Chapter 5

Management of Group Knowledge and the Role of E–WOM for Business Organizations

Massimo Franco
University of Molise, Italy

Francesca Di Virgilio
University of Molise, Italy

Loredana Di Pietro
University of Molise, Italy

ABSTRACT

In recent years there is an increasing usage of on line technologies from a group and managerial point of view. As a consequence, the availability of user-generated contents is growing rapidly, due to the new and easy tools provided by these technologies, which enable group participation, group knowledge sharing, and connectivity among group members. This chapter introduces a conceptual model of group knowledge in business organizations. The most important result is the analytical framework to explore group knowledge investigating the influence of group variables and the role of E-WOM – Electronic Word Of Mouth. In the first section, the authors discuss the frame structure approach to the topic of group knowledge and describe the content and organization of knowledge extrapolated from published literature. Following that, they represent a theoretical model for explaining the group's dynamics to question the possible role of E-WOM. At the end, directions for future studies are suggested. The chapter presents three main objectives: (1) the contribution to the body of literature of organizational and group knowledge relevant for researchers; (2) the development of a conceptual approach of group knowledge; (3) the investigation of scientific inquiries regarding the role of E-WOM in relation to the conceptual approach. The approach introduces a new framework applicable both as a tool for enhancing the understanding of group knowledge and as a useful guide to future research on knowledge as a whole. The content discussed herein attempts to establish the building blocks toward the development of a theory of group knowledge.

INTRODUCTION

The term knowledge is used widely; there are a large number of definitions for this term with varying roots and backgrounds. This concept is reflected by a multitude of terms that all denote a particular piece or process in the scope of knowledge (Alavi & Leidner, 2001; Lehner & Maier, 2000; Stankosky & Baldanza, 2001; Franco & Mariano, 2010b). Examples are: ability, attribution, capability, competence, conviction, discovery, estimate, evidence, experience, explanation, findings, hunch, ideas, intelligence, interpretation, intuition, invention, know-how, observation, opinion, persuasion, proficiency, proof, sense making, skill, tradition, understanding, wisdom (Franco, DiVirgilio, DiPietro & Camillo, 2011). Thus, it is not surprising that so far none of the definitions of knowledge have succeeded in bringing all these concepts under one umbrella.

However, it is doubtful whether such an all-encompassing definition could still be operational and remain meaningful for all the different disciplines that deal with this concept in the sense that it could be used as a basis for subsequent studies (Franco et al., 2011).

According to Grover and Davenport (2001), many cycles of generation, codification and transfer are concurrently taking place in businesses. The knowledge process acts on information to create new information that allows greater possibilities in fulfilling old or possibly new organizational needs (Franco et al., 2011). This process is often discontinuous, where new needs and their fulfillment mechanisms could be created. Information is converted to knowledge once it is processed in the mind of individuals, and the knowledge becomes information once articulated and presented to others.

A significant implication of this view of knowledge is that progress in web-based technologies, as well as the increasing interest in social networking systems prompt industry to reconsider how workers understand and utilize information (Boyd &

Ellison, 2008; Di Pietro, Di Virgilio & Pantano, 2012; Franco, DiVirgilio & DiPietro, 2010). In response to growing demands for efficiency and flexibility, organizations are shifting to group-based structures (Franco, DiVirgilio & DiPietro, 2012). In recent years there has been an increasing usage of web 2.0 technologies (i.e. wikis, social networks, virtual communities, etc.) from a group and managerial point of view. As a consequence, the availability of user-generated contents is growing rapidly, due to the new and easy tools provided by these technologies (Corvello, Di Petrio & Pantano, 2012; Di Pietro & Pantano, 2012a). This phenomenon is emphasized by the success of the development of platforms for supporting the collaborative content creation that represents a meaningful example of users' accomplishment in knowledge sharing and participation to the creation of common knowledge. Those technologies must share the same knowledge framework (Di Pietro & Pantano, 2012b; Oluwafemi, Ogunseye, Adetiloye, Idowu & Adio, 2011; Vuori & Okkonen, 2012). Some cases are the technologies that support collaborative writing (e.g., wikis), content sharing (e.g., text, video, and images), social networking (e.g., Linked in, Facebook, Twitter), training (e.g. webinar) social bookmarking (e.g. ratings, tagging), and syndication (e.g., web feeds: RSS, Atom) (Dawson, 2008; Di Pietro & Pantano, 2012a, b).

Word-of-mouth (WOM) communication is generally known to play a considerable role in creating and sharing knowledge among organizational groups (Chevalier & Mayzlin, 2006; Sen & Lerman, 2007; Xia & Bechwati, 2008). Research has shown that WOM communication is more influential than communication through other sources such as suggestions and advertisements (Trusov, Bucklin & Pauwels, 2009) because it is perceived to provide comparatively reliable information (Gruen, Osmonbekov & Czaplewski, 2006). Consequently, this type of communication is considered as having a great persuasiveness through higher perceived credibility and trust-

Related Content

Software Development Life Cycles and Methodologies: Fixing the Old and Adopting the New
Sue Conger (2011). *International Journal of Information Technologies and Systems Approach (pp. 1-22).*
www.igi-global.com/article/software-development-life-cycles-methodologies/51365?camid=4v1a

Managing Knowledge in Organizational Memory Using Topic Maps
Les Miller, Sree Nilakanta, Yunan Song, Lei Zhu and Ming Hua (2009). *Building Organizational Memories: Will You Know What You Knew? (pp. 272-284).*
www.igi-global.com/chapter/managing-knowledge-organizational-memory-using/5998?camid=4v1a

Using Knowledge Management to Create Self-Reliant Communities in Thailand
Chalard Chantarasombat, Boonchom Srisa-ard, Matthew H.S. Kuofie and Murray E. Jennex (2010). *International Journal of Knowledge Management (pp. 62-78).*
www.igi-global.com/article/using-knowledge-management-create-self/39091?camid=4v1a

Do Organizational Memory and Information Technology Interact to Affect Organizational Information Needs and Provision?
Mohamed El Louadi and Imen Tounsi (2008). *International Journal of Knowledge Management (pp. 21-39).*
www.igi-global.com/article/organizational-memory-information-technology-interact/2736?camid=4v1a