Chapter 15
Organizational Conditions as Catalysts for Successful People–Focused Knowledge Sharing Initiatives: An Empirical Study

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ABSTRACT
This paper analyzes the impact of different organizational enablers on the degree of success of different people-focused knowledge sharing initiatives. Considering company size and technology intensity as two of the most relevant contingent variables in terms of organizational conditions (Mintzberg, 1979), the moderator role of these variables will be examined. For these relationships to be tested, an empirical study has been carried out among Spanish manufacturing firms with more than 50 employees which carry out R&D activities. Structural equation modelling (SEM) based on partial least squares (PLS) has been applied in order to test the main hypotheses of the research. The results obtained show that organizational design and organizational culture play a substantial role when it comes to explaining the degree of success of implementation of people-focused knowledge sharing initiatives. Conversely, the influence of information and communication technologies (ICT) is less relevant. Some interesting differences arise depending on technology intensity and company size.

INTRODUCTION
Since the mid 90’s, the study of knowledge has become an important topic in the management arena (Nonaka, 1991; Nonaka & Takeuchi, 1995; Davenport & Prusak, 1998). Indeed, we are supposed to live in a “knowledge economy”, where intangible assets – and knowledge in particular – are the key sources for value creation (Brooking, 1996; Edvinsson & Malone, 1997; Stewart, 1997). This idea is clearly reinforced by the relationship existing between knowledge creation and innovation (Nonaka, 1991; Nonaka & Takeuchi,
Along these lines, it is generally assumed that innovation consists of an ongoing pursuit of harnessing new and unique knowledge (Subramaniam & Youndt, 2005).

According to Nonaka, von Krogh, and Voelpel (2006), by interacting and sharing tacit and explicit knowledge with others, the individual enhances the capacity to define a situation or problem, and apply his or her knowledge so as to act and specifically solve the problem.

In the case of organizational knowledge creation, this means making available and amplifying the knowledge created by individuals as well as crystallizing and connecting it to the organization’s knowledge system (Nonaka & Takeuchi, 1995; Nonaka et al., 2006). Therefore, knowledge sharing and diffusion are both essential in order to create new knowledge (Dalkir, 2005).

In order to make knowledge sharing possible, several researchers have focused on the study of different mechanisms and initiatives which could act as facilitators. Many of these mechanisms take advantage of information and communication technologies (i.e. they are “ICT-based”) (Dalkir, 2005; Davenport, 2007) whereas, in other cases, personal interaction between individuals is the key (i.e. “people-focused” knowledge management) (Wiig, 2004). The former (i.e. ICT-based mechanisms) have been deemed worthy of more attention in research than people-focused initiatives (Swan, Robertson, & Newell, 2001).

Taking this into consideration, the aim of this paper is to analyze the impact of different organizational enablers on the degree of success of people-focused knowledge sharing initiatives. On the other hand, considering company size and technology intensity as two of the most relevant contingent variables in terms of organizational conditions (Mintzberg, 1979), the moderator role of these variables will be also examined.

As a result, companies will be provided with a basic framework in order to shape their knowledge management strategies and to enhance their capability for creating new knowledge.

THEORETICAL FOUNDATIONS

The Concept and Nature of Knowledge

A single definition of “knowledge” does not exist, although it is quite common to approach this concept by starting out from the hierarchical distinction between data, information and knowledge highlighted by Davenport and Prusak in 1998. According to these authors, data is a set of discrete, objective facts about events; information is a message, usually in the form of a document or audible or visible communication; and knowledge is a fluid mix of framed experiences, values, contextual information and expert insight that provides a framework for evaluating and incorporating new experiences and information.

Usually, a distinction is drawn between tacit and explicit knowledge. The concept of tacit knowledge was first coined by the philosopher Michael Polanyi in 1966, but it is thanks to the seminal works by Nonaka in 1991 and Nonaka and Takeuchi in 1995 that it has become extremely popular in management literature as well. However, the meaning attributed by Nonaka to this concept differs from the one attributed by Polany (Allee, 2003). For the latter, the tacit dimension of knowledge refers to innate intelligence, perception and capacities for reasoning, whereas for Nonaka, tacit knowledge is the type of knowledge which is personal, context-specific and, therefore, hard to formalize and communicate. Conversely, explicit or codified knowledge refers to knowledge that is transmittable in formal, systematic language (Nonaka & Takeuchi, 1995). Hence, according to this perception, tacit knowledge tends to reside within the head of knowers, whereas explicit knowledge is usually contained within tangible or concrete media (Dalkir, 2005).

In Nonaka’s view, tacit and explicit knowledge are not totally separate, but mutually complementary entities: human knowledge is created and expanded through social interaction between