

Chapter 13

Knowledge Worker Fair Compensation: Ethical Issues and Social Dilemmas

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ABSTRACT

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 workers 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).

INTRODUCTION

The last decades have witnessed production of research on knowledge work, due to a conviction that economic achievement of post-industrial societies progressively depends on skills to utilize knowledge (Stehr, 2001; Castells, 2000). Therefore, beyond manage knowledge organizations

need to realize that human resources are essential to promote knowledge creation, utilization and sharing. In spite of this level of criticality that human resources introduce the concept of “knowledge worker” entails an ambiguous perception (Pyöriä, 2005; Alvesson, 2004; 2001). This is a consequence of an attempt to resume its distinctive features, as for instance: processes information (Davenport, Järvenpää & Beers, 1996); utilizes information and communication technologies

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(Garavelli *et al.*, 2003); has problem-solving skills (Tsoukas & Vladimirou, 2001); produces non-routine work (Lillrank, 2002); has increasing levels of autonomy (Darr, 2003); and, is collaborative (Kristensen & Kijl, 2008).

Furthermore, in order to attract these workers (Gayton, 2008) with high levels of personal mastery (Senge, 2006) it is essential to create an effective Human Resources policy. Literature has been recognizing this quandary and assumes that human resource management practices need to be internally consistent so that they mutually reinforce each other, namely career structure and reward systems (Currie & Kerrin, 2003). In that sense, an array of organizational incentives can be highlighted: monetary and non-monetary rewards, as well as intrinsic and extrinsic (Bartol & Srivastava, 2002); despite dissimilar motivation strategies for knowledge workers (Petroni & Colacino, 2008).

As a result, this contribution endeavours to discuss knowledge workers feeling about faire compensation, and what elements are essential to achieve it through a conceptual framework based on the theory of justice (Rawls, 1971). The author still refers that the argument will consider the concept of fairness about compensation as a combination of three dimensions of organizational justice: distributive, procedural, and interactional (e.g. Cropanzano & Randall, 1992).

THE RESEARCH QUESTIONS

Since this contribution is not promoting a traditional approach to human resources managing, namely knowledge workers. Despite the novelty of the subject it entails a minor component of the author PhD research project (for further details chapter 16), leading to the following research questions:

1. Do you consider that knowledge creation, management and sharing into the organizational environment are fairly rewarded?
2. State what is meant to be a fair compensation regarding knowledge creation, management and sharing in an organizational environment?

The initial research query examines if knowledge workers feel that are fairly rewarded, as well as the question was also posed to middle managers and top managers in order to understand each group perception. Yet, it is compulsory to notify the potential Readers that is an open choice question with the subsequent answering possibilities: never, rarely, usually, often, always, and I do not respond. On the other hand, the second question seeks to recognize fair compensation dimensions through an ask for agreement option.

KNOWLEDGE WORKER

Key Characteristics

Following Kelloway & Barling (2000) it is possible to illustrate knowledge workers as investors, because these choose when they want to use their knowledge. So, knowledge workers are likely to employ their knowledge as an extension of their skills, motivation and opportunity. Or, Davenport & Prusak (2000) define knowledge workers as those who create knowledge, or the prevailing component of their work is knowledge. Although, this definition was enhanced in order to include the ones who also distribute and employ knowledge (Davenport, 2002). Concluding, the author will follow Horvath (2001) definition: “anyone who works for a living at the tasks of developing or using knowledge”. Additionally, for Efimova (2003) knowledge work can be explained through the iceberg metaphor: unlike traditional work its interactions seem invisible, because informal circumstances may represent until 80%.

Thus, knowledge workers impose a shift in the balance of organizational power, because power in social contexts assumes three primary sources (Nickols, 2003, pp. 5): “politics (i.e., power derived from relationships among people); position (i.e., power derived from formally constituted authority); and profession (i.e., power derived from specialized knowledge).”

Responsibilities Versus Rights

Bearing in mind that every worker is bounded to duties and rights, it is reasonable to claim that a trade-off arises. For The Free Dictionary (2010a), trade-off can be defined as an exchange of one thing in return for another, especially relinquishment of one benefit or advantage for another regarded as more desirable.

