

Article

Exploring The Impact Of Competitive Aggressiveness In Improving The Level Of Financial Performance: Knowledge Management As A Mediating Variable

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Abstract: The main objective of the research is explore the extent of the impact of competitive aggressiveness in improving the level of financial performance, relying on knowledge management as an intermediary variable. The research was launched in light of a problem summarized in a set of questions, the most important of which is (What is the impact of competitive aggressiveness in improving the level of financial performance through the intermediary role of knowledge management ?)To answer our research questions and reach its objectives, (Al- Nargis Group of Companies for General Contracting in Basra - Iraq) was adopted as a field for conducting the research. The research community consisted of engineers and individuals working in the production departments, administrative departments and maintenance department, while the research sample was represented by a random sample of individuals numbering (200) as a sample responding to the research. After collecting data and information through a questionnaire form the research sample, it was analyzed using the (Smart pls4) and (Spss v.24) program. From the analysis of this data, a set of conclusions were reached, the most important of which was the existence of a correlation and influence between the dimensions of competitive aggression and financial performance with the presence of knowledge management as an intermediary variable.

Keywords: Competitive aggressiveness, Knowledge management, Financial performance

Citation: Al-Hachim, H. N. H.
Exploring The Impact Of
Competitive Aggressiveness In
Improving The Level Of Financial
Performance: Knowledge
Management As A Mediating
Variable. American Journal of
Economics and Business
Management 2025, 8(1), 383-395.

Received: 25th Dec 2024
Revised: 28th Dec 2024
Accepted: 18th Jan 2025
Published: 25th Jan 2025



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1. Introduction

Competitive aggressiveness is embodied in a key idea of “beating competitors”, which refers to the direct positions that new competitors need to compete with existing competitors. In our research, we proposed knowledge management as a variable that mediates the relationship between competitive aggressiveness and the financial performance of the company: that is, companies with higher competitive aggressiveness will develop certain new knowledge, and thus affect their financial performance in a positive way (Kozubíková et al.,2017;209).

Small and medium enterprises have gained great importance in the business world due to their adaptation to rapid changes in business conditions, and also due to their significant contribution to economic growth. However, the survival of the company is the main issue that small companies seek due to the lack of strategic behavior of businessmen, and also due to competition from large companies. Therefore, in order to survive, it is necessary for the company to adopt effective methods so that it can respond in a timely manner to hostile business conditions (Rahman et al.,2016: 632). The financial dimensions

of an organization's success are reflected in the intermediate outcomes of knowledge management and therefore the capabilities of the knowledge management process can be linked to its intermediate outcomes to better assess the company's financial performance. Knowledge management practices describe the process of creating, storing, accessing and sharing knowledge to enhance superior employee performance and thus contribute to improving the financial performance of the organization (Patwary et al.,2024:4).

In the hope of clarifying the relationship between competitive aggressiveness and the financial performance of the company, we adopted knowledge management, as a mediating variable to support this relationship. Competitive aggressiveness is defined as "a firm's orientation toward directly challenging competitors through a unique and diverse series of competitive approaches." Competitive aggressiveness is also viewed as consisting of the following three dimensions: competitive size, competitive complexity, and competitive differentiation. (Al-Harathi et al.,2023:4).

At present, Al-Nargis General Contracting Group is not only an integral part of the economy of Basra Governorate, but it is also very important for the economies of the entire Iraq. As a result, Al-Nargis General Contracting Group is one of the focal points of academic research.

2. Materials and Methods

1: Research problem

The problem of the study is summarized in the following question:

(What is the effect of competitive aggression on financial performance through the mediating variable (knowledge management))and the following sub-questions are derived from it:

1. To what extent does (competitive aggression) as an independent variable affect (financial performance) as a dependent variable through knowledge management (as an mediator variable)?
2. To what extent does knowledge management (KM) affect financial performance (FP)?
3. What is the nature of the multiple influence relationships between study variables?
4. Does the aforementioned factory, when it adopts competitive aggression, achieve excellence in financial performance by adopting knowledge management as a mediator change?

