Chapter 3.10
The Role of Organizational Trust in Knowledge Management: Tools & Technology Use & Success

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ABSTRACT

The discipline of knowledge management (KM) is no longer emerging, but some organizations are still struggling to find the right approach that will allow them to fully take advantage of their intellectual assets. Having the proper organizational culture remains an important barrier to knowledge management success. This empirical research project, conducted with data from 97 organizations involved in KM, explores relationships between the level of organizational trust and the use of KM methodologies, in particular the use of codification KM methodologies and personalization KM methodologies. The presence of trust can also be used as an indicator of KM initiative success. The contribution of this research may help organizations seeking to launch or adapt a KM initiative to choose which KM tools and technologies to deploy in order to maximize their chance of success. Finally, a rank-ordered list of KM methodologies in descending order of usefulness is reported.

INTRODUCTION

Knowledge management (KM) initiatives are expanding across all types of organizations and companies worldwide. Many benefits resulting from the successful implementation of KM have been demonstrated and published, but unfortunately not all KM initiatives are successful. Studies and surveys looking at some of the causes of
The Role of Organizational Trust in Knowledge Management

KM initiative failure (Barth, 2000; Knowledge Management Review, 2001; KPMG Consulting, 2000; Microsoft, 1999; Pauleen & Mason, 2002) all come to the same conclusion: Organizational culture is an important barrier to KM success and is an important precondition for KM success (Tuggle & Shaw, 2000). After having primarily focused KM efforts on information technology (IT), practitioners are now realizing the importance of the “soft” aspect of KM initiatives. It seems that the IT tools designed to facilitate knowledge creation, capture, representation, storage, and sharing are now available, but their efficient use and acceptance by knowledge workers remains constrained by organizational culture.

There is a general agreement that a knowledge-sharing organizational culture must be present or nurtured in order to succeed with KM (see, for example, Alavi & Leidner, 2001, and Jennex & Olfman, 2001). However, the current literature is weak regarding the identification of the critical cultural success factors that lie behind the term “culture”. Often mentioned as important cultural factors are altruism, reciprocity, trust, repute, openness, solidarity, sociability, motivation, commitment, and others (Davenport & Prusak, 1998; Malhotra & Galletta, 2003; Park, Ribière & Schulte, 2004). Jennex and Olfman (2004) identify 14 KMS success factors, one of which (SF5) specifically states “An organizational culture that supports learning and the sharing and use of knowledge”. Based on a literature review, trust seems to be one of the most critical factors among the ones listed previously. If knowledge workers are reluctant to trust each other, they are not likely to share and exchange knowledge. Without the presence of trust, the benefits of reciprocity, repute, openness, solidarity, and sociability will not occur and levels of motivation and commitment might be seriously affected (negatively). “Without trust, Knowledge Management will fail, regardless of how thoroughly it is supported by technology and rhetoric and even if the survival of the organization depends on effective knowledge transfer” (Davenport & Prusak, 1998). Does having a low trust organizational culture mean that a company should not consider launching a KM initiative? Since culture is difficult to change in the short term, are there some KM approaches/tools that might succeed and might also help to evolve the culture? This article will attempt to shed light on these issues.

STATEMENT OF THE PROBLEM

This study attempts to better understand and to measure how organizational trust affects the choice and use of KM tools and technology and the resulting success of the organization’s KM initiative, or lack thereof. Our main research question is as follows:

Does the level of organizational trust influence which KM tools & technology will be successful?

In order to study this research question, the level of organizational trust is assessed through a questionnaire distributed to knowledge workers from different organizations involved in KM. Second, the types of KM tools and technology implemented and used in these organizations were evaluated. Finally, the level of success achieved was assessed. The research project reported on herein is a straightforward extension of these pilot activities. The next sections define these aforementioned variables.

Organizational Trust

Considerable research has been conducted concerning the concept of trust, both interpersonal trust and organizational trust. As with the concept of organizational culture, organizational trust has been defined somewhat differently in the literature by numerous authors (Carnevale & Wechsler, 1992; Culbert & McDonough, 1986;