

Unified Knowledge Sharing as an Antecedent to the Implementation of Organizational Innovation

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ABSTRACT

Current business trends are leading to service innovation that is digital, social and mobile. Innovation is imperative for an organization, for it to have a significant market presence to be felt in the business world. In order to realize organizational innovation, an effective strategic role of human resources with courage in decision-making is needed. However, in order to make a decision that is right, a wide range of knowledge extracted from various relevant sources, both inside and outside the organization are needed to be able to achieve organizational innovation. This study is conceptual framework that describes some theoretical approaches linking several variables such as the strategic role of human resources, organizational and individual factors and unified knowledge sharing that can lead to organizational innovation. With the trend toward the all-digital, social and mobile dimensions of service innovations, this paper will look into how the human resources response strategically to deal with them. Relationship with perceived organizational support is also discussed in this paper, as an important component that will strengthen the model.

Keywords: strategic human resources roles, unified knowledge sharing, organizational innovation, perceived organizational support

1. INTRODUCTION

Becker and Matthews (2008) explained that innovation and human resources are important factors for the organization. Both interact in improving organizational performance. Organizational innovation capability and effectiveness of the strategic role of human resources become an important topic in business competition. A study showed that the capacity of the organization to innovate and manage human resources can be a source of competitive advantage (Jime'nez-Jime'nez and Sanz-Valle 2008).

The relationship of human resources and innovation reflect the trends in the business world that encourage the emergence of integration between HR and innovation. Companies today are increasingly adopting open innovation models and engaged with external knowledge sources, they find that they need to bring a new group of employees into the innovation process (Laursen and Foss 2013). It requires special training, new performance indicators, new rewards, new ways to communicate with and between employees and so on, in short, it is a requirement of human resource efforts to become active.

Innovation is the process of introducing or improving a product, process, defining or redefining the market position or change the dominant paradigm for companies (Tidd et al. 2005). In reaching an innovation, the human factor is a major contributor to the organization. All the systems and processes in innovation will be realized in the presence of human capabilities, so that without human innovation will not happen. Therefore innovation will occur, where the ability of companies and individuals in effectively utilized to implement change; whether it considered radical or incremental innovation. Humans in this study as the strategic role of human resources where the discourse related to human resource management and innovation management will have many advantages in the integration.

Strategic human resource management is central to all development plans and implementation of the program, because there are no plans or programs can be designed and implemented effectively without strategic thinking (Farazmand 2004). Development of strategic human resources is important for the governance and management systems of all organizations, whether public, private, and non-profit, regardless of the nature of the political and economic system. Therefore, the development of strategic human resource and capacity building for strategic management of human resources are used as a term interchangeably in this study. Increased capacity here is the development of institutional capabilities, organizational, managerial, technological (both software and hardware), cultures, and individuals, the ability skills, and knowledge of the organizational system, not only to manage the current but also future. Such a capability enables organizations not only cope with and manage the challenges of today, but also to act by anticipation, through an effective vision, knowledge proactive and corrective self-organization behavior.

The current trends in the business world is a digital service, using social media and mobile. This gives a boost to any business to be able to adjust to innovation and evolving technologies. The existence of the business with existing stakeholders require changes in the organization that lead to organizational innovation. Slowly but surely, to provide ease and speed of service, the organization with innovation will always conform with existing technology. The organization will always update products, processes and administration as well as the dynamic quality of service and market demands. The organizational innovation will be discussed here relate to factors of product innovation, process innovation and administrative innovation (Jime'nez-Jime'nez and Sanz-Valle 2008). Issues to be discussed in this paper are: 1) Assess the strategic role of HR relationship to organizational innovation, 2) How to integrate the strategic role of HR to be more valuable contributions to organizational innovation.

The main purpose of writing this article is to fulfill the gap relationship between the strategic role of human resources and organizational innovation, with the novelty of a variable that is **unified knowledge sharing**. The main contribution of this study is to develop a conceptual model to fill the gap between the ability of the strategic role of human resources in achieving organizational innovation.

