Analyzing the Ethical Impact on Knowledge Management Approach of Organization

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Abstract

Purpose: Ethics is becoming popular field of study in era of knowledge economy. The ethical encounters while carrying out knowledge management initiatives, activities have been increasing these days. There is a wide scope of research in ethics and knowledge management as being a new area and there are diverse unexplored horizons in this field. The paper aims to create.

Design/methodology/approach: The literature review was carried out to examine the existing literature on ethics and knowledge management. The data was collected from sample size of 200 employees. Confirmatory factor analysis (CFA) was carried out to identify relevant factors for both variables. The structural equation modeling (SEM) was utilized to study the relationship amongst ethics and knowledge management.

Findings: Six factors under ethics and three factors under knowledge management have been identified. The variable ethics strongly effectuate knowledge management approach of organization.

Research Limitations/implications: The study explores six constructs in variable ethics and three construct in variable knowledge management on the basis of literature review. There might be more constructs under both variables which can be explored through carrying out extensive research.

Practical Implications: The proposed model can be adopted in organizations to create and develop ethical culture that fosters and facilitate knowledge management approach of an organization. Also the proposed model can be utilized for assessing the effectiveness of ethical framework on prevailing knowledge management approach of organizations.

Originality/Value: The model proposed and tested is a original model developed by the authors. It is a credible instrument to assess the ethical components that prevails in organization for nurturing knowledge management.

Keywords: Knowledge Management (KM), Knowledge Management strategy, Ethics, Knowledge creation

Paper type: Research paper

1. Introduction

In contemporary world, association of ethics and knowledge management demonstrates conglomeration of values, ethics, knowledge culture and technology contributing in success of organizations. The concepts such as ethics and knowledge management are widely researched now days but lack of the comprehensible linkages between two is still apparent. It is important to focus on these two areas as consumption and production system at the present time is based on intellectual capital. The economy where intellectual capital is more prominent in correspondence to other resources is referred to as knowledge economy. Knowledge economy is purposefully determined by the cultural attributes. In knowledge economy, most organizations are involved in knowledge management and they must learn to deal with ethical encounters for sustaining themselves with a clean image. Knowledge economy is driven by knowledge workers in respect to other resources for creation and management of knowledge. Thus ethics will play a more dominant role here in deciding the success of organizations in present and future. The organizations use creative and innovative methodologies to cater their customer base and to improve their quality and productivity but they somewhere compromise with moral values leading to declination in long term. With technological advancements and changing lifestyle, the ethical concerns are rising. The creation, acquisition, transfer , storage and use of knowledge is prominent in knowledge based economy but the ethicality in creation, dissemination, storage and application of knowledge is more substantial. The aim of this study is to develop a conceptual framework linking ethics and knowledge management approach and to statistically test the proposed framework to validate the proposed framework.

The study is organized as follows: initial section starts with the introduction followed with the research objectives and research questions. After that literature review section on ethics and KM which is followed by hypothesis formulation and proposing conceptual framework. The next section discusses research methodology and then detailed data analysis and interpretation. Then the study concludes with discussion, research limitations and avenues for future investigation.

2.   Research Objectives and Research Questions

The current research focuses on studying the part played by ethics in impacting knowledge management activities. The following research objectives are formulated to realize the above stated assertion.

1.   To study the ethical environment pertaining in organizations.
2.   To study the knowledge management approach in context to knowledge creation, knowledge storage, knowledge management tools and knowledge management strategies existing in organizations.
3.   To study the ethical impact on the Knowledge management approach of organizations.

On the basis of above stated objectives, the current study will address following research questions.

1.   What are the different ethical components that are given importance in organizations and contributes towards ethical culture?
2.   What all elements constitutes knowledge management approach of the organizations?
3.   Is the knowledge management approach of organizations positively related to ethical environment pertaining in organizations?

