

EVALUATING THE CONNECTION BETWEEN EMPLOYEE KNOWLEDGE AND PRACTICES ON PERFORMANCE, WITH ORGANISATIONAL COMMITMENT AS A MEDIATING VARIABLE IN THE CHINESE INDUSTRIAL SECTOR.

Luo Hui ¹, Dhakir Abbas Ali ¹

¹ Lincoln University College, Petaling Jaya, Malaysia.

*Corresponding author: Luo Hui, Lincoln University College, Petaling Jaya, Malaysia.

ABSTRACT

This study aims to shed light on the intricate relationship between Chinese industrial workers' routines, loyalty to the company, and output. The research considers the significance of knowledge management and human resource strategies as it investigates the relationship between effective employee practices and organisational commitment and, therefore, individual performance. The study team employed a quantitative approach, surveying 676 employees from different construction companies using pre-designed questions. Results were processed using SPSS, or the Statistical Package for the Social Sciences. The results of the research indicate that there is a significant positive correlation between practices that pertain to the employees and their level of commitment to the organisation, as well as between practices that pertain to the employees and their performance on the job. Furthermore, it was shown that employees' dedication to the firm is a key factor that boosts the effect of employees' knowledge and actions on performance results. The results suggest that Chinese manufacturing companies should keep funding employee training and education, create more positive work conditions, and discover ways to make their employees more loyal to the company. Companies that use these types of combination approaches tend to have higher productivity, higher staff retention rates, and more consistent growth. Human resource management in China's business sector may be better understood from the study's findings. Success in the long run is dependent on strategic habits and investments made by employees. The Chinese industrial sector thrives because employees' knowledge and performance are enhanced via the promotion of organisational dedication.

Keywords: Employee knowledge, employee practices, employee performance, organisational commitment, Chinese industrial sector.

INTRODUCTION

Companies need to be flexible if they want to succeed in today's cutthroat and ever-evolving business climate. Managers in the modern day must be proficient in the efficient use of the information superhighway. In the modern corporate environment, where things move at a

breakneck speed and there are many unknowns, knowledge management (KM) is crucial. Human networks, standardisation, and personalisation are data management practices that may have a beneficial or bad effect on employee health and productivity. Acquiring, disseminating, creating, and storing information are all part of knowledge management. Workers' levels of satisfaction with their jobs do not vary much across processes like data acquisition, production, codification, and personalisation. However, when information is preserved, transmitted, and modified in different ways, there is a noticeable variance in how effectively workers perform (Faeq, 2022). To boost morale and output among knowledge workers, managers should institute KM initiatives. The foundation of HR operations including development and training, job analysis, compensation, hiring and selection, social support, empowerment and connections, and employee happiness is the wellspring of employee success. Participation in knowledge management activities on an individual level, in other words, the degree to which a knowledge worker engages in tasks that are related to knowledge management. By fostering the productivity of knowledge workers, improving the effectiveness of knowledge management architecture, and encouraging innovation via this concept, one may ensure their success. The importance of encouraging individual employees to participate in knowledge management in order to enhance the productivity and creativity of knowledge workers in businesses that are based around knowledge (Kokkaew et al., 2022).

BACKGROUND OF THE STUDY

In China's industrial industry, a company's success could be boosted by the knowledge of its staff. Relational capital, physical capital, human capital, and structural capital are the main determinants of profitability and productivity, while physical capital, earnings, and human capital are the main determinants of structural capital (SC). Additionally, creative knowledge has a greater impact on the knowledge-based performance of publicly owned enterprises compared to privately held enterprises. Furthermore, compared to non-high-tech manufacturing organisations, those operating in the high-tech manufacturing sector have superior knowledge-based performance. Lastly, when comparing manufacturing enterprises in China's central and western areas, those in the eastern region tend to have better knowledge-based performance. Policies and procedures in the workplace have a dual effect of making employees more invested in their jobs and less likely to want to quit (Farooq Sahibzada et al., 2023). From here, companies must manage workers' perceptions of sacrifice while also encouraging their career advancement. Development programmes may boost engagement and skill levels, but they may also raise employees' intents to quit if they feel a bigger personal cost as a result. A possible solution for businesses is to highlight the long-term benefits of development programmes for employees' careers and the company's bottom line. Through praise and help, sacrifices are seen as less of a burden, and loyalty is increased. Another possible result of a good work culture that supports health and work-life balance is less loss. Companies may be able to boost involvement, retention, and performance by letting workers talk easily and making growth programmes fit the specific needs of each employee.

