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**The Role of Conflict in Interpersonal Knowledge Transfer**

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## Table of Content

<b>List of Figures</b>	<b>7</b>
<b>List of Tables</b>	<b>9</b>
<b>Abstract</b>	<b>10</b>
<b>1. Introduction</b>	<b>12</b>
1.1. Introduction to the subject	12
1.2. Problem discussion	14
1.3. Purpose of the study	15
1.4. Structure of the study	16
<b>2. Literature review</b>	<b>17</b>
2.1. Knowledge management	17
2.1.1. Data, information and knowledge	18
2.1.2. Defining knowledge	21
2.1.3. Tacit and explicit knowledge	22
2.2. Knowledge transfer	24
2.2.1. Sharing knowledge	24
2.2.2. Knowledge conversion	26
2.2.3. Interpersonal knowledge transfer	29
2.2.4. Impediments to knowledge transfer	30
2.2.5. Knowledge transfer and social learning theory	34
2.3 Conflict	36
2.3.1. Conflict as a barrier?	36
2.3.2. Defining conflict	37
2.3.3. Characteristics of conflict	42
2.3.4. Causes of conflict	43
2.3.5. Phases of conflict	44



2.3.6. Destructive versus constructive conflict	47
2.4. Interpersonal knowledge transfer and conflict	50
2.4.1. The relationship between conflict and knowledge transfer	50
<b>3. Research methodology</b>	<b>53</b>
3.1. Research methods	53
3.2. Qualitative versus quantitative	53
3.3. Research approach	54
3.4. Data collection	55
3.5. Sampling	56
3.6. Types of interview	58
3.7. Conducting the interview	59
3.8. Data Analysis	60
3.9. Challenges unique to this subject	63
3.10. Trustworthiness of studies	63
3.11. Concepts of validity and reliability	64
<b>4. Results and analysis</b>	<b>66</b>
4.1. Knowledge sharing activity	67
4.2. Definition of conflict	68
4.3. Conflict and knowledge sharing	69
4.4. Negative effects of conflict	74
4.5. Positive influences of conflict	75
<b>5. Discussion and conclusion</b>	<b>78</b>
5.1. Summary of findings	78
5.2. Conclusion	79
5.3. Managerial implications	84



5.4. Limitations	85
5.5. Suggestions for further studies	86
<b>REFERENCES</b>	<b>89</b>
<b>APPENDIX</b>	<b>99</b>



## List of Figures

<i>Figure 1: Data, Information and Knowledge</i>	19
<i>Figure2: Knowledge Conversion</i>	28
<i>Figure3: Szulanski's Transfer Model</i>	31
<i>Figure 4: Phases of conflict based on Pondy's model</i>	45
<i>Figure 5: Data analysis process</i>	61

## List of Tables:

<i>Table1: Tacit and Explicit Knowledge</i>	23
<i>Table2: Classical definitions</i>	38
<i>Table3: Incompatibility based definitions</i>	39
<i>Table4: Perception based definitions</i>	40
<i>Table5: Incompatibility and perception based definitions</i>	40
<i>Table6: Behavioural based definitions</i>	41
<i>Table7: Characteristics of conflict</i>	42
<i>Table8: Constructive conflict</i>	49
<i>Table 9: Respondents' basic information</i>	58





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## ABSTRACT

During the past decade knowledge has become the key to economic success and thus has been vigorously researched and studied. This has its backdrop in the knowledge-based view of the firm, seeing knowledge as a resource and capability. Consequently knowledge transfer is being paid more and more attention.

There are various levels of knowledge transfer, inter-organizational, intra-organizational and interpersonal. However, regardless of the level one may be engaged, a range of factors such as environment, sender and receiver capability or desire to share knowledge, similarity or lack of it and a many other issues can ease or hinder the transfer of knowledge.

The purpose of this study is to identify and better understand the role of conflict in interpersonal knowledge transfer. This subject is unique in many ways, firstly because it is by nature a very sensitive topic and secondly because it has never been fully studied before. Conflict has usually been identified as a barrier to knowledge transfer and the concept of conflict itself carries a heavy negative connotation. The study is based on 9 semi-structured interviews.

This thesis shows that conflict plays a paradoxical role in knowledge transfer. Conflict can have both a positive or negative influence on knowledge sharing. But its role seems to lean more toward positive than negative. Conflict is positive as it makes the individuals more aware of the problems at hand. Thus fostering and stimulating knowledge transfer as it requires individuals come together to try to solve the problem. Conflict also seems to even work as a medium through which problems can be aired and solutions be found.

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**KEYWORDS:** Conflict, Interpersonal Knowledge Transfer, Knowledge



Knowledge is as wings to man's life, and a ladder for his ascent. Its acquisition is incumbent upon everyone...In truth, knowledge is a veritable treasure for man, and a source of glory, of bounty, of joy, of exaltation, of cheer and gladness unto him."

Bahá'u'lláh

# 1. Introduction

## 1.1. Introduction to the subject

The history of managing knowledge dates back to the earliest civilizations (Wiig, 1997). Past Civilizations had an obsession to record their existence, their triumphs and their history. By recording their experiences they tried to teach the next generation of the ways and rules of life, it was a mean for them to prevent the loss of knowledge from generation to generation. The archives of Persians, Greeks, Romans and the remaining tablets of Babylonia are a testimony to that. Babylonians were especially keen in even sharing their personal experiences with others.

However, during the past decade knowledge has become the key to economic success, knowledge transfer is being paid more and more attention. To the extent that many researchers believe that industrial era has given place to the knowledge era, which in return implies that knowledge has triumph above capital as the most valuable resource, making it simply impossible for a company to create a sustainable competitive advantage based on capital alone. (Bresman & Birkinshaw 1999.)

In marketplace knowledge has become indispensable. The science of its acquisition is a topic of debate between business scholars and managers alike. Bresman and Birkinshaw (1999) state that knowledge is the true source to competitive advantage in today's society. But it is not just enough to simply retain knowledge or acquire the latest machine or software to store and sort data. A big part of being ahead of competition is about being able to transfer and share knowledge. Knowledge sharing is an important aspect in the field of knowledge management. Today, organizations

increasingly recognize the need to support knowledge sharing activities amongst employees, departments and among themselves.

According to Brown & Duguid (1998), employees and specifically managers are searching, testing and using various proactive interventions to facilitate knowledge sharing. By effectively enhancing knowledge sharing a company can develop a higher degree of competitive advantage and increase the level of organizational knowledge leading to synergistic advantages in the marketplace. In today's business environment a company's competitive advantage is largely built into the knowledge it possesses and then more importantly the way that knowledge is distributed, shared and communicated throughout organization, that is why, how a company is managing its knowledge is of great importance.

Sharing and transferring knowledge is not an easy task. As Szulanski (2000) suggests, knowledge transfers are often laborious, time consuming, and difficult. There are many impediments in knowledge sharing as knowledge can be very hard to grasp and ultimately conveyed. There are countless factors affecting knowledge sharing. Some of these factors have positive effect on knowledge transfer and some have negative influence. For instance "organizational culture" can greatly affect the process of knowledge transfer. As Schein (1990) explains, organization's culture is an important guiding force in any organization. So if, for instance, "openness and innovation" is encouraged, then the flow of knowledge will be enhanced. But if "openness" is obstructed for any reason then knowledge may move slowly, or may even be blocked altogether.

In current literature there is very limited research regarding the effects of conflict on knowledge transfer. Many other factors have been extensively studied and their role on knowledge sharing been investigated, but the two concepts of conflict and knowledge transfer never been studied together.

## 1.2. Problem discussion

In any organization, the ability to recognize and duplicate knowledge on demand is an essential tool for ensuring long-term sustainable growth and thus competitive advantage. Knowledge is highly individual-specific (Bender & Fish 2000) and its duplication or in another words “knowledge transfer” is not without problems. There are many barriers to knowledge transfer. Most of these barriers are due to human nature: distrust, lack of understanding, reluctance to change and lack of motivation are only some of the numerous barriers making knowledge transfer difficult.

In similar way, conflict has often been identified as a barrier to knowledge transfer. For instance, Anderson (1990) states that a negative atmosphere (of conflict) is not conducive to the flow of knowledge between the partners and the alliance. In general opinion conflict is also considered as a negative factor that should be avoided at all costs. But avoiding conflict is impossible, conflicts are inevitable and inherent part of any relationship and therefore companies need to understand conflict and be aware of its implications (Stern 1971).

As oppose to those researchers who identify conflict as negative, there are scholars who perceive conflict as rather a positive influence. For instance Filley (1975), advocates that conflict is neither good nor bad in itself. Meaning that conflict is not a source of good or bad, rather it is the outcome of conflict or how it is dealt with, managed and ultimately perceived that makes it good or bad. Van Slyke (1999: 133) goes even further to consider a rather positive role for conflict. He states that “conflicts enhance people’s understanding of real interests, goals and needs and stimulates continued communication around those issues.” In the same manner

Rahim (1986) also argues that conflict may actually provide enough motivation to increase productivity or enhance the organizational members' adaptive and innovative capabilities.

So at one point conflict seems to be able to inhibit the flow of knowledge and thus be rightfully considered as a barrier to knowledge transfer. At the same time conflict may actually motivate people, enhance their productivity and stimulate their communications. Naturally all these qualities foster the flow of knowledge. So conflicts seem to inhibit and at the same time enhance the flow of knowledge. Hence the real impact of conflict on knowledge transfer can be considered as an area of problem, as its real influence on knowledge transfer and when it is helpful and when harmful is rather unclear.

### 1.3. Purpose of the study

This research is aimed at exploring the role of conflict in interpersonal knowledge sharing. So the research question for this thesis is...

- *How does conflict affect inter-personal knowledge sharing?*  
*Under what circumstances "conflict" can be considered helpful and when is it harmful?*

Overall, the scope and the purpose of this study is to contribute to the research on interpersonal knowledge sharing, and better understand the role of conflict in relation to knowledge sharing process. In previous studies conflict has been extensively been studied on various levels but not in relation to knowledge transfer.



## 1.4. Structure of the study

The thesis is structured in five main chapters. The first chapter presents a short introduction to the topic, along with research area and finally research questions.

In chapter 2 the theoretical perspective of the study is introduced. In this chapter the main theories are discussed. It examines current state of the literature on knowledge interpersonal knowledge sharing and conflict. It also briefly presents the social learning theory. This chapter presents the overall framework of the study.

Chapter 3 describes the methodology and empirical approach of the study, presenting the data collection method, its analysis, and the possible issues concerning the trustworthiness of the study. This chapter also contemplates over the challenges unique to this study.

Chapter 4 presents and discusses the empirical findings. It includes the analysis of the empirical data collected from semi-structured interviews.

And finally in chapter 5 the research results and its implications are discussed. Conclusions are made, limitations of this thesis are explained and the overall contribution of the study is indicated and suggestions for further research are given.

## 2. Literature review

### 2.1. Knowledge management

*The objective of this chapter is to conduct a literature review regarding the research topic of the role of conflict in interpersonal Knowledge Transfer. This chapter describes knowledge, characteristics of knowledge, knowledge transfer, conflict, characteristics and causes of conflict and finally the relationship between interpersonal knowledge sharing and conflict.*

Globalization, Information Technology, and the general trend of global homogenization have all served to increase competitiveness; this, in turn, has increased the importance of knowledge transfer and knowledge management of individual organizations.

Spender (1996: 46) for instance describes knowledge as the most important asset of a company:

*“So long as we assume markets are reasonable and that competitive advantage is not wholly the consequence of asymmetric information about those markets, or the stupidity of others, the rent-yielding capabilities must originate within the firm if they are to be of value.”*

Knowledge is becoming a very important strategic tool to improve organizational competitiveness. Nowadays it is rather astonishing that the proportion of employees in the industrialized countries whose work consists in making *things* is only 20%, while it was 50% just few decades ago (Drucker 2005). Companies have an increasing need to manage knowledge since their performance is more and more dependent on it. This growing necessity for managing knowledge is the reason why knowledge

management has had much more relevance in the management literature as well as in the business world during the last decade. (Drucker 2005.)

The Knowledge-based view of the firm argues that knowledge is the most unique and inimitable resource, allowing a firm to combine and coordinate traditional resources available to all in new and distinctive ways, providing more value for their customers than can their competitors. Knowledge can be considered the most important strategic resource, and the ability to acquire, integrate, store, share and apply it the most important capability for building and sustaining competitive advantage. (Kogut & Zandler 1992.)

Companies having superior knowledge are able to coordinate and combine their traditional resources and capabilities in new and distinctive ways, providing more value for their customers than can their competitors, even if those resources are not unique (Teece, Pisano & Shuen 1997).

