DOI: http://doi.org/10.4038/wjm.v12i2.7546

The Relationship between Knowledge Management Processes and Workforce Agility in the Sri Lankan Banking Sector

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"The critical feature of a knowledge workforce is that its workers are not labor, they are capital." – "They're Not Employees; they're People," – Drucker (1998)

Abstract

The knowledge asset was highlighted as the key strategic weapon in the post-industrial societies to achieve the competitive edge. Sri Lanka is gradually moving towards a post-industrial society context, which will increase the domain value centered on knowledge management and knowledge worker's agility. Nonetheless, this study serves as a prelude to investigating the relationship of knowledge management practices on worker agility in the Sri Lankan banking sector. Workforce agility has received much interest in the manufacturing industry, but it has been overlooked in the service industry. As a response, the authors develop research questions to assess the relationship between proactive agility and flexible agility in knowledge management processes (knowledge creation, acquisition, sharing, and application) in the banking industry. The banking industry was chosen specifically because it is prone to change on a daily basis, and employees were expected to adjust their agile behavior. Two hypotheses were constructed for this purpose, and both hypotheses were failed to reject based on the correlation analysis and thus the findings of the study confirmed that knowledge management has a significant positive relationship with proactive agility and flexible agility. For this quantitative, deductive study, a systematic literature review was conducted. Existing knowledge was used to create a conceptual framework that addresses in the gaps in current research. The findings of the study emphasize the significance of top management's involvement and strategic direction in fostering a strong knowledge management culture, which has a significant important role in the long run to sustain an agile workforce.

Keywords-: Flexible Agility, Knowledge, Knowledge Management, Proactive Agility, Workforce Agility

1. INTRODUCTION

The contemporary business environment has turned out to be "volatile, uncertain, complex, and ambiguous (VUCA)" in nature with an inherent plethora of opportunities and threats while portraying a network of organizations that regularly "appears, develops, or disappears" (Munteanu, Bibu, Nastase, Cristache & Matis, 2020). The novel economic world-order has resulted in the change in consumption patterns, ceasing of boundaries among countries, technological development, globalization and deregulation (Hu & Liden, 2015; Khoo, 2011). Hence, a number of business organizations are in quest of conquering the environmental turbulence and uncertainty effectively (Almahamid, 2018) and the conventional strategies and hierarchical models are found to be obsolete and insufficient to address these changes and align with the present-day business environment (Braun, Hayes, DeMuth & Taran, 2017). The modern business organizations are challenged to continuously adapt to the increasing demands rapidly and entirely (Munteanu et al., 2020). In order to sustain in the turbulent environment, the organizations tend to instill empowerment, updated technology, work organizations, virtual organizations, cross training and communication with the aim of instilling agility within themselves (Almahamid, 2018).

(Gartside et al., 2014) assert that organizations adopt agility as an "enterprise-wide strategy" in order to sustain within the dynamic and competitive business environment. It enables organizations to cope with business environment turbulence. An accelerated level of agility has been portrayed as a gratifying capability that allows the rapid utilization of business opportunities (Hatzijordanou, Bohn & Terzidis, 2019). Organizational agility resonates the potentiality that helps an organization to sustain and perform within a dynamic and unpredictable environment (Vinodh, Aravindraj, Pushkar & Kishore, 2012). It is a strategy that enables business organizations to sustain on a "borderless battlefield" (Holbeche, 2018; Storme, Suleyman, Gotlib & Lubart, 2020). A number of aspects of agility have been investigated by many scholars, and they include agile software development (Krancher & Luther, 2021), agile manufacturing (Potdar et al., 2017) and agile workforce (Storme et al., 2020, Muduli, 2016). Agility covers a range of criteria such as innovation, customization, speed, adaptability, quality, flexibility, proactivity, profitability and knowledge (Qin & Nembhard, 2015).

Today, the achievement of agility has become challenging without

an agile workforce and in fact, workforce agility can be cited as a multifaceted and a complex concept (Muduli & Pandya, 2018). Workforce agility is paramount for the sustenance of the contemporary business organizations that are based in an unprecedented and fast paced business world. The notion; agile workforce has been subjected to investigation in order to formulate agile organizations that undergo "superior environmental responsiveness" amidst change (Muduli, 2013) and it is a powerful approach to respond to the environmental changes both proactively and reactively (Almahamid, 2015). Breu, Hemingway, Strathern and Bridger (2002) define workforce agility as a concept that relates to "environmental responsiveness" to the volatility in the market which also resonates the perception put forward by Qin and Nembhard (2015), who cited the concept as "knowledge workers". Muduli (2016) portrayed agile workforce as workers instilled with a wide vision who can cope with volatile environments and exploit new opportunities. In fact, the father of knowledge management; Peter Drucker, who initially coined the term "knowledge workers", had already predicted that the knowledge workers will turn out to be the most precious asset of an organization in the 21st century owing to their accelerated levels of creativity and productivity (Drucker, 1999).

