Knowledge Management in Government Organizations and Programmes

Government organizations should definitely learn the attitude toward knowledge and knowledge management from their counterparts in private sectors. However it is equally important to note that government should draw the appropriate conclusions of knowledge management not by simply seeking to “copy” the private sector, but by endeavoring to innovate in accordance with their own identity and specificity and in accordance with their own way of managing government operations. After all government organizations have their unique characteristics and incomparable resources and responsibilities in the endeavors of promoting knowledge management and building the “knowledge society” compared with private organizations.

1. Major Differences between Public and Private Organizations

The question of differences and similarities between public and private sectors has long been a classic topic among fields like management and organizational theory. It has been said that public and private management are “alike in all unimportant respects”, while when it comes to important aspects the two are actually quite different from each other.

According to Denhardt and Grubbs¹ the major differences are that “business is primarily concerned with making a profit, while public is more concerned with delivering services or regulating individual or group behavior in the public interest”, which is translated into the unique characteristics of government organizations as:

- Ambiguity - The purpose and scope of the government organization can be widespread and reaching to many. While the vision might be clear it can always be interpreted in different ways and make goals and performance criteria often unclear or diverse. Lacking of a particular product and “non-profit-seeking” purpose sometimes make the result of government work very hard to measure.

- Pluralistic Decision Making - In government decision settings, there are many parties and opinions that have to be considered before making a final decision. Often these decisions take a longer period of time, as opposed to a business that can often make decisions quickly. In addition, multiple actors and stakeholders provide competing feedback (general public, direct clients, media, interest groups, and legislature) which in turn makes the decision process even more complex.

- Visibility - The management team in public organizations often face more visibility and scrutiny than their counterparts of private sector businesses. High visibility and scrutiny

can have their uses, such as getting a message to the public quickly; however, sometimes it can also be negative because every mistake a public manager makes can be recorded and consequently makes his/her later decisions, to certain degrees, concerns somewhat more about his/her self-interest instead of maximization of public interest.

In addition, public management team also faces:

- Highly political environment;
- Possible interest conflict among different levels of government;
- No direct control over resources;
- Rigid compensation systems and limited ability to use extrinsic rewards;
- Higher level of public expectation and legal requirements for fairness, openness, honesty; and
- Less discretion and flexibility for decision-making

2. Public Knowledge Management vs. Private Knowledge Management

The different characteristics between public and private organizations suggest that knowledge management in these two sectors should also be different. These differences are mainly manifested in aspects of scope and purpose.

2.1 Scope

The scope of knowledge management within government organizations would be much broader compared with private ones, which is mostly determined by the functions of government itself. For most private organizations they normally operate in one main industry and produce one major line of products. As the result the customer bases for private organizations are usually strategically predetermined by marketing orientations and this makes it relatively easier for private organizations to choose and control their customers, which in turn makes it easier for them to manage knowledge acquired from their customers. However the line of government work relates to almost every aspect of social lives and every citizen is the ultimate customer of government. There is no way for government organizations to choose to whom their services should be rendered. Being the regulator of market means for every business operation in the private sector, government must always exerts certain supervisions and execute corresponding operations. But the line of government work does not just stop there, in the meantime government also supplies unique public services and products that private sector is not willing or is not capable to offer. All these have determined that, besides some organizational management related knowledge to improve government organization's internal efficiency and effective, the overall knowledge base in government organizations is much broader compared with private ones.
2.2 Purpose

Other than having effectiveness and efficiency improvement as one of the purposes of knowledge management in government, unlike private organizations government organizations should not just limit their knowledge management to such extents. Knowledge essentially is public good. In implementing various knowledge management related programs government should also help to create an overall enabling environment that will allow not only government but also other key actors to benefit and contribute to the development of a national knowledge management network. Being one of the biggest producers and consumers of information and knowledge and given both its policymaking role and its interest in promoting knowledge for human development, government can act as a knowledge broker that the players in private sector will not and cannot act.