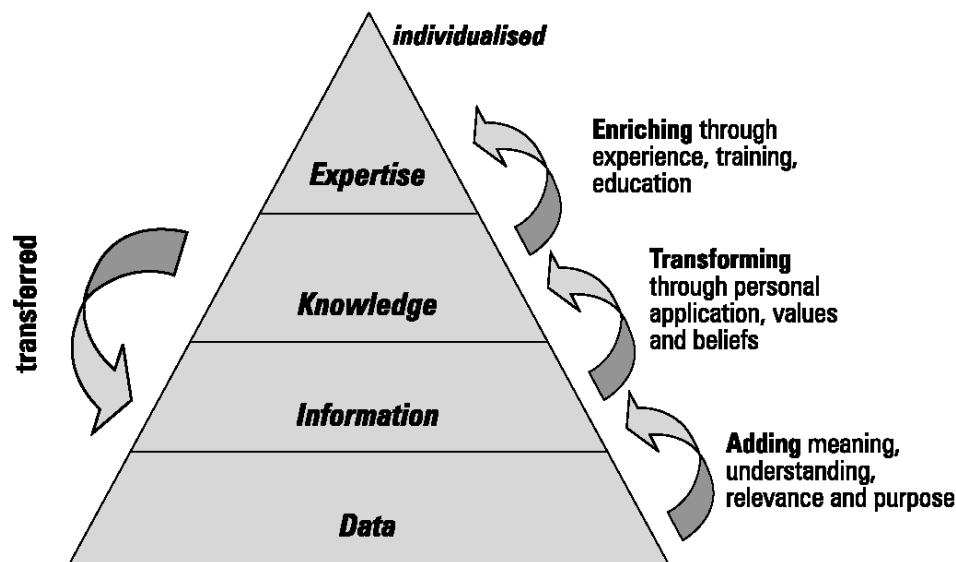
Knowledge management has been simply defined as *“the process of applying a systematic approach to the capture, structure, management, and dissemination of knowledge throughout an organization in order to work faster, reuse best practices, and reduce costly rework from project to project”* (Nonaka & Ruggles 2008: 5).

### 2.1.1. Data, information and knowledge

Before going any further it is probably necessary to distinguish and differentiate between “Data”, “Information” and “Knowledge”, in another word to find out what knowledge is not. Equally several authors (Davenport and Prusak, 1998; Wiig, 1993;

Sveiby, 1997; Huseman & Goodman 1999) emphasize the importance of differentiating between data, information and knowledge.

Data is defined as the raw material for information, which is often stored in databanks (Davenport & Prusak 1998). Information is data that has been organized so that it has meaning to the recipient. Or in another word, “information” confirms something the recipient knows or may have “surprise” value by telling something not known (Turban, McLean, Wetherbe 1996: 60). Knowledge, on the other hand, is defined to be information in action (O’Dell & Grayson, 1998). It is basically a combination of experience, values, and expert insight that provides a guideline for retaining and evaluating new experiences and information. It resides only in documents or repositories but also in organizational routines, processes, practices, and norms. It is in the mind and behaviour of knowers. (Davenport & Prusak 1998.)



**Figure 1.** Data, Information and Knowledge (Bender & Fish 2000)

However, it should be noted that not everyone agrees with the hierarchical placement of knowledge at the top of the data-information-knowledge chain. For

instance, Tuomi (1999) argues that information is derived from knowledge, and data is derived from information, not the other way around. Tuomi's argument is like the story of "chicken and egg", as one could pull out data out of information or knowledge. And then aside from defining knowledge in terms of data or information, knowledge has also been defined as an object (Cooley 1987; Slaughter, 1995; Horton 1999; Wasko & Faraj 2000) versus as a process (Crossan Lane & White 1999; Cohen & Levinthal 1990).

As discussed, although data, information, and knowledge are not the same, but despite efforts to define them and separate them, researchers still use them quite casually and carelessly to the point that the distinction is not quite clear. In particular, the terms knowledge and information are often used interchangeably. Many researchers even believe that there is no difference between the concepts of "information" and "knowledge", as it is quite hard to split one from the other. Kogut and Zander (1992), for example, define information as knowledge which can be transmitted without loss of integrity, thus implying that information is a form of knowledge and not a separate entity.

Even Nonaka in many instances uses "knowledge" and "information" interchangeably. Nonaka argues that knowledge and information are similar in some aspects, but different in some, while information is more factual, knowledge is about beliefs and commitment. This however implies that the relationships between these concepts are also vague.

### 2.1.2. Defining knowledge

Throughout history the concept of knowledge has been defined from various perspectives by philosophers, as well as scholars. It seems that every ideology, philosophy, science or even civilization has a different definition of knowledge. The concept of knowledge is widely used and it can be viewed in diverse ways.

Knowledge is intangible and fuzzy in itself, which makes it hard to define in a precise way (Bhatt 2002). Knowledge appears to be a rather an elusive entity. As mentioned, scholars, based on their perspective, define and categorize knowledge differently. The definitions in current literature are rather similar at first glance but they do incorporate differences. One needs to be fully aware of the differences in order to be able to choose the right definition for the right context.

For instance, some scholars have defined knowledge from the view of how it is acquired. This distinction initially stems from Penrose (1959); she claimed knowledge to be either experiential or objective. Objective knowledge is acquired through certain pragmatic methods (e.g. market research), whereas experiential knowledge is gained through learning by doing and simply practicing business (Penrose 1959). Samuelson and Arrow (cited Spender 1996) on the other hand are more interested in the notion of its availability; they take a rather collective approach by considering knowledge to be a public good (unlike for instance “private goods” such as land and capital) since the use by one person does not constrain others from doing the same. Bhatt (2002: 39) argues that knowledge is either individual or organizational. The latter is easier to use and control as opposed to individual knowledge which is highly personal.

As we can see, knowledge can be viewed and categorized in various ways. The purpose of this thesis is not to fully uncover or discuss the sole concept of

knowledge and how it should be categorised, as it requires a deeper study and analysis. As Grant (1996: 110) says this is not an arena in which one chooses to compete as, “it has intrigued some of the greatest thinkers of history”.

Nonetheless, we can always stand on the shoulders of giants.

For the purpose of this thesis the definition given by Davenport and Prusak (1998: 5) is adopted:

*“A fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of knowers. In organisations, it often becomes embedded not only in documents or repositories but also in organisational routines, processes, practices, and norms.”*

Abovementioned definition given by Davenport and Prusak (1998), along with many other definitions that are present in current literature draw our attention to two different forms of knowledge, tacit or non-codified and explicit or codified.

### 2.1.3. Tacit and explicit knowledge

The definition/categorisation of knowledge that perhaps is the most common one is to see it as either “tacit” or “explicit” (Dyer & Nobeoka 2000). According to Nonaka (1994), explicit knowledge is easily articulated, coded and transferred. Or as Hedlund (1994) describes it, “explicit knowledge” transfers with ease both horizontally (inter-organizationally or between functional similar units), and vertically (cross-functional) in the organization.

Tacit knowledge on the other hand, is far more difficult to articulate and is derived from individual experiences (Matusik & Hill 1998). Tacit knowledge is more about

know-how and is hard to transfer in a codified manner; it may be taken for granted because it is embedded in individuals, groups, and organizations (Hedlund 1994). Although both types of knowledge are valuable to the organization, tacit knowledge is more difficult to capture. Kogut and Zander (1992) define tacit “know-how” as the accumulated practical skill or expertise that allows one to do something smoothly and efficiently. Polanyi (1966: 4) the founder of the concept of “tacit knowledge” explains the tacit knowledge in a very simple and understandable way, he states that: *“You can identify one face out of thousands, but it is nearly impossible to give an adequate description of this face to another person, so that she is able to identify the face.”*

In contrast to tacit knowledge in terms of informality, as described above, explicit knowledge is formal in its nature (Nonaka 1991), and it can be codified into documents, reports, data sheets and so on (Persson 2006: 22). In fact, only a small part of the knowledge we possess is explicit and we know more than we actually can say (Polanyi 1966).

	Individual	Group	Organizational	Inter- organizational
Explicit Knowledge	-Knowing calculus -Facts	-Who knows what -Document analysis	-Profits -Accounting data -Organizational - charts	-Prices -Whom to contact -Who has what
Tacit Knowledge	-Communication skills -Problem solving skills	-Team coordination	-Corporate culture	-How to cooperate -Customer expectations and attitude towards products or services

**Table 1:** Tacit and Explicit Knowledge, derived from Heldlund (1994: 75) in combination with Kogut and Zander (1992: 338)



Grant (1996) refers to explicit knowledge as organizational knowledge and defines it as “Knowing About” (as opposed to tacit knowledge which is “Knowing How”). He claims that only explicit knowledge can be seen as a public good, due to the possibilities of transferring it across individuals, space and time; once created, it can be replicated among incalculable individuals at a very low cost. (Grant 2004)

Tacit knowledge, on the other hand, can be seen as individual knowledge as it is highly personal in its character (Nonaka 1991; Bhatt 2002). In other words, it resides within the individual (Osterloh & Frey 2000). These views on knowledge are however generalizations; organizational as well as individual knowledge can consist of both tacit and explicit knowledge (Regnér 1999).

And finally it is also worth mentioning what Nonaka and Takeuchi (1995: 61) say about the tacit and explicit knowledge, as they believe that tacit and explicit knowledge are not totally different;

*“In our view, however, tacit knowledge and explicit knowledge are not totally separate – but mutually complementary entities. They interact with and interchange into each other in the creative activities of human beings.”*

## 2.2. Knowledge transfer

### 2.2.1. Sharing knowledge

According to Gillbert and Cordey-Hayes (1996) the concept of knowledge transfer derives from the field of innovation. Knowledge transfer is the conveyance of knowledge from one place, person, ownership, etc to another. Some scholars argue

that knowledge transfer is of critical importance to organizations vis-à-vis their competitive advantage (Reagans 2003). Nelson and Winter (1982), Grant (1996) and Argote and Ingram (2000) all argue that the ease with which organizations transfer knowledge can serve as a basis for competitive advantage. Grant (1996) also states that transferability of knowledge have been linked to improved manufacturing productivity (Eppel Argote & Devadas 1991), alliance efficiency and adaptability (Doz 1996; Lin and Germain 1999), and developing a sustainable competitive advantage (Quinn 1992), supporting international expansion strategies (Barkema, Bell & Pennings 1996).

Knowledge transfer, in different forms, can occur anywhere and among all individuals throughout an organization (Fahey & Prusak 1998). In general knowledge transfer happens when the receiving unit accumulates or assimilates new knowledge. Any transfer involves more than one party. There has to be a source (the original holder of the knowledge) and a destination (where the knowledge is transferred to). As every individual or organization builds its own knowledge by transforming and enriching information knowledge cannot be easily transferred to another person or organization (Fahey & Prusak 1998).

Then is the matter of type of knowledge and how this knowledge is converted. Knowledge transfer can be said to consist of both sharing and converting knowledge. Knowledge conversion is a process which changes the different types of knowledge- primarily Tacit and Explicit. Depending on the type of knowledge (tacit or explicit), different ways of transferring it to others can be applied. For transferring explicit knowledge different information communication technologies can be used, these technologies help to store, share and transfer information saving time and overcoming geographical boundaries, since the access to information is possible all the time (Davenport & Prusak 1998).

However, transferring tacit knowledge is not as easy and straight-forward as transferring explicit knowledge, not even various technologies can be of any assistance. Thus, Von Krogh and Roos (1995) stress the role of human interactions in the process of tacit knowledge sharing. Since tacit knowledge is harder to share and transfer, special occasions, routines for transferring this knowledge should be created which can encourage people to share knowledge with each other creating a relaxing and informal atmosphere, for example, coffee rooms, water coolers, talk rooms, ideas room. In such locations people can talk about current problems, exchange ideas and give advice to each other (Davenport & Prusak 1998). This is one way to convert tacit knowledge to an explicit one so that we can store and save it.

### 2.2.2. Knowledge conversion

It is maybe vital at this point to examine the knowledge conversion process. However, since knowledge transfer is the focus of this thesis then this model can be seen as a means of transferring knowledge and not solely for converting it. Therefore Nonaka's model (there are other models) shall be discussed as it directly relates to the subject at hand.

Nonaka (1991: 96-104) defines four different patterns for how knowledge can be converted: Socialization, Externalization, Internalization and Combination.

1. Socialization: Individual → Individual

It is the process of sharing experiences and through this creating tacit knowledge such as shared mental models or technical skills. Socialization as explained by Canon –Bowers, Salas and Converse (1993) is a method of sharing experiences which in turn creates tacit knowledge such as shared mental models and technical skills amongst individuals. The key words in this process are “experience” and “communicating”.

As described by Nonaka and Takeuchi (1995) experience can be obtained about specific knowledge by working with experienced individuals and observing how the work activity is carried out. Without some form of shared experience, it is extremely difficult for one person to project her –or himself into another individuals thinking process (Nonaka & Takeuchi 1995: 63). Tacit knowledge can therefore be spread through its socialization in communities of interest and practice.

