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**THE CRITICAL ISSUES OF KNOWLEDGE
MANAGEMENT AND SHARING ACROSS
SERVICE AGENCIES.**



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Abstract

Purpose: Government agencies are mainly known as knowledge-intensive organizations. In order to exploit effective knowledge sharing, they have to develop practical knowledge sharing implementation approaches. Nevertheless, strong demand and expectation from citizens for efficient service delivery, coupled with global challenges in the knowledge-based economy have fuelled the need for government agencies to consider the effective implementation of knowledge sharing as a strategy to improve service delivery. Effective knowledge-sharing initiatives have the potential to benefit government agencies in view of their role. This paper aims to identify the core issues in knowledge-sharing initiatives that government agencies face in delivering effective policies, particularly in their role and influence in the construction industry.

Results: Based on a critical review of literature on knowledge sharing in government agencies, dysfunctional bureaucracies, training, utilization of information technology, and adaptation to culture were identified as key issues.

Unique contribution to theory, practice and policy: It is recommended that a balanced approach and support to these issues and challenges in implementing knowledge sharing initiatives are duly considered together with attention given to effective leadership, strategic alignments, capability, and capacity building among teams.

Keywords: *Knowledge, Knowledge Management, Knowledge Sharing, Service Agencies.*

1.0 INTRODUCTION

Kenyan government agencies are mainly known as knowledge-int organizations. The idea of the importance of knowledge management was first raised in 1991 by the former Prime Minister of Malaysia, the Honourable Tun Dr Mahadir Mohamed. He highlighted the need to transform the economy toward a knowledge base economy (Mohamed, 1991). In the ‘Vision 2020’ (Wawasan 2020) speech by Prime Minister of Malaysia, he noted that: “In our pursuit towards developing the Keconomy, knowledge has to replace labour and capital as the key factors of production in our economy. The challenge for Malaysia is to develop this knowledge amongst our citizens so that our success will be due to the contributions of Kenyan talents and knowledge workers” (Mohamed 2001). In the context of Kenyan government agencies, Kenyan Administrative and Modernisation Planning Unit (MAMPU) have been given the remit to supervise the implementation of knowledge management initiatives. In order to exploit

effective knowledge sharing, Kenyan government agencies have to develop knowledge sharing strategies on implementation approaches. A study conducted by Syed-Ikhsan and Rowland (2004) examined the availability of knowledge management strategy in Ministry of Entrepreneur Development. The study revealed that, currently, the Ministry does not have any specific knowledge management strategy. However, it showed that some form of knowledge management process was available and embedded. Effective knowledge sharing initiatives have the potential to benefit government agencies in view of their role. However, many researchers have attempted to address the benefits and the significant role that knowledge plays in private sector organisations; for example enhancing and improving organisational performance (Skyrme, 2003) and for enhanced employee capability and organisation learning Wiig (1999). Although knowledge management has been widely discussed by many researchers, there is relatively little information and empirical studies on knowledge sharing initiatives in the government agencies. Examples of studies done in public administration include effect of organisational factors and performance of knowledge management (Monavvarian and Kasaei, 2007), benchmarking of knowledge management (Syed-Ikhsan and Rowland, 2004a), benchmarking competence through knowledge management capability (Al-Athari and Zairi, 2001), knowledge management initiatives (Shields et al., 2000), organizational factors and the performance of knowledge transfer (Syed-Ikhsan and Rowland, 2004b) and impact of knowledge management practices, on decision making and situation handling (Wiig, 2002). Many knowledge management systems have failed to facilitate knowledge sharing. Many government agencies have also been slow to embrace knowledge management; at the same time, it would seem that government agencies in Malaysia do not fully understand how to achieve the benefits that knowledge management could deliver. The purpose of this paper is to identify the core issues in knowledge sharing initiatives that government agencies face in delivering effective policies, particularly in their role and influence in the construction industry.

Objectives of the Study

The main aim of the study was to assess critical issues of knowledge management and sharing across service agencies in Kenya.

LITERATURE REVIEW

Theoretical Review

Human Capital Theory.

In the customer-centric age, customer relationship management and customer knowledge management are among the most important issues for organizations. They both emphasize how to integrate and distribute resources to improve organizational performance and increase competitive advantage. Proper understanding of customer's needs is a result of customer knowledge management, which ultimately plays a key role in building customer relationships. When knowledge is freely disseminated and distributed in an organization, its potential values emerge. If knowledge is properly used in an organization and new knowledge is vastly created,

it not only increases productivity but also promotes creativity. In today's information society, human capital has assumed more importance than economic capital.

