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The Associations among Transformational Leadership, Transactional Leadership, Knowledge Sharing, Job Performance, and Firm Performance: A Theoretical Model

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Abstract

Knowledge management processes, especially knowledge sharing, have been considered as a major practice for all organizations, public and private. On the other hand, the ways in which such organizations deal and value the richness of their knowledge sharing capabilities which in turn impact their performance are needed. Thus, this study suggested a theoretical model by which both transformational and transactional leadership styles influence employees' knowledge sharing practices, and the impact of the latter on job performance, and then on firm performance.

Keywords

Transformational Leadership, Transactional Leadership, Knowledge Sharing, Job Performance, Firm Performance, Jordan.

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1. Introduction

One of the most critical elements in enhancing organizational performance is leadership (Riaz and Haider, 2010). This due to the fact that by working more effectively in rapidly changing environments, adaptive leaders help in understanding the challenges facing them and followers; and then appropriately respond to those challenges (Bass et al., 2003). From the literature found on the concept of leadership, a progressive pattern focusing first on the attributes and characteristics of a leader, then on behavior and later emphasizing on the contextualized nature of the leadership can be observed (Riaz and Haider, 2010). Furthermore, previous researches indicate that different leadership styles affect individual performance differently (Boehnke et al., 2003). Recently, among the most popular approaches to understand leader effectiveness, are the concepts of transformational and transactional leadership (Sadeghi and Pihie, 2012).

In addition, several researchers consider leadership development, job performance, and knowledge sharing as firms' crucial enablers to achieve the desired competitive advantages (Tseng and Huang, 2011; Sani, 2013; Masa'deh et al. 2014), besides some scholars (e.g. Shannak et al., 2010; Masa'deh and Shannak, 2012; Shannak et al., 2012; Shannak, Masa'deh, and Alkour, 2012; Kannan et al., 2013; Masa'deh et al. 2013) emphasize the need for large firms to integrate their Information Technology (IT) systems with their knowledge management strategies and processes in order to survive in their highly competitive business environments. Indeed, several researchers emphasize the role of knowledge management and its processes in achieving organizational competitive advantages (Lee and Choi, 2003; Shannak et al., 2010; Altamony et al. 2012; Masa'deh, 2012; Masa'deh and Shannak, 2012; Shannak et al., 2012; Shannak, Masa'deh, and Alkour, 2012; Gharaibeh, 2013; Kannan et al., 2013; Masa'deh, 2013; Masa'deh, Gharaibeh, Maqableh, and Karajeh, 2013; Masa'deh, Shannak, and Maqableh, 2013; Masa'deh, Maqableh, and Karajeh, 2014). Indeed, Becerra-Fernandez and Sabherwal (2010) earlier defined knowledge management as performing the activities involved in discovering, capturing, sharing, and applying knowledge so as to enhance, in a cost-effective fashion, the impact of knowledge on the unit's goal achievement. Furthermore, knowledge sharing which was defined as process through explicit or tacit knowledge that is communicated to other individuals (Becerra-Fernandez and Sabherwal, 2010); can be clarified by three points of views: First, knowledge sharing means effective transfer, so that the recipient of knowledge can understand it well enough to act on it. Second, what is shared is knowledge rather than recommendations based on the knowledge; the former involves the recipient acquiring the shared knowledge as well as being able to take action based on it, which simply involves utilization of knowledge without the recipient internalizing the shared knowledge. Third, knowledge sharing may take place across individuals as well as across groups, departments, or organizations (Jensen and Meckling 1996; Alavi and Leidner 2001). Thus, sharing knowledge is an important process in enhancing organizational innovativeness and performance. Consequently, the objective of this paper is to propose a theoretical model that investigates the relationship between transformational and transactional leadership styles and firm performance mediated by knowledge sharing practices and job performance.

