CHAPTER 3

REVIEW OF LITERATURE

This chapters is a where you not only give grounding to your research but also acknowledge and appreciate the efforts of other researcher. The breadth and depth of understanding about the domain researcher is dealing and problematizing an issue will be based on how analytical a researcher is to get insight through other scholarly work. It has helped in making research process incremental and accumulative.

The purpose of this literature review is to examine the extant literature on knowledge sharing with a culture of organization as one of the reference point.

Literature review is an integrated discussion of literature. While going through the extant literature it is observed that there is methodological heterogeneity in the way knowledge sharing and culture concepts are studied. The phenomenon of knowledge sharing is researched using qualitative as well as quantitative methodologies based on the research paradigm chosen.

The objective to write this chapter is not to provide a comprehensive review, but to illustrate how different dimensions of knowledge sharing have been explored in relation to culture and cultural attributes of an organization. Validity of review of literature depends on intended purpose. There is integration of thematic and historical literature to get better understanding about the phenomenon.

I have reviewed literature on knowledge management, knowledge sharing and a critical attributes which were identified at the conceptualization stage:

3.1. KNOWLEDGE MANAGEMENT

"The nations that will lead the world into the next century will be those that can shift from being industrial economies based upon the production of manufactured goods to those, that posses the capacity to produce and utilize successfully "

Michel Porter

Economists have categorised the world into three distinct ages – the agrarian age, the industrial age and now information age (Persaud 2001; woodall, 2001). A knowledge economy depends on knowledge for growth, the provision of superior services, highly educated and trained people, and knowledge supplanting the traditional resources of production (Drucker 1993).
One of the question which KM researchers deal with is: Why managing knowledge is so important in present scenario? Some leading economist did write economic importance of knowledge long before the knowledge economy term was prominent. Marshall (1891) included a brief discussion on knowledge in his Principles of Economics. Schumpeter (1934) addressed knowledge in Theory of Economic Development. Hayek (1945) wrote an article ‘The use of knowledge in society’. Machlup’s (1962) extensive work was well summarized in a book Production and Distribution of Knowledge. All these economist accounted role knowledge played in the economy and society.

3.1.1 Origin of KM:

Knowledge management has its origin in the information technology field. The tectonic shift in the domain of knowledge management discipline is due the change in conception of knowledge in the organizations. Traditional approach perceived knowledge as just a resource or commodity that can be captured, codified and stored like other resources. While the emergent approach perceives knowledge as a process thus the focus is more supporting or enhancing knowledge capabilities through various initiatives with the help of supporting expertise.

KM is still an evolving field converging several management disciplines. KM term began to appear in the management literature only in the late 1980’s people considered it just another management fad. Knowledge impacts organisational performance and is essential for sustainable competitive advantage (Davenport & Grover 2001; Drucker, 1993).

Knowledge management concept was initially a fuzzy concept. Information technology domain grabbed the opportunity by making the first dent and started building huge database. The forgotten ‘People’ part was making the knowledge management system ineffective thus this approach of managing data was not effective in long run. There is a little truth in the accusations that management professional rebranded Information Management to Knowledge Management and made it a ‘must have’ acquisition (Seabrough and Swan 2001). Many studies also concluded that best knowledge management is possible just by the presence of robust information technology in the organization. This view ignored the richness of knowledge and gave an impression that KM in an organization is not difficult.

The system oriented style of knowledge management resulted in too much dependency on technology of the organization and very few people could really make use of this initiative at workplace. Combination of systems and human oriented style of knowledge
management resulted in much better performance rather than relying on just one since the whole system becomes passive and least effective (Choi & Lee, 2003).

3.1.2 KM and present business scenario:

Organizations can no longer depend on internal knowledge resources. Exploring external sources of knowledge is imperative. Knowledge management is fundamentally about making right knowledge or knowledge source available to the right people in right time. Perhaps knowledge sharing is the most important step in KM. The amount of literature devoted to the knowledge management discipline and investments made by organisations substantiates the importance of the field of knowledge management.

Knowledge based theory of the firm considered knowledge as a primary factor of production (Spender, 1996a, b). In 1990’s and beyond, globalisation and enhancement in information technology have led to knowledge and information being a primary source of competitive advantage for organisation (Davenport & Prusak, 1998; Drucker, 1995; Marquandt and Reynolds, 1994). Knowledge exists in the people and its organisational environment but not all organisations benefit from it, unless they constructively use capture and update existing knowledge pool. Majority of the firms started working on the rationale, If the significant chunk of knowledge gets embedded in process and technology then the loss of knowledge would be less when the employee leaves organisation.

Knowledge management is not just about efficiently managing information but more subtly, sustaining and strengthening social practices (Kreiner, 1999) in a nutshell, knowledge management is not about managing available information as digitalization of information cannot be a substitute for socialization. KM deals with the process of creating value from an organisation’s intangible assets (Wigg, 1993). A Knowledge management paradigm initially practitioners focused more on technology to demonstrate the success of KM. Some scholars tried looking at culture with focus on collaborative climate index. Many scholars claim that culture enables successful KS.

Two main strategies in knowledge management are available in the literature, codification, which is focused on codifying, storing and distributing knowledge in the organization (Huysman & Wit, 2004). And socialization (also referred to as personalization), which states knowledges is mostly tacit nature and are embodied in employees, by ways of experiences, skills and attitudes (Polanyi, 1966; Hansen et al., 1999).
3.1.3 Importance of KM

Many organisations which appear to be robust look fragmented when they try to take a stock of existing knowledge. Siloed culture within the organisation hinders the comfortable flow of knowledge as there is almost a competition among different centers. It can help in pushing employees to be more creative or innovative, but it also promotes the culture of privatizing knowledge. Knowledge management is valued since it helps in improved decision making, shortening cycle time, increasing productivity, boosting innovations, organizational cohesiveness and strengthening employee engagement. Most of the organizations invest a great deal of money and faith in KM system which is entirely based on IT without giving much importance to the actors who create the knowledge. Most of these IT technologies are ‘process enabling technologies’ focusing on the entire business process but does not account important individual tasks.

Technology should ideally add value to the baseline by lowering costs. Technology is just a tool to enhance business effectiveness and not an end in itself. Unless these technological programmes are are not aligned to the well-articulated business goal, the possibility of success is very less. In most cases these platforms are either bought readymade or designed by a third party vendor. The end users are hardly involved in the design phase to ensure its success. IT professionals while developing KMS immerse themselves in making sense of the initiative from IT perspective and in the process isolate themselves from rest of the organization. At times, they find it difficult to interpret certain operations and should collaborate with end users to ensure that it is properly aligned with larger business goals.

KM lifecycle has distinct phases from creation, capture, storage and distribution. Even if the KM solution is better and sophisticated and does not integrate with the overall business system, it will not lead to successful application. The application should be good enough to capture nuances of business processes. For the success of KM, you have to focus on human dimension compared to technological dimension. No organization can or should change the culture to adapt knowledge sharing culture rather it would be wise to align knowledge sharing processes to the existing culture and then work on the key attributes which enhance the process.
3.1.4 KMS Implementation:

There are two distinct school of thought based on the studies undertaken by researchers while dealing with the knowledge in the organization, on which KMS is designed. Some of them considered knowledge as a static product so the primary goal was on how this object can be stored and transferred and separated from individuals (Mentzas, Apostolou and Young, 2001). Other genre perceived knowledge as a process (Spender, 2000) where knowledge and people operate in tandem forming a peculiar social structure. Viewing knowledge as a process gives more importance to communication, innovation, social capital and collective creativity.

Success of KM efforts will depend on consolidated efforts by working on cultural as well as technological framework. This involves detail investigation in developing a rich conception of knowledge work and collaborative task performance. It is possible only through bottom-up approach. To ensure success of KM initiative all organisations must understand this multifaceted nature of knowledge (Alavi & Leidner, 2001). The critical success factor for managing knowledge resources in the organization is not a technology issue but a cultural issue.

It is essential to start something which is small, manageable and critical. Key to success of KM implementation is to identify those segments of organisation that contain knowledge vital to the operation, knowledge that is in peril. Setting a long term goal and then breaking it into small milestones and visibility of results gives people confidence and enhances their engagement in the initiative. Organisation should consider KM as an important purposeful activity to coordinate knowledge in the organization taking in to account all socio-technical processes. In knowledge sharing process an individual has to shuttle between reflective and unreflective modes to get a better understanding about the work they are doing.

3.1.5 KM in oil and gas industry

In spite of automation and technological innovation in the oil and gas sector, only 30 – 40% work processes can be automated but rest other need close human monitoring for efficient working of the plant. Automation changes varieties of occupation to some degree, e.g., Boiler and furnace attendants but human factor is critical for effectiveness of the work activity in the organization. When the roles and processes in the organization get redefined the benefit is much more than the economic benefit through labour savings. Organizations in oil and gas sector could focus on the core value addition and get into the mode of innovation due to this. Technological advancements could only augment
human capabilities and amplify the value of human capability for the specific work activity but it cannot on its initiate the work activity most of the time.

3.1.6 Failure of KM:

Knowledge Management term is so trivialized that it has actually started acting as a significant barrier to initiating dialogue for the initiatives in the organization. It is observed that at the beginning of KM initiative, people are very enthusiastic and are almost hell bent on correcting the perceived wrong thing at one go. This puts a lot of pressure on people and could be proved dysfunctional. Leaders can expect the highest involvement and engagement of people in KMS if they can convincingly communicate the intent of KM and successfully work on clarity of implementation and roles of people. Many organizations invested in the fantasy version of knowledge management which hardly manages knowledge in the organization. In the knowledge economy, innovation and knowledge are crucial to sustaining competitive advantage.

1. Salience of Purpose:

People in the organizations are responsible for the success of any initiative. Involving key end users in planning will add value to the initiative. In the case of KMS, most of the organizations overlook the importance of engaging people in it from the beginning.

