The Impact of Knowledge Management Processes on the Improve of Strategic Competence: An Empirical study In Jordanian Insurance Companies

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Abstract—These instructions give It is generally accepted that due to globalization, competition is becoming more intense and as organizations are now able to or forced to open newer markets with different paradigms, conditions, operating methods and requirements. As a result, many organizations are finding it necessary to re-think their Strategic Competences in order to survive in this new global environment. Although Knowledge Management (KM) process has been around for some time, and has increasingly become an accepted management tool, it is yet to be seen by organizations as a necessary integral part of building Strategic Competences. The present empirical study is based on a sample of the data collected from seventy seven respondents, drawn randomly from Jordanian Insurance Companies. The results of the survey show that the KM processes have a significant impact on four selected factors of Strategic Competence (Shared Vision, Cooperation, Empowerment, and Innovation).

The empirical findings will certainly help both researchers and practitioners in future Knowledge Management (KM) process on Strategic Competence research. In order to get a better understanding of the KM process on Strategic Competence, this paper provides a contribution to the literature KM process and Strategic Competence in one of the developing countries as a framework to keep organizations competitive within the global business environment.

Index Terms—Knowledge management, knowledge management process, strategic competence.

I. INTRODUCTION

It is now an indisputable fact that globalization is a reality that has become an integral part of everyday operations and transactions for most organizations in a multiplicity of fields and domains. Technological advances together with political changes over the last twenty years has truly meant that the flow of resources, goods and technologies across the world is almost unrestricted thus presenting international organizations with many new realities and challenges and specifically with regards to competition. It is a fact that international organizations can no longer rely on exclusivity in both home and international markets, and they are facing competition in their home markets as much as in overseas markets. [1] Claimed that knowledge asset has an enabling role to play in the formulation of successful strategies and achieving the organizational overall objectives.

More importantly, [2] summarized various definitions of KM used by KM researchers to propose that KM success be

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defined as reusing knowledge to improve organizational effectiveness by providing the appropriate knowledge to those that need it when it is needed. KM is expected to have a positive impact on the organization that improves organizational effectiveness.

Accordingly, organizations start thinking of how to improve their performance and processes. In this regard, knowledge has become a key source for organizations to enhance the competitive advantage which is of prime significance for organizations' performance [3] indeed; organizations need to enhance competitive advantages for managing knowledge. Moreover, it is needed from organizations to respond successfully to competitive environments which can be attained through examining how they can develop leverage knowledge assets and create an additional value [4].

A most notable example of the changing environment which now governs or dictates organizational strategies and options is the accelerated speed of change that surrounds product development. Today and thanks to the internet and information technology as a whole, no organization can survive without continuous innovation in its product lines. This is most evident in products such as computers, mobiles, and all types of technologies where product innovation either at the technological end or in terms of customer support is now a key determinant for success.

Today, and specifically with reference to KM, there are two dilemmas or problems that face any researcher in this field. Firstly, whilst there is an abundance of literature on KM so much so that it has become a well recognized discipline of science with management, we lack a consistent practical model or framework that pulls together all this research in a unified, easily digestible and measurable format which can be subjected to further study. Indeed, as shall be seen later, there are two many discrepancies in the literature with regards to KM processes where some reconciliatory work is needed. Additionally, the absence of the above mentioned practical model leads to a second dilemma whereby most research in KM comes across as stand alone work with few attempts to link it to well establish and verified management tools such as core competencies. Without these linkages and integrative it is very difficult to see how organizations can apply new advances in the field of KM.

The search for higher levels of performance, increased efficiencies and new management processes has equally led organizations to look more closely into their core competences. In other words, organizations are having to pay attention to their competitive advantages be it through processes, systems, innovations, values, corporate culture

and so on [3].To this extent, there is now a whole body of research that gone into great depth in understanding how can Core Competences be deployed or leveraged as management tools.