As the authors assess the notion; workforce agility, two dimensions namely, proactive (Parker, Bindl & Strauss, 2010; Sherehiy, 2008) and flexible (Heckler & Powell, 2016) will be utilized for in study to investigate the impacts of knowledge management processes. Proactive agility is the prediction of issues that relate to change, formulation of solutions and the resolution of those issues (Chonko & Jones, 2005) while the dimension; flexible resonates the potential to attain contradictory objectives and receive distinct products at similar levels and this is required to be instilled in employees in order to cope with distinct activities and groups simultaneously (Sherehiy, 2008).

The concept; knowledge management received considerable attention during the last decade and the 21st century saw it becoming an "electromotive force" that drives the economic, social and educational development in any country (Igbinovia & Ikenwe, 2018). Knowledge Management is represented by the requirement to manage knowledge in a company as an asset (Ghani, 2009) and Kucza (2001) asserts that knowledge management is the management of the processes of creating, storing and sharing knowledge coupled with other related tasks. (Omotayo, 2015) states that knowledge management is crucial for the companies that are aiming at attaining a sustainable strategic competitive edge. The knowledge

management processes can be showcased as the visible activities of the organizations that relate to knowledge management and other business processes expedited in those entities for the creation, storage, transfer and application of knowledge (Rasoulinezhad, 2011).

The attainment of a competitive edge is a considerable challenge for the contemporary knowledge intensive companies. Knowledge management can be cited as an effective approach utilized by the contemporary organizations as they make several attempts to survive amidst environmental turbulence. Agility in business organizations demands to understand "where" and "why" the changes occur and "how" the organization needs to react, and this is facilitated by knowledge management processes within these entities (Su, 2011). As such, knowledge enables the resolution of the current challenges in the digital era (Al-Khouri, 2014) and it has been recognized as a pivotal strategic resource that enables organizations to secure competitive advantage within a dynamic market environment since the early nineties (Spender, 1998) and many organizations have begun to consider the significance of knowledge reservation (Gill, 2009). Today, the knowledge management processes; knowledge creation, acquisition, sharing and application facilitate the survival of business organizations within the uncertain environmental changes and their operations with a competitive edge (Almahamid, 2015).

Knowledge creation can be cited as an ongoing process of vigorous interplay between tacit knowledge (Nonaka & Takeuchi, 1996) and it is the potential of a company to produce new knowledge, solutions and new ideas that are creative in nature using technology with the aim of systematically handling the organizational tasks (Andreeva & Kianto, 2011). Knowledge acquisition improves the full span of external knowledge of a firm by accelerating the prospect of merging external and internal knowledge, which will result in innovative solutions for the organization (Yli-Renko et al., 2001). Knowledge sharing is the foundation for the accomplishment of the company and it acts as a roadmap that aids in their survival (Witherspoon, Bergner, Cockrell, and Stone, 2013) Boateng and Agyemang (2015) portray that knowledge application allows organizations to utilize knowledge to enhance their operations, produce novel knowledge and formulate novel products.

The companies that manage their knowledge under three pillars; people, technology and process, effectively will undergo sustainable development and growth (Igbinovia & Ikenwe, 2018).

Business organizations, particularly banks are facing

fierce competition often owing to phenomena such as high market pressures, innovation and globalization (Mousavizadeh, Harden, Ryan & Windsor, 2015). Workforce agility can be elucidated as a notion of paramount importance for the banking institutions in the contemporary world as the needs of clientele are subjected to changes at a rapid pace (Ajgaonkar, Neelam & Wiemann, 2021). These institutions face a plethora of issues as they struggle to face the effects of global economic depression and recession via the retention of a loyal and steady clientele in the financial stage Ollusolla, Ollodude, Bollanlle & Olladejjo. (2013). As these knowledge intensive organizations are equipped with knowledge workers, a number of attempts have been made by the banks to implement knowledge management systems to expedite their strategies and enhance performance (Zack, McKeen & Singh, 2009).

