KNOWLEDGE MANAGEMENT PRACTICES AND SERVICE INNOVATION PERFORMANCE IN THE HUDUMA CENTRES IN NAIROBI CITY COUNTY, KENYA

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ABSTRACT

The study aimed to establish the influence of knowledge management practices on service innovation performance in the Huduma Centres in Nairobi City County, Kenya. Specific objectives of the study included: determining the influence of knowledge acquisition, and finding out the influence of knowledge application on service innovation performance in the Huduma Centres in Nairobi City County, Kenya. The study adopted a descriptive survey research design. The target population was 700 employees from which a sample of size of 255 respondents was selected using Yamane (1967) and a simple random sampling technique. Primary data was collected using structured questionnaires and applying the drop and pick later method in the data collection procedure. The data collected from the study was cleaned by checking for errors in entry, and descriptive statistics such as frequencies; percentages, mean score, and standard deviation were later estimated for all the quantitative variables. Multiple regression analysis was used to establish the relations between the independent and dependent variables. The study found that the coefficient of correlation R was 0.897 an indication that the variables were highly correlated. Adjusted R^2 was 0.801 an indication that variations in organizational performance were influenced by the independent variables. The study concluded that knowledge acquisition and application positively influenced service innovation performance at Huduma Centres in Nairobi City County, Kenya. This was attributed to the following factors; staff learned to carry out their job by sharing out duties, and respondents indicated that the organization planned for seminars to share knowledge on current workplace and staffs were trained on different tasks on the different job to share knowledge. The study recommends that new knowledge ought to be created in the public service in an organized formal training session and through research and development (R&D). The stakeholders ought to use public services to create knowledge and to increase service delivery to the citizens, collect knowledge to help in solving everyday work problems and improve service delivery to public service. Huduma Centre system ought to have a trail to monitor access to knowledge stored, they ought to have a proper mechanism for retrieving stored work procedures and manuals and use advanced systems in storing their created knowledge for future use and proper references when needed.

Key Words: Knowledge acquisition, Knowledge Application, Service Innovation Performance, knowledge management practices

Background of the Study

It is clear that in the 21st century, implementing knowledge management in different organizations and governments is a complete paradigm shift when it comes to performance and competitiveness. This initiative, when implemented in organizations with competitive cultures that avoid knowledge sharing and innovation, is doomed from the start.

Knowledge is the fluid environment, principles, relevant data, and master knowledge that provides the basis for evaluating and amalgamating new skills and data. It originates from and refers to people who have the capacity to understand (Gronau, Thim, Ullrich, Vladova & Weber, 2016). Knowledge is an important economic resource and perhaps the only source of competitive advantage. (Intezari, & Gressel, 2017).

Knowledge management (KM) is an essential resource for organizations, and previous research has found KM to be a key tactical component of organizational processes. This is why KM has become critical to organizational success (Pepple, Makama, and Okeke, 2022). Knowledge management refers to how knowledge is acquired through systematic and systematic processes (Wong, Tan, Lee & Wong 2015). However, successful implementation of knowledge management practices can give associations a competitive advantage through the development of knowledge resources (Heisig, Suraj, Kianto & Faith 2016).

KM processes involve the collection, creation, refinement, storage, transfer, sharing and use of knowledge. The organization's KM function manages these processes, develops methods and systems to support them, and keeps everyone involved. The goal of KM is to harness and improve the organization's knowledge assets to perform better knowledge operations, improve organizational behavior, make better decisions, and improve organizational performance. (Polanyi, 2015). While individuals can certainly implement each KM process on their own, KM is primarily an organizational activity that focuses on what a manager can do to help achieve KM goals, how they can motivate individuals to participate in their performance and how they can create social links, processes that will facilitate KM success.

In the UK, by adopting the latest technological developments, ICT companies have increased their competition with each other. This competition stems from repeated changes in employee recruitment with the latest models. The sole purpose of the strategies is to address strategic challenges with an emphasis on internal intelligence and intelligence collection frameworks. More than 40% of the US economy is also expected to be directly driven by the production of intellectual capital (Dalkir, 2017) and more than 10% of gross domestic product (GDP) is reinvested in growth expertise in developing countries World to outperform the competition.

