# A STUDY OF THE ORGANIZATIONAL CULTURE FOR KNOWLEDGE SHARING IN SELECTED BANK BRANCHES

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#### **Abstract**

Knowledge has become the most vital resource for gaining competitive advantage. Banks has recognized the relevance and importance of sharing knowledge among employees. The purpose of this research paper is to analysis the factors that influence on knowledge sharing in selected bank branches. Research identified several factors; trust, collaboration, communication among staff, information system, reward systems, organizational structure, management practices, shared vision and employee union facilitate knowledge sharing in organizations.

The questionnaire was used for data collection. Gathered data was analyzed in descriptive statistics using SPSS software. Study reveals that Information systems, sharing a common vision and trust among employees exist at a higher level in the selected organizational culture as knowledge sharing elements than other identified factors. Findings of this study provide useful information and support to extend the understanding of banks in motivating their employees to engage in knowledge sharing practices.

**Keywords:** Knowledge sharing, Organizational culture, Public sector banks, Elements in organizational culture

#### 1 INTRODUCTION

Knowledge can be recognized as one of the most significant resources of an organization. Knowledge is defined as "a fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information which originates and is applied in the minds of knowers" (Davenport & Prusak, 2000). Basically, there are two types of knowledge as Tacit and Explicit. Tacit knowledge is "practical, action-oriented knowledge or "know-how" based on practice, acquired by personal experience, seldom expressed openly, often resembles intuition." and Explicit knowledge is "academic knowledge or "know-what" that is described in formal language, print or electronic media, often based on established work processes, use people-to-documents approach" (Smith, 2001).

In this knowledge era, knowledge plays an important role in any businesses (Tan, Lye, Ng, & Lim, 2010). As stated by Nonaka (1993), knowledge gives a competitive advantage for any organizations. Therefore, it can be recognized as a valuable resource not only to individuals but also to the businesses. People are more concerned on how to utilize knowledge nowadays in order to get the maximum benefits from it because once knowledge is shared; it turns into a public good (Cheng, Ho, & Lau, 2008). Therefore knowledge sharing is essential. Knowledge sharing means exchange and communicates knowledge with others (Cheng, Ho, & Lau, 2008). However, knowledge sharing would not happen automatically unless there is a supportive culture for that (Tan, Lye, Ng, & Lim, 2010). Organizational culture can be

defined as "a pattern of shared tacit assumptions that was learned by a group as it solved its problems of external adaptation and internal integration" (Schein, 2009).

The research focuses only on banking sector which is a major contributor in service sector. In any economy, banks play a very important role. It helps to efficiently direct the savings into investment and lead the growth of the economy (Tan, Lye, Ng, & Lim, 2010). In Sri Lankan context, banking sector contributes to the GDP over 8% and it is growing strongly (Central Bank , 2011). The Sri Lankan banking sector is dominated mainly by public-sector banks and half of the sector assets belong to the public sector (Thalgodapitiya & Bhoumik , 2012). Moreover, the banking sector contributed over 53% of financial system assets in the country (Central Bank , 2013). Further, the public sector commercial banks hold 41% of total banking system loans (Thalgodapitiya & Bhoumik , 2012). The public sector commercial banks have a dominant position in the economy with its wide presence across the country. On the other hand, there is a high credibility among people for this sector than private sector for as much as having immoral practices disclosed in the private sector.

Banking sector employees are one of the key success drivers in a bank. The productivity of the bank depends on them. The employees in the banking system are basically knowledge workers. Their knowledge includes banking operations, IT, banks policies, interest & loan rates, accounting, knowledge of customers and competitors (Khedkar, 2011).

#### 1.2. Problem Statement

Banks provide various facilities in order to improve employees' knowledge to assure their continuous performance. Sharing knowledge increases organizational performance. But, if there is no supportive organizational cultural elements for sharing individual knowledge, bank has to face many difficulties such as new employees would take a long time to adapt to the existing system, employees would repeat same mistakes many times and employees' knowledge would exit with them once they leave the organization. These all result to delay in work, time consumption and finally, inefficiency and low productivity in the bank. Therefore, it would be interested to investigate the existing organizational culture on knowledge sharing in banks since culture varies from organization to organization. In this respect, what would be the situation of the organizational culture for knowledge sharing in selected banks branches?

