

Reward System and Leadership Role as Key Factors Influencing Knowledge Sharing Behavior among Academicians in Iran: An Empirical Study

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ABSTRACT

The purpose of this study is to present and tests the two key factors (intrinsic reward and leadership style) of knowledge sharing behavior among academician in Iran. A survey was designed with lecturers in the 10 of best university from Tehran, Shiraz, Mashahd and Esfehan. The results of the study show that reward system, leadership role are the two key factors which influencing the knowledge sharing behavior in the university. Implications from the findings are forwarded.

Keywords

Knowledge sharing, Behavior, leadership role, reward system, demographic of academics, Iran

1.0 INTRODUCTION

In last decade's knowledge has been recognized as the most valued asset in the emerging competitive environment that individuals and organizations are starting to understand and appreciate it. Knowledge is a powerful tool, which can make changes to the world. Therefore, knowledge sharing has been identified as crucial process to the management of knowledge in organizations (Brown & Woodland, 1999; Weiss, 1999). Knowledge sharing is the contributions by individuals to the collective knowledge of an organization that is gradually more accepted as an important research topic. Within an organization, knowledge in the form of various job-related documents, organizational rules, working procedures, personal experience, and know-how is often shared among employees (Hansen, 2002; Mc Dermott & O'Dell, 2001).

In developing countries like Iran knowledge sharing in educational institutions plays a key role in knowledge management since an individual's knowledge will not have much impact on the organization unless it transfers to other individuals

(Nonaka & Takeuchi, 1995). Today education is a subject with the pressure of the marketplace. Universities and other higher education institutions are recognized to be in the knowledge business, and increasingly they are exposed to marketplace pressure in a similar way to other business (e.g. Goddard, 1998). The educational markets are becoming global as universities attempt to internationalize their curricula and offer high quality programs to students regardless of location (Kimble & Adisorn, 2002).

Are the concepts of knowledge management applicable to colleges and universities? Some would argue that sharing knowledge is their *raison d'être*. If that is the case, then the higher education sector should leverage knowledge to innovation, improve customer service, or achieve operational excellence. Knowledge management is a new field, and experiments are just beginning in higher education.

The two Ministries responsible for post-secondary education in IRAN are the Ministry of Culture and Higher Education and Ministry of Health and Medical Education. However, the Ministry of Education also has jurisdiction over some post-secondary programs such as primary and guidance teachers training colleges and higher institutes of technical and Vocational Education. The higher educational system of Iran is centralized and, all training and development decisions for academic staff are made at the central level and then sent to universities for fidelity implementation. According to Iranian academic Mehralizade (2007), Iran's Ministry of Science, Technology, and Research has decided to change the organizational structure of universities to ensure that they carry out the mission and strategy of decentralization and innovation in response to shifts in the human environment and the need of individuals to grow, learn, and revise their behavior. Therefore, the purpose of this study is to understand the leadership role and reward system as key factors that influence knowledge sharing behavior among academics in Iran.

2.0 KNOWLEDGE SHARING

KS is important by moving knowledge that resides with individuals to organizational level, that it is converted into economic and competitive value for the organization (Hendriks, 1999). the creation of an organization's knowledge base requires a process of mutual perspective in that distinctive individual knowledge is exchanged, evaluated, and integrated with others in the organization (Boland & Tenkasi;1995 p.358) with four major mechanisms: (1) contribution of knowledge to organizational databases; (2) sharing knowledge in formal interactions within or across teams or work units; (3) sharing knowledge in informal interactions within individuals; and (4) sharing knowledge within communities of practice, which are voluntary forums of employees around a topic of interest (Bartol and Srivastava (2002)) . However, in practice, the lack of knowledge sharing is a major barrier to the effective management of knowledge in organizations (Davenport & Prusak, 1998; Hendriks, 1999). Here, we define knowledge sharing as activities of transferring or disseminating knowledge from one person, group or organization to another. This definition includes tacit knowledge, that is personal, context specific, and therefore hard to formalize and communicate, and also explicit knowledge that is transmittable in formal, systematic language (Nonaka& Takeuchi, 1995).

