Impact of Experiential Learning on Employee Knowledge Management, Skills Development and Competence Building: The Moderating Role of Critical Thinking and Learning Intention

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Abstract
In today's highly competitive and rapidly evolving business environment, organizational success increasingly depends upon the effective development of human capital. his study investigates the impact of experiential learning on employees' knowledge management, skills development, and competence building, while examining the moderating roles of critical thinking and learning intention. The study is grounded in Experiential Learning Theory (Kolb, 1984) and Human Capital Theory (Becker, 1993), which emphasize the importance of practical learning experiences in enhancing employee capability and organizational effectiveness. A quantitative research design based on the positivist research philosophy and deductive approach was employed. Primary data were collected through a structured questionnaire distributed among employees working in SMEs in Pakistan. Using convenience sampling, 350 questionnaires were distributed, and 318 valid responses were analyzed using SPSS and SmartPLS software. Statistical techniques including descriptive statistics, reliability analysis, correlation analysis, regression analysis, and moderation analysis were applied to test the study hypotheses.The findings revealed that experiential learning significantly and positively influences employees' knowledge management practices, skills development, and competence building. Employees participating in experiential learning activities demonstrated improved knowledge acquisition, analytical thinking, communication abilities, teamwork, adaptability, and professional confidence. The results further indicated that critical thinking significantly strengthens the relationship between experiential learning and employee development outcomes by enhancing reflective judgment, analytical reasoning, and problem-solving abilities. Similarly, learning intention positively moderated the relationship by increasing employees' motivation, willingness to learn, and engagement in developmental activities. The study provides important theoretical and practical contributions to the fields of human resource development and organizational learning. It highlights that experiential learning should be viewed not merely as a training technique but as a strategic organizational development approach capable of improving workforce capability, organizational efficiency, innovation, and sustainable competitiveness. The findings offer valuable insights for organizational leaders, HR professionals and policymakers seeking to design effective experiential learning programs for employee development within Pakistan's SME sector.
Keywords: Experiential learning, knowledge management, skills development, competence building, critical thinking, learning intention, human resource development, organizational efficiency, employee training.

1. Introduction

In the contemporary business environment, organizations are increasingly recognizing that sustainable competitive advantage is largely determined by the quality, adaptability, and

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competence of their human capital. Rapid globalization, technological advancement, digital transformation, and continuously changing market demands have compelled organizations to invest strategically in employee learning and development to maintain organizational effectiveness and long-term competitiveness (Becker, 1993; Noe, 2017). Human resources are no longer viewed merely as operational assets; rather, they are considered strategic contributors to innovation, organizational growth, productivity, and knowledge creation.
In developing economies such as Pakistan, private-sector organizations and Small and Medium Enterprises (SMEs) face significant challenges related to employee capability development, workforce retention, technological adaptation, and organizational sustainability. Pakistani organizations operate within highly competitive and resource-constrained environments where continuous employee learning has become essential for survival and growth. Many organizations struggle to bridge the gap between theoretical employee training and practical workplace performance. Traditional classroom-based training approaches often emphasize passive learning and theoretical instruction, which may not adequately prepare employees to handle real-time workplace complexities, uncertainty, and problem-solving demands.

Consequently, organizations are increasingly shifting toward more practical and experience-oriented learning approaches that promote active employee engagement and applied skill development. Among these approaches, experiential learning (EL) has emerged as one of the most influential and effective methods of employee development. Experiential learning refers to a process through which individuals acquire knowledge, skills, and competencies through direct experience, reflection, conceptualization, and experimentation (Kolb, 1984). The theory of experiential learning argues that effective learning occurs when individuals actively engage in concrete experiences, critically reflect on those experiences, formulate abstract concepts, and apply learned knowledge in practical situations.

Unlike traditional learning methods, experiential learning emphasizes "learning by doing," enabling employees to interact directly with workplace situations and organizational challenges. Through hands-on activities, simulations, collaborative projects, problem-solving exercises, and workplace experiences, employees develop deeper understanding, practical competence, and adaptive capabilities. Experiential learning therefore enhances employees' ability to apply theoretical concepts in practical settings, improve decision-making abilities, strengthen interpersonal communication, and respond effectively to organizational problems and environmental uncertainty (Kolb & Kolb, 2005).

