Theories of Knowledge Sharing Behavior in Business Strategy

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Abstract

Inspiring people to share knowledge and experience at workplaces has gained attention among the researchers to determine the ways of motivating employees to knowledge sharing behavior. In order to promote knowledge-sharing behavior, people in business need to understand the influences and the mechanism that drives individually to contribute their valuable knowledge with others. This paper reviews the nature of knowledge sharing and theories underlying knowledge sharing behavior to understand the factors that influence individual behavior to share their knowledge. Several theories have been applied to study knowledge-sharing behavior included theory of reasoned action (TRA), theory of planned behavior (TPB) and social exchange theory (SET). The literature review was conducted to identify the association of the theories, practices and knowledge sharing behavior. Initial discussion in this paper, was discussing the nature of knowledge sharing and common practices of knowledge sharing behavior. The literature review determined willingness, business citizenship behavior and commitment represent as an individual knowledge sharing behavior. While, the theories identified that attitude, subjective norms, perceived behavioral control, and exchange of maximizing benefits and minimize cost in turn leads to drive individual towards knowledge sharing behavior. The finding contributes to the individual and business in understanding the factors that drive to knowledge sharing behavior.

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1. Introduction

In recent globalization, knowledge is a valuable resource for business. Knowledge perceived being valued as a competitive advantage in business to sustain and retain in the market. In essence, knowledge is related to a knowledge worker. They are individuals who possess the knowledge, high competence, caliber and highly talented in the business. The roles of knowledge worker in business facilitates the business of making decision, strategies the business direction and increase competition among the others business. Knowledge management (KM) has been recognized as important components for business to survive and maintain their competitive advantages in their business. According to knowledge held by employees can be used for business strategy through knowledge development and knowledge leverage (Roos, Johan., Roos, Goran, Edvinsson, Leif, Dragonetti, Nicola, 1998). This means that knowledge management among employees create learning business environment, conversation management, innovation, core competencies, efficient knowledge management and invisible asset to the business. The need to manage knowledge more effectively is required to adapt with changing in a competitive environment. In turn the changes need change readiness from both psychological and structural dimensions for knowledge acquisition, creation and sharing processes (Rusly, Corner & Sun, 2012). For example, investment in technology and infrastructure does not always guarantee successful KM, rather, it is claimed that the main pillar of achievement rests on employees’ willingness and commitment to participate in the initiatives (Lin, 2011; Wasko & Faraj, 2005). At this moment, to retain the knowledge and knowledge worker, many scholars discussed knowledge sharing is important to educate and encourage employees to practice in business (Yang, Chen, Kinshuk & Chen, 2007; Grundstein, 2008). The importance of knowledge sharing to business leads to obtain ownership, high commitment, job satisfaction, competitive advantages (Cummings & Teng, 2007). In addition, with successful knowledge sharing practices, business being able to respond to a changing environment for improving business performance. This means that business capabilities to be an innovative capacity (Hansen, 1999) with faster completion of new product (Collins, & Smith, 2006). Furthermore, effective practice of knowledge sharing contributes to increase productivity and profitability, including revenue and sales growth (Magnus & DeChurch, 2005) through share their idea, knowledge and experience in making decision, problem solving and innovate new ideas. Hence, knowledge held by employees must disseminate and share with the others as a strategy to retain the knowledge (Cabrera, Collins & Salgado, 2006) and minimize employees who intend to leave the business (Hansen, 1999).

1.1 Knowledge Management Challenges

Presently, there is a trend in workplace arise the issues of employee turnover among the knowledge worker. There are voluntary to leave the business that influences by several reasons that make them decide to leave the business. There were many factors had been discussed in the previous study about factor drives employees turnover such as

(i) Organization's commitment
(ii) Perceived business support
(iii) Employee engagement
(iv) Job satisfaction
(v) Organizational citizenship behavior
(vi) Organizational learning culture.

