Reward System for Implementing Knowledge Sharing

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Abstract - Knowledge sharing is the contributions by individuals to the collective knowledge of an organizations. Most of the knowledge workers in the companies have their own experience, lesson learnt, best practices, and specific technical skills for solving the problem. However, these people are reluctant to share their knowledge because of several factors and they also do not been triggered by the motivation or rewards to share their knowledge with the fellow workers. Therefore, the reward system could be the one of the best mechanism to implement the knowledge sharing within the organization. This paper shares a viewpoint of relationship between reward system and knowledge sharing in current the knowledge management application and system. Besides, this research presents the research methodology which begins with planning until the development process.

1. Introduction

At the present time, knowledge management is not a new topic in the corporate world. Most of the organizations currently maximize the process of sharing and preserving the knowledge related such as technical skills and working knowledge or experiences from the experts within the organization. Many studies show that most of the big Multinational Companies (MNC) including, Schlumberger, Xerox, IBM, Ernst & Young and others are starting to leverage their competitive advantages by empowering the strategy in knowledge management [1]. In knowledge management, one of the 4 processes is the knowledge sharing which

involve the sharing of either tacit or explicit knowledge. Knowledge sharing can be created through the socialization and exchange the knowledge among the employees. Many kind of things can be shared through this kind of process such as lesson learnt, best practices, videos, project experience, policies, and guidelines. However, employees feel it is very hard for them to share the knowledge since there is no something that triggered or motivated them to do so. Therefore, one of the best way to motivate these employee to contribute their knowledge to a KM system is through organizational rewards. Rewards are recognized as beneficial in motivating individuals to perform their desired behavior [2].

2.0 Literature Review

2.1 Knowledge Management

Fundamentally, knowledge management is about valuing people and knowledge. It is a "process in which knowledge is created, capture, store, shared, and applied" [3]. Effective knowledge management (KM) is tend to take place in the organizations that utilize the right balance between systems which are flexible and sufficient but the same time possess enough formality and discipline to ensure the productive outcome [4].

2.2 Knowledge Sharing

Many of the scholars argued that the knowledge sharing is one of the big hurdle for knowledge management [5]. Knowledge sharing is pivotal through the movement of the individual knowledge into the

organizational level, which can be converted into competitive edge and economic value for the firms or corporations [6]. Creation of knowledge base in the firm requires a mutual perspectives process whereby individual knowledge is valued, substituted, and incorporated with other organizations [7]. Suitable integration and selection process of knowledge sharing and technology is highly relied on the flow of the sharing process, type of knowledge being shared, and target audience that will received the knowledge within the company [8].

2.3 Reward System

Rewards can be extrinsic or intrinsic, extrinsic rewards are tangible rewards and these rewards are external to the job or task performed by the employee. External rewards can be in terms of salary/pay, incentives, bonuses, promotions, job security, etc. Intrinsic rewards are intangible rewards or psychological rewards like appreciation, meeting the new challenges, positive and caring attitude from employer, and job rotation after accomplishing the goal. There should be an effective reward system to retain the high performers in the organization and reward should be related to their productivity [9]. Efficient reward system can be a good motivator but an inefficient reward system can lead to demotivation of the employees. Both intrinsic and extrinsic rewards motivates the employee resulted in higher productivity [10]. Lack of rewards or incentives is the main impediment for knowledge sharing process because people will refuse to do so regardless of long or short term [11]. People will immediately motivate to share their knowledge if they will receive the monetary rewards [12]. Apart from that, implicit rewards like status, reputation, and recognition can be the best incentives that can promote knowledge sharing [13]. In knowledge management system, reward

system can be a good encouragement for knowledge sharing within the organization.

3.0 Methodology & Project Work

3.1 Research Design

This research is a constructive research. Selecting this method provides the research with a direction to analyze the knowledge sharing practices and current KM system in the companies. Firstly, extensive study on literature related to the research is conducted to obtain insights and information on the research. Since knowledge sharing is being practiced in most of the organizations in Malaysia, the research designed to gain the inputs on the current practices applied to share the knowledge as well as the mechanisms being used to reward the knowledge.

One of the methods in collecting the data is through the interview. After analyzing the inputs collected from the companies, the research continues to study the appropriateness of using reward system as an alternative solution in sharing both tacit and explicit knowledge within the company. Based on the research, a framework is expected to be established on how reward system can be developed for the effective knowledge sharing in the organization.
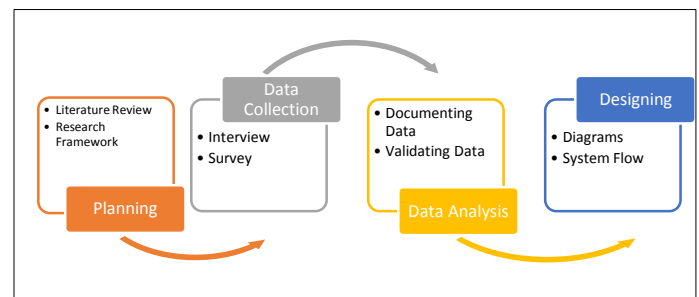

Figure 3.1: Research Methodology

3.2 Data collection

Conducting an interview with the selected participants can be one of the best method in collecting the qualitative data. A set of interview question is prepared to ensure that the required data can be easily obtained. Moreover, the interview is set to semi-structured. The reason of choosing this structure is to allow the questioning process to be led by the responses of the participants. Since it is semi – structured interview, the session will be recorded using the recorder tape to ensure that all the data given is collected.

