

Assessing the Effect of Knowledge Acquisition on Competitive Advantage: A Knowledge-Based and Resource-Based Study

Kenneth Chukwujioke Agbim

Business Administration Department, College of Management Sciences, University of Agriculture, Makurdi,
Nigeria

Tel: +2347031263134, email: kennethagbim2012@gmail.com

Tor Aondoaver Zever

Business Administration/Management Department, Benue State Polytechnic, Ugbokolo, Nigeria

Godday Orziemgbe Oriarewo

Business Administration Department, College of Management Sciences, University of Agriculture, Makurdi,
Nigeria

Abstract

The sustainability of competitive advantage is known to be influenced by knowledge-based threats like imitation, substitution, hold-up and slack. Strategic management researchers have relied on the “resource-based view” and the “knowledge-based view” to explain how to avoid these threats since tangible/intangible assets and intangible capabilities contribute to the achievement of competitive advantage. This reasoning has further given rise to the question “why do some firm’s outperform others?” Thus, owing to the increase in the employment of knowledge workers, the use of Information and Communication Technology (ICT) in service delivery, and the upsurge in the number of hotels in the hospitality industry in Benue State, this study assessed the relationship between knowledge acquisition and competitive advantage. The study adopted ex-post-facto research design and multi-stage sampling technique to select the elements that completed the questionnaire from the population of employees of the selected hotels. The validity and reliability of the questionnaire was confirmed using Kaiser-Mayer-Olin (KMO), Bartlett and Cronbach alpha tests. Linear regression statistical method was employed to test the research hypothesis. It was found that knowledge acquisition is significantly related to competitive advantage. In view of this, hoteliers and hotel managers should employ ICT systems, skilled knowledge workers and all other relevant knowledge management resources that will further help to enhance knowledge acquisition. At every point in time, efforts should be made to acquire modern and latest systems and to improve employees’ skills through training and retraining. Again, a cordial relationship between employees/managers and customers/the general public should be encouraged to ensure free flow of relevant information/knowledge from the customers/public to the organization.

Keywords: Knowledge acquisition, Competitive advantage, Knowledge-based view, Resource-based view

1. INTRODUCTION

There are several knowledge-based threats to the sustainability of competitive advantage. According to Ghemawat (2006) there are generally four different kinds of threats to the sustainability of competitive advantage- imitation, substitution, hold-up and slack. It is possible as noted by Brown & Duguid (2001) to reason in terms of what types of knowledge are in principle more useful to avoid these kinds of threats. This reasoning has further given rise to the question “why do some firm’s outperform others?” (Rumelt, 1984; Porter, 1985; Levinthal, 1995; Hawawini et al., 2003; Newbert, 2007; Sirmon et al., 2007; Teece, 2007). Many strategy researchers have tried to explain the variances in performance across a range of industries and usually by looking for the source of competitive advantage (Gonzalez-Fidalgo & Ventura-Victoria, 2002; Foss & Foss, 2005; Newbert, 2007; Teece, 2007). However, it is obvious from the strategic management literature that knowledge as a resource is slowly becoming the most important factor of production, next to labour, land and capital and the source of competitive advantage (Sher & Lee, 2004).

Therefore, the key objective of management should be to improve the process of Knowledge acquisition by replenishing their knowledge resource regularly for competitiveness (Harrison & Leitch, 2000; Kovacic et al., 2006). Competitive advantage is increasingly found in knowing how to do things, rather than in having special access to resources and markets. Knowledge and intellectual capital have become both the primary basis of core competencies and the key to superior performance. A variety of factors have been shown to have an important effect on the ability of organizations to acquire sustained competitive advantage. One of such factors is the acquisition of knowledge that is difficult for outsiders to copy as well as the ability to rapidly develop new knowledge (Lubit, 2001; Johannessen & Olsen, 2003). This is because many markets are quite saturated with

numerous organizations endeavouring toward core competencies so as to achieve sustainable competitive advantage (Gupta & McDaniel, 2002).

The sustainability of knowledge-based competitive advantage depends on the type of knowledge involved and how well the workers have learnt and practiced the use of such knowledge. These workers who develop and use the new knowledge that gives the organization a competitive advantage becomes not only a competitive resource, but also the only resource for it. To this end, Drucker (2001) stated that knowledge is always embodied in a person; carried by a person; created, augmented or improved by a person; applied by a person; taught and passed on by a person; used or misused by a person. The shift from less emphasis on tangible assets to more emphasis on intangible assets as a way of achieving and/or maintaining competitive advantage has contributed to the foundation of knowledge revolution (Prahalad & Hamel, 1990; Amit & Shoemaker, 1993; Teece, 2000; Conner, 2002; Teece, 2007; Conner, 2007; Ambos & Schlegelmilch, 2009) and therefore puts the person in the centre. Knowledge acquisition leverages the skills and expertise of these knowledge workers with the support of Information Technology (IT).

In the last 15 years, the hospitality industry in Benue State has witnessed an upsurge in the number and quality of hotels. Most importantly, this development has been characterized by increase in the employment of knowledge workers and the use of Information and Communication Technology (ICT) in service delivery. Consequently, there is an increased competition among the hotels which develop new knowledge, distribute and transform it into high quality service to outperform others and overcome the knowledge based threats in the industry. Thus, owing to the contribution of tangible/intangible assets and intangible capabilities to sustained competitive advantage, this study sought to assess the effect of knowledge acquisition on the competitive advantage of hotels in Benue State.