The rest of this paper is organized as follows. It commences with the background regarding knowledge sharing capability and its relation to knowledge management. Then, theoretical and empirical previous researches are described on the links among transformational and transactional leadership styles, knowledge sharing practices, job performance, and firm performance. Then, the hypotheses development for the study is discussed. The conclusion is then stated and areas for future research are also provided.

2. Literature Review

2.1. Transformational Leadership

Leadership can be defined as a social influence process and a group phenomenon since there are no leaders without followers (Erkutlu, 2008). Transformational leadership, in which both leaders and followers are held together by a shared mission rather than personal transaction, is built around the notion that leaders support followers to develop self-reliance with the aim of transforming them (Sahgal and Pathak, 2007). With this style of leadership, focus shifts from only leading followers, by offering rewards, to empowering them to become leaders through the development of a relationship of mutual motivation and trust (Boehnke et al., 2003). Furthermore, as stated by Parrott (2000), "transformational leadership is concerned with vision, values, ethics, and relationships. It is a process of leadership in which the motives, needs, and humanity of followers is given full consideration. At the heart of the process is the visionary leader" (p.64).

According to Arachchi (2012), transformational leaders are courageous, take risks, believe in followers and trust them, have clear values, and are often capable of mobilizing the energy necessary for change. They focus on inspiring and exciting their followers to put extra efforts to achieve common goals (Riaz and Haider, 2010). Furthermore, these leaders clearly define things, care for others, and concentrate on development, progress, solidity, and self-confidence (Mohammad et al., 2011).

Even though numerous revisions have been done to theory, in the most recent version, four dimensions of transformational leadership can be found (Judge and Piccolo, 2004). These dimensions are idealized influence, inspirational motivation, intellectual stimulation and individualized consideration (Shibru and Darshan, 2011; Arifin et al., 2014; Long et al., 2014). Additionally, transformational leaders act in ways to accomplish superior results by maintaining one or extra of these four components (Heng et al., 2014).

First, the idealized influence dimension refers to the followers' view at the leader in terms of power, charisma, self-confidence, trust, consistency and ideals to influence his followers, which individuals make efforts to imitate and respect (Mohammad et al., 2011). Leaders provide vision and mission, have profound respect for followers, and put deep trust in them (Parrott, 2000). Second, inspirational motivation implies that leaders provide their followers with meaning and understanding through inspiring, persuading and motivating them (Arifin et al., 2014). By using symbols and emotions, leaders focus the efforts of the group with high expectations and team spirit, and they promote commitment to a shared vision (Parrott, 2000). Third, the intellectual stimulation in transformational leadership refers to the ability of a leader to keep his followers asking questions, solving problems, and thinking about the everyday jobs and responsibilities (Omar and Hussin, 2013). Such leaders support new approaches, challenge beliefs and values, and encourage their followers to challenge the leader himself and the organization (Parrott, 2000). Finally, the individualized consideration dimension refers to the leader paying attention to the individual differences of his followers, being associated with single motivation and encouragement, and transferring followers' responsibilities to their main feature (Kamali, 2014). Leaders, who at certain times may be directive while at other may deepen the relationship with the followers, provide them with support, carefully listen to them, act as coach and advisor, and help them to grow through personal challenges (Parrott, 2000).

According to Sundi (2013), transformational leadership style directly affects on employee performance. This happens through a variety of mechanisms which include linking the follower's sense of identity and self to the project and the collective identity of the organization; challenging them to take greater ownership for their work; being a role model for them that inspires them and makes them feel interested, and understanding their strengths and weaknesses, so the leader can align followers with tasks that increase their performance (Odumeru and Ifeanyi, 2013).