In Africa, using the same quality principles embedded as the core of developed ICT firms yields the best outcome and is currently applied for the KM movement embedding process. KM has rapidly become a part of everything an organization does and is part of everyone's job. In South Africa, organizations are successful in managing knowledge leading to reduced dependencies on knowledge champions, employee reward systems, and reduced monitoring and redevelopment. Camarero and Garrido (2017) recommended that employee training, knowledge retention, and involvement in the decision-making process are crucial in KM. Management is increasingly focusing on giving employees a sense of security, motivated through incentives, and training, and empowered with authority to ensure successful KM. It is the success of KM that all stakeholders be involved in the decision-making process. This shows that the strengthening of the human

element for sharing will promote creativity and innovative thinking. The processes will be developed in alignment with the strategies and goals of the organization. Graham and Mann (2015) highlighted, that thus effective and appropriate utilization of the knowledge resource of competitors will give an organization not only a competitive advantage but also help maintain it by constant up-gradation of the knowledge base, thus KM contributes to organizational performance.

Statement of the Problem

Knowledge is a key part of an organization's strategy to improve service innovation performance and improve organizational effectiveness. Despite the growing awareness of knowledge as a strategic resource, the implementation of knowledge in various public organizations, especially in the service delivery sectors, remains much undervalued.

From the Policy Report released by Ministry of Public Service and Gender State Department for Public Service Huduma Kenya Secretariat (October 2021) on Performance Evaluation of Ministries, State Corporations and Higher Education Institutions Research on the analysis of performance evaluation, results revealed that out of the 21 sets ministries that had been evaluated for service delivery efficiency and effectiveness, none have achieved an "Excellent" or "Good" rating. A total of 17 Ministries were rated "Fair" for 83.3%, while four (4) Ministries representing 16.7% were rated "Poor". This means that none of them hit their annual performance targets on service delivery. Many of those challenges highlighted were discussed in the context of performance-based service innovation.

While technology is improving service innovation performance between different Huduma centres, the entry of ICT has increased the need for product and service innovation among public service organizations to realize show service. In addition, customers' expectations continue to grow as the level of understanding increases, to meet their needs; Huduma centers need to rethink their service delivery process. Knowledge management has been recognized as the most essential factor to ensure the service innovation performance of any organization is guaranteed, and Huduma centers are no exception. In Kenya, only a few studies (Chebet, D. & Njuguna, R., 2020) have been introduced regarding knowledge management activities.

Although most of these studies have focused on other parts of the public sector and given less attention to the service sector, the influence of knowledge management practices on the performance of service innovation in Kenya's Huduma Centres, has never been looked into. Given the importance of knowledge management as a success factor in today's world, it must be well researched and well documented. Against this background, this study sought to establish the influence of knowledge management practices on service innovation performance at the Huduma centres in Nairobi City County, Kenya.

Research Objectives

The general objective of this study was to establish the influence of knowledge management practices on service innovation performance in the Huduma Centres in Nairobi City County, Kenya. The study was guided by the following specific objectives;

  i.   To determine the influence of knowledge acquisition on service innovation performance in the Huduma Centres in Nairobi City County, Kenya.
 ii.   To find out the influence of knowledge application on service innovation performance in the Huduma Centres in Nairobi City County, Kenya.

LITERATURE REVIEW

Theoretical Review

Knowledge Re-use Theory

Synthesis of evidence from a wide variety of sources suggests four distinct types of knowledge re-use situations according to the knowledge re-user and the purpose of knowledge re-use. The types involve shared work producers, who produce knowledge they later re-use; shared work practitioners, who reuse each other's knowledge contributions; expertise-seeking novices; and secondary knowledge miners (Markus, 2001). Each type of knowledge re-user has different requirements for knowledge repositories. Owing to how repositories are created, re-users' requirements often remain unmet. Repositories often require considerable rework to be useful for new re-users, but knowledge producers rarely have the resources and incentives to do a good job of repurposing knowledge. Solutions include careful use of incentives and human and technical intermediaries.

Human Capital Theory

The human capital theory developed by Becker assists in the comprehension and improvement of worldwide ability administration, both for scholastics and human asset professionals (Murray, 2016). This theory sees human capital as a type of asset that organizations can put resources into and is of incentive to the organizations to the degree that it makes the organization profitable (Murray, 2016). According to Garavan, McCarthy, and Carbery (2017), it is a theory that is worried about how individuals in an organization contribute their insight, expertise, and capacities to upgrade authoritative ability and the essentialness of that commitment. Organizations can utilize human asset administration in an assortment of approaches to expand their human capital for instance; they can purchase human capital in the market by offering attractive remuneration or within the organization by offering employees training and development opportunities (Murray, 2016).

