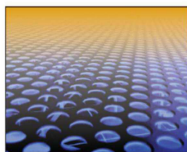


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**Ethical Issues and  
Social Dilemmas in  
Knowledge Management**

ORGANIZATIONAL INNOVATION



GONÇALO JORGE MORAIS DA COSTA

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<i>Kiyoshi Murata, Meiji University, Japan</i>	

The Japanese contribution to knowledge management results from the work of Ikujiro Nonaka and his colleagues, who developed an Organisational Knowledge Creation Theory. In fact, throughout the literature the importance of these scholars in knowledge management is evidently recognisable. However, it is important to understand this theoretical contribution in the context of the socio-cultural background that pervades it. For that reason, this chapter explores the relationship between the Japanese school of knowledge management and, the socio-cultural systems of Japan. Furthermore, the chapter also demonstrates that this relationship disrupts an organisation's *ba* (sense of place and structure), and as a consequence some social dilemmas arise, most importantly a degradation of trust.

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In the same way that useful theory in knowledge management system leads us to rethink the nature of knowledge (Spender & Scherer, 2007) a theory of ethics that would be informed by current research in moral psychology will lead us to rethink the nature of ethical action. This chapter introduces a research program that has tracked ethical action among computer professionals and uses the insights from that research to make suggestions about how purposive moral action is undertaken and how it might be supported by knowledge management systems.

### Section 2 Societal Knowledge Management

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Knowledge Management and Democracy: A Critical Review of Some Moral Issues and Social Dilemmas .....	28
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The main problem discussed in this essay is the question of compatibility between knowledge management in the knowledge economy and democracy in the ICT-driven global society. The assumption is made that democracy is the dominant form of organizing the global society on a variety of levels; and that it is regarded as desirable and morally superior in comparison with other such forms.

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The term "knowledge management" is widely circumscribed to organizations, being considered fundamental at an institutional level (frequently within a specific corporate level). Hence, it is the domain of organizational and management theories, rational selection theories or, of various concepts related to economic efficiency. Nonetheless, this chapter will attempt to consider this issue from a holistic perspective, considering as a starting point the global dimension of this quandary. This overview falls back on analyses conducted by widely understood social studies, which use economic tools and methodologies. My opinion is that today the Internet evidently is a specific global knowledge warehouse. To be more specific, I mean the "ICT space" created by the Internet, which herein I will refer to as the cyberspace entails a global knowledge flux. As a result, this chapter is an overview of humanist discussions on cyberspace exploration and (more importantly) management.

## Chapter 5

### Utilization of Resources: An Ethical Issue — The Anti-Commons and the Aquaculture Case..... 63

*José António Candeias Bonito Filipe, UNIDE/ISCTE-IUL, Portugal*

*Manuel Alberto Martins Ferreira, UNIDE/ISCTE-IUL, Portugal*

*Manuel Francisco Pacheco Coelho, Portugal*

Anti-Commons Theory is an interesting theme that is being developed in the area of property rights since the 80's. It intends to explain why an "anti-commons" emerges and why resources may be prone to under-use. In an anti-commons situation there are too many exclusion rights that lead to the under-use of resources. In Portugal, too many people (and institutions) have been involved in the approval processes of aquaculture projects. They may be involved in reaching a decision about the approval of a project which gives rise to the under-utilization of the resources that promoters aimed to exploit. Actually, it takes so long to approve a project that the time required for its implementation may be excessively delayed. This kind of problem results typically from bureaucratic environment. An ethical problem rises with this phenomenon. Projects may not go forward and all the amounts spent in the project will be lost. Besides, a viable project simply can be gone, with all the inherent losses of value.

## Section 3

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## Chapter 6

### The Emerging Ethics of Knowledge Sharing: Hacker Ethics, Participatory Culture Ethics and

### Proselytization Commons Ethics..... 80

*Maslin Masrom, University Teknologi Malaysia, Malaysia*

*Zuraini Ismail, University Teknologi Malaysia, Malaysia*

A key challenge that is emerging for organizations in nowadays is how to encourage knowledge sharing. Knowledge sharing is an activity through which knowledge is exchanged among people, a community or organization. Knowledge constitutes a valuable intangible asset for creating and sustaining competitive advantages. Knowledge sharing activities are generally supported by knowledge management systems. Nevertheless, technology comprises simply one of the several issues that influence organizational knowledge sharing, such as organizational culture, trust, and incentives. So, knowledge sharing entails a key challenge in the field of knowledge management because some individuals tend to resist sharing their knowledge with others (it may be an individual, a group, a community, or an organization). The aim of this chapter is to describe and discuss three emerging ethics of knowledge-sharing, namely: (i) hacker ethics, (ii) participatory culture ethics, and (iii) proselytization commons ethics. Future research directions are suggested and concluded the chapter.

