Managing Incompatible Impacts of Organizational Values on Knowledge Sharing

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ABSTRACT

At any given time the two rival organizational values cooperation and competition coexist in any team and/or organization in different intensities and mix, depending on both internal factors (e.g., culture, task dimensions of accuracy and speed) and external factors (e.g., market and competitive forces). However, determining that desirable intensity and mix of these two values seems to be a challenging task in the current literature and no explicit method currently exists for measuring factors that may lead to determination of such desirable mix. Considering the crucial impacts of these values on organizational behaviours, this in turn may result in loss of efficiency and productivity in organizations. In this study a systematic review of current literatures in the areas of knowledge management, social psychology, organizational studies and Computer-Supported Cooperative Systems (CSCW) studies, is used to uncover a research theme for analysing the impacts of the two rival organizational values competition and cooperation on knowledge sharing behaviours through promotive interaction between individuals. Supporting the IT-culture conflict theory, this study is considered as a research theme which investigates the impact of culture on IT application and use. More specifically, by combining the goal interdependency theory of conflict, social learning theory, the internal organizational forces of competition and cooperation and the awareness net analysis, the present study deeply investigate the term tension between cooperative and competitive values and their impact on organizational behaviours. It then introduces factors that can assist in finding an optimal mix of the cooperative and competitive values in organizations at any given time. The present study also relates the above optimal mix/tension with the organization’s reward structure, the task dimensions of ‘speed’ and ‘accuracy’, group characteristics and organizational climate in order to draw inferences for attaining an optimal level of process awareness for individuals while performing their tasks within an organization.

Key words: organizational value, knowledge sharing, promotive interaction (PI), cooperation, competition, awareness

INTRODUCTION

Knowledge sharing is regarded as the most important challenge for increasing knowledge utilization’s value (Alavi and Leidner, 2001). A related concept, promotive interaction (PI) is introduced by (Janz, 2003) as a measure for the extent of interaction between group members to educate and encourage one another in accomplishing tasks and promoting each other’s success. It is believed that PI leads to cooperative learning, which in turn, is potentially capable of optimising individuals’ levels of awareness and knowledge-sharing capabilities within organization (Daneshgar, 2004). The idea of knowledge-creating company introduced by (Nonaka and Takeuchi, 1995) also implies that strong PI within organization should result in creating, disseminating and quickly embodying new knowledge. The present paper begins by investigating organizational culture and it’s linkage with knowledge management process. It continues by studying the impacts of values, as well as the existence of tension between them, on knowledge sharing through promotive interaction.

ORGANIZATIONAL CULTURE AND KNOWLEDGE SHARING

Within the context of critical success factors for knowledge management systems (Jennex and Olfman, 2005, Jennex and Offman, 2006, Jennex et al., 2008) and the social context of knowledge management initiatives (Jashapara, 2003, Alavi et al., 2006, Janz, 2003), culture has been regarded a critical variable in explaining how successful interactions can be conducted between social groups and KMS (Leidner and Kayworth, 2006, Alavi et al., 2006). After all, absence of a supportive organizational culture may potentially lead to sub-optimal KM benefits, and KMS might have a random effect at best (Alavi and Leidner, 1999, Jennex and Olfman, 2006,
Long, 1997). This argument has lead to development of a new class of knowledge management initiatives that aim to develop a knowledge-intensive culture (Alavi and Leidner, 2001). However, not many studies have been conducted to explore the manifestation of relationship between organizational culture, knowledge management technology, and organizational outcomes (Janz, 2003; Leidner, 2006; Alavi, 2005; Boh, 2009). Organizational culture is shaped by dynamic interactions among its components (Hatch, 1993). These components, according to (Schein, 1985, Schein, 1988), are basic assumptions, values, and artefacts. The basic assumptions represent the deepest level of culture. This level is formed over time by perceiving situations and making sense of ongoing events. At the next level, values are the reflection of basic assumptions and can be seen as a set of social norms. These norms by nature impose a set of fundamental beliefs on individuals and define social interaction rules as the basis of appropriate behaviour (DeLong, 2000; Lencioni, 2002; Posner, 1985). Literature on both organizational studies and knowledge management field suggest a tight linkage between organizational values and organizational behaviours as ingredients of cultural values that can potentially support certain KM objectives (Nadler, 1988, Alavi et al., 2006). A vast majority of prior studies investigating the relationship between organizational culture and organizational performance have focused on values rather than basic assumptions or artefacts, and this is the view adopted in the present study. Some example of these studies could be found in the areas of social behaviours', KM practices and Information Technology (Leidner and Kayworth, 2006).