2: research aims

Through this research, the researchers seek to achieve a set of goals, which are:

1. Identify the concept, importance and dimensions of competitive aggressiveness, knowledge management and financial performance by reviewing the literature and studies related to these variables.
2. Diagnosing the nature of work in (Al- Nargis Group of Companies for General Contracting in Basra - Iraq) study sample to identify the level of competition and financial indicators therein.
3. Testing the relationship of influence and correlation between the dimensions of competitive aggressiveness, knowledge management, and financial performance.

3: importance of research

1. The importance of this research stems from the fact that it represents an intellectual proposal concerned with modernity in proposals related to competitive aggressiveness, knowledge management, and financial performance, and they are among the topics that writers and researchers have addressed, each variable individually or linked to other variables.
2. Reaching the practical role of competitive aggressiveness, and possessing (the) study sample for knowledge management to reach distinct levels of financial performance. It is possible that this situation exists in other organizations, where they will have the opportunity to benefit from it.

3. Benefiting from the relationship that exists between the variables of the research (competitive aggressiveness, knowledge management, and financial performance) in developing the subject and increasing his level of awareness in a way that reflects positively on his financial performance.

4: Hypothetical research model :

The hypothetical research model aims to clarify the relevant relationships between the main and sub-variables, as shown in Figure (1).

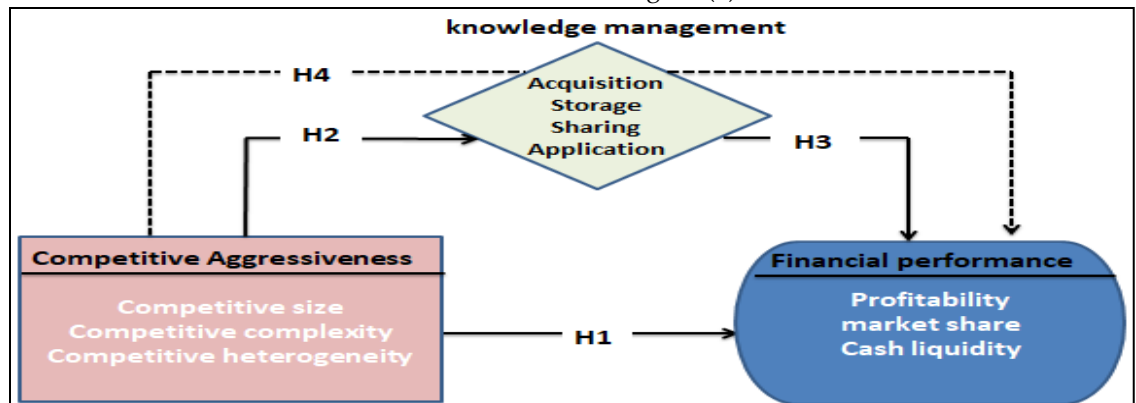


Figure 1. Hypothetical research model

5: Research hypotheses:

Four basic hypotheses can be formulated according to the hypothetical research plan, as follows:

- A. **The first Basic hypothesis H1:** There is no statistically significant effect of competitive aggressiveness on the company's financial performance at a significant level of 0.05.
- B. **The second main hypothesis H2 :** There is no statistically significant effect of competitive aggressiveness in knowledge management at a significance level of 0.05.
- C. **The third main hypothesis H3 :** There is no statistically significant effect of knowledge management on financial performance at a significant level 0.05.
- D. **The fourth main hypothesis H4:** There is no statistically significant effect of competitive aggressiveness on financial performance through knowledge management at a significant level 0.05.

3. Results

The concept of competitive aggressiveness

Competitive aggressiveness represents the ability of an organization to take aggressive actions to deal with its competitors. It reflects the ability of an organization to take aggressive actions to deal with its competitors by increasing production capacity, product quality, etc. in order to attract consumers and influence their behaviors (Panjaitan et al.,2021:878). Competitively aggressive companies are companies that pay close attention to the actions of their competitors, adopt a series of their own, and are characterized by the speed and number of competitive actions they take compared to their direct competitors.

