OP relationship and the impact of KMO dimensions on OA. The findings suggested that OA is essential for understanding the benefits of KMO on OP in Sri Lankan listed companies. Organizational agility plays as a vital link between KMO and OP. The results of the study support the connection between organizational cognition and action (Daft & Weick, 1984), with the mediating effect highlighting the cognition-action-performance relationship. Future strategic sensemaking inquiries should examine this relationship further, as overlooking it may direct to underrating its consequences (Thomas et al., 1993).

Limitations and Future Directions

The study confronted several limitations that future research could address. First, the study depends on a single respondent from each organization, limiting the scope and insights into the study phenomenon. Future research may use multiple informants to gain more extensive views on Knowledge Management Orientation (KMO), Organizational Agility (OA), and Organizational Performance (OP). Second, the study was limited to listed companies in Sri Lanka, which limits the generalizability of the study findings. Future studies could incorporate other sectors, such as SMEs, for a more thorough understanding of the study phenomenon. Third, the study followed subjective measures to assess OP, which do not fully indicate performance outcomes. Future studies may consider to use an integrated model of subjective and objective measures. Fourth, the study was not considered for cross-industry assessments, and future research could discover how industry-specific differences impact the KMO-OP combination. Furthermore, future research should study the role of mediators and moderators like human capital, social capital, and some important environmental factors. Ultimately, the study noticed the nonexistence of an adequate level of qualitative studies on the behavior of these constructs in organizational settings and persuaded future research to incorporate qualitative methods for a more in- depth understanding.

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