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Effect of Knowledge Management Practices on Employee Engagement: The Case of Awash Bank

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Statement of Declaration

I hereby declare that this thesis entitled "**The Effect of Knowledge Management Practice on Employee Engagement**" is my own original work. This study has not been submitted to any other university or institution for the award of any degree or qualifications. All sources of information used in this research have been properly acknowledged

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Statement of Certification

This is to certify that, the research work entitled **"The Effect of Knowledge Management Practices on Employee Engagement"**, carried out by Rim Gebrehiwot Kebedom is original and has been completed under my supervision. The study fulfils the academic requirements for the award of the Master's Degree.

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ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

SCHOOL OF COMMERCE

HUMAN RESOURCE MANAGEMENT PROGRAM

THE EFFECT OF KNOWLEDGE MANAGEMENT PRACTICES ON EMPLOYEE ENGAGEMENT IN AWASH BANK

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List of Abbreviations

ANOVA	Analysis of Variance
EE	Employee Engagement
KAP	Knowledge Application
KC	Knowledge Creation
KM	Knowledge Management
KR	Knowledge Retention
KS	Knowledge Sharing
SD	Standard Deviation
SPSS	Statistical Package for the Social Sciences
VIF	Variance Inflation Factor

Abstract

The main objective of this research is to investigate the impact of knowledge management practices on employee engagement. An explanatory and descriptive research design was used, together with a quantitative research methodology, to analyze the variables involved. The sample of 109 respondents was chosen from the target population of 150 employees. Data collection was carried out through structured, closed-ended questionnaires distributed to the bank's staff. The primary data was analyzed using descriptive and inferential statistics with the help of SPSS software. Correlation analysis showed that there is a positive and statistically significant relationship between employee engagement and knowledge creation, knowledge sharing, knowledge application, and knowledge retention. The multiple regression analysis further showed that the model was statistically significant and explained 56.4% of the variation in employee engagement ($R^2 = 0.564$).Specifically, knowledge application ($\beta = 0.381$, $p < 0.05$) and knowledge retention ($\beta = 0.326$, $p < 0.05$) were the strongest predictors, followed by knowledge creation ($\beta = 0.211$, $p < 0.05$) and knowledge sharing ($\beta = 0.184$, $p < 0.05$). The findings demonstrate that effective knowledge management practices significantly enhance employee engagement in banks. The study concludes that strengthening knowledge application systems, improving retention mechanisms, and promoting a knowledge-sharing culture are critical for increasing employee vigor, dedication, and organizational commitment in banking institutions..

Keywords: *Knowledge management, Knowledge application, knowledge creation, knowledge sharing, Knowledge retention, and Employee engagement.*

CHAPTER 1: INTRODUCTION

1.1 Background of the Study

The need for an organization in the present-day business environment to produce, distribute, retain, and utilize knowledge is imperative. In today's knowledge-driven economy, organizations increasingly recognize knowledge as a critical strategic asset for achieving sustainable competitive advantage. Effective knowledge management (KM) practices enable organizations to create, share, apply, and retain knowledge, thereby enhancing organizational performance and innovation. This is particularly true in the banking industry where customer satisfaction, risk management, and innovation are not just goals but entirely rely upon the knowledge of employees (Alavi & Leidner, 2001). In the current era where the use of technology by Ethiopian banks is widespread, the ability to distribute and retain information has become the most important asset and strategy for survival and success within the business environment (Durst & Edvardsson, 2012).

Theoretically, this relationship is deeply rooted in the Knowledge-Based View Theory, which suggests that knowledge is one of the most valuable organizational resources and that effective management of knowledge can improve both individual and organizational outcomes. Knowledge management, therefore, is the process by which organizations capture explicit knowledge through manuals and tacit knowledge contained in the experiences of employees. In a case where knowledge management practices exist within an organization, it becomes easier for employees to gain access to relevant information whenever necessary. It also fosters communication among employees as well as prevents the forgetting of vital lessons (Holsapple & Joshi, 2002; Chong, 2005). Through knowledge creation, sharing, application, and retention, organizations can foster a supportive work environment that encourages learning, collaboration, and employee involvement. As a result, employees are more likely to feel valued and connected to their work, leading to higher levels of engagement.

However, this process is facilitated by employee engagement in the sense that employees become interested in their jobs and work towards organizational success (Kahn, 1990). Employee engagement has emerged as a key determinant of organizational success, as engaged employees tend to demonstrate higher levels of commitment, productivity, and job satisfaction. Engaged employees are always willing to communicate knowledge, apply it in the solving of

issues, and generate creative ideas to enhance performance of the organization (Cabrera & Cabrera, 2005).

Research on the relationship between knowledge management and employee engagement remains limited in the Ethiopian context. Although previous studies have examined the role of knowledge management in improving organizational performance, there is a lack of empirical evidence on how specific knowledge management practices influence employee engagement, particularly within the banking sector. This gap highlights the need for further investigation into the relationship between these two important organizational factors.

Based on these considerations, Awash Bank provides an appropriate setting for conducting the study. As one of the largest and longest-established private banks in Ethiopia, the bank operates through numerous branches and complex organizational structures, making it a suitable context for examining knowledge management practices and their impact on employee engagement.

Previous studies conducted in Ethiopia have shown that knowledge management contributes positively to banks' performance (Jabo, 2023). Furthermore, research indicates that the active involvement of employees in organizational initiatives enhances their effectiveness and overall outcomes (Desta et al., 2022). Building on these findings, the present study investigates how knowledge management practices affect employee engagement at Awash Bank. Therefore, this study examines the impact of knowledge management practices, namely knowledge creation, knowledge sharing, knowledge application, and knowledge retention on employee engagement among employees of the bank. The findings are expected to contribute to the existing body of knowledge and provide practical insights for managers seeking to enhance employee engagement through effective knowledge management strategies.

1.2 Statement of the Problem

In today's knowledge-based economy, organizations are expected to effectively create, share, apply, and retain knowledge to achieve sustainable competitive advantage and enhance organizational performance. Knowledge management has become a critical organizational capability that enables firms to leverage employees' expertise, improve decision-making, foster innovation, and enhance overall effectiveness (Alavi & Leidner, 2001). In knowledge-intensive service industries such as banking, where service quality and operational efficiency largely depend on employees' knowledge and expertise, effective knowledge management is essential.

Ideally, organizations should cultivate an environment in which employees actively engage in knowledge-related activities and contribute to organizational learning and performance.

Despite the recognized importance of knowledge management, many organizations struggle to translate knowledge management initiatives into desired outcomes. Although substantial investments are made in information technology systems, employee training, and knowledge repositories, these initiatives often fail to produce the expected benefits (King, 2009). One of the key reasons for this challenge is the insufficient engagement of employees in knowledge management processes. Without active employee participation, knowledge may not be effectively shared, applied, or retained, thereby limiting the effectiveness of organizational knowledge management efforts (Cabrera & Cabrera, 2005).

Employee engagement, characterized by vigor, dedication, and absorption in work activities, plays a crucial role in the success of knowledge management initiatives (Schaufeli et al., 2002). Engaged employees are more likely to collaborate with colleagues, share knowledge, apply their expertise to organizational problems, and contribute to continuous improvement. Conversely, disengaged employees may be less motivated to participate in knowledge-related activities, reducing the effectiveness of knowledge management practices and limiting organizational learning opportunities.

These challenges are particularly relevant in the Ethiopian banking sector, where increasing competition and technological advancement require banks to utilize organizational knowledge effectively. As one of the largest private banks in Ethiopia, Awash Bank depends on effective knowledge management to enhance service quality, operational efficiency, and innovation. However, the success of these initiatives largely depends on employee engagement, and managers often lack sufficient evidence on which knowledge management practices most effectively foster such engagement.

Although previous studies in Ethiopia have examined the role of knowledge management in improving organizational performance and competitive advantage, limited attention has been given to its effect on employee engagement, particularly in the banking sector. Moreover, the influence of specific knowledge management dimensions knowledge creation, knowledge sharing, knowledge application, and knowledge retention on employee engagement remains underexplored, creating an important gap in the existing literature.

Addressing this gap is important for both theory and practice. Understanding how different knowledge management practices influence employee engagement can help bank managers design strategies that not only improve knowledge utilization but also enhance employee motivation, commitment, and involvement. Such insights can contribute to improved organizational performance, service quality, and competitiveness within the banking sector.

Therefore, this study seeks to examine the effect of knowledge management practices on employee engagement at Awash Bank. By investigating the influence of knowledge creation, knowledge sharing, knowledge application, and knowledge retention on employee engagement, the study contributes to the existing body of knowledge by providing empirical evidence from the Ethiopian banking context. The findings are expected to enrich the literature on knowledge management and employee engagement while offering practical guidance for managers seeking to foster a more engaged and knowledge-driven workforce.

1.3 Research Questions

In order to address the stated problems, the following questions were formulated:

1. Does knowledge creation affect employee engagement?
2. Does knowledge application affect employee engagement?
3. Does knowledge retention affect employee engagement?
4. Does Knowledge sharing affect employee engagement?

1.4 Objectives of the Study

1.4.1 General Objective

The main objective of this study is to investigate the effect of knowledge management practices on employee engagement.

1.4.2 Specific Objectives

The specific objectives of the study are:

- To examine the effect of knowledge creation on employee engagement
- To examine the effect of knowledge sharing on employee engagement
- To examine the effect of knowledge application on employee engagement

- To examine the effect of knowledge retention on employee engagement
- To assess the engagement level of employees in Awash Bank
- To assess the knowledge management practice in Awash Bank

1.5 Significance of the Study

The research paper is important for both academic research and the actual operations at Awash Bank. The study helps to create a good foundation for future researchers and students who may be interested in pursuing more information on either knowledge management principles or employee engagement. The study also helps to enhance the discussion on the impact of employee engagement on the effectiveness of knowledge management initiatives.

Once the study is completed, it will help us know how to improve knowledge sharing, collaboration, and learning. As a result of improving their knowledge management and utilization, the bank will be able to offer quality services, keep its employees more engaged, and compete better with other financial institutions. Thus, for Awash Bank, there will be greater employee participation, quality service delivery, and competitiveness.

1.6 Scope of the Study

This study is delimited in terms of its geographic, conceptual, methodological, and time scope, which are presented as follows:

Geographically, the study is conducted in selected branches of Awash Bank in East Addis Ababa, Ethiopia. Awash Bank was chosen because it is one of the largest private banks in the country and provides an appropriate setting for examining the relationship between knowledge management practices and employee engagement.

Conceptually, the study focuses on the effect of knowledge management practices on employee engagement. Specifically, it examines four dimensions of knowledge management: knowledge creation, knowledge sharing, knowledge application, and knowledge retention. Employee engagement serves as the dependent variable, while the four knowledge management dimensions serve as the independent variables.