Competitive aggressiveness is the tendency to challenge competitors intensely and directly rather than trying to avoid them(Small et al.,8:2021). Competitive aggressiveness is defined as the tendency to engage in a sustained and varied series of actions to challenge competitors and enhance their relative competitive position. Although its sub-dimensions cannot be measured accurately because they are not observable, such as the tendency to take risks, they represent stable behaviors resulting from this orientation(Morgan et al.,2018:3) Competitive aggression refers to a company's tendency to challenge its competitors directly and intensely to achieve excellence or improve its competitive position, that is, to outperform competitors in the market field. It is a reaction

characterized by a strong offensive stance or aggressive reactions to competitors' actions (Abdullahi et al., 2019:66).

Finally, researchers believe that competitive aggressiveness refers to the mechanism of companies' interaction with existing trends and competitive requirements that already prevail in the market.

Importance of competitive aggressiveness

High aggressiveness means that companies attempt to outperform their competitors by responding flexibly to competitors' actions. In contrast to risk-taking, innovation, and independence that stem from internal reactions, competitive aggression stems from external competitive moves (Yang & Ju, 2018:127). A company is said to have a high degree of "competitive aggressiveness" if it takes a wide variety and large number of actions that will outperform its competitors in the market. Researchers interested in competitive issues also explain that companies with a high degree of competitive aggressiveness enjoy better profitability, competitive advantage, and greater market share than companies that are competitively aggressive (Aroyeun et al., 2018:125).

Research suggests that competitive aggression can increase a firm's performance by offering superior value to customers than competitors. A series of aggressive actions also delays competitors' reactions and creates temporary monopoly positions for the aggressive organization, allowing firms to charge higher prices and thus achieve higher margins. Higher profits. In addition, competitive aggression enables firms to learn in a short time compared to competitors (Andreovski & Ferrier, 2019: 10).

Dimensions of competitive aggressiveness

Competitive aggression is the attempt to challenge competitors openly and clearly rather than avoid them. Aggressive moves can include lowering prices and increasing spending on marketing, quality, and production capacity. Researchers who have dealt with competitive aggression believe that competitive aggression is the company's challenge to its competitors to improve its position in the market and outperform its competitors in the industry in which it operates (Small et al., 8:2021). Competitive aggressiveness is a drive to confront intense competition imposed by competitors, which Entrepreneurial orientation is defined by a highly adaptable product process to win the market, aggressive product development and customer support systems. There are three dimensions of entrepreneurial orientation: innovation, risk-taking, and proactive activity. Competitive aggressiveness It means overpowering competitors (Yaro et al., 334:2020). Due to the increasing speed of competition, the market environment has faced serious challenges. Companies are facing intense competition in prices, inventions, and marketing promotions, and everyone faces strong pressures to achieve their competitive advantages. Competitive aggressiveness is also linked to a diverse selection of dimensions that define the dimensions of competitive aggressiveness and in what way it can influence On the company's competitiveness, these dimensions include: The size, duration, complexity and unpredictability of the attack (Amadi et al., 2019:6). Based on what was mentioned above, the researchers determine that the dimensions that will be covered by competitive aggression in this research are (Competitive size, Competitive complexity, Competitive heterogeneity) as will be discussed below.

1. Competitive size : Within competitive aggressiveness research, the effect of organization size on aggressiveness has not been clearly defined. Some researchers interested in this field have found that company size constrains a company's actions because it leads to the institutionalization of company procedures, making change difficult. In return, size increases aggressiveness. The company's competitiveness because it enhances the company's awareness of opportunities and its ability to influence its competitive environment (Morgan et al., 2018:3). The most important characteristic that determines an organization's competitiveness is perhaps size, because it is known that the various sources of competitive advantage vary with the size of the organization. The size of an organization has been defined in previous research in different ways, but the images

are consistent: most indicate that larger companies are more able to influence their competitors and win their customers (Muhonen,2017:15).

