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**Diversity in Managing Knowledge: A Cultural Approach**

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# **Diversity in Managing Knowledge: A Cultural Approach**

## **Abstract**

This paper reviews diversity in knowledge management (KM) from a cultural perspective; it argues that culturally embedded theories and practices influence the practice of knowledge management. It further presents and analyses several case studies and in particular a case study of the Islamic culture focusing on its traditional approach to both Islamic knowledge and management. The analysis of this case reveals the cultural challenges that emerge in the process of applying essentially Western management theories within an Islamic culture with particular reference to knowledge management theories. The paper concludes that the concept of knowledge management must take into account the diversity of national culture in which the organization exists and that the concept of knowledge management will benefit from a diversity perspective rather than a universality perspective.

*Key words: Knowledge management, cross cultural diversity, universalism, Islamic Culture, Islamic Management and Knowledge*

## **1. Introduction**

There are considerable evidence supports the importance of culture in the success or failure of knowledge management within organizations. Holden (2001) in particular is very critical of those viewpoints that ignore cultural influence on knowledge management. He points out that these viewpoints gives the impression that knowledge management operates in a kind of unitary vacuum in which diversity in terms of language, cultural and ethnic background are compressed into one independent variable which is pushed to the side. Pauleen and Murphy (2005) agree and state that knowledge management models that exclude the influence of national and regional culture seriously undercut their potential effectiveness particularly in global applications. They further suggest that cultural bias exists in databases and in all business and innovation and that Western analytical assumptions about knowledge and information management, dominates both information and knowledge management research and development.

Therefore, research suggests that a key problem with knowledge management research and literature is that it has been largely viewed through a Western or industrialised nation lens and accordingly such findings may not be inter-culturally applicable (Zhu 2004). Managers and management alike are cultural products and all management behaviour takes place in, and all management attitudes are rooted in, a specific cultural context and as such, knowledge cannot be understood outside of the cultural parameters that condition its emergence and modes of reproduction (Weir & Hutchings 2005). This applies alike to what is labelled as both “tacit” and “explicit” knowledge. Glisby and Holden (2003) and Holden (2002) further proffer that there is need to understand how knowledge is constructed and constituted outside of Japan and the Western world.

The research also has shown that the adoption of knowledge management in organizations largely depends on various national cultural characteristics. Thus, the importance of the culture itself and cultural differences have become more crucial especially for organizations operating in several countries, international markets or even having employees from different cultures. Since knowledge management initiatives are impeded mainly by culture (Benbya & Belbali 2005; DeTienne et al 2004; Hendriks 2004; Park et al 2004), having an organizational culture inconsistent with knowledge management programs is realized by managers as an expanding problem (DeTienne et al 2004).

This paper contends that KM is embedded in cultural understanding and knowledge processes and cannot be examined without a thorough understanding of the cultural influences, which for example can be key drivers or inhibitors of knowledge sharing. In this relation Koskiniemi emphasises the importance of culture in knowledge sharing as follows ‘successful knowledge sharing is 90 percent cultural, 5 percent tools and 5 percent magic; all the technology and tools in the world will not make you a knowledge-based organization if you do not establish a culture that believes in sharing’ (Greengard 1998:82).

This paper, therefore, argues that managing knowledge is embedded in cultural understanding and institutional determinants and that knowledge management process cannot be examined in isolation from locally situated meaning that arises from a range of diversified cultural and institutional influences. For this purpose the paper first defines and introduces key theoretical concepts to illustrate their complexity and variety of meanings and then describes various major studies that focus at cultural aspect of

knowledge management. The paper also by looking at the specific case of Islamic culture intends to illustrate the role of culture and offer an in depth discussion on the question of whether knowledge management is a universal concept or it will benefit from a diversity perspective.

## **2. Theoretical Concepts & Definitions**

The concepts 'knowledge', 'knowledge management' and 'culture' are presented and defined in this section from a theoretical and comparative point of view. The aim is to provide a basis for discussion of knowledge and culture later in forthcoming sections.

### *2.1. Knowledge*

Knowledge can be defined in various ways and within different perspectives. In fact, the academic question of how knowledge should best be defined is a subject of a lively epistemological debate. The complex nature of knowledge has been discussed extensively in information technology (IT), strategic management, organizational theory and knowledge management literature. One of the most quoted definitions of knowledge within KM literature is by Nonaka (1994: 15): "knowledge is justified true belief". This definition is based on the approach of the Western philosophy introduced by Plato in his work "Meno, Phaedo, and Theaetetus" . "Justified True" means that the knowledge claim needs to be based on evidence which objectively proves its truthfulness and survive all tests which attempt to disprove it. "Belief" thereby means that the knowledge holder needs to believe in the truthfulness of the knowledge claim. Nonaka and Takeuchi (1995) adopt this definition whereas they state that their stress lies on "justified belief" opposed to Western philosophy stressing the "truthfulness". As a result, they see knowledge as a "dynamic human process of justifying personal belief towards the truth" (Nonaka & Takeuchi 1995: 58). However, according to the Eastern (Islamic Theological) perspective knowledge includes Wisdom and *Ma'rifah* or Gnosis (describing mystical intuitive knowledge, knowledge of spiritual truth as reached through ecstatic experiences rather than revealed or rationally acquired). In this view knowledge is considered to be derived from two sources: '*aql* (mind) and '*ilm huduri* (in the sense of unmediated and direct knowledge acquired through mystic experience). This will be further elaborated when discussing the case of Islamic culture and its approach to knowledge.

Within the knowledge management literature, data, information, knowledge, wisdom

are also often separated when defining knowledge. Vance (1997) suggests that knowledge is authenticated information and information is interpreted data. Davenport and Prusak (1998: 5) define data as “a set of discrete, objective facts about events” and information as a message with a sender and a receiver that is meant to have an impact on the judgment and behavior of the receiver. They define knowledge as “a fluid mix of frame experiences, values, contextual information and expert insight that provides a framework for evaluating and incorporating new experiences and information”. When knowledge is accumulated over time, one can learn to understand patterns and principles in human action so that knowledge can be put in context, combined and applied appropriately resulting in wisdom (Vance 1997). Bhatt (2001) also provides distinction between knowledge and information. According to his view knowledge is meaningful information. Knowledge is derived from information. The difference between data and information is the organization and the difference between information and knowledge is the interpretation.

Yet another view of defining knowledge is connecting it to understanding. Chakravarthy et al (2003: 306) state that knowledge is defined by most authors “as a type or degree of understanding that exists at a point of time”. Chong and Pandya (2003) define knowledge as understanding that one gains through experience, reasoning, intuition, and learning. According to this view we expand our knowledge when others share their knowledge. New knowledge is born when we combine our knowledge with knowledge of others. Berger and Luckmann (1966), for example, see knowledge as a set of shared beliefs that are constructed through social interactions and embedded within the social contexts in which knowledge is created. This definition emphasizes the social dimension of knowledge: knowledge is created by people interacting and knowledge always has a context.

