The role of organizational culture in the knowledge management process

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Abstract

Purpose – The purpose of the study is to focus on the enhancement of knowledge management (KM) performance and the relationship between organizational culture and KM process intention of individuals because of the diversity of organizational cultures (which include results-oriented, tightly controlled, job-oriented, closed system and professional-oriented cultures). Knowledge is a primary resource in organizations. If firms are able to effectively manage their knowledge resources, then a wide range of benefits can be reaped such as improved corporate efficiency, effectiveness, innovation and customer service.

Design/methodology/approach – The survey methodology, which has the ability to enhance generalization of results (Dooley, 2001), was used to collect the data utilized in the testing of the research hypotheses.

Findings – Results- and job-oriented cultures have positive effects on employee intention in the KM process (creation, storage, transfer and application), whereas a tightly controlled culture has negative effects.

Research limitations/implications – However, it would have been better to use a longitudinal study to collect useful long-term data to understand how the KM process would be influenced when organizational culture dimensions are changed through/ by management. This is the first limitation of this study. According to Mason and Pauleen (2003), KM culture is a powerful predictor of individual knowledge-sharing behavior, which is not included in this study. Thus, this is the second limitation of this paper. Moreover, national culture could be an important issue in the KM process (Jacks et al., 2012), which is the third limitation of this paper for not comprising it.

Practical implications – In researchers’ point of view, results- and job-oriented cultures have positive effects, whereas a tightly controlled culture has a negative effect on the KM process intention of the individual. These findings provide evidences that challenge the perspective of Kayworth and Leidner (2003) on this issue. As for practitioners, management has a direction to modify their organizational culture to improve the performance of KM process.

Social implications – Both behavioral and value perspectives of the organizational cultural dimensions (results-oriented, tightly control, job-oriented, sociability, solidarity, need for achievement and democracy) should be examined to ascertain their effects firstly on KM culture and then on the KM process intention of the individual. It is hoped that the current study will spawn future investigations that lead to the development of an integrated model which includes organizational culture, KM culture and the KM process intention of the individual.

Originality/value – The results-oriented, loosely controlled and job-oriented cultures will improve the effectiveness of the KM process and will also increase employees’ satisfaction and willingness to stay with the organization.

Keywords Organizational culture, Knowledge management

Paper type Research paper

1. Introduction

The knowledge-based perspective of a firm suggests that intellectual resources are a key organizational asset that enable a sustainable competitive advantage (Wenger and Schneider, 2000; Hansen and Oetinger, 2001; Teece, 2000, 2003). In light of this, knowledge has become a primary resource in an organization (Schultze and Leidner, 2002). Based on this perspective,
those firms which effectively manage their knowledge resources can expect to reap a wide range of benefits such as reduced manpower and infrastructure costs as well as improved corporate efficiency, effectiveness, innovation and customer services (Davenport and Prusak, 2000; Hansen and Oetinger, 2001). Thus, knowledge management (KM) is a key issue in this era of knowledge economy.

Although KM has gained attention over the past decade (Alavi and Leidner, 2001; Grover and Davenport, 2001; Huber, 2001; Schultz and Leidner, 2002), its focus has shifted from advances in technologies designed to move inputs and products to the moving of information and knowledge, altering the nature of organizations and the basis of competition (Barkema et al., 2002; Massey et al., 2002). Within the domain of KM, researchers and practitioners have considered a broad array of theoretical questions, strategic issues and technical approaches, including knowledge creation, the capturing of best practices, the measuring of intellectual capital, installation of groupware and the fostering of collaboration (Alavi et al., 2005-2006; Massey and Montoya-Weiss, 2006). KM is a dynamic and continuous set of processes and practices embedded in individuals as well as in group and physical structures. At any point in time in a given organization, individuals and groups may be involved in different aspects of the KM process (Alavi and Leidner, 2001; McInenney, 2002; Pawlowski and Bick, 2012; Pirkkalainen and Pawlowski, 2014). Thus, KM must be considered as a sequence of activities and events (i.e. creation, storage, transfer or application of knowledge) that ultimately lead to KM outcomes (Kayworth and Leidner, 2003; Newell et al., 2003; Alavi et al., 2005-2006; Eaves, 2014). The outcome depends on whether the individual has the intention to create, store, transfer or apply their knowledge (KM process intention) to the organization.

However, in the KM process, individual efforts are often seen to clash with organizational culture (Bedford, 2013). This is because organizational culture consists of the basic, taken-for-granted assumptions and deep patterns of meaning shared through organizational participation as well as the manifestation of these assumptions (Ajamal and Koskinen, 2008). According to Schein (2000), any difficulties in the KM process among people are primarily related to the “psychological climate” of the organization, which, in turn, depends upon the culture of the organization. Moreover, the failure of many knowledge transfer systems is often a result of cultural factors rather than technological oversights (Ajamal and Koskinen, 2008; Pirkkalainen and Pawlowski, 2013). For this reason, organizational culture is a major barrier to success in the KM process (DeTiene and Jackson, 2001; Kayworth and Leidner, 2003; Ajmal and Koskinen, 2008). Moreover, organizational culture has multi-faceted dimensions (including results-oriented, tightly controlled, job-oriented, closed system and professional-oriented cultures) (Hofstede, 1990; Eaves, 2014) rather than a single dimension (Fey and Denison, 2003). At the same time, the KM process emphasizes knowledge as being created, shared and applied through interpersonal social relationships and appropriate organizational culture. Therefore, knowledge of how to advocate a supportive organizational culture that encourages employees to have the intention to ensure that knowledge is created, stored, transferred and applied is essential (Kayworth and Leidner, 2003; Leidner and Kayworth, 2006; Ajmal and Koskinen, 2008).

To date, few studies have attempted to investigate the KM intention of individuals from the organizational culture perspective. There are many processes in KM (knowledge creation,
storage, transfer and application) (Kayworth and Leidner, 2003; Leidner and Kayworth, 2006). From the above-mentioned works of literature, it is apparent that the different kinds of organizational culture dimensions have positive and negative influences on four KM processes. Past studies of organizational culture and KM processes have provided contrasting results; for example, although in some studies, results-oriented and tightly controlled cultures have been shown to have positive effects on employees’ knowledge storage intention (Kayworth and Leidner, 2003), in the studies of Jarvenpaa and Staples (2001) and Alavi et al. (2005-2006) negative effects have been demonstrated. In light of these contradictory findings, further study of this issue is necessary. In this paper, the objective of our study is to explore the relationship between organizational culture and the individual’s KM process intention. The study aims to clarify the relationship between five kinds of organizational culture dimensions and four kinds of KM process intention of the individual. Specifically, we seek to address the following research question: How does organizational culture influence the KM process intention of the individual?

The structure of the paper is as follows. The first part reviews the theoretical background and research model. This researcher relies on quantitative data collected from 315 samples to analyze the study’s research model. The validity, reliability and structural model are examined in the data analysis and results section, after which, the data analysis and results are discussed and the implications highlighted. The paper ends by drawing conclusions and pinpointing possibilities for future research.

