THE REALM OF KNOWLEDGE MANAGEMENT AT THE PUBLIC SECTOR

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ABSTRACT

One of the main implications of the advances in knowledge is that we are in a context of continuous restructuring, at the national, regional, sectoral, firm, and organizational levels. Knowledge management is of large potential issue and value added to administration, governance, and application to citizens. Knowledge management is relevant as well to the information communication technology and eServices. Information Communication Technology can influence working, learning, and other processes as an enabler and/or a tool. Access to information is a power. Governments produce huge volumes of information and an increasing amount of it is available through electronic venues, the Internet, and other electronic means. Good, effective public governance helps to strengthen democracy and human rights, to promote economic prosperity and social cohesion, to reduce poverty, to enhance environmental protection and the sustainable use of natural resources and to deepen confidence in government and public administration.

The aim of the thesis research, partially presented in this paper, was to study the objectives and strategic impacts that knowledge management, information communication technology, and learning organization have on the performance of public organizations.

For the purposes of the study a questionnaire was drawn up. The pattern that presented survey tracked originated from a 2002 OECD survey on »Knowledge management practices for ministries/departments/agencies of central government in OECD member states«, published on the Internet web page of the OECD. The pilot survey was sent to a collection of 288 e-mail addresses. To study the relation (correlation) diagnostics dealing with both the evaluation of the suitability of a particular model and potential effect or "influence" of each particular variable a block relationship theory (BReT) model was developed. Paper will present some of gained best practices results.

1 INTRODUCTION

Knowledge has occupied philosophers since the time of pre-Socrates in their epistemology discussions especially with regard to its limits and validation. Today knowledge is increasingly presented as the replacement for land, labor, and capital as the source of competitive advantage. Therefore managing knowledge isn't cheap. However knowledge is difficult to distinguish, codify or measure in its generic or tacit demonstration or in its representation: content, process, procedures, infrastructures, networks, institutions, modus operandi, linkages, capacity to learn, and evolutionary processes (Lundvall and Johnson, OECD 1994). As such, knowledge cannot be measured through device or formula, unlike abstract items like pressure using a barometer or star distance by means of applying scientific concepts. However, the appearance of attributes and variants of knowledge development in any field can be measured, provided the overall conceptual framework is clearly defined (Rama, 2001).

Management has different definitions that seems have evolved up to the 60's MBO:

1. The act or art of managing: the conducting or supervising of something (as a business);
2. Judicious use of means to accomplish an end (i.e. Management By objectives).

It suggests constrains as in industrial paradigm meaning to command- and-control in a way of supervising, conducting, directing, and coordinating, and depends heavily on the hierarchical organizational structure. The discussions of possibility to manage the knowledge as a resource pose different views. If knowledge is explicit then it could perhaps be managed, measured etc. but if we use a tacit (or flow of knowledge) then it can only be learned, shared, foster etc. Yet in recent literature terminus of managing knowledge is accepted as "the configuration and control of operational knowledge processes in such a way as to promote the yield and pleasure of knowledge as a factor of production".
Knowledge management (KM) is of large potential issue and value added to organizations, administration, governance, and a sustainable application to citizens. Since civilization began, every society has used knowledge increasingly to interact with the environment and made life as comfortable as possible, in recent times we are more and more talking about the "knowledge economy". The knowledge economy can be defined as one where products having high technology content and hence high knowledge content plays a decisive role in the whole operations. Today many decision-makers think that knowledge management begins and ends with building sophisticated information technology systems. However, organization must recognize to follow the learning organization principles therefore information and communication technology is only one of different means to foster knowledge.