2. Information curation:

Organizations have ample information on different fronts. In this situation information curation is must. People should be oriented to gather and make sense of relevant information than getting overwhelmed by the presence of vast information and delay decision making, it is essential to frame the options and restrict to valuable choices. The Contrast principle by Robert Cialdini (2001) states that at times we understand things when we compare and contrast than viewing something in isolation. This also helps in persuading people when asked compared to what?

3.1.7 summary:

It not possible to track unstructured hidden knowledge that exists in the networks of people by using IT system. Initially KM approaches were dominated by over-reliance on IT, the focus was on gaining control over knowledge which was later shifted to using knowledge effectively along with capturing and sharing knowledge across the organisations. There is a lot of interest and research going on in KM field, but there are very few best practices in as most of them remain experimental and diffused.
Organizations are trying different models to leverage successfully present knowledge in the organization through various initiatives. An outlay of lost knowledge is not listed in the balance sheet, but it is a huge loss for an organization. Organizations continuously lose know how at a higher rate which leads to knowledge shortage.

Though all organization is aware of the importance of knowledge in the organization, KM initiatives may not get support due to lack of shared perception. Most of the organizations often perceive KM to be part of HR function, but ownership has to be taken by all functions at every level. Operations and service managers must practice it as a routine activity. Most of the organisations consider KS once in a while kind of event. It is important to institutionalize an elaborate set of practical knowledge processes by analysing day to day work activities. The organisations who could successfully create and maintain the codified knowledge stock are still struggling with the managing tacit component of knowledge existing on the organisation.

Availability of knowledge infrastructure, i.e., technology-based on cultural, is essential to facilitate the creation, sharing and usage of knowledge within the organisation. Encouraging people to create, codify, share and use it is first a step towards developing robust KMS.

We cannot apply the product life cycle concept to creation of knowledge since it is a process where the stock of knowledge keeps on increasing but does not stop. In any organization, you can not quantify the exact amount of knowledge, but you can just take a snapshot of knowledge at a particular point in time. There is a constant interplay of knowledge in the organization at different levels ranging from individual to organizational. I am looking at the knowledge from a more pluralistic epistemological perspective.

Creativity and sensing emotions which are a part of human experience in the organization cannot be automated. Only 4% of the work activities in the US economy require creativity and 29% work activity require sensing human emotions which give an idea about the quality of work experience we get on a daily basis and amount of repetitive tasks we do in work life this could be one of the reasons of alienation from work.
3.2 KNOWLEDGE SHARING

People work in the organization to achieve a common goal through synergetic relationships which require sharing of information and knowledge so that those who need the knowledge can find it and use it when it is needed (Hart and Warne, 2006). The ideas and knowledge people bring in gets refined and diffused in the organization. It is imperative to see what shape the knowledge takes during scaling up and diffusion. Hansen and von Oetinge (2001) suggested that organization should create “ an open market of ideas “ for people to know where expertise lies and feel free to get help directly.

KS is an essential element of the business process of every organization (Koeglerreiter and Torlina (2006). Organizational capabilities are directly related to the way organizations configure people and processes. Knowledge sharing is an operational issue you cannot have a solution for it through a strategic fix. Strategic solutions are always so tempting since they have precision and logic while is often compelling, but it diverts attention from solving a simple operational problem. Cyr and Choo (2010 ) mentions organizational gains through knowledge sharing by way of efficient problem solving, quick response to changes, developing new idea and insights, avoiding reinventing wheel. All the organizations in spite of knowing benefits of knowledge sharing find it tough to promote and reinforce knowledge sharing behavior.

Term ‘knowledge sharing’ and ‘Knowledge Transfer’ is used liberally without differentiating it. King ( 2006 ) distinguished it as "transfer implies focus, a clear objective, and unidirectionality while knowledge may be shared in unintended ways multiple-directionally without a specific objective". Ipe (2003) makes a distinction between knowledge sharing amongst individuals and the concept of knowledge transfer describes the movement of knowledge between larger entities like department, divisions and units in the organizations. Ipe (2003) claims that understanding of the process of knowledge sharing between individuals will give a better understanding of knowledge sharing as a whole in organizations.

For knowledge sharing to be effective ,people need to oscillate efficiently between knowledge exploration and knowledge engagement. The layering of these two activities needs to be done effectively. Gagne ( 2009 ) combined HR and motivation theory to create a model of ‘ Knowledge – Sharing Motivation’ which claims that HR Practices and motivation are crucial for Knowledge sharing behavior.
There are some myths related to knowledge sharing like knowledge sharing is possible only if organization have non-competitive culture. It almost assumes that you have to first work on the culture of the organization to get people share. Dixon(2000) rightly says “if people begin sharing knowledge, the sharing itself creates a learning culture” In reality, contribution to the public place motivate people and networks in the organizations help in it.

3.2.1 Sense Making and Knowledge Sharing

Theory of sense making by Weick( 1995 ) illustrates the manner in which people make sense of the context in which they are operating, and this process is social and about the action. Doughtery, Borrelli, Munir& O'Sullivan (2000) studied the innovation capability of the organization and its strong connection with the making right sense of shared experiences in precarious situations like radical technological changes and economic market dynamics. The less innovative companies exhibited reticence due to “Stick to rules and play within the boundaries” dispositions. People can challenge existing business rationale and configuration only when they have new insights and get opportunities to make use of those new insights.

People not only make sense of the things they are involved in or experience but also make sense of the things which form the context in which they operate as it affects them indirectly. There are three levels of sense making as proposed by Weick( 1995 ) Generic Subjectivity, intersubjective sense making and extra subjective level of sense-making. These three levels of sense making are not taken in a hierarchical sense since this process is continuous and does not necessarily have some fixed direction. Culture is an extra subjective level of sense-making which provides a reservoir of background knowledge. Generic subjectivity refers to the structural aspects of an organization, and it enforces stability, security during uncertainties. Intersubjective sense making increase interaction between people thus improves knowledge sharing and level of innovation in the organization.

The process of meaning making (Weick, 1995) and forming collective knowledge continuously goes on in the organization, and there is a formation of several pockets of collective knowledge which are in a state of flux and have interdependencies. Organizational knowledge is a part of collective knowledge and unlike collective knowledge, the organizational knowledge is in more visible form, so it is much more easily identifiable.
Theory of sense making by Weick (1995) provides a theoretical ground to connect the two significant concepts dealt in this study culture of an organization and knowledge sharing behavior. The sense-making model illustrates three important levels of sense making in the organization. Knowledge sharing behavior falls in the inter-subjective sense making and culture falls in extra subjective or cultural level of sense-making.

Tsoukas (1996) talks about an organization as a distributed knowledge system. Knowledge sharing in the organization is not necessary just because it is the first step of knowledge creation but it is also essential for collective sense-making about work related activities, an environment which they co-create through inter-subjective sense making. Knowledge sharing and knowledge creation are critical components of this process of collective sense-making.

It is interesting to understand how knowledge is created and shared in a particular context. Individuals create, maintain, use and recreate knowledge through intersubjective sense making. This also involves revisiting and updating the knowledge. People work in a team in the organization, and they cooperate with each other and interpret situations jointly before taking a decision. The collective knowledge (derived from the Collective mind by Weick and Roberts 1993) does not reside in individuals but reside between and among individuals. To understand and escalate collective knowledge it is essential to increase social interaction and find best avenues for interlocking joint work. Collective knowledge is "An emergent capacity to act collectively; it involves continuous co-creation of intersubjective meanings and mutual understanding through heedful interrelating" (Weick and Roberts 1993: 362). Social interaction and process of intersubjective meaning making transform people.

3.2.2 Impact of Socialization

Through socialization, we understand the world from others. While working in the organization, we get influenced by people around and ideology of an organization. Organization focuses primarily on structure and consistency. Organizational systems concentrating on structures and allied processes assume that knowledge is a stable entity. The epistemological position on knowledge is much familiar with pragmatist view that knowledge is primarily of significance because of its action consequences thus, should be treated as an object. Knowledge created by individuals due to interactivity and connectivity gets retained in the organizational processes. Thus, knowledge sharing plays a vital role in ensuring that knowledge remains in the organization even when the knowledgeable have gone.
King (2006) builds further on the knowledge-based view of an organization by stating that knowledge sharing is critical to organizations that wish to use their knowledge as an asset to achieve competitive advantage. A study by PwC (2011) concludes that weak interaction with peers decreases social cohesion thus reduces knowledge sharing and lead to disrupted work.

Why do people share knowledge? Sharing knowledge is necessary to the functioning of every social system and is also a potential collective dilemma (Alcock & Mansell, 1977, Bonacich, 1972 ). Earlier studies mainly focussed on the process and technique of knowledge sharing (Hansen et al, 1999, Hansen and von Oetinge 2001) and individual behavioral patterns and incentives that trigger knowledge sharing activities. Very few studies looked at the cultural context of the workplace which facilitates knowledge sharing. Knowledge sharing starts with individual realizing a deficit in her knowledge level, which makes it difficult for her to perform the task she is working on (Hansen, Nohria & Tierney 1999; Borgatti and Cross, 2003 )

No organization will counter the significance of ‘ water-cooler effect ’ in the organization. These are less structured, informal chance office encountered which are impressive for sharing insight.

Moving people around by way of formal organizational processes wastes time and is costly but moving ideas, and knowledge is much cheaper and much faster (Buckman, 2004). The flow of ideas and knowledge can only enable by ICT which justifies the massive investment made by organizations, but they look at technology as a solution and not as an enabler.

3.2.3 Determinants Affecting Knowledge Sharing:

There are various determinants affecting knowledge sharing at the individual level in the organization. Ipe (2003) described them as:

- Nature of knowledge: refers to a peculiarity of knowledge as per the business. This also makes a strong rationale for setting study in one sector and refrain from a cross-sector research.

- Motivation to share knowledge: Refers to individual attitude and personality traits, reciprocity, rewards and relationship with the recipient.
• Opportunity to share knowledge: refers to the availability of technology to collaborate and a communication channel to facilitate formal, informal and virtual communication.

