Implementing Knowledge Management in the Palestinian Public Sector Institutions: Empirical Study on the Presidency of the Palestinian Government

Abdullah Waleed Almudallal1*, Norhani Bakri2, Syaharizatul Noorizwan Muktar3, Majed M. El-Farra4

1Faculty of Management, Universiti Teknologi Malaysia, 2Faculty of Management, UniversitiTeknologi Malaysia, 3Faculty of Management, Universiti Teknologi Malaysia, 4Faculty of Commerce, The Islamic University of Gaza, Palestine.
*Email: as.modallal@gmail.com

ABSTRACT

This paper focuses on bridging the theoretical and empirical approaches of knowledge management (KM) key enablers in the Palestinian public sector, which are essential to facilitate and ensure a successful implementation of KM; these key enablers are: Organizational culture, leadership, personnel, information technology. For this purpose, a questionnaire was personally distributed to all (46) technical, administrative, and supervisory employees working at the Presidency of the Palestinian Government. Total of (44) fully answered questionnaires were received. The results showed a significant positive relationship between KM key enablers and the level of performance in the Palestinian Ministers’ Council by 0.829. It also indicated that 70% of the variation in the performance level has been significantly explained and influenced by KM key enablers. The recommendations proposed by this paper will provide a strategic direction for the Palestinian public administration to act more effectively with KM practices, and pay a focused attention to its key enablers.

Keywords: Knowledge Management, Public Sector, Palestine

JEL Classifications: D80, M10, H11

1. INTRODUCTION

Basically, competitive ability is essential for every economic activity and increasingly dominates the competitive advantages (Cariša et al., 2014; Milan et al., 2014). However, the challenges that follow forming, protecting, and developing competitive abilities on the global market are much greater than the past, they arises mostly from the field of knowledge economy, where knowledge is the main driving force of permanent productivity growth in the modern organizations (Arayici, 2014; Mehmed et al., 2014; Majumder, 2012). This change not only poses some challenges, but also offers opportunities for both private and public sectors as well (Jain and Jeppesen, 2013; Cong and Pandya, 2003).

De La Vega (2010) argued that in today’s new competition, organizations become aware about the importance of having a systematic approach to create, store, and share knowledge; whereas managing the organizational knowledge effectively is seen as critical ingredient to ensure sustainable strategic competitive advantage (Omotayo, 2015). Knowledge management (KM) is a systematic effort to increase useful knowledge within the organization, by encouraging communication, offering opportunities to learn, and facilitating the sharing of knowledge (McInerney, 2002).

The industrial sector has been involved in formal KM practices over the years; however, even though public sector institutions create, transfer, and consume greater amounts of knowledge (Zhang, 2010), they still lagged behind a bit in the field of KM, but realizes its importance to their organizations and to its policymaking and service delivery to the public, in times of shrinking budgets, ensuing retirements, and the need to better information and knowledge sharing level (Liebowitz, 2004; Cong and Pandya,
2. LITERATURE REVIEW

2.1. The Concept of Knowledge

During the mid-1990s, many organizations became more interested in the nature of knowledge, partly as a result of the introduction of information technology, which provided the promise of ability to manage knowledge as a corporate asset (Syaharizatul, 2013; Hislop, 2005). The uprisng significance of knowledge has raised desires of management studies scholars and researchers (e.g., Hislop, 2005; Schultze, 1999; Cook and Brown, 1999; Spender, 1996; Blackler, 1995; Nonaka, 1994; Wiig, 1993) to grub deep on the meaning of knowledge.

However, in order to simplify and clarify the concept of knowledge, it is essential to point out the relevant perceptions of data, information, and knowledge. Data are collections of comprise facts, observations, measurements and statistics. It may represent raw numbers or assertions, and may be devoid of context, meaning, or useful until they are transformed into a usable form (Becerra-Fernandez and Sabherwal, 2010; Newell et al., 2009; Rowley, 2007; Hussain et al., 2004). Information is organized or processed data for a specific period of time and context (Hussain et al., 2006). It represents data, arranged in a meaningful indication of trends or patterns in the data (Hislop, 2005).

