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## Knowledge sharing in organizations: language diversity and performance

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The world economy has shifted from an industrial manufacturing oriented economy to one based on knowledge and information. It has been argued that knowledge is of little value if it is not shared in the organization. According to the previous research, knowledge sharing between employees is positively related to a firm's innovation capability, team performance, and reduction in costs and profit improvement (Collins & Smith, 2006; Hansen, 2002). Previous research has identified a number of factors such as cultural diversity (Voelpel, Dous & Davenport, 2005), personality and motivation (Widén, 2007), and social relations and networks (Chiu, Hsu & Wang, 2006), that influence knowledge sharing. However there is lack of a comprehensive study on the effect of the language diversity on knowledge sharing.

A possible reason for the lack of attention paid to exploring the role of the language in knowledge sharing is the tendency to regard language as part of culture. It is presumed that culture management also includes language management however, "the bundling of language into a culture box has masked its influential role on various aspects of organizational operations" (Welch, Welch & Piekkari, 2005, 14). Organizations usually see the language differences within their organization as simply a transla-

tion issue that could be solved using the latest technology (Carol, 1999), however they fail to appreciate that how language diversity can affect socialization and employees' relations which have implications for knowledge sharing.

The purpose of this study is, therefore, to investigate the influence of language on knowledge sharing in multilingual organizations, more specifically, *what is the effect of language diversity in employees' personal knowledge networks on their knowledge sharing behavior and performance?* Language diversity in knowledge networks was operationalized in terms of multilingual and monolingual knowledge networks. A multilingual knowledge network means network connections with the individuals who have different native languages, whereas monolingual knowledge network means connections with individuals who have the same native language.

### Methodology

To answer the above question, a quantitative study was conducted in a Finnish multinational. The organization included in this study is a big player in the energy industry. A questionnaire was distributed through the organization's internal survey-software system in all of its subsidiaries. Overall 403 responses were received.

## Results and conclusion

ANOVA test shows that there is no difference in knowledge sharing behavior of employees who have monolingual or multilingual knowledge sharing networks. However, in terms of performance, there was a clear difference. Employees who have multilingual knowledge sharing network perform much better than the ones with monolingual knowledge sharing networks. A plausible explanation is that diversity in networks brings diverse perspectives. Moreover, it can also provide access to wide array of information sources that are usually beyond one's access due to language limitations. For example, a Finn who is handling a project concerning Chinese market, and have a Chinese speaking person in his network, will be able to not only consult with his Chinese speaking contact but also access the information through his contact for example through the contact of contacts in China. This availability of variety of insights and information can be helpful in making better decisions and ultimately can lead to better performance.

This is the first quantitative study that confirms the relationship between language diversity in knowledge sharing networks and performance. It shows that variance in language diversity in networks can lead to variance in employees performance.

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