

---

**Knowledge Management Practices and Performance of Private Security Firms in Nairobi City County, Kenya**

<sup>1\*</sup>Michael Kimanzi Kavate, <sup>2</sup>Dr. Julius Kahuthia and <sup>3</sup>Robert Abayo  
<sup>1,2,3</sup>School of Business and Leadership, St. Paul's University

Accepted, Sep 30<sup>th</sup>, 2025

---

**Abstract**

Knowledge has emerged as a critical asset for organizational success in today's competitive economy. Private security firms in Nairobi City County operate in an environment of rising client expectations, high staff turnover, and growing demand for reliable service quality, yet their ability to sustain non-financial performance largely depends on effective knowledge management practices. Despite the sector's importance, limited empirical research has examined how specific knowledge management dimensions influence performance in this industry. This study, therefore, sought to assess the effects of knowledge acquisition and knowledge sharing on the non-financial performance of private security firms in Nairobi City County, Kenya. The study was anchored on the Knowledge-Based View (KBV), which highlights knowledge as a strategic resource. A descriptive survey research design was adopted, targeting 30 private security firms that had operated in Nairobi for more than five years. The population comprised 312 managers, supervisors, administrators, and guards, from which a sample of 94 respondents was selected through simple random sampling. Data were analyzed using both descriptive and inferential statistics. The findings revealed that knowledge acquisition and knowledge sharing had positive and statistically significant effects on non-financial performance. The study concluded that systematic management of knowledge resources is vital for improving non-financial performance in the private security firms. It recommends that firms invest in continuous employee training, promote knowledge-sharing cultures, and design clear frameworks to translate acquired knowledge into actionable strategies.

**Keywords:** *Knowledge Acquisition, Knowledge Sharing, Knowledge Management Practices, Non-Financial Performance.*

**INTRODUCTION**

Organizational performance is central to the success and sustainability of firms across industries (Huynh et al., 2024). In Kenya, and specifically within Nairobi City County, the private security sector plays a vital role in maintaining safety, protecting property, and supplementing national security efforts. However, despite the sector's rapid growth, many private security firms continue to face persistent performance challenges, including inconsistent service delivery, poor knowledge utilization, limited employee training, and slow adaptation to a dynamic security environment (Makori, 2021; PSGO, 2019). These challenges can be attributed in part to ineffective Knowledge Management Practices (KMPs), manifested in weak knowledge

acquisition and inadequate sharing mechanisms. Such gaps hinder firms' ability to adapt to evolving client needs and regulatory requirements, thereby limiting their competitiveness and long-term sustainability.

Globally, the management of knowledge has become a critical driver of performance, with KMPs recognized as essential for fostering innovation, improving decision-making, and enhancing operational effectiveness (Anshari & Hamdan, 2022; Zamiri & Esmaeili, 2024). Effective KMPs enable organizations to systematically acquire, share, store, and implement knowledge, thereby generating, disseminating, and applying insights that improve service delivery, organizational learning, and overall outcomes (Abubakar et al., 2019). Knowledge acquisition provides firms with information from both internal and external environments to anticipate and respond to market dynamics (Nor et al., 2020). Knowledge sharing promotes collaboration and innovation through structured platforms such as mentorship and training programs (El Massi & Hamri, 2023). Collectively, these practices form the foundation of competitive advantage in a knowledge-driven economy.

The adoption of KMPs has been widely embraced in developed economies. For example, approximately 81% of leading companies in Europe and the United States have integrated knowledge management into their operations (World Bank, 2023). The debate has therefore shifted from whether knowledge should be managed to how it can be managed most effectively (Anshari & Hamdan, 2022). In Malaysia, multinational corporations such as Hewlett-Packard and Microsoft introduced knowledge management initiatives in the late 1990s, which gradually became integral to local business strategies. Malaysian managers have since recognized KMPs as central to organizational performance, emphasizing the deliberate alignment of knowledge practices with business goals (Mat Nor et al., 2020).

Regionally, across Africa, the adoption of Knowledge Management Practices has gained increasing attention as organizations strive to improve competitiveness, enhance service delivery, and promote innovation. In countries like Nigeria and South Africa, firms have integrated knowledge acquisition and sharing into their strategic frameworks, particularly in the banking, telecommunications, and public service sectors, to improve efficiency and customer service (El Massi & Hamri, 2023). Similarly, Rwanda has made significant progress through its national ICT policies, leveraging digital platforms to promote knowledge dissemination within government agencies and private enterprises (Uwizeyimana & Mulyungi, 2020). In Ethiopia and Ghana, universities and research institutions are adopting KMPs to strengthen organizational learning and support socio-economic transformation (Asiedu, Abah & Dei, 2022).

The private security sector in Kenya remains a critical pillar of safety and asset protection, yet it continues to experience persistent challenges related to inconsistent service quality, inadequate employee training, and inefficient knowledge utilization (PSGO, 2019). Addressing these challenges requires deliberate investment in KMPs to enhance performance outcomes. In this study, performance will be assessed using non-financial measures, specifically customer satisfaction, service quality, employee satisfaction, and process efficiency. These measures are vital because they reflect how effectively firms serve clients, maintain quality, and support their workforce, and streamline operations, factors that are critical to organizational sustainability in the security industry.

This study, therefore, examines the influence of knowledge acquisition and knowledge sharing, on the performance of private security firms in Nairobi City County. By doing so, it sought to provide evidence-based recommendations that would guide firms in institutionalizing effective

knowledge management practices to strengthen their competitiveness, professionalism, and long-term sustainability.