2. LITERATURE REVIEW

2.1. Unified Knowledge Sharing

Popularity of knowledge management (KM) has increased rapidly, especially since 1995, and has become a major topic of management philosophy and management tools. This popularity is reflected in the increasing number of articles and books on this topic (Edvardsson 2004; Nonaka et al. 2000). In the knowledge management, specifically focusing on the creation and distribution of knowledge within the organization through new technologies such as the Internet, intranet, and e-mail, although there are also flow concentrates on social relationships and interactions (Alvesson and Karreman 2001). Knowledge is dynamic, because it is made in the social interaction between individuals and organizations. Knowledge is context specific, because it depends on the specific time and space. Without put into a context, it is only an information, not knowledge.

There are two types of knowledge: explicit knowledge and tacit knowledge. Explicit knowledge can be expressed in the form: books, manuals, procedures and guidelines are printed clearly reveal information through language, images, sounds, or other means of communication. It can be processed, shipped and stored relatively easily. In contrast, tacit knowledge is highly personal and hard to

formalize. Subjective insights, intuitions and hunches included into the category of this knowledge. Tacit knowledge is rooted in actions, procedures, routines, commitment, ideals, values and emotions, which comprehensively are the human mind and body awareness. To communicate tacit knowledge to others, required an analog process that requires processing simultaneously.

Knowledge sharing creates opportunities to maximize the ability of the organization to meet the needs of knowledge and generate solutions and efficiencies that provide businesses with a competitive advantage (Reid 2003). In this study, the meaning of knowledge sharing is the culture of social interaction, which involves the exchange of employee knowledge, experience, and skills through the entire department or organization. Knowledge sharing consists of a set of common understanding related to providing employees access to relevant information and the building using the network of knowledge within the organization. Knowledge sharing occurs at the individual and organizational level.

For individual employees, knowledge sharing is talking with colleagues to help them get things in order to contribute better, faster, or more efficient. For the organization, knowledge sharing is capture, organize, reuse, and experience-based knowledge transfer within the organization and making knowledge available to others in the business (Lin 2007). The success of knowledge-sharing networks must arrange methods for: 1) motivate members to participate and openly knowledge sharing valuable, (2) prevent free riders, and (3) reduce the costs associated with starting and accessing different types of knowledge valuable (Dyer and Nobeoka 2000). In this study the sharing of knowledge at the individual level is the sharing of knowledge by playing a strategic role of human resources adopted from Ulrich (1998).

The term "unified" adopted from Kilburg and Donohue (2011) entitled Toward A "Grand Unifying Theory" of Leadership, where in the article describes the thought Bennis (2007), about the most central leadership, as effective leadership is essential to human organization and future. Thus the role of human resources in order to be more effective and contribute to the innovation can be tapped then presented the variable "unified knowledge sharing". Unified knowledge sharing defined as employees' social interaction cultural exchange involving employee knowledge, experience, and skills through the entire department or organization in an integrated manner, which was built to provide employees access to relevant information and the building using the network of knowledge within the organization.

2.2. Strategic Human Resource Roles

Perspectives on current HR is creating an entirely new role and agenda for the field that focuses not on traditional HR activities, such as staff and compensation, but on results. HR does not have to be defined by what it does, but it focuses on something which gives results, which enrich the value of the organization to customers, investors, and employees (Ulrich 1998). Here we can see that the value of an organization is determined by the available human resources. The role of HR is very an impact on how organizations deliver a competitive advantage to the business. According to Ulrich, HR can help deliver organizational excellence in four ways, namely: 1) HR should become a partner for senior managers and line managers in the implementation of the strategy and help realize the planning of meeting space to the market, 2) HR must be an expert in the workings of the organized and carried out, by providing administrative efficiency to ensure that costs are reduced, while the quality is maintained, 3) human resources for employees should be champion, vigorously representing the employees to senior management and at the same time working to increase employee contributions; ie, employee commitment to the organization and their ability to deliver results, 4) HR should be a

continuous process of transformation agents, and establish a culture of increasing the capacity of the organization to change together. The above explanations generate designation for HR role, namely as: 1) Strategic Partners, 2) Administrative Expert, 3) Employee Champion, and 4) Change Agent.