However, despite the fact that the concept of transformational leadership continues to develop and remains essential and important part of the current leadership literature (McDowelle, 2009), Yukl (1999) as cited in Odumeru and Ifeanyi (2013), identified seven major weaknesses of transformational leadership. First, is the unclearness of its influences and processes since the theory would be stronger if the fundamental influence processes were identified more clearly and used to explain how each type of behavior affects each type of outcomes. Secondly, the focus of the theory on leadership processes at the dyadic level since the major interest is to clarify a leader's direct influence over individual followers, not on group or organizational processes. Thirdly, there is not a clear explanation of what the leader actually says or does to persuade or influence the cognitive processes or behavior of followers. Fourthly, the exclusion of numerous transformational behaviors from the original transformational leadership theory which empirical evidence has shown to be important, like inspiring, developing, and empowering. Fifth, there is a poor specification of situational variables in transformational leadership. Sixthly, the theory does not clearly identify any situation where transformational leadership is unfavorable. Lastly, transformational leadership theory assumes the heroic leadership stereotype. Results are interpreted as showing that the leader influenced subordinates to perform better and there is little interest in describing mutual influence processes or shared leadership.

2.2. Transactional Leadership

The first person who mentioned the concept of transactional leadership was Max Weber in his socio-economic considerations of the organization (Nikezic et al., 2012). This concept evolved for the marketplace of fast, simple transactions among multiple leaders and followers, each of them moving from transaction to transaction in search of satisfaction (McCleskey, 2014). Transactional leadership is based on leader-follower exchanges (or transactions) where followers perform according to the will and direction of the leaders, who in return positively reward the efforts (Riaz and Haider, 2010). However, the reward can be negative like punishment or corrective action, if followers fail to meet the goals or it can be positive like praise and recognition, if followers achieve the given objectives (Riaz and Haider, 2010). This style of leadership tends to be primarily passive since the behaviors associated with it are maintaining the status quo and establishing the criteria for rewarding followers (Odumeru and Ifeanyi, 2013).

According to McCleskey (2014) leader-follower exchanges allow leaders to achieve their performance objectives, focus on improving the efficiency of their organization, complete essential tasks, avoid unnecessary risks, preserve the current organizational situation, emphasize extrinsic rewards, motivate followers through contractual agreement and direct their behaviors toward accomplishment of established goals. However, unlike the transformational leaders, transactional leaders are not trying to change the future; they are only trying to keep things just as they are (Odumeru and Ifeanyi, 2013). Additionally, the transactional leadership style is commonly used in conditions where the focus is on the basic functions of management, control, organization and short-term planning (Nikezic et al., 2012). As stated by Odumeru and Ifeanyi (2013), these leaders tend to be directive, action-oriented, and think inside the box when solving problems and they are extrinsic motivators that bring minimal compliance from followers. Finally, the short-term relationships of exchange between followers and the leader tend toward shallow, temporary exchanges of fulfillment and often create resentments between the participants (McCleskey, 2014).

Although the theory has gone through a number of revisions, the most recent version include three dimensions of transactional leadership (Judge and Piccolo, 2004). These dimensions are management-by-exception active, management-by-exception passive, contingent reward (Sadeghi and Pihie, 2012). Management-by-exception (active) refers to leaders who observe followers' performance and take corrective action before mistakes are made to ensure that goals are achieved (Greiman, 2009). In management-by-exception (passive), leaders intervene only when objectives have not been met and problems have already happened (Bono and Judge, 2004). Contingent reward refers to the extent to which the leader determines rewards in exchange with followers' efforts and it includes clarification of the work required, and the use of incentives to influence motivation (Sadeghi and Pihie, 2012).

The appropriate and effective use of leader's behaviors may result in higher employee satisfaction, commitment, and productivity which may then increase the effectiveness of both the leader and the organization (Erkutlu, 2008). However, a vital challenge to the academic leadership field involves the need to develop leaders and leadership (McCleskey, 2014) since managers use different leadership behaviors in work settings and these behaviors will have direct effects on the outcomes of employee (Erkutlu, 2008). The existing leadership literature provides little direction on the development of transactional leadership and this may stem from the fact that most leaders do not need development to behave transactionally with their followers (McCleskey, 2014). Sundi (2013) stated that transactional leadership style can affect positively or negatively on employee performance. According to him, positive effect can occur when the employees assess transactional leadership in a positive way and a negative effect can occur if employee considers that transactional leadership style cannot be trusted because leaders do not keep their promises, are dishonest or not transparent.

