Chapter IV
Revising the SECI Model for American Organizational Culture

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ABSTRACT
This chapter discusses the revision of the SECI model originally based on Japanese organizational culture into a model based on American organizational culture. The argument presented is that the original SECI model was developed from a Japanese perspective that does not align well with the American perspective. The American perspective is much different than in other cultures because individualism is paramount, but when compared to the group-centric culture of Japan, the differences are made evident. The hope is that by converting the model to a culturally relevant one that it can be better used as a foundation for understanding organizational knowledge transfer thereby improving organizational memories.

INTRODUCTION
The general perspective of this chapter is the multinational or more specifically the multicultural aspect of the knowledge management field. The multicultural aspect is found in recent years to be vital for securing global market share and economic success. The difference in cultures is explicitly examined in this chapter concerning the flow of knowledge within organizations. The difference is between Japanese and American organizational cultures pertaining to knowledge management.

Much ink has been spilt on describing knowledge. Scholars from all areas of the globe have written, presented, or spoken about knowledge. The pursuit of knowledge is one most of us can agree upon as a foundational drive inherent in humans. This drive to learn motivates us to develop cognitive theories that will guide us in our understanding of knowledge which we can then apply within the knowledge management realm.

A foundational knowledge management concept that was developed in Japan by Nonaka and Takeuchi (1995) is called the SECI model (Socialization, Externalization, Combination,
Revising the SECI Model for American Organizational Culture

and Internalization Model) which according to the authors models an organizational knowledge system based upon their observations in Japanese organizations. Their work has been used in numerous research projects and is often referenced in articles and books all around the world. Their contributions to the knowledge management field are innumerable and their theories form the basis of this chapter.

The SECI model describes the theory of knowledge flow within an organization from tacit to explicit knowledge. Tacit knowledge is that knowledge which is internal and relevant to the originator of the knowledge (Polanyi, 1958). It is knowledge which is often hard to explain to others. We know what we know, and we can often give others the reasons we know it and describe to them how to obtain this knowledge. This means converting our internal or tacit knowledge into explicit forms. Explicit knowledge is that which we can make known externally and thereby the ability to give this knowledge to others (Connell, Klein, & Powell, 2003). However, tacit knowledge is sometimes difficult to reproduce for others and this is why we need to understand knowledge more thoroughly so we can make the tacit knowledge conversion process work better for knowledge generating organizations.

The emphasis in this chapter on the SECI model is based on the need, as I see it, to revise the highly successful Japanese SECI model into a model that works for more western cultures, specifically the United States of America. Therefore the information contained in this chapter is to present the similarities and differences in Japanese and American cultures that obviate the need for a more specific American cultural model. The SECI model is in no way invalid, but since it was developed in Japan and based on Japanese organizations, I believe, it is most useful when applied to that country’s organizational culture. However, if we push the detail of the model to the US which, by and large, has different organizational cultures the model doesn’t fit as well.

Finally, although the fit is not quite right there is considerably much to gain from looking at the SECI model as developed by Nonaka and Takeuchi in the 1990s. This will give us the foundation we need to explore the changes given later in the chapter when an SECI model is revised for American organizational cultures.

BACKGROUND

Nonaka and Takeuchi (1995) developed the SECI model to describe the transfer of knowledge within an organization. The SECI model has four processes or phases that follow a logical path for tacit to explicit knowledge conversion. Their four phases are:

- **Socialization**: Direct interactions, over time, resulting in knowledge transfer via physical proximity.
- **Externalization**: Translation of tacit knowledge into externally comprehensible forms.
- **Combination**: Conversion of explicit knowledge into more complex forms.

![SECI Model](image-url)

Figure 1. SECI Model