Conceptual Framework

A conceptual framework helps in clarifying concepts and proposing relationships among the study concepts (Hobbs & Norton, 2017). It provides a context to interpret the findings of the study and enhances theory development which is essential for practice.

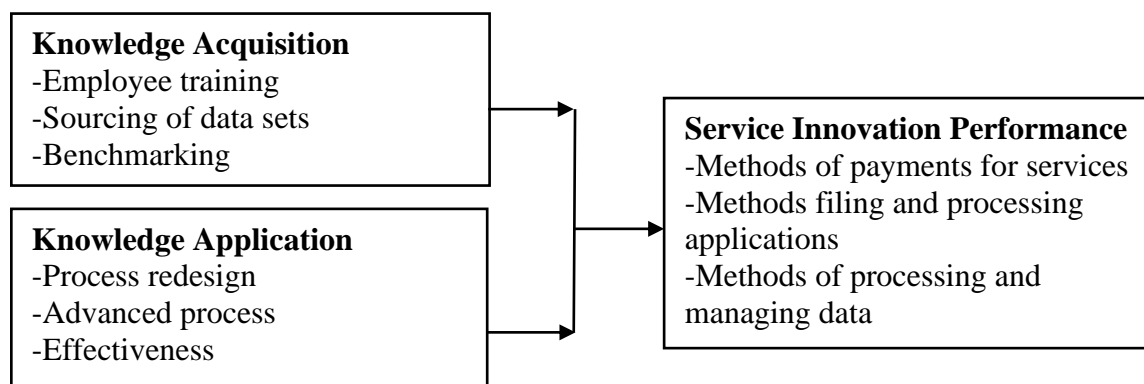**Independent Variables**   **Dependent Variable**

Figure 2: Conceptual Framework

Knowledge Acquisition

Mills and Smith (2011) stated that the term acquisition refers to an organization's capability to recognize, obtain and amass knowledge, whether internal or external that is vital to its operation. Pacharapha and Ractham (2012) define knowledge acquisition as the process of development and creation of insights, skills, and relationships. Knowledge acquisition examples include conducting an external survey, acquiring a knowledge-rich firm, sending employees to external training, hiring an employee, purchasing a data set, monitoring technological advances, purchasing a patented process, and gathering knowledge through competitive intelligence. (Ruchi et al, 2016) in the study of Knowledge Management and performance of Indian software companies found that knowledge acquisition and protection (storing) does not affect an organization's performance may be due to inadequate attention to knowledge acquisition and protection strategies. For the knowledge that is acquired to be useful, the process of accessibility, collecting, and application should be easy and transparent to the knowers as such knowledge is predominantly tacit.

According to (Tiwana, 2018), organizations subconsciously engage in knowledge acquisition and fail to realize that, in the process, talents and relationships are lost, but in the absence of knowledge retention strategies, organizations continue to lose valuable acquired knowledge. For knowledge to be acquired, therefore, the willingness and ability of a recipient to acquire and use such knowledge are crucial elements. For purposes of this study, the measurement indicators for knowledge acquisition will be external environmental scanning; benchmarking; external employee training; investments in Research & Development; up-skilling teams for identifying best practices; and purchase of data sets.

Knowledge Application

Knowledge application involves using information that has been gathered through different channels to quicken the speed of achieving the organization's goals and objectives. This means converting information handled by expertise to facilitate the production of goods and services (Birasnav, 2016). Knowledge application is the process through which knowledge is applied to task performance and problem-solving. The knowledge is applied by individuals in an organization or an entire team of workers employed in an organization (Tseng & Lee, 2017). Companies and organizations can only benefit from the right application of the knowledge existing.\

Service Innovation Performance

Service innovation performance can be defined as the extent to which an SME achieves a competitive advantage based on service innovation (Storey et al., 2016). Service innovation performance is a key success factor of service innovation, so it becomes important to find the drivers of service innovation performance started decades ago and increased recently. Factors such as service quality, operational control, and delivery systems have been identified as prerequisites for effective service innovation (Storey and Easingwood, 1998), along with a strong culture of innovation, and develop an innovation strategy, making it possible to prioritize the development of new services. The importance of the right organizational designs, such as reward structures and employee engagement frontlines, is closely tied to this strategic need. Individuals can consult dynamic skills literature to anticipate how a combination of internal and external competencies can facilitate the development of the knowledge needed for service innovation (Freiling & Dressel), 2015).

