

## **DO PERCEIVED ENVIRONMENTAL UNCERTAINTY AND EMOTIONAL INTELLIGENCE TRIGGER KNOWLEDGE SHARING BEHAVIOR OF EMPLOYEES?**

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### **-Abstract-**

Organizations need to make countless decisions to sustain their life under the uncertainty conditions. Knowledge is the unavoidable requirement of decision making to decrease uncertainty for better decisions. And organizations have many internal and external knowledge sources. Employees are one of the important knowledge sources. In addition to their knowledge, knowledge sharing behavior of employees facilitates disseminating of the knowledge in the whole organization. This study aims to reveal effects of emotional intelligence of employees and perceived environmental uncertainty on their knowledge sharing behavior.

**Key Words:** *knowledge sharing, emotional intelligence, perceived environmental uncertainty*

**JEL Classification:** M19

## **1. THEORETICAL BACKGROUND**

Globalization, rapid changes, competition enforce organizations to be different from other rivals for sustainability of competitive advantage. Variety in the skills, abilities, experiences and knowledge will help organizations to be different from other rivals. Because imitation of these elements are difficult (Tohidinia, Mosakhani, 2010). Knowledge cannot be generated without individuals (Lahti, Beyerlein, 2000). To benefit from the advantages of employees' knowledge, their

sharing tendency of their own knowledge is important. Employees have inclination to share their knowledge in the organization if they perceive sharing beneficial and useful (Kwok, Gao, 2005).

### **1.1. Knowledge Sharing Behavior**

Knowledge sharing behavior is defined as (Cyr & Choo, 2010, p. 825) "... the behavior by which an individual voluntarily provides other members of the organization with access to his or her knowledge and experiences." Sharing and disseminating knowledge will assure circulation of knowledge within the organization and other members of the organization can benefit also. Shared knowledge will retain within the organization and create added value, if owner of the knowledge leaves from organization (Lin, 2007). So knowledge is one of the important resources of organization that should be managed effectively (Huber, 2001). To solve problems quickly, develop new ideas, not to make same mistakes and save time and money knowledge sharing behavior is useful (Marks et al., 2008). Everyone can not have tendency to share their own knowledge because of time, effort to gain knowledge and losing their competitiveness. On the other hand there are various antecedents that motivate employees to share their knowledge. Expected rewards, expected associations and expected contributions (Bock, Kim, 2002), culture of organization, the nature of the technology, individual's values and attitudes to sharing, type of knowledge, perceived benefit to the recipient (Cyr, Choo, 2010), managerial prompting, group identification and social value orientation (Marks et al., 2008), moral obligation, community interest, individuals' willingness to be known as expert, or mentor (Ardichvili et al., 2003) trigger knowledge sharing behavior. Knowledge is not the output of the work only, individual experiences and external sources can create knowledge also. Sources of gaining knowledge can be explicit or tacit. It is the reason of classifying knowledge as tacit knowledge and explicit knowledge.

Lee (2001) defined the tacit knowledge as "knowledge that cannot be expressed in verbal, symbolic and written form" and explicit knowledge is defined as "knowledge that exists in symbolic or written form". Characteristics of the knowledge whether it is tacit knowledge or explicit knowledge can differentiate the direction of sharing behavior.

## 1.2. Emotional Intelligence

Employees are knowledge resources for organizations. Their tendency to share knowledge can be affected by not only organizational factors but also individual factors. Emotions have important role as much as other well known abilities for task performance (Cote & Miners, 2006). In order to encourage employees to share their knowledge, changes in behaviors and attitudes of employees can be necessary. Lindebaum (2009) evaluated emotions as information sources to lead behaviors. At that point emotional intelligence plays an important role. Emotional intelligence includes four skills ; 1-perceive appraise and express emotions accurately, 2-access and/or generate feelings that facilitate thought, 3-understand emotions and emotional knowledge, 4-regulate emotions to promote emotional and intellectual growth (Mayer et al.,2004).These skills will help to direct employees toward having tendency to share their knowledge.