3. Differences between Knowledge Management and E-Government

Nowadays all levels of governments have either built or are building their own e-government systems to better serve the citizens and at the same time to increase government efficiency. Similar to organizations in the private sector, which tend to regard knowledge management as simply building a corporate intranet or other IT systems, government people tend to regard e-government as the synonym of knowledge management. We would like to point out here that these are two different concepts, the former emphasizing on the operation side while the latter on the management side. It should also be noted that the proliferation and popularity of e-government has laid out a solid foundation for the government to start their own knowledge management programs and to enjoy the benefits from these programs.

According to the UNPAN definition, e-government is a government that applies ICT to transform its internal and external relationships in order to optimize the carrying out of its functions. Besides being a powerful and convenient tool to share information internally, one specific development of e-government is oriented toward online one-stop Government. One-stop government is a concept of e-government that refers to the integration of public services from a customer’s (citizen, business) point of view. It suggests that customers communicate with authorities through a single point of access using the communication channel of their choice (e.g. citizen center, call center, Internet etc.). Customers no longer need to be aware of the fragmentation of the public sector. The one-stop concept further attempts to reduce the number of contacts with the authorities per service consumption to a minimum --one single interaction at best. At the one-stop portal, customers are provided with sufficient information regarding their objectives of visit. The information and public services offered are organized and integrated in a customer-focused manner to address the personal needs and to cover the exact requirements of the citizens and business customers. E-government is not governance per se, the essence of the concept is the “E”, that is, utilizing electronic means to carry out some of its functions and operations.

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Therefore, one clear distinction between e-government and knowledge management is that the primary target of e-government is not the managerial level, rather it is the level of operating action itself that is affected. We should not confuse e-government with the concept of government’s integrating knowledge management into its own management and public administration.

To reflect this difference, UNPAN introduces the term of k-government to differentiate it from e-government, the former of which is defined as: K-government distinguishes itself from other governments by focusing on establishing policies, regulations, institutions, processes, structures and capacities for knowledge, innovation and technology (KIT) acquisition and for using the acquired KIT to improve the quality of people's life and work, including the quality of government’s own operations as well as the quality of governance system. In this sense, Knowledge management itself is a pervasive concept that affects every aspect of how an organization functions. This means the integration of knowledge management concept in government should carry responsibility for capturing, preserving, sharing, and integrating data, information and knowledge to support learning, adaptation and adoption that lead to achieving development goals, which is simply not accomplishable under e-government.

Nevertheless we need to admit that the existing proliferation and popularity of e-government has actually laid out a very solid foundation and has readied the government to start its knowledge management programs. As a matter of fact we believe e-government could actually be regarded as one of the preliminary action steps for the development of a full scale knowledge management in government.

4. Functions, Objectives and Expected Benefits of Knowledge Management in Government

4.1 Key Functions of KM in Government

As pointed out by Roland Traumüller and Maria Wimmer, with the shift to service and knowledge orientation in e-government and the trend towards virtual administrations and seamless government’s providing services via one-stop portals, key application themes of the public sector are touched:

- Promoting a knowledge based economy
- Rendering information and services to citizens and business customers
- Enhancing governmental cooperation

4 Ibid.
**Promoting a knowledge based economy:** According to the eEurope strategies on e-Government, a main objective is the provision of high-quality e-services that support the development of a competitive knowledge-based economy and contribute to the enhancement of European job creation, productivity and overall competitiveness. A key theme in this strategy is openness and willingness to share information and experiences across Europe and worldwide. A number of current city online portals deliver information in multiple languages, supporting and promoting tourism and other economic activities. Employment is another issue; projects in this area focus mainly on freedom of movement for work across the European economic space. Another way of promoting economic development is given through support and advice for businesses, enabling access to global markets whilst providing a shop window for local goods. Other fields of application important for companies are electronic tendering as well as a more effective communication with tax offices. A globally networked economy based on knowledge enhanced, intelligent systems will strengthen local productivity and competitiveness of public and private sectors.