For the purpose of this analysis the author introduces the work of Storey (2005) as regards to knowledge worker requirements:

- behaviour- resumes the organizational expectation that workers have the ability to be creative and proactive instead of complying with repeated custom actions. Another prerequisite is to present educational qualifications along with pertinent professional experiences, as well as the possess the ability to learn constantly;
- capabilities- ability to deal with large amount of complex data or information, as well as to learn from it in order to respond to the external environment challenges through semi-structured organizational routines;
- motivations- knowledge workers need to be motivated in order to enhance their personal mastery, and for that the organizational values, culture and climate are vital.

FAIRNESS

Etymology

According to the Wiktionary (2010) fairness is the property of being fair; and fair means free of bias, which evolved from an earlier meaning “morally pure” (Online Etymology Dictionary, 2010). Moreover, fairness or fair entail a similar definition in nowadays: having or exhibiting a disposition that is free of favouritism or bias; impartial: a fair mediator; just to all parties; or even, equitable: a compromise that is fair to both factions (The Free Dictionary, 2010b).

The Contribution of Rawls

John Rawls (1971) defined justice as fairness: “it conveys the idea that the principles of justice are agreed to in an initial situation as fair.” (p. 12). Rawls still claims that individuals decide under the veil of ignorance, meaning that are not entirely aware of their personal features and role in society. Hence, this assumption leads us to conclude that people do not pursue personal interests, and by that mean assuring equality. In addition, this author refers three psychological factors that sustain the principle of justice: morality of authority, morality of association, and morality of principles. Therefore, Okin (1989) criticizes Rawls moral development assumptions namely the duty to teach morals and gender neutrality. Although, the author will disregard Okin criticism as pointed out by Hartline (Hartline, 2008).

LINKING THE THEORETICAL BASIS

After framing the theoretical components it is time to understand how these variables interact, and most importantly which key issues promote the existence of a fair compensation within knowledge environments.

Remembering Horvath (2001), “anyone who works for a living at the tasks of developing or using knowledge” is considered a knowledge worker. This statement induces to the following assumption: knowledge process (creation, retention/utilization, and sharing), meaning that Rawls (1971) macro analytical guidelines will be:

- justice and knowledge creation and sharing;
- justice and fair protection and retribution;
- justice and fair compensation;
- justice and recognition of human dignity and autonomy.

Justice and Knowledge Creation and Sharing

According to Hurley (2005), knowledge workers are morally accountable with reference to knowledge production and sharing within the organizational environment. In addition, that moral accountability is also bounded to organizations (Costa, Prior & Rogerson, 2008a), because it is compulsory the existence of a knowledge sharing environment. Nevertheless, to promote ethical environments concerning knowledge sharing is extremely difficult, and not utopian like Wilson (2002) points out. The answer relies on balancing the ethics of self-interest versus knowledge sharing (Wang, 2004).

Justice and Fair Protection and Retribution

Lambert *et al.* (2005) defends that exclusively spotlighting upon employee rewards or outcomes, is expectable to deal with sanction in a fair and just manner, which is consistent with the claim of Costa, Prior & Rogerson (2008). The focus on fairness should act for rewarding and sanctioning, because workers have a moral responsibility not simply to be productive but also share the produced organizational knowledge (O’Neill &

Adya, 2007). The following example resumes the previous arguments:

an employee might compare the pay and benefits received by their fellow employee and make a comparison of their effort at work with their rewards. As a result of this comparison, individuals decide to exert more or less effort, or change their perceptions of inputs or outcomes. Equity is perceived when the input/outcome ratio of the individual is equal to those of others compared with. Perceived inequality, for example, an employee who perceives rewards are inequitably distributed among employees in their organization, might react with seeking employment elsewhere. (Haar & Spell, 2009, p. 1829)

Justice and Fair Compensation

Distributive justice principles would acknowledge that a worker deserves additional compensation, however does not portray the reasons to such claim. In fact, distributive justice frequently evaluates job satisfaction and workers intentions to continue working (Greenberg & Cropanzano, 2001). Although, workers are also concerned with the fairness of procedures that enable compensation systems, which according to these authors are: be a consistent process, free from bias, correct, participative and ethical.