2. Theoretical background

2.1 Knowledge management

Knowledge has been defined as “information possessed in the minds of individuals” (Alavi and Leidner, 2001), or as “individual’s experience and understanding” (Marwick, 2001), or as “a high value form of information that is ready to apply to decisions and actions” (Davenport and Prusak, 2000). Given the growing perception of importance of intellectual resources, it is not surprising that firms have begun to engage in a wide range of strategies to create, store, transfer and apply knowledge within their organizational contexts (Kayworth and Leidner, 2003). In light of this, the KM process can be defined as “the process of capturing, storing, sharing, and using knowledge” (Davenport and Prusak, 2000; Leidner and Kayworth, 2006) or as “a systemic and organizationally specified process for acquiring, organizing, and communicating both tacit and explicit knowledge of employees that other employees may make use of to be more effective and productive in their work” (Alavi et al., 2005-2006). Thus, the KM process is the generation, representation, storage, transfer, transformation, application, embedding and protection of organization knowledge (Schultze and Leidner, 2002; Massey and Montoya-Weiss, 2006).

Kankanahalli et al. (2005) have mentioned that the strategic management of organizational knowledge is a key factor in helping organizations to sustain competitive advantage in volatile environments. Organizations are turning to KM initiatives and technologies to leverage their knowledge resources (Kankanahalli et al., 2005). Therefore, the goal of KM is for an organization to become aware of its knowledge, individually and collectively, and to shape itself, so that it makes the most effective and efficient use of the knowledge it has or can obtain (Bennet and Bennet, 2003; Newell et al., 2003; Alavi et al., 2005-2006). To date, the scientific understanding of knowledge in organizations is still in its infancy, in spite of a
large and growing body of literature focused on organizational culture, KM process and knowledge (Griffith et al., 2003; Alavi et al., 2005-2006; Pawlowski and Bick, 2012).

Kayworth and Leidner (2003) suggested that there are four elements in the KM process:

1. **Knowledge creation**: Involving the developing of new content or the replacing of existing content within the organization’s tacit and explicit knowledge. Through social and collaborative processes as well as individuals’ cognitive processes, knowledge is created, shared, amplified, enlarged and justified in organizational settings (Norman, 2004; Ajmal and Koskinen, 2008).

2. **Knowledge storage**: Knowledge residing in various component forms (explicit knowledge and tacit knowledge) acquired by individuals and networks of individuals (Tan et al., 2009). Organizations must arrange and structure knowledge, thereby making it easier to access and distribute within the organization (Massey and Montoya-Weiss, 2006; Heisig, 2009). By combining or integrating knowledge, redundancy can be reduced and efficiency can be improved (Davenport and Prusak, 2000; Alavi et al., 2005-2006).

3. **Knowledge transfer**: This is an important process of KM in organizational settings and refers to the transfer of knowledge to locations where it is needed and can be used. Firms must carefully transform aspects of tacit knowledge into explicit knowledge; otherwise, the tacit knowledge may be lost (Gold et al., 2001; Ko et al., 2005; Wasko and Faraj, 2005; Massey and Montoya-Weiss, 2006; Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008; Pirkkalainen and Pawlowski, 2013).

4. **Knowledge application**: This refers to the actualizing of knowledge. This knowledge can be used to adjust strategic direction, solve new problems, improve efficiency and reduce costs (Davenport and Prusak, 2000; Markus et al., 2002; Orlikowski, 2002; Newell et al., 2003, 2004).

### 2.2 Organizational culture and KM

Schein (1985, 2000) asserted that organizational culture is the set of shared, taken-for-granted implicit assumptions that a group holds and that determine how it perceives, thinks about and reacts to its various environments. However, members are often unaware of the underlying assumptions of their culture and may not become aware of their culture until they encounter a different one (Ajmal and Koskinen, 2008). Alavi et al. (2005-2006) propounded the values perspective of culture, asserting that organizational culture consists of four dynamic and cyclic elements: assumptions, values, artifacts and symbols. In contrast to a focus on underlying assumptions, the behavioral perspective focuses on culture, as defined by actual work practices (Hofstede et al., 1990; Alavi et al., 2005-2006).

Hofstede et al. (1990) provided empirical data which showed that shared perceptions of daily practices form the core of organizational subunits of culture (including results-oriented, tightly controlled, job-oriented, closed system and professional-oriented sub-units).

According to a positive relationship of organizational culture and knowledge creation process, shaping an organizational cultural factors are a key of a firm’s ability to manage knowledge effectively (Janz and Prasarnphanich, 2003; Lee and Choi, 2003; Wei, 2005;
Ajmal and Koskinen, 2008). However, KM requires a major shift in organizational culture and a commitment at all levels of a firm to make it work (Gupta et al., 2000; Norman, 2004; Ajmal and Koskinen, 2008). Moreover, Ajmal and Koskinen (2008) believed that the success of KM is achieved by building a supportive culture while developing these KM systems. Therefore, organizational culture is a vital element of an organization’s ability to create value through leveraging knowledge assets (Wei, 2005; Ajmal and Koskinen, 2008). In light of this, organizational culture and KM need to be worked coherently (Ajmal and Koskinen, 2008).

Thus, the ability to shape organizational culture is of paramount importance in fostering learning environments (Wei, 2005). A learning culture organization creates an environment in which the acquisition of skills and knowledge is not only viewed as a key responsibility of each employee but also supported by the interaction and encouragement of organizational members (Norman, 2004; Wei, 2005; Alavi et al., 2005-2006). At the same time, many scholars believe that the eventual purpose of knowledge storage is to embed employees’ knowledge into the process and culture of the organization, thereby improving organizational performance (Davenport and Prusak, 2000; Newell et al., 2003; Alavi et al., 2005-2006; Massey and Montoya-Weiss, 2006; Chow and Chan, 2008; Ranasinghe and Dharmadasa, 2013). An important aspect of transfer is knowledge-sharing. Shared organizational values influence the individual’s perception of ownership of knowledge and subsequent tendencies to share knowledge with others (Gibbert and Krause, 2002; Jarvenpaa and Staples, 2001; Wasko and Faraj, 2005; Tan et al., 2009; Lin and Dalkir, 2010). In addition, knowledge sharing requires organizational members to be willing to contribute their knowledge to the organization (Politis, 2003; Wei, 2005; Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008).

Finally, a culture may influence the motivation of individuals to pursue knowledge application practices (Bock et al., 2005). Organizational efforts to foster knowledge application through rewards and other incentives will ultimately fail unless the underlying cultural climate exists that rewards, celebrates, and values knowledge application (Markus et al., 2002; Orlikowski, 2002). Therefore, organizational culture can prevent employees from sharing and disseminating their individual powerbase and viability (Gupta et al., 2000). Thus, it is apparent that organizational culture will influence the KM process of organization by affecting employee behavior. Moreover, organizational culture is critically important in facilitating knowledge creation, storage, transfer, and application (Gupta et al., 2000; Bhatt, 2001; Janz and Prasarnphanich, 2003; Leidner and Kayworth, 2006; Ajmal and Koskinen, 2008).

For this reason, Kayworth and Leidner (2003) asserted that behavioral perspectives of organizational culture are represented by various behaviors, beliefs, institutions, structures, and processes in organizations and influence employee behavior. Such a perspective, therefore, is suitable for analyzing the implementation of KM processes of the individual (Kayworth and Leidner, 2003).

3. Research model

Based on the behavioral perspectives culture of Hofstede et al. (1990) (results-oriented, tightly controlled, job-oriented, closed system and professional-oriented cultures), this
study analyzes how these cultures influence the four kinds of KM process (creation, storage, transfer and application).