Methodologically, the study adopts a quantitative research approach and an explanatory research design to examine the relationships between the study variables. Primary data are collected from

employees through structured questionnaires, and the data are analyzed using descriptive and inferential statistical techniques.

In terms of time scope, the study is cross-sectional relying on data collected from employees during the 2025/2026 academic year and reflects the status of knowledge management practices and employee engagement at the time of data collection.

1.7 Limitations of the Study

This study has several limitations that should be acknowledged. First, the study is limited to Awash Bank, one of the largest private banks in Ethiopia. Although the bank provides a relevant and appropriate context for examining knowledge management and employee engagement, the findings may not be fully generalizable to other banks, financial institutions, or organizations operating in different sectors or countries due to differences in organizational culture, structure, and operational practices.

Second, the geographic scope of the study is limited to selected district offices in Addis Ababa. As a result, the study does not capture the perspectives of employees working in branches located outside the capital city, where organizational conditions, customer bases, and operational environments may differ. This may further limit the generalizability of the findings to the entire organization.

Third, the study primarily relies on quantitative data collected through structured questionnaires. While this approach allows for statistical analysis and objective measurement of relationships between variables, it may not fully capture in-depth insights, perceptions, and contextual factors that could be better understood through qualitative methods such as interviews or focus group discussions.

Despite these limitations, the study provides valuable empirical evidence on the relationship between knowledge management practices and employee engagement. It offers important insights for bank managers and policymakers on how effective knowledge creation, sharing, application, and retention can enhance employee engagement. The findings also serve as a useful reference for future studies in similar organizational and contextual settings.

1.8 Organization of the Study

This paper consists of five chapters. In the first chapter, the general background, statement of the problem, research questions, objectives, significance, scope, limitations, and the organization of the study are covered. The second chapter covers the review of literature on the topic of this study.

Research methodology is discussed in Chapter Three; it covers the research design, data collection method, sampling process, and data analysis techniques. The fourth chapter deals with presenting, analyzing, and interpreting the results obtained from the questionnaire responses with regards to the research objectives. Finally, Chapter Five concludes the study by summarizing key findings, offering conclusions, and providing recommendations for practice and future research.

1.9 Definitions of key terms

Knowledge Management: The process for creating, sharing, retaining, and applying, both the tacit and explicit knowledge of employees to enhance organizational performance (Alavi & Leidner, 2001).

Knowledge creation: The process through which employees develop new ideas, gain new insights, and learn from their experiences and daily work activities (Chong, 2005).

Knowledge sharing: The exchange of knowledge, information, skills and experiences among employees to improve collaboration and organizational performance (Cabrera & Cabrera, 2005).

Knowledge retention: The process of preserving important organizational knowledge so that it remains available for future use, even when employees leave or roles change (Durst & Edvardsson, 2012).

Knowledge application: The use of existing knowledge, skills, and information by employees to perform their tasks, solve problems, and make effective decisions (Holsapple & Joshi, 2002).

Employee Engagement: A positive work-related state in which employees are enthusiastic, committed, and actively involved in their jobs and the success of their organization (Schaufeli et al., 2002).

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter examines past literature regarding Knowledge Management and how it connects to employee engagement. It explains the history of managing knowledge, why it is so important for service businesses like banks, and the four main steps of the process: creating, sharing, keeping, and using information. Reviewing these studies, establishes a strong base for this research.

2.1.1 Knowledge Management

Knowledge management is widely recognized as one of the most critical organizational competencies in the contemporary knowledge-based economy. It enables organizations to generate value, enhance performance, and sustain competitive advantage by effectively utilizing knowledge as a key strategic asset. In this regard, Alavi and Leidner (2001) describe knowledge management as a cyclical process involving knowledge creation, sharing, storage (retention), and application to improve organizational effectiveness.

More recent studies have further reinforced this perspective. For instance, Nonaka and Takeuchi's knowledge creation theory has been extended in contemporary research, emphasizing that continuous knowledge conversion between tacit and explicit forms remains central to organizational learning and innovation (Nonaka & von Krogh, 2009). Similarly, Massaro, Handley, and Bagnoli (2021) highlight that modern knowledge management practices are increasingly driven by digital technologies, which enhance the speed and efficiency of knowledge sharing and application across organizations.

In the banking sector, knowledge management is particularly important due to the service-oriented and expertise-driven nature of operations. Recent empirical studies suggest that effective knowledge management significantly improves service quality, decision-making, and employee performance in financial institutions (Durst & Ferenhof, 2020). Furthermore, Ali et al. (2022) found that organizations that effectively integrate people, processes, and technology in managing knowledge are more likely to achieve higher levels of innovation and operational efficiency.

Overall, knowledge management integrates people, technology, and organizational processes to create, share, retain, and apply knowledge in business practices. This concept is grounded in the

assumption that the core strength of organizations, particularly banks, lies not merely in financial or physical assets but in the collective knowledge and competencies of their employees. Accordingly, organizations are designed to harness and deploy employee expertise toward achieving strategic objectives and sustainable performance.

2.1.2 Knowledge Management in Banking

Knowledge management becomes a necessity in the banking industry rather than an option. This is because most of the activities within a banking firm require employees to possess specific knowledge for the successful accomplishment of tasks. Employees must be highly competent, skilled, and efficient to execute various procedures with precision (Adebakin et al., 2025). Unlike other organizations that produce goods for sale, success within the banking industry depends almost exclusively on its workforce. The banking sector requires its workers to have adequate knowledge about how to manage financial data and cope with dynamic changes in the market environment (Adebakin et al., 2025). Knowledge management in the banking industry goes beyond organizing documents and records. Rather, it facilitates information flow across organizational boundaries to foster efficient operations (Obeng et al., 2024). When a bank manages its information efficiently, employees become capable of accessing relevant data at the appropriate time to enhance service delivery (Onyango et al., 2022). Within such an environment, knowledge management remains a critical strategy for leveraging the skills of workers to meet industry requirement.

2.1.3 Dimensions of Knowledge Management

In order to gain insight into the functioning of knowledge management within a bank, it is vital to perceive it as a system of interrelated processes that consist in knowledge creation, sharing, retention, and utilization. Through the proper combination of these four dimensions, banks could leverage the strengths of their personnel and make the best of individual knowledge to be more competitive. The following part reveals the findings of scientific research concerning each of the specified aspects.

a) Knowledge Creation

In the case of banks, knowledge creation is the process of generating innovation within an organization. It consists in the acquisition of new knowledge through experience gained by staff during their routine duties, cooperation with colleagues aimed at problem solving, or any other

activity associated with improved performance in performing tasks. In banks, the continuous generation of new knowledge is required to stay competitive due to the constantly evolving banking technology and legislative regulations. As a rule, this process stimulates not only innovations but also the personal development of individuals who feel themselves capable of creating innovative solutions to existing issues (Hoon Song et al., 2012).

b) Knowledge Sharing

Knowledge sharing refers to how knowledge and skills are transferred from one individual to another within the bank. Knowledge sharing may occur systematically using methods such as learning programs or digitized database management, or more informally in the form of quick exchanges between employees or mentorship programs. However, knowledge sharing should be considered in a manner where "knowledge acquired by any single person belongs to the entire group". A positive organizational culture based on trust and openness is an environment where collaboration becomes much easier. By collaborating, employees can use their experiences collectively to provide solutions to customers much more quickly than when operating independently (Cabrera & Cabrera, 2005).

c) Knowledge Retention

The process of retaining knowledge refers to saving valuable information in databases or documents, whether digitized or printed as company manuals (Alavi & Leidner, 2001). Knowledge retention ensures that practical information acquired remains available even after the key employee leaves the company.

d) Knowledge Application

Lastly, any knowledge gained by a bank becomes meaningless when not used. Knowledge application refers to the stage of knowledge management cycle where it becomes action. It may involve either improved decision-making ability or solution of some challenging issues of a customer (King, 2009). In banking, this represents the stage where the entire process of knowledge generation becomes fruitful as, through application of knowledge, bank employees provide superior customer services, mitigate financial risks, and ensure success for banks. In general terms, application of knowledge involves turning stored information into tangible benefits (King, 2009).

2.1.4 Employee Engagement

The level of motivation that employees have in the banking industry plays a vital role in determining the service quality offered to the customers. Motivated employees are bound to share information with other employees and strive to ensure customer satisfaction (Kwarteng et al., 2024). On the other hand, unmotivated employees are bound to withhold knowledge from other employees and resist change. This will ultimately affect the performance of the bank (Bakker & Demerouti, 2008; Onyango et al., 2022).

To prevent this withholding of information, commercial banks must actively build an environment that drives high psychological involvement. When banking staff are emotionally attached to their work, they do not just perform daily routines mechanically; instead, they feel personally responsible for the institutional success of their branch and the bank as a whole (Kwarteng et al., 2024). This emotional investment acts as the bridge between having structural systems and actually getting employees to use them. Therefore, fostering an engaged workforce becomes a core requirement for any financial institution that wants to improve its internal operations and maintain high service standards (Onyango et al., 2022).

On the other hand, a disengaged banking workforce creates a severe practical challenge for management, as unmotivated staff members tend to work in isolation. According to Bakker and Demerouti (2008), low motivation leads to burnout and a lack of willingness to go the extra mile, which directly hurts the flow of information across departments. In a fast-moving financial sector, this disconnection can ruin customer service delivery and block corporate learning opportunities, making it clear that employee engagement is highly essential for the successful execution of workplace initiatives (Onyango et al., 2022).

2.2 Theoretical Literature Review

The theoretical framework of this study is grounded in two prominent organizational theories that explain the structural and psychological dynamics of workplace behavior: the Knowledge-Based View (KBV) theory and Kahn's Theory of Employee Engagement. Together, these theories provide a robust foundation for analyzing how institutional knowledge processes influence human workforce commitment.

2.2.1 Knowledge-Based View (KBV) Theory

The Knowledge-Based View (KBV) suggests that knowledge is one of the most valuable organizational resources and that the effective management of knowledge can improve both individual and organizational outcomes. This perspective asserts that an organization's ultimate strength does not lie in its financial capital or tangible assets, but in the collective wisdom, skills, and expertise embedded within its workforce (Alavi & Leidner, 2001).

In a knowledge-intensive service sector like banking, where service quality, operational efficiency, and risk management depend entirely on what employees know, managing this resource becomes a critical survival strategy. Through structured knowledge creation, sharing, application, and retention, a bank can optimize its internal operations and leverage individual expertise to gain a sustainable competitive advantage (Durst & Edvardsson, 2012). While this theory is foundational, recent empirical studies in banking continue to support its core arguments, showing that knowledge management directly shapes how employees operate in modern financial environments (Obeng et al., 2024). Within this study, the KBV theory serves as the primary anchor for our independent variables, explaining why systematic knowledge management practices are vital for corporate success.