When trying to keep and improve employees, human resource plans need to consider the complicated link between growth, perceived loss, and employee turnover (Silva et al., 2023).

PURPOSE OF THE RESEARCH

In China's manufacturing industry, organisational commitment is seen as a mediator between the relationship between employee behaviours and knowledge and the impact on organisational performance. The goal of this study is to clarify this connection. To succeed, both individually and as a business, anybody need knowledge (the sum of an employee's skills, experiences, and knowledge) and effective processes. This research aims to enhance organisational outcomes by assessing the influence of these factors on performance and finding crucial areas where staff development and practice implementation may be enhanced. On top of that, scholars want to know if this link is mediated by group loyalty. The effect of workers' knowledge and practices on performance could be increased or decreased by their workplace commitment, which is a measure of how loyal, identified, and emotionally invested they are in their company. By knowing this intermediate role, companies may learn important things about how to get their workers more involved and get the most out of skilled and experienced workers. At the end of the day, the study wanted to add to what was already known by showing managers in China's industrial sector how to improve long-term success by increasing group loyalty, employee knowledge, and practices.

LITERATURE REVIEW

The information that individuals have is an essential resource that any company relies on, especially when seen from the perspective of the competitive market. In today's rapidly developing economy, intangible assets like human capital and knowledge are considered the bedrock of existence, according to the dominant paradigm. China lacks the critical mass of educated, skilled workers needed to compete on a global scale, especially in the business sector. Organisations in today's information-based economy rely heavily on their knowledge bases for success (Patwary et al., 2025). This is due to the fact that knowledge contains intangible competitive resources, operational routines, and creative processes that are hard to replicate. It might be defined as data that has undergone integration with context, interpretation, reflection, and experience. The act of gathering knowledge is an important part of how groups grow. A lot of companies count on knowledge management (KM) and making the best use of their real assets and natural resources in order to do well. The knowledge and skills of an organisation's workers have a big effect on how successful that group is. This is especially true when it comes to organisational dedication. Organisations, especially public utilities, can adopt key success factors, enhance their knowledge management strategies, and boost their overall competitiveness and operational performance by knowing what is happening now and what their employees really expect from them. Knowledge management methods must be included and used in a way that gives the company a competitive

edge if it wants to improve its performance. To foster the development and dissemination of knowledge, knowledge-management-savvy organisations have institutionalised techniques and ideas that see knowledge as a kind of human capital. Organisational commitment is the key to any company's success (Sang et al., 2020). Employee commitment is the single most critical factor in achieving competitive performance. The driving force behind sticking to a course of action that advances one's objective is what somebody mean when he talks about commitment. In order for employees to become more efficient in their work, robust and successful human resource strategies are essential. By using these strategies, employees should feel more invested in their jobs and the organisation as a whole, which is exactly what organisational politics is all about. If employees are unsure about or don't fit in with the company's culture, they will look for work elsewhere (Ullah et al., 2022).

RESEARCH QUESTIONS

How do employee practices impact employee performance in the Chinese industrial sector, considering organisational commitment? How does organisational commitment influence employee performance in the Chinese industrial sector?

