The Influence of Emotional Intelligence on Tacit Knowledge Sharing in Service Organizations

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ABSTRACT

The challenge of knowledge management is to facilitate tacit knowledge sharing (TKS) so that it is extracted into organizational memory. In team environment, trust in crucial to TKS. The road to a trusting relationship is marked by inter-personal understanding and empathic communication between members. Emotional intelligence (EI) as the ability to control one's and other's emotions will facilitate the sharing of high value tacit knowledge of work and clients among team members. The role of EI in promoting TKS will be constrained by the type of service environment i.e. professional, service and mass. This paper offers several testable propositions to explain the influence EI on TKS.

Keywords

Knowledge Management, Knowledge Sharing, Emotional Intelligence

1.0 INTRODUCTION

Technology driven publish paradigm of KM has failed to deliver the promise benefits (Gilmour, 2003). Hansen, Nohria and Tierney's (1999) codification strategy is not a viable option strategy for firms with high tacit knowledge. Tacit knowledge sharing, as the essence of the KM implementation, is much related to the human aspects specifically the attitudes and behaviors of organizational members (Gilmour, 2003). Although numerous research efforts have been directed to describe the human role in KS (Haesli & Boxall, 2005), none has come out with a generic explanation of emotion and how it affects tacit knowledge sharing (TKS) among organizational members particularly in service organizations. Therefore, this paper is meant to bring together previous works on EI and TKS into a cohesive framework with service organizations as the moderator.

2.0 DEFINITION OF KNOWLEDGE

Davenport and Prusak (1998) defined knowledge as "a fluid of framed experience, values, contextual information, and expert insights that provides a framework for evaluating and incorporating new experiences and information. It originates in and is applied in the minds of knowers". Nonaka and Takeuchi (1995) defined knowledge in a broader perspective which is "a dynamic human process of justifying personal belief toward the truth". Two types of knowledge reside in an organization – explicit and tacit knowledge (Nonaka, 1991). Explicit knowledge is knowledge that can be codified therefore it is easily shared and communicated via organization databases, hence making it available to all members of the organizations. Explicit knowledge also refers to rationalized knowledge which is general, context independent, standardized, and public (Weiss, 1999).

Tacit knowledge comprises mental models, beliefs and persuasions of each employee that are so deeply rooted within the individual and is difficult to express in words. Tacit knowledge also refers to embedded knowledge which is context dependent, narrowly applicable, personalized, and may be personally or professionally sensitive (Weiss, 1999). It sometimes refers to practical intelligence (Wagner & Sternberg, 1985), common sense (Sternberg, 1985) or street smart (Horvath et al., 1994). Tacit knowledge is seldom shared and communicated because it is subjective and intuitive in nature and it is lost when the employee possessing it leaves the organization. Examples of individual tacit knowledge are self-motivation, adaptability and flexibility and customer service experience, which generally refer to the blend of complex individual's abilities to accomplish work effectively.

TKS has become the heightened interest of researchers over the years to divulge the fact of how it can be shared among the organizational members. Summarizing the existing works on KS, Ipe (2003) has developed a cohesive framework highlighting the importance of three factors that affect KS – nature of knowledge, motivation to share and opportunities to share.

2.1 Motivation to Share

Previous works have established that KS is mostly influenced by trust and commitment (Morgan & Hunt, 1994). Organizational commitment, defined as an individuals' willingness to commit extra effort to their workplace job (Meyer & Allen, 1997), is expected to be associated with the willingness to contribute and receive

knowledge (Nonaka, 1994). Individuals who are emotionally attached to their organization are likely to share their knowledge if the work environment is favorable where such behavior is appreciated and where their knowledge will be actually used and eventually be valuable to their organization (Lin, 2007).