2.2.2 Kahn's (1990) Theory of Employee Engagement

While the Knowledge-Based View explains how important knowledge is as a corporate resource, Kahn's (1990) landmark behavioral framework explains the human side—how and why employees become psychologically connected to their work. Kahn defined employee engagement as a state where organization members fully drive themselves into their work roles, employing and expressing themselves physically, cognitively, and emotionally during their job performances.

According to Kahn (1990), employees become genuinely engaged when they experience three critical psychological conditions: meaningfulness, safety, and availability. In the context of Awash Bank, effective knowledge management practices directly satisfy these human needs. When an institution provides clear manuals, smooth information flow, and open channels for sharing and creation, employees feel more capable and secure in their daily routines. By removing operational confusion and encouraging collaboration, the organization fosters a

supportive work environment that encourages learning and involvement, which naturally triggers higher levels of employee engagement. This historic relationship is heavily reinforced by modern banking literature, which confirms that motivation and resource accessibility remain the primary drivers of customer service quality today (Kwarteng et al., 2024). While Kahn (1990) provides the overarching theoretical lens for understanding this psychological attachment, this study utilizes the empirical framework established by Schaufeli et al. (2002) to operationally measure these workplace engagement states.

2.3 Empirical Review: Knowledge Management Practices and Employee Engagement

Studies show that there is a very high level of correlation between information management practices in banks and employee commitment. Proper management of information leads to highly motivated, dedicated, and committed workers. This segment highlights the effects of knowledge management practices on employees.

2.3.1 Impact of Knowledge Management on Employee Engagement

What is becoming evident day by day is that knowledge management cannot happen without considering people. There is overwhelming evidence from studies conducted in African countries like Nigeria (Adebakin et al., 2025) and Kenya (Onyango et al., 2022). These studies highlight the connection between effective information management and increased employee commitment. The more information is managed properly in banks, the more engaged the employees become. In other words, good knowledge practices contribute significantly to the creation of an organizational environment where employees' engagement levels are high.

2.3.2 Effects of Knowledge Management Dimensions on Engagement

2.3.2.1 Knowledge Creation and Engagement

Developing innovations is one of the effective methods that would help improve the level of employees' engagement within the organizations. Once employees are involved in the process of acquiring new knowledge or developing innovative solutions to challenges, they begin to feel a sense of ownership of their actions. In particular, according to Choi and Lee (2003), once staff participates actively in innovations and learning processes, they develop a personal approach to work and become personally engaged in the development of a bank. The process itself allows converting "work" into an interesting process that brings pleasure. For example, according to

Ahmad (2017), when a bank establishes a positive environment for innovation, the organization will benefit from the increased level of motivation among its employees to bring those innovations to life. Based on these findings, when a bank sets up a great environment for innovation, it directly boosts employee motivation. Because of this connection, the following hypothesis is formulated: “Knowledge creation has a statistically significant and positive effect on employee engagement.”

2.3.2.2 Knowledge Sharing and Employee Engagement

The process of sharing knowledge and skills can play a vital role in creating a strong organizational culture. Instead of focusing on individual activities, sharing allows strengthening bonds between all employees of an organization. Cabrera and Cabrera (2005) suggest that a knowledge-sharing environment allows building a strong emotional link between employees and their organizational environment. The feeling of security when sharing what one knows leads to a sense of belonging to a community. It gives rise to the feeling of belonging among employees as they realize that they are not isolated individuals performing different functions, but they are part of a team where "what one knows, the whole team knows." This strong sense of team belonging and emotional connection directly drives workplace dedication. Based on this relationship, the following hypothesis is formulated: “Knowledge sharing has a statistically significant and positive effect on employee engagement.”

2.3.2.3 Knowledge Retention and Employee Engagement

The existence of reliable procedures for storing and retrieving knowledge not only organizes the data but also simplifies the task of daily work. In fact, according to Alavi and Leidner (2001), the presence of a good knowledge "library" significantly eases the task of an employee and increases his or her efficiency. Therefore, when there is no need to search for answers to questions, workers feel more comfortable. When employees can comfortably find information without frustration, their workflow becomes smooth and stress-free. Based on this operational ease, the following hypothesis is formulated: “Knowledge retention has a statistically significant and positive effect on employee engagement.”

2.3.2.4 Knowledge Application and Engagement

The connection between knowledge management and performance improves greatly as staff can observe the value of their competencies. The application of the abilities of staff by the organization to deal with significant decision-making and problems demonstrates the real value

of their contribution. According to King (2009), when knowledge management is applied this way, it makes the staff realize their importance, thus fostering loyalty towards the organization. When employees see their personal knowledge actively used to solve major bank issues, it fosters deep loyalty and absorption in their roles. Based on this outcome, the following hypothesis is formulated: “Knowledge application has a statistically significant and positive effect on employee engagement.”

2.4 Gaps in Existing Literature

Although there is a widespread understanding of the significance of knowledge management for business success, there are still many areas left unexplored, specifically when it comes to the effects on the human factor in knowledge management in Ethiopian banks. Usually, the literature focuses on such issues as financial performance rather than the involvement, engagement, motivation, and commitment of employees.

What is more, there are few studies on the influence of the different elements of knowledge management process (creation, sharing, retaining, using) on the engagement of employees separately. This becomes a challenging task for management when trying to direct its efforts towards establishing greater dedication among its members. The absence of information on this front leads the researcher to investigate the practices within Awash Bank that contribute to shaping its members' attitudes towards their jobs.

2.5 Conceptual Framework

This study’s conceptual framework proposes that knowledge management practices, namely knowledge creation, sharing, retention, and application, directly influence employee engagement.

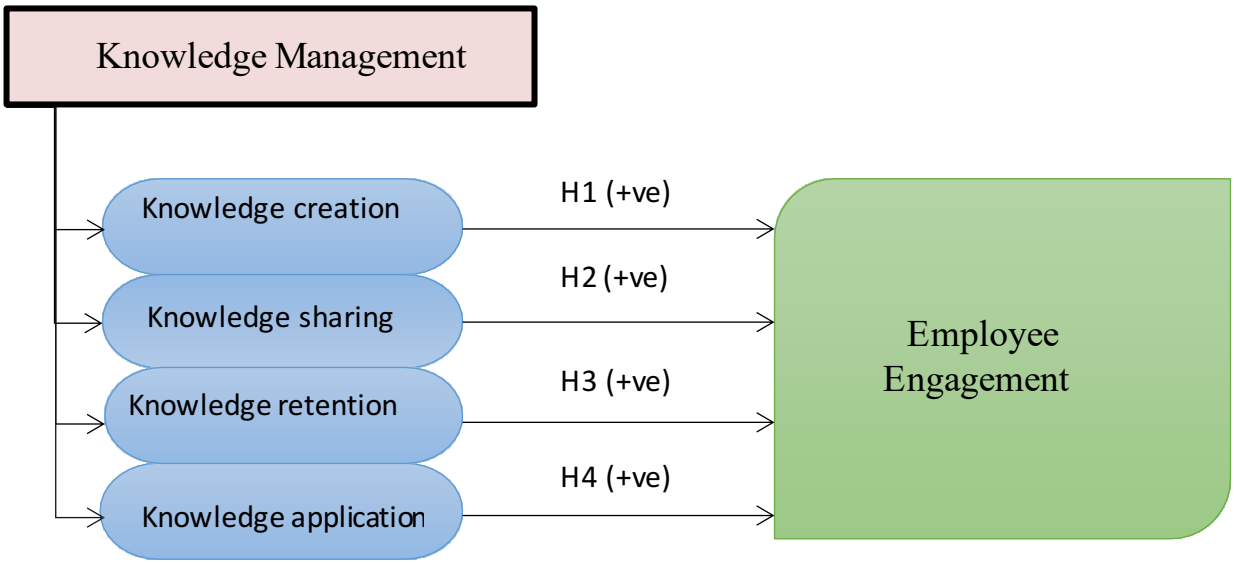


Figure 1 conceptual framework of the study (source: Own literature review)

2.6 Hypothesis

It is supposed that effective management of organizational knowledge will lead to increased engagement and involvement of employees within organizations. Hence, one of the hypotheses of this study is that knowledge management activities will have a positive impact on employee engagement, and all the dimensions of knowledge management will have a positive impact on employee engagement.

Based on the study, the hypotheses are:

- **H1:** Knowledge creation has a statistically significant and positive effect on employee engagement.
- **H2:** Knowledge sharing has a statistically significant and positive effect on employee engagement.
- **H3:** Knowledge retention has a statistically significant and positive effect on employee engagement.
- **H4:** Knowledge application has a statistically significant and positive effect on employee engagement.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Description of the study area

The geographical area for this study is focused on Addis Ababa, the capital city of Ethiopia, specifically targeting the operations of Awash Bank. Awash Bank is the pioneer private commercial bank in Ethiopia, established in 1994. This research specifically investigated the bank's head office (Special branch) and grade 1 branches (bole, 22 mazoria, and gerji branch) all operating within East Addis Ababa District zone. This area was selected because it holds a high concentration of the bank's digital infrastructure, diverse workforce demographics, and intensive customer service transactions, making it an ideal environment to study knowledge practices

3.2 Research Design

Research design Definition of research design can be said to refer to the arrangement of conditions for collecting and analyzing data such that its relevance to the purposes of the research and economy of the process are achieved (Babbie, 2002).

Descriptive research and explanatory research designs are used in this research study in order to undertake an empirical examination of the research objectives.

The use of the descriptive research design is aimed at providing a description of the existing levels of the knowledge management dimensions: (Knowledge creation, knowledge sharing, knowledge retaining, and knowledge application) as well as those of employee engagement at Awash Bank. The descriptive research design is based on existing knowledge and tries to describe the particular phenomenon (Saunders, Lewis & Thornhill, 2019).

The explanatory research design was employed to examine the associations between knowledge management dimensions and employee engagement. This design assisted in understanding the cause-and-effect association such that it will enable the researcher to measure the extent to which the bank's knowledge management practices affect employee engagement (Creswell, 2014).

3.3 Research Approach

The methodology applied in this study was a quantitative one. Quantitative analysis is appropriate for explanatory designs that seek to present findings applicable to the large part of the sample (Creswell, 2014). The use of the quantitative data for the research facilitated the use of statistical tests to ascertain the degree of association existing between the independent and the

dependent variables. Applying such a technique in the study allowed the collection of data based on the responses provided by the employees numerically. It is a key aspect in conducting hypothesis tests (Cohen et al., 2018).

3.3. Population and Sampling

3.3.1. Population

The target population of this study comprises employees of Awash Bank working in selected branches in East Addis Ababa, which where: Head Office (Special Branch), Bole, 22 Mazoria, and Gerji Branch (Grade 1 branches). The study focuses on employees involved in various banking operations, as they are directly engaged in organizational processes related to knowledge creation, sharing, application, and retention. These employees are considered appropriate respondents because they are expected to provide relevant and reliable information regarding knowledge management practices and their influence on employee engagement within the bank.

