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Critical Success Factors for Effective Knowledge Sharing in Chinese Joint Ventures

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Critical Success Factors for Effective Knowledge Sharing in Chinese Joint Ventures

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Abstract

Effective knowledge sharing is vital to the success of international joint ventures. To ensure that organizational knowledge in a joint venture can be smoothly communicated and exchanged between its employees in a multi-culture environment, the impact of culture on knowledge sharing needs to be well understood. This paper investigates the impact of culture on knowledge sharing in Chinese joint ventures. Using a multi-case study approach, this paper shows that effective communication, shared mindsets, training and leadership are the critical success factors for effective knowledge sharing in Chinese joint ventures. Such findings facilitate developing specific organizational culture that supports knowledge sharing and can lead to better organizational performance in the increasingly globalized economy.

Keywords
Knowledge sharing, Critical success factors, Chinese joint ventures, Empirical study

INTRODUCTION

Effective collaboration and cooperation among employees in an organization is the key to success in international joint ventures. This is due to the presence of valuable knowledge in the multi-national work force, the need for re-contextualizing the knowledge in a local context in joint ventures to enable an effective ‘fit’ between the knowledge and the new context (Brannen et al. 1999), and the push from the local partners to acquire and accumulate new knowledge strategically. To facilitate close collaboration and cooperation in joint ventures, effective knowledge sharing is widely adopted as the key solution for knowledge re-contextualization.

Knowledge sharing is the process of exchanging and communicating knowledge and information between employees in an organization. Effectively sharing knowledge increases the accumulation of organizational knowledge and develops the capability of its employees for better performing their jobs. In the process of sharing knowledge, people are the primary entity. This is because knowledge usually exists in the mind of individuals. The process of sharing knowledge often starts at the individual level, and expands to the group level and the organizational level. Such a process of sharing organizational knowledge facilitates the exchange of working experiences, technical know-how and individual insights between and among individuals. The effectiveness of knowledge sharing is dependent on many factors, among them culture is the most critical factor.

Culture is a collective programming of the mind which distinguishes the members of one group from another (Hofstede 1980). It is a broad term that covers national culture, ethnic culture, organizational culture and professional culture. Each type of culture shapes the cognition and behaviours of individuals in their daily lives. National culture is the shared value, beliefs and norms and shapes people’s behaviours on the basis of national origins (Chow et al. 2000; Michailova and Hutchings 2006). Organizational culture is the shared value and beliefs and shapes the practice of organizational members in the organizations. As shown in the existing research, culture effectively influences the knowledge sharing process in an organization through (a) the development of a knowledge friendly organizational culture (Jones et al. 2006; Meso and Smith 2000), (b) adequate consideration of the various kinds of culture involved (Ford and Chan 2003), and (c) the application of effective technologies for facilitating the knowledge sharing process. To improve the effectiveness of knowledge sharing process, a better understanding of the role of culture in knowledge sharing is crucial. This is in particular the case for international joint ventures due to the presence of multiple cultures in a given situation.

International joint ventures are independent entities representing the partial holdings of two or more parent firms in which the headquarters of at least one is located outside the host countries of the international joint ventures (Zeira and Shenkar 1990). The development of international joint ventures leads to the integration of national culture and organizational culture, often resulted in the formation of a new organizational culture (Hofstede 1980). Such an organizational culture is often characterised through the presence of a multi-national workforce.
Knowledge sharing is the process of disseminating knowledge from one individual or group to another within an organization (Ford and Chan 2003; Ryu et al. 2007). In such a process, how to facilitate knowledge distribution and exchange between individuals or from individual knowledge into organizational knowledge is the focus of the research. Much research has been done for understanding the process of knowledge sharing in organizations. In this regard, existing research is usually carried out from the perspectives of technology (Zhuge 2002), behaviour (Lee and Ahn 2007; Ryu et al. 2007) and culture (Ford and Chan 2003; Michailova and Hutchings 2006). This research focuses on the role of culture in knowledge sharing in Chinese joint ventures.