1.1 Research Hypothesis

HO₁: There is no significant relationship between knowledge acquisition and competitive advantage.

2. THEORETICAL BACKGROUND

2.1 Knowledge-based view

The Knowledge-Based View (KBV) states that the success of an organization that is involved in producing, integrating and distributing knowledge is measured by the organization's ability to develop new knowledge based on its own resources. Thus, the core resource of the organization is knowledge (Grant, 1996). Previous researches (Bierly & Chakrabati, 1996; Davenport & Prusak, 1998) suggest that knowledge-based organizations are more creative, efficient and effective than any other organizations. This therefore implies that knowledge is the only source of sustainable competitive advantage. To achieve superior performance, with the necessary resources and superior capabilities (Davenport & Prusak, 1998), the organization needs tacit knowledge to integrate and coordinate other resources and capabilities (Grant, 1996). Organizational knowledge has an important position as a major source of organizational competence. This is because knowledge is contextual information, experiences, values and opinions of experts (Davenport & Prusak, 1998).

There is a debate about what "knowledge as resource" means. One strand argued that "knowledge as resource" focuses on knowledge per se, meaning that knowledge is something that can be transferred, recombined, licensed, codified and put into a computer-based knowledge repository, and used to create value for a firm (Carlsson, 2004). Carlsson further stated that another strand argued that it is not knowledge per se that should be in focus, but "knowing". This means an emphasis on the context where knowledge is created, shared, integrated and put to use. The later view has primarily a process and flow view, which means that the design, structuring of knowledge processes and flows form the basis for achieving competitive advantage. Furthermore, since competitive advantage is based on knowledge and the ability to continually develop new knowledge; this knowledge element is an important factor and resource in the success of the organization (Bierly & Chakrabati, 1996).

2.2 Resource-based view

The Resource-Based View (RBV) was put forward by Wernerfelt (1984) based on the earlier work of Penrose (1959). The RBV stresses the importance of internal idiosyncratic resources in explaining the differences in success levels amongst firms when competing in the same industry (Wernerfelt, 1984; Barney, 1991). Resource-based is defined as the resources and capabilities possessed by competing firms that may differ, and these differences may be long lasting (Rumelt, 1984; Wernerfelt, 1984; Barney, 1991). The RBV is the first stream in the field of strategic management that has significantly grounded the understanding of the variations of success levels in firms. However, the literature suggests that not all resources contribute equally to a firm's success (Barney, 1991; Petraf, 1993; Adner & Zemsky, 2006; Moliterno & Wiersema, 2007). The resources that contribute to a firm's success are valuable, rare, inimitable, non-substitutable, appropriable, and specialized capabilities that bestow the firm's competitive advantage. These resources are intangible in nature

and include staff know-how, organizational culture and reputation. These resources are called strategic assets (Itami & Roehl, 1987; Hall, 1992; Amit & Shoemaker, 1993; Barney, 2001; Ray et al., 2004; Newbert, 2007).

The RBV has gained importance in the field of strategic management. Specifically, during the 1990s, the RBV gained much attention in explaining why some firms outperformed others (Barney, 1991; Ray et al., 2004). Within the RBV, capabilities are referred to as being the most important contributor to a firm's success (Charan, 1991; Day, 1994; Grant, 1996; Teece et al., 1997; McEvily & Chakravarthy, 2002; Grant, 2002; Teece, 2007; Moliterno & Wiersema, 2007), and are ultimately reflected in managers and staff know-how (Grant, 2002). Capabilities can be considered a superior resource in a firm's resource pool as a result of being dynamic. This assists the firm in acquiring and developing all other assets (Itami & Rochi, 1987).

The main proposition of the RBV is that competitive advantage is based on valuable and unique internal resources and capabilities that are costly for competitors to imitate (Wernerfelt, 1984; Burney, 1991). This implies that competitive advantage is an outcome of resources and capabilities residing within the firm, but these capabilities can be "directed" towards the environment of the firm. Thus, if the firm is able to exercise this capability faster than its competitors it can give the firm a competitive advantage (Eisenhardt & Schoonhoven, 1996; Choudhury & Xia, 1999).

3. LITERATURE REVIEW

3.1 Knowledge Acquisition

Knowledge is an important source for learning new things, solving problems, creating core competencies and establishing new positions for individuals and the organization at present and in the future (Nasimi et al., 2013). There are two types of knowledge- explicit knowledge and tacit knowledge (Alwis & Hartmann, 2008). These two types of knowledge complement each other (Sharma & Goswami, 2009) as knowledge is moved from the level of an individual to that of the group and ultimately to the organizational level when there is conversion between tacit and explicit knowledge (McAdam et al., 2007). Explicit knowledge has been described as what can be embodied in a code or a language and as a consequence it can be verbalized and communicated, processed, transmitted and stored relatively easily (Nonaka et al., 2000; Kikoski & Kikoski, 2004). It is public and most widely known, and the conventional form of knowledge which can be found in books, journals and the mass media such as newspapers, television and internet. It is the sort of knowledge we are aware of using and it can be shared in the form of data, scientific formulae and manuals. Patents are an ideal example of explicit knowledge in a business context (Nonaka et al., 2000; Kikoski & Kikoski, 2004; Alwis & Hartmann, 2008).