The banking sector in Sri Lanka is undergoing major transformations, which are accompanied by technological, behavioral, and societal changes. Having automated teller machines (ATMs) used to be a major order-winning element. However, with today's changes, having automated teller machines does not guarantee order winning characteristics. Through digitalization, today's consumers seek better ways to deal with their work routines. As a result, all stakeholders, including bankers, accept agile behaviour.

(Aghion & Griffith, 2008) assert that a competitive market environment allows efficient resource allocation that enhances productivity and growth of national economy. Sri Lanka also undertook an extensive liberalization process that portrayed a break with the protectionist policies followed for many decades (Athukorala & Rajapatirana, 2000), to establish a competitive banking market and it was the first South Asian nation to engage in economic liberalization. This marked the introduction of a number of reforms in the financial sector to boost economic growth. The Sri Lankan banking sector consists of the Licensed Commercial Banks (LCBs) and Licensed Specialized banks (LSBs). This industry dominates the financial sector of the country while accounting for the highest portion of the overall assets in the financial system (CBSL, 2018). Hence, banking institutions undoubtedly play a pivotal role in the financial system of Sri Lanka and their effectiveness is paramount for the economic development of the country. It should be noted that in the contemporary Sri Lankan banking sector, the entities are required to attain organization agility particularly by formulating an agile workforce that allows them to cope with environmental turbulence.

1.1. Problem statement

Albeit, human resources have been cited as the major source of competitiveness and drivers of change and agility in organizations by many scholars (Munteanu et al., 2020), a few studies have been conducted to address the concept; workforce agility (Storme et al., 2020). Furthermore, there have been much discussion in academia in workforce agility and its enablers in the context of the manufacturing organizations across the world (Sherehiy & Karwowski, 2014; Alavi & Wahab, 2013). However, research on the impacts of the KM processes on workforce agility within the service organizations in the banking institutions in Sri Lanka is extremely rare. Hence, this study aims at exploring the relationship of the knowledge management processes namely, knowledge creation, acquisition, sharing and application on workforce agility in the banking institutions in Sri Lanka. Contributing to the discourse of knowledge management processes and their impact on workforce agility, this paper aims at assessing the effect of knowledge management processes (creation, acquisition, sharing and application) on the proactive and flexible workforce agility in the banking sector in Sri Lanka.

The study aims at addressing the above gap in relation to workforce agility by formulating the following research problems.

1. Do knowledge management processes (Creation, Acquisition, Sharing, and Application) relate with Proactive workforce agility in the banking institutions in Sri Lanka?

2. Do knowledge management processes (Creation, Acquisition, Sharing, and Application) relate with flexible workforce agility in the banking institutions in Sri Lanka?

1.2. Research hypothesis

Based on the above research questions and conceptual framework (Figure 1), the authors hypothesize that knowledge management processes have an impact on workforce agility at the banking institutions in Sri Lanka. Thus, in order to summarize the arguments articulated based on the previous research, the authors have formulated the following research hypotheses as follows:

H1: There is a significant relationship between knowledge management processes (Creation, Acquisition, Sharing, and Application) and proactive workforce agility.

H2: There is a significant relationship between knowledge management processes (Creation, Acquisition, Sharing, and

Application) and flexible workforce agility.

1.3. Contribution

It is crucial that we extend our understanding to the banking institutions and it will aid in preventing a prospective loss in research opportunities in relation to the knowledge management driven workforce agility in these institutions that play a pivotal role in emerging economies as engines of innovation. This study measures the relationship between the independent variables that cover the four knowledge management processes namely knowledge creation, acquisition, sharing and application and the dependent variables of workforce agility (proactive and flexible) which will contribute to the literature by exploring the impacts of knowledge management processes on the workforce agility in the Sri Lankan banking institutions. Furthermore, this study can be cited as one of the important pieces of literature that assess the workforce agility within the banks specially in the context of a developing country like Sri Lanka and it will help the Sri Lankan banking institutions to be aware of the adoption and application of the knowledge management processes in future while recognizing the significance of these processes in stimulating workforce agility. This study will also feature useful findings that may provide the Sri Lankan banking sector with effective recommendations that will aid them in the adoption of the concepts like knowledge management and workforce agility as they consider enhancing the work force related processes to accelerate performance within their entities

2. METHODS

As this study aims at investigating the relationship between the knowledge management processes; knowledge creation, acquisition, sharing and application and the workforce agility at the banking institutions in Sri Lanka, it follows a quantitative research paradigm and it enables the prediction of causal relationships and the statistical inference of the findings to the overall population (Sarantakos, 2005). Quantitative research methods explain a problem or an event via the collection of numerical data and analyzing them with the help of mathematical methods; specially statistics (Aliaga & Gunderson, 2002). A deductive approach is followed in the study as it aims at testing a hypothesis and hence, it is suitable to be dealt with quantitative data. Creswell and Plano Clark (2007) assert that a deductive researcher works from "top to bottom" from a theory to hypothesis in order to collect data to modify or add to the theory.