On the other hand, procedural justice will shed some light over the impact of organizational values and mutual trust, because workers that are fairly treated easily accept if necessary a decreasing in their payment (Turillo *et al.*, 2002). Furthermore, fair compensations must reproduce desirable values and ways of achieving organizational goals (Verplanken & Holland, 2002), since compensation systems structure typically reflects the underlying organizational ideology. Therefore, these systems must entail acceptable ethical and moral values (Cropanzano *et al.*, 2001), which for

example CEOs exorbitant wages are an example (Lavelle, 2002).

Justice and Recognition of Human Dignity and Autonomy

Miller (1999) refers that a core component of any theory of justice embraces human rights, which in this case configures the following dimensions:

- the right to life- includes the right to feel secure and safe, which means that organizations ought to inform society about potential harm (Ryan, 2002);
- the right to the freedom of expression of ideas- is bounded to the moral accountability of knowledge workers produce knowledge, as well as organizations create a knowledge environment (du Plessis, Britz & Davel, 2007);
- the right of access to those ideas- debates the existing trade-off between personal effort and benefit (Ford & Staples, 2005);
- the right to protect and control expressed ideas- resumes the trade-off among workers faire compensation, and the organizational moral right to protect its economic interests (Blyth, 2005);
- the right to privacy recognizes the autonomy and dignity of individuals- knowledge environments must respect individual privacy rights (Baskerville & Dulipovici, 2006), which leads to a necessary discussion about privacy (Stahl, 2007).

Intermediate Conclusion

The quotation of O'Reilly III & Pfeffer (2000, pp. 3) summarizes in an interesting way the overall discussion: "great people want to work at great places where they can actually use their talents, where they are treated with dignity, trust, and respect, and where they are engaged by the values and culture of the organization."

Theoretical Framework

As a final remark, the author refers that figure 1 depicts these concepts and their relationships (theoretical framework).

EMPIRICAL RESULTS

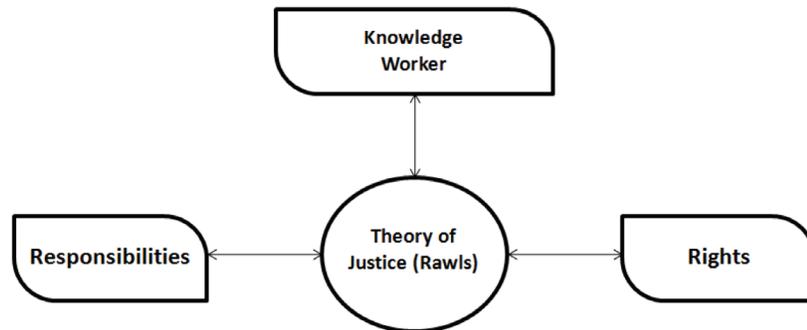
Methodological Remarks

Creswell (2003) refers that a qualitative research may induce several angles of analysis. For that, in order to explore an event from an in-depth insight the researcher might choose a diminutive but informative case, or might perform a simple inferential numerical analysis. On the other hand, Miles & Huberman (1994) denote that descriptive research intends to make complex issues logical by reducing them to their fundamentals; or, if the researcher is not entirely conscious of the facts, in spite of recognizing the research issue (Zikmund & Zikmund, 2000). And, explanatory research endeavours to exemplify certain phenomena from contrasting insights (Yin, 1994), which entails the research problem.

In addition, to consent subjective and inquisitive outcomes a blend of interpretative and critical theory is consistent with look for meaning in context. So, to identify how a reality appeared is imperative to analyse the social and historical environment (Klein & Myers, 1999), regardless the possibility to question the output (Sandberg, 2005). Likewise, the study of social reality is inner to critical research as acknowledged in numerous narratives of critical research (Hirschheim & Klein, 1994).

Finally, empirical data was collected throughout questionnaires and interviews (PhD research project- see chapter 16), and informational conversations. Semi-structured interviews sponsor a method to acquire the informants beliefs and opinions through a verbal exchange (Burns, 2000); a questionnaire can serve as an inductive

Figure 1. Theoretical framework



method with the aim to formulate new theory with higher or lower levels of validity according to the type of questions (Gill & Johnson, 2002); and, informational conversations intend to discover, understand and gain insight of people experiences (Paton, 1980).