Trust, on the other hand, is an expression of faith and confidence that a person or an institution will be fair, reliable, ethical, competent, and non-threatening (Morgan & Hunt, 1994). A lot of research has been conducted to investigate the role of trust in facilitating inter- and intra-organizational cooperation which includes KS (Nonaka, 1991). Individuals are willing to share knowledge if they believe that their co-workers are trustworthy and faithful and would also do the same thing to them as well as others (Lin, 2007). Trust may reduce perceived uncertainty, facilitate risk-taking behaviors, and foster a positive orientation (Morgan & Hunt, 1994) that accordingly enhances their willingness to share tacit knowledge with their coworkers (Lin, 2007).

Individuals have two contradictory instincts – hoarding or sharing. They hoard if they feel threatened, fearful, distrustful or insecure, urging them to hold on tightly to whatever they possess. On the contrary, they share if they fell their contribution matters (Goman, 2007). Group membership plays an important role in deciding to share knowledge or not. The better a group of people knows each other, the more the people in the group will call on each other's knowledge (Dixon, 2002). In Asian culture, the group membership is considered as a source of identity, protection and loyalty, and in exchange for such loyalty, information can be expected to be shared within the group (Hutchings & Michailova, 2004). Besides, personal networking has been eventually increasing in importance in business success as well as in KS (Hutchings & Michailova, 2004).

To summarize, KS takes place when there are networks and communities of people who are bound together by traditions of trust, mutual respect etc. Emotional intelligence (EI) can facilitate the formation and maintenance of networks of people i.e. teams and hence enhancing TKS amongst them.

3.0 DEFINITION OF EI

EI is defined as "the ability to perceive emotions, to access and generate emotions so as to assist thought, to understand emotions and emotional knowledge, and to reflectively regulate emotions so as to promote emotional and intellectual growth" (Mayer & Salovey, 1997). The detail descriptions of each dimension of EI are included in the following table (Table 1).

Table 1: EI Dimensions/Branches and Descriptions of Exemplary skills

Branches	Descriptions
Perceiving Emotion	Ability to identify emotion in one's physical and psychological states
	Ability to identify emotion in other people
	Ability to express emotion s accurately and to express needs related to them
	Ability to discriminate between accurate/honest and inaccurate/dishonest feelings
Using Emotions to Facilitate Thought	Ability to redirect and prioritize thinking on the basis of associated feelings
	Ability to generate emotions to facilitate judgment and memory
	Ability to capitalize on mood changes to appreciate multiple points of view
	Ability to use emotional states to facilitate problem solving and creativity
Understanding Emotions	Ability to understand relationships among various emotions
	Ability to perceive the causes and consequences of emotions
	Ability to understand complex feelings, emotional blends, and contradictory states
	Ability to understand transitions among emotions
Managing Emotions	Ability to be open to feelings, both pleasant and unpleasant
	Ability to monitor and reflect on emotions
	Ability to engage in, prolong, or detach from an emotional state
	Ability to manage emotions in oneself
	Ability to manage emotions in others

Source: Salovey, Kokkonen, Lopes, & Mayer (2004)

3.1 EI and Collaboration/Team Work

Team has been defined as working with co-workers and team members, toward success of the firm (Welbourne, Johnson, & Erez, 1998). The importance of team role in organization as well as in research has recently been realized and given a special attention due to its effect in creating a synergy in work outcomes. A number of studies have highlighted the link between EI and team performance. Rice (1999) and Feyerherm and Rice (2002) suggested that EI abilities are inevitable in obtaining effective team performance. Stough and De Guara (2003) found that emotional control was positively related to the ability to work as a team member towards the success of the organization. Perlini and Halverson (2006) found both intrapersonal competency and general mood predicted number of National Hockey League points and games played. Jordan, Ashkanasy, Hartel and Hooper (2002) found that high EI teams operated at high level of performance throughout the study period. Jordan and Troth (2004) found that EI predicted successful problem solving of cognitive tasks in teams, and contributed to integrative conflict resolution styles and team performance. The findings are consistent with their earlier studies (Jordan & Troth, 2002).