The population of this study consisted of the front line and middle line managerial level employees of the entire banking sector of Sri Lanka. It follows simple random sampling which is

a probability sampling technique. The population of the study covers the overall Sri Lankan banking sector while the sample of the study consists of all commercial and public banks based in Sri Lanka. Data collection was conducted through a structured questionnaire which consisted of 46 questions relating to demographic information such as gender, age, district, sector and position and standard information like knowledge management processes and the dimensions of workforce agility. A likert scale of 5 point was used in the questionnaire with five response levels (Strongly Disagree = 1, Disagree =2, Neutral = 3, Agree=4, Strongly Agree=5. SPSS (Statistical Package for the Social Sciences) version 23 was used, to statistically analyze the results and in addition, the correlation test was used to assess the relationship between the knowledge management processes and the dimensions of workforce agility. The study finds a positive, significant correlation between the two variables. To analyze the demographic variables such as age, gender, district, sector and position, the descriptive method was employed. Inferential statistics were employed in conjunction with a correlation study to investigate the relationship. Due to the quantitative character of the responses, SPSS 21 was used to analyses data.

3. RESULTS

At the initial stage 524 questionnaires were distributed and only 277 were received back. From 277 responses, 03 responses were neglected from the study since it carries missing values. Therefore, for the study purpose 274 responses were analysed.

According to the demographic analysis shown in table 01, there was a minor difference in the representation of male and female respondents. The male representation was 51.5 percent, while the female representation was 48.5 percent. The highest answer rate was obtained from Gamapaha district, at 21.5 percent, and the lowest response rate was recorded in Hambanthota, at 2.2 percent. The private sector employed the majority of the respondents, accounting for 51.8 percent of the total. In the study, 75.9% of first-line employees are represented, with the remaining 24.1 percent made up of the middle-level personnel.

Despite the study results, the normal distribution of variables was utilized (Kolmogorov–Smirnov Z test) to check the absence of study data from statistical difficulties that could adversely affect the outcomes of the study hypotheses. This indicates normality distribution for variable and table 02 shows that the study results. ($P>0.05$)

Cronbach's alpha (α) was utilized to assess the construct's reliability

in this study. Table 3 reveals that the Cronbach' alpha value ranges from 0.669 to 0.88, indicating that the study variables have a high level of internal consistency.

There is no statistically significant difference in agility between male and female employees, according to the independent samples test results based on gender, as shown in table 04

There is a considerable difference between workforce agility in the private and public sectors, according to the independent samples test results based on sector provided in table 05. Employees in the private sector are agile than those in the public sector, according to the findings of the post hoc study.

There is no substantial difference in workforce agility between first line and middle level employees, according to table 06, independent samples test results based on job position.

According to table 07, there is a substantial variation in worker agility between different age groups. According to the post hoc study results 25-30 yrs. and 31 to 35 yrs. age categories have a high level of agility.

There is no significant variation in workforce agility between different districts, according to table 08, the one-way ANOVA findings based district.

Table 09 shows that the highest mean (4.52) out of (5) for item (4) " Top management is well aware of the banks needs for knowledge in different aspects of its daily activities " by high agreement degree, then for item (3) " The bank works constantly to update the different kind of knowledge it has. " by high agreement degree. The highest agreement degree was (Means 4.28) and the lowest agreement degree was (3.8) for item (5) " The bank works to support the creative ideas of its own. " by a moderate level of agreement

Table 10 on descriptive statistics of knowledge sharing shows that the highest mean (4.72) out of (07) was achieved by high agreement degree for item (4) " The bank encourages the employees to develop their knowledge." and the lowest mean (3.48) was achieved by moderate agreement degree for item (7) " The bank provides mechanisms for receiving views and suggestions among employees "

When analyzing the mean of knowledge sharing, table 11 shows that the highest means reached (4.28) out of (06) for item (6) “Promote a supportive environment for knowledge exchange of ideas among all employees. " by high agreement degree, and the lowest means was (3.28) for item (3) “We always analyze unsuccessful organizational endeavors and communicate the lessons learned widely." by moderate agreement degree

Table 12 shows that the highest mean of knowledge application

was (4.52) out of (04) for item (1) " There is an initiative to deliver the knowledge that available to all employees" by high agreement degree, and the lowest mean was (3.46) for item (4) " The bank encourages its employees to benefit from its own knowledge inventory." by lower agreement degree.