In contrast, tacit knowledge is personal and hard to formalize – it is rooted in actions, procedures, commitments, values and emotions. Tacit knowledge is the less familiar unconventional form of knowledge. It is the knowledge which we are not conscious of. Tacit knowledge is not codified, it is not communicated in a "language", it is acquired by sharing experiences, by observation and imitation (Hall & Andriani, 2002; Kikoski & Kikoski, 2004). Tacit and explicit knowledge are complementary which means both types of knowledge are essential in knowledge creation. Explicit knowledge without tacit insight quickly loses its meaning. Knowledge is created through interactions between tacit and explicit knowledge and not from either tacit or explicit knowledge alone (Nonaka et al., 2000). Competitive advantage will only be gained if companies value their tacit knowledge as explicit knowledge can be known by others as well. Tacit knowledge creates the learning curve for others to follow and provides competitive advantage for future successful companies (Kikoski & Kikosi, 2004). Dalkir (2005) identified the properties of tacit knowledge as: ability to adapt, ability to deal with new and exceptional situations; expertise, know-how, know-why and care-why; ability to collaborate, to share a vision, to transmit a culture; and coaching and mentoring to transfer experiential knowledge on a one-to-one, face-to-face basis. Conversely, Dalkir noted that the properties of explicit knowledge include: ability to disseminate, to reproduce, to access, and to reapply throughout the organization; ability to teach, to train; ability to organize, to systematize, to translate a vision into a mission statement, into operational guidelines; and transfer of knowledge via products, services and documented processes.

Recently, the role of knowledge as a fundamental principle of competitive advantage has been emphasized in the field of strategic management. To achieve sustainable competitive advantage, an organization should realize how to create, distribute and utilize knowledge (Rahimli, 2012); hence, the need for knowledge acquisition in organizations. Based on the definition of Knowledge Management (KM) by Darroch (2003), knowledge acquisition is one of the dimensions of KM (i.e., knowledge acquisition, knowledge dissemination and responsiveness to knowledge). Since KM is a process that transforms individual knowledge into organizational knowledge (Rasula et al., 2012), the dimensions of KM allow organizations to learn, reflect, unlearn, relearn, build, maintain and replenish its core competencies (Bhatt, 2001). Knowledge acquisition is the process of obtaining knowledge externally and making it appropriate for succeeding use (Holsapple, 2003). Hence, the knowledge generated externally will serve as the firm's competitive advantage. The acquired

knowledge will be combined with the existing knowledge to create new knowledge, for instance, new processes (Aranda & Molina-Fernandez, 2002).

Knowledge acquisition is a complementary capability that enhances a firm's absorptive capability to identify and acquire external information that is critical to its operations (Zahra & George, 2002a). A firm's "absorptive capacity" is critical to its innovative capacity. Absorptive capacity is a firm's ability to "... recognize the value of new, external information, assimilate it, and apply it to commercial ends" (Cohen & Levinthal, 1990). Zahra & George (2002a, 2002b) defined absorptive capacity as a dynamic capacity that pertains to knowledge creation and utilization that enhances a firm's ability to gain and sustain a competitive advantage.

According to Darroch (2003) knowledge acquisition relates to the location, creation or discovery of knowledge. Knowledge which is new to an organization has to either be invented internally or acquired from external sources. There are many sources of knowledge both internal and external for an organization to tap from (Werr et al., 2009). Internally, employees' individual capabilities, skills and experiences need to be discovered and exploited. Also, the analysis and understanding of various internal data and information are vital sources of knowledge that can be exploited. In the same way, externally, customers and channel members have knowledge that needs to be acquired by the organization for decision-making. Knowledge can also be acquired from other members of the external environment like competitors and the public (Petruzzelli et al., 2009). This information is required if an organization wants to develop a sustainable competitive advantage that will lead to superior market performance. Knowledge about customers, markets and other relevant factors of influence allows faster utilization of opportunities and more flexible reaction to threats. Thus, through superior knowledge, companies can accomplish their goals faster, cheaper and at higher quality than their competitors (Gebert et al., 2002).

3.2 Competitive Advantage

The world is changing more rapidly than ever before. Hence, managers and other employees throughout an organization must perform at higher and higher levels. In the last 20 years, rivalry between organizations competing domestically and globally has increased dramatically. Today, managers who make no attempt to learn from and adapt to changes in the global environment find themselves reacting rather than innovating and their organizations often become uncompetitive and fail (Jones & George, 2008).

Conversely, managers who learn and adapt to changes in the global environment and who effectively and efficiently manage their knowledge-base achieve competitive advantage. Competitive advantage is the ability of one organization to outperform other organizations because it provides desired goods and services more efficiently and effectively than they do (Jones & George, 2008). From the customer's point of view, competitive advantage is a company's attractiveness to its customers in comparison to their rivals (Chan et al., 2004). It is also viewed as diversity of features or any company's dimensions that enables it to perform better services to customers in comparison with rivals (Hao, 1999).

However, Macky & Johnson (2003) opined that there is a difference between competitive advantage and "sustained" competitive advantage. Macky & Johnson described sustained competitive advantage as occurring when competitors are incapable of duplicating the benefits of a firm's competitive advantage and cease their attempts to do so. It is the "cease" period in the firm's attempts at duplication that signify a "sustained" competitive advantage. According to Chan et al. (2004) some researchers agree that there are two main criteria by which firms can achieve this sustainability of advantage: firstly, given the dynamic environment, they need to be able to continuously identify, upgrade, rejuvenate and reinvent resources. Secondly, they need to have the ability to create an environment in which they can be self-reinforcing and enhancing in value and strength, thus causing sustained major cost disadvantages to imitating firms.