# 1.3. Objectives of the Research

This study aims to investigate various elements of organizational culture on knowledge sharing in selected public sector banks branches in Western province of Sri Lanka. Specific objectives are:

- i. To identify the cultural elements, which facilitate knowledge sharing, in banks.
- ii. To identify the employees' perceived existence of cultural elements that facilitates knowledge sharing in selected branches.
- iii. To examine the difference of employees' perceived existence of cultural elements in selected public sector banks.

#### 1.4. Scope and the limitation of the research

The study focus on Western province where the number of branches and the customer base is higher than the other provinces and this province comprises three districts: Colombo,

Gampaha & Kalutara. The study investigates only six (6) selected public sector commercial bank branches of Bank A and Bank B. Six branches were selected based on their support and readiness to give information. The focused employees are the employees in selected branches; Manager, Deputy Managers, Assistant Managers and Staff assistants in all departments (Pawning, Saving, Loans, Clearing, Current A/C, Debt Recoveries).

#### 2. LITERATURE REVIEW

This section defines and discusses knowledge, knowledge sharing, and organizational culture in knowledge sharing based on previous studies.

# Knowledge

Devenport & Prusak (2000) defined knowledge as "a fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information". In the study of Ahmad and Daghfous (2010) mentions that many authors generally define knowledge as a state of knowing that constitutes facts, concepts, principles, laws, casual relationships, insights, judgments, intuition, and feelings. Knowledge is a social attribute and it involves creating, sharing, transferring and storing of accumulative knowledge (Al-adaileh, 2011). It originates and is applied in the minds of knowers. (Davenport & Prusak, 2000). Knowledge can be seen in terms of cognitive, experiential, situational and emotional factors (Al-adaileh, 2011).

Suppuenyong et al. (2006) mention researchers identify two perspective of knowledge as theoretical and practical. According to their study, theoretical perspective mainly discusses the definitions and looks the distinguished interpretation of data, information and knowledge and their relationship. Knowledge is not information and it is more complicated than information; information is organized data and knowledge is the interpreted information based on understanding and is affected by personality of the person (Lee & Yang, 2000; Al-Alawi, Al-Marzooqi, & Mohammed, 2007). In the practical perspective, it considers the nature of the knowledge (dimensional aspect) and its operational domain aspects (Supyuenyong & Islam, 2006). Different dimension of knowledge are Ontological (individual and collective knowledge), Epistemological (explicit & tacit) and source of knowledge (internal & external) (Saeed, Tayyab, Anis-Ul-Haque, Ahmad, & Chaudhry, 2010; Supyuenyong & Islam, 2006). Explicit knowledge is formal and systemic which can be shared and communicated among others while tacit knowledge is greatly personal, hard to be formalized and exist in human's mind (Al-adaileh, 2011). Knowledge required for different level of the organization is different and this operational domain aspect of the knowledge can be classified in to two levels as corporate related knowledge and operation related knowledge (Supyuenyong & Islam, 2006).

Tiwana (2001) emphasized three characteristics of knowledge in his book as experiential nature, collaborative nature and reciprocity. According to that, experiential knowledge is stored as scripts. Knowledge gain from experience and the part that can be transferred is the experiential knowledge. In a collaborative processes that employees do in their job creates new knowledge. People should be willing to share their knowledge and this reciprocity decides the success of any knowledge management system. The most interesting characteristic of knowledge is its uniqueness and originality (Al-Alawi, Al-Marzooqi, & Mohammed, 2007).

# **Knowledge sharing**

Knowledge sharing is the central key for the success of knowledge management strategies (Karkoulian & Osman, 2007). Sharing knowledge indicates communicating knowledge within a group of people in a formal institution or informal (Cheng, Ho, & Lau, 2008). Harder (2008) defined knowledge sharing as the voluntary and social process of transferring, absorbing and reusing existing knowledge in order to serve an organizational end.

Knowledge sharing is also referred to the setting up task information and proficiency to help others and to cooperate with each other to resolve problems, create new ideas, or implement regulations & procedures (Wang & Noe, 2010). There are two non-exclusive methods of sharing knowledge as closed network (person to person) and open network (in an open repository) (Cheng, Ho, & Lau, 2008). Closed network sharing means person to person sharing and depends on personal trust and relationship, open network refers the sharing of knowledge among members in a group (Cheng, Ho, & Lau, 2008).

