

Knowledge Sharing Behavior: Organizational Reputation or Losing Organizational Power

Case study: Employees of agricultural bank in Fars state

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Abstract

As a result of increasing world competition, the issue confronting every organization is to find methods of enhancing its own competitiveness. One of the most important competitive resources that a business can have is knowledge. This has been repetitively emphasized in the literature of knowledge management. One of the most significant aspects of knowledge management is knowledge sharing among the employees of an organization that plays a condign role in the process of knowledge management. The purpose of this research is studying of the effect of Reputation Enhancement and perceived Loss of Knowledge Power on components of reasoned action model in order to study the behavior of knowledge sharing among employees of agricultural bank in Fars state (Iran). two hundred and four (204) persons of managers and experts of agricultural bank in Fars state are selected as the sample volume. The tool for data collection is questionnaire. We have used AMOS software to analyze data.. All hypotheses have been confirmed on significance level of 5 percent. Management applications are discussed too.

Keywords: Knowledge sharing, reasoned action model, Reputation Enhancement, perceived Loss of Knowledge Power, agricultural bank, Iran.

1. Introduction

With the upcoming era of knowledge economy, knowledge and knowledge management has become vital to success in organizations. Knowledge is of paramount importance resources among others for organizations to attain their competitive advantages (Bruton et al., 2007). Knowledge is a company's most valuable resource because it involves intangible assets, routines, and creative processes that are hard to imitate and copy. What makes individuals share knowledge effectively with others in organizations is a main question. Knowledge sharing requires the transfer of knowledge from one person, or group to another. Organizational knowledge sharing joints employees with external knowledge sources (Garvin, 1993).

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Organizational members benefit from networking with external knowledge sources for new information, skills, and ideas that may not be gained inside the organization (Hamel & Prahalad, 1993; Wasko & Faraj, 2005). Organizational innovation can be raised from knowledge exchange and learning from network connections across organizational boundaries (Nooteboom, 2000). The ability of an organization's members to mix and exchange knowledge determines the rate at which new products and services are introduced. (Smith et al.2005) knowledge sharing within employees of organizations and the factors that facilitate knowledge sharing are main topic in knowledge management. Agricultural bank in order to fulfill the provisions in its mission statement, investigating ground for implementation of knowledge management in the organization. Accordingly this paper is organized as follows. The first section of the paper contains a brief outline of knowledge sharing and factors that facilitate knowledge sharing within and between employees in the framework of TRA model. In the following section the concepts of organizational reputation and perceived losing knowledge power in organization in the process of knowledge sharing is investigate. A model of the mediating effect of attitude and subjective norms on the relationship between organizational reputation and perceived losing knowledge power and knowledge sharing behavior is presented and tested through covariance structure analysis with AMOS 15. Finally, in the concluding remarks, implications for theory and practice are explored.

2. Theory of reasoned action

A brief review of the theory of reasoned action history is beneficial to understand the theory. In the 1960s, Fishbein (1963) proposed a theory concerning the relationships between beliefs about an object and the attitude towards that object. In 1967, he introduced the framework of relationship between attitude and behavior intention. At that time, many researchers concentrate on the relationship between the attitude towards a stimulus object and the corresponding behavior with respect to that object. The TRA (Ajzen and Fishbein, 1980) assumes that behavior is determined by the individual intention to perform, or not to perform a given behavior or otherwise. Incidentally, intention is determined by the two independent variables, including attitudes and subjective norms. Attitude towards behavior is an individual's positive or negative evaluation of performing an act. Subjective norm is an individual's perception of the social pressures on him to perform an act or not. (Figure 1)

According to the model, knowledge sharing behavior of employee determined by his/her intention toward knowledge sharing and subjective norms. Therefore in this study we investigate knowledge sharing behavior, we hypothesized that:

H1: attitude towards knowledge sharing has positive effects on intention toward knowledge sharing behavior.

H2: subjective norms have positive effects on intention toward knowledge sharing behavior.

H3 intention toward knowledge has positive effects on knowledge sharing behavior.

