Investigating the impact of knowledge management on HRM performance with moderating role of cultural dynamics
A Multi-group analysis of Family firms in Pakistan and Sweden

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Abstract

Introduction: Knowledge is the most crucial aspect to gain a competitive advantage in today's world. However, to gain H.R., the effective knowledge is the most challenging part of modern society. The creation, management and usage of information is straightforwardly influenced by a few practices and methodologies of Human Resource Management (HRM). Knowledge management and Human resource management, both disciplines, has a great effect on information financial aspects.

Research Problem and Questions: This study is done with the intention to gauge the impact of Knowledge management practices on H.R. performances and to check that how cultural dynamics affect the performance of the family businesses.

Theoretic Area of the Study: The theoretic area of the study deals with knowledge management and human resource management output/performance along with cultural dynamic moderating impacts.

Research Methodology: It is a cross-sectional comparative study, and data is collected using questionnaires. The cultural dynamics were compared from Sweden and Pakistan. The tool was adapted from already existing studies, and the reliability and validity were checked beforehand.

Conclusion: From the study, it is seen that Cultural dynamics act as a moderator amongst the HRM performance and Knowledge Management, and there is a strong relationship between knowledge management practices and HRM performance. The results also show that the correlation between K.M. and H.R. performance is relatively stronger in Sweden while it is moderate in Pakistan.

Central Concepts & Keywords: Family business, knowledge management, HRM performance, cultural dynamic, Sweden, Pakistan.
1. Introduction

In this chapter, the researcher gives insight into his research background, defines its objective, and aims to understand research gaps. Based on this chapter, research questions were developed, and the researcher carried his research in a specific direction.

1.1. Background of the study

Gaining knowledge is essential as the company's success depends upon the human resource, and most of the competitive edge is gained by acquiring the correct knowledge (Almansoori et al., 2021). This study is carried out to gain an insight into the knowledge management practices and the cultural impacts on the Human Resource. Several studies have found that knowledge-based human resource activities have a favorable influence on the efficiency of skilled employees (Zaim, Tatoglu, and Zaim, 2007; Zaim et al., 2018a; Hosseingholizadeh, 2019).

K.M. is the process employed by a company to make capital from an intellectual or knowledge asset (Mirzaei and SaeidianRad, 2017). According to the literature, obtaining and using knowledge is considered the most critical resource of wealth and the critical factor of success for any organization in the current global economic competencies and transformation. Acquiring and correct utilizing of information is considered as the essential asset of any organization as we live in the era of information overload, as well as it is the critical element of achievement for any company in the current worldwide economic competencies and change (Zaim, Tatoglu, and Zaim, 2007; Zaim et al., 2018a; Hosseingholizadeh, 2019).

Knowledge is considered one of the most important resources to gain a competitive advantage for any organization (Jimenez-Jimenez and Sanz-Valle, 2013). Human Resource Management is the effective use of people who are a part of the organization in the best manner to achieve the organizational goals efficiently and effectively (Almansoori et al., 2021). H.R., in general, plays a significant part in settling on essential choices and targets, observing and examining the outside climate and regulating interior tasks, and estimating efficiency (Bogner and Bansal, 2007). Obeidat, Masa’deh, and Abdallah (2014) explained the connection between HRM practices and K.M. and isolated HRM studies into minimal expense and high-responsibility rehearses, with process proficiency and cost decrease being the principle focal point of minimal expense rehearses and high-responsibility works on being pointed toward expanding representative responsibility and inspiration.
The creation, management, and usage of information are straightforwardly influenced by a few practices and methodologies of Human Resource Management (HRM). The convergence of both the disciplines, K.M. and HRM, makes a unique and vivacious part for feasible handling of information and financial aspects (Zaim, 2016). The Previous studies establishing a link between K.M. and HRM and the cultural dimension showed an emerging concept that is further analyzed in this study. Cultural Dynamics moderate the already existing role to determine how the people will behave and at what pace they would be able to learn and grasp the different concepts quickly (Miao, Humphrey, and Qian, 2020). Milikic (2009) proposes a model that places Culture dynamism as a moderator in the association between Knowledge management and performance of Human Resource Management since both organizational culture and knowledge management positively impact HRM performance, so this model shows that culture dynamism has a partial effect.

Several studies have found that knowledge-based human resource activities have a favorable influence on the efficiency of skilled employees (Zaim, Tatoglu, and Zaim, 2007; Zaim et al., 2018a; Hosseingholizadeh, 2019). Although there have been studies involving knowledge-based human resource methods in many nations and sectors, there has been little investigation on the influence of knowledge-based human resource practices on family firms. The majority of the family business firms around the world, nowadays, are informed that the process of knowledge management and HRM indicated a solid optimistic behavior for the outcomes of an organization (Chirico, 2008). However, very little evidence indicated the impact of the process of knowledge management on the HRM performance of family business firms around the world (Gope, Elia, and Passiante, 2018). Similarly, El-Farr and Hosseingholizadeh (2019) argued that different knowledge management strategies play a vital role in accelerating the performance of HRM practices. Furthermore, the right mixture of knowledge management strategies/processes can play a vital role in boosting the performance of human resources in an organization (Monteiro and Pais, 2019). The E.C. (2009) definition expresses that a family firm is one in which an individual or family controls a more significant part of the dynamic privileges (or, on account of recorded firms, a fourth of the decision-making freedoms) and where no less than one relative is officially associated with the association's administration.

1.2. Research Problem
According to Sheng et al. (2019), knowledge-based learning and development approaches were discovered to have a favorable and meaningful influence on the amount, but never the
quality, of skilled workers' performance. Furthermore, it was discovered that knowledge-based performance management had no positive or substantial influence on the effectiveness and the amount of skilled workers' production. This study will investigate the impact of the process of knowledge management on HRM performance for the family business firms in Sweden and Pakistan. They found a strong positive link between the process of knowledge management and HRM performance for Turkish family business firms. They concluded that knowledge generation is the dimension of knowledge management as the most potent influence for enhancing HRM performance in these family business firms in Turkey.

1.3. Research Gap:
Previous research, however, could not provide evidence in support of the impact of cultural dynamics on K.M. and HRM performance for the family business firms in Sweden and, more specifically, for the same firms in Pakistan. For example, the studies in the proposed domain could be found in some sectors, regions, and firms around the globe (Hosseingholizadeh, 2019). However, we could not find such evidence in the case of Sweden and Pakistani family firms. The proposed cultural dynamic and its influence on K.M. and Cultural Dynamics were examined in Switzerland and Italy's liquor family firms (Chirico, 2008), the I.T. sector of India (Gope, Elia and Passiante, 2018), the higher education sector in Malaysia (Sheng et al., 2019), health industry in America, Canada, and Europe (Meri, 2020), higher education in South Asia (Shahzadi and Waqas Raja, 2021), and family firms in Turkey (Zaim et al., 2018a). Therefore, the proposed study will fill this research gap by examining the family business firms of Sweden and Pakistan using the model/framework as suggested b (Zaim et al., 2021). They believed that family business firms should concentrate more on the different processes of knowledge management by linking it with HRM performance that will result in excellent HRM performance. However, they suggested that future research might be considered using their proposed cross-cultural or cross-sectoral studies framework.

1.4. Research Motivation:
Many businesses have realized the potential for progress in their human resources that come with an intentional approach to knowledge. Specific activities regarding knowledge management have already been begun in recent years. The majority began with digital methods aimed to assist workflows and an effective sharing of knowledge. Implementing a specific technology looks to be a straightforward and quick answer to pressing difficulties, such as when staff lacks essential expertise or when critical expertise is not used for follow-
up activities. Consequently, new issues arise because of the I.T. service's implementation, such as when staff decline to go through new technologies. The issue of employee engagement remains essential at this point but the very least. Keeping all these in mind, we want to examine the impact of the knowledge management process on human resource performance in Sweden and Pakistan by considering their comparative cultural dynamics.

1.5. Research objectives and Questions:

Following are the main objectives of the research:

1. To study the impact of knowledge management on HRM performance.
2. To check whether the cultural dynamics influence the HRM performance
3. To study the moderating effect of cultural dynamics on the relationship between knowledge management and HRM performance.