Knowledge, however, is the conscious use of information (Miguel, 2011). It is information that is contextual, relevant and actionable (Hussain et al., 2004; Cook and Brown, 1999). knowledge exists as an object (Schultze, 1999; Wiig, 1993), treated as an entity that people can possess (Virtanen, 2010). So knowledge is neither data nor information. Knowledge is an understanding, where people gain knowledge through experience, reasoning, intuition, and learning (Colesca, 2005; Cong and Pandya, 2003).

The most commonly used taxonomy of knowledge is what Polanyi (1966) has identified: Tacit, and explicit (Table 1). Nonaka (1994) clarify that explicit is codified knowledge that is transmittable in formal, systematic language, and more communicable across contexts (Newell et al., 2009; Wiig, 1993) Additionally, explicit knowledge can be processed, transferred, and stored relatively easily (Hislop, 2005).

In contrast, tacit is human-minded knowledge which is deeply embedded in action, commitment, situated in a specific context, and hard to formalize and share (Nonaka et al., 2000). It includes insights, intuitions, hunches (Becerra-Fernandez and Sabherwal, 2010), and linked with the skills (Newell et al., 2009) that people develop through their own experience in specific context actions (Hislop, 2005).

2.2. KM

KM key purpose is to maximize the knowledge-related effectiveness and returns in an organization from its knowledge assets and to renew them continuously (Wiig, 1997). Bennet and Bennet (2003) sees KM as a systematic process of creating, maintaining, and nurturing an organization to make the best use of its individual and collective knowledge to achieve sustainable competitive advantage and high performance. Moreover, Debowski (2006) defines KM as the process of identifying, capturing, organizing, and disseminating the intellectual assets that are critical for the long term performance of an organization.

KM is considered as a process, where many activities are designed to carry out main elements of KM strategies and operations in an organization (Omotayo, 2015; Newell et al., 2009). According to Devi et al. (2013), the process of KM involves knowledge creation, use, and implementation. In addition, Omotayo (2015) goes further to say that an organization must first identify and capture knowledge, and then organize it in order to bring knowledge within the organizational boundaries. Then, knowledge should be shared throughout the members of the organization using both human and technological means. Through this transfer, the members of the organization can apply the new knowledge to their tasks, which can include the use of KM systems.

The essence of managing knowledge is concerned with deciding with whom to share, what is to be shared, how it is to be shared.

Table 1: The characteristics of tacit and explicit knowledge

<table>
<thead>
<tr>
<th>Tacit knowledge</th>
<th>Explicit knowledge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inexpressible in a codifiable form</td>
<td>Codifiable</td>
</tr>
<tr>
<td>Subjective</td>
<td>Objective</td>
</tr>
<tr>
<td>Personal</td>
<td>Impersonal</td>
</tr>
<tr>
<td>Context specific</td>
<td>Context independent</td>
</tr>
<tr>
<td>Difficult to share</td>
<td>Easy to share</td>
</tr>
</tbody>
</table>

Managing knowledge produces value when shared knowledge is used and reused (Cong and Pandya, 2003). On the other hand, KM should be supported by a strong infrastructure of enablers, each of these must be designed and managed in alignment with others in support of KM processes (Debowski, 2006; Cheng et al., 2001; Blackler, 1995).

Due to the sharp increase in the interest of implementing KM practices, scholars and practitioners have suggested several proposals of KM key enablers; however, for the purpose of this paper, we will focus on the common KM key enablers proposed by different scholars and researchers (e.g., Carrión, 2006; Debowski, 2006; Fernandez and Sabherwal, 2006; Girard, 2005; Stankosky, 2005; Lee and Choi, 2003). These are: Organizational culture, leadership, personnel, information technology (Figure 1).