### **Knowledge Management Practices**

Knowledge management practices refer to the processes of acquiring, storing, comprehending, sharing, and applying knowledge within an organization (Idrees et al., 2023). These initiatives are integrated into the organization's learning framework, ensuring they align with its core values and strategic direction (Areed et al., 2021). The knowledge management practices entail knowledge creation, acquisition, sharing, storage, and implementation (Idrees et al., 2023). This study focused on knowledge acquisition and knowledge sharing.

Knowledge acquisition is the process of gathering and assimilating valuable insights from both internal and external sources (Korimbocus, Towokul & Nagowah, 2020). This enables individuals and organizations to expand their understanding, refine their expertise, and enhance decision-making capabilities through continuous learning. The sources of knowledge include pertinent documents, experiences, experts, and plans. Common techniques used for knowledge acquisition include laddering, interviewing, process mapping, observation, concept mapping, education, and training (Korimbocus et al., 2020). The process of acquiring knowledge is affected by various factors, including the technological infrastructure in place and the resources allocated for training and documentation (Al Ahbabi et al., 2019).

Knowledge sharing is the process of exchanging knowledge within both organizational and personal contexts (Ahmad & Karim, 2019). In other words, it entails the transfer of knowledge from person to person, from a person to groups, or between organizations (Ahmad & Karim, 2019). Knowledge can be shared through multiple channels, including training programs, workshops, collaborative platforms, information and communication technologies (ICT), and communities of practice (Ahmad & Karim, 2019). The efficiency of sharing knowledge is shaped by various factors, including the availability of opportunities for sharing, motivation, and culture (Zamiri & Esmaeili, 2024).

### **Organisational Performance**

Organizational performance is a central concept in management research and practice. It reflects the extent to which firms achieve their goals and sustain competitiveness in a dynamic environment (Gutterman, 2023). It serves as a multidimensional construct that encompasses both financial and non-financial outcomes, providing a comprehensive view of how well an organization is functioning. In a competitive and dynamic business environment, organizational performance is not solely evaluated based on financial outcomes but increasingly through non-financial indicators that reflect operational efficiency, service quality, and customer satisfaction (Kori, Muathe & Maina, 2020). According to Salkić (2024), these indicators are organizational success metrics that are not directly tied to revenue, profit, or return on investment but instead emphasize qualitative and quantitative dimensions that demonstrate the overall health, efficiency, and sustainability of an organization. Such measures include reliability, operational efficiency, and service flexibility (Salkić, 2024).

In service-oriented sectors such as private security, non-financial performance is particularly important as it directly influences client retention, organizational reputation, and operational effectiveness. Indicators such as customer satisfaction, quality of service, employee satisfaction, and efficient processes provide a clear reflection of how effectively firms deliver services to meet client and regulatory expectations (Mohamed et al., 2019). This study deliberately focuses on non-financial measures because private security firms in Nairobi City County often operate under tight margins and are rarely evaluated solely on profitability. Instead, their long-term

survival and competitiveness depend on service quality, professionalism, and client trust, which are better captured by non-financial indicators.

Moreover, financial measures alone may not fully capture the unique operational challenges and qualitative outcomes in the security sector. Non-financial metrics, therefore, provide a more comprehensive understanding of organizational effectiveness, enabling the study to assess how knowledge management practices translate into service quality, employee development, and customer satisfaction rather than short-term financial gains (Ombai, Abraham, & Odollo, 2024).

### **Statement of the Problem**

The private security sector in Kenya plays an increasingly vital role in safeguarding businesses, institutions, and individuals—especially within Nairobi City County, which accounts for a major share of national security operations (PSGO, 2019). Despite this importance, the sector is plagued with non-financial performance challenges: inconsistent service quality, limited responsiveness to emerging security threats, high employee turnover, and low employee satisfaction (KNPSA, 2021; PSGO, 2019). Recent reports show that Kenya has over 300,000 security guards employed by private companies; yet many receive monthly salaries between Kshs 10,000–15,000, even though firms charge clients much higher rates for their services. Guards also work more than 52 hours per week, contributing to fatigue, disengagement, and turnover (Achuka, 2020). These working and compensation conditions undermine firms' ability to deliver high-quality, reliable security services (Murunga, 2016).

Emerging research suggests that these performance issues are not only due to operational constraints (low pay, poor working conditions, regulatory challenges), but also because many firms lack structured Knowledge Management Practices (KMPs)—mechanisms for acquiring and sharing knowledge. Without these, private security firms fail to retain institutional memory, adapt to evolving threats, or learn from past incidents (Murunga, 2016). Empirical studies in other sectors have shown that effective KMPs substantially improve service delivery, decision-making, innovation, and operational efficiency (Abubakar et al., 2019; Obeng et al., 2024; Chidiadi, 2024). However, in the Kenyan private security sector, the extent of this influence remains underexplored. Most existing studies focus on change management, business continuity, strategy implementation, or regulatory affairs—not directly on how KMPs affect performance metrics like service quality, customer satisfaction, employee satisfaction, or process efficiency.

This study, therefore, sought to fill this gap by examining the influence of knowledge acquisition and sharing on non-financial performance in private security firms in Nairobi City County. Performance was measured through customer satisfaction, service quality, employee satisfaction, and process efficiency. Understanding these relationships is crucial for informing strategies that could improve service delivery, staff retention, operational consistency, and competitiveness in Kenya's private security sector.

### **Objectives of the study**

- i. To establish the effect of knowledge acquisition on the non-financial performance of private security firms in Nairobi City County, Kenya.
- ii. To examine the effect of knowledge sharing on the non-financial performance of private security firms in Nairobi City County, Kenya.