The proposed study requires answering the following research questions as per the research aims.

1. How does knowledge management affect HRM performance?
2. What is the impact of cultural dynamics on HRM performance?
3. How do cultural dynamics moderate the relation between knowledge management and HRM performance
2. Literature

In this chapter, the researcher highlights the study's three variables: knowledge management, H.R. performance, and cultural dynamics. Researcher through light on the previous study related to these concepts. Furthermore, the researcher also explains the term family firm, which is an essential part of this research.

2.1. Family firms

Chrisman, Chua, and Sharma (2005) explained the approach by which family business can be described. The involvement approach is based indirectly on the belief that family involvement is significant for a successful family business. Many studies use this approach to define the family firm (Currie and Kerrin, 2003). Members from different generations participate in the family firm through ownership management and work for the achievement of goals and objectives of the firm. A family firm can be distinguished from a non-family firm as it is owned exclusively or primarily by family members. In a family corporation, the shareholders are relatives, and one family primarily holds the stock. Family firms have a unique pursuit of success of family goals (Rehman, Asghar, and Ahmad, 2015). Distinctive culture is a strong base of the family business. Cultures are influenced mainly by styles, vision, and values of pioneers, and future generations are responsible for careful maintenance of these cultural values; the culture helps to keep and enhance employee loyalty so they can work to achieve a common goal (Mirzaei and SaeidianRad, 2017). On the other hand, in a family context, values are very personal and based on shared beliefs, ideas, and attitudes that can foster business growth (Ahmady, Nikooravesh, and Mehrpour, 2016). We apply the E.C. (2009) definition, which expresses that a firm of any size ought to be delegated a family firm if it meets the accompanying measures:

Most of the dynamic privileges are in the ownership of the regular person(s) who set up the firm, or in the ownership of the ordinary person(s) who has/have procured the offer capital of the firm, or on the other hand in the ownership of their mates, guardians, youngster, or on the other hand youngsters' immediate heirs.

ii. Most dynamic privileges are aberrant or, on the other hand, direct.
iii. No less than one agent of the family or kinfolk is officially engaged with the firm's administration.

iv. Recorded organizations meet the meaning of family undertaking if the person(s) who set up or gained the firm (share capital) or their families or relatives have 25% of the independent direction freedoms commanded by their portion capital.

As such, the E.C. (2009) definition expresses that a family firm is one in which an individual or family controls a more significant part of the dynamic privileges (or, on account of recorded firms, a fourth of the decision-making freedoms) and where no less than one relative is officially associated with the association's administration. The E.C. (2009) definition was picked for two reasons: To begin with, the definition depends on a broad meta-examination of privately-run companies in a European setting, recommending that it is the most reasonable definition for the motivations behind our study. Second, perceived associations, like the European Union, and global privately-owned company organizations, including (FBN) International, and the Family Firm Institute, have utilized this definition.

2.2. Human Resource Management:

HRM is the primary best use of individuals within a company or corporation to attain the organization's objectives (Al-Tit, 2016). The word "Human Resource Management" shortly (HRM) and "Human Resources" shortly (H.R.) almost entirely change the word "Personal Management," which will be used for the effective and efficient management of people within the corporation (Currie and Kerrin, 2003). The success of every company today depends mainly on the effectiveness of personnel management. Human resource management applications and procedures are becoming greatly important as the knowledge economy grows. Human resource management deals with all particulars of the employment and management of individuals in the companies (Zaim et al., 2018a). Korani (2018) Stated that HRM is concerned with designing formal mechanisms in corporations that will result in optimum use of Human Resources. By doing this, it will result in achieving the goals of the organization.

To conclude, HRM's purpose is to improve the skills of an organization to achieve its goals in the best possible manner with the available resources. Additionally, the primary mission of HRM is to make sure that people can make the organization successful (Rehman, Asghar, and Ahmad, 2015). A.Al-Tit (2015) the association between human resource management and
knowledge management practices split human resource management practices into low-cost practices and high-commitment practices, with process efficiency and cost reduction at the heart of both low-cost practices high-commitment practices stand to increase the loyalty and motivation of employees. On the other hand, Korani (2018) has listed the various number of human resource management best practices that can be used to improve the H.R. It includes comprehensive training, clearly defined jobs, performance-based pay, decentralized decision-making, recruiting and selection, Participation, and communication, and status with minor differences. In addition, HRM best practices play a crucial role in K.M. practices such as Knowledge creation, sharing, and exchange.

A.Al-Tit (2015) has conducted a study to determine the relationship between HRM and K.M. He distributed a questionnaire among the different managers working in Jordanian Manufacturing firms. Another purpose of the study was to examine the mediating role of K.M. and the moderating impact of corporate culture on the association between Human Resource Management practices and K.M. Analysis of the research accepted the suspected hypotheses; therefore, H.R. practices extensively affect HRM performance. Knowledge management conveyed the association between H.R. practices and business performance. Eventually, results declared that corporate culture also moderates the association between human resource management practices and corporate performance, along with K.M.

Torabia, Kyanib, and Falakiniac (2016) investigated the effect of K.M. on (H.R.) performance in the management of "Keshavarzi Bank branches in Tehran," to consider the prioritization of various elements of staff performance and to make a recommendation around the performance by the Improve the use of K.M. components. For this study, 21 items questionnaire was shared. The general conclusion from this research is that knowledge management has a significant impact on overall human resource performance. K.M. has a significant impact on components of human resources that are part of the study.

About the association between Knowledge management and HRM, mixed results were found. Some research shows that Knowledge management significantly increases HRM Performance (Al-Tit, 2016; Zaim et al., 2018a), while other results show that K.M. slightly improves HRM performance (Mirzaei and SaeidianRad, 2017).
2.3. Knowledge Management and Knowledge Management Processes:

Ideally, knowledge is everything individuals know, be it conceptual or concrete. Some researchers define K.M. as the process a company uses to make capital from an intellectual or knowledge asset (Mirzaei and SaeidianRad, 2017). According to Wahda (2017), K.M. is defined as systematic information and a set of approaches that allow information and knowledge to develop, flow, and create values in the corporation that relate to people, information, the workflow, Tools, and the best relate to practice, partnership and group practice. Knowledge is recognized as the main success factor to achieve and maintain an edge over your competitors. However, if not managed correctly in an organization, knowledge becomes outdated and of no importance. Because of this, this is important for a corporation to make a set of mechanisms or methods to manage better its knowledge base (G and M., 2016). Zaim et al. (2018) identified Various K.M. frameworks and methodologies that have been suggested in the K.M. literature that explain K.M. tasks as a process. The proposals of K.M. processes have been initiated with different ideas, features, and terminology depending on the perception of the researchers and the fields of study. K.M. encompasses different strategies and processes utilized within the corporations to find, make, distribute, and allow the adoption of knowledge and experiences. It is a combination of practices that control the production, dissemination and use of knowledge to improve the accomplishments of companies (Rehman, Asghar, and Ahmad, 2015).

Zaim et al. (2018) studied the impact of K.M. processes on HRM. They conducted this study in Istanbul, Turkey. To check the association between K.M. processes and HRM. To test the relationship between Q.A. processes and human resource management, a case study was carried out with a structural equation model form on data collected from workers and executives of a telecommunications organization in Turkey. The instrument of data collection is a self-administered questionnaire with 37 questions. Out of which three are related to demographics, twenty questions purpose is to uncover K.M. processes and 14 for human resource management practices. The questionnaire was shared with workers and executives at the head office and two branch offices in Istanbul via the Google survey link. Analysis of the results shows, an organization with the best K.M. practices in human resource management tends to perform better. The critical role of this research paper is to point out that between the dimensions of K.M., the exchange and use of knowledge has a direct effect on human resource management. In contrast, the generation and sharing of knowledge indirectly impact human resources management.
Mirzaei and SaeidianRad (2017) researched a relation of HRM and K.M. Results of tests indicate a close connection between the dependency of HRM and K.M. between employees and K.M. If HRM is efficient and leads people effectively. Suppose knowledge is the most critical asset.