3.3.2. Sampling

Sampling is the process of selecting a subset of individuals from a population under investigation in order to estimate the characteristics or attributes of the whole population. Due to the limitations associated with involving the entire population in research studies, a sample is selected to represent the population and participate in the study. This enables the researcher to generalize the findings of the study to the target population. In some cases, research studies may include all members of a population when the population size is manageable.

3.3.3. Sampling Techniques and Sample Size

According to Yamane (1967), the sample size can be determined using a simplified statistical formula, which is widely used to estimate an appropriate sample size from a known population. The formula is given as:

$$n = \frac{N}{1 + e^2} \quad (1)$$

where:

N : number of total populations

e : the error of the sampling (0.05)

n : required sample size

150/ 1+150(0.0025)=109

Accordingly, using the above Equation (1), a sample of 109 employees was determined from a total population of 150 employees. This sample size was considered adequate to ensure representativeness of the population while allowing for reliable statistical analysis. The selected respondents were considered sufficient to draw valid conclusions about the relationship between knowledge management practices and employee engagement within Awash Bank. The target population and sampling distribution for each branch are presented in Table 3.1 below.

Table 3.1 Target population and sampling distribution

Branch	Target Population (N)	Sample Size (n)
Head Office (special)	54	39
Bole Branch (Grade 1)	35	25
22 Mazoria Branch (Grade 1)	32	23
Gerji Branch (Grade 1)	29	22
Total	**150**	**109**

Source own survey, 2026

The population under study includes workers at Head Office (Special Branch) and Grade 1 branches of Awash Bank in the East Addis Ababa area. In order to ensure that the sample is representative, systematic random sampling was adopted for sampling purposes. This enabled all eligible workers in the sampled branches equal opportunities to be included in the study.

3.4 Types of Data and Data Collection Tools

This study primarily utilizes primary data collected directly from respondents. Primary data refers to original data that are collected firsthand for the specific purpose of the research and have not been previously processed or analyzed. In this study, primary data were considered most appropriate because they allow the researcher to obtain up-to-date and context-specific information regarding knowledge management practices and employee engagement within Awash Bank.

To collect the required data, a structured questionnaire was employed as the main data collection instrument. The questionnaire was designed based on a review of relevant literature and was developed to capture respondents' perceptions of knowledge management practices and employee engagement levels. The use of a standardized questionnaire ensures consistency in responses and facilitates quantitative analysis.

The questionnaire consisted of closed-ended items measured using a five-point Likert scale, ranging from strongly disagree to strongly agree. This scale was used to measure the key variables of the study, including knowledge creation, knowledge sharing, knowledge application, knowledge retention, and employee engagement dimensions such as vigor, dedication, and absorption. The Likert-scale format enables the quantification of attitudes and perceptions, making it suitable for statistical analysis using descriptive and inferential techniques.

Overall, the combination of primary data and structured Likert-scale questionnaires provided reliable and measurable data for examining the relationship between knowledge management practices and employee engagement.

3.5. Data Collection Instrument

The primary data for this study were collected using a self-administered structured questionnaire. The questionnaire was designed, distributed, and completed by the selected respondents, who were employees of Awash Bank in the study area. This method was chosen because it allows respondents to independently provide their responses, thereby reducing interviewer bias and ensuring greater consistency in the data collected.

The use of a questionnaire as a data collection instrument is considered appropriate for this study because it is cost-effective, relatively easy to administer to a large number of respondents, and efficient in gathering standardized information within a limited period of time. In addition, questionnaires enhance confidentiality, which encourages respondents to provide honest and unbiased responses, thereby improving the reliability of the data.

The questionnaire was developed based on a thorough review of relevant literature and was structured in line with the study's conceptual framework. It was divided into different sections to capture all relevant variables of the study. The first section included demographic information of respondents, while the remaining sections focused on the main study variables.

According to Kothari (2004), questionnaires are widely used in social science research due to their simplicity, flexibility, and ability to collect large amounts of data efficiently. Accordingly, the structured questionnaire used in this study ensured consistency, reliability, and suitability of the collected data for both descriptive and inferential statistical analysis.

3.6. Method of Data Analysis

The process of data analysis can be defined as a process of applying reasoning in order to understand the data collected through the identification of the pattern and summary of the details identified during the process. With the help of different approaches that can be applied, data analysis involves understanding the data collected in one way or another. The process of data analysis took place after data collection was completed.

Statistical Package for the Social Sciences (SPSS) software was used in this study. The SPSS software aids in analyzing data and the following methods have been applied to the summarized data; frequencies, percentages, mean, modes, standard deviation, and tables. Finally, linear multiple regression analysis was done to determine the correlation between these variables. Interpretations and presentation of findings will be made based on the results obtained.

3.7. Regression Model Specification

Multiple linear regression analysis was employed to examine the effect of knowledge management practices on employee engagement. The technique was selected because it enables the assessment of the individual and combined effects of multiple independent variables on a single dependent variable. In this study, Employee Engagement (EE) was considered the dependent variable, while Knowledge Creation (KC), Knowledge Sharing (KS), Knowledge Application (KAP), and Knowledge Retention (KR) were treated as independent variables.

The regression model used in the study is expressed by the following Equation:

$$EE=\beta o+\beta_1 KC+\beta_2 KS+\beta_3 KAP+\beta_4 KR+\varepsilon \quad (2)$$

Where EE represents Employee Engagement, β_0 is the intercept, β_1, β_2, β_3, and β_4 are the regression coefficients associated with Knowledge Creation, Knowledge Sharing, Knowledge Application, and Knowledge Retention, respectively, and ε is the error term. The model was used to determine the extent to which knowledge management practices influence employee engagement and to identify the relative contribution of each predictor variable.

3.8. Validity and Reliability

Validity and reliability are the two critical aspects that should be satisfied for accurate measurement. The aspect of validity is considered to be the most crucial determinant of whether an instrument can accurately measure the variable of interest (Kothari, 2004). The validity of the measurement instrument in this case is assured by ensuring that the measurement items used have been adopted from previous research and literature sources. Reliability refers to consistency in measuring. The reliability of the questionnaire is assessed using Cronbach's alpha, where an alpha value of 0.7 or more would be acceptable (Tavakol & Dennick, 2011).

3.9. Ethical Considerations

It is essential to conduct oneself ethically and with integrity during research. One of the major ethics involved in research is respecting and safeguarding the human dignity and rights of all people who participated in the research process (Bryman, 2016; Cohen et al., 2018). During this particular study, the researcher endeavored to ensure that the confidentiality of the information provided by the respondents was observed and used solely for the purpose of research.

Furthermore, the researcher pledged to present the information without causing any ambiguity on the part of the result presentation. Therefore, the study had no issues of ethical consideration.

CHAPTER 4: DATA PRESENTATION, ANALYSIS, AND INTERPRETATION

4.1 Introduction

In this chapter, the presentation and analysis of the data obtained from the respondents are highlighted in order to analyze how the study objectives are attained. This information is gathered through the use of the questionnaire that was intended to measure the effect between knowledge management practices and employee engagement.

In order to properly organize and analyze the data, various methods were done in the analysis, such as the use of IBM SPSS Statistics to conduct descriptive analysis, correlation analysis, and multiple regression analysis in order to determine the effect of knowledge management on employee engagement.

The results of the study are organized and presented in this section using of tables and relevant statistical techniques. Descriptive and inferential statistical findings are presented and interpreted to address the research objectives and provide a comprehensive understanding of the relationships among the study variables.

4.2 Response Rate

A total of 109 questionnaires were distributed to the selected respondents in the study area. Out of these, 101 questionnaires were duly completed and returned, while the remaining 8 were not returned. This represents a response rate of 92.66%, which is considered adequate for data analysis and supports the reliability of the study findings. The summary of the questionnaire distribution and response rate is presented in Table 4.1 below. The response rate was sufficient to support the research, and participants were very helpful due to their willingness to take part.

Table 4.1: Response rate

Description	Number	Percentage (%)
Questionnaires distributed	109	100%
Questionnaires returned	101	92.66%
Questionnaires not returned	8	7.34%

Response rate	101	92.66%

Source own survey, 2026

4.3 Demographic Characteristics of Respondents

This section includes the presentation of personal information of those employees included in this study. Their profiles were taken into consideration based on gender, age, education, years of experience, and job categories. This information can be seen in the following Table 4.2.

Table 4.2 Demographic Profile of Respondents

Variable	Category	Frequency	Percentage (%)
Gender	Male	59	58.4
	Female	42	41.6
Age	Below 25	6	5.9
	25-34	87	86.1
	34-44	8	7.9
Educational Level	Bachelor	77	76.2
	Master	24	23.8
Work Experience	2-5 Years	78	77.2
	6-10 Years	22	21.8
	More than 10 years	1	1
Job category	Managerial	13	12.9
	Non-managerial	88	87.1

Source own survey, 2026

From the above Table 4.2, it is evident that the majority of respondents (58.4%) are male, while 41.6% are female. This indicates that male employees constitute a slightly higher proportion of the sample compared to female employees.

Regarding age distribution, most respondents (86.1%) fall within the 25–34 age category, while only 5.9% are below 25 years and 7.9% are between 34–44 years. This shows that the study is mainly represented by young and active working-age employees, who are considered to be in their most productive stage and are likely to provide relevant information for the study.

In terms of educational level, the majority of respondents (76.2%) hold a bachelor's degree, while the remaining 23.8% possess a master's degree. This indicates that the respondents are relatively well-educated, which enhances their ability to understand and accurately respond to the questionnaire items.

With regard to work experience, most respondents (77.2%) have 2–5 years of experience, followed by 21.8% with 6–10 years, and only 1% with more than 10 years of experience. This suggests that the findings largely reflect the views of employees with moderate experience in the banking sector, who are familiar with organizational practices and operations.

Finally, the occupational position of respondents shows that the majority (87.1%) are non-managerial staff, while 12.9% hold managerial positions. This implies that the study mainly captures the perspectives of operational-level employees who are directly involved in day-to-day organizational activities, thereby providing practical insights into knowledge management practices and employee engagement.

4.4 Reliability

To measure the reliability of the variables, Cronbach's Alpha test was performed in order to establish the internal consistency of the measurement items. The criterion for establishing acceptable levels of reliability was set at 0.70 or higher.

Table 4.8 Reliability Test Results

Variables	Cronbach's Alpha
Knowledge Creation (KC)	0.800
Knowledge Sharing (KS)	0.773
Knowledge Application (KAP)	0.726
Knowledge Retention (KR)	0.747
Employee Engagement (EE)	0.802

Source own survey, 2026

As seen from Table 4.8, Cronbach's Alpha values for all constructs are higher than the recommended value of 0.70. These include Knowledge Creation (α=0.800), Knowledge Sharing

(α=0.773), Knowledge Application (α=0.726), Knowledge Retention (α=0.747), and Employee Engagement (α=0.802). Hence, all constructs have acceptable to high internal consistency.