## 2. Externalization Individual → Organizational

As Nonaka (1991), explains Externalization is basically the process of articulating tacit knowledge into explicit concepts. New explicit knowledge can be generated through externalization of tacit knowledge through for example when new best practices are selected among the informal work practices in an organization. It is when an individual's hidden knowledge is converted to related outlined processes for another group to understand; this process is viewed as externalization.

## 3. Combination Organizational → Organizational

Combination is the process of transferring explicit knowledge into tacit knowledge, that is, the new tacit knowledge can be generated through the internalization of explicit knowledge by learning and training. Nonaka (1991) views combination as a subtle process, it is the transfer of knowledge from organization to organization. Individuals within and from different organizations can exchange and combine knowledge through different media such as documents, meetings, telephone conversations, or computerized communication networks.

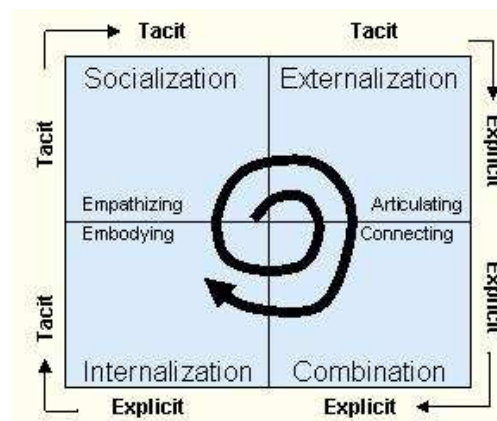
## 4. Internalization Organizational → Individual

Nonaka (1991) describes Internalization as a process of systemizing concepts into a knowledge system. This type of process can be viewed as a process that goes from the organization to the individuals that exists within it.

Nonaka (1991: 69) explains that experiences through socialization, externalization, and combination are internalized into individuals' tacit knowledge bases in the form of shared mental models or technical know – how. Though these experiences are individually sourced, they are seen as owned by the organization.

The four modes of knowledge creation allows for a conceptualization and actualization of knowledge within organizations (Nonaka & Konno 1998).

Since this thesis examines the role of conflict in interpersonal knowledge transfer only, then, the focus is solely on socialization, hence the first category. In the next section the concept of interpersonal knowledge transfer is introduced.



**Figure2.** Knowledge Conversion adapted from Nonaka (1991)

### 2.2.3. Interpersonal knowledge transfer

According to Osterloh and Frey (2000) “individual knowledge” is a crucial source of sustainable competitive advantage, as it cannot be easily replicated by competitors. Nonaka (1991) goes so far stating that making individual knowledge obtainable by others is the central activity of the firm; it can and it should take place continuously and at all levels of the organization.

It is needless to assert that every idea, every breakthrough, every discovery and invention has started as an idea in somebody’s mind, as an individual knowledge. Nonetheless, the idea no matter how valuable it might be can never become tangible or real if the idea or its associated value is not transferred or shared properly.

That is the challenge. Nonaka (1991) believes that individual knowledge transfer [socialization] is of a subtle cognitive dimension, deeply rooted within a person, making it hard to express and formulate in words or even symbols. He further argues that it is only through socialization (thus why stage one is called socialization) that individual knowledge can move forward. Collins (2001) agrees with Nonaka on this matter and states that individual knowledge can only be transferred by personal contact and not set out in formulas or verbal description for action.

Davenport & Prusak (1998) give an example of the Japanese firms that have set up special “talk rooms” to encourage unpredictable and creative knowledge exchange. No meetings are held in the talk rooms, there are no organized discussions either. The expectation of these rooms is that employees will chat about their current work with whomever they find and that these conversations will create values for the firm. Another interesting example regarding sharing of tacit knowledge presented by Davenport and Prusak (1998) is knowledge fairs and open forums. Such occasions

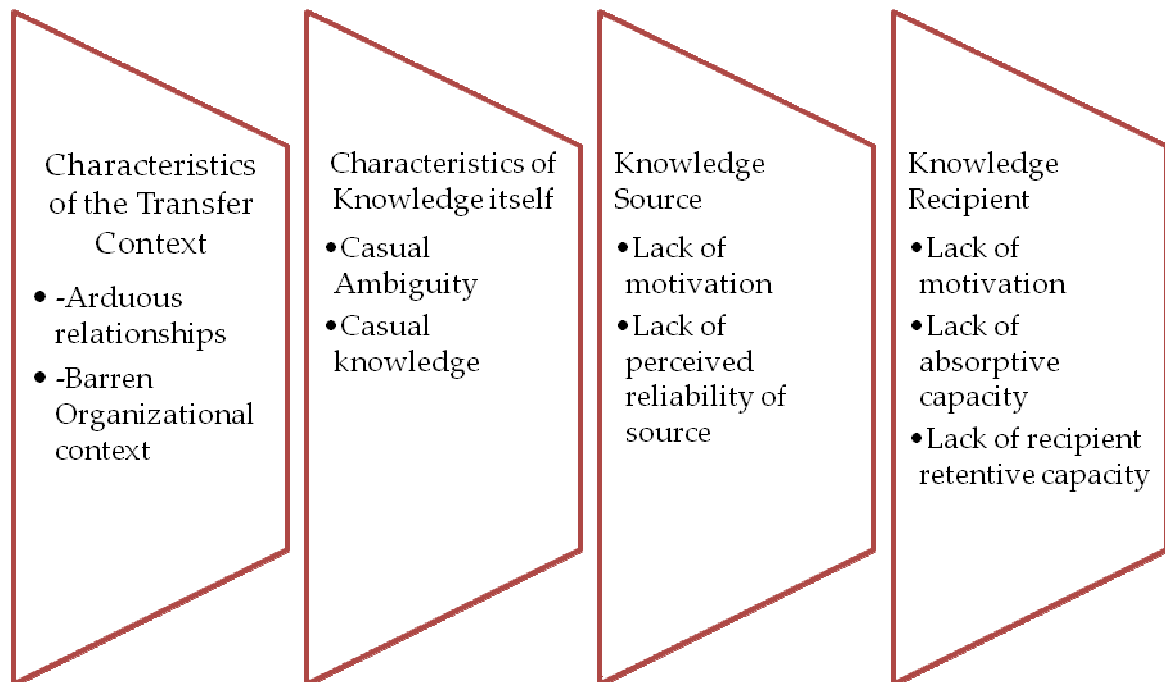
are unstructured meetings which allow spontaneity, which bring people together providing them without preconceptions who should talk to whom.

Much can be said on this subject, as there is a vast amount of literature on the topic of knowledge transfer and interpersonal knowledge sharing. But further detailed study of this matter is beyond the scope of this thesis. Next the impediments to knowledge transfer will be discussed to gain a better insight into the subject.

#### 2.2.4. Impediments to knowledge transfer

Szulanski (2000: 10) states that “knowledge transfers are often laborious, time consuming, and difficult” and argues that it is important to understand what are the impediments to knowledge transfer, in order to make the process more effective and the outcomes more favourable. Therefore he introduces the five basic elements of knowledge transfer as the source, recipient, message, and context. (Szulanski 1995.)

Szulanski (1995, 1996, 2000) extensively explored and examined the “stickiness” factor of the knowledge and tried to pinpoint the origins of the stickiness. He then categorized various factors based on their origin in groups of “transfer context”, “the source of knowledge”, “the recipient of knowledge” and “knowledge itself”. The following figure is an illustration of the barriers to knowledge transfer being examined from different contexts.



**Figure3.** Szulanski's Transfer Model

To better illustrate figure 3, below, each point is further discussed and elaborated. Starting by the characteristics of the Knowledge Itself;

Knowledge is sticky, it can't be simply cut and pasted to a new location. Szulanski believes that "casual ambiguity" is to blame. Szulanski (1995) stresses that causal ambiguity is the major source of stickiness through all phases of the transfer process and particularly important during the first three stages. He further explains that casual ambiguity is "more than absences of know-how, causal ambiguity signals the absence of know why: why something is done and why a given action results in a given outcome". (Szulanski 1995: 35.)

But Szulanski was not the only one who considered casual ambiguity as the main cause of knowledge stickiness. Lippman and Rumelt (1982) state that causal ambiguity may actually harden the precise replication of knowledge (as it is the



main purpose), therefore uncertainty arises. Although casual ambiguity is a major source of knowledge stickiness but it is not the only source.

Sources of knowledge;

Szulanski's also believes that the notion of stickiness may actually derive from *lack of source motivation* to engage in knowledge transfer. It is rather simple logic; if the source is not willing to share then of course no transfer will happen. The lack of motivation may occur because:

*The source may be reluctant to share for fear of losing ownership or privilege, for instance in special industries like professional service firms (consultants, marketing and advertisement experts, lawyers, accountants, tax advisors) the employees are competing directly with each other through their special knowledge, gifts and talents. It might be part of the individual culture of the high performing employees that they voluntarily entering into the competition for scarce seats on the career path because they like to compete and to excel each other on principle. (Quinn, Anderson & Finkelstein 1996.)*

*The source may perceive inadequate rewards for sharing, or they may be unwilling to commit time and resources to the transfer, Transferring knowledge may be seen as additional work, because of the time for documentation, communication etc. Some employees do not expect reciprocal benefits from transferring their knowledge because they do not believe these benefits or they do not experience it. And even if people do expect payback for their contributions the somehow natural question "what's in it for me" is often not clear for employees, which are suffering from a lack of motivation. (Quinn, Anderson & Finkelstein 1996.)*

Szulanski also states that the *lack of perceived reliability of the source* could be an important source of stickiness. Szulanski draws on persuasion theory in associating

reliability with expertise and trustworthiness and notes that where these are perceived as lacking, transfer may be sticky and the source's advice challenged and resisted. Davenport and Prusak (1998) also support this argument, adding that people evaluate knowledge according to the status and reputation of its source. If the source suffers from poor reputation then the recipients won't be interested in receiving.

#### Recipient of Knowledge;

Just like the source of knowledge the recipient of knowledge could also be the reason behind stickiness. Szulanski's (1996) confirms that a *lack of recipient motivation* to accept knowledge from an external source and thus, engage in particular activities that require its use may create stickiness. The lack of motivation on behalf of the recipient may be because:

*Lack of absorptive capacity of the recipient*, according to Cohen and Levinthal (1990: 128) the ability to exploit outside sources of knowledge is largely a function of the level of prior related knowledge. The stock of prior related knowledge determines the "absorptive capacity" of a recipient of knowledge.

*Lack of recipient retentive capacity*, the recipient's ability to retain transferred knowledge is identified as *retentive capacity*. Szulanski (1995) states that lack of recipient retentive capacity is a cause of stickiness and argued that overcoming this barrier may require unlearning routinised use of prior knowledge.

#### Transfer Context;

Davenport and Prusak (1998) discuss several cultural factors that may hinder knowledge transfer, such as lack of trust; different cultures, vocabularies and frames of reference; lack of time and meeting places; a narrow idea of productive work;

status and rewards accruing to knowledge “owners”; “not-invented-here” syndrome; and intolerance of mistakes or need for help. Above all else, they emphasize the importance of trust and common ground in facilitating knowledge transfer.

Szulanski states that an *arduous relationship* - “laborious and distant” (1996: 32) between source and recipient increases difficulty during the implementation phase of knowledge transfer, when interaction is at its most intense. This has notable implications for tacit knowledge transfer, which may necessitate numerous individual exchanges (Nonaka 1994). The success of such exchanges depends to some extent on the ease of communication (Arrow 1974).

In general, if the source of knowledge and the recipient of knowledge don’t share the same cultural, educational and emotional values then the transfer of knowledge is much more difficult. This notion is confirmed by Makela Kalla and Piekari (2007) who state that interpersonal similarity drives towards effective knowledge sharing, while the interpersonal differences emphasize the difficulties of knowledge sharing.

### 2.2.5. Knowledge transfer and social learning theory

The abovementioned theory developed by Szulanski is the dominant conceptualization theory in the field of knowledge transfer and it has been dubbed as “the sender-receiver model” by Noorderhaven and Harzing (2009). However it is not the only available theory on knowledge sharing process. In fact in recent years the sender-receiver model has been criticised as it is believed to treat knowledge as an invariant substance (Hong, Easterby-Smith, & Snell 2006) and that it neglects the social and communicational nature of the knowledge sharing process.

As opposed to sender-receiver model of knowledge sharing Noorderhaven and Harzing (2009) propose “the social learning model”. Social learning model emphasises on “social interaction” as an independent effect on knowledge sharing process. Noorderhaven and Harzing (2009) argue that the idea of knowledge flowing from one individual or unit that is relatively knowledge-rich to another that is relatively knowledge-poor does insufficient justice to the inherently social nature of the knowledge sharing process.

In Social learning theory “conversations” and “interactions between people” are not merely channels through which knowledge flows but rather they are the base without which knowledge can never be shared or transferred. Unlike the sender-receiver approach, social learning theory explicitly emphasizes that knowledge is not an object that can be passed around but rather, according to Plaskoff (2003) knowledge “is socially constructed through collaborative efforts with common objectives or by dialectically opposing different perspectives in dialogic interaction” (cited in Noorderhaven & Harzing 2009).