In modern organizations, experiential learning has become increasingly important for improving knowledge management practices. Knowledge management refers to the systematic process of acquiring, sharing, storing, and applying organizational knowledge to improve performance and innovation (Nonaka & Takeuchi, 1995). Organizations that encourage experiential learning create environments where employees continuously exchange experiences, learn collaboratively, and transform tacit knowledge into explicit organizational knowledge. Such practices strengthen organizational learning culture and improve overall operational efficiency.

Furthermore, experiential learning plays a critical role in enhancing employees' technical, cognitive, and interpersonal skills. Employees exposed to practical learning opportunities develop stronger analytical thinking, communication skills, teamwork capabilities, leadership competencies, and problem-solving abilities. These skills are increasingly important in dynamic business environments where organizations require adaptable and multi-skilled employees capable of responding effectively to changing organizational demands. Experiential learning also contributes significantly to competence building by improving employees' professional confidence, role flexibility, adaptability, and workplace effectiveness.

However, the effectiveness of experiential learning may vary depending upon employees' cognitive abilities, motivational orientation, and willingness to engage in the learning process. In this regard, critical thinking and learning intention are considered important psychological factors that influence the outcomes of experiential learning.

Critical thinking refers to the ability to engage in purposeful, reflective, logical, and analytical judgment when evaluating information, experiences, and problems (Facione, 2015). Employees possessing strong critical thinking skills are more capable of analyzing workplace situations, interpreting experiences, identifying solutions, and making effective decisions. Critical thinking strengthens experiential learning because employees who critically reflect on their experiences are more likely to convert practical exposure into meaningful knowledge and improved workplace competence. Scholars have argued that critical thinking enhances reflective observation and cognitive processing, thereby increasing the effectiveness of experiential learning outcomes (Paul & Elder, 2014).

Similarly, learning intention reflects an individual's intrinsic motivation, willingness, and commitment toward learning and self-development (Schunk & DiBenedetto, 2020). Employees with strong learning intention actively participate in learning activities, seek developmental opportunities, and demonstrate greater engagement in training processes. Learning intention influences how employees perceive and utilize experiential learning opportunities. Employees who possess higher motivation to learn are more likely to absorb practical knowledge, develop new competencies, and apply acquired skills effectively within organizational settings.

Although experiential learning has received substantial attention in international literature, empirical evidence within the context of Pakistan's private-sector organizations remains limited. Most previous studies have focused on educational institutions, Western organizations, or general training practices, while limited attention has been given to understanding how experiential learning contributes to employee knowledge management, skills development, and competence building in Pakistani organizations. Moreover, few studies have examined the moderating roles of critical thinking and learning intention in strengthening experiential learning outcomes, particularly within developing economies.

This research therefore addresses an important theoretical and practical gap by investigating the impact of experiential learning on employees' knowledge management, skills development, and competence building in private-sector organizations of Pakistan. The study further examines how critical thinking and learning intention moderate the relationship between experiential learning and employee development outcomes.

The significance of this study lies in its contribution to the fields of human resource development, organizational learning, and workforce capability enhancement. From a theoretical perspective, the study extends Experiential Learning Theory and Human Capital Theory by incorporating cognitive and motivational moderating variables into the employee development framework. From a practical perspective, the study provides valuable insights for organizational leaders, HR professionals, training managers, and policymakers regarding the importance of experiential learning strategies in developing competent, adaptable, and knowledge-oriented employees.

In the rapidly evolving corporate landscape of Pakistan, organizations that effectively integrate experiential learning into their human resource development practices are more likely to enhance employee performance, improve organizational learning culture, strengthen workforce adaptability, and achieve sustainable competitive advantage.

2. Literature Review

2.1 Experiential Learning in Organizational Contexts

Experiential learning (EL) is a dynamic process involving four stages: concrete experience, reflective observation, abstract conceptualization, and active experimentation (Kolb, 1984). This cyclical framework ensures that learning is actively constructed through engagement with real-life scenarios. EL has been widely used in corporate contexts through project-based assignments, on-the-job training, mentoring, and simulations (Moon, 2004; Cummings & Worley, 2018).

