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# Organizational culture as moderator in the relationship between organizational reward on knowledge sharing and employee performance

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## Abstract

**Purpose** – The purpose of this paper is to examine whether organizational rewards are able to improve knowledge sharing and have an impact on employee performance moderated by organizational culture type in Ternate Municipal Government.

**Design/methodology/approach** – The design for data collection uses survey approach, that is a form of research conducted to obtain facts about the phenomena that exist in regional government organizations to seek more factual and systematic information. The research was conducted in Ternate Municipal Government area of North Maluku Province, Indonesia. The organizations of regional apparatus are public sector agencies responsible for providing services to the public. The population in this study is echelon IIb–IVb officials in regional apparatus organizations and certain structural officials. The units of analysis that are focused on in this research are the head of local agency, body, and office; the secretary of local agency, body and office; the head of board, the head of division, the head of the sub-board and the head of sub-division.

**Findings** – Organizational rewards in the form of giving economic rewards as remuneration, such as employee performance allowance, significantly affect individual attitudes in knowledge sharing. The interaction between the variable of remuneration with clan culture has a significant effect on knowledge sharing; these findings suggest that clan culture is a pure moderation variable that strengthens the relationship between remuneration and knowledge sharing. The result of this research proves that the interaction between the variable of remuneration with adhocracy culture has no significant effect on knowledge sharing. The interaction between the variable of remuneration with hierarchical culture has a significant negative effect on knowledge sharing. Market culture is not proven to moderate the relationship between remuneration and knowledge sharing. However, market culture variables directly and significantly affect knowledge sharing.

**Originality/value** – This research is the development of a research model conducted by Durmusoglu *et al.* (2014). The previous model uses organizational culture with a knowledge-sharing culture instrument, whereas this research develops organizational culture by using the type of organizational culture by Cameron and Quinn (1999), namely clan culture, adhocratic culture, hierarchical culture, and market culture. This type of organizational culture as a moderating variable can be expected to play a role in strengthening organizational rewards toward sharing knowledge and also impacting employee performance. Howell *et al.* (1986) revealed that organizational culture can strengthen the relationship between organizational rewards and disseminated knowledge. Hence, organizational culture moderates the relationship between organizational rewards for knowledge sharing to build upon Durmusoglu *et al.* (2014).

**Keywords** Organizational culture, Knowledge sharing, Organizational rewards

**Paper type** Research paper



## 1. Background

The globalization challenge faced by both profit and non-profit-oriented organizations is that there are environmental changes from competitive environments into increasingly dynamic environments, and the change is an absolute and unavoidable one. To cope with these changes, in order to realize its vision and mission, the organization is expected to be always adaptable and responsive to every environmental change that occurs by

empowering its resources, namely capital resources, technology and human resources (HRs). HR plays an important role in the achievement of organizational goals. Therefore, good organizational HR management is the backbone for the success of the organization. Given the crucial role of HRs, the presence of HRs who have knowledge, skill and attitude that are relevant with working culture of the organization, coupled with measurable, regular and periodic reward system and performance evaluation, will be able to make performance of the employees optimal so that organizational goals can be achieved (Kemenag Sumsel).

In non-profit organizations, especially in regional government organizations in public service today, there has been a paradigm shift from old public administration toward the direction of new public administration and new public service. Denhardt and Denhardt (2007) revealed that with this new paradigm, the government is encouraged to abandon the traditional administrative paradigm that tends to be rigid in using the procedure system to be work oriented or to give accountable outcomes to society. In order to support the paradigm shift, governmental HRs who have high knowledge, skill and performance are needed. HRs who have qualified knowledge and skill are HRs with effective and efficient work behavior, which leads to the achievement of organizational goals. To realize HRs with good knowledge, skill and performance, a systematic way to organize the various knowledge and skills of the organization is required, which can be used and applied for the achievement of organizational goals. General knowledge is seen as one of the important assets for the organization, because knowledge is considered an important asset and it needs to be well managed (Argote *et al.*, 2003).

Regional apparatus organizations are public sector institutions that are responsible for providing services to the public. In realizing programs and activities, regional organizations use funds sourced from taxes and other fees paid by the community. Regional organizations should provide the best service to the community as a form of accountability for the use of these funds. Regional apparatus organizations of Ternate city have the same condition wherein the achievement is still low in providing services to the community. This is indicated by the results of integrity surveys by KPK (Corruption Eradication Commission) in three units of public service of regional apparatus organization, namely ID Card (KTP) services, license building (SIUP) services and building permits (IMB) services. From 60 regional governments surveyed, 16 regional governments have an integrity value below 6.00, including Ternate Municipal Government (KPK, 2012). However, the achievement has not met the expectation of the purpose of the establishment of regional autonomy, which is to provide maximum service to the community.

The sustainability of an organization is dependent upon the dissemination and the use of knowledge. One of the ways that organizations can improve their employees' work performance is through knowledge sharing. Knowledge of the organization lies in its members; it is important to know the value of knowledge and the willingness of the members to share it with colleagues (Tohidinia and Mosakhani, 2010; Wang and Noe, 2010; Kuo *et al.*, 2014). This is supported by research conducted by Kang *et al.* (2008), who stated that knowledge-sharing behavior has a strong relationship with employee performance. The same findings are also shown in several other studies conducted by Lee *et al.* (2010), Reyhav *et al.* (2012), Srivastava *et al.* (2006), Quigley *et al.* (2007), Wu and Zhu (2012), Chow (2012), Javadi *et al.* (2012), Al-Hakim and Hassan (2013), Wang *et al.* (2014) and Allameh *et al.* (2014). The results of these studies indicated that employee performance that functions as outcome is influenced by knowledge-sharing behavior. Therefore, this behavioral model not only proves that there is an influence of independent variables on knowledge-sharing behavior in the organization, but the impact of knowledge-sharing behavior on employee performance is also known.

Knowledge-sharing behavior is not a predictable thing that can be manifested easily. The emergence of behavior is not caused by a single factor but rather multiple factors. Some previous studies sought the relationship or influence of some variables on knowledge sharing, e.g. by testing the antecedent of organizational rewards and knowledge sharing on



knowledge sharing and acquiring knowledge conducted by Durmusoglu *et al.* (2014). According to Syed-Ikhsan and Rowland (2004), employees need strong motivators to share knowledge. It is not easy to assume that all employees are willing to provide knowledge without considering what can be obtained or lost as a result of the actions taken. If individuals consider their knowledge to be important, sharing knowledge becomes a process mediated by decisions about what knowledge must be shared, when should it be shared, and with whom it should be shared (Andrews and Delahaye, 2000).