2.3. Knowledge Sharing

Knowledge is a powerful resource that provides individuals and organizations with numerous benefits such as enhanced learning and decision-making (Al-Busaidi et al., 2010). In the world of knowledge management, several terms, that are different in importance and frequency of use, exist (Paulin and Suneson, 2012). One of these terms or activities is knowledge sharing (Lee and Ahn, 2007). Because of the probable benefits that can be enjoyed through knowledge sharing, numerous organizations invested significant time and money into knowledge management (Wang and Noe, 2010).

According to Lin (2007), knowledge sharing is a culture involving social interactions where employees exchange knowledge, experiences, and skills throughout the whole department or organization. However, while knowledge transfer and knowledge sharing are sometimes used interchangeably or are considered to have common characteristics (Paulin and Suneson, 2012), they are not the same concept (Wang and Noe, 2010). Knowledge sharing, which is the sharing of task-relevant expertise, ideas, and suggestions with one another (Gupta, 2008), is multidirectional and takes place between individuals only while knowledge transfer is unidirectional and takes place between individuals, teams, units or organizations (Paulin and Suneson, 2012).

When encouraging their employees to share their knowledge and ideas, organizations face several challenges (Aris, 2013). Azudin et al. (2009) focused on the importance of having a knowledge sharing culture, since according to them if non-sharing culture exist there will be little benefit of knowledge access and exchange tools for the organization or its employees. According to Oye et al. (2011), the intention to share comes from the incentive to share and knowledge workers will not share knowledge until there are convincing motivators to do so. Moreover, when studying the role of personality in knowledge sharing behavior, the results suggested that the persons who were high on agreeableness and conscientiousness were more involved in knowledge sharing activities than the persons were low on agreeableness and conscientiousness (Gupta, 2008). Finally, Riege (2005) as cited in Ismail and Yusof (2010) stated that individuals are hindered from sharing knowledge because of seventeen factors. Some of these factors include lack of awareness; fear that sharing may put at risk job security; lack of time to share knowledge; apply of strong hierarchy, position-based status, and formal power; differences in levels of experience; lack of interaction; poor verbal/written communication and interpersonal skills; difference in individuals age; difference in individuals gender; lack of social network; differences of education levels; lack of trust in people because they mishandle knowledge or take unjust credit for it; lack of trust in the accuracy and credibility of knowledge due to the source; and differences in national culture or ethnic background along with values and beliefs associated with it.

2.4. Job Performance

It is generally recognized that organizations need and value employees who perform well, and consider these high performers a valuable asset for them (Yun et al., 2007). Accordingly, the volume of literature devoted to job performance and the fact that many leading researchers have written about it, reflects the importance of assessing individual job performance (Viswesvaran, 2011). However, different approaches of studying job performance flow in today's literature and it has typically been assumed that what constitutes this concept differs from job to job (Koopmans et al., 2011).

Job performance according to Viswesvaran and Ones (2000) refers to "scalable actions, behaviors and outcomes that employees engage in or bring about that are linked with and contribute to organizational goals" (p.216). Some studies define job performance narrowly based on actual sales or other objective productivity measures (Christen et al., 2006). However, despite the fact that job performance and work productivity seem to be often used interchangeably in the literature, the two concepts must be distinguished from each other. Work productivity can be considered as a narrower concept than job performance (Koopmans et al., 2011). The methods used to evaluate job performance can generally be classified into two categories, organizational records and subjective evaluations.

Organizational records focus on observable, countable, discrete outcomes. Subjective evaluations could either be criterion referenced (e.g., ratings) or norm-referenced (e.g., rankings). However, organizational records are considered to be more objective than subjective evaluations since the later depends on a human judgment (Viswesvaran, 2011).