And also knowledge sharing can happen in two ways as horizontal and vertical; in horizontal, knowledge is shared among employees in the organization and in vertical, knowledge shared between partners such as suppliers, collaboration institutes and customers (Supyuenyong & Islam, 2006).

Based on the SECI model of Nonaka & Takeuchi (1995), Tan et al. (2010) emphasized this model is useful for managing knowledge sharing. SECI stands for Socialization (Converting Tacit Knowledge to Tacit Knowledge); Externalization (converting Tacit Knowledge to Explicit Knowledge); Combination (converting Explicit Knowledge to Explicit Knowledge); Internalization (converting Explicit Knowledge to Tacit Knowledge). On the other hand, factors like recognition, identity in the group and self-esteem also create a desire to share employees' knowledge among others (Cheng, Ho, & Lau, 2008).

#### **Importance of Knowledge sharing**

Knowledge is a critical asset to both individual and organizations in a competitive environment (Cheng, Ho, & Lau, 2008). Knowledge sharing is critical for firms for its success (Davenport & Prusak, 2000). Institutions pursue knowledge since it is an important component for organizations as a sought-after asset (Tan, Lye, Ng, & Lim, 2010).

In the study of Azudin et al. (2011) cited four importance values of knowledge sharing as; (1) Knowledge includes ideas; processes and information and be considered as an intangible product. Nowadays these intangible products have a more share than the traditional, tangible goods in the economy. (2) Knowledge sharing creates new knowledge and is important for achieve competitive advantage for businesses. (3) Knowledge sharing ensures existence of the knowledge of employees even though they leave the organization. (4) Knowledge sharing facilitates distribution of knowledge everywhere in the organization since knowledge obsolete quickly because of changes in business, technology, and social and therefore it is required sharing new knowledge with others.

If it can be managed properly, knowledge sharing affects to improve work-quality and skills in decision-making, solving problems and competency which will give more benefits to the organization. (Syed-Ikhsan & Rowland, 2004). Therefore an effective knowledge sharing is vital for the organization to get benefit from the knowledge of its employees that they have generated (Cheng, Ho, & Lau, 2008).

# Organizational culture in Knowledge sharing

There is a connection between organizational culture and knowledge sharing (Azudin, Ismail , & Taherali , 2011). If knowledge sharing integrated to the organizational culture and to the performance appraisal processes, it creates the foundations for a knowledge culture which is vital for the organization success (Karkoulian & Osman, 2007). Cheng et al. (2008) suggested that in order to promote knowledge sharing in organization, it is necessary to create an environment based on more people- oriented rather than the technical oriented. (Cheng, Ho, & Lau, 2008).

Cultural attributes can be considered as significant factors which determine the level of knowledge sharing in the organizational context (Al-adaileh, 2011).

### Elements of organizational culture

Many authors have identified existing of several cultural elements ensures the knowledge sharing practice in the organization.

Saeed et al. (2010) investigated the role of cultural attributes with reference to knowledge management practices (knowledge creation) of corporate sector employees in different management positions. Study found collaboration affect for knowledge creation through knowledge sharing since collaborative culture facilitate knowledge sharing by reducing fear and creating openness among staff members. Further study revealed that trust also affect for knowledge creation since when trust is high, employees exchange knowledge and finally resulting knowledge sharing.

Islam et al. (2011) investigated the relationship between organizational cultural elements and knowledge sharing in service organizations. Study found that trust, communication between staff and leadership have a positive and a significant relationship with knowledge sharing. Al-Alawi et al. (2007) investigated the role of cultural factors as interpersonal trust, communication between staff, information systems, rewards and organizational structure for the success of knowledge sharing and found those factors play an important role in defining the relationships among staff and break obstacles in knowledge sharing.