3. Literature Review

3.1 Ethics

Ethics can be referred to as code of conduct which guides action and activities of a individual in organization. The two schools of thoughts pertaining in field of ethics are teleological school of thought (Hume, 1750; Smith, 2002) and deontological school of thought (Kant, 1991). Teleological school of thought emphasizes on consequence of an action or activity and deontological school of thought emphasizes on action and activity itself as an indicator of ethics. One of the most traditional approach to ethics, states that it is not action or consequences of action which reflects ethics but it is the behavior of individual which appropriateltly reflects ethics (Aristotle's Nicomachean Ethics, 350BC). Ethics represents value system embedded in a group or organization as a whole (Peyman Akhavan, 2013). The ethical framework existing in a organizational set up should be adhered and respected by every employee of an organization as it provides a guideline to every employee individually as well as create a ethical climate for organization as a whole. There is a concept of ethical climate by Victor and Cullen (1964) which constituted nine elements for work climate. The ethical climate comprises of self interest, company profit, efficiency, friendship, team interest, social responsibility, personal morality, company rules and professional codes. The trust is one of the principal and prerequisite elements of organization to practice ethics. The organization involved in building ethical framework creates a trust worthy culture by being fair in their practices, by enriching bond of trust amongst employees and management, by sustaining morality in individuals through rewarding and appreciating them, by cultivating team building practices, being open and honest in their approaches (Peyman Akhavan, 2013). The four dimensions of ethical principles are Intellectual ownership and trusteeship, organizational value and justice, team working morale, commitment and responsibility (Peyman Akhavan, 2013). In path to be ethically responsible, the organizations should first undertake their corporate responsibilities. The corporate responsibility includes being answerable to all stake holders, to earn profit in order to sustain, following law professional codes, adhering to company rules and procedures. PRIMES model of ethics revolves around ethics of an individual and the surrounding ecology. PRIMES constitutes personality, individual morality, moral ecology and skills (Chuck Huff, 2010). There are various issues that cause a threat to existing ethical framework of an organization which includes socioeconomic issue, technical issue, legalistic issue and autonomy in knowledge sharing (Bryant, 2006, Frank Land et al., 2006). The organizations may store the expertise of individual for the fulfillment of retrenchment strategy. Also organization may utilize the employee's knowledge without properly rewarding them. The organization also mis-utilizes the employees and customer data as unethical practice. The unethical practices by employees constitute hoarding of knowledge, manipulation and misappropriation of data for personal and professional gain.

Table 1 – Ethics (Source: compiled by authors)

S.No.	Dimensions	Indicators/Areas	Sources
1	**Trust molding Culture**	Fairness	Akhaavan et al. (2006), Chong(2006), Foot and Hook (2008), Foss et al. (2010),
		Level of Trust	
		Teamwork	
		Openness	

		Personal morality	Xu et al.(2010), Kianto (2011), Andreeva and Kianto (2012), andFrost (2014), Eileen Bridges(2018)
		Honesty	
2	**Organizational value and ethical climate**	Team interest	Victor and Cullen's (1964), Hart SE(2005), Fan-chuan et al. (2008), Schulter J et al. (2008), Filipova (2009) ,Ritta Suhonen et al. (2015),Solaimani et al., 2019
		Friendship	
		Values	
		Self interest	
		Efficiency	
3	**Corporate Responsibility**	Company rules and procedures	Victor and Cullen's (1964), Omery et al.(1995), Shrar et al. (2003), Cooper et al.(2004), Shiery MR (2005), Hart SE(2005), Fan-chuan et al. (2008), Schulter J et al. (2008), Filipova (2009) ,Ritta Suhonen et al. (2015)
		Company profit	
		Law professional codes	
		Social Responsibility	
4	**Ethical issues**	Socioeconomic issues	Henson et al. Bryant (2006), Frank Land et al. (2006), Ritta Suhonen et al. (2015)
		Technical issues	
		Legalistic issues	
		Autonomy in knowledge sharing	
5	**PRIMES**	Personality	Chuck Huff (2010)
		Integration of morality	
		Moral ecology	
		Skills & knowledge	
6	**Individual Obstacles to ethical behavior**	Knowledge hoarding	Suzanne Zyngier et al. (2015)
		Manipulation	
		Misappropriation	
		Property & privacy right conflict	

3.2 Knowledge Management

KM refers to the process involved in acquiring, creating, sharing, transferring, disseminating, storing, using and applying knowledge (Crawford, 2005). The knowledge exists in many forms. The most important one are tacit and explicit. The knowledge that is difficult to store and which is present in form of ideas, views and experience is tacit knowledge. The knowledge which can be stored and is present in documented form is explicit knowledge. Tacit knowledge is intangible in nature whereas explic-it knowledge is tangible in nature. Knowledge can be created through knowledge conversions where tacit and explicit knowledge can be converted into each other. Knowledge conversion takes place through knowledge transformation cycle. The knowledge transformation cycle is a four phase transformational model, SECI model given by Nonaka and Takeuchi (1996). SECI model constitutes socialization, externalization, combination and internalization (Nonaka and Takeuchi 1996). Socialization refers to generation of new tacit knowledge through interactions where tacit knowledge is converted into tacit knowledge. Externalization refers to storage of tacit knowledge into explicit form and generating new explicit knowledge. Combination refers to conversion of existing explicit knowledge into new explicit knowledge. Internalization refers to understanding and assimilating of existing explicit knowledge and generating new tacit knowledge. The knowledge can be stored and managed in KM systems and repositories and knowledge bases. The knowledge management can be facilitated through KM tools: technological tools and collaborative tools, simplification of knowledge infrastructure and managing information overload (Votto.,et. al,2021, Malik, N.,2022). The KM strategy for initiating, implementing and executing KM systems in a organization includes well defined and clearly stated goals and objectives for KM, defining parameters for knowledge related success criteria, planning and implementing fully dedicated organization structure for KM, incentive and reward scheme for encouraging KM activities (Sinha et al., 2015, Kar. et. al, 2022, Gupta, S., et.al, 2022).