3. Organizational Reputation

Social exchange theory posits that social exchange engenders social rewards such as feelings of approval, status and respect. Employees by showing their knowledge to others, gain recognition and respect resulting in improved self-concept. O'Dell and Grayson(1998) suggest that employees share their best practices because of their intention to be recognized by experts and employees. Kollock (1999) found that employees with high technical knowledge have better position in the organization. Thus it is theorized that employee's belief that sharing knowledge will enhance their reputation and position in the job is probably to be an important motivator/facilitator for sharing valuable knowledge. (Chennamaneni,2006)

H4 - Perceived reputation enhancement has a positive effect on the knowledge worker's attitude towards knowledge sharing

4. Perceived Loss of organizational power

Previous research suggests that by sharing valuable knowledge, individuals give up ownership to that knowledge and thereby lose benefits stemming from it. This may put them in a risky position of losing their power in the organization, making them more replaceable. Because knowledge is considered as a source of power, employees in the bank industry may hide their knowledge (Chennamaneni, 2006). This suggests a negative relationship between loss of knowledge power and attitude towards knowledge sharing, thus leading to the fifth hypothesis:

H5 – Perceived loss of knowledge power has a negative effect on the knowledge worker's attitude towards knowledge sharing Hence, we test model below: (figure 2)

5. Data collection

We developed measurement items by adopting measures that had been validated in prior studies, modifying them to fit our context of knowledge sharing.

Respondents were asked to evaluate the significance of measurement items using a Likert scale of 1–5, where a value of 5 represented “strongly agree,” and 1 represented “strongly disagree.” The study sample consisted of all managers and experts of agricultural bank in Fars state. 204 questionnaires were sent to each selected participant with an email. A total of 163 replies were returned, though two were incomplete and so discarded. Thus, 161 questionnaires were used for the data analysis, a response rate of 79%. Table 1 shows the demographics of the respondents.

6. Data analyses

Data analysis was conducted using a structural equation modeling tool, Amos 15, to investigate and test the hypothesis mentioned above. Table 2 presents the results of the reliability testing using Cronbach alpha coefficients, which ranged from 0.8451 to 0.9418. Construct validity was assessed using confirmatory factor analysis. In our dataset, all the measures loaded onto their underlying factors. Generally, to show convergent validity, all item loading scores need to be greater than 0.707. As shown in Table 3, all factor loading scores were higher than the suggested 0.707.

6.1. Test of the model

Structural equation modeling was conducted using Amos 15 to test the fit between the research models (Fig. 1) and the data set. In the literature, a variety of measures are suggested to test the fit between the model and data. In general, the goodness-of fit is satisfactory when the Goodness of Fit Index (GFI) is greater than 0.9, the Adjusted Goodness of Fit Index (AGFI) is greater than 0.8, the Root Mean Square Residual (RMSR) is lower than 0.1, and the chi-square divided by degree of freedom (χ^2/df) is less than 5. Fig. 3 shows the fit indices of the original model and the revised model. As for the original model, the various goodness-of fit statistics indicate that the model shows a poor fit with the data. In our dataset, the value of GFI is 0.75, the AGFI is 0.66, the RMSR is 0.13, and the χ^2/df is 6.7. On the other hand, for the revised model, the value of GFI is 0.90, the AGFI is 0.85, the RMSR is 0.08, and χ^2/df is 2.5. Thus, the revised model shows the improved goodness-of-fit statistics in all four fitness indices compared to the original model.

Furthermore, all fitness indices of the revised model passed the criterion-value. Overall, it is obvious that the revised model shows a better fit with the data, demonstrating a superior explanatory power of the knowledge sharing by employees. Fig. 4 also shows the path coefficients in the models. Because the revised model has a better fit with our data set than the original model, we would emphasis on the path coefficients of Model II. In this model, all the paths were significant. Most findings of traditional TRA are repeated here: intention to knowledge sharing influences knowledge sharing behavior; attitude toward knowledge sharing has more influences on intention to knowledge sharing and direct influence on knowledge sharing behavior. Also subjective norms have strongly effect on intention to knowledge sharing.

Hypotheses H1 and H5 were supported,(Table 4) and showed that a higher level of perceived reputation enhancement and lower level of perceived losing organizational power contributed to the positive attitude towards of employees to knowledge sharing.