There are at least two HR strategies related to KM and it is defined as an effective strategy and creative. Effective strategies aimed effectiveness and low cost, while the creative strategy aimed at innovation and new capabilities. HR strategy and general strategy of a company form common KM strategy. Characteristics innovative KM is personalized knowledge, working relationships with high confidence, risk-taking, collaboration, exchange of ideas and long-term commitment.

Study (Chen and Huang 2009) criticizes the relationship between the critical role of human resource management and knowledge management in the innovation process. The study suggests that managers must actively manage human capital possessed by various strategic role to stimulate the ability to manage knowledge acquisition, sharing and application. The results of the study highlighted the critical role of human resource management and knowledge management in the innovation process. Research conducted by Francis and Keegan (2006) states that the function of the role of HR today is leaner and more strategic with the new designation of "the thinking performer". This confirms that the strategic role of HR is very important in contributing to knowledge in the organization. Several studies have shown that knowledge management mediates the relationship between human resource management and innovation (Chen and Huang 2009; Tan and Nasuridin 2011; Ika Nurul Qamari 2014).

According to the above explanation, it is clear that the strategic role of HR is very important in contributing to acquire, share and apply knowledge in the organization. The strategic role of HR can encourage and promote an organizational environment that is conducive to implementing an integrated knowledge-sharing activities. So it is expected that there is a positive relationship between the strategic role of HR to a unified knowledge sharing.

Hypothesis 1. *The more intense the strategic role of HR as indicated by the seriousness of decision makers in the organization as a strategic partner, administrative expert, employee champion, and change agents will further encourage their integrated knowledge sharing process.*

2.3. Organizational Innovation

Innovation is imperative for organizations to always competitive and able to adapt with environmental changes. For an organization, human factors are the main factors that must be considered in order to implement innovations. HR role has the responsibility to departments, units, functions and other parts of the organization that contribute to the realization of innovation. However, to realize the innovation often different views and some things that need to be integrated. Therefore, it is the need for a unified knowledge sharing.

Becker and Matthews (2008) has been translated innovation in several aspects, including:

- a. Reference to new things, showing something new to the organization; does not need to be new in the industry or commerce in general, but at a certain point in a certain period, for an organization that is new.
- b. Implications of new things, but it does not mean that the distinction between 'old' and 'new' must be radical; we do not only refer to the disconnected innovation, but also innovation

incremental or continuous; in other words, drawing on the talents and abilities available to do things better, or to do something different.

- c. This definition also emphasizes the importance of considering the results of innovation, not only the emergence of an idea or a new generation, but it must create value for the organization through commercialization. This can be supported by the process of innovation management, signal processing, strategies, resources and implementation.
- d. Referring to the ongoing value, does not mean only the economic benefits alone. This value may be related to the financial results, social, environmental or other benefit to the organization eventually.

Based on these definitions Becker describes a potential link between human resources and the success of an innovation.

Organizations must be able to learn quickly and constantly, continuously innovate and take new strategic move faster and more convenient (Ulrich 1998). A study of Laursen and Foss (2013) explained that the causal mechanisms underlying the relationship between HRM and innovation remains exclusive, so further research is needed. Based on empirical studies Nasiripour et al. (2013) variables of knowledge sharing has a positive effect on innovation. This indicates that the variables of knowledge sharing can handle business matters. This study begins to explore the factors that affect innovation. This is in line with research of Naghavi et al. (2014) which proves that there is a significant positive relationship of knowledge management processes for organizational innovation.

Something that can not be avoided by the organization is facing constant change, means the organization must make a discomfort with the status quo, the ability to detect trend emerging competition more quickly, the ability to make quick decisions, and agility to find new ways of doing business. It is unlikely to be realized in the absence of harmonization of all parties that have a strategic role. Therefore, it is expected that there is a positive relationship between unified knowledge sharing with organizational innovation.

Hypothesis 2. *The improved implementation of the unified knowledge sharing will improve the implementation of organizational innovation.*

2.4. The Relationship SHRM Roles with Organizational Innovation

People are not the product, they are the main asset of an innovative organization (Gupta and Singhal 1993). HR is involved in the whole process of innovation, because 1) it is considered that the innovative capacity of a company to be in intelligence, imagination and creativity of employees (Mumford 2000), 2) the implications and their support is needed for the development and implementation of innovation (Vracking 1990).