Another important aspect on knowledge is the division of knowledge into explicit and tacit knowledge made widely known by Nonaka and Takeuchi (1995). They argue that explicit knowledge is objective whereas tacit knowledge is subjective. Explicit knowledge is knowledge of rationality and mind and it is sequential. Tacit knowledge is knowledge of experience and it is simultaneous, it is hard to be taken away from the time and the place. Tacit knowledge also is more related to practice than explicit knowledge that is more related to theory. Tacit knowledge is hard to express in words and even more difficult to express in written form. It is a part of human values, attitudes, motivation etc. It is mostly created through experience and practice. This means that

tacit knowledge is difficult to share. Explicit knowledge is, however, closer to what can be understood by information. It can easily be embodied in language or another code system. Therefore it is also easier to transfer explicit knowledge than tacit knowledge (Nonaka and Takeuchi 1995).

Perhaps all these different definitions reveal something about the nature of knowledge: it is not easy to define unambiguously. As explained knowledge can be defined from different perspectives and has been the subject of a long debate among Western and Eastern philosophers and social scientists. This is particularly important when studying cultural perspectives of knowledge management, in which different approaches to knowledge should be considered.

## *2.2. Knowledge management*

Knowledge management has been defined in the literature in various ways but with some similarities. Overall various authors tend to define knowledge management as a process or set of activities within the organization. For example, OECD (2002: 6) definition emphasizes that “Knowledge management involves any activity related to the capture, use and sharing of knowledge by the organization”. According to Turner (2005) the knowledge management in traditional organizations consists of three steps: variation, selection and retention. New ideas are created within the function, the best of the ideas are utilized and then the knowledge is stored in the function where it can easily be reused.

Within the process view of knowledge management, Liebowitz (2005: 1) describes knowledge management as a value creation process: “knowledge management is the process of creating value from an organization’s intangible assets”. According to him knowledge management includes sharing and leveraging knowledge both internally and externally. Similarly Chakravarthy et al (2003: 306-316) state that knowledge management has to include three processes in order for an organization to gain a competitive advantage. These processes are to accumulate, protect and leverage knowledge. They suggest that “knowledge is accumulated when units within the firm or the organization as a whole gain new knowledge”. The knowledge must be protected so that the competitors do not get the company’s competitive advantage. The tacitness, complexity and specificity of an organization’s knowledge base help the organization to defend its competitive advantage. Leveraging means using existing knowledge for commercial purposes.

Love, Fong and Irani (2005) also define knowledge management as a process of acquiring, refining, storing, and sharing knowledge in an organization. Marshall, Prusak and Shpilberg (1997) mention that there are at least seven things that can be done with knowledge in an organization. New knowledge can be created within the organization. Knowledge can be accessed or transferred either formally or informally. It can be represented enabling easier access or it can be embedded in processes and can be utilized. And finally, these different knowledge processes can be facilitated by development of culture that values, shares and uses knowledge.

On the whole it seems that different authors sometimes use different terms when defining knowledge management processes but we can see that there are some similarities (see Table 1.).

**Table 1. Knowledge management processes.**

<b>KM process</b>	<b>Terms used by authors</b>
Creating / acquiring new knowledge	Variation (Turner 2005); accumulate (Chakravarthy et al 2003); acquiring (Love et al 2005); creating (Marshall et al 1997)
Sharing knowledge	Sharing (Liebowitz 2005; Chakravarthy et al 2003; Love et al 2005); transferring and accessing (Marshall 1997);
Utilizing knowledge	Leverage (Liebowitz 2005; Chakravarthy et al 2003); selection (Turner 2005); refining (Love et at. 2005); utilizing (Marshall et al 1997)
Storing knowledge	Retention (Turner 2005); storing (Love et al 2005); embedding in processes (Marshall et al. 1997)

### *2.3 Culture*

Before we review cultural dimensions of KM, it is necessary to define culture as this term is used in many contexts carrying different meanings. Historically culture has been defined in a number of different ways, either from sociological, philosophical, anthropological or managerial perspective. Here we present some of the definitions that are more relevant to the cross cultural and intercultural studies. Hofstede (1984: 51) who had the one of the biggest influence on intercultural studies sees culture as "the collective programming of the mind which distinguishes the members of one category of people from another". Kroeber and Kluckhohn (1952) in their critical study of culture stating that: "Culture consists of patterns, explicit and implicit, of and for behavior acquired and transmitted by symbols, constituting the distinctive achievements of

human groups, including their embodiments in artifacts; the essential core of culture consists of traditional ideas and especially their attached values; culture systems may, on the one hand, be considered as products of action, on the other as conditioning elements of further action.” (Quoted in Holden 2002)

Culture also defined as “a pattern of basic assumptions -- invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration - that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems” (Schein 1985). Literature also suggests different manifestation of culture. Long and Fahey (2000) notes that values, norms, and practices are reflections of culture, while Hofstede et al (1990) categorize culture into values and practices including symbols, heroes, and rituals. No matter how researchers define culture, however, there is a common view that culture has at least two layers: the outer layer and the core. The core of culture is value, which is described as a fairly stable emotional tendency to respond consistently to some specific object, situation, person or category of people. It’s an invisible, unconscious, and embedded basic feeling that is manifested in the outer visible layer of culture, such as attitudes and practices, and in alternatives of behaviors. The key role of culture in organizations is creating a consensually validated system of beliefs and values which influences organizational behavior.

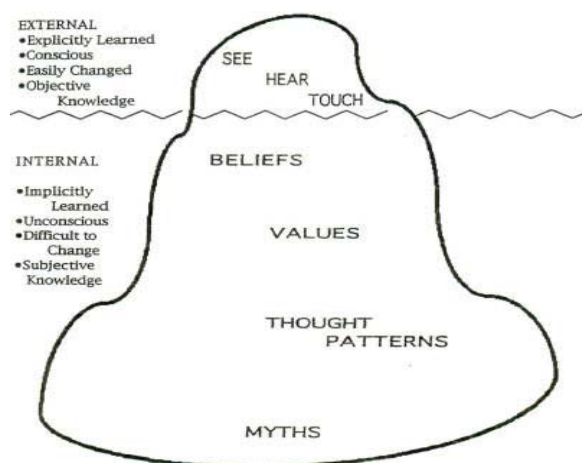
Therefore, from these or other similar definitions (see, for example, Damen 1987; Banks, Banks & McGee 2004), we can observe three important elements of culture:

- Shared patterns of behavior, such as a greeting gesture (shaking hands or bowing) or day-to-day living patterns.
- Traditional ideas, attitudes, such as the associations we build during our lives and attach to entities surrounding us.
- Values, which are broad tendencies for preferences of certain state of affairs to others (good-evil, right-wrong, natural-unnatural).

Looking from an intercultural perspective, an individual who wishes to adapt to another culture will probably not have much problems taking over certain patterns of behaviors and after some time develop similar attitudes. But the core values a person has which are formed by education from parents, teachers and other surroundings during upbringing are very difficult to change. People are believed to acquire patterns of



thinking, feeling, and acting, starting in early childhood and continuing throughout their life. These sources of mental programming 'lie within the social environments in which one grew up and collected one's life experiences' (Hofstede 1991: 4). Additionally, these three elements do not only differ in how deep they are embedded in the human mind but also in their visibility with patterns of behavior being most and values least visible. Culture can therefore be compared with an iceberg where only the smallest part is visible on the surface but the largest part lies hidden in the deep (see Figure 1). Hall (1977) originally developed the iceberg analogy of culture. According to him if the culture of a society was the iceberg, then there are some aspects visible, above water, but there is a larger portion hidden behind the surface.



