



## **KNOWLEDGE SHARING CULTURE: AN EFFECTIVE KNOWLEDGE MANAGEMENT INITIATIVE**

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### **Abstract**

*Knowledge constitutes a valuable, intangible asset for creating and sustaining competitive advantage within organizations. To fulfill organizational objectives, Knowledge sharing culture that paves way for tacit knowledge externalization is highly emphasized. Knowledge Sharing is an activity through which knowledge is exchanged among employees in organizations to operate effectively in the global market. Amongst several factors that affect knowledge sharing in organizations, organizational culture is an effective Knowledge Management initiative for Knowledge sharing. As each and every organization has its own personality which is called as its culture, a Knowledge sharing culture that enables tacit knowledge externalization constitutes a major challenge in the field of Knowledge Management. This research paper focuses on the importance of Knowledge sharing culture that paves way for tacit knowledge externalization which in turn leads to high firm performance.*

**Keywords:** *Knowledge Sharing Culture, Knowledge Management, Tacit Knowledge Externalization, Performance.*

### **1. INTRODUCTION**

Knowledge includes facts, information, descriptions, or skills acquired through experience or education. As it is rightly pointed out, every individual has a unique personality. An individual's personality is a set of relatively permanent and stable traits. Our personality influences the way we act and interact with others. Culture is a conceptual word that has been discussed for thousands of years by anthropologists, sociologists, historians and philosophers. It represents a common perception held by the organization's members. In every organization, there are systems or patterns of values, symbols, rituals, myths, and practices that have evolved over time. These shared values determine to a large degree what employees see and how they respond to their world. When confronted with problems or work issues, the organizational culture – the way we do things around here- influences what employees can do and how they conceptualize, define, analyze, and resolve issues. Organizational culture determines the degree of interaction used to accomplish work. Developing an organizational culture can increase the degree of knowledge sharing and encourages employees to freely express their feelings and opinion.

In Knowledge Management, knowledge acquisition involves complex cognitive processes: perception, communication, association and reasoning. The types of knowledge are explicit knowledge, tacit knowledge and embedded knowledge. The explicit knowledge is type of knowledge which is formalized and codified and is sometimes referred to as know-what. It is therefore fairly easy to identify, store, and retrieve. The tacit knowledge is referred to as know-how and refers to intuitive, hard to define knowledge that is largely experience based. Tacit knowledge is often context dependent and personal in nature. It is hard to communicate and deeply rooted in action, commitment, and involvement. Embedded knowledge refers to the knowledge that is locked in processes, products, culture, routines, and structures.

Tacit knowledge is difficult to share in the organization since it is experience based. Tacit knowledge is automatic, requires little or no time or thought and helps determine how organizations make decisions and influence the collective behavior of their members. Tacit knowledge is technical or cognitive and is made up of mental models, values, beliefs, perceptions, insights and assumptions. Tacit knowledge is grouped according to content, context and orientation. Depending on the person and the situation, one or more types of tacit knowledge may be used in different contexts and orientations. Content knowledge is used to manage oneself, others, or manage one's tasks. Tacit knowledge is lost through outsourcing, downsizing, mergers and terminations.

Opportunities to use tacit knowledge are prime factors in attracting and maintaining a talented, loyal, productive workforce. If tacit knowledge is not managed properly in the organization it may lose its competitive advantage.

Valuable human and knowledge resources is wasted if management does not openly accepts and supports efforts to gather, sort, transform, record and share knowledge.

To improve effectiveness of knowledge management, it is important to study organizational culture, because if it well understood, we can more successfully facilitate building awareness in organization about the tacit knowledge that exist in organization, thus making it explicit; secondly, explicit knowledge sharing is more effective when peoples' differences are understood and taken into consideration; and thirdly, organizational culture is shared within the organization both consciously and unconsciously. Organizational culture is an appropriate concept to describe the impact of organizational factors on the tacit knowledge. Every organization has its own special organizational culture created collectively by its members and organizational culture gives guidelines for organizational members how to behave and thus it is related to the performance on the organizational and individual levels.

## 2. LITERATURE REVIEW

Organizations can typically be diagnosed as having any one or a combination of four culture types: clan, adhocracy, market, and hierarchy. Clan culture has a positive influence on tacit knowledge sharing behavior; however, market and hierarchy cultures have a negative influence (Visvalingam Suppiah and Manjit Singh Sandhu, 2011). The culture of an organization influences the way in which practitioners learn and share knowledge (Schein, 1999). Culture informs the tacit knowledge in organizations; in referring to the way people act, and how they make sense of each other's actions (Perry, 2004). Opportunities to use tacit knowledge are prime factors in attracting and maintaining a talented, loyal, productive workforce (Smith, 2001).