Numerous joint ventures have been established in China between foreign investors and their Chinese partners since China was first opened its door to outside in 1979 (Huang et al. 1997). To be successful for those joint operations, close collaboration and cooperation through effective knowledge sharing is of tremendous importance as shown in the existing literature. The overall effectiveness of knowledge sharing in Chinese joint ventures, however, is far from satisfactory (Jolly 2002). Existing research shows that the difference between multiple cultures in a joint operation is still a major barrier to effective knowledge sharing for close collaboration and cooperation (Dulaimi 2007; Ford and Chan 2003). In general, there is a lack of empirical research on the impact of culture on knowledge sharing in Chinese joint ventures. To fill this gap, this research focuses on investigating the impact of culture on knowledge sharing in Chinese joint ventures.

This paper aims to contribute to a better understanding of the role of organizational culture on knowledge sharing in Chinese joint ventures. Using a multi-case study approach, this paper tries to identify the critical success factors for effective knowledge sharing from a culture perspective. Such findings facilitate developing specific organizational culture that supports knowledge sharing in joint ventures and can lead to better organizational performance in the increasingly globalized economy.

In what follows, we first present a review of knowledge sharing and the impact of culture on knowledge sharing, followed by a brief discussion on the existing research regarding the role of culture on knowledge sharing in the Chinese joint ventures. This leads to the development of the research questions, the research objectives and helps determine the design and implementation of the research. Finally we present the research findings based on the empirical study in the Chinese joint ventures with the focus on the identification of the critical success factors for effective knowledge sharing in Chinese joint ventures.

THE IMPACT OF CULTURE ON KNOWLEDGE SHARING

Knowledge sharing is the process of disseminating knowledge from one individual or group to another within an organization (Ford and Chan 2003; Ryu et al. 2007). In such a process, how to facilitate knowledge distribution and exchange between individuals or from individual knowledge into organizational knowledge is the focus of the research. Much research has been done for understanding the process of knowledge sharing in organizations. In this regard, existing research is usually carried out from the perspectives of technology (Zhuge 2002), behaviour (Lee and Ahn 2007; Ryu et al. 2007) and culture (Ford and Chan 2003; Michailova and Hutchings 2006). This research focuses on the role of culture in knowledge sharing in Chinese joint ventures.

Culture is a pattern that determines the thinking, feeling, and behaviours of individuals (Hofstede 1991). Culture is a complex and nested phenomenon (Swidler 1986). Culture is important because it can significantly influence the attitudes and behaviours of individuals. As a result, culture directly affects the knowledge sharing process in organizations (De Long and Fahey 2000; House et al. 2002). There are two types of culture including national culture and organizational culture which have a direct impact on knowledge sharing in joint ventures.

National culture is the shared pattern of categorizations, attitudes, beliefs, definitions, norms, values and other elements of subjective culture (Triandis et al. 2001). It is often approached from different perspective in order to better understand the concept of national culture and its impacts on individuals. For example, Hofstede (1991) proposes a five-dimension based framework for describing national culture. This conceptual framework consists of power distance, individualism-collectivism, uncertainty avoidance, Masculinity-femininity, and long-term orientation. It is widely used for distinguishing national culture in the research.

National culture influences the attitudes and behaviours of employees towards knowledge sharing in joint ventures. The cultural diversity which is an important feature of joint ventures often has a major impact on the process of sharing knowledge in joint ventures. There is much research in the literature for illustrating the important role of national culture on knowledge sharing in joint ventures. For example, Dulaimi (2007) reveals that the incompatibility between the foreign culture and the local culture is the major barrier to knowledge sharing in international joint ventures. Triandis et al. (1988) argue that people in a collectivistic culture are more likely to share their knowledge than those in an individualistic culture. Based on the theory of individualism-collectivism, Bhagat et al. (2002) develop a conceptual framework consisting of four cultural patterns including individualism, collectivism, verticalness and horizontalness for illustrating the moderating role of national culture on cross-border knowledge transfer. Michailova and Hutchings (2006) further develop this conceptual framework through extending the dimension of universalism and particularism. Such developments show that the unique characteristics of individual national cultures directly affect the knowledge sharing process mainly...
along the dimensions of the individualist–collectivist culture. Individualism–collectivism is referred to the extent to which individuals are integrated into groups. People in collectivistic culture would behave in a manner to maintain group harmony and cooperation (Ford and Chan 2003).

Organizational culture is the shared value, beliefs and attitudes in an organization. It collectively guides how organizational members perceive, think about, and react to its environments (McDermott and O’Dell 2001; Smith and McKeen 2003). Organizational culture is the character or the personality of the organizations. It is often referred to as “the ways things are done in the organizations” (Park et al. 2004).