2. Competitive complexity : The complexity of the competitive environment has clearer effects on a company's performance in the short run than its effects in the long run, which controls the competitive level of companies (i.e., their level of competitive aggressiveness). In order to build an understanding of why some companies embrace competitive complexity while others avoid it, we also study Factors that may influence whether companies rely on complexity in their competitive actions or not(Connelly et al.,2017:3) Competitive complexity "is the extent to which the range of competitive actions taken by a competitor during a given period consists of a broad rather than a narrow range of actions of different types." For example, a particular organization may take a set of actions that consist mainly of simple actions in a particular area. On the other hand, the company may adopt a set of competitive procedures that are characterized by complexity in a specific operational field (Uhlenbruck et al.,2017:21) Simply put, a company's competitive complexity versus stability refers to the extent to which it focuses on a high variety of competitive actions versus specific types of different actions, where increased competitive complexity is believed to be the result of increased incentives. Thus, because the presence of competitors increases firms' overall incentive to compete, firms with more powerful competitors tend to engage in greater complexity in their own business(Kilduff,2019:787).

3. Competitive heterogeneity: Heterogeneous business environments add various pressures on the company with regard to dealing with external stakeholders and competitors in different fields. It must be noted that with increased heterogeneity, comes the need to manage multiple business objectives and a wide range of activities that require different practices in response to this dispersion and heterogeneity (Mikalef et al.,2021:520) Heterogeneity stems from the fact that the organization has more than one belief about the mechanism of its movement and entry into the market. Heterogeneity will be associated with achieving different organizational results. In line with work on other organizational consequences, heterogeneity among procedures will be linked to a firm's coordination and implementation capabilities, and thus to performance indicators such as profitability (Corritore et al.,2020:3) Continuing pressures, coupled with the increasing need to improve product quality and economic returns, force companies to engage in heterogeneous cooperative networks with other companies, and companies nowadays seek to gain competitiveness through the effective combination of their own knowledge and that obtained through cooperation strategies. Moreover, these collaborative networks serve as a way to develop the dynamic capabilities that the organization needs in its changing environment to gain economic advantages (Martínez et al., 2022:358).

The concept of Knowledge management:

Knowledge management is the management of an organization's knowledge assets to meet strategic requirements and create value. It consists of the initiatives, systems, processes and strategies that support and enhance the storage, evaluation, sharing, development and creation of knowledge (Hajric, 2018:24). Knowledge management can also be defined as a systematic approach designed to manage production and sharing, as it meets the knowledge of how to use knowledge as an organizational achievement to enhance the organization's ability, speed and effectiveness to provide goods and services to customers (Rezaei et al, 2021: 2)

Dimensions of knowledge management:

Knowledge management is a systematic and integrated approach to recognizing, managing and sharing all intellectual property, including databases, documents, policies and experiences that exist in people's minds (Kirilov, 2019: 6). It is also a critical asset in the development of institutions because it provides organizational development and creativity. It consists of the processes of capturing, storing, exchanging and using knowledge. The effective employment of a particular technology can be achieved properly when resources and knowledge are managed appropriately (Al-Emran et al,

2020: 3). In general, knowledge management includes four main dimensions (Antunes & Pinheiro, 2020:141):