These studies have highlighted the importance of EI in generating effective teams, which can be realized through such practices as empathy, cooperation, collaborative efforts in problems solving and conflict avoidance. All these practices require TKS. Besides, EI has been proven to enhance employees' commitment (Wong & Law, 2002) and trust (social and emotional contract) (Mayer & Beltz, 1998) – the core elements in KS; therefore, having high EI team members can ensure the success of KS as mentioned by Druskat and Wolff (2001) that EI of a group produces trust, identification and efficacy between group members and this in turn creates an atmosphere that is conducive towards a group's efficiency and creativity. It is evidenced in research that KS is likely to occur if team members are emotionally welcome as valuable contributors to a common task (Sackmann & Friesl, 2007). It is also proven that EI encourages positive shared emotions, which can lead to group effectiveness through broadening and building interactions among group members (Rhee, 2005). EI is also practical to augment interpersonal relationships (Schutte et al., 2001), which can enhance tacit KS specifically in team and in organization as a whole. Therefore, the following proposition is developed:

Proposition 1: EI enhanced TKS through team affiliation.

3.2 EI and OCB

KS is part of pro-social organizational behaviors (Lin, 2007), which captures the general propensity of people anticipating good consequences not only for themselves, but also for their co-workers and organization (Brief & Motowidlo, 1986). Since KS is a voluntary behavior and is above and beyond those prescribed by the job description, employees are required to possess extraordinary virtues that urge them to engage in satisfactory voluntary behaviors – in this case, TKS. Abundant of research works have supported the claim that possessing EI abilities can enhance pro-social behaviors or organizational citizenship behaviors (OCB) among the organizational members.

OCB is defined as discretionary behavior on the part of a person that is believed to promote directly the effective functioning of an organization (Organ, 1988). OCB consists of behaviors that go beyond specific role requirements, with the stipulation that such behaviors are performed voluntarily without expectation of rewards (Brief & Motowidlo, 1986). They include altruism (helping others), conscientiousness (going beyond the minimum role requirements), courtesy (preventing work-related problems from occurring), sportsmanship (tolerating unfavorable circumstances without complaining) and civic virtue (participating in, involving in, and concerning about the life of the company) (Podsakoff, MacKenzie, Moorman, & Fetter, 1990). Research has demonstrated that positive emotion (e.g. enthusiasm and pride) is related to OCB whereas negative emotion (e.g. anger and anxiety) is related to counterproductive work behavior (Spector & Fox, 2002). Abraham (1999) claimed that EI may enhance certain pro-social behaviors, one of which is assisting co-workers with personal matters. Day and Carroll (2004) found that EI were unrelated to individual-level OCB, but related to group-level OCB. Côté and Miners (2006) also found a similar association between EI and organization-level OCB. These findings, although inconclusive, suggest that EI enhances pro-social behaviors, which subsequently contribute to TKS among employees. Thus, the following proposition is suggested:

Proposition 2: EI enhances TKS as a result of employees' willingness to engage in voluntary behaviors (OCB).

4.0 SERVICE TYPOLOGIES (ST)

The diversity of service sector makes it difficult to make useful generalizations concerning the management of services organizations. Therefore, classification of services has greatly contributed to this area. The purpose of ST is to address the complexities of services by developing service criteria that reflect core service aspects that go beyond narrow industry boundaries (Cook, Goh, & Chung, 1999). Realizing the need to develop a practical ST, Silvestro, Fitzgerald, Johnson and Voss (1992), among others, proposed a classification scheme based on business processes, bringing together several previously suggested classification scheme into a cohesive framework. Based on data from 11 service industries, Silvestro et al. (1992) suggested three types of service processes; professional service, service shops, and mass services. The classification is based on six dimensions; people versus equipment, level of customization, extent of employee/customer contact, level of employee discretion, value added in back office versus front office, and product versus process focus. The service process types are as follows:

- Professional service – Organizations with few transactions, highly customized, process oriented, with a long contact time. Value-added process occurs in the front office where considerable judgment is applied in meeting customer needs. Examples are consultants, doctors and architects.
- Service shop – A category which falls between professional and mass services with levels of classification dimensions falling between the other two extremes. Examples are retail banks, rental services and hotels.
- Mass service – Organizations with many customer transactions, limited contact time, little customization, product-oriented with most of the value being added in the back office and little judgment applied by the front office staff. Examples are telecommunication, bus services and fast foods.