**Figure 1: The iceberg model of culture**

**Source: Google image**

Another aspect of culture that is relevant from an intercultural perspective is the fact that groups of human beings sharing a culture does not necessarily comprise a whole nation but can be any kind of community who share values, attitudes and patterns of behavior such as a family, a religious organization, a company or a sport club. Hence, one large culture can have many subcultures and one individual does therefore by definition belong to many cultures. Referring to Snowden's (2002) system definitions, the system of culture and the human being is complex and varied.

### **3. Studies of Social & Cultural Dimension of KM**

#### *3.1 Research Approaches to KM*

There has been an increasing literature on knowledge management over the past

decades, with a blend of practitioner and academic input and appeal. The literature now reports four distinct stream of research to knowledge management. Initial explorations of the knowledge management concept took a technological focus. In these works knowledge management is defined as a technical issue to be managed by developing Intranets and other IT facilities through which organizational members can capture, share, store, and retrieve data and information.

During 1990s, discussions recognised the increasing importance of knowledge to competitive advantage in organizations. In this stream of research KM theorists argued that knowledge is the pre-eminent resource of the firm (Davenport & Prusak 1997; Grant 1996; Spender 1996) and that the primary rationale for the firm is the creation and application of knowledge (Bierly & Chakrabarti 1996; Conner & Prahalad 1996). Among the questions addressed in this body of literature are: What knowledge exists in organisations? Who holds that knowledge? How can we capture and/or share the knowledge? However, initial research and practice in this area focused on knowledge transfer with academicians and practitioners identifying the necessity for international businesses to transfer distinctive knowledge to their subsidiaries to build their own competitive advantage and provide knowledge to the subsidiary employees and foreign business partners.

Third stream of research in knowledge management has at its' core a social dimension. Decades after sociologists and psychologists have revealed a social construction perspective (Berger & Luckmann 1967; Piaget 1972), the knowledge management literature concludes that knowledge is socially constructed among communities of workers (Alavi & Leidner 2001; Lang 2001). Thus this discourse of KM has centered on the social and behavioral dimensions of knowledge management. This has drawn attention to individual and group behavior in knowledge sharing, and creation. It broadened the focus from information technology and information management architecture to manage knowledge, to the organizational and behavioral change required to achieve knowledge management. This placed human resource management and organization development as a central part of the solution alongside IT. In particular it picked up on organizational learning and the learning organization concept, as a tool for knowledge management systems. As Carter & Scarbrough (2001: 220) point out "for many writers the intersection between knowledge management and human resource management rests largely in the creation or management of learning processes. Human resource management is especially concerned with learning at the level of both the

organization and the community”.

In more recent literature on KM, new approaches to knowledge management are emerging (for example, Hutchings and Mohannak 2007; Metaxiotis et al 2005; Zhu 2004). These approaches expand on both the previous research by attending to issues of culture and the social/behavioural dimension, through integration with business strategies and environments. As a consequence more serious attention has fallen on the impact and contribution of organisation and national culture to knowledge management. Recent research on intercultural KM has advocated that a key problem with much of the KM research and literature is that it has been largely viewed through a Western or industrialised nation lens and accordingly, such findings may not be inter-culturally applicable. Sbarcea (2001) has maintained that KM outside the industrialised world is not as ‘natural’ nor as self-evident, as they argue it is usually presented in mainstream KM literature. Accordingly, Hutchings and Michailova (2003) state that it is important to realise that in developing economies, people may not share the knowledge they possess with others or tap into the collective corporate knowledge base as readily as people in the Western world. Nonaka (1998) also maintains that efficient organisational knowledge sharing depends on the willingness of individuals to identify the knowledge they possess and share that knowledge if, and when, required.

Moreover, in this body of literature, Glisby and Holden (2003) have suggested that what is assumed about KM in a Western industrialised context or in a Japanese context (on which the work of Nonaka and Takeuchi is based) may not necessarily be translated to other cultural settings where much more knowledge is held tacit. Further, an increasing number of researchers are questioning the very belief in the assumption of the existence of intra-organisational knowledge sharing. Hutchings (2005) has indeed purported that an important limitation on the capacity of international organizations to achieve international competitiveness, has been problems not only with cross-cultural communication, but also an inability to harness cross-cultural knowledge sharing and management learning through an inability to tap into tacit knowledge.

In fact these development of approaches to knowledge management in the literature reflects the gradual integration of different disciplinary perspectives (from IT to behavioral and cultural studies), and associated with that changing perspectives on the nature of knowledge and thus its management in an organizational setting (Alavi & Leidner, 2001).

### 3.2 Cultural Diversity in KM

As explained in cultural studies of KM the adoption of knowledge management in organizations largely depends on various national cultural characteristics. Numerous frameworks to assess the consequences of culture exist. In Table 2 five models of national cultures widely cited and utilized in the management literature and have been used in KM studies are presented. This Table includes models proposed by Kluckhohn and Strodtbeck (1951, 1961), Hall (1977, 1981), Hofstede (1980, 2001), Adler (1991) and Trompenaars (2002) and each of them can be useful in understanding some aspects of culture and highlight different aspects of societal beliefs, norms, and values.

**Table 2: Comparison of the Models and Dimensions of National Culture**

Discipline		Cultural dimensions	
Kluckhohn, Strodtbeck (1951, 1961)	anthropology	<ul style="list-style-type: none"> <li>• relationship with nature</li> <li>• relationship with people</li> <li>• relationship with time</li> </ul>	<ul style="list-style-type: none"> <li>• human activities</li> <li>• human nature</li> </ul>
Hall (1977, 1981)	anthropology	<ul style="list-style-type: none"> <li>• context (low vs. high)</li> <li>• space (center of power vs. community)</li> </ul>	<ul style="list-style-type: none"> <li>• time (monochronic vs. polychronic)</li> <li>• relationship (deal vs. relationship-focused)</li> </ul>
Hofstede (1980,2001)	organization science	<ul style="list-style-type: none"> <li>• power distance (low vs. high)</li> <li>• uncertainty avoidance (low vs. high)</li> </ul>	<ul style="list-style-type: none"> <li>• individualism vs. collectivism</li> <li>• masculinity vs. femininity</li> <li>• long-term vs. short-term orientation</li> </ul>
Adler (1991)	organization science	<ul style="list-style-type: none"> <li>• human nature</li> <li>• relationship with nature</li> <li>• individualist vs. collectivist</li> </ul>	<ul style="list-style-type: none"> <li>• human activity (being vs. doing)</li> <li>• space (private vs. public)</li> <li>• time (past vs. present vs. future)</li> </ul>
Trompenaars (2002)	organization science	<ul style="list-style-type: none"> <li>• universalism vs. particularism</li> <li>• individualism vs. communitarianism</li> <li>• affective vs. neutral</li> </ul>	<ul style="list-style-type: none"> <li>• specific vs. diffuse</li> <li>• achievement vs. ascription</li> <li>• time</li> <li>• internal vs. external</li> </ul>

Source: Szabo et al (2010)

For example, Lucas (2006) employed Hofstede’s framework (2001) and argued cultural differences may create bottlenecks in knowledge transfer between multinational subsidiaries and may either impede or eliminate the potential for successful knowledge transfer. He found this is the case irrespective of which dimension of the cultural index of Hofstede’s framework to be considered. Also Szabo et al (2010), based on the analysis of Trompenaars’ (2002) national culture profiles, compared the national culture profiles of Bulgaria, Hungary and Serbia in order to reveal the roots and reasons of cultural and knowledge sharing differences of the three countries. In this relation, Prusak et al (2006) have reported some cross-cultural continua which are useful for the

purpose of KM. These continua (such as individualistic-holistic, short term-long term, high context-low context, public-private, shame-guilt, agency-destiny, directindirect, tangible-intangible, low trust-high trust, local-cosmopolitan, universalist-particularist) are based on national, regional and also organizational culture. These continua have been related to three categories of KM (Knowledge Development, Knowledge Retention and Knowledge Transfer). The purpose of Prusak et al's article is also to point out the importance of recognition and appreciation of cultural differences in order to improve and enhance KM activities.