Table 2 – Knowledge Management (Source: compiled by authors)

S.No.	Dimensions	Indicators/Areas	Sources
1	**Knowledge Creation through SECI**	Socialization	Peyman Akhavan et al. (2013), Nonaka and Takeuchi (1996)
		Externalization	
		Combination	
		Internalization	
2	**Knowledge storage and KM Tools**	KM Systems	Andreeva and Kianto (2012), Filstad(2014) and Sinha et al. (2015),Votto.,et. al, (2021),Malik, N., (2022)
		Technological Tools and Collaborative Tools	
		Repositories and Knowledge bases	
		Managing information overload	
3	**KM Strategy**	Objectives and goals of KM	Mitchell and Boyle (2010) ,Xu et al. (2010) andAndreeva and Kianto (2011),Sinha et al. (2015), Kar. Et. al, (2022), Gupta, S., et.al, (2022).
		Knowledge related success criteria	
		Organization structure for KM	
		Knowledge sharing policies and activities	
		Incentives and reward systems for KM	

3.3 Ethics and Knowledge Management Linkages

The knowledge management approach of organization is facilitated and pragmatically effectuated by ethical environment prevailing in the organization. Knowledge management activities like knowledge creation is nurtured through ethical stance possessed by the employee, employee should have honest inclination towards knowledge creation along with moral intent for the same (Baskerville, R. and Dullipovici A.2006). Organizations should also provide a culture with trust, where knowledge would not be acquired without rewarding the creator (Bock, G.W. and Kim, Y.G.,2002). The organization

should be fair and just with the knowledge creator. The trust worthy environment should be created by the organizations. The organization should be open to the knowledge creation of the employees. There are various factors which contribute towards trust molding culture in organization for the knowledge creation (Da Costa, G.J.M., Prior, M. and Rogerson, S.2010). The trust molding culture is vital as knowledge is created through conversion cycle where knowledge is transformed and combined from tacit to explicit and vice versa(Chen,S. and Choi, C.2005). The moral intent of an individual and surrounding moral ecology is an important prerequisite which decides the participation of an individual in knowledge creation (Burchell,J. and Cook, J.,2008). When knowledge is created it is prone to manipulation, misappropriation, suppression, omission for personal and professional gain. Knowledge may also be hoarded depending on the prevailing organizational culture which is one of the major obstacles to knowledge creation (Delong, D.W. and Fahey, L. 2000).

Knowledge of the creator can permit storage when there is assurance that storage will not negatively effectuate the creators' existence in the organization. The existence of trust is imperative for performing knowledge storage in organizations. The KM tools can be appropriately used without misusing the technology, only in the culture built on the basis of trust amongst organization, employees and third party vendor. Knowledge stored by the organization can be a hidden agenda towards fulfilling downsizing strategy by the organization. The knowledge stored may be prone to unauthorized access and unauthorized use by the third party vendor and the organization. The knowledge stored may create property and privacy conflict at later stage amongst employee and employer.

The KM strategy focuses on top management's role, initiative and commitment towards accomplishing KM goals of organization. The employees believe in KM goals and objectives only when there is existence of trust amongst organization. Organization should reward and incentivized employees for accomplishing KM objectives. Also there should be a specific dedicated team and staff for knowledge management. The employees with pre-existing work profile should not be overloaded with accomplishment of KM objectives. The success of KM strategy may depend on fulfillment of corporate responsibility by organization as organization can pursue KM initiatives when they earn profit to sustain in business and are religiously following company rules, procedures and law professional codes.

4. Hypotheses formulation and conceptual framework

4.1 Research Hypothesis

The null hypothesis and corresponding alternate hypothesis were formulated to test and validate the relationship between six constructs of ethics with each three corresponding construct of knowledge management. The three hypotheses for each construct in ethics were formulated to test their impact on three constructs in knowledge management. Thus there were total 18 hypotheses testing the significant relationship between ethics and knowledge management constructs. The 19th hypothesis was formulated to study the impact of variable ethics as a whole on variable knowledge management as whole.