RESEARCH METHODOLOGY

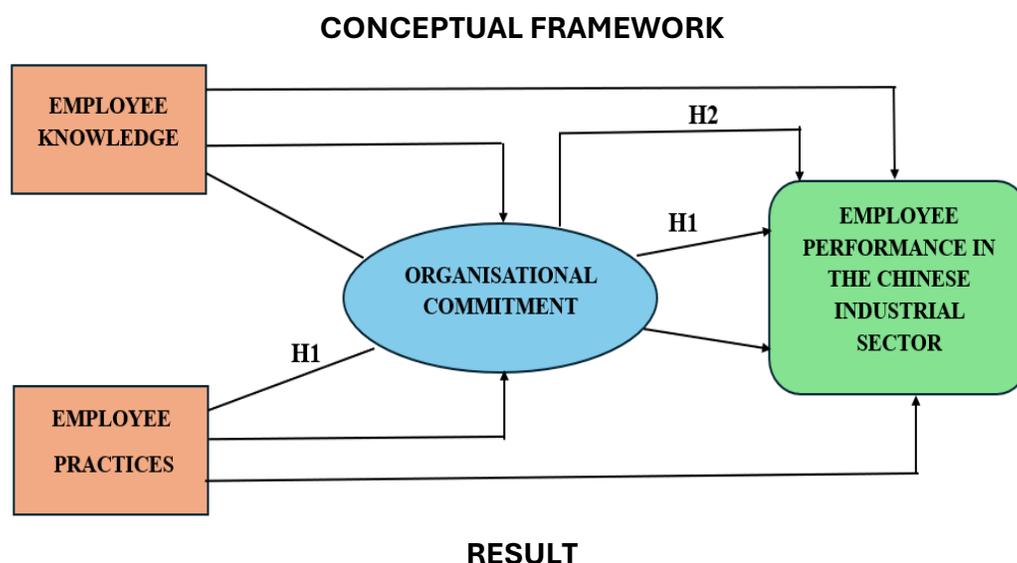
Research Design: This study used a quantitative technique to conduct the inquiry. Data processing was conducted with SPSS version 25. Descriptive statistics were used to enhance the clarity of the demographic data. The investigative team evaluated odds ratios (OR) with a 95% confidence interval (CI) to determine the magnitude and direction of the relationships. Results are statistically significant when the p-value is below 0.05. Quantitative methods were increasingly used for their capacity to do comprehensive statistical analyses and systematic assessments of survey outcomes.

Sampling: The research investigation used a fundamental random sampling method. The Rao-soft algorithm recommended a total of 612 participants for the study. Researchers sent 750 questionnaires to workers in the construction industry employed by several consulting firms across many project sites. The researcher reduced the pool of 709 replies to 676 by eliminating 33 owing to inadequate or erroneous information. The total number of samples is 676 accordingly.

Data and Measurement: The predominant portion of the study data was collected by questionnaires. The survey had two segments: (A) fundamental demographic data and (B) a 5-point Likert scale assessing matters pertaining to digital and conventional media. The predominant portion of the secondary data was obtained from several online and offline sources.

Statistical Software: The researchers did the statistical analysis using SPSS 25 and MS Excel.

Statistical Tools: A descriptive technique was used to analyse the data comprehensively. Factor analysis must be used to evaluate reliability.



Factor Analysis: One way to ensure that a set of measuring items is well-founded is to use factor analysis (FA). A common misunderstanding is that hidden effects might affect the results of obvious ones. One approach that relies on frameworks is precision analysis (FA). The main goal is to determine what causes measurement inaccuracies and how they relate to the events that have been observed. If the data are acceptable for factor analysis, the Kaiser-Meyer-Olkin (KMO) approach may be used to demonstrate it. The scientists verify that each component has a sufficiently significant sample to ensure that there is sufficient data for the whole model. Some of the components' variances are rather near to each other, according to the results. Results are improved when smaller datasets are used using factor approximation.

The result of using the KMO method is a negative integer. The KMO value should be tested if it falls between 0.8 and 1.

Scientists need to fix the problem quickly since they found an insufficient sample (KMO = 0.6). The range of commonly used measurements is 0.5 to 0.6. Before reaching a final choice, it is wise to ask the authors for their consensus. As a result, 0.5 is often used.