In general, the role of culture within the KM literature has been studied in different levels; national cultures, overall organizational culture and climate, organizational subcultures, subunit cultures, and team climate (King 2007). Furthermore, some writers argue for adaptation of KM practices verses standardization in international context (see, for example, Ang & Massingham 2007) and question the universality of the KM concept. For example, Zhu (2004) in his study of cross-cultural aspect of KM questions the perceived universalism of KM in arguing that there should be the development of an 'interactionist strategy of constructing, connecting and sharing cross-cultural contexts'. Building on Cohen's East-West schema (see Table 3), which he claims provides insufficient discrimination about KM between and within these regions, Zhu (2004) studied American, Chinese, European and Japanese approaches to KM (see Table 4). While suggesting there are convergences between the KM styles employed in these regions, such as the application of Brown's 'knowledge ecology' (Brown & Duguid 1991; Cook & Brown 1999) to China (Zhu 2001) and to Nonaka and Takeuchi's (1995) Japanese style of knowledge creation, he argues still for varieties and divergence.

**Table 3 Cohen's U.S.-Japanese contrast on KM**

<b>West</b>	<b>East</b>
Focus on Explicit Knowledge	Focus on Tacit Knowledge
Re-Use	Creation
Knowledge Projects	Knowledge Cultures
Knowledge Markets	Knowledge communities
Management and Measurement	Nurturing and Love
Near-Term Gains	Long-Term Advantage

**Source: Cohen (1998: 24)**

Looking at the similarities and differences between various KM approaches studied by Zhu (2004), we can see that in the US Knowledge Management is supported by technologies, with the help of the language of economy, while social factors, power and conflicts are paid less attention to. In Japan implicit knowledge is emphasized, while technologies act just as means for its transfer and accumulation. The difference between American and European approaches is that in the American style politics, power and conflicts tend to be seen as negative for organizational performance: “What tends to doom projects is fighting over who owns the knowledge, then the project is doomed”. In the European approach such questions are not so important as well as issues of dividing knowledge into implicit and explicit. According to Zhu (2004) in China KM approach is centralized and integrated, it synthesizes technologies, human knowledge and institutional initiatives.

**Table 4: Connecting and Contrasting KM Styles**

	<b>American</b>	<b>Japanese</b>	<b>European</b>	<b>Chinese</b>
<b>Motto</b>	I succeed, therefore I am	I love, therefore I am	I practise, therefore I am	I learn, therefore I am
<b>Mentality</b>	Performanism	Groupism (de-)	Constructivism	Pragmatism
<b>Ideal-type</b>	Knowledge as resource	Knowledge as relationship	Knowledge as power	Knowledge as virtue
<b>Embodiment</b>	Knowledge base	Knowledge company	Knowledge agent	Knowledge life
<b>Mechanism</b>	Knowledge economy	Knowledge culture	Knowledge discourse	Knowledge governance
<b>Aim</b>	Near-term gains	Long-term advantage	Legitimacy	Kingliness–sageliness
<b>Focus</b>	Explicit-objectified knowledge	Tacit-subjective knowledge	Situated-constructed knowledge	Useful-workable knowledge
<b>Strategy</b>	Leverage	Creation	Politicisation	Integration
<b>Process</b>	Re-using	Converting	Enacting	Contextualising
<b>Means</b>	Rationality Technology Markets	Vision/emotion Trust/care Socialisation	Identity/meaning Participation Negotiation	Wuli: material-technical Shili: psycho-cognitive Renli: socio-political
<b>Metaphor</b>	Picking low hanging fruit	Nurturing an originating <i>ba</i>	Stories in the making	The Master is free from four Negatives

**Source: Zhu (2004)**

Diversity in managing knowledge is also well illustrated in several case studies from developing countries included in Hutchings and Mohannak (2007), in which a broad range of issues in managing knowledge provided a view of totality and complexity of the various dimensions of knowledge management from cultural and institutional perspectives. The case studies cover a wide range of countries in Africa, Asia, the Middle East, Latin America as well as transition economies of the former socialist

countries in Eastern Europe. To illustrate the diversity a brief summary of these case studies are included here.

#### *KM in Transition Economies*

Knowledge management in transition economies of Central and Eastern Europe have been explored by Fink, Holden, and Lehmann (2007) who undertake an historical assessment of KM in Central and Eastern Europe. They suggest that there was, and continues to be, a 'socialist-style of KM' premised on crucial distinctions between public and private, family and work, reliable and unreliable people. They maintain that, in such a system, communication channels were reduced to tacit knowledge transfer embedded in the official political language in which transfer could only occur for those who knew the context. They further suggest that translating modern concepts of management and human resource management have been problematic for reasons such as language and interpretation as well as a legacy of a climate lacking in trust.

Kaminska-Labbe and Thomas (2007) have examined KM in Poland, with specific reference to the experience of three Polish organisations and their strategic adaptation during economic transition in the post-Socialist era. They discuss the complexities involved in building new competencies and the influence of the legislative environment as well as political, social and economic change. They suggest that the case study organisations reveal that in a post-rupture deconstructionist context, strategic renewal requires new regulatory processes with greatly modified structures; lessons which they maintain can be applied to other societies equally beset by rapid environmental changes.

Hutchings and Michailova (2007) have looked at knowledge sharing in Russia and China through an exploration of the impact of cultural traditions and Communist influences. They argue that, contrary to earlier research suggesting that people in transition economies such as Russia and China have a propensity not to share knowledge, Russians and Chinese are actually more inclined to share knowledge than people in Western, industrialised countries but that this willingness to share knowledge is highly influenced by group membership. Moreover, they maintain that the extent to which knowledge sharing is impeded or facilitated in Russia and China is determined by interplay of both cultural and institutional factors

#### *KM in Asia*

Chen (2007) examines KM in Taiwan and argues that against a backdrop of declining industries, increasing unemployment and movement of work and organizations to China,

a focus on knowledge, information and the management of knowledge is in the ascendant. Chen discusses the development of Taiwanese multinationals in the small-medium enterprise sector and how they have relied on external knowledge development. Importantly he highlights the Taiwanese government's commitment to emphasizing innovation and how organizations are being encouraged to distribute and construct knowledge for the new knowledge worker economy.

Best and Kakkar (2007) have explored the Indian approach to KM. They argue that in analyzing KM in the Indian context, consideration needs to be given not only to legal, political and bureaucratic systems and processes, but also to recognition of cultural impacts in a country that has been described as the most culturally diverse in the world. In particular, Best and Kakkar argue that in this highly populated nation that has variations across religion, caste, language, and region, subtleties and variants of behaviour linked to these cultural differences dramatically impact on the sharing or managing of knowledge and information on an individual level. Moreover, they suggest that cultural differences can be extremely emotive at times in a way that profoundly affects the knowledge sharing process.

