Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)

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Statement of Originality

This work has not previously been submitted for a degree or diploma in any university. To the best of my knowledge and belief, the thesis contains no material previously published or written by another person except where due reference is made in the thesis itself.

(Signed)_____________________________

Craig W Hume
Dedication

Dedicated to my loving wife, Margee and three beautiful children, Abigial, Finlay and William who have sacrificed their time and offered their unconditional love and understanding to helping fulfill my academic ambitions.
Acknowledgment

This thesis is the culmination of many experiences, learnings and most importantly inspiring people whom I have worked and laughed with over a number of years. In acknowledgment of your contribution and encouragement, I would like to take this opportunity to recognize you:

To my supervisors, Associate Professor Nigel and Dr Peter Clarke, who helped me make this all possible juggling work, family, life and study and still being able to laugh all at the same time.

Professor Gillian Sullivan-Mort, for being a supervisor in those important “needing guidance and inspiration” early days, a mentor to both Margee and I and most importantly always being a friend.

To my Mum and Dad, who always believed in me and encouraged me to do my best. Unfortunately, they are not here with us to see this milestone but I am sure they know. I will never forget Mum’s words to me on my first day at university: “Remember that a few years of study can bring a lifetime of rewards.”

To Uncle Paul, for being the great supporter of all our causes and our children.

To Uncle Leigh, for setting the standard.

Finally, to those teachers who believed in me and encouraged me to persevere and achieve and to those who did not…….
Extended Abstract

Not for profit organizations (NFPs) in Australia operate in an increasingly competitive marketplace for funding, staff and volunteers and donations. Further, NFPs, both in Australia and internationally are growing rapidly in number in response to increasing needs for humanitarian services and environmental sustainability that local and national governments and established international aid organizations cannot or struggle to provide effectively. In this context, many NFPs are being driven to adopt more commercial practices in order to improve their donor appeal, staff retention and service delivery. Knowledge Management (KM) is one such commercial practice, business strategy, being explored to address the competitive environment. Although the concept of knowledge management may be basically understood in NFPs, the detailed implications and strategies to pursue this practice in an NFP context are under explored at this time.

Claims that knowledge management is fundamental to the effective performance of organizations and that it is increasingly critical to business strategy are widespread in the KM literature. KM practices and the impact on “the bottom line” financial performance of an organization have been found to be strongly correlated positioning this field as a valuable area of academic research. However, researchers and practitioners are yet to explore the complex inter-relationships of business models, organizational structures, service operations, organizational culture, internal marketing and employee engagement as collective enablers on the capture, co-ordination and diffusion of knowledge. The purpose of this research project is to explore the current KM literature in the context of the diverse Australian NFP sector and to undertake research to identify core strategic and operational issues for consideration for improving the efficiency and effectiveness of knowledge management initiatives.

Specifically, the research will undertake theory building with respect to the dimensions of KM in NFPs and the role/influence of key enablers such as organizational culture, leadership and internal marketing on the operation of KM including knowledge capture, co-ordination, dissemination and renewal. Further, this research incorporates the inherent NFP sector characteristics (compared to the private sector) and the growing diversity within the NFP sector as part of its analysis to highlight the need for a customized approach to KM in NFPs. This approach will lead to a re-conceptualization of knowledge management of NFPs context.
and it is anticipated that the role of internal marketing in particular, founded in a services marketing perspective, will provide a novel contribution flowing from the research.

This thesis, by a series of integrated papers, adopts a mixed method approach by implementing a series of three integrated studies, which amalgamates both knowledge management and not-for-profit research fields. The studies include a combination of qualitative and quantitative data collection including 32 in depth interviews with NFP stakeholders, qualitative ethnography using case study analysis on three (3) large and four (4) small NFP case studies and face-to-face semi-structured interviews and surveys on 71 knowledge workers ranging from NFP Chief Executive Officers (CEO) to volunteers. The questions and consolidated responses can be found in Appendix 3. This thesis aims to identify the preferences, application and understanding of KM in NFPs that are relevant to both small and medium enterprises and large NFPs and advance understanding of how to implement a knowledge framework in the NFP sector.

This thesis examines the role of knowledge management (KM) in not-for-profit organisations (NFPs). With limited research related to KM in an NFP setting, Study One advances knowledge and offers a unique view of KM from the perspective of 32 NFP stakeholders using in-depth interviewing. This study explores the definition of knowledge in the organisation, the importance of knowledge planning, capture and diffusion; and offers recommendations for the development of sustainable knowledge management practice and development from the internal not-for-profit stakeholder perspective.

The second study examines the role of knowledge management (KM) in not-for-profit organisations (NFPs) using case study methodology and advances previous KM work. With limited research related to KM in an NFP setting, this paper advances knowledge and offers an expanded view of KM from the perspective of three (3) large NFP cases. This study explores the definition of knowledge in the large NFP organizations, the importance of knowledge planning, capture and diffusion and offers recommendations for the required enablers of knowledge management practice. This study further examines the role of knowledge management (KM) in small and medium sized NFP using case study methodology and advances previous KM work (Hume & Hume, 2008).

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This case study process involved the audit, assessment and investigation of internal work materials, brief interviews with staff and assessment of workplace practices adopted that support knowledge management in the NFP organisation.

This work resulted in a set of propositions related to strategic development of knowledge in not-for-profit organizations. With limited research related to KM in an NFP setting, this paper advances knowledge and offers a unique view of KM from the perspective of four (4) small to medium sized NFP cases. This study explores the definition of knowledge, the importance of knowledge planning, capture and diffusion and offers recommendations required for enablers of knowledge management practice and development in SME, NFPs. The final study uses a combined approach of structured questionnaire implemented face to face and in depth interview setting of 71 knowledge workers. This study looks more specifically at the role of socialization, internal marketing and performance management with these found to be vital for KM in NFPs.

These first two studies in-depth interviews with stakeholders and case analysis coupled with extant literature, informed the interview design and instrument designed for the main survey in Study Three. This instrument was conducted on 71 knowledge workers in active NFPs. Qualitative work undertaken in Study One identifies the current KM practice. Study Two further advances and explains this NFP stakeholder perspective. Study Three advances the understanding of specific content found in previous studies and measures and tests these key constructs of internal marketing and performance management and the impact to KM adoption and implementation.

This thesis is structured in the journal paper format. The journal papers can be found in Chapter 3. In addition, introductory and concluding chapters are appended with the concluding chapter providing an in-depth discussion of the contributions of this thesis. The journal papers are based on the progressive results of the research program and offer an integrated set of findings and discussions. The papers are not mutually exclusive but interrelated to comprehensively illuminate the central research theme of the thesis and discuss many aspects of NFP management, knowledge management, internal marketing and performance management and their significance to KM in NFPs. The entire thesis is drawn from the data set generated from the three integrated studies developed to address the overall
The central research theme is to investigate the role and adoption of KM in a NFP setting using marketing, strategic management and operations management theories as platforms of analysis.

The tested propositions of this thesis found empirically that the implementation and adoption of knowledge management needs a stronger worker socialisation focus to assist knowledge capture and distribution, internal marketing to promote organisational and professional value, leveraging increasingly available and pervasive ICT tools to assist with socialisation and internal marketing and a modified performance management program to focus and motivate staff and volunteers. These findings are of interest and value, in particular, to scholars of KM and NFP operations and NFP management. Previous research has not examined knowledge management in Australian NFPs and universally has not examined the role of internal marketing and performance management in NFP. Collectively, the findings of this thesis have led to several developments and contributions for both scholarship and practice. The contributions to knowledge of this thesis highlight four (4) main theoretical contributions and ten (10) main managerial implications. Each of these contributions is discussed in greater depth in Chapter Seven.

The theoretical contributions identified are as follows:

2. Contribution #2: Clarifying the KM implementation roadmap for NFPs. Currently, little theory is offered to cater for the nuances of NFP firms. This work advances Weerawardena, McDonald, and Sullivan-Mort. (2010).
3. Contribution #3: Particularizing and measuring the construct of internal marketing in a knowledge management context. Advancing internal marketing theory by applying it to a NFP context, identifying key value proposition elements for internal promotion of the operational and organisational benefits of KM. Advancing Ahmed & Rafiq (2004), Politis (2003); Ballantyne (2000; 2003) and Riege (2005).

This thesis further contributes to knowledge by offering several managerial contributions by contributing to the operational service design and knowledge creation strategies in NFPs. The project specifically recommends practices for streamlining knowledge capture, storage and retrieval and offers a KM implementation framework for creating knowledge in Australian NFPs, this extending the understanding of “How” to the KM process.

Specifically, the following managerial contributions are offered by this thesis are as follows:

1. Contribution #1: Providing NFP managers and management consultants working in the NFP sector with an operational model to leverage in planning, operating and sustaining KM initiatives in diverse Australian NFP organizations. Importantly, Knowledge Management (KM) is a multi-dimensional organisation activity which requires co-ordination across all the elements for KM to be sustained.

2. Contribution #2: Debunking a commonly held perception that knowledge management is primarily ICT driven. Leveraging both available organizational ICT assets and staff/volunteer’s personal ICT helps build connectivity to assist KM capture and distribution but do not rely on it as “the KM solution”. People first, process second and technology third.

3. Contribution #3: Expanding the knowledge management research paradigm away from a strong focus on understanding the concept of “What is knowledge?” emphasizing its various attributes and formalizing different taxonomies to a much needed pragmatic research program on the “How?” NFP organizations can manage knowledge from a process and people-oriented view.

4. Contribution #4: Developing a contemporary understanding of what are the key enabling organizational functions in implementing, operating and sustaining knowledge management programs in structurally different NFPs.
5. Contribution #5: Helping NFP managers recognize that knowledge (both tacit and explicit) is primarily created by people (staff and volunteers) within the organization. For the capture and sharing processes to begin, mature and be sustained, involves understanding and managing the primary psychological elements of the strategic value firstly, and the professional and personal value secondly. The practice of internal marketing can be broadened here to include “knowledge” as a “product/service” within the organization that should be marketed to individuals and internal work groups to facilitate exchange both within the organizations and with external customers and business partners further advancing the field of KM and NFP research. Linking knowledge management and internal marketing to address the personal and professional issues/value requirements is key to supporting knowledge renewal which is central to knowledge management.

6. Contribution #6: Keep it Simple and grow/mature KM planning and activity with experience. Learn from what works and what does not work in your organization and adapt/innovate if and where needed to improve.

7. Contribution #7: Confirming the critical roles of active leadership and organizational culture to implementing and sustaining KM activities.

8. Contribution #8: Re-engineering the role and poor perception of performance management and KM to be more strategic KM goal-oriented and organizationally /work team based rather than personal work focused and retrospective.

9. Contribution# 9: Australian NFPs face an increasingly competitive and demanding future. Adoptions of “corporate” practices such as knowledge management are required and achievable in order to improve service delivery and remain viable to customers, donors, staff and volunteers.

10. Contribution# 10: Recognition that Australian NFPs are knowledge intensive organisations. Great value lies within the organizations if managers are prepared to invest and support knowledge management as a key operational activity, rather than a strategic activity that “head office should be responsible for” and/or assuming it happens informally.

This thesis offers a new perspective and practical approach to NFP context analysis making a valuable contribution to scholarship by contributing to the field of NFP management and advancing enquiry in the field of NFP marketing, management and
operations. This approach is based on improving organisational performance in Australian NFP services at a time when NFP are delivering more services to a growing customer base. In addition, research findings inform both large and small to medium NFP organizations of ways to better meet the needs and wants of key stakeholders such internal customers/employees and donors, suppliers and sponsors through KM design, knowledge capture, storage and distribution. Moreover, the findings assist researchers in further advancing the field of KM and NFP research. This research positions the future research program to focus on continuing the advancement of NFP and KM management by examining the higher order constructs of internal marketing, performance management/KM goal setting in KM adoption, employee commitment and sustaining KM activity.
Relevant Publications Produced in Conjunction with this Thesis

Book Chapter

Hume, C. and Hume, M. (accepted for publication January/February 2014 forthcoming) Augmenting transcultural diffusion through knowledge management: The critical role of internal marketing. In Christiansen, B., Yıldız, S., & Yıldız, E. (eds), Transcultural Marketing for Incremental and Radical Innovation, IGI Global, Hershey PA, 17033-1240, USA

Journal Articles


Refereed Conference Papers


Under Review

Papers


Hume, C. The critical role of Internal Marketing (IM) in Knowledge Management (KM) in Not for Profit Organisations. *International Journal of Non-Profit and Public Sector Marketing* (under review)

Book Chapter (*under Final Chapter review*)

Hume, C. Key Enablers for Knowledge Management for Australian Not-for-Profit Organizations – Building an Integrated Approach to Build, Maintain and Sustain KM in ICT Management in Non-Profit Organizations. In J. A. Ariza-Montes and A.M. Lucia-Casademunt (eds), *ICT Management in Non-Profit Organizations*, IGI Global, Hershey PA
THE PAPERS INCLUDED ARE A MIX OF SOLE-AUTHORED AND

CO-AUTHORED PAPERS

Acknowledgement of Published and Unpublished Papers included in this Thesis.

Included in this thesis are papers in Chapters 5, 7 and 8 for which I am the sole author.

The bibliographic and copyright details for these papers are as follows:


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Chapter 7 - Hume, Craig. The critical role of Internal Marketing (IM) in Knowledge Management (KM) in not for profit organisations. *International Journal of Non-Profit and Public Sector Marketing* (under review).


Chapter 8 - Hume, Craig. Key enablers for knowledge management for Australian not-for-profit organizations – Building an integrated approach to build, maintain and sustain KM. In J. A. Ariza-Montes and A.M. Lucia-Casademunt (eds), *ICT Management in Non-Profit Organizations*, IGI Global, Hershey PA.

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Additionally included in the thesis are papers in Chapters 3, 4, 6 and 7 which are co-authored with other researchers. My contribution to each co-authored paper is outlined at the front of the relevant chapter. The bibliographic and copyright details for these papers including all authors are as follows:


Chapter 7 - Hume, Craig. & Hume, Margee. (accepted for publication Jan/Feb 2014 forthcoming) Augmenting transcultural diffusion through knowledge management: The critical role of internal marketing. In Christiansen, B., Yıldız, S., & Yıldız, E. (eds), *Transcultural Marketing for Incremental and Radical Innovation*, IGI Global, Hershey PA, 17033-1240, USA.

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(Signed) _________________________________ (Date)______________

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Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
Chapter One - Background to Research

The Research Purpose

The purpose of this thesis is to undertake theory development and testing specific to the adoption and practice of Knowledge Management (KM) in Australian not-for-profit organizations (NFPs). The research aims to integrate management, marketing and operations theories to provide a deeper understanding of the issues impacting KM in this context. This will be undertaken through a series of three integrated studies and presented in a set of six (6) papers.

Popularly referenced knowledge management (KM) "success stories" (Accenture, Boeing, Chrysler-Daimler, 3M, General Electric) to date are all private sector based (Riege, 2005). However, academic research into the formula/methodology for modelling of those successful KM characteristics into non-government organizations (NFPs) is rudimentary at best and does not translate easily into the NFP sector (Andreasen, Goodstein, and Wilson, 2005; Rainey, Backoff, and Levine, 1976). The business practices of commercial for-profit organizations such as differing employment guidelines and procedures, differing legal compliance and ethical constraints, different operational and managerial structures, differing accounting and taxation practices, and the pursuit of profits and accumulation for owners and investors, are contrary to the purpose of serving the public or the mutual benefit of donor and recipient and the business practices of NFPs. (Helmig, Jegers, and Lapsley, 2004). In order to move forward in KM and NFP research arena, we must examine and understand how these differences influence the translation and integration of for profit business cases in KM into a non-government organization context.

Increasing competitive forces prevalent in many of Australia’s non-government sectors (for commercial and government funding/sponsorship and philanthropic donations) have forced all non-government organizations to adopt more “commercial” business models and practices (Helmig, et.al., 2004) such as knowledge management (Hume, Sullivan Mort, Liesch, and Winzar, 2006). Although the challenging business environment of NFPs is being increasingly understood by their management, neither the implications nor how to pursue these practices such as knowledge management, is particularly clear or easy. Consequently, the adoption of
KM in the NFP sector is limited and very informal (Lettieri, Borga, and Savoldelli, 2004). One argument for this limited adoption is that the limited funding, limited resources and high accountability to members and the public NFPs face (Helmig et al., 2004) makes it very difficult to gain the requisite financial investment, resourcing and expertise that are often required to pursue and develop these commercial practices (such as knowledge management) practices fully to be truly effective. Another argument is that knowledge is too unwieldy to manage and should not divert NFPs away from focusing on core service delivery and fulfilling their mission. Ideally, developing a generic KM strategy could reduce the costly approach to this practice for this sector however with the many different NFP enterprises (Crossan, Bell, and Ibbotson, 2004; Salamon and Anheier, 1992) that exist with differing purposes and practices, the relative ease of developing a generic strategy is an anomaly. It is then suggested that to move forward in NFP-KM research and develop a foundation model in this context, it is important to consider the many inherent differences of for-profit and NFPs and the differences within the NFP sector itself when developing a KM strategy in the NFP sector. It is proposed that the growing diversity, inherent characteristics of the NFP sector and within the organizations themselves necessitates a more customized approach to KM. Consideration must be given to operational variables such as NFP membership, geographic operations, operational maturity and management structure which directly impact KM. Further, it is necessary to understand that the KM “system”, as many researchers refer to it, is more holistic than an IT system supporting knowledge distribution and involves a number of enabling elements of people, process, leadership and culture which must be considered (Bennett, 2001). Most importantly, how to maintain the continuity of the knowledge management program, as knowledge is dynamic and constantly evolving, in an NFP context is also a under explored link in the KM research. Exploration of whether or not internal marketing activities (Ballantyne, 2000) may provide the vital motivating source to maintaining continuity of knowledge management activities in NFPs is worthy of consideration and focus, particularly given NFP’s staffing challenges and growing demand for services. Non-government organizations have played an important role in society since the mid-nineteenth century.

The phrase “NFP” only came into use via the establishment of the United Nations Organisation in 1945 with explicit reference given to the consultative role of organizations which are neither governments nor member states, who provide essential a broad range of
humanitarian and development services and support when and where government resources are scare to ensure a level of social equity, democracy and sustainability is achieved. A recent study into the Australian NFP sector by the Productivity Commission (2010), estimated that there are over 600,000 NFPs operating employing close to 890,000 people (around 8 percent of total employment).

The purpose of this thesis is to explore the current KM literature in the context of NFPs and to develop a knowledge management implementation-planning framework, highlighting key enablers, for consideration across NFPs. This thesis adopts a mixed method approach by implementing a series of three integrated studies, which amalgamates both knowledge management and not-for-profit research fields. The studies include combination of qualitative and quantitative data collection including 32 in depth interviews on NFP stakeholders, qualitative ethnography using case study analysis on three (3) large and four (4) small case studies and face to face semi-structured interviews and survey on 71 knowledge workers.

This thesis aims to identify the preferences, application and deeper understanding of the operation of KM in NFPs that are relevant to both small to medium and large Australian NFPs and advance understanding of how to implement and sustain knowledge management in the NFP sector.

The intent of this thesis is to research the neglected area of NFPs and knowledge management. The thesis will undertake theory building with respect to the dimensions of KM in NFPs and the role/influence of key enablers such as organizational culture, leadership and internal marketing on the operation of KM including knowledge capture, co-ordination, dissemination and renewal.

Specifically, the thesis will address the following question:

*How do Australian NFPs capture, manage and sustain their knowledge?*

**Expected Contribution to Knowledge**

The thesis will thus be able to make a contribution to theoretical knowledge and to practical management in NFPs. Collectively, these findings have led to several developments and
contributions for both scholarship and practice. The contributions to knowledge of this thesis highlight four (4) main theoretical contributions and ten (10) main managerial implications. Each of these contributions is discussed in greater depth in Chapter Seven.

**Theoretical Contribution**

Current KM, NFP and internal marketing literatures will be advanced by this research program in several ways. This work will contribute to the theoretical knowledge in the area of fundamental strategic and operational characteristics that must be considered when designing and sustaining a successful knowledge management program (Davenport and Prusak, 1998; Bennett, 2001; Lettieri, Borga and Savoldelli, 2004; Vasconcelos, Seixas, Kimble and Lemos (2005); Chong and Choi, 2005; Riege, 2005) in NFP organizations. In particular, the work of Riege (2005) in the identification of the many personal, organizational and technological barriers to knowledge sharing will be further explored by making explicit the fundamental organizational assets and processes that occur for knowledge management operation and sustainability in NFPs. Further, this research will support the seminal work of Ballantyne (2000; 2003) in the reinforcing the critical linkage between knowledge management and internal marketing to sustain knowledge sharing, development and renewal within the organization. Most importantly, this work will provide an extension to the exploratory research done by Lettieri et.al (2004) and Vasconcelos et.al (2005) in NFP environment on current KM practices and the challenges this diverse industry sector faces in managing its knowledge.

The theoretical contributions identified as follows:

**Contribution #1:** Advancing NFP knowledge and management specifically the work of Lettieri, Borga and Savoldelli (2004), Riege (2005), Vasconcelos, Seixas, Kimble and Lemos, (2005); Hume and Hume (2008), Kong (2008), Kiplely and Lewis & Helm (2008)

**Contribution #2:** Clarifying the KM implementation roadmap for NFPs, this advancing the work of Weerawardena, McDonald and Sullivan-Mort. (2010).
Contribution #3: Particularizing and measuring the construct of internal marketing in a knowledge management context. Advancing internal marketing theory by applying it to a NFP context, identifying key value proposition elements.


Specifically, the following managerial contributions are offered by this thesis are as follows:

Contribution #1: Providing NFP managers and management consultants working in the NFP sector with an operational model to leverage in planning, operating and sustaining KM initiatives in diverse Australian NFP organizations. Importantly, Knowledge Management (KM) is a multi-dimensional organisation activity which requires co-ordination across all the elements for KM to be sustained.

Contribution #2: Debunking a commonly held perception that knowledge management is primarily ICT driven. Leveraging both available organizational ICT assets and staff/volunteer’s personal ICT helps build connectivity to assist KM capture and distribution but do not rely on it as “the KM solution”. People first, process second and technology third.

Contribution #3: Expanding the knowledge management research paradigm away from a strong focus on understanding the concept of “What is knowledge?” emphasizing its various attributes and formalizing different taxonomies to a much needed pragmatic research program on the “How?” NFP organizations can manage knowledge from a process and people-oriented view.

Contribution #4: Developing a contemporary understanding of what are the key enabling organizational functions in implementing, operating and sustaining knowledge management programs in structurally different NFPs.

Contribution #5: Helping NFP managers recognize that knowledge (both tacit and explicit) is primarily created by people (staff and volunteers) within the organization. For the capture and sharing processes to begin, mature and be sustained, involves understanding and managing...
the primary psychological elements of the strategic value firstly and the professional and personal value secondly. The practice of internal marketing can be broadened here to include “knowledge” as a “product/service” within the organization that should be marketed to individuals and internal work groups to facilitate exchange both within the organizations and with external customers and business partners. Linking knowledge management and internal marketing to address the personal and professional issues/value requirements are key to supporting knowledge renewal which is central to knowledge management.

Contribution #6: Keep it Simple and grow/mature KM planning and activity with experience. Learn from what works and what does not work in your organization and adapt/innovate if and where needed to improve.

Contribution #7: Confirming the critical roles of active leadership and organizational culture to implementing and sustaining KM activities.

Contribution #8: Re-engineering the role and poor perception of performance management and KM to be more strategic KM goal-oriented and organizationally /work team based rather than personal work focused and retrospective.

Contribution# 9: Australian NFPs face an increasingly competitive and demanding future. Adoptions of “corporate” practices such as Knowledge Management are required and achievable in order to improve service delivery and remain viable to customers, donors, staff and volunteers.

Contribution #10: Recognition that Australian NFPs are knowledge intensive organisations. Great value lies within the organizations if managers are prepared to invest and support knowledge management as a key operational activity, rather than a strategic activity that “head office should be responsible for” and/or is assumed happened informally. This work advances earlier research by Eric Kong (2008).

Implications for Future Research

It is evident from examination of the extant literature and application to the NFP context that several deficiencies exist in the knowledge management literature and in academic research. In particular, the definition of NFPs beyond its service mission warrants further investigation,
particularly as the proliferation of NFPs increases, their important social role increases and the sector evolves. The current literature clearly supports the growth of interest in knowledge management-style initiatives by NFPs but appears to lack practical application and any empirical testing from using a broad generic definition of NFPs. Further, research into the application of “popular” knowledge management strategies in NFPs, focusing on specific issues of knowledge development and diffusion strategies via the application of “popular” socialisation strategies such as Communities of Practice (CoP) for example and the application of ICT, particularly Web 2.0 technologies and social media, in an NFP context, are limited. These research gaps have very practical implications and value for the Australian NFP sector which is increasingly looking to implement the knowledge management discipline to address increasing competitive drivers and increasing demand for their services as noted earlier. Specifically, further empirical testing of the hypotheses presented in the knowledge planning framework, its application and case study analysis of KM practice in specific NFPs will provide greater rigor to the propositions presented thus far and provide a research depth and breadth that is needed to provide meaningful academic and management insights.

**Format of this Thesis**

The thesis is presented using the journal paper format (Sullivan Mort and others, 2003). This style, with papers reflecting the chapters, differs from the familiar five-chapter model (Uncles, 1998; Perry, 1998). This thesis also differs from thesis by publication or what is termed supplication (Degree of Doctor of Philosophy Rules, ANU http://www.anu.edu.au/cabs/rules/archivedrules/degreephilosophy). Supplication is the process of PhD submission where a candidate, as a member of staff of a university, submits a set of published works that are mutually exclusive and unrelated to show originality and research ability garnered over a period of time as an academic. In contrast, this thesis style originates in the traditional doctoral process – the overall research theme and question were identified, the literature reviewed and three linked studies were developed to investigate the research sub-questions. Where it distinguishes itself is in the presentation of the thesis’ contributions as a set of papers rather than the traditional five chapters reporting introduction, literature review, method, results, and conclusions. The set of papers is integrated and based on the data set developed by the three linked studies aimed at the overall research question. Moreover, the papers in this thesis are based on the progressive results of the research and
offer an integrated set of findings and discussions. Each of the papers represents each of the chapters. An introductory chapter offer the background to research and coverage of some specific literature with a concluding chapter appended providing an in-depth discussion of the contributions of this thesis. The papers are not mutually exclusive but interrelated to comprehensively illuminate the central research theme of the thesis and discuss many aspects of NFP management, knowledge management, internal marketing and performance management and their significance to KM in Australian NFPs.

