The Role of Human Resource Development (HRD) Strategies in Knowledge Sharing for Sustaining Organizational Effectiveness

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Abstract

The process of knowledge sharing is not just for transmitting the knowledge but more on the value and the impact of the knowledge itself. Effective knowledge sharing can be achieved through a process of socialization within supportive organizational culture. However, people's non-supportive beliefs in sharing knowledge either formal or informal ways can cause knowledge management efforts fail in an organization. The objective of the study is to understand the nature of sharing knowledge that will lead into the understanding of its awareness and readiness, focusing on its perceptions or views in Management Institutions. This research attempts to explore the influence of HRD strategies on the extent of knowledge sharing practices and organizational effectiveness. Data are collected through questionnaires from academicians of Management Institutes running MBA and other management courses at Indore. This study uses the content analysis methodology in analyzing the data. The findings of this study has explored the importance of the HRD strategies towards KS practices and organizational effectiveness The result of the research also showed that cultural dimension plays an important role in KS practices.

Introduction

The management of the intellectual capital of the organization has become increasingly important in the present knowledge-based society. Therefore, there is a growing need for individuals who have the appropriate training and experience in the Knowledge Managemen function. O'Deli and Grayson (1998) defines Knowledge Management as a conscious strategy of getting the right knowledge to the right people at the right time and helping people share and put information into action in ways that will strive to improve organizational performance. Effective management of organizational knowledge is believed to be linked with competitive advantage and is considered critical to the success of an organization.

Knowledge resides within an individual. An organization cannot force this individual to share but should encourage or stimulate his intentions to share knowledge. However, not all knowledge needs to be shared. Knowledge that is viewed unre1evant or meaningless can

jeopardize individual's reputation. For this reason, it is important for the organization to understand the willingness of individual employees' knowledge sharing behavior (Bock *et* aI. 2005). In an academic institution, knowledge sharing will flourish if this institution is innovative, exercise dynamic changes and really looking for new sources of value. If an academician becomes too competitive and value solely on individual knowledge, he tends to hoard knowledge. He may be reluctant to share course materials and content with anyone else (Norris *et* at, 2003). Knowledge Sharing (KS) is becoming a key phrase, especially for those who have useful knowledge and want to share it with those who need it (i.e., industry, the public sector, or the public in general). However, to achieve this is not an easy task. Many universities in developing countries are completely unprepared for such demands, and even local knowledge users, for example, industries, are frequently hesitant to let students invade their facilities (Thulstrup *et* al, 2006).

Literature Review

According to Newman (1991) intellectual assets are the valuable knowledge available to be used to exploitation – must be nurtured, preserved and used to the largest extent possible by both individuals and organizations. According to Armbrecht et al. (2001), a company's culture and structure will be the critical factors enabling knowledge flow whereas Quintas et al., (1997) suggest that human resources, processes and IT are critical to KM. The existence of a supportive culture in an organization is vital in developing the association between the knowledge capabilities and the business strategy (Pent land, 1995).

Raided and Dainty (2006) discuss the knowledge-based structure for learning organization. They present a strategic framework in relation to the concept of Learning Organization (LO). The Learning Organization is closely related to KM where there are three stages of knowledge-based structure involved for the organizational learning process namely: knowledge acquisition, knowledge sharing and knowledge utilization. The Human Resource Development (HRD) is concerned with the provision of learning and development opportunities that support the achievement of strategies and the improvement of an organization, teamwork and an individual performance. Within the LO, a new and expansive patterns of thinking are nurtured, and people continuously learn how to work together. Therefore, the LO must have HRD approaches that will develop into self- responsibility and

self development, continuous development, inter-organization learning and flexible structure that are responsive to environmental changes. The LO should be able to develop its own thinking system (personal mastery, mental models, building shared vision, team learning, thinking systems) in understanding an organization as a whole.