Furthermore, service-oriented organizations succeed by using external knowledge rather than generating internal knowledge (Storey et al., 2016), so that knowledge gained from customers goods (Carbonate). et al., 2009; Melton and Hardline, 2010) and other external relationships

(Storey et al., 2016) improve service innovation performance. Since external knowledge must be recognized and assimilated before it can be used to achieve service innovation performance, CAP can represent a highly relevant opportunity for performance improvement service innovation (Storey et al., 2016)

Empirical Review

Knowledge Acquisition

Matin and Sabagh (2015) investigated the relationship between knowledge management capabilities and service innovation performance in Iranian export companies. The study focused on the (i) knowledge management indices, namely knowledge acquisition, knowledge transfer, knowledge protection, and knowledge application; (ii) knowledge infrastructure capabilities, which include technology, organizational structure, and organizational culture; and (iii) service innovation performance indices which are organizational innovation and competitiveness and financial/economical outcomes. The population of the study comprised the entire senior managers of companies that are members of the Khorasan Razavi Exporters Union and the sample size was 148. The result of confirmatory factor analysis determined that both research models were estimated significantly; also, the result of path analysis determined that there is a direct and significant relationship between knowledge acquisition, organizational culture, organizational structure, knowledge application, knowledge protection, and service innovation performance.

Ahmed, Fiaz, and Shoaib (2015) carried out a study to identify the effect of knowledge management practices such as knowledge acquisition on service innovation performance. Questionnaires were used to obtain data from 256 respondents in the banking industry, which was then analyzed using SPSS. From the findings, the authors revealed that organizations that encouraged knowledge acquisition processes such as the internal exchange of ideas and access to the organization's knowledge improved their performance. Further, the findings established that knowledge management activities lead to the delivery of quality services, greater customer satisfaction, efficient resource utilization, higher profits, and generally enhanced service innovation performance. The study was meant to offer a framework for organizations to put into action knowledge management practices within the firm for improved service innovation performance.

Martin (2017) examined the knowledge acquisition strategies and company performance of Young High Technology Company in Germany, making use of quantitative and qualitative data. The study revealed four distinct knowledge acquisition strategies; low-key, mid-range, focus, and explorer, and showed that strategies differ in their relation to company performance due to their configuration of knowledge acquisition activities and the type of knowledge acquired.

Knowledge Application

A study on the influence of management practices on organizational performance with a focus on the case of compassion international in Imenti North District, Meru County by Kinoti (2017) seeks to examine the relationship between management practices and organizational performance in Compassion International. The study found that teamwork with organizational communication with participatory decision-making has a positive relationship with organizational performance.

Maina (2015) conducted a study to identify the knowledge management strategy development and implementation process of the United Nations Environmental Programme (UNEP). This study

covers knowledge management strategy, development, implementation, benefits, and challenges. The study further covered the theories of knowledge management and organizational value.

The role of leadership in knowledge management practices was rather limited and there was a need for the formalization of those responsible for steering forward the knowledge management agenda within these organizations, as revealed by Githua (2013). The research findings also recognize the value of knowledge management and observe that knowledge management has improved the use of organizational memory and intellectual capital and made efforts to improve operational performance.

Tubigi and Alshawi (2015) sought to determine the impact of knowledge management processes on organizational performance. The model proposed aims at determining the potential of knowledge management processes in improving organizational performance. This model can guide the process of the knowledge management application to maximize the influence of the knowledge management process on the performance of the organization.

Miguel, Saavedra, and Lindemann (2016) at the International Design Conference reviewed factors influencing knowledge application. Collected 364 factors were named by the authors of 31 journal papers which were then analyzed and classified into the 4 categories of the Work Centred Model (WCM) namely infrastructure, strategic, knowledge, and psychosocial factors. The paper provided a summary of a large amount of hardly comparable research results aligned to one unique model. They further proposed that the WCM can now be used as a base to develop new approaches to support knowledge application and understand to which factors new approaches contribute positively or negatively.

