

Tacit Knowledge Sharing in Organizational Knowledge Dynamics

Bratianu, C., Orzea, I., Academy of Economic Studies, Bucharest, Romania

ABSTRACT:

The purpose of this paper is to analyze knowledge sharing as a core component of the organizational knowledge dynamics, and to present some specific organizational barriers in the Romanian business environment. Tacit knowledge represents the direct result of the interaction between the individual and the external environment. It is the knowledge acquired through direct experience, comprising also feelings, intuitions, beliefs and cultural values. Tacit knowledge has become the central piece of attention of knowledge management, since managers recognized that it is a core component of the organizational knowledge dynamics. Tacit knowledge sharing contributes directly to enhancing knowledge creation and to obtaining a competitive advantage in the business environment. However, tacit knowledge sharing may have many organizational barriers, especially in those new economies developed in the former socialist countries. We based our research on the Romanian companies, since our country suffered from a dictatorial socialism regime. Our research demonstrates that the organizational culture developed during the socialism regime has been based on fear, individual control, mistrust and a dictatorial managerial style. People were always controlled and kept under close observation by the state, this inducing a constant tension in them and fear of expressing ones beliefs. Having in mind the background of the Romanian's culture and the requirements of a successful process of knowledge sharing our research aims at identifying the barriers that employees are faced with in sharing their knowledge and propose solutions to overcome these and improve the process of knowledge sharing within the Romanian business environment.

Keywords: *Knowledge dynamics, Knowledge sharing, Organizational barriers, Tacit knowledge, Trust*

Introduction

Knowledge management has emerged as a “hot” topic nowadays even if its value has been long acknowledged by managers, as Peter Drucker (2001) stated in his book *Management Challenges for the 21st century* “those who wait until this challenge indeed becomes a ‘hot’ issue are likely to fall behind, perhaps never to recover.” A successful manager knows that not the buildings, market value or the products are those that make a differentiation but the people, their knowledge. These are the main sources of competitive advantage that a company can rely on. The value proposition of knowledge management is now stronger than ever, and cannot be looked upon as a rare competitive differentiator, but the only differentiator.

A concept that gained in importance in the last years, with the development of the *Intellectual Capital* and *Knowledge Management* fields of research is *knowledge*. Defining *knowledge* is not an easy job because it is one of those concepts that don't have a universal definition; different authors approach the concept in different perspectives and from different angles, resulting in multiple definitions. It can be looked upon as the processing of information with the main purpose of gaining understanding of the events occurring in the surrounding environment. It is a concept deeply influenced by the personality of the holder, its beliefs, attitudes and culture. Knowledge consists of information, technology, know-how and skills. Value and sustainability are created from the integration of these resources better than competitors (Endres et al, 2007). Knowledge cannot be substituted or imitated, hence the key strategic asset resource character. Managing knowledge means to create an environment within the organization to facilitate the creation, transfer and sharing of knowledge (Bratianu, Vasilache, 2009). The most discussed activity in the process of knowledge management nowadays is knowledge sharing (Al-Alawi et al, 2007). Why the importance of knowledge sharing activities? Knowledge abounds in organizations, but its existence does not guarantee its use. And thus knowledge sharing leads to faster knowledge connection with portions of the organization that can greatly benefit from this new knowledge (Davenport, Prusak, 2000). Except the procedures, documents and repositories (explicit knowledge) most of an organization's knowledge resides in people's heads (tacit knowledge), which is not easily accessible to others. The limited accessibility of knowledge makes people recognize the importance of the knowledge accumulated by employees, which forms invaluable organizational capital. This made Nonaka and Takeuchi (1995) recognize that sharing tacit knowledge among multiple individuals with different backgrounds, perspectives and motivations is a critical step for the organizational knowledge creation to take place.

