This study investigated the relationships between tacit and explicit knowledge sharing and competitive advantage, as these constructs have been identified as one of the most extensively researched topics since the inception of organizational theory.

The study aims to provide insights into the significance of tacit and explicit knowledge as the primary elements of knowledge sharing, and a crucial prerequisite for enhancing a manufacturing firm’s competitive advantage. Using Partial Least Squares structural equation modelling, 198 manufacturing company samples were collected and analyzed.

Quantitative research was applied to examine the relationship between tacit and explicit knowledge sharing and competitive advantage by using a cross-sectional survey. Malaysian manufacturing firms have significant revenue, production facilities, and labour forces (Malaysian Investment Development Authority, 2020). 198 samples from the Federation of Malaysian Manufacturers (FMM) Directory were randomly selected.

The Partial Least Square Structural Equation Modelling (PLS-SEM) was used to process data analysis of measurement and structural models, and the IBM Statistical Package for Social Science (SPSS) version 23 was applied for data entry.

This study found that Malaysian manufacturing firms are implementing or utilizing four competitive advantage dimensions. According to scholarly sources, quality, cost, delivery, and flexibility are identified as the primary factors that have the potential to enhance the efficacy and efficiency of manufacturing processes (Ocampo et al., 2017; Jabbour et al., 2012; Boyer and Lewis, 2002). As a result, hypotheses H1, H3, H5, H6, H7, and H8 have been determined to be supported, resulting in a total of six out of eight hypotheses being supported.

Hypothesis H2 and H4 are not supported, tacit knowledge sharing practices such as receiving new knowledge from workers' experiences, expertise, and sharing lessons from past failures may be ineffective when a company develops a continuously improving production process and a reliable quality product (Seidler-de Alwis & Hartmann, 2008; Seidler-de Alwis et al., 2004).