Organizational structure plays an important role in knowledge management as well as on performance. This study tried to find the effect of organizational structure on employee performance and knowledge management as moderating effect on the relationship. The research data was obtained by survey method from five major sectors, i.e. banking sector, educational sector, Textile exporters, IT sector and Research in Pakistan.

The questionnaire based survey was taken from 3 Banks, 3 academic institutions, 3 IT sector organizations, 3 public sector universities and 3 research institutes. The sample was based on 90 employees of banks, 90 employees from government based educational organizations, 90 from textile sector, 90 employees from software houses and 90 from research institutions in February 2013. Total sample size was 450, out of which 352 employees responded correctly.

The main data analysis methodology in this study was hierarchical regression. The research model includes knowledge management capability, job performance, and organizational structure with an interactive term OSKM. With the result of the study, knowledge management capability was positive with job performance, and organizational structure was positive with the relationship of knowledge management capability and Employee performance.