



The mediating role of knowledge share in the relationship between interpersonal trust and sustainable competitive advantage

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Abstract: *The aim of this study is to develop a conceptual model for interpersonal trust, tacit knowledge share and sources for sustainable competitive advantage (SCA). According to the previous studies we make our research propositions (1) interpersonal trust has a positive impact on tacit knowledge share (2) tacit knowledge share has a positive impact on sustainable competitive advantage(3)the mediating role of tacit knowledge share in the relationship between interpersonal trust and SCA.*

Keywords: knowledge share, trust, sustainable competitive advantage, innovation and organization learning

Introduction

The term sustainability is used in many fields; it was emerged in the natural sciences because of how the individual interacted with the external environment and the ability to survive as long as possible (Boyle & Coates, 2005).

Knowledge is one of the most important variables that can achieve sustainability, especially, sustainable competitive advantage (Del Valle & Castillo, 2009; Pfeffer, et al., 2005;Lubit, 2001;Johannessen & Olsen, 2009;Egbu, et al., 2005;Adams & Lamont, 2003;Lin & Chen, 2008).

The management literature discussed two main streams namely "identify barriers to knowledge share (KS) example (Sandhu, et al., 2011).

In addition, the role of knowledge shares in achieving sustainable

competitive advantage (SCA) example. (Lubit, 2001).

Notable, investigating a model that test the mediating effect of knowledge sharing behavior in the relationship between KS barriers and sources of SCA is still a research gap.

Knowledge sharing

Knowledge can be defined as "a mix of experiences, values, information and visions that create a framework through which individuals can evaluate and provide new experiences and information (Al-Alawi, et al., 2007;Kanaan, et al., 2013).

Knowledge sharing (KS) is defined as the process whereby individuals mutually exchange and discuss their tacit and explicit knowledge about products or procedures, aiming to create new knowledge and expand the utilization



value of the exchanged knowledge (Sandhu, et al., 2011). Previous studies have addressed some definitions associated with KS.

For example, (Bartol & , 2002, p. 65) defined KS as individuals sharing relevant information, ideas, suggestions, and expertise with one another. (Connolly, et al., 2005) Defined the KS as the process of capturing knowledge, or transfer knowledge from a source unit to a recipient Unit.", While (Kamasak & Bulutlar, 2010) defined KS as a process where individuals mutually exchange their tacit (tacit) and explicit knowledge to create new knowledge.

There are many taxonomies that specify various kinds of knowledge, the most fundamental distinction is between "tacit" and "explicit" knowledge.

Explicit and Tacit knowledge

Explicit knowledge is easily articulated or reduced to writing, is often impersonal and formal in nature, and frequently takes the form of documents, reports, "white papers", catalogues, presentations, patents, formulas, etc. (Holste & Fields, 2010)

There are several methods that can be used to share explicit knowledge within the organization, as demonstrated by previous studies (Holste & Fields, 2010;Egbu, et al., 2005).

- Training programs.
- Operational procedures.
- Lectures and books.
- Open discussions.
- Brand Trademarks.
- Copyright Rights.
- Official files.

Tacit knowledge (e.g. abilities, developed skills, experience, undocumented processes, "gut-feelings", etc.) is highly personal and difficult to reduce to writing. (Holste & Fields, 2010). Tacit knowledge is the antithesis of explicit knowledge. It not easily shared through conventional instruments.

Tacit knowledge is defined as knowledge that is personal, intangible and embedded in the cognitive minds of people and is obtained through learning and experience (Sandhu, et al., 2011).

Previous studies have agreed that tacit knowledge is one of the most difficult types of knowledge to be shared. Accordingly, tacit knowledge will be our research of interest. There are several reliable ways to share tacit knowledge including scenarios, stories about achievements, observation, simulations and face-to-face interactions (Holste & Fields, 2010).

Interpersonal trust

This paper concerns with the interpersonal trust as the most influential barrier for KS (Sandhu, et al., 2011;Joshi, et al., 2012;Swift & Hwang, 2013). Trust among individuals is defined as "the degree of expectation of credibility in the behavior of the other person in the future period" (Wickramasinghe & Widyaratne, 2012).

trust is defined as the belief that another party will: a) not act in a way that is harmful to the trusting firm; b) act in such a way that it is beneficial to the trusting firm; c) act reliably; and d) will behave or respond in a predictable and mutually acceptable manner (Paliszkievicz & Koohang, 2013, p. 118).



In the same context, (Amayah, 2013) concluded that trust is "a set of specific beliefs dealing primarily with the integrity, benevolence, and ability of another party". (Chowdhury, 2005, p. 312) Defined trust as "the individual's willingness to depend on another person's actions that involve opportunism.