Global studies indicate that EL enhances problem-solving, adaptability, and innovative thinking (Boud & Feletti, 1997). Employees exposed to EL exhibit higher knowledge retention, better decision-making, and more effective collaboration (Kolb & Kolb, 2005). In Pakistan, EL has been increasingly implemented in IT, banking, and manufacturing sectors, showing improved engagement, faster skill acquisition, and better problem-solving outcomes (Ahmed et al., 2020). Reflective EL practices enhance knowledge-sharing culture and interdepartmental collaboration.

2.2 Knowledge Management

Knowledge management (KM) encompasses the creation, storage, dissemination, and application of organizational knowledge (Nonaka & Takeuchi, 1995). EL converts tacit knowledge into explicit knowledge, facilitating organizational learning (Davenport & Prusak, 1998). Empirical studies suggest that EL enhances knowledge retention, leading to higher productivity and innovation (Argyris & Schön, 1996). In Pakistan, EL improves onboarding efficiency, knowledge transfer, and cross-department collaboration (Rafiq et al., 2019). Technology-mediated EL further enhances knowledge sharing across geographically dispersed teams.

2.3 Skills Development

Skills development includes technical, cognitive, and interpersonal competencies essential for effective job performance (Noe, 2017). EL provides hands-on experiences, improving skill acquisition and transferability. Globally, EL significantly enhances analytical thinking, decision-making, communication, and teamwork (Kolb & Kolb, 2005). In Pakistan, EL in IT, banking, and manufacturing enhances technical proficiency, project management, and soft skills.

2.4 Competence Building

Competence integrates knowledge, skills, and behaviors required for effective performance (Spencer & Spencer, 1993). EL promotes competence by allowing employees to practice skills in realistic contexts, receive feedback, and refine their abilities. Pakistani organizations report enhanced cross-functional competence, enabling adaptability across roles (Hussain et al., 2020). Competence development through EL aligns with human capital theory, which emphasizes that learning investments translate into organizational productivity (Becker, 1993).

2.5 Critical Thinking as a Moderator

Critical thinking enhances EL outcomes by enabling employees to analyze experiences, challenge assumptions, and apply insights effectively (Facione, 2015; Paul & Elder, 2014). Employees with higher critical thinking abilities better convert EL into improved performance, problem-solving, and innovation. In Pakistan, fostering critical thinking improves learning outcomes, adaptability, and reflective learning (Saeed et al., 2019).

2.6 Learning Intention as a Moderator

Learning intention refers to an individual's motivation and readiness to engage in learning activities (Schunk & DiBenedetto, 2020). Employees with strong learning intention actively participate in EL, reflect on experiences, and apply acquired knowledge. In the Pakistani private sector, learning intention enhances engagement and ensures practical skill application.