Goleman (1998) defined emotional intelligence as “the capacity for recognizing our own feelings and those of others, for motivating ourselves and for managing emotions well in ourselves and in our relationships(p.317)”.

Individual can feel that knowledge sharing is a “social good” although they find sharing their own knowledge costly and unpleasant (Constant et al., 1994). But on the other hand, they can be aware of benefit of knowledge sharing behavior on organization or employees. They inquire the “weigh of social good” and “personal cost” (Constant et al., 1994). At that point, emotions of employees are as important as rationality for analyzing cost and benefit of sharing behavior.

To know relationship between knowledge sharing and emotions will make organizations to direct employees to share knowledge. If the individual has high level of emotional intelligence, he/she will have more tendency to share knowledge (Karkouljian,Hareke,Messarra,2010).

If the owners of knowledge have high emotional intelligence, they will manage their own emotions and understand others’ emotions. And changing tendency of the owner and triggering to share the knowledge will be easy. With these assumptions, the following hypotheses are proposed;

H1: There is a positive relationship between emotional intelligence of employees and their explicit knowledge sharing behavior.

H2: There is a positive relationship between emotional intelligence of employees and their tacit knowledge sharing behavior.

### **1.3. Perceived Environmental Uncertainty**

Uncertainty in the environment increased the importance of knowledge for the organizations. Because making decision is difficult under the uncertainty conditions, organizations need knowledge to take into consideration countless factors and the more knowledge will illuminate these factors. Also being proactive against competitors requires to reach knowledge.

Uncertainty is defined by Galbraith, (1977) “the difference between the amount of information required to perform the task and the amount of information already possessed(p.37)”.

Simonin (1999) concluded that if the uncertainty increases, knowledge transfer decreases and organizations try to develop their own knowledge. On the other hand Hsu, Wang (2008) assumed that increased perceived environmental uncertainty will trigger implementation of knowledge sharing behavior policies and practices. Availability of knowledge will help to deal with uncertainty (Tsoukas, Vladimirou, 2001).

In this research, perceived environmental uncertainty is accepted as the antecedent of the knowledge sharing behavior. Knowledge sharing under the uncertainty conditions will help to reduce gap between available information and required information. And this behavior will help to make better decision. In this context, we propose the following hypotheses;

H3: There is a positive relationship between perceived environmental uncertainty of employees and their explicit knowledge sharing behavior.

H4: There is a positive relationship between perceived environmental uncertainty of employees and their tacit knowledge sharing behavior.

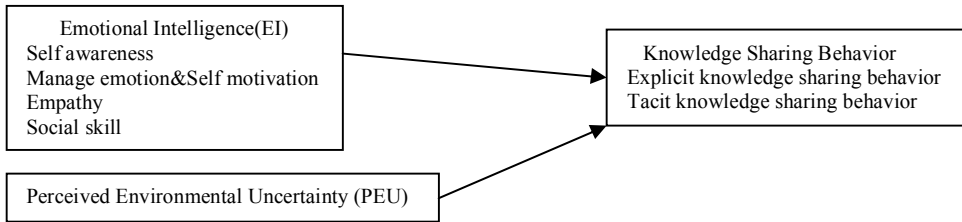
## **2. RESEARCH METHODOLOGY**

Aim of this study is to indicate the role of emotional intelligence (EI) and perceived environmental uncertainty (PEU) on the both explicit (ExpKSB) and tacit (TacKSB) knowledge sharing behavior of employees.

Emotions lead to behaviors and decisions as knowledge sources. High degree emotional intelligence is the indicator of the self awareness, managing emotions, motivating self, empathy and social skills (Hunsaker, 2005). Emotional intelligence can facilitate knowledge sharing behavior of employees (Karkoulian, Hareke, Messarra, 2010). On the other hand, perceived environmental uncertainty (PEU) can trigger improvement of knowledge sharing (Hsu, Wang,

2008). The suggested research model is consistent with these expectations as in the Figure 1.

Figure 1. Research model



## 2.1. Sample and Measures

Sample of the study is employees independent from their positions in the organization. Questionnaire was sent to 445 employee in different industries and we were able to analyze 156 of them. Response rate of the questionnaire was 35%.