• The culture of a workplace: relates to a collaborative culture which incentivizes knowledge sharing.

Ability and willingness may become two explanation of the transfer problem at the individual level. Research by Egan and Kim (2000), investigated the role of organizational structure in facilitating Knowledge sharing. Dave and Koskala(2009) claims that presence of a good IT encourages organizations to help people develop skills for seamless knowledge sharing.

3.2.4 Importance of knowledge sharing:

Knowledge sharing helps in

1. Building trust and transparency.

2. It enhances communication between silos

3. It strengthens ties between people through a collective sense of contribution

4. It cultivates inclusiveness thus makes organizations more creative due to a cumulative effect of different voices, perspective, ideas and opinions.

5. Sharing knowledge helps in sustaining motivations and help you learn new things from a receiver.

In knowledge sharing both the parties learn and foster collaborative work environment. A Certain degree of socialization is must when the external environment is going through a lot of systemic changes (Caroline Webb, McKinsey & Company, Feb 2016).

3.2.5 Knowledge Sharing Defined:

Many authors defined knowledge sharing in the organization as: "A willful application and transfer from one (or more) person's ideas, insights, solutions, experiences (knowledge) to another individual (or more) either via a technology based system or directly (Turban, McLean, Wetherbe, 2004; Bouthiller and Shearer, 2002)."
Knowledge sharing is defined by Ipe (2003) as follows: "Knowledge sharing between individuals is the process by which knowledge held by an individual is converted into a form that can be understood, absorbed, and used by other individuals. The use of the term sharing implies that this process of presenting individual knowledge in a form that can be used by others involves some conscious action on the part of the individual who possesses the knowledge." King (2006) defines it as "the exchange of knowledge between and among individuals, and within and among teams, organizational units, and organizations." According to Bosua&Scheepers (2007) knowledge sharing is "a dual process of enquiring and contributing through activities such as learning-by-observation, listening and asking, sharing ideas, giving advice, recognizing cues, and adopting patterns of behavior."

3.2.6 Factors Affecting Knowledge Sharing:

Knowledge will always be a source of power. Sharing knowledge and expertise with others might lead to erosion of such individual power (Burton-Jones, 2001; Bartol and Srivastava, 2002, ). This could be one of the reasons people hesitate to share knowledge (Jacobs and Roodt, 2006) and hoard the knowledge. To internalize knowledge sharing, organizations and employees should build and maintain trust across the organization (Jacobs and Roodt, 2006) so that people do not fear to share the knowledge.

A study by Staplehurst and Ragsdell (2010) claims that different level of education and experience might be a barrier for sharing knowledge for the people in different job roles. Insecurity and fear of losing job could be one of the reason. Jacobs and Roodt (2007) conducted a study to discuss role of knowledge sharing in predicting nurses' turnover in South Africa and findings indicated that a strong group affiliation and teamwork is critical for knowledge sharing to take place. Chua (2003) argues that people should have a desire to reciprocate when it comes to knowledge sharing. The absence of strong personal ties hampers knowledge sharing (Wig, 1999). To ensure knowledge sharing, organizations must encourage people and managers should support knowledge sharing initiatives and behavior (Jacobs and Roodt, 2006).

Studies have shown that reward, incentive system and recognition support knowledge sharing (Chua, 2003; Husted and Michailova, 2002; McDermott and O'Dell, 2001; Jacobs and Roodt, 2006). Thus concludes that people want management to appreciate their knowledge sharing efforts and compensate accordingly. In this view, organizations must work on the strategies to capture and retain knowledge.
3.2.7 Knowledge sharing and culture:

Organizational culture provides a sense of identity, unwritten guidelines to behave at the workplace (Holbeche, 2005:27). While most of the Organizations focus on upgrading skills and technology, very few organizations feel the need for upgrading culture as well as per relevance. Culture should be in synchronization with the technological improvement. A collaborative environment is crucial for knowledge management where people do not feel forced to share knowledge but have a desire to learn and work together. In this process, they are bound to share knowledge (Jain, 2009). In some organization, organizational culture is such that people feel that if they share knowledge, organization will not need them anymore (Tiwana, 2001).

Thomas (2009) argues that the awareness knowledge loss through staff attrition has prompted companies to institutionalize certain processes to capture as much knowledge from their employees as possible. Thomas further lists the strategies organizations may implement to capture and retain knowledge before they leave. Ironically some organizations have no strategy in place to capture and retain organizational knowledge. In practice, storytelling, coaching, mentoring, subject matter experts, leveraging retirees, communities of practice are some of the strategies organizations implement to share or retain knowledge.

In fact, recent studies indicate that culture plays a significant role in influencing knowledge sharing (Mushtaq and Bokhari, 2011, Jacobs and Roodt, 2011, Ragsdell, 2009). Ragsdell investigated the enhancers and inhibitors to knowledge sharing within Charnwood Citizens Advice Bureau in the UK.

Organizational culture is a prerequisite for knowledge sharing. While culture is critical in implementing knowledge management, an excellent knowledge management culture is characterized by trust, openness, teamwork, collaboration, risk-taking, tolerance for mistakes, autonomy, common language, courage, and time for learning (Albers, 2009). The organizational culture shapes Knowledge sharing behaviors (Ramirez, 2009). Ipe (2003) claims that more knowledge is shared informally than the formal ways, and much of the knowledge processes depend on the culture of the work environment.

De Long and Fahey (2000) argue that the impact of culture on the context for social interaction can be assessed along three dimensions:

- Vertical interactions (interactions with senior professionals);
- Horizontal interactions (interactions with peers in the same or different function);
- Individual behaviors that promote knowledge sharing and use (sharing, teaching, and dealing with mistakes)
Van Den Hooff (2004) wraps it saying that people should not consider KS as a separate job, and people should implement it in their daily work. It should be stressed that employees cannot do their jobs in the most optimal way if they do not share knowledge at the same time. For an organization, it remains important to facilitate the sharing of knowledge by providing the opportunity to work together. Knowledge sharing helps more to the sender if done effectively as it gets amplified, refined and collaboration can scale the idea to the level of innovation. How and which knowledge gets shared in the organization also depend on the business and rationality of an organization. Previously most of the studies dealing with knowledge sharing gave too much importance to technology but missed on the procedural and structural aspect of organization for supporting knowledge sharing. It was very recently that researchers are exploring individual or cultural factors which play a crucial role in enhancing knowledge sharing behavior of people.

**HYPOTHESIS GENERATION**

3.3. Demographic Attributes:

Unit of analysis for this study is individuals in the organization who are not just carriers of knowledge but they can also transform the knowledge as per the context. Three demographic attributes are considered for this study—(1) Age (2) Gender and (3) Duration of affiliation with the organization. Many scholars (Reige 2005; Ipe 2003; Kaser and Miles, 2001) have pointed that age, gender, ethnicity is significantly related to the knowledge sharing in the organization. Thus,

**H1a:** Age of an individual is significantly related to the level of Knowledge sharing in the organization

**H1b:** Gender significantly affects knowledge sharing behaviour displayed by people

When people stay in the organization for a longer time, they start internalizing (Schein 1992; Scott 1995) values which shape their behaviour. When people work for a longer time they also get more familiar with work processes (Mintzberg 1979; Morgan 2006) thus contribute handsomely to the bottom line as they become more competent. Studies by (Reige 2005; O’Dell & Grayson 1998) suggest that people having long tenure participate better in knowledge processes thus,

**H1c:** Duration of affiliation in the organization is significantly related to the knowledge sharing in the organization.
3.4 Functional Attributes:

Functional attributes refer to the role and position of an individual in the organization. Nonaka and Takeuchi (1995) stated that knowledge sharing behaviour of people differ depending on the formal status and role they occupy in the organization since authority, power, competence, networks and team structure defines knowledge sharing behaviour of an individual. Reagans & McEvily (2003) claims that network and position of an individual will guide his contribution to the knowledge processes. People who have access to power (Woodall 2003) play a significant role in knowledge creation of an organization and are significant Knowledge contributors (Davenport & Prusak 1998). The discussion in chapter 2 on knowledge also considers that certain functions on the organization consider knowledge as an object thus, the knowledge processes around it are different (Stewart 2000) thus,

**H2a- Functional expertise of people has a significantly influence knowledge sharing at workplace**

Davenport De Long and Beer (1998) claims that competence of people, level of expertise, credibility of knowledge affects knowledge sharing behaviour and (Riege 2005)suggest that since junior people are relatively new in the organization, job insecurity and less confidence of domain knowledge are the main reason they refrain from actively sharing knowledge at workplace.

**H2b- Career stage of an individual impacts knowledge sharing in the organization**

Knowledge sharing in the organization is influenced by three crucial factors as discussed above (3.2.3). Most of the studies in knowledge sharing domain looked at the behavioural traits of employees else technological factors affecting KS. The commonly used theoretical framework, to assess KS in the organization is Theory of Reasoned Action (TRA) proposed by Ajzen and Fishbein (1980). The model suggests that attitude of an individual and subjective norms (which are perceived as a social pressure arising from one's perception) shape knowledge sharing behaviour of an employee. The other theoretical framework is the theory of planned behaviour (TPB) proposed by Ajzen as an improvement to TRA; this theory links beliefs and behaviour of people by including perceived behavioural control. This research has not employed this presumed framework since it is looking at the cultural aspects of an organization which cannot be explained by this theory. It considers demographic, functional attributes of participants and organizational and cultural attributes for further investigation.
3.5 The Value of Knowledge Sharing:

The value of knowledge sharing refers to the positive feeling a person have about desirability, importance of knowledge sharing. Scholars (Bock et al. 2005; Hansen et al. 2008) claim that previous positive experience or leaders or immediate managers motivate people to share knowledge. Heath (2003) claims that group membership, diversity and collaborative work build a strong belief about knowledge sharing in the organization thus,

H3: Value of knowledge sharing positively influences knowledge sharing in the organization.

3.6 Organizational Attributes:

Organizational attributes considered are (1) Age of an organization (2) presence of formal KMS in the organization.