Organizational culture is a complex system of values and norms that is shaped and developed over time, and affects the all kinds of organizational processes and behaviors (Belias and Koustelios, 2014; Saeed et al., 2010; Leidner et al., 2006). According to Servin and De Brun (2005), creating a knowledge environment, requires changing organizational values and culture, changing people’s behaviors and work patterns, and providing people with easy access to each other.

Developing the right organizational culture for a successful KM implementation is usually the most important and the most difficult challenge for organizations (Cong and Pandya, 2003). The culture reflect how the organization facilitates learning and innovation; also show how it encourages employees to build organizational knowledge base in ways that enhance value for the customer (Jain and Jeppesen, 2013; Servin and De Brun, 2005).

Leadership is responsible on leading and establishing the culture and consequent ability of an organization to capture, share, and manage its knowledge (Zyngier, 2006; Bollinger and Smith, 2001). Leadership should also focus on establishing and supporting a system that enhances and facilitates the sharing and application of knowledge at the appropriate levels (Bollinger and Smith, 2001). Leadership practices encompass broad issues of strategy and how the organization defines its business and uses its knowledge assets to reinforce its core competencies (Jain and Jeppesen, 2013).

Personnel are the creators and consumers of knowledge (Omotayo, 2015). KM is mainly a people issue. Successful KM practices depends upon people’s motivation, their willingness, and their ability to share and use knowledge (Cong and Pandya, 2003). The ability of humans to think creatively and uniquely, together with experiences and talents, make them valuable sources of knowledge (Omotayo, 2015).

Accordingly, Uriarte (2008) emphasized on the importance of developing the human resources practices in an organization by effective recruitment process, continuing education and good training programs, improvement in the retention of employees, better rewarding systems (Omotayo, 2015; Majumder, 2012). Uriarte continue to say that if these practices are effectively carried out, there will be greater impact on the KM systems of the organization, as well as in its efforts to create a culture of knowledge sharing among employees.

Information technology is often a crucial enabler of KM; it can help connect people with information, and people with each other, but it’s not the solution (Cong and Pandya, 2003). As Servin and De Brun (2005) argued, it’s important that any technology used should fits the organization’s people and processes, or otherwise it will simply not be used. Technology practices should therefore focus on how the organization equips its members to communicate easily with one another, as well as the systems it uses to collect, store and disseminate knowledge (Jain and Jeppesen, 2013).

Generally, these four key enablers of KM can be compared to the legs of a four-legged table; if one leg is missing then the table will collapse. Hence, they act as either enablers of, or barriers to, effective KM practices. Barriers need to be identified and removed; as well as existing enablers also need to be enhanced, and additional ones created and developed (Jain and Jeppesen, 2013; Cong and Pandya, 2003).

2.3. KM in the Public Sector

The structure of the public sector organizations has traditionally been bureaucratic and very formal. “Knowledge is power,” “what is in it for me,” and “not invented here” syndrome are typical mindsets of the public manager and staff. In such an environment, information and knowledge are hardly shared or even developed (Cong and Pandya, 2003). However, with the emergence of the knowledge society, establishing an effective KM systems in the public sector is essential (Arayici, 2014; Traunmüller, 2012).

The field of KM introduces new options, capabilities, and practices to assist public sector to great advantage. It becomes a new responsibility to manage knowledge to strengthen public service effectiveness and improve the society it serves (Wiig, 2000). According to Wimmer (2003), the goals of KM in the public sector 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.

On the other hand, a survey conducted by the National University of Singapore, distributed to 32 developing countries, found that the top five challenges of implementing KM practices in developing countries were as follow: Awareness for KM, ability to understand and apply KM, strong management support, open organizational culture, providing strong business case for KM (Yuen, 2007). Furthermore, Herrmann (2011) pointed out another affecting challenges such as: Technological requirements which typically require a budget, different influences of hierarchies, and differences in individuals’ skills.