4.5 Descriptive Statistics

This section presents the descriptive statistical analysis of the main study variables, namely knowledge management practices and employee engagement. Descriptive statistics, particularly the mean and standard deviation, are used to summarize and interpret the respondents' perceptions of the study constructs. The mean value indicates the average level of agreement or disagreement among respondents, while the standard deviation measures the degree of variation or consistency in their responses.

A five-point Likert scale was used to measure all items in the questionnaire, ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). For interpretation purposes, the following scale was adopted: 1.00–1.80 = Strongly Disagree, 1.81–2.60 = Disagree, 2.61–3.40 = Neutral, 3.41–4.20 = Agree, and 4.21–5.00 = Strongly Agree (Sözen & Güven, 2019). This classification helps to clearly interpret the level of agreement of respondents regarding each statement.

Accordingly, the mean values are used to determine whether respondents generally agree or disagree with statements related to knowledge creation, knowledge sharing, knowledge application, knowledge retention, and employee engagement. In addition, the standard deviation values indicate how closely or widely respondents' opinions are distributed around the mean, thereby showing the level of agreement or disagreement among participants.

Knowledge Creation

Table 4.3 Descriptive Statistics of Knowledge Creation

Knowledge Creation	N	Mean	Std. Deviation
I learn lessons after project closure	101	3.7822	.96544
I am encouraged to find alternative solutions for existing assignments in my workplace	101	4.0198	.96933
Work-related suggestions are encouraged in my workplace	101	3.8416	1.09300
Existing knowledge is used to develop new knowledge in my workplace	101	3.9307	.96185

Knowledge Creation	N	Mean	Std. Deviation
I am encouraged to identify best practices for future use	101	3.7723	1.08518
I am encouraged to analyze success factors to enrich my knowledge	101	4.1782	.81726
I am encouraged to analyze mistakes to enrich my knowledge	101	4.0495	.80469
KC Average mean	101	3.9392	.64881

Source own survey, 2026

Table 4.3 below shows the descriptive statistics for knowledge creation practices in the organization. The research findings indicate that there is an agreement among the respondents that they get some lessons from completed tasks, with a mean of 3.78 (SD = 0.96), indicating that there is an intermediate degree of reflection after performing tasks. In addition, it was found that employees have an agreement about encouraging them to find out alternative solutions for current tasks, with a mean of 4.019 (SD=0.969).

There is also an indication that employees are encouraged to contribute work-related suggestions in the work environment, with a mean of 3.84 (SD=1.09). A mean of 3.93 (SD=0.96) shows that the respondents agree that they are encouraged to utilize current knowledge in the development of new knowledge.

Employees were also found to agree that there is encouragement on identifying practices that will help them in the future, with a mean of 3.77 (SD=1.08). Additionally, it was revealed that there is agreement among respondents on finding success factors to enhance their knowledge, with a mean of 4.1782 (SD=0.81). There is also an agreement that their errors are helpful in learning and enhancing their knowledge, with a mean of 4.04 (SD = 0.80).

In general, based on the grand mean of 3.93 (SD=0.648), the existence of knowledge creation practices can be considered to be at a high level in the organization. It suggests that while employees learn, develop new ideas, and engage in reflective practice, they have reached a level of involvement where knowledge creation is becoming an important part of the organization's culture. One may speak about a developing knowledge creation system that should be further strengthened in the organization through enhancing learning practices and fostering an innovation culture and active participation of employees in creating knowledge.

Knowledge Sharing

Table 4.4 Descriptive Statistics of Knowledge Sharing

Knowledge Sharing	N	Mean	Std. Deviation
Experienced staff in my workplace are encouraged to mentor new or less experienced staff	101	4.1881	1.26264
Knowledge gained from different projects is made accessible to all in my workplace	101	3.7525	1.14373
Knowledge is transferred by electronic means throughout the office	101	4.2871	1.18606
Knowledge is distributed through documentation in my workplace	101	2.5446	.87778
Knowledge is shared by daily interaction with colleagues in the workplace, e.g., in the corridor, during lunch, in the pantry, at social functions	101	2.6238	1.06632
Knowledge is transferred by face-to-face means only	101	1.6337	.83334
Staff who share knowledge receive rewards/recognition in my workplace	101	1.9802	.88295
Remote access to the workplace's database is provided	101	1.2574	.71629
KS Average mean	101	2.7834	.62921

Source own survey, 2026

Table 4.4 provides results on descriptive statistics on knowledge sharing activities in the organization. It can be observed that respondents agree that there exists encouragement in the organization to guide employees by mentors who have a higher experience than those of less experience with a mean score of 4.18 (SD=1.26).

There is also agreement among respondents that knowledge acquired from completed tasks can be accessed by other employees with a mean score of 3.75, (SD=1.14), showing that the information can be easily obtained for future purposes. Additionally, there is agreement among respondents that digital devices are utilized to share information in the organization with a mean score of 4.28, (SD=1.18).

On the other hand, it can be noted that respondents disagree that there is formal storage of knowledge using documentation with a mean score of 2.54, (SD=0.87). In addition, employees disagree that there is frequent knowledge sharing using informal meetings with a mean score of 2.62, (SD=1.06).

From the analysis of the data collected, it is clear that workers do not agree that knowledge can be transferred only through face-to-face communication (mean=1.63, SD=0.83). Moreover, the mean for the statement, 'knowledge sharing is encouraged and rewarded,' is mean 1.98 (SD=0.88). This implies that there are no effective incentive mechanisms in place. Further, there is also a strong disagreement with the statement that access to the database remotely is available, as indicated by a very low mean of 1.25 (SD = 0.71). This reflects a lack of development regarding the technological structure for providing access to the company's knowledge management system.

In general, based on the grand mean of 2.78 (SD = 0.62), the practices of knowledge sharing in the organization are weak. The findings reveal that although mentoring programs and electronic communication systems are fairly good, the organization does not possess any proper documentation process, motivation tools, informal knowledge sharing culture, and technological infrastructure. Consequently, knowledge sharing is not completely integrated in this company and is still disjointed, depending largely on formal and digital ways of knowledge exchange.

Knowledge Application

Table 4.5 Descriptive Statistics of Knowledge Application

Knowledge Application	N	Mean	Std. Deviation
I utilize knowledge to solve most problems that I encounter in my job	101	4.0000	1.00
I am encouraged to apply knowledge/experience learned from previous project(s) to subsequent project(s)	101	3.7822	0.94450
I apply knowledge in developing new products/services	101	3.4851	0.91229
KAP Average mean	101	3.7558	0.76578

Source own survey, 2026

Table 4.5 depicts the results regarding the application of knowledge in the organization. According to the results, the respondents acknowledge their application of knowledge in solving work-related problems through an average rating of 4.00 (SD=1.00). The respondents are also of the view that they utilize knowledge obtained from past projects for other work-related activities through an average of 3.78 (SD=0.94).

However, when it comes to application of knowledge in developing new products/services, employees report a moderate level of agreement with an average rating of 3.48 (SD=0.91) which implies that application of knowledge for innovation is relatively less emphasized compared to other areas.

On the whole, a grand mean score of 3.75 (SD = 0.76) denotes a relatively high level of knowledge application within the organization. It means that people apply knowledge mainly in the performance of everyday operations but are less engaged in strategic innovation or value generation. In this regard, knowledge application can be observed in the company, but its full utilization for transforming and innovating purposes remains to be improved in order to achieve greater competitiveness.

Knowledge Retention

Table 4.6 Descriptive Statistics of Knowledge Retention

Knowledge Retention	N	Mean	Std. Deviation
Data and information are selected and organized before being stored in my workplace	101	3.8218	1.15235
Knowledge is recorded by electronic means (soft copy) in my workplace	101	3.3564	1.18814
Knowledge is recorded in paper medium (hard copy) in my workplace	101	3.4653	.99563
Knowledge resides in human memory (minds) in my workplace	101	2.4059	1.19313
Knowledge is kept in personal reference file(s)	101	2.9010	.70007
Knowledge resides in my organization's routines/procedures	101	4.1485	1.01377
Knowledge is recorded in the form of documentation such as office manuals, work practice, in-house standards, lessons	101	3.9604	1.10382

learned, etc.			
Confidential/sensitive information has restricted access in my workplace	101	4.4851	.87879
Access to some knowledge is recorded	101	3.9802	1.16602
I know where to find knowledge when I need it	101	4.2277	.77306
I know who to ask for knowledge when I need it	101	4.0000	.95917
KR Average mean	101	3.7048	.54521

Source own survey, 2026

Table 4.6 shows the descriptive statistics for the knowledge retention practices in the organization. From the results above, it is evident that data and information are structured before being stored (M=3.82, SD=1.15). Respondents agree that knowledge is structured through electronic means (M=3.35, SD=1.18) and paper-based means (M=3.46, SD=0.99). Therefore, the organization has been using digital technology as well as manual means to store the knowledge.

The respondents disagree that knowledge primarily remains in human minds (M=2.40, SD=1.19) which implies that knowledge does not entirely remain within individuals. Further, they are neutral regarding keeping the knowledge in personal files (M=2.90, SD=0.70).

On the contrary, respondents are in agreement that knowledge resides in organizational processes (M=4.14, SD=1.01), it has been documented through various manuals (M=3.96, SD=1.10). Additionally, respondents strongly agree that confidential/sensitive information has restricted access in the workplace (M=4.48, SD=0.87). They also agree that access to some knowledge is recorded (M=3.98, SD=1.16), and that they know where to find knowledge when needed (M=4.22 SD=0.77), as well as who to ask for knowledge when needed with a mean=4.00, (SD=0.95).

Overall, the grand mean of 3.70 (SD = 0.54) indicates a high level of knowledge retention within the organization. In other words, knowledge is generally well and accessible, although it is still possible to increase its retention rate through formal knowledge management systems instead of informal ones.

Employee Engagement

Table 4.7 Descriptive Statistics of Employee Engagement

Employee Engagement	N	Mean	Std. Deviation
At my work, I feel bursting with energy	101	3.1188	.93045
At my job, I feel strong and vigorous	101	3.1386	.95948
I can continue working for very long periods at a time	101	4.1089	.88205
At my job, I am very resilient, mentally	101	4.1485	.96318
At my work I always persevere, even when things do not go well	101	4.2871	1.00336
I am proud on the work that I do	101	3.4851	1.03551
When I am working, I forget everything else around me	101	2.4356	.96349
I feel happy when I am working intensely	101	2.6238	1.03780
I am immersed in my work	101	3.1386	.99025
It is difficult to detach myself from my job	101	3.4059	1.30521
I find the work that I do full of meaning and purpose	101	4.1089	.90444
I am enthusiastic about my job	101	4.1881	.78375
EE Average mean	101	3.5157	.55412

Source own survey, 2026

Table 4.7 shows findings on employee engagement in the company. From the findings, it is evident that employees are neutral about feeling energetic while at work with a mean score of 3.11 (SD=0.93). Additionally, the employees are neutral about feeling strong and full of vigor while at work (Mean=3.13, SD=0.95), implying that the employees do not always feel energetic.