Table 13 shows that the highest mean (4.76) out of (06) for item (3) "I look for opportunities to improve at work." by high agreement degree, and the lowest means (3.48) for item (1) "I am able to solve new and complex problems at work." by moderate agreement degree when analyzing the mean of variable "proactive."

Table 14 shows that the highest means were (4) out of (07) for item (2) "I like to change old ways of doing things." by high agreement degree, and the lowest means were (2.45) for item (3) "I am able to perform the job without knowing the total picture." by poor agreement degree when analyzing the mean of variable "flexible."

According to table 15, there is a strong positive correlation between knowledge management and proactive agility (Pearson Correlation 0.878) and flexible agility (Pearson Correlation 0.662). Albeit all two study hypotheses are failed to reject based on the correlation analysis provided in table 16, as it becomes statistically significant at the 0.01 significant level.

4. DISCUSSION

The effects of demographic variables on workforce agility in Sri Lanka's banking industry was first explored in this study. Gender, age, employment position, district, and sector were all assessed for significant variations between and among different demographic groupings. Age and sector differences were found to be significant between groups.

When it comes to the age element, it has a direct impact on workforce agility because generation Z is one of the most influential age groups in modern settings as well as in this study itself. According to the post hoc test results, the age groups of 25 to 30 and 31 to 35 showed greater workplace agility. Generations X (born between the mid-1960s and the early 1980s) and Y (born between the 1980s and the year 2000) make up Generation Z. Based on Bascha (2011) research, this research finding is further refined. They discovered that generation Z values transparency, self-reliance, flexibility, and personal freedom in the job, and that they are more agile. Generation Z, it should be noted, is the education generation, and as a result, they prefer more agile characteristics. In today's workplace, Gen X and Gen Y are having the most important impact and they are in charge of the entire workplace's 30 percent of the people (Gaidhani, Arora & Sharma, 2019).

Employees in the private sector are more agile for a variety of reasons, including their compensation and performance evaluation systems. Their promotions and other rewards are precisely aligned with their agile initiatives to boost the entire organization's efficiency and uplifting the standards of knowledge based culture.

Gender, job position and district, on the other hand, did not show any significant disparities. According to the researchers, previous studies on the subject have not revealed such disparities.

Following the demographic studies, the study found the most and least significant issues in workforce agility in banking industry in Sri Lanka. Moving on to variables that were listed as strongly agreed issues, most respondents emphasized the importance of "Top management is well aware of the bank's demands for information in various facets of its everyday activity" in the knowledge creation category. Employees feel top management has an unavoidable responsibility to instill a knowledge creation culture within the firm via productive strategic decisions because top management is accountable for executing the organization's strategic plan. Savva and Stylianou (2016) also emphasize senior management's role in enabling a knowledge-creating culture within the firm through strategy and leadership.

When it came to the study's findings on knowledge acquisition, the highest mean was "The bank encourages employees to enhance their expertise." When talking with employees, they regularly mentioned workshops, webinars, and programs that give them with fresh ways to learn. In most cases, banks attempt to arrange guest lectures from notable industry professionals in order to keep up the momentum with current industry trends. Further researchers identified that most banks have provided flexible loan rates and sufficient financial support for higher education options such as master's degrees and postgraduate degrees. This might be seen as a positive step in which staff were provided several opportunities to learn in a systematic manner.

The highest mean recorded for “Promote a favorable environment for knowledge exchange of ideas among all employees,” according to the findings of the knowledge sharing survey. KM enablers, according to Savva & Stylianou (2016), should include organizational structure, strategy, and leadership, technology infrastructure, culture, organizational processes, and measurement to develop strong organizational settings to share knowledge. Rusil and Tasmin (2010) go on to say how important it is to improve technical infrastructure in order to facilitate good knowledge sharing in the twenty-first century, because technology is an inextricable

aspect of the discipline of knowledge sharing.

According to the knowledge application, the highest mean recorded for the item “There is an initiative to deliver knowledge that is available to all employees." In this environment, most banks have made on-the-job training a priority in order to train juniors and newcomers. As a result, most banks allow newcomers to learn from their more experienced colleagues by collaborating.

The highest ranked item of the variable "proactive" is "I search for possibilities to improve at work."" The majority of employees are eager to gain new skills and do their best to improve existing systems.