### **Theoretical Review**

This study was anchored on the Knowledge-Based View. The Knowledge-Based View of the firm, which was developed by Grant (1996), is built upon the foundations of the Resource-Based View advanced by Penrose (1959), Wernerfelt (1984), and Barney (1991). While the Resource-Based View (RBV) highlights the significance of resources that are “valuable, rare, inimitable,

and non-substitutable (VRIN)” in securing a competitive advantage, the Knowledge-Based View narrows this focus by positioning knowledge as the most strategic and critical organizational resource.

According to Grant (1996), knowledge is unique in that it is embedded in employees’ experiences, organizational processes, and shared routines, making it both difficult to replicate and essential for sustained organizational success. The theory assumes that firms with superior knowledge resources and, more importantly, the ability to manage these resources are better positioned to achieve improved performance outcomes. In this study, the Knowledge-Based View directly anchors the independent variable, that is, Knowledge Management Practices, which includes the acquisition and sharing of knowledge. The theory posits that these practices enable organizations to effectively capture, disseminate, preserve, and apply both explicit and tacit knowledge, which, in turn, enhances organizational capabilities.

The Knowledge-Based View further aligns with this study by emphasizing that well-managed organizational knowledge contributes to non-financial performance aspects like improved service quality, operational efficiency, innovation, and employee productivity—dimensions that are particularly critical for private security firms operating in dynamic and high-risk environments such as Nairobi City County. Private security firms rely heavily on organizational knowledge for activities including threat assessment, operational procedures, risk mitigation, and client management. Through effective knowledge acquisition, these firms gather intelligence and external information critical for security operations. Knowledge sharing promotes coordination among teams.

Although the Knowledge-Based View has faced criticism for underplaying the role of other organizational resources like financial and physical assets (Foss, 1996), its emphasis on knowledge as a strategic resource remains highly relevant. In the private security sector, success depends on operational efficiency and information-driven decision-making. As such, the KBV provides a strong theoretical basis for examining how Knowledge Management Practices influence performance. Therefore, the Knowledge-Based View supports this study by providing the conceptual foundation that links knowledge acquisition and sharing to the non-financial performance of private security companies.

### **Empirical Literature Review**

#### **Knowledge Acquisition and Organizational Performance**

Djangone and El-Gayar (2021) studied “the relationship between knowledge management and organizational performance in Higher Education Institutions (HEIs) in the United States of America.” A quantitative research design was adopted, targeting higher education institutions as the study population. Data were gathered through questionnaires and analyzed using Partial Least Squares (PLS) in combination with Structural Equation Modeling (SEM). The findings showed that knowledge acquisition significantly enhances organizational performance. The authors recommended that a supportive organizational culture be cultivated to optimize knowledge management practices and enhance institutional performance. Although this study provides important insights into the positive effects of knowledge acquisition on organizational performance, it also highlights the need for further investigation across different sectors and contexts; it presents both contextual and conceptual gaps relevant to the current study.

Eresia-Eke and Makore (2019) explored “the impact of knowledge acquisition on organizational performance with a focus on project-focused companies in the engineering and construction sectors in post-apartheid South Africa.” They employed a mixed-methods research design, utilizing purposive sampling to select a representative sample. Data were collected through



questionnaires, supplemented by follow-up telephone interviews. The findings revealed that effective knowledge acquisition positively influences organizational performance by enabling the transfer of knowledge from one project to another. A clear contextual gap exists, as the research was done within the engineering and construction industries in South Africa, which differ significantly from the private security sector in Kenya. Secondly, a conceptual gap is evident in the study's narrow focus on knowledge acquisition without considering other critical knowledge management practices, such as knowledge sharing, storage, and implementation, which collectively contribute to organizational performance.

Barinua and Bassey (2022) conducted a study titled "Knowledge Acquisition and Organizational Performance" in Nigeria. The study adopted a theoretical approach, primarily relying on secondary data from existing literature. Content analysis was employed in analyzing and interpreting the collected data. The results revealed that knowledge acquisition positively impacts organizational performance. While this study provides useful theoretical insights into the link between knowledge acquisition and performance, it presents notable gaps that the current research sought to address. First, the study relied solely on secondary data, introducing a methodological gap related to the timeliness, contextual relevance, and validity of the findings. Secondary data may not accurately capture the current realities, evolving operational challenges, and sector-specific dynamics faced by organizations, more so in rapidly changing environments like the private security industry.

Abdinoor, Moguche, and Kanyiri (2024) explored "the impact of knowledge acquisition on the performance of humanitarian organizations in Marsabit County in Kenya." A descriptive research design was utilized, targeting a population of 386 employees from different humanitarian organizations operating in Marsabit County. A sample of 112 participants was established using the Yamane formula. Questionnaires were used to collect data, while SPSS was used to analyze the data. The results revealed that knowledge acquisition significantly enhances organizational performance. While this study adds to the understanding of how knowledge acquisition enhances performance, it presents several gaps that justify the need for the current research. First, a contextual gap exists since the study was conducted within the context of humanitarian organizations, which differ significantly in structure, operational objectives, and environmental dynamics from private security firms. Second, the geographical and operational distinction further restricts the applicability of the findings to the private security sector within urban settings.

Lewa and Ngari (2019) examined "the relationship between knowledge acquisition and organizational performance." The researcher adopted both descriptive and explanatory research designs. The target population consisted of 275 members of the top management teams from 55 state-owned commercial enterprises in Kenya. A total of 268 respondents were selected using simple random sampling, data were collected through the use of structured questionnaires, and the findings showed that knowledge acquisition significantly influences organizational performance. Although this study offers meaningful insights into the connection between knowledge acquisition and organizational performance, it presents several important gaps that justify the need for the current research. First, a conceptual gap exists since the study measured performance strictly through financial metrics, which, while important, do not capture the broader dimensions of performance relevant to service-oriented sectors like private security. In contrast, the current study concentrated specifically on non-financial performance indicators, including customer satisfaction, quality of service, employee satisfaction, and efficient processes. Second, there is a clear contextual gap, as the study centered on state-owned enterprises, which

operate under different structures, objectives, and regulatory environments compared to private security firms.