When sharing and transferring knowledge is important, one should be aware of the knowledge purpose, use and needs of the person to whom this knowledge is transferred to. This implies that not all employees need to share knowledge because it would not apply or re-use it. Involving the entire organization in the process of knowledge sharing is not useful unless all the employees work with and apply the knowledge that they receive. The studies (Reige, 2005) showed that knowledge sharing activities have not accomplished their objectives to manage companies' knowledge assets and skills due to a large diversity of potential sharing barriers. The purpose of this paper is to analyze knowledge sharing as a core component of the organizational knowledge dynamics, and to present some specific organizational barriers in the Romanian business environment.

Why The Focus On Sharing Tacit Knowledge?

Among the first studies of knowledge was the one of Michael Polanyi (1983), admitting that "*we can know more than we can tell*". With the help of experiments he was able to demonstrate the existence of more types of knowledge that the human possesses - the tacit knowledge and the explicit knowledge. There is the explicit knowledge, that can be described in formal language (manuals, expressions, procedures, repositories), the "know-what"; and there is the tacit knowledge, the knowledge that cannot be easily transmitted and expressed. Tacit knowledge represents

the direct result of the interaction between the individual and the external environment. It is the knowledge acquired through direct experience, comprising also feelings, intuitions, beliefs and cultural values. An explicit integration cannot replace its tacit counterpart. For example, the skill of a driver cannot be replaced by thorough schooling in theory. Tacit knowledge forms part of all knowledge (Polanyi, 1983, p. 20). Hence, if explicit knowledge can easily circulate within the organization, the limited access to tacit knowledge raised the interest of the organization to develop strategies for employees to bring their tacit knowledge into the equation. The principle equation is: better and purposeful sharing of useful knowledge translates into accelerated individual and organizational learning and innovation through the development of better products that are brought faster to a target market, thus enhancing market performance. So, the main challenge for companies sharing practices is to protect and maximize the value derived from tacit knowledge held by employees, customers and stakeholders (Reige, 2005).

Organizational knowledge is first acquired at the individual level, and effective transformation of knowledge from the individual to the organizational level is essential for knowledge to become the basis for organizational capability (Endres et al, 2007). *“In contrast to individual knowledge, organizational knowledge is highly dynamic: it is moved by a variety of forces. If you want knowledge to move and be utilized more effectively, we need to better understand the forces that drive it”* (Davenport, Prusak, 2000, p. 25). All these forces came under the name *integrators* (Bratianu et al, 2007). An integrator is a powerful field of forces capable of combining two or more elements into a new entity, based on interdependence and synergy. The integrators proposed by the authors are management and leadership, mission and vision, technology and processes, organizational culture. But what happens when these forces (integrators) don't move in the right direction, and don't act as integrators but as disintegrators. In this case they form barriers to the transformations organizational knowledge undergoes.

For more than forty years Romania formed part of the Communist bloc. During this period the mentality of Romanian citizens has undergone multiple changes. The economy, the value system and the beliefs were also affected by the changes. The rights and people's freedom were severely affected. Control over society became stricter and stricter. The very idea of being controlled induced a permanent tension in people and created an organizational culture based on fear (Bratianu, Vasilache, 2009). Changing the political regime faced Romania with another wave of changes, and once again the country was not prepared to make the switch from socialism to capitalism. The Government took economical and political decisions based on their historical and cultural traditions. Unfortunately these changes were faced by powerful inertia forces. When changes take place in the society the formal rules change but the informal constraints are still present for a long period of time. The same happens with the cultural values of people and the inertial thinking pattern, which cannot be changed overnight (Bratianu, Vasilache, 2009).