Statistically provided by Randstand World of Work Report 2014, there was 55 percent employees leave the business due to uncompetitive salary, 35 percent perceived lack of recognition at the workplaces and 21 percent contributed to lack of trust in senior leaders. In order to encourage the employees to share their knowledge, this issue also has become a crucial and challenging due to the belief that the moment they gained specialized knowledge is when they are holding a power in the business (Grumbliey, 1998). There are many employees who are unwilling to share knowledge that they have acquired (Chow, Deng & Ho, 2000). In this sense, employees feel scared to share their valuable knowledge will make others have an upper hand. Although many businesses apply technology to
support knowledge sharing behavior, sadly the problem still exists and it is far from being successful (Grumbley, 1998). This turns to leads the loss of knowledge. It is a serious threat for the former business, which significantly contribute to loss of knowledge continuity. More than that, it gives effect to directly and indirectly high cost to business (Staw, 1980). Beside high cost, disruption of the attitude to work and work morale, higher demands placed on other employees during the period of substitution, possible loss of other customers, increase of costs to recruit a replacement, selection, training (Armstrong, 2009; CIPD, 2004; Branham, 2000; Katcher, & Snyder, 2007) and also give negative consequences towards business.

2. Fundamental of Knowledge Sharing

In the business context, knowledge sharing has gained attention among many scholars (Hopkins, 2008; Doytchev, Hibberd, 2009; Wahlstrom, 2011). Knowledge sharing had been seriously discussed in workplaces, organizational behavior, communication, (Witherspoon, Jason, Cam, & Dan, 2013), human resources strategy (Grant, 1996) and many areas had been covered. Broadly, the studies, discussion and findings were related to practice, strategy, antecedents or enablers (Currie & Kerrin, 2003; Collin, & Smith, 2006; DeLong & Fahey, 2000; Minbaeva, 2007; Nayir & Uzuncarsili, 2008; Oltra, 2005; Ruppel & Harrington, 2001). Fundamentally, the principal of knowledge sharing is a process meant to obtain experience from others. While referring to Pulakos, Dorsey & Borman, (2003) mentioned that knowledge sharing refers to preparation of task information, know-how to collaborate with others to facilitate people, problem solving, implement policies, or develop new ideas. Recent to date, refer to Witherspoon, Jason, Cam, & Dan, (2013), knowledge sharing is a process in knowledge management that used to creating, harvesting, and sustaining business processes. The evolution of the knowledge sharing is trendy, according to the importance and used of knowledge sharing towards the business. Hence, knowledge sharing is the practices of exchange and disseminates the idea, experience, and knowledge with the others to ensure the knowledge continues, sustain and retain in the business. In similar to Cabrera, Collins, & Salgado (2006), knowledge held by particular employees in business must consequently be passed along to other employees for its value to be appropriated. Knowledge sharing is the most important segment and a challenge of knowledge management (Syed Rahmatullah and Mahmood, 2013). More than that, Syed Rahmatullah and Mahmood and (2013) and Alavi and Leidner (2001), knowledge sharing can be reflected as one of the most main elements in knowledge management processes in business. To sum up all the discussion above, the importance of knowledge sharing in business also has been seen as:

(i) Share the sender’s knowledge to the recipient (Cummings & Teng, 2003)
(ii) Extent the employees” capability to organize (Andrawina, R. Govindaraju, T.A. Samadhi, I. Sudirman, 2008)
(iii) Better in responding to a changing environment,
(iv) Utilizing newly acquired knowledge
(v) Making effective decisions in business (Hayati, Paul & David, 2013)