There are two classification for interpersonal trust (1) cognition based Trust, which is based on another person's perceived competence and reliability (Holste & Fields, 2010;Chowdhury, 2005).

on the other hand (2) affect based trust is grounded in relationships where the parties have care and concern for each other, value the intrinsic virtue of such relationships, and believe that these sentiments are reciprocated (Chowdhury, 2005).

Sustainable competitive advantage (SCA)

A firm is said to have a sustained competitive advantage" when it is implementing a value creating strategy not simultaneously being implemented by any current or potential competitors and when these other firms are unable to duplicate the benefits of this strategy" (Barney, 2000, p. 102). His study states that not all firm resources hold the potential of SCAs; instead, they must possess four attributes: rareness, value, inability to be imitated, and inability to be substituted.

Therefore, firms may succeed in establishing an SCA by combining skills and resources in unique ways (Hoffman, 2000).

The literature turned to an exploration of the potential sources of an SCA, this study highlighted to the sources of SCA, which also related to knowledge share as stated in the literature review, i.e. innovation and organization learning.

Competitive advantage may result from those innovations which are consistent with the firm, both socially and technologically, and provide some distinct value to customers, either directly or indirectly (Hoffman, 2000).

In addition, Organization leaning (The management of information) is an asset used to gain SCA; SCA lies in the ability to learn faster than competitors (Hoffman, 2000).

Innovation

Innovation is the generation, acceptance and implementation of ideas for new operations, goods or services that can be achieved through two strategies: Exploitation and Exploration.

The strategy of exploitation is to reuse the current opportunities, while the exploration strategy is to look for new opportunities (Haque, et al., 2015, p. 18206; Masa'deh, et al., 2013;Kamasak & Bulutlar, 2010;Lin & Chen, 2008) Defines innovation as the ability to change or a way to discover new ideas.

Other studies define innovation as a process that involves the appropriation, distribution and use of current knowledge in order to find new knowledge and new ideas, and generally a process of renewing the organization's goods, operations, or services In order to achieve competitive advantage (Waheed, et al., 2013).



Organizations that operate in a dynamic competitive environment rely heavily on external information, integrating it with internal information to support competitive advantage (Johannessen & Olsen, 2009). A study by (Lin, 2007) noted that knowledge sharing enhances the organization's innovative capabilities, particularly with regard to the sharing of tacit knowledge, such as the ability to address problems in a creative manner and to interact with new information quickly.

Organizational learning (OL)

Learning is individually driven and once individuals have learned some skills, the next question is how the organization will incorporate procedures and assets (Kumaraswamy & Chitale, 2012).

Organizational learning is described as a continuous transformation process of transferring individual knowledge to organizational systems (Yang, 2007). Studies conceptualized OL as the goal of KM. By motivating the creation, dissemination and application of knowledge, KM initiatives pay off by helping the organization embed knowledge into organizational processes so that it can continuously improve its practices and behaviors and pursue the achievement of its goals (King, 2009).

It is clear from obvious discussion that organizational learning arises - as a start - because of individual learning. Some studies, such as (Sessa & London, 2015; Cheong & Tsui, 2016) showed that the achievement of organizational learning depends on the transfer and participation of the knowledge embedded within organizational members.

Interpersonal Trust and knowledge sharing

There are a number of studies that have examined the impact of trust among individuals on the sharing of knowledge in general. These studies have shown that knowledge is a unique value - a power possessed by the individual - and the fear of the individual sharing this knowledge is due to fear of loss of power or loss of competitive advantage (Swift & Hwang, 2013) (Holste & Fields, 2010).

Therefore, individuals will not share their knowledge until they feel confident (Joshi, et al., 2012). Studies explained that trust has a great influence on the sharing of knowledge, especially tacit knowledge. Trust has an impact on the behavior of knowledge sharing within the organization (Al-Alawi, et al., 2007).

Other studies have examined the effect of trust dimensions (cognition based trust and affect based trust) on knowledge sharing - whether explicit or tacit - and their results have shown that both contingent and affective trust have a significant impact on explicit and tacit knowledge sharing (Casimir, et al., 2012); (Chowdhury, 2005); (Holste & Fields, 2010).

Based on the above discussion, this research proposed the following hypothesis:

H1: Personnel trust has a positive impact on tacit knowledge share

H1A: cognition based trust has a positive impact on tacit knowledge share

H1B: Affect based trust has a positive impact on tacit knowledge share



Knowledge share and sustainable competitive advantage

Referring to studies on the relationship between knowledge sharing and sustainable competitive advantage, it was found that most of the previous studies agreed that there is a positive relationship between knowledge share and sources of competitive advantage (Mohamed, 2011; Egbu, et al., 2005).

The results of these studies showed that knowledge sharing helps to increase the organization's ability to compete in the long term due to its contribution innovative capabilities and organizational learning process as essential sources for achieving competitiveness.