Despite this, the employees indicate being capable of working for extended periods of time with a mean score of 4.10 (SD=0.88) and are also mentally resilient (Mean=4.14, SD=0.96). Thus, it can be noted that the employees are capable of withstanding the challenges in the workplace through their endurance and mental toughness. Furthermore, the employees indicate persevering when the situation gets tough at work with a mean score of 4.28 (SD=1.003). The findings also show that employees are neutral regarding being proud of the work they do (Mean=3.48, SD=1.03).

Employees disagree that they forget everything else around them while working, with a mean score of 2.43 (SD=0.96), and employees have a neutral response feeling happy while working intensely (Mean=2.62, SD=1.03). Employees are also moderately engaged in their work, as reflected by their response on being immersed in their work (Mean=3.13, SD=0.99), and are neutral regarding the difficulty of detaching themselves from their jobs (Mean=3.40, SD=1.30). However, employees agree that they find their work meaningful and purposeful (Mean=4.10, SD=0.90) and are enthusiastic about their jobs (Mean=4.18, SD=0.78). These findings suggest a relatively strong level of dedication toward their work.

The overall mean scale of 3.51, (SD=0.55) shows that the degree of engagement of the employees with the organization is moderate. It shows that while employees are committed to completing assignments persistently and actively, they also demonstrate dedication to their work through enthusiasm and a sense of purpose. However, their levels of energy, excitement, and absorption in work remain moderate and could be further improved. Thus, it appears that engagement among employees is determined not only by their internal motivations and feelings but also by external factors.

4.6 Correlation Analysis

The Pearson correlation analysis method was used to test the relationship between the dependent variable and the independent variables. As seen in the Pearson correlation coefficient, r ranges from -1 to +1, +1 indicating a high positive relationship, while -1 indicates a negative correlation.

Table 4.9 Correlation Analysis

		KC	KS	KAP	KR	EE
KC	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	101				
KS	Pearson Correlation	0.495**	1			
	Sig. (2-tailed)	0.0				

		KC	KS	KAP	KR	EE
	N	101	101			
KAP	Pearson Correlation	0.062	-0.054	1		
	Sig. (2-tailed)	0.539	0.593			
	N	101	101	101		
KR	Pearson Correlation	0.669**	0.445**	.196*	1	
	Sig. (2-tailed)	0.0	0.0	.049		
	N	101	101	101	101	
EE	Pearson Correlation	0.543**	0.413**	0.448**	0.623**	1
	Sig. (2-tailed)	0.0	0.0	0.0	0.0	
	N	101	101	101	101	101

Source own survey, 2026

As illustrated on the Table 4.9, the results indicate that all knowledge management dimensions positively correlate and statistically have a significant relationship with employee engagement. The Knowledge Creation dimension has a statistically significant and positive relationship with employee engagement ($p<0.000$, $r=0.543$). Knowledge Sharing also has a statistically significant and positive relationship with employee engagement ($p<0.000$, $r=0.413$). Similarly, Knowledge Application shows a statistically significant and positive relationship with employee engagement ($p<0.000$, $r=0.448$). In addition, Knowledge Retention has a statistically significant and positive relationship with employee engagement ($p<0.000$, $r=0.623$).

Overall, the findings indicate that all dimensions of knowledge management are positively and significantly associated with employee engagement. This significance is supported by the p-values ($p = 0.000$), confirming that the relationships are statistically meaningful. Hence, the results shows that there is a positive association between knowledge management practices and employee engagement. In view of these results, the nature and direction of the relationships

between knowledge management and employee engagement will be discussed in the following section through the use of regression analysis.

4.7 Regression Analysis

A multiple linear regression analysis was carried out to investigate the effects of different knowledge management dimensions (knowledge creation, knowledge sharing, knowledge application, and knowledge retention) on employee engagement. The results provide insight into the relative contribution of each dimension in explaining variations in employee engagement levels.

4.7.1 Assumptions and Tests

Normality Test

To verify the normality assumption required for regression analysis, both graphical and statistical methods were employed. Assessing normality is essential because regression procedures assume normally distributed residuals, which supports the accuracy and validity of parameter estimates, hypothesis testing, and confidence intervals. Therefore, a comprehensive evaluation of the data distribution was conducted prior to performing the regression analysis.

Graphical techniques were first used to inspect the distribution. A histogram was generated to examine whether the data followed an approximately bell-shaped pattern and to identify any skewness, kurtosis, or outliers. In addition, a Normal Probability-Probability (P-P) plot was constructed to compare observed cumulative probabilities with those expected under a normal distribution. The alignment of points with the diagonal reference line provided visual evidence of normality.

In addition, statistical measures of skewness and kurtosis were evaluated. Skewness assessed the symmetry of the distribution, while kurtosis measured the concentration of observations around the mean and tail heaviness. Values within acceptable ranges indicated no substantial deviation from normality. The combined results from the histogram, P-P plot, and statistical indicators confirmed that the normality assumption was adequately satisfied, supporting the validity of the regression analysis.

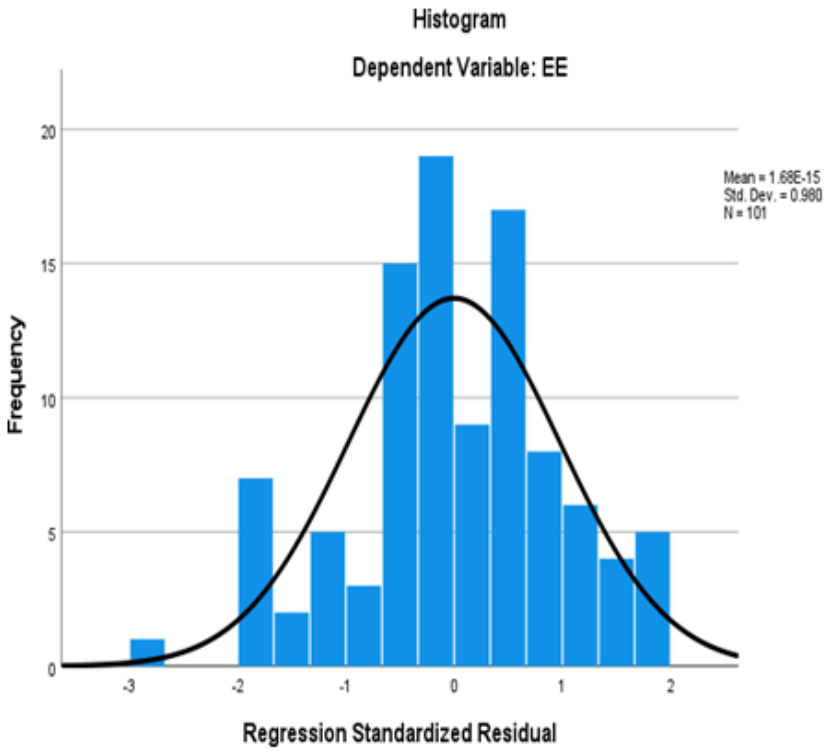


Figure 4.1 Histogram

Figure 4.1 presents the histogram of the regression standardized residuals for the dependent variable EE. The distribution of residuals appears approximately bell-shaped and centered around zero, with a mean value of 1.68 E-15 and a standard deviation of 0.980 based on 101 observations.

Most residual values are concentrated near the center, while the frequencies gradually decrease toward both tails, indicating no substantial departure from normality. Although a few observations are present at the extreme ends of the distribution, the overall shape closely follows the superimposed normal curve. Therefore, the histogram provides visual evidence that the residuals are approximately normally distributed, suggesting that the normality assumption for regression analysis is reasonably satisfied.

Table 4.10 Normality test

	Skewness		**Kurtosis**	
	Statistic	**Std. Error**	**Statistic**	**Std. Error**
Knowledge Creation	-0.753	0.240	0.478	0.476
Knowledge Sharing	-1.061	0.240	1.815	0.476

Knowledge Application	-0.830	0.240	2.432	0.476
Knowledge Retention	-1.237	0.240	1.484	0.476
Employee Engagement	-0.804	0.240	1.196	0.476

Source own survey, 2026

Skewness values between −1 and +1 are considered excellent (−2 to +2 acceptable), while kurtosis values within −7 to +7 are acceptable; values beyond these ranges indicate substantial deviation from normality (Hair et al., 2022, p. 66).

Linearity Test

Linearity is assumed to be true when the relationship among independent variables and the dependent variable shows up in a straight line. Linearity occurs if the plot points tend to follow a general straight line and if the distribution of the residuals is randomly spread around the zero line.

Linearity tests were done to determine the reaction of employee engagement (the dependent variable) to variations in knowledge management practices such as knowledge creation, knowledge sharing, knowledge application, and knowledge retention (independent variables). The aim was to establish whether a linear relationship exists with the chosen knowledge management practices.

In order to do this, residual plots have been drawn from SPSS program. If there is linearity, the residuals would be randomly spread around the zero line, suggesting that employee engagement has a linear relationship with knowledge management practices.

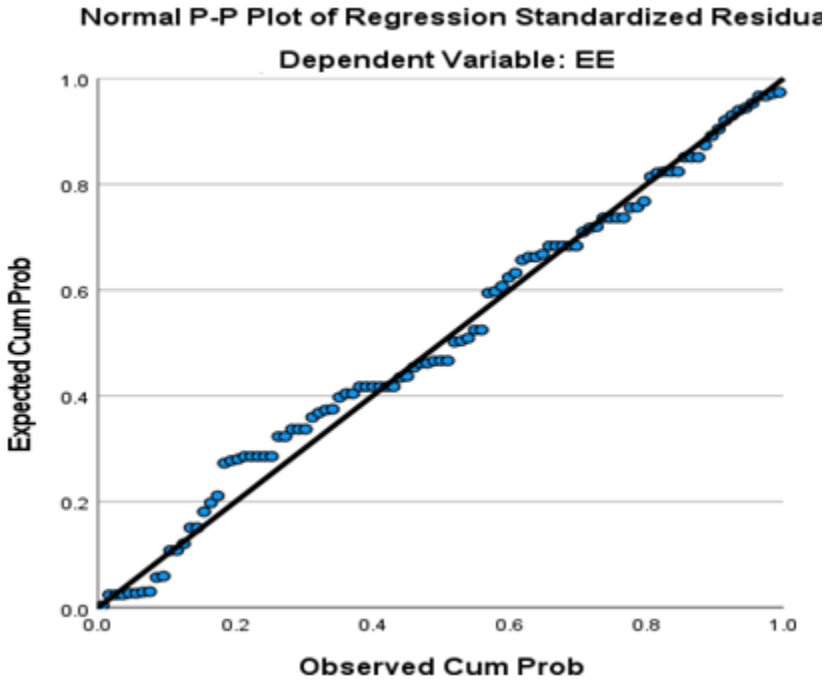


Figure 4.2 Normal P-P plot

Multi-collinearity Test

Multicollinearity was also tested to check for the correlation between the variables used as independent variables. The analysis of tolerance and Variance Inflation Factor (VIF) was computed through SPSS software.