“I like to change old methods of doing things,” reported the highest mean for the variable ‘flexible.'" Because the majority of respondents are from generation Z, they have a contradictory view about traditional procedures. They frequently seek out novel and innovative ways to do tasks (Gaidhani, 2019). The item "I am able to accomplish the task without understanding the entire picture" had the lowest mean rating for flexibility. This is an important study finding because it emphasizes the necessity of providing employees with a holistic understanding of their job roles. In most modern businesses, the matrix structure or project structure is used, in which two or more functional areas collaborate to achieve the intended goals. Employers prefer to know the big picture because it gives them more flexibility in how they structure their job roles. If they just pursue knowledge in one area, it will have a negative impact on their flexibility and overall agility.

Two hypotheses were constructed for the study's objective, and both hypotheses failed to reject. There was a substantial favorable association between proactive agility and flexible agility and knowledge management.

5. CONCLUSION

Previously, workforce agility in Sri Lanka was mostly oriented on manufacturing perspectives, with the service sector being rather somewhat disregarded. There are few empirical studies to identify these concerns among contemporary knowledge management reforms followed by workforce agility in service sectors, particularly in the banking industry.

As a result, problems remain, and this study investigates how knowledge management practices relates with employee agility in the banking industry. Albeit a structured questionnaire was established based on a complete literature research and improved with expert input in order to meet the main purpose of analyzing the opinions of the relationship that exists between knowledge management and workforce agility. We were able to secure 47 usable questionnaires.

After determining the demographic representation of the sample using descriptive statistics, the impact of demographic aspects of the KM process on workforce agility was studied. In terms of age and the sector they represent, there was a statistically significant difference.

Some of the conclusions from this investigation were deemed notable. Because the majority of employees in today's companies are from generation Z, and thus age has a huge impact on workforce agility.

Following the preceding analyses, the data was subjected to a mean ranking analysis to determine which issue statements were most agreed with and which were most disagreed with.

The conclusions of this study are expected to have important policy ramifications, notably in strategic planning reforms in knowledge management practices of Sri Lankan banking industry. Because knowledge management is still a new concept in Sri Lankan corporate culture, senior management bears a significant amount of responsibility for sustaining a KM-enabling culture within the business through the implementation of proper long-term strategic policy framework. This is also emphasized by survey respondents, who state that senior management should be aware of the bank's expertise requirements in all elements of its everyday operations. Then, in the long run, it will aid in the creation of an agile workforce.

Based on the study's findings, the following recommendations can be made to the Sri Lankan banking system.

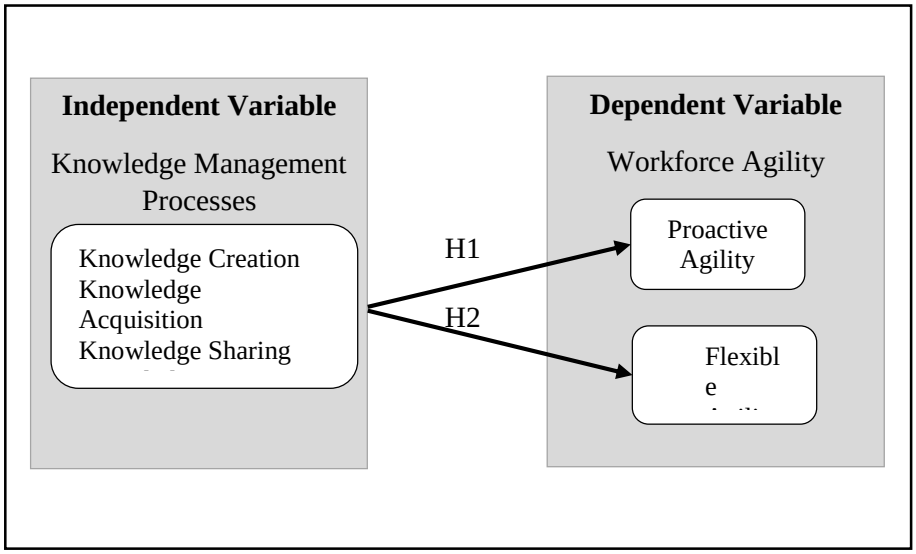
Companies should support this through brainstorming camps, lectures, and webinars so that upper-level management is equipped to employ KM procedures in their everyday performance. To instill a knowledge-driven culture within the organization, institutional assistance should be provided. Encourage all employees to share their knowledge and relevant information with their co-workers at all levels.