3.1 Results- versus process-oriented culture

Individuals in a process-oriented culture tend to be risk-averse, whereas those in a results-oriented culture are comfortable in unfamiliar situations and embrace challenging situations (Hofstede et al., 1990). On the one hand, a process-oriented culture focuses on how individuals accomplish their work, the “method” and “process” for improving their goal being emphasized. In such a culture, there is an individual propensity to conform to rules and regulations but, at the same time, to avoid innovative methods of resolving problems due to the presence of considerable risk aversion (Hofstede et al., 1990; Ajmal and Koskinen, 2008). In contrast, a results-oriented culture emphasizes the importance of individuals accomplishing their goals rather than the process. Thus, the organization encourages any kind of adventure as long as the task is done (Hofstede et al., 1990; Ajmal and Koskinen, 2008). In this type of culture, individuals are willing to be innovative and to face challenges. Although mechanistic or stable organizations are more process-oriented cultures, organic or flexible organizations are more results-oriented (Burns and Stalker, 1961; Ajmal and Koskinen, 2008).

The creation of new knowledge is not a formal process, but one that is socially constructed, occurring over time largely through informal human networks (Gupta et al., 2000; Wenger and Schneider, 2000; Newell et al., 2004; Chen and Edgington, 2005; Wasko and Faraj, 2005; Heisig, 2009). For this reason, the process-oriented culture needs employees to follow the standard operation procedure (SOP) and working manual through a tightly controlled administration, and to be unwilling to face challenges or to take risks (Ajmal and Koskinen, 2008). On the other hand, the results-oriented culture respects employees’ individual preferences, and so tends to encourage individuals to innovate to create new knowledge in the organization (Kayworth and Leidner, 2003; Wei, 2005; Ajmal and Koskinen, 2008). On the basis of the above discussion, the first sub-corollary of $H_1$ is as follows:

$H_{1a}$. A results-oriented culture will have a more positive effect on the individual’s knowledge creation intention than a process-oriented culture.

In an organization with a process-oriented culture, storing knowledge is encouraged. For this reason, employees tend to embed the previous knowledge into the enterprise process easily, thereby forming a stable knowledge base and knowledge memory (Markus et al., 2002). In contrast, in changing and flexible (results-oriented) organizations, there are possible greater difficulties with respect to knowledge storage (Kayworth and Leidner, 2003; Schein, 2000; Ajmal and Koskinen, 2008), making such a culture not conducive to the effective storage and memory of knowledge (Kayworth and Leidner, 2003). Therefore, this leads to the second sub-corollary of $H_1$:

$H_{1b-1}$. A results-oriented culture will have a more negative effect on the individual’s knowledge storage intention than a process-oriented culture.

On the other hand, in an organic or flexible organization, such as a results-oriented culture, it is possible to increase the individual’s knowledge contribution to the achievement of organizational goals (Jarvenpaa and Staples, 2001; Wei, 2005; Alavi et al., 2005-2006). Therefore, this leads to the following reverse Hypothesis of $H_{1b-2}$ to test which sub-corollary of $H_{1b}$ is correct:

$H_{1b-2}$. A results-oriented culture will have a more positive effect on the individual’s knowledge storage intention than a process-oriented culture.

Much of the knowledge transfer that occurs in organizations is tacit in nature and is best transmitted through informal environments as opposed to formal control systems such as results-oriented cultural organizations (Wenger and Schneider, 2000; Ajmal and Koskinen, 2008). In view of the close relationship between knowledge application and knowledge
transfer (sharing), it is reasonable to assume that similar organizational climates will foster knowledge transfer as well as knowledge application activities (Orlikowski, 2002; Kayworth and Leidner, 2003; Newell et al., 2003, 2004). In addition, learning communities thrive in a culture that supports the sharing of knowledge and the creating of a culture of sharing (Wasko and Faraj, 2005). For this reason, a results-oriented culture will be one that most favors knowledge transfer (Bhatt, 2001; Ajmal and Koskinen, 2008) and application practices (Markus et al., 2002). Therefore, this leads to the third and fourth sub-corollaries of \( H_1 \):

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H_{1c}. \text{ A results-oriented culture will have a more positive effect on the individual's knowledge transfer intention than a process-oriented culture.}
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\[
H_{1d}. \text{ A results-oriented culture will have a more positive effect on the individual's knowledge application intention than a process-oriented culture.}
\]

### 3.2 Tightly controlled versus loosely controlled culture

Loosely controlled organizations have few written or unwritten codes of behavior, whereas tightly controlled organizations have strict unwritten and written policies (Hofstede et al., 1990; Ajmal and Koskinen, 2008; Shih and Huang, 2010). In loosely controlled cultures, members may display a casual attitude toward such things as deadlines and cost constraints and may often make fun of the unit they are a part of (Hofstede et al., 1990; Ajmal and Koskinen, 2008; Shih and Huang, 2010). At the same time, there is less formal and restrained control of individuals, who are encouraged through incentive and respect policies (Hofstede et al., 1990; Ajmal and Koskinen, 2008; Shih and Huang, 2010). In contrast, tightly controlled cultures tend to place more importance on cost-consciousness and punctuality and rarely encourage jokes about the company or jobs. In addition, a tightly controlled culture controls individuals in a restrained and official way, with the management mechanism always adhering to rules, laws and SOP, and emphasizing on a precise, serious and joke-free work attitude (Hofstede et al., 1990; Ajmal and Koskinen, 2008; Shih and Huang, 2010).

Knowledge creation is difficult in a tightly controlled organizational culture. In contrast, loosely controlled organizations might be readily able to introduce knowledge creation strategies (Kayworth and Leidner, 2003) and encourage employees to undertake potentially innovative initiatives (Janz and Prasarnphanich, 2003). Thus, loosely controlled cultures emphasize on employee encouragement in an attempt to establish a relaxed atmosphere and easy-going work environment. Unlike the precise and tightly controlled culture, a loosely controlled culture tends to have a positive influence on knowledge creation (Brockman and Morgan, 2003; Kayworth and Leidner, 2003; Norman, 2004; Jacks et al., 2012). This leads to the first sub-corollary of \( H_2 \):

\[
H_{2a}. \text{ A tightly controlled culture will have a more negative effect on the individual's knowledge creation intention than a loosely controlled culture.}
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In an organization that has a tightly controlled culture, it is easier to store knowledge. For this reason, this type of culture tends easily to embed the previous knowledge into the enterprise process and, thereby, forms a stable knowledge base and knowledge memory. In contrast, a loosely controlled culture emphasizes on freedom and flexibility, an environment not conducive to the storage and memory of knowledge (Kayworth and Leidner, 2003; Ajmal and Koskinen, 2008). Therefore, this leads to the second sub-corollary of \( H_2 \):

\[
H_{2b}. \text{ A tightly controlled culture will have a more positive effect on the individual's knowledge storage intention than a loosely controlled culture.}
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On the other hand, a loosely controlled culture may increase an individual’s contribution of their own knowledge to the achievement of organizational goals (Jarvenpaa and Staples, 2001; Wei, 2005; Alavi et al., 2005-2006; Jacks et al., 2012). Therefore, this leads to a reverse hypothesis of \( H_{2b} \) to test which of the \( H_{2b} \) is correct:
H_{2b-c}. A tightly controlled culture will have a more negative effect on the individual's knowledge storage intention than a loosely controlled culture.