$H1_0$: Trust molding Culture does not have a significant impact on the Knowledge Creation through SECI

$H1_1$ Trust molding Culture does have a significant impact on the Knowledge Creation through SECI

$H2_0$: Trust molding Culture does not have a significant impact on the Knowledge storage and KM Tools

$H2_1$: Trust molding Culturedoes have a significant impact on the Knowledge storage and KM Tools

$H3_0$: Trust molding Culture does not have a significant impact on the KM Strategy

$H3_1$: Trust molding Culture does have a significant impact on the KM Strategy

$H4_0$Organizational value and ethical climate does not have a significant impact on the Knowledge Creation through SECI

$H4_1$: Organizational value and ethical climate does have a significant impact on the Knowledge Creation through SECI

$H5_0$: Organizational value and ethical climate does not have a significant impact on the Knowledge storage and KM Tools

$H5_1$: Organizational value and ethical climate does have a significant impact on the Knowledge storage and KM Tools

$H6_0$: Organizational value and ethical climate does not have a significant impact on the KM Strategy

$H6_1$: Organizational value and ethical climate does have a significant impact on the KM Strategy

$H7_0$: Corporate Responsibility does not have a significant impact on the Knowledge Creation through SECI

$H7_1$: Corporate Responsibility does have a significant impact on the Knowledge Creation through SECI

$H8_0$: Corporate Responsibility does not have a significant impact on the Knowledge storage and KM Tools

$H8_1$: Corporate Responsibility does have a significant impact on the Knowledge storage and KM Tools

$H9_0$: Corporate Responsibility does not have a significant impact on the KM Strategy

$H9_1$ Corporate Responsibility does have a significant impact on the KM Strategy

$H10_0$: Ethical issues does not have a significant impact on the Knowledge Creation through SECI

$H10_1$: Ethical issues does have a significant impact on the Knowledge Creation through SECI

$H11_0$: Ethical issues does not have a significant impact on the Knowledge storage and KM Tools

$H11_1$: Ethical issues does have a significant impact on the Knowledge storage and KM Tools

$H12_0$: Ethical issues does not have a significant impact on the KM Strategy

$H12_1$: Ethical issues does have a significant impact on the KM Strategy

$H13_0$:The PRIMES factors does not have a significant impact on the Knowledge Creation through SECI

$H13_1$:The PRIMES factors does have a significant impact on the Knowledge Creation through SECI

$H14_0$:The PRIMES factors does not have a significant impact on Knowledge storage and KM Tools

$H14_1$:The PRIMES factors does have a significant impact on the Knowledge storage and KM Tools

$H15_0$:The PRIMES factors does not have a significant impact on the KM Strategy

$H15_1$:The PRIMES factors does have a significant impact on the KM Strategy

$H16_0$: Individual Obstacles to ethical behavior does not have a significant impact on the Knowledge Creation through SECI

$H16_1$: Individual Obstacles to ethical behavior does have a significant impact on the Knowledge Creation through SECI

$H17_0$: Individual Obstacles to ethical behavior does not have a significant impact on the Knowledge storage and KM Tools

$H17_1$: Individual Obstacles to ethical behavior does have a significant impact on the Knowledge storage and KM Tools

$H18_0$: Individual Obstacles to ethical behavior does not have a significant impact on the KM Strategy

$H18_1$: Individual Obstacles to ethical behavior does have a significant impact on the KM Strategy

$H19_0$: Ethics does not have a significant impact on the knowledge management

$H19_1$: Ethics does have a significant impact on the knowledge management

This hypotheses was tested through a regression analysis.
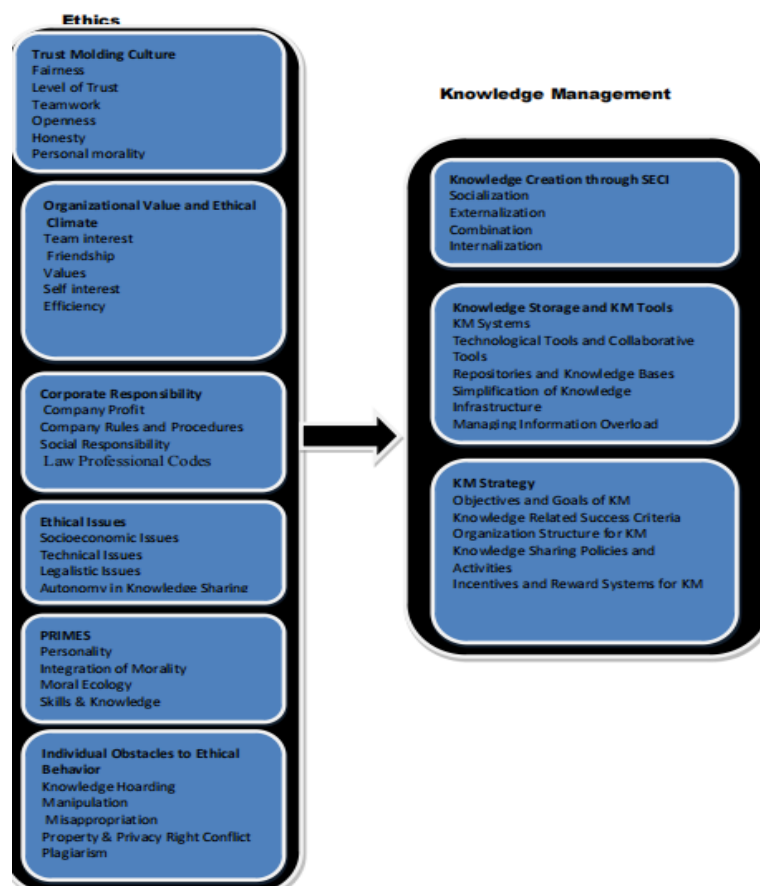
4.2   Conceptual Model