## Chapter 7

### The Trouble with Digital Copies: A Short KM Phenomenology..... 97

*Ugo Pagallo, University of Turin, Italy*

This chapter analyzes some of the most relevant ethical issues and social dilemmas in knowledge management and organizational innovation, by focusing on a paramount feature of digital technology, which is "copying." The new ways in which information is produced, distributed, and shared in digital environments have in fact changed crucial aspects of human life. Whereas, most of the time, scholars consider such transformations in connection with the impact of digital copies on copyright law, the aim of the chapter is to widen this perspective by examining data protection as well as file sharing application systems. The new economical scenarios and business models proposed by this copy-based technology suggest new ways for balancing property rights and "the right to freely participate in the cultural life of the community."

## Chapter 8

### From "Connectivism" to "Ethicism"..... 113

*António dos Reis, The Graal Institute, Portugal*

Distance learning characteristics has been changing dramatically, namely since the fourth generation of distance learning. Moreover, e-learning impressive "evolution" enabled a trade-off between learning outcomes and ethical behaviour, which traditional learning theories do not embrace and that connectivism endeavours to illustrate. Although, two important queries arise: what challenges e-learning 2.0 and 3.0 impose? And, does connectivism promote ethical knowledge? Therefore, this chapter aims to

endorse a theoretical debate regarding e-learning, as well as to understand if connectivism will act as 21st century learning theory, or if the quest for an ethical connective knowledge and e-learning fusion with knowledge management itself will require a novel contribution (connethionicism). Despite the assumption that connectivism has been promoting a reasonable debate, the author personal experiences highlight the need for ethicism.

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*Nuno Sotero Alves da Silva, De Montfort University, UK*

*Isabel Maria Surdinho Borges Alvarez, Luslada University of Lisbon, Portugal*

*Simon Rogerson, De Montfort University, UK*

Global networks through distributed systems technology granted a new meaning to knowledge creation, storage and distribution within higher education context. This global dimension imposes a considerable amount of ethical and social impacts concerning distributed knowledge because it is expressed within local contexts. Nonetheless, main stream literature highlights equity and cultural sensitivity as leading issues, and disregards the existent social dilemmas concerning organizational innovation in higher education. Therefore, this chapter aims to promote a philosophical and empirical argument within contextual determinants, in order to explore the ethical and social key dilemmas of distributed knowledge between global and local diversity in higher education. For that, under scrutiny will be a specific layer regarding first co-author e-University strategic implementation framework which interacts with ethics and culture, in order to, understand e-learning current practices in higher education, as well as, to nominate potential future guidelines concerning these trends.

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**Renewal and Personal Mastery in Knowledge-Based Organisations: The Case of a Finnish**

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*Päivi Lohikoski, University of Oulu, Finland*

Being knowledge management crucial to companies, it seems reasonable to understand an organisation intellectual capital. The three leading components of intellectual capital (human capital, structural capital and relational capital), are intrinsically bounded to the organisational ICT system, organisational structure, and to workers personal mastery. Nonetheless, in order to evolve organisational intellectual capital it is required a high level of personal mastery, which is clearly bounded to human resources. Therefore, this chapter aims to promote a theoretical and empirical discussion in order to understand the diverse dimensions between renewal, personal mastery, and employee wellbeing within a knowledge-based organisation (Finnish ICT-company). For that, the chapter is divided into six major sections: the research questions; theoretical framework and main concepts; the case study organisation and research methods applied; findings; discussion; and future research.