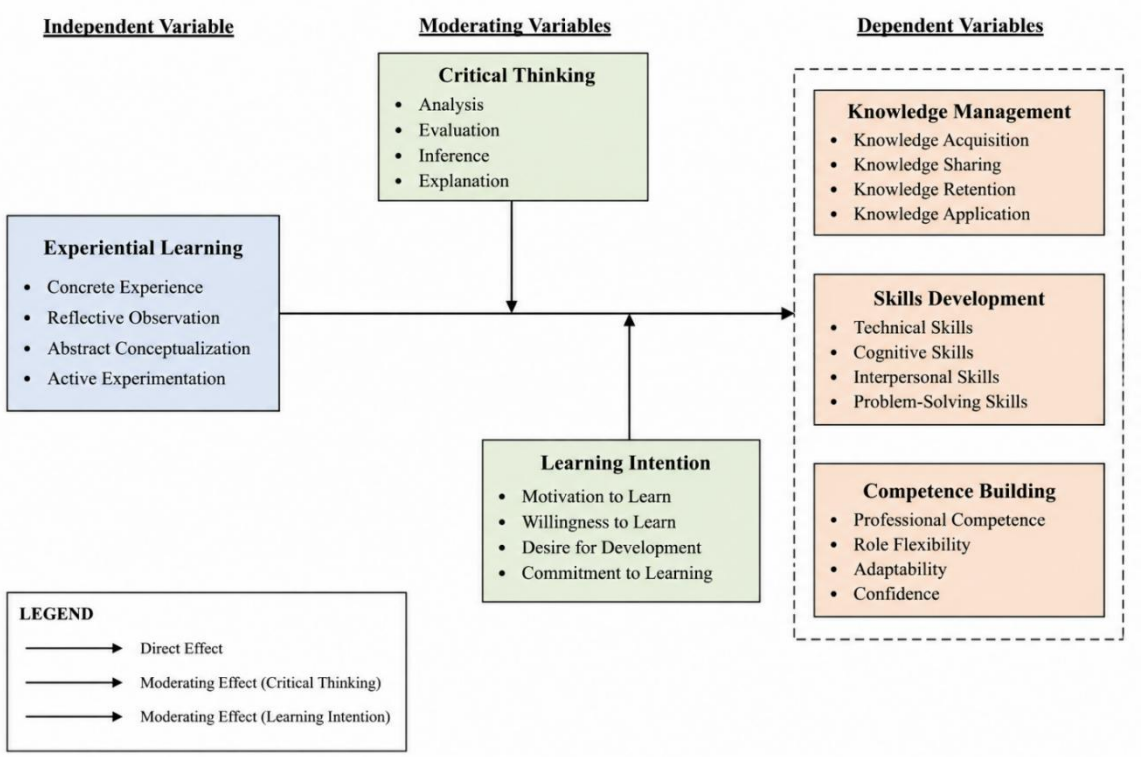
2.7 Hypotheses Development

H1: Experiential learning has positive and significant relationship with knowledge management.
H2: Experiential learning has positive and significant relationship with skills development.
H3: Experiential learning has positive and significant relationship with competence building.
H4: Critical thinking moderates the relationship between EL and knowledge management, skills development, and competence building.
H5: Learning intention moderates the relationship between EL and knowledge management, skills development, and competence building.

2.8 Conceptual Framework of the Study

The conceptual framework of the study, as illustrated below, is comprises of distinct variables that proposes that experiential learning positively influences employees' knowledge management, skills development and competence building. Furthermore, the framework suggests that critical thinking moderates the relationship between experiential learning and employee development outcomes. Learning intention moderates the relationship between experiential learning and employee development outcomes. The framework is theoretically supported by Experiential Learning Theory, Human Capital Theory and Organizational Learning Perspectives.

Figure 1
Conceptual Framework of Study



3. Research Methodology

This study adopted a quantitative and explanatory research design to examine the impact of experiential learning on employee development outcomes in private-sector organizations of Pakistan. The study also examined the moderating roles of critical thinking and learning intention. A cross-sectional survey approach was employed because it allows efficient collection of data from a large number of respondents within a limited timeframe.

3.1 Research Design

The present study adopted a quantitative research approach using a cross-sectional survey design to examine the impact of experiential learning on employees' knowledge management, skills development, and competence building in private-sector organizations of Pakistan. The study further investigated the moderating roles of critical thinking and learning intention in strengthening the relationship between experiential learning and employee development outcomes.

A quantitative design was considered appropriate because the study aimed to measure relationships among variables objectively and statistically. The cross-sectional design enabled the researcher to collect data from respondents at a single point in time and evaluate the direct and moderating effects among study variables efficiently (Creswell & Creswell, 2018). The study was grounded in Experiential Learning Theory (Kolb, 1984), Human Capital Theory (Becker, 1993), and Cognitive Learning Perspective which collectively explain how practical learning experiences contribute to employee growth, capability enhancement and organizational effectiveness.

3.2 Research Philosophy

The study followed the positivist research philosophy which assumes that organizational phenomena can be measured objectively through empirical observation and statistical analysis. Positivism emphasizes quantifiable data, hypothesis testing and scientific investigation to establish relationships among variables (Saunders et al., 2019). Since the present study focused on examining measurable relationships between experiential learning and employee outcomes, the positivist paradigm was deemed most suitable.

3.3 Research Approach

A deductive research approach was employed in this study. The deductive approach begins with established theories and develops hypotheses that are empirically tested through collected data (Bryman & Bell, 2015). Based on previous literature and theoretical foundations, hypotheses were developed regarding the direct effects of experiential learning and the moderating effects of critical thinking and learning intention.

