

5-2018

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## Recommended Citation

Rudramuniyaiah, Prasad S.; Joshi, Kailash; and Lee, Kyootai, "An Equity Perspective on Knowledge Sharing Behaviors in Organizations" (2018). *MWAIS 2018 Proceedings*. 26.

<http://aisel.aisnet.org/mwais2018/26>

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# An Equity Perspective on Knowledge Sharing Behaviors in Organizations

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## ABSTRACT

Organizations promote knowledge sharing behaviors among their members to derive value from the knowledge embedded within individuals and in other organizational resources. Individuals' knowledge sharing behavior, however, is a complex phenomenon, influenced by several factors, which has been examined in the prior research using several theoretical perspectives. In spite of the vast body of research, the phenomenon is not fully understood, given that many interacting, external and intrinsic factors can influence individuals' motivation and ability to participate in knowledge sharing.

Among the possible factors, an important set of factors can be equity or fairness perceptions, which can play a role in individuals' motivation for knowledge sharing. Perceptions of equity have been found to be a good predictor of organizational citizenship behaviors and, organizational citizenship behaviors are known to positively influence knowledge sharing behaviors. However, in the extant literature, the role of equity perceptions in influencing knowledge sharing behaviors has not been examined. In this study, we examine the role of perceptions of equity on knowledge sharing behavior and develop a model for understanding knowledge sharing behaviors from the equity theory perspective.

## Keywords

Equity, fairness, knowledge sharing behavior, procedural justice, distributive justice, informational justice, interpersonal justice, specialization.

## INTRODUCTION

Knowledge is a critical resource for gaining competitive advantage (Grant, 1996) in today's hyper competitive world. Modern information technologies such as business intelligence, data mining, data analytics, and big data focus on extracting knowledge from organizational data resources. However, individuals' are also critical sources of knowledge in organizations given that they absorb the knowledge generated by the experiences of success and failures in organizational endeavors over long time spans. Thus as expected, knowledge sharing by individuals has been found to positively influence organizational performance in organizations (Bock and Kim, 2002). It is believed that knowledge sharing supports competitive advantage and innovation by the appropriation of the economic value of knowledge when the knowledge residing within the individual, or other sources, is externalized (Hendriks 1999). Recognizing the importance of knowledge sharing, organizational designs are created to facilitate flows of information to accomplish tasks and support knowledge sharing (Arrow, 1974; Daft and Macintosh, 1981). Other organizational efforts include investments in technologies to capture knowledge for future use (Cross and Baird, 2000).

Though organizations have implemented several initiatives to facilitate knowledge sharing, employees are reluctant to contribute to those initiatives resulting in the failure of Knowledge Management (KM) initiatives (Davenport and Prusak, 1998). The failure of KM initiatives has focused the attention of researchers towards understanding the role of individuals in the knowledge sharing process and to examine why and when individuals are more likely to share knowledge (Earl, 2001). In this article, we examine prior literature and develop a conceptual model to understand knowledge sharing behavior from the Equity Theory (Adams, 1963, 1965) perspective.