1. **acquisition of knowledge:** Although acquiring knowledge is important As for innovation, it also represents a challenge for organizations, one of these challenges is the lack of experience of employees. In general, knowledge acquisition depends on two factors: the organization's own knowledge base and external knowledge acquisition. This division is due to the argument that the first part consists of the accumulation of information within the organization and the second part of knowledge acquisition is the creation of knowledge. (Bloem& Salimi,2023:824). Acquiring knowledge means innovation, purchase, discovery, or assimilation. These processes refer to the process of acquiring knowledge, but in different ways and from different sources. Purchasing refers to obtaining knowledge by purchasing it directly or through contracts or employment, while assimilation refers to the ability to understand and assimilate apparent knowledge. Innovation refers to the generation of new, undiscovered knowledge, while discovery refers to the identification of existing knowledge(Massoudi& Birdawod,2023:3)
2. **Knowledge storage:** Knowledge storage is the process of preserving knowledge and classifying it in repositories and databases. Stored knowledge generally consists of organizational culture, employee skills, strategies, systems, and documents. It must be noted that knowledge storage helps transform tacit knowledge into explicit knowledge and accumulate knowledge in places that can be accessed through... Suitable networks and suitable systems (Raudeliuniene et al.,2021:3) Knowledge storage processes mean the retention, perpetuation, access, and retrieval of knowledge. Organizations that have high rates of employee turnover resulting from temporary employment, these people take their tacit knowledge with them when they leave, which necessitates the necessity of storing it(Massoudi& Birdawod,2023:2)
3. **Sharing of knowledge:** Knowledge sharing is the exchange of knowledge, experiences, ideas, and skills between different departments within the organization or between the organization and other organizations. It must be noted that knowledge exchange contributes to enhancing the innovation of processes, goods, and services, in addition to organizational capabilities such as development, efficiency, and profitability(Raudeliuniene et al.,2021:4). If the organization is able to share its knowledge throughout the organization, it will be very difficult to imitate its competencies, which shows us the value of effective knowledge sharing. There is another important aspect of knowledge exchange. Through the exchange of information between employees, knowledge can be applied in a different context, which leads to the creation of new knowledge and ideas(Bloem& Salimi,2023:823).
4. **Application of knowledge:** The basic point of knowledge management is the application of knowledge, because the application makes knowledge more active and has an impact on creating value for the company, and because of the implicit nature of knowledge, the value of knowledge is derived from its application. Therefore, when organizations apply knowledge correctly, they reduce the possibility of making mistakes, and increase efficiency. This means that Acquisition and dissemination of knowledge cannot be effective unless they are applied effectively (Ode & Ayavoo,2020:212). The application of knowledge includes the use of knowledge that has been acquired, stored and disseminated. The application of knowledge makes knowledge more important and useful in enhancing the decision-making process and improving organizational performance. The application of knowledge constitutes an important part of knowledge management processes because it enables the organization to benefit from the knowledge it possesses, which leads to improving its overall organizational performance (Raudeliuniene et al.,2021:3).

The concept of financial performance:

Due to the rapid advancement of technology and the dynamic nature of the business environment, leading to a more sophisticated business world, organizations are now

facing the reality of this paradigm shift, which portends a serious threat to organizations that are less successful in their financial performance. This is a warning and a call to most heads of organizations to prepare for this challenge and benefit. Of the emerging technologies in enhancing efficiency and effectiveness in the workplace, which in turn will lead to the production of goods and services at lower costs, and this in many ways will establish a strategic organization appropriate to global competition. In this period of harsh economic conditions, only the organization that has the best strategic choice and achieves the best financial performance. They can compete for survival (Felix & Oloda, 2017:36).

An organization's financial performance is a form of institutional achievement in financial aspects related to income, total operating costs, debt and asset structure, and investment returns. Discussions about financial performance are not limited to single-period discussions because stakeholders will also be interested in any changes (trends) in the organization's financial performance, which include: Changes in the statement of financial position, profit or loss or cash flow. (Devi et al., 2020:228). Financial performance can simply be described as "the degree to which an organization measures its ability to achieve its goals" (Nguyen et al., 2021:365-366).

Dimensions of financial performance:

The performance of the organization in general refers to the extent to which the organization achieves its production goals, human, marketing, and financial resources, while most studies have focused on financial performance, including the current study, such as the profitability ratio, market value, financial activity of the organization, etc. (Abeysekara & Wang, 2019:1674). General: It can be said that the financial performance of organizations is a broad and multidimensional concept, as there is a set of indicators (and sub-indices) that measure this variable, given the presence of different stakeholders in organizations (employees, bondholders, and investors) who have different perspectives and different ways of tracking financial health. For the company, we need a different set of elements that meet the requirements of all parties. Therefore, the researchers conclude, after reviewing previous studies that included financial performance as one of their variables, that financial performance includes three sub-dimensions: (profitability, cash liquidity, and cash efficiency) (Yachoulti & Houssaini, 2018: 83).