#### *KM in Africa, Middle East and Latin America*

Boolaky, Gungaphul and Weir (2007) locate their research of KM in Africa in the specific environment of Mauritius and explore the development of this small island state as a potential future knowledge hub. They examine how this ethnically diverse yet socially cohesive nation has actually achieved widespread sharing and understanding of social goals, supported by the inflow of foreigners and lessons learnt from them, a shared civic vision, and an entrepreneurial culture. They argue that Mauritius directly and indirectly has created an environment conducive for knowledge development because of its emphasis on lifelong learning and other human resource development initiatives and growing the information technology sector. Yet, while other nations and regions examined in this volume grapple with how to achieve greater sharing of existing knowledge sharing, Mauritius is focused on growing knowledge and faces emerging problems of a widening knowledge gap and how to sift, screen, sort, absorb and understand new information flows.

Weir (2007) considers the role of knowledge growth and KM against a background of varying levels of modernization in the Middle East and North Africa. As well as discussing such issues as the influence of Islam and family business, Weir explores economic and infrastructural issues hindering knowledge growth in some parts of the



region in opposition to rapid industrialization in other parts. Importantly, Weir explores traditional cultural practices which may hinder sharing of knowledge between the Middle East and North Africa, and the international businesses dominated by the West as well as the need to move away from constraining Western-focused views on the KM discourse.

Calderón-Moncloa (2007) suggests that (as is the case in many regions of the developing world), trying to establish a generic pattern for how knowledge is shared and disseminated in Latin America is a highly difficult task, given the vast diversity and complexity of Latin American societies according to their disparate history, social evolution and its present socio-economic situation. Nonetheless, he does identify factors which he considers to be core to management in Latin America and which have important ramifications for KM. He refers to 'mafia' values and organisational feudalism or the existence of in-groups which has important implications for a distance between managerial theory and practice. Moreover he argues that an anti-empowerment culture and a focus on hiding mistakes contribute to a lack of knowledge sharing. Yet, he also proffers that what can be disadvantages can also be real advantages, as the tacit use of knowledge can be transformed, where trust is maximized and the informality that characterizes Latin American organizations can be utilized to create highly adaptive organizations.

In sum, cultural case studies reviewed above presents a broad range of issues in managing knowledge and provide a view of diversity and complexity of the various dimensions of knowledge management, especially from a cultural perspective. Each country case studies presents a large range of issues on the KM landscape and illustrates how cultural and institutional influences impact on KM. Thus, to investigate this further in the next section a cultural approach to KM is adopted to analyze the Islamic approach to managing knowledge, as this area has been a neglected area of study within the KM research.

#### **4. The Case of Islamic Culture**

The need for understanding an Islamic approach to knowledge management especially in terms of organizational setting is increasingly becoming more important these days. For example, Mohamed et al (2008) cite H.H. Sheikh Muhammad Bin Rashid Al Mokatoum (the ruler of the Dubai and vice president of UAE) as stating that there is a distinct need to build an 'Arab model' of KM, 'that reflects Arab culture' (p. 111).

Mohamed et al (2008) support this by stating that a complex mix of frameworks may be necessary, due to the large cultural differences between Arabic Islamic world and Western cultures. Islam is not limited to Arab countries of course and is a universal religion followed by over one billion people living in different areas in the world belonging to different professions and walks of life. Culture and religion in the Islamic world are very much interrelated. In any organization, Islam stresses cooperation and sense of collectiveness. Islam also encourages seeking, acquiring and practicing knowledge, which is one of the main obligations of any Muslim. In fact, the very first command in the *Qur'an* is strictly about knowledge. Due to this, in effect the Islamic countries have for centuries been culturally, religiously and linguistically equipped for knowledge nourishment. From practical perspective, in any organization the individuals may be contributing to the firm's operation and growth but somehow, they may be working in an environment that is not conducive to knowledge acquisition and application. Therefore, it is important an Islamic organization provides guidance and comprehension for people to make a meaningful use of their knowledge.

For example within the Islamic organizations, cultural differences pertaining to trust were highlighted by Weir and Hutchings (2005) who assert that within an Arab context, managers are only likely to participate in knowledge sharing with individuals with whom they have built up a firm relationship based on confidence and trust. This appears to be logical when one considers historical Islamic Arab knowledge sharing practices, which are based on tribal knowledge passed down orally from each generation to family and kinsmen (Mohamed et al 2008). Arabs have a tradition of sharing knowledge with those to whom they are close and trust, rather than with strangers. This emphasis on personal relationships may act a major hindrance in formal knowledge sharing within Arab organizations, as the high proportion of temporary immigrant workers may make it difficult for long term trusting relationships to be formed.

Therefore, culture can be a primary reason for preventing the communication and disclosure of knowledge (McDermott and O'Dell 2001). There are also epistemological and metaphysical dissimilarities between the West and the Islamic world. These differences can be attributed to various philosophical and cultural factors, which should be identified in order to have an in depth understanding of the role of culture in managing knowledge within an Islamic organization. Hence in this section, firstly the importance of knowledge within Islam will be highlighted and then an Islamic approach to management will be discussed in order to come up with some propositions about

Islamic style of knowledge management.

#### *4.1 The knowledge culture of Islam*

Originally the *Qur'an* was considered the main source of all knowledge and made it obligatory for Muslims to study about nature and to interpret it rationally. Muslims were inspired by the many verses of the *Qur'an* that invite believers to observe nature and to study about it. The first revelation to Prophet Mohammad was a command from *Allah* (God) to read, write and gain knowledge.

The scientific character of knowledge manifested in the *Qur'an* is derived from its concept of *tawhid*: the concept of one universe created by God. Scientific objectivity is secured by the realization that the will or the law of God is omnipresent in the manifestation of the universe. The existence of God or the "revelation" of His will is apparent in the universe, referred to as His "created book" (*kitab al-tadwini*), as well as in the *Qur'an*, where it is referred to as His "written book" (*kitab al-takwini*). In order to perceive the will of God, one must observe the structures and movements of the universe, discover their laws and principles, and study their interrelation.

Islam, therefore, calls all Muslims to seek knowledge. The Prophet Mohammad made seeking knowledge an obligation upon every Muslim, and he explained that the superiority of the one who has knowledge over the one who merely worships is like the superiority of the moon over every other heavenly body. He said that the scholars are the heirs of the Prophets and that the Prophets did not leave behind dinars and dirhams (i.e., money), rather their inheritance was knowledge, so whoever acquires it has gained a great share. There is no branch of Muslim intellectual life, of Muslim religious and political life, and of the daily life of the average Muslim that remains untouched by the all pervasive attitude toward "knowledge". Knowledge in Islam should be pursued and practiced with modesty and humility which leads to beauty and dignity, freedom and justice (see, Kazi 1988).

In the Islamic theory of knowledge, the term used for knowledge in Arabic and Persian is *'ilm*, which has a much wider connotation than its synonyms in English and other Western languages. 'Knowledge' falls short of expressing all the aspects of *'ilm*. Knowledge in the Western world means information about something, divine or corporeal, while *'ilm* is an all-embracing term covering theory, action and education. Rosenthal (1970), highlighting the importance of this term in Muslim civilization and Islam, says that it gives them a distinctive shape.