3.3 Effect of knowledge acquisition on competitive advantage

Knowledge acquisition is important because gathering knowledge from suppliers, employees and customers remains the top priority for organizations to ensure continuous improvement. The accumulation of information can increase an organization's understanding of their employee's skills and experiences, and enable the organization to better produce products that can meet customers' satisfaction (Yang, 2008).

Additionally, before knowledge can be effectively manipulated for the business purposes at hand, it must be harnessed from within the organization or acquired in some sense from outside the firm. It is at the point of knowledge acquisition that the boundaries between knowledge and information will blur considerably (Jacob & Ebrahimpur, 2001). When searching relevant sources that are external to the organization, it is quite conceivable that the firm may be gathering both information and knowledge from those familiar enough with its core competencies to provide meaningful inputs. However, it is thought that, even in this context, knowledge continues to be value-added than information, because the former implies the acquisition of not only the information but the benefits of why it may be useful to the strategic initiatives of the organization, as informed by the perceptual lens through which it is known (Gupta & McDaniel, 2002).

Knowledge can be captured as existing knowledge within the firm, which resides as tacit knowledge inside the minds of its employees or is stored in company databases as codified information wrapped in contextual footnotes meant to inject a lens through which such information is known (Gupta & McDaniel, 2002). Gold et al. (2001) argued that collaboration between employees is the beginning of the transformational process of tacit knowledge to explicit knowledge. Collaboration brings together individual differences in backgrounds, experience, and way of doing things and cognitive style, which has the potential of generating novel strategic mechanisms for achieving company ends. If this socialization of knowledge is successful, learning will be achieved, often laddened with the potential for activation toward competitive advantage.

Knowledge can also be acquired from outside the company as new knowledge. Two examples of methodologies utilized to accomplish this goal are benchmarking and interorganisational collaboration (Gold et al., 2001). Gold et al. further asserted that through benchmarking, an organization identifies outstanding practices from well-positioned competitors, and then evaluates the current state of a particular process to identify gaps or problems in design. Once these variables have been identified, the firm can then capture the knowledge for internal use. Collaboration between an organization and its network of business partners can produce knowledge through such mechanisms as technology sharing, personnel movement and linkages between alliance partners or joint ventures. Assuming that the firm has the intellectual and pragmatic infrastructure to absorb such interfirm pooling of resources, such mechanisms have been shown to assist in the accumulation of knowledge.

More so, future firms will more actively attempt to acquire knowledge from their environments through the use of Information and Communication Technologies (ICT) (Huber, 2003; Carlsson, 2004). Carlsson further stated that ICT and Computer-Based Information System (CBIS) have primarily been used to gain and sustain competitive advantage through economies of scale or economic of scope. In the knowledge economy, ICT and Information System (IS) (especially KM system) will also be used to gain and sustain competitive advantage through “economies of knowing”. A firm can use ICT to identify and acquire external information and knowledge. An example is environmental scanning on the internet using advanced search techniques, like agent-based search techniques. It can also be through interaction with, for example, consumers and customers or other value chain-partners where the focus is on integration of knowledge resources in relationships and collaboration with partners.

Hibbard & Carrillo (1998) warned against harvesting all existing information or knowledge without knowing whether it will pay off. The process of filtering knowledge according to Gupta & McDaniel (2002) should be guided by the organization’s vision, mission and overarching goals, so as to provide an effective focal framework by which the management team can successfully evaluate knowledge. Mullin (1996) recommended devising cross-divisional review teams to determine which knowledge is valuable in its scope. Such a team should have an awareness of both the broad strategic objectives of the organization as well as a working understanding of internal processes and the division of labour within the firm, in order to use discernment in evaluating novel knowledge inputs. Hibbard & Carrillo suggested a combination of human and technological resources to help determine what explicit knowledge to manage and how to manage it. According to Parikh (2001), once the vast array of knowledge available to the company has been thoroughly examined; for its strategic and pragmatic usefulness, the organisation benefits in terms of competitive advantage; for organizing and storing this knowledge.

The generation and addition of new knowledge is innovation (Nonaka, 1994; Chen & Tsou, 2007). The implementation of innovation is believed to improve a company’s competitive advantage (Cooper, 1998; Damanpour & Gopalakrishman, 2001; Chuang, 2005). This knowledge is an intangible asset that is close to impossible for competitors to access and copy, it provides a company with a greater potential to develop its own competitive advantage (Kogut & Zander, 1992; Nonaka & Takeuchi, 1995; Foss, 1996). Research has shown that knowledge acquisition has a positive relationship with innovations (Li & Calantone, 1998; Darroch & McNaughton, 2001) and competitive advantage (Ng et al., 2012). Also, absorptive capacity, which incorporates knowledge acquisition, has a positive relationship with the creation of new products. Organizations which have absorptive capacity will possibly be able to enhance knowledge acquisition (Tsai, 2001; Jantunen, 2005). Yli-Renko et al. (2001) found that knowledge acquisition is positively correlated with knowledge exploitation for competitive advantage. More so, managers and academics have recognized knowledge as a source of competitive advantage (Grant, 1997). Hence, there is a relationship between knowledge acquisition and competitive advantage (Kamya et al., 2010).