There is a widespread agreement that knowledge assets are difficult to replicate and that they are fundamental sources of competitive advantage in open economies. The advantage of companies seems to be increasingly predicated on the ability of

identifying and sharing knowledge so that the company can exploit it (Teece et al, 1997). Research in the field of knowledge sharing and transfer (Szulanski, 1995; Szulanski, 1996; Jensen, Szulanski, 2004) indicates that the process of sharing and transferring knowledge is a very difficult, sticky one. Szulanski (1995) introduced the concept of *stickiness* in knowledge transfer in order to underline the difficulty of transferring knowledge. Stickiness is seen as an important determinant of the degree of diffusion and utilization of superior knowledge and more broadly the ability of a company to grow and prosper by replicating existing assets and capabilities (Szulanski, 1995). Therefore the importance of exploring the factors of increasing or decreasing the stickiness when sharing knowledge, within an organization. With the help of a study undergone on major companies operating worldwide, Szulanski (1995, 1996) proved the intrinsic and the extrinsic origin of stickiness when talking about knowledge sharing and transfer.

In the process of knowledge sharing (transfer), aspects such as, trust, common cultures, vocabularies, frames of reference, meeting times and places, broad ideas of productive work, status and rewards that do not go to knowledge owners, absorptive capacity in recipients, the belief that knowledge is not the prerogative of particular groups, absence of the “not-invented-here” syndrome, and tolerance for mistakes or need for help, among others, are key to the organizational culture (Davenport, Prusak, 2000). Only by combining these factors the company will develop a good environment of knowledge production and sharing between the employee and managers (Hofstede, 2000).

Knowledge sharing is thought to be influenced by factors both at the individual and at the organizational level. At the individual level some of the factors that could enhance knowledge sharing are the trust level in co-workers, whether or not the negative prior experiences with knowledge sharing have influenced the willingness of the employee to share his or her knowledge and last but not least the intrinsic motivation of the employee. Most people are unlikely to share their knowledge and experience without a feeling of trust in the person in front of them, they need to trust that the people will not misuse their knowledge, and to trust that the information that one receives is accurate and credible due to the information source. The level of trust that exists between the organization, its subunits, and its employees greatly influences the amount of knowledge that flows both between individuals and from individuals into the firm’s databases, best practices achieves and other records (De Long , Fahey, 2000). Knowledge is power and can lead to inequalities in status. Sharing one’s knowledge can lean to a perceived lack of job security. People can regard sharing their knowledge and experience as weakening their corporate position, their power within the company. There often is present in a working environment the fear among people that sharing their knowledge reduces their job security because they are uncertain about the intent of the people to whom they share their knowledge to. In a company can also be present employees that intentionally take ownership of their knowledge and experience so that they receive recognition from colleagues and peers. All these behaviors can be considered as hoarding the process of knowledge sharing and thus they become barriers in an effective knowledge sharing process.

At the organizational level possible factors are linked to rewarding systems related to knowledge sharing, the organizational communication process and the willingness of the company to invest in its employees. Incentives and rewards are used in companies to optimize employee performance and amplify competitive instincts. Even if some authors (O'Dell, Grayson, 1998) have argued that the introduction of rewards systems rarely has an effect on the corporate culture and it does not enhance knowledge sharing because the process needs to be a natural one, the managers cannot base only on the willingness of their employee to share their knowledge and experience. The use of recompenses, encouragement, stimulations or incentives of any kind can help managers transform the organizational culture into a knowledge-sharing oriented one. Another way to help managers to increase the sharing of knowledge into the organization is to introduce knowledge sharing as a performance criterion. Organizational culture determines the degree of interaction used to accomplish work. Knowledge sharing should be integrated into the existing values and the overall style of the organization to reach a high level of interaction, rather than changing the organizational culture to fit the knowledge sharing goals (Reige, 2005). Developing an organizational culture that has as main focus interaction among people, which is rewarded and recognized, and that sees people as valuable assets, in which it invests, can increase the degree of knowledge sharing within the company.

The main objective of the research is to see the impact of the factors enhancing knowledge sharing (both at the organizational and at the individual level) on an inertial organizational culture. Can they be considered barriers to knowledge sharing in an inertial organizational culture? Is there still inertia of the Romanian companies in terms of knowledge sharing and cooperating?

