## Knowledge Sharing Behaviour in Innovative Working Environment: A Case of a Software Developing Company

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**Abstract:** This study examines knowledge sharing behaviour in a highly innovative company. Particularly, the effect of key organizational factors, namely culture, trust, reward system, information system and structure on knowledge sharing is looked into. Team performance is also included as outcome construct to provide greater insights into the role of knowledge sharing. A quantitative approach via questionnaire-based survey was administered in a software development company in Malaysia. Data collected was then tested using correlation and regression analysis. The findings show that all organizational factors under investigation have positive effect on knowledge sharing and subsequently team performance. Despite being innovative and competitive, employees are willing to share knowledge mainly due to the culture, structure and information system of the organization.

Key words: Knowledge sharing, team performance, structure, trust, culture, information system, reward, innovation

## INTRODUCTION

The subject of knowledge is one that has been studied long since modern businesses were formed. Knowledge was studied from the times of philosophers such as Plato and Aristotle under a subject called epistemology which is concerned with defining the nature and scope of knowledge and how it can be acquired. As the business world becomes more competitive, organizations are making use of every resource at their disposal including knowledge to gain an advantage. In addition, the current shift from an industrial-based economy to a knowledge-based economy is putting the subject of knowledge in the spotlight (Nonaka and Takeuchi, 1995). Even in Malaysia, the government has introduced measures to support the knowledge-based economy by introducing initiatives to promote the culture of innovation and creativity (Rahman, 2011).

As the business grows with more people being hired and departments being formed, organizations have found that more knowledge is being compartmentalized. Knowledge is dispersed as employees in different (or even the same) departments may have certain technical or industrial specific knowledge as a result of different experiences. Hence, it is important to understand how knowledge sharing behaviour can be made more effective. Poor knowledge sharing is seen to contribute to low productivity since longer time would be taken to do tasks. When knowledge such as best practices is not shared between employees, there is tendency to make mistakes including repeating the same mistakes as well as making poor decisions. Furthermore, there is a need to address knowledge gaps in this area such as the study of other complementary predictors of tacit knowledge sharing behaviour (Al-Alawi *et al.*, 2007; Joia and Lemos, 2010; Suppiah and Sandhu, 2011). When such knowledge is shared, it will enhance collective performance of the organizations.

The concerns related to willingness to share knowledge are known in many organizations, including those in the Information Technology (IT) industry. For instance, most software development companies are using the agile development method, which is characterized by quick and successive iterations of design, development and test, until the final product is complete. This quick and incremental work has resulted in most knowledge not being documented, let alone being shared. In light of the aforementioned, the purpose of this study is to delve into knowledge sharing behaviour in a highly innovative working environment by looking at the effect of key organizational factors on knowledge sharing and team