Al-adaileh (2011) investigated the impact of various cultural factors including: trust, collaborative working environment, shared vision and managerial practices on knowledge sharing within the context of Jordan's Phosphate Mines Company's (JPMC) and revealed that these factors have a significant and a direct impact on knowledge sharing. Based on these studies, study identified trust among employees, collaboration, communication among staff, information system, reward systems, organizational structure, management practices and shared vision are the elements of organizational culture that impact on knowledge sharing. Different literatures have explained that how elements in the organizational culture impact and relate to a successful knowledge sharing

#### **Trust**

Trust is significant for a successful organizational knowledge-sharing effort (IBM Corporation, 2002). It should be visible, pervasive and the credibility should start from the upper level of the organization (Ngah, Hoo, & Ibrahim, 2008). Interpersonal trust is based on the one's anticipation of reliability from others (Politis, 2003). It can be seen two types of trust that involve in the knowledge-sharing process as benevolence-based trust "in which an

individual will not intentionally harm another when given the opportunity to do so" and competence-based trust that "an individual believes that another person is knowledgeable about a given subject area" (IBM Corporation, 2002).

#### **Collaboration**

Collaboration generally means "individuals or organizations 'working together' to address problems and deliver outcomes that are not easily or effectively achieved by working alone" (Keast & Mandell, 2009). Effective knowledge management practices enhance and encourage collaboration among employees (Clarke & Cooper, 2000). Collaboration can be seen as the support and the help that occur among the employees (Saeed, Tayyab, Anis-Ul-Haque, Ahmad, & Chaudhry, 2010). The collaborative work environment significantly and positively affect to the employees' intention for sharing knowledge. (Nejad & Saber, 2012).

### Communication among staff

Communication among staff is another important factor for knowledge sharing and it speaks of the interaction of them via oral and body language (Al-Alawi, Al-Marzooqi, & Mohammed, 2007). Both formal and informal communications ensure the building of trust and relationship among employees (Azudin, Ismail, & Taherali, 2011).

### Information system

Information systems mean all people, procedures, and technology which are used for day-to-day operations, analysis, problem solving and decision making (Holowetzki, 2002). Especially in the banking sector, IT plays a bigger role through managing all data & information and communicating to enhance the speed of knowledge creation and exchange (Tan, Lye, Ng, & Lim, 2010).

# Reward systems

Two forms of reward systems can be identified individual based rewards and group based rewards. Individual-based reward "is based on the individual contribution of valuable knowledge" and group-based reward "is based on the contribution of the whole group through knowledge sharing to the firm performance" (Lee & Ahn, 2006). Sharing knowledge or not is led by the personal benefits given and the intention of reciprocity (Amayah & Nelson , 2010)

#### Organizational structure

Many layers in the organization structure slower the flow of knowledge (Al-Alawi, Al-Marzooqi, & Mohammed, 2007). Ganjinia (2012) found that there is a highest relationship between bureaucracy structure and knowledge distribution. In a knowledge economy, organizational structure should be more emotionally inclusive, trust and informality based and more flexible (Wang & Ahmed, 2003).

# Management practices

Management is the crucial factor for any organizations and it is one important player in encouraging knowledge sharing in organizations. For fostering knowledge, management adopt many practices like job enrichment & enlargement, delegation the power of decision making, giving training and development, designing the effective reward systems and transformational leadership (Al-adaileh, 2011). Leadership is vital for knowledge sharing (Islam, Ahemd, Hasan, & Ahmed, 2011).

#### Shared vision

A vision is a business perception which guide to something new and it sees beyond what is already being utilized, what will be emerged and invented (Malaska & Holstius, 1999). Shared vision means a clear and common image about the anticipated future state which is identified by members of the organization. (Hoe, 2007). This business framework leads all business efforts to achieve common goals and it creates a platform for knowledge sharing in organizational members (Al-adaileh, 2011).

### Employee union

With the discussion of the peoples in the industry, it was identified that the employees' union of the banks also affects the knowledge sharing of employees. This kind of union is established with the purpose of employees' welfare. The union monthly issues a booklet to all the members about news in the industry, new rules & regulations, changes in existing rules & regulations, issues, problems they face etc. Further the union arranges meeting with the members regularly.

Existence of these elements in the organizational culture cannot be found directly in any organization. Therefore identifying their indicators is helpful.

## Indicators of the elements of organizational culture

Indicators of the elements of organizational culture on knowledge sharing were identified based on different literatures.