As the organization grow, they move from active, entrepreneurial style of working to more bureaucratic matrix organization (Mintzberg, 1973, 1979; Drucker 1995). As they grow, they start changing agile traits by developing more robust systems and structure of an organization. There are no studies assessing impact of age of an organization on knowledge sharing, but Nonaka and Takeuchi (1995) discussed that it is relatively easy to implement knowledge processes in the organization when most of the systems and processes are stable and organization can build and experiment new systems since core is stable thus,

H4a- Knowledge sharing is positively related to knowledge sharing in the organization

Most of the organizations have some or the other technology platforms which help people to collaborate and share codified knowledge. Many organizations still feel that technology (Stewart 2000; Brown and Duguid, 2002) will take care of knowledge sharing in the organization because of which they invest an enormous amount in IT and technology. Though many scholars suggest the importance of human beings (Horak 2001; Huber 2002) in the knowledge processes, majority of the organizations still feel a presence of best technology solves knowledge related problem thus,

H4b- The presence of formal knowledge management system is positively related to the knowledge sharing at the workplace.
3.7 CULTURAL ATTRIBUTES

3.7.1 FLEXIBILITY

Technological and socio-economic uncertainties demand alacrity of organizations to deal with unexpected changes in the external environment and it is possible only by inculcating flexibility (Weiss, 2001 ). The need to build, manage and lead flexible organisations that respond to rapid shift in the market place is a necessity. Pursuing a steady, well-proven strategy and building a stable organisation sounds obsolete so, people are searching best way to create and manage flexible organisation. Flexibility improves quality of decision, structure and entity. Pasmore (1994, p.4) states that organizations can respond better to change only if they become flexible.

Flexibility is not a static condition but it is a dynamic process and time is a crucial factor for organizational flexibility (Volberda, 1998). Flexibility is presumed to be applicable and meaningful across levels in organization (Parsom, 1951; Weiss 2001). There is lot of emphasis on polymorphous nature of flexibility, its attributes and capabilities. The extant literature supports that flexibility can be learned or improved thus it is not a fixed individual trait. Arnold states that flexibility can be gained through broad experiences so that a person has a fair judgement about where to deviate and how much to deviate to be more efficient as well as effective. Initially flexibility was described as the words like adoptability (Toffler, 1985) preparedness (Ansoff, 1978) and considered as a essential organisational property for survival.

In organisations, flexibility indicates an ability of the people in the organisation, individually and collectively, to accommodate changes in the organisational environment. Aaker and Mascarenhas (1984) claims that flexibility is most economical and efficient method to manage change and uncertainty. Due to its obsession with the structural affinity organizations consider alternative options as control, contingency planning or structural alterations. Most of the researchers looked at the flexibility from the lens of functional and actor approach.

Flexibility defined:

Several authors from different discipline defined flexibility. Despite the importance placed on the construct of flexibility, it is relatively underexplored due to lack of precision in defining it and inconsistency in operationalization. The ability of a firm to act, react and evolve with the changes in the market is essential in the competitive
economy. Such capacity is often labelled as ‘Organizational Flexibility’ (Volberda, 1996).
Golden and Powell (2000) defined flexibility simply as a capacity to adapt (p.376).
Evans (1991) refers to flexibility as a tendency to rebound and recoil. Eppink (1978) defined flexibility as a characteristic of an organization that makes it less vulnerable to unforeseen external changes or puts it in a better position to respond successfully to such changes. Scott (1965) defined flexibility as an ability to adjust or adapt to change.
Mandelbaum (1978) defines flexibility as the capacity to respond effectively to changing circumstances.

Conceptualization and applicability of flexibility literature are most advanced in Production function in an organizational realm. Definition by Donaldson (1971) is used as a point of departure for developing a comprehensive understanding of flexibility for this study.

“Flexibility is the process of being aware, responsive, willing and able to take action to reposition the resources and functions of the organisation in a manner consistent with the organizational goal by reacting proactively or reactively to the environmental changes.”

Flexibility and Stability:

Weick (1979) contends that unlimited and comprehensive flexibility in an organization is instrumental in retaining a sense of identity and continuity and without stability and control it will result in chaos. Volberda (1998, p.92) proposes that a flexible organisation is inherently stable, consistently steering between rigidity and affability. Flexibility thus is, balanced on a dichotomy of change and stability. Too much stability results in rigidity, and too much change lead to chaos. Weick (1982) stated stability as an opposite attribute to flexibility in organisation. He argued both total flexibility and chronic stability have disruptive effects on an organisation.

Organisational flexibility is inherently paradoxical. To be flexible, an organisation must have posses attributes that are simultaneously contradictory, even mutually exclusive. Both contradictions of the paradox of flexibility are accepted and present. Both operate simultaneously.

Typologies of Flexibility:

Ansoff (1965) focused on flexibility as a means to deal with extreme turbulence and differentiated it as external and internal flexibility. Ansoff (1988) argues strategy restraints flexibility so strategy determines the nature of flexibility at a workplace.
Ansoff’s doctoral student Eppink (1978: 42) found the conception of flexibility by Ansoff passive as it is more a reaction by buffering organisation than being proactive to environmental change.

Eppink divided flexibility into three types:

1. Operational: to deal with familiar, temporary shifts in the process level of organisation
2. Competitive: to address the changes in the environment & causes significant transformation.
3. Strategic: to deal with the strategic changes in the indirect environment which are unfamiliar, dynamic and urgent.

Aaker and Mascarenhas (1984) considered flexibility as the strategic option when environmental changes are undefined and fast moving and then it is risky to rely on the conventional strategic management approach.

Operational Flexibility: it relates to volumes and mix of activities without any structural changes. It provides rapid response to changes which are familiar. They can be short term or temporary.

Structural Flexibility: this involves managerial capabilities for adapting the organisational structure, decision, communication. Transformation of current structure and processes demands efforts at an organisational level.

Strategic Flexibility: this is for more radical and qualitative changes in organisation activity. Unfamiliar changes need urgent attention and they are unstructured and non-routine.

It is important to have appropriate organisational conditions to form an adequate flexibility mix.

Organizational flexibility:

Flexibility in the organisation is constructed through the organic structure (Drucker, 1988), creation of an organisational culture which braces flexibility (Johnson, 1992; Stacey, 1992) and efficient use of technology (Zelenovic, 1982; Jaikumar, 1986).

Volberda (1998, p.124) classified organisational context into technology, culture and structure depending on their potential to construct or consume flexibility. Conventional technology restricts the potential for flexibility, whereas non-routine technology
enhances flexibility (p.125). Mechanistic structures curbs flexibility because of its established planning and control systems, while an organic structure improves flexibility through flexible planning and control systems (p.137). Existing idea system of conventional culture restricts flexibility while an innovative idea system based culture enhances the potential for flexibility (p.165).

The type of flexibility and its intensity does not remain static in the organisation. Flexible organisations regularly recalibrate itself and its need for flexibility as per the demands of changing environment. Levels of flexibility fluctuate not only within organisations but also among organisations, sectors, countries as some modifications affect across the sectors and countries. Flexibility in the big firm might be difficult compared to small businesses (Peters, 1991) due to size and systemic inertia.

Flexibility provides a means of gaining competitive advantage in an unstable environment.

Organisational flexibility is created by designing a structure that facilitates and encourages flexibility. A hierarchical structure impairs organisational flexibility whereas organic, dynamic or virtual structure promotes it (Pasmor, 1994; Miles & Snow, 1986). Parthasarthy and Sethi (1993) point out that flexibility demands organisational arrangements to be functionally integrative and structure should not be static but continually evolves in line with the changes in its environment.

To design a flexible organisation Pasmor (1994) gives importance to those organisational factors which are amenable to flexibility. The first factor to deal with is creating flexible people who are willing to drive the change process responsibly.

Kanter (1988: 197) suggested flexibility is organisational rather than a purely individual variable. Organisational structure and social arrangements can actively stimulate flexibility.

Both organisations and individuals are challenged to deal with continuing demands for flexibility. While companies are adapting their managing and organisational structures, demands on employees include continuous self-directed learning, adjusting to new work organisations and changing job profiles. Employees’ ability to deal with those changes largely determines their future employability (Loogma, Umarik, and Vilu, 2004 p.323).

Pasmor (1994) concludes that organisations which have worked on flexibility for a longer period and still been working to sustain flexibility. Thus, flexibility is not a one-time goal or ultimate aim it is a continuous process. Peters and Waterman (1982) suggest
that there are two levels of culture: A flexible organisation mostly has a core set of beliefs of a relatively high order and a heterogeneous set of belief at lower levels. Some levels of corporate culture are not flexible and with other intensity might differ. Instead, a constructive tension between these levels should exist to preserve some and be flexible with other.

**Structural flexibility:**

Stigler (1939) introduced the concept of flexibility in the field of economics to demonstrate how flexible production systems are instrumental in giving an edge to small firms while competing with large firms. Structure and control systems in the organization have a potential to hinder or encourage flexibility. Many organizations are doing away with conventional centralized, top-down structure for decentralized cross-functional teams similar to entrepreneurial structures (McGarvey, 2001). A typical structure of an organization takes into account physical and reporting facts at the workplace. The structure should ideally provide more avenues for social interaction.

Organisational structure is conceptualized in different ways by many scholars most common being the way manpower is divided into different tasks and coordinated to achieve a goal. All these approaches consider a formal and mechanistic view of a structure. Khandwalla (1977:482) approached structure as the network of durable and formally sanctioned organisational arrangements and relationships. This approach is more in tune with the way organizations operate since informal structure, and unofficial relationships rarely correspond with formal structure. Mintzberg (1979:11) concluded that formal and informal structure are intertwined and often indistinguishable. Structurally organizations can be differentiated as divisions, units, and functions. Organizations can enhance response time and efficiency if these structural parts are flexible and can be modified with ease. The organizational form should ideally enable capability development. The mechanistic structure of the organisation has low flexibility potential as against organic structure.