RESEARCH METHODOLOGY

A research design is a plan or an approach that articulates principles of collecting, analyzing, and interpreting data (Guest 2017). A descriptive research design was adopted to conduct this study. The accessible population in this study was 700 employees working in all the five Huduma Centres in Nairobi County; Huduma Centre GPO, Huduma Centre City Square, Huduma Centre Eastleigh, Huduma Centre Kibra, and Huduma Centre Makadara. The target population included 199 managers (senior-level managers, middle-level managers, operation-level managers), and 501 general staff members across the following departments: HR, Operations, accounting and finance, IT, public relations, and marketing and sales who serves in their capacity as knowledge workers and implementers in key services delivery sectors. In total, the target population was 700 employees

The study utilized a probability sampling technique specifically, simple random sampling to select a sample of 255 respondents. Simple random sampling ensured that each respondent had the same chance of being chosen consequently there was a good representation of the target population (Saunders et al., 2017). The sample size was determined based on Yamane's (1967) sample size formula. From the above calculation, the sample size thus becomes 255. This study collected primary data using a structured questionnaire and secondary data sources.

A pilot study survey was conducted using a sample of 5 managers (each one per Huduma Centre), and 20 general staff employees, (4 each per Huduma Centre) in all the five Huduma Centres in Nairobi City County) making a total of 25 questionnaires, representing 10% of all respondents (255). A pretest sample of 10% of the sample size was used as recommended by Mugenda and Mugenda (2018).

The Statistical Package for Social Sciences (SPSS version 25.0) and MS. Excel were used to analyze the data and generate descriptive statistics such as frequency counts, percentages, mean, mode, and standard deviation. Multiple Regression analysis was conducted to test the effect of the relationship between the independent variables (knowledge acquisition and knowledge application) and the dependent variable (service innovation performance). The finding from the analysis was presented in form of charts, pie charts, figures, graphs, tables, and narrations

DATA ANALYSIS, PRESENTATION, AND INTERPRETATION

Out of the 255 questionnaires that were issued, 194 were filled and returned which translated to a 76% response rate. According to Zikmund, Babin, Carr, and Griffin (2016), a 50% response rate is adequate, 60% is good and 70% and above is very good. The response rate of 76% for this study was therefore considered satisfactory to make conclusions about the study.

Knowledge Acquisition and Service Innovation Performance

The researcher requested the respondents to indicate the extent to which various aspects of knowledge acquisition influence service innovation performance in Huduma Centres in Nairobi City County, Kenya. The findings were as illustrated in Table 1.

Table 1: Knowledge Acquisition and Service Innovation Performance

Statements	Mean	Std. Dev.
Employees obtain new knowledge from external sources (such as through seminars, journals, expert networks, business partners, and clients).	4.15	.802
Employees acquire knowledge from written sources (such as project documentation, organizational procedures, instructions, and formally documented sources).	3.82	.816
Employees acquire knowledge from other employees informally from co-workers	3.47	.566
Knowledge acquisition results in the development of knowledge	2.62	.555
Knowledge acquisition facilitates knowledge dissemination	3.77	.648
Knowledge acquisition facilitates the development and sustenance of expertise	2.39	.707

As per the findings, to a great extent, the respondents indicated that employees greatly obtain new knowledge from external sources (such as through seminars, journals, expert networks, business partners, and clients) as shown by a mean of 4.15, that employees greatly acquire knowledge from written sources (such as projects documentation, organizational procedures, instructions, and formally documented sources) as shown by a mean of 3.82 and that knowledge acquisition facilitates knowledge dissemination as shown by a mean of 3.77. The respondents also indicated that employees moderately acquire knowledge from other employees informally from co-workers as shown by a mean of 3.47, that knowledge acquisition moderately results in the development of knowledge as shown by a mean of 2.62, and that knowledge acquisition lowly facilitates development and sustenance of expertise as shown by a mean of 2.39. This implies that to a great extent, knowledge acquisition enables employees to get new knowledge from external sources, written sources, and co-workers, and facilitates the development and sustenance of expertise thereby influencing the firm's service innovation performance. However, the low mean of 2.39 for the development and sustenance of expertise points to a labor mobility challenge influencing modern organization and knowledge management. These findings are in line with Alavi and Leidner (2019) who argue that the impact of the use of knowledge management on explicit knowledge acquisition is critical given that explicit knowledge provides the foundation for and is

the precursor of tacit knowledge development. As such, the acquisition of explicit knowledge is a critical component in the development and sustenance of expertise and consequently a firm service innovation performance driver. It is under the same premises that this study is founded.