Findings

PhD results

The empirical outcomes highlighted in this section involve two levels of analysis: pre-tests and pilot studies results. In short, pre-tests were performed to 50 individuals with divergent professional and educational backgrounds during February 2009; and, the pilot studies have occurred in June 2009 within a learning organization that operates in Portugal, being their sample size objective 25 per cent of the organizational population. Moreover, for further details as regards to the methodological and analytical procedures read chapter 16; although, an important remark is: the results for each procedure will be divided into simple inferential numerical analysis (global and by focus group- top management, middle management, and workers) for research question 1, and content analysis for research question 2 (just focus groups).

The results demonstrate the denial of a fair compensation, and it is interesting to denote that middle managers seem to share workers perspec-

tive with reference to this topic. Nonetheless, a higher detail of analysis is decisive for understanding these results (observe the following sections), and the dimensions of faire compensation (content analysis). Hence, some keen examples of fair compensation and its dimensions are illustrated in table 2, as well as translation was not performed in order to avoid the lost of sensitive meanings.

Academic experiences

This subsection endeavours to shed some light over the author personal experiences in his lecturing or participation in worldwide conferences, and a major conclusion seems to arise: fair compensation tends to demonstrate extreme positions! The expression “extreme positions” intends to portray the existing gigantic gap about faire compensation: managers’ assumption is that workers are often fairly rewarded; and, workers acknowledge the absence of a fair compensation. For instance, during IIRH 2010 Conference in Setúbal, Portugal, devoted to *Research in Human Resources* it was interesting to denote that despite literature refer that people are the “core”, and what stimulus managers need to produce to engage a knowledge environment the empirical results demonstrate that these policies do not engage personalization, compensation features resume traditional approaches which are not suitable for a knowledge economy, or even that managers actions do not match their

Knowledge Worker Fair Compensation

Table 1. Research question 1 results

Pre-tests		Results
Global		The generic results were: never (8%), rarely (50%), usually (22%), often (16%), always (4%)
Group	Top management	More than 80% believed that workers are fairly compensated (combining usually, often and always)
	Middle management	60% referred never and rarely
	Workers	The combination never and rarely entailed over 85%
Pilot studies		Results
Global		52% acknowledged rarely, 24% usually and 20% often
Group	Top management	100% argued that workers were fairly compensated
	Middle management	Combining never and rarely
	Workers	62% claimed rarely

discourse. An example was the keynote speech of Francisco Cesário, CEO of PT Contact:

Nós apostámos em transferir parte dos nossos call centers para zonas do país com elevadas taxas de desemprego (interior), pelo que se prova a nossa responsabilidade social (...) (transfer of “production” to areas with high rates of unemployment, as a sign of moral responsibility)

However, when confronted about the true reasons for this movement the answer was:

Razões económicas! Por exemplo, as entidades públicas locais cederam um espaço para permitir a instalação da empresa, assim como efectivamente os salários auferidos pelos colaboradores destas regiões são inferiores aos praticados em Lisboa ou no Porto (...) (economic reasons! Being examples, the local government support, and these workers lower salaries when compared with Lisbon or Oporto)

These arguments clearly demonstrate that beyond rich literature is vital to educate managers to be open-minded and ethical! In fact, this corroborates the numerous informal dialogues undertaken with the editor learners about the

perception of faire compensation in knowledge environments. Their responses, representing professional experiences, demonstrate that two additional critical issues seem to arise: the Human Resources policies shortcomings about intellectual property rights (personal versus organizational), as well as the gap amid managers and workers compensation.

Eu rejeito por complete que as experiências pessoais vivenciadas pela minha pessoa na organização sejam propriedade intelectual desta (personal experiences as intellectual organization property- a explicit denial)

É inacreditável a diferença existente entre os valores auferidos pelos colaboradores e a gestão, até porque esta comete erros de palmartória! (gap between managers and workers compensation, as well as knowledge workers have the ability to question about strategic options)

Professional experiences

While as a Key Account (before embracing lecturing), or acting today as a consultant the author has