The most important part, however, in implementing KM practices, is that government should 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 KM network. The public sector institutions as one of the biggest producers and consumers knowledge, and given both its policy making role and its interest in promoting knowledge for human development, they can act as a knowledge broker that the players in private sector will not and cannot act (UNPAN, 2008). Hence, its highly claimed that KM plays a central role to make the public sector function more effectively (Wiig, 2000).

3. METHODOLOGY

3.1. Purpose and Hypotheses of the Study
This paper focuses on bridging the theoretical and empirical approaches of KM infrastructure requirements in the Palestinian public sector, which are essential to facilitate and ensure a successful implementation of KM; these requirements, referred in this study as KM key enablers, are: Organizational culture, Leadership, Personnel, Information technology (Figure 2). Hence, the purpose of this study is to uncover some answers on how can the Palestinian government implement KM effectively? What are the key enablers those are required to implement KM in the public sector? How these enablers influence the performance of the Palestinian public sector institutions? Consequently, the hypotheses of this study are as follow:

H1: There is a positive and significant correlation between the availability of KM key enablers, and the performance level of the Palestinian Ministers’ Council.

H2: There is an influence among KM key enablers on the performance level of the Palestinian Ministers’ Council.

3.2. Data Collection and Measurement Development
For the purpose of this study, the researchers have adopted a quantitative methodology, whereas a survey questionnaire were personally distributed to all (46) technical, administrative, and supervisory employees working at the Presidency of the Palestinian government. Total of (44) fully answered questionnaires were received from the respondents, at return rate of 95.7%.

This study was conducted at the Presidency of the Palestinian government, located in Gaza Strip. Choosing this particular institution is because it is considered to be as one of the most important components in the Palestinian government; whereas its main task is to support the decision and policy making processes, follow-up and evaluate the performance of various governmental entities, improve the quality of public services and ensure their citizens’ satisfaction (Ministry of Planning, 2011; Fatwa and Legislation Bureau, 2008).

However, it’s very important to highlight that the Palestinian government institutions in fact suffer continuously due to the negative influence of the Israeli occupation and the siege on Gaza Strip; some of these effects and challenges are for instance, the economic and financial siege, restriction on movements, destruction of life infrastructures, besides to the serious security threats (Presidency of Council of Ministers, 2014; Strategic Plan Committee, 2012).

The measurement tool of the study (i.e., questionnaire) was developed on the basis of a comprehensive review of the previous literature and modified to suit the study case context. The questionnaire consisted of 3 sections: First, demographic variables to gain general information about the respondents, such as: Age, education, experience, job position. Second, KM key enablers as an independent variable, which include 4 main constructs: Organizational culture (11 items), leadership (11 items), personnel (13 items), information technology (14 items). Third, performance level as a dependent variable, which include 3 constructs: Employees satisfaction (5 items), service quality (5 items), development (5 items). This study also used a 10 points Likert scale for each of the items (1 = Strongly disagree, 10 = Strongly agree).

Prior to any data collection, the questionnaire was refined through rigorous pre-testing to establish content and face validity. The pre-testing focused on instrument clarity, relevance, representativeness, and appearance of its elements. A panel of ten senior academic staff and governmental officers and experts conducted the pre-test of the questionnaire. After the their feedback, the questionnaire was modified accordingly.

Construct validity is used to test the validity of the questionnaire structure by testing the validity of each construct with the validity of the whole questionnaire; therefore, Pearson test was used to measure to correlation coefficient. As shown in Table 2, the significant values P < 0.05, so it can be said that the constructs of the questionnaire are valid to measure what it was set for.
Reliability analysis refer to the instrument consistency; meaning that a person should get the same results by the same measurement tool if used at different points of time. Cronbach’s Alpha coefficient was exploited in testing the reliability of the questionnaire. The normal range of Cronbach’s alpha coefficient value is between 0.0 and 1.0; the higher values reflect higher degree of internal consistency. As shown in Table 3, the Cronbach’s alpha coefficient for KM key enablers is 0.963, and performance level 0.921, while the reliability for all items equal 0.972. This range is considered high; hence, the result ensures the reliability of the questionnaire.