Korani (2018) investigated the position of K.M. in human resource management. In this investigation, it was tried to discuss the position of knowledge management in human resources. It concludes that K.M. and H.R. have a close association.

Shahzadi and Raja (2021) researched the purpose of K.M.-based H.R. practices in three-dimensional knowledge exchange behavior. Based on the results, it is evident that all H.R. practices based on K.M. are essential predictors for three-dimensional knowledge exchange behavior. If universities want to promote three-dimensional knowledge-sharing behavior, they will ensure H.R. practices based on K.M.

2.4. Relationship between Culture dynamics, Knowledge Management, and Human Resource Management Performance

A company's culture has been one of the attractive and vital topics of organizational behavior, and this term has been used more widely and defined differently since the early 1980s. One complete definition was related to knowing the corporate culture is a set of values and beliefs, Customs, traditions, and constant methods passed down by the members. Some knew corporate culture as a standard belief system among members of an organization; others viewed it as the hierarchy of interdependent norms and values conveyed through stories, myths, and slogans (Ahmady, Nikooravesh, and Mehrpour, 2016).

The culture was influential because actions without knowing cultural elements can have unpredictable and undesirable consequences. The organizational culture, which has interacted with the human resources, organizational structure, and control system, has incorporated values and beliefs and constructed norms of behavior. It comprised general beliefs, attitudes, assumptions, and expectations that guide behavior without clear laws or instructions. Culture should be the most potent element for identity, unity purposes, and flexible guidelines. Attitudes of members can be determined by examining their dimensions, and their likely response to desired changes has been examined, predicted, and directed (Mirzaei and SaeidianRad, 2017).
Cultures can significantly affect the approaches of leading individuals or groups. So you require different management practices for cultural differences. Many writers insist that HRM practices appear to be the most sensitive to cultural differences (Luna-Reyes, Hernández García, and Gil-García, 2009). The significance of analyzing the cultural variations in phrases of HRM practices and guidelines inside the relevant literature and exercise is twofold. On one side, growing cultural differences attributable to the internationalization of the world economic system means that agencies all around the globe have become the complex context for designing and imposing the specific and thus incorporated H.R. guidelines and practices that cope with inter-cultural concerns. On the alternative side, cultural dissimilarities become too important when one studies the human resource management guidelines in a relative context. (Rehman, Asghar and Ahmad, 2015). A successful corporation is capable of learning from its mistakes and successes. The achievements of the company are judged through culture. Good culture conveys fundamental values that are strong and widely accepted. Strong cultures should influence employee behavior more than the culture of the weak. Substantial cultural corporations will successfully implement K.M. (Wahda, 2017).

Research results of Ramzan et al. (2018) show a strong connection between organizational culture and K.M. The cultural context is essential to analyze and apply knowledge properly. Culture influences basic behavior for knowledge management in different ways, i.e., culture makes assumptions about what given knowledge is and what knowledge is essential to manage. Culture mediates the connections between person and company knowledge. Culture forms the context for social connection that, in the long run, predicts how powerful an employer may be at creating, exchanging, and making use of know-how and to what volume it manages the processes.

Cultural differences can limit the capacity of multinational corporations to reach effectively, exchange, and keep knowledge. In recent times, the purpose of national culture in knowledge exchange has attracted many academics, which is an essential factor influencing the flow of knowledge between H.Q. and its subsidiaries. Some argue that national culture is a significant barrier to knowledge sharing in Multinationals. However, it is believed that integrating and learning from other cultures with time will enable them to deal with problems and cope with the knowledge exchange dilemma. In a study carried out in 74 MNC subsidiaries listed in the Stockholm SE, the hierarchical structure, connection mechanisms, temporary devices, knowledge exchange incentives, and socialization of the subsidiaries positively impact knowledge transfer. Applying these processes will improve the exchange of knowledge.
between the subsidiaries and HRM performance because of the availability of information (Pauluzzo and Cagnina, 2016).

Ramazaninejad et al. (2018) stated that various factors influence a company's efficiency; one of them is the corporate culture. A company's culture is the origin of a long-lasting competitive edge and an essential element for organizational efficiency. Some researchers have been carried out on the company’s culture. Further studies were also carried out in organizational culture in sports and pharmaceutical organizations. In all of the investigations, companies’ culture was the reason for improved H.R. practices and a source of K.M. According to research results, organizational culture significantly affects HRM performance. Strong culture increases the level of Knowledge sharing, which results in improved Knowledge Management. On the other hand, organizational culture is considered one of the factors influencing the efficiency and output of an organization's performance.

2.5. Theoretical Model

Gope et al. (2018) found a strong and positive association between HRM performance and the knowledge management process in the I.T. industry of India. Similarly, El-Farr and Hosseingholizadeh (2019) confirmed a significant association between HRM performance and the K.M. process. Additionally, the causal link between the K.M. process and H.R. performance was significantly tested and confirmed with the positive link by Khawaldeh (2020). Furthermore, Shahzadi and Waqas-Raja (2021) concluded a positive yet statistically strong link between three dimensions of the K.M. process and H.R. performance in the higher education sector of South Asia.

2.5.1. Theory of Knowledge management:

During the 1990s, knowledge management arose as a separate academic discipline, supported by academics in the academic field, corporate professionals, and consultants. There are different procedures and exercises of knowledge management, and every process varies by the researcher, author, or practitioner. The main theories of knowledge management are divided into

- Organizational
- Ecological
- Technocentric
Organization K.M. theory stresses mainly hierarchical company structures and how a business organization is culturally and hierarchically designed to manage knowledge processes. The purpose is to develop a culture of learning to assist and achieve corporate strategy. As we have already mentioned, the efficiency of Knowledge Management is based on the availability of good culture and the excellence of the strategic direction of the management. The presence of good culture should be considered as an influencing tool for the implementation of the knowledge management processes. It will result in an organization's sustainable competitive edge (Pauluzzo and Cagnina, 2016).

Ecological Knowledge management theory stresses persons, their inter-relationships and learning communities, including the relationship between people and organizations and the environmental factors that bring individuals together to exchange knowledge. As we know, the effectiveness of Knowledge Management is mainly based on the processes of human resource management and the excellence of the strategic direction of the management. Knowledge transferring procedures need to be consolidated with the organization's long-term business goals, H.R. practices, and culture to motivate and assist ongoing collective behavior (Prystupa-Rządca, 2017).

Techocentric theory of K.M. stresses technology and the technology enablers design process to support the transferring of knowledge and information storage. Regardless of the theory put into practice, K.M. encompasses the effects of people, processes, and technology on the exchange of knowledge(Chirico, 2008).

Finally, Zaim et al. (2021) concluded that knowledge management processes: knowledge generation, storage, and sharing boost the H.R. performance in the family-owned business in Turkey. However, they suggested conducting a cross-cultural analysis of their study between the family firms of two different nations/cross-cultural settings. Therefore, the study requires estimating the impact of the knowledge management process on HRM performance as reported in the following figure 1 as the study's theoretical model by considering the cultural dynamics: national and organizational culture as the moderating variable of the study. However, there are some limitations of the following theoretical model. The model lacks the impact of control variables like gender, qualification, experience, etc., of participants for determining the H.R. performance in the family firms of Sweden and Pakistan. Secondly, it lacks the mediation impact of other important variables like innovation, innovative behavior of employees, etc. However, this limitation can be overcome in future studies.
According to Figure 1 above, the model has three variables K.M. is an independent variable while HRM performance is a dependant variable. Cultural dynamics is a moderator which influences the relationship between K.M. and HRM performance.