4. RESEARCH METHODOLOGY

Ex-post-facto research design was adopted for this study. Multi-stage sampling technique, Yamane (1967) sample size determination method and Bourley (1964) individual sample size determination method were employed to select a sample of 279 employees and 77 hotels from a population of 922 employees and 96 hotels respectively. Data for the study were collected using questionnaire. Knowledge acquisition was measured in

terms of interactions among all employees, and between the organization and customers/competitors/suppliers, coaching and mentoring to learn experiential knowledge, adapting to new and exceptional situations, training, and the use of ICT tools. Competitive advantage was measured in terms of innovativeness, industry position, mass customization and difficulty in service duplication. These variables were measured on a 4-point Likert scale, ranging from very high (4) to very low (1). The result of the Kaiser-Meyer-Olkin (KMO) and Bartlett's Test of Sphericity for validity was significant, while for the Cronbach alpha test, all the constructs and item statements showed values that are equal to or greater than the minimum threshold of 0.70 required for reliability. However, the overall reliability Cronbach alpha value is 0.827. Out of the 279 copies of the questionnaire that were administered, 256 copies were retrieved back, while only 244 were properly completed and used for data analysis. Chi-Square "goodness-of-fit" test was employed to confirm that our data were normally distributed. The data were analysed at 0.05 level of significance using linear regression statistical method through the Statistical Package for Social Sciences (SPSS Version 21.0 for Windows).

5. ANALYSIS

5.1 Test of Hypothesis

HO₁: There is no significant relationship between knowledge acquisition and competitive advantage.

The regression result of the relationship between knowledge acquisition and competitive advantage is shown in Table 1. Table 1 showed that a strong relationship exists between knowledge acquisition and competitive advantage ($R = .913$). Also, knowledge acquisition influenced competitive advantage as knowledge acquisition explained 83.4% of the total variance in competitive advantage ($\text{Adj. } R^2 = .834$). Thus, the relationship between knowledge acquisition and competitive advantage is significant ($B = .462$, $t = 7.915$, $P < .05$). We therefore reject H_{01} and conclude that knowledge acquisition is significantly related to competitive advantage.

6. DISCUSSION OF FINDINGS

A variety of factors have been shown to have important effect on the ability of organizations to acquire sustained competitive advantage (Johannesson & Olsen, 2003). One of such factors as asserted by Lubit (2001) is knowledge that is difficult for outsiders to copy as well as the ability to rapidly develop new knowledge. The creation and diffusion of knowledge according to Sundiman et al. (2013) are essential elements in competitiveness. Thus, the result of this study has shown that knowledge acquisition is significantly related to competitive advantage. This finding is similar to the result obtained by Yli-Renko et al. (2001) and Lin & Lee (2005). Yli-Renko et al. found that knowledge acquisition is positively correlated with knowledge exploitation for competitive advantage, while Lin & Lee found that, knowledge acquisition is positively related to innovative competitive performance.

Knowledge acquisition relates to the location, creation or discovery of knowledge (Darroch, 2003). Knowledge that is new to an organization has to either be invented internally or acquired from external sources (Alwis & Hartmann, 2008). Knowledge can be acquired internally from employees' individual capabilities, skills or experiences. This knowledge resides as tacit knowledge inside the minds of the employees. This tacit knowledge is transformed into explicit knowledge through collaboration and stored in company database as codified information for the organisation's use (Gold et al., 2001; Gupta & McDaniel, 2002).

Furthermore, a firm can use ICT and Computer-Based Information System (CBIS) to identify and acquire external information and knowledge (Huber, 2003; Carlsson, 2004). Knowledge can also be acquired from other members of the external environment like competitors and the public as new knowledge through benchmarking and interorganisational collaboration (Gold et al., 2001; Petruzzeli et al., 2009). The generation and addition of new knowledge is innovation (Nonaka, 1994; Chen & Tsou, 2007). The implementation of innovation is believed to improve a company's competitive advantage (Cooper, 1998; Damampour & Gopalakrishnan, 2001; Chuang, 2005). This knowledge is an intangible asset that is close to impossible for competitors to access and copy and when disseminated it provides a company with a greater potential to develop its own competitive advantage (Kogut & Zamder, 1992; Nanoka & Takeuchi, 1995; Foss, 1996).

7. CONCLUSION AND RECOMMENDATIONS

The ability of organizations to gain competitive advantage is known to be influenced by diverse factors. One of such factors and the one which this study focused on is knowledge acquisition. This study has empirically established that knowledge acquisition is significantly related to competitive advantage among hotels in Benue State. Thus, the sustained competitiveness among the hotels in Benue State could be attributed to the prevalence and unprecedented increase in the acquisition of ICT gadgets and the employment of knowledge workers. In view of this, hoteliers and hotel managers should employ ICT systems, skilled knowledge workers and all other relevant KM resources that will further help to enhance knowledge acquisition. At every point in time, efforts

should be made to acquire modern and latest systems and to improve employees' skills through training and retraining. Again, a cordial relationship between employees/managers and customers/the general public should be encouraged to ensure free flow of relevant information/knowledge from the customers/public to the organization.

There is obviously no study without limitations. Therefore, the interpretation of the results of this study should be restricted in the light of three limitations. First, the study covered only the hospitality sector- hotels. Thus, findings of this study should be limited to this sector. Further studies in this area should endeavour to include other sectors like, manufacturing, services, trading and marketing as they are also very important in the economy. Second, the study was limited to employees as the single informants. Thus, further studies should include customers, managers and suppliers as informants so as to have a broader response concerning knowledge acquisition practices in the organizations. Third, this study was conducted in a problematic environment like that of Benue State, Nigeria which may limit the findings of the study. Therefore, further studies in knowledge acquisition should be conducted in similar or different environment so as to validate and generalise the findings of this study.