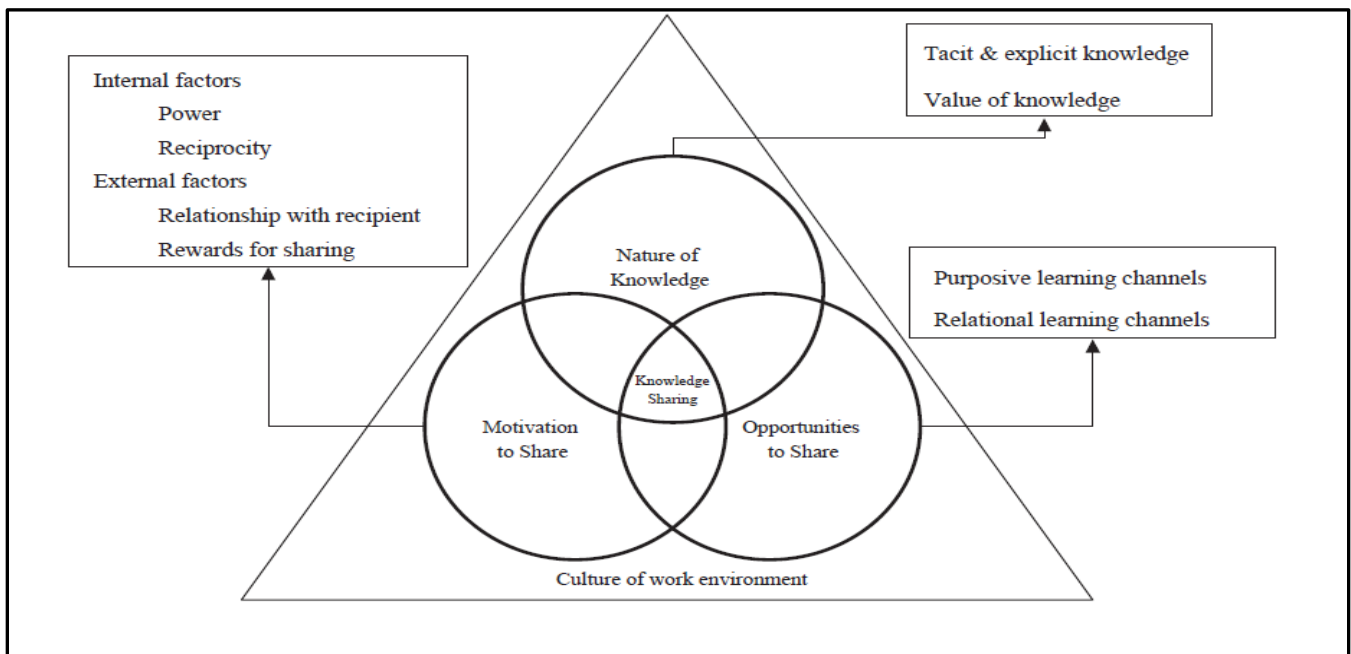
**LITERATURE REVIEW**

Knowledge sharing is important to the Information Systems (IS) discipline since IS projects are complex, requiring unique and different knowledge inputs for successful completion of IS projects. Moreover, each completed project can provide many lessons to be learned. The importance of knowledge sharing in IS research is evidenced by recent focus on it in several studies (e.g. Faraj and Sambamurthy 2006).

Research on knowledge sharing has drawn on multiple theoretical perspectives in KM research: the Knowledge-Based View (KBV) of the firm (Nonaka and Takeuchi, 1995), Social Exchange Theory (Blau, 1964), Transactive Memory Systems (TMS) theory (Wegner, 1987) and Social Capital and the creation of Intellectual Capital (Nahapiet and Ghoshal, 1998). Other perspectives examine knowledge sharing from a technology-based, information-based and a culture-based perspective (Alavi and Leidner, 1999).

Based on the theoretical perspective used, the influence of factors such as: expertise or, specialized knowledge (Wasko and Faraj, 2005), loss of ownership (Armbrecht et al., 2001) and, consequently, loss of power once knowledge is shared (Orlikowski, 1993), the tacit or explicit nature of knowledge (Nonaka, 1994), social and intellectual capital, trust and reciprocity (Nahapiet and Ghoshal, 1998), altruism and organizational norms (Bock et al, 2005), perceived rewards and incentives (Gupta and Govindarajan, 2000) and culture (Davenport, 1997) etc. have been examined in prior research.

Ipe (2003) developed a framework for knowledge sharing (shown in Figure-1 below) based on a review of literature from several fields of research studying knowledge sharing behaviors and found four major factors influencing knowledge sharing behaviors: “the nature of knowledge, motivation to share, opportunities to share and the culture of the work environment”(Ipe, 2003, pg. 343). Figure-1 shows three factors: the nature of knowledge, motivation to share and, opportunities to share, embedded within the culture of the work environment.



**Figure-1: A Framework for Knowledge Sharing by Ipe (2003)**

The factors identified are indicative and do not exclude other factors not shown in the framework. The framework’s emphasis is rather, on the relationships between the four factors. The extent of influence the three factors exert on knowledge sharing behaviors is determined by the culture of the work environment.

Several KM frameworks have been developed and used in research on knowledge sharing behaviors. One common feature evident among the frameworks developed is the complexity of the phenomenon due to the complexity of inter-related relationships between individual characteristics, interpersonal factors, organizational processes and environmental factors (e.g. Grover and Davenport, 2001; Holsapple and Joshi, 2002; Ipe, 2003).