This thesis couples the journey to further advance the current knowledge of knowledge management adoption and practice with the examination of a sector of the business community that has many constraints and complexities such as limited funding, social and philanthropic responsibilities, the non-profit sector. This Australian NFP sector is complex in its operation and the strategies each uses to survive are many and diverse; however, a number of factors are important to the industry as a whole. First, competition has increased dramatically in the recent years for donor and sponsor funding. Second, the industry supports a diverse and large number (estimated 600,000) of small, medium and large firms and each is focused on economic survival (Australian Productivity Commission, 2010). Third, most NFP organisations, irrespective of size, rely heavily on government support through grants and supportive financial strategies such as tax incentives. Competition for funding, both government and donor, has grown significantly in the wake of NFP sector growth and governance demands for performance and service accountability by donors and government.
**Critical assessment of literature and application to small medium and large Australian NFPs**

**Study 1**
Qualitative orientation 32 in-depth interviews of NFP employees

- **Paper 2/ Chapter 4**
  - RQ: Exploring the role of enablers in KM practice in NFPs

- **Paper 6/ Chapter 7**
  This book chapter discusses IM in KM and includes analysis of transcultural diffusion. Augmenting transcultural diffusion through knowledge management: The critical role of internal marketing in *Transcultural Marketing for Incremental and Radical Innovation*, IGI Global, forthcoming 2014

**Study 2**
7 case studies: 4 small medium firms and 3 large firms

- **Paper 3/ Chapter 5**
  What about us? Exploring small to medium Australian non-profit firms and knowledge management. *Electronic Journal of Knowledge Management* (submitted and under final review)
  - RQ: KM enablers in SME NFPs

**Study 3**
179 face to face interviews and structured survey

- **Paper 5/ Chapter 7**
  The critical role of Internal Marketing (IM) in Knowledge Management (KM) adoption in not for profit organisations. *International Journal of Nonprofit and Voluntary Sector Marketing* (under review)
  - RQ: The role of internal marketing as a key enabler of KM

- **Paper 7/ Chapter 8**
  Book Chapter
  Key enablers for knowledge management for not-for-profit organisations – Building an integrated approach to build, maintain and sustain KM
  - RQ: The role of ICT, leadership, culture, performance management and internal marketing as enablers of KM. Accepted book chapter in *ICT in NFP Management* by IGI Global (Nov 2013)
Approach to the Research

RESEARCH DESIGN

There has been much debate regarding the application of qualitative and quantitative methods to research (e.g. Jick, 1979; Hammersley, 1992; Patton, 1990; Miles and Huberman, 1994; Marshall and Rossman, 1995). It is suggested the major difference between the two methodological approaches refers to the dimension of verification versus discovery (Patton, 1990; Miles and Huberman, 1994). A paradigm “is a set of linked assumptions about the world which is shared by a community of scientists investigating the world” (Patton, 1990). The concept of differing paradigms affects research in many ways. The paradigm serves as a guide to identifying the more important issues and problems in any discipline, but also forms the basis for models and theories (Perry, 1998; Deshpande, 1983), implicates the type of research tools that are appropriate and provides a framework to allow and comprehend the problems of that field (Denzin and Lincoln, 1994; Patton, 1990). These issues reveal the importance of selecting a paradigm that is not only appropriate to the field of research, and accepted in principle by others in the field, but is consistent with the type of research and the researchers fundamental set of beliefs in their field (Crotty, 1998). This approach is adopted in this thesis and forms the basis for the use of a combination approach of interpretivism and scientific realism paradigms (Patton, 1990), which in turn supports a triangulated approach of qualitative and quantitative studies.

Further to this, theory generation and theory verification will both be emphasised in the research and multiple methods of qualitative and quantitative techniques will be used to capture as much reality as possible during this process (Patton, 1990; Marshall and Rossman, 1994). The advantage of using qualitative methods is the ability to extract rich and thick data in a holistic setting allowing the researcher to observe and discover the complexity and particulars of the research problem. Qualitative research emphasises the use of inductive strategies of theory development in comparison to the use of deductive and empirical examination to generate theory in the quantitative research (Patton, 1990) and this will be employed in Study One and Study Two.

This thesis then verifies and confirms qualitative findings of Study One interviews and Study Two case study analysis by using quantitative measurement and qualitative verification interviews in Study 3 resulting in a blended paradigm of scientific realism and interpretivism.
(Patton, 1990). Other techniques will be employed to further support the credibility of the research including multiple types of data, data management and data analysis, further assisting in an in-depth understanding of the phenomenon in question (Denzin and Lincoln, 1994; Miles and Huberman, 1994; Marshall and Rossman, 1995; Brewer and Hunter, 1989).

THE STUDIES

A multi-disciplinary approach to the understanding of KM in NFPs has not been researched previously. Study One and Study Two were exploratory, descriptive, qualitative and orientated toward conceptualisation and theory building. The aim of the Study One was to clarify the baseline phenomena for observation. In order to extract rich and substantial description of a KM and NFPs, Study One was qualitative. The aim of Study Two was to provide explanation, clarification and identification of the issues facing NFPs. Study Three provided the verification and testing component of this thesis.

This thesis examines the role of knowledge management (KM) in not-for-profit organisations (NFPs). With limited research related to KM in an NFP setting, Study One advances knowledge and offers a unique view of KM from the perspective of 32 NFP stakeholders using in-depth interviewing. This study explores the definition of knowledge in the organisation, the importance of knowledge planning, capture and diffusion; and offers recommendations for the development of sustainable knowledge management practice and development from the internal not-for-profit stakeholder perspective.

Study Two examines the role of knowledge management (KM) in not-for-profit organisations (NFPs) using case study methodology and advances previous KM work. With limited research related to KM in an NFP setting, this paper advances knowledge and offers a unique view of KM from the perspective of three (3) large NFPs in paper 3. This study explores the definition of knowledge in the large NFP organizations, the importance of knowledge planning, capture and diffusion and offers recommendations for the required enablers of knowledge management practice. This study also examines the role of knowledge management (KM) in small and medium sized (SME) not-for-profit organisations (NFPs) using case study methodology and advances previous KM work (Hume & Hume, 2008). This work offered a set of propositions related to strategic development of knowledge in non-profit organizations. With limited research related to KM in an NFP setting, this paper advances
knowledge and offers a unique view of KM from the perspective of four (4) SME NFP cases. This study explores the definition of knowledge, the importance of knowledge planning, capture and diffusion and offers recommendations required for enablers of knowledge management practice and development in SME NFPs. The case study methodology adopted for this research provides an inductive theory building paradigm rather than theory testing (Perry, 1998) and is the most appropriate methodology at this time given the limited research in the NFP and KM context and the need to develop initial testable hypotheses and theory (Eisenhardt 1989; Eisenhard & Graebner 2007) and offer explanation to the exploratory findings. Consistent with Eisenhardt’s (1989) recommendations, the research sample will consist of three to six different NFPs with multiple data sources within each organization to provide data variation and contribute to enhanced validity (Yin, 2004; Weerawardena and Sullivan Mort, 2006). Further, the NFPs were purposively selected to provide a maximum variation to assess replication logic for theory building purposes. The underlying principle of the sampling technique was to provide information rich cases that are worthy of in-depth study. Informal personal interviews also occurred across the hierarchical levels of each organization to provide multiple and detailed data collection of the role and operation of knowledge management in NFPs. Together with workplace observations, demonstrations and relevant document collection in each NFP case study, this study supported the richness of data, the triangulation of evidence and the reliability of data gathered.

The final study uses a combined approach of structured questionnaire implemented face to face and in-depth interviews of 179 knowledge workers. This study looks more specifically a role of socialization and internal marketing and performance management found to be vital for KM in NFPs. These first two studies in-depth interviews with stakeholders and case analysis coupled with extant literature, informed the interview design and instrument designed for the main survey in Study 3. This instrument was conducted on 179 knowledge workers in active NFPs. Qualitative work undertaken in Study 1 identifies the current KM practice. Study Two further advances and explains this NFP stakeholder perspective. Study Three advances the understanding of specific content found in previous studies and measures and tests these key constructs of internal marketing and performance management and the significance to KM adoption and operation.
Interestingly, the tested propositions of this thesis found empirically that the implementation and adoption of knowledge management needs a strong socialisation focus, internal marketing and a modified performance management program. These findings are of interest, in particular, to scholars of KM and NFP operations. Previous research has not examined knowledge management in NFPs and has not examined the role of internal marketing and performance management in NFPs.

Ethics approvals are presented Appendix One and Research Participant’s Letter and Consent Forms for the studies are presented in Appendix Two. Qualitative protocol and consolidated responses are presented in Appendix Three and the Research Survey example in Appendix Four. Study Three in this program uses a survey instrument and structured in-depth interviews to verify propositions. After undergoing purification and pretesting, it was then administered to a sample of 179 candidates in conjunction with face to face interviews. The aim of this study was to address the research questions outlined in Table 1.
<table>
<thead>
<tr>
<th>Construct</th>
<th>Seminal authors</th>
<th>RQ Questions</th>
</tr>
</thead>
</table>
[B2] Your NFP recognises the difference between tacit (undocumented) and explicit (documented) forms of knowledge?  
[B4] Your NFP has clearly communicated processes for capturing, documenting, filtering and distributing knowledge (either tacit and/or explicit)?  
[B5] Your NFP recognises knowledge gaps? |
| Leadership | Wiig, 1997; Hall, 2003; Choy, 2005. Lee Gilliespie & Wearing, 2010 | [D1] Organisational leadership is critical in supporting effective knowledge management in NFPs?  
[D2] Effective knowledge management requires NFP leaders to be actively involved in knowledge management activities.  
[D3] NFP leaders must actively promote the use and benefits of knowledge management to staff for it to be adopted and sustained.  
[D4] Different leadership styles are necessary for NFPs which operate at differing local, national and international levels and different service focus. |
| ICT | Blair, 2002; Politis, 2003; Binney, 2001; Boisot, 1998; Nonaka and Takeuchi, 1995; Treacy and Wiersema, 1993 | [G1] The use of ICT is fundamental to supporting knowledge management in your NFP?  
[G2] ICT is used to create an organisational 'memory' that is used by the NFP staff to deliver services?  
[G3] Knowledge in your NFP is best “managed” via ICT channels (eg. Internet/Intranets, Emails, File Servers, Collaborative work spaces such as Wikis)?  
[G4] Knowledge in your NFP can be “managed” with non-ICT channels such as libraries, Communities of Practice, team/group meetings, presentations/factsheets and informal discussions.  
[G5] IT is essential to effective knowledge management in your NFP. |
<table>
<thead>
<tr>
<th>Organisational Culture</th>
<th>Oliver and Kandadi, 2006; Chong and Choi, 2005; Chua and Lam, 2005; Malhotra, 2004; Riege, 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>[G6] Organisational knowledge is captured, distributed and renewed in your organisation without the use of ICT?</td>
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</tr>
<tr>
<td>[E1] Organisational culture is critical in supporting and sustaining knowledge management in NFPs?</td>
<td></td>
</tr>
<tr>
<td>[E2] Personal 'trust' is a key enabler to knowledge management in your NFP?</td>
<td></td>
</tr>
<tr>
<td>[E3] Personal knowledge a key source of position and status in your NFP?</td>
<td></td>
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<tr>
<td>[E4] Cultural and language similarities assist in the success of knowledge management in your NFP.</td>
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<tr>
<td>[E5] The 'public' nature of knowledge sharing and distribution motivates the capture and/or creation of knowledge in your organisation?</td>
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<td>E6] Like-minded &quot;specialists&quot; and/or &quot;experts&quot; in your NFP communicate regularly and share knowledge?</td>
<td></td>
</tr>
<tr>
<td>[E7] Hoarding of information and knowledge by individuals or groups is actively discouraged in your NFP?</td>
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<tr>
<td>Internal Marketing</td>
<td>Ahmed &amp; Rafiq, 2004</td>
</tr>
<tr>
<td>[C1] Promotion of the operational benefits of knowledge management to staff will help the capture and renewing of knowledge in your NFP?</td>
<td></td>
</tr>
<tr>
<td>[C2] Promotion of the customer benefits of knowledge management to staff will help the capture and renewing of knowledge in your NFP?</td>
<td></td>
</tr>
<tr>
<td>[C3] Promotion of the organisational and professional goals of knowledge management to staff will help the capture and renewing of knowledge in your NFP?</td>
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<tr>
<td>[C4] Addressing the 'Why' value proposition is fundamental to the internal marketing of knowledge management to NFP staff?</td>
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<tr>
<td>[C5] 'Socialisation' strategies (eg. Communities of Practice, Special Interest Groups, Training, Meetings) are the best channels for the internal marketing of knowledge management?</td>
<td></td>
</tr>
<tr>
<td>[C6] Internal marketing of knowledge management should be 'multi-channeled' (eg. Intranets/Internet Special Interest groups, location/office advertising, promotional materials such as brochures/newsletters, DVDs etc) to be effective in NFPs?</td>
<td></td>
</tr>
<tr>
<td>Performance Management</td>
<td>Marquardt, Smith, and Brooks, 2004; Lette, 2001; Bennett and Barkensjo, 2005; Mitchell, 2003</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------</td>
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<tr>
<td>[F1] Performance appraisals/reviews are used in your NFP?</td>
<td></td>
</tr>
<tr>
<td>[F2] Performance reviews of knowledge management contributions, involving all operational and management staff, is done in your NFP?</td>
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<tr>
<td>[F3] Performance management would assist in the capture and distribution of knowledge in NFPs where knowledge is the source of status and power/authority?</td>
<td></td>
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<tr>
<td>[F4] Performance management would assist in breaking down organisational ‘silos’ and foster cross-functional knowledge creation and sharing in NFPs?</td>
<td></td>
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<tr>
<td>[F6] Intellectual capital is recognised and/or rewarded in your NFP?</td>
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<tr>
<td>[F7] Best practice is reviewed/studied regularly in your NFP as a strategy to improving or measuring performance?</td>
<td></td>
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<tr>
<td>[F8] Rewards and/or public recognition are given for high level performance and/or the achievement of organisational goals in your NFP?</td>
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</table>

The survey instrument for the pre-test and the main study, Research Participant’s Letter and Consent Form are presented in Appendix Four, Appendix Three and Appendix Two respectively.
THE PAPERS

This section highlights how the studies map on to each of the papers presented. Paper 1 entitled “Knowledge Management in non-profit organisations – A Large, Medium & Small Challenge”, published in the *International Journal of Not for Profit and Voluntary Sector Marketing* (2008). 13(2), pp. 129-140 discusses how Australian non-profit organizations (NFPs) operate in an increasingly competitive marketplace for funding, staff and volunteers and donations. In this context, many NFPs are being driven to adopt more commercial practices in order to improve their strategic performance, particularly competitive positioning for donor appeal, staff retention and service strategy and delivery. This paper introduces Knowledge Management (KM) as a corporate/private sector practice being explored and implemented by the NFP sector to support strategic performance and operations and discusses the implications of this across small medium and large NFPs. Specifically, this paper proposes that NFP’s unique missions, many and varied organisational structures and operational maturity requires a customised approach to knowledge management. This paper can be found in Chapter 3.

Extending these findings and arguments developed in Paper 1, Paper 2: “KM 100: Introductory knowledge management for not for-profit organisations” published in the *International Journal of Organisational Behaviour* (2012). 17 (2). pp. 56-71. Paper 2 focused on using the definitions gained in Study One to extract thick description from current NFP employees. It consisted of 32 in-depth interviews. This paper aimed to examine KM and the role of KM in not-for-profit organisations. Not for profit (NFPs) organisations are essential in developing sustainable communities and providing the services required by a vast number of communities stakeholders. These stakeholders may be organisations including government, other non-profit, for-profit and the public. With limited research related to KM in an NFP setting, this paper advances knowledge and offers a unique view of KM from the perspective of a sample of NFP stakeholders. This paper will examine the role of the channel members in an NFP context, their definition of knowledge, knowledge capture and diffusion and offer recommendations for the development of sustainable KM communities (Venters, 2007) from the internal stakeholder perspective.
This paper further develops the integrated and progressive discussion central to the research questions of this thesis. As noted, this paper was accepted in the *International Journal of Organizational Behaviour* and is presented in Chapter Four. This finding was further developed and supported by the next paper, Paper 3 presented in Chapter Five. The third paper titled “The role of knowledge management in the large non-profit firm: Building a framework for success” was accepted by the *International Journal of Organizational Behaviour* (2012), 17 (3), pp. 82-104. It examines the issues of theoretical and practical knowledge in fundamental strategic and operational characteristics for designing and sustaining a successful knowledge management program (Davenport and Prusak, 1998; Chong and Choi, 2005, Riege, 2005) in NFP organizations. Specifically, this papers advances and discusses the influential work of Riege (2005) and Ballantyne (2000; 2003) in the identification of the many personal, organizational and technological barriers to knowledge sharing in large NFPs. This paper concludes with reinforcing the critical linkage between knowledge management and internal marketing (Ahmed & Rafiq, 2004) to sustain knowledge sharing, development and renewal within the organization. The main focus of this paper was to apply issues identified depth in Paper 1 and Paper 2 and applies them to three (3) large NFP cases.

The fourth paper in Chapter Six applies these issues to SME NFPs. Paper 4 is titled: “Knowledge management case analysis for SME not for profit organizations: What about me??” and has been submitted to the *Electronic Journal of Knowledge Management* and is under final review. This paper examines the role of knowledge management (KM) in small and medium enterprises (SMEs) not for profit organizations (NFPs) using case study methodology and advances previous KM work (Hume & Hume, 2008). This work offered a set of propositions related to strategic development of knowledge in SME non-profit organizations. This paper offers a unique view of KM from the perspective of four (4) SME NFP cases. The paper supports analysis with the use of Leximnacer 3.0 and offers a unique approach to qualitative research using textual and discourse analysis. The paper concludes by identifying the strong link between knowledge management, socialization and internal marketing to address the social issues of “What’s in it for me and the organisation?” which are central to knowledge renewal and knowledge management in smaller NFPs.
The fifth paper entitled “The critical role of Internal Marketing (IM) in Knowledge Management (KM) in not for profit organisations” is under final review in the *Journal of Nonprofit and Voluntary Sector Marketing*. This paper focussed on the essential role of internal marketing and its elements in the adoption of KM in the NFP sector. A second paper focussed in this area is also provided and is an accepted book chapter for IGI Global’s *Transcultural Marketing for Incremental & Radical Innovation* and is titled “Augmenting transcultural diffusion through knowledge management: The critical role of internal marketing”. This chapter offers a pragmatic overview of cultural diffusion using KM and suggests that NFP organisations are knowledge intensive enterprises that struggle with knowledge management due to the diverse cultural factors. The chapter explores the key enabler (internal marketing) as a critical link to cultural diffusion and oneness between NFP staff /volunteers and the organisation for building and sustaining knowledge management in an NFP environment. This book chapter reports combined results of a single case study not reported in any other paper, the in-depth interviewing (32 interviews) and is informed by the results of an online survey (179 respondents). It reports the elements of internal marketing’s (IM) benefit/value propositions to staff and the importance of personal relevance. This research also explores the value of socialisation strategies (such as Communities of Practice) as an effective internal marketing channel and the process required to embrace all cultures and oneness. Together the paper and chapter in this section offers coverage of the importance of IM to KM implementation in the NFP sector.

The final paper has been accepted as a book chapter to IGI Global’s *ICT Management in Non-Profit Organizations* and is titled “Key enablers for knowledge management for not for profit organisations – Building an integrated approach to build, maintain and sustain KM”. This book chapter covers the full system of relationships or enablers for KM that Study 3 investigated and reports the overall strategy and framework for implementation of KM in NFPs.

In summary, the format of the research program reported in this thesis can be divided into two segments; (i) conceptualisation and theory building and (ii) testing. Study 1 and Study 2 are deeply entrenched in conceptualisation, and developing theory to be tested in Study 3. Study 3 of this program focuses on theory testing and verification, specifically, the relationships of internal marketing and enablers to KM in NFPs.
Table 2 summarises the research program for this thesis and presents the associations of the studies and papers.

**Table 2: Research Program**

<table>
<thead>
<tr>
<th>Study</th>
<th>Paper</th>
<th>Epistemology</th>
<th>Theory Development</th>
<th>Research Questions</th>
<th>Method and sample size</th>
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</thead>
<tbody>
<tr>
<td><strong>Study 1:</strong> Qualitative orientation in-depth interviews of 32 NFP staff (Eisenhardt, 1987; Patton, 1990; Johnston, 1999)</td>
<td>Paper 1: Mixed paradigm of NFP marketing, information technology management and operations. Developing a research agenda for small medium and large NFPs. Paper 2: Mixed paradigm of NFP marketing, information technology management and operations NFP stakeholder’s perspective. Paper 6: Mixed paradigm reporting on qualitative interviews and informed by survey results. Organisational culture and internal marketing</td>
<td>Phenomenology</td>
<td>Inductive –theory building</td>
<td>How do NFP organizations define and describe knowledge? What are the key factors that contribute to knowledge capture and distribution in a NFP? What is the role of leadership in KM adoption in a NFP? What leadership style/s are required? How does ICT support KM in the NFP? How does organizational culture support KM in the NFP?</td>
<td>Employee interviews n=32</td>
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<tr>
<td>Study 2: Qualitative orientation study cases analysis (Eisenhardt, 1987; Patton, 1990)</td>
<td>Phenomenology</td>
<td>Inductive-theory building</td>
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<td>Paper 3: KM and NFP management in large firms</td>
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<tr>
<td>Paper 4: KM and NFP management in SME firms</td>
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<tr>
<td>Study 3: Quantitative study survey and post hoc verification interviews</td>
<td>Scientific Realism</td>
<td>Deductive Theory and Testing</td>
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<td>Paper 5: Mixed paradigm of marketing and KM operations</td>
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<tr>
<td>Paper 6: Mixed paradigm reporting on qualitative interviews and informed by survey results. Organisation culture and internal marketing</td>
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<tr>
<td>Paper 7: Mixed paradigm of performance management, HR and operations</td>
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<tr>
<td>Study 4: Qualitative orientation study cases analysis (Eisenhardt, 1987; Patton, 1990)</td>
<td>Phenomenology</td>
<td>Inductive-theory building</td>
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<tr>
<td>Paper 8: KM and NFP management in large firms</td>
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<tr>
<td>Paper 9: KM and NFP management in SME firms</td>
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</table>

Paper 3: KM and NFP management in large firms

Paper 4: KM and NFP management in SME firms

What are the key enablers of KM practice in the NFP?
How does the size of the NFP impact KM?

Study 3: Quantitative study survey and post hoc verification interviews

Paper 5: Mixed paradigm of marketing and KM operations

Paper 6: Mixed paradigm reporting on qualitative interviews and informed by survey results. Organisation culture and internal marketing

Paper 7: Mixed paradigm of performance management, HR and operations

What are the key value propositions that Internal Marketing must address to support KM?

- Is promotion of the operational benefits of knowledge management to staff used and helping capture and renewal of knowledge in your NFP? (Gronroos, 1981)
- Is promotion of the customer benefits of knowledge management to staff used and helping the capture and renewal of knowledge in your NFP? (Berry, 1981)
- Is promotion of the organisational and professional goals of knowledge management to staff used and helping the capture and renewal of knowledge in your NFP? (Winter, 1985; Berry and Parasuraman, 1991)

How can performance management (appraisals, project reviews, achievement planning) be used to recognise and motivate knowledge management in NFPs?

What ICT assets can NFP use effectively to support KM?

'Socialisation' strategies (eg.

Study 4: Qualitative orientation study cases analysis (Eisenhardt, 1987; Patton, 1990)

Paper 8: KM and NFP management in large firms

Paper 9: KM and NFP management in SME firms

What are the key enablers of KM practice in the NFP?
How does the size of the NFP impact KM?

Study 5: Quantitative study survey and post hoc verification interviews

Paper 10: Mixed paradigm of marketing and KM operations

Paper 11: Mixed paradigm reporting on qualitative interviews and informed by survey results. Organisation culture and internal marketing

Paper 12: Mixed paradigm of performance management, HR and operations

What are the key value propositions that Internal Marketing must address to support KM?

- Is promotion of the operational benefits of knowledge management to staff used and helping capture and renewal of knowledge in your NFP? (Gronroos, 1981)
- Is promotion of the customer benefits of knowledge management to staff used and helping the capture and renewal of knowledge in your NFP? (Berry, 1981)
- Is promotion of the organisational and professional goals of knowledge management to staff used and helping the capture and renewal of knowledge in your NFP? (Winter, 1985; Berry and Parasuraman, 1991)

How can performance management (appraisals, project reviews, achievement planning) be used to recognise and motivate knowledge management in NFPs?

What ICT assets can NFP use effectively to support KM?

'Socialisation' strategies (eg.

4 SME and 3 large NFP cases

Pilot survey n= 50

Main Study n=179

These papers were also informed by the previous work and show the emergence of themes and theories for testing and development.
Communities of Practice, Special Interest Groups, Training, Meetings) are the best channels for the internal marketing of knowledge management?
Chapter Two - Literature review

This section will give an overview of the literature and the themes that are covered in each of the papers. As the journal papers offer brief overviews of the literature, a more comprehensive coverage has been included. The literature review will firstly examine the increasingly important and influential role of NFPs in our society. Secondly, this review will briefly explore the core challenge of managing knowledge in a structured and repeatable fashion in NFPs. Thirdly, the review will examine critical business practices that support knowledge management in an organization: The central question of “How do Australian NFPs capture, manage and sustain their knowledge?” remains largely under-explored in the current literature despite the growth and expanding role of the NFP sector in Australia. In addition, the literature review will identify the knowledge management issues focusing on the NFP organization definitive characteristics of size and geographic operation.

The Role of Not-for-Profit Organisations (NFPs)

Broadly, and for the purposes of this thesis, a not-for-profit (NFP) is a legally constituted organization created by private persons or organization that is not part of a government and typically independent of government (Willetts, 2002, Lehman, 2005). NFPs are generally restricted to social, cultural, legal, and environmental advocacy groups having goals that are primarily non-commercial, social equity and sustainability based. The label "NFP" however is considered too broad by some (Glasius, , Kaldor & Anheier, 2005; Ajmal, Helo & Kekale, 2010) which has resulted in some NFPs opting to use the term private voluntary organization (PVO), non-government organisation (NFP), community based organization (CBO) or civil society organization (CSO) which they believe more accurately reflects their origins. The terms are largely interchangeable, yet NFP remains the more recognized commonly used acronym.

NFPs have a history dating back to at least the mid-nineteenth century (Davies, 2006). They were important in the anti-slavery movement in the US and the movement for women’s suffrage in the United Kingdom, and in Australia, they pre-date the...
government provision of social welfare to people in need. Globalisation during the 20th century gave rise to the importance of NFPs. It was recognized that many existing and developing social and economic problems could not be quickly solved simply and quickly within a nation and or by a standing political party during its elected tenure. NFPs grew out of this social gap to play an important role as intermediaries between those affected communities and government to help provide information, expert resources and guide finances and services to provide support where it is most effective thereby ensuring a level of social equity, democracy and sustainability is achieved.

The growth of NFPs saw them evolve into a heterogeneous group which created numerous classifications (see Table 3).

**Table 3: Activities usually included within the not-for-profit sector**

Source: International Classification of Non-Profit Organisations (ICNPO)

<table>
<thead>
<tr>
<th>Sector</th>
<th>Activity Includes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culture &amp; Recreation</td>
<td>Media &amp; communications, Visual arts, architecture, ceramic art; Performing arts; Historical, literary &amp; humanistic societies; Museums; Zoos &amp; aquariums; Sports; Recreation &amp; social clubs; Service clubs</td>
</tr>
<tr>
<td>Education &amp; Research</td>
<td>Elementary, primary &amp; secondary education; Higher education; Vocational/technical schools; Adult/continuing education; Medical research; Science &amp; technology; Social sciences, policy studies</td>
</tr>
<tr>
<td>Health Hospitals &amp; rehabilitation</td>
<td>Nursing homes; Mental health &amp; crisis intervention; Other health services (for example, public health &amp; wellness education)</td>
</tr>
<tr>
<td>Social Services</td>
<td>Child welfare, child services &amp; day care; Youth services &amp; youth welfare; Family services; Services for the handicapped; Services for the elderly; Self-help &amp; other personal social services; Disaster/emergency prevention &amp; control; Temporary shelters; Refugee assistance; Income support &amp; maintenance; Material assistance</td>
</tr>
<tr>
<td>-----------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Environment</td>
<td>Pollution abatement &amp; control; Natural resources conservation &amp; protection; Environmental beautification &amp; open spaces; Animal protection &amp; welfare; Wildlife preservation &amp; protection; Veterinary services</td>
</tr>
<tr>
<td>Development &amp; Housing</td>
<td>Community &amp; neighbourhood organisations; Economic development; Social development; Housing associations &amp; assistance; Job training programs; Vocational counselling &amp; guidance; Vocational rehabilitation &amp; sheltered workshops</td>
</tr>
<tr>
<td>Law, Advocacy &amp; Politics</td>
<td>Advocacy organisations; Civil rights associations; Ethnic associations; Civic associations; Legal services; Crime prevention &amp; public policy; Rehabilitation of offenders; Victim support; Consumer protection associations; Political parties &amp; organisations</td>
</tr>
<tr>
<td>Philanthropic intermediaries</td>
<td>Grant-making foundations; Volunteerism promotion &amp; support; Fundraising</td>
</tr>
</tbody>
</table>
Australia has a strong tradition of NFPs providing a broad range of social services from welfare and education to conservation, recreation and health and are an integral part of the Australia’s economic, societal and political fabric. Recent estimates from Australian Productivity Commission (2010) estimated that there are over 600,000 NFPs in Australia today. Interestingly, peak industry body, Philanthropy Australia, believe there to be up to 700,000 (http://www.philanthropy.org.au/sector/overview). Both organisations however agree that the vast majority (estimate 440,000 – Productivity Commission 2010) of these NFPs are small organizations with limited resources and

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>International</td>
<td>Exchange/friendship/cultural programs; Development assistance associations; International disaster and relief organisations; International human rights and peace organisations</td>
</tr>
<tr>
<td>Religion</td>
<td>Congregations (including churches, synagogues, mosques, shrines, monasteries &amp; seminaries); Associations of congregations</td>
</tr>
<tr>
<td>Business &amp; Professional Associations &amp; Unions</td>
<td>Business associations (organisations that work to promote, regulate &amp; safeguard the interests of special branches of business); Professional associations (organisations promoting, regulating &amp; protecting professional interests); Labour unions</td>
</tr>
<tr>
<td>Not elsewhere classified</td>
<td>All other non-profit organisations including cooperative schemes, manufacturers, wholesalers, retailers, cemetery operators</td>
</tr>
</tbody>
</table>
entirely dependent on the voluntary commitment of members. The mission of these 600,000 – 700,000 organizations covers a very broad range of political and philosophical positions and the number of them continues to grow. The rich diversity of NFPs, which ranges from international hierarchies to locally-organised interest groups, has made attempts to define NFPs the subject of much academic and political debate. The following information provides a further insight into this dynamic sector:

- The Australian Bureau of Statistics (ABS) has identified 59,000 “economically significant” NFPs, contributing a significant $AUD 43 billion to Australia's GDP, and 8 per cent of employment in 2006-07. (Source: ABS 8106.0)
- The NFP sector has grown strongly with average annual growth of 7.7 per cent from 1999-2000 to 2006-07.
- 4.6 million volunteers work with NFPs with a wage equivalent value of $AUD 15 billion. More Australians are volunteering, but for fewer average hours, so total hours grew only slowly (2 per cent per annum over the 7 years to 2006-07).
- Most areas have seen a decline in volunteering, although there has been strong growth in volunteers with culture and recreation organisations.