According to Hussain et al. (2012), job performance is affected by a number of factors and each employee's performance may be affected differently by different factors at workplace. Some studies when dividing the factors affecting job performance into individual related factors (IRF), job related factors (JRF), and organizational related factors (ORF), found that IRF, JRF, and ORF, had a strong influence on job performance (Zahargier and Balasundaram, 2011). In the banking sector, it was found that job performance is affected by manager's attitude, organizational culture, personal problems, job content and financial rewards (Saeed et al., 2013). Furthermore, the organization culture is considered as a major determinant affecting the organization effectiveness and the job performance of its members (Abdel-Razek, 2011). Finally, when studying the effect of gender on job performance, it was found that gender has no influence on job performance (Hussain et al., 2012).

2.5. Firm Performance

In the current economic and financial crisis, it is critically important to know the factors that produce success and the ways in which this success can be measured. From these indicators of success is performance which offers the organization support to achieve its goals on time and within budget. Therefore, the objective of any firm is continuous performance since only through performance, firms are able to grow and progress (Gavrea et al., 2011). Santos and Brito (2012) stated that researchers continue to be challenged by the definition of firm performance and its measurement because of the complexity of this concept and its many meanings. Moreover, the definition of firm performance could differ from one individual to another (Marimuthu et al., 2009). In the 50s, the evaluation of performance focused on work, people, and organizational structure and after that, in the years 80s and 90s, profit became one of the several indicators of performance (Gavrea et al., 2011).

In the context of the present economic crisis, it is important to know the determinants of firm performance since it allows the recognition of those factors that should be treated with an increased interest in order to improve the firm performance (Gavrea et al., 2011). Consequently, in a study of the effect of corporate governance on firm performance, it was found that CEO duality has a negative relationship with firm performance (Chaghadari, 2011). Besides, a fundamental assumption to the strategic human resource management is that firm performance is affected by the set of human resource management practices firms have in place (Huselid et al., 1997). When studying the relationship between strategic planning and firm performance, Arasa and K'Obonyo (2012) stated that all the strategic planning steps (defining firm's corporate purpose, scanning of business environment, identification of firm's strategic issues, strategy choice and setting up of implementation, evaluation and control systems) are positively related to firm performance. Additionally, when examining the relation between diversification and firm performance, a study found that on average, diversified firms demonstrate better performance than undiversified firms on both risk and return dimensions (Pandya and Rao, 1998).

Since no business scenario can assure economic stability, and the ability to control firm performance during a financial crisis becomes more difficult, a firm in difficulty must have the ability to recognize measures that allow it to respond effectively to new problems and adapt quickly to changes in the business environment (Gavrea et al., 2011). A number of studies focus on financial performance while other studies focus on non financial performance (Namada et al., 2014). According to Pandya and Rao (1998), management researchers have a preference for accounting variables as performance measures such as return on equity (ROE), return on investment (ROI), and return on assets (ROA). Chaghadari (2011), who used return on assets and return on equity to measure the firm performance in his research, stated that empirical studies on corporate governance use either market-based measures or accounting-based measures to evaluate firm performance. On the other hand, it was found that setting of goals and targets facilitate evaluation of firm performance (Arasa and K'Obonyo, 2012). Finally, in recent performance research, there has been a move from exclusive use of financial performance measures to insertion of non financial performance measures and this approach is considered practically valuable and in line with the multidimensionality of performance constructs (Namada et al., 2014).

3. Research Framework and Hypotheses

Masa'deh, Gharaibeh, Maqableh, and Karajeh (2013) investigated the impact of knowledge sharing enablers on knowledge sharing capability, and firm performance mediated by innovation capability. Structural equation modeling (SEM) analysis found that knowledge sharing enablers (i.e. enjoyment in helping others, top management support, organizational rewards, and ICT use) had significant influence on employees' knowledge sharing capability; whereas knowledge self-efficacy did not. Also, the study did not find a direct relationship between knowledge sharing capability and firm performance. Nevertheless, causal links were founded between knowledge sharing capability and innovation capability; and innovation capability and firm performance.