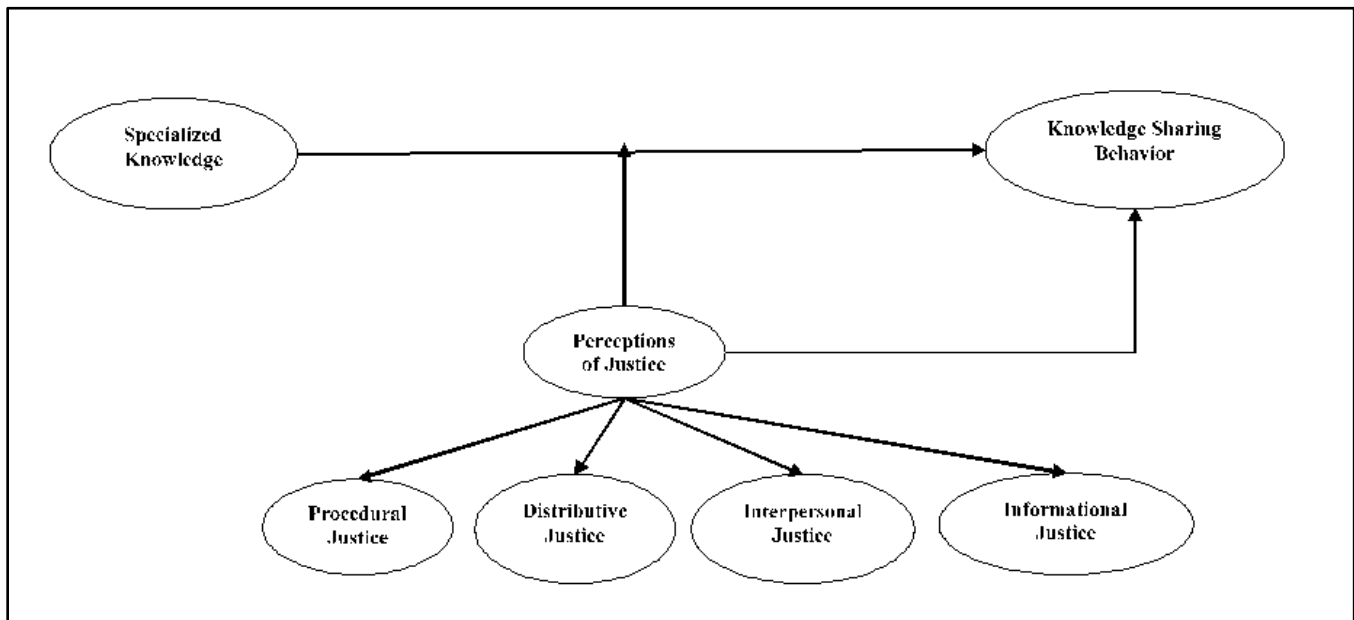
Our review of the research on knowledge sharing behaviors in the IS discipline identified gaps in research. More specifically, we found that knowledge sharing behavior has not been examined from the perspective of the Equity Theory (Adams, 1963, 1965). We therefore, develop a conceptual model for examining the perceptions of equity on knowledge sharing behaviors.

**RESEARCH MODEL**

Perceptions of fairness have been acknowledged to be an important predictor of employee attitude, behaviors (Colquitt and Rodell, 2011), and trust in other members (Pearce et al., 2000). The four dimensions of fairness perceptions: procedural justice, distributive justice, interpersonal justice and informational justice have been found to be positively related to organizational outcomes (Joshi, 1989), employee attitudes and citizenship behaviors (Colquitt and Rodell, 2011).

Model A, shown in *Figure-2*, below seeks to explain how perceptions of justice influence knowledge sharing behaviors through their influence via the overall perceptions of justice. We believe that perceptions of justice would have both, direct and indirect effects on knowledge sharing behavior.

An alternative model, Model B shown in *Figure –3* since; we acknowledge that at any given time, the influence of any one dimension of justice may be different from the others, which may influence sharing behaviors accordingly. Therefore, we plan to test an alternative model to assess the influence of each of these dimensions separately.