### **Knowledge Sharing and Organizational Performance**

Different empirical studies have been carried out. Zahrawi and Hussien (2024) explored “the role of knowledge sharing in enhancing organizational performance within the Jordanian healthcare sector.” They employed quantitative research methods. The research used data from 213 physicians in Jordanian hospitals. Structural equation modeling was used for the analysis of data. The results revealed the importance of reward systems, organizational culture, self-efficacy, and trust in fostering knowledge sharing, which in turn positively impacts organizational performance through innovation. This study offers important insights into how knowledge sharing contributes to enhancing organizational performance. However, several gaps remain that justify the current research.

Firstly, a contextual gap exists since the study was conducted within the healthcare sector in Jordan, a developed Middle Eastern context with unique cultural, regulatory, and organizational structures that differ significantly from the private security industry in Nairobi County. Secondly, a conceptual gap exists in that the authors focused exclusively on knowledge sharing as a dimension of Knowledge Management Practices without examining the collective effect of components like knowledge acquisition, storage, and implementation, which are equally critical to organizational performance.

Danko and Crhová (2024) examined “the relationship between knowledge sharing and organizational performance.” The research was carried out among companies in the Czech Republic. A sample of 237 observations was obtained through a two-round questionnaire survey. The researchers used Partial Least Squares structural equation modeling. The results established that knowledge sharing between managers and employees significantly contributes to improved organizational performance. While this study offers valuable insights into the role of knowledge sharing in enhancing organizational performance, several key gaps remain unaddressed, which the current research aims to explore. Firstly, a contextual gap exists since the research was conducted in the Czech Republic, a developed European economy with different organizational environments, regulatory frameworks, and cultural dynamics compared to the Kenyan context. Secondly, there is a contextual gap in that this study focused on organisational performance in general, whereas the current study focused on non-financial performance.

Al Kashari and Al Taheri (2019) studied “the Role of Knowledge Sharing in Organizational Performance.” They applied qualitative research methods. Secondary data were obtained from credible sources such as reputable websites and scholarly journal articles. The findings highlighted that knowledge sharing is the most vital component of the knowledge management process and serves as a key driver in enhancing the effectiveness and environment of knowledge management. It was also established that knowledge sharing helps firms enhance performance as staff come up with ideas that can propel innovations, growth and sustainability. This study provides valuable theoretical perspectives on the significance of knowledge sharing. However, there is a notable methodological gap that the current research seeks to address. The study relied entirely on secondary data, which may limit the accuracy and contextual relevance of the findings. In contrast, the current study used primary data collected directly from private security organizations in Nairobi County.

The research by Mullei and Misuko (2019) investigated “the influence of knowledge sharing and ownership on organizational performance within Kenyan state corporations.” A descriptive research design was employed, with data collected from 179 state corporations. The results

revealed a strong correlation between knowledge sharing and organizational performance. This study differs from the current one in that it was conducted in state corporations, while the current study focused on private security firms in Kenya. This study offers valuable insights into the relationship between knowledge sharing and performance. However, this is a contextual gap since the research was conducted among state corporations, which operate under different structures, mandates, and regulatory frameworks compared to private security firms. Unlike state entities, private security firms face profit-driven competition, operational risks, and confidentiality requirements that shape the role of knowledge management in their performance.

## **MATERIALS AND METHODS**

### **Research Design**

Creswell and Creswell (2018) define a research design as the collection of procedures and methods employed to conduct a scientific study. This study adopted a quantitative research approach, using a correlational survey research design. A correlational design was suitable for this study because it allowed the researcher to test the strength and direction of relationships between Knowledge Management Practices, namely knowledge acquisition and sharing and the non-financial performance of private security firms.

### **Target population**

The target population in this study comprised private security firms that are licensed and registered with the Private Security Regulatory Authority (PSRA) and have a physical and operational presence in Nairobi City County. To ensure inclusion of firms with sufficient operational experience, only those that had been in continuous operation for more than five years were considered. In cases where firms operated branches both within and outside Nairobi, only their Nairobi-based operations were included in the study to maintain consistency with the geographical scope. Based on PSRA's 2023 records, Kenya had 799 licensed private security firms, out of which 30 firms met the criteria for inclusion in this study. The unit of observation consisted of personnel involved in both management and operations within these firms, specifically managers, administrators, supervisors, and frontline security guards. These categories of staff were selected because they are directly involved in decision-making, operational execution, and the implementation of knowledge management practices.

### **Sampling Design and Techniques**

The study employed a simple random sampling to ensure that every eligible participant in the target population had an equal chance of selection. Simple random sampling is widely regarded as an unbiased technique because it reduces systematic error and enhances representativeness (Kothari, 2014). According to Bryman (2016), determining an appropriate sample size enhances the validity and generalizability of findings. For this study, the sample size was determined using a 30% sampling criterion. Walliman (2017) recommends that for populations under 500, a sample ranging between 10% and 30% is acceptable and scientifically adequate in social science research. Based on this criterion, 30% of the target population was selected, resulting in a total sample of 94 respondents.

### **Data Collection**

Data were collected using structured questionnaires, an efficient and cost-effective tool for covering a wide population with minimal bias (Creswell, 2014; Cooper & Schindler, 2008). The instrument included questions on two independent and one dependent variable, measured on a four-point Likert scale to enable statistical analysis of relationships among variables.