In fact there is no concept that has been operative as a determinant of the Muslim civilization in all its aspects to the same extent as *'ilm*. This term (*'ilm*) has in depth meaning and wide incidence of use. For example, in the Islamic world, gnosis (*ma'rifah*) is differentiated from knowledge in the sense of acquisition of information through a logical process. In the non-Islamic world dominated by the Greek tradition, *hikmah* (wisdom) is considered higher than knowledge. But in Islam *'ilm* is not mere knowledge. It is synonymous with gnosis (*ma'rifah*). Knowledge is considered to be derived from two sources: *'aql* (mind) and *'ilm huduri* (in the sense of unmediated and direct knowledge acquired through mystic experience) (see, Hejazi 1994).

In Islam *'ilm* is not confined to the acquisition of knowledge only, but also embraces socio-political and moral aspects. The main purpose of acquiring knowledge is to bring Muslims closer to God. It is not simply for the gratification of the mind or the senses. It is not knowledge for the sake of knowledge or science. Knowledge accordingly must be linked with values and goals. Knowledge is not mere information; it requires the believers to act upon their beliefs and commit themselves to the goals which Islam aims at attaining. In brief, theory of knowledge in the Islamic perspective is not just a theory of epistemology. It combines knowledge, insight, and social action as its ingredients. The process of knowledge begins at an individual level. The individual imparts the knowledge to his immediate family, friends, and relatives. From there, the knowledge disseminates to the community. In a practical sense, three fundamental steps are involved in this knowledge process – seeking, practicing and sharing. Pursuit of knowledge by each individual is the essential first step. Knowledge gained must also be practiced. One cannot simply hold knowledge. It must also be shared and disseminated. For example, in terms of traditional Islamic practices, Mohamed (2007) reports that the tribal system, which characterizes traditionally most of the Middle Eastern countries, does not only form a mere community of practice, but is a connected community of kinship. Hence, tribal knowledge by definition is an eternal knowledge that can be transferred from generation to generation through traditional, socially facilitated means such as storytelling.

In short, the first and most crucial obligation for Muslims is to acquire knowledge and secondly to practice and preach this knowledge. In fact, Islamic theory of knowledge was responsible for blossoming of a culture of free inquiry and rational scientific thinking that also encompassed the spheres of both theory and practice.

#### *4.2 Islamic approach to management*

The Islamic approach to management is an emerging discipline, often referred to as Islamic management, which looks at the management of organizations from the perspective of the Islamic sources of knowledge that should result in applications that are compatible with the Islamic beliefs and practices. While nobody can claim that Islam provides a comprehensive theory in management, nevertheless one cannot ignore a set of general guidelines that could be applied to management. These guidelines can be derived from *Qur'an* and the sayings and deeds of the prophet Mohammad. Since the *Qur'an* is a comprehensive book that is concerned with all aspects of human life, the existence of such guidelines is inevitable and natural. Chiefly concerned with the organization of human activities and the regulation of individual and group responsibilities, these guidelines are aimed at the realization of individual and group interest, without prejudicing the other. Needless to say, Islam provides a very delicate balance between the rights and duties of both individuals and groups (e.g., the state). According to the Islamic doctrine, the individual has certain rights and freedoms that are God-given and cannot be denied or violated.

A review of exiting literature on the subject indicates that it is a neglected and relatively unexplored area of research. On the whole the picture that emerges of an Islamic management style is one that offers Islamic perceptions and guidelines that could well be applied to managing an organization based on Islamic principles. Muslim management writers have discussed the role of Islam in relation to main management functions within an organization including planning, organizing, leading and controlling (see, for instance, Jabnoun, 1994, 2008; Ahmad, 2006). Faridi (1997) also edited a series of paper on the general Islamization of organizational behavior. Ali (2005) looked at the Islamic perspective in relation to work ethics, group behavior, decision styles, leadership and human resource processes. Areas that are often discussed are conflict resolution (Jabnoun, 1994; Ahmad, 2006) and leadership. Generally, as Fontaine (2008) mentioned, the themes that run through this literature include:

- the need for Muslims to adhere to religious values and principles at work;
- the need for social justice; and
- the need to compete successfully in a dynamic context.

For example, a recent book by Jabnoun (2008) covers the Islamic organizational management culture by concentrating on ways of regulation, conception, values, belief and philosophy of Islam. He provides detailed information that explains thoroughly

what is meant by the correct Islamic culture needed in order for an organization to excel in its business through means that are acceptable and permitted by God. In addition, this book presents the long-term objectives that an organization should implement and how these objectives may be linked to the effective strategic planning skills and actions that are best encouraged by Islam in accomplishing targeted goals. According to Jabnoun (2008) Islam stands for strategic decision-making for both the short-term and long-term benefits of the organization. The author suggests that *tawakkul* (trust) plays a major role after due efforts have been undertaken by the management. To make proper use of God-given resources it is inevitable that an organizational structure is necessary.

Article by Abuznaid (2006) also explores management issues from an Islamic perspective. It is obvious from this article that a Moslem administrator is influenced highly by Islamic teachings and principles. A summary of the main religious practices and beliefs in Islam is given in this article. It is apparent from this article that a Moslem administrator is more likely to be influenced in his thinking, behavior, and lifestyle by his religious beliefs. From this article, it is apparent that Allah (God) names have a direct interrelationship with management functions like planning, organizing, and directing. A Moslem manager, in fact, can use Allah supreme names as a guide to his management style and action.

A recent article by Abbassi, Rehman & Bibi (2010) looks at an Islamic management model; where leaders first surrender their authorities to 'divine' instructions and then gain knowledge and practices from those instructions for a holistic approach to organizational management. According to them, Islamic management model furnishes five approaches to address any situation at hand. Corporate leaders can have a variety of options to lead and influence their partners, colleagues, customers, employees and other stakeholders. These options range from participatory to consistency approach to management. Furthermore according to the authors, Islamic management model, being flexible, has the ability to adapt according to the circumstances for optimum achievement of organizations and their people.

On the whole, as emphasized by Kazmi (2005), publications in this field mainly dealt with ethics and values, organizational behavior, and human resource management. Later works show a movement towards the quantitative aspects of management. Kazmi (2005) also provides differences among the paradigms governing conventional and Islamic approaches to management (see Table 5). According to him the primary

revealed knowledge source is the Holy *Qur'an*. This basic source is elaborated through the *Ahadith* - the traditions and the *Sunnah* - the actions of the Prophet. According to Kazmi (2005) the purpose of an organization based on Islamic teaching are meant to be groups of people coming together for attaining the purpose of human existence. However in conventional management organizations are meant to be groups of people coming together to attain the organizational goals.