Evidence suggests that knowledge sharing is critical to organizations (e.g., Davenport & Prusak, 1998; Hendriks, 1999). Problems occur when there is ineffective utilization of knowledge because of communication breakdowns or knowledge hoarding, or when knowledge is lying in some report buried in the organization's archive. So the knowledge is clearly not being used to maximum potential

A lack of incentives is an obstacle to knowledge sharing, as people are reluctant to share without recompense either in the short or in the long term (Davenport, 1997). Soo et al. (2002) agree that a lack of incentives is an obstacle to knowledge sharing. Not only incentives, but the right type of them is very important. Incentives based on individual performance, as opposed to team performance, do not foster knowledge sharing (Arora, 2002; Soo et al., 2002).

3.0 REWARD SYSTEM

Rewards could range from monetary incentives to non-monetary awards. Bartol and Locke (2000) identified several important aspects of organizational reward systems that are useful for motivating individuals to perform the targeted

behaviors.. Deci et al. (1999) found that reward contingent had an overall negative effect on free choice behavior, but no effect on individual's interest in the task.

Numerous studies argued that the presence of a reward system is critical for the success of knowledge sharing in an organization. Bartol and Srivastava (2002) found a positive relationship between rewards and knowledge sharing. Further, Bartol and Srivastava (2002) argued that the system of contribution knowledge to databases is the most willing to reward contingent on knowledge sharing behaviors because of opportunities for the reward allocator to measure the knowledge sharing behaviors.

Hall (2001) proposes that implicit rewards like reputation and status are exchange resources that support knowledge exchanges. O'Dell and Grayson (1998) argue that the failure to reward learning and knowledge transfer acts as a hurdle to knowledge transfers. In line with the psychology of learning literature (Skinner, 1938), which require that in order to shape behavior one needs to positively strengthen the desired behavior and negatively strengthen the undesired behavior, the above authors propose that to encourage knowledge sharing or transfers, an organization needs to reward the positive behavior of learning and sharing, and not reward the nonconductive behavior of hoarding or owning knowledge.

H1: Intrinsic Reward has a positive effect on the knowledge sharing behavior in higher education institutions.

4.0 LEADERSHIP

Leadership is kind of a challenge for anyone that it's huge responsibility and the actions needed in order to realize the good intentions to become a good leader. A good leader today has these things in common: 1) he has the ability to inspire and stimulate others, 2) leadership is a relationship between the leader and his group and 3) leadership is about managing and developing resources in order to fulfill goals but also about communicating and sharing experience and knowledge. Leadership can be defined as: influence others to work willingly to follow the leader in achieving the leader's goals (Dessler, 2001). It is the process of inspiring others to work hard to accomplish important tasks. It builds the commitment and enthusiasm needed for people to apply their talents to help accomplish plans (Schermerhor, 2002). Exploring the role of leadership styles is important to our understanding of leaders and organizations in converting knowledge into competitive advantages. Only recently have researchers begun to focus on the links between leadership and either knowledge

management (Lakshman, 2007) or organizational learning processes (Berson et al., 2006)

Scott (2003) argues that more and more leadership theories and literatures provide a foundation for understanding how leaders impact the development of knowledge and knowledge transfer. "Exploring the role of leadership styles in converting knowledge in competitive advantages is important to our understanding of leaders and organizations" (Scott, 2003, p.32). Effectively leading organizational knowledge processes is essential to achieving and sustaining a competitive advantage. Leaders will have to play an important role in establishing some of the key conditions required to facilitate knowledge transfer. They have a major influence on the organizational culture and the support conditions needed for knowledge sharing. Leaders will have to show a willingness to share information and knowledge freely and to seek it from others in the organization. They have to convey the attitude that knowledge to solve organizational problems and improve the organization's effectiveness can exist at any level of the organization and not exclusively in the upper levels of the hierarchy. Such an attitude creates an environment of trust, and influences attitudes throughout the organization about information sharing and collaboration.

