Chapter 13

Contexts for Tacit Knowledge Sharing

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INTRODUCTION

When people solve complex problems they bring knowledge and experience to the situation, and they create, use and share tacit knowledge. Knowing how context emerges and transforms is of paramount importance if we want to understand how people create, use and share tacit knowledge. Consequently, this article poses three questions: What is context? How does context emerge and transform? What is the relationship between context and tacit knowledge sharing?

Taking our point of departure in how context is conceptualized in the theory of the firm as a knowledge-creating entity, we argue that this theory lacks a detailed account for how context emerges and transforms. Thereafter, we define context and based on the writings by the Austrian sociologist Alfred Schütz we put forward a theory of how context emerges and transforms. This theory is illustrated with an empirical case describing the Carbon Dioxide filtering problem, which occurred during the ill-fated Apollo 13 mission. We conclude by explaining how a theory of context helps us to understand the role of context in tacit knowledge sharing.

BACKGROUND: CONTEXT IN THE THEORY OF THE FIRM AS A KNOWLEDGE-CREATING ENTITY

Knowledge management scholars have put forward a theory of the firm as a knowledge-creating entity in which context plays a central role. This theory posits that context is a necessary condition for the creation of knowledge and that it is the interaction between the firm and its environment that generates new knowledge. In this context, context is defined as the social and psychological setting in which individuals engage in knowledge creation. It is argued that context influences the way in which knowledge is created, shared and used, and that it is through the interaction between the firm and its environment that new knowledge is generated.
creating entity, and suggest that the firm can be conceptualized as a dynamic configuration of \( \text{ba} \), roughly meaning place (Nonaka et al., 2000a).\( \text{Ba} \) is defined as the context shared by those who interact with each other, and \( \text{ba} \) is the place where they create, share and use knowledge (Nonaka & Toyama, 2007; Peltokorpi et al., 2007). Nonaka et al. (2000a) argue that putting knowledge in context is important as “knowledge creating processes are necessarily context-specific, in terms of who participates and how they participate in the process. The context here does not mean ‘a fixed set of surrounding conditions but a wider dynamical process of which the cognition of an individual is only a part’ (Hutchins, 1995, p. xiii). Hence, knowledge needs a physical context to be created, as ‘there is no creation without place’ (Casey, 1997, p. 160)” (ibid, p. 8).

The theory of the firm as a knowledge-creating entity has given many insights to knowledge-creation in organizations, and with the introduction of the \( \text{ba} \)-concept, a step towards a conception of context has been taken. However, it remains unclear what exactly \( \text{ba} \) is, how \( \text{ba} \) emerges, and what happens inside \( \text{ba} \), as the definition of \( \text{ba} \) offered by Nonaka et al. (2000a) is rather ambiguous. On the one hand they note; “knowledge needs a physical context to be created, as ‘there is no creation without place’” (ibid, p. 8). On the other hand they note that: “\( \text{Ba} \) does not necessarily mean a physical space. Rather, it is a specific time and space” (ibid, p. 9). Furthermore, \( \text{ba} \) appears to be a highly inclusive concept. According to Nonaka & Konno (1998, p. 40) “…\( \text{ba} \) can be thought of as a shared space for emerging relationships. This space can be physical (e.g., office, dispersed business space), virtual (e.g., e-mail, teleconference), mental (e.g., shared experiences, ideas ideals), or any combination of them.” We thus think it is fair to ask: What is not included in \( \text{ba} \)?

Concerning the emergence of \( \text{ba} \) then it seems that on the one hand \( \text{ba} \) is created spontaneously. “\( \text{Ba} \) is constantly in motion. \( \text{Ba} \) is fluid, and can be born and disappear quickly” (Nonaka et al., 2000a, p. 9). On the other hand \( \text{ba} \) can be build intentionally (Nonaka et al., 2000b). Nonaka et al. (2000a, p. 12) note: “…building \( \text{ba} \) such as project teams or functional departments, and determining how such \( \text{ba} \) should be connected to each other, is an important factor in determining the firm’s knowledge creation rate.” In addition, it is worth noting that “the boundary for \( \text{ba} \) is fluid and can be changed quickly as it is set by the participants. Instead of being constrained by history, \( \text{ba} \) has a ‘here and now’ quality. It is constantly moving; it is created, functions and disappears according to need” (Nonaka et al., 2000b, p. 15-16).

Finally, regarding what happens inside \( \text{ba} \), then Nonaka & Toyama (2002) provide the most elaborate explanation when they note: “…\( \text{ba} \) is still an open space where participants with their own contexts can come and go so that \( \text{ba} \) as shared context can continuously evolve” (ibid, p. 1002) Yet, to us this description is somewhat elusive, and therefore, we assess that although the concept of \( \text{ba} \) (Nonaka & Konno, 1998; Nonaka et al., 2000a) represents an attempt to define context, then we are still lack a good explanation of how context emerges and transforms, and thus, we have yet to understand what happens inside \( \text{ba} \).

**MAJOR FOCUS I: DEFINING CONTEXT**

We maintain that contexts are not ‘just there’ as static entities, they are emerging phenomena. A similar perception is put forward by Erickson & Schultz (1997), who describe context as a mutually constituted, constantly shifting, situation definition emerging through the interaction of the involved individuals. “Contexts are not simply given in the physical setting … nor in combinations of personnel… Rather, contexts are constituted by what people [do and where and when they do it]. As McDermott puts it succinctly (1976), ‘people in interaction become environments for each other’” (Erickson & Schultz, 1997, p. 22).