Figure 1 – Ethial framework for KM approach (Source: compiled by authors)

The proposed conceptual model has been developed to study the impact of ethics on knowledge management approach of organization. The ethics is independent variable and knowledge management is dependent variable under study. There are six constructs in ethics and three constructs in knowledge management explored from literature. The six constructs in variable ethics are trust molding Culture, organizational value and ethical climate, corporate responsibility, ethical issues, PRIMES and individual obstacles to ethical behavior. The three construct in knowledge management are knowledge creation through SECI, knowledge storage and KM tools, KM strategy. There are 6 items under construct trust molding Culture, 5 items under construct organizational value and ethical climate, 4 items under construct corporate responsibility, 4 items under construct ethical issues, 4 items under construct PRIMES and 4 items under construct individual obstacles to ethical behavior. There are 4 items under construct knowledge creation through SECI, 5 items under construct knowledge storage and KM Tools and 5 items under construct KM Strategy. Trust molding Culture constitutes items: fairness, level of trust, teamwork, openness, honesty and personal morality. Organizational value and ethical climate constitutes items: team interest, friendship, values, self interest and efficiency. Corporate responsibility constitutes items: company profit, company rules and procedures, social responsibility and law professional codes. Ethical issues constitute items: socioeconomic issues, technical issues, legalistic issues and autonomy in knowledge sharing. PRIMES constitute items: personality, integration of morality, moral ecology and skills & knowledge. Individual Obstacles to ethical behavior constitutes items knowledge hoarding, manipulation, misappropriation and property & privacy right conflict. Knowledge creation through SECI constitutes items: Socialization, externalization, combination and internalization. Knowledge storage and KM tools constitutes items KM systems, technological tools and collaborative tools, repositories and knowledge bases, simplification of knowledge infrastructure and managing information overload. KM Strategy constitutes items: objectives and goals of KM, knowledge related success criteria, organization structure for KM, knowledge sharing policies and activities and Incentives and reward systems for KM.

5. Research Methodology

5.1 Study Design

To accomplish the objectives of the study and to answer all the research questions, primary data collection method was adopted. The data collection was facilitated through self developed questionnaire and administered to employees. The different items under ethics and knowledge management were identified through literature review in past sections. An confirmatory factor analysis(CFA) was done to reduce the number of items and to create the factors for both variables. Prior to CFA, reliability analysis was done by measuring cronbach's alpha. The factor loadings provided by CFA confirmed and reconfirmed the grouping provided by the literature. Later structural equation modeling was utilized by using AMOS software to test relationship between ethics and knowledge management by developing and testing preliminary model and measurement model. Later hypothesis were tested to validate the model for practical implications.

5.2 Research Instrument

The research instrument utilized for current research is questionnaire which constitutes three sections including section A for demographic details, section B for ethics and section C for knowledge management. The research instrument for section B and section C was developed on 7 point likert's scale. The section A comprised of 4 questions on demographic details which constituted two dichotomous and two multiple choice questions. Section B comprised of 27 statements on ethics whereas section C comprised of 14 statements on knowledge management which covered six constructs of ethics and 3 constructs of knowledge management. These 41 statements were approved by panel of experts from field of ethics, human resource management and knowledge management.

5.3 Participants

The non probability based convenience sampling method was adopted to collect the primary data from respondents. The questionnaire was shared with 210 respondents. There were 200 responses that were received back from the respondents. The respondents were employees who belonged to different age groups, working in organization at different positions placed in different department, with different years of experience in present organizations. The respondents were assured about confidentiality of their personal and demographic details.

6. Data Analysis and Interpretation

6.1 Reliability statistics

The study resulted in following reliability statistics. The reliability is measured by Cronbach's alpha. The Cronbach alpha measured ranged from 0.601 to 0.832 for all items under variable ethics and knowledge management All the cronbach alpha values are more than 0.6 which is considered good. Thus all the items under variable ethics and knowledge management are reliable and can be considered for further analysis..