Finally, social learning theory states that tacitness is an aspect of all knowledge, and that this can never be made completely explicit, thus knowledge sharing actually takes place through “observation and emulation of skilled practitioners and socialization” (Easterby-Smith & Araujo 1999: 5). Social learning approach further considers social interaction to be knowledge-generating factor, and hence an independent factor causing knowledge flows.

However the focus of this thesis will be mainly on sender-receiver model and the subsequent theories and chapters expand on this theory as it is currently the dominant theory within the field of knowledge transfer.

## 2.3. Conflict

### 2.3.1. Conflict as a barrier?

Conflict occurs between people in all kinds of human relationships and in all social settings. Because of the wide range of potential differences among people, the absence of conflict usually signals the absence of meaningful interaction (Deutsch and Coleman 2000). Interpersonal knowledge sharing is not different from any other meaningful social settings and naturally conflict is part of this setting. By looking at the Szulanski model of knowledge transfer and the subsequent impediments to knowledge sharing, one could predict conflict in all those aforementioned barriers, as conflict can occur in all stages.

For instance, as stated in the previous chapter Nonaka (1995) describes the arduous relationship as “tense situation” and “distance between parties”. That “tense” situation could be the cause or the result of a conflict. Conflict can arise for various reasons. For example, Inkpen and Tsang (2006) state that conflict will arise if certain partners rigidly push forward their own ways of doing things. So if the source or recipient is reluctant to share/accept the new knowledge then conflict may arise.

Another example would be a certain organization whose members constantly try to avoid conflict then they will never know of each other’s thoughts and ideas, thus no new knowledge will be ever created and shared. This is the reason why Fahey and Prusak (1998) call it one of the eleven deadliest sins of Knowledge Management not to establish, challenge and align a shared context for the members of an organization. This shared context requires engagement in open, honest, supportive, and critical dialogue to develop different and/or new views.

Before exploring the current literature for clues on the role of conflict in interpersonal knowledge sharing, it is probably the best to first define the concept of conflict and study its various aspects, sources and phases.

### 2.3.2. Defining conflict

Defining conflict seems to be as complicated as defining knowledge. The notion of conflict has created considerable amount of confusion among researchers and has baffled many scholars. Fink (1968) in acknowledgement of this uncertainty, states that this confusion on defining conflict has been wrestled with by several generations of scholars. Rahim (1986) believes that this confusion has been created by scholars in different disciplines because researchers study conflict from their own branch of research and look at it from their own perspective. Thus no single, broadly accepted meaning can be drawn from the literature.

In this thesis, to simplify the study of various definitions of conflict, the definitions given in current literature have been classified based on their meaning into five major groups of: *classical definitions, incompatibility based definitions, perception based definitions, incompatibility and perception based definitions and behavioural based definitions*. Next each category will be examined and the classification will be explained.

*Classical definitions:* There are those scholars who associate conflict with terms such as “struggle”, “hostility” or “strive”. These definitions constitute the majority of definitions in current literature, and are usually very broad, unclear and lean toward identifying conflict as a form of “disagreement”.

Classical definitions		Keywords
<b>Wilmot and Hocker (2001: 11)</b>	An expressed struggle between at least two interdependent parties who perceive incompatible goals, scarce resources, and interference from the other party in achieving their goals	Struggle
<b>Pearson (1973)</b>	The struggle or clash between individuals or institutions generated by differences in opinions, goals, or attitudes.	Struggle Clash
<b>Likert and Likert (1976: 8)</b>	The active striving for one’s own preferred outcome which if attained, precludes the attainment by others of their own preferred outcome, thereby producing hostility.	Strive Hostility

**Table2:** Classical definitions

*Incompatibility based definitions:* Some definitions on the hand see conflict as an incompatibility of some kind. It could be the incompatibility of players or incompatibility of their goals, activities or values. Generally when a conflict arises one can always find certain incompatibilities between the players.

Incompatibility based definitions		Keywords
<b>Deutsch (1973: 10)</b>	conflict exists whenever incompatible activities occur	Incompatible
<b>Smith (1966: 511)</b>	a situation in which the conditions, practices, or goals for the different participants are inherently incompatible	Incompatible
<b>Tedeschi, Schlenker and Bonoma (1973: 232),</b>	an interactive state in which the behaviours or goals of one actor are to some degree incompatible with the behaviours or goals of some other actor or actors	Incompatible Interactive state
<b>Brown (1983: 4)</b>	incompatible behaviour among parties whose interests differ	Incompatible
<b>Rahim (2001: 17)</b>	an interactive state manifested in incompatibility, disagreement, or difference within or between social, i.e., individual, group, organization, etc.	Interactive state Incompatible

**Table3:** Incompatibility based definitions

*Perception based definitions:* There are scholars who identify the whole concept of conflict as a notion of “perception”. Many times conflict is rooted in one of the player’s *perception* of another's actions and intentions. Each move and communication exchange happening between the players is filtered and interpreted through layers of individualised past experiences, culture, gender, and many other variables (Wilmot and Hocker 1998). How one views and interprets the behaviour of another, can determine the attitude towards the shaping of the conflict. People tend to respond to the perceived threat. While the threat may never materialise but the individuals’ behaviours and attitudes and ongoing feelings will change and thus shapes or starts the process of conflict.



Perception based definitions		Keywords
<b>Bisno (1988: 8)</b>	Perception of opposition to a person, a group of persons or system of belief	Perception
<b>Rahim (2001: 17)</b>	An interactive state manifested in incompatibility, disagreement, or difference within or between social, i.e., individual, group, organization, etc. perception of personal differences among individuals.	Interactive state Incompatible Perception
<b>Thomas (1992: 653)</b>	The process that begins when one party perceives that the other party has negatively affected, or is about to negatively affect something that he or she cares about.	Perception

**Table4:** Perception based definitions

*Incompatibility combined with the notion of perception:* some of the scholars try to combine the “incompatibility” and “perception” to create an all encompassing definition. These definitions refer to the existing differences between the players and the fact that it is perceptual and could be the result of some misunderstanding.

Incompatibility and perception based definitions		Keywords
<b>Filley (1975: 8)</b>	Incompatible goals and different values, but the differences frequently perceived than real.	Incompatible Perception
<b>Jameson (1999)</b>	Which occurs whenever interdependent parties perceive incompatible goals.	Incompatible Perception
<b>Rahim (2001: 17)</b>	An interactive state manifested in incompatibility, disagreement, or difference within or between social, i.e., individual, group, organization, etc. perception of personal differences among individuals.	Interactive state Incompatible Perception

**Table5:** Incompatibility and perception based definitions

*Behavioural based definitions:* some researchers have identified conflict as a form of “behaviour”. Behaviour usually refers to the action or reaction of something of some kind under certain conditions.

Behavioural based definitions		Keywords
<b>Litterer (1966: 180)</b>	A type of behaviour that occurs when two or more parties are in opposition or in a battle as a result of a perceived relative deprivation from the activities of or interacting with another person or group.	Behaviour Perception
<b>Pondy (1967)</b>	a dynamic process underlying organizational behaviour.	Behaviour

**Table6:** Behavioural based definitions

As we can see depending on the discipline the study originates from the definitions of conflict can vary. However for the purpose of this thesis the definition given by Oetzel and Ting-Toomey (2003) which is in essence quite similar to the abovementioned definitions is adopted. This definition combines both the notions perception and incompatibility its focus is on conflict interpersonal level.

According to Oetzel and Ting-Toomey (2003) interpersonal conflict is broadly defined as:

*“Disagreement between two interdependent people who perceive that they have incompatible goals”*

### 2.3.3. Characteristics of conflict

Along with the definition of conflict it is also important to identify the characteristics of conflict. There is a close correlation between the characteristics of the conflict and the aforementioned definitions of conflict. Conflict has characteristics of its own, and it is possible to analyse its structure and behaviour as to distinguish it from other physiological and social concepts (e.g. disagreement). When conflict is understood, it is easier to find ways to predict it, prevent it, transform it, or benefit from it. It will also help us to better understand and analyse the existing definitions in current literature.

Wilmot and Hocker (1998); Lulofs (1994); McCorkle and Mills (1992); McKinney Kimsey, Fuller (1995) and finally Mack and Snyder (1975) in their studies of conflict came up with five major characteristics of conflict:

Characteristics of conflict
<b>Interpersonal conflict requires at least two people/ideas/actions.</b>
<b>There is a “perceived” friction from at least one party.</b>
<b>Action is the key to interpersonal conflict. Until action or expression occurs, conflict is latent, lurking below the surface.</b>
<b>Power or attempts to influence the other party or idea. Conflict always comes to surface when one side tries to win over the “situation” or “disagreement”. When people argue without caring about what happens next or without a sense of involvement and struggle, it probably is just a disagreement.</b>
<b>Parties, ideas, individuals are interdependent. Thus, they may not remain as “disagreements”.</b>

**Table 7:** Characteristics of conflict

### 2.3.4. Causes of conflict

It can be hard to identify all causes of conflict. There are various potential causes; it is beyond the scope of this thesis to identify every possible source of conflict as it needs an extensive study of its own. However scholars have identified and listed some very general possible causes of conflict. For instance, Deutsch (1973) lists the following possible causes of conflict:

- control over resources;
- preferences and nuisances, where the tastes or activities of one party impinge upon another;
- values, where there is a claim that a value or set of values should dominate;
- beliefs, when there is a dispute over facts, information, reality, etc;
- the nature of the relationship between the parties.

Other possible causes have been proposed by various scholars some of those causes are as following:

- behavioural norms, including cultural differences;
- power differences;
- role of an individual, or the sets of expectations others have of that person in that role;
- ineffective communication;
- opportunistic behaviours;
- fear, worry.

Nonetheless a single incident may actually stem from different factors and if conflict goes unresolved the causes of conflict may also multiply. And at the end the only real cause may be personal pride. According to McFarland (1992), sometimes conflict

intensifies simply because of the parties' unwillingness to disengage, and "lose", even though the conflict is resolved or there are rational reasons to stop the disagreement. This intensification in the conflict may be due to having to justify ones actions.

### 2.3.5. Phases of conflict

Researches assigned various phases or life cycles to conflict as conflict is not a static state, but a dynamic one, and thus the intensity level changes over a conflicts' life cycle. Because of its static nature some scholars in their definition of conflict even argue that conflict is rather a "process", for instance Goldman (1966), argues that conflict occur as a sequence of events, these events have a beginning and an end or a conclusion. And these events are reoccurring.

Over time, numerous suggestions and models of conflict patterns –depending in which field the study is done - have been put forward. Among these models and suggestions, a number of patterns stand out. Generally conflicts tend to be described as cyclical in regard to their intensity levels, i.e. escalating from latent stage or relative peace into crisis, thereafter deescalating into relative peace.

In various literatures conflict has been divided into these eight stages or phases:

- No conflict
- Latent conflict
- Emergence
- Escalation
- (Hurting) Stalemate
- De-Escalation

- Settlement/Resolution
- Post-Conflict Peace building and Reconciliation

These stages are most widely accepted phases used in social, political and military studies. However in business studies the best model is put forward by Pondy (1967). Pondy's model is also best suited to the subject of this thesis. According to this model conflict can be defined as a dynamic ongoing process –similar to Goldman's (1966) definition of conflict- with a sequence of episodes or phases. Based on this model every conflict has five episodes:

1. Latent conflict
2. Perceived conflict
3. Felt conflict
4. Manifest conflict
5. Conflict aftermath



**Figure 4.** Phases of conflict based on Pondy's model

When the "stages of conflict" are listed by conflict scholars, the first phase is often listed as "latent conflict" or "unstable peace". It exists whenever individuals have

differences that bother one or the other, but those differences are not great enough to cause one side to act to alter the situation. Differential power, resources, differing interests or values all have the potential to spark conflict if a triggering event occurs. Every conflict begins with a latency period (a period when the potential for conflict exists, but it has not yet developed). Latent conflict may exist for very long periods before it becomes visible and the conflict actors are conscious of it and behave accordingly. (Deutsch 1973.)

Collins (1975) observed that, "social life is above all a struggle for power and status regardless of the type of structure. An inevitable power differential between groups, and between individuals, produces latent conflict in all social relations." This is quite an important concept as regardless of the study field, level of studies or the lens used to look at a situation one should be aware of the latent or hidden conflict.

Pondy (1967), divides the latent part into three types: completion for (scare) resources, motivation for autonomy and divergence of subunit goals.

But the reason why it is called latent is that the seeds of conflict may exist for long periods of time without actors being aware of them.( Deutsch 1973)

The second stage of conflict, according to Pondy (1976) is perceived conflict in which at least one party seems to be in conflict with the other party. This stage is called perceived as it might be only a matter of perception or that only one party feels the conflict.