Once the percentage of total connections with incomplete encounters reaches a certain statistical level, the KMO score will be close to zero. It becomes much more difficult to evaluate components when there are large linkages involved.

From 0.050 to 0.059, frequency ranges vary immensely.

- The range of 0.60 to 0.69 is quite adequate.

The median rating generally ranges between 0.70 and 0.79.

The typical range for point values is 0.80 to 0.89.

When the value is between 0.90 and 1.00, a very unlikely event takes place.

Valued at 0.928 on the Kaiser-Meyer-Olkin scale. The results of Bartlett’s test of sphericity are as follows: 3252.968 is the approximate chi-square value; 190 is the degrees of freedom (df); sig = .000.

Table 1. Testing the Appropriateness of the KMO and Bartlett’s Sampling Method.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.928
Bartlett's Test of Sphericity	Approx. Chi-Square	3252.968
	df	190
	Sig.	.000

Based on Bartlett’s sphericity test, the matrices were determined to have a strong relationship. Kaiser-Meyer-Olkin has shown that a sample size of 0.928 is sufficient. The researchers used Bartlett’s sphericity test and got a p-value of 0.00. Based on Bartlett’s sphericity analysis, the association matrix is flawed.

INDEPENDENT VARIABLE

Employee Practices: The word “employee practice” describes the ways in which businesses find, hire, and promote new staff. Topics covered by researchers include hiring, orientation, education, and performance management. Enhancing processes increases productivity, morale, and employee retention. Truthful and open recruiting practices entice top personnel. To help new employees adjust, onboarding lays out expectations and gives resources. Employees advance when they get continuous training in new skills and relevant industry trends. Organisational commitment, emotional exhaustion, mental health, and turnover intentions are impacted by staff satisfaction with participation, development and progress, work-life balance, recognition, health, and safety. Compared to satisfaction with other healthy workplace practices, contentment with employee engagement activities was a stronger predictor of employee outcomes. Acknowledgements boost morale and incentive among employees. Fostering creativity and

cooperation is an atmosphere that promotes open communication and a welcoming vibe (Cherif, 2020).

MEDIATING FACTOR

Organisation Commitment: Organisational commitment is highly valued by HR management in times of uncertainty. Loyal employees believe in the organisation's goal and experience a sense of belonging there. Because they're enthusiastic about putting in more effort. The term "commitment" is used in the fields of business management and psychology to describe the mental and emotional investment that an employee has in their firm. There may be instances when an individual's commitment to their organisation and their employment dovetail. Regardless of the fact that they are devoted employees who show a great commitment to the organisation, identify with low-skilled positions, and are subject to strict supervisory supervision, committed employees are nevertheless looking for prospects for career growth outside of the success of their company. In this environment, devotion and self-perception may be influenced by a number of factors, including job stability (Hussain & Khayat, 2021).

DEPENDENT VARIABLE

Employee Performance in the Chinese Industrial Sector: The fact that many Chinese businesses have been successful may be traced back to the strong work ethic and devotion of their personnel. As a way to bring about better outcomes, managers and supervisors are always attempting to install a desire for success in their personnel. When people love what they do for a living, they are much more likely to put in the hours required to achieve the organisation's goals. Contemporary business leaders should abandon the ineffective "carrot and stick" method of employee engagement, performance reviews, and incentive programmes. Education and professional progression are two things that make it easier to gain information and use it. It has become an important component of human resource management (HRM) due to the positive impact it has on the efficiency of the workplace (Triansyah et al., 2023).