2.1 Nature of Knowledge Sharing

Implementing effective knowledge sharing, viewed as one of the factors that may influence individual behavior towards knowledge sharing. Behavior is an individual action, or drives an individual to react on a particular course of action or events. Apparently the behavior refers to an individual attitude, personality and identity, values and belief in the business. In the context of this study, the attitudes and behaviors of knowledge sharing behavior is a willingness to share knowledge (Hislop 2002). This was supported by Yun, Takeuchi and Liu, (2007) knowledge sharing behavior are related to the employees” willingness to share their knowledge with the others in the business. An employee willingness refers to actively communicating, consult with colleagues (Lin, 2011), exchange and voluntary share experience. Employees not being forced or coercive to share their knowledge. From the literature analysis, the willingness creates a feeling of enjoyment in helping others. In the context of knowledge sharing, enjoyment in sharing what the individual has with the other give some happiness and enjoyment to help the others to solve problems, making decision and increase their work performance at workplaces.
However, the empirical studies on knowledge sharing behavior are related to the business citizenship behavior (OCB) (Yun, Takeuchi, & Liu, 2007; MacKenzie, Podsakoff, & Fetter, 1991). OCB is the most effective practice to define the actual knowledge sharing behavior. In referring to Hollander, & Willis, (1967) suggested that individuals are regularly needed to belong to their work team, and adapt to the norms and values of the team in order to avoid arguments or conflict at workplaces. In contrast, as refer to Organ, (1988), OCB is universal behaviors revealed by employees such as caring, supportive, helpful, and it is beyond the formal task obligations. OCB primary concern to the belief that productive behaviors contribute to business, group and individuals” effectiveness or performance. Hence, in knowledge sharing behavior, feelings of belonging to the business voluntarily influenced individual to share their knowledge with others in business. While, in other perspectives, organizational commitment (OC) also being viewed as one of the knowledge sharing behavior.

In similar studied to Luthans, (1995) found that commitment as an attitude, which refers to the desire of remaining as a member of a particular business. In other words, individual willingness to exert high levels of effort on behalf of the business and a definite belief in and acceptance of the values and goals of the business. While according to Newstrom and Davis (2002), defines employees commitment as the degree of an employee wants to continue actively participating in the business. In similar, Pareek, (2004) defines employees' commitment as a person’s feeling with regard to continuing his or her association with the business, acceptance of the values and goals of the business, and willingness to help the business achieve such goals and values. According to Madigan, Norton, and Testa, (1999), committed employees would work diligently, conscientiously, provide value, promote the business’s services or products and seek continuous improvement. Employees with high levels of OC are less likely to leave and are more likely to be highly motivated as well as being more willing to provide extra discretionary effort and thus generally more willing to share their knowledge within the business. On top of the discussions above, this study believed that OC is important to tacit knowledge sharing encourage, educate and motivate employees to share their knowledge. This was supported by referring to Alvesson, (2005) suggests that the success of companies in generating and appropriating knowledge is related to high levels of employees” commitment to the business.

2.2 Tacit and Explicit Knowledge

Sharing of tacit knowledge is more difficult because it cannot be directly expressed using words. Instead the only ways of presenting it are usually through metaphors, drawings and different methods of expression, not requiring a formal use of language (Koskinen, Pihlanto & Vanharanta, 2003). Tacit knowledge is the type that is difficult to verbalize and codify because it is ingrained at a subconscious level (Faizuniah & Aizzat, 2009). Tacit knowledge requires face-to-face interactions and a dialectic debate (Koskinen, Pihlanto & Vanharanta, 2003; Fernie, Green, Weller, & Newcombe, 2003) among employees at workplaces. Tacit knowledge is also a subjective, context specific, and difficult to capture and it is not easily to express or communicated via visually or verbally. It is subjective as well as difficult to formalize (Nonaka, Totama & Nagata, 2000). Tacit knowledge is embedded in action, commitment, and involvement in a specific context and derived from personal experiences. Implicit knowledge, another form of tacit knowledge, is the kind of knowledge that is shared or understood by people or groups who are either unwilling, or unable to express it explicitly (for example, due to cultural factors) without a proper atmosphere. Explicit knowledge basically is the type that can be easily explained and codified, and are available in books, manuals and other types of publications (Faizuniah & Aizzat, 2009). It is commonly agreed that disseminating and communication explicit knowledge is easier than sharing of tacit knowledge (Ipe, 2013). Sharing of explicit knowledge can be done by means of books, manuals, video clips, databases and expert systems, as well as through formal training (Koskinen, Pihlanto & Vanharanta, 2003). According to Fernie, Green, Weller, & Newcombe, (2003) the explicit knowledge is objective, can be communicated visually or verbally, and is more easily codified. Explicit knowledge is the knowledge that has been or can be articulated, codified, and stored in certain medium and can be readily transmitted to others. Similarly explicit part of knowledge is systematic and easy to communicate in the form of hard data or codified procedures (Pan & Scarborough, 1999). This means that explicit form of knowledge can be formal and easily transmitted across individuals.
3. Theories Applied on Knowledge Sharing