THE LINKAGE BETWEEN CULTURAL VALUES AND PROMOTIVE INTERACTION

The cultural values are regarded as the major determinant of social interaction rules (DeLong and Fahey, 2000). Promotive interaction, on the other hand, is about conducting social interactions and is highly affected by organizational values which surrounds social interactions. Furthermore, the goal interdependence theory of cooperation and competition, (Deutsch, 1973) suggests that people’s beliefs and values determine the way PIs take place. Therefore, the three elements of creation, dissemination and embodying of knowledge through promotive interaction in the context of related KMS are associated with organizational values.

Secondly, a similar research theme has been presented by (Leidner and Kayworth, 2006) as “culture, IT use, and outcomes” for formulating research questions related to the outcomes of the IT use across different cultural values. Similarly, it is suggested that this theme should be used to investigate right mixtures of cultural values for enhancing user satisfaction and successful IT implementation mostly at organizational level (Leidner and Kayworth, 2006, McDermott, 1999). One major line of this research theme focuses on those cultural values specifically associated with knowledge management success. The most common finding across these studies confirms influence of both national and organizational values on KM success (Balthazard and Cooke, 2004), knowledge sharing behaviours, KM infrastructure capability (Gold et al., 2001), KM technology use (Alavi et al., 2006), and perception of individual ownership of information and knowledge (Jarvenpaa and Staples, 2001).

Therefore, values could influence knowledge sharing through PI both directly and indirectly (through KMS) as depicted in Figure1. The direct impact is usually highlighted in organizational studies while the other one is mostly explained in knowledge management and information technology literatures. However, the impact of organizational values on performance is deeply rooted in the degree of value enactment that reflects the degree of congruence or fit between the demonstrated behaviour of an employee and the values of the organization. A set of factors influencing value enactment has been introduced by literature including Person-Organization (P-O), Person-Group (P-G) (Grusy et al., 2008), role modelling (Wood and Bandura, 1989) and reward structures. 1 Person-Organization (P-O) and Person-Group (P-G) fit represent broad concepts that include the degree of fit between the values of an individual and the values of the organization and the departmental work group. Another factor, role modelling, explicitly presents behaviour for emulation, along

1 (Schein, 1988), (Quinn and Rohrbaugh, 1981), (Posner and Munson, 1979)
2 (Alavi, Kayworth and Leidner, 2006), (Phan, 2000), (Leidner and Kayworth, 2006), (Gold, Malhotra and Segars, 2001), (Chow, Deng and Ho, 2000)
3 (Chow, Deng and Ho, 2000), (DeLong and Fahey, 2000), (Yoo and Torrey, 2002)
4 (Bandura, 1986), (Beersma, 2003), (Treviso, Hartman and Brown, 2000), (O’Reilly, 1991)
with the information about the likely consequences of engaging in that behaviour. Social learning theory (Bandura, 1986) is proposed to be of importance and relevancy to the enactment of espoused core organizational values (Gruys et al., 2008). This theory suggests that behaviours being paid off with a desired reward, such as promotion, tend to be more imitated. Individuals will cognitively appraise this information and manage their own behaviour given these relevant cues and consequences. (Trevino et al., 2000) argued that using rewards maybe the most powerful way to send signals about desirable and undesirable norms, which are determined by values. Reward for behaviours related to enacting values, match organizational values and individuals behaviours (O’Reilly, 1991, Gruys et al., 2008).