## Validity

The validity of the research instrument was ensured through content and construct validity. Content validity was established via expert review by supervisors and field specialists, whose feedback refined the clarity and relevance of questionnaire items. Construct validity was achieved by aligning questions with the conceptual framework and existing literature. Additionally, a pilot study involving respondents outside the final sample provided practical feedback, further enhancing the instrument's accuracy and credibility.

## Reliability

Reliability was tested through a pilot study involving 12 questionnaires, with internal consistency assessed using Cronbach's Alpha. Items with a coefficient of 0.7 or above were considered reliable, ensuring that the scales consistently measured the intended constructs.

**Table 1: Reliability Test Results**

Variable	No of Items	Cronbach's Alpha	Reliability
Knowledge Acquisition	6	0.800	Reliable
Knowledge Sharing	6	0.867	Reliable
Organizational Performance	7	0.883	Reliable

Source: Survey Data, 2025

As shown in Table 1, all constructs exceeded the acceptable reliability threshold of 0.7. Specifically, knowledge acquisition ( $\alpha = 0.800$ ), knowledge sharing ( $\alpha = 0.867$ ), and organizational performance ( $\alpha = 0.883$ ) demonstrated strong internal consistency, confirming that the items measuring these variables were dependable.

## Data Analysis and Presentation

Data were analyzed using SPSS, applying both descriptive and inferential statistics. Descriptive analysis summarized means, frequencies, and percentages, while inferential analysis employed Pearson correlation to examine relationships among variables and multiple regressions to assess the influence of knowledge management practices on organizational performance. Responses were coded to ensure accuracy and confidentiality, and results were presented in tables for clarity.

## RESEARCH FINDINGS AND DISCUSSION

The study distributed a total of 94 questionnaires to respondents drawn from private security firms in Nairobi City County. Out of these, 77 questionnaires were returned fully completed and deemed usable for analysis. This represents a response rate of 81.9%, which was considered perfect for statistical analysis and reliable generalization of the findings.

### Descriptive Statistics

Descriptive statistics, including means ( $\mu$ ) and standard deviations ( $\sigma$ ), were computed to summarize responses. While  $\mu$  indicated the average response,  $\sigma$  measured variability, with lower values showing greater agreement and higher values reflecting more diverse opinions. Results were presented in tables for clarity.

### Knowledge Acquisition

**Table 2: Descriptive statistics for Knowledge Acquisition**

Statement	Strongly Disagree	Disagree	Agree	Strongly Agree	Mean ( $\mu$ )	Std Dev.( $\sigma$ )
In our firm, we regularly attend industry seminars, workshops, or training to acquire new knowledge.	0 (0%)	5 (6.5%)	33 (42.9%)	39 (50.6%)	3.44	0.62

In our firm, we acquire new knowledge through collaboration with other organizations or institutions.	0 (0%)	0 (0%)	38 (49.4%)	39 (50.6%)	3.51	0.50
In our firm, we acquire knowledge through research, which helps employees to be more competent in what they do.	0 (0%)	0 (0%)	48 (62.3%)	29 (37.7%)	3.38	0.49
The training we get enhances our ability to utilize and develop knowledge within the security sector.	0 (0%)	0 (0%)	23 (29.9%)	54 (70.1%)	3.70	0.46
We actively monitor industry trends and innovations to gain competitive insights.	0 (0%)	0 (0%)	33 (42.9%)	44 (57.1%)	3.57	0.50
Our firm generates new knowledge by conducting market research.	0 (0%)	0 (0%)	48 (62.3%)	29 (37.7%)	3.38	0.49
<b>Aggregate</b>					3.5	0.51

Source: Survey Data, 2025

As shown in Table 2, knowledge acquisition was found to be actively practiced in private security firms, with an aggregate mean of 3.50 and a standard deviation of 0.51. The low  $\sigma$  value indicates strong consensus among respondents, suggesting broad agreement on the practice.

### Knowledge Sharing

**Table 3: Descriptive statistics for Knowledge Sharing**

Statement	Strongly Disagree	Dis agree	Agree	Strongly Agree	Mean ( $\mu$ )	Stad Dev. ( $\sigma$ )
Our firm holds regular workshops or seminars to share knowledge among employees.	0 (0%)	0 (0%)	23 (29.7%)	54 (70.1%)	3.70	0.46
Knowledge is shared with new employees through structured on-the-job training programs.	0 (0%)	0 (0%)	33 (42.9%)	44 (57.1%)	3.57	0.50
The firm has active mentorship programs designed to facilitate knowledge sharing among employees.	0 (0%)	0 (0%)	53 (68.8%)	24 (31.2%)	3.31	0.47
My firm encourages open communication among team members.	0 (0%)	0 (0%)	23 (29.7%)	54 (70.1%)	3.70	0.46
Our firm encourages team members to share knowledge.	0 (0%)	0 (0%)	33 (42.9%)	44 (57.1%)	3.57	0.50
Our firm has effective tools and systems in place to facilitate knowledge sharing within teams.	0 (0%)	0 (0%)	53 (68.8%)	24 (31.2%)	3.31	0.47
<b>Aggregate</b>					3.53	0.48

Source: Survey Data, 2025

As shown in Table 3, knowledge sharing was perceived as actively practiced in private security firms, with an aggregate mean of 3.53 and a standard deviation of 0.48. The low  $\sigma$  value reflects consistency in responses, indicating strong agreement among participants.