Every organization has its distinctive organizational culture (Mead 1994). It is constantly being updated and developed for reflecting the organizational identity in regard to the visible dimension and the invisible dimension. The visible dimension of organizational culture is embedded in the espoused values, philosophy and mission of the organizations, while the invisible dimension is reflected in the unspoken set of core values that guide people’s actions and perceptions.

The influence of organizational culture on knowledge sharing is often manifested in the organizational values for knowledge sharing. Values are manifested in organizational norms that, in turn influence individual employees behaviors (Alavi et al. 2005; De Long and Fahey 2000). The impact of organizational value on knowledge sharing has been discussed in the research. For example, Alavi et al. (2005) identify the dominant values influencing organizational members’ behaviours in knowledge sharing. McDermott and O’Dell (2001) emphasize the importance of integrating knowledge sharing into existing values in order to enhance and improve the effectiveness of organizational knowledge sharing.

Developing a knowledge sharing culture in an organization is an effective means for promoting knowledge sharing in joint ventures. Such a culture can encourage employees to voluntarily share knowledge within organizations. There are several characteristics that define what a knowledge sharing culture is about. For example, a knowledge sharing culture is usually embedded in organizational routines, processes, practices, and norms (Davenport and Prusak 1998). In such a culture, employees are being encouraged for adopting particular forms of behaviour in knowledge sharing (Smith and McKeen 2003). Such knowledge sharing practices are often positively linked to growth and innovation of an organization.

The development of organizational culture supporting knowledge sharing involves changing organization culture (Smith and McKeen 2004; Stoddart 2007). The development of an organizational culture involves adjusting values and changing attitudes of individuals in an organization (Crosby 1986). As a result, changing organizational culture is a long-term process which takes time and effort. In the short and medium term, the efforts of knowledge managers need to be focused on ways to promote knowledge sharing behaviour, as behaviour is the most superficial aspects of culture (Smith and McKeen 2004). Effective cultural transformation efforts should aim to produce a series of visible short-term impacts in different parts of an organization.

There are various critical factors that help develop an organizational culture which is conducive for effective knowledge sharing. These critical factors are usually from various perspectives including organizational, managerial and technical. For example, Kyriakidou (2004) identifies several critical factors for facilitating knowledge sharing including management leadership and support, rewards and recognition, and technology. Zakaria et al. (2004) demonstrate that technology, leadership, trust, communication, and training are the critical factors for knowledge sharing in global virtual teams. Al-Alawi et al. (2007) show that interpersonal trust, communication between staff, information systems, and rewards are critical for organizational knowledge sharing.

The unique characteristics of Chinese culture have been widely recognized (Weir and Hutchings 2005). These characteristics include (a) collectivism (Michailova and Hutchings 2006), (b) group-oriented (Lu and Kwok 2006), and (c) un-individualism (Chow et al. 2000). As a result, such a culture directly influences the knowledge sharing process in Chinese joint ventures (Voelpel and Han 2005). There is much research for exploring the characteristics of Chinese culture and their impacts on organizational knowledge sharing. Chow et al. (2000), for example, show that the openness of knowledge in China compared with that in USA is related to the conflict between self-interest and collective-interest. Michailova and Hutchings (2006) argue that the similarities and differences between the Chinese culture and Russian culture lead to certain pattern in knowledge sharing behaviours in Sino-Russian organizations. Voelpel and Han (2005) identify the barriers to knowledge sharing in a study of Siemens’ knowledge management system in China. Lu and Kwok (2006) show that the inherent beliefs of Chinese culture inhibit the knowledge sharing in Hewlett Packard China. Above-mentioned studies provide valuable insights into cultural differences on knowledge sharing in the context of Chinese culture.

Organizational culture as suggested above can mitigate the impact of culture on knowledge sharing (Ford and Chan 2003). The development of specific organizational cultures is very much dependent on the understanding of the role of culture on knowledge sharing. However, there is a lack of empirical study on the role of organizational culture in knowledge sharing in Chinese joint ventures. The paper attempts to investigate the role of organizational culture on knowledge sharing in Chinese joint ventures and identify some critical factors for
effective knowledge sharing in such the joint ventures. This helps the development of an appropriate organizational culture framework for effective knowledge sharing in Chinese joint ventures.