**2.6. Hypothesis Of the study**

**H₁**: Knowledge management processes have a positive relation with HRM performance.

Knowledge Management and its processes have gained significant importance in Strategic-Management and H.R. strategy literature to gain a competitive edge over competitors. The effectiveness of Knowledge Management is mainly based on human resource management processes and the excellence of the strategic direction of the management. Human Resource Management should be considered an influencing tool for implementing the knowledge management processes (Hosseingholizadeh, 2019). It will result in an organization's sustainable competitive edge. Zaim et al. (2018) found that well-planned human resource management practices are essential and positively related to knowledge management. Moreover, companies that seek the best human resource management practices achieve higher goals by developing human resource management practices which assist knowledge management and learning capacities of an organization and, in return, it improve organizational capacity building (HRM). It is believed that good Human Resource
Management exercises are not just only directly connected to organizational capacity building. Still, indirectly it is associated with organizational learning ability and Knowledge Management processes. Hence, human resource management is about leading people efficiently. We know the most critical resource for humans is knowledge, so it means human resource management and knowledge management are extensively linked (Rehman, Asghar, and Ahmad, 2015).

The past researches have affirmed the findings which said that the workers are the most valuable corporation asset, especially when the goal is to achieve efficient K.M. processes. Workers are the reason for knowledge production, sharing, and employment. The main reason for human resources is to recruit people, select them and develop them through appropriate training (Prystupa-Rządca, 2017). After that, monitor them and evaluate their performance. The purpose is to develop a learning culture to assist and achieve corporate strategy. Therefore, human resource management processes such as collecting a pool of potential candidates and hiring, training and development, performance measurement, and reward systems are essential to managing knowledge adequately and are instrumental in increasing the flow of knowledge, that is, acquiring, transferring, improvement and their integration into the corporation. Knowledge transferring procedures need to be consolidated with the organization's long-term business goals, H.R. practices, and culture to motivate and assist ongoing collective behavior (Ramazaninejad, Shafiee, and Asayesh, 2018).

\[ H_2: \text{Cultural dynamics have a positive relation with HRM performance.} \]

Culture plays an essential role in influencing business management practices and procedures worldwide. Researches have repeatedly found that individual cultures and the culture of nations have a strong influence on the company's cultural system in different ways (Đorđević, 2016). The culture of nations significantly affects management decision-making, leadership style, and HRM processes. Similarly, national cultures influence leadership roles like communication, encouragement, organizational structure, and people's assumptions of work design and organization rewards system. Cultural variability plays an essential part in the way individuals lead their precious lives and conduct themselves at work (Ahmady, Nikooravesh, and Mehrpour, 2016).

Culture is the communal collection of standard features that influence a human group's response to their surroundings. Cultural variances can fail in social and business life if not well understood and valued. Businesses are corporate organizations, and management
includes processes, culture, and people (Đorđević, 2016). Although many management procedures and processes are reproducible abroad, they must be adapted to take into account specific cultural needs for companies to enter into joint ventures with businesses outside of their business boundaries. National boundaries should understand the variances in management processes or procedures between national cultures (Pauluzzo and Cagnina, 2016).

**H₃:** Cultural dynamics moderate the relationship between the K.M. process and H.R. performance.

Grahovac et al. (2019) concluded from their research that HRM practices positively and significantly impact K.M., while Rządca, 2017 affirmed the association between HRM procedures and K.M. orientation. Graha et al. (2019) showed that all HRM practices are related to knowledge transferring and Knowledge Management. (Milikić, 2009) proposes a model that places Culture dynamism as a mediator in the association between Knowledge management and performance of Human Resource Management, since both organizational culture and knowledge management positively impact HRM performance, so this model shows that culture dynamism has a partial effect. Also, further studies were carried out in organizational culture in sports and pharmaceutical organizations. In all of the investigations, companies’ culture was the reason for improved H.R. practices and a source of K.M.
3. Methodology

The main objective of this research is to study the impact of K.M. on HRM performance with moderating role of cultural dynamics. To find that, the researcher used a quantitative research study. In this chapter, the researcher describes the research design, questionnaire, and research methods.

3.1. Research Design

The proposed research is based on the quantitative approach of primary data research. Convenience-based sample techniques were used.

3.2. The population of the study

The proposed population of the study is family firms in Sweden and Pakistan. Both of these countries were selected to compare their specific cultural differences as the basis of this study. The culture of Sweden is focused on family business firms in different regions. According to Sekerci (2020) and Ljungkvist and Boers (2016), the people of Sweden have mental flexibility and innovative thinking to promote the family business. Sweden's national and organizational culture supports the knowledge management process for achieving organizational outcomes (Mammadov and Galusca, 2005). However, Gupta and Levenburg (2010) argued that national and organizational culture differs in the Eastern region, e.g., Pakistan, due to its centralization of authorities in organizations and male majority national culture to support the family business.

Additionally, the observation/target respondents will be the employees working in HRM departments at managerial levels in family firms of Pakistan and Sweden. The managerial employees are well aware of the organizational policies towards the knowledge management process being applied and their required level of organizational outcomes and H.R. performance. Therefore, the proposed study requires collecting responses from managerial employees working in the H.R. departments of family businesses in Pakistan and Sweden.

3.3. Research Instrument

The data was conducted based on a survey-based self-administrative questionnaire. It will contain three sections. Section 1 will be about the demographic detail of the respondents. Section 2 will contain the eight statements to measure the knowledge management process in these family firms. The third section will contain the 10 item statements related to HRM performance, and the fourth section contains 33 items related to cultural dynamics. These items are adopted from (Pfeffer 1998) (Rasula, Vuksic, and Stemberger, 2012) and (Sanda
and Kuada, 2016). The questionnaire is based on 5 points Likert scale, ranging from strongly disagree to agree strongly. The measurement, references, and scaling of this variable are given in Table 1.

**Table 1: Variable measurements**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Variable Titles</th>
<th>Measurements</th>
<th>Scale</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Endogenous</strong></td>
<td>HRM Performance</td>
<td>Ten items/questions (Preffer, 1998)</td>
<td>5 Point Likert Scale (SD, D, N, A, SA).</td>
</tr>
<tr>
<td><strong>Exogenous</strong></td>
<td>K.M. process</td>
<td>8 Items (Rasula, Vuksic, and Stemberger, 2012)</td>
<td>5 Point Likert Scale (SD, D, N, A, SA).</td>
</tr>
<tr>
<td><strong>Moderating</strong></td>
<td>Cultural Dynamic</td>
<td>• Organizational Culture (16 Items)</td>
<td>5 Point Likert Scale (SD, D, N, A, SA).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• National Culture (17 Items) (Sanda and Kuada, 2016)</td>
<td></td>
</tr>
<tr>
<td><strong>Control</strong></td>
<td>Cultural and Demographic Factors</td>
<td>Cultural origin, gender, age, marital</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>status, qualification, etc.</td>
<td></td>
</tr>
</tbody>
</table>

Different research studies described that 7-point scales are as good as the 5-point type Likert scale. There is not a significant distinction between them. However, Leung (2011) recommends using 5 point Likert scales with a sample size of greater than 100 and 7 point Likert scale for a sample size less than 100. Many studies recommended using a 5-point Likert scale due to less confusion of choice selected by the participants compared to other higher scale levels (Devlin, Dong, and Brown, 1993). Additionally, some research favor using a 5-point Likert scale in data collection from the European region Sweden (Bouranta, Chitiris, and Paravantis, 2009). Therefore, the proposed study is going to use five-point Likert scale: strongly disagree = 1, disagree = 2, Neutral = 3, agree = 4, and strongly agree = 5.

### 3.4. Sample Size

The sample size of a research study depends upon some factors: population size, type of study, approach, method of estimations, etc. For analyzing the primary research using a quantitative approach based on a survey questionnaire, a simple rule of thumb of multiple of 5/10 was applied to calculate the required number of respondents. Multiple of 10 recommended for a good sample size (Bouranta, Chitiris and Paravantis, 2009)(Bouranta et
al., 2009). Using this approach, the number of questionnaire items/questions is multiplied by 10 to get the actual number of respondents for survey research. The proposed study consists of 51 questionnaire items: K.M. process (8 items), HRM performance ten items, and cultural dynamics 33 items. Therefore, the minimum required number of respondents is $51 \times 10 = 510$.