The results of other studies indicate that rewards have no significant effect on knowledge sharing. For example, the results of Tohidinia and Mosakhani (2010) study that evaluates a range of potential factors for knowledge sharing. The results show that the expected extrinsic reward does not show a significant relationship with knowledge sharing. Similarly, the results of research conducted by Kumar and Rose (2012) and Wu and Zhu (2012) concluded that the estimated organizational rewards have no significant effect on knowledge sharing. Likewise, Bock *et al.* (2005) and Lin and Chen (2007) found that rewards are not related to knowledge-sharing attitudes. Other researchers like Bock and Kim (2002) and Amsyah (2013) while examining the factors influencing knowledge sharing in public sector organizations revealed that the expected rewards are negatively related to attitudes toward knowledge sharing. As there is still a difference in findings of previous research on the relationship between organizational rewards and knowledge sharing, a gap exists for researchers to conduct a research to re-test the influence of organizational rewards on knowledge sharing of employees, especially in regional government.

Individual behavior and group behavior ultimately result in organizational behavior. Just as the behavior of the group will exceed the number of individual members' behavior, the organization will exceed the total number of behaviors of its member groups. One of the elements that exist at the organizational level that determines the success of the organization in achieving its goals is organizational culture (Robbins, 2003).

Relationships of organizational culture towards various sides of organization can be discovered and analyzed comprehensively by the criteria of contending value model from Cameron and Quinn (1999) also Quinn and Rohrbaugh (1983). This model shows in detail that each culture has a distinct tendency in a number of organizational variables that it affects. This model identifies four types of cultures derived from two criteria: first, does an organization emphasize organic processes (such as flexibility, freedom and spontaneity) rather than mechanical processes (such as planning, scheduling and stability); second, whether the organization focuses on internal work environment (such as integrity and fluency of activities) or external work environment (such as competition and difference). The four types of cultures are as follows: clan, adhocracy, and hierarchy and market. These four types of organizational culture will be judged on the six key dimensions of organizational culture. The six cultural dimensions are as follows: dominant characteristics, organizational leadership, employee management, organizational adhesives, strategic emphasizing and success criteria.

Empirically, the research examining the relationship between the type of organizational culture and knowledge sharing, e.g. Al Murawwi *et al.* (2014), which examines the relationship between organizational culture and knowledge management: **1** moderating effects of organizational divisions on Abu Dhabi gas companies, uses the **type of culture organization (Cameron and Quinn, 1999)**, i.e. **clan culture, adhocracy culture, hierarchical culture and market culture**. The results show that overall the type of culture has a positive and significant relationship with knowledge management in which one of its dimension is knowledge sharing. Although research conducted by Suppiah and Sandhu (2011) examined the influence of the type of organizational culture on knowledge-sharing behavior, it concluded that the type of organizational culture affects knowledge-sharing behavior and influences positively or negatively, depending on the type of culture.



The importance of knowledge sharing in this study is linked to the influence of influencing factors and their impact on employee performance that is moderated by the organizational culture context, encouraging this research to attempt to clarify the relationship between organizational rewards and knowledge sharing and its impact on employee performance in regional apparatus organization, using the type of organizational culture as a moderating variable. The type of organizational culture is expected to moderate the influence of organizational reward on sharing knowledge among members of the organization so as to impact the performance of regional government employees. As what has been mentioned before, there is a gap to conduct research and this becomes the focus of attention in this research; specifically, there is still the existence of variations of findings on the relationship between organizational rewards and knowledge sharing. The existence of these variations of the findings inspires the researchers to develop the variation of findings in this study by testing organizational rewards on knowledge sharing and its impact on employee performance, as well as the variables of organizational culture as a moderating variable of the relationship between organizational rewards and knowledge sharing.

The originality for this research is shown as follows. This research is the development of research model conducted by Durmusoglu *et al.* (2014). The previous model uses organizational culture with knowledge-sharing culture instrument, whereas this research develops organizational culture by using the type of organizational culture by Cameron and Quinn (1999), namely clan culture, adhocracy culture, hierarchical culture, and market culture. This type of organizational culture as a moderating variable can be expected to play a role in strengthening organizational rewards toward sharing knowledge and also impacting employee performance. Howell *et al.* (1986) revealed that organizational culture can strengthen the relationship between organizational rewards and disseminated knowledge. Hence, organizational culture moderating the relationship between organizational rewards towards knowledge sharing build upon Durmusoglu *et al.* (2014).

Based on the background as described above, it is important to examine whether organizational rewards are able to improve knowledge sharing and have an impact on employee performance moderated by organizational culture type in Ternate Municipal Government.

## 2. Literature review

Schematically, the conceptual framework of this study can be presented in Figure 1. The hypothesis in this study is based on the description of previous theories and previous empirical studies. Therefore, the following hypotheses can be formulated.

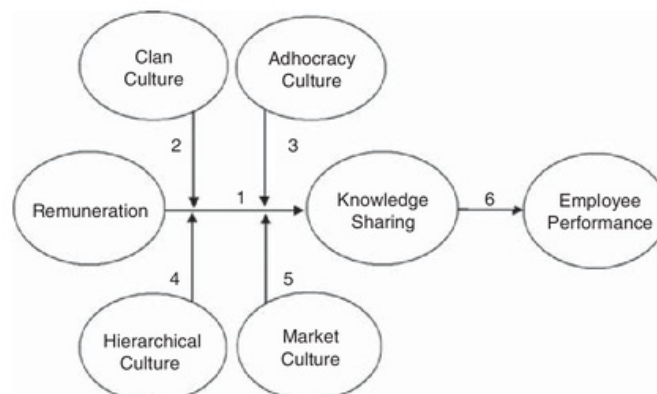


Figure 1. Conceptual research framework

### 2.1 *The effect of remuneration on knowledge sharing*

The theory of social exchange states that relationships between human beings are based on reciprocal aspects Rakhmat (2011) and Liu *et al.* (2011). Social exchange has shaped a give and take pattern within the organization. Organizations receive services provided by employees and employees receive remuneration from the organization. In addition to services provided by employees to the organization, employees also share knowledge with other employees. Knowledge sharing is the dissemination of knowledge from one person to another, either in the social environment or within an organization. Knowledge sharing will lead to an increase in the value of knowledge possessed, as revealed by Muafi (2011), and will motivate people to think logically, resulting in something innovative (Setiarso *et al.*, 2012, p. 1).

Based on the description above, it can be concluded that research on the influence of reward systems on knowledge sharing shows inconclusive findings. Social exchange has shaped the transactional pattern within the organization. Employees will share their knowledge with other parties, if the organization provides economic rewards or remuneration in the form of performance allowances. Kawedar *et al.* (2015) revealed that the provision of remuneration in the form of performance allowance may motivate employees to share their knowledge in the completion of their duties. Therefore, employees may be able to share their knowledge if they feel the obvious benefit of sharing knowledge (Minbaeva, 2007):

*H1.* Remuneration has a significant effect on knowledge sharing.