Table 2. Research question 2 results

Pre-tests	Results	Analysis
Top management	“Justa compensação: o retorno (pessoal e profissional) pela participação individual nos processos de criação, gestão e partilha do conhecimento”	The importance of knowledge creation, use and sharing
	“Justa compensação não assenta em princípios meramente economicistas, mas também de reconhecimento e valorização do colaborador”	The recognition of the financial and non-financial dimensions
	“Justa compensação: quando alguém recebe algo em troca do seu trabalho ou esforço por ter conseguido um feito com relevância para a organização, sendo partilhado por toda a equipa”	The identification of the financial and non-financial elements
Middle management	“Justa compensação pode ser monetária, ou melhores condições no ambiente organizacional”	The acknowledgment of financial and non-financial realities
	“Todas as pessoas na organização quando partilham ideias ou colaboram devem ser reconhecidas, ou monetariamente ou através de novos cargos, etc”	Primacy regarding recognition for those who create, use and share knowledge
	“Compensação: plano de carreira e promoção de acordo com o desempenho, assim como, prémios monetário”	The traditional perspective: pure economic
Workers	“Acho que se deve recompensar de forma justa aqueles que contribuem para a criação, gestão e partilha do conhecimento”	Again, the significance of knowledge as a process
	“A justa compensação poderá mostrar-se pela análise, validação e quiçá adaptação e partilha de novas ideias, podendo assim ser um contributo positivo para a empresa”	The importance of knowledge sharing
	“Justa compensação pode ser monetária, flexibilidade de horários, aumento da autonomia”	A interesting bound: enhanced autonomy as a way of fair compensation
Pilot studies	Results	Analysis
Top management	“Justa compensação é o reconhecimento a todos os colaboradores que fazem parte da organização”	The evidence of an organizational transversal process
	“Justa recompensa surge através de factores monetários e não monetários”	Economic and non-economic factors
	“Tudo depende do impacto e das próprias pessoas em causa”	Personalization as a fact
Middle management	“Entendo os valores financeiros associados (salário e/ou promoções), e os não financeiros (reconhecimento)”	The combination of economic and non-economic principles
	“Compensação pode resumir-se apenas ao reconhecimento verbal do esforço no desenvolvimento do conhecimento. Não tem que se reflectir obrigatoriamente em valores monetários”	Recognition as a crucial factor
	“Em termos pessoais uma perfeita compensação é saber qual o meu trabalho e papel organizacional, e através dele respeitarem a minha autonomia e privacidade”	Autonomy and privacy as basics for faire compensation
Workers	“O conhecimento que o colaborador possa partilhar e que o vá afectar positivamente ou negativamente na evolução dentro da empresa”	Knowledge sharing substance
	“Justa compensação é a partilha de conhecimento sustentada na confiança mútua”	Sharing knowledge and trust as keys for faire compensation
	“As nossas organizações ainda não estão adaptadas à realidade de que as empresas são as pessoas e não o contrário, isto é, o mérito deve trazer mais valias, apesar do objecto de trabalho ser raramente recompensado seja por estímulo oral ou por valores compensatórios (financeiros ou outros)”	The claim that Human Resources policies are inadequate

observed that faire compensation is an extremely complex issue in organizational contexts, namely

in small and medium enterprises (SME’s). Despite this observation a detailed analysis will be

Table 3. Professional experiences as regards to question 2

Professional experience	Context	Results	Analysis
Meeting	Discussion about innovation in rewarding workers	<i>“Os colaboradores não necessitam de incentivos adicionais, pois já auferem o salário (...). Além disso, autonomia significa que não podemos controlar o seu trabalho”</i>	Ignoring literature recommendations
Conference about organizational innovation	Human Resources Manager speech	<i>“Nós temos uma verdadeira política de recursos humanos, pois valorizamos o conhecimento dos nossos colaboradores (...). Um exemplo foi a atribuição de um prêmio de produtividade de 400€ a um colaborador por ter criado um produto financeiro totalmente novo que vai ser introduzido nos mercados financeiros”</i>	The quandary of fair compensation

underlined in subsection discussion; so, about of empirical evidences at a professional level is the author intention to highlight two essential quotations: the first occurred during a meeting with a CEO of a medium learning organization; the second happened in a conference organized by a major financial institution on the topic organizational innovation. Nevertheless, it is vital to detail the context of each quotation, as well as to understand the content of these quotations (observe table 3). Once again, translation was not executed in order to avoid the lost of insightful connotations.