Research Hypothesis And Methodology

In order to answer all the questions raised above the following hypotheses were formulated:

H₁: There is a positive impact of factors at the individual level (trust, prior experience to knowledge sharing and intrinsic motivation) in relation to knowledge sharing in a given organizational culture.

H₂: There is a positive impact of factors at the organizational level (rewarding systems, communication process and the willingness of the company to invest in people) in relation to knowledge sharing in a given organizational culture.

In order to test the research hypothesis the quantitative research was approached. This research was undergone with the help of a survey. The questions were designed to assess knowledge sharing according to each respondent's opinion and perception regarding the six independent variables (trust level, personal experience, intrinsic motivation, rewarding system, organizational communication, employers willingness to invest in its employees) in close relation to the dependent variable (knowledge sharing in their organizational culture). In order to assess the accuracy of the measurement the variables were extracted solely from the literature, from the previous

research of authors such as Nonaka and Takeuchi (1995), Davenport and Prusak (2000), Reige (2005).

The first part of the survey's questions was dedicated to identifying the respondent's details (age, gender, educational level, position within the company) that might be influencing factors for the dependent variable. Independent variables were measured by obtaining the respondents level of agreement with the existence of the indicators in their work environment. In order to measure their level of agreement a Likert scale was used, ranging from 5=totally agree to 1=totally disagree.

A total of 330 questionnaires were distributed to both public and private companies. In order to obtain as much as possible an objective answer to the inertia of the organizational culture in terms of the selected factors the respondents were youngsters, not educated in the old socialist regime, but that work in an organizational culture which is believed to still have a certain degree of inertia. The rate of response was 76.3 percent (229 questionnaire received back). The results were analyzed with the help of Statistical Package for Social Sciences (SPSS) version 17.

Analysis Results

The first step of the analysis was to use factor analysis (with principal components extraction) in order to investigate whether these thirty statements represent identifiable factors. The measure was initiated with the assumption that all variables are correlated to some extent. Therefore, those variables that share similar underlying dimensions should be highly correlated, and those variables that measure dissimilar dimensions should yield low correlations.

Table 1: KMO And Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.815
Bartlett's Test of Sphericity	Approx. Chi-Square	1999.438
	df	435
Sig.		.000

The Bartlett's test of sphericity can be used to test for the adequacy of the correlation matrix. The null hypothesis in case of Bartlett's test is that the correlation matrix is an identity matrix, meaning that all the diagonal terms are 1 and all off-diagonal terms are 0. In the present analysis the Bartlett's test of sphericity yielded a value of 1999.438 and an associated level of significance smaller than 0.001. Thus, the hypothesis that the correlation matrix is an identity matrix is rejected; the correlation matrix has significant correlations among at least some of the variables.

Examining the number of common factors extracted, and their associated eigenvalues, the percentage of variance accounted for by each factor and using the criterion of retaining only factors with eigenvalues of 1 or greater, nine factors were retained for rotation. Table 2 presents the percentage of each factor accounted in total variance.

Table 2: Total Variance Explained

Component	Initial Eigenvalues		
	Total	% of Variance	Cumulative %
1	6.999	23.331	23.331
2	2.622	8.740	32.071
3	2.207	7.356	39.427
4	1.554	5.178	44.606
5	1.320	4.401	49.007
6	1.197	3.989	52.996
7	1.119	3.729	56.725
8	1.052	3.505	60.230
9	1.001	3.336	63.566

The screen plot (Figure 1) suggests also a nine-factor solution.