4.1 The role of service typology in affecting EI and knowledge sharing

Although there is evidence that EI enhances TKS among team members, the service type moderates this linkage. In professional service, TKS is crucial to achieving team effectiveness. Service providers engage in extended

interactions with the customers, using personal judgment and discretionary in providing customized service to the customers. Therefore, there is a demand to share their personal experiences so that others can follow their success efforts (Weiss, 1999). Having high EI, professional service providers are able to put aside their personal interest for the sake of team effectiveness by sharing their personal experiences dealing with the customers with co-workers. However, in service shops, since the services are more standardized and less interaction, EI abilities are moderately needed. Similarly, TKS although important, it is not as critical as in professional service. TKS together with conformance to standard operating procedures (SOP) may contribute to team effectiveness. Usually, there are some guidelines stipulated by the management of how the team should work together. However, having high EI is encouraged so that TKS can be enhanced to achieve team effectiveness. In mass service, the employees are offering standardized and routine services with minimum interaction with others. Although working in team is encouraged, the management has already determined every aspects of team to function effectively. Rules and regulations are established, roles and functions of members are predetermined, and methods are fixed. Therefore, in mass service, because of structured team role, the need for EI is the least significant for the employees to achieve effective team role. Similarly, TKS is not important since the nature of work does not require employees to learn from others' personal experience. Therefore, the following proposition is formed:

Proposition 3: The influence of EI on TKS among team members is moderated by service types. It is high in professional service, moderate in service shop and low in mass service.

It is proposed that EI enhances TKS as a result of employees' willingness to engage in voluntary behaviors (Tschannen-Moran & Nestor-Baker, 2004). Again, the relationship is moderated by types of services with which the employees are associated. In professional service, since the service is customized, dependent on employees' discretion and judgment, having high EI abilities will significantly contribute to OCB. Employees with high EI abilities are able to align their needs and organization needs and able to anticipate their future with the organization. Besides, they are able to see others' work related problems and are willing to offer their help (Abraham, 1999). Therefore, EI is crucial in fostering TKS in professional service setting. In service shops, since the services are more standardized and less interaction with the customers as well as other employees, going above the call of duties e.g., helping others and promoting the company may produce better outcomes but not as significant as in professional service. However, service providers with high EI are willing to involve in TKS when required. In mass service, offering standardized and routine service does not significantly require employees' discretion and judgment as well as extended interaction with others. Therefore, EI role is the least significant in helping the employees to perform well as suggested by Zapf (2002) that doing "object-related work" does not require effective emotion management. Besides, going above the call of duties, sharing tacit knowledge, for example, is the least significant in mass service. Conforming to the SOP is the norms. For that reason, the following proposition is recommended.

Proposition 4: The influence of EI on TKS through the employees' willingness to engage in pro-social behaviors (OCB) is moderated by service types. It is high in professional service, moderate in service shop and low in mass service.

Figure 1 below illustrates the proposed relationships between EI and TKS and the effect of mediators – team affiliation, and OCB, and moderators – service types (professional service, service shop and mass service).