**Figure-2: Research Model A**

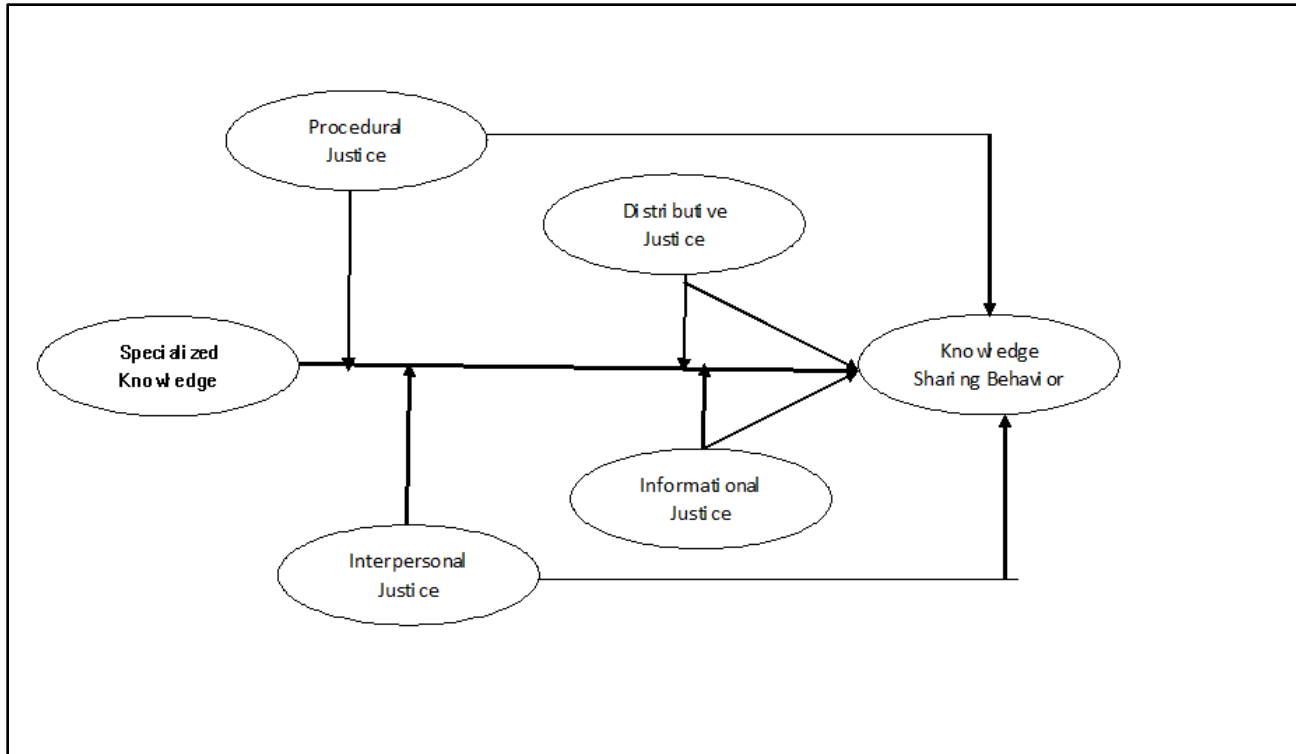


Figure-3: Research Model B

**Perceptions of Justice Dimensions**

Procedural justice refers to the perceived fairness of decision making with respect to procedures (Thibaut and Walker, 1975) and low levels of procedural justice perceptions have been associated with undesirable organizational outcomes such as absenteeism, withdrawal behaviors, and turnover intentions (e.g. Masterson et al, 2000). Withdrawal behaviors include a lack of motivation, negatively influencing knowledge sharing levels.

Distributive justice refers to an individual’s perceptions of the fairness of decision outcomes compared to those of other individuals with respect to the ratio of their contributions and outcomes (Adams, 1965). Organizational commitment, a good predictor of knowledge sharing behaviors, is influenced by perceptions of distributive justice (Roberts et al, 1999). We therefore believe that perceptions of distributive justice are associated with knowledge sharing behaviors.

Informational justice refers to an individual’s perceptions of fairness associated with the information used for making decisions related to individuals’ salaries, performance evaluations, allocation of resources etc. (Colquitt, 2001) and other explanations provided by supervisors with respect to making decisions whereas interpersonal justice captures perceptions of respect, dignity and politeness among individuals’ relationships (Greenberg, 1990, 1993).

Informational justice and interpersonal justice were positively associated with trust, benevolence and integrity (Colquitt and Rodell, 2011). Levels of trust influence social capital, reciprocity, communication and other relational aspects (Sabherwal, 2007; Kirsch et al 2010) in social exchanges where, knowledge sharing and creation occurs.

Thus, overall the different dimensions of equity perceptions contribute to organizational equity perceptions and directly influence knowledge sharing behaviors as hypothesized in the proposed model presented in Figure 2. Moreover, we can also hypothesize that when their distinct, relative influences are examined, each of the equity dimension can also directly influence knowledge sharing behavior.

## DISCUSSION

The cultural values in organizations facilitate knowledge sharing behaviors. The nature of knowledge factor is represented by the relationship between specialized knowledge and knowledge sharing behavior, while the direct and indirect influences of the perceptions of justice represent the motivation to share factor. The formal and informal methods available in organizational settings through which knowledge sharing takes place are the opportunities to share.

The influence of equity perceptions on knowledge sharing can be understood by empirically testing the proposed research model. We expect a positive relationship between both relationships viz. specialized knowledge and knowledge sharing behavior and, perceptions of justice and knowledge sharing behavior.

## IMPLICATIONS FOR RESEARCH AND PRACTICE

Empirical testing of the model will provide evidence for the influence of equity perceptions on knowledge sharing behavior supporting the vast body of KM research by identifying factors influencing knowledge sharing behavior.

For practitioners, the importance of this research rests in the capability to alter the levels of knowledge sharing behaviors by directly manipulating the four dimensions of justice, providing practitioners valuable mechanisms for enhancing levels of knowledge sharing within organizations.

## CONCLUSION

The purpose of this article was to better understand the phenomenon of knowledge sharing and develop a conceptual model for investigating knowledge sharing behaviors from the equity theory perspective. In developing this model, we do not claim that any one theory provides a better explanation of the phenomenon but, by examining the phenomenon from multiple theoretical perspectives, a better understanding can be obtained. Our research adds value to the existing body of prior research. Future research can empirically test the individual effects of the four dimensions of justice: procedural justice, distributive justice, informational justice and interpersonal justice, and the overall perceptions of justice, on knowledge sharing behaviors in organizations.

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