Several studies (Jiang et al. 2012; Jime'nez-Jime'nez and Sanz-Valle 2008; Tan and Nasuridin 2011) explained that there is a positive relationship between HR and innovation. Research conducted by Sanders et al. (2010) revealed that satisfaction on HR practices, especially satisfaction with influence and work content, positively related to innovative behavior, but the satisfaction of the primary benefits is negatively related to innovative behavior. With the existence of the gap in this paper raises the variable unified knowledge sharing, to mediate between the strategic role of HR relationship with organizational innovation. With reference to previous studies, it is expected that the relationship between the strategic role of HR in organizational innovation is positive.

Hypothesis 3. *The more intense the strategic role of HR, the better implementation of organizational innovation.*

2.5. Perceived Organizational Support

HR management should be responsible for the orientation and training of line management on the importance of high morale and how to achieve it. In addition, the new HR employees should pay attention to the voice in the discussion of management; offers employees the opportunity for personal and professional growth; and providing resources that help employees meet their demands. Thus it would be more constructive communication openness impact on perceived organizational support is better.

Individuals are more likely to "form a belief as to the extent to which the organization values their contributions and cares about their well-being" (Eisenberger et al. 1996). Some individuals may base their perceived organizational support (POS) on factors such as the desire of the members of the organization to provide special assistance or special equipment to complete an activity. Other people may develop a strong sense based on the willingness of the members of the organization to provide additional opportunities for training that appeals to them. In addition, employees are often sensitive to environmental constraints and related organizations that may limit their ability to provide the desired benefits. Perceived organizational support associated with the belief that it will fulfill its obligations by giving awards to employees (Settoon et al. 1996).

There are two aspects to determine the condition of perceived organizational support employee. Both of these aspects are: appreciation of the contribution of the employee organization and the organization's attention to the welfare of employees.

The need for innovation in organizations has resulted in a new focus on the role of a leader in shaping the nature and success of the creative effort (Mumford and Licuanan 2004). While the creative ideas of individual employee level, does not always lead to the success of the creative idea at the organizational level. But at least it provides a starting point for organizational innovation (Zhou and George 2001). Therefore, for individual employees perceived organizational support will encourage the implementation of a unified knowledge sharing. And it also shows that the perceived organizational support will be positively related to organizational innovation.

Hypothesis 4. *The improved perceived organizational support will further encourage a unified knowledge sharing.*

Hypothesis 5. *The improved perceived organizational support will further encourage the implementation of organizational innovation.*