Discussion

More people feel that are treated fairly, more reasons will have to identify with that group. This assumption is also recognized in organizational environments, because empirical data demonstrate that workers are less worried their absolute income (Adams, 1963). In fact, Cohen (2008) highlights that Rawls social requires benefits and burdens distribution by individuals, as well as inequalities concerning incentive payments are indeed fair. The reason for his claim relies on the following argument: workers with higher levels of productivity will benefit the organization, and as consequence all organizational members will benefit from that situation. Even so, a CEO salary when compared to the remaining organizational members is a social dilemma. For instance, Söderström *et al.* (2003)

have demonstrated tremendous gaps between CEOs and other professions; Piketty & Saez (2006) study acknowledges that CEO salaries between 1980-1998 raised 9 per cent average and workers just 3,7; and, the major problem is the historical data of unethical and fraudulent behaviours as regards to corporate performance for CEOs personal gain (Meyer, 2003). The knowledge economy has enhanced this dilemma because knowledge workers possess enough competencies, skills and knowledge to question managers’ strategic decisions as well as their consequences. In addition, it is common to observe that knowledge workers academic and professional background is higher than the CEO, namely in small medium companies, which enhances this dilemma. Thus, the author disregards Nichols & Subramaniam (2001) claim that CEO compensation is a matter of personal judgment.

On the other hand, procedural fairness is related to the process of distributive fairness and can be summarized through:

- participation- reflects the opportunity of knowledge workers express their knowledge, which bounded to a tangible and intangible reward as regards to knowledge sharing will promote a truthful sharing environment (Cabrera, Collins & Salgado, 2006). This is consistent with the recognition that sharing activities improves and sustains knowledge professionals (Wasko

& Faraj, 2005), as well as if knowledge workers feel that their knowledge is “snatched” tend to become self-protective and secretive;

- neutrality- a precondition to achieve it the conviction that rules do not allow personal advantages to enter their decision-making. Fehr & Rochenbach (2003) also demonstrate that sanctions that serve the punisher’s self-interests disable cooperative behaviour, whereas sanctions perceived as pro-socially;
- and dignity/respect/autonomy- empirical evidences highlight that knowledge workers treated with dignity and respect enhance their levels of sharing behaviour and altruism (Moorman, Niehoff & Organ, 1993). Furthermore, autonomy encompasses for managers the following actions: acknowledge the knowledge worker understanding, afford it significant information in a non-manipulative way, offering decision making, and encouraging proactivity (Baard, Deci & Ryan, 2004), because a supportive management style to autonomy is crucial to promote knowledge sharing (Vansteenkiste *et al.*, 2004).

FUTURE RESEARCH DIRECTION

The Surrealist Assumption

According to the Merriam-Webster Dictionary (2010), surrealism resumes the principles, ideals, or generating fantastic or inconsistent imagery or effects in art, literature, film, or theater through deviant juxtapositions and blends. As such, it reproduces quite well the proposals to be introduced by the author for future research.

Dali Surrealism

Dali through is *Paranoia Critical Method* assumed a way to observe reality in order to reflect double

images in the same composition (Salvador Dali Art Gallery, 2010). Moreover, his artwork is not merely used in artistic creation, but equally in scientific work because surrealist theory of automatism was transformed in a method. For Ruffa (2005), by linking surrealist actions and scientific research Dali demonstrates that we systemically have partial or total lack of understanding regarding a subject, meaning that reflection upon existing models is required. As a result, “Dali draws our attention to the fact that there is no ontological difference between the scientific and artistic spheres, and nor is one superior to the other in terms of their approach to reality” (Ruffa, 2005, pp. 12).

The Metaphorical Assumption

After a careful research with reference to Salvador Dali paintings, the author has decided to illustrate *The Ship* (1943). In his painting, Dali inspires us to question ourselves instead of being slaves (“tied up to the strings of life”), as well as to promote change (“go by the wind”). The wind is seen as the life flow which people may dare (Coelho, 2009). In fact, the aim of these proposals is to acknowledge the need to challenge the established principles with reference to knowledge workers without ignoring compensation systems literature (e.g. Scott *et al.*, 2007) despite the several critics that will arise.