### 2.2 *The effect of remuneration on knowledge sharing that is moderated by clan culture*

Based on Cameron and Quinn (2006), clan culture is a culture that emphasizes flexibility and internal focus, characterized by teamwork, trust, involvement and employee participation, and high organizational commitment to employees. Kim and Lee (2006) found that knowledge-sharing capabilities require employees to collaborate, interact, and disseminate work experience of individual employee. Other researchers also revealed that high-trust workplaces improve knowledge communication and encourage knowledge-sharing behavior (Bock *et al.*, 2005; Kim and Lee, 2006; Nanoka *et al.*, 2000; Suppiah and Sandhu, 2011). In addition, clan-type organizations with knowledge communication and good interaction can produce high-level social networks, which facilitate knowledge-sharing activities for employee, as revealed by Kim and Lee (2006).

Cultural clash, in fact, does not depend on cultural diversities but on the way in which differences between partners are perceived and managed (Caiazza *et al.*, 2014). Many organizations may be not well prepared to effectively manage cultural integration issues. Another problem is the low levels of executive engagement in leading. Deshpande *et al.* (1993) revealed that the culture of the community emphasizes congruence and satisfaction, decision-making participation, and job satisfaction of employees, rather than just financial objectives and market share. This organization is very concerned about HRs and employee loyalty to the organization, trust and respect. The organization seeks to become one family. By respecting HRs and employee contribution to the organization, the culture of the community can create conditions that underpin employee powers and upgrades, which, in turn, improve internal communication by emphasizing teamwork and socialization opportunities and reducing internal hierarchy barriers. This culture is consistent with mentors, facilitators, and parent figures (Campbell and Freeman, 1991). On the contrary, Shao *et al.* (2015) found that the type of group culture that emphasizes trust and ownership is positively related to knowledge-sharing activities. The same thing is proposed by Cavaliere and Lombardi (2015) who revealed that the culture of the community affects the process of knowledge sharing. Based on these theories, this organization is characterized by a place of familial priority where employees often share experiences, skills, personal lives, etc. Based on Suppiah and Sandhu (2011)



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and Wei *et al.* (2008), group culture can also facilitate the adoption of knowledge-sharing practices by emphasizing the positive attributes of loyalty and commitment of employees to the organization:

*H2. Interaction between remuneration and clan culture affects knowledge sharing.*

*2.3 The effect of remuneration on knowledge sharing that is moderated by adhocracy culture*

The next form of organization proposed by Cameron and Quinn (2006) is adhocracy culture. It focuses on external environment and on finding flexibility. According to Cameron and Quinn (2006), this type of culture values innovation, creativity and risk taking. Cameron and Quinn asserted that organizations that compete in a dynamic and turbulent environment require the ability to change rapidly with their external environment. They compete by developing new products through innovation. Leaders in an adhocracy organization must be innovative, entrepreneurial and visionary (Cameron and Quinn 2006).

Innovation culture is characterized by a focus on entrepreneurship, creativity, and the needs of an organization to discover new growth opportunities, as revealed by Deshpande *et al.* (1993). The risk orientation and speed of adaptability of employees are important in this organizational culture. Innovation, in this case, means being able to find new solutions quickly and to offer new products and services by considering the dynamics of the environment, through high levels of flexibility. The provision of an innovative culture within an organization will lead to the value and utilization of employee creativity, and the capacity of employees to find new solutions and knowledge and to share them. Cavaliere and Lombardi (2015) revealed that innovative culture within the organization can support social interaction and stimulate employees to exchange opinions and ideas, both voluntarily and by coercion. Jones (2009) found that organizations that have a dominant adhocracy culture have a positive relationship with knowledge management. The same is expressed by Al Murawwi *et al.* (2014) that there is a significant relationship between adhocracy culture and knowledge sharing. Adhocracy culture is also capable of converting knowledge (Tseng, 2010). Thus, adhocracy culture related to knowledge sharing stimulates creativity, flexibility and adaptation and openness to change, and adaptation can increase knowledge sharing among employees. Lam and Lambermont-Ford (2010) revealed that in adhocracy system, team performance independence is highly recommended, through normative agreement with intensive socialization support, providing extrinsic motivation and hedonic motivation that can support employee inclination to share knowledge:

*H3. Interaction between remuneration and adhocracy culture affects knowledge sharing.*

*2.4 The effect of remuneration on knowledge sharing that is moderated by hierarchical culture*

A hierarchical culture is an internally controlled and focused oriented culture. It is characterized by formal structures, rules, hierarchies, and standard operating procedures based on Cameron and Quinn (2006). An organization that focuses on a hierarchical or bureaucratic culture will pay attention to procedures and rules, and will emphasize the importance of stability, efficiency and formalization. Cameron and Quinn (2006) proposed that these organizations generally emphasize the use of hierarchical tools in coordinating and decision making, and require accurate planning for efficient decision making.

This culture is characterized by many layers of hierarchical level with low interaction actions; the activities are governed by strict supervisors and directives consistently; effectiveness is evaluated on the basis of established contributions. Thus, organizations that show the dominance of bureaucratic culture highlight the leadership power of subordinates

and focus on scheduling and efficiency. Their leaders are good coordinators, regulators and administrators. The existence of rules makes the decision-making process important, and employees are seldom involved in risk taking and bearing responsibility, so the outcome depends on the leader's decision. Referring to this type of organization, there are a few or even no employees that are authorized to create something (Suppiah and Sandhu 2011):

*H4. Interaction between remuneration and hierarchical culture affects knowledge sharing.*

*2.5 The effect of remuneration on knowledge sharing that is moderated by market culture*  
Cameron and Quinn (2006) argued that the type of market culture is seeking control and stability, but it focuses on the external environment. According to Cameron and Quinn (2006), an organization with a market culture values competitiveness and productivity. This value is achieved by placing a priority on external positions and controls. Leaders in a market culture demand a competitive environment and produce results.

