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Employees' perceptions of human resource management practices and knowledge sharing behaviour

A dissertation presented in partial fulfilment of the requirements for the degree of Doctor of Philosophy in human resource management (HRM) at Massey University, Palmerston North, New Zealand

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Abstract

The information age heralds the idea that the most important source of competitive advantage is knowledge. Therefore, organisations need to understand the value of knowledge; especially the knowledge that resides in the human brain (tacit knowledge) as an intangible asset along with other traditional tangible assets. The capability of an organisation is linked to the knowledge of its employees. Therefore, improving organisational and employees' capability are important goals for organisations. However, little progress has been made with many researchers primarily focusing on human capital development rather than on relationship capital using human resource management (HRM) practices in workplaces. Most of the knowledge management (KM) literature has discussed the antecedents of employees' knowledge-sharing. Future research is required to explore how these employees' knowledge sharing activities provide benefits to organisations and employees in terms of improved capability.

To address this research gap in the literature, this thesis examines: first, the causative relationships between specific HRM practices and employee' knowledge sharing and second, the outcomes of knowledge sharing in terms of individual capability in workplaces. Based on previous research, a conceptual model is developed for the study and hypotheses are formulated. A total of 600 questionnaires were distributed to the employees of 19 organisations. Of these, 390 were useable questionnaires; thus resulting in 65% valid response rate. A final model is designed and this thesis used Confirmatory Factor Analysis to examine the causative relationships among the latent constructs of the final model.

This thesis finds that collaborative HRM practices have a direct positive effect on employees' knowledge sharing behaviour. Surprisingly, this thesis finds that employees' knowledge sharing behaviour is independent of monetary rewards. The results of this suggest that collaborative practices and trust can help employees' knowledge sharing behaviour to improve the capability of individuals in their organisations. These empirical results are entirely based on employees' perceptions rather than from a top management perspective. So it makes a valuable contribution, given the lack of empirical studies focusing on the South East Asian region. The findings of this thesis are beneficial for researchers, practitioners, and those interested in organisational structure in the knowledge context.

List of Publications from this Thesis

Peer reviewed publications:

- Iqbal, S., Toulson, P., & Tweed, D. (2010). *Tacit Knowledge sharing practices and organisational effectiveness: A review of literature*. Paper presented at the International Conference on Innovation, Management and Service, Singapore, 26-28, February, 2010. ISBN# 978-1-84626-027-8
- Iqbal, S., Toulson, P., & Tweed, D. (2010). The Impact of HRM Practices on Organisational Capability Mediated by Knowledge Sharing: A Conceptual Model. [Article]. *Proceedings of the 7th International Conference on Intellectual Capital, Knowledge Management & Organizational Learning*, 575-583. ISBN# 978-1-906638-84-9
- Iqbal, S., Toulson, P., & Tweed, D. (2011). HRM Practices and Individual Knowledge-Sharing: An Empirical Study of Higher Education Institutions in Pakistan, *Proceedings of the International Conference on Intellectual Capital, Knowledge Management & Organizational Learning*: Academic Conferences, Ltd. ISBN# 978-1-908272-21-8 (pp. 699-708).
- Iqbal, S., Abdul jalal, H., Toulson, P., & Tweed, D. (2012). Knowledge Management (Knowledge friendly culture for successful knowledge sharing) In Brüggemann, S., & d'Amato, C., *Collaboration and the Semantic Web: Social Networks, Knowledge Networks, and Knowledge Resources* (pp. 64-81).
Doi: 10.4018/978-1-4666-0894-8
- Iqbal, S., Toulson, P., & Tweed, D. (2012). The role of HRM practices as benchmarks in knowledge management: An empirical study. *Proceedings of World Business Capability Congress*, Auckland, New Zealand.

Magazine Articles

- Iqbal, S., Toulson, P., & Tweed, D. (2012). "Employees knowledge sharing and hiding: role of HRM in organisations". *Human Resources magazine*, Volume 17(1), p 22-23., HRINZ, New Zealand

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Salman

To my beloved wife Saira

Glossary of the terms used in this thesis

Abbreviation	Full term
AGFI	Adjusted Goodness of Fit Index
AMOS	Analysis of moment Structures
CFA	Confirmatory factor analysis
CFI	Comparative Fit Index
EFA	Exploratory factor analysis
GFI	Goodness of Fit Index
HRM	Human resource management
IT	Information technology
KBV	Knowledge based view of the firm
KC	Knowledge capability
KIFs	Knowledge intensive firms
KM	Knowledge management
LC	Latent constructs
NFI	Normed Fit Index
PAF	Principal axis factoring
PASW	Predictive analytic software
PCA	Principal component analysis
RBV	Resource based view of the firm
RMSEA	Root Mean Square Error of approximation
SEM	Structural equation modeling
SRMR	Standard root mean square residual

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Prologue: My motivation

I am a lecturer in the Department of Management Sciences at the COMSATS institute of Information Technology, Lahore, Pakistan. I graduated with MBA from the University of Wollongong in 2005 after previously completing a B.Eng. from University of the Punjab Lahore, Pakistan.

After my engineering degree, I worked in a textile company in Pakistan, where several engineers and supervisors were trained by foreign engineers in different sections of the plant. During the first week of my job, as a shift in charge, one section of the plant was put out of action due to some incorrect computer commands. I was surprised; no one had the expertise in my shift to handle this situation except for one supervisor, who was on sick leave at that day. I called him and asked him to come and fix the problem. Initially, he was reluctant to comeback but later, on my request, he came and fixed the error at the end of the eight hours shift. The plant remains at hold during that period and because of the shortage of trained persons.

As a consequence of this incident, the plant manager appointed a team of senior staff members and engineers to work with him (as the skilled supervisor) to learn the tools and techniques required to monitor and operate that section of the plant. The supervisor, who initially was reluctant to return to fix the problem, was also reluctant to share his knowledge and expertise with his colleagues. He said to me that if he shares his expertise, the company may replace him as this knowledge is his source of power and continued employability. While this is an example from an emerging economy, this experience is not atypical of what happens in developed economies.

Two important lessons were learnt from that experience which was used later in my doctoral study: 1) if knowledge is not shared it will be lost and useless for organisations; and 2) knowledge sharing is achieved by removing the barriers through providing a collaborative environment and building trust between employees and managers. In fact, the sharing of knowledge and skills by employees provides both employees and their organisations a competitive advantage in terms of improved knowledge capability. The focus of HRM is to manage employees along with their knowledge in the workplaces.