In organizational studies, flexibility is examined at three levels:

1. Organizational flexibility facilitates firms to achieve a better fit with their environment and has a sustainable competitive advantage.

2. Group level flexibility promotes flexibility at the group level for group effectiveness and successful project completion.
3. Individual level flexibility refers to personal flexibility to be effective at work and literature suggests that people who are flexible are more likely to be satisfied and effective than those who are not.

Bahrami and Evans (1989) suggest that to remain competitive, organizations should opt for a dualistic structure i.e. meaning organization’s design ought to have two quite separate structures, one concerned with productions and other with change (Goldstein, 1983) so the central formal structure remains relatively stable focusing on the production.

Volberda’s model (1998) addresses how organizations should manage their dynamic capabilities and deal with the paradox of flexibility. Flexibility helps in adapting but does that assume that rigidity is dysfunctional, and flexibility is functional (Pollert 1991,p.9). Many times flexibility at one side may often lead to constraint for the other side. Flexibility is also a relational concept, and Johnsson (2006) make a distinction between being flexible and having flexibility. The criticism in the discourse of flexibility is about side effects of flexibility.

Individual member flexibility:

Individual flexibility is a personal trait and people manifest it differently in different situations. It is a multi-component construct as people plan, explore different approaches to a particular issue and adopts their behaviour as per the situation.

Individual flexibility is defined as the ability to explore a wide variety of approaches to the problem (Raudseep, 1990), to see change as an opportunity. Raudisepp (1990) states that flexible individuals explore wide approaches to a problem without losing sight of the overall goal. Connor (1992) claims that flexible people stay empowered during the change presuming it is unavoidable and a way to grow as an organisation. They reshape their frames of references and bounce back quickly from adversity. Schroder (1989) states since flexible people have the conceptual flexibility they can alter themselves quickly. He referred to conceptual flexibility as a way of identifying the feasible alternatives and modifying the work processes accordingly.

The actor approach to flexibility assumes that if we want flexible organizations, we must first have flexible individuals (Gabor, 1969). This approach was criticised since it underestimates the impact of other managerial and organisational activities and holds individual variable more important than structural or cultural variable.
Flexibility in an organisation is seen to exist in the people in the organisation. Gabor (1969) states that flexible organisations is an outcome of flexible people and on the same line almost after 25 years Pasmore (1994) concludes that only people in the organization make it flexible or inflexible. People are drivers of change in the organization. Sooner the organizations realize organizational and human change is same, more constructively they can work towards it. To realize flexibility, apart from structures, systems and procedure, behaviour and mindset of people need to be changed. Many times people act as opponents to change through defence routine. People with inflexible attitudes and mindsets impede the flexibility of an organisation.

**Group Flexibility**

People find it more comfortable working in the group as they can learn from other members, and also, they have support from the team. Ziller (1958) defined group flexibility as the ability of a group to reorganize to meet the time demands of a new situation (1958: 346) More flexible groups have more open communication systems with fewer restraints on members’ interaction. A flexible person needs to be willing to change, look at the big picture, believe in continuous improvement, overcoming hurdles, be accommodating, consider options and alternatives, comfortable with uncertainty. When the short-term group projects call for flexibility due to a limited timeframe and tight timelines, over monitoring might hamper the very reason for formation of that group. The best way to achieve flexibility is by structuring the work around group rather than individuals (Cascio 1995). A key advantage of a group is their intrinsic flexibility.

There are conflicting views on whether flexibility should be conceptualised as a personal trait, or it should be considered as a characteristic of an organization. The concept of individual flexibility is seldom operationalized in any empirical research. Group level flexibility cannot be just an aggregation of individual level flexibility as the very rationale behind structuring and working in a group is very different and it should ideally be more than total.

**Flexibility and Knowledge sharing**

Since organisations are living on the cutting edge of uncertainty, nothing stays stable for long. People are at the centre of the organisation. Knowledge-intensive firms have more socio-technical interactions among employees due to the dependencies of work and technology used by an organization. The amount and need to manage novel situation spontaneously is relatively high. Paradoxically, it is these situations that are least likely to be forecasted or imagined ahead of time bind them closely to the work and as a team.
This process can also result in a firm shedding its old skin to emerge. Knowledge workers can deal with these situations due to collaboration and share knowledge related to the job.

Chapter one includes literature on knowledge workers wherein the importance of autonomy and flexibility in work processes and decision making is discussed. Piore and Sables (1984) argue that flexible organisations are more efficient, provide high profits and workers will be empowered by teamwork and feeling of trust and work satisfaction. When we discuss knowledge sharing behaviour in relation to flexibility. There are no studies in this domain, but some studies just made a reference to its importance. From the structural and organizational flexibility discussions in this chapter and findings of the studies, it can be concluded that organic structures of the organizations due to less structural rigidity, facilitates interaction across the level in the organization which increases knowledge sharing in the organization.

While accomplishing assigned task, people will appreciate and enjoy individual flexibility while doing it. Since autonomy is essential while doing knowledge work, Individual flexibility will give them a chance to form teams and collaborate to fulfill the task. There is a difference between having flexibility and being flexible (Karlsson and Eriksson, 2000). Flexibility is the propensity of an actor or a system to exhibit variation in activities or states which are correlated with some other variations and desirable in this view of variation. Thus, actors (Knowledge workers) can be more effective due to the combination of structural flexibility and individual flexibility offered by an organization.

Johnson (1992) propose that flexibility is created by giving people ownership of the process, stimulating learning, innovation and empowering them. Stacey (1992) advocates that people need to change their mindsets to become more flexible.

**Flexibility and Innovation**

Organizations can not just survive in the present economic situations; it is essential to convert uncertainties into opportunities to stay ahead of competitors. If change drives innovation, flexibility is a facilitator. Volberda (1998) states innovation is not possible without some change and flexibility is a necessary but not sufficient condition for innovation. Thus, flexible companies are better situated to foster innovation than inflexible companies. Kanter (1982) claims that innovations are more likely to flourish when organisational context allow flexibility. Volberda (1998, p.xi) suggests that the flexible firm facilitates creativity, innovation and speed while keeping organizational focus intact.
SUMMARY:

Flexibility still lacks integrated approach. Flexibility is intangible and should be ideally designed to enact change and not just react to change. Creating right conditions to foster flexibility is a challenge. It requires a significant departure from traditional thinking/approaches to design or introduce flexibility in the organisation. Flexibility cannot be treated as an isolated phenomenon; it has technical, managerial, organisational and HR implications.

Flexibility is a function of change and uncertainty. Determining moments for an organisation are mostly when the organisations get a sudden extensive exposure, or they are going through pivotal episodes of survival. It is imperative to plan, manage and sustain a high level of flexibility for these times. Flexibility describes the firm’s ability to address both sides of the spectrum. The capability to be agile and versatile (like an entrepreneurial company) coupled with the capacity to remain robust and resilient (like an established organisation). Organisational structure defined by rules, lines of authority, policies and procedures is used as a starting point to inculcate flexibility.

Flexibility has to take the front seat when innovation works as a driving force for any organisation. Generally as the size of an organisation increases, flexibility decreases. One way to remain flexible is to design the organisation in smaller entrepreneurial units which are tied together by culture and competence, not just by rules. Diversity is also an important ingredient of flexibility. Organization’s capacity to innovate will be more if employees have a variety of skills, expertise and work styles. Flexible organisations are in a continual state of flux, realigning new development in the market, flexible organisations create and maintain fluid balance. They create a new definition of stability by continually adjusting. Flexible organisations avoid excessive specialisation and compartmentalization by defining multi-task job responsibilities which in turn demands multi-skilled workers.

HR policies which encourage similarity in thinking, education, location will reduce flexibility and make organisation vulnerable to failure during uncertainty. The underlying concept of flexibility is too abstract to have any descriptive or prescriptive value. Having flexibility is one of the function does not mean the organisation is flexible since organisational flexibility cannot be divided into isolated functional elements. Flexibility is a total of organizational design, HR practices, work distribution and technology. Flexibility is Organization’s, groups’ and individual’s ability to be proactive, adaptable and resilient.
3.7.2 OPENNESS:

Majority of the studies in KM domain discusses the importance of communication to enhance openness and trust in the organization. The ecosystem of an organization has to be edifying where, people will not feel shy or embarrassed talking about the failure and others can learn from their experience. The environment should help them build the tenacity to start it again from the scratch (Voelpel 2005). Davenport and Prusak (1995) asserts that, irrespective of presence or absence of technology, transparent communication is essential and organizations should offer more avenues and modes for people to communicate so that they can have a choice to use the preferred mode to share knowledge.

Failure is not major but not taking risk or not experimenting certainly kills some organizations (Drucker 1998; Tsoukas, 1996; Toulmin 2000). The experimentation cannot be random but has to be scientific. In case of any failure, learning and truth has to be shared rather than shying away from failure. In a bureaucratic organization, it is essential to get the work/project done as people consider a person and work same. Thus, if a person is failed in some work, it is attributed as his failure. The possibility of failure getting attributed to one person or team is more in bureaucratic organization.

In organizational health index, (OHI) role clarity is considered as a behaviour and not just a job specification written as a document. As roles are often changed in the organization on a continuous basis, there is a constant need to have a clarity about your role from time to time. Innovation is imperative in contemporary organizations thus, ability to capture external as well as internal ideas, role clarity is essential for innovation. In many organizations innovation is always considered to be a top down approach but this approach has limitation as most of the operational activities are performed at the lower level and people cannot just innovate without any kind of direction. If organizations communicate with clarity and top driven guidelines, it creates more performance impact in a strategic sense. To have a better breakthrough, organizations can not rely on internal knowledge, they need to be exploring external sources of knowledge.