REFERENCES

- Adner, R. & Zemsky, P. (2006). A demand-based perspective on sustainable competitive advantage. *Strategic Management Journal*, 27, 621-636.
- Alwis, R.S. & Hartmann, E. (2008). The use of tacit knowledge within innovative companies: Knowledge management in innovative enterprises. *Journal of Knowledge Management*, 12(1), 133-147.
- Ambos, T.C. & Schlegelmilch, B.B. (2009). Managing knowledge in international consulting firms. *Journal of Knowledge Management*, 13(6), 491-508.
- Amit, R. & Shoemaker, P. (1993). Strategic assets and organizational rent. *Strategic Management Journal*, 14(1), 33-46.
- Aranda, D.A. & Molina-Fernandez, L.M. (2002). Determinants of innovation through a knowledge-based theory lens. *Industrial Management and Data System*, 102(5), 289-296.
- Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99-120.
- Barney, J. (2001). Resource-based theories of competitive advantage: A ten-year retrospective on the resource-based view. *Journal of Management*, 17, 643-650.
- Bierly, P. & Chakrabati, A. (1996). Generic knowledge sharing in the U.S. pharmaceutical industry. *Strategic Management Journal*, 17, 123-126.
- Brown, J.S. & Duguid, P. (1991). Organizational learning and communities-of-practice: Toward a unified view of working, learning and innovation. *Organization Science*, 2(1), 40-57.
- Carlsson, S.A. (2004). Enhancing knowledge acquisition through the use of ICT. Paper presented at the International Conference on Decision Support in an Uncertain and Complex World (The IFIP TC8/WG8.3), Lund, Sweden.
- Chan, L.L.M., Shaffer, M.A. & Snape, E. (2004). In search of sustained competitive advantage: The impact of organizational culture, competitive strategy and human resource management practices on firm performance. *International Journal of Human Resource Management*, 15(1), 17-35.
- Charan, R. (1991). How networks reshape organizations for results. *Harvard Business Review*, September/October, 104-115.
- Chen, J.S. & Tsou, H.T. (2007). Information technology adoption for service innovation practices and competitive advantage: The case of the financial firms. *Information Research*, 12(3). Retrieved from www.informtionR.net/ir/12-3/paper314.html on January 1, 2014.
- Chouldhury, V. & Xia, W. (1999). A resource-based theory of network structures. In N. Venkatramann and J.C. Henderson (Eds.), *Research in strategic management and information technology*. Greenwich, CN: JAI Press.

- Chuang, L.M. (2005). An empirical study of the construction of measuring model for organizational innovation in Taiwanese high-tech enterprises. *The Journal of American Academy of Business*, 9(2), 299-304.
- Cohen, W.M. & Levinthal, D.A. (1990). Absorptive capacity: A new perspective on learning and innovation. *Administrative Science Quarterly*, 35, 128-152.
- Conner, T. (2002). The resource-base view of strategy and its value to practicing managers. *Strategic Change*, 11, 307-316.
- Conner, T. (2007). Research notes and commentaries, market orientation and performance. *Strategic Management Journal*, 28, 957-959.
- Cooper, J.R. (1998). A multidimensional approach to the adoption of innovation. *Management Decision*, 36(8), 493-502.
- Dalkir, K. (2005). *Knowledge management in theory and practice*. Boston: Elsevier.
- Damanpour, F. & Golpalakrishman, S. (2001). The dynamics of the product and process innovations in organizations. *Journal of Management Studies*, 38(1), 45-65.
- Darroch, J. (2003). Developing a measure of knowledge management behaviours and practices. *Journal of Knowledge Management*, 7(5), 41-45.
- Darroch, J. & McNaughton, R. (2001). Developing a measure of knowledge management. In N. Bontis (Ed.), *Organisational intelligence: The cutting edge of intellectual capital and knowledge management* (Pp. 226-242). Boston, MA: Butterworth-Heinemann/KMCI Press.
- Davenport, T. & Prusak, L. (1998). *Working knowledge*. Boston: Harvard Business School Press.
- Day, G. (1994). The capabilities of market-driven organizations. *Journal of Marketing*, 58, 37-52.
- Drucker, P.F. (2001). *The essential Drucker*. New York: Harper Collins.
- Eisenhardt, K.M. & Schoonhoven, C.B. (1996). Resource-based view of strategic alliance formation: Strategic and social effects in entrepreneurial firms. *Organization Science*, 7(2), 136-150.
- Foss, K. & Foss, N.J. (2005). Resources and transaction costs: How property rights economics furthers the resource-based view. *Strategic Management Journal*, 26 541-553.
- Foss, N.J. (1996). Knowledge-based approaches to the theory of the firm: Some critical comments. *Organization Science*, 7(5), 470-476.
- Gebert, H., Geib, M., Kolbe, L. & Riempp, G. (2002). Towards customer knowledge management: Integrating customer relationship management and knowledge management concepts. Paper presented at the 2nd International Conference on Electronic Business, Taipei, Taiwan.
- Ghemawat, P. (2006). *Strategy and the business landscape*. Upper Sadle River, New Jersey: Prentice Hall.
- Gold, A.H., Malhotra, A. & Segars, A.H. (2001). Knowledge management: An organizational capabilities perspective. *Journal of Management Information Systems*, 18(1), 5-21.
- Gonzalez-Fidalgo, E. & Ventura-Victoria, J. (2002). How much do strategic groups matter? *Review of Industrial Organization*, 21, 55-71.
- Grant, R. (1996). Towards a knowledge-based theory of the firm. *Strategic Management Journal*, 17, 109-122.
- Grant, R. (2002). *Contemporary strategy analysis*. Boston: Blackwell.
- Grant, R.M. (1997). The knowledge-based view of the firm: Implications for management practice. *Long Range Planning*, 30(3), 450-454.