Knowledge share and innovation

Studies showed that there is a significant relationship between knowledge sharing and innovation, for example, (Lin, 2007) and (Lin & Chen, 2008) showed that sharing knowledge helps the organization to achieve competitive advantage and Innovative capabilities.

Another example is the study done by (Kamasak & Bulutlar, 2010), their study showed that both tacit and explicit knowledge share has an impact on innovation through the process of collecting and sharing information to create new knowledge that enables the organization to take on potential risks and contribute to the search for new opportunities. Based on the above reasoning, we hypothesize the following:

H2: tacit knowledge share has a positive impact on innovation.

Knowledge share and organizational learning

Previous studies investigate the relationship between knowledge sharing and organizational learning showed that knowledge share has a significant impact on organizational learning (Kumaraswamy & Chitale, 2012; Yang, 2007; Evans & Kersh, 2004; Suveatwatanakul, 2013). Studies have confirmed that knowledge sharing at the individual level will transformed into knowledge sharing at the organizational level as a whole.

In other words, the process of integrating the knowledge that has been shared among the members gradually transforms into important organizational capabilities that help the organizational learning process.

Some studies have reported that there is a relationship between all knowledge management processes - including the sharing of knowledge share process- on organizational learning and organizational performance in general (King, 2009). Based on the above reasoning, we hypothesize the following:

H3: tacit knowledge share has a positive impact on organization learning.

Interpersonal trust and sustainable competitive advantage

Although previous studies have recommended the need link the determinants of knowledge sharing with the sustainable advantage (Meese, 2011), there are a limited studies try to investigate the direct impact of knowledge sharing determinants on sustainable resource sources.



Previous studies have shown that there is a direct relationship between trust and innovation (Lin, 2007; Arzi, et al., 2013; Waheed, et al., 2013; Lee & Hong, 2014), while other studies found that there is a direct relationship between trust and organizational learning example (Swift & Hwang, 2013). Based on the above discussion, this research proposed the following hypothesis:

H4: Personnel trust has a positive impact on sources of sustainable competitive advantage

H4A: contingent based trust has a positive impact on innovation.

H4B: Affect based trust has a positive impact on organizational learning.

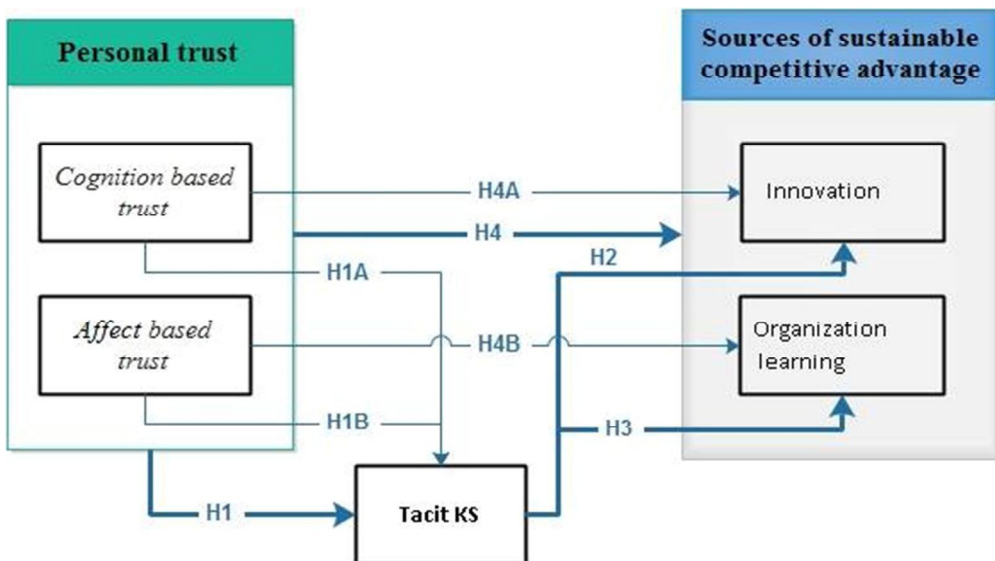


Figure-1. Conceptual Model
(Source: The author.)

Conclusion

There are a huge number of different researches that discussed knowledge share from the theoretical and practical view, this paper tried to discuss the theoretical linkage between KS and sustainable competitive advantage .first we introduced the different types of KS (explicit and tacit knowledge) ,previous studies agreed that tacit knowledge is difficult to share , in addition , it has a

significant role in achieving sustainable competitive advantage for organizations.

The paper then began to investigate ,theoretically, the role of interpersonal trust as determinant of KS, and how both (interpersonal trust and KS knowledge share) achieve SCA. Last we developed a conceptual model that hypnotized the mediating role of KS in the relationship between interpersonal trust and SCA.



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