3.4 Population and Sampling

The target population of the study consisted of employees working in private-sector organizations and Small and Medium Enterprises (SMEs) operating in major cities of Pakistan, including Karachi, Lahore, and Islamabad. Employees from diverse sectors such as banking, telecommunications, manufacturing, education, services, and information technology were included to obtain broader organizational perspectives regarding experiential learning practices. The selected population was considered appropriate because private-sector organizations in Pakistan increasingly emphasize workforce development, innovation, and employee capability enhancement to maintain competitiveness in dynamic business environments.

The study used a convenience sampling technique due to accessibility, time constraints, and

resource limitations. Employees who were readily available and willing to participate in the study were approached for data collection. A total of 400 questionnaires were distributed among employees working in different private organizations. Out of these, 342 questionnaires were returned, while 318 questionnaires were found complete and usable for final analysis, yielding a satisfactory response rate.

The sample size was considered adequate based on recommendations for Structural Equation Modeling (SEM) and Partial Least Squares Structural Equation Modeling (PLS-SEM) which require sufficient observations to achieve statistical reliability and validity. The unit of analysis for the study was individual employees working in private-sector organizations. Employees were selected because experiential learning, critical thinking, learning intention, and competence development are individual-level behavioral and cognitive constructs that directly influence workplace performance and organizational learning.

3.5 Data Collection

Primary data were collected through a well-structured self-administered questionnaire. The questionnaire was distributed both physically and electronically through email and online survey platforms to facilitate wider participation. Before formal data collection, respondents were informed about the academic purpose of the study, confidentiality of responses, and voluntary participation. Ethical considerations including anonymity and informed consent were strictly maintained throughout the research process. The questionnaire consisted of two sections. The first section captured demographic information of respondents such as gender, age, qualification, experience, and organizational sector. The second section measured study variables using adapted scales from previous validated studies. All items were measured using a five-point Likert scale ranging from; 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree. Nature of variables included in the study is illustrated below:

Table 3.1
Research Variables

Variable	**Nature of Variable**
Experiential Learning	Independent Variable
Knowledge Management	Dependent Variable
Skills Development	Dependent Variable
Competence Building	Dependent Variable
Critical Thinking	Moderating Variable
Learning Intention	Moderating Variable

3.6 Data Analysis

Validated measurement scales were adapted from prior literature to ensure content reliability and construct validity. The collected data were analyzed using Statistical Package for Social Sciences (SPSS) and SmartPLS software. Descriptive statistics including frequency distributions, means, and standard deviations were used to summarize respondents'

demographic characteristics and overall response patterns. Cronbach's Alpha and Composite Reliability (CR) values were calculated to assess internal consistency reliability of constructs. Convergent validity was assessed through; Factor loadings, Average Variance Extracted (AVE), Composite Reliability,Discriminant validity was examined using Fornell-Larcker Criterion and Heterotrait-Monotrait Ratio (HTMT).

Structural Equation Modeling (SEM) was carried out and PLS-SEM was employed to test the hypothesized relationships among variables because it is suitable for Complex research models, Prediction-oriented studies, Moderation analysis, Non-normal data distributions. The structural model evaluated the direct effects of experiential learning, Moderating effects of critical thinking, Moderating effects of learning intention, Path coefficients, T-values, P-values and Coefficient of determination (R^2). Bootstrapping procedures with multiple subsamples were used to determine the significance of relationships among constructs.

3.7 Ethical Considerations

The study adhered to ethical research standards throughout the research process. Respondents participated voluntarily and were informed that their responses would remain confidential and used solely for academic purposes. Participants were assured anonymity and were given the right to withdraw from the study at any stage without any consequences. No misleading information or coercion was used during data collection and all responses were handled with integrity and professionalism.

4. Research Findings

This section presents the empirical findings of the study examining the impact of experiential learning on employees' knowledge management, skills development, and competence building in private-sector organizations of Pakistan. The study also investigated the moderating roles of critical thinking and learning intention. Data collected from 350 employees were analyzed using descriptive statistics, reliability analysis, correlation analysis, exploratory factor analysis, and hierarchical regression analysis through IBM SPSS Statistics. The findings demonstrate that experiential learning significantly contributes to employee development outcomes, while critical thinking and learning intention further strengthen these relationships (Kolb, 1984; Noe, 2017).