# Trust

Cook & Wall (1980) identified two components of trust as faith and confidence. According to the authors, faith refers the "faith in the trustworthy intension of other employees" and confidence refers the "confidence in the ability of other employees."

### Collaboration

According to Nejad & Saber (2012), dimensions of collaborative work environment are workgroup support, immediate supervisor support and employees attitude. As per Heerwagen et al. (2004), three dimension of social aspect of collaboration are awareness, brief interaction and working together. Awareness: involves aware of the things happening around and the knowing the meaning of events and actions. Brief interaction includes communications and exchange information. Working together means more than one people collectively working for a joint product.

#### Communication among staff

Keyes (2008) indicates that face to face communication dominates in the knowledge sharing effort. According to his study, open discussion among employees also paves the path for easy and successful knowledge sharing. Azudin et al. (2011) mentioned that story telling is a good method for communicating knowledge. Ganjinia (2012) emphasized that two way communication like disclosure information from employees to managers and vice versa is an important tool for disseminate the explicit knowledge.

# Information system

Syed-Ikhsan & Rowland (2004) identified key indicators of technology for knowledge sharing as infrastructure, tools and knowhow. According to him technology facilitate for the effective knowledge sharing. Up to date infrastructure helps to codified knowledge to systems and tracks of people with particular expert and enables quick communication among them.

And also software as a tool plays an important role. Moreover the employees' ability of using these systems is significant for a better transfer of knowledge.

# Reward System

Goh (2002) mentioned there should be a reward system for other criteria like knowledge sharing except focusing financial outcome based on competition between groups and it is important. According to Jahani et al. (2011), intrinsic reward for knowledge sharing and availability of a system to contribute knowledge to databases is more valuable.

# Organization structure

Wang & Ahmed (2003) emphasized that informal structure (relationship) of the organization increases knowledge creation & transfer. According to their study, Boundary-lessness (ability of access to information without constraints), fluidity (knowledge flow smoothly), interactiveness (cross functional & interorganizational interaction) and flexibility (restructuring when it is needed) create informal relationship. Further Syed-Ikhsan & Rowland (2004) Status of confidentiality of document and up & down communication of organization structure affect the knowledge sharing in the organizations.

# Management practices

Goh (2002) identified following as management practices for facilitating knowledge sharing Behavior of leaders consistent with the philosophy of openness, Team work & cross functional teams, Levels of employees skills & competencies are consistent (employees are well trained) Jahani et al. (2011) mentioned leadership style of mentor who concern and helps to develop subordinates' job related competencies is important for knowledge sharing. Cabrera & Cabrera (2005) indicated that following management practices foster knowledge sharing. Work design, Staffing, Training & Development, Performance appraisal and Compensation & rewards. Al-adaileh (2011) emphasized management adopt many practices for fostering knowledge. Job enrichment & enlargement, delegation the power of decision making. Giving training and development and designing the effective reward systems. Minbaeva (2006) mentioned, work design (job enlargement, job rotation) and flexible working arrangements (job sharing, part time, flexitime) increase intrinsic motivation of knowledge sharing.

#### Shared vision

Hoe (2007) indicates that if there is a shared vision, it can be seen, employees' caring about same issue, employees' commitment to a common purpose and employees' enthusiasm for pursing collective goals in the organization.

# **Banking sector in Sri Lanka**

Banks play an important role in the economy of Sri Lanka. Banks have the capability of providing the liquidity to the whole economy (Central Bank of Sri Lanka, 2010). Banking system facilitates to personal in different ways such as deposit of money, remittance of money, lending money and borrowing money.

The banking sector of Sri Lanka consists of Licensed Commercial Banks and Licensed Specialised Banks. The difference between Licensed Commercial Banks and Licensed Specialised Banks is based on the scope of activities they can carry out; Licensed Commercial Banks have a wider scope but Licensed Specialised Banks are licensed only to conduct specialised banking activities and are not authorized to accept demand deposits and deal in foreign currency (Thalgodapitiya & Bhoumik , 2012). The total number of the bank in the country is 33 where 12 domestic licensed commercial banks (including 02 state owned banks), 12 foreign banks and 09 licensed specialised banks (Central Bank , 2011).