**Rendering information and service to citizens for the bettering of life:** A better life for European citizens as defined in the eEurope 2005 strategy of the European Commission focuses on the scale, scope and quality of access to government services. Thereby, e-Government implies promoting participation and inclusion of European citizens in policymaking and implementation. A general improvement in the quality of life for citizens, households and families is expected. The role of citizens in the democratic process has clearly grown and evolved with the introduction of e-Government. This is demonstrated well by a range of projects aimed at citizen voting and participation in the democratic process. The Internet in general and e-government in specific come into their own in bringing together people and services. Particularly in areas where communities are scattered and scarce resources do not allow multi-location attended service points, e-government is a big advantage. One has to be well aware that the aim of solutions is not only to increase the level of service provision and internal efficiency. Indeed, in the knowledge society, focus lies on user-friendliness, accessibility and bridging the digital divide. So, knowledge enhanced information and service provision based on user needs and understandability as well as on service self-explicability (a matter of how to present service-specific knowledge to the general public in a well understandable manner) become the key.

**Enhancing governmental cooperation:** For providing services according to user needs, enhanced cooperation between agencies is a categorical precondition. European, central and local governments focus on applications that already have or show clear potential to cut across different government levels and different types of government units to promote joined up services and borderless government. One example is the current reorganization of social security systems across Europe to provide a more open and responsive service to citizens, businesses and the government departments that administer them. This reorganization has required a series of major business process re-engineering.

On top of these 3 key functions of knowledge management in government we would also suggest the fourth function as **Integrating “front office” with the “back office” in government:** We believe, as e-government has become an everyday reality, the knowledge embodied and used in governmental service provision and governance activity has shifted into the center of attention. E-government implies the fundamental knowledge redistribution and requires a careful rethinking of
the management of information resources and knowledge bases. It changes people’s mentality and start to believe government can actually transform and adapt itself with the development of the society. With e-government information and knowledge is being constantly reorganized, redistributed and redesigned and has thus established a linkage between the “front office” with the “back office” in the government. Many of the required ICT infrastructure is already in place with the building of e-government. All these have made preparations for the initiation of knowledge management. As a matter of fact, actually e-government should be regarded as an integral component of the knowledge management initiatives in government. With the integration of knowledge management, the government can enlarge the existing e-government to an extended approach and provide an integrated view on the relevant knowledge for various problems and task by way of further integrating the “front office” with the “back office”.

4.2 Government Knowledge Management Objectives

As Maria Wimmer puts it, the goals of knowledge management in government are multiple and include: managing knowledge within and outside the organization; establishing organizational memory; establishing a lifecycle of knowledge production, integration and validation; creating an ongoing and adaptive interaction with the knowledge base; allowing for organized and proactive transfer of skills, know-how and expertise; creating a learning organization; instituting support through integrative technological means (e.g. knowledge management systems). On top of her inputs, from a more holistic standpoint from the functions of government, we would also like to add the following: instituting “better governance” for promoting knowledge sharing and creation for the benefit of the whole society.

As mentioned before, government is in a unique position to play an indispensable role, not just from its own perspective but also from the perspectives of the whole society, during this knowledge management process. Because knowledge is a public good and it is highly dynamic, its real power does not lie in keeping it secret, rather lies in being shared and acquired by all. The knowledge person A learns from person B adds to A’s knowledge but does not leave B. Thus from the whole population’s perspective the knowledge has effectively doubled. This process is the perfect illustration of $1 + 1 > 2$. However due to the inherent limitations of the private sector, this kind of ideal “knowledge sharing and creation loop” cannot be realized. Only the government has necessary resource, power and most importantly motivation to promote this for the betterment of itself as well as its people. For these reasons we add this as one of the objectives of knowledge management in government in accordance with its public service motto.