4. RESULTS AND DISCUSSION

4.1. Hypothesis One
There is a positive and significant correlation between the availability of KM key enablers, and the performance level of the Palestinian Ministers’ Council.

The Pearson correlation test was conducted as shown in Table 4 to test the correlation between the availability of KM key enablers, and the performance level of the Palestinian Ministers’ Council.

- The Table 4 shows that the correlation coefficient between KM key enablers and the performance level is equal to 0.829, and the P = 0.000, which is <0.05, meaning that there is a strong positive correlation between the two dimensions; hence, hypothesis one is ACCEPTED. This significant finding provides some insights on the impact of KM enablers on the performance outcomes. It is noted that all of KM key enablers show strong positive correlation with the performance level; while it appears that “personnel” has the most significant relationship with organizational performance.

- These results confirm that building and enhancing KM enabling environment should be considered as a main solution for performance development. This also accords with our earlier observations from previous studies, which showed that building trust, improving employees’ efficiency, developing motivational system, and creating knowledge-based culture are considered to be essential for a successful KM system, which will affect the organizational performance at last (Omotayo, 2015; Jain and Jeppesen, 2013; Traummüller, 2012; Arora and Raosaheb, 2011; Herrmann, 2011).

4.2. Hypothesis Two
There is an influence among KM key enablers on the performance level of the Palestinian Ministers’ Council.

Table 5 reflects the results of multiple regressions analysis, which was conducted to determine the influence of KM key enablers on the performance level of the Palestinian Ministers’ Council, and to highlight the important factors among the independent variables that influence the performance level.

- As indicated in Table 5, the results show that strong positive correlation existed as hypothesized (between KM key enablers and the Performance Level); whereas the regression analysis has significantly recorded high value of R² (0.700), which means that 70% of the variation in the performance level has been significantly explained and influenced by the independent variables (i.e., KM key enablers: Organizational culture, leadership, personnel, information technology). Hence, hypothesis two is also ACCEPTED.

- Moreover, Table 5 also shows that all four KM key enablers have an influence on the performance level of the Palestinian Ministers’ Council, even though the influence level differed from one independent variable to another. “Information technology” was the lowest factor that influences the performance level of the Palestinian Ministers’ Council.

Table 2: The construct validity of the questionnaire

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Pearson coefficient</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational culture</td>
<td>0.886</td>
<td>0.000</td>
</tr>
<tr>
<td>Leadership</td>
<td>0.850</td>
<td>0.000</td>
</tr>
<tr>
<td>Personnel</td>
<td>0.873</td>
<td>0.000</td>
</tr>
<tr>
<td>Information technology</td>
<td>0.796</td>
<td>0.000</td>
</tr>
<tr>
<td>KM key enablers</td>
<td>0.989</td>
<td>0.000</td>
</tr>
<tr>
<td>Employees satisfaction</td>
<td>0.978</td>
<td>0.000</td>
</tr>
<tr>
<td>Service quality</td>
<td>0.839</td>
<td>0.000</td>
</tr>
<tr>
<td>Development</td>
<td>0.900</td>
<td>0.000</td>
</tr>
<tr>
<td>Performance level</td>
<td>0.902</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Table 3: The reliability analysis of the questionnaire

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Number of Items</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>KM key enablers</td>
<td>49</td>
<td>0.963</td>
</tr>
<tr>
<td>Performance level</td>
<td>15</td>
<td>0.921</td>
</tr>
<tr>
<td>The two components</td>
<td>64</td>
<td>0.972</td>
</tr>
</tbody>
</table>

Table 4: The correlation coefficient between KM key enablers and the performance level of the Palestinian Ministers’ Council