3.5. Data Collection Strategy

Data was collected using an online and offline distribution of the questionnaire. Due to pandemic situations worldwide, it may not be possible to collect data on hand by visiting each respondent personally. However, wherever possible, mix method will be applied (online + offline) for data collection. For online data collection, the researchers will either contact the targeted managers in the H.R. department by their email from the website of the particular family business or try to connect with their social accounts like Facebook, LinkedIn, Instagram, WhatsApp, etc. For offline data collection, the researchers will personally visit the targeted respondents for data collection through a printed questionnaire and hand it over to the participants for a couple of days to collect it afterward as per their ease.

3.6. Method of estimation

The study tested the hypothesis through SPSS. However, for the estimation of demographic summary, SPSS was used. Preacher and Hayes Macros process has applied the moderation. The measures used for the study are confirmed through a pilot study (Zaim, Tatoglu, and Zaim, 2007; Zaim, 2016; Zaim et al., 2018b, 2021).

The hypothesis testing has been performed by SPSS (Hair, Ringle, and Sarstedt, 2013). The model assessment includes Cronbach Alpha, reliability, and validity (Amora, no date). Additionally, reliability assesses the validity of computed variables (Zaiţ and Bertea, 2011; Afthanorhan, Ghazali, and Rashid, 2021). Additionally, Hair et al. (2020) will be performed to analyze the data of family firms in two countries: Sweden and Pakistan.

3.7. Pilot Study

It is essential to collect some initial data for pilot testing before completing data collection. Thirty questionnaires were distributed to collect data during the pilot testing phase. The pilot testing ensures the content validity and reliability for the items/questions included in the survey. All the reliability shown by Cronbach Alpha of pilot testing’s questionnaire items was more than 0.75. The pilot testing ensures the reliability of items/statements included in the questionnaire. By applying the pilot study, we will be able to identify the potential ambiguities in items/statements of the survey and update the questionnaire as per the requirements of the study. This research's pilot study shows that the questionnaire is reliable, as shown in Table 4; there is no ambiguity and difficulty faced by the respondent while
answering the questionnaire. So researcher checks the reliability and ambiguity in statements through a pilot study.

The requirement is to collect the primary data through a survey questionnaire from the managerial employees working in the H.R. department from the family firms of Sweden and Pakistan. Therefore, we shared the survey using Google forms with the target participants of H.R. departments in the family firms of both countries. The following table summarizes the response rate from both countries.

<table>
<thead>
<tr>
<th>Table 2: Summary of Survey Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country</strong></td>
</tr>
<tr>
<td>-------------</td>
</tr>
<tr>
<td>Sweden</td>
</tr>
<tr>
<td>Pakistan</td>
</tr>
</tbody>
</table>

We initially selected 50 family firms from both countries and distributed an online survey using Google forms to their emails on their website or in their latest financial statements. However, 170 participants from selected family firms in Sweden and 172 from Pakistan responded to the survey. It results in a 97.1% response rate from Sweden and 98.2% of the same from Pakistan.

We then used these responses to evaluate the item reliability of the survey questionnaire using the estimation and reporting of Cronbach’s alpha values of given variables using SPSS in the following table.

<table>
<thead>
<tr>
<th>Table 3: Internal reliability and Validity of Scales &amp; items for Sweden</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Variable Title</strong></td>
</tr>
<tr>
<td>---------------------</td>
</tr>
<tr>
<td>HR Performance</td>
</tr>
<tr>
<td>Knowledge Management Process</td>
</tr>
<tr>
<td>Cultural Dynamics</td>
</tr>
<tr>
<td>National Culture</td>
</tr>
<tr>
<td>Organizational Culture</td>
</tr>
<tr>
<td>Total Number of Items</td>
</tr>
</tbody>
</table>

Table 3. indicates the content validity of questionnaire items for the pilot study of Sweden. The Cronbach’s alpha values > 0.70 indicate that all the items of their constructs, dimensions, and variables and reliable.
Table 4: Internal reliability and Validity of Scales & items for Pakistan

<table>
<thead>
<tr>
<th>Variable Title</th>
<th>Items/statements</th>
<th>Cronbach’s Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR Performance</td>
<td>10</td>
<td>.945</td>
</tr>
<tr>
<td>Knowledge Management Process</td>
<td>8</td>
<td>.961</td>
</tr>
<tr>
<td>Cultural Dynamics</td>
<td>33</td>
<td>.804</td>
</tr>
<tr>
<td></td>
<td>National Culture</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>Organizational Culture</td>
<td>16</td>
</tr>
<tr>
<td>Total Number of Items</td>
<td>51</td>
<td>.975</td>
</tr>
</tbody>
</table>

Table 4 indicates the content validity and reliability of the pilot study conducted for the family firms in Pakistan. The Cronbach’s alpha value for all the items, dimensions, and their variable indicate content validity as the value of Cronbach’s alpha > 0.70.

Furthermore, the limitation of the proposed research includes examining the study on family business firms in Sweden and Pakistan. The result will not apply to other types/categories of firms. Similarly, data was collected using the convenience sampling approach due to the limited availability, reliability, and accessibility of family firms and their HRM departments in Sweden and Pakistan. Due to this limitation of data collection and proposed sampling technique, the proposed research findings may not be generalizable to other types of business. From the above discussion, it is concluded that knowledge management processes: knowledge generation, storage, and sharing powerfully boost the H.R. performance in the family-owned business. However, the cross-cultural analysis should be conducted between the family firms of two different nations/cross-cultural settings. Therefore, the study requires estimating the impact of the knowledge management process on HRM performance as reported in the following figure 1 as the study’s theoretical model by considering the cultural dynamics: national and organizational culture as the moderating variable of the study. However, there are some limitations of the following theoretical model. The model lacks the impact of control variables like gender, qualification, experience, etc., of participants for determining the H.R. performance in the family firms of Sweden and Pakistan. Secondly, it lacks the mediation impact of other important variables like innovation, innovative behavior of employees, etc. However, these limitations can be overcome in the future.
4. Finding and Analysis

Information is produced through a questionnaire which includes essential segment information of the respondents and reactions related to K.M., cultural dynamics, and H.R. performance. The data collected from the survey was entered into an SPSS 20.0 program and analyzed using different statistical methods for each research question. The collected data required the use of descriptive and inferential statistics. In the initial step, the analyst made a composite score of H.R. execution, K.M., and cultural dynamics elements; later, socioeconomics was found through recurrence tables while research questions were tended to through connection investigation.

4.1. General Findings for Pakistan

A segment table was shaped utilizing the data filled by the respondent on the poll. Attributes like sexual orientation, age, education, and work experience of respondents are given in the table, showing that 110 respondents belong to Pakistan, 53.9%. There are 39 males, and 71 are females. 04 participants are undergraduates, 38 participants are graduates, and 68 are postgraduate. Based on experience, 25 participants fall in the category of having 3 to 5 years, 49 participants have experience of 5 to 10 years, while 36 have more than ten years of experience.

<table>
<thead>
<tr>
<th>Demographics</th>
<th>Categories</th>
<th>Frequency (N)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>39</td>
<td>35.5</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>71</td>
<td>64.5</td>
</tr>
<tr>
<td>Educational</td>
<td>Undergraduate</td>
<td>4</td>
<td>3.6</td>
</tr>
<tr>
<td></td>
<td>Graduate</td>
<td>38</td>
<td>34.5</td>
</tr>
<tr>
<td></td>
<td>Postgraduate</td>
<td>68</td>
<td>61.8</td>
</tr>
<tr>
<td>Age</td>
<td>21-25 Years</td>
<td>16</td>
<td>14.5</td>
</tr>
<tr>
<td></td>
<td>26-30 Years</td>
<td>38</td>
<td>34.5</td>
</tr>
<tr>
<td></td>
<td>31-35 Years</td>
<td>45</td>
<td>40.9</td>
</tr>
<tr>
<td></td>
<td>36-40 Years</td>
<td>6</td>
<td>5.5</td>
</tr>
<tr>
<td></td>
<td>41-45 Years</td>
<td>3</td>
<td>2.7</td>
</tr>
<tr>
<td></td>
<td>46 and Above</td>
<td>2</td>
<td>1.8</td>
</tr>
<tr>
<td>Experience</td>
<td>3-5 years</td>
<td>25</td>
<td>22.7</td>
</tr>
<tr>
<td></td>
<td>5-10 years</td>
<td>49</td>
<td>44.5</td>
</tr>
<tr>
<td></td>
<td>Above 10</td>
<td>36</td>
<td>32.7</td>
</tr>
</tbody>
</table>

Table 5: Demographic Respondents of Pakistani respondents
4.2. General findings for Swedish respondents

According to the following table, 94 respondents belong to Sweden, 46.1%. There are 47 males, and 47 are females. 13 participants are undergraduates, 47 participants are graduates, and 34 are postgraduate. Based on experience, 31 participants fall in the category of having 3 to 5 years, 41 participants have experience of 5 to 10 years, while 22 have more than ten years of experience.