The respondents were asked to state other ways in which knowledge acquisition influences service innovation performance and from research data it was established that it improved focus on human capital and created an organized approach to knowledge acquisition enabling the organization to tap optimally into this resource thereby directly contributing to service innovation performance, it creates an active people to people network thereby improving collaboration and teamwork, and it aligns the organization culture by creating an optimal knowledge sharing strategy. These findings show that knowledge application influences organizational service innovation performance.

Knowledge Application and Service Innovation Performance

A scale of 1-5 where; 1= Strongly Disagree; 2 = Disagree; 3= Neutral; 4= Agree and 5= Strongly agree, was used by the researcher to establish the level of agreement on the influence of knowledge application on service innovation Performance in the Huduma Centres in Nairobi City County, Kenya. The findings were as shown in Table 2.

Table 2: Knowledge Application and Service Innovation Performance

Statements	Mean	Std. Dev.
Our Huduma Centre uses knowledge collected to improve its internal processes	3.77	1.05
We use the generated knowledge to improve staff management at the workplace	3.99	1.08
The collected knowledge helps in solving everyday work problems	3.91	.759
We gaining insight into running work operations from the created knowledge	4.22	.536
Our improved service delivery is from our created knowledge	3.62	.796
All our stakeholders use our created knowledge to increase service delivery to the citizens	3.84	.886
Using the collected information, we have improved communication channels for all staff	3.94	1.53
Our Huduma Centre incorporates updates to its work manuals and procedures with new information as it comes	4.57	.575
Updated work procedures and manuals are shared with staff to ensure they are adopted	3.54	.751

Table 2 showed that the Huduma Centres in Nairobi City County used knowledge collected to improve its internal processes by a mean of 3.77 with a standard deviation of 1.05. The study established that the respondents agreed that they generated knowledge to improve staff management at the workplace by a mean of 3.99 with a standard deviation of 1.08. The collected knowledge helped in solving everyday work problems as indicated by a mean of 3.91 with a standard deviation of 0.759. Respondents agreed that they gained insight into running work operations from the created knowledge as shown by a mean of 4.22 with a standard deviation of 0.536. These study findings were supported by Kinoti (2017) who reported that the success of an organization could be achieved as a result of the careful selection of management practices that enabled the easy transfer of knowledge thus contributing to learning and to the alignment of the strategies to meet the goals of the organization.

Further, the respondents indicated that the Huduma Centres in Nairobi City County, improved service delivery from their created knowledge as supported by a mean of 3.62 with a standard deviation of 0.96. All the stakeholders used their created knowledge to increase service delivery to the citizens as indicated by a mean of 3.84 with a standard deviation of 0.886. It was established that the respondents indicated that they had improved communication channels with all staff by using collected information as indicated by a mean of 3.94 with a standard deviation of 1.53. This is supported by Maseki (2019) who established that knowledge application greatly influenced service innovation performance in their duties in the bank and increased employee competence. It enhanced the bank's ability to produce new innovative products for its customers and the communication process in the bank's profitability.

The Huduma Centres in Nairobi City County, incorporated updates to its work manuals and procedures with new information as it came by a mean of 4.57 with a standard deviation of 0.575. Updated work procedures and manuals were shared with staff to ensure they were adopted by a mean of 3.54 with a standard deviation of 0.751. This is supported by Maina (2015) who stated that putting more emphasis on training and information sharing helps organizations in improving knowledge sharing, institutional setup, and communication command.

Regression Analysis

The study carried out regression analysis to test the effect of the relationship between the independent variables and the dependent variable (Service Innovation Performance). The findings of the Model Summary and Regression Coefficients are shown below.

Model Summary

The findings of the coefficient of correlation R and adjusted coefficient of determination R^2 are shown in Table 3.