On the other hand, while PI directly influences the awareness levels of individuals in relation to the context of interaction for accomplishing their tasks, existence of gap between the actual level of awareness in individuals and the required level of awareness for accomplishing tasks, conveys the lack of proper knowledge sharing capabilities (Daneshgar, 2004). According to the latter study, both the actual and required levels of awareness are directly related to both the task characteristics as well as to the organizational culture. However, the latter study does not further investigate in detail the intertwined impact of culture and task characteristics on the levels of awareness. Therefore gaps exists in the current literature in both manifestation of relationship between culture, knowledge sharing and KMS in one hand, and culture, knowledge sharing, task characteristics and awareness levels, on the other hand. Such theoretical gap constitutes fundamental foundation of the present study, and is shown in Figure 1.

![Figure 1: Relationship between cultural values, knowledge-sharing, and awareness levels](image)

**TENSION AMONG CULTURAL VALUES**

The hybrid nature of organizational culture might be the result of variant reasons such as the size of the organization or the influence of multiple cultures within its departments or groups (Al-Ani and Redmiles, 2009). One perspective leading to a better understanding of the impact of values on awareness sheds lights on the term tension among values and their overall simultaneous impact on individuals’ awareness levels. Literature indicates six themes of values surrounding organizations: (1) national, (2) organizational, (3) subunit, (4) individual, (5) system, and (6) Information Technology (Leidner and Kayworth, 2006). The existence of conflict between these values and its impacts on organizational performance is widely highlighted in the literature. Another line of literature suggests that a certain amount of conflict between values might generate

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1 e.g., (Hofstede, 1980), (Chow, Deng and Ho, 2000), (Chow, Shields and Wu, 1999)
2 e.g., (Schein, 1985), (Robey and Rodriguez-Diaz 1989)
3 e.g., (Dubé 1998), (Hatch, 1993), (Jehn and Mannix, 2001)
4 e.g., (Badovick and Beatty, 1987), (Chau, Cole, Massey, Montoya-Weiss and O’Keefe, 2002)
5 e.g., (Alavi, Kayworth and Leidner, 2006), (Leidner and Kayworth, 2006), (Hatch, 1993), (Posner, Kouzes and Schmidt, 1985), (Quinn and Rohrbaugh, 1981), (Gold, Malhotra and Segars, 2001), (Yoo and Torrey,
opportunities for challenge, and in turn, may lead to knowledge creation. The majority of the above six tension types highlight the existence of conflict between: (1) individual values within subcultures\(^1\), (2) sub cultural values within organization\(^2\), (3) individual or sub cultural values and organizational values\(^3\), (4) organizational values (Alavi et al., 2006, Davenport et al., 1998, Berson et al., 2006), (5) organizational values of different organizations (Phan, 2000, Weber and Camerer, 2003), and (6) national values between international organizations\(^4\). However, how the conflict is managed is more critical for an organization than the conflict itself \(^5\).

In the IT literature, (Leidner and Kayworth, 2006) has developed a theory of IT values and conflict introducing three types of cultural conflicts that may emerge in the context of IT development, adoption, use, and management. The latter study considers several forms of conflict that result from the intersection of national, individual, organizational and subunits values embedded in specific IT, and IT culture. It offers the tripartite view of IT-cultural conflicts including contribution conflict (between group members’ values and group’s IT values), system conflict (between values embedded in a specific system and group member values) and vision conflict (between values embedded in a system and a group’s IT values). Apart from the above line of literature investigating the term tension among different themes of values and the impact of this inconsistency on organizational performance, (Alavi et al., 2006, Boh and Wong, 2009, Tjosvold, 1998) and to some extent (Jashapara, 2003) narrowed their focus and explained tension from another perspective.

