KNOWLEDGE SHARING, INNOVATION AND EMPLOYEE PERFORMANCE:

A STUDY OF THE NIGERIA HOTEL INDUSTRY

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Abstract:

The primary purpose of this study is to investigate the relationship between knowledge sharing attitudes innovation and employee performance in the Nigeria hotel services. The accumulation and sharing of knowledge is an important managerial approach to attracting customers and increasing customer satisfaction. However, knowledge sharing is an automatic behavior. A survey research method was used to generate data from a sample of 10 departments in the Nigeria hotel services on knowledge sharing attitude innovation and employee performance. Descriptive statistics, Pearson Product Moment Correlation Coefficient (PPMCC), and regression analysis was used to analyze data. The results of the study confirms a statistical significant relationship exist between knowledge sharing attitudes innovation and employee performance in the Nigeria hotel services. The research findings suggests that to develop knowledge sharing attitudes and innovation among employee that benefit customer service, it is important for managers to model supportive attitudes, give actual supports in forms of bonuses and resources and, develop a culture that encourages employee to attempt innovation.

Keywords: Knowledge sharing, Knowledge management, innovation, employee performance.

1.0 INTRODUCTION

Knowledge sharing and innovation confers a competitive advantage that enhances an organization's ability to meet customers diverse and rapidly changing demands (Kim and Lee,

2006). However, researchers have suggested that employees often refuse to share knowledge because they worry that doing so may reduce their opportunities for promotion or because doing so requires uncompensated time and energy (Bock et al., 2005).

Knowledge is a critical organization resources that provides a sustainable competitive advantage in a competitive and dynamic economy (Davenport and Pruska, 2003; Foss and Pedersen, 2002; Grant, 2000). To gain a competitive advantage it is necessary but insufficient for organizations to rely on staffing and training systems that focus on selecting employees who have specific knowledge, skills, abilities, or competencies or helping employee acquire them (Brown and Dugid, 1991). As one knowledge- centred activity, knowledge sharing could be viewed as the fundamental means through which employees can contribute to practical knowledge, innovation, and eventually the competition advantage of the organization. Knowledge sharing between employees and within and across teams can allow organizations to exploit and capitalize on knowledge-based resources.

However, innovation is crucial for organization seeking to find their place in the market and ensuring long-term survival. Moreover, the development of innovative products and services has become important in order to achieve and maintain competitiveness in global markets (Miron et al., 2004). Because of the potential benefits that can be realized from knowledge sharing and innovation, many organizations have invested considerable time and money into knowledge management (KM) initiatives including the development of knowledge management system (KMS) which use state-of -the-art technology to facilitate the collection, storage, and distribution of knowledge. (Yukil, 1990; Luthans, 2005)

Furthermore, knowledge sharing and innovation refers to the provision of task information and know-how to help others and to collaborate with others to solve problems, develop new ideas, or implement policies or procedures (Cummings, 2004; Pulakos et al., 2003). Although the term knowledge sharing is generally used more often than information sharing.

However, leaders of successful organizations are consistently searching for better ways to improve performance and results. Frequent disappointments with past management initiatives have motivated managers to gain new understanding into the underlying, but complex mechanisms – such as knowledge – which govern an organization's effectiveness, knowledge management, far from being a management "fad", is a broad, multi – dimensional and covers most aspects of the organization's activities. To be competitive and successful, experience shows that organization must create and sustain a balanced intellectual capital portfolio (Wetlaufer, 2000).

They need to set broad priorities and integrate the goals of managing intellectual capital and the corresponding effective knowledge processes. This requires systematic knowledge management. With knowledge as the major driving force behind the "economics of ideas", we can expect that emphasis on knowledge creation, development, organization and leverage will continue to be prime focus for improving society (Caudron; 1995).

The rest of this article proceeds as follows: In section two, these studies review the pertinent literature on knowledge sharing and innovation and the conceptual model indicating the relationship between tested hypotheses. The specific methodology adopted for carrying out our research is subsequently explained, followed by the analysis of the data and presentation of the findings with regard to each of the hypothesis tested. The final sections derive the study's conclusions, offer managerial and public policy implications, and suggest future research directions.

2.0 LITERATURE REVIEW

2.1 DEFINING KNOWLEDGE SHARING AND INNOVATION

"Knowledge" is a fluid mix of framed experiences, values, contextual information, and expert insight that provide a framework for evaluating and incorporating new experience and information'' (Davenport and Prusak, 2000). Some authors define knowledge as a state of

knowing that constitutes facts, concepts, principles, laws, casual relationships, insights, judgments, intuition, and feelings (Ahmad and Daghfous, 2010).