Communications is the process by which information is exchanged between individuals through a common system of symbols, signs, or behaviour. Scholars (Nonaka and Toyama 2003) suggested that when organizations are actively engaging in innovation, the chances of failure are more. Von Krogh (1998) states the importance of trust and openness in an organization to promote active knowledge sharing among employees. Trust level enhances communication and people in the organization freely share
knowledge. Delahaye (2000) also found that in the absence of trust, formal knowledge systems are insufficient to encourage individuals to share knowledge. Roberts (2000) and Zand (1972) found empirical support for relationship between transparent communication, tolerance to failure and knowledge sharing. Truran (1998) found that greatest amount of knowledge is shared in informal interactions. A study by Stevenson and Gilly (1991) claim that even in presence of clearly designed formal communication channel people rely more on informal relationships for communication.

Some organization have inbuilt risk averseness which they tend to percolate to the lower level in the hierarchy. These organizations easily accept risk taking and experimentation as a part of the job. In organizational set up mistakes can be covered up, ignored, used to punish someone or can be looked at as a learning opportunity (Brodtick, 1997, p.2). Organization’s tolerance to mistakes will decide whether people feel free to creatively innovate or experiment. This Openness in an organization encourages learning and knowledge sharing behaviour, openness about failure / mistakes and seeking help for development forms important ingredient of knowledge sharing at workplace. Many organizations create opportunities to openly discuss mistakes, celebrate failure and learn from it (Ryan, 1996, P. 29).

Having freedom to ‘trying things out’ and modify what does not work reflects the informality as well as empowers employee to take risk and innovate. A straight jacketed approach to knowledge sharing will not suffice since each function will have different approaches to knowledge sharing based on business needs. A macro level monitoring will make sharing habitual wherein employees will build on others’ ideas and share their own insight. It should actually be a Automatic reflex to share what you know. Organisations can change as quickly or as slowly as people perceive the need to change and have the ability to change. Most of the communication channels are either well established or routine. Channels criss-cross the organization to help connect people.

3.7.3 TRUST

In social science, there is no shared, convincing notion of trust. Most of the authors working on trust provide a definition mostly tailored for a particular domain which makes it inordinate to cross domain validity.

Trust is a vital dimension of organisational functioning and is often fragile and elusive. Trust implies intrinsic, unquestioning belief in and reliance upon something which invites reciprocity and at the same time opens a door for betrayal. It exists when there are strongly held commonalities among the group separating it from others thus, helps to
reach out for experiencing and experimenting the things around. Opposite of trust is fear which stops the flow and arouses the defences diverting the energies in protecting self by way of masking rather than discovering and creating.

TORI Theory:

Jack R. Gibb's (TORI theory) study views trust as an integrating and unabridged force that removes obstacles of fear by providing an environment to nourish and enhances personal growth and helps a person to be creative and innovative and contributes more to the system. Focus of most of the trust theories was either on belief, attitude or behaviour of a person and treated a trust as the process of discovering. Thought the theory talks at length about discovering self to being a part of the social change by building trust, it does not justify the effect and dynamics of interpersonal trust level in the organisation.

TRUST IN THE ORGANIZATIONAL CONTEXT:

Academic and business literature suggest that people working in an organisation for extended period share knowledge at a workplace. Trust is a strategic resource that guides and directs framework for coordination of economic activity (Bradach and Eccles 1989; Powell 1990) and has a potential to provide a sustained competitive advantage (Barney and Hansen, 1995). Trust smoothens the relationships by adding strength and resilience thus becomes crucial during an organisational crisis or in the absence of competent supporting structures (Mishra, 1996).

In the knowledge sharing domain, investigating trust that is determined by the culture of an organisation in which relationships are embedded is essential. Trust is observed to be rarely high in the organisation and people are very cautious about the unseemly use of the knowledge shared by them and feel that disclosure should be safe. Developing a good rapport through communication and reciprocal knowledge exchange ensures a high level of trust and people work interdependently than independently in the team. In knowledge-intensive organisations, people rely on colleagues for work-related knowledge and information as the effectiveness is directly related to the collaborative efforts of the team.

A willingness to be vulnerable to the actions of another party (Mayer and Davis 1999,124) this definition is backed by research where component of intention and belief are integral for trust (McKnight, Cummings and Chervany 1998). Mayer's definition seems to be appropriate to the hierarchical organisational setting.
Trust:

What makes people share knowledge effectively in the organization is a core question, and interpersonal trust is regarded as one factor which drives people's decision to share knowledge. Argyris (1965) proposed that trust in management is important for organizational performance. It is not always lack of willingness to share knowledge but many a times people do not know how to communicate what they know and at times they do not know how to put it in words (Tacit Knowledge of polyani). Positive organisational justice also helps employees building trust (Greenberg, 2007). Positive relationships at work empower employees to be intellectually and emotionally available at their work thus enhances engagement (Kahn, 1992). People feel meaningfully supported, helped and cared which in turn enhances connection or bonding between people.

Reciprocity:

Reciprocity operates when a person does something of value for you “without expecting anything immediately in return and perhaps even without knowing you, confident that down the road you or someone else will return the favour” (Putnam, 2000, p. 134). It can also be defined as a combination of short-term altruism and long-term self-interest. Generalized reciprocity in the larger group can increase the flow of resources through networks. It elevates trust, improves connectivity and cohesion in the group. Trust in something/somebody is associated with positive attitude towards something.

Extant literature on trust provides understanding about how trust is built but fail to provide understanding about how trust operates in relationship. Trust can be outlined as a process wherein individual start with small exchange and gradually increases it (Whitener et al., 1998) which many authors interpreted as willingness to provide resources or services at present with expectations in the future.

Social Exchange Vs. Commitment Based:

In organizational context, conceptualization of trust based on social exchange is more common than commitment based. Trust is relatively robust than the social exchange which views it as very fragile. Social exchange proposes a decadent view of trust by viewing net result of trust as either positive or negative. Trust is viewed as a key mechanism in social exchange as it represents the expectation that one's contribution to another will be equally paid back (Blau 1964; Konovsky & Pugh, 1994). Using social exchange perspective to illustrate role of trust in organisation gives a myopic view about
it and provides narrow theoretical ground to understand how trust can be rebuilt. (since it views trust relations as positive or negative it suggests that once the trust is broken, the exchange relationship would likely terminate). Social exchange limits the existence of trust till the time benefits outweigh the costs.

Commitment conceptualisation by Brickman et al. (1987) offers more holistic view for studying trust. He claims that commitment is the relationship between “want to” and “have to”, involving positive elements, negative elements and bond between the two thus binding (complementary) positive and negative elements strengthens relationship based commitment. Commitment is joy as well as an obligation likewise trust aids rewards and vulnerabilities in a relationship. Positive face of trust is feeling of comfort and safety while negative face may be associated with anxiety. Individuals are mostly drawn towards some aspects of relationship and away from others.

Trust involves more than simple exchange of resources and can operate even in absence of any external incentives. People enter into relationship by choice and free will and is not forced commit (Pratt & Rosa, 2003). The choice to enter in relationship explains how both positive and negative elements coexist to build the relationship than destructing it (Salancik, 1977; Weick, 1995). Trust involves non-compelling acceptance and approval of potential benefits and personal vulnerability in a relationship.

Fiske’s (1992) work talks about other archetypes that govern relationships, a form of trust that is elastic enough to capture different processes. Viewing trust as commitment based rather than exchange based is a more positive view of looking at it. When we refer to the Darwin’s theory of survival of the fittest, one has to look into the way in which knowledge provide a competitive advantage to firm.

Interpersonal trust among people does not ensure knowledge sharing as shared knowledge may remain in the specific group. People bond well with some and not as much with others thus intensity of trust cannot be same amongst all employees. People like to be treated fairly and exercise freedom to speak without any fear even if there is no agreement. The sense of safe space is more essential to share knowledge freely.

According to existing research, homophily between people based on certain ascribed and acquired characteristics (i.e. age, gender, race/ethnicity, education, and marital status) have a positive effect on the trust which positively influences knowledge sharing behaviour. Shared language and shared vision are factors based on Levin, Whitener, and Cross’ (2006) concept of organizational shared perspective, have found positive relationships between shared language and trust, as well as between shared vision and
trust. The studies have also found that shared language and shared vision have a positive influence on effective knowledge sharing activities and behaviours. One of the important drivers to affect level of trust is the strength between co-workers. Tie strength is conceptualized by Granovetter (1973), as "a combination of the amount of time, the emotional intensity, the intimacy, and the reciprocal services which characterize the tie". A study by Levin and Cross (2004) suggested that a stronger tie strength between individuals led to higher perceived trust among them, but the relationship between tie strength and knowledge sharing behaviour is not straightforward. A study by Granovetter (1973), Levin and Cross (2004), Rogers (1995) found that weak ties give access to more information and channels for knowledge as well as new knowledge. The weak ties are also more efficient, since they are less costly to maintain (Hansen, 1999). On the contrary, my researchers (Hansen, 1999; Szulanski, 1996; Ghoshal, Korine, & Szulanski, 1994; Uzzi, 1996, 1997) suggested strong ties promote more effective knowledge sharing behaviours because these ties are more accessible and willing to help. The magic ingredient that binds strong ties and knowledge sharing behaviour is trust.

Relationship length is also an important factor which decides trust between people. A study by Levin, Whitener, and Cross (2004) conceptualized relationship length as time span one co-worker has known another and the study has suggested that longer an individual knows another, the trust should be more since they become more familiar and learn about each other through interaction.

Trust was defined using Mayer et al.'s (1995) proposed model of organizational trust, which includes benevolence-based trust, ability-based trust, integrity-based trust, and propensity to trust. The literature review (Section 2.2.2) identified an overwhelming positive relationship between trust and specific knowledge sharing behaviors, other organizational behaviors (which might be deemed as beneficial for knowledge sharing), resource/information exchange, and decision-making and problem solving (which are outcomes of knowledge sharing behavior).

Trust emerged as a most recurring factor influencing knowledge sharing in the organization. Much of the theoretical and empirical work viewed trust as an important precondition acknowledging it to be a principle construct in understanding knowledge sharing behaviour.

