



Evaluating the Impact of Knowledge Management Systems on Organizational Performance: A Technology Company Case

Amru Yasir^{1*}, Deni Apriadi², Muhammad Noor Hasan Siregar³, Divi Handoko⁴, M. Arif Rahman⁵

¹Teknik dan Ilmu Komputer, Teknologi informasi, Universitas Dharmawangsa, Medan, Indonesia

²Sistem informasi, STMIK Bina Nusantara Jaya Lubuklinggau, Lubuklinggau, Indonesia

³Ekonomi, Bisnis Digital, Universitas Graha Nusantara, Padangsidempuan, Indonesia

⁴Fakultas Teknik, Teknik Informatika, Universitas Harapan, Medan, Indonesia

⁵Teknik dan Ilmu Komputer, Rekayasa Perangkat Lunak, Universitas Dharmawangsa, Medan, Indonesia

Author(s) Email: ¹amruyasir@dharmawangsa.ac.id, ²denidrv@gmail.com, ³noor.siregar@gmail.com, ⁴divihandoko@gmail.com, ⁵arif@dharmawangsa.ac.id

ARTICLE INFO

Article history:

Received May 30, 2025

Revised May 30, 2025

Accepted May 30, 2025

Publish May 30, 2025

ABSTRACT

This study aims to evaluate the impact of Knowledge Management Systems (KMS) on organizational performance within a technology company. In the digital era, knowledge has become a critical asset that drives innovation, efficiency, and competitive advantage. By leveraging a case study approach, the research examines how the implementation of KMS influences various performance indicators, including productivity, decision-making quality, employee collaboration, and knowledge retention. Data were collected through interviews, observations, and internal documents, and analyzed using a mixed-method approach. The findings suggest that effective use of KMS significantly improves organizational agility and innovation capabilities. However, the study also identifies challenges such as resistance to change, lack of user training, and insufficient integration with existing workflows. To maximize the benefits of KMS, organizations must foster a knowledge-sharing culture, provide ongoing support, and align KMS strategies with business objectives. The insights from this research are expected to contribute to the development of more effective knowledge management practices in technology-based organizations.

Keywords:

Knowledge Management System, Organizational Performance, Technology Company, Innovation, Knowledge Sharing.

Corresponding Author:

Amru Yasir,

Teknik dan Ilmu Komputer, Teknologi informasi, Universitas Dharmawangsa, Medan, Indonesia

Medan-North Sumatra

Email: amruyasir@dharmawangsa.ac.id



1. INTRODUCTION

In today's fast-paced and highly competitive business environment, knowledge has emerged as one of the most critical strategic assets of an organization[1]. Particularly in technology-based companies, where innovation, adaptability, and speed of execution determine success, the ability to manage knowledge effectively can significantly influence organizational performance[2]. The rise of digital transformation and information technology has led to the proliferation of systems designed to manage, store, and disseminate knowledge efficiently. These systems, known as Knowledge Management Systems (KMS), aim to support the processes of knowledge creation, sharing, and utilization within organizations.

Knowledge Management Systems are not merely technical tools; they encompass organizational practices, cultural shifts, and human collaboration mechanisms. KMS enable organizations to capture tacit and explicit knowledge, promote organizational learning, and facilitate better decision-making. In many organizations, especially within the technology sector, knowledge is scattered across various teams, platforms, and projects[3]. Without a structured approach to managing this knowledge, there is a risk of redundancy, knowledge loss, and inefficient operations[4]. KMS provide a structured mechanism to collect, organize, retrieve, and share knowledge across different levels of the organization.

Organizational performance, on the other hand, refers to how well an organization achieves its goals and objectives. This includes financial outcomes, employee productivity, innovation capacity, customer satisfaction, and operational efficiency[5]. In knowledge-intensive industries, organizational performance is increasingly tied to how effectively knowledge is harnessed and utilized. Thus, the implementation of KMS is not just a matter of technology adoption, but a strategic initiative that could reshape how organizations function internally and compete externally[6].