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4.3 Expectations of Knowledge Management in Government

In January 2002 the OECD launched its first international survey of knowledge management practices for 132 central government organizations (ministries/departments/agencies) of its 20 member countries (OECD 2003b). Knowledge management has raised high expectations, in the survey the following widely perceived expectations have been cited:

- Releasing information more rapidly and making it available more widely to the public
- Improving transparency
- Improving working relations and sharing of knowledge with other ministries
- Improving work efficiency and/or productivity by producing and sharing knowledge and information more rapidly within your organisation
- Improving working relations and trust within your organisation
- Increasing horizontality and decentralisation of authority
- Making organisations more attractive to job seekers
- Minimising or eliminating duplication of efforts between divisions and directorates
- Making up for loss of knowledge (due to shorter staff turnover, future retirement, departure in the private sector, etc.)
- Promoting life-long learning

Besides these we would also like to add the following:

- Integrating knowledge from outside for the creation of new knowledge (i.e. linkage between the front office and the back office)
- Betterment of all citizens and the nation from the standpoint of knowledge.

Even though as the conclusion of the survey has suggested, up to the day of the survey, among participating OECD member countries and its federal government organizations, not all expectations have been satisfactorily realized as people would have hoped. But we believe this does not necessarily mean that some of the above-mentioned expected goals of knowledge management in government are invalid and impossible to achieve. As revealed through the survey, those that are proved to be success tend to be more “concrete”, “less ideal” and “easier to control and identify”, which include information releasing, improved transparency, improved work relation and knowledge sharing, and improved work efficiency and productivity. While, on the other side of the spectrum, increasing attractiveness, eliminating duplication, making up loss of knowledge and

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9 Conclusions from the results of the survey of knowledge management practices for ministries/department/agencies of central government in OECD member countries (Draft report for discussion), February 3-4, 2003
10 Please refer to Appendix 1 for details.
promoting life-long learning, are simply some of the aspects that are either hard-to-be-measured, not controllable by one government organization single-handedly, or is a long-term effect which is not expected to exhibit in the short-run. We believe, in general, all the above-mentioned expectations of knowledge management in government are valid, but some of them are by no means easy to be achieved. A successful knowledge management program, before achieving all goals, besides some of the necessary techniques, also requires devoted top management support, vigorous collaboration from all stakeholders, and long-term endeavors for those long-term effects. Even though all or some of the above mentioned expectations have been realized, it would still be hard to measure or notice since a real successful knowledge management program will turn some of the aspects into routines that are embedded in the organization’s operations as well as people’s daily lives.

5. Preconditions for Knowledge Management in Government

5.1 Create the organization-wide urgency for change and communicate clearly about the benefits of proposed knowledge management program

Many studies have recognized organizational culture as an essential factor affecting the success of knowledge management efforts\(^\text{11}\). Anderson and Anderson suggests\(^\text{12}\) that when a change is significant and requires a new way of being, working or relating, in order to operate the new environment, leaders are required to change cultural norms for the change to succeed. As a result, there is a need to transform the mindsets of the employees otherwise they would continue to operate in their old ways, thus stifling the organization’s ability to implement the change. Ultimately, change boils down to people because it is people that make things happen and it is those within the organization that will be executing the changes.

So before implementing the knowledge management program the management team of the organization needs to clearly communicate the proposed programs and their related benefits to each employee within the organization. Also at the same time the management team needs to create urgency for change within the organizational culture. Because people’s response to change depends largely on their perception of the proposed change and on the effects they think the change will have on their needs and aspirations\(^\text{13}\). The more the individual benefits of change are communicated, the more individuals’ ego will be addressed and their willingness to change encouraged. Once they experience ambiguity, they may engage in “search behavior” that may appear to be resistance from the perspective of those initiating the change.

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\(^{13}\) F. Mann and F. Neff (1961), *Managing Major Change in Organisations*, Foundation of Research on Human Behavior, Ann Arbor.
5.2 Select and empower the champions of the proposed program

After all, organizations are increasingly aware that knowledge management cannot be effectively implemented without the active and voluntary participation of the communities that are its true owners. Just like any other change management programs, for knowledge management programs the top management also needs to select champions who are true believers and really zealous about the future and promises of the proposals. At the same time these people need to be delegated and empowered so that they can function well in leading the new initiatives.