- Gupta, A. & McDaniel, J. (2002). Creating competitive advantage by effectively managing knowledge: A framework of knowledge management. *Journal of Knowledge Management Practice*, October, 1-7.
- Hall, R. (1992). The strategic analysis of intangible resources. *Strategic Management Journal*, 13, 135-144.
- Hall, R. & Adriani, P. (2002). Managing knowledge for innovation. *Long Range Planning*, 35(1), 29-48.
- Hao, M. (1999). Anatomy of competitive advantage. *Management decision*, 37(9), 709-718.
- Hawawini, G., Subramanian, V. & Verdin, P. (2003). Is performance driven by industry or firm specific factors. A new look at the evidence. *Strategic Management Journal*, 24, 1-16.
- Hibbard, J. & Carrillo, K. (1998). Knowledge revolution. *Information Week*, 63, 49-54.
- Holsapple, C. (2003). Knowledge and its attributes, In C. Holsapple (Ed.), *Handbook on Knowledge Management* (pp. 165-188).
- Hubber, G.P. (2003). *The necessary nature of future firms: Attributes of survivors in a changing world*. London: Sage.
- Itami, H. & Roehl, T.W. (1987). *Mobilizing invisible assets*. Cambridge: Harvard University Press.
- Jacob, M. & Ebrahimpur, G. (2001). Experience Vs. expertise: The role of implicit understandings of knowledge in determining the nature of knowledge transfer in two companies. *Journal of Intellectual Capital*, 2(1), 74-85.
- Jantuen, A. (2005). Knowledge-processing capabilities and innovative performance: An empirical study. *European Journal of Innovation Management*, 8(3), 336-349.
- Johannessen, J. & Olsen, N. (2003). Knowledge management and sustainable competitive advantages: The impact of dynamic contextual training. *International Journal of Information Management*, 23, 277, 289.
- Jones, G.R. & George, J.M. (2008). *Contemporary Management*. New York: McGraw-Hill.
- Kamya, M.T., Ntayi, J.M. & Ahiauzu, A. (2010). Knowledge management and competitive advantage: The interaction effect of market orientation. *African Journal of Business Management*, 4(14), 2971-2980.
- Kikoski, C.K. & Kikoski, J.F. (2004). *The inquiring organization: Tacit knowledge, conversation and knowledge creation skills for 21st century organizations*. London: Praege.
- Kogut, B. & Zander, U. (1992). Knowledge of the firm, combinative capabilities and the replication of technology. *Organization Science*, 3(3), 383-397.
- Kovacic, A., Bosilj Vuksic, V. & Loncar, A. (2006). A process-based approach to knowledge management. *Economic Research*, 19(2), 53-66.
- Levinthal, A. (1995). Strategic management and exploration of diversity. In C. Montgomery (Ed.), *Resource-based and evolutionary theories of the firm* (Pp. 74-82). Boston: Kluwer.
- Li, T. & Calantone, R.J. (1998). The impact of market knowledge competence on new product advantage: Conceptualization and empirical examination. *Journal of Marketing*, 62(4), 13-29.
- Lin, H.F. & Lee, G.G. (2005). Impact of organizational learning and knowledge management factors on e-business adaption. *Management Decision*, 42(2), 171-188.
- Lubit, R. (2001). Tacit knowledge and knowledge management: The key to sustainable competitive advantage. *Organizational Dynamics*, 29(1), 164-178.
- Macky, K. & Johnson, G. (2003). *Managing human resources in New Zealand*. Auckland: McGraw-Hill.

- McAdam, R., Manson, B. & McCrory, J. (2007). Exploring the dichotomies within the tacit knowledge literature: Towards a process of tacit knowledge in organizations. *Journal of Knowledge Management*, 11(2), 43-59.
- McEvily, S. & Chakravarthy, B. (2002). The persistence of knowledge-based advantage: An empirical test for product performance and technology knowledge. *Strategic Management Journal*, 23, 285-305.
- Moliterno, T.P. & Wiersema, M.F. (2007). Firm performance, rent appropriation and the strategic resource divestment capability. *Strategic Management Journal*, 28, 1065-1087.
- Mullin, R. (1996). Knowledge management: A cultural evolution. *Journal of Business Strategy*, 17(1), 56-59.
- Nasimi, M.H., Nasimi, S., Kasmaei, M.S., Kasmaei, H.S., Basirian, F. & Musapour, H. (2013). Knowledge management and competitive advantage for organizations. *Kuwait Chapter of Arabian Journal of Business and Management Review*, 2(5), 56-64.
- Newbert, S.I. (2007). Empirical research on the resource-based view of the firm: An assessment and suggestions for future research. *Strategic Management Journal*, 28, 121-146.
- Ng, Y., Lee, V., Foo, A.T. & Gan, P. (2012). The relationship between knowledge management practices and technological innovation: A conceptual framework. *International Journal of Management, Knowledge and Learning*, 1(1), 71-89.
- Nonaka, I. (1994). A dynamic theory of organizational knowledge creation. *Organization Science*, 5(1), 14-37.
- Nonaka, I. & Takeuchi, H. (1995). *The knowledge-creating company*. New York: Oxford University Press.
- Nonaka, I., Toyama, R. & Konno, N. (2000). SECI, ba and leadership: A unified model of dynamic knowledge creation. *Long Range Planning*, 33, 4-34.
- Penrose, E. (1959). *The theory of the growth of the firm*. Oxford: Basil Blackwell.
- Peteraf, M. (1993). The cornerstones of competitive advantage: A resource-based view. *Strategic Management Journal*, 14, 179-191.
- Petrzelli, A., Albino, V. & Carbonara, N. (2009). External knowledge sources and proximity. *Journal of Knowledge Management*, 13(5), 301-318.
- Porter, M. (1958). *The logic of scientific discovery*. New York: The Free Press.
- Prahalad, C. & Hamel, G. (1990). The core competence of the corporation. *Harvard Business Review*, May/June, 79-91.
- Rahimli, A. (2012). Knowledge management and competitive management. *Information and Knowledge Management*, 2(7), 37-43.
- Rasula, J., Vuksic, V.B. & Stemberger, M.I. (2012). The impact of knowledge management on organizational performance. *Economic and Business Review*, 14(2), 147-168.
- Ray, G., Barney, J. & Muhanna, W. (2004). Capabilities, business processes and competitive advantage: choosing the dependent variable in empirical tests of the resource-based view. *Strategic Management Journal*, 25, 23-37.
- Rumelt, R. (1984). Towards a strategic theory of the firm, In R.B. Lamb (Ed.), *Competitive strategic management* (pp. 82-114). Englewood Cliffs: Prentice-Hall.
- Sharma, N.L. & Goswami, S. (2009). The menaces of knowledge creation and development in Indian pharmaceutical industry. *Journal of Knowledge Management*, 13(5), 319-330.
- Sher, P.I. & Lee, V.C. (2004). Information technology as a facilitator for enhancing dynamic capabilities through knowledge management. *Information and Management*, 41(8), 933-945.