Research in sociology and economics viewed trust as a institutional phenomenon (Lewicki & Bunker, 1995; 1996) wherein trust is studied within, across institutions and interpersonal trust in the institution. The study by Worcel (1979) examines interpersonal relationships and transactions which focuses on contextual factors in the organizational
set up which enhances or prevents development of trust in the organization (Lewicki & Bunker, 1996, p.116) the present study considers interpersonal trust as well as trust in the organization with regard to knowledge sharing behaviour.

Lewicki and Bunker (1996) investigated trust making differentiation between personal and professional relationship. personal relationship refers to development of trust in close personal context like friendship, acquaintances and romantic relationship whereas professional relationships refers to the development of trust in working or professional relationships. The premise for this differentiation is the form, goal and evolution of these relationships is entirely different. The work related relationships does not begin with the development of emotions (Lewicki & Bunker, 1996, p. 118). The present study focuses on professional relationships and Mayer et al.'s (1995) model is appropriate for this type of research in the organizational context.

Competence -based trust and Benevolence -based trust:

Generally when people think about trust, they talk about benevolence - based trust where they are typically thinking of benevolence based trust, a relationship in which an individual will not intentionally harm another person. competence -based trust is relationship in which an individual believes that another person is knowledgeable about the subject area in which he might need collaboration. These type of trust can exist independently meaning an individual can trust a co-worker based on his competence but the co-worker may not trust that he would be forthcoming when the information is needed alternately, co-worker might know that there are people who are willing to assist him but might not have the required skill or knowledge. Knowledge sharing is maximum when two people share competence as well as benevolence based trust. IBM Institute for Knowledge- Based Organizations studied trust related factors and knowledge sharing in the organization. the findings of this study suggest that it is not essential to have presence of strong ties for knowledge sharing to happen but the presence of trust is essential which is possible through frequent ( strong ties ) as well as infrequent ( weak ties ) interactions. individuals with stronger ties mostly have similar kind of knowledge and those with weak ties are likely to have connections with other social networks so are exposed to different knowledge and ideas. the ties need to be trusted , it makes no difference if they are strong or weak for knowledge sharing to take place.

when the required knowledge is simple and straight forward, people do not need competence- based trust but when the knowledge needed is complex, experiential and tacit then people rely heavily on competence based trust. competence based trust impacts knowledge transfer of critical knowledge which is difficult to codify while in codified
knowledge, competence-based trust is less important as the very reason behind codification is to impersonalise the knowledge.

The studies show that the critical factors affecting trust in the organization can be differentiated as demographic similarity like age and gender, Organizational similarity - same team, physical proximity, position in the hierarchy, social capital like strong ties, shared language and shared goal and Knowledge source - Receptivity, availability and discretion. These factors determine trustworthiness of the knowledge provider and individuals can use any factor or combination of factors to determine trustworthiness of knowledge source. The study by IKO research found that to common language, common vision and discretion help in development of competence-based trust and strong ties and receptivity help in determining benevolence-based trust.

The study underscore that presence or absence of trust can have a serious implications for organizations and promoting environment in the organizations to enhance competence-based trust and benevolence-based trust should be a critical part of KM initiative. The study by IBM's IKO highlights that when it comes to knowledge which is difficult to codify, competence-based trust is more important than benevolence-based trust. In larger organizations, it is difficult to trace people with specific expertise thus maintaining a robust knowledge bank as a part of KMS becomes essential.

In an organization, it is relatively easy to establish competence-based trust through different formal avenues like presentation during formal and informal meetings, answering the questions posted on internal discussions, participating in informal communities of practice, mentoring and by being a host in job shadowing which foments competence-based trust with other people in the organization. In case of benevolence-based trust, organizations offer different avenues to interact and enhance sociability but since it involves nurturing and is primarily build through one on one interaction, people at times find it time consuming.

Mayer et al. (1995) define trust as “the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party” (p. 712). The previous trust models have not taken into account the factors that lead to trust and outcomes of trust. In Mayer et al.'s (1995) model, conceptualization of trust differentiates its outcome and antecedents and model also considers trust from the characteristics of trustor (propensity to trust) as well as trustee (ability, benevolence and integrity) reasoning why a trustor would trust a trustee that was neglected by the previous studies (Mayer et al., 1995; Schoorman, Mayer, & Davis, 1996b).
Mayer et al. (1995) contends that personal traits and attributes of trusting parties determine the trust between individuals. If the trustor have propensity to trust a particular trustee and trustee in return have ability, benevolence and integrity which makes a cumulative 'trustworthiness' (Mayer et al., 1995) of a trustee, the trustworthiness is based on the perception of trustworthiness by a trustor and it is not the actual attribute of a trustee. In the subsequent paper (Schoorman, Mayer, & Davis, 1996b) investigated why a specific trustee might be highly trusted by someone but not by others. A trustors propensity to trust other people in general and perception that a specific trustee is trustworthy will drive trustor's willingness to be vulnerable to another party (Mayer & Davis, 1999, p. 124).

Mayer et al.'s (1995) model of trust is better explained if, we separate trustor's trust characteristics from trustee. 'propensity to trust' can be thought of as a general willingness to trust others thus it is a trait that leads to a generalized expectations about trustworthiness of others which influences how much trust one has for trustee even without having any knowledge about the party (Mayer et al., 1995, p.715). This conceptualizations affects the likelihood that the trustor will trust in general while interacting with people in different situations.

Three trustee's attributes - Ability, benevolence, and integrity are all related to one another but varies independently (Mayer et al., 1995). Each attribute adds a unique perspective for trustor to consider the trustee. All three attributes are essential for trust but each, by itself is insufficient. (Mayer et al., 1995, p. 722). If all three attributes are perceived as high by the trustor, then the trustee is deemed trustworthy. Trustworthiness should be viewed as a continuous variable and not mutually exclusive (i.e., either present or not). High trust estimates a high level of all three variables, but even at lesser intensity, presence of all three variables yield a 'meaningful' amounts of trust (Mayer et al., 1995, p. 721).

**TRUST AND KNOWLEDGE SHARING BEHAVIOUR:**

It is generally accepted that trust is a prerequisite for knowledge sharing (Nonaka, 1991; Adler, 2002; De Long & Fahey, 2000). The consensus of this research seems to suggest that higher trust among individuals leads to higher knowledge sharing behaviors. Mayer et al. (1995) claimed a fair understanding of trust and motives behind trust facilitates cohesion and collaboration between people.

Many research studies examined a direct relationship between trust and knowledge sharing behaviour. Renzl's (2008) study establishes positive relationship between trust
and knowledge sharing behaviour within and between the teams in two large organizations. Andrews and Delahaye (2000) studied trustworthiness and found that it positively affects knowledge sharing activities. The study by Ho, Kuo, Lin, & Li (2010) also found significant positive effect of trust on knowledge sharing.

Investigation by Levin and Cross (2004) suggested competence-based trust have positive impact on knowledge transfer involving tacit knowledge and interestingly in transfer of codified knowledge, competence based trust does not provide any benefit. Levin and Cross's (2004) study established a significant positive relationship between benevolence and competence-based trust and transfer of useful knowledge in the organization.

High trust and trustworthiness between people will decrease the efforts required for searching and processing information (Zaheer, McEvily, & Perrone, 1998) since the receiving party does not have to scrutinize the quality and authenticity of the information. Transaction cost is low when the level of trust is high (Limerick & Cunningham, 1993, p. 95).

Despite a lack of consistency in the definition of trust and knowledge sharing behavior, majority of the literature guides a positive relationship between trust and knowledge sharing behavior in organizations.

3.7.4 Team-Oriented:

In organisations people work in teams. Building any relation takes lot of time and also energy, it is important to rekindle the relations. Each individual has a specific network of people in the organisation. It is important to expand this network in order to have a better pool of collective wisdom.

Role of teams in the organisation and their role in managing tacit knowledge is critical (Jorgensen, 2004). Self managed teams enjoy greater autonomy and discretion. Effectiveness of teams is a principle of organisation design. Teams also outperform traditionally supervised groups. Teams substitute peer based for hierarchical control of work. Employees control themselves and peer control is frequently more effective than hierarchical supervision. People are less likely to let down their work mates. Work relationship can be defined in terms of states or process in the relationship, experienced quality of the relationship or outcomes of the relationship. At the most basic level, relationship at work can occur at dyadic, team and organisational level. Interaction
between two people involves same degree of mutuality, where behaviour of one member takes some account of behaviour of other (Hinde, 1979)

Relationships are invisible and are often discerned by observing the effect of the relationship. Positive regard and respect for one another is extremely important to have positivity in the team. Our identity is inherently linked to the social relationship. These relationships provide context in our daily life.

Most of the research on teams focuses on behavioural level analysis and not structural level analysis. Teams are primarily seen as input-output devices (Gladstein, 1984; Hackman, 1990; McGrath, Kelly & Machatka, 1984). Some writers have advocated a “living system” approach but this paradigm doesn’t dominate. Behavioural analysis looks at the visible manifestation of team behaviour but if we go deeper and undertake a structural analysis then we will get an idea about causal pattern of interaction that gives rise to the visible team behaviour. This behaviour is reflection of underlying casual structures so any lasting change need to take place at the structural level. Extensive literature on teams reveals a pessimistic view of team-member relationships and a significant bias towards what can go wrong. Teams are seen as a pattern of relationships in which individuals feel the need to conform and uniformity prevails (Sherif, 1966).

Connecting with other people is an integral aspect of workplace. People work not only to perform job but also to experience the feeling of ‘Belongingness’ that constitutes sense of community. Sense of community is a subjective sense of belonging together with others, a sense of solidarity with them (Weber, 1946). The use of term community refers to relations rather than geographic. (Gusfield, 1975). While experiencing sense of community, individuals maintain their separatedness and diversity simultaneously with their sense of togetherness and commonality.

Unwritten rules are transmitted by the process of socialization. These rules are explained and maintained within the organisation. High degree of socialisation results in a thick culture with many unwritten rules. It encourages non-confrontational stance. Many a times in the organisation these informal invisible rules regulate behaviour of people. Group spirit and collective identity encourages knowledge sharing in organisation to a great extent. When a cultural sense of common good prevails in the organisation, level of intrinsic motivation and enthusiasm is very high.