Effective leaders play facilitator and mentor roles in the human relations model, aiming to foster social interactions. Facilitators emphasize group harmony and consensus and invigorate interpersonal relationships to minimize conflicts and involve employee participation in problem-solving and enlarging organizational resources. Managers as mentors assist subordinates to develop job-related competencies with empathy and consideration. Stewart and Carpenter-Hubin (2001) and Townley (2003) categorize KM production in terms of the leadership's ability to direct the staff and faculty towards the university's vision for adaptive changes. Stewart and Carpenter-Hubin stated that the strength of a KM planning process in an academic community is linked to the community's support for a shared vision and common goals. Townley also emphasized that the role of university leadership must evolve from traditional bureaucracy to one of managers, mentors and facilitators who encourage knowledge sharing and knowledge discovery.

H2: Leadership style has a positive effect on the knowledge sharing behavior in higher education institutions.

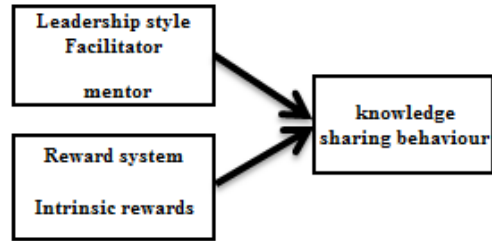


Figure: 1 the determine of key factors influencing knowledge sharing

5.0 METHODOLOGY

The population of this survey is the lecturers in the best universities of Iran. The survey was distributed to the faculties. A convenience sampling method was used to gather the data as getting a list from the university was deemed not possible. Care was taken to get responses from lecturers of different faculties. Only 126 lecturers responded to the survey questionnaires which were distributed through hard copy and soft copy (through e-mails). A structured questionnaire was used to collect the data. The questions were adapted from measures that have been validated by other researchers. The questionnaire was distributed to 1000 respondents but only 127 responded. Out of the 127 responded 1 responded with incomplete data and were eliminated leaving 126 respondents.

6.0 GOODNESS OF MEASURES

To assess goodness of measures we used the inter item Cronbach coefficient as suggested by Nunnally (1978) the Cronbach alpha values should be above the cutoff value of 0.70 to be acceptable. The alpha values for the variables were leadership style (0.80), Intrinsic Rewards (0.74) and knowledge sharing behavior (0.70). All values were above the 0.7 value suggested as such we can conclude that the measures used are reliable.

7.0 FINDINGS

A total of 127 questionnaires were received at the end of the data collection process. Based on the initial expectation of 220 respondents. The respondent profile was analyzed from 5 aspects namely the gender, marital status, academic position, years of experience.

Table 1: Demographic characteristics of the sample

Gender	
Male	(77.3)
female	(21.1)
Marital status	
Married	(88.3)
single	(10.2)
Academic Position	
Professor	(18.0)
Associate professor	(73.4)
Senior lecturer	(8.6)
lecturer	(0.8)
Years of experience	
Less than 5 years	(18)
5-10 years	(30.5)
11-20 years	(35.9)
More than 20 years	(14.1)

Table 2: Mean and Standard deviation of the study variables and Pearson correlation for variable of study

VIR	MEA N	ST D	N	KS	LSM	LSF	I R
KS	5.787 4	0.6 0	12 5				
LS	5.123 9	1.2 9	12 5	0.289*			
LSF	4.746 4	1.1 1	12 5	0.001	0.520*		
IR	4.804 6	0.8 8	12 5	0.341*	0.192*	0.02 7	

Note: $p < .001$ *

Note: leadership style and intrinsic rewards was measured on a 5-point Likert scale

Knowledge Sharing Behavior was measured on a 7-point differential scale

To test the hypotheses formulated we used the regression analysis. The assumptions of the analysis were first ascertained before the final interpretation was done. The results are presented in Table 3.