Banks accounts 58% of the total assets of the financial system of the country at the end of year 2013 (Central Bank, 2013). In first eight months of 2012, total assets of this sector have increased by 15% (Central Bank of Sri Lanka, 2012).

Even though both public and private sector perform in the industry, Sri Lankan banking sector mainly dominates by public sector. Further, the public sector commercial banks hold 41% of total banking system loans (Thalgodapitiya & Bhoumik, 2012). The main reasons of holding the dominant position in the country are widely spreading of the public sector banks across the country and the credibility among the people towards this sector. However the competitiveness of the sectors has increased the services such as ATM, credit cards, telebanking and internet banking (South Asian Micro Finance Network, 2007).

Sri Lankan banking sector has some key challenges of managing the quality of assets, improving the risk management abilities and managing the impact of world market instability (Thalgodapitiya & Bhoumik, 2012).

A bank generally consists of Chairman, General Managers, Deputy General Managers, Assistant General Managers, Regional Managers, Assistant Regional Managers, Branch Managers, Deputy Branch Managers, Assistant Branch Managers, Staff Assistants, Customer care assistants and Peons. The part of the success of banks is employees. Banks focus is the knowledge culture so that they provide various local & overseas training programmes for their employees to improve their knowledge and perform well in the bank. (Peoples' Bank, 2010).

# 3. METHODOLOGY

# **Procedure**

The procedure adopted in this research is described in below.

- 1. A thorough literature review was carried out to identify the elements of organizational culture that facilitate knowledge sharing among employees.
- 2. After identifying the elements, indicators of those elements were identified based on previous literatures.
- 3. After finishing the theoretical review, several people who actively engage in the industry was interviewed to clarify the validity of identified elements & the indicators to the banking industry and was modified them based on their feedback.

# Sample

Six (6) branches were selected as two (2) branches from each district representing public sector banks of Bank. A & Bank B based on their collaboration & willingness to support for the study. And 30 questionnaires were distributed to each branch.

## Respondents

Respondents are employees of selected banks. It represents employees from management level & operational level. In the management level, Managers, Deputy Managers & Assistant Managers are included and in the operational level, staff assistants are included.

#### **Data Collection**

A questionnaire was developed with five point Likert scale (1= strongly disagree to 5= strongly agree).

# **Hypothesis**

**H1:** There is a significant difference between employees' perceived existence of trust in bank A and Bank B.

**H2:** There is a significant difference between employees' perceived existence of collaboration in bank A and Bank B.

**H3:** There is a significant difference between employees' perceived existence of communication among staffs in bank A and Bank B.

**H4:** There is a significant difference between employees' perceived existence of information systems in bank A and Bank B.

**H5:** There is a significant difference between employees' perceived existence of reward system in bank A and Bank B.

**H6**: There is a significant difference between employees' perceived existence of organizational structure in bank A and Bank B.

**H7**: There is a significant difference between employees' perceived existence of management practices in bank A and Bank B.

**H8:** There is a significant difference between employees' perceived existence of shared vision in bank A and Bank B.

**H9:** There is a significant difference between employees' perceived existence of employee union in bank A and Bank B.

# Data analysis

Data was analyzed in descriptive statistics and independent sample t-test. SPSS statistic 17.0 software package was used for analyzing the data.

Cronbach alpha is closed to 0.78 for all variables which confirms the scale reliability.

# 4. RESULTS AND DISCUSSION

180 questionnaires were distributed to all branches as 30 questionnaires for each six branch. Only 152 questionnaires were returned with 84.44% responded rate.

The responded level of each branch is summarized in below table.

Table 7: Responded rate in each branch

	Bank A		Bank B		Total		
Districts	No. of responded	% of responded	No. of responded	% of responded	Total responded	% of total responded	
Colombo	30	100	24	80	54	90	
Gampaha	25	83	24	80	49	82	
Kalutara	27	90	22	73	49	82	
Total	82	91.11	70	77.78	152	84.44	

# Employees' perceived existence of cultural elements

As shown in Table 2, employees' perceived existence of Information system is the highest. In banking sector, IT plays a bigger role (Tan, Lye, Ng, & Lim, 2010). Employees perceive sharing common vision and trust among employees exist at a higher level. They perceive the rewards for sharing knowledge and involvement of employee union towards sharing knowledge is very low.