In recent time, the role of many NFPs has evolved to include a broader focus on community development and capacity building as governments increasingly and successfully use NFPs as a service provider channel. For example, The Smith Family, an established nationally organized social welfare group, has expanded its historically social welfare focus to include broader community-development and health programs such as the Communities for Children projects (http://www.thesmithfamily.com.au) in western Sydney. The horizontal integration from a social welfare mission into larger community and environment mission was strongly supported by the Federal and State Governments. The expanding role of NFPs clearly positions the sector as a legitimate and valuable element in our social landscape. However, with this increasing service role has come greater demands on NFP’s resources and finances and spawned the competition within the sector for the available donor funds and government grants. Knowledge Management is posted as one of the key strategies to supporting NFPs in
meeting this competitive challenge and continuing to maintain their increasing service requirement.

The Evolution of Knowledge Management

From any perspective, the Knowledge Management (KM) landscape is a complex one, not least in the diverse definitions of knowledge itself (Grant, 1996; Quintane et al., 2011; Tsoukas and Vladimirou, 2001; Spender, 2002; Crane 2012). Despres and Chauvel (2002) counted 72 different KM theories, reporting scant agreement over the nature of knowledge, but a broad consensus that people are the cornerstone of KM with most treating knowledge work as social action. This status undoubtedly impacts on many of the other debates in KM: the definition of KM (Bouthillier and Shearer, 2002), ethical issues associated with the management of knowledge (Gourlay, 2006), the commodification and reification of knowledge (Smith, 2005), reportedly high failure rates (Virtanen, 2011), the question of how to measure knowledge value (Spender, 2002), whether knowledge is personal or organizational, or both, and cultural specificity (Despres and Chauvel, 2002). All of these issues have significant implications for research and practice. The definition of knowledge is a prime catalyst for the ongoing debate (Quintane et al. 2011; Bhatt, 2001; Grant and Qureshi, 2006) and has sporned a widespread and sometimes esoteric body of research. Despite this research fragmentation, Nonaka and Takeuchi (1995) are still widely credited as the primary architects of modern organisational KM theory and practice through their profoundly influential book, “The Knowledge Creating Company,” published in 1995 (Umemoto, 2002; Grant, 2007; Virtanen, 2011; Tsoukas, 2011), yet this work still receives periodic criticism (Gourlay, 2006).

Part of the ongoing debate arguably stem from the assumptions on which many theories rest: that knowledge can be identified as a singular thing or activity; that KM outcomes can be measured in some way; that the tacit knowledge can be made explicit and vice versa; that this phenomenon called knowledge resides predominately in people’s heads, but that they must be motivated to share it. Others assume that what will work in one culture or organization will work in another; that with the right organizational structure, knowledge can be commanded and controlled; and perhaps, most significantly, that language, communication and social interaction are important.
A review of KM theory over the past 30 years since Senge (1990), shows the research landscape to be broad, complex, sometimes ambiguous, often confusing. To bring some clarity to this growing body of KM theory, the theories can be classified into the broad categories of a focus either on personal or organizational knowledge, and an approach to knowledge as either object – on the basis that it can be stored and codified, for instance – or as done in some form of formal and informal social interaction. However, it remains unclear “How?” knowledge can be captured, codified, sustained and renewed as part of the organisational eco-system. Further, whilst it is recognised that industry and cultural differences will impact the design and management of the KM system, it is not clear how they can and should be tailored and managed holistically to drive the knowledge lifecycle in specific industries.

The Challenge of Knowledge in NFPs

NFPs are knowledge-intensive enterprises (Vasconcelos et.al., 2005, Lettieri et al., 2004; Martinsons and Hosley, 1993; Murray and Carter, 2005, Hume and Hume 2008). However the knowledge in NFPs is often tacit, fragmented, heterogeneous, rarely formalised (Kipley, Lewis & Helm, 2008; Renshaw & Krishnaswamy, 2009, Hume, Pope and Hume 2012; Andreasen et al., 2005; Helmig et al., 2004) and transient due to the considerable turnover of predominantly volunteer staff and the lack of operational capability and maturity (Gilmour and Stancliffe, 2004; Helmig et al., 2004; Lettieri et al., 2004;) to collect, manage, distribute and renew knowledge.

With an increased focus on KM in business research as an increasingly important strategic activity, many different knowledge management architectures or operating models have appeared and been functionally defined in order to bring some order to the lack of focus and fragmentation of activities being undertaken by organizations under the label of “knowledge management” (Lin, Wu & Yen, 2012; Mahdi, Almsafir &Yao, 2011; Haggie and Kingston, 2003).

In fact, many different organizational knowledge theories, KM architectures and operating models (Binney, 2001; Boisot, 1998; Nonaka and Takeuchi, 1995; Treacy and Wiersema, 1993; Wiig, 1997) have developed to assist organizations both understand potential categories or divisions of knowledge and how knowledge can be managed and
matured as a deliberate process into an organizational asset. For example, (Binney, 2001; Lin, Wu & Yen, 2012; Mahdi, Almsafir & Yao, 2011) broadly categorised these knowledge categories as Transactional, Analytical, Asset Management, Process, Developmental and Innovation. Each category broadly reflects a core source and focus of support.

This level of knowledge strategy classification and understanding of the type of knowledge (Binney, 2001; Lin, Wu & Yen, 2012; Mahdi, Almsafir & Yao, 2011) is conceivably a strategically mature approach to KM (Porter, 1985) and better applied to mature for-profit firms whose organizational architecture is based around these key information domains. However, for first-time adopters and novice users of contemporary business practices such as knowledge management, implementing a mature knowledge classification such as Binney’s (2001) for example could understandably be very difficult to grasp (Malhotra, 2004) given the lack of organizational structural definition and integrated operation in many NFPs. As noted previously, peak NFP industry body, Philanthropy Australia and the Australian Productivity Commission, posited that the vast majority of the NFPs operating in Australia fall into this category of small, strategically immature organizations whose formalized structure and operation is dynamic and ad hoc in many instances. This fluid and informal structure is not unique to just Australian NFPs with many other international organizations displaying similar characteristics (Lettieri et al., 2004). The lack of organizational formality however, is not the case across every NFP. NFPS such as the Red Cross, World Wildlife Foundation, World Vision and Doctors Without Borders / Médecins Sans Frontières for example are well funded, politically supported and organized nationally and internationally. At this other end of the capability-maturity spectrum, the operational challenges are characterized by a number other complex issues involving language, culture, geographic differences, regional practices and ICT connectivity challenges.

It is therefore apparent that a more customized and scalable approach to knowledge management for NFPs ranging from the elementary to the advanced be considered taking into account the unique operational characteristics of the sector and the individual organizations. Importantly, the customized and scalable approach should recognize that as NFPs knowledge management capabilities improve and mature,
common or standard KM practices are evolved rather than radically change or replace to enable the seamless transition from one capability level to the next. In this way, NFPs will learn from their activities throughout the transitions and not over-commit constrained resources which will ultimately improve the sustainability of knowledge management programs. Key to this KM evolution is identifying the key enablers in the knowledge management paradigm.

This starts with the identification/classification and collection of knowledge within the organization. Beginning with a basic framework, for example, of “Must Have to Operate” and “Nice to Have to Operate” could be proposed for the first-time adopters. After maturing operation and/or successful usage outcomes, the “Must Have” category, it can be further defined into the more mature operational subject focuses such as those proposed by (Binney, 2001) and others. Further, knowledge management core activities of collection, categorization and distribution can mature from a passive, filing or library-style activity to more interactive and deliberate activity that engages many people and groups across the organizations as a very visible and standard operational procedure.

In particular, a first time adopter KM strategy which enables an organization to tangibly see and touch the majority of KM activities, could enable immature NFPs to develop a greater awareness of key knowledge content and the important content networks/people from where it is sourced and developed. Knowledge and development of these internal knowledge relationships/linkages are important for supporting internal marketing projects which in turn support and benefit from knowledge management programs (Ballantyne, 2003; Chong and Choi, 2005). More broadly, it is critical to focus on what could be delivered to meet immediate operating needs quickly and effectively rather than speculating on delivering a complete KM solution that supports all strategic and operational areas across the organization. This incremental change is also conceived to be the best approach in a change resistant organizations, strategically immature organizations and first time or novice adopters, a category in which many NFPs fall into (Dunphy and Stace, 1993). Moreover, the anecdotal evidence on KM failure supports the avoidance of “big bang” implementations (Grant & Qureshi, 2006). Further, one school of change management thought argues that in most instances compared to large organizations, small firms have a greater chance of success because
of shorter communications channels, stronger informal networks and greater organizational agility (Ahire and Golhar, 1996; Chen and Hambrick, 1995).

There is also a role for more complex KM implementations and in fact, for the more operationally and strategic mature firms, this could be the most appropriate KM strategy to pursue (Davenport, Long, and Beers, 1997). Raymond (1985) posited that larger firms, with their greater number and depth of resources and funding, have a greater change success compared to smaller firms who take longer to accumulate the required economies of scale to implement major change programs such as those involving significant technology investments (which KM programs can have). Large NFPs such as World Wildlife Foundation (WWF) and the Red Cross have developed by economies of scale by direct consequence of their superior abilities to organize their resources and attract donor finances. Within this context, the management of organizational information and knowledge, however is complicated by hierarchical structures, national and international boundaries, cultural and languages differences and ICT connectivity issues as noted.

It is evident that the diversity of size, mission and operation within the NFP sector makes the context for knowledge management an extremely complex and difficult business undertaking. Riege (2004) and other authors have identified many barriers to KM that exist from a non-industry specific standpoint. What is unclear in the KM and NFP research to date is identification of specific KM enablers that are common, and/or scalable, to supporting and sustaining KM initiatives in the NFP sector, in Australia particularly. It is evident from the research that organizational elements such as process maturity, agility, communication channels, ICT maturity, organizational culture, human resource management and leadership are areas for consideration but it is not clear how these and other organizational assets and processes specifically apply to the diverse NFP sector in Australia and to building and sustaining KM programs.
Cultural Barriers

Irrespective of the type of KM strategies implemented, many fundamental elements are proposed that contribute to both KM successes and failures. KM literature consistently highlights cultural factors, at multiple levels, as the biggest barrier to getting engagement and support for KM activities (Chong and Choi, 2005; Chua and Lam, 2005; Malhotra, 2004; Riege, 2005). It is important to note however this research was conducted in for profit firms with no specific reference to NFPs. Further, research has examined the elements of corporate culture and their impact of information technology adoption. This research suggests culture is a critical variable in the adoption and sustained success of KM programs (Nonaka and Takeuchi, 1995, Davenport and Prusak, 2000, 2002, Chong and Choi, 2005, Oliver and Kandadi, 2006) regardless of strategic mission, size and operational maturity.

Based on the knowledge of current NFP practice (Benz, 2005), a number of basic assumptions can be made about the culture within Australian NFPs. It is evident that in NFPs, many factors affect culture and some of these are also the factors that create the differences in for-profit and non-profit firms. Firstly, NFPs have a significant mix of both permanent and volunteer employees as opposed to for-profit firms which are predominately permanent workers. Volunteers work for the shared belief of the social mission of the NFP and may create less barriers than those that are permanent employees (Benz, 2005). There is some belief in NFPs that workers gain some utility from work other that just monetary rewards (Arnett, Laverie, and McLane, 2002; Benz, 2005). However, the NFP’s social mission may be contrary to the business mission resulting in conflict in the use of best practices for standard business practices (Benz, 2005). Either scenario will complicate the organizational culture and the adoption and development of a KM program. Secondly, leadership and management styles will impact the attitudes (Lee Gilliespie & Wearing, 2010), expectations and behaviours of NFP workers and the collective approach required for knowledge sharing (Wiig, 1997). Unquestionably, there is evidence that culture is important to KM adoption yet many
unanswered questions remain regarding the meaning and content of “knowledge culture” (Oliver and Kandadi, 2006).

The lack of detailed understanding of the role and content of culture in KM adoption in NFPs presents a future research opportunity in the NFP sector. Several authors advocate that organizational culture should be the focal point of all KM programs (Hall, 2003; Oliver and Kandadi, 2006) although this was made from a for-profit research context. Applying cultural factors to NFP’s operational issues such as the underlying “donor agendas” and the philanthropic objectives of non-profit employees, the groups they represent and the workforce characteristics of permanents and volunteers all combine to create a unique cultural complexity and future NFP research field. The plethora of personal psychological and organizational cultural factors associated with NFPs will create a complex chemistry to directing and controlling the capture, collation and diffusion of knowledge. As noted, research in the area of organizational culture, knowledge and NFPs is very limited, however the wide-spread referencing of “cultural issues” across the broad knowledge management research field suggests that NFPs will be similarly affected, albeit that the focus will be with specific characteristics reflecting the diversity of the NFP sector.

**Leadership**

Following on from cultural issues outlined in Section 2.3, the leadership style and governance practices within NFPs represent another key element in KM implementation warranting further research. KM research evidence suggests that a combination of many leadership styles (transformational, transactional, and charismatic for example) are required for KM sustainability (Hall, 2003). Oliver and Kandadi (2006) summarized these multi-faceted leadership requirement as “evangelism”. In driving, starting and sustaining KM programs, case study evidence strongly supports this evangelist leadership claim (Choy, 2005; Lee Gilliespie & Wearing, 2010).

KM research has supported the leadership requirement and indicated that also it must include not just the executive levels of the organization but also the middle and functional management levels. (McDermott and O'Dell, 2001) to drive and sustain KM. Using a popular military-style analogy, command and management for strategic
programs such as KM needs to occur from top to bottom of the operation with all levels clearly understanding the objective/s, key implementation tasks and performance levels, via trusted communication channels who “walk the talk” (Lee Gilliespie & Wearing, 2010; Welch and Welch, 2005) and direct expediently in the field. In addition, there is a need for high performing de facto leaders or knowledge management “champions” at every level and/or functional area to motivate, reaffirm and most importantly, model desired behaviours when the knowledge management program implementation gets either tough, confused (Jones, Herschel, and Moesel, 2003). Using the classical marketing concept principle, an organization’s success depends on its ability to satisfy customer needs.

From the concept of internal organizational customers, the same principle applies here (Bruhn, 2003) for knowledge management. Unless the knowledge needs of the organizational users are understood and delivered in such a way to provide user utility and increase effectiveness, the organization’s strategic objectives can not be met. Thus a key role of the knowledge champions is to constantly monitor knowledge users’ needs and engage regularly with key knowledge suppliers such as SMEs (subject matter experts) and functional groups (who manage corporate and/or external information as part of their daily activities) to facilitate knowledge transfer in an expeditious and consumable fashion that satisfies both knowledge creators and knowledge users which ultimately builds support and loyalty for the knowledge management program.

It is evident that this area of KM research has been primarily conducted in the for-profit environments, which in most part have multiple layers of management. In an NFP environment however, management layers are less evident (particularly the predominately small NFPs in Australia) or relatively informal with volunteer networks filling these directing and supervisory roles. The recruitment and effectiveness of knowledge champions can be negatively affected by the transient and often culturally unsophisticated and immature business behaviours of volunteer workers (Galindo-Kuhn and Guzley, 2001) in NFPs therefore complicating the implementation of any KM programs (Renshaw & Krishnaswamy, 2009; Burnett & Campbell, 2011). As noted earlier, many contemporary corporate business practices such as knowledge management which are new to the NFP operational environment are now being considered. It is therefore logical to assume that KM champions in NFPs would need to
be recruited, undergo significant education, mentoring and management to drive contemporary KM practices (Corfield, Paton & Little, 2013; Conley & Zheng, 2009. Recruiting or conscripting change advocates/champions in a first-time adopting organization is a major challenge for any organization. The challenge in small NFPs would then particularly be significant because of the many unique operational and strategic characteristics of NFPs generally and further that small NFPs tend be governed by social entrepreneurs with limited time for strategic investments (such as KM) and are very operationally focused.

For social entrepreneurs, the social mission is overt and fundamental to all decision making. Satisfying the social mission is most prominent not wealth creation (Dees, Emerson, and Economy, 2002). Social entrepreneurs have a more holistic sense of value than economic value and can tend to react slowly to operational innovations unless the holistic value measure is satisfied. Unlike a business entrepreneur, the threat of going out of business is not as perceived as ominous (Dees, Emerson, and Economy, 2002) so laggard change to innovation is evident (Dees, Emerson, and Economy, 2002). Moreover, the time, materials and costs associated with the recruitment and training of KM champions could work as a deterrent to the adoption of implementation of any change program furthering hindering the success and support for KM in an NFP context.

**Internal Marketing**

The internal marketing concept (IM) was first proposed in the mid-1970s as a way of achieving consistent service quality – a major problem in the service area. Its basic premise was that to have satisfied customers, the enterprise must first have satisfied employees who are motivated to perform. This motivation was derived by treating employees as customers who would be marketed to by way of job design and service. A number of interpretations evolved over the next thirty years in which the IM concept synthesised from focusing on employee motivation and satisfaction (Berry, 1981) to producing a greater customer orientation (Gronroos, 1981) to becoming a holistic marketing process to integrate multiple internal functions and people to support business strategy and change (Winter, 1985). The focus on strategic enablement continued over the next ten years with IM applications expanding to any type of
organisation, not just services-oriented firms from which it started. Internal marketing’s impact as a strategic enabler saw it widely incorporated to the change management paradigm.

Ahmed and Rafiq (2002) encapsulated all these elements to define internal marketing as:

*Internal marketing is a planned effort using marketing-like approach directed at motivating employees for implementing and integrating organisational strategies towards customer orientation.*

Ballantyne’s (2000) proposed that linking internal marketing and knowledge management, a series of motivating activities occurred to drive knowledge from individual tacit levels to group-wide explicit levels on an on-going basis similar to that highlighted in Nonaka & Takeuchi’s (1995 famous knowledge creation SECI model. Internal marketing works to drive the knowledge generation, circulation and renewal. Firstly, at a transactional-like level within the organisation with input from both internal and external sources. From those initial internal interactions which are transactionally-based like internal customers, the internal marketing becomes more a relationship-based activity around established knowledge supply chains developed internally over time and external customers using, experiencing or benefiting from the knowledge created. According to Ballantyne (2000), underlying this knowledge generation, circulation and renewal process is a cycle that moves from commitment to trust, trust to obligation, obligation to trust and trust back to commitment. Internal marketing of the benefits of knowledge generation and circulation helped build this inter-personal/relationship maturity. Bailey & Clarke (2001) extended this important maturation process indicating that personal relevance benefits from both an individual and organizational position level was key to moving through each stage. Perceived personal relevance they argued is a precondition for the motivation to think and act differently. Sharing is not a natural activity and knowledge starts and finishes with individual in most instances. As a consequence, the IM concept is challenged in satisfying potential every individual’s needs as well as the organisation – a very challenging task in any context (Yang, 2012).
Clearly, the need to continuously renew knowledge is key to sustainable knowledge management programs.

The question that remained was does internal marketing programs, aimed at supporting knowledge management, need to be continuous at the same intensity addressing individual and organisational perspectives as well? Do the benefit messages in internal marketing campaigns need to change to continue to energise the capture, co-ordination and distribution of knowledge? In the case of NFPs, where staff and knowledge are often mobile and transient, is there any value in internal marketing to supporting knowledge management? Alternatively, is internal marketing a missing ingredient to increasing staff tenure and activity beyond the core mission and therefore fostering knowledge exchange locally, regionally and internationally. Further, can personal relevance factors be considered in internal marketing in an NFP context where the social mission is prevalent and the driving force for recruitment and operation?

**Performance Management**

Closely linked to the need for leadership for shaping organizational culture and modelling staff behaviours is the need for clear and sustained performance management around KM objectives (Marquardt, Smith, and Brooks, 2004). Performance management in NFPs does not have the same visibility, influence and impact as private sector, for-profit organizations (given the predominately volunteer workforce) where annual salaries, incentives/bonuses, share options, work opportunities, tenure and promotions are directly linked. As previously mentioned, significant numbers of NFP staff may be volunteers whose reward and/or remuneration comes in the form of an esoteric social contribution to a greater social good (Bennett and Barkensjo, 2005; Lettieri et al., 2004; Mitchell, 2003). Managing these altruistic objectives of volunteers complicates the objectives for business-based performance management in the NFP organization. For the permanent salaried members of the NFP, incentives and remuneration bonuses are also constrained by the limited funding and scare resources found in most NFPs (Leete, 2001). Irrespective of the wage differentials (Lette, 2001) and lesser funds and resources available in NFPs, it is fundamental to regularly highlight required and desired behaviours and performance outcomes to individuals and groups in order to operate as a sustainable operating entity. Extending the behaviour
and performance modelling to include knowledge management practices should not be such an issue in NFPs so long as the link between individual performance and the social and personal outcomes associated with the NFP can be matched. There is strong evidence of knowledge management-based performance indicators, encompassed as part of the formal human resources management regime in the for-profit environments, directly support the modelling of required behaviours that help drive and sustain KM programs. Further, being referenced in contact directories, presentations, publications and/or internal reports, recognized as a subject matter expert (via internal marketing channels such as Intranet pages), recognized in network meetings and/or personally thanked by management leaders and/or the CEO, as an informal performance management process, also carries significant influence in the normal competition for hierarchical promotions and work opportunities and salary increases for employed, private sector staff. Further, recognition, both formal and informal, is seen as valuable tool in developing employee satisfaction and mission ownership (Bennett and Barkensjo, 2005) which are also required to support and sustain knowledge management programs. As noted, adjusting the performance and recognition parameters for NFPs to incorporate knowledge management should not be insurmountable as intangible rewards such as management and peer recognition are distinctly feasible in any NFP environment. Tangible rewards such as work opportunities and promotions are also feasible but will be dependent on the organizational structure.

**Need for a KM Plan**

For first time adopters (such as NFPs) of many new management disciplines such as KM, detailing the key activities and the medium to long term journey to the suppliers and users of information and knowledge is essential to success. Further, being able to see, touch and/or experiment with working models from other or similar organizations to tangibilise and understand the end-to-end process/supply chain is a critical element in the adoption process. Nonaka and Takeuchi’s (1995) SECI matrix of knowledge types provides the most practical illustration of the KM roadmap or implementation plan. This pioneering model outlines a process of organizational knowledge creation depicting it as a spiral in which knowledge is “amplified” (Nonaka and Takeuchi, 1995) through the four modes of knowledge: Socialisation, Externalisation, Internalisation and
Combination. It also illustrates how knowledge becomes “crystallised” (Nonaka & Takeuchi, 1995) within the organization at higher levels moving from individuals through to the group/s at across the organization.

Where knowledge, particularly tacit-oriented technical knowledge, is often the basis of job status and position, the expectation/request to document it and willingly divulge it to groups of potentially hundreds of anonymous and/or junior staff members on easily accessed local area networks and corporate Intranets is often met with significant passive and active resistance (Blair, 2002; Politis, 2003). As a result, a more non-threatening and personalised approach, as espoused by Nonaka and Takeuchi (1995), can be used in which the identified knowledge creators are initially socialised with designated personnel, both known Subject Matter Experts (SMEs) and their associates, to share experiences and interpretations within their home territory as an informal and preliminary Community of Practice (CoP) (Wenger and Snyder, 2000). This process has proved to offer some successful knowledge exchange and development but takes some time in which to build critically needed trust between the relevant parties/stakeholders. Over time and with persistence, the SMEs and associated knowledge community gain the confidence to continue to feed the knowledge collection and diffusion process (Kipley, Lewis & Helm, 2008). Politis (2003) posits that inter-personnel trust is a key element in the acquisition and sharing of knowledge in work teams. This does not occur naturally in most instances and requires time and attention to build. Hence the commitment to CoPs must be sustained over the medium to longer term.

Developing trust and building it into a sense of obligation and commitment is seen as critical to maintaining momentum and renewal of the knowledge and building a sustainable KM program (Ballantyne, 2000). Therefore, the focus on the people-factor in the Socialisation phase to foster engagement and dialogue as a means to building “inter-personal trust” (Politis, 2003) as opposed to business networking is paramount. There is a significant time and money investment required to undertake socialisation activities as it often requires more than one attempt to open the channels of communications for both explicit and tacit knowledge exchange. However easy the activity of co-coordinating socialisation activities may seem, it is more complex for NFPs due to their unique operational characteristics of constrained funding,
decentralisation of operational staff and management and transient staffing. Further, identifying and qualifying who and where the Subject Matter Experts (SMEs) are located and then getting them together in one destination with interested knowledge users at the same time with a stimulating, knowledge evoking agenda/context can be extremely difficult. This should not be underestimated as an initial task and can involve a significant amount of investigation and investment. Further, (Wenger and Snyder, 2000) suggest that managerial interference and performance measures in early forming COPs should be minimised in order for the COPs to develop the required inter-personal trust and autonomy to develop knowledge. This incubation period can be costly and time-consuming which many NFPs do not have the finances, resources and patience for. Nonetheless, for KM programs to develop and sustain themselves, NFPs must understand they have to commit time and resources for knowledge to mature and amplify in the organization using Nonaka and Takeuchi’s model. For the outcome of future competitiveness and sustainability, NFPs must accept that there has to be an investment in capability and a plan of related activities to achieve it the requisite level of trust and knowledge identification and exchange to occur. Knowledge management does not happen in isolation or over-night.

**Leverage Existing Technology**

The development of IT networks and applications to facilitate cross-functional work groups and management decision making has been a major catalyst and driver of the knowledge management practice (Chong and Choi, 2005; Davenport and Prusak, 1998). As noted, KM represents a major change program in any enterprise. However, introducing complex, new IT applications as the “Knowledgebase” intranet (Grant & Qureshi, 2006), as part of a major knowledge management/change program, is proposed to be too complex and expensive in the first time adopter paradigm (such as the NFP sector). For larger global NFPs, the resource and management requirements and costs required to operate and maintain a co-ordinated knowledge portal can be significant. The decision to finance projects such as intranets and associated connectivity is a cost-benefit trade-off between providing the core functions that support the social mission and innovating operational processes and practices to enable those functions (Helmig et al., 2004).
Despite financial constraints, information technology, even for the very small NFPs still represents a key enabler in developing more rigorous business practices. Quite simply, IT as an increasingly prevalent business and personal commodity, cannot be ignored but its application must be considered in a more integrated operational light involving people, process, organizational structure and business models/strategies (Thorp, 1998) of the NFP. In the same vein as not putting young inexperienced drivers in charge of higher powered, high performance vehicles on unknown roads, KM-IT change programs should align with organizational capabilities/maturity and develop/implement functionality in alignment with user’s experience and skill, organizational process, business structures and business strategies. Bearing this in mind, organizational Intranets sites today are relatively easily built and economically maintained and supported as organizational communications channels (albeit one way usually) and can provide a relatively sophisticated KM channel for early adopters, particularly using some of the cost-effective outsourced service provider channels that are available. Knowledge portal’s push style functionality for knowledge distribution can be mimicked for example via What’s New and Hot Topics hyperlinks on the Intranet front pages. Similarly, pull style functionality can be supported via a simple email–suggestions link. In small NFPs, technology is often very limited as scarce resources are used for other more obvious functions that satisfy the social mission (Dees et al., 2002).