<table>
<thead>
<tr>
<th>Demographics</th>
<th>Categories</th>
<th>Frequency (N)</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>47</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>47</td>
<td>50</td>
</tr>
<tr>
<td>Educational</td>
<td>Undergraduate</td>
<td>13</td>
<td>13.8</td>
</tr>
<tr>
<td></td>
<td>Graduate</td>
<td>47</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>Postgraduate</td>
<td>34</td>
<td>36.2</td>
</tr>
<tr>
<td>Age</td>
<td>21-25 Years</td>
<td>30</td>
<td>31.9</td>
</tr>
<tr>
<td></td>
<td>26-30 Years</td>
<td>23</td>
<td>24.5</td>
</tr>
<tr>
<td></td>
<td>31-35 Years</td>
<td>22</td>
<td>23.4</td>
</tr>
<tr>
<td></td>
<td>36-40 Years</td>
<td>2</td>
<td>2.1</td>
</tr>
<tr>
<td></td>
<td>41-45 Years</td>
<td>13</td>
<td>13.8</td>
</tr>
<tr>
<td></td>
<td>46 and Above</td>
<td>4</td>
<td>4.3</td>
</tr>
<tr>
<td>Experience</td>
<td>3-5 years</td>
<td>31</td>
<td>33</td>
</tr>
<tr>
<td></td>
<td>5-10 years</td>
<td>41</td>
<td>43.6</td>
</tr>
</tbody>
</table>

Table 6: Demographic Characteristics of Swedish Respondents

Comparing the descriptives of Pakistani and Swedish respondents elucidates that 61% of postgraduates took part in the survey. In comparison, 64% of the respondents in the Pakistani survey are females, while 50% of the respondents are female in the Swedish survey. This shows that equal distribution of respondents about gender could be taken for more generalizability.

4.3. Normality

Normality is one of the most critical assumptions for many tests like correlation and regression. It is necessary to check the normality before running a correlation. For this purpose, the researcher uses the histogram to check the normality of variables.

Following are the histograms of three variables of this research. These histograms are average as a normal distribution, and there is no skewness. All the histograms are bell-shaped, ensuring the normal distribution (Kaplan et al., 2014).
Figure 2: Histogram showing Normality of Knowledge Management
Figure 3: Histogram showing normality for HRM
Figure 4: Histogram showing normality for culture

4.4. Correlation

To address the research questions, Correlation tests were used to explain the strength of the relationship among variables. It also tells the direction of the relationship with the help of positive and negative signs. +1 shows a strong positive relationship, -1 shows a negative relationship, while 0 shows no relationship among variables. Normality was fulfilled, so Pearson correlation was used. There were no ideas about the direction, so the two-tailed test was used.

4.4.1. Correlation of Pakistan

Relationship between K.M. and H.R. Performance

H1: There is a relationship between K.M. and H.R. performance.

The following table shows the results of the correlation between K.M. and H.R. performance.
Table 7: Correlation Analysis for Pakistan

<table>
<thead>
<tr>
<th></th>
<th>Knowledge management</th>
<th>HRM</th>
<th>Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge Management</td>
<td>Pearson Correlation</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>110</td>
<td></td>
</tr>
<tr>
<td>HRM</td>
<td>Pearson Correlation</td>
<td>.415**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>110</td>
<td>110</td>
</tr>
<tr>
<td>Culture</td>
<td>Pearson Correlation</td>
<td>.475**</td>
<td>.476**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>110</td>
<td>110</td>
</tr>
</tbody>
</table>

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

The above table shows the correlation between independent and dependent variables. There is a moderate correlation among variables. The value of the Pearson correlation is 0.415, which is greater than zero, showing a positive relation indicating that the HRP will increase. The value between 0.30 to 0.49 is considered to be a moderate relationship. In our case, the relationship is moderate because the value is more significant than 0.30.

The significant value in the above table is .000, which is less than 0.05. Significance value less than 0.05. So, in this case, H1 is accepted as a relationship between K.M. and H.R. performance.

H1: Knowledge management and HRM Performance have a positive relation

Relationship between Cultural dynamics and H.R. Performance

To check the correlation between Cultural dynamics and HRM Performance researcher considers the following hypothesis

H2: Cultural dynamics and HRM Performance have a relationship

The following table shows the correlation between Cultural dynamics and HRM Performance.
Table 8: Correlation between cultural dynamics and HRM performance

<table>
<thead>
<tr>
<th>Cultural dynamics</th>
<th>HR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson correlation</td>
<td>1</td>
</tr>
<tr>
<td>Cultural dynamics</td>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
<td>110</td>
</tr>
<tr>
<td>Pearson correlation</td>
<td>.476**</td>
</tr>
<tr>
<td>H.R. Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>110</td>
</tr>
<tr>
<td>294</td>
<td></td>
</tr>
</tbody>
</table>

Note: N= number of observations, (***) shows value is significant, *correlation will be significant at the level 0.05

The above table worth of Pearson connection is 0.476, more noteworthy than nothing. It shows a positive connection that implies that the worth of cultural dynamics expands the worth of HRM Performance additionally increments. The relationship value is 0.476, which is more like a moderate relationship, but positive. The significance in the above table is .000, which is under 0.05, and the significance level 0.05 addresses that there is under 5% possibility that this relationship happened by some coincidence. Along these lines, for this situation, H2 is accepted that there is a positive relationship between cultural dynamics and HRM Performance.

Moderation Analysis for Pakistan

Table 9: Cultural Dynamics as moderator for Pakistan

<table>
<thead>
<tr>
<th></th>
<th>coeff</th>
<th>se</th>
<th>t</th>
<th>p</th>
<th>LLCI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>constant</td>
<td>4.2916</td>
<td>1.1353</td>
<td>3.7802</td>
<td>.000</td>
<td>2.0408</td>
<td>6.5424</td>
</tr>
<tr>
<td>KM</td>
<td>-.9951</td>
<td>.4040</td>
<td>-2.4629</td>
<td>.0154</td>
<td>-1.7961</td>
<td>-.1941</td>
</tr>
<tr>
<td>Culture</td>
<td>-.6231</td>
<td>.3524</td>
<td>-1.7683</td>
<td>.0799</td>
<td>-1.3217</td>
<td>.0755</td>
</tr>
<tr>
<td>Int_1</td>
<td>.3724</td>
<td>.1194</td>
<td>3.1185</td>
<td>.0023</td>
<td>.1356</td>
<td>.6091</td>
</tr>
</tbody>
</table>

Above table 9 shows the interaction and conditional effect of cultural dynamics on K.M. and HRM Performance. The value of LLCI and .01356 and 0.6091 shows that if there is zero between .01356 and 0.609, that shows a significance value. In our case, zero is between LLCI and ULCI, so that is the sign of insignificant relate as moderator. Hypothesis 3 is accepted that cultural dynamics moderates the relationship of K.M. and HRM performance.
4.4.2. Correlation for Sweden

Relationship between K.M. and H.R. Performance

To check the correlation between K.M. and H.R. performance researcher considered the following hypothesis

**H1:** K.M. and H.R. performance have a positive relationship.

The following table shows the results of the correlation between K.M. and H.R. performance. The accompanying table worth of Pearson connection is 0.652, which is more noteworthy than nothing. It shows a positive connection that implies assuming the worth of K.M. builds the worth of H.R. execution is likewise increments. The connection worth of 0.652 shows a strong positive relationship.