Market culture is often associated with organizations that focus on mechanical and rational approaches to gain more competitive advantage than their rivals. For example, setting goals and achieving and completing tasks, as argued by Campbell and Freeman (1991). Jobs and tasks are usually created to increase internal and external competition by motivating employees to work hard to achieve organizational goals and objectives. Caiazza and Simoni (2015) proved new strategic motivation, implementation and post-merger challenges of integration, especially focusing on cultural issues. According to Deshpande *et al.* (1993), the activity is governed by a competitive mechanism, and the effectiveness of the organization is divided into terms of competitive superiority and competitive advantage over its rivals. Therefore, organizations that are characterized by market culture are expected to be oriented to the stipulation of an activity plan, in which good employees are employees who demonstrate high credibility in achieving goal orientation. According to Caiazza and Simoni (2015), interest in the global supply chain is very large, but knowledge of how it affects the internationalization of SMEs is still underdeveloped. Generally speaking, being a winner is everything in this market culture (Suppiah and Sandhu, 2011), which tends to force employees to monitor their own performance and to make sure the personal target is achieved. In this organizational environment, knowledge is considered a source of power and an important differentiator, as employees are prevented from sharing their knowledge to help their colleagues. Instead, employees tend to gather important information to support their goals:

*H5. Interaction between remuneration and market culture affects knowledge sharing.*

*2.6 The influence of knowledge sharing on employee performance*

According to Catania (1991), organizational performance deals with the desire of members of an organization to share personal knowledge with others and gain knowledge in return for transforming into new techniques or capabilities. Nelson and Coopriider (1996) stated that knowledge sharing influences organizational capabilities. Armbrrecht *et al.* (2001) suggested that knowledge sharing can trigger new ideas and knowledge, and then create new products and services. According to Reid (2003), knowledge sharing can improve organizational capability, generate solutions and rapidly achieve business performance and increase competitive advantage. Liao *et al.* (2004) found that knowledge sharing enhances the ability of individuals and organizations to achieve goals and improve performance. According to Darroch (2005), knowledge sharing is essential if organizational innovation and performance are improved. Javadi *et al.* (2012) stated that the best way to improve organizational performance is to increase effectiveness, and improving organizational effectiveness is made possible through the development of knowledge sharing, which means



that knowledge sharing has an intermediary role in improving organizational performance. Furthermore, the process of knowledge sharing has a significant and direct influence on employee performance. Huang and Li (2009) suggested that social interaction is positively related to knowledge management, which, in turn, is positively associated with innovation performance. Tseng (2010) proved that the conversion of knowledge has a positive effect on company performance. However, Wu *et al.* (2012) stated that task knowledge sharing and system structure positively and significantly affect task performance and group performance. Further findings (Wu *et al.*, 2012) revealed that knowledge sharing related to interpersonal relationship significantly and positively affects group performance. Based on theoretical explanations and previous empirical studies, it indicates that there is a relationship between knowledge sharing and individual performance and organizational performance:

*H6.* Knowledge sharing has a significant effect on employee performance.

### 3. Research methods

Based on the purpose of research conducted, this research is an explanatory research using quantitative research techniques. The design for data collection uses a survey approach, that is a form of research conducted to obtain facts about the phenomena that exist in regional government organizations to seek more factual and systematic information.

The research was conducted in Ternate Municipal Government area of North Maluku Province, Indonesia. The organizations of regional apparatus are public sector agencies responsible for providing services to the public. The population in this study is echelon IIb–IVb officials in regional apparatus organizations and certain structural officials. The units of analysis that are focused in this research are the head of local agency, body and office; the secretary of local agency, body and office; the head of board, the head of division, the head of the sub-board and the head of sub-division. The considerations on the officials' selection are based on their involvement in the preparation of programs and budgets, remuneration policies, and financial management, as well as the implementation of the values and norms adhered to. The population in this study consists of 698 officials. This study determines the size of the sample by using the Yamane approach by Ferdinand (2013, p. 174), and the sample size in this study is as many as 254 pieces. The sample technique used in this study is a strata-based random approach (stratified random sampling). The division of strata is based on echelon, so there are five sub-populations or strata, namely echelon IIb, IIIa, IIIb, IVa and IVb. The results of the respondent selection, specifically for the number of echelon IIb samples, IIIa and IIIb were greater than the number of other sub-populations. Considerations used as the basis for election are that head of department, head of office, department secretary, office secretary and head of section and head of sector are heads of work units and heads of sub-units that have authority and are involved, coordinating each implementation of activity management, compared to other sub-populations so that the course of planned budget activities can be immediately decided. Sample selection is done randomly (random sampling) in each sub-population. The analysis tool used to test the hypothesis is a software that is called as smart partial least square (Smart PLS) version 3.0. The reason for the use of PLS is that there are several research hypotheses that do not yet have a solid theoretical foundation. The research hypothesis is related to knowledge sharing as an intervening variable in the effect of remuneration on employee performance and clan organizational culture, adhocracy organizational culture, hierarchical organizational culture and market organizational culture as moderating variables in the influence of independent variables, namely knowledge sharing. PLS is able to be used to test the causal relationship of research variables that have not received much theoretical support or the study is exploratory (Ghozali and Latan 2014, p. 5).

4. Research results

This study tested the hypotheses by using Smart PLS. The results of testing directly influence independent variables (remuneration, clan culture, adhocracy culture, hierarchical culture and market culture and its interaction) to the dependent variables (knowledge sharing and employee performance), which can be seen in Figure 2.

The results of hypothesis testing are as follows: organizational rewards in the form of giving economic rewards as remuneration, such as employee performance allowance, significantly affect individual attitudes in knowledge sharing. These findings indicate that the knowledge-sharing activities of an employee will be better if employees are given a motivation in the form of rewards or a decent wage that matches the target of achievement of their performance. The interaction between the variable of remuneration and clan culture has a significant effect on knowledge sharing. These findings suggest that clan culture is a pure moderation variable that strengthens the relationship between remuneration and knowledge sharing. This means that the impact of increased knowledge sharing due to the implementation of remuneration will be higher if there is high clan culture that is attached to work environment. The result of this research proves that the interaction between the variable of remuneration and adhocracy culture has no significant effect on knowledge sharing. These findings prove that adhocracy culture does not moderate the relationship between remuneration and knowledge sharing. This suggests that the increased sharing of knowledge due to remuneration is not always going to be higher if there is low adhocracy culture that is attached to work environment. The interaction between the variable of remuneration and hierarchical culture has a significant negative effect on knowledge sharing. These findings indicate that hierarchical culture is a pure moderation variable that weakens the relationship between remuneration and knowledge sharing. This means that the impact of increased knowledge sharing due to the implementation of remuneration will be higher if there is low hierarchical culture that is attached to work environment.