<table>
<thead>
<tr>
<th>Constructs relations</th>
<th>Pearson coefficient</th>
<th>P value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational culture and the</td>
<td>0.715</td>
<td>0.000</td>
</tr>
<tr>
<td>performance level</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leadership and the performance level</td>
<td>0.671</td>
<td>0.000</td>
</tr>
<tr>
<td>Personnel and the performance level</td>
<td>0.777</td>
<td>0.000</td>
</tr>
<tr>
<td>Information technology and the</td>
<td>0.656</td>
<td>0.000</td>
</tr>
<tr>
<td>performance level</td>
<td></td>
<td></td>
</tr>
<tr>
<td>KM key enablers and the performance</td>
<td>0.829</td>
<td>0.000</td>
</tr>
<tr>
<td>level</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>KM key enablers (independent variable)</th>
<th>Performance level (dependent variable)</th>
<th>Standard coefficient beta</th>
<th>t</th>
<th>Significant Correlations</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td>0.305</td>
<td>0.762</td>
<td>0.040</td>
</tr>
<tr>
<td>Organizational culture</td>
<td>0.225</td>
<td>2.120</td>
<td>0.040</td>
<td>0.715</td>
</tr>
<tr>
<td>Leadership</td>
<td>0.271</td>
<td>2.617</td>
<td>0.013</td>
<td>0.671</td>
</tr>
<tr>
<td>Personnel</td>
<td>0.387</td>
<td>4.028</td>
<td>0.000</td>
<td>0.777</td>
</tr>
<tr>
<td>Information technology</td>
<td>0.186</td>
<td>2.068</td>
<td>0.045</td>
<td>0.656</td>
</tr>
<tr>
<td>Model summary</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R=0.837</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R²=0.700</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Significant F change=0.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
performance level by 18.6% ($\beta = 0.186$, Significant = 0.045), while “personnel” has the greatest effect on the performance level by 38.7% ($\beta = 0.387$, Significant = 0.000).

- The multiple regressions analysis has uncovered the importance of human resources in the Palestinian public sector institutions as the highest predicting and most affecting independent variable on the organizational performance. This result comes in accordance with what it was emphasized earlier in the literature by some researchers (e.g., Omotayo, 2015; Jain and Jeppesen, 2013; Traunmüller, 2012; Uriarte, 2008), on the importance of developing the human resources practices in an organization, for instance, by adopting an effective recruitment process, continuing education and good training programs, improvement in the retention of employees, and better rewarding systems.

5. CONCLUSION

Leaders of the Public sector institutions, particularly in developing countries, are aware of the importance and the value of KM outcomes. However, it is essential for them to successfully implement KM practices in a proper way; otherwise it is going to be a waste of money and efforts. Governments should understand how to develop the required KM infrastructure by enhancing and developing its organizational components. Most important, leaders of the public sector must realize that the key enablers of KM in a government are definitely differing from other sectors due to its unique nature as a society servant.

This paper has focused on four key enablers of KM (organizational culture, leadership, personnel, information technology); the results showed clearly that these four factors have contributed in strong positive ways to the performance level of the Palestinian government. Specifically, “personnel” as an independent variable were found to be the most effecting factor on the governmental performance ability. This important outcome points to the significance of developing the human resources abilities and enhance their role in the Palestinian government.

Accordingly, this study strongly recommends the following: Invest more in employees; ensure their participation in the policy-making process; enhance knowledge creating and sharing practices among them; develop an effective motivation and awarding system; build a culture of trust among employees and within all organizational levels. Finally, it is believed that this study has contributed theoretically and empirically to the body of KM, particularly in the field of public sector. This study, however, looks forward for more investigations by researchers to study KM within the case of Palestine due to its unique geopolitical situation, from different dimensions by using various research methodologies and tools.

REFERENCES


Lee, H., Choi, B. (2003), Knowledge management enablers, processes, and organizational performance: An integrative view and empirical