Due to the globalization and technological challenges, now-a-days organization feel the need to pay greater attention to the development and preservation of internal skills and capabilities (Lopez Peon Odas, 2004), which means in order to remain competitive, companies not only require to preserve knowledge but also share knowledge between individuals and functional groups. Sharing of knowledge can be defined as the dissemination of information and knowledge throughout the organization (Ling, Sandhu and Jain, 2009). Knowledge sharing plays an essential role in the organizational process because it helps an organization to transfer new ideas or solutions. (Islam et al., 2010). When employee are interacting among one another for idea generation, it promotes the sharing of knowledge among and between individuals, groups and organizations (Gee-Woo and Kim, 2002; Huang and Newell, 2003).

Knowledge sharing is used in two ways. Some authors consider knowledge sharing as part of exploitation (Mc Elroy, 2003) and others consider it as part of exploration phase (Swan, Newell, Scarbrough and Hislop, 1999). Exploitation refers to the process where existing knowledge is captured, transferred and used in other similar situations. Exploration, on the hand, involves processes where knowledge is shared; synthesized and new knowledge is created (Mc Elroy, 2003).

Bakker, Leendes, Gabby, Krazer, and Engelen (2006) are of the opinion that there is a difference between knowledge sharing as part of knowledge exploration (production) and knowledge sharing as part of knowledge exploitation (integration) knowledge sharing, in order to integrate knowledge take place from one individual to many others at once (broadcasting) on the other hand, knowledge sharing as part of knowledge production take place more in the form of group discussions, working together, shares their view and opinions, share information to find a solution together (Bakker et al., 2006). Inkpen (2000:124) asserts that “unless individual knowledge is shared throughout an organization, the knowledge will have a limited impact on

organizational effect". Lin (2008:45) describes this in operational terms: "the exchange of knowledge and sharing of experience among different organizational units".

Innovation is crucial for organization if they want to stay in competitive business market. Innovation can be defined as the generation, acceptance and implementation of new ideas, process, products or services. (Thompson 2002). Innovation can be achieved through two ways which is exploitation and exploration. On the other hands, innovation is a capability that allows the organization to create, extend and modify its services and products based on customer demand (Helfat et al., 2001). Furthermore, innovation can be seen from the perspectives of an individual, an organization, and a nation, focusing on personal traits, innovation management and a nation's source of competitiveness, respectively (Lin and Chen, 2007)

2.2 KNOWLEDGE SHARING AND INDIVIDUAL PERFORMANCE

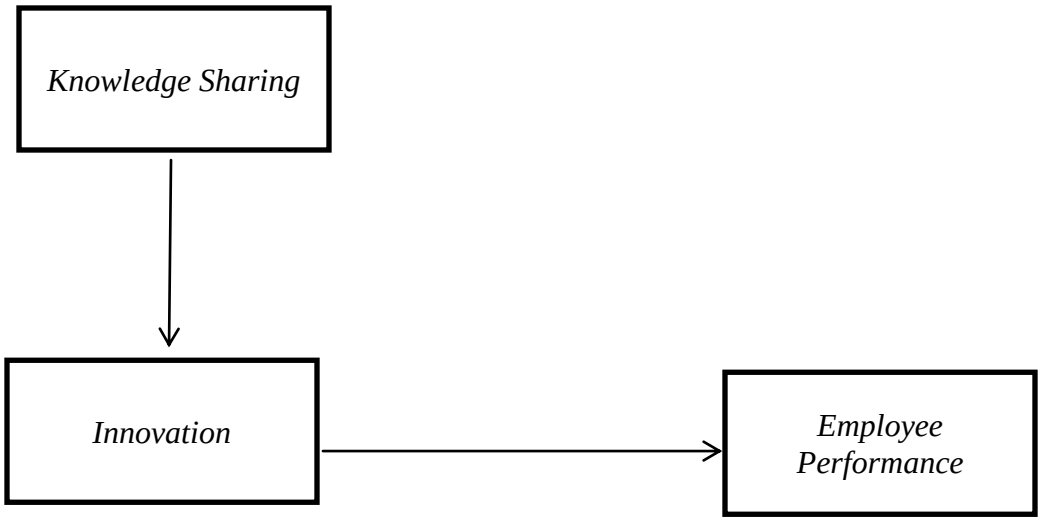
Knowledge sharing is the universal strand in knowledge. There are certain consequences that arise from the knowledge integration cycle. Knowledge sharing is one of the very impotent aspects of knowledge management. Usually knowledge is shared after understanding of the work so it can be said that communities are basis for sharing knowledge and its integration (Bechky, 2003). There are many factors that affect knowledge sharing that are at inter-organizational level and interpersonal level.