The third stage of conflict is, where there is growing anger or stress because of the conflict. In this stage conflict becomes personalized. The parties begin to focus in on differences of opinion and interests, sharpening perceived conflict. Internal tensions and frustrations begin to crystallize around specific, defined issues and people begin

to build emotional commitment to their particular position. This is specially an important and interesting stage, as it plays an important role in interpersonal conflict. (Pondy 1967.)

The fourth stage is manifestation of the conflict. Conflict becomes apparent. Conflict is shown through communications, body language and interactions. Many periods of escalation and de-escalation will follow as the two parties will use different strategies. (Pondy 1976.)

And the final and last stage of conflict is conflict aftermath, in which either the parties resolve the issues and conflict ends or conflict becomes latent again for some time and the whole cycle starts over. This will have a short term or long term effect on the relationship of the two parties involved. (Pondy 1976.)

### 2.3.6. Destructive versus constructive conflict

Conflict on its own is an emotionally charged, negative term; but conflict is not necessarily dysfunctional, destructive or actually negative. In fact as Deutsch and Coleman (2000) put it, conflict, by itself is neither good nor bad. However, the manner in which conflict is handled determines whether it is constructive or destructive. Conflict is no different from any other concept such as knowledge; knowledge is neither good nor bad, its application makes it good or bad. Conflict has the potential for either a great deal of destruction or much creativity and positive social change (Kriesberg 1998). In line with this argument, Deutsch (1969) created a view of conflict in which conflict is neither negative nor positive. He argues that the nature of conflict really is determined by people's behaviours; in another words



negativity is not an inherent quality of conflict itself. Deutsch divided conflict into two different categories: constructive and destructive.

#### Destructive conflict

In the current literature, the term conflict traditionally has referred to dysfunctional or destructive conflict. Deutsch (1973) defines the destructive conflict, as a conflict in which the actors are not satisfied with the outcome of the conflict. Destructive conflict refers to unhealthy behaviours such as distortion and withholding of information to hurt other decision makers, hostility and distrust during interaction (Thomas 1990; Zillmann 1988), and creating obstacles to impede the decision-making process (Ruekert and Walker 1987a). Destructive conflicts may advance to the level in which the conflict parties might forget the real issues or the real cause of conflict and instead turn their attention into getting even, retaliating or hurting the other person. (Ross 1993)

#### Constructive Conflict

Dahrendorf (1959: 208) even before Deutsch's proposal of constructive conflict, stated that " I would suggest, in any case, that all that is creativity, innovation, and development in the life of the individual, his group, and his society is due, in no small extent, to the operation of conflicts between group and group, individual and individual, emotion and emotion within one individual. This fundamental fact alone seems to me to justify the value judgement that conflict is essentially 'good' and 'desirable'."

Deutsch (1969) argues that most of the literature has concentrated on the destructive effects of conflict and has failed to address the cases where conflict has productive and constructive consequences. Thomas (1976) also refers to ways in which the literature on conflict tended to concentrate on its negative attributes, but suggests

that there is growing recognition that interpersonal and inter-group conflict often serves useful functions. Thomas goes on to explain some of the positive and constructive qualities of constructive conflict.

Deutsch assigns many constructive attributes to conflict. For instance Deutsch states that, "It [conflict] prevents stagnation, it stimulates interest and curiosity, it is the medium through which problems can be aired and solutions arrived at; it is the root of personal and social change" (Deutsch 1969: 19). Deutsch goes further to say that, "conflict can be a useful and enjoyable way of stretching oneself to limits and it can help to establish group and individual identities. He suggests that conflict can lead to "arousal of the optimal level of motivation" (Deutsch 1969: 21). Apart from Deutsch many other scholars have also recognised various positive attributes of conflict. Table below lists some of those positive qualities of conflict.

Constructive Conflict	
Thomas (1976)	to maintain optimal levels of stimulation can produce new perspectives can foster cohesiveness and stability within a group
Rahim (1986)	may lead to innovation
Pondy (1967)	may lead to better cooperation (a resolved conflict)
Tjosvold Johnson & Lerner (1981)	willingness to consider new ideas

**Table8:** Constructive conflict

## 2.4. Interpersonal knowledge transfer and conflict

### 2.4.1. The relationship between conflict and knowledge transfer

Knowledge transfer begins with individuals, as individuals are the building blocks of any organization and as it was established in the previous section conflict is a fact of organizational, personal and social life. Conflict is the product of human interaction and as long as we communicate, share or interact we have to face conflict in one way or another. Conflict is so imbedded in our daily activities -personal or organizational- that Pondy (1992) even suggests we should view organizations as arenas for staging conflicts, and managers as both fight promoters who organize bouts and as referees who regulate them. He even goes to saying that in any organization conflict may be the very essence of what the organization is about, and if "conflict isn't happening then the organization has no reason for being."

Since interpersonal knowledge sharing activities occur in contexts of social interaction, it is clear that they can involve conflict. Conflict has been studied extensively by various scholars and much research has been conducted on the subject of interpersonal knowledge sharing and much has been done to indicate how individuals can be persuaded and facilitated to engage in knowledge sharing behaviour and many barriers and solutions has been put forward. But there is hardly any material which directly investigates the concept of conflict in interpersonal/knowledge transfer.

Nonetheless one can find many traces of conflict –based on the definitions presented for conflict- in the proposed barriers to knowledge transfer. For instance Husted and Michailova (2002) conducted a study to analyse how to overcome employees'

hostility towards knowledge sharing. They list several factors which they suggest will lead to knowledge hoarding:

1. Loss of knowledge power;
2. Reluctance to spend time on knowledge sharing;
3. Fear of free riding;
4. Avoidance of exposure because of insufficient confidence in the knowledge;
5. Strategy against uncertainty which means knowledge contributors worry about the misuse of the knowledge they share;
6. High respect for hierarchy and formal power.

For instance the first item on the list refers to the concept that is widely known as “Knowledge is power”. From the viewpoint of the individual who is deprived of information or knowledge, the restriction, or the hoarding as Husted and Michailova call it, is unacceptable and prudish and naturally causes tension. On the other hand from the viewpoint of those depriving others from certain experience or knowledge, the behaviour is justified as to protect their power, thus more reason for tension and conflict. It has been proposed that after employees’ contribute unique knowledge; they then give up sole claim to the benefits stemming from that knowledge (Gray, 2001).

Hocker and Willmot (2010: 95) say it best when they declare that *“just as energy is fundamental concept in physics, conflict is a fundamental concept in conflict theory. In interpersonal and all other conflicts, perceptions of power are the hearth of any analysis.”*

Or the third item on the list; it is only natural if for instance in a particular organization some share freely and others do not, those individuals who do share will perceive a lack of reciprocity and will end or reduce sharing as a result. That may cause conflict.

Fourth item on the list could be interpreted as conflict avoidance strategy, in which individuals do not share knowledge as to avoid any misunderstanding or tension.

But these are just deductive analyses of the current literature on this subject, in other words they are just hypothesis not proven facts. Next by the means of in-depth interviews the researcher tries to get a better understanding of the subject.

### 3. Research methodology

#### 3.1. Research methods

*Methodology is the science of research decisions. It provides rules and norms for the researchers to evaluate the decisions for chosen approach and implement them in the research. (Hessler 1992: 62). In this section the methodology which is used to investigate and study the subject of this thesis is introduced.*

#### 3.2. Qualitative versus quantitative

Hessler further explains that measurement plays an important role in research since it allows comparisons between different objects, processes or events; it makes it simpler to analyze things by splitting them in parts and permits to interrelate different variables after measuring their properties. Two different types of measurement exist: quantitative and qualitative (Hessler, 1992: 252). The quantitative method deals with numeric data and its analysis, it ultimately involves analysis of numerical data. It implies the equal application of standard measurements to the cases studied searching the objectivity of the result through the analysis of large number of observations. Qualitative methods on the other hand rely on the assumption that data is not only numbers, it involves analysis of data such as words (e.g., from interviews), pictures (e.g., video), or objects (e.g., an artifact). Hessler describes that: *“data gives the researcher depth of understanding in terms of the inner workings of human organizations, the behind-the scenes action that one can learn about only*

*with time-consuming careful observation and interviewing away from the laboratory and fixed choice interview schedules” (Hessler 1992: 253).*

As a result of abovementioned explanations, this research is based on qualitative approach. The research questions posed will provide answers that cannot be quantified or measured in numbers. Moreover, since the purpose of this thesis is to gain a better understanding of the role of conflict in interpersonal knowledge transfer, a qualitative study is the method that suits it best.

### 3.3. Research approach

In the field of scientific research, there are different approaches in how to conduct a scientific study. These two different approaches are deduction and induction, and they partly decide how to form theories and how the conclusions are being drawn. Induction is when a researcher, from interviews or experiments, draws common and generalizing conclusions from collected data, which is not only valid in the group or sample, investigated. In this process, a theory is developed to explain a phenomenon. In deduction, in the opposite way, the researcher takes his view in a general theory and, with the help of hypotheses, either verifies or rejects the hypothesis. When using deduction one assumes that the problem can be tested empirically and that the research can be done similarly again. A third research approach is abduction. This means that the researcher use already established theories and facts and use these to shape new theories that will explain the findings in the research being made. Abduction can be seen as a combination between induction and deduction, in a way that it does take its view in empirical facts and theoretical perspectives into consideration. (Perry 1998.)

Out of the different approaches stated above, a combination of induction and deduction or rather something in between these two approaches suits this thesis best. Induction is an appropriate approach because the research begins with specific observations and measures, then proceeds to detect patterns and regularities, formulate some tentative hypotheses, and finally end up developing some general conclusions or theories based on the observations. At the same time few theories concerning the ties between conflict and knowledge transfer is tested, thus deduction is used to test and examine those ties. However the emphasis is mainly on induction approach as the conclusion and the empirical testing will take the form of inductive reasoning.

### 3.4. Data collection

The material for this research was gathered from 9 individuals who work in knowledge intensive jobs and who by nature of their jobs require to share knowledge on regular bases. This was the third round of interviews as the last two rounds of interviews mainly due to the sensitive nature of this subject were not quite successful.

During the first round of interviews many of the respondents who were mainly directors or managers of various companies asked to see the questions before the actual interview and demanded that many of fundamental questions be removed as they considered the questions highly confidential. After removing and restructuring the interviews many of the respondents still refused to fully answer all questions and thus the end result was not satisfactory.



The second round of interviews was conducted in quite a different environment. The environment that was chosen was the local hospital. Hospitals are naturally knowledge intensive as nurses and doctors need to share knowledge frequently and on daily bases. However after conducting few interviews the researcher noticed that there is a an unconscious attitude of conflict avoidance (at all costs) among the doctors and nurses as they consider their job a matter of life and death and follow certain protocols which basically stops any form of conflict. The details of the findings could well be a research paper on its own and is beyond the scope of this thesis.

Finally for the third round of the interviews, the researcher completely and fundamentally changed the questionnaire as to make it less threatening (in sense of privacy protection) and conducted 9 semi-structure interviews. Below the sampling and interview process is explained in details.

### 3.5. Sampling

Many scholars think that sampling, as it is with the subject of Validity and Reliability, is not necessary (or even suited) for qualitative studies. However in qualitative studies, *purposive sampling* has been put forward as an alternative term for sampling in qualitative studies. According to Lincon and Guba (1985) purposive sampling is about maximising information instead of facilitating generalization.

Or as Patton (1998), puts it, quantitative researchers strive to collect large amounts of data using random selection methods. The rationale for this argument is drawn from inferential statistics and assumes that samples are drawn from a particular population. Purposive sampling starts with a purpose in mind and the sample is thus selected to include people of interest and exclude those who do not suit the

purpose. Due to the nature and complexity of this thesis the purposive sampling is being used to choose the best possible candidates for the interviews.

The respondents were chosen from people who hold knowledge intensive jobs and by the nature of their jobs are required to participate in knowledge transfer on regular bases. In this way the respondents have a fairly good idea on what knowledge sharing is and have experience dealing with various aspects of knowledge transfer process.

At the same time “Maximum variation sampling” is used to create a sample with maximum variation to increase the likelihood that all relevant aspects of phenomenon get studied. For small samples a great deal of heterogeneity can be a problem because individual cases are so different from each other. The maximum variation sampling strategy turns that apparent weakness into strength by applying the following logic: *Any common patterns that emerge from great variation are of particular interest and value in capturing the core experiences and central, shared aspects or impacts of a program.* (Patton 1990: 172)

Due to the nature of the subject sampling the pool was inevitably quite small and to make sure that this sample has enough variation to examine various aspects of the subject, respondents were chosen from people who have different cultural backgrounds, have different positions and are from both sexes.