A research conducted by Rivera-Vazquez et al. (2009) to investigate overcoming cultural barriers for innovation and knowledge sharing. A qualitative research consists of interviews, carried out to management personnel, and questionnaires submitted to the employees using the results collected from four public and private organizations. The researcher argued that organization must identify and overcome some cultural barriers to be effective in producing and sharing knowledge at the micro level which has to do with the organizational culture as it is shaped by national culture of citizens working for the organization. Rivera-Vazquez et al. (2009) found that from the interview responses, the managerial level both private and public agencies have overcome the barriers that set back the knowledge sharing, while the questionnaires found that at the employee level several cultural barriers such as organizational environment, emotional intelligence and managers' commitment are still present. Moreover, the researchers recommended that this study may be used to develop standard procedures to cope with culture differences when establishing a suitable environment for knowledge production and sharing among employees.

Almaddan (2008) aimed to measure the impact of organizational culture factors on the implementation of knowledge management in Orange Jordan Telecommunication Group. The total number of employees was (2700), the sample analysis included (270) employees at all levels which was selected randomly, and the researcher found that: there is an effect of cultural executive on knowledge management, and an organizational culture effect on knowledge management. Also, the leadership variable was the most effected on knowledge management; the other impacted factors on knowledge management were as following (workers, incentive systems, organizational processes, organizational structure, and information systems). The researcher also recommended that top management should adopt a strategy for managing incentive systems to encourage workers to be creative and innovative; and encouraging to generate knowledge in order to improve performance and enable organizational creativity and innovation.

Albatyneh (2007) tested three main hypotheses: the first hypothesis examined if there is an impact of the knowledge site on performance and organizational learning, and the second hypothesis concerned if there is an impact of knowledge management, which includes the organizational structure and organizational culture, infrastructure, information technology on organizational performance and organizational learning; and third hypothesis related to the effect of the exercise of knowledge management practices (i.e. the diagnosis, the acquisition and generation, storage and distribution, and application of knowledge) on organizational performance and organizational learning. The study was applied on (15) Jordanian Commercial Banks and distributed questionnaires in which (114) were used in the analysis, and the researcher recommended that banks should encourage individuals to carry out KM initiatives concerning individuals, setting goals, exploiting the availability of experts in the field of knowledge, and modifying the organizational structure and the availability of infrastructure for information technology and operations concerning the diagnosis and knowledge acquisition.

Alomary (2004) conducted a research on commercial banks of Jordan to study the joint use of information technology and knowledge management to achieve a high value on the work of banks, data were collected from (116) manager, experts, and consultants working in (16) commercial Jordanian banks, in which the research found a strong relationship between knowledge management and high value works at the researched banks, and a strong relationship between information technology and the high value of the work. Also the study found that there is a strong relationship between the joint use of knowledge management, information technology and high value to the work of the commercial banks. Further, the researcher recommended that to take advantage of the World Wide Web (Internet) in the provision of services and enhance the value-added, to use decision support systems and expert systems, and greater attention to motivation and satisfaction of employees and support the achievements of users in addition to recommending the use of knowledge management in all the banks to achieve high value for their work.

The focus of this research was to examine how transformational and transactional leadership styles influenced employees' knowledge sharing, and the impact of the latter on job performance, and then on firm performance. Figure 1 displays the research's model.