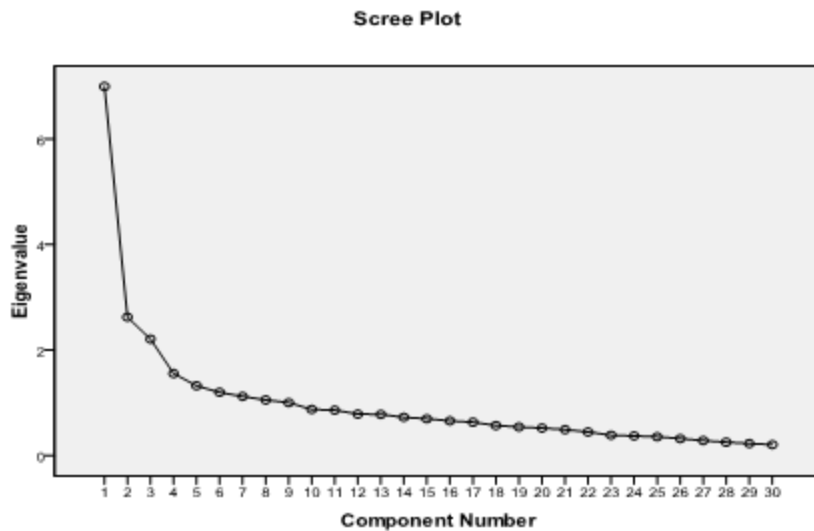


Figure 1: Screen Plot

Analyzing the component matrix after varimax rotation led to the identification of the nine factors. In order to do that it would be necessary to consider what items are loaded on each of these factors. Factor 1 contains eight items. An inspection of these items shows that the majority of these items reflect *prior experience with knowledge sharing* (e.g. sharing knowledge at work was never used against me; I feel safe to share my knowledge with the colleagues because I consider them well-intentioned; experience taught me that it is a good thing to promote total transparency of my thoughts and knowledge). Factor 2 contains five items that clearly reflect the importance of *willingness of the company to invest in employees* (e.g. the company treats with respect

ideas, opinions and experiences diversity; the company invests in the continuous development of the employees). Factor 5 can be introduced in the same category as Factor 2, that of the importance of employee development. Factor 3, 4 and 7 denote the *importance of organizational motivational systems* (e.g. knowledge sharing rewarding system is efficient in employee's motivation; knowledge sharing is a criterion in performance evaluation process). Factor 6 signals the *importance of communication within the organization* (e.g. face to face interaction among employees is frequent; the company has special places where employees can meet and have open, informal conversations). Factor 8 is closely related to *intrinsic motivation* (e.g. I feel useful when I share my knowledge with my colleagues; keeping knowledge to myself does not provide me with any special advantage up against my colleagues). And the last factor, Factor 9, reveals the *importance of trusting the other party when sharing knowledge* (e.g. I trust my colleagues that they will not use the knowledge that I share in their favor; I trust the knowledge and pieces of advice that come from my colleagues). The combination of factors is purely a subjective decision, aimed at reducing the number of extracted factors to a smaller, more manageable, and ultimately more meaningful set of factors. Given that the present factor structure appears to be represented by six dimensions of knowledge sharing motives (Trust, Prior Experience, Intrinsic Motivation, Organizational Motivational systems, Organizational Communication system and Personal Development), it was decided to rerun Factor Analysis, stipulating the extraction of only six factors. This six-factor model represents the combination of the nine original factors, and appears to reflect adequately the underlying factor structure of the 30-item knowledge sharing inventory.

The reliability of a measuring instrument is defined as its ability to consistently measure the phenomenon it is designed to measure, thus the importance of measuring the consistency of the factors determined. The internal consistency of the factors should be tested to ensure the reliability of the factors. Cronbach's Alpha for the first factor is 0.73, which indicates high overall internal consistency among the items representing the first factor.

Descriptive analysis provides a description of the data gathered. The variables *Gender, Age, Educational level, Industry in which the company is active, Position within the company and Number of years worked for the company* are nominal (categorical) variables, and, as such, their mean, median, and standard deviation statistics are not meaningful, but still can provide the viewer with a description of the general background of the respondents. The remaining variables are measured at the ordinal level and, as such, their mean, median, and standard deviation statistics can be interpreted.

