

Assessing the Influence of Organizational Culture on Effective Knowledge Transfer in Building Construction Firms in Abuja

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ABSTRACT: The competitive nature of the business environment in the construction industry makes it necessary for organizations to search for more effective ways of project delivery to improve overall project performance in order to gain competitive advantage. Effective knowledge transfer ensures knowledge acquired is shared, lessons learned from previous projects are applied in subsequent ones, hence, reducing wastage of time and money and improved project performance. In this study, the role of organizational culture in effective knowledge transfer was explored. The study adopted a structured questionnaire administered on knowledge management and transfer to registered professionals in building construction firms within Abuja, comprising of Quantity surveyors, Builders, Architects, Engineers and Estate valuers. 380 questionnaires were distributed and 35% were completed and retrieved. The study revealed that there is a low level of support given to knowledge management by organizations. Also, the major organizational culture affecting the effectiveness of knowledge transfer are insecurity in sharing ideas, language and cultural barriers, trust among members, and communication skills. Therefore, there is need for enlightenment on benefits of knowledge management at all levels of organizations, also top management should prioritise and support the knowledge management process by providing good leadership approach, adequate training, ICT facility for aid information sharing, effective reward system and good sense of job security. The implementation of these will enhance the effectiveness of knowledge transfer and management, also improve overall performance and help organisations gain competitive advantage.

KEY WORDS: knowledge management, knowledge transfer, organizational culture, building construction firms, improve performance.

I. INTRODUCTION

The business environment in the construction industry is getting more competitive by the day, therefore, for organizations in the industry to achieve efficiency and gain competitive advantage there is need for effective knowledge management, [25]. The construction industry is largely dependent upon human and material resources for its varied service deliveries. Construction employees are a repository of knowledge in the industry, but often times this knowledge gain is not captured or transferred which results to loss of information and poor knowledge management [29]. The construction industry is project oriented, throughout project life cycle knowledge is created, the knowledge acquired can be applied to current projects and those coming and the future hence knowledge transfer and experiences among team members and projects provide good opportunity to extract valuable lessons and avoid repetition of mistakes to improve performance, [31]. The main objective to be achieved with knowledge management is ensuring the right information gets to the right person at the right time, [23]. Effective knowledge management minimizes the time and cost to solving problems and the process learning from past projects can be reduced and hence improved solutions can be achieved [18]. This can improve output and quality, reduce cycle time and hence drive continuous improvement.

The Nigerian construction industry has experienced decline in performance over the years leading to unnecessary waste of resources on construction projects, this in collaboration with other factors has impacted negatively on construction firm's performance within the macroeconomy. [7], iterated that the forgoing problem can be tackled with effective knowledge management practice. The development of

information and communication technologies, offer greater opportunities of storage, processing and retrieval of knowledge which can aid knowledge management process. However, people are the sole contributors and beneficiaries of the knowledge transfer process.

Several factors influence the efficiency of knowledge transfer in construction organization, this includes but not limited to organisational structure, top management leadership, organisational culture, trust, technological factors knowledge management strategies. Organisational culture may be considered a key player in facilitating appropriate knowledge transfer environment in organizations. Organisational culture is the most important factor that support knowledge management and knowledge transfer in organizations. Several studies have been conducted knowledge management in construction, most of which concentrated on growth performance, knowledge integration, environmental factors affecting knowledge management in the construction industry and so on, [23]. However, there are little research conducted on organizational factors as an influence to effective knowledge transfer and none was conducted on building construction firms in Abuja. With this, this study focus on assessing the influence of organisational factors on effective knowledge transfer in Abuja based building construction firms. To achieve the aim, the study examines, influences of organisational culture to effective knowledge transfer incorporating trust, communication, leadership and level of organisational support to knowledge management system.

II. LITERATURE REVIEW

Knowledge Management in Construction Firms

Knowledge management is the organization's ability to coordinate its knowledge resources[2].[27]described knowledge management as the effort to put in place structures and tools to acquire, upgrade and transfer resources of knowledge in any organizational element of; human, structural and social. Knowledge management is basically the use of human capability in achieving organizational objectives through the process of creating, sharing and application of knowledge, these may or may not be technologically based [7]. It can also be described as effort of organization in creating an environment to enhances and encourages the process of creating, understanding and sharing the knowledge in an organization.Hence, the process of knowledge management aim to transform an organization in to a learning environment. Knowledge management is

similar to information management, although information management focuses controlling organization records and planning of activities to be performed [21].knowledge management is beyond just managing information within an organization;therefore, it is worthy to note that information management on its own is not sufficient to efficiently manage the knowledge in an organization as [22].