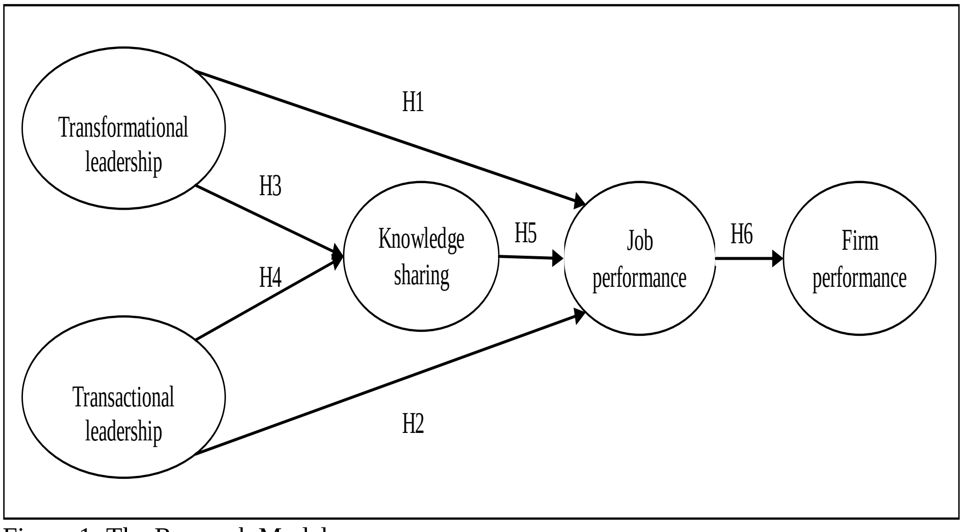

Figure 1: The Research Model

Consistent with the objective of the current study, the researchers formulated the following hypotheses:
H1: Transformational leadership is positively related to job performance.
H2: Transactional leadership is positively related to job performance.
H3: Transformational leadership is positively related to knowledge sharing.
H4: Transactional leadership is positively related to knowledge sharing.
H5: Knowledge sharing is positively related to job performance.
H6: Job performance is positively related to firm performance.

4. Research Methods

As the current research aims to investigate the effects of transformational and transactional leadership on employees' knowledge sharing practices, and then their impacts on job performance, and in turn on firm performance; it is designed as an empirical study in which relationships between variables will be tested using multifaceted scales adopted from numerous previous researches. Furthermore, the positivist philosophy and deductive approach is considered to be appropriate for this type of research, and adopted to accomplishing the main goal of this study.

The basis for data collection is a field study in which respondents will answer all items on a five point Likert-scales ranging from '1' meaning 'strongly disagree' to '5' meaning 'strongly agree'. The variables of transformational and transactional leadership are adapted from Dai et al. (2013); knowledge sharing from Vuori and Okkonen (2012); job performance items are adapted from Tseng and Huang (2011); and firm performance from Wang and Wang (2012). Moreover, Table (1) shows the measured constructs and the questions measuring each construct.

Table 1. Constructs and Measurement Items

Construct	**Measurement Items**
Transformational Leadership (TF)	TF1: The supervisor can understand my situation and gives me encouragement and assistance. TF2: The supervisor encourages me to take challenges. TF3: I believe the supervisor can overcome any challenge at work. TF4: The supervisor encourages me to make efforts towards fulfilling the company vision. TF5: The supervisor encourages me to think about problems from a new perspective. TF6: The supervisor encourages me to rethink opinions that have never been doubted in the past. TF7: I believe I can complete my work under the leadership of the supervisor. TF8: The supervisor spends time to understand my needs.
Transactional Leadership (TC)	TC1: When I am unable to complete my work, the supervisor reprimands me. TC2: The supervisor precisely records any of my mistakes. TC3: The supervisor gives me what I want to exchange for my hard work. TC4: The supervisor tells me that I can get special rewards when I show good work performance.
Knowledge Sharing (KS)	KS1: Knowledge sharing with others in the organization is valuable. KS2: Knowledge sharing with others in the organization is beneficial. KS3: Knowledge sharing with others in the organization is pleasant. KS4: The organization supports knowledge sharing. KS5: The knowledge in the organization is located in databases and is shared efficiently. KS6: The opportunities to share knowledge within the organization are sufficient. KS7: It is easy to find the person with the knowledge I need. KS8: There are valid processes/channels to share knowledge between different locations and departments. KS9: It is hard to share knowledge in other ways than in discussions because it is hard to express in written form.
Job Performance (JP)	JP1: Knowledge sharing with others in the organization increases my work efficiency. JP2: Knowledge sharing with others in the organization helps me to solve problems at work. JP3: Knowledge sharing with others in the organization helps me to accomplish my work mission. JP4: Knowledge sharing with others in the organization broadens my knowledge. JP5: Knowledge sharing with others in the organization increases my willingness to work with others.