Table 3: Reliability Analysis

Variables	Cronbach's alpha (α)
Trust molding Culture	0.709
Organizational value and ethical climate	0.684
Corporate Responsibility	0.648
Ethical Issues	0.601
Primes	0.702
Individual Obstacles to ethical behavior	0.679
Knowledge Creation through SECI	0.633
Knowledge storage and KM Tools	0.644
KM Strategy	0.832

6.2 Demographic Analysis

Table 4: Demographic Analysis

		Count	Column Valid N %
1. What is your gender?	Male	141	70.5%
	Female	59	29.5%
2. Which age - group do you belong to?	25-35 years	39	19.5%
	36-45 years	60	30%
	46-55 years	48	24%
	56 years and above	53	26.5%
3. How many years of tenure have you completed in this organization?	0-1 year	25	12.5%
	2-3 years	40	20.0%
	4-5 years	50	25%
	6-7 years	63	31.5%
	8 years and above	22	11.0%

4. What is your designation?	Executive	90	45.0%
	Managerial	84	42%
	Senior	26	13.0%

From the above demographic data presented in tabular form, it can be reported that 70.5% of sample size are males and 29.5% are females. The participants were further asked regarding their age-group. It was explored that 26.5% of the sample size belonged to the age group of 56 years and above. 24% of the sample size belonged to the age group of 46-55 years. Majority of the sample size belonged to the age groups of 36-45 years that is 30% whereas 19.5% of sample size contributed to the age group of 25-35 years. In regard to tenure with the organization, 57.5% of sample size contributed to experience of 5 years or less whereas 42.5% of sample size contributed to experience of 5 years and above.

Lastly, in the demographic section the sample was asked about their designation in the organization. In this response , 45% of sample size communicated that they are at executive level whereas 42% and 13% of sample size communicated that they are at managerial and senior managerial level.

6.3 Factor analysis

The objective of this statistical test was to identify latent variables through the observed variables as through this test all items under main construct and sub construct are forced to create a single factor during factor analysis for this particular research. Factor analysis performs data reduction technique that explains correlation between observed variables. Factor analysis was performed through Principal Component Analysis and Varimax with the Kaiser Normalization rotation method and the rotation was converged into 8 iterations. The factor loading ranged from 0.401 to 0.791 indicating factor loading of more than 0.4 which fulfills the basic criteria of minimum value for factor loadings. This criterion allowed for further statistical analysis.

6.4 Preliminary model

Confirmatory factor analysis was carried out through the following path diagram for preliminary model
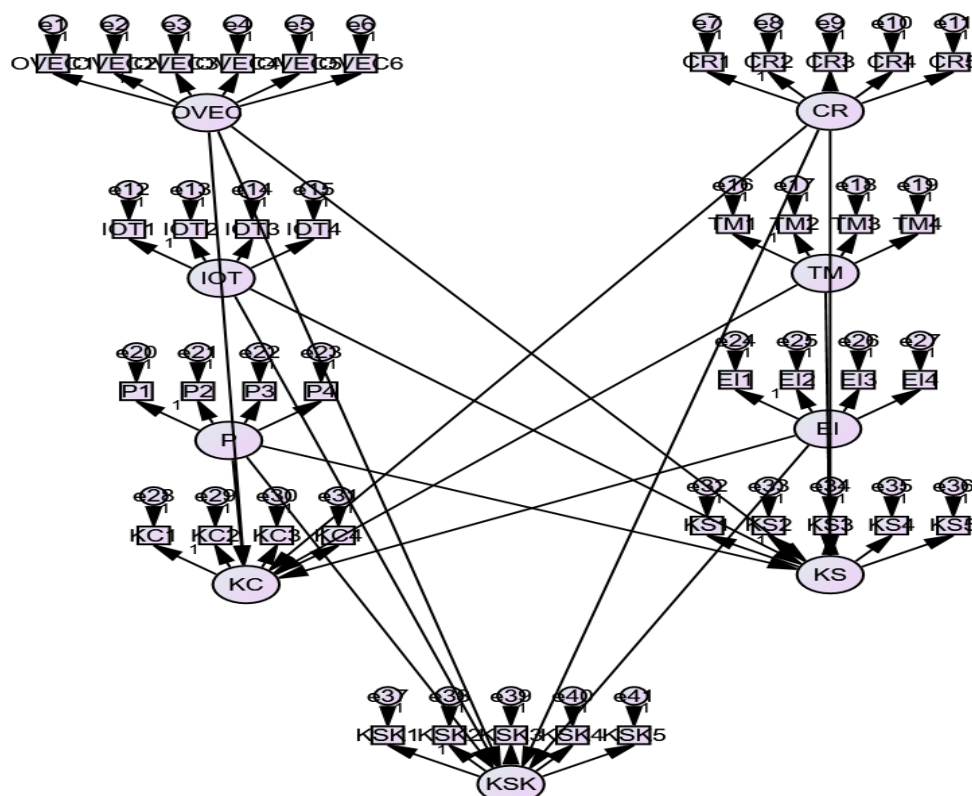