The demographic analysis revealed that the majority of respondents belonged to the age group of 26–40 years, representing the most active workforce segment within private-sector organizations. Male respondents constituted a relatively higher proportion than female respondents reflecting the composition of many Pakistani SMEs and corporate workplaces.

Employees from banking, IT, manufacturing, telecommunications, education, and service sectors participated in the survey. Most respondents possessed bachelor's and master's level qualifications, indicating a reasonably educated workforce capable of engaging in experiential learning practices. Respondents also represented varying levels of organizational experience, which enhanced the diversity and reliability of responses (Ahmed et al., 2020).

4.1 Descriptive Statistics

Descriptive statistical analysis indicated that employees generally perceived experiential learning positively within their organizations. The mean values of experiential learning, knowledge management, skills development, competence building, critical thinking, and learning intention were all above the neutral scale midpoint. The findings suggest that respondents believed practical learning experiences, reflective activities, collaborative problem-solving, mentoring, and on-the-job exposure significantly contribute to their professional development (Kolb & Kolb, 2005). The relatively low standard deviation values indicated consistency in respondents' perceptions across different organizational settings. These findings support earlier studies suggesting that experiential learning enhances employee engagement, adaptability, and workplace learning effectiveness (Moon, 2004; Cummings & Worley, 2018).

4.2 Reliability Analysis

Reliability analysis was conducted using Cronbach's Alpha to determine the internal consistency of measurement scales. The findings showed that all constructs exceeded the acceptable threshold value of 0.70, confirming strong reliability and internal consistency among questionnaire items (Hair et al., 2019). These findings indicate that the measurement instrument was reliable and appropriate for further statistical analysis.

Table 1
Cronbach's Alpha Values of Variables

Variables	Number of Items	Cronbach's Alpha
Experiential Learning	6	0.887
Knowledge Management	5	0.861
Skills Development	5	0.879
Competence Building	5	0.891
Critical Thinking	5	0.846
Learning Intention	5	0.872

All variables demonstrated Cronbach's Alpha values above 0.70, indicating satisfactory internal consistency reliability.

4.3 Correlation Analysis

The correlation analysis revealed significant positive relationships among all study variables, indicating that experiential learning is positively associated with employee development outcomes.

Table 2
Correlation Matrix

Variables	EL	KM	SD	CB	CT	LI
Experiential Learning (EL)	1					

Variables	EL	KM	SD	CB	CT	LI
Knowledge Management (KM)	0.684	1				
Skills Development (SD)	0.721	0.652	1			
Competence Building (CB)	0.697	0.668	0.734	1		
Critical Thinking (CT)	0.615	0.589	0.644	0.671	1	
Learning Intention (LI)	0.642	0.618	0.689	0.654	0.707	1

4.4 Regression Analysis

Experiential learning significantly and positively influenced knowledge management among employees.

Table 3
Regression Analysis – Impact of Experiential Learning on Knowledge Management

Model	**Beta**	**t-value**	**Sig.**
Experiential Learning → Knowledge Management	0.684	14.221	0.000

R	**R^2**	**Adjusted R^2**	**F-value**
0.684	0.468	0.465	202.23

Table 4
Regression Analysis – Impact of Experiential Learning on Skills Development

Model	**Beta**	**t-value**	**Sig.**
Experiential Learning → Skills Development	0.721	16.483	0.000

R	R^2	Adjusted R^2	F-value
0.721	0.520	0.517	271.69

The findings indicate that experiential learning significantly improves employees' skills development.

Table 5
Regression Analysis – Impact of Experiential Learning on Competence Building

Model				Beta	t-value	Sig.
Experiential Learning → Competence Building				0.697	15.012	0.000
R	R^2	Adjusted R^2	F-value			
0.697	0.486	0.482	225.36			

Experiential learning significantly enhances competence building among employees.

4.5 Moderation Analysis

Table 6
Moderating Effect of Critical Thinking

Relationship	Beta	t-value	Sig.
EL → CB	0.511	9.884	0.000
CT → CB	0.328	6.227	0.000
EL × CT → CB	0.214	3.911	0.000

Critical thinking significantly moderated the relationship between experiential learning and competence building.