Interesting and ironically and whilst there is plenty of literature on both KM on the one hand and Strategic Competences on the other hand, there is very little to no research on whether there are any possible linkages, relations or correlations between the processes that govern KM and Strategic competence. This paper is a theoretical analysis aiming to investigate these direct linkages in a conceptual manner as a first step to conducting further empirical or field research which will ultimately help organizations leverage KM in improving Strategic Competence.

This paper is organized as follows. In the next section, we review relevant literature; section three proposes the research model and hypotheses, section four is about the research methodology in which we discuss the design of the questionnaire, sample, data collection, hypotheses analysis and results. The last segment of this paper is our conclusion

II. LITERATURE REVIEW

A. Overview of Knowledge Management

Essentially, KM in organizations is believed to be an integrated process that can help to enhance and expand innovation process [5]. Successful KM can be defined as the creation of management processes and infrastructure to bring together both knowledge and communities in a common ecology that will sustain the creation, utilization and retention of knowledge [3].

Beyond innovation, KM can also help to keep good relationships with clients by growing customer knowledge, expediting response to customer queries, suggestions, and complaints. It also ensures improved consistency and quality when serving customers [6].

In the context of KM and the research that has been conducted over the last ten years, it appears that there are many factors, determinants and challenges which will determine the outcome of KM application. One important challenge lies in the perception of KM as a fast response to weakness and threats. Indeed, without a holistic and integrated approach to KM encompassing many processes, the benefits of the quick fix approach that is often manifested in investment in Information Technology, the realization of KM benefits will remain very limited.

Knowledge processes can be though lit of as a structured coordination for managing knowledge effectively[7]. Typically, knowledge processes include activities such as creation, sharing, storage, and usage [8]. Enablers provide the infrastructure necessary for the organization to increase the efficiency of knowledge processes [9].

A prerequisite of implementation of KM is to understand and develop the infrastructural elements required to support the acquisition, management, and transfer of tacit and explicit organizational knowledge [10]. In this respect, here are three elements that must collaborate to effect successful application of KM; these are the emphasis on people, process and technology.

B. Knowledge Management Process Theories

KM process is necessary in modern and successful organizations which look at knowledge as a main factor in competitiveness. KM has been seen as a fast response to weaknesses and threats that affect the way in which organizations conduct business. This part describes different KM process theories.

One KM Process model that was proposed by [11] divides KM into a comprehensive theoretical framework that consists of six steps: (a) Initiation, (b) Generation, (c) Modelling, (d) Repository, (e) Distributing and transfer, (f) Use and Retrospect.

[8] Suggest that the knowledge process can be divided into four stages: Knowledge Creation, Storage and Retrieval, Transfer, and Applications. Furthermore, [5] presents another interesting theory of the KM cycle to channel the Knowledge accumulated from a variety of sources .This cycle contains four processes by which organizations are able to adopt KM. The four processes are: (a) Knowledge Acquisition, (b) Organization, (c) Dissemination and (d) Application.

In another model provided by [12], they propose a knowledge life cycle of six steps: (a) Creating New Knowledge which includes identifying both new and old existing knowledge; (b) Identify Knowledge relevant to organization, (c) Verifying selected Knowledge, (d) Capturing & Organizing Knowledge, and (e) Disseminating and Using Knowledge and finally (g) Combining new knowledge and re-evaluating assumptions to Create Knowledge. [13] propose six phases of KM. These phases are relating value, acquiring, organizing, enabling, reusing, transferring and using. In another study provided by Stollberg explain the KM as seven processes: Knowledge Identification, Acquisition, Preparation, Allocation, Dissemination, Usage and Maintenance. Lately, [14] suggest a KM process that includes five steps: identifying, capturing, selecting, storing and servicing.

Recently, [15] define Knowledge management (KM) processes comprise of knowledge creation, knowledge storage, knowledge distribution and knowledge application. Finally, [3] propose that KM process includes the three main processes. Starting with the Process about Knowledge to capture knowledge, Process for Knowledge to create Knowledge need, and Process from Knowledge to apply knowledge. The first KM process deals with the idiom knowledge which refers to understanding how to capture the needed knowledge to solve specific problems that have occurred. The second process of KM focuses on the process for knowledge. This process refers to Knowledge Creation which considers creating new knowledge in the organization as its major priority. The third process called Process from Knowledge to be applied through organizations' products, services and processes that yield in attaining high standards of improvement and progress.