### Organisational Performance

**Table 4: Descriptive Statistics for Organisational Performance**

Statement	Strongly Disagree	Disagree	Agree	Strongly Disagree	Mean ( $\mu$ )	Std Dev.( $\sigma$ )
Knowledge sharing among staff contributes to increased customer satisfaction.	0 (0%)	0 (0%)	38 49.4%	39 (50.6)	3.52	0.50
Acquiring up-to-date industry knowledge enables the firm to improve service quality.	0 (0%)	0 (0%)	48 (62.2%)	29 (37.7%)	3.38	0.49
Easy access to stored knowledge reduces operational delays.	0 (0%)	0 (0%)	23 (29.7%)	54 (70.1%)	3.70	0.46
Easy access to stored knowledge improves process efficiency.	0 (0%)	0 (0%)	33 (42.9%)	44 (57.1%)	3.57	0.50
Applying organizational knowledge allows the firm to tailor services to meet customer needs effectively.	0 (0%)	0 (0%)	48 (62.2%)	29 (37.7%)	3.38	0.49
Utilizing knowledge from past experiences improves the quality of service.	0 (0%)	0 (0%)	23 (29.7%)	54 (70.1%)	3.70	0.46
Open knowledge sharing within the firm fosters a positive and productive work environment.	0 (0%)	0 (0%)	48 (62.2%)	29 (37.7%)	3.38	0.49
<b>Aggregate</b>					3.52	0.48

Source: Survey Data, 2025

As shown in Table 4, respondents agreed that knowledge management practices enhance organizational performance, with an aggregate mean of 3.52 and a standard deviation of 0.48. The low  $\sigma$  indicates strong consensus, reflecting positive perceptions of knowledge management's role in improving performance.

### Inferential Statistics

Inferential analysis was conducted to examine the relationship between knowledge management practices—knowledge acquisition and sharing—and the performance of private security firms. Correlation and regression analyses were used to determine the strength and significance of these relationships.

### Correlation Analysis

In this analysis,  $r$  represents the Pearson correlation coefficient, which measures the strength and direction of the relationship between two variables. Values closer to +1 indicate a very strong positive relationship.  $p$  represents the probability value (significance level). A  $p$ -value less than 0.01 means the correlation is statistically significant at the 1% level, implying there is less than a 1% chance that the observed relationship occurred randomly (Field, 2018).

**Table 5: Correlation Analysis Matrix**

		Knowledge Acquisition	Knowledge Sharing	Organizational Performance
<b>Knowledge Acquisition</b>	Pearson Correlation	1	.956**	.972**
	Sig. (2-tailed)		.000	.000
	N	77	77	77
<b>Knowledge Sharing</b>	Pearson Correlation	.956**	1	.980**
	Sig. (2-tailed)	.000		.000
	N	77	77	77
<b>Organizational Performance</b>	Pearson Correlation	.972**	.980**	1
	Sig. (2-tailed)	.000	.000	
	N	77	77	77

Source: Survey Data, 2025

Knowledge Acquisition demonstrated a very strong positive correlation with organizational performance ( $r = 0.972$ ,  $p < 0.001$ ). This indicates that improvements in acquiring up-to-date industry knowledge are strongly associated with enhanced performance of private security firms. Knowledge Sharing was also strongly and positively correlated with organizational performance ( $r = 0.980$ ,  $p < 0.001$ ). This suggests that open sharing of knowledge among staff leads to improved service delivery and customer satisfaction.

#### Regression Analysis

**Table 6: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.989 <sup>a</sup>	.978	.977	.39670

Source: Survey, 2025

As shown in Table 6, the regression results revealed a very strong positive relationship ( $R = 0.989$ ) between knowledge management practices and organizational performance. The model explained 97.8% of the variance in performance ( $R^2 = 0.978$ ; Adjusted  $R^2 = 0.977$ ), with a low standard error (SEE = 0.397), confirming strong predictive power and good model fit. This demonstrates that knowledge management practices are significant predictors of non-financial performance in private security firms.

**Table 7: The Analysis of Variance (ANOVA)**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	500.824	3	166.941	1060.830	.000 <sup>b</sup>
	Residual	11.488	73	.157		
	Total	512.312	76			

Source: Survey, 2025

As shown in Table 7, the regression model was statistically significant,  $F(3, 73) = 1060.83$ ,  $p < 0.001$ , confirming that knowledge acquisition and knowledge sharing collectively predict organizational performance. With  $R^2 = 0.978$ , the model explained 97.8% of the variance, strongly supporting the conclusion that knowledge management practices are key determinants of performance in private security firms.

**Table 8: Coefficient of Determination**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.118	.464		.255	.800
Knowledge Acquisition	.390	.078	.326	4.998	.000
Knowledge Sharing	.490	.085	.345	3.956	.000

Source: Survey, 2025

As shown in Table 8, the constant was not statistically significant ( $B = 0.118$ ,  $p = 0.800$ ), indicating that organizational performance would not change in the absence of knowledge management practices. However, knowledge acquisition ( $B = 0.390$ ,  $p < 0.001$ ) and knowledge sharing ( $B = 0.490$ ,  $p < 0.001$ ) had positive and significant effects on organizational performance.

Knowledge acquisition was found to have a positive and statistically significant effect on organizational performance ( $B = 0.390$ ,  $p < 0.001$ ). The very low p-value indicates strong evidence that the effect was not due to chance. This finding suggests that acquiring new and relevant knowledge enhances the overall outcomes of private security firms. These results are consistent with prior empirical studies. For instance, Djangone and El-Gayar (2021) established that knowledge acquisition significantly enhances organizational performance. Similarly, Eresia-Eke and Makore (2019) found that effective knowledge acquisition positively influences performance by enabling knowledge transfer from one project to another. Abdinoor, Moguche, and Kanyiri (2024) further confirmed that knowledge acquisition strengthens organizational outcomes, while Lewa and Ngari (2019) reported similar findings in the Kenyan context.