Despite the widespread adoption of Knowledge Management Systems, many organizations still struggle to realize their full potential. Several factors can hinder successful implementation, such as lack of leadership support, inadequate training, resistance to change, and poor integration with existing workflows[7]. Therefore, evaluating the actual impact of KMS on organizational performance becomes crucial to understand not only their benefits but also the conditions under which they thrive or fail.

This research is motivated by the need to explore the real-world application and effectiveness of KMS in a technology company setting. Technology companies offer a unique context for such analysis due to their dynamic nature, high reliance on intellectual capital, and rapid innovation cycles. These companies continuously face the challenge of managing vast amounts of knowledge, ranging from product development documentation, coding practices, research outcomes, customer feedback, and project learnings[8]. The ability to access and reuse this knowledge quickly can be a source of competitive advantage[9].

The case study method is employed in this research to provide an in-depth exploration of how a selected technology company implements and utilizes its KMS, and how this influences its organizational performance. The study will examine various performance indicators such as operational efficiency, innovation rate, employee engagement, and collaboration effectiveness[10]. It also aims to identify barriers to effective KMS usage and offer recommendations for improvement. In addition, this study contributes to the theoretical understanding of the link between knowledge management and performance outcomes[11]. While prior research has acknowledged the importance of KMS, there is still limited empirical evidence, especially in the context of specific industries like technology. By focusing on a real-world case, this research seeks to bridge the gap between theory and practice, providing actionable insights for managers, IT leaders, and organizational strategists.

Furthermore, the study adopts a mixed-method approach, combining qualitative data from interviews and observations with quantitative performance metrics[12]. This allows for a comprehensive understanding of both the subjective experiences of employees and the measurable impact on business outcomes[13]. It is expected that the integration of these perspectives will offer a nuanced and practical assessment of KMS effectiveness.

In conclusion, as organizations increasingly recognize knowledge as a vital resource, the role of Knowledge Management Systems becomes central to their strategic planning. This research aims to shed light on how such systems are implemented in practice and their real influence on enhancing organizational performance[14]. The insights derived will help inform better decision-making in the design, deployment, and evaluation of KMS in technology-driven enterprises[15].

2. RESEARCH METHODOLOGY

Research Approach

Subjects and Research Locations

Data Collection Techniques

organizational environment. This approach is also relevant because the complexity of the relationship between the knowledge management system and organizational performance cannot be fully explained through quantitative data alone.

Picture 1. Systematic Framework

2.1 Research Approach

This research uses an exploratory descriptive approach, where the researcher not only describes the implementation of KMS in the studied technology company but also explores how the system impacts various organizational performance indicators, such as operational efficiency, employee collaboration, innovation, and decision-making.

2.2 Subjects and Research Locations

The research object is a digital-based technology company that has implemented a knowledge management system for more than two years. The selection of this company is based on the following criteria:

- a. Having a well-documented KMS system.
- b. There is access to organizational performance data.
- c. Willing to provide access for interviews with managers, IT staff, and KMS user employees.

2.3 Data Collection Techniques

To obtain comprehensive and relevant data, the following data collection techniques were used:

- a. In-depth interviews: Conducted with employees from various organizational levels (managers, KMS users, IT staff) to explore their perceptions and experiences regarding the implementation of KMS.
- b. Participatory observation: Researchers conduct direct observations of KMS usage activities in the workplace, including the processes of knowledge sharing and data-driven decision-making.
- c. Internal documentation: Collection of documents such as performance reports, KMS activity logs, system usage guidelines, and knowledge management policies.
- d. Supporting questionnaire (optional): To obtain a quantitative picture of satisfaction and perception of KMS effectiveness, the questionnaire can be distributed to system users.