As knowledge of employees has become a crucial asset of companies (Willke, 1998), sharing and creation of knowledge within and between different communities<sup>1</sup> is of vital interest for organizations (Brown & Duguid, 1999). Tacit knowledge is assumed to be a major cornerstone of knowledge sharing and creation (Nonaka, 1994; Nonaka & Takeuchi, 1997; Malhotra, 2000; Heisig, 2003). Knowledge sharing between employees requires communicating tacit knowledge. Unfortunately, it is difficult to be communicated in a formalized way like, for instance, through language. In well-functioning teams sharing of tacit knowledge occurs through "the establishment of shared understanding" (Becerra-Fernandez & Sabherwal, 2001) and through practice itself (Brown & Duguid, 1999). Communities of practice are a well-known example of knowledge sharing through "participation" (i.e. practicing) in a community (Lave & Wenger, 1991; Wenger, 2000).

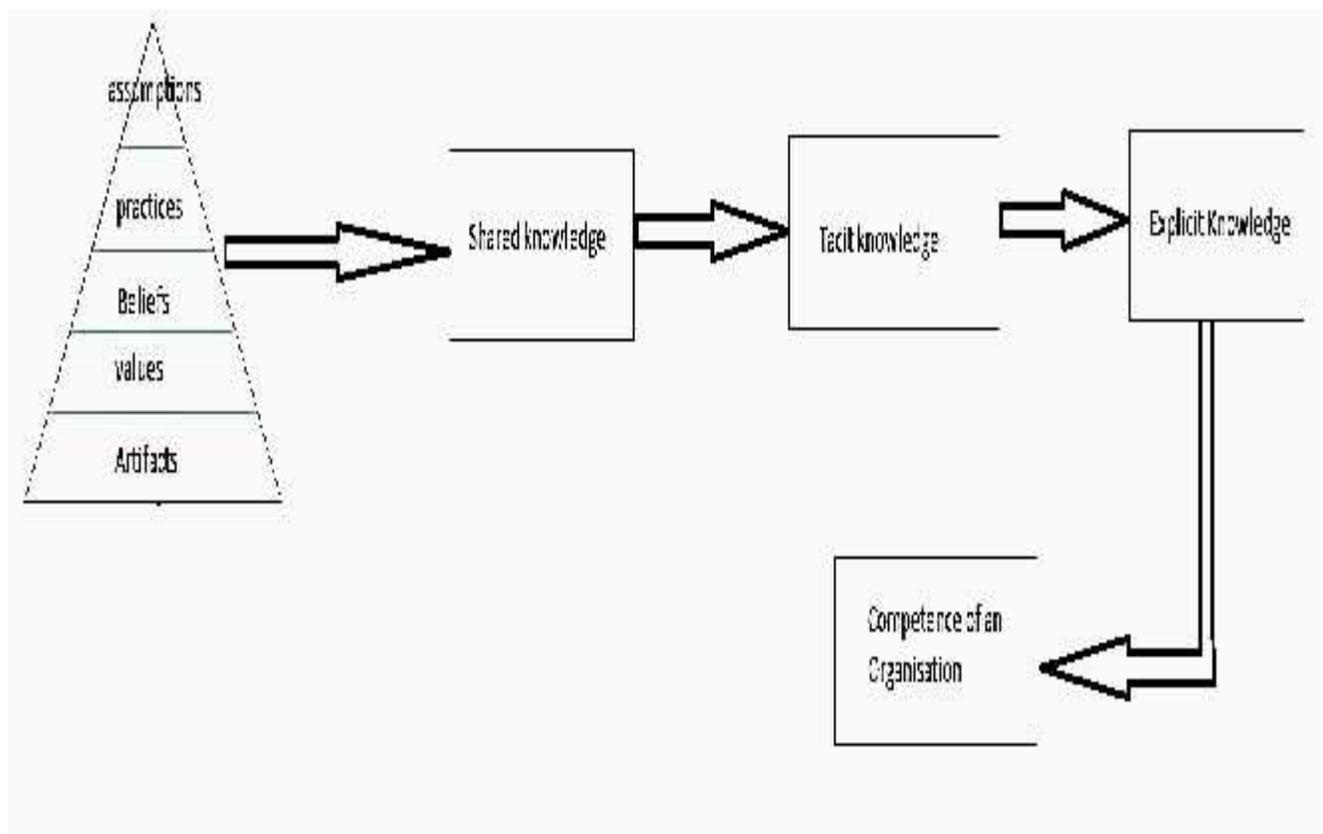
Nonaka and Konno (1998) distinguish two dimensions of tacit knowledge: the technical dimension, i.e. the "know-how", and the cognitive dimension, i.e. beliefs, ideals, values, mental models, schemata. "While difficult to articulate, this cognitive dimension of tacit knowledge shapes the way we perceive the world" (Nonaka & Konno, 1998, p. 42). The cognitive dimension is termed mental models by Senge (1996).