Here is some basic information from the respondents:

Interviewee	Position	Sex	Nationality	Age
1	Resource Manager	Male	German	30-55
2	Purchasing Manager	Male	Finnish	30-55
3	Director of an Education facility	Male	American	30-55
4	Resource Coordinator	Female	Russian	20-30
5	Engineer	Female	German	20-30
6	Engineer	Female	Ukrainian	30-55
7	Facilitator	Male	Finnish	30-55
8	Team Coordinator	Male	German	30-55
9	Project Manager	Female	Thai	30-55

**Table 9:** Respondents' basic information

### 3.6. Types of interview

The interviews can be characterized into standard, semi-structured and unstructured interviews used in social research. The standard interview relies upon a uniform structure of interview especially conducted with questionnaires while certain numbers of people are interviewed so that they represent the population. It includes the fixed responses option and the result is generalized. In semi-structured interview, the interviewers seek for clarification and elaboration on the answers given where the interview is balanced between free-flow and directed conversation. And as per unstructured interview, the interviewee is free to interpret questions, where the nature of interview is flexible, free flowing and open flavour. (Holloway 1997)

The approach used in this thesis is semi-structured interview, since in this kind of interviews researchers do not ask each participant the questions in the same way

and form, instead the questions' order can be rather flexible and can be adjusted to the person and discussion flow, giving informants the opportunity to report on their own thoughts and feelings (Holloway 1997). During semi-structured interviews the researcher has the opportunity to develop questions and decide which issues to pursue, which is quite suitable for this research topic, as the subject can be vague as well as difficult/ sensitive to discuss.

The other reason why semi-structured interview technique is better suited for this thesis is because the researcher can ask open-ended questions allowing the interviewees to elaborate and explain as much as they want. Easterby, Thorpe and Lowe (2002) suggest that unstructured interviews are appropriate when the subject is confidential, step by step logic of the situation is not clear and there is a need to understand the interviewee's opinion and beliefs of the situation. The subject of this thesis requires high confidentiality, as some of the respondent might not feel comfortable to discuss their conflict related stories.

### 3.7. Conducting interviews

For the purpose of this thesis however personal interviews are more preferable. According to Sekaran (2003), the advantage of doing a personal interview is the higher level of understanding between an interviewer and respondents; it is a controlled interview situation where the interviewer has the possibility to ask complicated questions as well as follow-up questions. During a personal interview the contact between the interviewer and the respondent will be easier. (Sekaran 2003) Because of the nature of this subject it is preferable for the interviewer to see the respondents' body language.

The disadvantage with personal interviews is the high cost, the respondents and the interviewer can affect each other, and it can be hard in some cases to ask sensitive questions. The problems of getting an appointment for an interview as well as the location of the company can appear in personal interviews.

Moreover, phone interviews have advantages like high ratio of answers, low cost per interview and they are usually easy to follow up questions. (Domegan, Christine and Fleming, Declan 2003)

Each participant of the interview received an interview form in order to better prepare for the discussion. Depending on possibility to meet the participants in person the interview was conducted in person, otherwise it was done by telephone.

To prepare the respondent, the interview invitation was sent by e-mail two weeks before the interview. In the invitation e-mail, the purpose and the reason for the interview were outlined. The researcher made sure that respondents are comfortable having the interview in English. The discussion started with some general questions about the tasks performed by the participant and their knowledge about the subjects of knowledge transfer and conflict.

In order to avoid the risk of forgetting/leaving out/misinterpreting the answers from an interviewee, all interviews were recorded. Of course the consent of the interviewee was acquired prior to the recording.

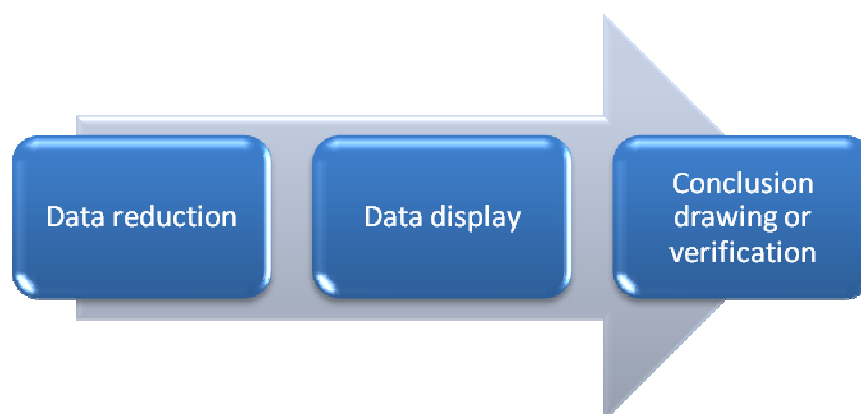
### 3.8. Data analysis

Data analysis is not simply a matter of classifying, categorizing, coding or collating data. Most fundamentally it is about the reconstruction or representation of social

phenomena (Coffey & Atkinson 1996). Material collected through qualitative methods is invariably unstructured and unwieldy. A high proportion of this data is based on text, consists of verbal transcriptions excerpted from discussions and interviews as well as field notes or other written documents. The qualitative researcher has to provide some coherence and structure to this unmanageable data. As well as he/she should retain good hold of the original accounts and observations from which the data is derived (Miles & Huberman 1984).

The challenge with qualitative data is that the acquired data are in words rather than numbers. Words describe and explain, as oppose to numbers, words are ambiguous and difficult to compare objectively. Words can carry multiple meanings and sentences may contain contradictory connotations. As Miles and Huberman describe it, *"It is easy for a qualitative researcher to jump to hasty, partial, unfounded conclusions"* (Miles & Huberman 1984: 21).

To simplify the data analysis process Huberman and Miles propose a methodology for effective qualitative research that also provides a model for quantitative research. This model consists of three stages:



**Figure 5:** Data analysis process

*Data reduction* data is analysis that helps to sharpen, sort, focus, discard, and organize the data in a way that allows for “final” conclusions to be drawn and verified. *Data display* is the second activity in which the reduced data is displayed in an organized, compressed way so that conclusions can be more easily drawn. *Conclusion drawing and verification* is the final analytical activity for the researcher. Here the researcher has to decide what things mean and this is done, by noting regularities, patterns, explanations, possible configurations, causal flows, and propositions.

This thesis follows the proposal of Huberman and Miles on data analysis. First, all interviews were recorded and fully and carefully transcribed immediately after the interviews. Then the three stages of data analysis started by reading thoroughly all the interviews and the notes taken during the interviews several times and getting familiar with the content. Due to the sensitive nature of the topic, this stage was rather interesting and at the same time tricky. In this stage every movement and gesture made by the interviewee including emotional responses and body language was taken into consideration. Then the content of each interview was classified under the themes which were developed based on research questions and originated from existing theories. Then the parts of material were combined under each theme and reorganised into a new document in order to make interpretations and conclusions. Conclusions were made by comparing the theoretical part of the thesis and analysis of the interviews. The results are presented in the next chapter together with direct quotations from the interviews.

### 3.9. Challenges unique to this subject

Since the topic of this thesis is rather sensitive, many individuals may feel uncomfortable participating in the interview. Lee and Renzetti (1993) define a sensitive topic as being a topic which poses for those involved a substantial threat, the emergence of which renders problematic for the researcher and/or the researched collection, holding or dissemination of research data. Thus, this topic requires different interview techniques.

The very first step would be to offer full confidentiality to the participants and conduct only one to one interviews. According to Perry (1998), the interviewer should offer disguise for the informant's name and company in order to develop trust. The other method that I used to gain the cooperation of the respondents is that prior to the actual interview I had an informal discussion about an unrelated topic to help the respondent to relax. Then after that discussion sometimes I had again an informal discussion about the topic, so that the respondent becomes familiar with the terms and gain confidence in responding to them.

The other technique to overcome the sensitivity barrier is using open ended questions as to let the respondent tell the story on their own term and their own time. To make sure of the respondents' comfort the choice of location is also left to respondents.

### 3.10. Trustworthiness of studies

The best way to argue the quality of a certain research is to check it with two basic, yet crucial criteria "Validity and Reliability". Validity and reliability have a close



association with quantitative research. However, both qualitative and quantitative studies require reliable and valid measurement but they are measured differently.

Neuman (2000: 164.)

Since my thesis is based on the qualitative approach, validity and reliability is considered through qualitative lens. It is necessary to specify terms and ways of establishing and assessing the quality of qualitative research. The evaluation criterion for qualitative study is "*trustworthiness*" which has less influence on quantitative measurement. Bryman (2004: 273.)

### 3.11. Concepts of validity and reliability

Qualitative researchers should focus on the core principle of validity (ibid) in another words being truthful. Validity basically means, avoiding distortion while a certain subject is being studied.

According to Joppe (2000: 1) "Validity determines whether the research truly measures that which it was intended to measure or how truthful the research results are. In other words, does the research instrument allow you to hit "the bull's eye" of your research object? Researchers generally determine validity by asking a series of questions, and will often look for the answers in the research of others."

In quantitative studies the concept of validity is described by a wide range of terms. According to winter (2000), this concept is not a single, fixed or universal concept, but "rather a contingent construct, inescapably grounded in the processes and intentions of particular research methodologies and projects".

According to Joppe (2000), reliability on the other hand is "the extent to which results are consistent over time and an accurate representation of the total

population under study is referred to as reliability and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable". In another word, it means that no matter how many times a study is being repeated the result should be the same.

However it is worth mentioning that, some qualitative researchers have argued that the term validity is not applicable to qualitative research. For instance, Creswell and Miller (2000) argue that the validity is influenced by the researcher's perception of validity in the study and his/her choice of paradigm assumption. As a result, many researchers have developed their own concepts of validity and have often generated or adopted what they consider to be more appropriate terms, such as, quality, rigor and trustworthiness (Lincoln & Guba 1985; Davies & Dodd, 2002; Seale 1999).

Lincoln and Guba (1985), on the other hand, replace the concepts of "validity and reliability" with "trustworthiness". They argue that the aim of trustworthiness in a qualitative inquiry is to support the argument that the inquiry's findings are "worth paying attention to" (Lincoln & Guba 1985: 290). This is quite different from the conventional experimental precedent of attempting to show validity, soundness, and significance. In any qualitative research project, four issues of trustworthiness demand attention: credibility, transferability, dependability, and conformability. Credibility is an evaluation of whether or not the research findings represent a "credible" conceptual interpretation of the data drawn from the participants' original data. (Lincoln & Guba 1985: 296)

## 4. Results and analysis

*In this section, the research question is discussed by analysing the conducted interviews. The analysis brings together the empirical data parallel with the theoretical framework for authors' final verdict which will appear in the next chapter of this thesis.*

The main purpose of conducting interviews was to examine the role of conflict in knowledge transfer. Thus the interview questions were designed as such to investigate the effects of conflict in knowledge transfer. As mentioned before the interviewees were chosen based on sampling techniques of “purposeful sampling” and “maximum variation sampling.

While drafting the questionnaire, the researcher's first intention was to ask questions on the subject of “knowledge” and “conflict”. However later on (after conducting pilot interviews) the questions related to knowledge transfer were removed. The reason was that the majority of respondents had a fairly good idea on what knowledge transfer/sharing is, and were rather comfortable talking about it. But this was not true for the concept of conflict; as some respondents had a hard time describing conflict, for a simple reason that they have had never thought about it.

In general people recognize conflict as a fact of life, an ordinary by-product of communication. But people have different attitudes towards conflict as they assign negative emotions to it but admit that conflict has many positive attributes. This is especially true when conflict is examined within the context of knowledge sharing. In the short run conflict may overwhelm the flow of knowledge and cause disharmony between individuals, individuals may even cease to be friends or colleagues but in the long run conflict is a valuable tool.

#### 4.1. Knowledge sharing activity

Almost all of the respondents are occupied in knowledge intensive jobs which require them to share knowledge on regular bases. This however doesn't mean that their daily job necessarily consists of high percentage of knowledge sharing activities but rather that their entire job may depend on transferring knowledge. For instance, sharing knowledge may be 5% of someone's daily work, but without that 5% performing the rest of the tasks would be impossible. Following quotes are some the respondents' exact words:

*Less than 5% but it is the essential part of work...without this part it would be impossible to the rest 95%.*

*Almost all the time.*

*50% I would say....then the rest is spent on creating knowledge*

*Maybe 10% but 50% transferring information.*

The results here were of course expected, since all respondents were chosen by means of purposive sampling technique. The criterion for their selection was that they should all be occupied in knowledge intensive professions. However this gave the author a good insight into the respondents' daily tasks as they further gave details of their jobs and explained how, why and when they engage in knowledge sharing activities. In this way then the tone of proceeding questions could be tailored to fit each person.

## 4.2. Definition of conflict

Most of the definitions given by respondents tied conflict with terms such as “incompatibility”, “disagreement” and “clash”. Definitions were rather similar in meaning but they were all somehow unique in a sense that every person, on the emotional level, seemed to connect with the concept of conflict differently.