Technology is often seen as a luxury (Hume et al., 2006). However, many NFPs today have some basic ICT infrastructure used for communications between staff members and customers and the general public which may be sufficient enough to leverage from in initial implementations.

**KM Modelling**

Knowledge Management is now being applied to the broad spectrum of activities involved in the managing information and knowledge, although there is still no widespread agreement on what actually constitutes KM (Haggie and Kingston 2003). This could be premised on the issue that the drivers for knowledge seem to vary from organization to organization and the activities involved in and around supporting it, both explicit and indirect, are also increasingly varied (Haggie and Kingston, 2003).
KM research and discussion within the NFP domain particularly is also just evolving (Lettieri, 2004). As a consequence, the context of knowledge management in NFPs is considered limited. Table 1 (figuratively) proposes a high-level planning framework of KM models in small-medium-large NFPs. This research aims to further define this framework with a view to providing a much needed strategic roadmap for KM implementation in NFPs. Most notable from the framework at this developmental stage is the recognition that one KM program does not suit and/or work in all enterprises but there are key enabling elements that must be considered and adjusted accordingly. Each NFP domain requires a customised approach taking into account their characteristic business models and operational capability-maturity. In essence, this framework supports the need for greater understanding of the NFP sector that is growing globally, facing increasing competition for funding and implementing new business strategies.

**Conclusion**

This thesis is directed by the overall research question: How do Australian NFPs capture, manage and sustain their knowledge? In summary, the previous section has highlighted current literature in the knowledge management and NFP research fields. It has introduced the concepts of key enabling operational elements that support knowledge management programs and has explored these with reference to available literature about knowledge management application in NFPs. The literature review has revealed a number of gaps in the literature which support the selection of this topic for research. Thus, the literature review has identified key areas of enquiry to be investigated during the theory building case studies. The case study work will lead to the development of a theory of KM implementation in NFPs providing a strong contribution to theory and a platform for further academic research in the area. For practice, the need for a KM planning framework, as noted, is critical for KM early adopters such as NFPs to help guide and justify the sustained investment of resources, time and people required. This thesis aims to identify a multi-faceted and more holistic planning framework from which NFPs can study and start and continue the KM journey. It is evident from research to date that cultural and industry specific customisation is required in the knowledge management paradigm and a roadmap with identification of key enablers is needed to guide the beginners and the major players in the NFP sector.
Theory Development

GAPS IN KM RESEARCH AND THEORETICAL CONTRIBUTION

Fundamentally, knowledge management research in the context of NFPs/non-profit organizations is very limited at this time despite the growth in the number of organizations both in Australia and internationally and their increasing profile, social and economic impact (Lettieri et.al 2004; Vasconcelos et.al. 2005). Knowledge management is recognized as being able to contribute significant value to the strategic and operational role in NFP sector, yet direction and/or business models on the required specifics of its implementation and operation, taking into account the many unique organizational characteristics of the NFP sector, at this time are very limited.

More specifically, the gaps in the current KM research literature can be re-stated as follows:

- A lack of a research into the multi-disciplinary nature of KM and the holistic application of those enabling elements (Andreasen, Goodstein, and Wilson, 2005; Rainey, Backoff, and Levine, 1976; Hume and Hume, 2008; Helmg, Jegers, and Lapsley, 2004; Lin, Wu & Yen, 2012; Mahdi, Almsafir &Yao, 2011; Riege, 2005) in driving and sustaining the KM lifecycle;
- A limited amount of research on the impact of Leadership (Wiig, 1997; Hall, 2003; Choy, 2005. Lee Gilliespie & Wearing, 2010) the impacts of Organisational Culture (Oliver and Kandadi, 2006; Chong and Choi, 2005; Chua and Lam, 2005; Malhotra, 2004; Riege, 2005), the application of ICT resources (Blair, 2002; Politis, 2003; Binney, 2001; Boisot, 1998; Nonaka and Takeuchi, 1995; Treacy and Wiersema, 1993) and the use of Performance Management (Marquardt, Smith, and Brooks, 2004; Lette, 2001; Bennett and Barkensjo, 2005; Mitchell, 2003) in supporting knowledge management in an NFP setting;
- A lack of research since Ballantyne (2000,2003) on the role and impact of internal marketing on knowledge management;
- A lack of research (and model development) which integrates the organisational knowledge management lifecycle (Nonaka and Takeuchi, 1995) and the (employee/volunteer’s) personal interactions (Ballantyne 2000, 2003) with it
and how to move through the capture, codify and renewing knowledge elements; and

- The fragmentation of the KM research, as a consequence of its multi-discipline nature and a lack of agreed KM definitions, has blurred the research outputs into other academic disciplines Organisational Psychology, Information Systems, Operations Management and Strategic Management (May and Yu, 2010). This overlapping has resulted in a complex theoretical landscape that is difficult to navigate, particularly for first time adopters of KM. The central questions of “How?” and “Why? still largely remain unclear.

The thesis will undertake much needed theory building with respect to the dimensions of capturing and distributing knowledge management in NFPs and the role and influence of key enablers such internal marketing. The research aims to build a theoretical model of successful KM practice in NFPs that will provide the foundation for knowledge management research in NFPs, both in Australia and elsewhere, in the future.

CONTRIBUTION OF THIS RESEARCH.

A number of gaps exist in the knowledge management and NFP research by virtue of the limited amount of research undertaken in an evolving business sector with a relatively contemporary business practice. Further, this research will explore the seminal work of Ballantyne (2000) in the reinforcing the critical linkage between knowledge management and internal marketing to sustain knowledge sharing, development and renewal within the organization.

Specifically, this thesis addressed the following question:

How do Australian NFPs capture, manage and sustain their knowledge?

STATEMENT OF PROPOSITIONS

The following research propositions emerge from the literature review:
Proposition One: Organisational culture affects how Australian NFPs capture, management and sustain their knowledge management.

Proposition Two: Leadership styles impacts how Australian NFPs capture, management and sustain their knowledge.

Proposition Three: Information technology practices affect how Australian NFPs capture, manage and sustain their knowledge.

Proposition Four: HR performance management practices affect how Australian NFPs capture, manage and sustain their knowledge.

Proposition Five: Internal marketing affects how Australian NFPs capture, manage and sustain their knowledge.

In researching the prime research question and related sub-questions, the research aims to provide additional practical contributions for business managers:

- Debunking the commonly held perception that knowledge management is primarily technology driven;
- Understanding key barriers for the implementation and sustainability of knowledge management in NFPs;
- Expanding the knowledge management research paradigm away from a strong focus on understanding the concept of “What is knowledge?” emphasizing its various attributes and formalizing different taxonomies to a much needed pragmatic research program on the “How?” organizations manage knowledge from a process and people oriented view;
- Developing a contemporary understanding of what are the priorities in implementing and operating knowledge management programs in structurally different NFPs; and
- Helping managers and organizations recognize that that knowledge (both tacit and explicit) is primarily created by people within the organization and for the sharing process to begin, mature and sustain itself, involves understanding and managing the primary psychological elements of personal value or “What’s in it for me?” The practice of internal marketing can be broadened here to include
knowledge as a product/service within the organization that should be marketed to facilitate exchange both within the organizations and with customers. Linking knowledge management and internal marketing to address the personal and professional issues of “me” and the strategic objective of the NFP are key to supporting knowledge renewal which is central to knowledge management.
The Papers

Chapter Three – accepted *International Journal of Nonprofit and Voluntary Sector Marketing*

STATEMENT OF CONTRIBUTION TO CO-AUTHORED PUBLISHED PAPER

This chapter includes a co-authored paper. The bibliographic details of the co-authored paper, including all authors, are:


My contribution to the paper involved:

- The conceptualization and structuring of the research on KM enablers and NFP size organizational size impacts
- Analysis of research results & findings; Development of KM enabler-size framework (p.80-82)
- Writing journal submission

Co-author:

- General advice on paper structure and editing

(Signed) _________________________________ (Date)______________

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Supervisor: Associate Professor Nigel Pope
Australian nonprofit organizations (NFPs) operate in an increasingly competitive marketplace for funding, staff and volunteers and donations. In this context, many NFPs are being driven to adopt more commercial practices in order to improve their strategic and operational performances, particularly competitive positioning for donor appeal, staff retention and service strategy and delivery. Knowledge Management (KM) is one commercial practice being explored and implemented by the NFP sector to support strategic performance and operations. Although the concept of knowledge management is basically understood, the implications and strategies to pursue this practice in a NFP context are under explored. This paper presents a KM implementation planning framework for discussion and further research in the NFP sector. Specifically, this paper proposes that NFP’s unique missions, many and varied organisational structures and operational maturity requires a customised approach to knowledge management. Implications for strategic management and performance are discussed.

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Introduction

A key function of strategic management is the development and operation of processes to support the achievement of organisational objectives. Knowledge Management (KM) is the process that “manages” (collection, categorisation, analysis and distribution) information across the organisation’s value chain to support operational and strategic decision-making. More specifically, KM is the process of developing and managing both the explicit and tacit elements of data and information to provide operational and strategic insights for the organisation to develop competitive advantage. KM should be considered fundamental to every organisation in our information rich world. KM has had a mixed history across business sectors, yet its importance is increasingly recognised as key to future competitiveness. The purpose of this paper is to discuss the strategic importance of KM in nonprofit firms and develop an elementary strategic roadmap for its implementation.

Popularly referenced Knowledge Management (KM) "success stories" (Accenture, Boeing, Chrysler-Daimler, 3M, General Electric) are all private sector based (Riege, 2005). However, academic research into the formula/methodology for modelling of those successful KM characteristics into nonprofit organisations (NFPs) are rudimentary at best and do not translate easily into the dynamic NFP sector (Rainey, Backoff, Levine, 1976; Andreasen, Goodstein, Wilson, 2005). The corporate strategies and business practices of for-profit organisations directly influence KM practice and policy in these organisations (Helmig, Jegers, Lapsley, 2004). In order to move forward in KM research and improve strategic performance, we must examine and understand how these differences influence the translation of for profit business cases in KM into a non-profit context. Competitive forces have forced all non-profit organisations to adopt more “commercial” business models and practices (Helmig, Jegers and Lapsley, 2004) such as knowledge management (Hume et.al, 2006). The limited funding, resource constraints and accountability to members and the public (Helmig, Jegers, Lapsley, 2004) makes it very difficult to gain the requisite financial investment and change management resources required to undertake strategic initiative such as KM in the NFP context. Further, the many differing purposes and practices of the NFP sector, makes implementing a KM approach, strategically difficult. Moreover, developing and implementing a KM strategy could significantly increase the already challenging
financial and operational burden on these firms (Salamon, Anheier, 1992; Crossan, Bell, Ibbotson, 2003) and threaten the organisation’s operational viability. Therefore, it is proposed that to move forward in KM and NFP research, there is a strong need to develop a foundation model for KM in the NFP sector which takes into account NFP’s unique strategic and operational characteristics.

The purpose of this paper is to explore the current KM literature in the context of NFPs and to develop a knowledge management implementation-planning framework for consideration across NFPs to assist in enhancing and improving strategic performance. As the classification of NFPs has encountered definitive difficulties and a lack of consensus, (Salamon, Anheier, 1992, 1996; Crossan, Bell, Ibbotson, 2003) a platform for application of research must be established. Depending on the research discipline, the unit of analysis for classification has differed. (Salamon, Anheier, 1996). This research work has selected the dimensions of enterprise size and geographical coverage as the units of analysis for NFP classification. The reasons underpinning this are conceptual, operational and legal in nature.

Research has shown that small firms have distinct operating practices that create differing challenges and practices (Raymond, 1985). Moreover, it is known that geographical coverage creates different challenges for communication channel management and dissemination of information than that of geographic centralisation. Further, national, state and local legal and taxation compliance requirements differ across local, state and international boundaries. This paper will focus on the role of KM in small (locally-based, small membership of 1-50), medium (nationally organised, membership of 50-250) and large (internationally organised with nationally-based management, membership of 250 plus) NFPs. This classification is based on that recently adopted by the European Commission in 2005 (Refer http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/index_en.htm). The secondary element of financial turnover has not been used because small NFPs can create anomalies in this area.

What is Knowledge in NFPs and How Do They Get It?

NFPs are knowledge-intensive enterprises (Martinsons, Horseley, 1993; Letteri et.al 2004; Murray, Carter, 2005). However the knowledge in NFPs is often fragmented,
heterogeneous, rarely formalised (Andreasen, Goodstein, Wilson, 2005; Helmig, Jegers,
Lapsley, 2004) and transient due to the considerable turnover of volunteer staff and the
lack of operational maturity (Letteri et.al 2004; Gilmour, Stancliffe, 2004; Helmig,
Jegers, Lapsley, 2004; Thorp, 1998). Moreover, NFPs are often defined as
organisationally immature (Letteri et.al 2004). Organisational maturity (Thorp, 1998)
can be measured in several ways with focus on the dimensions of people, business
practices, organisational structures, Information and Communication Technologies
(ICT), knowledge and governance practices. Capability maturity is not only an
indication of how well a firm delivers its product and service and how well it competes
but it also considers the firm’s ability to enable and integrate innovation and new
business tools or practices developments (such as KM) to enhance product development
and/or service delivery and ultimately strategic performance. Binney’s (2000) often
referenced work on knowledge types and their underlying strategy is perceived as an
operationally “mature” approach to KM. Adopting and understanding this classification
could be difficult (Malhotra, 2004) for firms where there are constraints in capability
and maturity. Many NFPs fall into this lower capability-maturity category. Therefore a
more elementary /introductory or customised definition of knowledge needs to be
developed for “knowledge-immature” organizations such as NFPs.

A basic framework of “Must Have to Operate” and “Nice to Have To Operate” could be
proposed. After some testing and preliminary implementation, the “Must Have”
category can be further defined focussing on-going knowledge management efforts into
the more mature definitions such as those proposed by Binney (2000) and others. The
“beginner” approach/phases could enable immature NFPs to develop a greater
awareness of key knowledge content and the important content networks/people from
where it is sourced and developed. Knowledge and development of these internal
knowledge relationships/linkages is important for supporting internal marketing projects
which in turn support and benefit from knowledge management programs (Ballantyne,
2003; Chong, Choi, 2005). This approach could be advanced for more enabled small to
medium NFPs, which offer operationally flexible and accessible knowledge practices
(Davenport, De Long and Beers, 1997). Change management literature supports the
concept of incremental change (Stace and Dunphy, 1993) and smaller organisations
having greater ability to adopt change at this pace (Raymond, 1985). Compared to large
organisations, small firms succeed because of shorter communications channels and
stronger informal networks (Ahire, Golhar, 1996; Chen, Hambrick, 1995). Conversely, larger firms are suggested to have greater chances of success due to greater access to technology, resources and funding. Therefore communication channels, funding, informal communication networks, leadership and culture are all important to and must be considered when proposing knowledge strategy for NFPs (Raymond, 1985).

**Cultural Barriers**

KM literature consistently highlights cultural factors, at multiple levels, as the biggest barrier to getting engagement and support for KM strategy and activities (Malhotra, 2004; Chua, Lam, 2005, Riege, 2005, Chong, Choi, 2005) however this research was conducted in for profit firms with no specific reference made to NFPs. Further research has examined the elements of corporate culture and their impact of information technology adoption.

This research suggests culture is a very important variable in the success and adoption of KM programs (Poku, Volsky, 2002). Based on the knowledge of NFP practice (Bienz, 2005) assumptions can be made about the culture within NFPs. It is evident that in NFPs, many factors affect culture and some of these are also the factors that create the differences in for-profit and non-profit firms. NFPs have both permanent and volunteer employees differing from that of the for-profit firms, which are unlikely to have volunteer workers (Bienz, 2005). There is some belief in NFPs that workers gain some utility from work other that just monetary rewards (Bienz, 2005; Arnett, Laverie and McLane, 2002; Bailey, Clarke, 2001). However this may be contrary to the business mission resulting in conflict in the best practices for business practice (Bienz, 2005). Unquestionably, there is evidence that culture is important to KM adoption yet whether or not it is the singularly most important element has not been proven. Several authors advocate that organizational culture should be the focal point of all KM programs (Nonaka, Takeuchi, 1995; Hall, 2003; Oliver, Kandadi, 2006). Applying cultural factors to non-profit firms’ issues such as the underlying “donor agendas” and philanthropic objectives of non-profit employees, the groups they represent and the individual workers all combine to create a "unique" cultural complexity and future NFP research field.
Leadership

Leadership styles and governance issues within the organisations represent another milestone in KM implementation. Research evidence in KM suggests that a combination of many leadership styles (transformational, transactional, and charismatic for example) are required for KM competence (Hill 2003). Oliver, Kandadi (2006) summarise these leadership traits as "evangelization". In driving, sustaining and supporting KM practices, case study evidence strongly supports this claim (Choy, 2005; McDermott and O’Dell, 2001). For strategic programs such as knowledge management leadership from top to bottom with all levels clearly understanding the objective/s, key implementation tasks and performance levels is imperative (Welch, 2005).

In addition, there is a need for high performing “knowledge management champions” at every level and/or functional area to motivate, reaffirm and most importantly, model desired behaviours when the knowledge management program implementation gets either tough, confused (Jones, Hershcel, Moesel, 2003). Unless the knowledge needs of the organisational users are understood, they can not be met. Knowledge champions must constantly monitor and identify users’ needs and communicate directly with key knowledge contributors. In a NFP environment, layers of management are less evident (particularly small NFPs) with volunteer networks filling in for many roles. The effectiveness of knowledge champions and the selection of knowledge champions can be negatively affected by the transient and often culturally unsophisticated business attitudes of the volunteer worker (Galindo-Kuhn and Guzley, 2001). Moreover, NFPs are often inclusive of the ‘social entrepreneurs’. Unlike a business entrepreneur the threat of going out of business is not as ominous (Dees, Haas and Haas, 1998) so laggard change to innovation is evident (Dees, Haas and Haas, 1998). Satisfying the social mission is most prominent not wealth creation (Dees, Haas and Haas, 1998) and reaction to operational innovations more holistic. Thus the costs and time associated with the recruitment of KM personnel (“champions”) could work as a deterrent to the adoption of KM in NFP.

Performance Management

Closely linked to the need for leadership for modelling behaviours and culture is the need for clear and sustained performance management around KM objectives
Performance management in NFPs does not have the same visibility, influence and impact as private sector organisations (given the largely volunteer workforce) where annual salaries, work opportunities, tenure and promotions are often directly linked. As previously mentioned some members in the NFP firms and potential champions may be volunteer workers whose reward and remuneration comes in the form of an esoteric social contribution to a greater social good (Mitchell and Taylor, 2004; Lettieri, Borga and Savoldelli, 2004; Bennett and Barkenjo, 2005). Managing these altruistic objectives of volunteers complicates the strategies for performance management in the NFP firm (Leete, 2001). Non-financial strategies including praise and publicity may carry significant influence in the competition for promotions, work opportunities and salary increases for employed staff and be seen as valuable tool in developing employee satisfaction and ownership for both volunteered and employed staff in a KM program (Bennett and Barkensjo, 2005).

Need for a KM Plan

For first time adopters (such as NFPs) of many “new” management disciplines such as KM, engaging the users is essential to success. Activities such as seeing, touching, experimenting with and understanding the end-to-end process/lifecycle is a critical element in the adoption process. Nonaka, Takeuchi’s (1995) matrix of knowledge types provides the most practical illustration of the KM “roadmap” or implementation plan. This pioneering model outlines a process of “organisational knowledge creation” depicting it as a spiral in which knowledge is “amplified”. Where knowledge, particularly tacit-oriented technical knowledge, is typically the basis of job status and position, the expectation/request to document it and willingly divulge it to groups of potentially hundreds of “anonymous” and/or “junior” staff members on public IT network directories or Intranets is often met with significant passive and active resistance (Blair, 2002; Politis, 2003). As a result, a non-threatening and personalised approach, as espoused by Nonaka and Takeuchi (1995), is used in which the identified knowledge creators are initially “socialised” with designated personnel. This process proved to offer some successful outcomes but takes some time in which to build critically needed trust between the relevant parties/stakeholders. Politis (2003) posits that inter-personnel trust is a key element in the acquisition and sharing of knowledge in work teams. There is a significant time and money investment required to undertake
this phase as it often requires more than one attempt to open the channels of communication. However easy the process of socialisation in KM may seem, it is can incur difficulties due to the decentralisation of some NFP operational staff and management and these factors need to be considered. The matrix of knowledge is a good starting point for the development of the KM roadmap and should form the basis of the NFP KM program.

**Leverage Existing Technology**

The development of IT networks and applications to facilitate cross-functional work groups and management decision making has been a major catalyst and driver of the knowledge management practice (Davenport et al., 2000; Chong and Choi, 2005). Introducing complex, new IT applications as the KM supply/distribution channel, as part of a major knowledge management/change program, is proposed to be too complex and expensive in the first time adopter paradigm (such as the NFP sector). As previously discussed, NFPs are constrained by limited funding and stringent taxation and accounting practices in order to maintain their NFP status (Helmig, Jegers and Lapsley, 2004). The decision to finance projects such as intranet networks and KM developments is cost benefit trade-offs between providing the functions that support the social mission and innovating operation process and practice to enable those functions (Helmig, Jegers and Lapsley, 2004).

Despite financial constraints, IT still represents a key discipline in developing more rigorous business practice for NFPs as previously suggested. Quite simply, IT can not be ignored but its application must be considered in a more integrated operational light involving people, process, organisational structure and business models/strategies (Thorpe, 1998). Therefore, any KM-technology implementation should align with the level of organisational technology, people and operational capability-maturity to ensure strategic synchronisation and maximise the potential to achieve the desired business benefits (Thorpe, 1998). Intranets are well recognised, accepted and used as organisational communications channels (albeit one way usually) and provide a relatively sophisticated KM channel for early adopters. Knowledge portal’s push and pull style functionality for knowledge distribution can mimicked via hyperlinks on static pages or attached in group emails. In small NFPs, technology is often very limited and seen as a luxury as scarce resources are used for other more obvious
functions that satisfy the social mission (Dees, Haas and Haas, 1998). Larger NFPs have much of the basic ICT infrastructure used for communication across branch (national and international) networks, which may be sufficient enough to leverage from in initial implementations.

**KM Modelling**

“Knowledge Management” is now being applied to the broad spectrum of activities involved in the managing information and knowledge, although there is still no widespread agreement on what actually constitutes KM (Haggie, Kingston 2003). This could be premised on the issue that the drivers for knowledge seem to vary from organisation to organisation and the activities involved in and around supporting it, both explicit and indirect, are also increasingly varied (Haggie, Kingston, 2003). Table 1 proposes a high-level planning framework of KM "models" in small-medium-large NFPs. This research aims to further define this framework with a view to providing a much needed "strategic roadmap" for KM implementation in NFPs. Most notable from the framework at this developmental stage is the recognition that “one KM program does not fit all”. Each NFP domain requires a customised approach

**Small NFPs**

Specific attributes of small NFPs driving a KM are noted column one of Table 1. Most notable is that “knowledge” can be very unstructured and informal. Small NFP's inherent process and structural immaturity (Lettieri et.al, 2004) and size constraints presents an opportunistic environment in which to implement rudimentary KM practices such as socialisation strategies using expert circles/communities of practice (CoPs)/competency teams. Whilst knowledge content will be largely undefined and unstructured initially, as expected with start-up communities of practice (Wegner et.al 2000), increased experience (and user’s perceived value from it) with the socialisation process, supported by leadership from senior staff, should lead to a more defined focus of presentation, creation and diffusion. Further, the close proximity of small NFP staff to each other can allow informal but effective peer-based performance management which increases strategy diffusion and adoption. The impact of these basic practices may be constrained however by the ability to diffuse required knowledge to other non-attending members where and when it is really needed via online access for example.
Developing communities of practice and mentoring strategies will be difficult due to staff instability, transient staff networks and leader’s management style. In particular, the “social entrepreneurs” operational style is often more reflective of immediate social consciousness which can be in conflict with wealth creation (Hume et.al, 2006) and the adoption process of core business operational practices (Dees, Haas and Haas, 1998). No doubt KM will improve strategic performance in NFPs however developing the operational, human resource and internal marketing programs to support it will be constrained and difficult.

**Middle sized NFPs**

The key factors in medium NFPs that impact KM is that medium-sized NFPs have significantly greater membership (compared to small NFPs) that are more decentralised (operate more than one office, located regionally) displaying a greater degree of organisational maturity across most business functions. Whilst not having the scale economies of large NFPs, the medium-sized NFP does possess a depth of skills, experience, process and IT capability that makes them more operationally agile than small and larger NFPs and potentially the most dynamic KM opportunity. Further, more developed and accessible ICT tools and networks (such as Intranets, Wide Area Networks and Local Area Networks) can support the critical on-demand supply to knowledge users and knowledge creators enhancing strategies proactively and reactively. The need for process and service consistency and planning alignment across the mid-sized NFPs regional boundaries is a strong driver to knowledge creation and diffusion. With the greater size and co-ordination requirements, the level of knowledge management complexity grows and whilst operationally agile, medium-sized NFPs still approach knowledge management incrementally to balance the demands between strategic and the day to day operational demands and the still somewhat limited financial and human resources available (compared to large NFPs and medium-sized for-profit organisations) to them. Mid-sized NFPs being more regionally organised do not present the language and cultural differences of large NFPs thus communication about knowledge management activities can be received, translated and actioned much faster than large NFPs. The skills and experienced depth and breadth positions medium-sized NFPs to advance KM activities significantly faster than small and large NFPs.
Large sized NFPs

Large NFPs on the other hand, present a significantly more developed operational landscape with inherent cultural and environmental differences make performance management consistency generally very difficult to implement. Moreover, international geographic distribution/operational brings with it significant cultural/language and communications differences. Irrespective of this, implementation can be very powerful to developing and sharing international “best practices” and fuelling “virtual” communities of practice which can evolve to more tangible levels of information sharing. Knowledge champions or “Knowledge evangelist” play a significant role in large NFPs. As a consequence, there is a greater focus on leadership capabilities in large NFPs to overcome operational and cultural gaps. Leadership in the large NFP therefore extends across managerial and operational levels in the organisation to drive the KM program globally. The strategically and operationally more mature large NFP staff however will grasp all and any opportunities to share/develop best practices and benchmark business processes in order to maintain their NFP mission leadership.

Implications for strategy

This paper has addressed the role of KM in strategic formulation, development and communication. The paper suggests that taking into account key organisational characteristics of NFPs, KM strategies need to be engineered in alignment with those characteristics to be truly effective in improving decision making and ultimately, organisational performance. In some cases, it can leverage from existing processes, IT tools and structures to provide value. Further, key to successful strategy is aligning performance objectives with organisational capabilities. KM’s operation and management must similarly reflect the organisation’s capability and maturity if it is to be effective. Whilst KM initiatives vary in size and complexity, the outcome in supporting decision making to support the organisation’s performance is the same for all organisations. Effective strategy relies on data and information gathered and presented in a relevant and meaningful format and context. KM’s role in managing the data and information, in our information rich society, must see KM recognised as a core and highly strategic organisational function.
Implications for future research

It is evident from examination of the extant literature and application to the NFP context that several deficiencies exist in the knowledge management literature and in academic research. In particular, definition of NFPs beyond service mission, warrants investigation, particularly as the proliferation of NFPs grows and the sector evolves. The literature that exists at this time clearly supports the growth of interest in knowledge management as a strategic tool in NFPs but appears to lack practical application and empirical testing. Further, research into the application of knowledge management in NFPs focusing on specific issues of the definition of knowledge, knowledge creation and diffusion strategies is very limited. These research gaps have very practical implications and value for the NFP sector which is increasingly embracing the knowledge management as a key strategic enabler. Specifically, further empirical testing of the hypotheses presented in the knowledge planning framework, its application and case study analysis of KM practice in specific NFP firms will provide greater rigour, depth and breadth to academic and management insights.