7. Result and discussion

Knowledge is a vital resource in today’s organizational environment. Because it is not often widely shared and used, knowledge is not being used as fully as it could be as an organizational resource. Therefore, wise managers will try to encourage knowledge sharing. However, to attain successful knowledge sharing requires investigating the factors that can impact it. This study provides evidence for 2 factors that managers should address when trying to encourage sharing of organizational knowledge. (in the framework of TRA model)

Overall, the results from this study indicate that the TRA is an adequate model for investigating behavioral intentions of knowledge sharing. The various GFI indices (GFI, AGFI, and RMSEA) indicated that it is a moderately good fit for the model. Findings showed that subjective norm, and attitude, had direct impact on behavioral intention. Also attitude has a direct effect on knowledge sharing behavior.

The results have implications for practice in promoting employee knowledge sharing within the organization. Since the path from attitude towards intention to share knowledge was most significant, we suggest that top management should focus on providing a positive attitude of their employees, through improving relationships and recognition of their contributions, in order to encourage sharing. It is no doubt a positive knowledge sharing culture in organization could influence employees’ attitude. Employees are more willing to offer and share knowledge when they perceive knowledge sharing is encouraged in organization.

In this case, we investigate the effect of perceived reputation and perceived losing organizational power on attitude toward knowledge sharing between employees of agricultural bank (Fars state). Result indicates that perceived losing of organizational power has a negative impact on attitude toward knowledge sharing. managers should provide an organizational climate that employees could sharing their knowledge with others without fear of losing ones unique value .also they feel become more famous in organization and within co-workers by sharing his/her knowledge .

8. References

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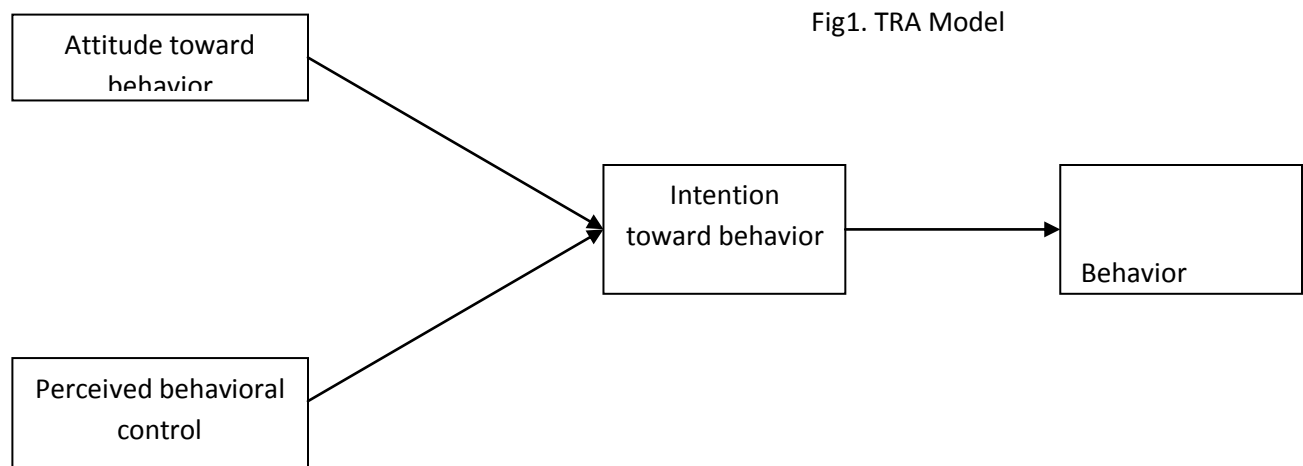
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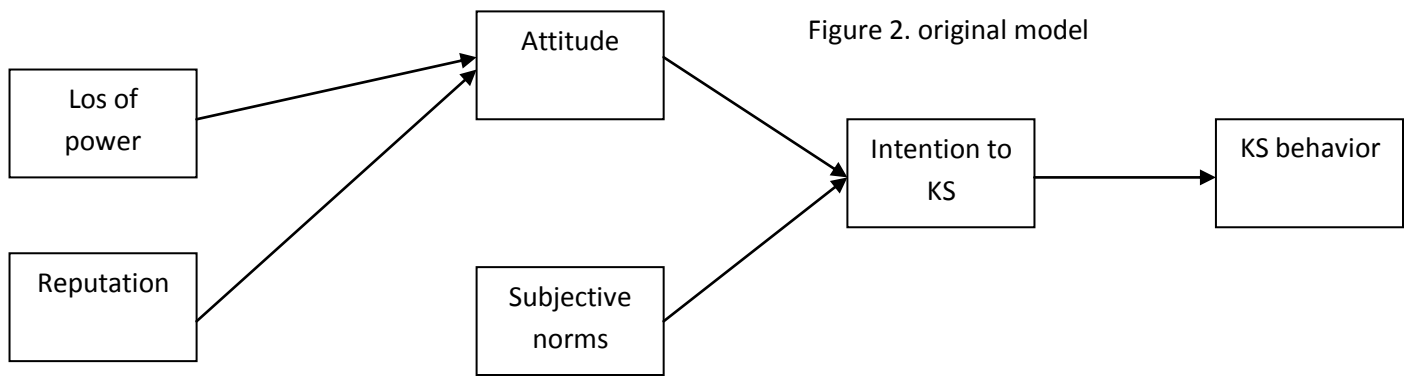