Therefore some proposals that organizations should entail are:

- personalize the compensation systems- as Cohen (2008) demonstrates it is possible to sustain equity and fairness;
- creative rewarding systems- personalization will promote creative rewarding systems. From the author professional experience, typically too many constraints are imposed in designing novel ways of acknowledging the topic. For some ideas the author suggests the work of Zairi, Jarrar &

- Aspinwall (2010), or Petroni & Colacino (2008);
- protect tacit and explicit knowledge- is common that organizational tacit and explicit knowledge is not entirely protected. Explicit knowledge encompasses a simple resolution; however, organizational tacit knowledge is bounded to workers personal knowledge which resumes the trade-off between self-interest and versus knowledge sharing (Wang, 2004). A potential solution is to “draw a moral flexible rule” that acknowledges personal experiences as non-organizational property. Through this assumption knowledge workers will feel treated with fairness and dignity leading to a truly knowledge sharing environment;
 - acknowledge intellectual property rights- as previously referred Human Resources policies do not address this issue. Define a Solomonic decision, meaning to acknowledge workers intellectual property rights as for instance, offer a percentage over the market outcome of the product or service for a period of time which can be diminished if the worker leaves the organization. Bearing in mind the second example of professional experiences, the financial institution ought to reward the worker with a percentage of the market result during a year!;
 - create a knowledge sharing environment- despite the existing backgrounds and competences of knowledge workers, it is vital to be aware of the existing relationships in knowledge sharing amid “those who know” and the “know-notes” (Wang & Noe, 2010);
 - assume that knowledge workers values maybe contradictory to organizational values- organizational culture is “a spherical concept (metaphorical symbolism for perfect and constant), and therefore does not reproduces the existing challenges

that knowledge management enables” (Costa, Prior & Rogerson, 2010, pp. 84). Although, to recognize values diversity and knowledge workers autonomy will allow to enhance knowledge sharing (Berg, 2010), and ultimately a growing identification with the organization ethical values;

- actions versus discourse ethics- managers primary responsibilities inherent in the organizational ontology through discursive ethics resumes two assumptions: normative claims in order to be valid require a cognitive meaning and can be treated *like* claims to truth; the justification of norms involves a real discourse be carried out and thus cannot occur in a strictly monological form, i.e., in the form of a hypothetical process of argumentation occurring in the individual mind (Rhen, 2002).

As a final remark, the author reveals the following thought for managers: do not question the financial value of increasing compensations if knowledge workers demonstrate higher levels of productivity, because it would be a sign of a competitive organization as well as additional profits. Besides, the economic approach skews any changing attitude as regards to non-monetary compensation, which is sometimes far more important than the monetary one.

CONCLUSION

Changing traditional compensation systems enable several theoretical constraints namely “psychological and cultural”, however neglecting that possibility induces to a lack of organizational retention concerning knowledge workers. Knowledge workers have distinctive characteristics that require a novel approach to its rewarding as the empirical results clearly demonstrate, which top management continues to ignore. A potential justification for today’s organizational reality might

be the novelty of the topic, but clearly depicts the *status quo* of knowledge society and managers lack of moral reasoning. In fact, despite the introduction of ethics in business the truth is that managers still ignore it, or use it as a marketing tool (similar to corporate social responsibility) which will endanger organizational survival. The assumption for this resumes the lack of recognition about justice in knowledge creation and sharing, fair protection and retribution, fair compensation, and the recognition of human dignity and autonomy. As a final remark, the author argues that the conceptual framework also enables a positive and feasible response to the research questions; yet, is urgent to enhance the number of empirical studies and novel approaches to the topic.

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KEY TERMS AND DEFINITIONS

Compensation: something given or received as a counterpart for actions taken. Compensation systems in organizational systems assume two major dimensions: monetary and non-monetary.

Equity Theory: the perception of fairness in allocating resources within social and professional realities.

Fairness: inexistence of favouritism or bias, impartiality, or equity.

Human Resources Policies: formal rules and guiding principles that organizations need to encompass for hiring, training, evaluating, and rewarding its organizational members.

Knowledge Workers: everyone who works that needs to create, manage and share knowledge.