Figure 2: Path Diagram for Preliminary model

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The preliminary model is explained through the values of different model fit indices. The different values reported include chi-square whose value as 1290.393, DF as 696 and the CMIN/DF as 1.850. The indices reflect that model is a good fit as CMIN/DF should be </=2.00 for a good fit. Whereas CFI and NFI values near or more than 0.9 indicate good fit, the value for CFI and NFI obtained here are 0.828 and 0.842 which indicates a good fit. The RMSEA value also reflect good fit as per criteria, value less than 0.10 reflects good fit and value obtained is 0.051. The good fit defines proposed model is feasible

Table 5: Model fit indices for Preliminary Model

	Model fit	Desired score
Chi-Square	1290.393	NA
Degrees of Freedom	696	NA
CMIN/DF	1.850	</=2.00 for good fit and 2.00 – 5.00 for moderate fit.
CFI	0.828	Close to or more than 0.90 for good fit
RMSEA	0.051	</=0.10 reflects good fit
NFI	0.842	Value close to 0.90 reflects a good fit

6.5   Validity

The model was validated through, Confirmatory Factor Analysis (CFA) which delivered a measurement model for current sample. CFA was carried out through principal component analysis for data reduction and varimax rotation for ensuring unidimensionality. All the items had a factor loading value of at least 0.4 fulfilling the basic criteria of minimum factor loadings. Discriminant and convergent validity were utilized for data analysis and data validation. Convergent validity is tested through significant p value of factor loadings of latent components being less than 0.001. The convergent validity was confirmed by this test. Discriminant validity is tested through correlation matrix, the result revealed that most of constructs had less than 0.85 of correlation coefficient.
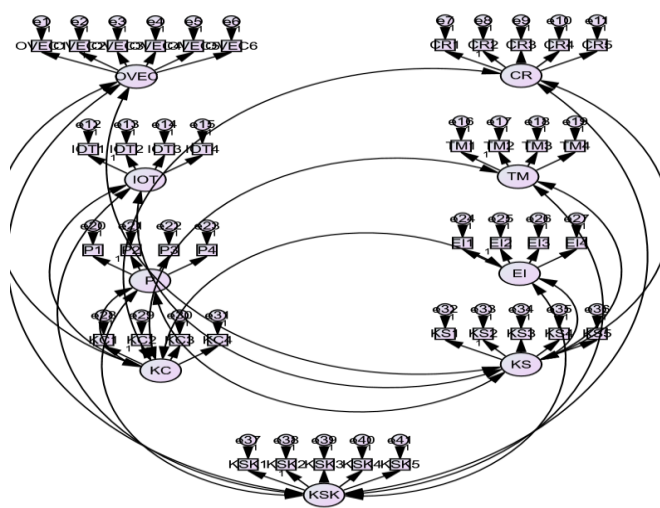
6.6   Measurement model

Figure 3: Path Diagram for Measurement model

Confirmatory Factor Analysis

The CFA was carried out by using AMOS and model was assessed using model fit indices : Chi Square statistic, Degrees of Freedom (DF), CMIN/DF, CFI and RMSEA.

The measurement model is explained through the values of different model fit indices. The different values reported include chi-square whose value as 1328.248, DF as 691 and the CMIN/DF as 1.922. The indices reflect that model is a good fit as CMIN/DF should be $</=2.00$ for a good fit. Whereas CFI and NFI values near or more than 0.9 indicate good fit, the value for CFI and NFI obtained here are 0.785 and 0.693 which indicates a good fit. The RMSEA value also reflect good fit as per criteria, value less than 0.10 reflects good fit and value obtained is 0.066. The good fit defines proposed model is feasible

Table 6 : Model fit indices

	Model fit	**Desired score**
Chi-Square	1328.248	NA
Degrees of Freedom	691	NA
CMIN/DF	1.922	$</=2.00$ for good fit and 2.00 – 5.00 for moderate fit.
CFI	0.785	Close to or more than 0.90 for good fit
RMSEA	0.066	$</=0.10$ reflects good fit
NFI	0.693	Value close to 0.90 reflects a good fit

6.7   Hypotheses Testing

Hypothesis testing contributes to depict the validity and reliability of findings. Hypothesis testing signifies statistical significance of data from the sample. It contributes in making relevant decisions related to population. The covariance table was computed in process of hypothesis testing. The result of hypothesis testing is displayed in table No 7.