Much of the knowledge transfer that occurs in organizations is tacit in nature and is best transmitted through informal environments as opposed to formal control systems such as those found in loosely controlled cultural organizations (Wenger and Schneider, 2000). Loosely controlled cultural values such as openness and high levels of employee autonomy (Janz and Prasarnphanich, 2003) will lead to positive KM behaviors (Alavi et al., 2005-2006; Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008). For this reason, a loosely controlled culture will be most conducive to knowledge transfer (Bhatt, 2001; Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008; Jacks et al., 2012) and application practices (Kayworth and Leidner, 2003; Wei, 2005; Ajmal and Koskinen, 2008; Jacks et al., 2012). This leads to the third and fourth sub-corollaries of $H_2$.

H_{3a}. A tightly controlled culture will have a more negative effect on the individual's knowledge transfer intention than a loosely controlled culture.

H_{3b}. A tightly controlled culture will have a more negative effect on the individual's knowledge application intention than a loosely controlled culture.

### 3.3 Job-oriented versus employee-oriented culture

This dimension contrasts a concern for people (employee-oriented) with a concern for getting the job done (job-oriented). In employee-oriented cultures, important decisions tend to be made by committees with considerable concern for individual welfare, and important decisions tend to be made by individuals (Hofstede et al., 1990; Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008; Woodman and Zade, 2011). Such a culture emphasizes on the employee as an individual and shows concern for individual welfare (including care, family, trust and love and a spirit of mutual support). In contrast, job-oriented cultures tend to foster strong pressure for “over-performing tasks effectively” with limited concern for employees' personal or family welfare (Hofstede et al., 1990; Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008). This type of culture focuses on the work performance of the employee, with emphasis being placed on work flow optimization and employee productivity and with individual feelings being ignored.

Because of the focus on work performance in a job-oriented culture, individuals have a greater commitment to their organization (Woodman and Zade, 2011), being more willing to share their own knowledge with colleagues to create new knowledge (Jarvenpaa and Staples, 2001; Wei, 2005) and to store this knowledge for their organization (Jarvenpaa and Staples, 2001; Norman, 2004; Alavi et al., 2005-2006). This leads to the two sub-corollaries of $H_3$.

H_{3a}. A job-oriented culture will have a more positive effect on the individual's knowledge creation intention than an employee-oriented culture.

H_{3b}. A job-oriented culture will have a more positive effect on the individual's knowledge storage intention than an employee-oriented culture.

The lack of knowledge transfer context, “personal ties” or “caring relationships” among organizational members has been associated with knowledge transfer failure (Newell et al., 2004; Yuan et al., 2006). For this reason, those cultures that foster intimacy, care and concern among employees (employee-oriented cultures) will generally experience a greater ability to transfer knowledge (Hofstede et al., 1990; Wasko and Faraj, 2005; Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008). In such an organization, a climate of warmth is fostered, in which the welfare of the employee is emphasized (Janz and Prasarnphanich, 2003). In contrast, in a job-oriented culture, with its focus on productivity requirements and the training of employees, an atmosphere of individual hero worship is fostered, rendering the overriding care of individuals to be one of competition with their colleagues (Kayworth and Leidner, 2003; Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008). For this reason, the relationship between employees is cold, and individuals are not willing to share...
knowledge with others (Kayworth and Leidner, 2003). As knowledge application is closely related to knowledge transfer (sharing), it is reasonable to assume that similar organizational climates will foster knowledge transfer as well as knowledge application activities (Brockman and Morgan, 2003; Kayworth and Leidner, 2003; Wei, 2005). This leads to the other two sub-corollaries of H3:

- **H3c-1**: A *job-oriented* culture will have a more negative effect on the individual’s knowledge transfer intention than an *employee-oriented* culture.
- **H3a-1**: A *job-oriented* culture will have a more negative effect on the individual’s knowledge application intention than an *employee-oriented* culture.

On the other hand, some scholars have asserted that in a *job-oriented* cultural organization, employees are more committed and willing to share their own knowledge with others (Davenport and Prusak, 2000; Bhatt, 2001) and to use organizational knowledge (Jarvenpaa and Staples, 2001; Alavi et al., 2005-2006) to enhance their work performance. This leads to a reverse Hypothesis of H3c-2 and H3d-2 to test which of the H3c and H3d is correct:

- **H3c-2**: A *job-oriented* culture will have a more positive effect on the individual’s knowledge transfer intention than an *employee-oriented* culture.
- **H3d-2**: A *job-oriented* culture will have a more positive effect on the individual’s knowledge application intention than an *employee-oriented* culture.

### 3.4 Closed system versus open system culture

This dimension describes the communication climate in the organization. In *open* cultural organizations, emphasis is placed on clear communication channels (Hofstede et al., 1990; Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008). Such organizations consider themselves to be open to outsiders and new employees with little time being needed for new employees to settle in because of the encouragement of employee interaction (Gupta et al., 2000). In contrast, *closed* cultural organizations are typically secretive and very suspicious of outsiders as well as insiders. In this environment, only a select few may become part of the “inner circle” and new employees may require a significant amount of time to settle in (Hofstede et al., 1990).

An *open system* culture encourages the individual to communicate and interact with outsiders and newcomers (Gupta et al., 2000; Wei, 2005; Jacks et al., 2012). As the most difficult part of knowledge transfer is the transfer of tacit knowledge, the sharing of such knowledge must be done through continuous openness, trust, common language and tacit agreement (Norman, 2004; Ajmal and Koskinen, 2008). In light of this, an *open system* culture tends to be beneficial for knowledge transfer (Kayworth and Leidner, 2003; Bhatt, 2001; Alavi et al., 2005-2006; Ajmal and Koskinen, 2008; Jacks et al., 2012). In contrast, a *closed system* culture is distrustful of outsiders, permitting only inner circle interaction and being resistant to communication with others. Therefore, a *closed system* culture has a negative impact on knowledge transfer (Kayworth and Leidner, 2003; Norman, 2004; Ajmal and Koskinen, 2008). This leads to the first sub-corollary of H4:

- **H4a**: A *closed system* culture will have a more negative effect on the individual’s knowledge transfer intention than an *open system* culture.

An *open system* culture encourages interaction and communication between knowledge contributors and receivers. Under such circumstances, receivers have the opportunity to learn and apply new knowledge (Norman, 2004; Ajmal and Koskinen, 2008; Jacks et al., 2012). In contrast, a *closed system* culture resists communication with outsiders and has a negative influence on the absorption and application of new knowledge (Kayworth and Leidner, 2003; Alavi et al., 2005-2006). This leads to the second sub-corollary of H4:

- **H4b**: A *closed system* culture will have a more negative effect on employee knowledge application intention than an *open system* culture.
3.5 Professional versus parochial culture

In this section, those units whose employees derive their loyalty largely from the organization (parochial) are contrasted with units in which people remain exclusively loyal to their profession (professional) (Hofstede et al., 1990; Ajmal and Koskinen, 2008). In parochial cultures, individuals obtain their identity from the company they work for whose social values, beliefs and norms are similar to their own. At the same time, the organization is concerned to recruit new employees whose personalities and beliefs will be compatible with the organizational culture (e.g. risk-taking or risk-averse cultures) (Hofstede et al., 1990). In contrast, in professionally driven cultures, individuals obtain their sense of identify from the type of work they are involved in. Moreover, their personal values may not necessarily coincide with those of the organization for which they work (Hofstede et al., 1990; Norman, 2004; Ajmal and Koskinen, 2008). A professional culture shapes a professional community by ensuring that the members of the profession think and behave as the profession requires (Ajmal and Koskinen, 2008). Because they identify themselves with their profession (e.g. doctor, accountant, lawyer, computer engineer, advertisement designer), professional employees are loyal to their profession even when their professional culture is not consistent with the culture of the organization for which they work (Hofstede et al., 1990; Ajmal and Koskinen, 2008). For this reason, when recruiting, this kind of organization places more emphasis on the individual’s professional ability than individual’s values that are consistent with those of the organization.