Likewise, knowledge sharing was also found to have a statistically significant and positive influence on organizational performance ( $B = 0.490$ ,  $p < 0.001$ ). Since the p-value was below the 0.05 threshold, the result is considered significant. This demonstrates that the ability of employees to effectively exchange knowledge greatly improves organizational performance. The finding aligns with Zahrawi and Hussien (2024), who revealed that knowledge sharing in Jordanian hospitals enhances performance through innovation, supported by trust, organizational culture, and reward systems. Danko and Crhová (2024) also established that knowledge sharing between managers and employees significantly improves organizational performance in Czech firms. Similarly, Al Kashari and Al Taheri (2019) emphasized that knowledge sharing is the most vital driver of knowledge management, facilitating innovation, growth, and sustainability. In the Kenyan context, Mullei and Misuko (2019) reported that knowledge sharing strongly correlates with organizational performance within state corporations.

## CONCLUSIONS AND RECOMMENDATIONS

### Conclusions

The study established that knowledge acquisition ( $\beta = 0.390$ ,  $p < 0.05$ ) and knowledge sharing ( $\beta = 0.490$ ,  $p < 0.05$ ) significantly enhance the performance of private security firms in Nairobi City County. Knowledge acquisition equips employees with the expertise and skills to meet dynamic industry demands, while knowledge sharing fosters collaboration, innovation, and efficiency. Accordingly, the study recommends that firms invest in continuous training, professional development, and exposure to emerging practices to strengthen knowledge acquisition, while also fostering a culture of open communication, teamwork, and trust to promote effective knowledge sharing and sustain long-term organizational performance.



## Policy Recommendations

Based on the conclusions, it was recommended that private security firms should place greater emphasis on knowledge acquisition by investing in regular staff training, professional development and benchmarking against industry best practices. Forming partnerships with training institutions and government agencies can further strengthen employee competencies and enhance adaptability to emerging security challenges. At the same time, management should foster a culture of open communication, teamwork, and trust to encourage knowledge sharing among employees. Promoting collaboration not only enables the exchange of diverse ideas and experiences but also enhances problem-solving, innovation, and service delivery.

## Recommendations for Practice

Future studies should broaden the scope beyond Nairobi to include private security firms in other counties for comparative insights. Since this study emphasized non-financial performance, further research could examine financial outcomes such as profitability, cost reduction, and revenue growth to provide a more comprehensive perspective. Additionally, exploring the moderating and mediating roles of organizational culture, employee motivation, leadership style, and technological adoption would enrich the understanding of how knowledge management practices translate into organizational value.

## Limitations of the Study

The study faced challenges such as reluctance from some firms to disclose sensitive information, reliance on self-reported questionnaires, and restriction to Nairobi City County, which may limit generalizability. These were mitigated through official NACOSTI authorization, university introduction letters to ensure confidentiality, and the use of simple random sampling to reduce bias. Time and budget constraints also limited the study to quantitative methods and non-financial indicators, offering only a partial view of performance.

## REFERENCES

- Abdinoor, B.S., Moguche, A., & Kanyiri, A. (2024). The Effect of Knowledge Acquisition on Organizational Performance of Selected Humanitarian Organizations in Marsabit County, Kenya. *International Journal of Research Publication and Reviews*, 5(6), 6494-6505.
- Abubakar, M.A., Elrehail, H., Alatailat, M.A & Elçi, A. (2019). Knowledge management, decision-making style, and organizational performance. *Journal of Innovation & Knowledge*, 4(2), 104-114, <https://doi.org/10.1016/j.jik.2017.07.003>.
- Achuka, V. (2020). *Rise and rise of security industry amid increased threats*. Retrieved 09 24, 2025, from <https://nation.africa/kenya/news/rise-and-rise-of-security-industry-amid-increased-threats-1104640>
- Ahmad, F. & Karim, M. (2019). Impacts of knowledge sharing: a review and directions for future research. *Journal of Workplace Learning*, 31(3), 207–230.
- Al Ahbabi, S., Singh, S., Balasubramanian, S. & Gaur, S. (2019). Employee perception of the impact of knowledge management processes on public sector performance. *Journal of Knowledge Management*, 23(2), 351–373.
- Al Kashari, Z. & Al Taheri, F. (2019). The Role of Knowledge Sharing in Organizational Performance. *American Scientific Research Journal for Engineering, Technology, and Sciences*, 62(1), 30-38.
- Anshari, M. & Hamdan, M. (2022). Understanding knowledge management and upskilling in the Fourth Industrial Revolution: transformational shift and SECI mode. *VINE Journal of Information and Knowledge Management Systems*, 52(3), 373-393. <https://doi.org/10.1108/VJIKMS-09-2021-0203>.