Out of the total number of respondents the dominant majority were women (62.4 percent). The results of the analysis show that the 229 respondents in the survey have their mean age included in the 20-24 years interval, consistent with the target of the research. Concerning the educational level of the respondents 62.4 percent of them has graduated a university, while 34.5 percent have finished or are currently undergoing masters programs. From the companies' analysis point of view 59.8 percent of the companies studied have as object of activity rendering of services. The first independent variable analyzed in terms of descriptive statistics is trust level among

coworkers. This variable was analyzed in terms of the answers given to the 5 statements related to trust from the survey. The overall mean concerning trust level among coworkers was 3.38, meaning that most of the employees are somehow indifferent with a tendency to agreeing that trust is important when it comes to sharing one's knowledge and experience.

Table 3: Trust Variable Components Descriptive Statistics

		Trust my colleagues	Keeping the knowledge to myself	Company interest towards me	Jeopardize position within company	Not letting to live saying
N	Valid	227	228	225	227	228
	Missing	2	1	4	2	1
Mean		3.15	3.51	3.17	3.88	3.20
Median		3.00	4.00	3.00	4.00	3.00
Mode		3	4	3	4	3
Std. Deviation		1.070	1.200	1.023	.897	.991

The prior experience had with knowledge sharing was also analyzed in terms of the statements in the survey designed to give us an understanding of this variable. Again as in the case of trust level among coworkers the overall mean of this variable states certain level of indifference with higher level of tendency towards agreeing (the overall mean = 3.41). If in cases of the two variables studied above there was a slight tendency towards agreeing with the importance of the variable in knowledge sharing availability in case of intrinsic motivation the tendency towards agreeing with the statements is highest so far from the variable designed to study the individual availability to share knowledge and experience at the work place (intrinsic motivation has a mean of 3.61). An interesting aspect concerning intrinsic motivation is the fact that 88.7 percent of the respondents agreed that they feel useful sharing knowledge with their colleagues being indifferent to agreeing to share their knowledge only if their coworkers do the same (mean = 2.99, where three on the scale was neither agree, nor disagree).

Table 4: Intrinsic Motivation Components Descriptive Statistics

		I feel useful	Good deeds saying	Sharing only if colleagues do	Colleagues appreciation	Knowledge sharing generosity
N	Valid	229	226	228	228	228
	Missing	0	3	1	1	1
Mean		4.27	3.59	2.99	3.54	2.71
Median		4.00	4.00	3.00	4.00	3.00
Mode		4	4	3	4	3
Std. Deviation		.802	1.072	1.037	.841	.936

Analyzing the situation in terms of organizational factors influencing knowledge sharing, the first factor is organizational motivational system. The overall mean in

terms of organizational motivational system is 3.31 showing the influence of this factor in the knowledge sharing process. For the statements asked to be ranked by the survey respondents with regard to organizational motivational systems 86.7 percent answered that sharing one's knowledge leads to an increase in the overall knowledge of the company. Moreover, the respondents ranked negatively the efficiency of the rewarding system within their companies, this being closely connected to the also negative ranking of the existence of a rewarding system for knowledge sharing. The Romanian managers appreciate more the employees that share their knowledge according to the rankings of the respondents (mean = 3.43 with an average deviation from the mean of 0.87).

The importance of communication within the organization has also been acknowledged by the respondents (with an overall mean of 3.574). Most of the communication is realized through internet, a resource available to all the employees within the company (mean = 4.18 with an average deviation from the mean of 1.13 and a mode of 5.00, the maximum level). Employees seem not to be so concerned about databases where solutions for most frequent problems can be found due to the proximity of answers to a mean of 3, equivalent of indifference. On the other hand, face to face interactions among the employees seem to happen frequently (mean=3.932).