Bock, Zmud, Kim, and Lee (2005) worked on the factors that affect individual knowledge sharing objectives. They took the theory of reasoned action and supported their argument that extrinsic motivators, social, psychological and organizational factors affect the individuals' knowledge sharing intensions. From the literature above it can be concluded that knowledge sharing has strong influence on individual performance. Generally, some ways of doing things are rejected if they don't work well while others are accepted and entrenched as inner routine if they worked well .These inner factors and processes has strong effect and influence the effective knowledge sharing and on individual performance (R. Du et al. 2007). So, effective knowledge sharing is very necessary for performance. But required information in order to

facilitate intentional knowledge sharing is very difficult to obtain (Dosi & Orsengio, 1988), that's why knowledge sharing systems have been implemented in various organizations. For efficient and effective knowledge sharing, it's very necessary to identify its impact on individual performance. In view of this discussion, the following hypotheses were proposed:

H_{01}: There is no significant relationship between knowledge sharing, innovation and employee performance.

H_{o2}: Knowledge sharing and innovation has no impact on employee performance.



Source: Field Survey 2014

3 METHODOLOGY/DESIGN

A cross sectional survey design was adopted to examine the relationships that exist between knowledge sharing, innovation and employee performance in the Nigeria hotel industry. This study also follows a regression research strategy and helps in predicting behavior, thus justifying the use of survey research (Bordens and Abbott 2002). It also examine whether or not a relationship exists between the variables of study (Kerlinger, 1973). Data was generated from

various hotels in Nigeria on a wide basis relating to knowledge sharing, innovation and employee performance.

These study population considered personnel working in Nigeria manufacturing firms. Therefore, the population sample was taken from Lagos state. With the help of field research assistants, the questionnaire was administered to the manufacturing firms.

The technique used in the selection of participating hotel industry was a simple and stratified random sampling technique. A total of 300 copies of the questionnaire were administered to the different hotel but 231 were completely filled and returned. This represent 77.0% response rate. Sampling is a part of the entire population carefully selected to represent that population. The justification for using simple random sampling technique is that it eliminates the likelihood that the sample is biased by the preference of the individual selecting the samples (Bordens and Abott, 2002). Another justification is that it is particularly essential when one wants to apply research findings directly to a population (Mook, 1983).

3.1 Analytical tools and Hypotheses Tests and Results

To derive useful meaning from the data, and examine the propositions of this study, data from the survey was analyzed using SPSS 12.0 (Statistical Package for Social Sciences) focusing on the inferential statistics. Descriptive statistics such as mean were employed in the study to measure demographic characteristics of respondents, to answer research questions relating to knowledge sharing, innovation and employee performance. They are not meant to test a formal research hypothesis, but rather the summaries from a sample that characterize that sample. Pearson Product-moment correlation was used to examine the existence of relationship between knowledge sharing, innovation and employee performance in the Nigeria hotel industry. Regression Analysis was used to ascertain the amount of variations in the dependent variable which can be associated with changes in the value of an independent or predictor variable in the absence of other variables.

Table 1 revealed that many of the respondents were female which constituted 52.8% of the total respondents. Respondents who were within the age of 20 to 30 were calculated at 36.8%, while those who were above 30years, but below 40 years were calculated as 31.2%, those who were above 40 years but below 50 years were summed up at 16.1%, while those above 50 years constituted a low percentage of 26.4% of the entire sample size. The table also revealed the educational qualification of the respondents as follows NCE holders were 13.0%, HND holders were 29.0%, B.SC holders were 33.3%, M.Sc. were 19.5%, while Others were put at 5.2%. The respondents' years of experience between 1-5years constitutes 48.1%, were those of 6-10years was 23.9%, 11-15year was 18.6%, 16-20years constitutes 18.7% and those respondents whose year of experience exceeds 20years was 5.2%.

Table 1:

Demographic profile of respondents

n= 231		*Frequency*	*Percent*
Sex	Male	109	47.2%
	Female	122	52.8%
	Total	231	100.0
Age (in years)	20-30	85	36.8%
	31- 40	72	31.2%
	41- 50	61	16.1%
	51 and above	13	26.4%
	Total	231	100.0
Religion	Islam	61	16.1%
	Christian	108	46.8%
	Others	62	26.8%
	Total	231	100.0
Educational qualification	NCE	30	13.0%
	HND	67	29.0%
	BSC	77	33.3%
	MSC	45	19.5%
	Others	12	5.2%
	Total	231	100.0
Years of Experience	1-5	111	48.1%
	6-10	43	23.9%
	11-15	45	18.6%
	16-20	20	8.7%
	21 and above	12	5.2%
	Total	231	100.0

4 EMPERICAL RESULTS

4.1 VARIABLES AND MEASURES

4.1.1 KNOWLEDGE SHARING

This study initiated 12 items, a five-point likert scale which ranged from strongly agree to strongly disagree to assess the questions on knowledge sharing. The results of the respondents rating on the twelve items were looked into, added up, and averaged to generate the mean of knowledge sharing. Knowledge sharing is considered high if the index is equal to or greater than 5.0 while it is considered low if less than 5.0. The Cronbach alpha of the items was calculated to be 0.976 suggesting that the items are highly reliable.