Human capital is the ability of an organization to create value through the use of experience, learning, skills, training, and creativity of its employees. How team members use their limited human and psychological capital to make social knowledge effective is an important factor in improving the performance and knowledge sharing of an organization's employees [48]. Human capital is defined as the knowledge, skills, and abilities that indigenous people acquire through investment in education and other types of experiences [49]. The theory of human capital states that people with higher levels of knowledge, training, and other skills perform better than others. From the perspective of organizational psychology, human capital is described as a distinctive and valuable resource that others cannot easily copy or replace. Human capital is measured with elements such as managerial experience, work experience, level of education, and training [50]. Knowledge management is needed as an important resource for the implementation of human capital to improve innovation.

Investigating the relationship between knowledge management and the intellectual capital of the organization is a research topic whose results show a significantly positive relationship between these two variables, both of which have a significant impact on improving organizational performance. Another study that indicates the positive impact of knowledge management on human capital and organizational performance through the mediating effect of learning culture defines learning culture as a combination of organizational culture and organizational learning and training. Knowledge management processes influence organizational performance directly and indirectly through innovation and intellectual capital.

2.1 Dysfunctional bureaucracies

The structure of an organization is an important aspect of any organisation. Every organisation has rules, procedure or standard about how they manage their organisations. These direct the behaviour of their employees. As in any government agency, the main tasks of the Kenyan Government agencies are to implement successfully all of the ruling government's policies and projects. In addition, they ensure quality of services provided and that products produced are always consistent and satisfy customer's requirements. The government have tried improving the delivering system and output. There are still raised issues regarding the dysfunctional bureaucracies and problem with so-called red tape.

Instead of these strategies, the Kenyan government has recently reformed several agencies with the view to improving quality, productivity, accountability and integrity among public servants. Public Complain Bureau in Malaysia deals with minor complaints, such as delays in processing applications, unfriendly counter service and lack of enforcement. The Public Accounts Committee, the Committee on Government Business, the Malaysia Anti-Corruption Commission and the office of the Auditor-General serve to enforce accountability and integrity among public officials. The former Prime Minister, Tun Abdullah Badawi on his speech insists that “.....various parties set aside red tape to ensure that development is planned through the program.....” (Utusan Malaysia, 2007). The above transformation efforts undertaken by the

government to improve Kenyan government agencies can only achieve their goals with a parallel effort to equip public service personnel with the necessary knowledge, attitudes, skills and capacity building. According to Hawkins (1980), capacity building is a concept that encompasses a broad range of activities that are aimed at increasing the ability of citizen and government to produce more responsive and efficient public goods and services.

2.2 Training

In order to ensure government servants are equipped with the necessary knowledge and skill, Kenyan government agencies have given particular attention to workplace training to improve employees' job performance and develop capacity building among their employees. Training is one of the most significant vehicles for transformation and change. It is an essential element of the development process for organisation. Salleh and Goh (2002) insisted that if a company wants to become a truly knowledge-based organisation, it must start with quality training. This is true because in virtually every market, customers are demanding high quality, lower costs and faster cycle times. To meet these requirements, organisations must continually improve their overall organisational performance. Rapid advances and technology and improved processes have been important factors helping management meet their challenges. Training provides employees and managers the skills and information to fulfil their responsibilities. According to Wiig (1999), one of the benefits of adopting KM in an organisation is to enhance employee capability and organisation learning. Benninger (1987) divided into four types of training such as on-the job learning training there are introductory, adaptation, promotion and project training. The success of training program initiatives depends partly on the extent to which trainees use their training on the job and the transfer of training to an individual's job performance. Over the years, researchers have acknowledged the important of training in order to improve job performance (Noe, 2006; Goldstein, 1992). The transfer of training will occur when trainees have the desire or motivation to use the knowledge and skill learned in their training. Organisations are realising that their competitive edge is mostly the brainpower or intellectual capital of their employees and management. The Kenyan government's efforts to develop successful employees have so far followed the prevailing trend in management development endeavours, in providing training and educational opportunities through formal learning approaches. Report on Eight Malaysia Plan period, 2001-2005 indicates that the government have allocated RM 40.2 billion in expenditure to education and training program (Government of Malaysia, 2001). Besides that, it was also aimed at developing the adaptive skills of government agencies employees (Siddiquee, 2002).