Profitability:

Profitability is the final results of all operating decisions and financial policies, and profitability ratios are a set of ratios that emerge from the effects of debt, liquidity, asset management and operating results. Simply put, profitability ratios are ratios to evaluate an organization's ability to strive to achieve profits. This ratio also provides a measure of the level of effectiveness of the organization's management. In general (Rangkutie et al., 2019). It should also be noted that profitability is usually included in financial information, which is important for investors in analyzing the increase in profits that the organization receives from year to year. Also, according to investors, an organization that achieves increasing profits means that it will give a positive signal that it will also benefit. of its future investments (Machmuddah et al., 2020:633). The profitability ratio shows how well the organization uses its assets to achieve profit and value for shareholders. The profitability ratio also indicates the organization's ability to achieve profits versus the cost during a certain period. Finally, the return on assets (ROA) is The profitability ratio provides the amount of profit that the organization can achieve from its assets. (Jiha di et al., 2021:425) Finally, profitability can be interpreted as one of the vital elements of performance, as the profit ratio appears compared to the investment of assets, property rights, or sales, as Improving profitability is one of the main tasks of organizations, especially in the context of vertical integration (Nguyen&Nguyen,2020:47).

market share :

Market share: It represents the number of assets owned by the company in the market in which it operates, and therefore it is expressed by the company's total sales divided by the total sales of the market in which the company operates (Masrifah& Farich.,2023 :78-

79). Researchers interested in financial aspects believe that market share represents an indicator of the company's success in competition. In the market, and on this basis, market share represents the result of the marketing efforts made by the organization such as advertising and promotion, and the quality of the product/service. This means that market share (the opposite of profitability) does not represent a variable aspect in any indicators of the company's financial performance, and therefore there is no fixed relationship between Market share and the company's financial performance (Bhattacharya et al.,6:2022) In general, researchers believe that the concept of market share is expressed as "The ratio of total sales that a company receives in a given period of time, and is calculated by dividing the company's sales during a given period of time by the total sales in the market in which the same company operates" in the same period of time.

Cash liquidity:

Although it is not new in the financial literature, it does not have a universally accepted definition. It stems from the lack of an agreed upon concept as it arises from different economic perspectives. This illustrates that cash flow in general can have different meanings depending on the circumstances. Firstly, cash flow can mean financial efficiency if it is to be viewed from the perspective of an organization. Thus, cash flow measures the ability of an organization to meet its obligations using current assets. On the other hand, the liquidity with which an organization can convert its assets into cash is called market liquidity (if the focus is on the market) or asset liquidity (if the focus is on the balance sheet). Secondly, from an investor's perspective, cash flow can mean the marketability of a financial instrument.(Marozva&Makina,2020:3)

Finally, cash liquidity in general is the organization's ability to easily convert its financial and cash assets into cash at a low cost to meet current obligations when they fall due. Cash liquidity ratios also compare "current assets to current liabilities" to determine the organization's short-term financial position, and a strong or weak liquidity ratio is also related to With an indicator of net operating income. It must also be noted that the higher the positive index, the greater the cash flow that the organization can use to fulfill its obligations on the one hand and to expand investment activities on the other hand (Majeed et al., 2020:298).