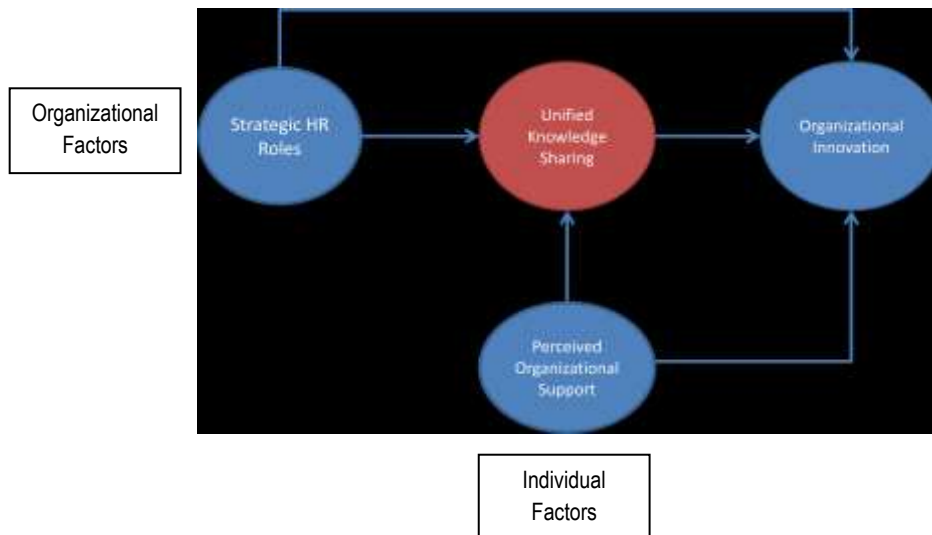
3. CONCEPTUALIZATION OF THE MODEL

The concept of "unified knowledge sharing" is to share knowledge in an integrated manner by the leadership of the organization, in order to implement organizational innovation in each unit of work in order to synergy the integrity of the building innovation compiled by the organization. Therefore innovation in each unit needs continuity with organizational innovation. This requires support from both organizational factors and individual factors.

Organizational factors in this case is the strategic role of human resources in organizations. Human resources strategic role is the leader in every unit. While individual factors are how individuals who have a strategic role, have a positive attitude towards the organization by having

pride in accomplishments that have been achieved, understand that the organization cares about the welfare of employees, the contributions of employees, consider the goals and values of employees, giving attention to employees and willing to help if there are employees who require special assistance (Eisenberger et al. 2001). In this study, it is categorized as a POS, which is an experience-based attribution concerning the benevolent or malevolent intent of the organization's policies, norms, procedures, and actions as they affect employees.

Figure 1. Research Model



Therefore, the proposed model is expected to lead to the realization of organizational innovation which involves both organizational factors and individual factors. On the whole model can be presented as in Figure 1. In this figure, it appears that the unified knowledge sharing is a variable that can mediate the relationship between variable resource strategic role for organizational innovation and POS relations to organizational innovation.

The model of this research can be applied to a wide range of manufacturing and services industries. The respondents of this study is the line manager who has the authority in decision-making. But in the near future, the research will be conducted at universities and colleges respondents leaders ranging from laboratory coordinator, head of the study program, dean, head of the bureau and some leaders who have a strategic role in the achievement of higher education innovation. The leaders are strategic human resource which has the authority to make decisions. The leaders are playing a strategic role that leads to strategic support for the achievement of organizational goals, in this case is the innovation organization.

4. MEASUREMENT VARIABLE

Measurement of the strategic role of human resource variables using the indicators established by Ulrich (1998), which consists of a role as strategic partner, administrative expert, employee champion, and change agent.

The indicators used to measure the unified knowledge sharing, there are four items, the first item: a willingness to cooperate, that is the item proposed in this study, and three subsequent items adopted from Mathuramaytha (2012). The following indicators of unified knowledge sharing: willingness to cooperation, willingness to share, capability to learn, capability to transfer knowledge.

Organizational innovation in this study were divided into three main dimensions, namely: product innovation, process innovation and administrative innovation based on the types that have been discussed in previous literature (Jiménez-Jiménez and Sanz-Valle 2008). POS was measured with items adopted from Eisenberger et al. (2001), consists of: the organization proud of my accomplishments, the organization really cares about my well-being, organization appreciate my contribution to the welfare, organization is considering the goals and values of me, the organization showed little concern to me (R), the organization is willing to help me if I need special assistance.

5. CONCLUSION

The final section of this paper confirms that the unified knowledge sharing is a variable that can encourage organizations to achieve organizational innovation. This is in line with several studies that have been conducted (Lin 2007; Majchrzak et al. 2004; Nonaka et al. 2000). In order to realize an organizational innovation required organizational factors and individual factors. Without the support of these two variables, it is difficult to capture, organize, reuse, and transfer of knowledge based on existing experience in every interaction of individuals in the organization. Study of Majchrzak et al. (2004) also prove how the reuse of knowledge in the event of a change of innovation.

Managerial implication is that the need for harmonization and coherence in knowledge sharing, in order to realize synergies of innovation happening in the various levels of the organization. Both at the level of the bottom to the top level of the organization. In addition, if a problem occurs in a work unit, by the unified knowledge sharing, it can be quickly resolved.

Future research can refer this article to build the realization of organizational innovation, ie taking into account both organizational factors and individual factors. This is important because the organization consists of various working units and individuals that potentially contribute to organizational change. Although there are several possible variables that can be developed for future research.

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