**Table 5: Contrast between Islamic and conventional management**

	<b>Conventional Management</b>	<b>Islamic Management</b>
<b>Purpose of Organization</b>	Organizations are meant to be groups of people coming together to attain the organizational goals	Organizations are meant to be groups of people coming together for attaining the purpose of human existence.
<b>Organizational Objectives</b>	Organizational objectives are both economic and non-economic in nature and are subservient to organizational interests	Organizational objectives are both economic and non-economic and are subservient to larger purpose of human existence
<b>Sources of Ethics and Values</b>	Ethics is relative and values are derived from multiple sources such as upbringing, society, and experiences. Ethics could be relative as in utilitarian theory	The revealed knowledge and the traditions of the Prophet constitute the ultimate source of business ethics and personal values
<b>Organizational Control</b>	Organizational control has to operate in a way designed to align human objectives with the organizational objectives	Organizational control has to operate in a way designed to make the human being subservient to the will of Allah
<b>Locus of Control</b>	The locus of control is external and lies in the realm of the organization	The locus of control is internal. Each person is responsible and accountable for his actions
<b>Organizational Responsibility and Accountability</b>	Responsibility and accountability vested in the chief executive who dele-gates it. Employees controlled through organizational systems to ensure responsibility and accountability	Human being has choice, free will and freedom of action therefore is responsible and accountable for all actions

**Source: Adapted and modified from Kazmi (2005)**

Furthermore, according to Kazmi (2005), in Islamic management organizational objectives are both economic and non-economic and are subservient to larger purpose of human existence. However in conventional management organizational objectives are both economic and non-economic in nature and are subservient to organizational interests. Also in conventional management ethics is relative and values are derived from multiple sources such as upbringing, society, and experiences. Ethics could be relative as in utilitarian theory. But in Islamic tradition the revealed knowledge and the traditions of the Prophet constitute the ultimate source of business ethics and personal values. Accordingly organizational control has to operate in a way designed to make the human being subservient to the will of *Allah*. But in conventional management

organizational control has to operate in a way designed to align human objectives with the organizational objectives. In other words, in Islamic management the locus of control is internal and each person is responsible and accountable for his actions but in conventional management the locus of control is external and lies in the realm of the organization. Finally Kazmi (2005), with regard to organizational responsibility and accountability, asserts that in Islamic management human being has choice, free will and freedom of action therefore is responsible and accountable for all actions. However in conventional management, responsibility and accountability vested in the chief executive who delegates it. Employees are being controlled through organizational systems to ensure responsibility and accountability.

On the whole in an Islamic organization it appears that knowledge brings potential and ability to improve performance and reputation, therefore there is a need for processes and practices that translate knowledge into action for desired outcomes. This is evident in the fact that there have been traditionally several means of communicating the principles of Islam to the employees. For example, group activities involving discussions, speechmaking, and propagation of ideas have been practiced widely in Islamic countries. Formal training programs too include several elements of sharing Islamic knowledge. Therefore, in today's global world, Muslims while building organizations that follows the Islamic management model they should ensure that knowledge acquisition and sharing are also encouraged within the organization.

## **5. Discussion: Universality vs Diversity**

The country case-studies and in particular the case of Islamic culture included in this paper show that some activities and institutions in the management process in general and knowledge management in particular are more directly steered by local cultures. In Islamic countries, for example, culture continues to affect seeking, practicing and sharing knowledge especially at individual and organizational levels. In this section, therefore, we will discuss, despite the fact that Islam is a universal religion, whether knowledge management (KM) as defined in the literature is a universal management concept or as Zhu (2004) maintained it will benefit not from a universality perspective, but from understanding of cross-cultural contexts, through which cultural differences and diversity are important sources for building KM competency.

The idea that management institutions and practices are different across national borders



is not new (Biggart & Guillen 1997; Kitschelt et al 1999; Whitley 1999; Aoki 2000; Hall & Soskice 2001). However, how these different management institutions and cross-cultural differences influence KM has received limited research attention. For example, diversity and differences in culture, and Hofstede (1980, 2001) shows that there are significant differences between nations, can lead to differences between national groups within the same organization, which can cause those groups to either understand knowledge differently or have significant barriers to participating in the sharing of knowledge. We must understand that culture is a unique component that is so deeply imbedded into people's lives that our ignorance of it usually leads to failures. Nevertheless, despite evidence of similarities and varieties, it remains far from certain whether KM is to become a universal concept. Despite growing overlaps and imitations, researches and practices in different cultural-institutional settings continue to obtain richer insights and know more and better about other cultures and through appreciating different cultural diversity, not by melting them into a universal one. As Hoff puts it incisively, 'cultural clash between genuinely different points of view can be an important basis for the development of knowledge' (Hoff 1981: 87), which will happen only when we are willing and capable to recognize, understand and value cross-cultural, and cross-institutional differences, however complex, ambiguous and inconsistent the differences might be.

In the last fifty years of Western thought, management and organization studies have grown as academic disciplines, as well as the professional managers working within an economic framework that favors competition. Hence as soon as something is recognized as having some potential value or contribution to competitive advantage, it then becomes seen as a resource of the organization to be exploited - it becomes something which needs to be 'managed' and 'owned'. By appending the word management to a concept we are changing that concept – focusing it on an organizational context, to serve the ends of the manager. In the case of Islamic culture, as discussed, nature of knowledge and knowing is not something that should be managed as it is the duty of every Muslim and seeking knowledge an obligation upon every Muslim which doesn't necessarily needs to be managed.

Why consider management then? In fact, the Islamic countries now need managing their knowledge more than at any previous time. A strategy for the most of Islamic countries now is to narrow the knowledge gap with the Western countries by adopting a systemic learning approach. This approach must reflect the needs of the Islamic countries to

transform their economy into a knowledge economy and their society into a knowledge society. In reality, there is no specific prescription for building the ‘‘knowledge society’’. However, the strategic importance of developing knowledge and managing it has been commended by many organizations and research centers around the globe. As emphasized this is only possible through the empowerment of individuals and application of culturally sensitive knowledge management tools. The aim should be to devise a KM strategy which is ideally suited and culturally sensitive to the local context.

At the organizational level, businesses operate in institutional environments, where knowledge and intellectual capital are key factors in economic development and competitiveness. King and Ko (2001) maintain that at the organizational level the impact of cultures on individuals can be thought of in terms of cognitive and post-cognitive impacts and behavioral impacts. In fact, organizational-level cultures’ relationships to KM have been addressed by DeLong and Fahey (2000) who posit four ways that organizational culture can influence KM:

- (1) Culture shapes assumptions about which knowledge is important.
- (2) Culture mediates the relationships between organizational and individual knowledge.
- (3) Culture creates a context for social interaction.
- (4) Culture shapes processes for the creation and adoption of new knowledge.

These observations suggest that various activities within organizational knowledge processes can be influenced by local culture and institutions. Therefore, it is of utmost importance to bear in mind that different people manage knowledge differently. Once enterprises realise and embrace this fact, the knowledge of the employee will truly become the knowledge and the most valuable asset of the enterprise. Therefore, knowledge management is the means, while building economic prosperity and competitive advantage and achievement of business goals are the ends.

However, as discussed before there are main differences between conventional and Islamic organization and between Western and Eastern cultures. In the case of managing knowledge, for example, Davenport and Prusak (1998) maintained that the Western culture organizations reward and raise the status of people who own knowledge. Hence people believe that knowledge is their special right and privilege, which should be preserved at all costs. However, less individualistic cultures, such as Islamic culture, are more open to knowledge sharing and less assertive cultures are easier to transform

(Cabrera & Cabrera 2002). These observations are consistent with the existing KM literature and cross-cultural management (e.g. Hofstede 2001; Nonaka & Takeuchi 1995). Given these arguments, national culture could very well be a significant factor in the managing knowledge. National culture influences the way that all people in a society think, how they view their duties, collect information, respond to others, and express their feelings. So, it is reasonable to assume that national culture would influence the way that KM can be best conducted, how KM outputs would be valued and used, and the overall success of KM (King 2007).