Explicit and tacit knowledge sharing behavior of employees was measured with seven items adopted from (Lee, 2001). 25 items make emotional intelligence measurable with five dimension (self awareness, manage emotion, motivating self, empathy, social skills) (Hunsaker, 2005). Scale of the perceived environmental uncertainty with seven items were selected from (Miller, Friesen, 1983).

## 2.2. Data Analysis and Results

Factor analysis represented that items related to manage emotion and motivating self were perceived similarly. We evaluated them together and emotional intelligence was measured with four dimensions (self awareness 25,73 % ,manage emotion&selfmotivation 18,15%, empathy 6,58% , social skills 5,29% ) and these four dimension explained 55,76% of variance. Factor analysis of another independent variable “perceived environmental uncertainty” explained 45,47% of the variance .The best explanation variance belong to knowledge sharing behavior with the rate of 74,78% (Explicit Knowledge Sharing Behavior 39,59 % and Tacit Knowledge Sharing Behavior 35,18%

Internal reliability tests showed that cronbach alpha values range from ,621 through ,829. Before testing our hypotheses, direction and magnitude of the relationships between variables were tabulated as a result of correlation analysis. Also mean and standart deviations of the variables were added. The highest mean

(4,15) belong to “self awareness” dimension of emotional intelligence. “Empathy (4,04) and social skill(3,99)” dimensions trace it. Sharing prone of “tacit knowledge” (3,77) is higher than “explicit knowledge” (3,46). Relationships between dimensions of emotional intelligence and knowledge sharing behavior is positive and significant( min  $r = ,159$ ; max  $r = ,386$ ). But there is no significant relationship between emotional intelligence and perceived environmental uncertainty. On the other hand only explicit knowledge sharing behavior has positive significant relationship with perceived environmental uncertainty( $r = ,192$ ).

Regression analysis was used to estimate the relationship between the independent variables and the knowledge sharing behavior. Results of the regression analysis are displayed in Table 1. The overall regression equation for explicit knowledge sharing behavior explains 16,1% ( $R^2 = 16,1$ ) of the total variance significantly. It appears that “self awareness”, “manage emotion-self motivation” and perceived environmental uncertainty are major determinants of explicit knowledge sharing behavior. Explained total variance for tacit knowledge sharing behavior is 24,9% ( $R^2 = 24,9$ ). The standardized beta weights of “self awareness”, “manage emotion-self motivation” and “empathy” are statistically significant to explain tacit knowledge sharing behavior.

**Table 1. Regression Results**

	Explicit Knowledge Sharing Behavior		Tacit Knowledge Sharing Behavior	
	Standardized Beta Coefficient	P-Value	Standardized Beta Coefficient	P-Value
Self awareness	,227	,010**	,161	,055**
Manage emotion-Self Motivation	,144	,092**	,281	,001***
Empathy	,011	,908	,186	,039**
Social skill	,073	,463	,055	,556
PEU	,216	,006**	,073	,315
R Square	16,1		24,9	
P-value	,000		,000	

\* $p < 0.10$

\*\* $p < 0.01$

\*\*\* $p < 0.001$

### 2.3. Findings

This research intended to find major determinants of the knowledge sharing behavior of employees. Results of the analysis showed that independent variables have more potential to explain tacit knowledge sharing behavior. Most of the variance of tacit knowledge sharing behavior is explained significantly by

“manage emotion-self motivation” dimension ( $\beta=28,1\%$ ). “Empathy” ( $\beta=18,6\%$ ) and “self awareness” ( $\beta=16,1\%$ ). Totally explained variance for tacit knowledge sharing behavior is  $24,9\%$  ( $R^2 = .249$ ).

“Self awareness” ( $\beta=22,7\%$ ) and “manage emotion-self motivation” ( $\beta=14,4\%$ ) dimensions have significant impacts on the explicit knowledge sharing behavior also. To specify emotional intelligence role on the knowledge sharing behavior these dimensions will lead to transform individual knowledge to organizational knowledge. And totally explained variance for explicit knowledge sharing behavior is  $16,1\%$  ( $R^2 = .161$ ).