In parochial cultures, employees may transfer knowledge simply because it is “good for the company” due to the fact that the organization recognizes employee performance through reward and organizational interest in the welfare of the employee (Janz and Prasannaratchi, 2003). Individuals contribute their knowledge voluntarily because of the benefit it derives for the organization, enabling the individuals to own the same background, perspective, values, language and tacit agreement as others and the organization. Consequently, this makes the sharing and transfer of tacit knowledge easier (Kayworth and Leidner, 2003; Wei, 2005; Ajmal and Koskinen, 2008). In contrast, it may be much more difficult to accomplish the same sharing and transfer of knowledge in professional cultures where members tend to identify with their profession as opposed to the organization and where company loyalty may be very limited (Griffith et al., 2003; Kayworth and Leidner, 2003; Wasko and Faraj, 2005). This leads to the first sub-corollary of H5a:

\[ H_{5a} \] A professional culture will have a more negative effect on the individual’s knowledge transfer intention than a parochial culture.

A parochial culture emphasizes on organizational (parochial) identification and loyalty, based on shared values, beliefs, ideas, language, culture and mental-model (Wei, 2005). The receiver can interpret precisely and quickly and apply the knowledge which is provided from the contributor (Bhatt, 2001; Ajmal and Koskinen, 2008). In contrast, employees in a professional-oriented culture only identify with the professional field to which they belong. Consequently, there is no sharing of mental model, beliefs and ideas among employees. For this reason, the receiver is unable to interpret new knowledge precisely and quickly. Thus, such a culture has a negative influence on the absorption and application of new knowledge (Kayworth and Leidner, 2003; Markus et al., 2002; Ajmal and Koskinen, 2008). This leads to the second sub-corollary of H5b:

\[ H_{5b} \] A professional culture will have a more negative effect on the individual’s knowledge application intention than a parochial culture.

The research model used in this study to explain the KM process intention of individuals influenced by organizational cultures is depicted below (Figure 1).
4. Research methodology

The survey methodology, which has the ability to enhance generalization of results (Dooley, 2001), was used to collect the data utilized in the testing of the research hypotheses.

4.1 Measures

The survey measures for the study were derived from previously published studies and were divided into three parts, including organizational culture and KM process intention of individuals. To ensure its validity, the questionnaire was developed in two stages:

1. First stage: The questionnaire included: (A) 16 items relating to organization cultures, adapted from Hofstede et al. (1990); (B) 12 items relating to the KM process intention of individuals (creation, storage, transfer knowledge application of knowledge), adapted from Fishbein and Ajzen (1975) and Bock et al. (2005).

2. Second stage: 330 employees were selected as our subjects, from whom research data were collected.

This study used a Likert-type scale, ranging from 1 = completely disagree to 7 = completely agree, to ascertain the opinion of each respondent. Data pertaining to factor and reliability analysis were used, and some items were deleted to satisfy the requirements of validity and reliability.

4.2 Sampling

The formal survey was conducted in Taiwan. Ranking second worldwide in terms of number of information technology (IT) companies with outstanding shareholder return and total revenue, Taiwan has 15 IT companies included in the Business Week Information Technology top 100 list (Business Week, 2004). At the time of the study, a number of public and private organizations on that list were in the process of embarking upon KM activities.

To maximize the survey response rate, researchers randomly telephoned the senior managers of a large number of institutions and companies, inviting them to complete questionnaires for the study. Upon acceptance of our invitation to participate in the study, the employees in the participating companies became our survey subjects. The companies in our sample included financial, medical, insurance, manufacturing, service, electronic, communications industries, public enterprises and institutions as well as other industries.

A total of 330 samples were collected, and 326 subjects (response rate: 98.78 per cent) completed questionnaires. Among them, 315 (valid response rate: 96.62 per cent) were considered valid responses. This high response rate is attributed to the use of a corporate
representative/sponsor in the dissemination and collection of the survey instrument. Demographic analysis of the valid questionnaires is shown in Table I.

5. Data analysis and results

The constructs are first assessed for reliability and validity, after which, the hypotheses are tested using structural equation modeling and moderated multiple regression analysis.

5.1 Reliability and validity

The first step in scale validation is to assess convergent validity with two different assessments:

1. individual item reliability; and
2. construct reliability.

The individual item reliability is assessed by examining the item-to-construct loadings for each construct measured with multiple indicators, with the exception of the type of power. The constructs are assessed for reliability using Cronbach’s alpha (Cronbach, 1951). Nunnally (1978) and Chin (1998) suggested that a value of at least 0.70 indicates adequate reliability. To improve the reliability of the corresponding constructs, one item is omitted from each of the following constructs: results-oriented (RO1), closed system (CS3) and professional-oriented (PO3). Subsequently, the remaining constructs have adequate reliability (Table II), except for professional-oriented (0.6054), which, nevertheless, is higher than the 0.35 standard of Guilford (1965). The composite reliability (CR) scores are used to measure the internal consistency among the items of a given construct. All variables (CR) in this study are above 0.93, with their average variances extracted (AVE) also being over

<table>
<thead>
<tr>
<th>Table I</th>
<th>Sample demographics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Events</td>
<td>Contents</td>
</tr>
<tr>
<td>Gender</td>
<td>Male</td>
</tr>
<tr>
<td></td>
<td>Female</td>
</tr>
<tr>
<td>Age (years)</td>
<td></td>
</tr>
<tr>
<td>20-29</td>
<td>82</td>
</tr>
<tr>
<td>30-39</td>
<td>166</td>
</tr>
<tr>
<td>40-49</td>
<td>59</td>
</tr>
<tr>
<td>50 and over</td>
<td>8</td>
</tr>
<tr>
<td>Industry</td>
<td>Financial</td>
</tr>
<tr>
<td></td>
<td>Medical</td>
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<tr>
<td></td>
<td>Insurance</td>
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<tr>
<td></td>
<td>Manufacturing</td>
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<td></td>
<td>Service</td>
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<td></td>
<td>Electronics</td>
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<tr>
<td></td>
<td>Communications</td>
</tr>
<tr>
<td></td>
<td>Public institution</td>
</tr>
<tr>
<td></td>
<td>Public enterprise</td>
</tr>
<tr>
<td></td>
<td>Other</td>
</tr>
<tr>
<td>Length of work experience (years)</td>
<td></td>
</tr>
<tr>
<td>1–3</td>
<td>75</td>
</tr>
<tr>
<td>4–6</td>
<td>61</td>
</tr>
<tr>
<td>7–9</td>
<td>49</td>
</tr>
<tr>
<td>10–13</td>
<td>54</td>
</tr>
<tr>
<td>14–17</td>
<td>25</td>
</tr>
<tr>
<td>18–21</td>
<td>27</td>
</tr>
<tr>
<td>22 or more</td>
<td>24</td>
</tr>
<tr>
<td>Education</td>
<td>High school</td>
</tr>
<tr>
<td></td>
<td>Junior college</td>
</tr>
<tr>
<td></td>
<td>Bachelor’s</td>
</tr>
<tr>
<td></td>
<td>Master</td>
</tr>
<tr>
<td></td>
<td>Doctor</td>
</tr>
<tr>
<td>Married</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td>No</td>
</tr>
</tbody>
</table>
0.87 (Fornell and Larcker, 1981; Hair et al., 1998). This indicates that each dimension has good inner-construct consistency (Bearden and Kinsella, 1993) (Table II).