Table1 : Demographics of the respondents

Demographic variables	Frequency	Percent
Gender		
Female	0	0
Male	161	100
Education		
Diploma	57	35
Up to Diploma	25	16
Bachelor	59	37
Master /PhD	20	12
Age		
Less than 30	24	15
30-39	83	51
40-49	35	22
More than 50	19	12

Table 2: Reliability estimate

Construct	Items	Cronbach's alpha
Knowledge sharing behavior	4	.9418
Intention to knowledge sharing	4	.9331
Attitude toward knowledge sharing	4	.8932
Subjective norms	3	.8451
Reputation	3	.9256
Perceived loss of power	4	.8303

Table 3: Confirmatory factor analysis model

Items	KS	IN-KS	ATT-KS	SN	L-P	Reputation
1	.8451					
2	.7985					
3	.9102					
4	.9412					
5		.7998				
6		.8777				
7		.8448				
8		.8306				
9			.8525			
10			.9557			
11			.9464			
12			.7787			
13				.9001		
14				.8609		
15				.9001		
16					.8123	
17					.8434	
18					.7995	
19					.8664	
20						.9212
21						.9019
22						.8424

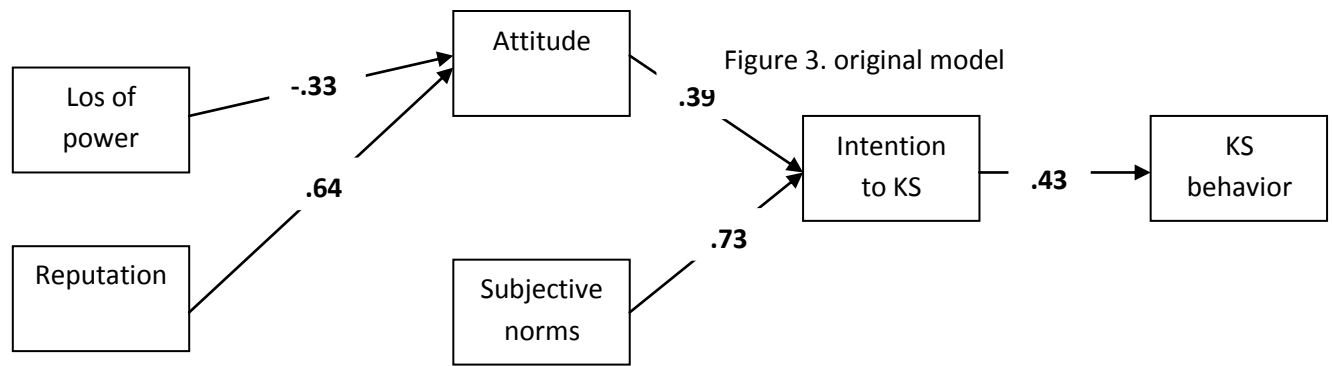


Table 4- Standardized Regression Weights

			Estimate	S.E.	P
Attitude toward knowledge sharing	<---	Loss of power	-.29	.053	** *
Attitude toward knowledge sharing	<---	Reputation	.65	.080	** *
Intention to knowledge sharing	<---	Reputation	.45	.036	** *
Intention to knowledge sharing	<---	Attitude toward knowledge sharing	.51	.078	** *
Intention to knowledge sharing	<---	Subjective norms	.75	.106	** *
Intention to knowledge sharing	<---	Loss of power	-.33	.044	** *
Knowledge sharing behavior	<---	Attitude toward knowledge sharing	.55	.106	** *
Knowledge sharing behavior	<---	Intention to knowledge sharing	.49	.147	** *