Research questions are divided into four (4) different themes. Listed below are the selected for the research questions during interview session with the participants:

- Technological platform for sharing knowledge
- Social platform for sharing knowledge
- Challenges in sharing knowledge
- Proposing Reward System

The author decide to make the research questions to be open-ended since the interview is semi-structured. Each of the participants is estimated to be interviewed within 15 minutes – 30 minutes.

3.3 Survey

For the sake of quantitative inputs, the research also conduct the survey among the knowledge workers in the organization. The purpose of the survey is to obtain suitable data on the implementation of reward system as the motivation tool for knowledge sharing. The survey is distributed on the internet by e-mail the respected respondents to obtain the data.

3.4 Selection of participants & respondents

The research involves both collection of qualitative and quantitative data. The qualitative data is based on the interviews with the participants from the various companies in Malaysia. An estimation of five (5) knowledge managers or engineers to be selected for interview. Meanwhile, for the quantitative data is based on the online survey that will distributed among knowledge workers with an estimation of twenty (20) respondents to be involved.

3.5 Method for data analysis

For the qualitative data, the process of analyzed commences by transcribing the unformatted data from the interview. The raw data will be organized accordingly and after the transcription process complete, the data will be coded. Through data coding, the main points that are stressed during the interview session can be focused and it can make the process of analysis and writing in the stage more accelerate.

4.0 Results & Discussions

4.1 Result from Interviews

Three (3) participants from different background of the companies had been selected to join the interview. The interview process is through on call or mobile phone whereby all the participants were volunteered to take part in the interview. After the interview process, analysis of qualitative data provided positive impact for the inputs of the research.

Most of the companies have their own technological platforms for knowledge sharing. For example, e-mail, web-based portal, KM system, and online messenger. These platforms were used to collaborate, meeting, discussion, online conference, as well as chit-chat in order for exchange the knowledge among the experts and the employees. One of the respondents stated that:

The company already provide various system for preserving the knowledge, however these people do not have time to share their knowledge.

This shows that the employee are not fully maximized their resources and the knowledge that they possessed in the platform that was prepared by the organization even though that it may benefits all the people within the firms. The main factor is because lot of workloads and the limitation of time since the employee just want to focus solely on their tasks and assignments. The passion to share the knowledge is very hard to see in the company because sometimes people think it may ruined their status or position and as the matter of competitive advantage for themselves.

Rewards can be a good motivating element for sharing the knowledge. Different employees have their different ways on how they are viewing the rewards. Some of the workers see the reward as an extrinsic motivations which have a material or symbolic manifestation in the outside world such as promotions, bonuses, vacations, reputation or recognition. On top of that, other workers also may view the rewards as an intrinsic motivations which have no external manifestation in terms of rewards, but are psychologically effective in simulating or driving people to seek self-satisfaction or self-consistency. For example job satisfaction or commitment. One of the respondent mentioned:

Because the way of the workers perceived rewards is different causes in the lack of knowledge sharing.

The employee have a difficulties to value the knowledge because it does not give high impact for their working activities. In fact, the tendency to share the knowledge will become inferior if the reward that they will received does not even worth with what they have shared. Up to now, there are still no specific mechanism can be referred to reward the knowledge. One of the respondent said:

It is not an easy task to reward the knowledge. Maybe different corporations have different kind of approaches and initiatives.

The participant believes that the mechanisms to reward a knowledge should be flexible and strong enough in order to identify which tasks or works can achieve high level of knowledge and become very useful and meaningful to all the workers within the company.

All the participants gave different kind of stories and shared their experiences in handling knowledge management in the company that they are currently serving. In short, the respondents would love to hear the knowledge that is directly related to their job scope and serve as reference for them.

4.2 Result of the survey

Out of targeted 20 respondents, there are 15 respondents have joined the online survey on the implementation of the reward system as a sub-system in KM system for encouraging the knowledge sharing among the workers.
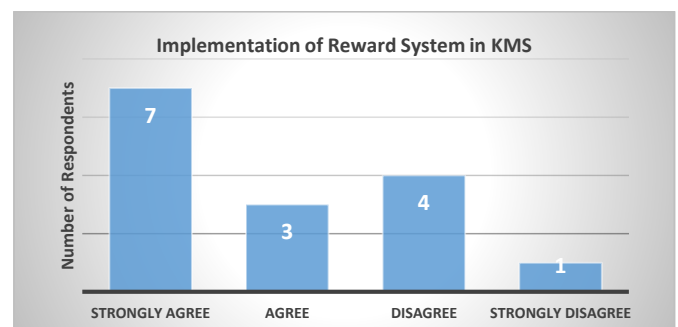

Figure 4.1: Bar chart on the implementation of Reward System in KMS

From the bar chart above, 7 persons out of 15 respondents were strongly agree to implement the reward system in KM system. Moreover, 3 persons just agree with the

decision to implement the reward system and 4 persons were not agree with the decision. Meanwhile, there is only one respondent that totally disagree with the proposed system. However, it seems have positive support whereby 66.67% out of total respondents agree with the implementation of the reward system while 33.33% showed the negative result on the decision.