For this viewpoint, the purpose of KM is not to manage all knowledge, but to manage the knowledge that is most significant to the organizations. It involves applying the collective knowledge and ability of the entire workforce to achieve specific organization objectives which, in return, can lead to getting the right information to right people at right

time and help people generate and share knowledge to enhance organizational performance [3].

Therefore, the authors have analysis and developed a conceptual model of KM process on organization performance starting with the (Knowledge Identification, Knowledge Acquisition, Knowledge Storage, Knowledge Distribution, Knowledge Application) based on a thorough investigation of various models presented in KM literature. Many of the models described above are broad enough to provide a complete analysis of the knowledge flow in the organization. Therefore the authors propose the new knowledge management model that includes (Knowledge Identification, Knowledge Acquisition, Knowledge Storage, Knowledge Distribution, Knowledge Application, and Knowledge Retention) in order to provide organization performance.

In this respect, "Knowledge identification" is most commonly acknowledged as the first step in knowledge management process as with [16], or [14]. Whereas, [13] would use the term "relate value" to describe an intricate process which starts with identification of the knowledge process and relating its value to the organization by way of assessing the usefulness.

Moving on from identification as the first Knowledge Management process, we find that " Knowledge acquisition" seems to be the most commonly acknowledged process or step in Knowledge Management as identified by [3], [13]; [16] However, for [5]; [17] it seems that "Acquisition" is the first step or process in Knowledge Management. Others such as [12] actually use the term "capture and organize" to describe "acquisition" but at the same time combining it with the "dissemination" of knowledge. Clearly, for the purpose of this thesis we shall adopt the term "acquisition" as a second step or process in Knowledge Management.

Irrespective of the order in which it appears in different models, "Knowledge storage" is clearly identified by most writers as a critical Knowledge Management process. [17] identify storage as the second component whereas [14] identify "storage" as the fourth step. [11]; Term it as "Repository" and classify it as the fourth step or process. [8] Name it as the "storage and retrieval" thus extending it to the ability to organize, compile, and retrieve knowledge as integral parts of the same one step. For the purpose of this thesis "storage" will mean the process by which the organization develops systems and methods of building their repository of information or knowledge, structure it and establish ways for retrieving or accessing such knowledge.

Beyond "identification", "acquisition", and "storage" the most logical process to make use of such knowledge will be the ability to facilitate access and distribution to knowledge. According [6] "Knowledge distribution" is listed as the tenth process followed by "sharing". For the purpose of this thesis this shall be adopted as the fourth process and identified as knowledge "distribution". [8] Refer to "distribution" as "transfer" whereas,[11] refer to it as "distributing and transfer".

Although distribution has been identified as a distinct process, it is nonetheless a means to and end, which is "Knowledge application". For the purpose of this thesis we shall use the term "application" as identified by [5] and [8]

who both allocate application as the fourth and final process. [11] Use the term "use" as the sixth process. [12] Identify application as the fifth process and interestingly. [13] Describe the process as "reuse" and then add a sixth step or process which they call "transfer and use". Finally [17] identifies this process as the fourth step and refers to it simply as "use".

C. Overview of Strategic Competence

As companies begin to develop competence in managing internal knowledge and applying it towards achieving organizational goals, they are setting their sights on new sources of knowledge that are not necessarily found within the boundaries of the firm. For example, customer KM comprises the processes that are concerned with the identification, acquisition, and utilization of knowledge from beyond a firm's external boundary in order to create value for an organization. Companies can utilize this knowledge in many different forms of organizational improvement and change, but it is especially valuable for innovation and the new product development function.