As distinct from tacit knowledge sharing behavior, “perceived environmental uncertainty” is strong determinant of the explicit knowledge sharing behavior ( $\beta=21,6\%$ ). It indicates that employees who confront uncertainty situations, they will be eagerness to share their knowledge to reduce uncertainty.

### **3. DISCUSSIONS AND CONCLUSIONS**

There are comprehensive literature on knowledge sharing (e.g. Bock, Kim, 2002; Cyr, Choo, 2010; Hsu, Wang, 2008; Kwok, Gao, 2005; Lee, 2001; Lin, 2007). But there is little empirical research that determines the role of emotional intelligence and perceived environmental uncertainty on knowledge sharing behavior. This study emphasized the explaining power of these antecedents.

The results of the study have identified some of the variables as the significant predictors of the knowledge sharing behavior. “Self awareness”, “manage emotion-self motivation”, “empathy” have significant contribution on the dependent variable. If employees are aware of their senses and mood shifts, they will be more successful to assess the situation when they confront to decide sharing knowledge. Being self motivated and managing emotions facilitate to decide objectively under the difficult circumstances. Recognizing when others are stressed, helping them to manage their emotions and showing empathy will stimulate knowledge sharing behavior. (Lindebaum, 2009) mentioned emotional intelligence as a management technique. Management includes managing others and requires to be aware of others. Emotional intelligence can help to manage relations with others, understand their emotions, motivate and lead them (Chopra, Kanji, 2010).

Emotional intelligence can influence knowledge use in practice (Smith et al., 2009). Organizations should overcome many problems and employees judgment on knowledge sharing can influence decisions to solve these problems.

(Rahim, et al., 2002) indicated that empathy and social skills are positively related with problem solving.

Perceived environmental uncertainty can be reduced by assigning more resources to understand environment (Andrews, 2008). In this study perceived environmental uncertainty explained only explicit knowledge sharing behavior significantly. Employees think to cope with uncertainty by sharing their explicit knowledge is the reason of this behavior. Also transfer of explicit knowledge is easier than transfer of tacit knowledge because of its codability and having less context specific (Lahti, Beyerlein, 2000).

On the other hand they withhold their tacit knowledge under the uncertainty conditions. Employees didn't give meaningfulness to the tacit knowledge sharing behavior when they perceive environmental uncertainty. There may be many antecedents of this behavior. Sharing of tacit knowledge is difficult. It requires cooperation and active joining of knowledge owner (Davenport, Prusak, 1998; Nonaka, Takeuchi, 1995). Unwillingness to lose the power of valuable knowledge or competitive advantage can guide employees to use their knowledge politically. Also organizational climate and social pressure by organizational members can influence knowledge sharing behavior (Chatzoglou, Vraimaki, 2009; Chen, 2011; Tohidinia, Mosakhani, 2010). Lahti, Beyerlein (2000) suggested that job designs, collaborative work structures, office layout and culture may influence knowledge sharing. Chen (2011) indicated that willingness to share knowledge influences profit, productivity and labor costs positively.

Sustainability of the organizations depends on struggle with uncertainty and rapid changes by making decisions. Having all required information to make decisions in every situation is impossible. This is the one reason of bounded rationality (Simon, 1991). Knowledge sharing behavior helps to reduce gap between available and required knowledge and make better decisions. And transforming of employee knowledge to organizational knowledge creates added value in the knowledge based communities.

#### **4. LIMITATIONS**

Based on the limited evidence provided by this study, it can analyze more antecedents of knowledge sharing behavior. It should be emphasized that there are many individual, organizational and environmental predictors that effect knowledge sharing behavior. In this study, only dimensions of the emotional intelligence and perceived environmental uncertainty were analyzed as



antecedents of the knowledge sharing behavior of employees. Results of the analysis provided insight into potential variables that help to trigger transformation of individual knowledge to organizational knowledge by sharing behavior. Additional variables can be considered to increase explaining power of the research model.

In addition, this study was not implemented only one industry. Data was gathered from employees in various industries and various departments. Evaluating data based on the industry or department can end up differently.

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