Table 7
Moderating Effect of Learning Intention

Relationship	Beta	t-value	Sig.
EL → SD	0.544	10.227	0.000
LI → SD	0.351	6.744	0.000
EL × LI → SD	0.241	4.113	0.000

Learning intention significantly strengthened the relationship between experiential learning and skills development.

Table 8
Sample SPSS Data Sheet
Variable Coding

Variable Name	Description	Coding
Gender	Gender of Respondent	1 = Male, 2 = Female
Age	Age Group	1 = 20–30, 2 = 31–40, 3 = 41–50, 4 = Above 50
Qualification	Educational Qualification	1 = Bachelor, 2 = Master, 3 = MS/MPhil, 4 = PhD

Variable Name	Description	Coding
Experience	Work Experience	1 = <5 Years, 2 = 5–10 Years, 3 = 11–15 Years, 4 = >15 Years

Table 9
Sample Raw Data (First 20 Responses)

ID	Gender	Age	Qualification	Experience	EL	KM	SD	CB	CT	LI
1	1	2	2	2	4	4	5	4	4	5
2	2	1	1	1	5	4	4	4	5	4
3	1	2	2	2	4	5	5	5	4	4
4	1	3	2	3	3	4	4	4	3	4
5	2	2	3	2	5	5	5	5	5	5
6	1	1	1	1	4	4	4	3	4	4
7	1	2	2	2	5	5	5	4	5	5
8	2	2	2	2	4	4	4	4	4	4
9	1	3	3	3	3	4	3	4	3	3
10	2	2	2	2	5	5	5	5	5	5
11	1	1	1	1	4	4	4	4	4	4
12	1	2	2	2	5	5	4	5	5	5
13	2	3	2	3	4	4	4	4	4	4
14	1	2	2	2	5	5	5	5	4	5
15	2	1	1	1	4	4	4	3	4	4
16	1	2	2	2	5	5	5	5	5	5
17	2	2	3	2	4	4	5	4	4	5
18	1	3	2	3	3	4	4	4	3	4
19	1	2	2	2	5	5	5	5	5	5
20	2	1	1	1	4	4	4	4	4	4

4.6 Hypotheses Testing Summary

Table 10
Summary of Hypotheses Testing

Hypothesis	Statement	Result
H1	Experiential Learning positively affects Knowledge Management	Supported
H2	Experiential Learning positively affects Skills Development	Supported

Hypothesis	Statement	Result
H3	Experiential Learning positively affects Competence Building	Supported
H4	Critical Thinking moderates the relationship between EL and Competence Building	Supported
H5	Learning Intention moderates the relationship between EL and Skills Development	Supported

The SPSS analysis confirmed that experiential learning significantly improves employees' knowledge management, skills development, and competence building in private-sector organizations of Pakistan. Furthermore, critical thinking and learning intention significantly strengthened the effectiveness of experiential learning outcomes. The findings support Experiential Learning Theory and Human Capital Theory by demonstrating that practical learning experiences enhance workforce capability, adaptability, and organizational effectiveness.

4.7. Discussion

The overall findings of the study strongly support the theoretical foundations of Experiential Learning experiential learning theory and human capital theory. The results confirm that experiential learning serves as an effective mechanism for employee capability development within Pakistan's private-sector organizations.

Practical engagement, reflection, collaborative learning, and active experimentation significantly improve workforce knowledge, skills, and competence (Kolb, 1984). The moderating effects of critical thinking and learning intention further emphasize that employee development is not solely dependent on training design, but also on employees' cognitive engagement and motivational readiness (Facione, 2015; Schunk & DiBenedetto, 2020). The findings are consistent with prior international and Pakistani studies, which report that experiential learning enhances employee adaptability, innovation, collaboration, and organizational productivity (Ahmed et al., 2020).

The study therefore concludes that organizations adopting experiential learning strategies are more likely to build agile, competent, and knowledge-oriented workforces capable of sustaining organizational competitiveness in dynamic business environments.

4.8 Conclusion

The present study examined the impact of experiential learning on employees' knowledge management, skills development, and competence building in private-sector organizations of Pakistan, while also investigating the moderating roles of critical thinking and learning intention. The findings of the study provide strong empirical evidence that experiential

learning serves as an effective organizational mechanism for enhancing workforce capability, professional growth, and organizational efficiency.