5.3 Top management support and commitment

The involvement of senior management in the process will effectively send signals to the organization about the priority of change.

5.4 Establishing proper milestones and rewarding systems

Like all projects, at the very beginning proper milestone should be predetermined so that project progress can be clearly measured and controlled. Proper intrinsic or extrinsic rewarding system also needs to be established to motivate participations from members of the organization.

5.5 Budgetary consideration

As mentioned before, compared with their counterparts in the private sector, managers in government organizations always have less control over the resources at their hands. For public organizations, the annual budgetary process is actually also a very complicated political negotiations and compromises. However many managers within government organizations tend to forget or are not willing to consider the budgetary aspects during their routine works, thinking that this process is none of their business. Without financial support no knowledge management initiatives could be successfully implemented. So before the implementation, the management team has to be clear that enough financial resources have been specifically allocated to the knowledge management programs.

5.6 Advocacy and public awareness and participation

Ultimately the line of government work is to serve the interest of the general public. Efficiency and effectiveness within government organizations will eventually translate into a more efficient and effective society. Like any other government programs and policies, it should not feel strange to promote public awareness and seek public participation during the process of designing and implementing knowledge management programs in government organizations.

5.7 Building new skills and mindsets

Knowledge management is still a relatively new concept. Certain new skills need to be introduced and cultivated among employees within government organizations. Although not everyone has to become expert in this area, at least they should get themselves familiarized with related terms and concepts. Most importantly, certain mindsets needs to be abandoned and new ways of thinking that are tailored toward the new nature and characteristics of this knowledge era need to be accepted by everyone within government organizations.
5.8 ICT infrastructure (inter-operability)

Even though we have emphasized knowledge management is not all about ICT, without any question, it is the development of new information and communication technologies that makes efficient and effective knowledge management feasible. For the initial design and implementation of knowledge management programs, it is prerequisite to have certain ICT infrastructure in place. As we have all experienced in our own lives, besides the overwhelming convenience and benefits brought by new technologies, sometimes they also bring pain and trouble, especially when new technologies change so quickly nowadays. It is therefore of strategic importance for organizations to well plan their ICT infrastructure strategy regarding standards, updating options, formats and medium etc. for the guarantee of inter-operability not only for the geographic but also temporal considerations. However, at the same time, it should be kept in mind that, from the perspective of knowledge management, ICT infrastructure is just the means not an end by itself.

5.9 Stakeholder management

As we are all aware the government operations have lots of different stakeholders. Different stakeholders will have different and sometimes even conflicting, priorities and interests. If not handled well, this kind of situation may lead to disastrous outcomes for any specific government programs. Knowledge management, although being apolitical nature, the heads of different government organizations and agencies that are planning to engage in such programs still need to manage their stakeholders well and to seek inputs and supports from those key players.

6. New Magnitudes of Knowledge

Knowledge, or in its “raw” form information, has long been associated with power, power that is mostly related to war or military actions. For instance, Sun Tzu observed over 2,500 years ago: “Know thy enemy, know yourself; your victory will never be endangered.”14 and Clausewitz regarded the role of knowledge in warfare as “a factor more vital than any other.”15 Today, at the verge of this new knowledge era, knowledge is certainly becoming more “powerful”, and yet, we believe is also exhibiting other new magnitudes.

Knowledge, generally thought to be immaterial, is increasingly seen to be an essential part of all matter, and though the implementation of knowledge management is becoming more “material”. In contrast, power, long thought to be based mainly on material resources, is increasingly seen to be fundamentally immaterial, even metaphysical in nature. As knowledge becomes more material, and power more immaterial, the two concepts become more deeply intertwined than ever. From the standpoint of nation-states, they need to find the converging point of this process of “softening” of power and the increasing “tangibility” of knowledge, and utilize knowledge as the new sources of resource and leverage to maintain its power. We believe this may only become possible through active implementation of knowledge management.

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