# Organisation Culture and its influence on Knowledge Sharing: Relevance of a framework in virtual group

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# **Introduction**

All over the world it is an acknowledged and accepted fact that knowledge management is a critical resource that provides sustainable competitive advantage to organisations. Knowledge Management is not a mere concept but a practice adopted by organisations at large to address the needs for information that is required for making effective decisions. This information can be structured and translated into knowledge by applying a set of predefined rules. The knowledge thus generated can be of immense use to the organisation. Knowledge Management as a discipline seeks to help organisations manage this vital resource.

# What is knowledge?

Knowledge can be defined as a fluid mix of framed experiences, values and beliefs of an individual and an organisation. It comprises of a range of strategies and practices used in an organization to identify, create, represent, distribute, and enable adoption of insights and experiences. Such insights and experiences comprise knowledge processes or practice.

## **Concept of Knowledge Management**

Knowledge Management may be defined as doing what is needed to get the most out of knowledge resources. (Becerra, et.al. 2004). Knowledge resources therefore refer to the people in an organisation who are experienced and have skills that can be shared.

Knowledge Management is an approach to adding and creating value by more actively leveraging the know-how, experience, and judgement resident within and, in many cases, outside of an organisation. (Ruggles, 1998). Within an organisation it is resident in a individual's mind.

Knowledge Management is the formalization and access to experience, knowledge, and expertise that create new capabilities, enable superior performance, encourage innovation, and enhance customer value. (Beckman, 1997).

Knowledge is increasingly regarded as a critical resource for the organisations and knowledge management is crucial to competitive advantage and organisational successes (Nonaka and Takeuchi, 1995; Stewart, 2000). Due to this, various organisations are seeking various ways to convert individual skills, expertise, and experience to organisational knowledge. It is the ability of the organisations to effectively leverage the knowledge which is highly dependent upon the employees, who actually generate, share and use the knowledge. Much of this is shaped by the culture of the organisation where, culture and knowledge are inextricably linked in the organisation (Brown and Duguid, 1991; Sackmann,1992; Gupta,2005). Culture has been identified as the key barrier to effective knowledge management (De Long and Fahey, 2000; Leonard-Barton, 1995). Culture on its own cannot enable knowledge management because; culture is intangible and not homogenous across the organisations.

Today, as knowledge is increasingly seen as the most valuable asset of any organisation, a key challenge before any organisation is to encourage knowledge sharing. Therefore the dilemma before any organisation is how to encourage knowledge sharing. *One line of thought proposes that one must create the right environment in the organisation for knowledge sharing to take place.* Creating a conducive environment, in other words, means creating a culture of knowledge sharing.

Knowledge Management when seen as a set of processes and tools gives an organisation the ability to leverage and combine the collective abilities of all knowledge workers. This knowledge management process consists of three stagesthat of knowledge generation, knowledge storing and knowledge utilisation. Knowledge management is also represented as a framework. One frame work categorizes knowledge into tacit and explicit knowledge. Tacit knowledge represents internalized knowledge that an individual may not be consciously aware of, such as how he or she accomplishes a particular task. The other is explicit knowledge which represents knowledge that the individual holds consciously in mental focus, in a form that can easily be communicated to others. The basic principle of Knowledge Management is that organisations at large apart from codified knowledge depend upon tacit knowledge of the employees to manage the business. Therefore tacit knowledge which is resident in the minds of individuals, and which is known best to the knower, which often is available across isolated pockets, should essentially be shared across the organisation. Knowledge, which is tacit, can be shared through interpersonal interaction.

Knowledge Management provides a structured way of capturing knowledge that exists within an organisation; it gives an organisation the ability to improve the productivity and knowledge of its employees by means of knowledge sharing. However, individuals may or may not be willing to share this knowledge.

The willingness of individuals depends upon the culture of the organisation; that is, whether the culture promotes knowledge sharing. Individuals would be willing to share knowledge if an organisation promotes knowledge sharing.