**RESEARCH DESIGN AND IMPLEMENTATION**

This research aims to better understand the impact of culture on knowledge sharing in Chinese joint ventures. It tries to identify the critical success factors for effective knowledge sharing in Chinese joint ventures. To achieve this objective, this study adopts a multi-case study approach. The use of such an approach is appropriate due to the exploratory nature of the research and the aims for developing new insights on the impact of culture on knowledge sharing in Chinese joint ventures within case analysis and through cross-case analysis (Yin 2003).

The in-depth case study was conducted within two Chinese joint ventures. For the purposes of confidentiality, the two joint ventures were referred to as Case 1 and Case 2. Table 1 shows a description of the case profile. Due to localization, management in both joint ventures was usually taken by the local people. The foreign partners were in charge of technical or business related affairs. In terms of knowledge sharing, both cases positively created a favourable atmosphere for effective knowledge sharing within their companies.

<table>
<thead>
<tr>
<th>Cases</th>
<th>Case 1</th>
<th>Case 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year of establishment</td>
<td>2002</td>
<td>2004</td>
</tr>
<tr>
<td>Equity structure</td>
<td>China (49%) and Hong Kong (51%)</td>
<td>China (60%) and Japan (40%)</td>
</tr>
<tr>
<td>Core business</td>
<td>Professional consultancy services for business consultancy, urban planning, municipal and environmental engineering projects in Chinese market</td>
<td>Specialized terminal company for export and import of car and shipping</td>
</tr>
<tr>
<td>Feature of culture</td>
<td>The Chinese and Western culture</td>
<td>The Chinese and Japanese culture</td>
</tr>
<tr>
<td>Organizational structure</td>
<td>Flat</td>
<td>Following that Chinese partner adopts</td>
</tr>
<tr>
<td>Knowledge sharing process</td>
<td>management and implementation of projects</td>
<td>The improvement of standardized business processes</td>
</tr>
</tbody>
</table>

Established in 2002, Case 1 was a joint venture with a professional consultancy company in Hong Kong. Its parent company was based in UK. The majority of the employees in Case 1 were local employees. The foreign employees were the specialists from the foreign parent organization including Europe, Australia, Hong Kong, and elsewhere. The culture in Case 1 was a combination of Chinese and Western cultures. Foreign and Chinese employees worked together based on individual projects. Intensive knowledge sharing usually occurred in Case 1 between the foreign specialists and the local professionals in the process of project management and implementation. Although the foreign parent of Case 1 was based in UK, the rich experience of operating in Hong Kong made the joint venture easily accommodate the challenges of its cultural diversity.

Case 2 was established in 2004. It was a joint venture between a Chinese company and a Japanese partner. The Chinese partner played a dominant role in managing the joint venture. Both Chinese and Japanese are in the eastern culture. Although there are some particular value differences, people from heterogeneous countries have a broader tolerance for such differences than those from more homogenous countries (Shaw 1990). Knowledge sharing in Case 2 involved in exchanging standardized business processes for enhancing efficiency in operation with the foreign partner, with peer companies in the industry and across departments within the company.

There were a number of reasons for this decision including (a) the industrial position of these two joint ventures, (b) the specific organizational natures, and (c) the characteristics of the knowledge sharing process in thee two joint ventures. Both cases belong to a typical mode with the combination of strengths for Chinese joint ventures which are launched by a globalized foreign investor and a provincial-level large-scale state-owned enterprise. They are successful Chinese joint ventures. Each company has placed a superior position in their selected sector in Chinese market. Each had explicit characteristic of knowledge sharing which was different from each other.

The adoption of a qualitative approach in information gathering in this study increased the reliability and validity of the research findings through data triangulation. To gain a richer understanding on the impact of organizational culture on knowledge sharing in Chinese joint ventures, both primary data and secondary data were used in data analysis. The empirical data included interviews, observation of workplace and analysis of existing documents in these two companies. Such an approach facilitated examining the importance of culture
on knowledge sharing from the perspective of individual participants and could lead to a better understanding of how people act in knowledge sharing in these Chinese joint ventures (Quinn 2005).

Open-ended and semi-structured in-depth interviews were conducted in each company. The objectives of the interview were to tap into the perceptions of individuals on the impact of culture on knowledge sharing and helped identify the critical success factors for effective knowledge sharing in Chinese joint ventures. The interviewees were senior managers including those responsible for functional departments such as operation, marketing, finance and major business. A pre-designed interview protocol with open-ended questions was employed in all interviews to increase the reliability of the data source and to decrease bias (Yin 2003).