One limitation of this study is that it only evaluated one group of stakeholders, namely employees, and data gathering is restricted owing to the Covid 19 epidemic.

In future research, it is advised that the research scope be expanded to include additional service categories such as health care, education, and so on, as well as a larger sample size for the analysis.

APPENDIX

Figure 1: Conceptual



Source: Author's elaboration based on the literature

Table 1: Demographic variables

Demographic	Categories	Frequency	Cumulative Percent
Gender	Female	133	48.5
	Male	141	51.5
Age	25-30 yrs.	132	48.2
	31 to 35 yrs.	23	8.4
	36 to 40 yrs.	54	19.7
	Above 40 yrs.	65	23.7
District	Ampara	23	8.4
	Anuradhapura	19	6.9
	Badulla	24	8.8
	Colombo	30	10.9
	Galle	10	3.6
	Gampaha	59	21.5
	Hambanthota	6	2.2
	Kaluthara	14	5.1
	Kandy	16	5.8
	Kaluthara	9	3.3
	Kegalle	8	2.9
	Mathale	12	4.4
	Mathara	8	2.9

	Monaragala	8	2.9
	Nuwara Eliya	15	5.5
	Polonnaruwa	13	4.7
Sector	Private	142	51.8
	Public	132	48.2
Position	First level employees	208	75.9
	Middle level employees	66	24.1

Source: Survey data ,2021

Table 2: Test of Normality

Item	Kolmogorov-Smirnov	Sig	Result
Knowledge Creation	.897	0.785	Follows a normal distribution *P>.05
Knowledge Acquisition	.697	0.851	
Knowledge Sharing	1.6978	0.698	
Knowledge Application	1.879	0.097	
Proactive	1.697	0.501	
Flexible	1.968	0.987	

Source: Survey data ,2021

Table 3: Reliability test

Item	Cronbach's alpha
Knowledge Creation	0.88
Knowledge Acquisition	0.71
Knowledge Sharing	0.75
Knowledge Application	0.69
Proactive	0.75
Flexible	0.81

Source: Survey data ,2021

Table 04: independent samples test result on sector

		Levene's Test for Equality of Variances		t-test for Equality of Means			
		F	Sig.	t	df	Sig. (2-tailed)	Std. Error Difference
Agile	Equal variances assumed	372.847	.000	1.563	272	.119	.37520
	Equal variances not assumed			2.779	207.000	.006	.21109

Source: Survey data ,202

Table 05: independent samples test result on sector

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
Agile	Equal variances assumed	957520.922	.000	-6.830	272	.000	-2.03521	.29799
	Equal variances not assumed			-6.594	135.945	.000	-2.03521	.30867

Source: Survey data ,2021

Table 06: independent samples test result on job position

		Levene's Test for Equality of Variances		t-test for Equality of Means				
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference
Agile	Equal variances assumed	372.847	.059	1.563	272	.119	.58654	.37520
	Equal variances not assumed			2.779	207.000	.006	.58654	.21109

Source: Survey data ,2021

Table 07: One-way ANOVA results based age

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1111.757	9	123.529	39.581	.000
Within Groups	823.922	264	3.121		
Total	1935.679	273			

Source: Survey data ,2021

Table 08: One-way ANOVA results based district

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	1047.448	15	69.830	20.283	.097
Within Groups	888.231	258	3.443		
Total	1935.679	273			

Source: Survey data ,2021

Table 09: Descriptive statistics for Knowledge Creation

Knowledge Creation	Mean	Std. Deviation	Variance	Skewness	Kurtosis
The Bank regularly monitors the renewable knowledge that comes from the various sources.	4	0.695	0.484	1.369	-0.919
The bank regularly monitors the available knowledge that comes from the various sources.	4	0.695	0.484	1.269	-0.919
The bank works constantly to update the different kind of knowledge it has.	4.24	0.428	0.184	1.219	-0.519
Top management is well aware of the banks needs for knowledge in different aspects of its daily activities	4.52	0.501	0.251	-0.073	-2.009
The bank works to support the creative ideas of its own.	3.8	0.849	0.72	0.404	-1.495