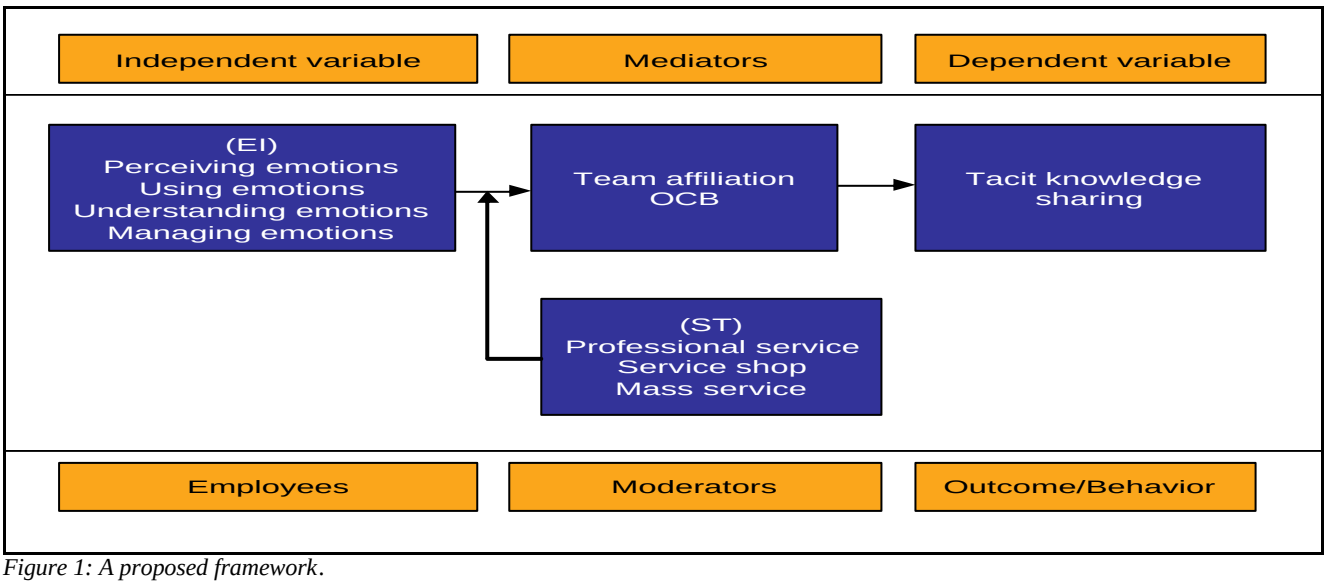

Figure 1: A proposed framework.

5.0 CONCLUSION

TKS is a dynamic process as it depends on individual' attributes and social relationships. Besides, based on the nature of services (e.g. standardization versus customization), it is critical in professional service, moderate in service shop and the least significant in mass service. In professional service, having a successful TKS requires high EI abilities among service providers through effective interaction in team and through employees' engagement in pro-social behaviors.

5.1 Managerial Implication

There are three aspects of HRM that require managerial attention; training, performance appraisal and compensation systems (Salleh & Goh, 2002). Training should not only focus on certain aspects of development such as leadership skills and change management, creativity, problems solving skills and quality initiatives, but more importantly on the grass root development – EI abilities development, especially group EI (Druskat & Wolff, 2001) in professional service. Performance appraisal is needed to rewards employees successful efforts but not to punish the failures in order to encourage them to optimally unleash their potential. Management should incorporate the element of forgiving in order to encourage KM practices. In addition, performance appraisal should not come from a single source but should be based on multiple sources such as external customers, internal customers and of course supervisors to reduce bias associated to measurement. Compensation system should reward risk-taking attitude in order to promote creativity and should stress on group-based compensation to stimulate knowledge exchange and sharing within group members.

5.2 Research Implication

The paper is meant to bring together the works on EI and KM into a cohesive framework of how EI can facilitate TKS in service organizations especially professional service. Future research should focus on testing the propositions developed in this paper. Besides, several factors such as leadership, organizational culture and personality traits of service providers should be reviewed since it is understood that these factors may have significant influences on knowledge sharing practices in organizations.

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