Table 3: Regression for knowledge sharing behavior determine

Variable	standardized B	t-value
Knowledge sharing Mentor	0.326	3.202**
Intrinsic rewards Facilitator	0.283 -0.176	3.260** -1.760
R	0.437	
R Square	0.191	
Adjusted R Square	0.169	
F	8.796**	

* $p < 0.01$ $p < 0.05$

The results shows an R^2 value of 0.191 indicating 19.% of the variation in behavior to share can be explained by Leadership style and Reward system and the model is significant ($F = 8.796$, $p < 0.01$). Leadership style mentor was positively related to knowledge sharing behavior ($\beta = 0.326$, $p < 0.01$) and so was Intrinsic Reward ($\beta = 0.283$, $p < 0.01$). Thus H1 of this study was fully supported and H2 partially supported.

8.0 DISCUSSION

8.1 Leadership style and KS

The results show that there was a positive relationship between leadership towards knowledge sharing behavior. This result was consistent with previous works of other researcher's leadership practice (Connelly & Kelloway, 2003; Kelloway & Barling, 2000.). In particular, Barua et al. (1997) argued that permanence and benefit sharing were important practices for knowledge sharing.

Leadership has been discussed by Kelloway and Barling (2000), such that they argued that transformational leadership is key for successful knowledge management initiatives. Connelly and Kelloway (2003) also discussed management; more specifically, they studied and found that perceived management support for knowledge management initiatives is an important predictor of people's normative perceptions of knowledge sharing.

A dominant approach in leadership research during recent years falls within the "New Leadership" domain, which is largely based on initial work by Burns (1978) and House (1977). On this basis, Bass (1985) developed the theory of transactional and transformational leadership. Along with a visionary approach and an analysis of the charisma phenomenon (Steyrer, 1998), transactional and transformational theory serves as the basis for a substantial portion of "New Leadership" research. Two important authorities on leadership are Bass (1985) and Burns (1978). Burns (1978) make a distinction between transactional and transformational leadership. Transactional leaders make motivation for followers through exchange; for example, accomplishing work in exchange for rewards or preferences. Transformational leaders have great consider to interacting with followers to create organizational collectivity. Based partly on the models of Burns and Bass, Quinn (1988) draws his challenging Values Framework. An 'internal-external' dimension and a 'flexibility-control' dimension. Between these dimension, facilitator and mentor roles in the human relations model, aiming to foster social interactions. Facilitators emphasize agreement and stimulate interpersonal

relationships to minimize conflicts and involve employee participation in problem-solving and enlarging organizational resources.

8.2 Reward system and KS

Hall (2001) and O'Dell and Grayson (1998) argued that employee rewards for correct behavior were also very important for knowledge sharing. Hall (2001) proposes implicit rewards like reputation and status are exchange resources that support knowledge exchanges. O'Dell and Grayson (1998) argue that the failure to reward learning and knowledge transfer acts as a hurdle to knowledge transfers. In line with the psychology of learning literature (Skinner, 1938), which require that in order to shape behavior one needs to positively strengthen the desired behavior and negatively strengthen the undesired behavior, the above authors propose that to encourage knowledge sharing or transfers, an organization needs to reward the nonconductive behavior of hoarding or owning knowledge.

9.0 CONCLUSION

It is hoped that this research would be able to provide some insights about some factors encourage sharing. As has been shown in this research, intrinsic reward is an the important factor. Leadership is also found to be important so top management should always emphasize the need for knowledge sharing so we hope our paper is interpreted as a call for future empirical research in knowledge sharing because the current evidence on the role of rewards is mainly anecdotal and our knowledge of this field would be substantially enriched by additional empirical results.

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