The interview questions in the protocol covered three parts including (a) the background of interviewees, (b) the perceptions of interviewees on knowledge sharing, and (c) the perceived relationships between organizational culture and knowledge sharing. The first part was used for demographic analysis. This would provide an overall profile of interviewees in relation to the key theme of this research (See Table 2).

Table 2. The Profile of Interviewees

<table>
<thead>
<tr>
<th>Cases</th>
<th>No of Participants</th>
<th>Position of Participants</th>
<th>Role of Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Case 1</td>
<td>4</td>
<td>Senior managers</td>
<td>Administration department</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Business related departments</td>
</tr>
<tr>
<td>Case 2</td>
<td>6</td>
<td>Senior managers</td>
<td>Financial department</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Human resource department</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Business related departments</td>
</tr>
</tbody>
</table>

The second part of interview was to understand the attitudes and perceptions of interviewees towards knowledge sharing in both cases. The third part was to identify the critical success factors for effective knowledge through a better understanding of the relationships between organizational culture and knowledge sharing. In order to minimize the likelihood of personal bias, the interviewees were asked to concentrate on description and narrative of facts and events, rather than on interpretations of these facts and events. The duration of each interview was between one hour and one and half hours. After asking for an approval by interviewees, each interview was recorded in a digital form and was transcribed into electronic document for data analysis.

Due to localization in Chinese joint ventures, positions of senior managers were taken by local employees. Depending on the preference of the interviewees, sometimes the interviews were conducted in Chinese (Mandarin). Although all interviewees were bilingual, using Chinese (Mandarin) for interviewing local employees facilitated the interviewing process and resulted in more accurate description of their thoughts and viewpoints in regard to specific questions. Meanwhile, interviews using Chinese with local employees could avoid research bias of misunderstanding and increased the reliability of the interviews.

Data analysis followed the procedures of interpreting qualitative data in the case study. It began with coding the data of interview evidences in one case. Interview data was coded using content analysis procedures (Lincoln and Guba 1985). By coding transcriptions, new themes emerged from the data. They were organized into two categories in line with knowledge sharing in Chinese joint ventures. These categories comprised knowledge sharing barriers and organizational culture for knowledge sharing. The data were then structured to address the research issues identified (Yin 2003).

Figure 1 depicts the data analysis procedure. Using “within-case” analysis, theory was first developed. Pattern matching (Yin 2003) was then used to compare the findings from the first case with another case. Cross referencing (Buckley et al. 2006) between interviews, and between primary data and secondary data, were carried out to establish connections among factors for further verifying the validity of these data.
CRITICAL SUCCESS FACTORS FOR EFFECTIVE KNOWLEDGE SHARING

The analysis of the empirical data, observations and document analysis clearly showed that the differences between cultures have a major impact on effective knowledge sharing in both joint ventures. The analysis also showed that the development of organizational specific culture is capable of mitigating the negative impact of culture on knowledge sharing through the adoption of specific policies and strategies. These observations are consistent with existing research in which the development of a knowledge sharing culture is widely recognized as the most effective means for close collaboration and cooperation in joint ventures (Ford and Chan 2003).

The characteristics of organization cultures directly determined the manner in which knowledge was shared in joint ventures. Due to the different ways that these two joint ventures were formed, the organizational cultures in both joint ventures were different. The organizational culture in Case 1 tended to be open at all levels of employees. The management advocated the management style of “simpler administration and less vertical hierarchy” to encourage employees at all levels to share what they know. Such the management style was easier to establish a close emotional relationship between employees. The emotional relationship led to them strong team membership and consolidated their commitment to the company. In this situation, employees were more likely to voluntarily participate in knowledge sharing. This is validated by an interviewee from the joint venture:

“In the foreign invested companies that I had worked, I feel this team is the most harmonious……Everyone in this team is well-collaborated, and friendly including our boss and foreign colleagues.”

The presence of cultural difference in Case 2 was more explicit than that in Case 1. Such a cultural difference would influence the decision-making with regard to specific organizational events. The organizational culture in Case 2 for knowledge sharing tended to be a negotiation-orientation. The negotiated culture generated outcomes which were appropriate for specific organizational events. It enhanced the effective decision-making between partners, among departments and within the department. In such an environment, employees were encouraged to knowledge sharing so as to improve the performance efficiency of the joint venture.