Tacit knowledge is considered as most important in the process of learning and knowledge accumulation (Lundvall and Borrás, 1997). Tacit knowledge is very important for any organization for competitive advantage (Alice Lam, 1987). Hooijberg and Petrock (1993) stated that culture contributes to improved performance and supports self-managing work teams. The role of organizational culture is strongly associated with a firm's competitive performance. Organizational culture expresses employees' attitudes and behavior towards knowledge sharing because it reflects their attributes and takes their work, organizational policies, and practices into account (Shin, 2004). Thus, companies should reform their culture and reward systems so that employees are encouraged and willing to share their experiences and knowledge with others. The integrative framework of organizational culture and knowledge management in organizations would facilitate organizational learning, which would in turn lead to the improvement in knowledge management practices. Author Khalil Md. Nor points out that the success of knowledge management, in particular the creation and sharing of tacit knowledge is influenced by organizational culture. He believes that the success of knowledge management is affected by the willingness among individuals to share knowledge, and hypothesizes that certain dimensions of organizational culture

encourage the willingness among individuals to share tacit knowledge. In turn, the willingness to share knowledge promotes further creation of knowledge.

### 3. KNOWLEDGE SHARING CULTURE FOR TACIT KNOWLEDGE EXTERNALIZATION

Though several factors affect knowledge sharing in organizations, such as organizational culture, trust, incentives, and technology, culture plays a pivotal role. The fact is sharing of knowledge constitutes a major challenge in the field of knowledge management because some employees tend to resist sharing their knowledge with the rest of the organization. So, there is difficulty in knowledge sharing. In order to counteract this, an ideas database should be created and that people should be motivated for their contributions and individuals must be reassured that they will receive some type of incentive for what they create. However, it is rightly pointed out by many researchers that individuals are most commonly rewarded for what they know, not what they share. Negative consequences, such as isolation and resistance to ideas, occur when knowledge sharing is impeded. To promote knowledge sharing and remove knowledge sharing obstacles; the organizational culture of an entity should motivate its employees. Knowledge sharing activities are generally supported by knowledge management systems. Effective collaboration and communication which spans across the whole company structure will give knowledge management the boost it really needs. In order to enrich a company's current culture every individual employee's contribution is highly required.



**Source: Compiled by Author**

Artifacts comprise the physical components of the organization that relay cultural meaning. Artifacts are the tangible aspects of culture shared by members of an organization. Verbal, behavioral and physical artifacts are the surface manifestations of organizational culture.



The next level deals with the professed culture of an organization's members - the Values. Shared values are individuals' preferences regarding certain aspects of the organizations. At this level, local and personal values are widely expressed within the organization.

Basic beliefs and assumptions include individual's impressions about the trustworthiness and supportiveness of an organization, and are often deeply ingrained within the organization's culture.

At the third and deepest level, the organization's tacit assumptions are found. These are the elements of culture that are unseen and not cognitively identified in everyday interactions between organizational members. Additionally, these are the elements of culture which are often taboo to discuss inside the organization. Many of these unspoken rules exist without the conscious knowledge of the membership. Those with sufficient experience to understand this deepest level of organizational culture usually become acclimatized to its attributes over time, thus reinforcing the invisibility of their existence.

Surveys and casual interviews with organizational members cannot draw out these attributes—rather much more in-depth means is required to first identify then understand organizational culture at this level. Notably, culture at this level is the underlying and driving element often missed by organizational behaviorists.

Most of the times underlying tacit cultural norms are generally not understood before would-be change agents begin their actions. Understanding culture at the deepest level may be insufficient to institute cultural change because the dynamics of interpersonal relationships are added to the dynamics of organizational culture while attempts are made to institute desired change.