The relationship between competitive aggressiveness, knowledge management, and financial performance

Companies must adopt and encourage a strong competitive approach to decision-making to improve business performance and maintain their importance in the market in which they operate. Thus, competitive aggressiveness has a positive impact on financial performance(Panjaitan et al.,2021:878). A strong competitive aggressive stance enables a company to be a decisive player in a field of competitors and to act aggressively to protect or enhance its position. Due to the competitive nature of the (Al- Nargis Group of Companies for General Contracting in Basra - Iraq) sector, taking a competitive stance between organizations will be a stance based on aggressive, competitive behavior that enables the company to be a decisive player in environments where competition for customers is high. Aggressive moves can also include lowering prices, increasing spending on marketing and quality, and improving Production capacity (Abdullahi et al.,2019:66). Regarding the relationship between competitive aggressiveness and the performance level of a company, it has been shown that being more aggressive will be relevant to market leaders who perform better and aggressiveness helps you maintain your position and increase your market share compared to competitors. The results of related studies also show that competitive aggressiveness is also related to profitability and market share, as increasing competitive aggressiveness has been shown to have a positive relationship with profitability and increased market share(Aigboje,2018:39) Competitive aggression will negatively affect the company's performance in the short term, but it will positively affect the company's performance in the long term. In other words, companies that compete more aggressively (that follow stronger competitive

actions within one year) may experience a decline in their performance during this year, but aggressiveness is Beneficial to long-term performance(Li& Jones ,2019:10).

4. Discussion

The sample size for the current study was 200 employees working in Al Narjis General Contracting Group of Companies. The employees who hold executive/managerial positions, and have been working for at least two years in the current organization were included. They were contacted directly. The sample of respondents comprised 80.1 percent males and 19.9 percent females. The age groups were as follows: up to 34 years (61.8 percent), 35-44 years (27.8 percent), and above 44 years (10.4 percent).

Statistical Method

The collected data were analyzed with the help of different statistical tools such as central tendency measure, standard deviation, correlation, hierarchical regression, Sobel test by Smart pls software and bootstrapping using SPSS software.

Table 1. Descriptive statistics

Variables	Dimensions	Mean	SD	CA	CR	AVE	VIF
competitive aggressiveness	Competitive size	2.68	0.892	0.953	0.932	0.644	2.89
	Competitive complexity	2.91	0.824	0.916	0.818	0.723	2.99
	Competitive heterogeneity	2.80	0.933	0.891	0.913	0.717	2.87
	Overall competitive aggressiveness	2.80	0.832	---	---	---	---
knowledge management	acquisition of knowledge	3.49	1.06	0.893	0.875	0.860	3.71
	Knowledge storage	3.63	1.03	0.832	0.871	0.721	3.87
	Sharing of knowledge	3.71	1.12	0.871	0.822	0.815	3.88
	Application of knowledge	3.39	0.97	0.871	0.833	0.621	3.80
	Overall knowledge management	3.56	0.972	---	---	---	---
financial performance	Profitability	2.71	0.840	0.871	0.551	0.828	2.94
	market share	2.22	0.809	0.833	0.621	0.898	2.81
	Cash liquidity	2.98	0.829	0.818	0.716	0.829	2.93
	Overall financial performance	2.64	0.688	---	---	---	---

Composite Validity and Reliability Test:

Composite reliability is used to ensure consistency of results across items of the same variables and it determines “whether items measuring a variable are similar in their scores”. Internal consistency reliability can be achieved using Cronbach’s alpha (CA) and composite reliability (CR). Table 1 shows the Cronbach’s alpha and composite reliability values for all latent variables used in this study. These values were found to be greater than 0.70, which proves internal consistency. Furthermore, the convergent validity test indicates the extent to which a dimension is positively related to other dimensions of the same variable. The average explained variance (AVE) was also calculated to achieve convergent validity. Table 1 also shows that the average explained variance values for all latent variables are greater than the standard value of 0.50 (Hair et al., 2021:30), thus, it proves convergent validity. Fornell and Larcker’s , cross-loading criteria and scores were used to prove discriminant validity. According to the second table, it is clear that the degree of correlation between the variables with themselves is higher than with their correlation with other variables, and thus this increases the degree of proving the validity of discrimination.