#### **Chapter 11**

**The Importance of Balancing Knowledge Protection and Knowledge Interchange..... 180**

*Yutaka Takahashi, Senshu University, Japan*

Business organisations are aware of the importance of knowledge to keep and acquire competitiveness, so willing to find and keep knowledge holders in their organisations. However, employees in many developed countries have freedom to choose what to do for their living; it is possible a suddenly leave regarding their current jobs and get a new job elsewhere. This is a great loss for the former employer, because it means that not only the knowledge holders themselves but also their knowledge leaves the former business. Moreover, this knowledge would be beneficial for the new employers which are often competitors of the former employers. In order to avoid this kind of brain drain, employers often require that employees sign non-disclosure and non-compete agreements. Nevertheless, this request can cause some trouble in the long run. This chapter shows the structures causing this trouble and how to deal with it using the systems thinking approach.

#### **Chapter 12**

**Management of Moral Knowledge and Ethical Processes in Organizations..... 199**

*Agata Kostrzewa, Uppsala University, Sweden*

*Mikael Laaksoharju, Uppsala University, Sweden*

*Iordanis Kavathatzopoulos, Uppsala University, Sweden*

Moral knowledge is necessary for organizational functioning in order to get legitimacy and increase profits. Given Blackler's assumptions about organizations, we discuss managing moral knowledge in organizations as a set of organizational processes with a time point and in a certain environment. We argue that to become ethically competent, organizations have to combine individuals and organizational ethical skills. Instead of on what is supposed to be done, we focus on what is done: interactions within the organization and with its environment, structured by practical routines, bearing main responsibility for transferring moral knowledge. The means facilitating this are organizational roles and structures, trainings, formal and informal support systems along with rules and guidelines. Further, we suggest two tools to assist managing moral knowledge: Ethical Index ETHIX (questionnaire to describe how ethical issues are handled in the organization) and the IT system ETHPERT (supports and structures the process of ethical decision making).

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<i>Gonçalo Jorge Morais Costa, De Montfort University, UK</i>	

One of the key characteristics in knowledge management is the importance of human resources. Therefore, main stream literature has been discussing the concept of knowledge worker, its characteristics, and duties versus rights, and human resources policies in its dissimilar perspectives (knowledge work-

ers retention, personal mastery, intellectual property rights, among others). Although, empirical studies seem to disregard if knowledge workers feel that are well compensated, or what dimensions entail faire compensation. Hence, this chapter aims to recognize knowledge workers feeling about faire compensation, and what elements are essential to achieve it through a conceptual framework. For that, the chapter is divided into six sections: the research questions; knowledge worker (key characteristics and responsibilities versus rights); fairness (etymology and the contribution of Rawls); linking the theoretical basis; empirical results (methodological remarks, findings and discussion); future research directions (the surrealist assumption, Dali surrealism and the metaphorical assumption).

### Chapter 14

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<i>David Pullinger, London, UK</i>	

Knowledge management supports the key goals of an organization. For government this is creating public value, through trust, outcomes, service quality and cost effectiveness. These are vital matters for the UK government, and the need to mobilize knowledge is essential in delivering them. Knowledge management has tended to be about corporate knowledge inside an organization. This is important for government, not least in joining up its many parts to deliver more effective services and outcomes to citizens. However, citizens also have knowledge that can help deliver public value. How citizens and government share knowledge forms a second exploration. Citizens are also concerned about the use made by the state of personal data and knowledge about them; this forms the third strand. The issues that arise are mapped as ethical tensions onto Nonaka's SECI model, providing both a framework for exploring ethics and for examining the space for organizational innovation.

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<i>Gonçalo Jorge Morais Costa, De Montfort University, UK</i>	

A key assumption for recognizing knowledge society is the existence of learning organizations. As a result, literature has been fruitful in engaging a wide debate concerning its characteristics, dimensions, evolution, evaluation procedures, or ethical behaviour. Likewise, it is interesting to denote that research appears to pay little regard to the impacts of existing ethical and social dilemmas about knowledge creation, retention/use and sharing within organizational contexts. Therefore, the key purpose of this manuscript is to present a conceptual framework that denotes these dilemmas and their impacts in organizational strategy. For that, this contribution resumes an ongoing research project which intends to approach ethical and social dilemmas in learning organizations. Moreover, it suggests that these dilemmas impact on organizational strategy, as well as that existing evaluation models for learning organizations do not promote the ethical evaluation.

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