Relationship between employee practices and employee performance in the Chinese industrial sector, considering organisational commitment: The connection between the performance of an organisation and the techniques that are used by that organisation's human resources department is an important one. The human resource policies of an organisation demonstrate to its workers the extent to which the firm is dedicated to supporting them. It is believed that this will have an impact on the motivation of the employees and their desire to put in more effort in order to ultimately enhance the success of the organisation. Research has been conducted on the relationship between human resource practices, organisational commitment, and performance. The human resource practices that are the subject of this investigation have been analysed both as separate components and as a human resource system. It is believed that

there is a connection between the several distinct attributes that an organisation displays and the extent to which it demonstrates a sense of commitment (Ahakwa et al., 2021). With regard to the above discussion, the investigator in this analysis set out to experiment with the following hypothesis on the relationship between employee practices and employee performance in the Chinese industrial sector, considering organisational commitment:

“H₀: There is no significant relationship between employee practices and employee performance in the Chinese industrial sector, considering organisational commitment.”

“H₁: There is a significant relationship between employee practices and employee performance in the Chinese industrial sector, considering organisational commitment.”

Table 2. H1 ANOVA Test.

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	38572.257	333	5838.265	1093.103	.000
Within Groups	385.476	342	5.341		
Total	41985.537	675			

Significant findings are formed by this search. An F-value of 1093.103 and a p-value of .000, both of which are lower than the .05 alpha level, indicate importance. This theory, “H₁: There is a significant relationship between employee practices and employee performance in the Chinese industrial sector, considering organisational commitment” is attained whilst abandoning the null hypothesis.

Relationship between organisational commitment and employee performance in the Chinese industrial sector: Over the course of time, the idea of organisational commitment has received definitions and more elucidation. The concept of organisational commitment may be divided into three different components. The three components are emotional commitment (AC), behavioural commitment (BC), and ethical commitment (NC). The perspective of AC is in the connection that employees feel on an emotional or attitudinal level. There was a favourable correlation between in-role performance and AC. The devotion that an employee demonstrates with respect to the financial obligations that are involved with leaving the organisation is referred to as “cost commitment” (CC). “No-quit” is the meaning of the abbreviation NC, which expresses the degree to which an employee is dedicated to remaining here. Employees that possess a strong sense of NC may be more inclined to execute their jobs to a high standard and be outstanding “organisational citizens.” (Park et al., 2022).

In regard to the overhead discussion, the researcher in this study set out to test the following hypothesis on the connection between organisational commitment and employee performance in the Chinese industrial sector:

“H₀₂: There is no significant relationship between organisational commitment and employee performance in the Chinese industrial sector.”

“H₂: There is a significant relationship between organisational commitment and employee performance in the Chinese industrial sector.”

Table 3. H2 ANOVA Test.

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	38162.258	324	5937.249	1156.456	.000
Within Groups	372.416	351	5.134		
Total	41825.516	675			

Notable findings are provided by this inquiry. An F-value of 1156.456 and a p-value of .000, both of which are under the .05 alpha level, indicate significance. This theory, “H₂: There is a significant relationship between organisational commitment and employee performance in the Chinese industrial sector” is received whilst deserting the null hypothesis.

DISCUSSION

In China’s manufacturing sector, corporate loyalty was a key factor in how employees’ understanding, habits, and success interacted with each other in a lot of different ways. A big part of being competent is knowing not only one’s own tasks and responsibilities but also the goals of the organisation and the standards for the business. Adding staff with more experience could help with tasks, goals, and how quickly people respond to changes. Workers may be able to add to this body of knowledge and do well at work with the help of training, performance reviews, and helpful management. These tactics build loyalty and a sense of connection among workers by giving them more skills and going over the organisation’s rules and principles again and again. People in China’s industrial sector have strong collectivist and hierarchical cultural views. Structured staff practices may make people much more committed to their jobs in this industry. The employees’ allegiance to the organisation had a significant influence on the development of their expertise and routines, which in turn led to enhanced performance. Those who are committed to their profession are less likely to think about leaving their present place of employment, are more inclined to put effort into their work, and are often more motivated. According to empirical research, effective staff

knowledge and practice management and strong organisational commitment increase Chinese industrial sector performance. A lack of commitment may erode knowledge and processes, limit productivity and increasing turnover. Companies must focus on knowledge enhancement and personnel assistance to promote devotion and performance.