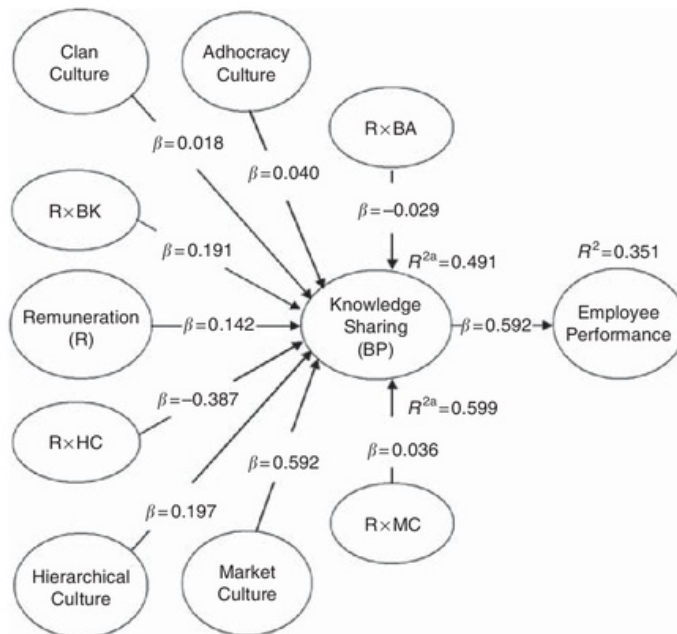


Figure 2. Hypothesis testing

Notes: R<sup>2a</sup> without moderation; R<sup>2b</sup> with moderation



1 Market culture is not proven to moderate the relationship between remuneration and knowledge sharing. However, market culture variables directly and significantly affect knowledge sharing. It proves that market culture only acts as predictor moderation in remuneration relationship with knowledge sharing. The results also show empirical evidence that knowledge sharing has a significant effect on employee performance. These findings prove that knowledge-sharing activities undertaken by employees, in terms of sharing technical expertise, sharing knowledge after training, sharing policy documents and collaborating to solve problems, will improve employee performance.

The direct and indirect effects based on Figure 2 are presented in Tables I and II.

### 5. Discussion of research results

#### 5.1 Remuneration is influential on knowledge sharing

Government remuneration is an integral part of bureaucratic reformation policy. The results of this study indicate that the higher the level of remuneration in a fair manner, based on workload and performance achievement, the higher will be the volunteer employees in sharing knowledge. The results of this study also indicate that employees who are more satisfied with the remuneration will be more positive in sharing knowledge. Empirical facts show that the amount of remuneration received each month, which is paid on the basis of workload and performance achievement, gave the most dominant opinion based on the assessment of most of the respondents. This means that both indicators have met the sense of fairness that can provide encouragement to employees to achieve their performance targets. These results also indicate that remuneration should consider regional financial capacity, equity, and success in achieving performance.

Employees are required to achieve organizational goals that have been established. On the contrary, employees demand that adequate remuneration should be made in realizing

No.	Hyphotheses	Description	Direct effects
1	H1	R → KS	0.142
2	H2	CC → KS	0.018
		R×CC → KS	0.191
3	H3	AC → KS	0.040
		R×AC → KS	-0.029
4	H4	HC → KS	0.197
		R×HC → KS	-0.387
5	H5	MC → KS	0.275
		R×MC → KS	0.036
6	H6	KS → EP	0.592

**Table I.**  
Direct variable effects

No.	Description	Indirect effect
1	R → KS → EP	0.142×0.592 = 0.0841
2	CC → KS → EP	0.018×0.592 = 0.0107
	R×CC → KS → EP	0.191×0.592 = 0.1131
3	AC → KS → EP	0.040×0.592 = 0.0237
	R×AC → KS → EP	-0.029×0.592 = -0.0172
4	HC → KS → EP	0.197×0.592 = 0.1166
	R×HC → KS → EP	-0.387×0.592 = -0.2291
5	MC → KS → EP	0.275×0.592 = 0.1628
	R×MC → KS → EP	0.036×0.592 = 0.0213

**Table II.**  
Indirect variable effects

organizational goals. Sharing knowledge among employees is one of the ways by which employees improve capabilities in order to realize the goal of the organization. Knowledge sharing can be done in the form of collaborating in problem solving, document sharing, sharing of technical expertise and training. Providing high remuneration to regional government employees may encourage employees to voluntarily share knowledge with other employees. Knowledge-sharing activities between employees, performed either consciously or unconsciously, will result in increased employee capabilities, thus being helpful in completing the workload. Increasing those capabilities can lower the operational costs of the organization, especially the cost of developing HRs. For example, employees are programmed to follow the training that is both related to their work and related to other technical expertise and every year, the employees are expected to share knowledge gained to other employees after the training.

These findings prove the truth of the theory of social exchange, which states that the relationship between individuals is based on reciprocal aspects stated by Rakhmat (2011) and Liu *et al.* (2011). The interaction between employees in regional government forms a pattern of giving and receiving within the organization. If the regional government as a public organization can provide better remuneration to employees, then employees will provide services in greater numbers. Muafi (2011) stated that sharing knowledge will lead to an increase in the value of knowledge possessed, and Setiarso *et al.* (2012, p. 1) argued that members of the organization should be motivated to behave and think logically and innovatively for the achievement of organizational goals.

The results of this study reinforce the research findings by Kawedar *et al.* (2015), which provide empirical evidence that remuneration has a significant relationship with knowledge sharing in public sector organizations. Furthermore, the findings of this study support some of the previous research findings by Kim and Lee (2006), Kang *et al.* (2008), Allameh *et al.* (2012), Wickramasinghe and Widyaratne (2012), Witherspoon *et al.* (2013), Al-Alawi *et al.* (2007), Martín-Pérez *et al.* (2012), Durmusoglu *et al.* (2014), Lim *et al.* (2004) and Akhavan *et al.* (2013), which stated that performance-based reward systems are positively related to knowledge sharing of employees in public organizations and private organizations.

These findings support the results of research conducted by Cabrera and Bonache (1999), Wu and Liu (2008), Liu *et al.* (2011) and Kankanhalli *et al.* (2005), which stated that the incentives or reward systems provided by the organization for employees can shape the knowledge-sharing behavior of its members. Liu *et al.* (2011) found that the rewards given to employees may be in the form of salary increases, stock options, bonuses, promotions and future contractual guarantees. According to Kankanhalli *et al.* (2005) and Adipati *et al.* (2011), awards may also be monetary in form of salary increases and bonuses, as well as non-monetary forms such as promotion, training opportunities and job security.

The award is one of the antecedents that can support the passage of knowledge sharing activities such as the concept proposed by Tobing (2007) in which the success of sharing knowledge is strongly influenced by how the organization can appreciate the knowledge it has, for example, by giving rewards. With the provision of award or reward, employees are expected to increase the level of intensity in sharing knowledge. Report by Tobing supporting research done by Hafeez-Baig and Gururajan (2012) stating that a gift or an incentive received by employees from the organization can encourage employee to be more inclined to share knowledge.

Organizational rewards in the form of providing economic rewards as remuneration, such as employee performance allowance, can affect the attitude of individuals in sharing knowledge. The provision of employee performance's benefits acts as a trigger of knowledge-sharing behavior. Sharing of knowledge within an organization forms a transactional pattern. Individuals will share their knowledge with other parties within the organization if the organization provides economic rewards or remuneration. Remuneration can motivate employees to share knowledge in achieving organizational goals.