Effective knowledge transfer in construction organizations

Knowledge transfer refers to the process in which knowledge is shared or distributed between individuals or group of individuals in an organization or outside the organization [3]. Hence, effectiveness in knowledge transfer implies that the knowledge acquired most sufficiently shared among member for improved performance. The construction industry is project based, therefore knowledge acquisition can be challenging due to nature, complexity and geographic dispersion of projects[10]. The ongoing can result to waste of knowledge and thus amounting to waste of time and money by organizations to carryout reworks [9]. Ensure proper knowledge management throughout project life cycle can help minimize waste, increase output, reduce lead time and also pave ways for continuous improvement.Knowledge is a valuable asset for any business-oriented organization, and therefore emphasis should be made for its integration across the entire departments of the, [5].Knowledge transfer requires better collaboration between project team members and a need to change the traditional command and control in the construction industry for effective performance[10].

Influences of organizational culture on effective knowledge transfer

Knowledge based activities rely on social interaction and human reasoning, these are all influenced by cultural factors. Organizational culture influences people's way of thinking and their choices, it also guides their sense of judgment as to what is right or wrong about learning in project related knowledge [1].The culture in an organization is also the determinant of the bases on which knowledge is managed and transferred, it coordinates the relationship between people at all levels in the organization and defines who controls and distribute the acquired knowledge.[26]in their studies, they identify certain cultural elements that are capable of impacting positively on knowledge transfer in organizations, these elements are; trust, communication, reward system, leadership approach, learning and development.

Organizational cultural elements

Trust

Trust is considered to be the degree of willingness of a person to relate and interact with other people within the organization [17]. Trust potentially determines the effectiveness of knowledge transfer between people in an organization. The study of [24] reveals that the trust and knowledge share are directly related, high level of trust results in high knowledge sharing and vice visa.

Communication

Communication creates an avenue for people working within an organization to collectively work together towards achieving individual and organizational goals [4]. Clear and Open communication channels with trust can enhance transfer of knowledge among people [20]. Communication plays a vital role in knowledge transfer therefore organizations need to ensure efficient communication network is in place.

Reward system

Reward system implies the degree of organization’s ability to recognize performance of employee [14]. The level of knowledge circulation can be influence by the reward system of an organization, incentives motivate employee and can have positive impact on knowledge transfer[19]. Hence reward is an integral part of knowledge transfer whether tangible or intangible.

Leadership approach

Leadership refers to the potential to influence other people’s behavior to act towards achieving a common goal [15]. Leaders are seen as role models to ensure proper knowledge and channels across the organization and create enabling environment for knowledge transfer [16]. The upper-level management plays a vital role in knowledge transfer, as decision of resource allocation and time to facilitate the knowledge management comes from upper level.

learning and development

This refers to extent of willingness of an organization to support and encourage its employee towards learning and self-development to achieve success, [12]. Also learning and development entails the process of coordinating knowledge by

organization to improve efficiency by upgrading the skills of employees.

III. RESEARCH DESIGN AND METHOD

The study adopted survey design using quantitative approach, well-structured questionnaire was administered to respondents on the influence of organizational culture in knowledge transfer in building construction firms. Registered professionals in building construction firms in the federal capital territory were targeted for this study. The study sampled management staff of building construction firms within Abuja comprising of Quantity Surveyors, builders, Architects, Engineers and Estate Valuers, 136 were completed and retrieved out of 380 questionnaires administered. The questionnaire was divided in to three sections; awareness level on knowledge management process, level of organization support to knowledge management process, and influences of organizational culture on effective knowledge transfer. Descriptive statistical method (frequency, percentile, mean item score and relative importance index), was used to analyze the data. Also, reliability check using the Cronbach’s alpha reliability test was conducted to determine the consistency of the data of a research instrument. 0.842 was the Cronbach’s alpha value of the variables tested.

IV. RESULTS AND DISCUSSIONS

Respondents’ characteristics

Table 1, gives the general characteristics of respondents, as follows; years of experience, 0-5 years 22.6%, 5-10 years 22.06%, 10-15 years 22.79%, and 15 years and above 33.09%. The average years of experience of the respondents are 7.54. with regards to organisations, 59.56% from private sector and 40.44% from the public sector. In terms of qualification, 11.05% have MSc/M Tech, 55.88% have BSc/ B Tech, and 33.09% have HND. Base on profession, 33.09% Quantity Surveyors, 11.03% Architects, 22.79% Builders, 22.06% Engineers, and 11.03% Estate Valuers. This analysis shows that respondents are academically and professionally qualified to reliable information with regards to the subject of this study.

