

## **Abstract**

Though the literature on Knowledge Management has significantly grown over the past decades, many knowledge management practices espoused by the organizations fail as a result of employees within the organizations being reluctant to engage in required activities to achieve organizational outcomes. Knowledge management, being an organizational phenomenon, is nested within multiple levels of the organization such as individuals, teams and departments and with that knowledge management is measured as the perception of employees about knowledge management in the organization. While researching the applicability of knowledge management practices at the organizational level, significant factors at the team level were found to be overlooked. Therefore, this study attempted to investigate knowledge management practices at the team level and its effect towards team performance with specifically referring to software development companies and BPO companies. More specifically objectives of the study were firstly, to examine the impact of team's knowledge management practices and team performance, secondly, to identify the moderating effect of perceived cohesion and finally, to identify the moderating effect of leadership role in achieving team performance through knowledge management practices.

A survey was conducted among 100 teams and data were collected from team members and team leaders of respective teams in software development and BPO companies. For this, two questionnaires namely team member form and team leader form were used. Total of 400 responses were received individually and among them 344 responses which are usable were used to transform individual responses into teams and to test the hypotheses. Subsequently, the data were analyzed with Partial Least Square – Structural Equation Modeling approach.

Results revealed that knowledge management practices within the teams have a significant effect on team performance. Furthermore, analysis indicated that transformational leadership role significantly moderates the positive relationship between team's knowledge management practices and team performance. Nevertheless, Perceived group cohesion, contrary to the theorization, does not moderate the effect of knowledge management practices on team performance.

This paper draws on the knowledge based view theory which says how knowledge management practices will enable achieving sustainable competitive advantage. This

research contributes to predict the team performance as an organizational outcome with the direct effect of team's knowledge management practices and with the moderator effect of leadership role. Further, this paper provides significant contribution for software development and BPO companies to understand the context of decision making with regard to team performance and knowledge management initiatives. Finally, this study will enable the corporate organizations to deploy the research findings to achieve sustainable competitive advantage.

Given the confidential nature of the sector being selected, limitation has been observed in terms of accessibility to data collection from some companies which resulted in restricted number of teams. At the same time, the study faced the inherent risk of deductive research associated with non-return of questionnaires. Moreover, Unit of analysis being teams also prevented reaching a better response with the difficulty of getting responses of both team members and team leaders.

In light of future research areas, consideration of teams at all levels within the organization, from top management teams to production teams, could further refine a knowledge management practices, leadership role and team performance of the conceptual model. Evaluation of the types of environments, organizational or team factors that may affect knowledge management practices and team performance can also be beneficial. Since diversity within the team could possibly affect team functioning, decision-making and cohesion, future research could examine the impact of transformational leadership on diverse teams, or the impact of diverse teams on leadership requirements.

**Key Words:** Knowledge Retention (KR), Knowledge Management Practices (KMP), Team Performance (TP), Transformational Leadership (TL), Knowledge Based View (KBV) Theory, Sustainable Competitive Advantage (SCA).