ABSTRACT

Higher education institutions (HEIs) similar to business organizations face tough competition and hence, they strive hard to achieve competitive advantage by updating their practices, services, and competitiveness through several methods. Unlike business organizations, the integral business of a university is research and teaching. Yet, what sets a top university apart from its competitors is its quality of performance with respect to knowledge outcomes. But HEIs continue to operate in a fiscally challenged environment and hence, universities and colleges employ various management strategies such as organizational restructuring, quality management, and training as a part of their ongoing learning initiatives. Research studies on performance measurement in universities are one of the major focuses in most of the countries. This has opened up myriad avenues for research in higher education sector. The underlying premise is that there are universally ‘good’ and ‘bad’ management practices and these practices matter in a meaningful way on how an institution performs. Hence, the central tenet that drives all the accreditation and governing agencies in higher education is to identify those indicators that determine the overall performance of these institutions.

Therefore, using a systematic literature review on the concepts of organizational learning and knowledge management, the present study developed a model to analyze the performance and efficiency of higher education institutions. Thus, the model known as ‘Knowledge Performance Model’ was based on the respondent’s perceptions on the learning organization culture, creative organizational climate, knowledge creation
practices, and knowledge performance. The study methodology employed a sample of 21 universities across three states and a Union territory in India to analyze the model fit to data. Simple random technique was used to select the sample. An extensive survey was conducted during the year 2013-2014 and the respondents were asked to complete a questionnaire using paper-and-pencil method. A total of 600 respondents participated in this study that comprised students, teaching staff, and non-teaching staff/administrative staff. A well structured questionnaire was developed for this purpose using multiple theoretical frameworks such as Dimensions of Learning Organization Questionnaire (DLOQ), Ekvall’s Creative Climate Dimensions and SECI model. The consolidated questionnaire was tested for reliability and validity of the instrument. The Cronbach alpha test and Confirmatory Factor Analysis (CFA) found the instrument to be reliable and valid for this study. Further, Exploratory Factor Analysis (EFA) was performed on all the items of the study variables to determine the underlying factors of the variables.

The analysis of the sample data was performed using multivariate analysis and data envelopment analysis (DEA). The study developed a structural equation model using the SEM analysis and the efficiency of the sample universities was determined and compared using the DEA analysis. The results of the SEM analysis suggested the hypothesized model of the study as valid and thus, it was found that learning organization culture, creative organizational climate, and knowledge creation practices impact the knowledge performance of HEIs. Further, the DEA analysis showed that of the 21 universities in the study, only four universities were efficient and the rest have room for improvement.
Further, with the purpose to analyze the interrelationships among the study variables, several multivariate analyses were performed. They are as follows:

- The canonical correlation analysis was conducted between the variables of organizational learning and knowledge management. The results suggested that both the set of variables are mutually dependent on each other.

- The relationship between the learning organization culture and creative organizational climate was analyzed using discriminant analysis. The results suggested that creative organizational climate predicts the learning organization culture. This was also established using mediation analysis which showed that creative organizational climate is an antecedent of learning organization culture.

- A second mediation analysis was performed to analyze whether knowledge creation practices mediate the learning organization culture and knowledge performance relationship. The results of the analysis showed a significant value (p<.001) suggesting a partial mediation.

- Further, the study used Hierarchical Regression Analysis (HMR) and found that creative organizational climate moderates the learning organization culture and knowledge performance relationship.
Thus, this study identified and benchmarked the institutions based on the organizational variables for strengthening the quality and performance that ensures continuous and ongoing learning activities in HEIs. This study is expected to bring in a new perspective and contribute to the literature on organizational learning, knowledge management, and performance management in the context of managing higher education institutions. The study concludes with its implications and suggestions for its stakeholders and recommendations for further research.