In some organizations, some functions or teams enjoy privileges due critical work they handle. To manage Self-centered work flows and work styles tend to form pockets of knowledge within the organisation which is vulnerable to loss.
While illustrating impact of behavioural traits of manager on the team McDermott and O’Rell (2001, P. 85) asserts, the environment manager creates through behaviour can make or break peoples ‘willingness and ability to share knowledge. Patrick Sullivan’s study indicates the relationship between management style and extent of knowledge sharing and innovation in the organisation. I feel since many companies still work on authoritarian or a restrictive style, the emphasis on culture by managers was very dominant.

3.7.5 REWARDS

Theoretic Perspective:

Rewards in the context of work - life are used to satisfy different needs of people which in turn motivate people for better performance. Based on the Skinner’s reinforcement theory, a frequency of target behavior can be increased by an immediate response (positive) after the event. Nelson (2001) suggests on the lines of Skinner's theory that directly reinforcing desired behavior is valued by people more if followed by immediate rewards and eventually there will be an increase in the frequency of the behavior you want. Through reciprocal determinism and social learning theory Bandura (1969) explained that learning in a particular cultural context shapes the conduct of people and the context and individual’s behavior cause each other. In the case of rewards, if the culture of an organization values only individual performance, a conduct of a person is shaped in a similar way by experiencing it consistently over time.

Heikki (2009) suggests that "without recognition human's, in general, would not lead a life above merely animal existence." Need-based theories related to rewards often refers to Maslow’s (1943) seminal work discussing human needs and many motivation theories are based on that. Rewards and recognition concept fits in the individual social need as well as self-esteem and self-actualization need. Acknowledgment from peers satisfies a social need and achievement help in self-actualization by building the self-esteem of an individual.

There are many theories supporting rewards in the organization, there are other theories which contest the capacity of rewards to motivate people. Herzberg’s (1959) two-factor theory briefs that a job has dual motivational functions. Job content forms intrinsic rewards and job context forms extrinsic rewards and thus hygiene factors mentioned in his previous theory has "Escalating zero point." Deci (1975) persuaded this proposition and through cognitive-evaluation theory he claimed that performance of intrinsically motivated person falls if he is given extrinsic rewards for performance and they might
perceive it as a way of controlling their behavior by others. The self-determination theory has much relevance to this present study of knowledge sharing behavior in particular context. Ryan and Deci (1985) proposed self-determination theory explaining a relation between individual psychological needs i.e. need for competence, autonomy and relatedness if provided by the environment supports individual's self-determination (intrinsic motivation) to be better at the job. Thus, rewards at times do not fulfill anything but, in fact, reduces motivation.

In book 'Punished By Rewards' Kohn (1993) illustrates how rewards undermine the performance of people and money seldom hold in improving the quality of work. Organisations must support for an environment where these human needs autonomy, relatedness and competence is taken care. He also questions the unidirectional relation between money and motivation which is more like a conventional wisdom in the society. Most of the organizations while designing rewards scheme consider 'Money Motivates People' as a Religious Dogma and feel that these rewards systems are bound to be effective.

**Rewards in Organizational Context:**

In Organizational studies, there are various typologies of rewards and recognition, but primarily the distinction is made as Monetary and Non-monetary rewards. Main Goal of appropriate rewards is to improve employee motivation. Rewards might also enhance the ability of an employee, but it will have more direct impact on employee motivation. Rewards motivate if they are used as a means of communicating values, they are more constructive if based on teams and company performance. When all employees are covered for profit sharing, the social pressure to continue producing good results becomes powerful and widespread.

Conventional motivation approach in the organization inherently assumed that people feel motivated to work in the firm based on external rewards and thus intrinsic factors does not help in motivation.(Taylor, 1911; ).Having best people in the organization rarely comes down to the remuneration alone. Different things drive every individual. Some are purely motivated by a genuine passion for work, the task they perform and people with whom they are working. This passion enables them to work efficiently for an extended period.
Rewards and Knowledge Sharing Behaviour:

Rewards are to be based on the performance of an individual, but in reality, the cause of reward is not always performance, but some other factors or aggregate of these factors. There is no consensus on the effect of rewards on knowledge sharing behavior, and there is no study which quantifies the effect of various kind of rewards on knowledge sharing. Rewards manifest a part of a visible culture. Most of the organizations find it easier to implement extrinsic rewards since they are applicable in every environment but theories suggest that intrinsic rewards and recognition stimulate people to share and team rewards like gain sharing plan will not only motivate people to share but to collaborate than to compete. The reward is a complex example of controlling the behavior of individuals.

The earlier research on knowledge sharing behavior identified extrinsic motivators as rewards, expectations of reciprocity, reputation and loss of knowledge power (Bock et al.2005; Orlikowski, 1993; Davenport and Prusak, 1998; Wasko and Faraj, 2000). When rewards are contingent on performance in a transaction specific fashion, people are usually metered less intensively. (Williamson et.al) . Knowledge workers aspire for Challenging work assignments, high performing teams, an opportunity for new training and on the job learning. Rewards cannot promote Knowledge sharing behavior. The way to expand real knowledge sharing is to “Build meaning into the workplace” (Finerty 1997; Morey et.al, 2002). People will share knowledge when they care what they do and enjoy it (Morey et. al, 2002 )

Cabrera & Cabrera (2002) presents knowledge sharing in public- good dilemma setting. Public-good is non-rival and non-excludable so its amount will not decrease as a result of its consumption nor will people be excluded from its use. Throughout the argument, they considered knowledge to be a public good, so free riders are not motivated to share. They also listed the need for including knowledge sharing as an important factor in performance evaluation. They mainly proposed non-financial group rewards and intrinsic rewards to motivate people to share knowledge (Cabrera & Cabrera, 2005)

When people assume that they are better than other co-workers due to their personal efforts and sharing knowledge will cripple their progress in the organization, the incentive structure and reward schemes discourage knowledge sharing. (Huber 2001) These rewards exert an adverse effect on knowledge sharing behavior. Leonard (1995) claims that performance-based rewards regulate knowledge flow and process in the organization. Many scholars mentioned the utility of incentives for motivating employees to share knowledge (O’Dell & Grayson1998; Argote&Epple, 1990).
Most of the authors contend that rewards stimulate people to share knowledge at the same time there are some studies which empirically show that rewards discourage people to share knowledge. Economic exchange theory and cognitive evaluation theory are the dominating theories in this area of research. Most of the theoretical studies suggest the linkage of various intrinsic rewards to stimulate people to share knowledge (Bartol & Srivastava, 2002; E.F. Cabrera & Cabrera, 2005; McDermott & O’Dell, 2001) however empirical findings suggest divergent views. Bartol and Srivastava (2002) claim that introduction of intrinsic rewards encourages people to share.

Husted and Michailova (2002) explained the value of contribution and feedback to contributors is rewarding as people do not feel they are ‘dropping their knowledge into a big black hole’ (Husted and Michailova 2002; p.70) They suggested a positive effect of team rewards and sharing rewards among team members. They also recommended punishment for those hoarding knowledge. O’Dell and Grayson (1998) emphasized on the positive effect of intrinsic rewards on knowledge sharing behavior since they stimulate intrinsic motivation.

Balancing individual and group rewards enhance knowledge sharing due to motivation was proposed by (Yahya & Goh, 2002). Some researchers state the positive effect of perceived benefits like career advancement, better reputation on knowledge sharing behavior.

Kwok & Gao (2006) illustrates conflicting effect of intrinsic rewards on knowledge sharing behavior. They justified saying that perhaps knowledge sharing is a complicated process and person has to be intrinsically motivated to participate in it, so presence or absence of rewards has no influence. The complexity of the task and intrinsic motivation lead to the negative effect of extrinsic rewards on employee’s motivation to perform a given task (Kasa & Miles, 2001). Bock and Kim (2002) found some negative influence of expected rewards on knowledge sharing behavior. The study by Bock et.al (2005) shows a negative effect of organizational monetary rewards on knowledge sharing. But it was justified that it could also be due to a collectivist culture of South Korea.

Theoretical view on rewards is more consistent than the divergent views through empirical studies. Voelpel et.al, 2005 illustrated through the example in Siemens where people were not sharing stars or shares (which they got as a reward for sharing knowledge) in return to gift as it was acting like a reputation mechanism.
SUMMARY:

To summarize knowledge sharing is a complex activity and intrinsic motivation plays a vital role. Effect of rewards on doing task well, exceeding others and surpassing some score is temporary. No reward can permanently change an attitude of a person for doing something. It can only alter the behavior of individuals when it is removed the old behavior returns. When people are rewarded for knowledge sharing behavior they see knowledge sharing as a separate part of the job and the possibility of internalizing this behavior will be very less. Extrinsic way of rewarding results is an extrinsic motivation to share knowledge while intrinsic motivation is the ideal goal.

While designing a rewards and recognition policy, most of the organizations settle for some quick fix which has a short-term impact and also something which does not have a sustainable effect. Organizations design many rewards for expected behavior of people, but they seldom give importance to the clarity of goals, which motivates people the most.

Culture creates and rewards just the right behavior which aligns and helps in economic success. Most of the times organizations fail to convey the exact intention or philosophy behind a particular reward thus confusing employees about the intent and expected behavior. Rewards may not be effective in absorbing knowledge sharing behavior in the long run. Favorable notice of good performance is necessary but it is not the only important thing and many times it is not desirable.

Monetary rewards act as an encouragement. People are so accustomed to the salaries that it is considered more like an exchange for the services than rewards thus people become increasingly dependent on differential compensation. Rewards offer exchanges for desired performance. Management wants people to behave in organizationally supportive ways guided by a particular rationality and design policies accordingly.

Apart from money, knowledge workers necessitate challenging work, good understanding about organization’s mission so that they can believe and relate to it. It helps them in understanding how and to what extent their efforts are adding value to the organization. Getting trained on new technologies and work processes is more rewarding than monetary rewards.