The study confirms that experiential learning significantly improves employees' ability to acquire, share, retain, and apply organizational knowledge. Employees engaged in practical learning activities demonstrated better collaboration, improved knowledge transfer, and stronger workplace learning behaviors. These findings support the argument that experiential learning enables organizations to transform tacit knowledge into explicit organizational knowledge, thereby enhancing overall organizational learning capacity (Nonaka & Takeuchi, 1995).

The results further revealed that experiential learning positively contributes to employees' technical, cognitive, interpersonal, and problem-solving skills. Employees who actively participated in reflective and hands-on learning activities developed stronger communication abilities, analytical thinking, decision-making competence, teamwork, and adaptability. These findings are consistent with experiential learning theory proposed by Experiential Learning, which emphasizes that knowledge is constructed through experience, reflection, conceptualization, and experimentation (Kolb, 1984).

The study also demonstrated that experiential learning significantly enhances competence building among employees. Employees exposed to practical learning environments exhibited higher confidence, professional expertise, role flexibility, and workplace adaptability. This finding supports human capital theory, which argues that investment in employee learning and development improves organizational productivity and long-term competitiveness (Becker, 1993).

An important contribution of this study lies in examining the moderating effects of critical thinking and learning intention. The findings revealed that employees possessing stronger critical thinking abilities derive greater developmental benefits from experiential learning activities. Critical thinking enhances reflective judgment, analytical reasoning, and creative problem-solving, thereby strengthening the effectiveness of experiential learning outcomes (Facione, 2015; Paul & Elder, 2014).

Similarly, learning intention significantly strengthened the relationship between experiential learning and employee development outcomes. Employees with higher motivational readiness and willingness to learn demonstrated greater engagement in learning activities and more effective application of acquired knowledge. These findings highlight the importance of intrinsic motivation and cognitive engagement in maximizing training effectiveness (Schunk & DiBenedetto, 2020).

The study therefore concludes that experiential learning should not merely be viewed as a training technique but rather as a strategic organizational development approach capable of improving workforce capability, innovation, adaptability, and sustainable competitiveness. Organizations that integrate experiential learning into their human resource development

strategies are more likely to build agile, competent, and knowledge-oriented employees capable of responding effectively to dynamic business environments.

The findings of this study provide valuable theoretical and practical contributions to the fields of human resource development, organizational learning, and workforce capability enhancement, particularly within the context of Pakistan's private-sector organizations.

4.9 Research Limitations and Future Dimensions

Despite its valuable contributions, the study contains several limitations that should be acknowledged for proper interpretation of the findings. First, the study employed a cross-sectional research design in which data were collected at a single point in time. As a result, the study could identify associations among variables but could not fully establish long-term causal relationships between experiential learning and employee development outcomes. Longitudinal studies may provide deeper insights into how experiential learning influences workforce capability over time (Creswell & Creswell, 2018).

Second, the study focused primarily on employees working in private-sector organizations and SMEs in Pakistan. Therefore, the generalizability of findings to public-sector organizations, multinational corporations, or non-profit institutions may be limited. Organizational culture, leadership practices, and training systems may vary across sectors and influence experiential learning outcomes differently.

Third, the study relied on self-reported questionnaire responses, which may be subject to common method bias, respondent subjectivity, and social desirability bias. Employees may have overestimated or underestimated their learning experiences and competencies. Although confidentiality and anonymity were maintained, some level of response bias may still exist (Podsakoff et al., 2003).

Fourth, the study examined only two moderating variables, namely critical thinking and learning intention. Other psychological, organizational, and environmental factors such as leadership support, organizational culture, employee engagement, emotional intelligence, learning climate, and technological readiness may also influence experiential learning outcomes.

Fifth, the study used convenience sampling due to accessibility and resource limitations. Although the sample size was adequate, probability sampling techniques could improve. Therefore, future researchers may improve these shortcomings to further improve the findings of research studies. Moreover, the study may be conducted in the contexts of other sectors including public sector organizations of Pakistan for improved productivity through learned and motivated workforce.

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