On the other hand, the Islamic countries while developing their economy are struggling to protect their national cultural identity, which is threatened by the predominance of Western cultural, information and media products. The protest against the ongoing process of commercialization of knowledge and information is actually a protest against the exploitation of indigenous knowledge and culture, which is the heritage of the developing countries' national culture and institutions. Consequently, from the four main aspects of KM mentioned in the literature, i.e. social, managerial, technological and individual, the most prominent factor which affects KM in an Islamic setting seems to be the social aspects. It appears that while collectivism prevails in many Islamic countries, individualism prevails in developed and Western countries. However, in the Islamic economies, transfer of individual (tacit) knowledge is important and this knowledge increases in utility when it becomes available to others in the society or organization.

Therefore for knowledge to have value, it must include the elements of human context, experience, and interpretation. Nonaka (1994) expands this view by stating that knowledge is about meaning in the sense that it is context-specific. This implies that users of knowledge must understand and have experience with the context (surrounding conditions, influences including culture) in which the knowledge is generated and used for it to be meaningful. This suggests that for a culturally sensitive knowledge management tools (e.g. knowledge repository) to be useful, it must also store the cultural context in which the knowledge was generated. The suggestion that knowledge is influenced by social culture argues against the idea that knowledge can be applied universally. Local context is the collection of relevant conditions and surrounding influences that make a situation unique and comprehensible to the users of the knowledge (Degler & Battle 2000). To create culturally sensitive knowledge management systems, local context should be stored with knowledge and/or should be

possessed by knowledge users.

When a system's knowledge users are known, the knowledge that is captured is captured to support specific activities. Culture is believed to influence the knowledge related behaviors of individuals, teams, organizational units and overall organizations because it importantly influences the determination of which knowledge it is appropriate to share, with whom and when. In fact knowledge management system (KMS) users are readily known when the KMS is built to support a specific team, project, or process, and the users are those involved with that team, project, and/or process. These users tend to possess a high degree of shared cultural context of understanding where context of understanding incorporates context and experience. Hence, knowledge management systems (KMS) as well as other systems created to improve an organization's performance should use all possible information about culture to escape mistakes due to lack of cultural awareness and understanding. This means one of the main functions should be to capture diversity.

In terms of the importance of the cultural context and personal experience, Davenport and Prusak (1998) view knowledge as an evolving mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information. They found that in organizations, knowledge often becomes embedded in documents or repositories and in organizational routines, processes, practices, and norms. In a way, experience is what knowledge users use to generate mental models of how to use or apply the knowledge (Degler & Battle 2000). Experience comes from the individual's own experience with the knowledge domain, other's shared experience with the knowledge domain, and/or a collective experience with the knowledge domain (Degler & Battle 2000). Combined, this means that knowledge users in teams, projects, or even processes understand the organizational culture, the structure of organizational documents, organizational process, and how the organization works and are able to use posted knowledge, even if it does not include context, as they implicitly understand the context in which the knowledge was created and have experience using this knowledge. On the other hand, when KMS users are not known, it is not possible to assume these users possess a common context of understanding or experience associated with the generation of the knowledge. This means the KMS will have to capture this context and experience for users to be able to utilize the captured knowledge effectively.

To summarize, culture and context are issues that affect how we represent knowledge, what we store for knowledge, and how we transfer and apply knowledge. It isn't realistic to expect all users within the same organization with diverse workforce to possess the same cultural and context attributes, so KM tools and initiatives need to recognize these limitations and allow the differences. It should also be expected that the initiators/designers/developers of knowledge management tools and systems will not belong to the same culture of the expected users nor necessarily possess the context to understand how the expected users will transfer and use knowledge. Additionally, we need to realize that knowledge contributors/knowledge sources may be of a different culture than the knowledge users and that the knowledge users may not possess the same context knowledge as the knowledge contributors/sources. Not only traditions but whole schemes of thinking as well as understanding and interpreting the order/classification of data/events/knowledge might be different. Knowledge management tools are highly logical systems that only work properly when the logic of its user is captured properly.

Therefore, knowledge and culture are indissolubly linked together in organizations. Considerable evidence supports the importance of culture in the success or failure of knowledge management. More generally, organizations seeking to implement knowledge management initiatives in non-Western and even different Western cultures must understand and pay specific attention to the dynamics of cultural behavior and values of the employees. An understanding of the nuances of cultural traditions is important before an institutional implementation is attempted. Organizational culture is highly influenced by national culture and institutional change must take this into account. Essentially practitioners have two main options either to try to apply a 'best practice' approach to knowledge management, changing the organization and behaviors to fit, or to adopt a more contingent approach recognizing and embracing the national culture and creating knowledge management strategies to fit the various culture.

It is argued here that the concept of knowledge management must take into account the diversity of national culture in which the organization exists. This is particularly important when the management is being guided and driven by concepts imported from another culture. An understanding of national culture holds the potential to be a powerful analytic tool with which to lay foundations for developing models and concepts. Therefore, we stress the importance of investigating the culture and understanding context before we can expect to design a successful knowledge

management processes, systems and tools.

## **6. Concluding Remarks**

The case studies discussed above presented a broad range of issues in managing knowledge and provided a view of totality and complexity of the various dimensions of knowledge management (KM), especially from a cultural perspective. Each country case studies presents a large range of issues on the KM landscape and illustrates how cultural and institutional influences impact on KM. Thus, it would be helpful in this section to come up with some general concluding remarks.

The theme of this paper focused on the role of cultural diversity in KM. The reason being that cultural diversity, as evidenced in the case studies, has a definite impact on the work-related values and attitudes of employees and their support and understanding of KM. In this regard, it is possible to postulate that if cultural diversity impacts on the work-related attitudes and values of employees, it would also influence the degree to which employees value knowledge and the manner in which they participate and support KM within the enterprise.

Surely, one of the common themes which brought up from case studies is that a manager in a cross-cultural environment must address the cultural diversity of the workforce on KM. It is therefore of the utmost importance that an understanding must be developed of the impact of cultural diversity on work-related attitudes and values and thus ultimately also of the impact of cultural diversity on KM. Effective and efficient KM will depend, to a large degree, on the ability of management and other stakeholders to create an environment in which cultural diversities or employees are taken into account when KM processes are designed and implemented.

The case of Islamic culture also illustrated that role of institutions are important in understanding the social context. In a rapidly changing Islamic society, the performance of socio-economic systems is increasingly determined by their institutional adjustment capacity. To ensure a well-balanced adjustment process, it is important to understand the determinants of institutional change, which is deeply embedded in cultural practices. The abilities to learn and foster personal experiences constitute the human side of 'Culture of Knowledge' which is emphasized within Islamic culture and are key elements of knowledge societies and institutional adjustment. As a result, all KM activities need to be people-centered.

Finally it should be emphasized that although KM is often seen as a technological issue, in practice, it is widely understood that technology is a relatively small part of any successful KM program. This is because a tool can not be utilized without the corresponding cultural and organizational practices. As discussed, without understanding the people, the processes and the culture, knowledge cannot be managed satisfactorily if they are not incorporated into the equation. In effect, information technology is necessary for KM in any complex environment; but it is not sufficient.

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