Competence is defined with two aspects: (1) competencies must align with business strategy; (2) competencies need to be generated through more than one mechanism, such as buy, build, borrow, bounce, and bind [18]. Strategic competencies are determined by four competencies (1) Shared vision (2) Cooperation (3) Empowerment (4) Innovation [21].

D. The Relationship between Knowledge Management and Strategic Competence

Organizational performance may be defined as the degree to which companies achieved their business objectives [22]. It may be measured in terms of organizational learning, profitability, or other financial benefits in KM [22]; [22].Without measurable success, passion from employees and managers will vanish [23].

There is a general recognition among academics that KM is a cross-functional and multifaceted discipline. A variety of components make up KM and the understanding of their interaction is important; a holistic view is very useful [25]. This relationship is also explained by the use of the knowledge chain model proposed by [25]. This model suggests that leadership establish enabling conditions for achieving organizational outcome through the KM activities such as acquisition, generation, internalization, and externalization. It means that knowledge enablers (leadership) affect organizational outcome through knowledge processes. A direct relationship between knowledge processes and organizational performance is not explored yet.

Because many factors influence the determination of the organizational performance, attempts to trace causality to any single factor such as knowledge process may be risky. In order to understand the effect of the knowledge processes on organizational performance, intermediate outcomes (for example, knowledge satisfaction or organizational creativity) may be introduced [4];. Intermediate outcomes reflect different aspects of an organization's performance, both financial and non financial.

Adopting the RBV, IS researcher identified various if related resources that serve as potential sources of

competitive advantage [15], [26], [27]. Describes the various technical elements required for KM and provides a technological framework for KM capability. Extending the traditional notion of organizational capabilities to a firm's IT function. Specifically, the concept of KM capability is developed using the premise that while resources can be easily duplicated, a unique set of capabilities mobilized by a firm cannot be easily duplicated and will result in sustained competitive advantages and better firm performance. Viewed from RBV, the KMS provides the resources that make feasible innovation and continuous improvement of firms' KM capability.

Several authors have argued for a Knowledge-Based View (KBV) of the firm as a specialized case of RBV. KBV presents firms as social communities with the primary role of integrating the specialist knowledge resident in individuals into goods and services, so that organizational capabilities are the manifestation of this knowledge integration [28]. Knowledge is embedded in multiple entities within the firm, such as the organizational culture, routines, policies, systems, and documents, as well as individuals and teams [29]. Knowledge shapes the firm's core competences [30], and therefore determines value creation. Furthermore, tacit knowledge, social knowledge, and complex knowledge are difficult to imitate [31]. Hence, competences based on these types of knowledge cannot be easily duplicated by competitors, and strategies based on these competences are likely to lead to sustainable competitive advantage.

The main theories mentioned in the literature, presenting the relationship between the existing knowledge and the wish to manage it so as to improve organizational performance, are: (1) the "KBV of the firm" [32], which focuses on the mechanism that enables the organization to reach a competitive advantage; and (2) "the competence-based view of the firm" [33]. According to which, organizational capabilities are based on the ability of the human factor to participate in learning processes in the organization and to determine the organizational goals.

III. RESEARCH MODEL AND HYPOTHESIS

This section presents new model to describe the combination between KM process (Knowledge Identification, Knowledge generation, Knowledge storage, Knowledge Distribution, Knowledge Application and Strategic competence (Shared Vision, Cooperation, Empowerment, Innovation) see Fig. 1.

On the basis of the literature review and conceptual model presented previously, the following hypotheses are proposed for testing in the empirical study of Jordanian Insurance Companies, four hypotheses address the associations between KM Process and Core Competence.