- Areed, S., Salloum, S.A.& Shaalan, K. (2021). The Role of Knowledge Management Processes for Enhancing and Supporting Innovative Organizations: A Systematic Review. In *Recent Advances in Intelligent Systems and Smart Applications* (pp. 143-161).
- Asiedu, N. K., Abah, M. & Dei, D. J. (2022). *Understanding knowledge management strategies in institutions of higher learning and the corporate world: A systematic review*. Ghana: University of Ghana publication.
- Bach, T. M., Dalazen, L. L., da Silva, W. V., Ferraresi, A. A., & da Veiga, C. P. (2019). Relationship Between Innovation and Performance in Private Companies: Systematic Literature Review. *SAGE Open*. 1-17, <https://doi.org/10.1177/2158244019855847>.
- Barinua, V. & Bassey, A. (2022). Knowledge Acquisition and Organizational Performance. *International Journal of Advanced Academic Research*, 8(4), 84-95.
- Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99-120.
- Bryman, A. (2016). *Social Research Methods*. Oxford: Oxford University Press.
- Chidiadi, A. (2024). Effect of Knowledge Management Practices on Organizational Performance in African SMEs. *African Journal of Information and Knowledge Management*, 2(1), 26-36.
- Cooper, D.& Schindler, P. (2008). *Business research methods* (8th ed.). New Delhi: Tata McGraw-Hill.
- Creswell, J. W. & Creswell, J. D. (2018). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*. Thousand Oaks, CA: Sage Publications, Inc.
- Danko, L. & Crhová, Z. (2024). Rethinking the Role of Knowledge Sharing on Organizational Performance in Knowledge-Intensive Business Services. *Journal of the Knowledge Economy*, 1(1), 1-21, <https://doi.org/10.1007/s13132-024-02354-5>.
- Djangone, A. & El-Gayar, O. (2021). An empirical study of the impact of knowledge acquisition, sharing, and utilization on the organizational performance of higher education institutions (HEIs) and the moderating role of organizational culture. *Issues in Information Systems*, 22(4), 278-289, DOI: [https://doi.org/10.48009/4\\_iis\\_2021\\_258-268](https://doi.org/10.48009/4_iis_2021_258-268).
- EL Massi, K. & Hamri, H. M. (2023). The impact of knowledge management on organizational performance. *International Journal of Accounting, Finance, Auditing, Management and Economics*, 4(6-1), 437-450. <https://doi.org/10.5281/zenodo.10429644>.
- Eresia-Eke, CE & Makore, S. (2019). Knowledge acquisition and organizational performance in project-focused companies. *Journal of Contemporary Management*, 788-811.
- Field, A. (2018). *Discovering statistics using IBM SPSS Statistics* (5th ed.). Sage Publications.
- Foss, N. J. (1996). Knowledge-Based Approaches to the Theory of the Firm: Some Critical Comments. *Organization Science*, 470-476.
- Grant, R. (1996). Toward a Knowledge-Based Theory of the Firm. *Strategic Management Journal*, 17 (Winter Special Issue), 109–122. doi:10.1002/smj.4250171110. S2CID 152155249.
- Korimbocus, M., Towokul, T.& Nagowah, S. (2020). A Survey of Knowledge Capture and Knowledge Sharing Techniques in Agile Software Companies in Advanced Computing and Intelligent Engineering. In B. P. Pati, *Advanced Computing and Intelligent Engineering* (pp. 567–578). Singapore: Springer.
- Lewa, P.& Ngari, J. (2019). Influence of Knowledge Acquisition on Organizational Performance Based on Return on Equity and Return on Assets of State-Owned Commercial Enterprises in Kenya. *European Journal of Business and Management*, 11(3), 1-6, DOI:

- Makore, S. (2015). *The Role Of Knowledge Management In Organisational Performance*. Pretoria, South Africa: Unpublished MBA Thesis, University of Pretoria.
- Mullei, S. N. & Misuko, N. (2019). Effect of knowledge sharing and ownership on organizational performance in selected state corporations in Kenya. *International Academic Journal of Information Sciences and Project Management*, 3(5), 88-104.
- Nor, N.M., Mat Khairi, S.M., Rosnan, H., Maskun, R. & Johar, E. (2020). Establishing a knowledge-based organization: Lessons learnt and KM challenges in Malaysian organization performance of small and medium enterprises in Nairobi City County, Kenya. *Innovation & Management Review*, 235-249. <https://doi.org/10.1108/INMR-05-2019-0065>
- Obeng, H. A., Arhinful, R., Mensah, L. & Owusu-Sarfo, J. S. (2024). Assessing the Influence of the Knowledge Management Cycle on Job Satisfaction and Organizational Culture Considering the Interplay of Employee Engagement. *Sustainability*, 16(20), 1-10, <https://doi.org/10.3390/su16208728>.
- Penrose, E. T. (1959). *The Theory of the Growth of the Firm*. New York: John Wiley.
- Private Security Governance Observatory. (2020). *Private security in Kenya*. <https://www.privatesecurityobservatory.org/regulation-and-oversight/national-regulations-and-overview/kenya.html>
- PSGO. (2019). *Baseline Study on the Private Security Industry in Kenya: Challenges And Implementation of the New Regulatory Framework*. African Private Security Governance Observatory.
- Salkić, A. (2024). Evaluation of Non-Financial Performance Indicators In SMES In Bosnia and Herzegovina. *International Journal of Economics, Commerce, and Management*, 12(3), 135-151.
- Uwizeyimana, E. & Mulyungi, P. (2020). Influence of Information Technology Practices on Provision of Services in Public Institutions in Rwanda. *International Journal of Innovative Research and Development*, 9(3), 1-10, <https://doi.org/10.24940/ijird/2020/v9/i3/MAR20065>.
- Walliman, N. (2017). *Research Methods: The Basics* ( 5th ed.). London: Routledge.
- Wernerfelt, B. (1984). A resource-based view of the firm. *Strategic Management Journal*, 5(1), 171–180.
- World Bank. (2023). *Knowledge management is key to public health planning, a new study shows*. from <https://www.who.int/europe/news-room/13-11-2023-knowledge-management-is-key-to-public-health-planning--new-study-shows#:~:text=The%20power%20of%20knowledge%2Dsharing&text=Ensuring%20support%20from%20political%20leaders,groups%2C%20Dr%20Novillo%20Ortiz%20a>
- Zahrawi, A.A. & Hussien, J. (2024). The Impact of Knowledge Sharing on Organizational Performance in the Jordanian Healthcare Sector: The Mediating Role of Innovation in An Empirical Study. *Operations Research Perspectives*, 4842303, 1-12.
- Zamiri, M. & Esmaeili, A. (2024). Methods and Technologies for Supporting Knowledge Sharing within Learning Communities: A Systematic Literature Review. *Administrative Sciences*, 14(1), 1-34, <https://doi.org/10.3390/admsci14010017>.