The significance value in the above table is .000, which is under 0.05. Significant value under 0.05 addresses that there is under 5% possibility that this relationship happened by some coincidence. Thus, for this situation, H1 is accepted that there is a positive relation between K.M. and H.R. performance in Sweden.

**Table 10: Correlation analysis for Sweden**

<table>
<thead>
<tr>
<th>Knowledge</th>
<th>Pearson Correlation</th>
<th>H.R.</th>
<th>Culture</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge</td>
<td><strong>1</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>94</td>
<td></td>
</tr>
<tr>
<td>HR</td>
<td>Pearson Correlation</td>
<td>.652**</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>94</td>
<td>94</td>
</tr>
<tr>
<td>Culture</td>
<td>Pearson Correlation</td>
<td>.474**</td>
<td>.584**</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>94</td>
<td>94</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
The above table shows the strong relationship between K.M. and H.R. while a weak correlation between K.M. and culture.

**Relationship between Cultural dynamics and H.R. Performance**

To check the correlation between Cultural dynamics and HRM, the Performance researcher considers the following hypothesis.

**H2:** Cultural dynamics and HRM Performance have a positive relationship.

The following table shows the results of the correlation between Cultural dynamics and HRM Performance.

The above table worth of the Pearson relationship is 0.584, which is more prominent than nothing. It shows a positive relation that implies assuming worth of cultural dynamics builds the worth of HRM Performance likewise increments, as the relationship value is 0.584, which is more like 0.5 demonstrates the strong positive relationship. The above table shows that .000 is a significant "P" value, and if the "p" is more significant than 0.05, then the null hypothesis is true whereas, if the "p" value is less than 0.05, then the null hypothesis is false. Thus, for this situation, H2 accepts a relation between cultural dynamics and HRM Performance.

**Moderation Analysis for Sweden**

**Table 11: Cultural dynamics as moderator for Sweden**

<table>
<thead>
<tr>
<th>Model</th>
<th>coeff</th>
<th>se</th>
<th>t</th>
<th>p</th>
<th>LLCI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>constant</td>
<td>-.1306</td>
<td>.7865</td>
<td>-.1660</td>
<td>.8685</td>
<td>-1.6932</td>
<td>1.4320</td>
</tr>
<tr>
<td>KM</td>
<td>.6218</td>
<td>.2735</td>
<td>2.2732</td>
<td>.0254</td>
<td>.0784</td>
<td>1.1652</td>
</tr>
<tr>
<td>Culture</td>
<td>.5649</td>
<td>.2357</td>
<td>2.3970</td>
<td>.0186</td>
<td>.0967</td>
<td>1.0331</td>
</tr>
<tr>
<td>Int_1</td>
<td>-.0512</td>
<td>.0761</td>
<td>-.6723</td>
<td>.5031</td>
<td>-.2023</td>
<td>.1000</td>
</tr>
</tbody>
</table>

Above table 11 shows the interaction and conditional effect of cultural dynamics on K.M. and HRM Performance. The value of LLCI -0.2023 and 0.1000 shows that if there is zero between -2023 and 0.2000, that shows insignificance value. In our case, zero is between LLCI and ULCI, so that is the sign of insignificant relate as moderator. Hypothesis 3 is rejected.
5. Discussion

Researching the connection between HRM practices and K.M. and entering cultural dynamics as an arbitrator in the connection between these two builds, the outcomes show that K.M. anticipates HRM rehearses, either straightforwardly or by implication through cultural dynamics. In such a manner, cultural dynamics emphatically direct the connection between HRM practices and K.M. Concerning the positive effect of HRM rehearses on K.M. found in this review, comparable outcomes have been uncovered in writing (Ahmady, Nikooravesh, and Mehrpour, 2016; Zaim et al., 2018b). The culture of nations significantly affects management decision-making, leadership style, and HRM processes. Similarly, national cultures influence leadership roles like communication, encouragement, organizational structure, and people's assumptions of work design and organization rewards system. Cultural variability plays an essential part in the way individuals lead their precious lives and conduct themselves at work (Ahmady, Nikooravesh, and Mehrpour, 2016).

Culture is the communal collection of standard features that influence a human group's response to their surroundings. Cultural variances can fail in social and business life if not well understood and valued. Businesses are corporate organizations, and management includes processes, culture, and some people (Đorđević, 2016). Although many management procedures and processes are reproducible abroad, they must be adapted, taking into account specific particular cultural needs for companies to enter into joint ventures with businesses outside of their business boundaries. National boundaries should understand the variances in management processes or procedures between national cultures (Pauluzzo and Cagnina, 2016).

On the directing job of cultural dynamics in the connection between HRM practices and K.M. are as per the aftereffects of this review, Patil and Kant (2012) highlighted the fundamental job of culture in the connection between HRM practices and K.M. As far as the directing impact of culture, Balthazard et al. (2006) reasoned that a helpful culture positively affects HRM, while a cautious culture adversely affects HRM. Tseng (2010) concentrated on three kinds of O.C.: Clan, progressive, and adhocracy. These artistic styles allude to warm, inventive, and underlying authoritative conditions separately. Her discoveries demonstrated that adhocracy culture influences information change and further develops HRM.

At last, Nold (2012) upheld the theory that a positive H.R. empowers K.M., which thus influences O.P. Research shows a strong connection between organizational culture and K.M.
The cultural context is essential to analyze and apply knowledge properly. Culture influences basic behavior for knowledge management in different ways, i.e., culture makes assumptions about what given knowledge is and what knowledge is essential to manage. Culture mediates the connections between person and company knowledge, and culture forms the context for social connection that in the long run predicts how powerful an employer may be at creating, exchanging, and making use of know-how and to what volume it manages the processes (Ramazaninejad, Shafiee, and Asayesh, 2018).
5.1. Conclusion
In this study, the researcher finds out the impact of K.M. on HRM performance with moderating role of cultural dynamics. The result of this study is in line with the literature. The researcher used the quantitative method to check the relationship between variables. A correlational analysis shows a strong impact of K.M. on HRM performance. There is also a strong correlation between cultural dynamics and the H.R. performance of both countries. As cultural dynamics are pretty different in both countries, the correlation values are different. The results also show that the correlation between K.M. and H.R. performance is more vital in Sweden than Pakistan. Cultural dynamics also affect strongly in Sweden as compared to Pakistan. The people of Sweden have mental flexibility and innovative thinking to promote the family business. Sweden's national and organizational culture supports the knowledge management process for achieving organizational outcomes. National and organizational culture differs in the Eastern region, e.g., Pakistan, due to its specific nature of centralization of authorities in organizations and male majority national culture to support the family business.

5.2. Contribution
The justification for this analysis was to investigate the impact of K.M. on HRM performance. The overall completion of this assessment is that K.M. essentially impacts HRM execution. This asserts that associations that make and deal insightful capital and put commonly in K.M. structures can have an overall circumstance in adjacent and overall business areas and gain a viable advantage. Moreover, this result shows that K.M. and HRM significantly impact the organization. The components of human resources and various leveled cultures expect a crucial part in choosing data grouping, sharing of information, and patterns of data creation (Bock and Kim, 2002).

The result of the thesis depicts that K.M. and HRM make a unique and energetic part for feasible handling of information and financial aspects. The study establishing a link between K.M. and HRM and the cultural dimension showed an emerging concept that is further analyzed in future studies. Cultural Dynamics moderate the already existing role to determine how the people will behave and at what pace they would be able to learn and grasp the different concepts quickly. The research proposes a model that places Culture dynamism as a moderator in the association between Knowledge management and performance of Human Resource Management since both organizational culture and knowledge management
positively impact HRM performance, so this model shows that culture dynamism has a partial effect.