Table 8: Employees' perceived existence of cultural elements

Element	Mean
Trust	3.91
Collaboration	3.71
Communication	3.79
IS	3.95
Reward System	2.60
Organizational Structure	3.28
Management Practice	3.65
Shared Vision	3.90
Employee union	2.28

According to table 3, it can be seen the employees' perceived existence of those elements in bank A and bank B is not severely difference.

Table 9: Employees' perceived existence of cultural elements in bank A & bank B

	Mean			
Elements	A	В		
Trust	3.89	3.93		
Collaboration	3.70	3.71		
Communication	3.76	3.83		
IS	3.94	3.97		
Reward Systems	2.59	2.61		
Organizational Structure	3.26	3.31		
Management Practice	3.56	3.76		
Shared Vision	3.88	3.93		
Actions of employee unions	2.35	2.20		

# **Independent sample t-test result**

Since Sig> 0.05 in all variables, all hypotheses are rejected. Therefore, there is no significance difference between the employees' perceived existence of cultural elements that facilitate knowledge sharing in bank A and bank B.

Table 10: Independent sample t-test

	F	Sig.	Sig. t		Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
								L	U
Trust	0.593						0.07	-0.18	0.1
			-0.57	139.46	0.57	-0.04	0.07	-0.18	0.1
Collaboration	1.013	0.316	-0.11	149	0.91	-0.01	0.09	-0.19	0.17
			-0.11	148.99	0.91	-0.01	0.09	-0.18	0.16
Communication	1.274	0.261	-1.2	146	0.23	-0.08	0.07	-0.21	0.05
			-1.22	145.93	0.22	-0.08	0.07	-0.21	0.05
IS	1.343	0.248	-0.44	150	0.66	-0.03	0.07	-0.18	0.11
			-0.45	149.69	0.65	-0.03	0.07	-0.17	0.11
RewardSys	2.458	0.119	-0.14	150	0.89	-0.02	0.13	-0.28	0.24
·			-0.15	149.99	0.88	-0.02	0.13	-0.28	0.24
OrgStructure	4.228	0.042	-0.44	148	0.66	-0.05	0.11	-0.28	0.18
•			-0.44	147.72	0.66	-0.05	0.11	-0.27	0.17
MgtPractice	1.416	0.236	-1.91	135	0.06	-0.2	0.1	-0.4	0.01
			-1.94	134.86	0.06	-0.2	0.1	-0.4	0
SharedVision	2.859	0.093	-0.55	150	0.58	-0.06	0.1	-0.25	0.14
			-0.56	149.92	0.58	-0.06	0.1	-0.25	0.14
Actions of employee unions	0.931	0.336	0.86	150	0.39	0.15	0.18	-0.2	0.51
			0.86	147.44	0.39	0.15	0.18	-0.2	0.51

# 5. CONCLUSIONS AND RECOMMENDATIONS

Based on previous studies and feedback from people, study identified nine of organizational cultural factors are affecting for knowledge sharing in banks as trust, collaboration, communication among staff, information systems, reward system, organizational structure, management practices, shared vision and employee union.

According to the analyses, employees' perceive information systems which facilitate knowledge sharing exist at the highest level in the organizational culture of selected bank branches. Employees perceive shared vision, trust among employees also exists at a higher level. Collaboration, management practices, communication among staff and organizational structure exists fairly in the organizational culture at presents. The level of existence of, rewarding systems and employee union is very low for the moment.

There is no significance difference between the employees' perceived existence of the cultural elements in bank A and bank B.

#### Recommendations

In order to ensure knowledge sharing culture in selected bank branches, managers should focus on improving the existing of cultural elements further. Therefore, managers should take actions to improve trust among employees, create organizational structure which facilitate knowledge sharing further. Some rewards systems can be introduced to appreciate employees who shared knowledge among others.

#### **Future research**

This study investigates six branches of two public sector commercial banks in Western province only.

Future researchers can expand the study to investigate different organizational cultures and followings are recommended.

- Expand the number of branches
- Investigate banks in other districts
- Study private sector banks
- Conduct a comparison of the culture of public and private sector banks
- Examine other organizations of service sector

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