Table 7: Hypothesis Testing

Hypothesis	**Beta coefficient**	**P– Value**	**Result**	**Hypothesis Status**
H1	-0.071	0.118>0.05	Trust molding Culture have no direct influence on Knowledge Creation through SECI	Null hypothesis accepted

H2	-0.068	0.025<0.05	Trust molding Culture have a significant impact on the Knowledge storage and KM Tools	Alternate hypothesis accepted
H3	0.248	0.000<0.05	Trust molding Culture have a significant impact on the KM Strategy	Alternate hypothesis accepted
H4	0.044	0.283>0.05	Organizational value and ethical climate doesn't have a direct impact on Knowledge Creation through SECI	Null hypothesis accepted
H5	0.203	0.000<0.05	Organizational value and ethical climate have a significant impact on the Knowledge storage and KM Tools	Alternate hypothesis accepted
H6	-0.433	0.000<0.05	Organizational value and ethical climate have a significant impact on the KM Strategy	Alternate hypothesis accepted
H7	0.086	0.126>0.05	Corporate Responsibility doesn't have a direct impact on Knowledge Creation through SECI	Null hypothesis accepted
H8	0.001	0.964>0.05	Corporate Responsibility doesn't have a direct impact on the Knowledge storage and KM Tools	Null hypothesis accepted
H9	0.191	0.007<0.05	Corporate Responsibility have a significant impact on the KM Strategy	Alternate hypothesis accepted
H10	0.05	0.261>0.05	Ethical issues doesn't have a direct impact on the Knowledge Creation through SECI	Null hypothesis accepted
H11	0.003	0.133>0.05	Ethical issues doesn't have a direct impact on the Knowledge storage and KM Tools	Null hypothesis accepted
H12	0.368	0.000<0.05	Ethical issues have a significant impact on the KM Strategy	Alternate hypothesis accepted
H13	0.078	0.094>0.05	PRIMES doesn't have a direct impact on the Knowledge Creation through SECI	Null hypothesis accepted
H14	0.058	0.043<0.05	PRIMES factors have a significant impact on the Knowledge storage and KM Tools	Alternate hypothesis accepted
H15	0.159	0.007<0.05	PRIMES factors have a significant impact on the KM Strategy	Alternate hypothesis accepted
H16	0.187	0.001<0.05	Individual Obstacles to ethical behavior	Alternate hypothesis

			have a significant impact on the Knowledge Creation through SECI	accepted
H17	0.026	0.153>0.05	Individual Obstacles to ethical behavior doesn't have a direct impact on the Knowledge storage and KM Tools	Null hypothesis accepted
H18	0.062	0.119>0.05	Individual Obstacles to ethical behaviors does not have a direct impact on the KM Strategy	Null hypothesis accepted
H19	0.574	0.000<0.05	Ethics does have a significant impact on the knowledge management	Alternate hypothesis accepted

7. Conclusion and discussion

The objective of the study is to explore the ethical environment prevailing in the organization as well as to study knowledge management approach pertaining to the organization. Later the study explores the linkages between ethics and knowledge management. The study identifies six constructs under variable ethics reflecting the prevailing ethical environment in the organizations. The study identifies three constructs under variable knowledge management reflecting pertaining KM approach in the organization. The six Constructs in Ethics includes: C1: trust molding Culture, C2: organizational value and ethical climate, C3: corporate responsibility, C4: ethical issues, C:5 PRIMES and C6: individual obstacles to ethical behavior. The three construct in knowledge management are C7: knowledge creation through SECI, C8: knowledge storage and KM tools, C9: KM strategy.

The constructs trust molding culture, organizational value and ethical climate, corporate responsibility, ethical issues, PRIMES do not have any impact on knowledge creation through SECI. Individual obstacles to ethical behavior impacts knowledge creation through SECI. The constructs trust molding culture, organizational value and ethical climate, PRIMES, have impact on knowledge storage and KM tools. Corporate responsibility, Individual obstacles to ethical behavior and ethical issues does not have any impact knowledge storage and KM tools. The constructs trust molding culture, organizational value and ethical climate, Corporate responsibility, ethical issues, PRIMES, have impact on KM strategy. Individual obstacles to ethical behavior do not have any impact on KM strategy. The testing of last hypothesis concluded ethics have a significant impact on KM approach of the organization.

8. Research Implications and Limitations

The current research may add significant contributions to literature in the field of ethics and knowledge management. The current research may open new horizons in the domain of organization behavior through studying ethical behavior in KM organizations. The research may lead to ethical conceptualization of KM approach in organizations. The conceptual model can be tested on larger sample size and larger number of organizations for better validation of results and more significant contribution in the industry. The ethics should be taught in KM related courses and ethical principles should be practiced while initiating, planning, implementing and executing KM Objectives. Practicing managers should adopt this ethical framework for better results from knowledge management initiative and strategies. Managers can assess the efficiency of their KM systems by adopting and utilizing this framework in congruence to ethical framework pertaining in the organizational set up. The model can be further elaborated by inculcating more constructs on ethics and knowledge management, which can be further tested. The findings of this study would help researchers to understand the linkages between ethics and knowledge management.

The study explores six constructs in variable ethics and three construct in variable knowledge management on the basis of literature review. There might be more constructs under both variables which can be explored through carrying out extensive research. The research is limited to a small sample size and less number of organizations. The research is also limited to a specific geographical area. The study is not inclined towards a particular industry or profession, it is a general study for all industries and professions.

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