A further analysis of the empirical data showed that there were a number of critical success factors that formed a specific knowledge sharing culture in these joint ventures for effective knowledge sharing. These critical success factors included effective communication, shared mindsets, training, and leadership. Adequate consideration of these critical success factors through the development and adoption of various policies and strategies would greatly enhance and improve the knowledge sharing process in joint ventures. Figure 2 shows a conceptual model for effective knowledge sharing in Chinese joint ventures. A detailed discussion on these critical success factors for effective knowledge sharing is given next.

Figure 2: A Conceptual Model for Effective Knowledge Sharing in Chinese Joint Ventures

**Effective Communication**

Effective communication for knowledge sharing is critical for the Chinese joint ventures. For Case 1, communication played an important role in the implementation of project. In order to provide better delivery of creative and tailored solutions to clients, case 1 combined the high international standards of technical expertise and project management skills with the local knowledge of China. The combination of Chinese and the western needed intensive communication to show their ideas between the foreign specialists and the local Chinese professionals. This was illustrated by two interviewees of Case 1:

“We conventionally have discussions at the beginning of each project implementation. Both foreign and Chinese designers freely present their ideas and insights in the discussion. This is so-called in the world “brainstorming”…… During the process, foreign colleagues never hoard knowledge, we do neither as well. We are consultancy and design service, a creative industry.”

“……The core strength of our design relies on creativity. It is not assembly-line production. Such the creative industry even more requires “brainstorming” to provide expert and inspiring solutions for our clients.”
The importance of communication was more explicitly articulated in Case 2. In this joint venture, the channel of communication was based on the structure of the Chinese partner’s parent organization. This organizational structure was very different from those in the western countries including Japan. It was characterized with the presence of communist party branches and union representation in the organization. Through intensive communication with the Chinese partner, the foreign partner achieved a better understanding of such an organizational structure and the operation. A Japanese representative expressed his view in the interview:

“Many issues in China are new and particular. There is no precedent to follow. Knowledge sharing is actually to solve problems. We must learn those we don’t understand.”

From the perspective of joint ventures, effective communication led to fast learning in business. The business nature of the joint venture was a standardized process for import and export shipping. How to improve the efficiency of process was the focus of the company. To improve the process efficiency, the joint venture adopted multiple channels to exchange experiences with the foreign partner, the peer companies in the industry and mutual learning across departments.

Shared mindsets

Shared mindsets indicate that partners as well as employees have a common understanding on aspects concerning the development of the company. Such shared mindsets are critical to the provision of quality customers in the dynamic markets. For example, the mission statement in Case 1 pointed out the desire for “consistently providing expert, inspiring and sustainable solutions to clients. The overall company objective in Case 2 was to provide customers with services in high-quality efficiently.

Employees in both cases worked collaboratively and cooperatively through effective knowledge sharing. For example, in Case 1, both the foreign employees and the local employees realized that the success of the joint venture was the delivery of creative and tailored solutions to its clients. Such solutions were very much dependent on the effective utilization of the expertises of individuals. No doubt such effective utilization required closely sharing information and knowledge within the joint venture. An interviewee in Case 1 talked about this:

“Our foreign colleagues want to learn Chinese very much. …..They have dense interest in China, especially Chinese long history over 5,000 years they cannot image. On the other hand, Chinese employees want to learn the western countries. There are demands for both employees. Such the demands are good for the progress of projects and then the development of the company. The company would encourage doing. This is one of the key for the success.

In Case 2, it was well recognized at all levels of employees that a lack of shared mindset, collaboration and cooperation between the partners or within the joint venture would lead to business failure. To achieve the organizational objective, close communication and negotiation to solve the problem on the basis of a shared mindset enabled the partners to work together harmoniously. A Japanese representative in Case 2 explained:

“We come from different contexts. There are certainly divergences and problems existed between us. However, both sides of the joint venture are aimed at the same target. Such the divergences and problems can be resolved through communication and negotiation.”

In summary, shared mindsets are a key factor contributing to the success of Chinese joint venture. Based on the shared mindsets, effective collaboration and knowledge sharing can be facilitated in joint ventures.