### 5.2 Clan culture moderates the effect of remuneration on knowledge sharing

The concept of clan culture in this study is reflected by an organization in which kinship is always prioritized, there exists facilitating leadership, management style is characterized by teamwork, loyalty is the adhesive that brings people together, and emphasis is on HR development and success is defined on the basis of employee commitment. The results of this study indicate that clan culture can moderate the relationship between remuneration and knowledge sharing. This could mean that the impact of increased knowledge sharing due to the implementation of remuneration will be higher if there is a high clan culture in work environment. In members of organizations in the groups that assess the implementation of remuneration as “small” or “not too good,” knowledge-sharing activities can be done better if there is low clan culture that is attached to work environment. However, in members of organizations in the groups that assess the implementation of remuneration as “great” or “good,” knowledge sharing can be done better if there is high clan culture that is attached to work environment.

The existence of a work environment that prioritizes cooperation, loyalty and focus on HR development can have a major impact on the implementation of remuneration. This condition indicates that with a work environment that prioritizes cooperation, loyalty and focus on HR development, sharing skills, sharing experiences after training, sharing government regulatory policy documents, and collaboration in solving work-related problems between employees will increase. Thus, it can be said that Ternate Municipal Government is carrying out remuneration policy on the basis of workload, performance achievement and work experience due to the condition of work environment that applies high clan culture, so that it can improve the process of knowledge-sharing activity between employees.

These findings support the theory of Quinn and Cameron (1999), which stated that the clan culture is an organizational culture that is the most welcoming and friendly place to work. Members of the organization share life among themselves. It resembles family outdoors. The leader, or head of the organization, is seen as a mentor as well as a parent figure. Organizations are built on loyalty and tradition. The commitment of members to the organization is quite high. In addition, organizations emphasize the long-term benefits of HR development and pay great attention to organizational and moral cohesion. Success is defined in terms of sensitivity to the connoisseur of service and attention to others. The clan culture organizations puts teamwork, member involvement, and consensus on the highest priority.

The findings of this study also support research conducted by Al Murawwi *et al.* (2014), Stock *et al.* (2010) and Guglielmi *et al.* (2006), who found that clan culture types have a positive and significant relationship with knowledge management, whereby one dimension is sharing knowledge. Furthermore, Shao *et al.* (2015) revealed that the type of clan culture that emphasizes trust and ownership is positively related to the sharing of tacit knowledge of employees. The same thing is proposed by Cavaliere and Lombardi (2015) who found that clan culture influences the process of knowledge sharing. Thus, according to Suppiah and Sandhu (2011), this organization is also characterized by a place that prioritizes kinship where employees often share experiences, skills, personal life, and so on. According to Wei *et al.* (2008), group or clan cultures can also make it easier to adopt knowledge-sharing practices by emphasizing the positive attributes of employee loyalty and commitment to the organization. However, Tseng (2010) revealed that clan cultures that emphasize long-term benefits and HR development must be of high cohesion and morale, with also being wise and conservative. Jones (2009) concluded that organizations that have the dominant clan culture type have a significant positive and strong relationship with knowledge management.

Suppiah and Sandhu (2011) revealed that knowledge sharing is the interaction and communication between individuals and business units. The success of knowledge sharing depends on the quantity and quality of interaction among employees and the willingness



and ability to use knowledge. Organizations should encourage organizational member goals and organizational goals, and then they should translate these goals into technical goals and promote employees. Knowledge that exists within the individual is difficult to declare or difficult to verbalize; therefore, it needs to be articulated and expressed in documents or implicitly imprinted knowledge.

The relationship between employees and Ternate Municipal Government's agencies is basically a reciprocal relationship. On the one hand, employees work to give everything they have, such as energy, ideas, and knowledge to the organization where they work. On the other hand, employees receive rewards or remuneration for the work they do. Remuneration is a remuneration given by Ternate Municipal Government's agencies to employees who work as a form of service rewards for the achievements achieved by each employee. The purpose of providing remuneration to employees is to motivate employees in Ternate Municipal Government so that they feel at home while working and give better performance achievement.

### *5.3 Adhocracy culture moderates the effect of remuneration on knowledge sharing*

The results of this study indicate that the type of adhocracy culture does not moderate the effect of remuneration on the process of knowledge sharing. The results of this test indicate that the impact of increased knowledge sharing due to the implementation of remuneration will not always be higher if there is a low adhocracy culture attached in work environment. This condition indicates that the role of local government organizations in the policy of remuneration requires serious attention. For example, the organization in providing remuneration should be based on workload and performance achievement, because with the remuneration provided, the members of the organization will be motivated by themselves to participate in knowledge-sharing activities. These results indicate that the values reflected in adhocracy culture do not affect the effect of remuneration policy on the process of sharing knowledge in the work environment, this is because the remuneration of employees is one of the elements that trigger employee motivation.

Empirically, this research supports the results of Suppiah and Sandhu's (2011) study, who stated that the type of adhocracy culture has no effect on knowledge-sharing behavior. Meanwhile, these findings contradict the findings of Jones (2009), Guglielmi *et al.* (2006) and Lawson and Hyde (2003), who stated that organizations with dominant adhocracy cultures have a positive relationship with knowledge management. According to Tseng (2010), adhocracy culture is also capable of converting knowledge. Thus, the values reflected in adhocracy culture or innovation can support social interaction and stimulate employees to exchange opinions and ideas, both voluntarily and by coercion (Cavaliere and Lombardi, 2015).

The concept of adhocracy culture in this study is reflected by a dynamic workplace, hard-working leadership, commitment to innovation, an organization that emphasizes new resources and defines success on the basis of having a unique product. As with other types of organizational culture in this study, the researchers use the same theoretical basis for measuring adhocracy cultural constructs that refer to the opinions expressed by Cameron and Quinn (1999), who stated that the organizational culture is reflected by what is judged, the dominant form of leadership, language and symbols, procedures and routines, and the definition of success that makes the organization different.

Meanwhile, adhocracy culture reflected in low value is a management style characterized by risk takers, indicating that the organization does not encourage its employees to take risks. Empowerment needs to get special attention, but of course, by considering the competence of its employees. Because regional government organizations tend to carry out routine activities, they are late in acting proactively, allow problems to accumulate over time, and consequently, the organizations are unable to build the capacity that is needed to create value in the future. Adhocracy culture requires creative and risk-taking people.

#### 5.4 Hierarchical culture moderates the effect of remuneration on knowledge sharing

The concept of hierarchical culture in this study is reflected by the existence of highly controlled organizational environment, coordinating leadership, management style characterized by relationship stability, a unifying grip being a formal rule, an organization emphasizing the smoothness of activities and defining success based on efficiency. The results of this study indicate the type of hierarchical culture moderating (weakening) the effect of remuneration on knowledge sharing. Hence, it can be interpreted that the impact of increased knowledge sharing due to the implementation of remuneration will be higher if hierarchical culture attached to work environment is low.

