Proceedings of the 3rd Annual World Conference of the Society for Industrial and Systems Engineering, San Antonio, Texas, USA
October 20-22, 2014

Effect of Knowledge Management on Supply Chain Value

S. Golrizgashti

Department of Industrial Engineering, South Tehran Branch, Islamic Azad University, Tehran, Iran

Corresponding author's Email: <u>Sf_golrizgashti@azad.ac.ir</u>

Author Note: The author would like to thank managers, customers, employees and suppliers of participating manufacturing company(s) for their time. Also, the author would like to thank the editors for their review and expression of comments to improve the quality this paper.

Abstract: Value creation is broadly seen as an essential component of competitiveness in manufacturing industries. The objective of this paper is to explore the effects of application of knowledge management on value creation in supply chain based on an empirical study covering ten home appliance manufacturing firms in IRAN. A conceptual model is empirically tested identifying the relationships amid supply chain value, knowledge management and firm performance through an integrated knowledge management-balanced scorecard analysis. Factor analysis and Structural Equation Modeling have been used to disclose proposed relations. The results reveal the positive effects of knowledge management on balanced scorecard approach in manufacturing industries. The proposed model stresses the mutual support between knowledge management and balances scorecard approach in value achievement.

Keywords: Supply Chain Management, Knowledge Management Applications, Conceptual Modeling, Balanced Scorecard, Value, Stakeholders, Structural Equation Modeling, Business Process