3.1 Theory of Reasoned Action (TRA)

Theory of Reasoned Action (TRA) is a social psychology model, which explained the intention behaviour reasons (Ajzen, 1985). This theory widely used by many scholars to determine the intention of individual behaviour in a multidisciplinary area. In this study, the theory of reasoned action focuses on the intention knowledge sharing behaviour among the individual preferences. The intention of an individual to perform a behaviour influenced by positive attitude and social norms is the degree to which an individual perceives how others approve the individual’s participation in a specific behaviour (Bock, Zmud, Kim & Lee, 2005). This theory represents the attitude and social norms influences the individual intention of knowledge sharing behaviour. Attitude defines as disposition to respond favorably or unfavorably to the self, others and the environment (Ajzen, 1985). While social norm defined as the way individuals think and expectation from others towards individual actions. Some studies had been done by using TRA to explore the different variations in knowledge sharing behaviour. According to Bock and Kim (2002) explored the relationship between (i) expected associations and contributions and (ii) expected rewards as variable in determine the individual attitude and social norm represent as well as business climate. The result highlights that attitude toward KS and subjective norms have a positive effect on knowledge sharing behaviour. In the recent study exploring the sense of self-worth (Teh & Yong, 2011), while another studied such as in role behaviour (Bock, Zmud, Kim & Lee, 2005) and business citizenship behaviour (Williams & Anderson, 1991). In the study, the scholars had used TRA as the model to predict individual knowledge sharing behaviour. The result represents that three variables tested had a significant in determining knowledge sharing behaviour. The figure 1 below represents the dimension of the theory of reasoned action.

![Fig. 1. Theory of Reasoned Action](image)

3.2 Theory of Planned Behavior (TPB)

The Theory of Planned Behavior (TPB) is essentially an extension of the Theory of Reasoned Action (TRA) that includes measures perceived behavioral control (Ajzen, 1988). TPB defines the individual’s intention to perform a given behaviour. The key word intentions in general study are assumed to capture the motivational factors that derive the individual behaviour in terms of their effort, willingness to perform the behaviour. In TPB, the assumption might be when the stronger the intention Attitude Subjective Norms Intention to Knowledge Sharing Knowledge Sharing Behaviour to engage in behaviour, the more likely should be its performance (Ajzen, 1991). The intention should be clear and precise as need to know the direction of what the individual want to get and reflects to the individual behaviour decided to perform in what ways. The idea was revised from TRA that belief the intention of individual behaviour influenced by the attitude, social norms, additional new dimension as introduced by Ajzen, (1991) is perceived control behaviour (PCB). According to the scholar's theory, perceived behavioral control is about beliefs of individual skills and opportunities to engage in behaviour. It is the extent to which a person feels able to perform the behaviour in two conditions (i) individual able to control over the behaviour and (ii) level of individual confident being able to perform or not perform the behaviour. However, the original concept of perceived control behaviour was adapted from Bandura (1992). The scholar highlights that concept of perceiving control behaviour similar to represent individual perceived of their self-efficacy. Self-efficacy is defined as a judgement or perception of individual capability to perform a particular course of action. In addition to Bandura’s theory, the roles of perceived behavioral control strongly influenced by the individual confidence of their ability to perform that
course of action. While referring to Pandora (1991), found that self-efficacy can influence the individual willingness and unwillingness to choose the activities, prepare them to participate, and influence their effort to the performance. Thus, the TPB introduces the construct of perceiving control behaviour as new element to the TRA in determining the individual intention and individual behaviour. The figure 2 below represents the concepts of the theory of planned behaviour.