	JP6: Knowledge sharing with others in the organization increases my problem solving abilities.
Firm Performance (FP)	FP1: Customer satisfaction of our organization is better as compared to key competitors. FP2: Quality development of our organization is better as compared to key competitors. FP3: Cost management of our organization is better as compared to key competitors. FP4: Responsiveness of our organization is better as compared to key competitors. FP5: Productivity of our organization is better as compared to key competitors. FP6: Asset management of our organization is better as compared to key competitors.

In order to test the research hypotheses, the study will employ SEM techniques with Analysis of Moment Structures (AMOS) 6 software for data analysis. SEM can be divided into two sub-models: a measurement model and a structural model. While the measurement model defines relationships between the observed and unobserved variables, the structural model identifies relationships among the unobserved/latent variables by specifying which latent variables directly or indirectly influence changes in other latent variables in the model (Byrne, 2001). Furthermore, the structural equation modeling process consisted of two components: validating the measurement model and fitting the structural model. While the former is accomplished through confirmatory factor analysis, the latter was accomplished by path analysis with latent variables (Kline, 2005).

5. Conclusion

Depending on whether explicit or tacit knowledge is being shared, exchange or socialization processes are used. Socialization facilitates the sharing of tacit knowledge in cases in which new tacit knowledge is being created as well as when new tacit knowledge is not being created. There is no intrinsic difference between the socialization process when used for knowledge discovery or knowledge sharing, although the way in which the process may be used could be different (Becerra-Fernandez and Sabherwal, 2010).

The contributions of this study will be useful for both academia and practitioners. From the academic perspective, this study aspires to fill the gap of the incomplete causal chains between knowledge sharing and knowledge sharing capability. Furthermore, because most knowledge sharing literature is theoretical and lacks empirical evidence (see Chatti, 2012; Kumar and Rose, 2012; Sáenz et al. 2012), the current study will not only provide a holistic review of the extant literature on knowledge sharing, but it will also be the first research of its nature to reveal the causal chain of knowledge sharing. Furthermore, from the industry practitioner's perspective, this study will be of interest to IT managers and business managers in terms of their real relationships among them and their employees, and to achieve the best practices for managing knowledge sharing in the firms they work for. IT and business senior management also need to recognize the knowledge sharing mechanisms in which they may well transform their IT preferences into operational decision making. Consequently, the study could provide useful and practical guidelines to IT managers and business managers to understand the resources and conditions required to realize the potential values of their IT investments in terms of innovation capabilities, and business-based performance.

According to Sekaran (2003), there are two main philosophical positions: positivism and interpretive. Positivism, which tests theory deductively from existing knowledge, is concerned with establishing the fundamental patterns or relationships in social life. It is associated with highly structured quantitative methods such as experiments and questionnaire surveys. An interpretive, which is an inductive approach, disputes that statistical patterns or correlations are not understandable on their own. Thus, it is necessary to uncover what meaning people give to the actions that lead to such patterns. However, based on reviewing the literature in the current study, it was found that most studies either theoretical or deductive in nature, and thus more inductive research is required.

In addition, according to Sekaran (2003), it is important to make sure that the instrument developed to measure a particular concept is accurately measuring the variable and is actually measuring the concept that it is supposed to measure in the research. Indeed, reliability analysis is related to the assessment of the degree of consistency between multiple measurements of a variable, whereas validity analysis refers to the degree to which a scale or set of measures accurately represents the construct (Hair et al., 1998). Also, although reliability is considered as a necessary condition of the test of goodness of the measure used in research, it is not sufficient (Sekaran, 2003; Saunders et al., 2007; Creswell, 2009), thus validity is another condition used to measure the goodness of a measure. Consequently, intended researches in the knowledge sharing domain should take into consideration these issues accurately.

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