4.1.2 INNOVATION

This study initiated 8 items, a five-point likert scale which ranged from strongly agree to strongly disagree to assess the questions on innovation. The results of the respondents rating on the five items were looked into, added up, and averaged to generate the mean of innovation. Innovation is considered high if the index is equal to or greater than 5.0 while it is considered low if less than 5.0. The Cronbach alpha of the items was calculated to be 0.879 suggesting that the items are highly reliable.

4.1.3 EMPLOYEE PERFORMANCE

A five-point likert scale of 15 items was also generated for employee performance. The scales ranged from strongly agree to strongly disagree. The result of the items were added and averaged to determine the mean index. Employee performance is considered high if the index is equal to or greater than 5.0 while it is considered low if less than 5.0. The Cronbach alpha of the items was calculated to be 0.871 suggesting that the items are highly reliable.

4.2.1 CORRELATION COEFFICIENT AND REGRESSION ANALYSIS

The relationship between knowledge sharing innovation and employee performance was investigated using Pearson product moment correlation and regression analysis. Preliminary

analyses were performed to ensure no violation of the assumptions of normality, linearity, and homoscedasticity. There was a strong, positive correlation between knowledge sharing, innovation and employee performance at r=.912 n=231, p< 0.01. This implies that knowledge sharing and innovation has a significant relationship with employee performance. Consequently, there is a significant `relationship between knowledge sharing, innovation and employee performance. Therefore, the null hypothesis (H_0) is rejected, and the acceptance of the alternate hypothesis (H_1). Similarly, Table 4 reveals the regression analysis in which the value of knowledge sharing, innovation and employee performance was valued at β=.933 and R=.956 showing a strong positive significant relationship with resistance to performance initiative. Therefore, the null hypothesis (H_0) is rejected, and the acceptance of the alternate hypothesis (H_1). Therefore, there is a significant relationship between knowledge sharing, innovation and employee performance. Table 3 shows the analysis of variance of the fitted regression equation in significant with F value of 931.641. This is an indication that the model is a good one. It shows a statistically significant relationship between the variables at 95% confidence level.

Table 1

Correlation analysis of knowledge sharing, innovation and employee performance

		Knowledge sharing & Innovation	*Employee Performance*
Knowledge sharing & Innovation	*Pearson Correlation*	*1*	*0.9120*
Sig. (2-tailed)	*.000*		
	N	*231*	*231*
	Pearson Correlation	*.9120*	*1*
Employee Performance	*Sig. (2-tailed)*	*.000*	
	N	*231*	*231*

***. Correlation is significant at the 0.01 level (2-tailed).*

Table 2

Regression analysis of knowledge sharing innovation and firm performance

Model summary

Model	*R*	*R square*	*Adjusted R square*	*Std. error of the estimate*
	.956[a]	.876	.689	.32178

ANOVA

Model		*Sum of squares*	*df*	*Mean square*	*F*	*Sig*
	Regression	330.822	1	220.822	931.641	.000
	Residual	14.727	178	.095		
	Total	235.750	179			

Coefficients

Model		*Unstandardized coefficients*		*Standardized* coefficients		*Sig*
		B	Std.error	Beta	t	P
	(Constant)	.048	.070		.690	.491
	Change management	.993	.017	.975	58.979	.000

Notes: Dependent variable: Employee Readiness

P<0.05

5.0 CONCLUSION AND IMPLICATION FOR MANAGEMENT

In conclusion, this study shows that knowledge sharing has significant relationship on employee performance in the Nigeria hotel industry. It appears to be important for hotel industry to carefully select the techniques of knowledge sharing depending on the goals in its innovation strategy. More specifically, if a manufacturing firm wants to reduce costs, it is more valuable to encourage employees to share knowledge and to implement a codified knowledge management policy. If a firm, however, aims at introducing new products, it appears to be more beneficial to source external knowledge. The findings suggest that innovation involves a broad process of knowledge sharing that enables the implementation of new ideas, processes, products, or services

Therefore, the change introduced by various hotels involves a broad incorporation of knowledge sharing mechanisms which attempt to foster innovation, such as the allocation of a

budget for providing adequate training for knowledge transfer, the linking of staff-turnover to the generation of new ideas, or the creation of teams systematically devoted to new initiatives generation.

This finding is of help to the government of Nigeria in formulating a new policy to encourage the sharing of knowledge among employees in all its agencies. It is time for the government of Nigeria to organize programmes and trainings that could help in creating awareness, trust and building the appropriate personality suitable for the endeavor amongst its staff, the entire public servants.

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