McCarthy *et* al, (2003) provide an understanding of the HRD's roles and strategies in managing boundaries and interfaces in organizations with regard to learning. The authors believe that there should be a strategic HRD in developing individual as well as organizational development including facilitating their learning and knowledge sharing. The authors highlight an important key point that the idea of a Community of Practice (CoP) possesses many values that are emphasized in managing networks, boundaries and interfaces, i.e., trust and reciprocal contributions. For leaders to demonstrate their commitments in CoP, they need to fully understand the components of learning process: place and elements, the learning milieu, the senses of the learners, the learner's emotions, the different forms of intelligence, and the different ways of learning. According to Martin *et* al. (2005) CoP is important to KS because it demonstrates the circulation of knowledge throughout the organization.

The issue of managing human capital becomes critical in a knowledge based economy which focuses more on knowledge as a unique organizational business competitive advantage strategy (Ramlee and Abu, 2005). McGregor *et* al, (2004) in their model of human capital in the new economy, provide a guideline for constructing individual competencies required in the KM environment. The traditional practices of the HRM, which are divided into two boundaries, soft HRM and hard HRM are no longer suitable to be implemented currently. The modernization of work demands new conceptions of human capital. This idea is consistent with Louma (2000) who proposes the capability-driven HRD framework in creating and sustaining the internal capabilities of an organization. The capability is more than the tangible assets. It emphasizes on how people act and what they know, concurrent to the people's capability. The approaches of capability-driven HRD are closely related to this study because KM adaptation is nowadays being emphasized in an organization's competitive advantage strategy (Anantatmula, 2004). Venzin (2003) supports that innovation (direct and spontaneous) is identified as crucial organizational capabilities for organizational improvements. Furthermore, the capabilities are needed for the creation. Of communities of strategic practices in knowledge sharing.

Research Model

The aim of this research is to examine the relationship between HRD strategies, knowledge sharing practices and organizational effectiveness. The research model is as shown in Figure 1 below:

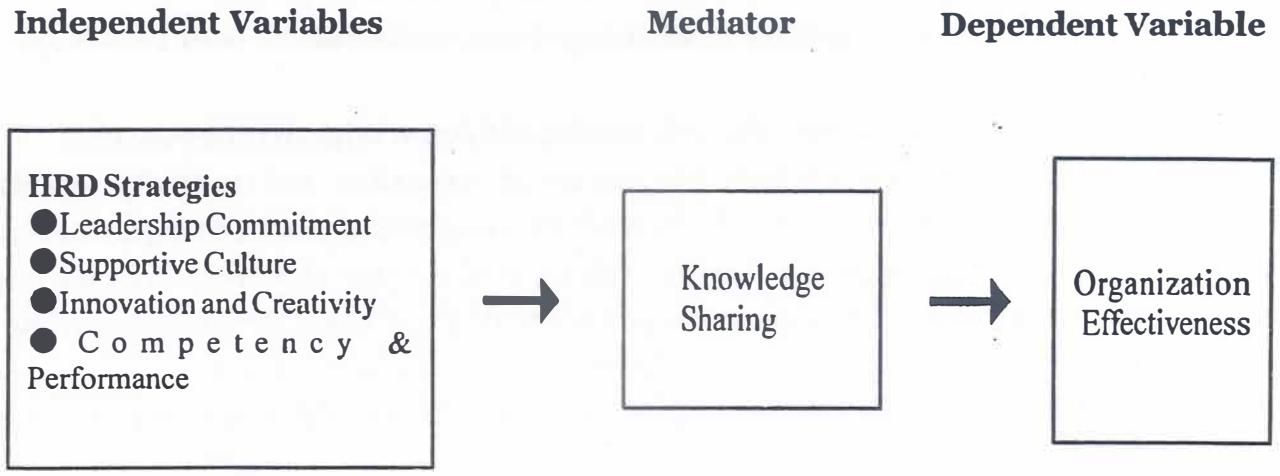


Figure 1: Research Model

Total of five factors that influence knowledge sharing intentions that have been analyzed in the present study are: leadership commitment, supportive culture, innovation /creativity, competency and performance, learning and development.