Conclusion

In summary, the need for a KM planning framework, as noted, is critical for KM early adopters such as NFPs to help guide and justify the sustained investment of resources, time and people required to provide a contemporary and core strategic capability. This paper presents a multi-level planning framework from which NFPs can study and start the KM journey to enhance both operational and strategic performance. Information and knowledge is intrinsic to every organisation, regardless of size, and the challenge for NFPs to manage it is enduring in an increasingly competitive landscape. It is evident from research to date that “one size does not fit all” in the knowledge management paradigm and a strategic roadmap is needed to guide the beginners and the major players in the NFP sector. Future research aims to develop this framework (using case study analysis) to provide greater application insights and expand the key attributes presented as core knowledge management competencies and enablers of improved strategic performance.
<table>
<thead>
<tr>
<th>Specific attributes of size firm that influence knowledge</th>
<th>Knowledge Definition</th>
<th>KM Implementation</th>
<th>Leadership</th>
<th>Performance Management</th>
<th>Cultural Change</th>
<th>KM Collection and Diffusion</th>
<th>Leverage Intranet Technologies</th>
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| Large NFPs                                               | Scale economies – funding, resources, skills | Strategically and operationally mature reflected in structured KM capturing both explicit and tacit knowledge. | The geographic decentralisation of operations makes implementation a significant resource, financial and management challenge. Incremental implementation is the most logistically feasible approach and allows “lessons” to be learned. | Charismatic and transformational leadership styles are essential to driving a cross-national KM program (supported by “global” KM evangelists). | Performance management provides the ultimate performance driver in large NFPs where cultural and regional barriers are significant. Money, job status and so on are “internationally recognised currencies” | Change needs to be managed on a case by case/country office by country office case. International language and cultural differences add significant complexity | Socialisation strategies are logistically and costly to coordinate. Externalisation strategies are more feasible however cultural issues (including language) must be overcome to incentivise subject matter experts to document and disseminate knowledge. | Email technology is used successfully to bridge the geographic boundaries in large NFPs. However, collaborative knowledge workspaces such as Intranets tend to be managed on individual regional levels.
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<th>Medium NFPs</th>
<th>Decentralised operation – regionally and/or nationally organised</th>
<th>KM is explicit and structured primarily focused on &quot;operational&quot; functions to support the day-to-day activities</th>
<th>Incremental with strong opportunity for KM development</th>
<th>Strong, visible leadership and KM champions are required to support gaps in performance management.</th>
<th>Semi-formal performance management (work/project reviews)</th>
<th>Common language / culture and communication access assists change.</th>
<th>Socialisation and Internalisation strategies most effective. With maturity/success of practice, the focus can move to increased Externalisation and Combination strategies</th>
<th>Email, Intranets, Local Area Networks</th>
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<td>Small NFPs</td>
<td>Localised operation</td>
<td>Knowledge is largely unstructured. Knowledge filed:</td>
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<td>Close proximity of knowledge workers – short communication channels</td>
<td>Opportunistic</td>
<td>Leadership occurs at multiple levels across the smaller, &quot;democratic&quot; NFPs</td>
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<td>Limited funding and resources</td>
<td>Performance management occurs regularly at a peer level</td>
<td>Personal relevance factors such as the &quot;what's in it for me&quot; addressed by peers directly</td>
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<td>Need for cost-effective staff training and development,</td>
<td>Socialisation and Internalisation strategies are the most effective. Externalisation (documentation) of those learnings is not as effective due to the day-to-day operational needs</td>
<td>Limited technology infrastructure. (Email; file servers, static Web pages-brochureware)</td>
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Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)


Chapter Four - accepted *International Journal of Organisational Behaviour*

**STATEMENT OF CONTRIBUTION TO CO-AUTHORED PUBLISHED PAPER**

This chapter includes a co-authored paper. The bibliographic details of the co-authored paper, including all authors, are:


My contribution to the paper involved:

- The conceptualization and structuring of the research
- Analysis of research results & findings; Development of conceptual model (p.106 - Conceptualisation of knowledge management strategy for NFP stakeholders)
- Writing journal submission

Co-authors:

- General advice on paper structure and editing

(Signed) _________________________________ (Date)______________

Craig Hume

(Countersigned) ___________________________ (Date)______________

Corresponding author of paper: Associate Professor Margee Hume

(Countersigned) ___________________________ (Date)______________

Co-author & Supervisor: Associate Professor Nigel Pope
Abstract

This paper examines the role of knowledge management (KM) in not for profit organisations (NFPs). NFPs are essential in developing sustainable communities (Scarso, 2008) providing many social, environmental, health and human services required by a vast amount of communities’ stakeholders. With limited research related to KM in an NFP setting, this paper advances knowledge and offers a unique view of KM from the perspective of 32 NFP stakeholders. Using in-depth interviewing, this paper explores the definition of knowledge in the organisation, the importance of knowledge planning, capture and diffusion and offers recommendations for the development of sustainable knowledge management practice and development from the internal not for profit stakeholder perspective.

Key words: Knowledge management, knowledge capture, knowledge distribution, socialisation, Communities of Practice, internal marketing
Introduction

Customer relationship management and the use of market knowledge to design customised services, policies and practices that maximise customer satisfaction and enhance performance (Mackenzie, 2001) are essential for success and performance of any firm. This process of capturing (Jackson, 2011), storing, using and diffusing knowledge is popularly known as knowledge management (KM) and engages all internal and external customers of the firm and the delivery chain (Benbya, 2011). Research into the role and practice of KM in the enterprise is increasingly popular, with researchers realising the importance of practices such as internal marketing (IM) (Ballantyne, 2003), leadership, customer engagement and performance management as key enablers for sustainable KM and vital practice for a firm’s success.

Researchers have suggested that linking the customer and the employee in the delivery channel is essential to developing a customer orientated environment (Ahmed, Rafiq & Saad, 2003) and maximising market potential. Claims that knowledge management (KM) is fundamental to the effective performance of organisations and that it is increasingly critical to business performance are widespread in the KM literature (Hall, 2003; Binney, 2000; Senge, 1990, 1994). KM practices and “the bottom line” financial performance of an organisation have been found to be strongly correlated (Binney, 2000; Senge, 1990, 1994) positioning this field as a valuable area of academic research.

With increased competition in many markets and the acknowledgment by firms that all efforts to satisfy customers should be undertaken, interest in KM research and its relevance in improving performance have grown significantly. In order to operate efficiently all channel members must participate, knowledge must be captured and stored and strategies that promote the use of stored knowledge must be used. Knowledge storage assists in minimising duplication of work activity and aids in learning for future events/activity and product/service improvements. Many KM researchers have suggested without employee acceptance in sharing tacit and explicit knowledge (Teng, 2011; McCall, 2008) and storing it for wider access within the enterprise, KM will not thrive (Hsu, 2008; Binney, 2000; Senge, 1990, 1994, Ballantyne, 2003). This paper aims to examine KM and the role of KM in not for profit organisations. Not for profit (NFPs) organisations are essential in developing
sustainable communities and providing the services required by a vast amount of communities stakeholders. These stakeholders may be organisations including government, other non-profit, for profits and the public. With limited research related to KM in an NFP setting this paper advances knowledge and offers a unique view of KM from the perspective of a sample of NFP stakeholders. This paper will examine the role of the channel members in an NFP context, their definition of knowledge, knowledge capture and diffusion and offer recommendations for the development of sustainable KM communities (Venters, 2007) from the internal stakeholder perspective.

**Knowledge management practice**

Interest in KM has been attributed to the identification of the “learning organisation” in the seminal work of Senge (1990). From this learning foundation, came the recognition of the need to systematise and manage the information and knowledge generated through the learning of the organization. Much of the extant KM literature (Binney, 2000) tends however to be focused on business models and “unique” organisational cultures, enterprise-wide IT applications and process integration. The early literature tended to be “overly optimistic” and strongly implied that KM was a given outcome following implementation of enterprise ICT (information and communications technology), rather than a benefit achieved from focused information and knowledge identification and classification, targeted process development (Binney, 2000) and sustained organisational investment (Tseng, 2011) in activities supporting KM. It has become clearer that the term “KM” is now being applied to the broad spectrum of activities involved in KM, although there is still no widespread agreement on what actually constitutes KM (Haggie & Kingston, 2003). Moreover, much of the current literature assumes that KM is a well-accepted, widely practiced business strategy in the new millennium and is suggested as a key part to developing channels of usable knowledge and linkages between customers and employees.

The purpose of this paper is to advance this discourse and explore the current KM literature in the context of not-for-profits (NFPs) and to identify issues for consideration for the employee and the customer interaction. Moving toward an employee customer knowledge framework will provide input for the research agenda in the NFP and services context and in
particular research focused on the interrelationship of customers and employees. The paper proceeds with an examination of a critical set of KM lessons experienced in the introductory phase of knowledge capture and diffusion in a for-profit context and proposes a set of issues worth considering for the implementation of knowledge management strategies which will advance the understanding of knowledge and KM in a non-profit service exchange. The paper concludes with a conceptual framework of knowledge definition, capture and diffusion for the customer and the employee.

A number of KM case studies and “best practices” including Accenture, Xerox, Boeing, 3M, Buckman Labs, Dow Chemical, Chevron, DaimlerChrysler, General Electric) are widely referenced/published and discussed (Hall, 2003, Riege, 2005). They share a number of common characteristics (Hall, 2003) each of which is largely deficient or absent in NFP organisations.

When applied to an NFP context, it is evident that the lack of mature process management, low ICT enablement (Riege, 2005), the lack of “professional” staff who understand the benefits of knowledge practices dominate the operational and managerial levels; lack of investment in economies of scale; lack of performance management systems, lack of proficiency and maturity in implementing organisational change (Lin, 2011) all contribute to the low levels of adoption, practice and understating of knowledge management in NFPs. This research discusses these factors with internal NFP stakeholders and gauges the level of understanding of knowledge of Km practice in this sector.

**Current research focus on KM research in a NFP context**

Irrespective of the constraints to organisational practice in NFPs, the competitive forces prevalent in many of Australia’s non-profit sector (for commercial and government funding/sponsorship and philanthropic donations) have forced all non-profit organisations to adopt more “commercial” business models and practices (Hume Sullivan Mort, Liesch & Winzar, 2006). KM is suggested to help support decentralised operations (due to Australia’s large land mass and State-based territorial boundaries) and is a commercial practice that is being increasingly investigated, piloted and adopted by many government and commercial enterprises.
Most early research in the KM area has been driven by management and information technology researchers focusing predominately on learning styles, business models and process & enterprise wide ICT integration for real time information (Binney, 2000). Limited research is evident on building KM practices and systems specifically in NFPs (Murray & Carter, 2005; Lettieri, Borga & Savolelli, 2004; Martinsons & Hosely, 1993) with a large amount of recent KM research focussed more broadly on what is knowledge and learning through KM resources (Tsai & Chang, 2005; Murray & Carter, 2005) managing human resource conflict and change (Treleaven & Sykes, 2005) while capturing knowledge (Jackson, 2011) and knowledge technology and costs (Vestal, 2005). These supporting papers emerge from an information technology focus with the research from a NFP marketing domain still being very limited (Salapante & Aram, 2003).

**Knowledge and the non-profit organisation**

NFP organisations operate locally and specifically to their mission, with limited resources and financial constraints, strict protocols of decision-making governance, legislation and scarce resources and lack of funding for information technology solutions. These firms also suffer from a lack of focus on internal marketing programs to promote knowledge contribution, capture and diffusion. Consequently, this results in the positioning of KM practices as a low priority in the strategies for survival. There is often little understanding of the role of KM in reducing duplication and enhancing efficiency in decision making.

Human resource practices in NFPs are also complex with a mix of volunteer, long-term and tenured staff neither understanding, nor embracing the practice of creating, storing and disseminating knowledge. The external stakeholder customer segments are also complex. A mix of donors and recipients, governments, trustees and other stakeholders are evident. NFPs often have rigid governance structures, mixed volunteer employee networks and legislated standard operational practices (Martinsons & Horseley, 1993; Letteri et.al 2004; Murray & Carter 2005). Further, strong leadership and an organisation supportive of change are required for successful KM programs and by nature these are often limited in NFPs (Nayir, 2008). Changing government policy, differing political platforms and changing organisational structures all further contribute to the difficulty faced in the NFP sector in focussing investments and resources on KM practices.
Despite the popularly promoted KM success stories/best practices in the private sector and the acknowledgement of the common organisational characteristics already mentioned, academic research into the formula/methodology for modelling of those successful KM characteristics into enterprises such as non-profit organisations are largely non-contextualised, impractical and/or unfeasible (Murray & Carter, 2005). KM advocates suggest that NFPs would benefit from the practice of some forms of knowledge management to support critical service delivery needs but the key design elements and operation elements are largely missing. Improved knowledge management including basic KM practices (such as documentation and review) would assist NFP firms in improving tailored care of donors, managing databases, innovating processes and increasing over internal and external service quality (Martinsons & Horseley, 1993; Letteri et.al 2004; Murray & Carter, 2005). This leads to the following questions of enquiry:

Q1a. Do NFP employees think KM assists in improving the understanding and management of information and knowledge in a NFP setting?

Q1b Do NFP organisations currently try to manage the capture collection and diffusion of knowledge effectively using a KM system?

**What is knowledge in a NFP?**

NFPs are knowledge-intensive enterprises (Martinsons & Horseley, 1993; Letteri et.al 2004; Murray & Carter 2005). However, the knowledge in NFPs is often fragmented, heterogeneous, rarely formalised (Andreasen, Goodstein & Wilson, 2005; Helmig, Jegers, Lapsley, 2004) and transient due to the considerable turnover of volunteer staff, resource constraints and the lack of operational maturity (Letteri et.al 2004; Gilmour & Stancliffe, 2004; Helmig, Jegers, Lapsley, 2004).

The business practices of for-profit organisations such as differing employment guidelines and procedures, differing legal and ethical constraints, different operational and managerial structures, differing accounting and taxation practices, and the pursuit of profits and accumulation for owners and investors, are contrary to the purpose of serving the public or the mutual benefit of donor and recipient and the business practices of NFPs. The
accounting, legal and ethical obligations that follow the NFP’s mission and status influence practice and policy in these organisations (Helmig, Jegers and Lapsley, 2004).

In order to define knowledge in a NFP setting, we must understand the requirements for the organisation to operate effectively and the information that feeds knowledge in a NFP context. Customer or donor information, volunteer databases, key contacts lists and specific legislative and legal information will be fundamental information and form part of knowledge development in a NFP context. Specific research focussed on identifying the terms of reference of knowledge in a NFP is rudimentary as noted (Letteri et.al 2004) and needs to be conducted leading us to question three. This leads us to the following research questions for enquiry.

Q2 a: What is knowledge and information essential to operations and maintaining NFP status?

Q2 b. Do NFPs define knowledge and knowledge capture required for their internal and external customers?

**KM methodology and implementation tactics**

In an attempt to develop an understanding of knowledge in the NFP sector, understanding KM and knowledge is essential. With greater focus on KM in business research, many varieties of KM models have appeared and been functionally defined. In fact many different KM designs exist, to assist organisations in most appropriately developing a strategy tailored to their needs. Binney (2000) broadly categorised these as Transactional, Analytical, Asset Management, Process, Developmental and Innovation. Each category broadly reflects a core source and focus of support (Thorp, 1998). This level of definition and understanding is complex to understand and implement in NFP’s environments and could be more simply re-defined as “Must Have to Operate” and “Nice to Have To Operate”. After rigorous examination and testing, the “Must Have” category can been significantly reduced and focused for knowledge gathering efforts and enabling performance improvements and measurable benefit which are important internal marketing milestones (Chong, 2005). Achieving these “quick wins” is seen as critical to generating stakeholder trust and commitment for the KM momentum/renewal. More broadly, it is critical to focus on what
could be delivered to meet immediate operating needs rather than speculating on delivering a complete solution that supports all functional roles across the organisation. This incremental focus is also conceived to be the best approach in a change resistant or first-adopter organisation. The anecdotal evidence on KM failure supports this avoidance of “big bang” implementations. In the case of NFPs, an incremental approach may be the most appropriate KM strategy to pursue leading us to question four.

Q3 What approach: is the best approach in a change challenging organisation and first time adopters such as NFPs?

**Cultural factors are important**

Irrespective of the type of KM implemented and the pace of change, many cultural factors are proposed that contribute to both KM successes and failures. Consistent with the literature, cultural factors at multiple levels are proposed as the biggest barrier to getting engagement and support for KM strategy and activities. Similar to Chua and Lam (2005), the cultural issues could be categorised into three levels: personal, group and organisational. The “chemistry” of all three categories is indeed complex and significant (Bienz, 2005), primarily the underlying “personal” issues of employees within the enterprise.

Applying cultural and personal factors to non-profit firms’ issues such as the underlying “donor agendas” and philanthropic objectives of non-profit employees, the groups they represent and the individual workers all combine to create this complexity. More recently, employee salaries, position status and administrative costs of managing NFP funds have been plagued by media coverage and parliamentary scrutiny creating an added level of sensitivity with organisational and group cultures in these organizations (Otis, 1993; Nayir, 2008).

These socio and organisational cultural factors create significant barriers to the capture and diffusion of knowledge (Nonaka & Takeuchi, 1995; Hall, 2003; Oliver & Kandadi, 2006). Managing the different levels of culture, in particular volunteer workers and strong supporters of social mission and social platform, is paramount to the success of delivering NFP employee satisfaction. Capturing knowledge and having an accessible repository of service history and practice will assist in creating organisational durability to what in effect can be a largely transient workforce (Bienz, 2005). This leads us to question five:
Q4. What cultural factors of NFPs, in particular philanthropic organizational objective, social mission and volunteer workers, influence the adoption and creation of KM systems?

**Fostering a KM - NFP framework**

Seeing, touching, experimenting with and understanding the end-to-end process/lifecycle is a critical element in the adoption process for first time adopters of many “new” management approaches such as KM. Nonaka & Takeuchi’s (1995) matrix of knowledge management processes provides the most practical illustration of the KM “roadmap” or implementation plan. This pioneering model outlines a process of “organisational knowledge creation” depicting it as a process continuum in which knowledge is “amplified” through the four modes of knowledge development activity; Socialisation, Internalisation, Externalisation and Combination. It also illustrates how knowledge becomes “crystallised” within the organisation at higher levels moving from individuals through the group/s to organisational levels.

For organisations where knowledge, particularly tacit, technical knowledge, is often the basis of job status and position, the expectation/request to document it and willingly divulge it to potentially hundreds of “anonymous” other staff members possibly on open access IT network drives and Intranets is met with significant passive and active resistance. As a result, a more non-threatening and personalised approach, as espoused by Nonaka ad Takeuchi (1995), is recommended in which the identified knowledge creators are initially “socialised” with designated personnel, or other known Subject Matter Experts (SMEs). This process proves to offer some successful outcomes but takes some time in which to build critically needed trust between the parties/stakeholders associates, to share experiences and interpretations within their “home” territory.

In the case of the NFP, these would be long-term supporters, long standing volunteer participants and the salaried/paid staff. With persistence, the knowledge creators, SMEs, gain the trust and confidence to continue to provide and feed the knowledge collection process in an informal or loosely formalised socialised environment.

The internalisation phase in which personal obligation and commitment develops is seen as critical to maintaining momentum and renewal of the KM program and building a quality
KM knowledgebase (Ballantyne, 2000). Creating a knowledge exchange will strengthen link between the internal and external environment of the firm. Most importantly, the focus on the people in the socialisation phase and creating forums, events, activities in which to foster engagement and dialogue is vital. There is a significant time and money investment required to undertake this phase, as it often requires more than one attempt to open the channels of communication. Applying this knowledge capture and development/maturity process (Lin, 2011) to non-profits would suggest that the socialisation approach would be the most appropriate in the initial adoption phases. However easy the knowledge socialisation process may seem, it is often fraught with logistical difficulties. Knowing who and where the Subject Matter Experts (SMEs) exist in large dispersed government departments, corporate enterprises or small decentralised volunteer charity networks and then getting them together with a "knowledge stimulating" agenda/context is a commonly shared milestone of KM implementation. This should not be underestimated as an initial task and can involve a significant amount of investigation and friendly persuasion to attend.

Q5 What is the best KM pathway and style to capture and knowledge diffusion in a NFP?. Who are the knowledge experts and how can we capture and socialise their knowledge?

Leverage available ICT

KM represents a major change program in any enterprise. Introducing complex, new ICT enabling KM “portal” solutions (such as Microsoft Sharepoint) is too complex in the first time adopter paradigm. That being said, ICT still represents a key discipline in developing strong customer employee links and business interfaces for NFP as previously suggested. People and process must take priority over ICT and are fundamental to KM implementation. Any ICT implementation should align with the level of KM people, process and cultural capability and maturity firstly (Donate, 2010; Nayir,2008). Organisational intranets/web portals are now well recognised, accepted and increasingly used as organisational communications channels (albeit one way usually) and provide a relatively sophisticated KM channel for early adopters (Thorpe, 1998). Knowledge portal’s push style functionality for knowledge distribution can be mimicked via “What’s New”; “Hot Topics” hyperlinks on the Intranet front pages. Similarly, pull style functionality can be supported via simple an email –suggestions link. In the NFP industry, technology is often limited as scarce resources are
used for other more obvious functions. Technology is often seen as a luxury (Hume et al, 2006). It may then be found in the NFP sector that there is limited technology with which to leverage KM applications but nonetheless the use of basic ICT infrastructure such as personal computers, file servers, email, digital cameras/recorders, web sites are becoming increasingly more prevalent in the smallest NFPs.

Q6 What are the ICT infrastructures and investment currently available in NFPs?

Method

This project adopts a qualitative approach using in-depth interview and text collection from a sample of 32 employees from NFP organisations. This is consistent with similar studies (Salipante & Aram, 2003) that used managers and employees as knowledge agents. These representatives were either staff or full-time permanent volunteers. The textual scripts relate specifically to the six topic areas and research questions identified. All questions encouraged participants to answer freely. The interviews resulted in thick and rich descriptions and narratives were captured. Initially a database of NFP organisations was used to contact members. Participants were further recruited using a convenience sample using viral snowball technique, where participants were invited and encouraged to participate.

A sample of 32 created a usable set of answer scripts enabling rigorous inductive analysis. As the sampling method was non-random, generalizability inferences of findings to the overall population are restricted, making the findings indicative to the population tested. However, these indicative findings contribute to the development of our understanding of KM in NFPs. A set of transcripts were created verbatim from each of the respondents and were coded and organized using sequential incident analysis. A content analysis (Budd, Thorp & Donohew, 1967) was undertaken resulting in the findings. This process is consistent with the method outlined by Hubbert, Sehorm & Brown (1995). These findings identified the emergent themes and behaviours of KM with in a NFP context.

Further, inductive analysis was undertaken based on understanding of the extant literature and narratives were drawn from the scripts. This technique is consistent with Arnould & Price (1993). The interviews were conducted to gain a thorough understanding and
appreciation of the issues and perspectives faced by these NFP firms and KM. Sampling proceeded until theoretical saturation and convergence was achieved. This resulted in the 32 in-depth interviews.

**Conceptualisation of knowledge management for NFP stakeholders**

Table (1) aims to offer some general themes offered by the interviewees. The table includes definitions of knowledge, knowledge channels, capture and IT choices. The table depicts the different type of knowledge mediums and whether the knowledge is structured or unstructured, formal or informal and offers some specific types of knowledge seen as important.

As summarised in the table, the interviewees suggested that there was some understanding of knowledge in the NFP environment and that it included both structured knowledge in prepared reports and unstructured informal knowledge collected ad hoc and stored in paper folders and/or laptop hard drives. This ad hoc knowledge capture included service catalogues, business cards and contacts however there was no formalised storage system evident. It was evident that the employees interviewed appreciated what constituted knowledge but suggested that little was stored in a universally known orderly and organised manner for retrieval by others in the organisation.

One interviewee #9 suggested: “Filing and reporting is in its early stages! All our energy goes into fundraising and delivery. No time for filing.”

In the more established NFPs, operational manuals, templates, annual reports and performance statements were filed and catalogued with this unintentional and unplanned in the less mature and smaller NFPs.

An interviewee #4 from a smaller NFP suggested: “We have a logo, some stationary and that is about it for formal documents. We do recognise we need it but at this stage are low on resources and this is not a priority”. Further Interviewees suggested that “historical trends and forecasts and competitor information would be of value but limited resources preclude its storage in an orderly manner. We just do the best we can, with what we can.”

External materials and knowledge was not seen as “essential” by interviewees but was a “luxury” or “rarely required”. Interviewees suggested in most part that they would contact an

Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
internal expert or another department for regulatory information and any government requirements. Customer and donor knowledge databases, needs and profiles were ad hoc, with one interviewee suggesting “databases are evolving” and another suggesting “Our records are OK but we need to work on accuracy and keeping things up to date”.

There was little reuse of material with marketing/sales presentations acknowledged by most interviewees as important yet they were not stored and were recreated each time they were required. In the smaller NFPs, these materials were suggested to be “inconsistent” and of poor quality. No NFP interviewees suggested they were conducting substantial research and/or development however this was recognised as something that should be important and that capturing knowledge would assist.

It is evident that there is some understanding of knowledge and appreciation of what information is important to create knowledge. The issue of limited resources, poor or no storage and no systems/processes of storage were clearly articulated. There was evidence that organisational maturity, length of operation and size contributed to a more realistic and structured approach to knowledge. Of the 32 interviews conducted, only one NFP suggested that there was a structured KM system in place with a few others suggesting a semi-structured approach was evident. The majority suggested that knowledge and information was managed informally and no KM system was practiced.

Interviewees were asked to discuss in the current system of how they captured and discussed knowledge and if they did not currently practice any method, what they think may work. Socialisation and “Communities of Practice” were only mentioned by the more established NFPs with the larger NFP representatives suggesting the creating a knowledge culture or workgroup that managed information and knowledge worked well.

One interviewee # 19 suggested: “I don’t know what it is formally called but we call it a management group and we come together and try and refine/improve processes and formalise management a little more”.

The ICT networks and infrastructures that are most commonly used for capture and storage are internet and email. Some more established groups are using email groups and discussion forums/blogs and believe these to be increasingly successful. Most do not have the time.
and/or resources or expertise to fully exploit them. Less than half of the interviewees suggest that their workplace has an intranet and managed file servers/repositories with most operating simple personal hard drive storage and email. Those firms with web sites and managed servers/networks find file sharing and socialisation work well for trying to capture knowledge and store information. Overall there is a common thread that suggested a socialisation process for KM sharing and development is individual and peer based before more public access using ICT.