Table 1: Respondent’s characteristics

| Category | Classification | frequency | Percentage |
|---------------------|----------------|-----------|------------|
| Years of experience | 0-5 | 30 | 22.06% |
| | 5-10 | 30 | 22.06% |
| | 10-15 | 31 | 22.79% |

| | | | |
|-----------------------|--------------------|------------|----------------|
| | Above 15 | 45 | 33.09% |
| | Sum | 136 | 100.00% |
| Organization category | Private | 81 | 59.56% |
| | Public | 55 | 40.44% |
| | Sum | 136 | 100.00% |
| Qualification | SSCE | 0 | 0.00% |
| | NCE/OND | 0 | 0.00% |
| | HND | 45 | 33.09% |
| | BSC/B TECH | 76 | 55.88% |
| | MSc/M TECH | 15 | 11.03% |
| | PhD | 0 | 0.00% |
| | SUM | 136 | 100.00% |
| Profession | Architects | 15 | 11.03% |
| | Builders | 31 | 22.79% |
| | Engineers | 30 | 22.06% |
| | Quantity Surveyors | 45 | 33.09% |
| | Estate Valuers | 15 | 11.03% |
| | TOTAL | 136 | 100.00% |

The level of organization support to knowledge management process

It is evident from the analysis of the collected data that larger percentage of

organizations render little to no support to the knowledge management process. 37.5% indicate very low support, 25% low, and 12.5% high with 25% undecided as shown in Table 2.

Table 2 level f organization support to knowledge management process

| S/V | Scale | Frequency | Percentage | Cumulative percentage |
|-----|--------------|------------|------------|-----------------------|
| 1 | Very low | 51 | 37.5 | 37.5 |
| 2 | Low | 34 | 25 | 62.5 |
| 3 | Undecided | 34 | 25 | 87.5 |
| 4 | High | 17 | 12.5 | 100 |
| | Total | 136 | 100 | |

Influences of Organizational Culture on Effective Transfer of Knowledge in Construction Firms

The analysis of the results on influences of organizational culture on effective transfer of knowledge in construction firms as show in table 3 reveals that the most influencing cultures are associated insecurity in sharing ideas and lessons (RII-095), Trust is vital in knowledge transfer as (Rutten et al 2016) study indicate, low level of knowledge transfer emerges with low level of trust. language and cultural barriers (RII-0.90), this finding align with the study of [1], which stress that

organizational culture plays an important role in influencing people's judgment as to what right or wrong with regards knowledge and learning on project-based activities. Again, Trust to exchange knowledge with colleagues (RII-0.83), No priority given to knowledge management by organization (RII-0.83), [30], states the upper-level management have a vital role to play in knowledge transfer. lacking of necessary communication skills (RII-0.80), communication is an essential aspect in knowledge transfer and also a determinant of success in transfer of knowledge.

TABLE 4 The Influences Of Organizational Culture On The Effectiveness Of Knowledge Transfer

| S\N | Variables | RII | Rank | Overall rank |
|-----|---|------|------|--------------|
| | Trust | | | |
| 1 | Trust for knowledge exchange between colleagues | 0.83 | 1 | 3 |
| 2 | problem trusting people in workplace | 0.73 | 2 | 8 |
| 3 | Past experience plays a crucial role in transfer of knowledge | 0.60 | 3 | 13 |
| | Communication between employees | | | |
| 4 | Associated insecurity in sharing ideas and lessons | 0.95 | 1 | 1 |
| 5 | Language and cultural barriers | 0.90 | 2 | 2 |
| 6 | Lack of necessary communication skills in expressing ideas | 0.80 | 3 | 5 |
| 7 | Transfer and knowledge sharing facilitated in the midst of people with like minds | 0.70 | 4 | 10 |
| 8 | Risk of delivering wrong information hinders knowledge transfer | 0.68 | 5 | 11 |
| | Leadership | | | |
| 9 | No priority given to knowledge management by organization | 0.83 | 1 | 3 |
| 10 | Presence of employee's participation in decision making | 0.80 | 2 | 5 |
| 11 | No available technology to support knowledge transfer process by organisations | 0.80 | 2 | 5 |
| 12 | Rewards offer to employee on transfer of useful knowledge | 0.73 | 4 | 8 |
| 13 | Non availability of knowledge management practices training | 0.65 | 5 | 12 |
| 14 | Non availability of standard documentation process for knowledge transfer | 0.60 | 6 | 13 |

V. CONCLUSION AND RECOMMENDATIONS

The findings from the study reveals that there is generally low level of support given to knowledge management by firms. Also, the organizational cultures with the greatest influence on effectiveness of knowledge transfer are; associated insecurity in sharing ideas and lessons, language and cultural barriers, trust to exchange knowledge with colleagues, no priority given to knowledge management by organisation, lacking of necessary communication skills.

From finding, we recommend the following to firm; boost the level of awareness on benefits of knowledge transfer and management, management of organizations to prioritize and support knowledge transfer and management process through adequate training, improved channels to support information sharing. Firms should also provide excellent leadership approach, a sense of job security to eliminate the fear, good

reward system and adequate ICT facility for effective communication. These will surely enhance the effectiveness of knowledge transfer and management improve overall performance and again in competitive advantage.

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