![Fig. 2. Theory of Planned Behavior](image)

### 3.3 Social Exchange Theory (SET)

Social exchange theory (SET) is basically defines as an exchange of a valuable resource in which expected to benefits between two parties. This theory, practice to maximize the benefit and reduce the cost that will effect to the individual actions (Blau, 1964). According to the antecedent of SET, it is a theory that describes the rational behaviour of the individual to perceive the possibility of rewards that they would gain from the social exchange. There must be an actor that has own perception to another and has a belief to create the other’s perceptions needs. Recent to the study, Cry, and Choo, (2010) revised the original concepts of SET and found that SET depended on belief of individual propensity to share and individual’s social value orientation. This refers to the individual preferences (subjective attitudes or norms) regarding the distribution of outcomes to self and other in the sharing situation. In other words, the SET has regarded to the maximize benefits and reduce costs that incurred when an individual exchange with others. There are two categories of social exchange theory which is rewarding and social relations exchange. The scholar Blau, (1964) was conceptualized into four types of rewards such as below:

(i) Money,
(ii) (ii) Social approval,
(iii) Self- esteem or respect and
(iv) Compliances.

In certain particular need of individual, money might be appropriate and valuable to the individual exchange. However, in another perspective of social relations, social approval, self-esteem and compliance are the most influential towards the social relations exchange. This finding was supported that this study argue that social exchange theory postulates people interact with others based on a self-interested appraisal of the costs and benefits. Another scholar also supported that individual seek to maximize their benefits and minimize their costs when exchanging resources with others (Molm, 2001). These benefits need not be tangible since individuals may engage in an interaction with the expectation of future reciprocity. Reciprocity is defined as all exchanges operate under the assumption that people who grant the benefits or valuable resources will receive rewards in turn as payment for value received. In this particular concept, it can be summarized that most of the recipient and the receiver will gain benefits when they exchange something to each other.

### 4. Conclusion

This study objectively to understand the knowledge sharing behavior to innovate and retaining the continuing of the business knowledge. Knowledge sharing is important to practice in business as it strategy for business to gain competitive advantages, highly compete with other firms, retaining employees from turnover, increase productivity and develop human capital with innovation and creativity. Most of the studies related to knowledge sharing practices used common theory such as theory of planned behavior, theory of reasoned action and social exchange theory to understand the knowledge sharing behavior. Apparently, the attitude and subjective norms are main factors...
that contribute to the willingness of individual to share their knowledge and experience with others. Moreover, the individual also concern to the benefit and cost incurred when there voluntarily to share their knowledge. Some of the individual resist and unwilling to share their knowledge due to the insecurity, originality and mistrust to the others. This is refer to individual self-efficacy in share to others, adapt and use the knowledge from the others. In context of the business, the facilities, cultures and infrastructures were also identified as the main concern to effective practice of knowledge sharing. The management or top managerial have seriously take consideration to provide the facilities, encourage and educate the employee on the benefits of knowledge sharing. More than that, employer itself have to trust and collaborate with the employee to successful implementation of knowledge sharing.

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interested in "business strategy" as an instrument for improving profitability. The emphasis of this approach was generally on actions that a firm could take to improve its long run competitive position. The competitive implications of business strategy. We will consider a broader category of strategies than those which are necessarily anticompetitive. In the language of game theory, the table shows the relationship between the players' strategies (choice of outputs) and their payoffs (profits). Table rIA.