Table One also highlights the employees anticipated outcomes with each of the interviewees suggested the firm can benefit from customer and employee retention, improved satisfaction levels, improved implementation of strategies and increased contributions and support and that these would be enabled by better management of knowledge. Strong consensus was found for the outcomes of increased loyalty, contribution and satisfaction for donors, improved recruitment and fundraising, improved service delivery including training and development and better benchmarked practices to improve overall performance. It is clear the NFP workers are engaged and familiar with their markets and organisations however there is significant deficiency in formalised knowledge sharing, capture and diffusion. There is a noticeable opportunity to enhance performance through the use of knowledge sharing and exchange and the adoption of a more recognised, formalised and structured KM approach and objectives. It is apparent that some simple and focused capture processes and promotion of available knowledge would benefit all NFPs, especially the smaller, less established firms. It is evident from the interviewees that the concept and understanding of the importance of KM is present with interviewees suggesting the foundation for KM in the current environment is to have a firm’s culture and leader that regularly advocates the need and benefit for knowledge sharing, a strategy for knowledge and some basic ICT infrastructure that can support the program.
### TABLE ONE (1): INTERVIEWEE RESPONSES

<table>
<thead>
<tr>
<th>Topic</th>
<th>Interviewee comments N=32</th>
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</thead>
<tbody>
<tr>
<td>Type of knowledge</td>
<td></td>
</tr>
<tr>
<td>- Structured and unstructured knowledge some we need for reporting</td>
<td></td>
</tr>
<tr>
<td>- Service catalogues – contacts, subject matter experts, industry contacts and sector leaders.</td>
<td></td>
</tr>
<tr>
<td>- Operational – methodology, templates/compliance, process and “best practices”; case studies, client deliverables</td>
<td></td>
</tr>
<tr>
<td>- Historical – operational performance, trends &amp; forecasts</td>
<td></td>
</tr>
<tr>
<td>- External – regulatory, competitors, industry</td>
<td></td>
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<tr>
<td>- Training - manuals</td>
<td></td>
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<tr>
<td>- Marketing – presentations, fact sheets, links to related information.</td>
<td></td>
</tr>
<tr>
<td>- Research &amp; Development – new tools, techniques</td>
<td></td>
</tr>
<tr>
<td>- Customer knowledge databases, needs and profiles</td>
<td></td>
</tr>
<tr>
<td>- Donor knowledge databases, needs and profiles</td>
<td></td>
</tr>
<tr>
<td>- Operational – case studies, client deliverables</td>
<td></td>
</tr>
<tr>
<td>- Historical – operational performance (annual reports, financial statements, white papers/strategy statements)</td>
<td></td>
</tr>
</tbody>
</table>
| Knowledge capture | • Socialisation “communities of practice; mentoring/relationship managers;  
• Internet  
• Email  
• Socialisation communities of practice;  
• Internalisation – learning at work  
• Externalisation – documentation  
• Email Groups/Chat Forums  
• File Servers/Repositories  
• Client Deliverables and services |
|-------------------|------------------------------------------------------------------------------------------------------------------|
| Knowledge diffusion | • Socialisation “communities of practice; mentoring/relationship managers;  
• Internet and Email  
• Internalisation – learning at work, training modules and education  
• Externalisation – documentation for external stakeholders  
• Email Groups/Chat Forums with customers, donors and staff  
• File Servers/Repositories generated reports and materials  
• Client Deliverables and customer management |
<table>
<thead>
<tr>
<th>Improved outcomes with KM implementation</th>
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</thead>
<tbody>
<tr>
<td>• Increased Loyalty for donors</td>
</tr>
<tr>
<td>• Increased donor satisfaction</td>
</tr>
<tr>
<td>• Increased donor contribution</td>
</tr>
<tr>
<td>• Recruitment of donors</td>
</tr>
<tr>
<td>• Positive emotional outcomes and satisfaction for recipients</td>
</tr>
<tr>
<td>• Increased Confidence (in service received)</td>
</tr>
<tr>
<td>• Increased commitment and trust</td>
</tr>
<tr>
<td>• Increased process/service consistency</td>
</tr>
<tr>
<td>• Increased service effectiveness</td>
</tr>
<tr>
<td>• Increased service innovation/best practice development</td>
</tr>
<tr>
<td>• Cost effective training</td>
</tr>
<tr>
<td>• Improved morale and culture resultant form sharing knowledge</td>
</tr>
</tbody>
</table>

**Model for the development of knowledge rich NFP communities**

The model offered for further testing is based on the understanding developed from this exploratory research. The model combines theory from the extant literature that embraces for-profit KM perspectives such as leadership, culture and performance management and incorporates the comments the interviewees. Interestingly, the interviewees reinforced many of the theories associated with the for profit KM research such as the need for a knowledge culture and leadership, using information technology to assist with storage and usage and the importance of developing a KM strategy. The model posits that KM requires a combination of organisational drivers and enablers to create a KM system and enhance performance.
Organisational drivers

The model proposes three essential drivers for KM success in NFPs. These include information & communications technology (Lee, 2011), leadership and HR practices and a formalised KM strategy. The use of ICT is essential for the capture, categorisation distribution, collaboration and transfer of knowledge. It is recognised that many NFPs have limited resources and funding and the size of the firm will greatly influence ICT capability (Hume & Hume, 2009). Ideally, IT systems should offer a collaborative platform and application that allows for shared access and activity. There are increasingly scalable shareware/open source applications available and this model would suggest this type of “enterprise” style, high functionality, low/no cost ICT solution would be feasible and effective for NFPs together with existing personal computing tools.
Leadership and human resource practices including performance management is an essential organisational driver to create a culture of knowledge sharing and collaboration. It is known that firms with strong leadership that embraces knowledge sharing will have greater success with KM programs (Hume & Hume, 2009). The model acknowledges the importance of this. In conjunction with leadership, rewarding and encouraging staff to engage and embrace a knowledge culture is vital. Enhancing performance through reward, positions the knowledge contribution as important and of value to the firm. Finally, it is clearly evident that KM will not develop if there is not a deliberately planned approach to the capture, storage and diffusion of knowledge. The model emphasises the importance of a plan that is incorporated into the overall structure and processes of the firm.

**Knowledge enablers in NFPs**

The model offers two key enablers socialisation, knowledge transfers and exchange and internal marketing. It is evident from the exploratory interviews that communication and promotion of KM is essential. The model recommends focusing on a socialisation (Hume & Hume, 2009) strategy for creating a platform for knowledge sharing, use (internalisation), on-going refinement development (internalisation and documentation) and on-going exchange (socialisation). It is vital that knowledge exchange and transfer is endorsed and rewarded and that internal promotional strategies are adopted that position a knowledge culture as critical to the firm. The internal marketing strategies need to focus both on the individual by creating employee satisfaction and motivation and at the enterprise level through enhanced firm success resultant from the efficiencies created through better knowledge management.

**KM: Future research directions**

While a number of generic methodologies and helpful tactical tips are available both in the academic and industry-based media (Davenport and Prusak, 2000) it can be argued that these have been limited to specific applications, and there is a need for overall conceptual framework that can be empirically applied and tested in a NFP setting. This paper offers the beginnings of developing an overall conceptual framework based on the attitudes and opinions of the NFP workers. It was evidenced from the interviewees that KM practice in NFP is largely limited or very ad hoc and fragmented at best. Moreover, significant resistance to change and new ways is evident as a result of both limited resources and limited...
awareness of the KM benefits. There was strong consensus on the existence of critical tacit knowledge, which appeared to be reluctantly and nominally dispersed to the firm and other functional level employees. Interestingly, in each firm, knowledge was focused on only a small number of employees.

Consistently many employees suggested collectively in the NFP a reluctance to participate (small NFPs) in a KM program was evidenced, with volunteers most often disinterested in knowledge sharing and unaware of knowledge due to the transient nature of their engagement. There is no doubt that operational efficiencies, marketing performance and customer engagement will improve with better knowledge management practices and that further research to confirm the role of the conceptual model is warranted. Ideally, further research in this area will assist in the development of sustainable knowledge communities in NFPs and contribute to improved outcomes for the firms.

Conclusions and future research

This paper provides a “beginner’s guide” or conceptual framework to the role and implementation of a KM strategy in non-profit organisations. This paper has identified what is knowledge and the level of KM currently in practice. This paper raises several research issues for consideration such as internal KM promotion, the need for internal marketing of KM, programs to promote an understanding of knowledge and KM and incentives and performance management programs linked to knowledge and sharing. These areas require focus in the future to advance KM research and the role of KM in the value chain of the NFP organisation.
Bibliography


Chapter Five – under review *Electronic Journal of Knowledge Management*

**Paper 3: What about us? Exploring Small to Medium Australian Nonprofit Firms and Knowledge Management**

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**Abstract**

This paper examines the role of knowledge management (KM) in Australian small to medium sized enterprises (SME) not for profit organizations (NFPs) using case study methodology and advances previous KM work (Hume and Hume, 2008). This work offered a set of propositions related to strategic development of knowledge management in non-profit organizations. NFPs are essential in developing sustainable communities (Scarso, 2008) providing many social, environmental, health and human services required by a vast amount of communities’ stakeholders. With limited research related to KM in an NFP setting, this paper advances knowledge and offers a unique view of KM from the perspective of three small to medium not for profit organization cases. This paper explores the definition of knowledge, the importance of knowledge planning, capture and diffusion and offers recommendations required for key enablers of knowledge management practice and development in small to medium NFPs. The paper support analysis with the use of Leximancer 3.0 and offers a unique approach to qualitative research using textual and discourse analysis. The paper concludes by introducing the link between knowledge management and internal marketing to address importance cultural and social issues of “me” which are central to knowledge capture, renewal and sustainable knowledge management.

Key words: Knowledge management, knowledge capture, knowledge distribution, socialisation, Communities of Practice, internal marketing
Introduction

Examination of not for profit organizations (NFPs) and knowledge management (KM) is rudimentary at best (Andreasen, Goodstein, and Wilson, 2005; Rainey, Backoff, and Levine, 1976; Hume and Hume, 2008; Helmig, Jegers, and Lapsley, 2004). In order to move forward in the KM and NFP research arena, we must examine and understand the translation and integration of KM into a small to medium enterprise (SME) NFP context and identify how KM can best be developed and adopted in these smaller NFP firms which represent the largest percentage of the NFP sector in Australia particularly (Australian Productivity Commission, 2010). Much is known about the application and practice of KM in for profit firms however many for-profit practices do not appear to translate easily to NFPs, with is particularly apparent in the KM case (Reige, 2005). Previous research into large NFP firms identifies that KM is recognized in the firms as a practice that can support operations but it is not viewed as a priority investment (Hume, Clarke and Hume, 2012) with adoption in the smaller and medium sized NFP’s limited and informal (Lettieri, Borga, and Savoldelli, 2004). This research suggests knowledge can be identified; knowledge capture and distribution is often unintentional and informal and rarely done in a “managed” KM process in these SME organisations.

NFP researchers have suggested knowledge in a non-profit context is too unwieldy to manage without strategy and dedicated resourcing and therefore the management and operational focus for SME NFP’s should be on core service delivery and fulfilling their mission. Ideally, developing a generic KM strategy and framework for these smaller non-profit firms could reduce the perceived costly and resource intensive approach to this practice for this sector. For the many different NFP enterprises (Crossan, Bell and Ibbotson, 2004; Salamon and Anheier, 1992) that exist with differing purposes and practices, the relative ease of developing a “generic KM strategy” still remains complex. This research aims to develop and inform a foundation model for this context considering the many inherent differences of SME NFPs and the differences within the NFP sector. Through case analysis this research will understand that the KM “system” is more holistic than an IT system that supports knowledge capture and distribution and involves a number of enabling elements of knowledge strategy, people, process, leadership and culture which must be considered. The purpose of this paper is to explore the current KM practice in the context of small to medium
NFPs (Hume and Hume, 2008) using a case study methodology and to develop a knowledge management implementation-planning framework, highlighting key enablers for consideration across NFPs.

Specifically, this paper addresses the following questions:

1. *What are the key business practices in SME NFP cases that support knowledge management (such as knowledge capture and renewal) in NFPs?*
2. *What practices support the successful implementation of KM?*

This work will contribute to the theoretical and practical knowledge in fundamental strategic and operational characteristics for designing and sustaining a successful knowledge management program (Davenport and Prusak, 1998; Chong and Choi, 2005, Riege, 2005) in NFP organizations. Specifically, the influential work of Riege (2005) in the identification of the many personal, organizational and technological barriers to knowledge sharing will be further explored by making explicit the fundamental organizational assets and processes that must occur for knowledge management operation and sustainability in NFPs. Further, this research will support the seminal work of Ballantyne (2000, 2004) in reinforcing the critical linkage between knowledge management, socialisation and internal marketing to sustain knowledge sharing and renewal within the organization. Most importantly, this work will provide an extension to the exploratory research done by Lettieri et.al (2004) and Vasconcelos et.al (2005) in the not for profit/NFP environment on current KM practices and the challenges this diverse industry sector faces in managing its knowledge and finally, advance the research of Hume and Hume (2008), Hume, Pope and Hume (2012), and Hume, Clarke and Hume (2012). The research will also make a number of practical contributions in the areas of knowledge management in a SME, NFP context. More specifically, identifying and debunking a common perception that knowledge management in NFPs is a common process, driven by information technology and advanced understanding of the operation and sustainability of KM.

**KM in NFP research**

The literature clearly supports the growth of interest in knowledge management-style initiatives by NFPs but appears to lack practical application and any empirical testing from
using a broad definition of NFPs (Lyons, 2009). Further, research into the application of knowledge management strategies in NFPs, focusing on specific issues of knowledge development and diffusion strategies via the application of “popular” socialisation strategies such as Communities of Practice (CoP) for example and the approach to supporting externalisation and internalisation strategies is limited (Wenger and Snyder, 2000). These research gaps have very practical implications and value for the NFP sector which is increasingly in need of knowledge management that can address the increasing service need and competitive drivers. This case analysis will create a strong foundation for knowledge planning framework, its application and practice in specific SME NFPs. This paper will provide greater rigor to the propositions presented thus far in the KM discourse and provide the depth and breadth that is needed to provide meaningful academic and management insights. Due to the limited specific research in this area, this work is exploratory.

These early emerging propositions are suggested specifically as follows:

1. The adoption of KM in the NFP sector is limited and very informal as suggested by Lettieri, Borga, and Savoldelli (2004) and Reige (2005);
2. Implementation is constrained by limited funding, limited resources and high accountability to members and the public as suggested by Helmig, Jegers, and Lapsley, (2004);
3. Knowledge is too unwieldy to manage in an NFP environment and the primary focus for SME NFPs is on core service delivery and fulfilling their mission as suggested by Helmig, Jegers, and Lapsley, (2004); and
4. KM practice and sustained operation is strongly supported by socialization strategies and internal marketing/promotion of KM as suggested by Ballantyne (2000, 2004) and Hume and Hume (2008) and Hume, Clarke and Hume (2012).

**Data and method**

Exploratory research is a flexible and valuable tool for social science research (Babbie, 1989; Churchill, 1979; Kinnear and Taylor, 1996). The objective of exploratory research is to assist in breaking broad and vague problems into smaller and more precise issues (Patton, 1990) increasing the researcher’s familiarity with a problem and clarifying concepts (Churchill,
1979; Miles & Huberman, 1995; Zikmund, 1991; Churchill, 1979). Exploratory research has limitations. The interpretation of the findings is usually subjective and with small sample cases that cannot be projected to a wider population (Zikmund, 1991; Miles & Huberman, 1995). This paper adopts a case study methodology to identify overall themes and practices and offer a deep understanding of KM. The two cases for examination are reflective and retrospective and include a range of small to medium Australian NFPs.

This research adopts a qualitative ethnographic approach and employs a combination of in-depth interviews, workplace observations and document collection to explore and gather a contextualized understanding of the measures and evaluations of the capture, management and renewal of knowledge in a NFP setting. As recommended by Eisenhardt (1989) and Patton, (1990), the research sample was purposively selected to provide a maximum variation to assess replication logic for theory building purposes. The underlying principle to the sampling technique will be to provide information rich cases that are worthy of in-depth study. Multiple data sources across hierarchical levels, together with observation and relevant document collection, was sought within each of the case studies to provide the data variation and the theoretical saturation as recommended by Glaser and Strauss (1967), Eisenhardt (1989), Eisenhardt and Graebner (2007) and Perry (1998). Data from the multiple sources will be divided into themes and categories based on literature findings and will be examined for frequency in response and occurrence to highlight importance and recurrence. The findings form the basis of the organizational artifacts such as the existing KM systems within organizations.

The next stage progresses to narrative analysis, a subfield of discourse studies. Discourse studies have increasingly using types of linguistic analyses (Alvevesson & Karreman, 2000; Soderberg, 2006) as is adopted here. A computer-assisted text analysis of the interview transcripts was undertaken using Leximancer (Smith, 2000) and relying on a corpus-based approach (Stubbs, 1996). One advantage of the use of the Leximancer 3.0 system is argued that it makes the investigator aware of the global context and significance of concepts and helps avoid fixation on particular anecdotal evidence, which may be atypical or erroneous (Smith and Humphreys, 2006). Identification of the dominant themes of the cases was undertaken by examining the maps. Leximancer stochastically calculates of the concepts in the corpus, as recommended by McKenna and Rooney (2005). This visualisation technique
enables investigators to see, in a global representation, the important concepts in the corpus and relationships between these concepts. Concepts that occur in very similar semantic contexts tend to form clusters. Each map is then used by the investigator to present an overall representation of the corpus and to guide interpretation. In a departure, maps were then compared to identify common narratives and overall patterns and comparing and contrasting patterns leading to an enriched interpretation.

**Case descriptions and identification**

This section of the paper will offer the descriptions of each case and discuss the relevant practices and activities occurring in the firm. Using data analysis from Leximancer 3.0 output, the key and global concepts and the NFP case material and interviews are compared and discussed. The maps identify the global nodes of each firm. The process offers affirmation and verification of the case analysis and adds to the ethnography. A combined analysis of all firms is presented as per the Leximnacer and manual script coding and interpretation.

**SME – NFP case analysis**

**Individual maps**

Examination of all maps, themes and concepts within the maps led to the identification of a number of recurring themes. Themes of knowledge, socialisation, marketing and information were consistently identified in the maps of narratives of all cases and case material. Some case maps identified *Marketing* and *Strategy* explicitly or specific practice and engagement approaches such as *Social* as key nodes central to the map. Specific firm material and documentation analyzed separately is included in some narratives and supports many of the themes/central node results from each firm. Many themes and nodes also related to the specific concerns and challenges of KM, for example *Problems and Issues* also appeared frequently in the individual maps.
Cross-map comparison

Moving beyond individual maps comparing and contrasting the maps led to the identification of patterns allowing an enriched interpretation. Some overall themes were identified by considering both the themes, their centrality in the map, relationship with other themes and concepts within themes. Three global and frequent themes were identified as: Marketing which focused on internal communications and promotion of the uses, availability and value of knowledge management, Knowledge related to the importance of KM to the organisation strategically and operationally and the understanding of the need for knowledge identification, capture and renewal and Social identifying the importance and need for social exchanges, people and the organisation in the capture and diffusion of knowledge.

Case 1: Environmental Protection

Case 1 is a larger SME with 200 employees/staff across a nationally organised entity. With 30 years of experience in creating sustainable environmental outcomes, the organisation promotes itself as a solutions-driven organization that is committed to practical environmental problems. Key projects include salinity, declining water quality, soil degradation, and climate change and biodiversity loss. This firm thrives on scientific knowledge and community engagement and has a large voluntary staff. Many permanent staff are educated and experienced in their fields of horticulture and environmental sciences.

“Knowledge” in the organisation: The distinction between information and knowledge

Case 1 participants suggested knowledge “is anything that helps get the job done” and includes either documented or tacit information in people’s head that they share with others on the project site and/or in the office”. Knowledge was largely seen as technical, scientific based information focused on “the What and How, but not so much the simple and straightforward - Why? which is where the gold, the knowledge, lies”. The “Why” was seen as the key “missing link” in the knowledge capturing efforts. Information and knowledge were blurred in this case because of the expectation that knowledge was documented as a standard task but in fact it was simpler, lower level operational information such as policy, administration activity that predominated. Labor shortage was proposed as one of the primary reasons that KM was not regularly in practice, with statements like “not enough time.
and resource, you move on to the next project” and “too busy to capture it” were encountered. Generally, the mission delivery/operations focus blurred the opinion on the strategic importance of knowledge capture and storage. A lot of “unofficial” information and knowledge that was generated within work groups was not captured and was suggested to be “too hard to capture ...it’s more about getting the work done”. The informal channels and informal sharing worked well when knowledge was sought through “friends” and/or know subject matter experts however membership to informal networks was primarily socially defined and did not always consist of timely, accessible and accurate information. Version control of documentation was also cited as a key problem. Moreover, the longevity of these informal social networks was limited due to the volunteer workforce.

**Knowledge collection, co-ordination and distribution knowledge**

Specific data collection practices included tracking people’s role, qualifications and experience but the staff directory was not always up to date and access was largely office-based. Interestingly, capture of this information was proposed to lead to Subject Matter Experts (SMEs) and Community of Practices being identified and developed. No formal KM co-ordination process was evident with information – documents managed under the guise of a QA (Review and Approve) system. The missing “know how & why” appeared to get lost in the bureaucratic and “sometimes overly critical, academic process” process. The CEO’s personal assistant did a lot of the information and knowledge distribution tasks by virtue of self-empowerment to help people and the organization have some regular capture and distribution. There was a general awareness and understanding of the knowledge development process but not a lot of direct focus and activity on it. KM happened more by chance and very occasionally was deliberately, captured, coded and distributed. Limited controlled updating/renewal occurred and this was an issue with multiple versions and copies of the same material. Unfortunately, lack of version control was a common NFP process problem.

**Knowledge and value to the organization**

By default, induction and training documentation (peer reviewed) has been a primary source of renewing information and knowledge. Through the updating of training material, the firm
indirectly updated content and knowledge. Other than this, ad hoc approaches, generally staff/p people accidentally “coming across stuff they know/think will be useful” was the common practice. It was “often very difficult to find the latest information” and resulted from inaccurate/out of date information and knowledge being used many times. The informal channels included Toolbox – a Morning tea team/group focused project-based conversation.

The practices did suggest a strong source of socialisation and renewal but not everyone hears/sees it or was invited and these interactions were not recorded and/or documented. Conferences, CoPs were felt to be useful but they were infrequent due to geographical, time and costs issues. Knowledge renewal was largely a just-in-time approach. Explicit (corporate documents, presentations, procedures, industry/research reports etc) was understood as different from tacit knowledge (undocumented “how & why to do something”/“how to adapt” expertise) however there was little time and effort/priority issue to get people to document the information. The projects teams were largely volunteers, not IT experienced and often did not use IT on project sites. Remote access technologies and working environments were problematic in the past and had lost investment to improve/upgrade them.

This firm had recently established a national “Xchange” initiative to share documents – but this tended to be technical documents and some staff and volunteers were concerned about negative feedback that had occurred in the past regarding quality in content. Comments included “It is not well managed, in fact it is more a storage process than any sort of collaborative workspace” and “removing identifiers would help to reduce the professional jealousies and inter-State rivalries that exist”. This reflected the organization’s immaturity and some scientific arrogance. The Intranet generally had content management issues with some areas more dynamic than others and project teams had access issues.

There were substantial IT issues with IT requiring a substantial investment and upgrade. Leadership was limited and needed someone to take the lead on “topical issues” of current interest and to promote the need and value to attend. Interestingly, new staff were more aware of KM and have been helpful in requesting “How to/Why?” information and knowledge be distributed.
What role does organisational culture have in KM?

Inter-State biases within the federated corporate structure were evident and funding competition between states undermined collaboration. They had a strongly shared mission about “changing landscapes” to reduce the barriers, however the barriers were more personal related to individuals in power positions rather than structural constraints. The KM tools (lack of and understanding of what is really needed by whom and where) were seen to be real issues. The two elements of people and knowledge were acknowledged to co-exist. Using a mandated/corporate style approach involving performance appraisals was suggested to not work. It was suggested that many people worked for the mission and personal satisfaction, not the salaries. With that goes a certain acceptance by everyone that a “dictatorial” approach also did not work and would not be acceptable to many staff and volunteers. Some states were more “commercially” focused (selling training courses, plants and consultancies to raise funds to support local requirements and projects) but the link between gaining funds and using it for KM activities was not evident.

Staff and management and “internal marketing”

The current culture was not well accepting of praise and/or promotion of individuals or groups. It tended to be more critical/analytical—*in a scientific review/examination manner*. Hence many people have been reluctant to participate based on previous experiences.

“We do not promote our successes that well- Scientists do not tend to do that. Similarly, the field workers are a very egalitarian group. We do occasionally note the effort related to a project but it’s more project-outcome oriented.”

IT support and KM activities

The case had decentralised/off-site IT support, on an on-call, part-time basis, so it was very reactive to the needs/wants of the staff. Managers tended to drive the IT strategy however the IT was basic and included PCs, some laptops and mobile phones and the remote access was inefficient and had problem as noted. There was no suggestion that other tools such as digital recorders, tablet PCs such as iPads and Wikis had been tested and would offer any compensation to the access issues. Information management and shared drive/file system
controls were not good. Poor information management practices meant there were multiple versions, poor naming protocols and duplication. The case firm ended up with “huge volumes of stuff which was hard to navigate”.

**KM strategy and organizational maturity**

Financial and HR constraints were the primary considerations for the implementation or lack of a KM system. Making the tangible/understandable link to “Projects of Natural Significance” (a high profile conservation program) was seen as important within this firm and showed some level of corporate maturity. Staff understood this prioritisation and it addressed the important Why? element of KM within the firm which was missing in other projects and information captured.

**Map Analysis for the Case 1**

Figure 1 for case one shows the Leximancer map for Case 1. Knowledge is the central node heavily reliant on scientific information and knowledge. It is evident that knowledge is essential for both organizational operation and the environmental practices that are the key mission of this NFP. Marketing and Strategy are key nodes highlighted in the map and are closely aligned with the need to market knowledge throughout the channel is the form of internal promotion. The need for strategy and formal guidelines to knowledge management is evident in the global node of strategy. There is further evidence that theses global nodes lead to the Work, Issues, Problems and Reports pathway nodes, constructing the relationships of KM to managing work, enhancing and preventing issues and problems and form in the basis of reports. Interestingly, in this case there was rivalry between regional offices and conflict between scientific, volunteer and operational staff. There was also a hierarchy related to scientists, office personnel and volunteers. The centrality of the issues and the relationship of this to reports, intranet information and the morale and performance of the organisation clearly reflected this.

The node of Intranet introduces the concept of technology and the role of the internal network for dealing with organizational operational issues, generating and distributing knowledge and the overall organisational approach to dealing with information management also is shown to emerge from knowledge suggesting that knowledge management is essential.

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to these functions. Interestingly, this case acknowledges the importance of knowledge and the key of KM to the overall performance of the firm. This is depicted in the *Key and Knowledge* nodes. The global nodes of *Social and Organisation* are directly related to the central and important theme of *Knowledge* and suggest knowledge capture and management is embedded in a social construct and that knowledge is essential for the function and performance of the organisation.

**Figure 1: Case 1 Narrative themes**

![Network diagram](image)

**Case 2 - Homelessness Services**

Case 2 is an autonomous city-based, NFP focused on feeding the homeless and visiting the homeless precincts to provide support such as crisis intervention, conflict resolution, first aid, direct counseling and welfare assistance/guidance. Case 2 works in partnership with key services such as police, ambulance, local government, security firms and taxi services/operations. This service is *saving lives, improving life quality and making the streets a safer place for all.*

Case 2 includes a voluntary network of a city-based school community and support groups who operate from the school canteen and coordinate and distribute donated food items and welfare services around the central business district fringe. Case 2 represents a lot of the
Australian SME NFPs sector which are a voluntary network of autonomous community organizations that offer a range of services and come together with a common purpose and mission. One of the key functions is to operate and manage the community service website. It has been constructed for ease of use by anyone needing to know the when, where, what and who of this service, and has been designed with users, providers, welfare agencies, public organizations and the general public in mind. This website can be used as tool to promote the services of each of the providers who have given their information, to attract volunteers and to attract funding support. The goal of Case 2 is to provide a ‘one-stop-shop’ that links safety, food and service provision to the homeless and needy in a simple and effective method.

**Knowledge in your organisation, the distinction between information and knowledge**

Case 2 is very low on the maturity scale and does not formally define information and knowledge. The majority of people are not interested in capturing knowledge and very task oriented. The majority of staff are volunteers and only want to complete their shift and contribution to the mission. The staff sees knowledge as both explicit and tacit and had little insight into KM practices. Some understand the need to keep records and document frequent and repetitive incidents however the recordkeeping is a simple system with knowledge and information rarely documented and stored. The information about networks, volunteers and donations are stored mainly in the coordinating long term volunteers and sponsors. KM and capture is suggested to be very resource and time constrained.

**Collection, co-ordination and distribution knowledge**

The organisation’s website plays a major role in the collection, storage and dissemination of information. There is an Internet (push and pull), email, weekly newsletter to the various stakeholders which discusses supply requirements, activities/projects and future events. These are kept and stored however no planning or active data is extracted from these and there is no follow up and re-codification and update to put into a more work-friendly format. There is a strong opportunity to identify KM needs/trends from communications to the organization via email/phone, with partners (police, ambulance etc) and periodic incident reports and client feedback.
An enquiry telephone service is operational and this is staffed by the volunteers and school employees. This channel could provide substantial information about needs for scheduling, donations and services however this content is not formally captured, analysed and coded. No internal marketing exists however there is suggestion that there is a high social framework with strong informal networks operational and this is the cornerstone of the organization.