Table 2. Discriminant validity

Variables	financial performance	knowledge management	competitive aggressiveness
financial performance	0.749		
knowledge management	0.663	0.869	
competitive aggressiveness	0.680	0.789	0.889

Table 3. Correlation matrix

Variables	acquisit ion	Storag e	Shari ng	Applica tion	Prof itab ility	Mark et share	Cash liquid ity	Competit ive size	Competit ive complexi ty	Competiti ve heterogen eity
Acquisit ion	1									
Storage	0.799**	1								
Sharing	0.721**	0.792*	1							
Applicatio n	0.699**	0.778*	0.716*	1						
Profitabilit y	0.458**	0.498*	0.423*	0.485**	1					
Market share	0.423**	0.376*	0.523*	0.618**	0.512**	1				
Cash liquidity	0.482**	0.293*	0.432*	0.669**	0.739**	0.618*	1			
Competiti ve size	0.417**	0.783*	0.738*	0.726**	0.623**	0.639*	0.722*	1		
Competiti ve complexi ty	0.275**	0.622*	0.722*	0.739**	0.711**	0.714*	0.729*	0.711**	1	
Competiti ve heterogen eity	0.527**	0.489*	0.419*	0.522**	0.631**	0.628*	0.741*	0.619**	0.732**	1

Result and Analysis

Table (1) shows the descriptive statistics and measures of validity and reliability for all research variables, where the average of competitive aggression was (80.2), the average of knowledge management was (56.3), and the average of financial performance was (2.64), while the results of the discriminant validity test were represented in Table (2). These statistics showed validity, stability, the absence of multicollinearity, and the absence of common method variance among the study variables. Table 3 represents the correlation matrix between competitive aggression, knowledge management, financial performance, and their respective dimensions. The results indicate that all three dimensions of competitive aggression are positively related to knowledge management. All of these correlation coefficients are statistically significant at a significance level of 0.10. The results indicate that differences in the competitive aggression quotient of an organization affect its level of financial performance in the labor market. Also, all dimensions of knowledge management are positively related to the financial performance of the organization. The

mediating effect of knowledge management in its four dimensions on the relationship between competitive aggression and the financial performance of the organization was explored with the help of the "Sobel test". The table concludes that all dimensions of knowledge management - acquisition, storage, application and sharing - partially mediate the relationship between competitive aggression and financial performance, as shown in Table (4) below.

5. ((Table 4. Results of regression and mediation effect))

Variables	Z.valu	S.G	EFFECT	SE	LLCI	ULCI
CA → FP	8.598	0.000*	0.1486	0.0392	0.077	0.225
CA → KM	9.017	0.000*	0.1201	0.0347	0.055	0.189
KM → FP	8.383	0.000*	0.1472	0.0379	0.073	0.226
CA → KM → FP	9.570	0.000*	0.1570	0.0382	0.093	0.223

6. Conclusion

Competitive aggressiveness reflects the ability of an organization to act aggressively when dealing with its competitors. The aggressive aspect of competition reflects the ability of the company to take aggressive actions in dealing with its competitors by improving and increasing the quality of the product, production capacity, etc. in order to attract the attention of customers.

Therefore, the important question is: What are the conditions and procedures necessary to provide this significant amount of positive impact of competitive aggression in improving the financial performance level of the research sample company? Accordingly, we highlighted the impact of competitive aggression through the impact of the size of competition, competitive complexity and competitive heterogeneity on profitability, market share and cash flow as indicators to express the company's financial performance.

The research results proved that the competitive aggression variable has an impact on financial performance, and that the knowledge management variable mediates this relationship as an intermediary variable. The results of this research proved that knowledge management is a good intermediary variable in the relationship between competitive aggression and financial performance in Al-Nargis General Contracting Group in Basra. It also proved that creativity is the dominant variable that affects competitive aggression. The result of the research is that the company under study (Al-Nargis General Contracting Group in Basra) increases its competitive orientations and adopts knowledge management practices among its employees in a way that results in an improvement in its financial performance level. It is suggested to conduct more research to examine the impact of competitive aggression on financial performance through knowledge management and Including other variables and dimensions in addition to expanding the scope of the research and changing the researched field.

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