Chapter 7
Knowledge Management in Large Complex Organizations:
The Subcultural Level

Nick Chandler

 https://orcid.org/0000-0001-7408-0793
Budapest Business School, Hungary

ABSTRACT

This chapter considers the effect of subcultures in large complex organizations upon knowledge management. It is found that subcultures offer both advantages and disadvantages to organisations with knowledge management processes. On the one hand, the diversity of subcultures also offers a diversity of approaches and focus of knowledge management within subcultures. On the other, subcultures are found in the literature to present boundaries to cross-subcultural knowledge transfer. In essence, knowledge management is enhanced within subcultures, and there is a diversity of knowledge management processes as well as conversion of different types of knowledge specific to each subculture type, but knowledge sharing and transfer between subcultures is problematic. Through the examination of previous empirical studies and evidence from the author's own study, strategies are suggested along with a proposed model for managing knowledge across subcultures in large complex organisations, and further implications are highlighted for researchers and practitioners.

INTRODUCTION

Effective knowledge management (KM) in organisations can produce a range of benefits, such as higher productivity, improved performance, and improved innovative capabilities (Mesmer-Magnus & De Church, 2009). Despite these benefits, there is no guarantee that all employees are on board with knowledge management practices such as knowledge sharing and transferring. Thus, management must ensure full support for creating and managing knowledge assets effectively (De Long & Fahey, 2000) and remove obstacles to knowledge management initiatives. One of the key themes that has evolved in the research of subcultures and knowledge management is whether subcultures are obstacles to be removed or rather

champions of knowledge management processes. This chapter will cover this debate using empirical studies and the author's own research work in these areas, as a means of revealing more about the role of subcultures in knowledge management in large complex organisations.

This chapter comprises the general background of the topic, empirical studies currently in the field, an empirical study of the author, and a discussion of the implications, alongside recommendations for practitioners and researchers, and conclusions.

The background section covers the two main elements of the chapter: subcultures and knowledge management. The role of subcultures in organisations is presented along with the existing empirical studies on the type and role of subcultures in general, including operational definitions. Knowledge management is considered from a theoretical perspective. The second section covers existing empirical studies of the role or potential role of subcultures in knowledge management, i.e., the link between organisational culture and knowledge management.

In the third section, an empirical study of a large complex organisation is introduced. Subcultures are identified in the organisation using a quantitative method employed by Hofstede (1998). It is found that despite the literature suggesting subcultures are often at odds with the organisation and barriers to knowledge sharing, there are in fact commonly shared values that permeate through the entire organisation, including the subcultures. However, this does not mean all values are shared; there is evidence that the subcultures perceive the organisation as having a different culture based on bureaucracy and rules, despite those same staff actually valuing flexibility and discretion. In this way, not only differing values but differing perceptions of the organisation's overarching culture may act as a barrier to knowledge management incentives set by the organisation.

The fourth section is entitled 'solutions and recommendations' and expounds on the implications for practitioners and researchers, as well as presenting the key findings from the study referred to in the previous section. It concludes with a model for practitioners to launch knowledge management initiatives in large complex organisations where subcultures are likely to emerge. Further insights are also offered for practitioners looking to improve knowledge management in large complex organisations. This may be especially useful in the human resource management and strategic communications fields. Finally, possible fruitful research directions are suggested for academics and researchers.

BACKGROUND

In this section, the two main elements of this chapter are examined from a theoretical perspective: subcultures and knowledge management.

Culture is the glue that holds the organisation together as employees share values and beliefs. It is described as the way employees act in organisations (Deal & Kennedy, 1983). However, there is some debate as to the suitable perspective that should be adopted when examining the culture in organisations. There are three perspectives to consider. The first is the unitarist perspective, where there is a unity of values, beliefs and norms to the extent that an organisation's culture can be assessed and categorized as belonging to a certain type. An example of this can be seen in the work of Handy (1993) who suggested four culture types: power, task, people and role-oriented cultures. The power culture is focussed on control that is propagated like a network, from the centre to the rest of the organisation, which is why it is often symbolised with a spider's web. Examples of companies that value this combination of networking and power (and politics) are Small and Medium-sized Enterprises (SMEs) in property, trading

Related Content

The Impact of Culture on the Application of the SECI Model
Markus Haag, Yanqing Duanand Brian Mathews (2010). *Cultural Implications of Knowledge Sharing, Management and Transfer: Identifying Competitive Advantage (pp. 26-47).*
www.irma-international.org/chapter/impact-culture-application-seci-model/36660

Impacts from Using Knowledge: A Longitudinal Study from a Nuclear Power Plant
Murray E. Jennex (2008). *International Journal of Knowledge Management (pp. 51-64).*
www.irma-international.org/article/impacts-using-knowledge/2721

Knowledge Metaphors
 (2015). *Organizational Knowledge Dynamics: Managing Knowledge Creation, Acquisition, Sharing, and Transformation (pp. 1-26).*
www.irma-international.org/chapter/knowledge-metaphors/125907

Social Media Driven Management Education
Owen P. Hall Jr. (2017). *International Journal of Knowledge-Based Organizations (pp. 43-59).*
www.irma-international.org/article/social-media-driven-management-education/176917

Knowledge Management in 2016: A Newer Delphi with Applications
Ronald John Lofaro (2016). *International Journal of Knowledge Management (pp. 18-30).*
www.irma-international.org/article/knowledge-management-in-2016/160188