Table 4.11 Multicollinearity test

Variable	Tolerance	VIF
KC	0.502	1.990
KS	0.717	1.395
KAP	0.934	1.071
KR	0.507	1.974

Source own survey, 2026

Based on the data provided in Table 4.11, it can be seen that the tolerance for all independent variables lie within the range of 0.502 to 0.934, both of which exceed the threshold value of 0.1. At the same time, VIF values lie in the range from 1.071 to 1.990, all of which remain far below

the critical point of 10. It proves that there is no presence of multicollinearity in the independent variables.

Model Summary

Table 4.12 Model summary

Model Summary [b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.751[a]	0.564	0.546	0.3735

a. Predictors: (Constant), KR, KAP, KS, KC

b. Dependent Variable: EE

Source own survey, 2026

From Table 4.12, the R value from the model summary is 0.751, implying that it exists a strong positive correlation between the independent variables (knowledge creation, knowledge sharing, knowledge application, and knowledge retention) and employee engagement.

The R Square value of 0.564 implies that about 56.4% of the variance in employee engagement can be accounted for by the effect of knowledge creation, knowledge sharing, knowledge application, and knowledge retention.

With the Adjusted R Square value being 0.546, this provides additional support that the model has considerable predictive ability while adjusting for the number of predicators.

Overall, the results of the regression suggest that employee engagement is influenced by knowledge management practices.

ANOVA Summary

Analysis of Variance (ANOVA) was conducted as part of the regression analysis to evaluate the overall significance and goodness-of-fit of the proposed model. ANOVA examines whether the independent variables collectively explain a significant proportion of the variation in the dependent variable by comparing the variance explained by the regression model with the unexplained variance (residual error). The ANOVA table provides key statistics, including the sum of squares, degrees of freedom, mean squares, F-statistic, and significance (p-value).

Table 4.13 presents the Analysis of Variance (ANOVA) summary for the regression model. The ANOVA results were used to assess the overall significance of the model by comparing the

variation explained by the independent variables with the unexplained variation (residual error). The findings provide evidence regarding whether the regression model significantly predicts the dependent variable and is suitable for further interpretation.

Table 4.13 ANOVA Summary

ANOVA[a]						
Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	17.311	4	4.328	31.02	0.00[b]
	Residual	13.393	96	0.140		
	Total	30.704	100			

Source own survey, 2026

Table 4.13 illustrates the results of the ANOVA test, where the F-value is 31.02 and the associated p-value is 0.000. With the p-value being less than 0.05, it shows that the overall regression model is statistically significant.

4.7.2 Regression Coefficients

The regression coefficients provide information about the direction and magnitude of the relationship between each independent variable and the dependent variable. Specifically, the coefficient values indicate the expected change in the dependent variable resulting from a one-unit change in the corresponding predictor variable while holding all other variables constant. The significance levels associated with the coefficients were examined to determine whether each predictor had a statistically significant effect on the dependent variable.

Table 4.14 Regression Coefficients

Unstandardized Coefficients				**Standardized Coefficients**	**t**	**Sig.**
Model		**B**	**Std. Error**	**Beta**		
1	(Constant)	.095	.309		.308	.759
	KC	.180	.081	.211	2.220	.029

	KS	.162	.070	.184	2.306	.023
	KAP	.275	.050	.381	5.457	.000
	KR	.331	.096	.326	3.438	.001

Source own survey, 2026

From Table 4.14, we can see the regression coefficient representing the effects of each independent variable individually on employee engagement.

The effect of Knowledge Creation is statistically significant and positive ($p = 0.029$, $\beta = 0.211$). This implies that the more knowledge creation is the more employee engagement would be. Therefore, the hypothesis that was proposed as "Knowledge creation has a statistically significant and positive effect on employee engagement" is supported.

This empirical result demonstrates that knowledge creation has a statistically significant effect on employee engagement within this study. The findings are consistent with past research that highlights the significance of knowledge creation in fostering innovation and engagement among employees. According to Choi & Lee (2003), knowledge creation promotes innovation and employee participation, whereas Ahmad (2017) emphasizes its role in encouraging employee contributions and generating ideas. These theoretical perspectives support the view knowledge creation plays a crucial role in enhancing employee engagement.

The effect of Knowledge Sharing is statistically significant and positive ($p=0.023$, $\beta=0.184$). It means that the more knowledge sharing is the greater the levels of employee engagement will be. Therefore, the formulated hypothesis, was as "knowledge sharing has a statistically significant and positive effect on employee engagement," is supported.

As the empirical finding indicates, knowledge sharing significantly affects employee engagement. The literature highlights the importance of knowledge sharing in encouraging collaboration and communication among the employees. According to Cabrera and Cabrera (2005), for example, knowledge sharing contributes to the creation of trust and cooperation within companies. Moreover, it is believed that effective communication encourages positive interpersonal relationships between the workers. This aligns with the findings of the study, which show that knowledge sharing plays a vital role in promoting employee engagement.

The effect of Knowledge Application is statistically significant ($p = 0.000$) and positive ($\beta = 0.381$) effect on employee engagement. This means that as knowledge application increases, employee engagement also increases. The relatively higher beta value indicates that knowledge application has a strong influence on employee engagement compared to other variables. Therefore, the hypothesis that was proposed as "knowledge application has a statistically significant and positive effect on employee engagement" is supported.

According to the results obtained during the research, knowledge application has a statistically significant and positive effect on employee engagement and becomes one of the most influential predictors for this phenomenon. The findings of the current paper are consistent with the results described in other scientific studies. As indicated by King (2009), the effective use of knowledge has a direct impact on decision-making and the overall organizational performance. Moreover, it can be concluded that employees who actively apply knowledge while performing their tasks usually have better productivity and higher engagement.

The effect of Knowledge Retention ($\beta = 0.326$, $p = 0.001$) is statistically significant and positive. This implies that higher levels of knowledge retention led to higher employee engagement. Therefore, the hypothesis that was proposed as "knowledge retention has a statistically significant and positive effect on employee engagement" is supported.

The empirical evidence suggests that knowledge retention has a great and statistically significant impact on the level of employee engagement. These findings align with several other past studies that point out the significance of knowledge retention in increasing productivity and organizational commitment among employees. For example, Adebakin et al. (2025) and Onyango et al. (2022) argue that having proper knowledge retention policies will make it easier for employees to obtain critical information and work more efficiently.

The beta values reveal that among all the variables, knowledge application has the greatest effect on employee engagement, followed by knowledge retention.

Regression Model

The regression model was developed to examine the effect of Knowledge Management practices on Employee Engagement. In this study, Employee Engagement (EE) was considered the dependent variable, while Knowledge Creation (KC), Knowledge Sharing (KS), Knowledge

Application (KAP), and Knowledge Retention (KR) were treated as independent variables. The multiple linear regression model can be expressed as:

$$EE=\beta_1 KC+\beta_2 KS+\beta_3 KA+\beta_4 KR+\varepsilon$$

where:

EE : Employee Engagement

KC : Knowledge Creation

KS : Knowledge Sharing

KAP : Knowledge Application

KR : Knowledge Retention

β_1, β_2, β_3, β_4 : the regression coefficients for Knowledge Creation, Knowledge Sharing, Knowledge Application, and Knowledge Retention, respectively

ε = Error term

Once the multiple regression analysis was performed, the resulting model was expressed as:

$$EE = 0.211(KC) + 0.184(KS) + 0.381(KAP) + 0.326(KR) + \varepsilon,$$

The model indicates the relative contribution of each knowledge management dimension to employee engagement.

4.7.3 Hypothesis Testing

Table 4.15 presents a summary of the hypothesis testing results, indicating the significance and direction of the relationships between the knowledge management dimensions and employee engagement.

Table 4.15 Summary of Hypothesis Results

Hypothesis	Beta β	p- value	Results	Decision
H1: Knowledge creation has a statistically significant and positive effect on employee engagement.	0.211	0.029	Significant and positive	Accepted
H2: Knowledge sharing has a statistically significant and positive effect on employee	0.184	0.023	Significant and positive	Accepted

engagement				
H3: Knowledge application has a statistically significant and positive effect on employee engagement.	0.381	0.000	Significant and positive	Accepted
H4: Knowledge retention has a statistically significant and positive effect on employee engagement.	0.326	0.001	Significant and positive	Accepted

Source own survey, 2026

The hypothesis testing results indicate that all four dimensions of knowledge management have a statistically significant and positive effect on employee engagement. Specifically, knowledge creation ($\beta = 0.211$, $p = 0.029$), knowledge sharing ($\beta = 0.184$, $p = 0.023$), knowledge application ($\beta = 0.381$, $p = 0.000$), and knowledge retention ($\beta = 0.326$, $p = 0.001$) were all found to significantly influence employee engagement. Among these dimensions, knowledge application exhibited the strongest effect, followed by knowledge retention, knowledge creation, and knowledge sharing. Since all p-values were below the 0.05 significance level, all four hypotheses (H1, H2, H3, and H4) were accepted. These findings confirm that effective knowledge management practices contribute positively to enhancing employee engagement.

CHAPTER 5: SUMMARY, CONCLUSION, AND RECOMMENDATION

5.1 Introduction

This Chapter is devoted to discussing the overall summary of the results of the study, conclusions that may be made as well as future recommendations. In addition, major contributions of the study and suggestions for future research are discussed in detail.

5.2 Summary of Findings

In this research, the influence of knowledge management practices on employee engagement was investigated. Four aspects of knowledge management (creation, sharing, application, and retention) were considered during data analysis. Descriptive, correlational and multiple regression analyses were applied to data obtained from 101 respondents.

Based on the results of the analysis conducted, the main results of the research can be stated as follows:

- According to the results of the descriptive analysis, it can be stated that knowledge management practices are widespread in the studied company. The mean score indicates that knowledge creation Mean= (3.94), knowledge sharing Mean= (2.78), knowledge application Mean= (3.76), and knowledge retention Mean= (3.70) are present and practiced at work.
- The overall mean score of 3.51 (SD = 0.55) indicates a moderate level of employee engagement in the organization. This suggests that while employees are persistent and active in completing their tasks, their sense of passion, pride, and excitement remains limited. Overall, employee engagement appears to be influenced by both internal motivations and external factors.
- The results of the correlational analysis revealed that all knowledge management dimensions correlate positively and significantly with the level of employee engagement. Knowledge creation showed a significantly positive relationship with employee engagement ($p<0.001$, $r=0.543$). Knowledge sharing showed a significantly positive relationship with employee engagement ($p<0.001$, $r=0.413$). Knowledge application had a significantly positive relationship with employee engagement ($p<0.001$, $r=0.448$).