2.4 Research Instrument

The main instruments in this research are semi-structured interview guidelines and observation sheets. The interview guidelines include questions about:

- a. Respondents' understanding of KMS.
- b. Frequency and method of system use.
- c. The impact of KMS on daily work.
- d. Constraints and obstacles in the implementation of the system.
- e. Suggestions and hopes for future system development.

2.5 Data Analysis Techniques

The collected data were analyzed using thematic analysis for qualitative data. The steps of the analysis include:

- a. Data reduction: Filtering data from interviews and observations into key points relevant to the research focus.
- b. Categorization: Grouping data into themes such as impact on productivity, collaboration, innovation, and implementation challenges.
- c. Data presentation: Presenting data in the form of narratives, respondent quotes, and comparison matrices between work units.
- d. Conclusion drawing: Formulating main findings based on patterns that emerge from data analysis.

3. RESULT AND DISCUSSION

Based on the results of interviews, observations, and internal document reviews at the technology company that is the subject of the research, several key points were found regarding the impact of the implementation of the Knowledge Management System (KMS) on organizational performance.

3.1 Overview of KMS Implementation

Based on data collected from  implemented a web-based Knowledge Management System (KMS) to capture and share explicit and tacit knowledge across departments. The system includes features such as:

- a. Knowledge repository
- b. Employee collaboration tools

- c. Document versioning
- d. Integrated search and tagging
- e. Discussion forums and knowledge-sharing dashboards

The company began adopting the KMS in early 2023 as part of a digital transformation strategy, especially to support remote work and agile development processes. The company began adopting the KMS in early 2023 as part of a digital transformation strategy, especially to support remote work and agile development processes. This initiative was driven by the need to reduce knowledge silos, promote organizational learning, and increase agility in product development.

The KMS is integrated with the company's internal communication tools and project management platforms, enabling seamless access to resources and real-time collaboration. In addition to document storage, the KMS serves as a platform for onboarding new employees, tracking lessons learned from projects, and maintaining a centralized archive of best practices.

3.2 Usage Patterns of KMS

Based on in-depth interviews with 18 employees spanning technical, managerial, and administrative roles, distinct patterns emerged in the way the Knowledge Management System (KMS) was utilized across departments. Departments directly involved in product development and innovation, such as IT Development and R&D, recorded the highest frequency of system access and content contribution. The IT Development team accessed the KMS approximately twelve times per week, primarily to share code, manage version-controlled documentation, and access technical manuals. This team alone contributed around 40% of the total system content. The R&D division, with an average of ten logins weekly, documented research insights, testing logs, and experimental outcomes, contributing roughly 25% to the knowledge repository. Project Management followed, engaging with the KMS about eight times weekly to upload project timelines, stakeholder feedback, and reports, contributing approximately 20% of content.

On the other hand, departments with more administrative functions, such as Human Resources and Administration, exhibited significantly lower engagement. HR personnel logged in roughly five times per week, contributing about 10% of content, mostly policy documents, training materials, and SOPs. The Administration department, with the lowest interaction—about three weekly logins—primarily used the system to store meeting minutes and general correspondence, accounting for just 5% of content. These patterns reveal a strong link between the complexity of a department's knowledge work and its reliance on KMS. Knowledge-intensive departments both contributed to and benefited from the system more actively, creating a feedback loop that enhanced the utility and relevance of shared knowledge. However, the disparity in engagement also points to a need for more inclusive strategies—such as tailored training programs and role-specific interfaces—to ensure broader adoption and optimal use across the organization.

3.3 Perceived Impact on Organizational Performance

Based on qualitative responses and performance reports, several improvements were noted after KMS implementation:

- a. Faster decision-making due to easier access to historical data.
- b. Improved collaboration between cross-functional teams.
- c. Reduced redundancy in tasks and research.
- d. Increased innovation speed, particularly in product development.