The measurement of hierarchical culture in this research is using six indicators, namely dominant characteristic (highly controlled place), organizational leadership (good coordination leadership), employee management (management style is characterized by relationship stability), organizational adhesive (the unifying adhesive is the formal rule), strategic emphasis (emphasis on the smoothness of activities) and success criteria (success on the basis of efficiency). Scores of the six indicators indicate a better score. It can be illustrated that the environment of organizations of Ternate Municipal Governments is characterized by high hierarchical cultural work environment.

In a very hierarchical culture environment, parts of the organization in the group that appraise the remuneration are around, with each of them having well performed a knowledge-sharing activity. However, in a low hierarchical environment, only members of the organization in the group that assesses the implementation of remuneration have been engaged in good knowledge-sharing activities. Based on empirical facts in the field, Ternate Municipal Government always implements the remuneration to employees based on workload, performance achievement and work experience by applying a hierarchical cultural work environment that is not too tight; thus, the process of knowledge-sharing activities among employees can run well so that the impact on improving employee performance through reducing the cost of HR development can be achieved.

1 These findings support a study of Suppiah and Sandhu (2011) who indicated that hierarchical culture has a significant negative effect on employees' knowledge-sharing behavior. Stock *et al.* (2010) and Lawson and Hyde (2003) found that hierarchical culture has a negative and significant effect on knowledge sharing; however, the findings of Stock *et al.* (2010) are not hypothesized. Furthermore Chen *et al.* (2010) revealed that adherence to rules and procedures may limit employees in combining various sources of knowledge to develop new products or services. Tseng (2010) reveals that a hierarchical culture, with an emphasis on stability and control, is likely to result in resistance to change and little interaction with the external environment. Furthermore, studies by Islam *et al.* (2015, 2010), Chen *et al.* (2010), Willem and Buelensa (2009) and Islam and Deegan (2008) have also found that less formal organizational structures may be possible for more transfer of organizational knowledge. Wang and Noe (2010) revealed that knowledge sharing can be done and facilitated with a less centralized organizational structure, creating work environments that encourage interaction between employees, such as through the use of open spaces, job rotation and encouraging communication of all work units and intensively conducting informal meetings.

#### 5.5 Market culture moderates the effect of remuneration on knowledge sharing

The results of this study indicate that the type of market culture does not affect the relationship (moderate) remuneration on knowledge sharing. The results of this test indicate that the impact of increased knowledge sharing due to the implementation of remuneration will not always be higher if in the work environment, the Ternate Municipal Governments attach to high market culture. In other words, the test results explain that the market culture does not moderate (affect the relationship) the implementation of remuneration with



knowledge-sharing process. However, market culture that is directly attached to regional government organizations can improve the process of knowledge-sharing activities. Therefore, the results of this test can strengthen the model of cultural market relationships by knowledge sharing.

Although the hypothesis test results show that market culture does not affect the relationship (moderate) remuneration on knowledge sharing, market culture directly affects the process of knowledge-sharing activities. Empirical facts obtained in the field based on the description of the variables show that respondents' assessment of variable of market culture at Ternate Municipal Government is good in its implementation.

The results of this study support the research conducted by Jones (2009), which stated that organizations with dominant market culture types have no significant positive and strong correlation to knowledge management of hierarchical culture types. Suppiah and Sandhu (2011) suggested that market culture negatively affects knowledge-sharing behavior. Furthermore Chin-Loy and Mujtaba (2007), Guglielmi *et al.* (2006) and Lawson and Hyde (2003) indicated that there is a significant and positive relationship between market culture and knowledge management. Cavaliere and Lombardi (2015) and Al Murawwi *et al.* (2014) found that there is a significant effect of market culture on the process of knowledge sharing. A similar research found that there is a positive and significant correlation between market culture and knowledge sharing (Stock *et al.*, 2010).

Campbell and Freeman (1991) found that market culture is often associated with organizations that focus on mechanical and rational approaches to gain more competitive advantage than their rivals, for example, setting goals and achieving and completing tasks. Jobs and tasks are usually created to increase internal and external competition by motivating employees to work hard to achieve organizational goals and objectives. Thus, the activity is governed by a competitive mechanism, and the effectiveness of the organization is divided into terms of competitive superiority and competitive advantage over its rivals (Deshpande *et al.*, 1993). Therefore, organizations that are characterized by market culture are expected to be oriented to the stipulation of an activity plan wherein good employees are employees who demonstrate high credibility in achieving goal orientation. Generally speaking, Suppiah and Sandhu (2011) stated that being a winner is everything in this market culture, which tends to force employees to monitor their own performance and make sure the personal target is achieved. In this organizational environment, knowledge is considered a source of power and an important differentiator, as employees are prevented from sharing their knowledge to help their colleagues. Instead, employees tend to gather important information to support their goals.

#### *5.6 Knowledge sharing affects employee performance*

The results of this study indicate that knowledge sharing affects employee performance. It can be interpreted that better knowledge-sharing activities among the employees within the organizations of Ternate Municipal Government will increase the performance achievement. Knowledge sharing will include technical expertise, training, policy documents and cooperation. Employee performance will be better if there is an open opportunity in knowledge sharing. Good employee performance is measured from the output realization and the amount of budget in each activity, the completion of work on time, good quality of output, as well as performing various supporting activities outside the main activities.

The results of this study prove that knowledge sharing has a significant effect on employee performance. Individuals who often perform knowledge-sharing activities will tend to experience an increase in their performance achievement. These findings support a study by Kang *et al.* (2008), which stated that the effects of knowledge sharing can be a



major determinant of performance improvement in government. Davenport and Prusak (2000) found that performance will increase if information shared with other individuals is in the form of knowledge. These findings support Wang *et al.* (2014) and Wang and Zhou (2012), who stated that knowledge sharing positively affects organizational performance. Based on Wang *et al.* (2014) and Wang and Zhou (2012), knowledge sharing is able to create and sustain an organization's competitive advantage. Achieving performance targets will be easier as knowledge sharing reduces teamwork conflicts, reduces duplication of knowledge, and generates synergetic knowledge that provides the best possible action solution. Knowledge sharing is helpful and enables managers to make decisions, as managers have alternative decision options and they provide feedback on the policies that they have implemented.

Knowledge sharing can enhance knowledge, skills, experience, ideas and attitudes, and it can be the backbone of organizational learning according to Wang and Noe (2010), Wang and Zhou (2012) and Amsyah (2013). Law and Ngai (2008) suggested that knowledge sharing can lead to a better organizational performance as knowledge sharing drives business process improvements, products, and services offered by companies.