Leadership Commitment- The leadership commitment towards practicing knowledge sharing can motivate subordinates to share knowledge For instance, sharing lecture notes with junior lecturers, mentoring tips for promotions etc. Top management need to provide the necessary resources and create a work setting and a supportive climate to allow their juniors to experiment, explore and try out new work practices. Management can signal the importance of Knowledge sharing practices by rewarding those who inculcate these in monetary or non- monetary form as well as reformulate policies that obstruct knowledge sharing. Thus, we hypothesize that:

H_{o1} There is no positive relationship of Leadership commitment with knowledge sharing practices.

H_1 Leader ship commitment has positive relationship with knowledge sharing practices.

Supportive Culture- Supportive culture refers to the extent to which people in an organization actively support and assist each other in work related matters. This includes moral support from superiors, peers and subordinates in performing teaching and other departmental tasks. Through support and mentoring process, ideas are shared and channeled cross functioning as well as inter organizationally. Hence, we hypothesize that:

H_{o2} There is no positive relationship of supportive culture with knowledge sharing practices.

H_2 Supportive culture has positive relationship with knowledge sharing practices.

Innovation and Creativity- The climate of innovation and creativity reflects KS in management institutions in which, the institution exercises -dynamic changes due to industry interface. At the same time, by having a culture of 'blame-free', it is essential for the institution to be an innovative organization where there should be a tolerant of failures and within which information flows freely (Bock *et* air., 2005). Hence, we hypothesize that:

H_{o3} There is no positive relationship of innovation and creativity with knowledge sharing practices.

H_3 Innovation and creativity has positive relationship with knowledge sharing practices.

Competency and Performance- Notonly individual competencies development is needed, but managerial competencies development is important for an organization to manage and leverage human capital that is consistent to current changes of knowledge based organization (McCarthy *et* a1:, 2003). This includes a wide range of competency enhancement strategies, i.e., dynamic capability and perceptual ability. Individual competencies and performances that are equivalent with the need to be a knowledge based organization are important to really acculturate KS. In addition, the ability to share knowledge depends primarily on the individual's talent for effective communication and his social behavior (Probst et aI., 2001, p. 192). Individual competency needs to be developed in an organization to benefits organizational competencies. As a result, managing competencies also required the institution to possess the dynamic capability and perceptual ability to improve and to recognize opportunities for applying capabilities. A strategic measurement system is believed to enable to measure the consistency of sharing knowledge, for example, the personal appraisal procedures to evaluate performance on KS (Siemieniuch and Sinclair, 2004). Thus, we hypothesize that:

H_{o4} There is no correlation between knowledge sharing practices and competency and performance.

H_4 Competency and performance are correlated positively with knowledge sharing practices.

Learning and Development - Learning and development is associated with the degree to which formal and informal training, learning and development activities are encouraged in the organization. It is important to develop employees for further growth and advancement in career in order to maintain the pool of knowledge within the organization. This will shorten the learning curve of new employees. With the development of organizational workforce, knowledge that is learned and applied will make knowledge sharing practices prevail. We, therefore, hypothesize that:

H_{o5} There is no positive relationship of learning and development with knowledge sharing practices.

H_5 Learning and development has positive relationship with knowledge sharing practices.

Research Methodology

This study seeks to examine the relationship between HRD strategies (as independent variables) with the extent of Knowledge sharing practices (as mediator) and organization effectiveness (as dependent variable). Questionnaires were used to collect from the respondents of the Management Institutions.

- Sampling Unit: Directors, Professors, Associate Professors and Assistant professors
- Sampling Procedure: Random sampling method
- Sample Size:150 Respondents
- Universe: Management Institutions at Indore (running MBA and other management courses).