5.0 Design

Reward system is a sub-system of KM system and it equipped with Knowledge Management core functions. In order to build the system, the diagrams need to be developed so that clear picture of the process can be seen.
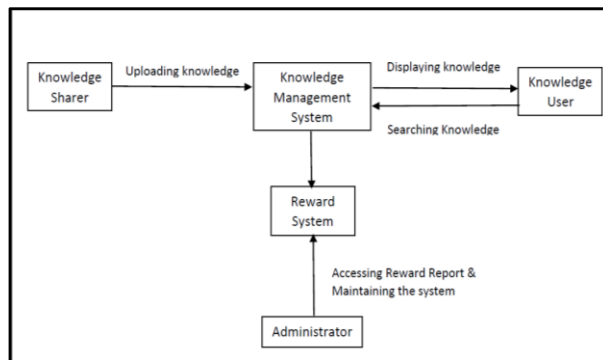
4.3.1 Process Diagram for Reward System

Figure 4.2: Process Diagram for Reward System

The diagram above explains the entities that involved in the process as well as their roles. To simplify, knowledge sharer are the one who share their knowledge as they possess expertise and experience in certain field. The uploaded knowledge can be either in tacit or explicit form. This knowledge will be searched by knowledge user through Knowledge Management System. Later, all the information like comments, ratings, no of view, no. of uploads & downloads will be sent to Reward system for generate the report. Administrator will responsible to access the reward system and maintaining the system.

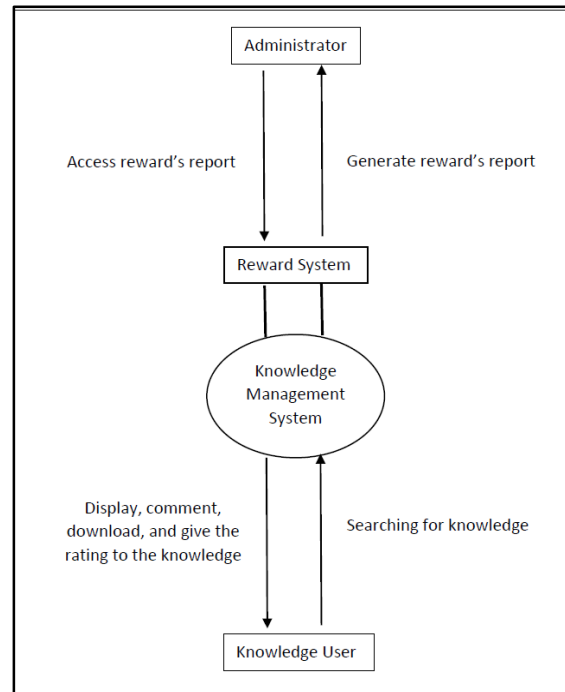### 4.3.2 Context diagram for Reward System

Figure 4.3: Context Diagram for Reward System

The figure above shows TWO (2) entities that will directly interact with Reward System. The first entity which is Administrator is responsible for accessing the reward report. While accessing the report, the admin can maintain the system. The knowledge user then can searching the desired knowledge while they can display, comment, download, and give the rating to the knowledge.

5.0 Conclusion & Recommendations

As a final point, the reward system can be understood as the socio-technical impact, rather than a purely technological system. This intervention can becoming a key to motivate and encourage people to share their knowledge with the other workers. Hence, the reward system can be recognized as an indispensable element of KM system. The question is how to implement such a system at its maximum potential. Indeed, there is no specific or general answer for this question. But more or less, the employee are not always rely totally on extrinsic rewards or

motivations alone. These people, often, being driven by intrinsic motivations such as job satisfactions or commitment. Through the development of the reward system as a sub-system in KM application, the knowledge sharing culture among the workers can be leveraged.

This research concerns with the main objective of the study which is to promote knowledge sharing culture among the employees within the organization. As a whole, the research is fortified with the study of knowledge sharing practices and system in the organization in Malaysia and reward system as the motivation to implement the knowledge sharing process.

However, there are few numbers of limitations that affecting the scope of the research. Firstly, the research highly requires extensive study which at the same time more time commitment. Because the research period is very limited, the time frame of the study also become too short. Hopefully, future research would help from long and sufficient period of research which involves intensives investigation and reading on literatures as well as other research papers.

Secondly, since the targeted participants are very busy and difficult to be reached for an interview, the research ends up with an alternative participants which is not real target for participants. Therefore, for the future research it is advisable to prepare early a larger sample size that would be more significant inputs to the results.

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