Literature Review: Social Exchange Theory Within a Collaborative Knowledge Culture

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**Introduction**

Personal and professional communication channels are becoming more networked and collaborative with continued advancements in social technology. Riggle’s meta-analyis (2009) confirms that jobs are changing as businesses confront the challenges of succeeding in a knowledge economy. Businesses today realize that they need to manage knowledge in a collaborative way. Huang, Davison and Gu (2008) affirm that knowledge work is key to business success. With the advancements in social collaborative communication technologies, much of this knowledge work will be done virtually. According to Johns and Gratton (2013, p. 67), experts project that within a few years, more than 1.3 billion people will work virtually. People today realize that career growth is directly linked to the business connections they make and the social networks that they involve themselves in professionally. These connections and networks are growing rapidly as our world becomes inter-connected virtually.

People develop connections and participate in networked exchanges. Social Exchange Theory asserts that individuals develop, maintain, and exit relationships based on their perceived costs and benefits (Baranik, Roling, & Eby, 2010, p. 367). Perceived organizational support and reciprocity are being redefined from an individual viewpoint to a networked team viewpoint. This literature review seeks to examine whether our present day knowledge economy has redefined social exchanges and perceptions of support within a business environment. Social Exchange Theory, Perceived Organizational Support, and the Norm of Reciprocity are considered within a collaborative knowledge culture with specific reference to work teams, mentoring and coaching, and collaborative mobile technologies.

**Definitions and Theories**

**Theories**

Social Exchange Theory (SET) views actions contingent on the rewarding reactions of others, which over time provide for mutually and rewarding transactions and relationships (Cropanzano & Mitchell, 2005, p. 890). Cropazano and Mitchell (2005, p. 874) acknowledge that although there are different views of Social Exchange, theorists agree that SET involves a series of interactions that generate obligations.

Perceived Organizational Support (POS) is the belief that employees have concerning the extent to which the organization values their contributions and cares about their well-being (Baranik, Roling & Eby, 2010; Eisenberger, Hutchison & Sowa, 1986, p. 501).

The Norm of Reciprocity (reciprocity) is defined by Gouldner (1960, p. 171) and assumes that people should help those who have helped them and should not injure those who have helped them. It is considered a universal concept.

**Definitions**

Work Teams, within this literature review, are generally defined as a group of people who collaboratively work together to achieve goals. It is worth investigating further specific types of teams, such as, traditional, self-directed, virtual, and communities of practice. It is worth noting that all teams today have some form of ‘virtuality’ to them as communication channels now include online and mobile avenues as well. For this reason, collaborative mobile technologies are considered in relation to social exchange.

**Social Exchange in Relation to Today’s Knowledge Economy**

**Knowledge Management**

Organizations today recognize a need to manage knowledge to ensure that what is learned is accessible to others. Knowledge that organizations can capture is known as tacit knowledge. Tacit knowledge is what a person comprehends and this understanding spreads through conversations (Macky, 2008). Work teams can then be seen as places where these conversations occur and, therefore, support the knowledge management process (McShane & von Glinow, 2009). These teams are being redefined as our world becomes more interconnected through social mobile communication technologies. This review investigates POS and reciprocity in relation to team dynamics within knowledge sharing communication. Today, collaborative technologies connect people together virtually in knowledge sharing activities and are changing the way people perceive support from the organization and influence how sharing is reciprocated within work team environments.

Knowledge can be viewed as a private or a public good. The view that one takes will affect one’s perception of POS and reciprocity in relation to knowledge sharing. Wasko and Faraj’s (2000) research confirms that knowledge can be viewed as an object that is independent of human actions. Knowledge can also be viewed as something that is embedded in people and exchanged through conversations with others. Both these views see knowledge as a private good and can be exchanged as any other commodity (Wasko & Faraj, 2000, p. 156). A third perspective is that knowledge is embedded in a community and is viewed as a public good. In this case, knowledge is a public commodity that only exists if group members contribute to the knowledge with the understanding that all people can use it (Wasko & Faraj, 2000, p. 156). O’Neill and Adya (2007, p. 412) question what it takes to shift attitudes from ‘what is in it for me’ to ‘what is in it for us’ which would need to happen if knowledge is viewed as a public good. Wasko and Faraj (2000) propose that organizations should develop electronic communities of practice and manage knowledge as a public good. This indicates a change in the traditional work environment and will influence social exchange within a knowledge economy.

**Corporate Culture**

Corporate culture is the value structure of an organization. Clampitt (2010, p. 73) attests that corporate cultures are constantly evolving as new challenges are encountered. The knowledge economy is challenging organizations to reshape their corporate cultures and to re-think and re-define how social exchange occurs and if perceived organizational support that encourages employees to participate is evolving as well. For example, collaborative communities encourage workers to apply their knowledge and their talents to group projects (Wenger, McDermott, & Snyder, 2002). The employee no longer perceives support solely from the organization but from team members, mentors and coaches. Macky (2008) encourages that organizational culture must promote and reward employees for contributing to the knowledge base (Macky, 2008). Corporate culture needs to evolve to include a new understanding of knowledge. Knowledge becomes more of a process rather than a product. When knowledge is viewed as a process within collaborative communities it will impact on individual, team and organizational performance.