The four hypotheses which guided this line of inquiry are as follows:

➤ HO-1: There is no significant impact of Knowledge Management Process on Shared Vision in Jordanian Insurance Companies at level ($\alpha \le 0.05$).
➤ HO-2: There is no significant impact of Knowledge Management Process on Cooperation in Jordanian Insurance Companies at level ($\alpha \le 0.05$).
➤ HO-3: There is no significant impact of Knowledge Management Process on Empowerment in Jordanian Insurance Companies at level ($\alpha \le 0.05$).
➤ HO-4: There is no significant impact of Knowledge Management Process on Innovation in Jordanian Insurance Companies at level ($\alpha \le 0.05$).
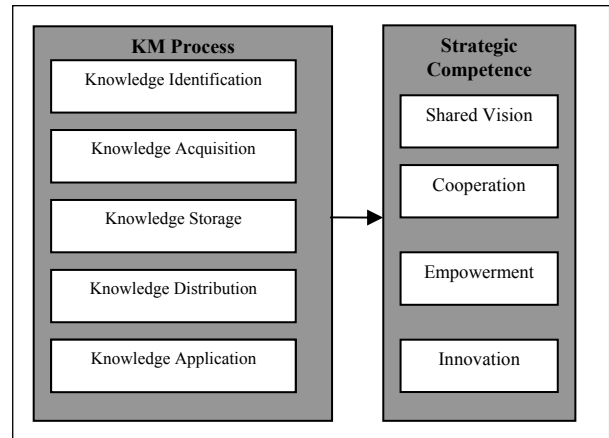

Fig. 1. Knowledge management and strategic competence.

IV. RESEARCH METHODOLOGY

To ensure the reliability and validity of the questionnaire, several criteria have been considered when designing a questionnaire survey. A pilot test was conducted on the practitioners from the selected banks, to reduce and minimize any misunderstanding or ambiguous questions and procedures that would be used in conducting the survey. This selection helps to give the best feedback about the content of the questionnaire and research.

The questionnaire starts with a brief description of the meaning of the main concepts and it gives the instructions on how to answer each section of the questionnaire and these are what make it of consistent style. An initial draft of the questionnaire was developed based on an extensive literature review. The questionnaire includes many questions which are in line with the research that aims at achieving several objectives. Therefore, the research survey could be described as being comprehensive. The questionnaire is divided into two parts. The first part includes personal information of the respondents such as age, gender, area of profession, and years of experience. The second part includes the questions related to variables that affect the integrated KM process with core competence to enhanced strategic performance.

TABLE I: SUMMARY OF THE SAMPLE SIZE

Category	Number of Questionnaire Distributed	Number of Completed Questionnaires Returned	Number of Uncompleted Questionnaires Returned	Number of Questionnaires Unreturned
Jordanian Insurance Companies	110	77	28	5
Total Rate		70%	25%	5%

A. Sample

A total of (110) questionnaire was initially distributed to targeted the Three Administrative Levels (Top Managers, Head of Section, and Employees) working in the Jordanian Insurance Companies.

A total of 105 questionnaires were returned, of which of 77 completed questionnaires were returned and 28 uncompleted questionnaires were returned. A total of 5 questionnaires unreturned. , 77 completed questionnaires were returned will be analyzed. TABLE I shows a summary of the sample size.

B. Data Collection

The structural questionnaire design was applied to develop the survey instrument. Each was operationalzed on a five points Likert-type scale where 1 = "strongly agree", and 5 = "strongly disagree". In order to ensure the variables selected for this study were relevant to the respondents, a pilot study was conducted to increase the validity and reliability of the questionnaire.

Experts were invited to review the questionnaire and pilot tests were administered before designing the final questionnaire. Ultimately, this pilot study helped to identify the participants' opinion and experiences.

The quantitative approach supplied a suitable research data collection strategy, allowing the collection of a large amount of data from a sizeable population in a highly economical way. The factor analysis was adopted to test construct validity to determine the relationships between variables.

The construct was subjected to the scale reliability procedure of SPSS 11.0, using the Cronbach's Alpha [34] criterion to assess the internal consistency of the studied construct. The Cronbach' Alpha coefficient is above 075 the value exceeds the accepted cut-off value of .70, as suggested by [35]. This indicates that each individual item is internally consistent and highly reliable.