Culture of an organisation brings about knowledge sharing. When knowledge is shared in the organisation, all the employees at all levels can begin to internalise this knowledge. All the employees would move forward to broaden, extend and also reframe their own knowledge. Employees of an organisation would be willing to share knowledge if the culture of the organisation encourages it to do so. The basic requisite for the entire process is the presence of right organisational culture, employee willingness to share and also attitude of superiors.

# What is organisation culture?

Culture can be defined as a set of shared attitudes, values, goals, and practices that characterizes an institution, organization or group. Organisation culture can be defined as the distinct ways in which people living in different parts of the world classify and represent their experiences, and therefore behave differently. Therefore, culture is considered to be group-specific behavior that is acquired, at least in part, from social influences. Here, group is considered to be the species-typical unit, whether it is a troop, lineage, or subgroup. *Prima facia* evidence of culture comes from within-species but across-group there may be variation in behavior, as when a pattern is persistent in one community but is found to be absent in another, or when different communities perform different versions of the same pattern.

The culture of an organisation plays a critical role in knowledge generation and sharing in an organisation. *It can act as a barrier or a motivator for knowledge generation and knowledge sharing to take place in an organisation*. Further, the leader also plays a very important role in an organisation because the culture he promotes goes a long way in defining the culture in an organisation and this culture either promotes knowledge sharing or impedes knowledge sharing from taking place.

# **Literature Review**

Knowledge management (KM) efforts often are seen to encounter difficulties from corporate culture and, as a result, to have limited impact (DeLong & Fahey, 2000; O'Dell & Grayson, 1998). Further, An Ernst and Young study identified culture as the biggest impediment to knowledge sharing (International Journal of e-Collaboration, 2(1), 17-40, January-March 2006 Copyright © 2006, Idea Group Inc. Copying). Many others have cited that the inability to change people's behaviours as the biggest hindrance to managing knowledge (Watson, 1998). Yet another study by Ruggles which covered 453 firms, over half indicated that organizational culture was a major barrier to success in their knowledge management initiatives (Ruggles, 1998). The importance of culture is also evident from consulting firms such as KPMG whose report says that a major aspect of knowledge management initiatives involves working to shape organizational cultures that hinder their knowledge management programs (KPMG, 1998). These findings and others (Hasan &s Gould, 2001; Schultze & Boland, 2000) reveal the impact that culture may have on knowledge management practice and the crucial role that senior management play in fostering cultures which are conducive to these practices (Brown & Duguid, 2000; Davenport, DeLong, & Beers, 1998; DeLong & Fahey, 2000; Gupta & Govindarajan, 2000; Hargadon, 1998; KPMG, 1998; von Krogh, 1998). Studies on the role of culture in knowledge management have focused on such issues as the effect of organizational culture on knowledge sharing behaviours (DeLong & Fahey, 2000; Jarvenpaa & Staples, 2001) and the influence of culture on the capabilities provided by KM (Gold, Malhotra & Segars, 2001) as well as on the success of the KM initiative(Baltahazard & Cooke, 2003). According to a study undertaken by Baltahazard and Cooke (2003) it is constructive cultures which emphasize values related to encouragement, affiliation, achievement, and self-actualization tended to achieve greater KM success. Similarly, Gold, et al. (2001) found that more supportive, encouraging organizational cultures positively influence KM infrastructure capability and resulting KM practice. Finally, Jarvenpaa and Staples (2001) determined that organizational cultures rating high in solidarity (tendency to pursue shared objectives) will result in a perception of knowledge as being owned by the organization, which, in turn, leads to greater levels of knowledge sharing.

Although culture has been often quoted as a challenge in knowledge management initiatives, and although many studies have considered the implications of organizational culture on knowledge sharing, there have been very few empirical studies which have studied the impact culture has on knowledge sharing in virtual groups. This was the gap identified.

## **Objective of Study:**

The objective of the study was to identify whether culture of an organisation has influence on level of knowledge sharing in an organisation. For defining culture in a systematic and structured way the researcher has used the model framework developed by Hofstede. This framework identifies culture as an expression of four distinct variables. These variables are: Power Distance, Long Term Orientation, Uncertainty Avoidance and Masculinity.