Training

Training is considered as an important means for improving employees’ skills and facilitating knowledge sharing. Both joint ventures focused on training for enhancing the professional skills of their employees in the joint ventures. These two joint ventures have more or less adopted the same policies and strategies for training. Comprehensive programs have been developed including sending local employees to attend external training courses. Such trainings were usually considered as an integrated part of the strategies for the development of the company as a whole.

There is a wide recognition that various policies and strategies can be adopted for training in regard to specific circumstances that a joint venture is in. For example, Case 1 was in the creative industry. It relied on the inspiration and creativity of its employees which were accumulated through communication, experiences and intuition but not merely external training courses. As a result, employees in Case 1 have effectively shared their knowledge through informal manners between foreign and local specialities and experts. On the other hand, training in Case 2 was considered as a vital means for developing skills and expertises of its employees. Such training often relied on the company or departments to build communication platforms for facilitating
knowledge sharing between employees, between departments and between the company and the others. The interviewees in Case 2 demonstrated their views below in the description of training of departments or company:

“We sometimes adopted mandatory means to promote employees to communicate with others. Through training within the department, letting them learn operation process to each other and thus facilitating the enhancement of the business in the company.”

“We send employees to the domestic peer companies in the industry for study of exchange every year. We share what we know with others, while we learn from others. Through knowledge sharing, we can learn from each other’s strength for common progress.”

Training is the important strategy for Chinese joint ventures to leverage different knowledge to the collective level. It is an effective means to constantly supplement knowledge needed by employees and improve their professional skills.

Leadership

Leadership has an important role to play in facilitating knowledge sharing. In both cases, the role of leadership on knowledge sharing was manifested in the attitudes and behaviours of their managers. In Case 1, the attitude of its managers toward knowledge sharing was positive and open. The top management advocated active communication between all levels of staff as well as developing a strong team spirit. The role of leadership in behaviour was manifested in overcoming cultural differences for knowledge sharing including (a) employing project interpreters to resolve language barrier between the foreign and the local employees; (b) a regular outward training to enhance the organizational cohesiveness of employees.

Like in Case 1, the attitude of leadership toward knowledge sharing in Case 2 was positive as well. The role of leadership was manifested not only in behaviour, but also in the support of technology. From the behaviour aspect, leadership developed a harmonious atmosphere to encourage communication and facilitated knowledge sharing. From the aspect of technology, the leadership provided necessary hardware facilities. More importantly, they positively developed knowledge sharing systems to support the company-wide knowledge sharing. The interviewees in Case 2 mentioned the support of the leadership in knowledge sharing system.

Everybody in the company is equipped with a computer. At least the transmission of information is more convenient. Employees are more reluctant to share knowledge to each others.”

“The support of company in hardware aspect is the build up of website, including company domain information sharing, as well as the development of operation system such as integrated searching systems. In this way, departments can make timely communication. It also facilitated the knowledge sharing.

The efforts of leadership in creating a favourable environment for facilitating knowledge sharing can encourage the knowledge sharing around company.

The discussion above further illustrates the important role that the identified critical factors played for facilitating knowledge sharing in Chinese joint ventures. The analysis indicates that knowledge sharing in Chinese joint ventures is affected by both national culture and organizational culture. The analysis also shows that international joint ventures can develop their organizational specific cultures in a multi-culture environment for mitigating the negative impacts of culture on knowledge sharing due to the potential conflicts between cultures. In this sense, organizational culture can be developed for overcoming the impact of culture in the knowledge sharing process.

CONCLUSION

The paper examines the role of organizational culture on knowledge sharing in Chinese joint ventures. The results show that the development of organizational specific cultures can facilitate knowledge sharing in international joint ventures. It identifies the critical success factors for effective knowledge sharing leading to the development of a conceptual framework for knowledge sharing in Chinese joint ventures.

The research findings of this study have several implications for research into the role of culture on knowledge sharing in a multi-culture environment. First, knowledge sharing in Chinese joint ventures is affected by both national culture and organizational culture. Second, the study shows that organizational specific cultures in Chinese joint ventures can be developed for overcoming the negative impact of culture on knowledge sharing. Third, the critical success factors identified for effective knowledge sharing in Chinese joint ventures including effective communication, shared mindsets, training, and leadership are of important role for helping the development of organizational specific policies and strategies for knowledge sharing in joint ventures.
REFERENCES


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