V. Data Analysis and Result

To ensure the impact of Knowledge Management Process on Strategic Competence in Jordanian Insurance Companies uses the Simple Regression analysis to test each sub-hypothesis. As a following:

From TABLE II we observe that there is significant impact of Knowledge management Process on Shared Vision in Jordanian Insurance Companies. The R was (0.704) at level ($\alpha \leq 0.05$). Whereas, the R2 was (0.495). This means the (0.495) of Shared Vision changeabilities resulting from the changeability in Knowledge management process. As β was (0.986) this means the increase one unit in Knowledge management process will be increase Shared Vision value (0.986). Assuring significant impact F Calculate was (74.623) and it's significant at level ($\alpha \leq 0.05$) comparing with F Tabled was (4.00), and that Assuring unvalid first hypothesis. Unaccepted null hypotheses and accepted alternative hypotheses: There is significant impact of Knowledge management process on Shared Vision in Jordanian Insurance Companies at level ($\alpha \leq 0.05$).

From TABLE III we observe that there is significant impact of Knowledge management Process on Cooperation in Jordanian Insurance Companies. The R was (0.616) at

level ($\alpha \leq 0.05$). Whereas the R2 was (0.379), this means the (0.379) of Cooperation change abilities resulting from the changeability in Knowledge management process. As β was (0.764) this means the increase one unit in Knowledge management process will be increase Cooperation value (0.764). Assuring significant impact F Calculate was (46.449) and it's significant at level ($\alpha \leq 0.05$) comparing with F Tabled was (4.00), and that Assuring unvalid second hypothesis. Unaccepted null hypotheses and accepted alternative hypotheses: There is significant impact of Knowledge management process on Cooperation in Jordanian Insurance Companies at level ($\alpha \leq 0.05$).

TABLE II: Simple regression analysis test results to the impact of Knowledge Management Process on Shared Vision in Jordanian Insurance Companies

(R)	(R) Square	F Calculate	F Tabulated	β	Sig
0.70	0.495	74.623	4.00	0.98	0.00

TABLE III: Simple regression analysis test results to the impact of Knowledge Management Process on Cooperation in Jordanian Insurance Companies

(R)	(R) Square	F Calculate	F Tabulated	β	Sig
0.616	0.379	46.449	4.00	0.764	0.00

TABLE IV: Simple regression analysis test results to the impact of Knowledge Management Process on Empowerment in Jordanian Insurance Companies

(R)	(R) Square	F Calculate	F Tabulated	β	Sig
0.277	0.077	6.309	4.00	0.330	0.014

From TABLE IV we observe that there is significant impact of Knowledge management Process on Empowerment in Jordanian Insurance Companies. The R was (0.277) at level ($\alpha \leq 0.05$). Whereas the R2 was (0.077), this means the (0.077) of Empowerment changeabilities resulting from the changeability in Knowledge management process. As β was (0.330) this means the increase one unit in Knowledge management process will be increase Empowerment value (0.330). Assuring significant impact F Calculate was (6.309) and it's significant at level ($\alpha \leq 0.05$) comparing with F Tabled was (4.00), and that Assuring unvalid third hypothesis. Unaccepted null hypotheses and accepted alternative hypotheses: There is significant impact of Knowledge management process on Empowerment in Jordanian Insurance Companies at level ($\alpha \leq 0.05$).

From TABLE V we observe that there is significant impact

of Knowledge management Process on Innovation in Jordanian Insurance Companies. The R was (0.571) at level ($\alpha \leq 0.05$). Whereas the R2 was (0.326), this means the (0.326) of Innovation changeabilities resulting from the changeability in Knowledge management process. As β was (1.298) this means the increase one unit in Knowledge management process will be increase Innovation value (1.298). Assuring significant impact F Calculate was (36.734) and it's significant at level ($\alpha \leq 0.05$) comparing with F Tabled was (4.00), and that Assuring unvalid fourth hypothesis. Unaccepted null hypotheses and accepted alternative hypotheses: There is significant impact of Knowledge management process on Innovation in Jordanian Insurance Companies at level ($\alpha \leq 0.05$).