Another factor analyzed was the willingness of the company to invest in the employees and its impact on knowledge sharing process. According to the results the respondents appear to be indifferent to this factor with concern to knowledge sharing (mean = 3.01). The result can be in direct connection with the fact that the respondents scored very low the active participation of the employees in the decisional process. When asked to rank if the organization promotes aggressive competition based on individualism and opportunism the respondents disagreed (57.9 percent), which could lead to the decrease in the overall mean.

Table 5: HR Development Variable Components Descriptive Statistics

		Knowledge diversity	Company promotes trust values	HR development	Active participation	Aggressive competition
N	Valid	229	225	227	227	228
	Missing	0	4	2	2	1
Mean		3.58	3.51	3.12	2.80	2.36
Median		4.00	4.00	3.00	3.00	2.00
Mode		4	4	3	3	1
Std. Deviation		1.008	1.053	1.060	1.048	1.181

The above analysis confirms the existence of factors that affect the process of knowledge sharing within a company. Among the factors identified within the analysis are: the willingness of the company to develop and invest in its employees, communication process within the organization, motivational systems, and also, intrinsic motivation, prior experience and trust among co-workers. With all the values obtained for these variables above 3, representing the level of indifference towards the

statement, denote that they have an impact on the process of knowledge sharing within an organization, and consequently on the organizational culture of the company. This leads to the conclusion that the initial hypotheses are confirmed.

Overcoming Inertial Organizational Cultures

Changes within the political, economical, and cultural aspects of the Romanians' life lead to a change of mentalities too. If twenty years ago people were always controlled and kept under close observation by the state and with a constant tension and fear of expressing ones beliefs, now a part of those fears and constraints on oneself have been left aside. The transformation that Romania undertook in the past twenty years, at political, economical, educational level (change of political regime, an open policy towards the external affairs, privatization of state owned companies, foreign investments, EU accession, the subscription to the Bologna process) lead to a change in the mentality of youngsters and people in general. The change from a centralized economy to a free functional economy and the contact of businesses to the new conditions of the market increased the openness towards novelty and change. Efforts have been made in changing and adapting to a more challenging business environment and overcoming the heritage of an old socialist regime organizational culture, but those efforts need to continue and in order to progress they need to be sustained by practical solutions in enhancing knowledge sharing and investing in factors that increase employees willingness to share their knowledge.

Most of the people are unlikely to share their knowledge and experience without trust. It is important to trust your colleagues not to misuse the knowledge shared. Sharing of knowledge can also be regarded as weakening one's position within the organization, leading to a sentiment of fear amongst employees that sharing reduces job security because people are uncertain about themselves and about the worthiness of their colleagues. Generally when an average person trusts his or her colleagues feels free to express the experience and knowledge. To create a feeling of trust among employees it is managers' responsibility to create an organizational culture where they are encouraged to express freely their feelings and opinions, thus the interconnection with the importance of organizational culture. With an environment where the focus is on regulations and hierarchies employees perform accordingly to this rules and this could lead to decreases in the willingness to share one's knowledge. Informal environments enhance employees' opportunities to share their knowledge and capture new knowledge (Reige, 2005). Also to enhance the trust among co-workers social events, team-building sessions are recommended. Closely connected with trust is the availability to share one's knowledge and experience when negative prior experience with knowledge sharing. When harmed as a result of sharing knowledge people may lose trust in that person and have a negative impact on the willingness to share knowledge in the future. Once again the importance for managers to focus on building an organizational culture that promotes values such as trust, transparency, and flexibility, openness.

In a company and in life in general, people perceive rewards as measures for a behavior appreciated by the management, or by other people around them. In order to acknowledge the sharing of knowledge a person has to be rewarded for that behavior.

