Chapter III
Knowledge Sharing in Virtual and Networked Organisations in Different Organisational and National Cultures

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ABSTRACT

In today’s competitive business environment, increasingly large numbers of organisations use virtual distributed teams in their operations. This chapter provides a basis for discussion and analysis of knowledge sharing in culturally diverse networked organisations. Examining the different cultural values and perceptions related to knowledge sharing, we aim at making the human and cultural dynamics that bear on knowledge sharing and knowledge management success more explicit. The objectives are to foster an effective knowledge-sharing culture within virtual distributed teams. The chapter provides mechanisms for understanding the potential for conflict, for knowledge sharing, and building of trust among culturally diverse team members. Guidelines for successful knowledge sharing in the global environment are developed providing indications of the expected benefits for the organisation and the individuals involved. An outline of future trends and further work complete the chapter.
INTRODUCTION

“Knowledge becomes wisdom only after it has been put to practical use.” Anonymous

Knowledge is one of the most valuable strategic assets of businesses and an important competitive factor. Organisations in the new knowledge-based global economy place great importance on creation, use, and distribution of information and knowledge by focusing on maintaining and enhancing their knowledge capital. The ability of organisations to learn, adapt, and change has become a core competency for their survival. Successful organisations are those that create new knowledge, disseminate it throughout the organisation, and swiftly embody it into new products and services.

Information and Communication Technologies (ICTs) and the Internet have provided new opportunities for sharing the explicit knowledge, not only within one single organisation, but also between actors of global partnerships and knowledge networks. However, many organisations are still struggling to comprehend the Knowledge Management (KM) concept and do not perform any KM activity (Holsapple & Joshi, 2002). In a global context, the problem is exacerbated because of the increased complexity of global organisations and their dependency on people with different underlying norms, values, and beliefs. On one hand, ICTs favour globalisation and knowledge sharing of explicit ICT transferable knowledge and on the other hand, they hinder knowledge sharing of content with implicit attributes enabled by face-to-face interaction. The gap between implicit and explicit knowledge becomes more visible, and organisations that can exploit the value-creation opportunities generated by global presence and meet these challenges will gain competitive advantage. If knowledge is seen as a resource critical to an organisation’s survival and success in the global market, then the knowledge assets and the knowledge flows demand good management.

This chapter aims to make the human and cultural dynamics that influence knowledge sharing within virtual teams, which hardly ever meet, more explicit. Particular emphasis is put on national cultures and their impact on globally networked organisations. Scholars have recently started to pay attention to global and cultural dynamics influencing the KM process (Ai-Alawi, Al-Marzoqqi, & Mohammed, 2007; Ang & Massingham, 2007; Bhagat, Kedia, Harveston, & Triandis, 2002, Holden, 2001; Siakas & Georgiadou, 2006). Although the field is under researched, there are clear indications that organisations that demonstrate cultural sensitivity and take advantage of cultural differences gain added business value and competitive advantage. However, the complexity and multidisciplinarity of the field call for particular caution.

KM today is emerging as a distinct academic discipline of research and practice with roots in many disciplines, such as management sciences, social sciences, economics, computing science, psychology, and philosophy. A multitude of KM models with a broad range of approaches are evident in the literature. However, two distinctions seem to be prevailing, namely analytical or technology-oriented models and actor or people-oriented models (Herder, Veeneman, Buitenhuis, & Schaller, 2003; Moffett, McAdam, & Parkinson, 2003). Technology-oriented models emphasise the importance of explicit knowledge, the technological infrastructure, and the codification of knowledge into ICT systems. People-oriented models, on the contrary, emphasise the importance of tacit knowledge, the social infrastructure, and the business performance.

Our approach is people-oriented by concentrating on the importance of culture in knowledge sharing in virtual and networked organisations. We recognise the importance of the technology-oriented models, but consider, by using the iceberg metaphor (Siakas & Georgiadou, 1999), that the tacit knowledge-sharing challenges hide under water and end up being the greater part of