These studies redefine tension in terms of ‘incompatible impacts of organizational values on performance’ particularly knowledge management activities. Hence, ‘values interdependency’ shapes rules of interaction (Deutsch, 2000). (Alavi et al., 2006) examines the example of two organizational values including innovation and formalization, which have different impacts on knowledge creation and dissemination behaviours. In another study by (Jashapara, 2003), two opposite internal incompatible and competing forces of competition and cooperation (Mintzberg, 1991) are explained in the context of knowledge management. Practical examples of highlighting this type of tension could be found as the tension between long-term and short-term values or exploitation and exploration in a number of studies (Drucker, 2005, Vera and Crossan, 2004, Berson et al., 2006, Davenport et al., 1998).

However, conflict resolution and analysis itself depends on many factors including organization’s type, personalities of individuals, and organizational culture. Hence, the influence of these factors together makes the managing conflicts a complex task (Ikeda et al., 2005). The above arguments highlight a dual relationship between promotive interaction and incompatible impacts of organizational values.

Given, few research on exploring the manifestation of relationship between organizational values, KMS and KM outcomes, managing the potential tension among organizational values in this context is highly recommended (Alavi et al., 2006). This suggestion encompasses the idea of determining an optimal mix of organizational values which will lead to achieving that level of knowledge sharing through promotive interaction, necessary for an optimal level of awareness in accomplishing tasks. Another research theme in organizational studies highlights the importance of analysis and management of incompatible impacts of cultural values on organizational performance. The major examples of these studies are in pursuit of the goal interdependency theory of conflict, which categorizes competing goals into cooperative and competitive ones (Deutsch, 2000, Tjosvold, 1998, Chen et al., 2005, Alper et al., 2000). Incorporating the above arguments in Figure 1 resulted in an upgraded model in Figure 2.

Therefore, the present study introduces a novel research theme that integrates the existing KM literature with that of organizational studies in order to maintain process awareness of collaborating actors at required levels through promotive interaction. More specifically, the present study suggests a research theme that combines the goal interdependency theory of conflict (Deutsch, 2000), Social learning theory (Bandura, 1986), and the internal organizational forces of competition and cooperation (Jashapara, 2003, Mintzberg, 1991, Tjosvold, 1998) in order to analyse incompatible impacts of the two prime organizational values ‘cooperation’ and ‘competition’ on the promotive interaction; the latter representing the attainment of the optimum level of process awareness.

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1. e.g., (Hofstede, 1980), (Weber and Camerer, 2003)
2. e.g., (Schein, 1988), (Miller, 2003), (Damian and Zowghi, 2003)
3. e.g., (Walsham, 2002), (Jashapara, 2003)
4. e.g., (Miller, 2003), (Liedtka, 1989)
5. e.g., (Walsham, 2002)
6. e.g., (Phan, 2000), (Gelfand, Leslie and Keller, 2008)
CONCLUSION AND FUTURE WORK

This study highlighted the importance of a research framework for managing incompatible impacts of the two rival organizational values, competition and cooperation, on knowledge sharing in organizations. Through a systematic review of literature, a high-level conceptual model was created showing factors influencing the optimum mix/tension between the above two rival values at any given time. The theoretical foundations of the proposed model is rooted in the goal interdependency theory of conflict and social learning theory in social psychology, and the awareness net analysis in Computer-Supported Cooperative Systems (CSCW) literatures. The proposed model can be used as an analytical tool to investigate organizational requirements for achieving a balanced mix of the two rival values at any given time. In other words, it assists in determining appropriate level of organizational support for knowledge related activities among individuals. Overall, the findings suggest that the impacts of cooperative and competitive organizational values on knowledge sharing can be understood by through analysis of promotive interactions which enhances the awareness levels of organizational/team members to their optimum levels. This in turn can be used as inputs to the design of knowledge management systems that manages tensions among organizational values. Work is also already in progress for developing design specifications for a knowledge management system that support management of organizational values under various organizational cultures.

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