Result and Analysis

Table 1 shows the reliability assessments for the independent variables. To assess the internal consistency and stability of data, the reliability analysis shows the degree to which the items in each set correlate with one another. Cronbach Alpha was used to establish this inter-item consistency. Since the Cronbach Alpha coefficients are all above 0.5 (Nunnally 1978), it can be concluded that the measures are reliable for further analysis.

Regression analysis was carried out to test the relationship between the dimensions of organizational culture and structure to HRD strategies and knowledge sharing practices. In this research, a significance level of 0.05 or 5% significance

Table 1: Summary of Reliability Analysis

Variables	Number of items	Cronbach Alpha
Supportive culture	6	.8238
Learning and Development	11	.9466
Leadership Commitment	7	.9270
Innovation and Creativity	5	.8875
Competency & Performance	5	.8645

Table 2: Summary of Regression Output

'ariables	Beta	Sig.
upportive culture	.356	.003
earning and Development	.178	.020
eadership Commitment	.452	.004
nnovation and Creativity	.321	.021
ompetency & Performance	.387	.000
:2	.516	
-value	19.49	

Level is used as a basis for accepting or rejecting the hypothesis. From the regression table, (Table 2) the coefficient of R^2 is 0.516 indicating that the independent variables account for 51.6% of the variance in knowledge sharing. The findings of coefficient matrix show that all the variables have significant impact on knowledge sharing practices. The table of mediating effect of knowledge sharing, (Table 3 at the end of reference) shows the R2 change and F-change from step 1 to step 2 is statistically significant, indicating that HRD strategies influence KS practices. The results support that HRD strategies influences knowledge sharing in step 1. In step 2 upon introduction of mediating variable, HRD strategies were found significant. Furthermore, knowledge sharing was positively related with organizational effectiveness (.435**). This confirms that knowledge sharing mediates the relationship between organizational culture and organizational effectiveness.

The entire hypotheses were tested on the relationship between independent variables (HRD strategies) and organizational effectiveness. KS was mediator to bridge the gap. It was believed that HRD strategies would have relationship with knowledge sharing. The result showed that su**pportive culture, l**earning and

Table 3: Mediating Effect of Knowledge Sharing

Dependent	Independent	Std Beta Step 1	Std Beta Step 2
Organizational Effectiveness	Leadership Commitment	.728**	.456**
		.173**	.112**
	Innovation/Creativity	.654**	.352**
		.489**	.296**
	Support & Culture	.665**	.375**
	Learning & Development		
	Competence &Performance		
	Mediator Knowledge sharing		.435**
	R^2	.530	.615
	R^2 change	.530**	.085**
	F change	58.42**	23.96**

*Note: **p<.01*
(Step 1 refers to regression with the independent variables of one dimension of organizational context, while Step 2 refers to regression with the mediating variable)

development, leadership commitment, innovation and creativity, competency & performance have relationship with it. This finding was supported by previous researchers such as Kimberly (1976), Amabile, Conti, Coon, Lazenby and Herron (1996), Parker and Price (1994) with regards to the impotencies of support and collaboration, and leadership commitment to ensure the success of KM sharing.

In summary, the findings show that cultural dimension plays an important role in KS practices. This is consistent with Davenport el al. (1998) who posits that shaping culture is central in an organization's ability to manage its knowledge more effectively. Larson (1999) also insists that company's cultural environment must be considered before KM

implementation. Of these cultural dimensions, both support and collaboration, leadership commitments led to higher levels of KM practices in general. Results confirm that knowledge sharing practices are important for organizational effectiveness. This finding is supported by the view of Gold et.al. (2001) and Islam (2007) that HRD strategies is important for knowledge sharing practices that leads to organizational effectiveness.

Conclusion

This research has found that supportive culture, learning and development, leadership commitment, innovation and creativity, competency & performance are critical to success of KS practices. Nevertheless, successful KS implementation also depended on the implementation process that is used as it is always not easy especially on new system implementation.

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