“We are confident that the stuff we provide does help but we don’t leverage that enough to improve and grow in what we do”

Knowledge renewal support and value to the organisation

It followed that when knowledge capture is limited, renewal is also limited which undermines the ability for knowledge management to have organizational impact and add value. Whilst there was recognition of the value of KM, it was very low in operational priority despite the perceived value it could offer.

It’s very ad hoc. We do not do any knowledge mapping to understand what is being done in detail, who actually uses it, where and how. We search through material and rely on memory which is not the most efficient method but we are very resource constrained and largely volunteers. That’s the reality in many charities.

Explicit and tacit knowledge

It was generally understood that there was valuable knowledge in people’s heads yet it was not in any formal documented and easily accessible form.

“Our management approaches requires various levels of information capture which should and could be analysed but at this point we are not in any formal process or structured way. Lessons Learnt and ideas for innovation are often shared in an informal way over a coffee for example but it does not lead to any operational improvement in any formal way that I’ve seen.”

“Knowledge in the form of storytelling and debriefing is shared but we do not document and capture it. We should write a journal or design a post-shift feedback document.”
Organisational Culture
Culture is very important to Case 2 where the mission and its volunteers are highly aligned.

“We are a sharing organization and very inclusive. Part of the fabric of the organization is our social natures and shared vision. Power plays, job status are not generally part of the fabric of this organization. I don’t think it could afford it, particularly dealing with homelessness.”

It is evident in Case 2, that people did not understand the fundamentals and value of KM. Consequently, much operational knowledge was not captured and shared for future planning and/or performance improvement. Interestingly, this case operates in a “growing customer market” which seems to justify the continued focus on daily operational activity albeit that KM could add substantial value in servicing the growing demand.

How does IT support and/or hinder your organisations’ KM activities?
Information technology in this case is very simple with office-based PCs and email. Little or no information management strategy, apart from functional groupings around administration, finance and operations.

“It is an office admin and communication tool and is not seen as key to frontline service delivery which where we focus. It’s probably abit narrow minded but not many homeless people use email and the Internet but that stereotype is changing. Our sponsors, volunteers and suppliers do use computers actively which is why we probably need to rethink our approach to IT and our website.”

KM strategy and organisational maturity
Case 2 has low organisational maturity and identifies that this is one of the first discussions about knowledge and the need for capture. The organization has issues with staff and volunteer retention and suffers from a day to day management approach. The organization has adopted a Keep It Simple principle to build momentum maturity and capability and is aiming to start documenting some simple practices and growing as it improves in efficiency.
Figure 2 - Case Two narrative themes

Figure 2 shows the map for Case 2. Similarly, Knowledge is the central node heavily reliant on a complex series of dispersed nodes. It is evident from the case transcripts that knowledge is essential for the firm practices however the key mission of this NFP and the delivery of services are more important. The nodes of Social and Marketing represent the friendly and social culture of this NFP. Information and Reporting are given a lesser priority and centrality to Knowledge which supports the informal reporting and data collection evident in this case. The need for strategy and formal guidelines to knowledge management is evident with a direct pathway from the central node and this is reflected in the case material. KM is not positioned as a priority when compare to the delivery of the primary services and mission however there is recognition that better capture, storage and retrieval would streamline operations and improve delivery. The Organization node represents planning and delivery. The distant from the global node of knowledge does suggest the link between KM and improved function is in its early stages and this notion is strongly supported by the case data. Finally, the Work node includes the concepts of employees and IT and represents the reliance on the full-time staff to capture knowledge. There is a high turnover of volunteer staff resulting in very low efficiency and low maturity in the KM process.
The proximity and overlap of global nodes of Social and Knowledge suggest knowledge capture and management is embedded in a social construct and that a socialization strategy and use of informal social networks are essential for the knowledge function and performance of this organization.

Discussion and future research

This paper has shown how the drivers for knowledge seem to vary across NFPs and the activities involved around supporting it, both explicit and indirect, are also increasingly varied. Haggie and Kingston, (2003) suggested this in their work and the application to small NFPs confirms this notion. This research has identified that the key element of the KM framework in SME NFP is the adoption of simple social practices and internal marketing of the importance of capturing and documenting information and knowledge. These should not be complex approaches but should leverage off the informal relationships, basic IT tools and network connectivity and the shared values of many of the volunteers and permanent staff. The case analysis further defined this framework with a view to providing a much needed "strategic roadmap" for KM implementation in smaller NFPs. Most notable from the framework at this developmental stage is the recognition that “one KM program does not fit all” but the core elements of knowledge identification, capture, documentation, socialisation, leadership and leveraging basic IT are similar. Each NFP domain requires a customised approach taking into account their characteristic business models, structures, staff mix and operational capability-maturity.

As previously mentioned, a small NFP has been defined as locally-based and with membership up to 50 people (see European Commission classification - (Refer http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/index_en.htm). Specific attributes of small NFPs seen in this study include both explicit and tacit forms, at this category can be very unstructured – located on staff’s PC hard drives and contained in employee’s formal and informal “filing systems”. Moreover, formalised knowledge creation, categorisation and diffusion processes are unrecognised and as a result knowledge management is largely opportunistic and very informal. Small NFP’s seem to have inherent process and structural immaturity supporting the propositions of Lettieri et.al, (2004) and size constraints presents an opportunistic environment in which to implement rudimentary KM
practices such as socialisation strategies using expert circles/communities of practice/competency teams.

For social entrepreneurs, the social mission is overt and fundamental to their decisions (Dees, Emerson, and Economy, 2002). Social entrepreneurs have a more holistic sense of value than economic value and can tend to react slowly to operational innovations unless the holistic value measure is satisfied. Unlike a business entrepreneur, the threat of failure is not as ominous (Dees, Emerson, and Economy, 2002) so laggard change to innovation is evident (Dees, Emerson, and Economy, 2002). Moreover, the costs and time associated with the recruitment of KM personnel (“Knowledge Champions”) KM process and IT infrastructure could work as a deterrent to the adoption of implementation of the program furthering hindering the success and support for KM in NFP.

Nonaka and Takeuchi’s, (1995) suggest knowledge is “amplified” through the four modes of knowledge. socialisation, internalisation, externalisation and combination. For first time adopters like these small to medium NFPs, engaging the users through socialization is essential to the early capture of knowledge. Simple practices using pre and post-shift team briefings and regular all-staff meetings (formal and informal) will commence this process.

Where knowledge, particularly tacit-oriented technical knowledge, is typically the stored with the full-time staff and/or long-serving volunteers who in these small NFPs are frequently time poor and multi-skilling, the request to document knowledge becomes neglected. Adopting a social network and informal communication exchanges between full-time and volunteer staff allows these staff to share knowledge in a more relaxed and direct environment.

Often knowledge sharing is also met with significant passive and active resistance (Blair, 2002; Politis, 2003). This can be related to job security and status or a lack of trust and experience. As a result, a more non-threatening and personalised approach, as espoused by Nonaka and Takeuchi (1995), is used in which the identified knowledge creators are initially “socialised” with designated personnel, both known Subject Matter Experts (SMEs) and their associates, to share experiences and interpretations within their “home” territory as an informal and preliminary. This practice is reflective of the “community of practice (COP) suggested by Wenger and Snyder, (2000). This process is recommended to offer some successful outcomes for these smaller NFPs however it should be acknowledged it will take
time to build critically needed trust between the relevant parties/stakeholders, gain momentum and popularity.

Politis (2003) posits that inter-personnel trust is a key element in the acquisition and sharing of knowledge in work teams. On-going trust building to “obligation/commitment” is seen as critical to maintaining momentum and renewal of the KM program (Ballantyne, 2000). Most importantly, the focus on the people- in the socialisation phase and creating forums, events, activities in which to foster engagement and dialogue is paramount. However easy the process of socialisation in KM may seem, it is fraught with difficulties due to the large numbers of voluntary staff number and adhoc attendance in small NFPs. Further, identifying and qualifying who and where the Subject Matter Experts (SMEs) are located and then meeting in one destination with interested users at the same time can be extremely difficult.

Irrespective of the type of KM strategies implemented, many factors are proposed that contribute to both KM successes and failures in small NFPs. KM literature consistently highlights cultural factors, at multiple levels, as the biggest barrier to getting engagement and support for KM (Chong and Choi, 2005; Chua and Lam, 2005; Malhotra, 2004; Riege, 2005) and this research support that assumption. These cases reflect that in smaller NFP culture plays a significant role in knowledge capture and storage. Case 1 showed a deeper sense of understanding of knowledge management however their organizational cultures made sharing difficult. Case 2 was smaller and operationally immature, had friendly and social cultures but their leadership, capability and structure were significant impediments.

Further to the previous cultural issues, the leadership style and governance issues within the organizations represent another milestone in KM implementation in these smaller firms. In these small organizations, if the CEO/General Manager was engaged with the knowledge process they would help drive adoption of KM. Research evidence in KM suggests that a combination of many leadership styles (transformational, transactional, and charismatic for example) are required for KM competence (Hall, 2003). Oliver and Kandadi (2006) summarise these leadership traits as "evangelization". In driving, sustaining and supporting KM practices, case study evidence strongly supports this claim (Choy, 2005) and is reflected in this study. Case 1 had a stronger leadership structure which supported knowledge, albeit on somewhat ad hoc basis.
KM research has supported the leadership paradigm must include not just the executive levels of the organisation but also the functional and middle management levels with “knowledge management champions” at every level and/or functional area to motivate, reaffirm and most importantly, model desired behaviours when the knowledge management program implementation gets either tough, confused and/or fatigued (Jones, Herschel, and Moesel, 2003). In these smaller NFPs, these champions need to include both permanent and/or experienced volunteer staff. It was evident in these cases that the many volunteer staff contributed significantly within these firms and could provide an important source of knowledge.

The close operating proximity of members allows for a large number of both formal and informal team meetings in which information and knowledge can be created and exchanged directly. Whilst knowledge content will be largely undefined and unstructured initially, as expected with start-up communities of practice increased experience (and user’s perceived value from it) with the socialisation process, supported by leadership from senior staff, should lead to a more defined focus of presentation and discussion and ultimately rudimentary knowledge creation and diffusion. The regular and close proximity of knowledge developers and users can allow the socialisation and the internalisation (learning at work) strategies to occur regularly and provide an accelerated knowledge development from the elementary. However, the perceived personal value by knowledge users (“what’s in it for me”) of the socialisation process is a critical mitigating factor to ensuring regular meeting attendance and meaningful subject matter interaction leading to knowledge creation. Again, the close proximity of small NFP staff to each other can help address issues of personal relevance/value.

The impact of these basic practices however will be somewhat limited due to the ability to distribute required knowledge on demand (via online/mobile channels) to other non-attending members (when and where it is needed). Consequently, alternative knowledge distribution strategies are required to distribute the knowledge such as the use of "mentoring" which can provide an on-demand supply, albeit somewhat reactive. However, small NFPs as noted tend to be characterised by transient volunteer staff and social entrepreneurs and developing communities of practice and mentoring strategies can be spasmodic reflecting the staff stability and incumbent managers’ management style. As a consequence, the continued
amplification of knowledge from socialisation and internalization (learning at work) strategies to externalisation (documentation) and combination (development via the knowledge cycle) will consequently struggle, being very piecemeal and adhoc at best in small NFPs. Consequently, small-sized NFP’s should focus on socialisation and internalisation strategies via small and insular communities of practice and limited mentoring activities until such a time as the organisation can stabilize its workforce, mature and develop its leadership and embed fit for purpose/maturity but focused, processes around information and knowledge capture, documentation, distribution and knowledge renewal.

**Conclusion**

This research has expanded the knowledge management research paradigm away from a strong focus on understanding the concept of “what is knowledge” emphasizing its various attributes and formalizing different taxonomies to a much needed pragmatic research program on the “how” SME organizations manage knowledge from a process and people oriented view and what organizational functions need to be advanced for better adoption and implementation of KM in the NFP sector. By developing a contemporary understanding of what are the priorities in implementing and operating knowledge management programs in structurally different SME NFPs this work is helping managers and SME organizations recognize that that knowledge (both tacit and explicit) is primarily created by people within the organization and at the level requires specific social and internal marketing practices to help focus activity, capture and distribute knowledge. This paper suggests that for the sharing process to begin, mature and sustain itself, understanding and managing the primary psychological elements of socialization and sharing is vital. This paper introduces the practice of internal marketing and socialization as the essential ingredient for KM success in small to medium sized NFPs. It is essential for “knowledge “to be viewed as a “product/service” within the organization that is marketed to facilitate exchange both within the organizations and with customers/clients. Linking knowledge management and internal marketing to address the personal issues of “me” is key to supporting knowledge capture and KM renewal which is central to knowledge management. As part of this internal marketing process, knowledge contributors, developers and process champions need to be actively engaged, motivated and rewarded and/or recognized within the organization in some meaningful way to continue to contribute.
Bibliography


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STATEMENT OF CONTRIBUTION TO CO-AUTHORED PUBLISHED PAPER

This chapter includes a co-authored paper. The bibliographic details of the co-authored paper, including all authors, are:


My contribution to the paper involved:

• The conceptualization and structuring of the research
• Analysis of research results & findings; Development of conceptual model (page157 - Conceptualisation of knowledge process for NFP stakeholders)
• Writing journal submission

Co-authors:

• General advice on paper structure and editing

(Signed) ____________________ (Date)________________

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Abstract
This paper examines the role of Knowledge Management in Not for Profits. Not for profit (NFP’s) organisations are essential is developing sustainable communities (Scarso, 2008) and providing the services required by a vast amount of communities stakeholders. With limited research related to KM in an NFP setting this paper advances knowledge and offers a unique view of KM from the perspective of 32 NFP stakeholders. Using in depth interviewing this paper explores the definition of knowledge, knowledge capture and diffusion and offer recommendations for the development of sustainable Knowledge rich communities from the internal Not for profit stakeholder perspective.

Introduction
Customer relationship management and the use of market knowledge to design customised services, policies and practices that maximise customer satisfaction and enhance performance (Mackenzie, 2001) are essential for success and performance of any firm. This process of capturing (Jackson, 2011), storing, using and diffusing knowledge is known as Knowledge Management (KM) and engages all customers of the firm and the delivery chain (Benbya, 2011). Research into the role of KM is becoming popular, with researchers realising the importance of practices such as internal marketing (IM) (Ballantyne, 2003), leadership,
customer engagement and performance management as enablers of KM and vital practices for a firm’s success.

Researchers have suggested that linking the customer and the employee in the delivery channel is essential to developing a customer orientated environment (Ahmed, Rafiq & Saad, 2003) and maximising market potential. Claims that Knowledge Management (KM) is fundamental to the effective performance of organisations and that it is increasingly critical to business performance are widespread in the KM literature (Hall, 2003; Binney, 2000; Senge, 1990, 1994). KM practices and “the bottom line” financial performance of an organisation have been found to be strongly correlated (Binney, 2000; Senge, 1990, 1994) positioning this field as a valuable area of academic research.

With increased competition in many markets and the acknowledgment by firms that all efforts to satisfy customers should be undertaken, interest in KM research and its relevance in improving performance have grown. In order to operate efficiently all channel members must participate, knowledge must be consistent and correct, and strategies that promote the use of stored knowledge must be used. Knowledge storage assists in minimising duplication and aids in learning for future events. Many KM researchers have suggested without employee acceptance in sharing tacit knowledge (Teng, 2011; McCall, 2008) and storing it, KM will not thrive (Hsu, 2008; Binney, 2000; Senge, 1990, 1994, Ballantyne, 2003). This paper aims to examine KM and the role of KM in Not for Profits. Not for profit (NFP’s) organisations are essential is developing sustainable communities and providing the services required by a vast amount of communities stakeholders. These stakeholders may be organisations including government, other non-profit, for profits and the public. With limited research related to KM in an NFP setting this paper advances knowledge and offers a unique view of KM from the perspective of a sample of NFP stakeholders. This paper will examine the role of the channel members in a NFP context, their definition of knowledge, knowledge capture and diffusion and offer recommendations for the development of sustainable KM communities (Venters, 2007) from the internal stakeholder perspective.
Knowledge management practice

Interest in KM has been attributed to the identification of the “learning organisation” in the seminal work of Senge (1990). From this led the need to systematise and manage the knowledge generated through the learning of the organization. Much of the extant KM literature (Binney, 2000) tends however to be focused on business models, enterprise-wide IT application and process integration. The early literature tended to be “overly optimistic” and strongly implied that KM is a given outcome following implementation of information technology as a standard business function, rather than a benefit achieved from sustained organisational investment (Tseng, 2011) and development (Binney, 2000). It has become clearer that the term “KM” is now being applied to the broad spectrum of activities involved in KM, although there is still no widespread agreement on what actually constitutes KM (Haggie & Kingston, 2003). Moreover, much of the current literature assumes that KM is a well-accepted, widely practiced business strategy in the new millennium and is suggested as a key part to developing channels of usable knowledge and linkages between customers and employees.

The purpose of this paper is to advance this discourse and explore the current KM literature in the context of not-for-profits (NFPs) and to identify issues for consideration for the employee and the customer interaction. Moving toward an employee customer knowledge framework will provide input for the research agenda in the NFP and services context and in particular research focused on the interrelationship of customers and employees. The paper proceeds with an examination of a critical set of KM lessons experienced in the introductory phase of knowledge capture and diffusion in a for-profit context and propose a set of issues worth considering for the implementation of knowledge management strategies which will advance the understanding of knowledge and KM in a non-profit service exchange. The paper concludes with a conceptual framework of knowledge definition, capture and diffusion for the customer and the employee.

A number of KM case studies including Accenture, Xerox, Boeing, 3M, Buckman Labs, Dow Chemical, Chevron, DaimlerChrysler, General Electric) are widely referenced/published and discussed (Hall, 2003, Riege, 2005). They share a number of common characteristics (Hall,
2003) each of which are largely deficient or absent in NFP organisations. When applied to NFPs, it is evident that the lack of existing process and system integration, the lack of “professional” staff who understand the benefits of knowledge practices dominate the operational and managerial levels; lack of investment in economies of scale; lack of performance management systems, lack of proficiency and maturity in implementing organisational change (Lin, 2011) and low IT sophistication (Riege, 2005) all contribute to the low level of adoption, practice and understating in NFPs. This research discusses these factors with internal NFP stakeholders and gauges the level of understanding of knowledge in this sector.

**Current research focus on KM research in NFP context**

Irrespective of the constraints to organisational practice in NFPs, the competitive forces prevalent in many of Australia’s non-profit sector (for commercial and government funding/sponsorship and philanthropic donations) have forced all non-profit organisations to adopt more “commercial” business models and practices (Hume Sullivan-Mort, Liesch & Winzar, 2006). KM is suggested to support decentralised operations (due to Australia’s large land mass and State-based territorial boundaries) and is a commercial practice that is being increasingly investigated and piloted by government and commercial enterprises.

Most research in the KM area has been driven by management and information technology researchers focusing predominately on learning styles, business models and process & enterprise wide IT system integration for real time information (Binney, 2000). Limited research is evident on building a strategic information system in NFPs (Lettieri, Borga & Savolelli, 2004; Martinsons & Hosely, 1993) with most research focussed more broadly on what is knowledge and learning through KM (Tsai & Chang, 2005; Murray & Carter, 2005) managing human resource conflict and change (Treleaven & Sykes, 2005) while capturing knowledge (Jackson, 2011) and knowledge technology and costs (Vestal, 2005). These supporting papers emerge from an information technology focus with the research from a NFP marketing domain being very limited (Salapante & Aram, 2003).
Knowledge and the non-profit organisation

NFP organisations operate locally and specifically to their mission, with limited resources and financial constraints, strict protocols of decision-making governance, legislation and scarce resources and lack of funding for information technology solutions. These firms also suffer from a lack of focus on internal marketing programs to promote knowledge contribution, capture and diffusion. Consequently, this results in the positioning of KM practices as a low priority in the strategies for survival. There is often little understanding of the role of KM in reducing duplication and enhancing efficiency in decision making.

Human resource practices in NFPs are also complex with a mix of volunteer, long-term and tenured staff neither understanding, nor embracing the practice of creating, storing and disseminating knowledge. The external stakeholder customer segments are also complex. A mix of donors and recipients, governments, trustees and other stakeholders are evident. NFPs often have rigid governance structures, mixed volunteer employee networks and legislated standard operational practices (Martinsons & Horseley, 1993; Letteri et.al 2004; Murray & Carter 2005). Strong leadership and an organisational supportive of change is required for successful KM programs and by nature these are often limited in NFPs (Nayir., 2008). Changing government policy, differing political platforms and changing organisational structures all further contribute to the difficulty faced in the NFP sector in focussing investments and resources on KM practices.

Despite the popularly promoted by success stories in the private sector and the acknowledgement of the common characteristics already mentioned, academic research into the formula/methodology for modelling of those successful KM characteristics into enterprises such as public sector utilities and non-profits organisations are rudimentary (Murray & Carter, 2005). KM advocates suggest that NFPs would benefit from the implementation and practice of some forms of knowledge capture and management to support the critical service delivery needs. Improved knowledge management including basic practices would assist NFP firms in improving tailored care of donors, managing databases, innovating processes and increasing over internal and external service quality (Martinsons &
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Horseley, 1993; Letteri et.al 2004; Murray & Carter 2005). This leads to the following questions of enquiry:

**Q1a.** Do NFPs employees think KM assists in improving the understanding and management of information and knowledge in a NFP setting?

**Q1b.** Do NFP organisations currently try manage the capture collection and diffusion of knowledge effectively using a KM system?

**What is Knowledge content in an NFP**

NFPs are knowledge-intensive enterprises (Martinsons & Horseley, 1993; Letteri et.al 2004; Murray & Carter 2005). However, the knowledge in NFPs is often fragmented, heterogeneous, rarely formalised (Andreasen, Goodstein & Wilson, 2005; Helmig, Jegers, Lapsley, 2004) and transient due to the considerable turnover of volunteer staff and the lack of operational maturity (Letteri et.al 2004; Gilmour & Stancliffe, 2004; Helmig, Jegers, Lapsley, 2004).

The business practices of for-profit organisations such as differing employment guidelines and procedures, differing legal and ethical constraints, different operational and managerial structures, differing accounting and taxation practices, and the pursuit of profits and accumulation for owners and investors, are contrary to the purpose of serving the public or the mutual benefit of donor and recipient and the business practices of NFPs. The accounting, legal and ethical obligations that follow the NFP’s mission and status influence practice and policy in these organisations (Helmig, Jegers and Lapsley, 2004).

In order to define knowledge in a NFP setting we must understand the requirements to operate effectively and the information that feeds knowledge in a NFP context. Customer or donor information, volunteer databases, lists of contacts and specific legislative and legal information will be fundamental information and form part of knowledge development in a NFP context. Specific research focussed on identifying the terms of reference of knowledge in a NFP is rudimentary (Letteri et.al 2004) and needs to be conducted leading us to question three. This leads us to the following research questions for enquiry.
Q2a: What is knowledge and information essential to operations and maintaining NFP status?

Q2b. Do NFPs define knowledge and knowledge capture required for their internal and external customers?

KM methodology and implementation tactics

In an attempt to develop an understanding of knowledge in the NFP sector, understanding KM and knowledge is essential. With greater focus on KM in business research, many different varieties of KM have appeared and been functionally defined. In fact many different KM designs exist, to assist organisations in most appropriately developing a strategy tailored to their needs. Binney (2000) broadly categorised these as Transactional, Analytical, Asset Management, Process, Developmental and Innovation. Each category broadly reflects a core source and focus of support (Thorp, 1998). This level of definition and understanding is often difficult to grasp in KM cases and can be simply re-defined as “Must Have to Operate” and “Nice to Have To Operate”. After rigorous examination and testing, the “Must Have” category has been significantly reduced and focused on knowledge gathering efforts and enabling some advances and quick wins which are important internal marketing milestones (Chong, 2005). Achieving these “quick wins” is seen as critical to generating stakeholder trust and commitment for the KM momentum/renewal. More broadly, it is critical to focus on what could be delivered to meet immediate operating needs rather than speculating on delivering a complete solution that supports all functional roles across the organisation. This incremental focus is also conceived to be the best approach in a change resistant or first-adopter organisation. The anecdotal evidence on KM failure supports this avoidance of “big bang” implementations. In the case of NFPs, an incremental approach may be the most appropriate KM strategy to pursue leading us to question four.

Q3. What approach: is the best approach in a change challenging organisation and first – adopter such as NFPs?

Cultural factors are important

Irrespective of the type of KM implemented and the pace of change, many cultural factors are proposed that contribute to both KM successes and failures. Consistent with the literature,
cultural factors at multiple levels are proposed as the biggest barrier to getting engagement and support for KM strategy and activities. Similar to Chua and Lam (2005), the cultural issues could be categorised into three levels: personal, group and organisational. The “chemistry” of all three categories is indeed complex and significant (Bienz, 2005), primarily the underlying “personal” issues of employees within the enterprise.

Applying cultural and personal factors to non-profit firms’ issues such as the underlying “donor agendas” and philanthropic objectives of non-profit employees, the groups they represent and the individual workers all combine to create this complexity. More recently, employee salaries, position status and administrative costs of managing funds have been plagued by media coverage and scrutiny creating an added level of sensitivity with organisational and group cultures in these organizations (Otis, 1993; Nayir, 2008). These socio and organisational cultural factors create barriers to the capture of knowledge and diffusion of knowledge (Nonaka & Takeuchi, 1995; Hall, 2003; Oliver & Kandadi, 2006). Managing the different levels of culture, in particular volunteer workers and strong supporters of social mission and social platform, is paramount to the success of delivering staff satisfaction. Capturing knowledge and creating a database of history and practice will assist in creating durability to what in effect can be a transient workforce (Bienz, 2005). This leads us to question five:

Q4. What cultural factors of NFPs, in particular philanthropic organizational objective, social mission and volunteer workers, influence the adoption and creation of KM systems?

Fostering a KM NFP framework

Seeing, touching, experimenting with and understanding the end-to-end process/lifecycle is a critical element in the adoption process for first time adopters of many “new” management approaches such as KM. Nonaka & Takeuchi’s (1995) matrix of knowledge types provides the most practical illustration of the KM “roadmap” or implementation plan. This pioneering model outlines a process of “organisational knowledge creation” depicting it as a spiral in which knowledge is “amplified” through the four modes of knowledge; Socialisation, Internalisation, Externalisation and Combination. It also illustrates how knowledge becomes “crystallised” within the organisation at higher levels moving from individuals through the
group/s to organisational levels. For organisations where knowledge, particularly tacit, technical knowledge, is often the basis of job status and position, the expectation/request to document it and willingly divulge it to potentially hundreds of “anonymous” other staff members possibly on public IT network directories/Intranets is met with significant passive and active resistance.

As a result, a more non-threatening and personalised approach, as espoused by Nonaka and Takeuchi (1995), is recommended in which the identified knowledge creators are initially “socialised” with designated personnel, or known Subject Matter Experts (SMEs). This process proves to offer some successful outcomes but takes some time in which to build critically needed trust between the parties/stakeholders associates, to share experiences and interpretations within their “home” territory.

In the case of the NFP these would be long-term supporters, long standing volunteer participants and the paid staff of the NFP. With persistence, the knowledge creators, SMEs, gain the confidence to continue to provide and feed the knowledge collection process. This “obligation/commitment” internalisation phase is seen as critical to maintaining momentum and renewal of the KM program and building a quality KM knowledgebase (Ballantyne, 2000). Creating a knowledge exchange will strengthen link between the internal and external environment of the firm. Most importantly, the focus on the people in the socialisation phase and creating forums, events, activities in which to foster engagement and dialogue is vital. There is a significant time and money investment required to undertake this phase, as it often requires more than one attempt to open the channels of communication. Applying this knowledge capture and development/maturity process (Lin, 2011) to non-profits would suggest that the socialisation approach would be the most appropriate in the initial adoption phases. However easy the process of socialisation in KM may seem, it is often fraught with difficulties. Knowing who and where the Subject Matter Experts (SMEs) exist in large dispersed government departments or small decentralised volunteer charity networks and then getting them together with a "knowledge stimulating" agenda/context are but some of these milestones of implementation. This should not be underestimated as an initial task and can involve a significant amount of investigation.
Q5. What is the best KM pathway and style to capture and knowledge diffusion in a NFP? Who are the knowledge experts and how can we capture and socialise their knowledge?