Table 1. Key Performance Indicators (Before and After KMS Implementation)

Performance Metric	Before KMS (2022)	After KMS (2024)	Change (%)
Average Project Completion Time	5.4 months	4.1 months	↓ 24%
Number of Document Revisions	7.8 revisions	4.3 revisions	↓ 45%
Knowledge Retrieval Satisfaction	62%	88%	↑ 26%
Innovation Output (New Features/Qtr)	3.5	5.2	↑ 48.5%
Employee Collaboration Rating	3.1 / 5	4.2 / 5	↑ 1.1 point

Additional insights from interviews confirm that the KMS improved access to critical knowledge and reduced time spent searching for documents. One manager stated, "Previously, we spent days locating old test results; now, we find them in minutes."

Cross-team collaboration also improved. The availability of shared documents and version histories helped reduce misunderstandings, duplication of work, and miscommunication in cross-functional projects.

3.4 Barriers and Challenges

Despite the positive impact, several challenges were encountered:

- a. Resistance to change: Some senior employees preferred traditional methods.
- b. Lack of training: Not all departments received adequate orientation on system usage.

- c. Overload of uncurated content: Some knowledge became hard to filter due to lack of moderation.

These issues affected the overall effectiveness and adoption consistency of the system. Without structured onboarding and continuous support, some employees felt overwhelmed by the system's complexity.

3.5 Discussion

The results show a clear positive correlation between the implementation of KMS and improved organizational performance. The reduction in project turnaround time and increased innovation output are strong indicators that knowledge centralization and accessibility improve operational agility.

Furthermore, employee interviews indicated that when knowledge is transparent and shared, teams can make better, faster decisions without duplicating past mistakes or repeating work. This aligns with findings from Davenport & Prusak (1998), who argued that effective knowledge sharing directly impacts productivity and innovation.

However, the study reinforces that technology is not a standalone solution. A robust KMS requires:

- a. Strong leadership commitment
- b. Clear knowledge management policies
- c. Incentives for participation
- d. Ongoing system improvements

A holistic strategy that incorporates cultural and behavioral change is vital for maximizing the benefits of KMS. For example, creating a reward system for frequent contributors or integrating KMS activities into performance reviews could encourage more active participation.

In line with Nonaka & Takeuchi's SECI model (Socialization, Externalization, Combination, Internalization), the KMS under study supported knowledge combination and internalization well, but socialization (tacit knowledge sharing) and externalization were less prominent due to limited use of discussion forums and narrative documentation.

4. CONCLUSIONS

This study has explored the influence of Knowledge Management Systems (KMS) on organizational performance through an in-depth case study of a technology company. The findings reveal that the implementation of a structured and user-oriented KMS can bring significant benefits to various aspects of organizational operations. First, the research demonstrates that KMS plays a vital role in enhancing operational efficiency, as evidenced by the reduction in project completion times and improved workflow management. By centralizing and organizing critical knowledge assets, employees are able to access information more quickly and avoid redundant work. Second, the KMS has shown a positive impact on employee collaboration and knowledge sharing. Cross-departmental cooperation improved as teams had better visibility into each other's work and could build upon prior efforts. The system fostered a more connected and transparent organizational culture, which contributed to higher levels of engagement and innovation. Third, the study identified a substantial improvement in decision-making quality. With reliable and updated knowledge repositories, managers were able to make more informed and timely decisions. This aligns with the broader strategic objective of leveraging knowledge as a competitive asset. However, the study also identified several challenges that can hinder the effectiveness of KMS, including inconsistent usage across departments, lack of user training, and limited content moderation. These issues highlight the need for continuous system evaluation, user engagement strategies, and alignment between technology, people, and processes. In conclusion, Knowledge Management Systems have the potential to significantly enhance organizational performance in technology-driven environments when supported by a strong knowledge-sharing culture, adequate training, and leadership commitment. Organizations seeking to implement or improve their KMS should adopt a holistic approach that considers not just the technical tools, but also the human and strategic dimensions of knowledge management.