The examinations have been performed about the effect of K.M. on HRM performance. This review uncovered that K.M. impacts all parts of H.R.’s execution. Put unexpectedly, K.M. impacts capacity, clearness, help, legitimacy, motivation, and assessment as a matter of first importance. Be that as it may, its effect upon climate is insignificant. Associations that make and offer intellectual capital can partake in a prevailing situation in world business sectors (Nahapiet and Ghoshal, 1998). In this manner, organizations ought to generally put in information frameworks and gain a supported upper hand. Many investigations contend that associations ought to take on K.M. that empowers information creation and capacity (Alavi and Leidner, 2001). K.M. depends on the asset-based hypothesis that information is a valuable essential resource. It incorporates information and data at the core of human asset advancement (HRD) practice in the working environment.

Furthermore, K.M. upholds the two standards of HRD, in particular, learning and execution (Akdere, 2009). The point of this article is to add to a further developed understanding of the effect of K.M. on H.R. execution. The general finish of this examination is that K.M. essentially impacts H.R.’s execution, all in all, and parts of H.R.’s performance. This features the need to zero in exertion on changing associations to learning associations. The current review broke down the effect of K.M. on H.R.’s performance and its parts.

The discoveries recommended that K.M. fundamentally affected culture; it is suggested that associations put weight on progression culture and staff strengthening through holding classes, gatherings, taking staff to business-arranged diversions, tutoring, pretend, and board games. Concerning impetus, it is suggested that associations offer solid help and consolation for imaginative workers and the people who continually look for information and let them take part in a hierarchical direction. The discoveries additionally recommend that K.M. influences clearness. It is, in this manner, recommended that associations acquaint workers with their obligations, shared assumptions, authoritative objectives and plans, and measures for execution assessment. Another finding was that K.M. applies sway on help, which prompts the idea that administrators' consent ought to be acquired in executing K.M.’s techniques. Moreover, since K.M. was demonstrated to impact assessment and legitimacy, it sounds to the rationale to propose that associations place colossal accentuation on representatives' learning, rather than on their serious mix-ups, just as on fulfillment of more
information, experience, and data concerning administrators which prompts more prominent legitimacy of association.

5.3. Limitation and Future Research
The fundamental impediment experienced was the reaction rate, which required additional work to disperse extra surveys. Moreover, because this is a cross-sectional review, the discoveries can be summed up to other modern organizations. The directing job of numerous social components ought to be examined further. Due to cost and time constraints researcher has to limit the research to a specific city.

The information was assembled abstractly, for example, by the utilization of a poll. One more restriction is that this concentrate just explored in one city, which may not be illustrative of the remainder of the country. Correlations of various urban areas might adjust our discoveries. This paper, then again, addresses a beginning in a field that is ready for future examinations. The significance of cycles that decide if K.M. can be connected to information execution, as information processes and social climate seldom tend to. The future examination could zero in on this issue in Eastern nations. Besides, this exploration investigated the connection between information the board and execution.
References


Appendix

Survey

Dear Participant,

This survey is meant to analyze a research project entitled “Investigating the impact of knowledge management on HRM performance. Does Cultural Dynamics matter in moderating the link between K.M. and HRM? A Multi-group analysis of Family firms in Sweden and Pakistan”. It is a pre-requisite for the researchers to obtain their Masters degree. The survey was designed to obtain your precious opinions against the set of statements given under different dimensions of the study. In this regard, an unbiased and voluntary participation is required from your side. The responses and information provided by you will be strictly remain confidential and will be used for research purposes only. This short survey would take only 5-10 minutes to complete. Finally, your co-operation in this regard is highly appreciated and will be fruitful for the research community as well.

Before starting to respond the statements of this questionnaire, please confirm the followings:

- The respondent need to be from the Family business/firms (either Sweden or Pakistan)
- The respondent need to be from HRM department.
- The respondent need to be at Managerial Position
- The information provided by the respondent must be complete in all respect.

Yours Sincerely,

Shahzad Qazafi & Khizar Abbas
Department of Business and Economics Studies
University of Gävle, Sweden.

Questionnaire for Pakistan
Section-1

Demographic and Socioeconomic Factors
Your Gender:  
- Male
- Female

Your Age (in Years):
- 20-30
- 31-40
- 41-50
- 50 years and above

Your Education Level:  
- Undergraduate
- Graduate
- Postgraduate

Your Marital Status:  
- Single/Engaged
- Married
- Divorced/Separated/Other partners
- Deceased

Your Work Experience (In this organization):
- 3 – 5 years
- 5 – 10 years
- Above 10 years

Family Business/firm Name where you are employed at present:


Section-2

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>

Knowledge Management Process

1. Employees obtain a good extent of new knowledge from external sources (e.g., through seminars, conferences, educational courses, subscription journals, expert networks).

2. Employees obtain a good extent of new knowledge from business partners (e.g., suppliers, clients).
3. Employees exchange knowledge with their co-workers.

4. In their work, employees rely on experience, skills and knowledge.

5. In their work, employees rely on written sources (e.g., previously implemented projects documentation, organisational procedures, instructions and other documented sources).

6. Employees share their knowledge orally at meetings or informal gatherings (e.g., during lunch, in the hallway).

7. Employees share their knowledge through formal procedures (e.g., project reports, organisational procedures and instructions, reports and company publications).

8. Employees in this organisation consider their knowledge as an organizational asset and not their own source of strength.

**H.R. performance**

1. In my organization, knowledge management processes boosts my performance adequately.

2. I feel more productive while accessing the relevant available knowledge management process.

3. I get enough support through knowledge management process to accomplish the tasks in given deadlines.

4. I really understand the specific needs of customers, internal management and external parties through the knowledge management process.

5. I am able to “put ourselves in the customers and other related internal and external parties’ place by applying the knowledge management process.

6. The national and organizational culture play a significant role in enhancing the impact of knowledge management on our performance adequately in this organization.

7. The productivity of the human resources in our organization improves with the due consideration of national and organizational culture with knowledge management process.

8. The impact of knowledge management process along with national and organizational culture boost the level of task accomplishment by the human resources in this firm.

9. The national and organizational culture improves the knowledge
management process in boosting the H.R. performance towards customers and other internal and external parties’ need recognition.

10. National and organizational culture enhances the knowledge management process towards the H.R. performance for fair dealing of the customers, and other internal and external parties.

### Cultural Dynamics

#### Organizational culture

1. The firm’s policies and practices are fair toward employees
2. Promotions are fairly given out in this firm
3. The working condition is very pleasant
4. The amount of pay I receive matches the work I do
5. There are opportunities for advancement in the firm
6. The quality of employees’ worklife in my firm is very good
7. Management always tries to avoid employees’ layoffs and transfers in my firm
8. It is usual to employ people on the basis of their relationships with managers in the firm
9. Personal initiatives and risk-taking are not encouraged by managers in my firm
10. When employees receive instructions with which they do not agree, they usually conform without dissent
11. A good subordinate must respect his boss in Pakistan
12. Older managers feel threatened by younger, competent colleagues
13. I and my co-workers get along very well with each other
14. Employees generally trust top management
15. The firm is hierarchically structured and everyone knows his position
16. Management practices in our firm are different from those in similar firms in Pakistan

#### National Culture

1. Pakistanis love good life and enjoyment.
2. Pakistanis like hard work and saving towards the future.
3. Pakistanis like people to tell us what to do.
4. In Pakistan, it is better to follow instructions at work rather than do things
on your own, even if you know they are right.

5. Pakistanis are highly individualistic

6. There is no need for a Pakistani to worry too much in life, God will always show the right way

7. It is better to enjoy yourself today as a Pakistani - you do not know what will happen tomorrow

8. Pakistanis take good care of each other

9. A good subordinate in a Pakistani firm must avoid actions that may surprise or embarrass his/her boss, even if these actions are in the interest of the firm.

10. People who do well in management in Pakistan are shrewd and competitive with a strong drive for power.

11. Knowledge is power in this country

12. Good relationship is power in this country

13. Respect for age must be preserved in a Pakistani company. Age and experience in life are worth more than paper qualifications

14. It is sensible to fear the threats of "juju" from one's colleagues and subordinates when one is taking management decisions

15. Family obligations must be given high priority even in managerial decision making

16. Pakistani culture influences the way we serve our customers

17. Pakistani culture influences work practices within my firm
Questionnaire for Sweden

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