- Sirmon, D.G., Hitt, M.A. & Ireland, R.D. (2007). Managing firm resources in dynamic environments to create value: Looking inside the black box. *Academy of Management Review*, 32(1), 273-292.
- Sundiman, D., Idrus, M.S., Troena, E.A. & Rahayu, M. (2013). The role of knowledge management in individual, the community and the organization. *International Organization of Scientific Research Journal of Business and Management*, 7(1), 47-54.
- Teece, D. (2000). Strategies for managing knowledge assets: The role of firm structure and industrial context. *Long Range Planning*, 33, 35-54.
- Teece, D. (2007). Explicating dynamic capabilities: The nature and micro-foundations of (sustainable) enterprise performance. *Strategic Management Journal*, 28, 1319-1350.
- Teece, D., Pisano, G. & Shuen, A. (1997). Dynamic capabilities and strategic management. *Strategic Management Journal*, 18, 509-533.
- Tsai, W. (2001). Knowledge transfer in interorganisational networks: Effects of network position and absorptive capacity on business unit innovation and performance. *Academy of Management Journal*, 4(5), 996-1004.
- Wei, C.C., Choy, C.S. & Yew, W.K. (2009). Is the Malaysian telecommunication industry ready for knowledge management implementation? *Journal of Knowledge Management*, 13(1), 69-87.
- Wernerfelt, B. (1984). The resource-based view of the firm. *Strategic Management Journal*, 5(2), 171-180.
- Yamane, T. (1967). *Statistics: An introductory analysis*. New York: Harper and Row.
- Yang, J. (2008). Managing knowledge for quality assurance: An empirical study. *International Journal of Quality and Reliability Management*, 25(2), 109-124.
- Yli-Renko, H., Autio, E. & Sapienza, H.J. (2001). Social capital, knowledge acquisitions and knowledge exploitation in young technology-based firms. *Strategic Management Journal*, 22(6), 587-613.
- Zahra, S.A. & George, G. (2002a). Absorptive capacity: A review, reconceptualization and extension. *Academy of Management Review*, 27(2), 185-203.
- Zahra, S.A. & George, G. (2002b). The net-enabled business innovation cycle and the evolution of dynamic capabilities. *Information Systems Research*, 13(2), 147-150.

TABLE 1: Regression Result for the Relationship between Knowledge Acquisition and Competitive Advantage

Model	Unstandardized coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
1(Constant)	4.314	.0732		51.102	.000
KAN	.250	.387	.462	7.915	.006

Dependent Variable: Competitive Advantage

Note: $R = .913$, $R^2 = .834$, $Adj. R^2 = .834$, KAN=Knowledge Acquisition

Source: Field Survey, 2014/SPSS (Version 21.0 for Windows) Output

The IISTE is a pioneer in the Open-Access hosting service and academic event management. The aim of the firm is Accelerating Global Knowledge Sharing.

More information about the firm can be found on the homepage:
<http://www.iiste.org>

CALL FOR JOURNAL PAPERS

There are more than 30 peer-reviewed academic journals hosted under the hosting platform.

Prospective authors of journals can find the submission instruction on the following page: <http://www.iiste.org/journals/> All the journals articles are available online to the readers all over the world without financial, legal, or technical barriers other than those inseparable from gaining access to the internet itself. Paper version of the journals is also available upon request of readers and authors.

MORE RESOURCES

Book publication information: <http://www.iiste.org/book/>

IISTE Knowledge Sharing Partners

EBSCO, Index Copernicus, Ulrich's Periodicals Directory, JournalTOCS, PKP Open Archives Harvester, Bielefeld Academic Search Engine, Elektronische Zeitschriftenbibliothek EZB, Open J-Gate, OCLC WorldCat, Universe Digital Library, NewJour, Google Scholar