Knowledge sharing is the interaction of people guided by the organisational processes. It is about synthesizing the dispersed know-how of an organisation more effectively and distributing it throughout the organisation for use. It can be said to be systematic and continuous capture of know-how built from years of experience. In the study knowledge sharing means the ways by which an organisation can obtain access to its own organisation's knowledge (Nelson and Rosenberg, 1993; Stiglitz, 1999). This knowledge may be tacit or explicit.

For the purpose of this study, knowledge sharing framework is developed using eight variables that is eight variables for knowledge sharing have also been identified. These are: appreciation, attitude and developing employee. The study tests to see how far culture of an organisation expressed in relation to the four variables promotes knowledge sharing in an organisation. This study is based in the Indian context.

#### **Research Method**

The data collection method, sample frame, sample unit, sample size and the method of data collection adopted for the study.

For undertaking the study, a questionnaire was developed with the support of literature. Data was collected by administering this questionnaire.

Corporate organisations who were engaged in projects being managed collaboratively with employees in dispersed locations were chosen as sample frame. In other words employees who needed to talk to other employees to get their work executed were chosen for study. Managers at middle level and operation level formed the sample unit. Sample size was 300. The sampling procedure was judgemental. The survey was conducted in private as well governmental organisations like RITES. The survey was limited to the city of Delhi.

#### **Tools for Analysis**

The tools of analysis used were anova and t-test.

#### **Hypothesis**

Ho 1: There is no positive relationship between power distance and superior appreciation.

Ho 2: There is no positive relationship between Long Term Orientation superior appreciation.

Ho 3: There is no positive significant relationship between Uncertainty Avoidance and superior appreciation.

Ho 4: There is no positive significant relationship between and Masculinity and superior appreciation.

Ho 5: There is no positive relationship between power distance and attitude.

Ho 6: There is no positive relationship between Long Term Orientation and attitude.

Ho 7: There is no positive significant relationship between Uncertainty Avoidance and attitude.

Ho 8: There is no positive significant relationship between and Masculinity and attitude.

Ho 9: There is no positive relationship between power distance and developing employee.

Ho 10: There is no positive relationship between Long Term Orientation and developing employee.

Ho 11: There is no positive significant relationship between Uncertainty Avoidance and developing employee.

Ho 12: There is no positive significant relationship between and Masculinity and developing employee.

## **Research Method**

The data collection method, sample frame, sample unit, sample size and the method of data collection adopted for the study.

For undertaking the study, a questionnaire was developed with the support of literature. Data was collected by administering this questionnaire.

Academic institutions were chosen as sample frame. Faculty members including assistant professors, associate professors, and professors were the sample unit. Sample size was 150. The sampling procedure was judgemental. The survey was conducted in professional institute of studies which included management, medical and engineering colleges. The survey was limited to the city of Aligarh and Delhi.

## **Tools for Analysis**

The tools of analysis used were anova and t-test.

## Analysis and Conclusions

The analysis of study revealed that:

- There is positive relationship between power distance and superior appreciation.
- There is a positive relationship between Long Term Orientation superior appreciation.
- There is a o positive significant relationship between Uncertainty Avoidance and superior appreciation.
- There is a positive significant relationship between and Masculinity and superior appreciation.
- There is a positive relationship between power distance and attitude
- There is a positive relationship between Long Term Orientation and attitude
- There is a positive significant relationship between Uncertainty Avoidance and attitude.

- There is a positive significant relationship between and Masculinity and attitude.
- There is a positive relationship between power distance and developing employee.
- There is a positive relationship between Long Term Orientation and developing employee.
- There is a positive significant relationship between Uncertainty Avoidance and developing employee.
- There is a positive significant relationship between and Masculinity and developing employee.

## **Conclusion**

Knowledge sharing therefore is an integral part of an organisational environment. Knowledge management is not separate from the rest of the organisation requiring separate staff or organisation. Knowledge sharing should be weaved into the cultural fabric of the organisation in order to enhance an overall enterprise performance.