Information Communication Technology (ICT) can influence working, learning, and other processes as an enabler and/or a tool. On the government level the information communication technology has shown a huge impact on governance in several ways:

- Merely technical - the automation of tedious or repetitive governance tasks thereby hence the improved efficiency of governance processes. For instance, automated filing of tax forms, checking the status of applications on line, etc.,
- Facilitating / Supportive role - the use of ICT to complement existing efforts / methods for improvement of governance. For instance, the storage of government information on a website or the creation of avenues for people to communicate with government officials through e-mail,
- An entirely innovative role - the initiation of new services and new mechanisms to improve governance. For instance, the potential for any individual to access the same information instantly as and when it becomes available.

Governments produce huge volumes of information and an increasing amount of it is available through electronic venues, the Internet, and other electronic means. Literacy therefore goes beyond the employment of computers and extends to strategies and policies for information access and use, such as how we think seek and use information in our lives. The nature, cost, and technology literacy result in electronic support participation of government directly through availability, affordability, and adaptability. The application of information communication technology within government services can thus be divided into three categories: access to information, transaction services, and citizen participation. In the light of this eGovernment must be regarded as a three - part procedure:

- eGovernment - converting existing processes and paper objects to digital form,
- eGovernment - converting literal services to virtual services as:
  - Those which could be government services such as: licenses, approvals, tax payments, etc., and
  - Those that could be government transparency and accountability such as: legislation, budget spending, etc.
- eGovernance - using ICTs to promote democracy, participation, literacy, etc.

**Governance** is what the government does. Good, effective public governance helps to strengthen democracy and human rights, to promote economic prosperity and social cohesion, to reduce poverty, to rise capacity to learn, to enhance environmental protection and the sustainable use of natural resources and to deepen confidence in government and public administration. The importance of the effective and predictable accountability of institutions to the society in which they function must be ascertained. The knowledge management in governance is the issue of using the principles of knowledge management to improve governance. The concept of eGovernance relates to the preparation of government as it reacts to information, technology and communication trends on its traditional governance role in society. eGovernance is a term to focus on the new and evolving forms of governance in which information communication technologies have a substantial role to play. Nevertheless, we have to be careful of what eGovernance:

- **Does not imply**: linking every citizen to a digital node.
- **Does imply**: ensuring that every local or rural community has access to information available on the digital network.

**eDemocracy** means different things to different people. eDemocracy builds on eGovernance and focuses on the knowledge supporting actions, procedures and innovations which are possible through information technology and communications combined with higher levels of democratic incentive.

### 2 SURVEY

The pilot survey was carried out in two stages. A total of 288 different public organizations participated in the survey. Help from two governmental offices was provided (office for organization and development of administration, office for local autonomy – through association of municipality secretary). With the e-mailing and telephone campaign, the total of 143 questionnaires was achieved.

The breakdown of replies received was as follows:

- From ministries - 100%.
- Local government authorities - 94.6%.
Government offices - 83.3%.
In total of 22.9% of answers came from municipalities (known not to reply to surveys).

In the year 2002 the OECD carried out a broad survey on "Knowledge management practices for ministries/agencies/departments of central government in OECD member states". The first draft results were presented on 3 - 4 February 2003 at an OECD/GOV symposium on "The learning government: Managing knowledge in central government". The goal was to analyze where ministries/ministerial departments/agencies of central government stand in terms of knowledge management practices and to reform comparative cross-national and cross-sectored analyses of the implementation of knowledge management strategies in public organizations. The target respondents were the director-level staff of directorates of large ministries/agencies/state secretariats, or directors - general/secretaries - general of the Ministry/Department/Agency/State Secretariat, depending on the structure of ministries and on the choice made by the survey coordinator in individual countries.

Slovenia not being a member of OECD, a tailored research project was essential. The research presented here was based on the survey that was carried out with narrowed - down goals derivate from the OECD survey. The goal that this research monitors touches on the importance of knowledge management and knowledge networks sponsored by ICT to study learning organization perspective. The survey and the results of the dissertation made due references to the OECD survey and brighten some Slovenian experience.