REFERENCES

- [1] B. O. Ibojo and G. O. Mobolade, "Effect of Knowledge Acquisition on Organizational Performance," *Int. J. Econ. Bus. Manag.*, vol. 9, no. 8, 2023.
- [2] F. Olan, E. O. Arakpogun, J. Suklan, F. Nakpodia, N. Damij, and U. Jayawickrama, "Artificial intelligence and knowledge sharing: Contributing factors to organizational performance," *J. Bus. Res.*, vol. 145, pp. 605–615, 2022.
- [3] S. Natek and D. Lesjak, "Knowledge management systems and tacit knowledge," *Int. J. Innov. Learn.*, vol. 29, no. 2, pp. 166–180, 2021.
- [4] A. Daghfous, A. Qazi, and M. S. Khan, "Incorporating the risk of knowledge loss in supply chain risk management," *Int. J. Logist. Manag.*, vol. 32, no. 4, pp. 1384–1405, 2021.
- [5] B. D. Suseno, E. Sugianto, E. Purnamasari, and A. Supriadi, "Analysis of the Application of Operational Management in Manufacturing Companies in Bandung City: The Effect of Production Efficiency, Product Innovation, and Customer Satisfaction on Financial Performance," *West Sci. J. Econ. Entrep.*, vol. 1, no. 11, pp. 535–546, 2023.
- [6] M. Nakash and E. Bolisani, "Making knowledge management transparent: a new perspective on KM processes integration in the organizational framework," *Bus. Process Manag. J.*, 2024.
- [7] A. T. Lee, R. K. Ramasamy, and A. Subbarao, "Barriers to and Facilitators of Technology Adoption in

- Emergency Departments: A Comprehensive Review,” *Int. J. Environ. Res. Public Health*, vol. 22, no. 4, p. 479, 2025.
- [8] H. Idrees, J. Xu, S. A. Haider, and S. Tehseen, “A systematic review of knowledge management and new product development projects: Trends, issues, and challenges,” *J. Innov. Knowl.*, vol. 8, no. 2, p. 100350, 2023.
- [9] R. K. Mohammed, N. E. Ahmed, E. M. Aziz, and A. Dewi, “Knowledge management plays a crucial role in attaining a competitive advantage,” *Al-Idarah J. Kependidikan Islam*, vol. 13, no. 2, pp. 113–123, 2023.
- [10] M. A. Al Doghan and V. P. K. Sundram, “Organization operational efficiency and Innovativeness: Exploring the role of employees’ task-based training, operational task commitment, operational engagement, and supervisor support,” *Int. J. Oper. Quant. Manag.*, vol. 29, no. 1, pp. 108–127, 2023.
- [11] J. Abbas and K. Kumari, “Examining the relationship between total quality management and knowledge management and their impact on organizational performance: a dimensional analysis,” *J. Econ. Adm. Sci.*, vol. 39, no. 2, pp. 426–451, 2023.
- [12] N. Matović and K. Ovesni, “Interaction of quantitative and qualitative methodology in mixed methods research: integration and/or combination,” *Int. J. Soc. Res. Methodol.*, vol. 26, no. 1, pp. 51–65, 2023.
- [13] P. J. Jordan, A. C. Troth, and H. Yan, “Objective and subjective measurement in applied business settings: Improving research in organizations,” *Aust. J. Manag.*, vol. 50, no. 1, pp. 8–31, 2025.
- [14] S. A. R. Khan, M. Tabish, and Y. Zhang, “Embrace of industry 4.0 and sustainable supply chain practices under the shadow of practice-based view theory: Ensuring environmental sustainability in corporate sector,” *J. Clean. Prod.*, vol. 398, p. 136609, 2023.
- [15] A. Thomas, “Digitally transforming the organization through knowledge management: a socio-technical system (STS) perspective,” *Eur. J. Innov. Manag.*, vol. 27, no. 9, pp. 437–460, 2024.