Some of the exact phrases the respondents used were as follow:

*When two parties cannot agree! For example, me and a business partner have two different points of view, and we don't want to leave our point. That basically leaves us in a situation where we will not come into an agreement. Or we could accept it and just say that this opinion, if it is just about an opinion.*

Keywords: “disagreement”, “different points of view”

*I define conflict as discrepancy of the interest between parties. The first thing that comes to my mind is negative...like disagreement, different understandings but I call it discrepancy of interests.*

Keywords: “discrepancy of interest”, “different understanding”

*When two or more people have different interests independent of why those interests are there or if they are subjective or objective. They are common reasons for conflict, but could also be personal dislikes.*

Keywords: “difference”, “personal dislike”

The abovementioned definitions all refer to some form of incompatibility or disagreement. It is also quite interesting in the first definition the interviewee seems to accept the fact that the conflict may go unresolved as either side may press on his/her own opinion.

One of the respondents associated conflict with notion of “perception” while defining conflict:

*It is some kind of difference in thoughts, or intercourse. Different ideas that are opposing, apparently different ideas anyway. Could actually be the same idea, just expressed differently. For the moment the two parties sharing them may perceive them differently. Many cases there is conflict because there is a perceived difference. It could be a real or imagined difference. Actual or imagined.*

This definition combines the “incompatibility” and “the notion of perception” Respondent further emphasized the fact that the conflict may only be in minds of the involved parties and have no base in reality.

### 4.3. Conflict and knowledge sharing

As theorised in previous chapters conflict is an inevitable part of any relationship, so much so that some scholars identify conflict as a human behaviour. Therefore studying and examining real life examples and experiences will help us to better understand the nature and consequently effects of conflict on knowledge sharing process. Examining the real life incidents in which people engage in knowledge sharing and encounter conflict is quite valuable. The stories that the interviewees share, enable the researcher to see through the eyes of the respondents and get a first hand view on the role of conflict in an actual, real life setting. As expected, responses varied greatly. It seems that conflict can happen at any time during the knowledge sharing process. People perceive conflict differently and relate to it differently, that is in spite the fact that they all defined it in similar manner. Some were quite eager to share their stories and some were reluctant to give me all the details and shared only

parts of their experience, and some simply could not recall the whole story. Here are some of my respondents' real life experiences:

*There is all the time what I call, "interest conflict". It is when what you expect doesn't happen. Your expectation is not fulfilled. There can be language conflict and translation means loses in information. Or there can be conflict through transmission. For instance, an incident I can remember: so you know culture is very different here in Finland compare to other countries, one of my colleagues doesn't usually talk to me personally. When he needs to share knowledge with me he goes through someone else. So basically we have a triangle of sending and receiving information and knowledge. There is already lose of some information. Then that creates a complicated situation if I have to ask for more information. The primary reason is that he is too shy. The communication is based on trust, I think he doesn't trust me. The whole communication was complicated, extended the matter, clarification was needed. My first reaction was anger. And this person sent me e-mails, and didn't work.*

*Other example would be dealing with other stakeholders. There are lot misunderstandings. Especially when dealing with Chinese companies. Initially everything appeared to be clear. Shortly before the negotiations, the Chinese asked very simple basic questions. Again, cultural issues.*

As it is evident, in the first part of this case the cultural differences or rather individual's personality is the cause of conflict. The smooth flow of knowledge has been interrupted and the result is confusion and anger. In this case the most probable repeating scenario is that conflict becomes latent over and over then it emerges in the next encounter of these individuals.

In the second part of this case it is further illustrated that conflict seems to stem from "misunderstanding" of some kind. The conflict had been latent for a very long time

and then it had turned into a perceived conflict in which only one side feels the frustration and irritation.

There is yet another very similar story from another interviewee which consists of four different incidents:

First incident:

*In one of the incidents which I can remember now, there were some cultural issues; my people (team) were assuming that the counterpart understands (the process) as they do. That of course wasn't the case; the other side didn't even perceive the issue as conflicting. At the end after lots of instructions and face to face meetings the problem was resolved.*

Second incident:

*Or sometimes the other party is pursuing different goals. The technical side doesn't understand the business side. Change in working process creates problem.*

Third incident:

*Or another story, we have a new counterpart. The person in charge is totally new and doesn't know much, and of course it takes him some time to learn. It is difficult to communicate and transfer knowledge. My job is of course to facilitate between two sides.*

Fourth incident:

*Conflict happens even within our own company, for example when there is change in organization and people have new positions and they are so scared of change and the whole experience. And because of that they are reluctant to share their knowledge as they see knowledge as power and they are not willing to give it away and that creates many problems and conflicting incidents with other individual and teams.*



In the first incident the cause of conflict was because of false assumption made by one of the parties on the knowledge and understanding of the other party. Conflict arose when those assumptions did not materialize. It is interesting that all along only one of the parties perceived the matter as conflicting. The flow knowledge was of course inhibited as the recipient of the knowledge didn't have the capacity to receive the transferred knowledge.

In the second and third incidents, conflict arose because of different levels of understanding or incompatible goals. And in the last incident conflict was present due to intentional "knowledge hoarding" of the individuals who perceived knowledge as power and their only hope for survival.

Following is another incident which in many ways differed from other stories:

*About two and half years ago we had a major change of tools; basically my main working tool was changed. It took some time for the change to happen, it took some time till they decided that they needed a change of tools and it took even longer time to implement the changes.*

*So finally the tool was created and started to be in use then and trainings were offered on how to use the new tool. But the problem was that this tool creation was divided into two parts or sessions, when the first session of tool creation ended, then another department and other people took over and continued on creating the tool. So the process was rather continuous and it lasted I think for over eight months. And in between was the period of summer holidays. However after the first part finished people were given trainings. After the summer holidays the tool creation was still ongoing and another training session was given to everyone on the new developments one more time. But then the tool creation continued and when it was finally ready then it was obvious that people didn't really know how to use it as it had changed significantly from what it was when the trainings were given. And of course the first training was done five months before the completion of the tool; that is the long time as*

people forgot the training. But nevertheless people started using it and didn't know how to use it and it caused many problems and headaches as there were lots of mistakes, and of course most of these headaches and mistakes came to me and I had to deal with them as I am the one who is doing all the resourcing. So when I realized that these are not just one time mistakes rather than it is because of the fact that people don't know how to use the tool. So I suggested giving more training to people. And people were really annoyed and angry that they had to have more training (for the third time) for the same tool with the same name, they felt really dumb to have a third training and many didn't participate in the training, so they came up with excuses that they are very busy and they have no time for more training. But they didn't realise that the mistakes they were making were so crucial. So this was for me clear example when I wanted to share the knowledge and they thought that they don't need it and they already know everything and what they don't know they can learn it by trial and error.

How did it end finally?

So since there were a group of people who were active users of this tool then we had to go different way with every individual. So with some individuals I tried to explain what the problem was and if they don't want the training then they could just send me the questions or problems that have and I will only focus on those issues. But with some people it went down to personal conflict as some took the matter personal or had an emotional response to the whole issue. So it had to be resolved by talking and in some cases going to higher management.

So there was no single outcome?

No; people took it differently and some accepted more trainings some chose to read the documents and with some people the matter had to be solved individually on personal level. And that was the most difficult and painful one and it took a lot of time as everything led to another thing and so on.

Here is a clear example of sender-receiver difficulty in transmitting knowledge. Or to be precise, in this case the receiver had no interest in receiving the knowledge presented by the sender and since in the early stages nothing was done to solve the issue, tension spiralled into a full force quarrel, affecting many individuals.

### 4.3. Negative effects of conflict

The most important negative impact of conflict on knowledge transfer seems to be that it seriously hinders the flow of knowledge to the point that no knowledge is shared. Some of the stories shared by respondents clearly showed how the flow knowledge may be stopped altogether. The other negative side of conflict seems to be that it may damage personal relationships. Following quotes are some of the exact phrases mentioned by respondents:

*[Conflict]Slows down the flow of information.*

*The transfer of knowledge doesn't work [as result of conflict].*

*Information gets lost, knowledge transfer stops, wrong info delivered, unimportant info takes more space (more attention goes to trivial matters).*

*Damages personal relationships or total stop of the knowledge transfer.*

*Time is wasted, knowledge is not transferred.*

*Colleagues may stop being colleagues, thus no knowledge sharing*

#### 4.5. Positive influences of conflict

All of the interviewees believed that conflict is the natural part of any relationship or for that matter a fact of life. However they all readily assigned many positive attributes to conflict, and believed that in the long run conflict can be quite constructive. Following phrases are some of their exact words:

*The impact (of conflict) was at the end I think positive, because then people started to take the tool and resourcing more seriously as they realised what kind of an effect it could have on the operation of the whole organization. And it is not something that can be overlooked and it worthy of their attention.*

*If we move into a solution, I think that would promote the Knowledge sharing in future because there is so much conflict that goes unresolved that people carry with them that turns into resentment and avoidance when there is a solution and people resolve it in appositve way, even if we agree to disagree situations like that. Then I think those kinds of situations, people will seek each other out more because they know, hey, I was involved with this person and that really worked out quite well for everybody I want to experience that again because that's a success that's a win- win situation, whereas if it is negative; one wins or the other if somebody loses then they are going to go somewhere else next time.*

*Conflict shows us different opinions; we get to know different ways of doing things. It changes personal attitudes, it might smoothen the relationship as to remove misunderstandings.*

*Conflict might even create new solutions as the respondent is involved in a team work where his team member and another team have to work together and at a times no one knows what to do and that creates conflict and frustration but that alone causes members to focus and come up with a solution to the problem. Conflict might create new ideas, processes and new*

*knowledge, and it could be useful. It will improve the process of change. And it also fosters the innovation. It creates at the very least more awareness. It helps to learn about each other. Sometimes conflict brings people closer in team works.*

*It was a personal learning experience, I saw some power structure which was not clear before, I don't feel guilty if knowledge is not transferred and I won't spend much time or energy on it.*

*Helps you to find out more about the situation, it is a learning process, then you learn more about yourself.*

The most significant aspect of conflict seems to be that at the end it acts as a learning tool for both parties. It also helps individuals to find solutions for a problem that they were not even aware that existed. It might even facilitate the emergence of new ideas and act as source of innovation. What is quite remarkable however is that all respondents had assigned more positive attributes to conflict than negative ones. Nevertheless, it seems that a resolved conflict is usually constructive. It seems that when both parties try to move towards a solution then the positive outcomes of conflict manifolds.

In addition, most of the respondents claimed that regardless of the outcome of conflict they would still engage in knowledge sharing process even with the one person whom they had a negative knowledge sharing experience. However, in most cases they would do it less enthusiastically and would not volunteer for sharing knowledge with the same person again. They rather approach the whole thing differently and more carefully. Moreover, few people would do it only if they have to or ordered to do so. Following are some of their exact words:

*If I have to, I won't volunteer for transferring knowledge.*

*Absolutely, in specific and in general, I am going to be much careful in what I say and lot less open specially if there was no intended negative presentation. I have been intentionally negative about situations with others, not to attack them personally but to attack an issue.*

*I might be impatient in sending or receiving but I will again do it...I might be a bit less enthusiastic but I will still go for it. You know...If I have to do it... yes I will try for at least twice and if I see any results in the third time I see no reason to doing it. It should be a really big issue so that I fully avoid transferring knowledge.*

*Of course, it is also a learning process for me.*

*If it is resolved I wouldn't have a problem going back to the person otherwise I try to go back to resolve the conflict and try to explain or ask the other side to explain and try to resolve the situation.*

*It would change, especially if it happens for the second time. It makes me less willing to share my knowledge, not necessarily take away my desire but I think it would make it more unpleasant. I might try to do it in an another way, I would change my methods, if face to face doesn't work out I will use other methods to share my knowledge, like writing something or action points. Or if I have to then I have to get help from a third person to solve it.*

## 5. Discussion and conclusion

### 5.1. Summary of findings

This thesis deals with two rather delicate concepts, knowledge transfer and conflict. The purpose of this study is to examine the role of conflict in interpersonal knowledge sharing process, or rather to determine when conflict is helpful and when it is harmful to the knowledge sharing process. In recent years interpersonal knowledge sharing has become increasingly important in organizations and many studies have been conducted to investigate the interpersonal knowledge sharing process from various angles. Prior empirical studies in this field have identified a number of contextual factors as the determinants of knowledge sharing process, such as technology utilization, interpersonal trust, sender or recipient motivation and etc. However till now no independent study has ever probed the role of conflict in interpersonal knowledge sharing or for that matter knowledge sharing process in any level. In current knowledge transfer related literature conflict has gone rather unnoticed as conflict has presumed to have a negative influence in every situation and under all conditions. This study is a small step to shed light on this issue.

This thesis started by exploring the literature on the subjects of knowledge, knowledge transfer and conflict. As mentioned there is hardly any literature that combines these to concepts. Thus by the means of semi-structured interviews, the researcher tried to better understand the implications of conflict in knowledge transfer. The findings seem to suggest that conflict is a doubled-edged sword, there is a natural duality within the concept of conflict in knowledge sharing process, as it may enhance or inhibit knowledge sharing within groups, organizations, or teams.

Conflict seems to be both constructive and destructive at the same time. In fact it seems that when conflict arises in a certain knowledge sharing process it is hardly only positive or negative. It is positive and negative at the same time. It slows down the process of knowledge transfer but it most probably act as a learning tool for parties who are involved in knowledge sharing activity.