To study the relation (regression) diagnostics dealing with both the evaluation of the suitability of a particular model and potential effect or "influence" of each particular variable a block relationship theory (BReT) model was developed. Inputs are study survey-question-numbers combined in a block of explanatory variables (Information Communication Technology, Organizational Issue, Knowledge Management Issues, and Budgeting). The dependent BReT variables are those that are influenced by changes in explanatory BReT variables. The BReT in its roots is just a helping tool to study relations within organization that are of importance and giving some explanatory outputs. It conceives of explanatory and dependent variables that are grouped in association block(s) so to consider their relations. This procedure gives each variable some kind of importance within a block. It allows different types of variables (e.g.: personal computer, local area network, and office tools) to be merged within a block. Relations are then studied on a block influence and not on a variable level giving a more wide-ranging perspective.

In the qualitative sense, the results of the study put forward the initiatives and promotions about knowledge management. In the quantitative sense, some are shows on the statistical activities within the public sector. Both (quantitative and qualitative) results are used to indicate how knowledge management and information communication technology are used to organize government in pursuit of better iGovernment (organized digital and online information), eGovernment (internal electronic connectivity and usage, on-line services) and eGovernance (promotion of inclusion, democracy, etc.) with knowledge and knowledge management in learning organization culture.

3 BEST PRACTICES
The ever better personal computers and networks can be nowadays used to make paper documents available on-line. The OECD member countries, whether willingly or unwillingly\(^8\), show initiatives in bringing their governments departments up-to-date in the field of e-documents. From analyzing the service on-line and the quality of web pages, it has to be recognized that a lot of public organizations have jumped onto the new information technologies bandwagon with, in many cases, considerable success and talent, using both the Internet and Intranet\(^7\). However, the viewpoint has been clearly graphed by policy-makers, who are challenged with increasingly demanding citizens finding it harder to put up with the perceive tasks performance between the private sector and a public sector. Very important massage from the OECD survey came out: "The role of hierarchy is redefined". It is no longer a personals position in a hierarchy that will keep him there, but skill in accurately interpreted data that will have impact on actions made apparent to civil society: "Competence will take the place of authority!"\(^8\). Because the levels in the hierarchy is going to decrease for that very reason of those at the base of the pyramid having better information, rethink what a hierarchical level means in terms of value added on knowledge networking should be put forward. Therefore, information sharing and comparing of interpretations that now belongs to top of the hierarchy, and its power to use information on their own premise, will have to be changed and improve the quality of decision-making involving all staff be carried into effect.

In the realm of the techniques of public sector management, governments can improve their dynamic performance over time through better formulation of their programs at the strategic level while linking this to advance systems for producing outputs and achieving desired outcomes efficiently and effectively\(^8\).

Knowledge has become a critical determinant of competitiveness for the public sector. In a knowledge-intensive economy, goods and services are increasingly intensive in intangible capital, making knowledge an important element of competitiveness between public bodies. Governments would also not be able to function
properly if they did not have good mechanisms with which to share knowledge across government organizations to maintain a whole-of-government perspective on policy-making and service delivery.

Slovenian public organizations are better positioned in infrastructure segment as more than 80% of their staffs are having access to e-mail address, more than 92% to the Internet, and Internet presence is over 92% (2001). Lack of ability to efficiently use Internet are obvious within Slovenian institutions as they do not meet OECD “stage 3: Transactions and 4: Data sharing”.

Very important measure is hidden in budgeting the information communication technology. Here obvious straggling behind OECD average is even more severe. More than 83% of investments are in the frame up to 3% of total budget versus OECD where 45% of organizations are spending more than 3%. In addition, 50% of organizations reported no growth of budget in last five years against 17% in OECD.

4 CONCLUSION

Positioning Slovenian public organization with OECD average shows some interesting results. Technologically, Slovenian administration is well developed. It lacks behind on important issues concerning knowledge, knowledge management, learning organization culture, and most of all in the vision toward knowledge based society through wrong perception based on "glorification of information communication technology and ignoring human factors”.

References

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