While knowledge is commonly treated as an object, at times it is more appropriate to treat it as a flow. Knowledge as a flow can be related to the concept of tacit knowledge, discovered by Polanyi which was later explicated by Nonaka. While the difficulty of sharing knowledge resides in the transference of knowledge from one entity to another, it may prove profitable for organizations to acknowledge the difficulties of knowledge transfer and adopt new knowledge management strategies accordingly.

Tacit knowledge is the relevant information that resides in an individual's head. It's not written down, but is simply the knowledge someone has gathered from experience. It's often untapped, because it is hidden. But it's a treasure trove of knowledge. Tacit knowledge can only be captured when it is found. Therefore the key to successfully leveraging tacit knowledge within an organization is to accurately find the right people to solve that particular situation. Expertise management is a central tenet of tacit knowledge.

Organizations that can identify and link experts who can share their tacit knowledge benefit by providing higher quality solutions that are delivered faster and at a lower overall cost. It's applicable in markets that are challenged with business-critical situations, including customer support, IT help desk, strategic account management, team selling, professional services, and R&D. Organizations can, by automatically capturing these interactions, expand the scope of reusable knowledge to include data by analyzing what content is helpful ,what processes have worked best for organization and what experts are involved. This tacit knowledge is automatically captured and immediately usable. So, the next time there is a similar critical business situation, knowledge workers can tap into time-saving, relevant information to increase the quality of resolution while reducing resolution time.

The various techniques used to capture tacit knowledge are:

- Interviewing employees – structured interviews of subject matter of employees is the most often used technique to render key tacit knowledge of an individual into more explicit forms. In many organizations, structured interviewing is performed through exit interviews that are held when knowledgeable staff is near retirement age.
- Learning by being told – the interviewee expresses and refines his or her knowledge and at the same time, the interviewer or knowledge engineer clarifies and validates the knowledge thus rendering the knowledge in an explicit form. This form of knowledge acquisition typically involves domain and task

analysis, process tracing, and protocol analysis and simulations. Simulations are especially effective for later stages of knowledge acquisition, validating, refining, and completing the knowledge capture process.

- Learning by Observation – Observation is an important tool that can provide a wealth of information. Silent observation is best used to capture the spontaneous nature of a particular process or procedure.
- Educating employees for flexibility.
- Provide time for learning and openness to ideas.
- Encouraging non-hierarchical approaches to knowledge.
- By using reward and incentive system.

Tacit knowledge is distributed and shared through formal and informal socialization. This takes place in the form of sharing experiences, spending time with each other, apprenticeship, mentorship, meetings, Communities of Practice, brainstorming sessions and group-work technologies.

The most critical stage in the process is transferring tacit knowledge into explicit. It should be concerned with identifying, writing, and submitting tacit knowledge initiatives gained from experience, successful or otherwise, for the purpose of improving future performance. The organization needs to set means to stimulate employees thinking and development by identifying and aligning with knowledge necessary to support the organization's strategy and operations to achieve the projected benefits. Further, organizations shall establish a knowledge base to enable their members to capitalize on verified successes and mistakes, thus producing a cutting edge competitive advantage. The collection process should be continuous throughout the life cycle of the organization. Organizations may adopt for tacit knowledge collection depending on the nature and size of the organization. It is critical for the knowledge coordinator and knowledge circles to actively create a motivated and flexible environment by allowing and absorbing tacit knowledge sharing initiatives. Formal collection workshops can be arranged at regular intervals to keep the organization on its toes in terms of continuous awareness, commitment and system update. The tacit knowledge initiative shall be thoroughly and promptly reviewed for fitness to business use. The organization needs to establish a formal review process for tacit knowledge initiatives. In order to ensure wider applicability and benefit, documented tacit knowledge must be published for a wider readership and usability within all organizational levels. To enable this, knowledge sharing culture is a pre-requisite.

#### 4. CONCLUSION

The proposed model discussed has its competitive-advantage. It presents a continuous process of identifying the importance of organizational culture in sharing knowledge, tacit knowledge identification, collection and adaptation, converting tacit knowledge into explicit knowledge and how it is used for endless business needs assessment. Thus, if an organization has effective knowledge sharing culture and is able to acquire and manage tacit knowledge it leads to managerial success and also forms the base of competitive advantage for the organization leading to high firm performance.

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