TABLE V: SIMPLE REGRESSION ANALYSIS TEST RESULTS TO THE IMPACT OF KNOWLEDGE MANAGEMENT PROCESS ON INNOVATION IN JORDANIAN INSURANCE COMPANIES

(R)	(R) Square	F Calculate	F Tabulated	β	Sig
0.571	0.326	36.734	4.00	1.298	0.000

The relation between the KM process and Strategic Competence was confirmed in this study and the findings are summarized as follows:

 ➤ KM process had a positive impact on Shared Vision.
 ➤ KM process had a positive impact on Cooperation.
 ➤ KM process had a positive impact on Empowerment.
 ➤ KM process had a positive impact on Innovation.

A. Research Findings and Discussion

As clearly stated in this paper, the most notable findings of this research is the limited work done on linking, comparing or integrating Knowledge Management on the one hand and Strategic Competencies on the other hand. Based on the previous sections and in view of the adopted definitions for KM and the preceding definitions of the previously discussed Strategic Competencies, this section will explore all discernible links, relationships, overlaps and correlations between KM and Strategic Competencies.

Starting with Shared Vision as per the preceding definition, this could entail the desire to develop and propagate a shared vision amongst all employees and on some occasions, ensure that this shared vision is understood by customers. As a starting point, and in terms of thee initial conceptualization of shared vision, the existence of a structured KM approach particularly in terms of Knowledge Identification and Acquisition (1st and 2nd processes) as defined earlier can form a starting point in the originating such a shared vision. The KM process will facilitate the ability to search and capture all related knowledge which may then be deployed or modified by the organization in a useful format.

With regards to the second Core Competency, it is now a most accepted wisdom that cooperation is a critical success factors as we move into more team building and team work in the face of increased complexity and the drive towards higher utilization of skills. In this context, the existence of a well structured Knowledge Management Process can serve as the platform or incubator for fostering such cooperation. This is particularly true for the initial stage of identification and the intermediary stage of Distribution which will initially require collaborative efforts across the organization (identification) and later on facilitate access to knowledge across the organization in any number of formats which will enable participants and cross-functional teams to exchange information, knowledge and ideas. Hence, we can state that there is a strong overlap between KM and cooperation and to the extent that the two activities are mutually interdependent.

It is said that Empowerment requires strong leadership that is able to manage and control such step and in a way that capitalizes on human resources, benefits from decentralization and ensures flexibility and agility, especially at the operational levels. In this respect, Empowerment boils down to decision making and there should be no doubt that decision making will be enhanced through the ability to access knowledge when needed and in the form and extent need to execute these decisions and with minimum referrals and delays.

Finally for innovation to take place there are many conditions that need to be satisfied starting from the role of leadership to investments in human capital. However, today innovation is another effort that relies heavily on collaborative values and systems within the organization which will facilitate, foster, enable and release the capacity to innovate. Amongst these systems, a structured KM Process that is well coded (storage), properly shared (distribution) and continuously monitored (retention and update) will definitely impact most positively on innovation.

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VI. CONCLUSION

Organizations are asked to develop new ways to compete in the Information Age. Knowledge has emerged as the main resource and most valuable asset for organizations in an ever-changing environment. To the best of the author knowledge, there has not been an integrated model of KM and Strategic Competence in the literature to enhance the organization Performance. This has been reached at through making a profound investigation of all available studies from all available sources. Therefore, this paper contributes by providing a clear model for employing KM and Strategic competence as a framework to adapt the hurried changing environment and sustain the organization performance.

The results of this study show that KM processes have a significant impact on four selected factors of Strategic Competence (Shared Vision, Cooperation, Empowerment, and Innovation). This research contributes to the understanding of the customer process and customer acquisition. The research has succeeded in proposing a model that enriches current research by offering specification, justification, and empirical validation of a set of interrelationships between important factors.

This research describes an integration of KM process and Strategic Competence. Hopefully these findings will shed some light for policy makers allowing them to integrate KM processes and hopefully these findings will shed some light for policy makers allowing them to integrate KM processes and Strategic Competence to keep organizations competitive within the global business environment

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