2.3 Utilisations of information technology

Many organisations, especially in government agencies are striving to increase knowledge sharing among their employees by creating or developing knowledge repositories where they can contribute their expertise electronically to the organisation in a way that can be accessed by other employees. Technology is a key enabler in implementing a successful knowledge management program and strategy. In addition, Bhatt (2001) stated that information technology can provide an edge in harvesting knowledge. Kankanhalli et al., (2003) added that the main

role of information technology here is to help people locate each other, communicate, facilitate and to achieve complex knowledge transfer and economic reuse of knowledge. Some organisations are adopting and implementing technologies in their daily operations as a part of their organisational strategy. In addition, information technology have made it easier to acquire, store or disseminate knowledge between organisation or inter-organisations, therefore many organizations are employing information technology to facilitate sharing and integration of knowledge. Storck & Hill, (2000) added that information technology has helped organizations to manage and leverage its knowledge systematically and actively. Hence, the complexity of knowledge management initiative and then variety of information technology solutions available on market, have challenged the management to decide what type of information technology solution to deploy in support of their knowledge management initiative. Khandelwal and Gottschalk (2003) pointed out that the application of information technology to the support of knowledge management apparently influences the results of knowledge collaboration within the organisation. Similarly, Kululanga and Mc Caffer (2001) identified the important of organisation should support knowledge management process by appropriate technology for their employees. Conversely, if technologies are not managed properly in organisations, they may cause information overload. Successful information technology also requires employee's competence and personal capabilities to use the system. In fact, knowledge workers are the core intellectual competence of many organisation, they are expertise and know how to optimise the system that related to information system. Carneiro (2001) identify employee has become one of the most important fields in understanding organisation's performance. Since we know information technology as assistance to organisation to organise works, allow people to share knowledge, connect people-to-people and information but Carneiro (2001) identified that most of the organisation do not know how to manage and use effectively intelligent system, technology resources and intelligent agent. He added that managers have to understand and accept the growing field in knowledge management with particular emphasis on knowledge- base system. Another seems that management done that they need a complete information technology infrastructure before they can expect their employees to share knowledge As a matter of fact, Davenport et al. (1998) points out two most critical factors for the successful knowledge management project, one is the establishment of a broad information systems infrastructure based on desktop computing and communications.. By understanding organisation infrastructure, it will help the managers in picking the appropriate technology. And the management should not simply focus on how to use information technology, but how to help develop an organisational environment and culture.

2.4 Importance of culture to knowledge sharing

McDermott and O'Dell (2001) stated that organisational culture is a key component of managing organisational change and renewal. Inappropriate culture is generally regarded as the key inhibitor of effective knowledge sharing. It is very difficult to change the culture of an organisation. However organisations have to move towards a knowledge-oriented culture and all members in the organisation have to know clear organisational vision and goals. With clear

vision and goals, these allow employees know their way to challenge and share knowledge throughout the organisation. Obviously, confidence, motivation and trust are needed to encourage knowledge sharing practice in the organisation. In order to develop trust within organisation, management have to form an organisation's social interaction culture. Its permits an opportunity for individual to interact and be closely familiarised with each other and hence develop the degree of trust among team members. According to Cohen and Prusak (2001), high level of employees trust can lead to better knowledge sharing. Schein (1985) defined culture as a "pattern of basic assumptions" that is developed by a group as they grapple with and develop solutions to everyday problems. When these assumptions work well enough to be considered valid, they are taught to new members as the appropriate way to approach these problems. Schein further added that a key part of every culture is a set of assumptions about how to determine or discover what is real and "how members of a group take an action, how they determine what is relevant information, and when they have enough of it, to determine whether to act and what to do". Culture is therefore reflected in the values, norms, and practices of the organization, where values are manifested in norms that in turn shape specific practices (De Long & Fahey, 2000). Organisational values that influence knowledge sharing include the creation of a sense of involvement and contribution among employees (O'Dell & Grayson, 1998), the types of knowledge that are valued (Leonard-Barton, 1995), and knowledge-related values such as trust and openness (Eisenberg & Riley, 2001). Companies that successfully implement knowledge management do not try to change their culture to fit their knowledge management approach but they build their knowledge management approach to fit their culture (McDermott and O'Dell 2001). As a result, there is not one right way to get people to share, but many different ways depending on the values and style of the organisation. De Long and Fahey (2000), pointed out that the impact of culture on the context for social interaction can be assessed along three dimensions—vertical interactions (interactions with senior management), horizontal interactions (interactions with individuals at the same level in the organization), and special behaviors that promote knowledge sharing and use, for example sharing, teaching, and dealing with mistakes. Furthermore De Long & Fahey, (2000) mentioned that organisation's culture also shapes the perceptions and behaviours of its employees. Cultures are not homogenous across an organization (McDermott & O'Dell, 2001). Within organisations, there are also subcultures that are characterised by a distinct set of values, norms and practices, often resulting in their members valuing knowledge differently from other groups within the same organisation (Pentland, 1995). Subcultures and their influence on knowledge sharing add even more complexity to determining those practices and norms that create the right environment to facilitate the sharing of knowledge. In addition, leadership value is also associated with knowledge sharing initiatives in government agencies in Malaysia