Source: Survey data ,2021

Table 10: Descriptive statistics for Knowledge Acquisition

	Mean	Std. Deviation	Variance	Skewness	Kurtosis
There is support for good and creative knowledge to develop competitive advantage	4.04	0.72	0.519	-0.055	-1.062
There is sector inside the bank to provide studies and researches.	3.8	0.849	0.72	0.404	-1.495
There is transformation from tacit knowledge to explicit knowledge	3.52	1.103	1.218	-0.047	-1.322
The bank encourages the students to develop their knowledge.	4.52	0.501	0.251	-0.073	-2.009
The bank allows workers to help with the problem that faces the bank	3.96	0.72	0.519	0.055	-1.062
The bank works on development of knowledge that they ha	4.28	0.449	0.201	1	-1.007
The bank provides mechanisms for receiving views and suggestions among employees	3.48	0.501	0.251	0.073	-2.009

Source: Survey data ,2021

Table 11: Descriptive statistics for Knowledge Sharing

	Mean	Std. Deviation	Skewness	Kurtosis
We have specific mechanisms for sharing lessons learned in learning activities from team to team	3.55	0.897	1	-1.007
Bank repeatedly emphasizes the importance of knowledge sharing in our groups	3.8	0.849	0.404	-1.495
We always analyze unsuccessful organizational endeavors and communicate the lessons learned widely.	3.28	0.449	1.258	-1.007
There is a good deal of organization conversation that keeps alive the lessons learned from history	3.48	0.501	0.073	-2.009
There is facilitating for processes of consulting between the bank and the research centers	3.55	1.135	-0.061	-1.395
Promote a supportive environment for knowledge exchange of ideas among all employees.	4.28	0.449	1.367	-1.007

Source: Survey data ,2021

Table 12: Descriptive statistics for Knowledge Application

	Mean	Std. Deviation	Skewness	Kurtosis
There is an initiative to deliver the knowledge that available to all employees.	4.52	0.695	0.001	-0.919
The company held different workshops, lectures and others, which related to knowledge.	4.01	0.501	-0.073	-2.009
The bank has a policy to invite outside experts to participate on its workshops and training programs that related to knowledge.	4	0.002	0.098	0.967
The bank encourages its employees to benefit from its own knowledge inventory.	3.46	0.428	-1.219	-0.519

Source: Survey data ,2021

Table 13: Descriptive statistics for Proactive

	Mean	Std. Deviation	Variance	Skewness	Kurtosis
I am able to solve new and complex problems at work.	3.48	0.501	0.251	0.073	-2.009
When I see something that I do not like, I am trying to fix it.	4	0.697	0.369	.0.256	.0.222
I look for opportunities to make improvements at work	4.76	0.428	0.184	-1.219	-0.519
I am trying to find out more effective ways to perform my job.	4.52	0.501	0.251	-0.073	-2.009
I let time take care of things that I have to do.	4.28	0.827	0.685	-0.556	-1.317
I design new procedures or processes for my work area	4	0.695	0.484	0.003	-0.919

Source: Survey data ,2021

Table 14: Descriptive statistics for Flexible

	Mean	Std. Deviation	Variance	Skewness	Kurtosis
The changes at work encourage me	3.72	0.449	0.201	-1	-1.007
I like to change old ways of doing things	4	0.669	0.369	--1.238	-1.369
I am able to perform the job without knowing the total picture	2.45	1.135	1.288	0.061	-1.395
I am able to work out what to do when work instructions are unclear.	3.52	0.857	0.734	-1.219	-0.519
remain calm and composed when faced with difficult circumstances..	3.24	0.428	0.184	1.219	-0.519
When a difficult situation occurs, I react by trying to manage the problem.	3.24	0.428	0.184	1.219	-0.519
I drop everything and takes an alternate course of action to deal with an urgent problem.	3.48	0.501	0.251	0.073	-2.009

Source: Survey data ,2021

Table 15 : Correlation analysis

		Knowledge Management	Proactive	Flexible	Agile
Knowledge Management	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	274			
Proactive	Pearson Correlation	.878**	1		
	Sig. (2-tailed)	.000			
	N	274	274		
Flexible	Pearson Correlation	-.262**	.047	1	
	Sig. (2-tailed)	.000	.437		
	N	274	274	274	
Agile	Pearson Correlation	.311**	.625**	.809**	1
	Sig. (2-tailed)	.000	.000	.000	

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Survey data ,2021

Table 16: Hypothesis testing

Hypotheses	Correlation analysis		Decision
	Pearson Correlation	Sig.	
H_1: There is a significant relationship between Knowledge management process (Creation, Acquisition, Sharing, and Application) on proactive agility	.878	.000	Fail to reject
H_2: There is a significant relationship between Knowledge management process (Creation, Acquisition, Sharing, and Application) on flexible agility	.662	.000	Fail to reject

Source: Survey data ,2021

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