Table 3: ANOVA Table

Model	R	R Square	Adjusted R Square	Std. The error in the Estimate
1	.897[a]	.805	.801	1.23842

     a.   Predictors: (Constant), Knowledge Acquisition, Knowledge Application
       b. Dependent Variable: Service Innovation Performance

The findings in Table 3 show that the coefficient of correlation R was 0.897 an indication that the variables were highly correlated. The findings pointed out that adjusted R^2 was 0.801 which translates to 80.1% an indication that changes in service innovation performance were influenced by the following independent variables; knowledge acquisition, and knowledge application. The residual of 19.9% can be explained by other factors affecting service innovation performance that was not carried out in the current study.

Regression Coefficients

To determine the individual influence of dependent variables on service innovation performance, the following coefficients were generated. The findings are indicated in Table 4.

Table 4: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	-4.553	.715		-6.366	.000
Knowledge acquisition	.995	.393	.921	2.53	.013
Knowledge Application	.260	.027	.507	9.801	.000

a. Dependent Variable: Service Innovation Performance

The resultant equation becomes: **Y= -4.553+0.995X1+0.260X2**

Where: Y= Service Innovation Performance in the Huduma Centres in Nairobi City County, Kenya.

X1= Knowledge Acquisition

X2= Knowledge Application

The findings show that while holding other factors constant, service innovation performance would be at -4.553. A unit increase in knowledge application while holding other factors constant, service innovation performance would be at 0.260. A unit increase in knowledge acquisition while holding other factors constant, service innovation performance would be at 0.995.

To test the hypothesis that there is no effect of knowledge acquisition on service innovation performance, regression analysis was used and revealed that knowledge acquisition correlates to performance (β=0.921, p=.013) which is positive and significant hence the null hypothesis is rejected and the alternative hypothesis is adopted. This means that 1 standard deviation in knowledge acquisition will result in a change of 0.921 standard deviation units in performance implying that investment in knowledge acquisition would improve the performance at Huduma Centres in Nairobi City County. The t-calculated value of 2.532 is also greater than t0.05, 116 of 1.980626 hence the conclusion that the regression variable is significant. This data concurs with Riungu (2015) who established a positive correlation between knowledge acquisition and the performance of mobile telephone companies in Kenya (β=0.628, p=.028)

The findings established that the p-value of knowledge application was 0.00 which is less than 0.05 implying that the variable significantly influenced service innovation performance in the public service of Kenya. Knowledge application has a positive significant effect on the performance of audit firms in Kenya as shown by Muhoya (2016) while establishing the effect of knowledge management practices on Kenyan auditing firms.

Conclusion

The study concludes that knowledge acquisition and application positively influenced service innovation performance in the Huduma Centres in Nairobi City County, Kenya. This was attributed to the following factors; public service authority patented new ideas and knowledge and encouraged functional heads to champion the creation of new knowledge, staff learned to carry out their job by sharing out duties, and respondents indicated that public service planned for seminars to share knowledge on current workplace and staffs were trained on different tasks on the different job to share knowledge.

The study found that knowledge acquisition significantly facilitates knowledge dissemination, enables the acquisition of knowledge from other employees, results in the development of knowledge, and facilitates the development and sustenance of expertise.

Recommendations

The study recommends that Huduma Centres should ensure they have formalized by way of policy the following knowledge capture and acquisition practices; brainstorming, subject matter experts, expert systems/ knowledge bases, and after-action reviews. This is to ensure sufficiency in operational knowledge. The Huduma Centres should also implement the following knowledge-sharing practices; succession planning, communities of practice, storytelling, mentorship, phased retirement, coaching, and orientation. This is to ensure the identification of relevant operational knowledge in the organization and facilitate the sharing of available knowledge in the organization.

The study recommends that Huduma Centres in Kenya ought to incorporate updates to workshop manuals and procedures with new information as it comes and improve communication channels to all staff. Public service ought to gain insight into running work operations from the created knowledge, use the knowledge collected to improve its internal processes and use the generated knowledge to improve staff management at the workplace. The stakeholders ought to use public services to create knowledge and to increase service delivery to the citizens, collect knowledge to help in solving everyday work problems, and improve service innovation performance and service delivery to public service.

Suggested Areas for Future Research

This study was limited to Huduma Centres. The study, therefore, recommends the same study be redone to cover all the other government Parastatals in Kenya. Knowledge management implementation is not without challenges. A study on the challenges in knowledge management in research institutions in Kenya should be conducted. The same study should be carried out in the other sectors to find out if the same results will be obtained. The study also recommends further studies to determine the impact of management factors as a major determinant of the implementation of knowledge management practices and organizational performance.

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