Second, discriminate validity is evaluated for the measurement scales using each indicator’s loading on its own construct as well as its cross-load on all other constructs. The indicators’ loadings for each construct are higher than the cross-loadings for the indicators of other constructs. Moreover, scanning the rows, each indicator has a higher loading with its construct than cross-loading with any other construct, providing evidence of the research constructs’ discriminant validity (Chin, 1998).

5.2 Structural model and hypotheses tests

The structural model is evaluated using LISREL version 8.3. For models with a good fit, the chi-square normalized by the degree of freedom (P2/df) should not exceed 5 (Bentler and Bonnet, 1980); the Bentler–Bonnet non-normed fit index (NNFI), comparative fit index (CFI), goodness of fit index (GFI) and normed fit index (NFI) should exceed 0.9; the adjusted goodness of fit index (AGFI) should exceed 0.9; and the standardized root mean square error of approximation (SRMR) should not exceed 0.08. For the current structural model (Table III), P2/df does not exceed 5, suggesting an adequate model fit.

Next, the path significance in the research model is evaluated, and the variance explained (R² value) by each path examined. The significance and the relative strength of individual

<table>
<thead>
<tr>
<th>Table II</th>
<th>Cronbach’s α, item-to-construct loadings, CR and AVE of factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constructs</td>
<td>Cronbach’s α</td>
</tr>
<tr>
<td>Results-oriented</td>
<td>0.7906</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Tightly controlled</td>
<td>0.7777</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Close system</td>
<td>0.7450</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional-oriented</td>
<td>0.6054</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Job-oriented</td>
<td>0.8348</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Intention to create knowledge</td>
<td>0.9495</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Intention to store knowledge</td>
<td>0.9597</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Intention to transfer knowledge</td>
<td>0.9633</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Intention to apply knowledge</td>
<td>0.9559</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table III</th>
<th>The fit index analyses of research model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fit index</td>
<td>Model fit</td>
</tr>
<tr>
<td>χ²</td>
<td>370.497</td>
</tr>
<tr>
<td>χ²/df</td>
<td>1.618</td>
</tr>
<tr>
<td>GFI</td>
<td>0.914</td>
</tr>
<tr>
<td>AGFI</td>
<td>0.878</td>
</tr>
<tr>
<td>NFI</td>
<td>0.949</td>
</tr>
<tr>
<td>NNFI</td>
<td>0.972</td>
</tr>
<tr>
<td>CFI</td>
<td>0.979</td>
</tr>
<tr>
<td>SRMR</td>
<td>0.039</td>
</tr>
</tbody>
</table>
paths specified by the research model are also evaluated, as summarized in Table IV and Figure 2.

6. Discussion

This study used as its basis the behavioral perspectives culture of Hofstede et al. (1990) to analyze how these perspectives influence the four kinds of KM process (creation, storage, transfer and application). The results of this study, namely, confirmation of the relationship between five kinds of organizational cultural dimensions (results-oriented, tightly controlled, job-oriented, closed system and professional-oriented) and four kinds of KM process, represent the study’s practical contribution to managers. The research model constructed on this subject represents the study’s contribution to the academic arena.

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Results: t-value (β-value)</th>
<th>Hypotheses test</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1a: A results-oriented culture will have a more positive effect on the individual’s knowledge creation intention than a process-oriented culture</td>
<td>4.124*** (3.212)</td>
<td>Supported</td>
</tr>
<tr>
<td>H1b</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>H1c: A results-oriented culture will have a more positive effect on the individual’s knowledge storage intention than a process-oriented culture</td>
<td>4.858*** (2.779)</td>
<td>Supported</td>
</tr>
<tr>
<td>H1d: A results-oriented culture will have a more positive effect on the individual’s knowledge transfer intention than a process-oriented culture</td>
<td>3.729*** (3.361)</td>
<td>Supported</td>
</tr>
<tr>
<td>H2a: A results-oriented culture will have a more positive effect on the individual’s knowledge application intention than a process-oriented culture</td>
<td>4.693*** (3.180)</td>
<td>Supported</td>
</tr>
<tr>
<td>H2b: A tightly controlled culture will have a more positive effect on the individual’s knowledge creation intention than a loosely controlled culture</td>
<td>−3.658** (−2.702)</td>
<td>Supported</td>
</tr>
<tr>
<td>H2c: A tightly controlled culture will have a more positive effect on the individual’s knowledge storage intention than a loosely controlled culture</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>H2d: A tightly controlled culture will have a more positive effect on the individual’s knowledge transfer intention than a loosely controlled culture</td>
<td>−4.142*** (−2.323)</td>
<td>Supported</td>
</tr>
<tr>
<td>H2e: A tightly controlled culture will have a more positive effect on the individual’s knowledge application intention than a loosely controlled culture</td>
<td>−3.440*** (−2.943)</td>
<td>Supported</td>
</tr>
<tr>
<td>H3a: A job-oriented culture will have a more positive effect on the individual’s knowledge creation intention than an employee-oriented culture</td>
<td>1.734* (0.336)</td>
<td>Supported</td>
</tr>
<tr>
<td>H3b: A job-oriented culture will have a more positive effect on the individual’s knowledge storage intention than an employee-oriented culture</td>
<td>1.846* (0.306)</td>
<td>Supported</td>
</tr>
<tr>
<td>H3c: A job-oriented culture will have a more positive effect on the individual’s knowledge transfer intention than an employee-oriented culture</td>
<td>2.035** (0.440)</td>
<td>Supported</td>
</tr>
<tr>
<td>H3d: A job-oriented culture will have a more positive effect on the individual’s knowledge application intention than an employee-oriented culture</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>H3e: A job-oriented culture will have a more positive effect on the individual’s knowledge application intention than an employee-oriented culture</td>
<td>2.285*** (0.444)</td>
<td>Supported</td>
</tr>
<tr>
<td>H4a: A closed system culture will have a more negative effect on the individual’s knowledge creation intention than an open system culture</td>
<td>0.435 (0.027)</td>
<td>Not supported</td>
</tr>
<tr>
<td>H4b: A closed system culture will have a more negative effect on the individual’s knowledge transfer intention than an open system culture</td>
<td>−0.242 (−0.016)</td>
<td>Not supported</td>
</tr>
<tr>
<td>H4c: A closed system culture will have a more negative effect on the individual’s knowledge application intention than an open system culture</td>
<td>−0.432 (−0.030)</td>
<td>Not supported</td>
</tr>
<tr>
<td>H4d: A professional-oriented culture will have a more negative effect on the individual’s knowledge creation intention than a parochial-oriented culture</td>
<td>1.020 (0.077)</td>
<td>Not supported</td>
</tr>
<tr>
<td>H4e: A professional-oriented culture will have a more negative effect on the individual’s knowledge transfer intention than a parochial-oriented culture</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>H5a: A professional-oriented culture will have a more positive effect on the individual’s knowledge storage intention than a loosely controlled culture</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>H5b: A professional-oriented culture will have a more positive effect on the individual’s knowledge transfer intention than a loosely controlled culture</td>
<td>4.124*** (3.212)</td>
<td>Supported</td>
</tr>
<tr>
<td>H5c: A professional-oriented culture will have a more positive effect on the individual’s knowledge application intention than a loosely controlled culture</td>
<td>4.858*** (2.779)</td>
<td>Supported</td>
</tr>
<tr>
<td>H5d: A professional-oriented culture will have a more positive effect on the individual’s knowledge creation intention than a loosely controlled culture</td>
<td>3.729*** (3.361)</td>
<td>Supported</td>
</tr>
<tr>
<td>H5e: A professional-oriented culture will have a more positive effect on the individual’s knowledge storage intention than a loosely controlled culture</td>
<td>4.693*** (3.180)</td>
<td>Supported</td>
</tr>
<tr>
<td>Notes: ***p &lt; 0.01; **p &lt; 0.05; *p &lt; 0.10</td>
<td></td>
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</tr>
</tbody>
</table>
6.1 Results-oriented culture’s effect on the individual’s KM process intention (H₁)