Knowledge retention showed the strongest, significantly positive relationship with employee engagement ($p<0.001$, $r=0.623$).

- The regression analysis found out that the knowledge management practices generally had a significant influence on the level of employee engagement. The regression model was statistically significant ($F = 31.020$, $p< 0.001$). From the model obtained, it can be noted that the amount of variance explained was fairly high ($R^2 = 0.564$, Adjusted $R^2 = 0.546$), suggesting that the practices have a significant impact on the behavior of the employees.
- Out of the four dimensions analyzed, knowledge application ($\beta = 0.381$, $p = 0.000$), knowledge retention ($\beta = 0.326$, $p = 0.001$), knowledge creation ($\beta = 0.211$, $p = 0.029$) and knowledge sharing ($\beta=0.184$, $p=0.023$) all proved to be significant factors contributing to the engagement of the employees. It means that the level of engagement was significantly higher when the knowledge could be effectively applied by the employees, when knowledge could be retained and even when knowledge creation and sharing were part of the workplace practices.
- Overall, the findings indicate that all dimensions of knowledge management are positively and significantly associated with employee engagement ($p < 0.001$). This confirms a statistically significant positive relationship between knowledge management practices and employee engagement. The nature of these relationships is further discussed in the subsequent section using regression analysis.

5.3 Conclusion

The study concludes that knowledge management plays an essential role in enhancing employee engagement, with all dimensions contributing significantly to this outcome. The analysis reveals that knowledge application, retention, sharing, and creation each have a significant and positive impact on employee engagement. Employees are more engaged when they have the opportunity to create and share knowledge, as well as when they can apply and retain knowledge within the organization.

The regression analysis further confirmed that all knowledge management dimensions, knowledge creation, knowledge sharing, knowledge application, and knowledge retention are positively and significantly associated with employee engagement ($p < 0.001$). This indicates a

statistically meaningful relationship, highlighting that improvements in any of these dimensions are likely to enhance employee engagement levels.

The regression model also demonstrated the relative influence of each predictor on employee engagement, with knowledge application showing the strongest effect, followed by knowledge retention, knowledge creation, and knowledge sharing. This suggests that while all factors are important, knowledge application and retention are the most influential drivers of employee engagement in the study context.

Organizations that foster an environment where all these knowledge management practices are actively promoted whether through encouraging knowledge creation, facilitating knowledge sharing, supporting the application of knowledge, or ensuring knowledge retention—can expect higher levels of employee engagement. These practices collectively help drive innovation, improve problem-solving, and enhance overall organizational performance.

In conclusion, organizations should aim to integrate all aspects of knowledge management into their culture and processes. By doing so, they can foster a more engaged workforce and improve both individual and organizational outcomes.

5.4 Recommendations

Based on the findings and conclusions of the study, the following recommendations can be suggested:

- Since knowledge application showed the absolute strongest effect on employee engagement (\beta = 0.381), the bank should prioritize strategies that ensure employees effectively apply their knowledge in daily tasks. Providing practical training, job support systems, and accessible knowledge-sharing tools will help employees translate knowledge into action. Management should ensure employees are given direct autonomy to leverage their expertise in daily problem-solving and in developing new creative corporate services, directly addressing the lower descriptive score found in product innovation (M = 3.485).
- In relation to knowledge sharing, which was found to have a significant positive effect on employee engagement (\beta = 0.184), the bank should foster a collaborative culture that encourages open communication among employees. This may include the use of digital knowledge-sharing platforms, team-based activities,

and cross-departmental collaboration to enhance the flow of knowledge within the organization. To address the critical operational barriers where formal documentation is weak (M = 2.545) and rewards are absent (M = 1.980), the bank must establish formal recognition programs and build knowledge-sharing metrics directly into quarterly HR performance evaluations to actively reward collaborative work and cross-departmental mentoring.

- Regarding knowledge retention, which also significantly affects employee engagement (\beta = 0.326), the bank should develop strong knowledge management systems such as documentation procedures, digital knowledge repositories, and centralized databases to preserve critical organizational knowledge for future use. Management should focus on standardizing formal documentation procedures and embedding individual project takeaways directly into the bank's official routines and operating guides (M = 4.149), ensuring critical information is not lost due to staff turnover.
- Because knowledge creation significantly influences employee engagement (\beta = 0.211), the bank should strengthen initiatives that promote innovation and idea generation among employees. This can be achieved through structured brainstorming sessions, innovation platforms, and supportive leadership that encourages employees to generate and propose new ideas. Management should foster an open, learning-oriented culture where analyzing success stories (M = 4.178) and learning openly from operational errors (M = 4.050) are structurally supported by leadership, giving employees a secure environment to propose creative solutions.
- In line with the finding on the level of employee engagement, which was found to be moderate (M = 3.51), the bank should implement targeted employee engagement strategies such as recognition programs, career development opportunities, and motivational initiatives to improve employees' passion, pride, and commitment. These programs should directly target the low emotional and physical energy reserves observed during intense tasks (M = 2.624) by matching performance metrics with intrinsic workplace rewards.
- Concerning the assessment of knowledge management practices, the bank should focus on integrating all knowledge management dimensions creation, sharing,

application, and retention into its organizational culture to ensure consistency and long-term sustainability of employee engagement improvement efforts.

5.5 Suggestions for Future Research

Based on the scope and limitations of this study, the following suggestions are made for future research:

- The findings of this study are limited to Awash Bank employees in Addis Ababa and may not fully represent other commercial banks or organizations in different parts of Ethiopia. Because this research relied on a cross-sectional design that only captures a data at a specific point of time, therefore, future studies should replicate this research in other regions and sectors to improve the generalizability of the findings.
- A mixed-methods approach could be employed in future studies to gain deeper insights into knowledge management practices and their effects on employees, Integrating qualitative techniques, such as semi-structured interviews or focus group discussions, would provide a richer contextual understanding of employee experiences beyond quantitative questionnaires.
- In addition, since this study was limited to selected district offices in Addis Ababa, future research should include branches located outside the capital city to capture broader organizational and regional perspectives within Awash Bank.
- Furthermore, future research may expand the scope beyond the banking sector by including other financial institutions and service industries to examine whether the relationships between knowledge management and employee engagement remain consistent across different organizational contexts

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Appendix I

Addis Ababa University

College of Business & Economics Management

Human Resource Management Program

Survey Questionnaire to be filled by Employees

Dear Respondents:

I would like to express my earnest appreciation for your generous time, honest and prompt response. The main purpose of this questionnaire is to collect data which will be helpful in research work titled "**The Effect of Knowledge Management Practices on Employee Engagement: The Case of Awash Bank**". Your participation in this study will be valuable and greatly appreciated. The survey requires you to spend about 10 to 15 minutes to complete all the items. Once you have completed the survey, please return to the researchers as soon as possible via the contact person.

I want to assure you that this research is only for academic purpose. No other person will have access to the data collected. That is, the secrecy of the information you provide is strictly protected.

Survey instructions

- Please complete all of the items in the survey.
- You are not required to write your name in this questionnaire.
- Please supply the required data by ticking [√] against the most appropriate answer.

If you have any question, please feel free to contact me @ 0969144913 or use my email: rimkebedom@gmail.com

Yours sincerely,

Rim G/Hiwot

Part I: Personal information

1. Gender: ☐ Male ☐ Female
2. Age Group: ☐ Below 25. ☐ 25–34 ☐ 35–44 ☐ 45 and above
3. Educational Level: ☐ Diploma ☐ Bachelor's Degree ☐ Master's Degree ☐ PhD
4. Length of Service at Awash Bank: ☐ Less than 2 years ☐ 2–5 years ☐ 6–10 years ☐ More than 10 years
5. Current Job Category: ☐ Managerial ☐ Non-managerial

Part II: Questions related with Knowledge Management Practices

Please indicate the level of your agreement or disagreement on the statements by putting (√) mark on the space provided in the options.

1= Strongly Disagree 2= Disagree 3= Neutral 4= Agree 5= Strongly Agree

I. Knowledge creation

		1	2	3	4	5
KC 1	I learn lessons after project closure					
KC 2	I am encouraged to find alternative solutions for existing assignments in my workplace					
KC 3	Work-related suggestions are encouraged in my workplace					
KC 4	Existing knowledge is used to develop new knowledge in my workplace					
KC 5	I am encouraged to identify best practices for future use					
KC 6	I am discouraged to analyze success factors to enrich my knowledge					
KC 7	I am discouraged to analyze mistakes to enrich my knowledge					

II. Knowledge Sharing

		1	2	3	4	5
KS1	Experienced staff in my workplace are encouraged to mentor new or less experienced staff					
KS2	Knowledge gained from different projects is made accessible to all in my workplace					
KS3	Knowledge is transferred by electronic means throughout the					

	office					
KS4	Knowledge is distributed through documentation in my workplace					
KS5	Knowledge is shared by daily interaction with colleagues in the workplace, e.g., in the corridor, during lunch, in the pantry, at social functions					
KS6	Knowledge is transferred by face-to-face means only					
KS7	Staff who share knowledge receive rewards/recognition in my workplace					
KS8	Remote access to the workplace's database is provided					

III. Knowledge Application

		1	2	3	4	5
KAP1	I utilize knowledge to solve most problems that I encounter in my job					
KAP2	I am encouraged to apply knowledge/experience learned from previous project(s) to subsequent project(s)					
KAP3	I apply knowledge in developing new products/services					

IV. Knowledge Retention

		1	2	3	4	5
KR1	Data and information are selected and organized before being stored in my workplace					
KR2	Knowledge is recorded by electronic means (soft copy) in my workplace					
KR3	Knowledge is recorded in paper medium (hard copy) in my workplace					
KR4	Knowledge resides in human memory (minds) in my workplace					
KR5	Knowledge is kept in personal reference file(s)					
KR6	Knowledge resides in my organization's routines/procedures					
KR7	Knowledge is recorded in the form of documentation such as office manuals, work practice, in-house standards, lessons learned, etc.					
KR8	Confidential/sensitive information has restricted access in my workplace					
KR9	Access to some knowledge is recorded					
KR10	I don’t know where to find knowledge when I need it					
KR11	I don’t know who to ask for knowledge when I need it					

Part III: Employee Engagement

		1	2	3	4	5
EE1	At my work, I feel bursting with energy					
EE2	At my job, I feel strong and vigorous					
EE3	I can continue working for very long periods at a time					
EE4	At my job, I am very resilient, mentally					
EE5	At my work I always persevere, even when things do not go well					
EE6	I don't find the work that I do full of meaning and purpose					
EE7	I am not enthusiastic about my job					
EE8	I am proud on the work that I do					
EE9	When I am working, I forget everything else around me					
EE10	I feel happy when I am working intensely					
EE11	I am immersed in my work					
EE12	It is difficult to detach myself from my job					

Juan, S.H., Ting, I.W.K., Kweh, Q.L. and Yao, L., (2018.)

Thank you for your cooperation