It is not sufficient to rely on the willingness of employees to share their knowledge, to increase the degree of shared knowledge within a company a specific behavior has to be educated and rewarded. For rewards to be successful to motivate employees to share their knowledge and experience they must be properly designed in order to fit employee's needs. The customization of rewards is very important due to the fact that people react differently to stimuli. Rewarding employees does not have to limit to financial aspect only. Encouragement, incentives and stimulation are very adequate for environments oriented to knowledge sharing; they can help increase the intrinsic motivation to share knowledge. As seen in the survey people feel very useful when their knowledge can help a colleague in need (mean = 4.27), and if encouraged this behavior increases the openness of people and leads to a knowledge sharing behavior. Another way to recognize contributions to knowledge sharing is to introduce it as a criterion in performance evaluation.

As demonstrated above, there is a positive relation between communication and knowledge sharing. A majority of the respondents acknowledged the existence of frequent face to face interaction with colleagues but a high percentage of the respondents (62.4 percent) rated negatively the free circulation of information within the company. Hence the impetuous need for managers to invest in improving the communication system within the company. This can be realized through a redesign of the office arrangement. Offices and departments have a tendency to be arranged in accordance with the hierarchies within the company, and disregard the need to work together and exchange ideas, experience, and knowledge. An increase of participation in decision making and reducing boundaries between different organizational levels could lead to an easier information flow within the company. The small power distance which brings down the gap between the superior and the employees has a positive effect on knowledge sharing process and production in the enterprise. The lack of formal distance makes that the information flow better in both directions. This means that the employees at a lower position are not afraid to show ideas to the organization.

Conclusion

The purpose of this paper was to analyze knowledge sharing as a core component of the organizational knowledge dynamics, and to present some specific organizational barriers in the Romanian business environment. The main barriers identified were divided on two levels, on one side the barriers present at the level of the individual comprising: trust between coworkers, prior experience to knowledge sharing, intrinsic motivation, and on the other side the barriers present at the organizational level (rewarding systems, communication within the organization and last but not least company's willingness to invest in its employees).

With a background of more than forty years of dictatorial socialism regime and an organizational culture based on fear, individual control, mistrust and a dictatorial management style, after twenty years of transition to a capitalist regime people seem to have left behind their past and made progress in terms of overcoming barriers to knowledge sharing. But this is a continuous process and further steps and practical solutions have to be adopted.

To further develop this study it is possible to identify potential research areas. It would be interesting to analyze the influence that other variables, such as organizational structure, leadership, and corporate strategy, have on knowledge sharing within an organization. Since each organizational factor is strongly inter-connected with the others, the establishment of a knowledge sharing strategy can be determined by a global approach.

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About the Authors:

Constantin Bratianu is professor of *Strategic Management* and *Knowledge Management* at the Academy of Economic Studies, Bucharest, Romania. He is the Head of UNESCO Department for Business Administration, and Director of the Research Center for Intellectual Capital, Academy of Economic Studies, Bucharest. His main academic and research interests are: knowledge dynamics, knowledge management, intellectual capital, strategic management and university management.

He is co-editor of the academic journal *Management & Marketing* , and co-president of the annual International Conference on Business Excellence, Brasov, Romania. He has been *Visiting Professor* at: University of Applied Sciences, Steyr, Austria; Our Lady of the Lake University, San Antonio, Texas, USA; Tokyo University of Science and Technology, Kobe University, and Osaka University, Japan.

Professor Constantin Bratianu, UNESCO Department for Business Administration, Faculty of Business Administration, Academy of Economic Studies, Bucharest, 5-7 Mihail Moxa, sector 1, 016209 Bucharest, Romania; Tel: (00) 40744379042; Email: cbratianu@yahoo.com

Ivona Orzea is a doctoral student of professor Constantin Bratianu , and university assistant at the UNESCO Department for Business Administration, Academy of Economic Studies, Bucharest, Romania. Her main research interests are: knowledge dynamics, knowledge management and intellectual capital.

IvonaOrzea, UNESCO Department for Business Administration, Faculty of Business Administration, Academy of Economic Studies, Bucharest, 5-7 Mihail Moxa, sector 1, 016209 Bucharest, Romania: Tel: (00) 40723 920 620; Email: ivona.orzea@gmail.com