The results-oriented dimension has a significant positive effect on the intention of the individual employee to create knowledge (t = 4.124***), a result that strongly supports hypothesis H₁a. Although the results-oriented dimension has a significant effect on the intention of the individual employee to store knowledge, and the t value is positive (4.858***), it is not perfectly supported with hypothesis H₁b-2. The results-oriented dimension has a significant positive effect on the intention of the individual employee to transfer knowledge (t = 3.729***), a result that strongly supports H₁c. The results-oriented dimension has a significant positive effect on the intention of individuals to apply employee knowledge (t = 4.693***), a result that strongly supports H₁d. This is due to the fact that knowledge application closely relates to knowledge transfer and has the same result as H₁c. It would appear that this kind of culture will lead to a positive KM behavior (Alavi et al., 2005-2006; Heisig, 2009). The results-oriented culture has a significant positive effect on the knowledge creation (H₁a), storage (H₁b-2), transfer (H₁c), and application (H₁d) intention of the individual. Although Kayworth and Leidner (2003) asserted that the results-oriented culture might not be conducive to the effective storage of knowledge in the KM process, they did not prove their assertion with survey data. The current study not only refutes their assertion but also confirms that the results-oriented culture indeed has a positive effect on the individual’s knowledge storage intention in the KM process (Jarvenpaa and Staples, 2001; Wei, 2005; Alavi et al., 2005-2006; Heisig, 2009). Moreover, this signifies that results-oriented culture will encourage the individual to be more willing to become involved in the KM process and to store/transfer their personal knowledge. At the same time, new knowledge is created and existing knowledge is applied to the organization, as this kind of behavior is self-imposed rather than forced (Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008).

In sum, a results-oriented culture has a strongly positive effect on the KM process (creation, storage, transfer, and application) intention of the individual in whom the process is integrated rather than externalized. For this reason, it is important for the management to treat the KM process as integrated and to foster a results-oriented culture for the individual to strongly and unreservedly support that process.

6.2 Tightly controlled culture’s effect on the KM process intention of the individual (H₂)

A tightly controlled culture has a significant negative effect on the intention of the individual employee to create knowledge (t = −3.658***), a result that strongly supports H₂a. The tightly controlled dimension has a significant negative effect on the intention of the
individual employee to store knowledge \((t = -4.142^{**})\). The tightly controlled dimension has a significant negative effect on the intention of the individual employee to transfer knowledge \((t = -3.440^{**})\), a finding that strongly supports \(H_{3b}\). The tightly controlled dimension has a significant negative effect on the intention of the individual employee to apply knowledge \((t = -4.207^{**})\), a result that strongly supports \(H_{3d}\).

A tightly controlled culture has a significant negative effect on the knowledge creation \((H_{1a})\), storage \((H_{1b})\), transfer \((H_{1c})\) and application \((H_{1d})\) intention of the individual. According to Kayworth and Leidner (2003) and Ajmal and Koskinen (2008), people will not provide their knowledge for storage in their organization in a loosely controlled culture. However, this study finds their opinion not to be supported by the survey data. This indicates that such a tightly controlled culture may be conducive to inhibiting individuals from storing/transferring their own knowledge, or from creating new or applying existing knowledge to the organization due to the fact that such behavior requires a more relaxed and flexible environment (Jarvenpaa and Staples, 2001; Wei, 2005; Alavi et al., 2005-2006; Jacks et al., 2012).

Indeed, a tightly controlled culture has a strongly negative effect on the KM process (creation, storage, transfer and application) intention of the individual due to the fact that this process is integrated in nature. In light of this, management should be aware of individuals’ reluctance to support the KM process in a tightly controlled cultural organization.

6.3 Job-oriented culture’s effect on the KM process intention of the individual \((H_3)\)

The job-oriented dimension of culture has a significant positive effect on the intention of the individual employee to create knowledge \((t = 1.734^{*})\), a result that supports \(H_{3a}\). At the same time, this dimension has a significant positive effect on the intention of the individual employee to store knowledge \((t = 1.846^{*})\), a result that supports \(H_{3b}\). The job-oriented dimension has a significant positive effect on the intention of the individual employee to transfer knowledge \((t = 2.035^{*})\), a result that strongly supports \(H_{3c-2}\). In addition, the job-oriented culture has a significant positive effect on the intention of the individual employee to apply knowledge \((t = 2.285^{*})\), which strongly supports \(H_{3d-2}\).

A job-oriented culture has a significant positive effect on the knowledge creation \((H_{3a})\), storage \((H_{3b})\), transfer \((H_{3c-2})\) and application \((H_{3d-2})\) intention of the individual. The result confirms that employees are willing to share their own knowledge (Davenport and Prusak, 2000; Bhatt, 2001) and use organizational knowledge (Jarvenpaa and Staples, 2001; Alavi et al., 2005-2006) in a job-oriented culture, but not in an employee-oriented culture. Thus, the current paper has clarified the contradictory results of prior research. Our findings suggest that a job-oriented culture is an environment conducive to promoting the individual’s intention to store/transfer their own knowledge and to create new and/or apply existing knowledge to the organization (Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008; Woodman and Zade, 2011). Moreover, a job-oriented culture has a positive effect on the KM process (creation, storage, transfer and application) intention of the individual for the same reason as that described with respect to the result-oriented and tightly controlled cultures. Thus, it is important for management to foster a job-oriented culture to increase individuals’ willingness to support the KM process.

6.4 Closed system culture’s effect on the KM process intention of the individual \((H_4)\)

The closed system dimension does not have a significant effect on the intention of the individual employee to transfer knowledge \((t = 0.435)\), a result that does not support \(H_{4a}\). This is due to the fact that a closed system culture in an organization is typically secretive and fosters suspicion of outsiders as well as insiders. As a consequence, the free flow of ideas will be impeded and individuals’ intention to transfer their knowledge to the organization will be adversely affected.
In addition, the closed system does not have a significant effect on the intention of individual employees to apply their knowledge ($t = -0.242$), a result that does not support $H_{4b}$. This is because the closed system culture discourages communication with outsiders and negatively influences the absorption and application of knowledge. Thus, the result refutes the opinions of Kayworth and Leidner (2003) and Alavi et al. (2005-2006). However, it is necessary for a future study to ascertain the reason for the inability of a closed system culture to induce individuals to transfer their knowledge to the organization in the KM process.