CONCLUSION

The results of this study showed that organisational loyalty played a big role in how staff understanding and practices affected success in China's industrial sector. When workers are well-informed and take part in good practices, they have more confidence, master their skills, and are motivated, all of which lead to better work. When employees feel strongly connected and loyal to their company, they are more likely to use their skills. This feeling is strengthened by group commitment. Regardless of whether they have the necessary knowledge or engage in best practices, employees perform at their highest potential when they have a strong emotional and psychological connection to the firm. This was substantiated by the function that commitment played as a mediator. Investing in the ongoing professional development of their workers, creating a workplace that is appealing to prospective employees, and taking measures to raise the level of employee engagement would be a wise decision for Chinese manufacturing companies, according to these findings. Such integrated techniques may assist improve performance, efficiency, and growth over time. Understanding the link between knowledge, practices, and dedication may substantially improve strategic human resource management in China's ever-changing industrial landscape.

REFERENCES

1. Ahakwa, I., Yang, J., Tackie, E., & Atingabili, S. (2021). The influence of employee engagement, work environment and job satisfaction on organizational commitment and performance of employees: a sampling weights in PLS path modelling. *SEISENSE Journal of Management*, 4(3), 34-62.
2. Cherif, F. (2020). The role of human resource management practices and employee job satisfaction in predicting organizational commitment in Saudi Arabian banking sector. *International Journal of Sociology and Social Policy*, 40(7/8), 529-541.
3. Faeq, D. (2022). A mediated model of employee commitment: the impact of knowledge management practices on organizational outcomes. *International Journal of Advanced Engineering, Management and Science*, 8(9), 44-58.
4. Farooq Sahibzada, U., Thomas, A., Sumbal, M., & Malik, M. (2023). Nexus of knowledge management and organizational performance: a cross-country study of China and Pakistan higher educational institutes. *Kybernetes*, 52(12), 6348-6378.

5. Hussain, M., & Khayat, R. (2021). The impact of transformational leadership on job satisfaction and organisational commitment among hospital staff: a systematic review. *Journal of Health Management*, 23(4), 614-630.
6. Kokkaew, N., Peansupap, V., & Jokkaw, N. (2022). An empirical examination of knowledge management and organizational learning as mediating variables between HRM and sustainable organizational performance. *Sustainability*, 14(20), 13351.
7. Park, J., Han, S., Kim, J., & Kim, W. (2022). Structural relationships among transformational leadership, affective organizational commitment, and job performance: the mediating role of employee engagement. *European Journal of Training and Development*, 46(9), 920-936.
8. Patwary, A., Azam, N., Ashraf, M., Muhamed Yusoff, A., Mehmood, W., & Rabiul, M. (2025). Examining employee performance through knowledge management practices, organisational commitment and capacity building in the Malaysian hotel industry. *Global Knowledge, Memory and Communication*, 74(3/4), 733-752.
9. Sang, L., Xia, D., Ni, G., Cui, Q., Wang, J., & Wang, W. (2020). Influence mechanism of job satisfaction and positive affect on knowledge sharing among project members: Moderator role of organizational commitment. *Engineering, Construction and Architectural Management*, 27(1), 245-269.
10. Silva, P., Moreira, A., & Mota, J. (2023). Employees' perception of corporate social responsibility and performance: the mediating roles of job satisfaction, organizational commitment and organizational trust. *Journal of Strategy and Management*, 16(1), 92-111.
11. Triansyah, F., Hejin, W., & Stefania, S. (2023). Factors affecting employee performance: A systematic review. *Journal Markcount Finance*, 1(3), 150-159.
12. Ullah, Y., Ullah, H., & Jan, S. (2022). The mediating role of employee creativity between knowledge sharing and innovative performance: empirical evidence from manufacturing firms in emerging markets. *Management Research Review*, 45(1), 86-100.