## 5.2. Conclusion

*This section of thesis will examine the findings and their implications by comparing the results with the theoretical part of the thesis. In order to get a better picture, the same themes will be discussed.*

Starting by the definition of knowledge and concept of knowledge sharing, it seems that people use the terms “knowledge” and “information” interchangeably. They identify knowledge as information and information as knowledge. There is not much difference between these two concepts in peoples’ mind. This finding supports the theory of those scholars such as Nonaka who intentionally or unintentionally use these terms interchangeably. Data, information and knowledge are so interwoven and interrelated that separating them seems to be impossible. As Nonaka (1995) argues, both data and information require knowledge in order to be interpretable, but at the same time, data and information are useful building block for constructing new knowledge. When the information is used, i.e. interpreted in the light of the user’s previous knowledge and experiences, or, as Kidd (1994) puts it, when new facts inform us, the information does not “become” knowledge but it alters the existing knowledge by increasing or shifting the individual’s knowledge state, thereby opening new possibilities to act.



On defining conflict, it seems that many people associate conflict with “disagreement” and identify it as an “incompatibility” or “difference”. This incompatibility can appear in various forms such as incompatible goals, values, morals or different levels of understanding. Only few referred to the notion of “perception” when defining conflict. There was not much surprise there as the definitions given by respondents are all more or less the same definitions which, one can find in current literature. Many scholars incorporate all these terms when defining conflict to create an all explaining, all encompassing definition. For example Rahim (2001), defines conflict as an interactive state manifested in incompatibility, disagreement, or difference within or between social, i.e., individual, group, organization, etc.

People admit conflict as a “fact of life” matter. Some of the respondents even believed that a relationship or a communication without conflict is not totally a healthy or progressive relationship or communication. This proves Deutsch and Colman (2000) argument who believe that the absence of conflict usually signals the absence of meaningful interaction.

On the effect of conflict in knowledge transfer, it seems that regardless of the outcome of any conflict, or in what context conflict occurs, it may initially be considered negative as it triggers emotional response in individuals thus; individuals do try to avoid it as much as possible. First reaction to any conflict seems to be some degree of emotional discharge or even shock. This usually seems to start the “latent” phase of conflict which as Deutsch (1973) explains is a period when the potential for conflict exists, but it has not yet fully developed.

The findings of this thesis seem to be in line with Deutsch’s (1973) definition of destructive conflict, as a conflict in which parties are not satisfied with the outcome.

If a certain conflict is resolved people usually tend to see it as constructive conflict from which they learned something. However conflicts –in terms of knowledge transfer- are generally both constructive and destructive at the same time. The single most important negative effect of conflict on interpersonal knowledge transfer seems to be that conflict will surly at least for some time if not for ever halt or slow down the process of knowledge transfer. When it comes to inert-personal relationships, a conflicting situation seldom lacks some kind of negative feelings and that has direct effect on transfer of knowledge. For instance as it was the case with one of the interviewees, conflict caused the two colleagues to lose trust in each other and the result is lethargic flow of knowledge.

And unresolved conflict usually results in some form of knowledge hoarding as one side considers the other side unfit for sending or receiving knowledge. As Szulanski (1995) explains then the receiver may perceive the source as unreliable or the sender may decide that the receiver doesn't have enough absorptive capacity and thus knowledge is not shared. This finding supports the findings of Thomas (1990), who states that destructive conflict will result in withholding of information to hurt other decision makers, hostility and distrust during interaction.

Cultural differences also seem to trigger conflicting situations which as result hinders the flow of knowledge. This finding confirms the theory proposed by Makela et al (2007) who argue that interpersonal differences emphasize the difficulties of knowledge sharing. Along with cultural issues, poor communication skills also seem to have adverse affect on knowledge sharing process, and may result in conflict and discomfort. This is evident especially if knowledge has also many tacit elements which as Nonaka (1991) explains, will make it hard to express and formulate in words.

On the other hand conflict seems to have many positive, productive effects on knowledge transfer. Generally people believe that in the long run conflict acts a positive force as it acts as a learning tool. Almost every respondent claimed that regardless of whether conflict was resolved or is still ongoing they have nevertheless learned from their knowledge sharing experiences in which conflict arose. This finding supports Thomas's (1976) hypothesis who believes conflict can help the players to gain a new perspective.

Conflict may also make individuals more aware of the problems or even hidden problems. It stimulates knowledge transfer as it requires the individuals to come together to solve, discuss and review the issues they face. This finding is also in line with Deutsch (1969) claim that conflict stimulates curiosity and interest among individuals, forcing them to review their performance, their ideas and their philosophy.

Conflict can also work as a channel, through which knowledge flows and ideas are aired. Szulanski (2000) states that one of the impediments to knowledge transfer is arduous relationship. Conflict can overcome this barrier as it helps the individuals to voice their needs or dissatisfaction, or brings out the conflict from latent or felt stage into manifest stage and forces the players to clear the air. Another knowledge transfer barrier proposed by Szulanski (2000) is barren organizational context. So if in a certain organization the channel for interpersonal knowledge transfer is missing then conflict may act as a medium for knowledge to flow. This finding supports the scholars (Deutsch 1967, Bourgeois and Eisenhardt 1988), who claim that conflict is the medium through which problems can be aired and solutions arrived at.

Lack of recipient's or sender's motivation has been identified as one of the barriers to knowledge transfer. It seems that conflict can also overcome this impediment; conflict motivates individuals to engage in knowledge sharing helping parties to try

to understand the other party's viewpoint, consequently a better knowledge sharing. This finding is in line with Deutsch's (1976: 21) statement that conflict can lead to "arousal of the optimal level of motivation".

And finally conflict may even be the source of knowledge, as conflict may give rise to new innovative ideas and solutions. Especially those in managerial position seem to agree that many times conflict sparks the innovative ideas within a team. This confirms what Rahim (1986) and many other scholars who believe conflict leads to innovation.

On causes of conflict, it seems that conflict may arise due to various reasons. There is no one single major cause of conflict. Power control, ineffective communication, control over resources, inexperience, opportunistic behaviours and personal differences seem to be but just a few. The findings of this thesis are rather in line with the current literature on this subject.

It seems that conflict whether resolved or unresolved will force people to be more cautious in their future communications and how they share knowledge with their peers. Some people may not volunteer to share knowledge with the person they got into some kind of conflict, at least not immediately. However despite the bad experience many will still engage in knowledge sharing activity.

To summarise, it seems that conflict- whether resolved or unresolved- rarely affects the process of interpersonal knowledge transfer only in a positive or negative way. In context of interpersonal knowledge transfer conflict is both positive and negative, it is constructive and at the same time it is destructive. Conflict at least temporarily will slow down the flow of knowledge, sometimes if managed properly it may benefit the involved parties by helping them to get to know each other's ideas better

or become more ever of the problem and find better, more innovative solutions. And if it is not managed properly it will at least serve as a learning tool for the individuals. The role of conflict in interpersonal knowledge transfer is paradoxical.

### 5.3. Managerial implications

As established conflict is the fact of organizational and personal life as Kolb and Putnam (1992) stress it “conflict is a stubborn fact of organizational life”. This also goes for personal relationships (building blocks of every company), as Siegert and Stamp (1994) studied the effects of the "First Big Fight" in dating relationships, noting that some couples survive and prosper, whereas others break up. The big difference between the non-survivors and survivors was the way they perceived and handled conflict.

Firstly, managers should be aware of the nature and the seriousness of the ongoing conflicts. No conflict is a small matter, although a conflict situation may seem to be unimportant at the beginning but it may spiral out of control if it is not managed properly. In the same manner, managers should not intervene too quickly as the conflict situation may be a passing one and it may not worth the time and the effort.

Secondly, managers should welcome conflict. The findings of this thesis show that constructive conflict can stimulate knowledge creation, be the source of innovation, enhance communication and ultimately foster the flow of knowledge. This however doesn't mean that the feel good policy pursued by many managers is useless; on the contrary, it is rather essential for the growth and happiness of individuals within

any organization. But conflict should not be avoided as it is a fact of personal and organizational life.

Thirdly, managers should learn to manage conflict. It is rather essential for managers to acquire conflict management skills, especially if they are managing a knowledge intensive industry. Managers must understand conflict's causes, styles, strategies, tactics and possible solutions. Findings of this thesis show that a well handled, resolved conflict can become a valuable source of organizational and personal experience.

Finally managers should encourage their employees to accept conflict as a fact of life and keep on sharing knowledge. The findings of this study indicate that if during the process of knowledge sharing conflict occurs, the people involved tend to become apprehensive of the process and they usually shun from participating in knowledge sharing activity with each other. In such cases, managers should encourage individuals to recognize conflict as a learning process. Managers should help them to overcome the possible negative feelings and create an environment for the individuals to resume their knowledge sharing activities.

#### 5.4. Limitations

All research studies have limitations and a finite scope. Limitations are often imposed because of limited data, particular topic or time and budget constraints. In retrospect, there are a few, specific limitations in this research which should be addressed as a means for improvement or potential strategies for further study.

Firstly, depending on the subject of the study the concept of knowledge can be defined and explained in different ways. The definition of conflict in this thesis is therefore limited to business studies and is examined solely and exclusively within

the context of knowledge transfer. Secondly, the focus of this thesis is on interpersonal knowledge transfer. Knowledge sharing process does happen in many levels; however studying the role of conflict in all levels is beyond the scope of this thesis.

Thirdly, the knowledge sharing process is introduced and examined by using the sender-receiver model. Other approaches such as social learning model has been left out as for this particular subject the sender-receiver model adequately explains the knowledge sharing process. Fourthly, sometimes the interviewees didn't want to share the whole story about their conflict incident, as they perceived some of the details of the situation rather private or too negative to mention. And also at times the researcher had to eliminate parts of the incident as to ensure the confidentiality of the person.

Fifthly, due to the sensitive nature of this topic the number of interviews was rather limited. More accurate conclusions could have been made, had there been more data. Lastly the theoretical part of the thesis about conflict does but little justice to the vast concept of conflict and its implications, origins and effects. But a thorough study of conflict requires a study of its own.

## 5.5. Suggestions for further studies

This Thesis is a very small step toward better understanding the role of conflict in knowledge sharing and consequently knowledge management. This particular subject alone, regardless of the findings of this study, provides several opportunities for future research.

Perhaps a good start would be to conduct similar study in such way so that researcher can have the chance to analyse both individuals who are involved in a specific conflict situation. This will help to get a better picture of relationships and connections between different conflict situations. This will also assist us to better understand the “perception” factor as explained in the previous chapters.

In next studies of inert-personal conflicts, time should also be considered as a factor. The time of conflict has a direct impact on the nature or the degree of importance in knowledge transfer. Although a conflict maybe viewed as negative as the time of occurrence but after some time it might turn out to be positive or even unimportant conflict.

One possibility within the interpersonal scope is to consider hierarchy of the individuals involved, in another words examining if hierarchy has any influence on conflict and thus knowledge transfer. In the same manner and again within the scope of inter-personal knowledge transfer would be to study the dynamics of the relationship. This would mean a more thorough focus on the context surrounding the conflict situations, by concentrating on what the relationship and the extent of knowledge transfer was before and after the conflict.

Another suggestion would be to study the differences between “task conflict” and “relationship conflict”. Previous research indicated that task conflict benefits knowledge sharing within organization, whereas relationship conflict damages it. However, little is known about the underlying psychological process by which task and relationship conflicts have distinct effects on knowledge sharing.

In addition, the need for further research in role of conflict in knowledge transfer is not limited only within the scope of interpersonal relationships. There is a big gap



within the current literature on the role of conflict on intra-personal, inter-organization and intra-organization knowledge sharing process.

There seem to be a correlation between the impediments to knowledge transfer and the causes and sources of conflict. It is actually rather impossible to know what occurs first, i.e. do impediments to knowledge sharing cause conflict or do conflicts create manifold impediments to knowledge sharing process? This could be quite an interesting yet challenging topic, as it may require a different approach.

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## APPENDIX

### Interview Questions

Nationality:

Position:

Male/Female:

A) What percentage of your daily work involves sharing knowledge, experiences and data of some sort with your peers/colleagues/superiors?

B) Think of an incident when you perceived some kind of incompatibility/disagreement in your communication- while you were sharing data, information, experiences, knowledge of some sort-with your colleague?

- Please describe the situation in details?
- What was the nature of incompatibility?
- How did it happen?
- Why did it happen?
- What was the result of the situation?

C) In your opinion what was the impact of this disagreement/incompatibility on that particular subject?

Can you maybe identify any positive impacts? If yes

- How? In which way was it positive?
- Why do you perceive it to be positive?

How about negative impacts? If yes

- How?
- Why do you perceive it as negative?

D) Has that experience (or similar experiences) changed your attitude toward knowledge sharing?

How has it been changed? Are you now more enthusiastic or less motivated?