### *5.7 Theoretical implications*

The policy of giving organizational rewards in the form of remuneration by applying various types of organizational cultures is able to increase knowledge-sharing activities. A better process of knowledge-sharing activities among employees within the organization will have an impact in the form of an increase in achievement of employee performance. The findings in this study may provide implications for the sharpening of the blend of developed theories of social exchange theory according to Blau (1964), and performance theory according to Blumberg and Pringle (1982) can be confirmed by the findings generated in earlier empirical studies that organizational culture can strengthen and/or weaken the implementation of remuneration, can increase and decrease knowledge sharing, and employee performance will increase when accompanied by knowledge sharing and remuneration policy. This study found that to increase knowledge-sharing activities, an individual can be influenced by the level of the amount of rewards given/received such as remuneration (regional performance allowances). To achieve predetermined employee performance targets, it is necessary to have social relations or social interactions among employees. One theory that explains social interaction is the theory of social exchange by Blau (1964).

### *5.8 Policy implications*

Local government organizations are public organizations that in this case aim to serve the community. In order to carry out services to the community, information and knowledge must be adequate. Information and knowledge are valuable assets that can be used to improve the quality grade for local governments. Information and knowledge can be worthless and useless if not managed properly.

The policy of giving remuneration can enable knowledge-sharing activities among employees. The findings have implications for regional governments to provide a fair and decent remuneration to their employees. The government has provided remuneration in the form of performance allowances to civil servants, but the provision of remuneration of employees can be given on the basis of objective considerations with respect to regional capability. Thus, the consideration of Ternate Municipal Government in this case has not fully implemented the overall remuneration policy. This policy can reduce the reach and quality of regional government services to the public, since regional expenditure (APBD) used to pay personnel expenditures in the form of remuneration of regional performance allowance is an indirect expenditure, whose one of the sources is the locally generated

revenue (PAD), and then the rest is used to finance direct expenditure in order to carry out the service function to the community. Therefore, regional governments, in this case, the regional apparatus organizations, have a duty and function to boost sources of local revenue that have already existed and that have not been worked to be maximized, for example, local taxes, regional levies, the result of separated regional wealth management, and other legitimate local revenue and transfer funds from the center in the form of profit sharing. The local government has not maximized the sources of regional income, where one of the obstacles in nature is the lack of HRs who have the capability, capacity, creativity and innovation, and who are qualified to make a breakthrough in order to maximize the potential of the existing locally generated revenue.

This study measures employee performance variable by using employee work objectives (SKP). The advantage of SKP is an output-based performance appraisal measure with a measurable standard limit. SKP is used to replace the performance-based performance appraisal of civil servants (PNS) and to synchronize between individual performance measures and work unit performance measures. The SKP indicator consists of the success of civil servants in achieving output targets, quality, time, and cost as well as in performing additional tasks. The findings of this study have implications for the central government of the National Personnel Board (BKN) as having the authority to issue the SKP policy. Of the five indicators of SKP, BKN has not provided detail about how to measure the performance of civil servants in achieving quality targets, especially for activities that produce non-physical output and performance appraisal for civil servants who perform additional tasks. Therefore, BKN is expected to immediately make a policy on the standard assessment of achievement of quality targets and execution of additional tasks so as not to cause bias in the performance appraisal.

## 6. Conclusion

The results of the discussion and findings of the research can be stated in the following conclusions: organizational rewards in the form of providing economic benefits as remuneration, such as employee performance allowances, have a significant effect on individual attitudes in knowledge sharing. These findings indicate that an employee's knowledge-sharing activities will be better if employees are given motivation in the form of rewards (reward) or decent wages that are in accordance with the target of achieving performance. The interaction of remuneration variables with clan culture has a significant effect on knowledge sharing. This means that the impact of increasing knowledge sharing due to the implementation of remuneration will be even higher if in the work environment, a high clan culture is attached. The results of this study prove that the interaction of remuneration variables with the adhocracy culture has no significant effect on knowledge sharing. This shows that the increase in knowledge sharing due to the provision of remuneration will not always be higher if it applies a low adhocracy culture work environment. The interaction of remuneration variables with hierarchical culture has a significant negative effect on knowledge sharing. This means that the impact of increasing knowledge sharing due to the implementation of remuneration will be higher if the work environment is inherently low in hierarchy. Market culture is not proven as moderation variable on the relationship between remuneration and knowledge sharing. This proves that market culture only acts as a predictor in the relationship of remuneration and knowledge sharing. The results of this study also show empirical evidence that knowledge sharing has a significant effect on employee performance. These findings prove that knowledge-sharing activities carried out by employees, in terms of sharing technical expertise, sharing knowledge after attending training, sharing policy documents and collaborating to solve problems, will be able to improve employee performance.



## 7. Limitations of research and recommendations

Some of the limitations of this study are as follows: the results of this study are limited to the object of research of public organizations, especially in Ternate Municipal Government, thus allowing different research results and conclusions if the research is conducted with different research objects with different organizational cultures. This study focuses on knowledge-sharing variable between employees and does not see knowledge sharing between individuals with units or organizations; therefore, there is a lack of knowledge that is disseminated in organizational memory. The kind of organizational culture in this study is in a new context, interacting in the model. Therefore, future researchers need to develop the variable comprehensively on other research and other objects. The knowledge-sharing variable in this study does not distinguish the types of knowledge used, because there is personal knowledge that is not easy to communicate and there is knowledge that is easily communicated.

Based on the conclusions of this research, it can be suggested that the recommendations of this research are as follows: this research develops model of organizational culture type, namely clan culture, adhocracy culture, hierarchical culture and market culture as new interaction models that see the link between remuneration and knowledge sharing in public organizations. Yet, adhocracy culture and market culture do not moderate the relationship between remuneration and knowledge sharing. Therefore, future research should re-examine this organizational culture model to look again at the relationship between organizational rewards or other cultural models and knowledge-sharing behavior in both profit organizations and public organizations. The policy of remuneration can motivate employees to conduct knowledge-sharing activities and have an impact on employee performance improvement. Specifically, for knowledge sharing, this research focuses only on knowledge sharing among employees, regardless of staff with work units and organizations. Therefore, future research should re-examine knowledge sharing by taking into account the individual knowledge sharing with work units and organizations. This study measures knowledge-sharing variable by using four indicators, regardless of the knowledge type. Knowledge is divided into two categories, namely the explicit knowledge and implied knowledge. Explicit knowledge is formal and systematic; it can be obtained by reading the work report and group discussion. Meanwhile, implied knowledge is very personal, subjective, and difficult to communicate. Therefore, future research should separate the two types of knowledge. This study develops indicators to measure variable of clan and adhocracy organizational type, remuneration and performance. These four variables have met the reliability value, but the value is close to the required minimum value. Therefore, future research can develop the indicators of these four variables so that the variable has a high reliability value. For further research, it can follow up on the results of the survey through qualitative methods, such as in-depth interviews, to truly understand the underlying complexity.

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