**Re-examining SET, POS and Reciprocity**

Employees will become more connected and networked in the growing knowledge economy both personally and professionally. There are many factors affecting perceived support of professional social exchanges within a collaborative team culture that are still in need of further research. Cropanzano and Mitchell’s (2005) interdisciplinary review of the Social Exchange Theory believe that the SET framework is useful but that many important components have been overlooked or neglected (p.891). This review seeks to explore further areas of research that are needed to ensure that individual and organizational performance is maximized within collaborative team environments.

**Collaborative Social Exchanges**

**Work Teams**

Work teams involve social exchange. People identify with teams because people want to bond with others (Mcshane & vonGlinow, 2009). Alder, Hecksher, and Prusak (2011) suggest that collaborative communities share a set of values that emphasize working within a group rather than focusing on individual gain. Employees will belong to a work team but they will also have other professional networks and informal personal networks that they want to grow and strengthen. This suggests that reciprocity will occur because people want to further strengthen their groups and networks. It suggests that perceived support from the organization will occur when the organization creates environments where networks can flourish and assists employees to further develop and strengthen their networks.

Teams assist in organizational performance when they are sharing knowledge. Teams can have built in reciprocity that is defined by corporate culture. McShane and Von Glinow (2009) cite that in directed teams, rewards and bonuses are given to the whole team and not to individual members. This fosters a culture of individuals working hard so that team members will work hard (Flache, 2004). Interactions within a team environment are seen as interdependent on the actions of others. This increases the performance of individuals as a collective unit that in turn supports organizational performance.

**Mentoring and Coaching**

Employees can perceive that the organization values them when mentors or coaches assist them in job performance and network connections. Mentoring can be an integral part of corporate culture ensuring that the organization at the hiring stage supports the employee to develop and strengthen networked knowledge sharing relationships. Baranik, Roling and Eby (2010) suggest that mentoring support sets in motion a social exchange process. Their study was the first to test the relationship between the employee and their perception of the organization with respect to mentoring. It suggests that within a mentoring situation the employee will perceive that the organization is supporting them and that they will reciprocate this support within the networked corporate environment that exists.

A mentoring and coaching culture assures that feedback is given in a timely fashion. Hutchison and Garstka (1996) suggest that feedback motivates employees to increase their efforts to improve performance and shows that the organization is concerned about their contribution. POS is increased by the receipt of praise and approval (Eisenberger et al., 1986; Cho, Johanson, & Guchair, 2009). Therefore, it is important that a mentoring and coaching culture exists within a knowledge sharing team environment. Hutchison and Garstka (1996) go further to suggest that goal setting and feedback are linked and that this combination leads to improved performance (p. 1356). Regarding virtual mentoring, there is not much research. Further research is needed to investigate the role of goal setting and feedback within virtual social exchange environments in relation to how members perceive support and reciprocate that support through development of a social presence.

**Collaborative Mobile Technologies**

Advances in social communication technologies are making it easier for people to be more collaborative. Social mobile communication technologies are redefining work and personal spaces (Johns & Gratton, 2013). McShane and Von Glinow (2009, p. 159) estimate that more than 60% of employees in professions are members of a virtual team at some point during the year. These technologies are impacting team environments and work situations.

As knowledge is needed it is imperative that team environments are conducive to allowing knowledge to be easily available. Access to knowledge through social exchange is influenced by availability and usability of collaborative technologies (Cross, Prusak, & Boratti, 2001). If people can do their work easier and better because they are supported in using evolving collaborative technologies then employees will perceive that the organization cares. This suggests that organizations can support workers by ensuring that rich communication technologies are available and that a mentoring environment provides needed guidance in the successful application of these technologies.

**Conclusion**

Collaborative mobile social communication technologies are changing personal and professional environments within organizations, as well as, extending networks beyond the clear definitions of the organization. Alder, Hecksher and Prusak (2011, p. 101) state that we cannot downplay the undeniable challenges of building collaborative communities where knowledge is shared. These technologies are restructuring work places and redefining our social exchanges. They are creating virtual online environments where knowledge is contributed to as a public good and shared amongst members. They are creating networks that people belong to informally and tap into as part of their professional environment. This redefines traditional work teams and challenges organizations to evolve corporate cultures.

Organizational support and reciprocity are being redefined. Continued advances in mobile collaborative technologies challenges that reciprocity and knowledge sharing be examined in the context of communities of practice (Lave & Wagner, 1991; McLoughlin & Lee, 2008; Wang & Noe, 2010; Wenger, McDermott & Snyder, 2002). These informal groups go beyond the confines of traditional work teams set within a vertical management structure (Alder, Hecksher, & Prusak, 2011). Organizations are being challenged to support employees in a horizontal collaborative knowledge-sharing environment that continues to become more virtual.

This literature review gives evidence that our present day knowledge economy has redefined social exchanges and perceptions of support within a business environment. Cross, Prusak, and Boratti (2001) use social network analysis to assess informal networks among people, teams, and departments within an organization. It would be of benefit to extend this network analysis to include informal and professional networks that employees tap into as well. This is particularly necessary as teams become more geographically diverse. A commitment to further research is needed to better measure POS and determine reciprocity within informal and formal networks because rich social collaborative technologies will continue to evolve.

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