2.5 Leadership value

Leadership has been identified as one of the critical success factor in implementing knowledge sharing initiatives in organisations (Kalling, 2003; Moffett et al., 2003; Pemberton et al., 2002). According to Rodsutti and Swierczek, (2002) leaders are needed to challenge the status quo, to create visions of the future, and to inspire organizational members to achieve the visions.

Leaders are important in acting as role models to show the desired behaviours for KM. For example they should show a willingness to share and offer their knowledge freely with others in the organisation, to continuously learn, and to search for new knowledge and ideas (Wong, 2005). Therefore, establishing the good role model of leadership, the organisation is developing a model to help accelerate organisation growth and development. In knowledge sharing, the role of leaders changes from that of control to facilitation and mentoring. The most effective ways for leaders to mobilise energies of employees to be creative is through empowering employees. In addition, through the actions of top management, an effective leader and adequate training and skills (Bass, 1998), a successful culture could be developed and valued by the employees (Farid, 2000; Shelton et al., 2002) and empowerment gives employees freedom to take responsibility for innovation. This not only deliver knowledge for the organisation building, but also spread a sharing-friendly culture. In essence leaders establish the necessary conditions for effective knowledge management (Holsaple and Joshi,2000).

METHODOLOGY

This paper is based on an on-going PhD research project which is at a relatively early stage. This paper explores and extends our understanding of the issue associated with knowledge sharing initiatives in government agencies, employed in delivering effective policies, particularly in their role and influence in the construction industry in Malaysia. This paper however is based on two main elements of the preliminary research. Firstly, consultation with appropriate documentation, reports and government circulation in order to gauge the views of organisations on how they see issue with knowledge sharing and how it relates to changing business processes. Secondly a wide-ranging literature survey has also been undertaken, the results of which are interspersed throughout this paper.

DISCUSSION

Strategy to improve service delivery

Policy-making and service delivery have been the two main tasks of government agencies. In these processes, knowledge has been an essential resource of the agencies and assume most importance in the process of improving service delivery of government agencies. Knowledge in government agencies is divided into tacit and explicit knowledge. Tacit knowledge is highly individual and only achievable through personal experience and very hard to formalise or articulate (Polanyi 1973). Tacit knowledge from the organisations perspective, is that it is developed through organisational process, where procedure (Nelson and Winter, 1982), internal communication processes, in addition to external meeting places (Lei, 1997) constitute essential factors for the development and transfer of this part of the organisation's knowledge base. Explicit knowledge is easy to articulate, capture and distribute in an organisation (Nonaka and Takeuchi, 1995) and this type of knowledge is already embedded in organisations. Job manual procedure, filing system, ISO 9002, desk file, work flow and databases have served for a number of years in government agencies. What need to be done here is to create, identify, capture and evaluate the knowledge that exists in the organisation which is very useful and critical to get work done efficiently and effectively. In order to leverage knowledge sharing

between departments; organisations have to develop proper structure in their organization (Teece, 1998). Nonaka and Takeuchi (1995) explained that four knowledge creation processes. There are socialisation, externalisation, combination and internalisation. This model focuses on the issue of how knowledge may be created through organizational sharing and is useful for identifying and evaluating certain key activities in the management of knowledge. In the Kenyan government agencies setting, knowledge may be fostered by seminars, mentoring and coaching, workshop and training. The ability to effectively share knowledge across organisations and employees has been found to contribute to organizational performance and of potential benefit to government agencies in carrying out their roles.

CONCLUSION

Knowledge is a critical factor affecting an organization's ability to remain competitive. Knowledge sharing is the cornerstone of many organizations' knowledge management strategies. This paper has shown that there are key issues to be considered in order to achieve a successful knowledge-sharing practice. From the literature, this paper has shown the impact of the key issues associated with implementing knowledge sharing in government agencies. It is hoped that the literature in this study would help Kenyan Government Agencies to plan better their knowledge-sharing phenomenon. Effective knowledge sharing can help organizations to leverage core knowledge as means of building corporate intelligence, achieving innovation in processes and products/services, effective decision making, and organisational adaptation to the market for creating business value and gaining competitive edge.

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