6.5 Professional-oriented culture’s effect on the KM process intention of the individual ($H_5$)

The professional-oriented culture does not have a significant effect on the intention of the individual to transfer their knowledge to other employees ($t = -0.432$), a result that does not support $H_{5a}$. In a professional cultural organization, individuals emphasize and respect their professional domain rather than the organization. In light of this, employees have no intention to share their professional knowledge with their colleagues.

At the same time, the professional-oriented dimension does not have a significant effect on the intention of the individual to apply their knowledge to other employees ($t = 1.020$), a result that does not support $H_{5b}$. The employees in the professional culture identify only with the professional field to which they belong rather than to the organization in which they work. This result not only refutes the opinion of Griffith et al. (2003), Kayworth and Leidner (2003), Wasko and Faraj (2005) and Ajmal and Koskinen (2008) but also highlights another consideration; that is, professional culture should be interpreted through the lens of the social identification theory (Bagozzi and Lee, 2002; Liu and Chan, 2011) rather than being viewed as a dimension of organization culture.

7. Implications

7.1 Academic implications

First, the results of this paper have both clarified and confirmed the contradictory results of prior studies. These results include:

- a results-oriented culture has a significant positive effect on the individual’s knowledge storage intention;
- a tightly controlled culture has a significant negative effect on the individual’s knowledge storage intention; and
- a job-oriented culture has a significant positive effect on the individual’s knowledge transfer intention.

Second, from the results of $H_1$, $H_2$ and $H_3$, the present study finds that knowledge creation, storage, transfer and application processes are associated with the same goals in the KM process. For this reason, each kind of cultural dimension has either a significant positive or a negative effect on the KM process (creation, storage, transfer and application) intention of the individual. Although cultures that are results- and job-oriented have positive effects, a tightly controlled culture has a negative effect on the KM process intention of the individual. These findings provide evidence that challenges the appropriateness of the perspective of Kayworth and Leidner (2003) on this issue.

Third, this study demonstrates that not every dimension of culture is of value in the KM process. The closed system ($H_4$) and professional-oriented ($H_5$) cultures have no significant effect on the intention of the individual to transfer and apply their knowledge to the organization. Moreover, the professional culture may not be suitable to explain the employees’ organizational behavior. Rather, such behavior may be interpreted more satisfactorily through the social identification theory insofar as professionals strive to find,
create, define and maintain their places in their professional field and are willing to contribute their knowledge to their field (Bagozzi and Lee, 2002; Liu and Chan, 2011).

7.2 Implications for management practice

First, maintenance of results- and job-oriented cultures and elimination of the tightly controlled culture will lead to improvements in the KM process intention of the individual (Eskerod and Skriver, 2007; Ajmal and Koskinen, 2008). Therefore, management is advised to foster and maintain results- and job-oriented cultures, which will be conducive to the KM process and which, in turn, will lead to enhanced organizational effectiveness, performance and competitiveness (Newell et al., 2003, 2004). At the same time, management should reduce the presence of a tightly controlled culture in the organization to encourage the KM process intention of the individual.

Second, in view of the negative effect of a tightly controlled culture, management should create a more autonomous and democratic climate, provide employees a flexible work space, encourage them to take greater risks such as in the results-oriented culture and be responsible of their mistakes. At the same time, management should consider integrating employees’ performance and rewards in the KM process.

Third, as results-oriented and job-oriented cultures foster the KM process intention of the individual while the tightly controlled culture restricts it, management must aim to encourage employees to become freely willing to create, store, transfer and apply their knowledge to the organization without coercion. For example, create learning climate to ameliorate cohesion among the employees and their commitment. Moreover, based on the Fiedler’s (1966) contingency theories of leadership, managers should also use different ways to lead their subordinates with different characters. Such an approach will substantially assist the KM process (creation, storage, transfer and application) in the organization.

Finally, as organizational culture is built through four stages: assumptions, values, artifacts and symbols and because it is a dynamic and cyclic process (Hatch, 1993), management should:

1. Change organizational assumptions: Encourage risk-taking, innovation and challenging ideas (result-oriented); foster a relaxed atmosphere and easy-going work environment (loosely controlled); and focus on work performance, productivity and commitment to the organization (job-oriented). At the same time, management should interpretation those assumptions to employees.

2. Manifest organizational values: Employees should realize those assumptions, and management should provide policies which are in accord with the organizational norms, such as establishing a promotion and reward system that is consistent with those policies. Also important are employees’ belief in the organization’s values and their willingness to adhere to them.

3. Realize those new values as artifacts: Employees’ behavior should be respectful of those norm and politics.

4. Embody those values as organizational symbols: Achieved when the new organizational culture (result-oriented, loosely controlled and job-oriented) has been built, embedded in employees’ minds and made manifest in their behavior.

8. Conclusion

In this survey study, the findings are as follows: some organizational culture dimensions (results-oriented, tightly controlled and job-oriented) indeed have a significant effect on the KM process (creation, storage, transfer and application) intention of the individual. In sum, the results-oriented, loosely controlled and job-oriented cultures will improve the
effectiveness of the KM process and while increasing employees’ satisfaction and willingness to stay in the organization.

However, it would have been better to use a longitudinal study to collect useful long-term data to understand how the KM process would be influenced when organizational culture dimensions are changed through/ by management. This is the first limitation of this study. According to Mason and Pauleen (2003), KM culture is a powerful predictor of individual knowledge-sharing behavior, which is not included in this study. Thus, this is the second limitation of this paper. Moreover, national culture could be an important issue in the KM process (Jacks et al., 2012), which is the third limitation of this paper for not comprising it.

From researchers’ point of view, results- and job-oriented cultures have positive effects, whereas a tightly controlled culture has a negative effect on the KM process intention of the individual. These findings provide evidences that challenge the perspective of Kayworth and Leidner (2003) on this issue. As for practitioners, management has a direction to modify their organizational culture to improve the performance of KM process.

Apart from the value perspective factors (result-oriented, tightly controlled, job-oriented, closed control and professional-oriented) in analysis of the KM implementation (Kayworth and Leidner, 2003), also of value is the foundation of the organizational culture perspective connected with KM (Jarvenpaa and Staples, 2001), such as sociability, solidarity, need for achievement and democracy (Jarvenpaa and Staples, 2001). These may be viewed as extremely important variables in the KM process.

Based on the arguments provided in the present study, future research should use the value perspective factors (Jarvenpaa and Staples, 2001) as variables in the KM process. As knowledge also plays a significant role in achieving the goals of the KM process (Pirkkalainen and Pawlowski, 2014) and is a fundamental element of a strong KM culture (Gold et al., 2001; Alam et al., 2009; Tan et al., 2009; Lin and Dalkir, 2010; Woodman and Zade, 2011), this is a further area upon which future research might focus. In addition, both behavioral and value perspectives of the organizational cultural dimensions (result-oriented, tightly control, job-oriented, sociability, solidarity, need for achievement and democracy) should be examined to ascertain their effects firstly on KM culture and then on the KM process intention of the individual. It is hoped that the current study will spawn future investigations that lead to the development of an integrated model which includes organizational culture, KM culture and the KM process intention of the individual.

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Further reading


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