Leverage Existing Technology

KM represents a major change program in any enterprise. Introducing complex, new IT applications as the KM supply/distribution channel is too complex in the first time adopter paradigm. That being said, IT still represents a key discipline in developing strong customer employee links and business interfaces for NFP as previously suggested. People and process must take priority over IT and are fundamental to KM and IM implementation. Any technology implementation should align with the level of KM people, process and culture maturity firstly (Donate, 2010; Nayir, 2008). Organisational Intranets are well recognised, accepted and used as organisational communications channels (albeit one way usually) and provide a relatively sophisticated KM channel for early adopters (Thorp, 1998). Knowledge portal’s push style functionality for knowledge distribution can be mimicked via “What’s New”; “Hot Topics” hyperlinks on the Intranet front pages. Similarly, pull style functionality can be supported via simple an email –suggestions link. In the NFP industry, technology is often limited as scarce resources are used for other more obvious functions. Technology is often seen as a luxury (Hume et al, 2006). It may then be found in the NFP sector that there is limited technology with which to leverage KM applications.

Q6. What are the IT infrastructures and investment currently available in NFP’s?

Method

This project adopts a qualitative approach using in depth interview and text collection from a sample of 32 employees from NFP organisations. This is consistent with similar studies (Salipante & Aram, 2003) that used managers and employees as knowledge agents. These representatives were either staff or full-time permanent volunteers. The textual scripts relate specifically to the 6 topic areas and research questions identified. All questions encouraged participants to answer freely. The interviews resulted in thick and rich descriptions and narratives were captured. Initially a database of NFP organisations was used to contact...
members. Participants were further recruited using a convenience sample using viral snowball technique, where participants were invited and encouraged to participate.

A sample of 32 created a usable set of answer scripts enabling rigorous inductive analysis. As the sampling method was non-random, generalizability inferences of findings to the overall population are restricted, making the findings indicative to the population tested. However, these indicative findings contribute to the development of our understanding of KM in NFPs. A set of transcripts were created verbatim from each of the respondents and were coded and organized using sequential incident analysis. A content analysis (Budd, Thorp & Donohew, 1967) was undertaken resulting in the findings. This process is consistent with the method outlined by Hubbert, Sehorn & Brown (1995). These findings identified the emergent themes and behaviors of KM with in a NFP context.

Further inductive analysis was undertaken based on understanding of the extant literature and narratives were drawn from the scripts. This technique is consistent with Arnould & Price (1993). The interviews were conducted to gain a thorough understanding and appreciation of the issues and perspectives faced by these NFP firms and KM. Sampling proceeded until theoretical saturation and convergence was achieved. This resulted in the 32 interviews.

**Conceptualisation of knowledge process for NFP stakeholders**

Table (1) aims to offer some general themes offered by the interviewees. The table includes definitions of knowledge, knowledge channels, capture and IT choices. The table depicts the different type of knowledge mediums and whether the knowledge is structured or unstructured, formal or informal and offers some specific types of knowledge seen as important.

As summarised in the table the interviewees suggested that there was some understanding of knowledge in the NFP environment and that it included both structured knowledge in prepared reports and unstructured informal knowledge collected ad hoc and stored in folders. This ad hoc knowledge capture included service catalogues, business cards and contacts however there was no storage system evident. It was evident that the employees interviewed...
appreciated what constituted knowledge but suggested that little was stored in an orderly and organised manner for retrieval.

One interviewee #9 suggested: “Filing and reporting is in its early stages! All our energy goes into fundraising and delivery. No time for filing.”

In the more established NFPs, operational manuals, templates, annual reports and performance statements were filed and catalogued with this unintentional and unplanned in the less mature and smaller NFP’s.

An interviewee #4 from a smaller NFP suggested: “We have a logo, some stationary and that is about it for formal documents. We do recognise we need it but at this stage are low on resources and this is not a priority.” Further Interviewees suggested that “historical trends and forecasts and competitor information would be of value but limited resources preclude its storage in an orderly manner. We just do the best we can, with what we can.”

External materials and knowledge was not seen as “essential” by interviewees but was a “luxury” or “rarely required”. Interviewees suggested in most part that they would contact an expert or another department for regulatory information and any government requirements. Customer and Donor knowledge databases, needs and profiles were ad-hoc, with one interviewee suggesting “databases are evolving “and another suggesting “Our records are OK but we need to work on accuracy and keeping things up to date”. There was little reuse of material with marketing /sales presentations acknowledged by most interviewees as important yet they were not stored and were recreated each time they were required. In the smaller NFP these materials were suggested to be “inconsistent” and of poor quality. No NFP interviewees suggested they were conducting substantial research and /or development however this was recognised as something that should be important and that capturing knowledge would assist.

It is evident that there is some understanding of knowledge and appreciation of what information is important to create knowledge. The issue of limited resources, poor or no storage and no systems/processes of storage were clearly articulated. There was evidence
that organisational maturity, length of operation and size contributed to a more realistic and structured approach to knowledge. Of the 32 interviews only one NFP suggested that there was a structured KM system in place with a few others suggesting a semi-structured approach was evident. The majority suggested that knowledge and information was managed informally and no KM system was practiced.

Interviewees were asked to discuss in the current system of how they captured and discussed knowledge and if they didn’t currently practice any method, what they think may work. Socialisation and “communities of practice were only mentioned by the more established NFPs with the larger NFP representatives suggesting the creating a knowledge culture or workgroup that managed information and knowledge worked well.

One interviewee #19 suggested: “I don’t know what it is formally called but we call it a review committee and we come together and try and create processes and formalise things a little more”

The IT networks and infrastructures that are most commonly used for capture and storage are Internet and email. Some more established groups are using chat, Dropbox, cloud and discussion and believe these to be successful. Most do not have the resources or expertise to implement them. Less than half of the interviewees suggest that their workplace has an intranet and file Servers/Repositories with most operating simple hard drive storage and simple email. Those firms with internet, networks and share point find file sharing and socialisation work well for trying to capture knowledge and store information. Overall there is a common thread suggested a socialisation process for KM sharing and development

Table One also highlights the employees anticipated outcomes with each of the interviewees suggested the firm can benefit from customer and employee retention, improved satisfaction levels, improved implementation of strategies and increased contributions and support and that these would be enabled by better management of knowledge. Strong consensus was found for the outcomes of increased loyalty, contribution and satisfaction for donors, improved recruitment and fundraising, improved service delivery including training and development and better benchmarked practices to improve overall performance. It is clear
the NFP workers are engaged and familiar with their markets and organisations however there is deficit in knowledge sharing, capture and diffusion. There is a noticeable opportunity to enhance performance through the use of knowledge sharing and exchange and the adoption of a more structured KM approach. It is apparent that some simple processes and promotion of knowledge and the importance of capturing the knowledge would benefit all NFPs especially the smaller less established firms. It is evident from the interviewees that the concept and understanding of the importance of KM is present with interviewees suggesting the foundation for KM in the current environment is to have a firm culture and leader that advocates the need for knowledge sharing, a strategy for knowledge and some basic infrastructure that can support the program.

**TABLE ONE (1): INTERVIEWEE RESPONSES**

<table>
<thead>
<tr>
<th>Topic</th>
<th>Interviewee comments N=32</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of knowledge</td>
<td>• Structured and unstructured knowledge some we need for reporting</td>
</tr>
<tr>
<td></td>
<td>• Service catalogues – contacts, subject matter experts, industry contacts and sector leaders</td>
</tr>
<tr>
<td></td>
<td>• Operational – methodology, templates/compliance, process and “best practices”; case studies, client deliverables</td>
</tr>
<tr>
<td></td>
<td>• Historical – operational performance, trends &amp; forecasts</td>
</tr>
<tr>
<td></td>
<td>• External – regulatory, competitors, industry</td>
</tr>
<tr>
<td></td>
<td>• Training - manuals</td>
</tr>
<tr>
<td></td>
<td>• Marketing – presentations, fact sheets, links to related information.</td>
</tr>
<tr>
<td></td>
<td>• Research &amp; Development – new tools, techniques</td>
</tr>
<tr>
<td></td>
<td>• Customer knowledge databases, needs and profiles</td>
</tr>
<tr>
<td></td>
<td>• Donor knowledge databases, needs and profiles</td>
</tr>
<tr>
<td></td>
<td>• Operational – case studies, client deliverables</td>
</tr>
<tr>
<td></td>
<td>• Historical – operational performance (annual reports, financial statements, white papers/strategy statements)</td>
</tr>
</tbody>
</table>
| Knowledge Capture | • Socialisation “communities of practice; mentoring/relationship managers;
• Internet
• Email
• Socialisation communities of practice;
• Internalisation – learning at work
• Externalisation – documentation
• Email Groups/Chat Forums
• File Servers/Repositories
• Client Deliverables and services |
| Knowledge diffusion | • Socialisation “communities of practice; mentoring/relationship managers;
• Internet and Email
• Internalisation – learning at work, training modules and education
• Externalisation – documentation for external stakeholders
• Email Groups/Chat Forums with customers, donors and staff
• File Servers/Repositories generated reports and materials
• Client Deliverables and customer management |
<table>
<thead>
<tr>
<th>Improved Outcomes with KM implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Increased Loyalty for donors</td>
</tr>
<tr>
<td>• Increased donor satisfaction</td>
</tr>
<tr>
<td>• Increased donor contribution</td>
</tr>
<tr>
<td>• Recruitment of donors</td>
</tr>
<tr>
<td>• Positive emotional outcomes and satisfaction for recipients</td>
</tr>
<tr>
<td>• Increased Confidence (in service received)</td>
</tr>
<tr>
<td>• Increased commitment and trust</td>
</tr>
<tr>
<td>• Increased process/service consistency</td>
</tr>
<tr>
<td>• Increased service effectiveness</td>
</tr>
<tr>
<td>• Increased service innovation/best practice development</td>
</tr>
<tr>
<td>• Cost effective training</td>
</tr>
<tr>
<td>• Improved morale and culture resultant form sharing knowledge</td>
</tr>
</tbody>
</table>

**Model for the development of knowledge rich NFP communities.**

The model offered for further testing is based on the understanding developed from this exploratory research. The model combines theory from the extant literature that embraces For-profit KM perspectives such as leadership, culture and performance management and incorporates the comments the interviewees. Interestingly the interviewees reinforced many of the theories associated with the for profit KM research such as the need for a knowledge culture and leadership, using information technology to assist with storage and usage and the importance of developing a KM strategy. The model posits that K requires a combination of organisational drivers and enablers to create a KM system and enhance performance.
Organisational drivers

The model proposes three essential drivers for KM success in NFPs these include. Information technology (IT) infrastructure (Lee, 2011), Leadership and HR practices and a KM strategy. The use of IT is essential for the distribution, collaboration and transfer of knowledge. It is recognised that many NFPs have limited resources and funding and the size of the firm will greatly influence IT capability (Hume & Hume, 2009). Ideally IT systems should offer a collaborative platform and application that allows for shared access and activity. There are many freeware shareware applications on offer and this model would suggest this type of application would be effective.
Leadership and human resource practices including performance management is an essential organisational driver to create a culture of knowledge sharing and collaboration. It is known that firms with strong leadership that embraces knowledge sharing will have greater success with KM programs (Hume & Hume, 2009). The model acknowledges the importance of this. In conjunction with leadership, rewarding and encouraging staff to engage and embrace a knowledge culture is vital. Enhancing performance through reward, positions the knowledge contribution as important and of value to the firm. Finally, it is clearly evident that KM will not develop if there is not a formalised approach to the capture, storage and diffusion of knowledge. The model emphasises the importance of a plan that is incorporated into the overall structure and processes of the firm.

**Knowledge enablers in NFP**

The model offers two key enablers socialisation, knowledge transfers and exchange and internal marketing. It is evident from the exploratory interviews that communication and promotion of KM is essential. The model recommends adopting a socialisation (Hume & Hume, 2009) strategy that will be creating a platform for knowledge sharing and exchange. It is vital that knowledge exchange and transfer is endorsed and rewarded and that internal promotional strategies are adopted that position a knowledge culture as critical to the firm. The internal marketing strategies need to focus both on the individual by creating employee satisfaction and motivation and at the enterprise level through enhanced firm success resultant from the efficiencies created through better knowledge management.

**KM: Future Research Directions**

While a number of generic methodologies and helpful tactical tips are available both in the academic and industry-based media (Davenport and Prusak, 2000) it can be argued that these have been limited to specific applications, and there is a need for overall conceptual framework that can be empirically applied and tested in a NFP setting. This paper offers the beginnings of developing an overall conceptual framework based on the attitudes and opinions of the internal NFP worker. It was evidenced from the interviewees that KM practice in NFP is negligible and knowledge sharing is limited. Moreover, significant resistance to change and new ways is evident as a result of both limited resources and limited
awareness. There was strong consensus on the existence of critical tacit knowledge, which appeared to be reluctantly and nominally dispersed to the firm and other functional level employees. Interestingly, in each firm, knowledge was focussed on only a small number of employees.

Consistently many employees suggested collectively in the NFP a reluctance to participate (small NFPs) in a KM program was evidenced, with volunteers most often disinterested in knowledge sharing and unaware of knowledge due to the transient nature of their engagement. There is no doubt that operational efficiencies, marketing performance and customer engagement will improve with better knowledge management practices and that further research to confirm the role of the conceptual model is warranted. Ideally further research in this area will assist in the development of sustainable knowledge communities in NFPs and contribute to improved outcomes for the firms.

**Conclusions and Future Research**

This paper provides a “beginner’s guide” or conceptual framework to the role and implementation of a KM strategy in non-profit organisations. This paper has identified what is knowledge and the level of KM currently in practice. This paper raises several research issues for consideration such as internal KM promotion, the need for internal marketing of KM, programs to promote an understanding of knowledge and KM and incentives and performance management programs linked to knowledge and sharing. These areas require focus in the future to advance KM research and the role of KM in the value chain of the NFP organisation.
Bibliography


Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)


Paper 5: The critical role of Internal Marketing (IM) in Knowledge Management (KM) in Not for Profit Organisations

Craig Hume
Griffith University

Abstract

Australian not for profit organisations (NFPs) are knowledge intensive enterprises but most struggle with knowledge management whilst at the same time identifying it as an increasingly important activity they must improve for an increasingly competitive and demanding environment. Replicating “corporate” best KM practices are often misaligned with NFPs’ unique cultures, finances, operations and missions. With limited research related to KM in an NFP setting, this paper explores a key enabler (Internal Marketing) that has been overlooked at building a critical link between NFP staff /volunteers and the organisation for building and sustaining knowledge management in an NFP environment. Using in-depth interviewing (32 interviews) and an online survey (179 respondents), this paper examines the elements of internal marketing’s benefit/value propositions to staff and the importance of personal relevance. Further, the paper also explores the value of socialisation strategies (such as Communities of Practice) as an effective internal marketing channel.
Introduction

As prophesied by Peter Drucker throughout the 1970’s, the knowledge worker and the knowledge economy transformed the way organisations worked (Drucker, 1969). Knowledge was later recognised as a key source of operation and competitive advantage (Senge, 1990; Murray 2002; Mahdi, Almsafi & Yao 2011). Whilst knowledge was clearly perceived as an “asset” within organisations, it has struggled to be managed and capitalised as such in many organisations and industries. In a competitive environment, compromised operations and performance ultimately threatens an organisation’s relevance and sustainability; hence reinforcing the need to support and improve operations via capturing, retaining and renewing knowledge.

The scope of this paper is to examine one of the key enablers of KM implementation, internal marketing (IM). IM was first proposed as a solution to the problem of delivering consistently high service quality some 30 years ago (Berry, 1981), to producing a greater customer orientation (Gronroos, 1981) to becoming a broader, systemic process to integrate the firm’s multiple internal functions and people to support business strategy and change (Winter, 1985; Varey & Lewis, 1999). Ballantyne (2000 & 2003) specified the systemic link to knowledge management positing that internal marketing created a series of motivating activities to drive knowledge from individual tacit levels to group-wide explicit levels on an on-going basis similar to that highlighted in Nonaka & Takeuchi’s (1995) acclaimed SECI knowledge creation model. Ballantyne’s identification of personal, organisational and strategic linkages was a major leap in KM theory and helped explained a missing “How” element in Nonaka & Takeuchi’s SECI model. IM’s evolution to a “strategic” enabler involved three separate but intertwined elements namely, employee engagement and satisfaction, a customer orientation and a strategy implementation/change management phase or outcome (Ahmed & Rafiq, 2004). The structure and strength of this notion in NFP KM implementation has not been examined with this research examines the relationship of Internal Marketing (IM) and KM in 32 in depth interviews with employees of non-profit firms and triangulates this examination with a survey of 179 subjects.

Australian non-profit organizations (NFPs) operate in a growing and increasingly competitive marketplace for donor funding, attracting staff and volunteers (Kong, 2008; Hume & Hume
In this context, many NFPs are being driven to adopt more commercial business models and practices in order to improve their strategic performance, particularly competitive positioning for donor appeal and corporate positioning, staff retention, overall operational strategy and service strategy and delivery (Lettieri, Borga, and Savoldelli, 2004; Murray & Carter 2005; Kipley, Lewis & Helm, 2008; Renshaw & Krishnaswamy, 2009, Hume, Pope and Hume 2012). Although the concept of knowledge management is basically understood, the strategies, processes, skills, structures and culture required to develop this practice in a NFP context are under explored at this time.

In order to move forward in KM research and improve strategic performance, we must examine and understand how these differences influence the translation of for profit business cases in KM into a non-profit context (Helmig, Jegers, Lapsley, 2004). The greater comprehension of the IM concept over recent years has resulted in adoption in some Australian NFPs to attract and retain volunteers (eg. Oxfam – Change the World, Your Way) however its application to other aspects of KM, such as service delivery, is almost non-existent. This seems contradictory considering that volunteers need skills and knowledge in order to “change the world”.

The purpose of this research is to establish that personal/staff engagement building awareness, trust, commitment and action via internal marketing is essential to the successful implementation of KM in a NFP context. The practice of internal marketing is little explored in relation to KM implementation and NFPs. It is proposed that to move forward in KM and NFP research, there is a strong need to develop a foundation model which takes into account NFP’s unique strategic and operational characteristics and adopts Internal Marketing (IM) as one of the key building blocks for building KM capability and maturity. This paper specifically investigates whether or not the promotion of professional, personal, operational, customer and/or organisational benefits of KM to staff assists KM activity. The research addresses issues of personal or professional relevance in the value propositions of IM campaigns and proposed this is fundamental to using IM to help drive KM. The research also examines whether or not socialisation strategies (such as Communities of Practice) are an
effective channel for internal marketing of KM in an NFP context or whether IM requires a multi-channel socialisation approach.

The Challenge of Knowledge Management in NFPs

NFPs are knowledge intensive enterprises (Martinsons and Hosley, 1993; Lettieri et.al, 2004; Murray and Carter, 2005; Vasconcelos, Seixas, Kimble, & Lemos, 2005) with tacit, fragmented, heterogeneous, rarely formalized knowledge frequently evident (Andreasen, Goodstein and Wilson, 2005; Helmig, Jegers and Lapsley, 2004). It is proposed this is due to transient and considerable turnover of predominantly volunteer staff and the lack of operational capability and maturity and more particularly a lack of understanding, experience and knowledge of contemporary business practices such as KM and application in a NFP context (Rainey, Backoff, Levine, 1976, Gilmour and Stancliffe, 2004; Helmig et al., 2004; Lettieri et al., 2004; Andreasen et.al, 2005). Further, the largely transient workforce constricts the fundamental practices of KM, primarily the ability to regularly collect, manage, distribute and renew knowledge.

With an increased focus on KM in business research as an increasingly important strategic activity, many different knowledge management “architectures” or operating models (Binney's KM Spectrum, 2001; Boisot's Social Learning Cycle, 1998; Nonaka and Takeuchi's SECI model, 1995; Treacy and Wiersema's Value Disciplines model, 1993; Wiig's Business Processes Knowledge Transfer studies, 1997; Zack's Core, Advanced, Innovation model, 1999) have appeared and been functionally defined in order to bring some order to the lack of focus and fragmentation of activities being undertaken by organizations under the label of “knowledge management” (Haggie and Kingston, 2003). These models have assisted organizations to understand potential categories or divisions of knowledge and how knowledge can be managed and matured as an organized process into an organizational asset. For example, Binney's KM Spectrum model (2001) broadly categorised these knowledge as Transactional, Analytical, Asset Management, Process, Developmental and Innovation. Each category broadly reflects a core knowledge source and focus of organizational process. The model is logical but the strategies and approaches for capture knowledge and sustaining those knowledge domains are unclear.
This level of knowledge strategy classification and understanding of the type of knowledge (Binney, 2001) is conceivably a strategically “mature” approach to KM and better applied to mature for-profit firms whose organizational value chain is based around these key process and information domains. However, for first-time adopters and novice users of “contemporary” business practices such as knowledge management, implementing a mature knowledge classification such as Binney’s (2001) for example could understandably be very difficult to grasp (Malhotra, 2004) given the lack of organizational structural definition and integrated operation in many NFPs. The Australian Productivity Commission (2010) posited that many of the estimated 70,000 NFPs operating in Australia fall into this category of small, strategically immature organizations whose formalized structure and operation are dynamic and ad hoc in many instances. This fluid and informal structure is not unique to just Australian NFPs with many other international organizations displaying similar characteristics (Lettieri et al., 2004). The lack of organizational formality however, is not the case across every NFP. NFPs such as the Red Cross, World Wildlife Foundation, World Vision, Oxfam and Doctors Without Borders / Médecins Sans Frontières for example are well funded, politically supported and organized nationally and internationally. At this other end of the capability-maturity spectrum, the operational challenges are characterized by a number other complex issues involving complex organisational structures, language, culture, geographic differences, regional practices and ICT connectivity.

It is therefore apparent that a more customized and scalable approach to knowledge management for NFPs ranging from the elementary to the advanced be considered taking into account the unique operational characteristics of the sector and the individual organization. Importantly, the customized and scalable approach should recognize that as NFP’s knowledge management capabilities improve and mature, common or standard KM practices are “evolved” rather than radically change or replace to enable the seamless transition from one capability level to the next (Hume, Pope & Hume, 2012). In this way, NFPs will “action learn” throughout the transitions and not over-commit constrained resources which will ultimately improve the sustainability of knowledge management programs. Key to this KM evolution is identifying the key enablers in the knowledge management paradigm.

This starts with the identification/classification and collection of knowledge within the organization. Beginning with a basic framework of “Must Have to Operate” and “Nice to
Have to Operate” could be proposed for the first-time adopters. After maturing operation and/or successful usage outcomes, the “Must Have” category, it can be further defined into the more mature operational subject focuses such as those proposed by (Binney, 2001) and others. Further, knowledge “management” core activities of collection/capture, filtering, categorization/codification and distribution can mature from a passive, filing cabinet or library-style activity to more “interactive” and deliberate activity that engages many people and groups across the organizations as a very visible and standard operational procedure support with ICT.

In particular, a “beginner” KM strategy, which enables an organization to tangibly see and touch the majority of KM activities, could enable immature NFPs to develop a greater awareness of key knowledge content and the important content networks/people from where it is sourced and developed (Chong and Choi, 2005). Knowledge and development of these internal knowledge relationships/linkages are important for supporting internal marketing projects which in turn support and benefit from knowledge management programs (Ballantyne, 2003; Chong and Choi, 2005). More broadly, it is critical to focus on what could be delivered to meet immediate operating needs quickly and effectively rather than speculating on delivering a “complete KM solution” that supports all strategic and operational areas across the organization. This incremental change is also conceived to be the best approach in a change resistant organizations, strategically immature organizations and first time or novice adopters, a category in which many NFPs fall into (Dunphy and Stace, 1993). Moreover, the anecdotal evidence on KM failure supports the avoidance of “big bang” implementations. Further, one school of change management thought however argues that in most instances compared to large organizations, small firms have a greater chance of success because of shorter communications channels, stronger informal networks and greater organizational agility (Ahire and Golhar, 1996; Chen and Hambrick, 1995) but reference to NFP case studies are missing.

There is also a role for more complex KM implementations and in fact, for the more operationally and strategic mature firms, this could be the most appropriate KM strategy to pursue (Davenport, Long, and Beers, 1998). Raymond (1985) posited that larger firms, with their greater number and depth of resources and funding, have a greater change success compared to smaller firms who take longer to accumulate the required economies of scale to
implement major change programs such as those involving significant technology investments (which KM programs can have). Large NFPs such as WWF and the Red Cross have developed by economies of scale by direct consequence of their superior abilities to organize their resources and attract significant donor finances. Within this context, the management of organization information and knowledge however is complicated by hierarchical structures, national and international boundaries, cultural and languages differences and ICT connectivity issues as noted.

It is evident that the diversity of size, mission and operation within the NFP sector makes the context for knowledge management an extremely complex and difficult business undertaking. Riege (2005) identified many (36 in total) barriers to KM that exist from a non-industry specific standpoint. What is unclear in the KM and NFP research to date is identification of specific KM enablers that are common, and/or scalable, to supporting and sustaining KM initiatives in the NFP sector, in Australia particularly. It is evident from the research that organizational elements such as process maturity, ICT maturity, organizational culture, human resource management and leadership are areas for consideration (Davenport, De Long & Beers 1998; Haggie and Kingston, 2003) but it is not clear how these and other organizational assets and processes specifically apply to the diverse NFP sector in Australia and to building and sustaining KM programs. This paper proposes that Internal Marketing is one common element applicable to all NFP organisations to support KM.

**Internal Marketing**

The internal marketing concept (IM) was first proposed 30 years ago (Berry, 1981) as a way of achieving consistent service quality – a major problem in the service area. The basic premise was that to have satisfied customers, the enterprise must first have satisfied employees who are motivated to perform and communicate a consistent quality message and service act. This motivation was derived by considering employees as customers who would be marketed to by way of job design and service branding (Gronroos, 1981). In further research, a number of interpretations evolved in which the IM concept synthesised from focusing on employee motivation and satisfaction (Berry, 1981) to producing a greater customer orientation and a customer service function (Gronroos, 1981) to becoming a holistic marketing process to integrate multiple internal functions and people to support business
strategy and change (Winter, 1985). Gronroos, (1981) added to the discourse suggesting IM should become a broader, systemic process to integrate the firm’s multiple internal functions and people to support business strategy and change with supported by others in future research (Winter, 1985; Varey & Lewis, 1999). The focus on strategic enablement continued with Ahmed and Rafiq (2002) over the next ten years with IM applications expanding to any type of organisation, not just services-oriented firms from which it started. Internal marketing’s impact as a strategic enablers saw it incorporated to the change management paradigm.

Ahmed and Rafiq (2002) encapsulated all these elements when they suggested internal marketing was is a planned effort using marketing-like approaches. They suggested that IM was directed at motivating employees for implementing and integrating organisational strategies towards customer orientation.

Ballantyne (2000 & 2003) proposed that linking internal marketing and knowledge management, a series of motivating activities occurred to drive knowledge from individual tacit levels to group-wide explicit levels on an on-going basis similar to that highlighted in Nonaka & Takeuchi’s (1995) SECI knowledge creation model. Ballantyne’s identification of personal, organisational and strategic linkages was a major leap in KM theory and helped explained a missing “How” element in Nonaka & Takeuchi’s model. This notion has not been applied to non-profit firms.

It was proposed that IM works to drive the knowledge generation, circulation and renewal. Firstly, at a transactional-like level within the organisation with input from both internal and external sources. From those initial internal interactions which are transactionally-based like “internal customers”, the internal marketing becomes more a relationship-based activity around established knowledge supply chains developed internally over time and external customers using, experiencing or benefiting from the knowledge created. According to Ballantyne (2000), underlying this knowledge generation, circulation and renewal process is a “lifecycle” (or “spiral” as proposed by Nonaka & Takeuchi SECI model) that moves from commitment to trust, trust to obligation, obligation to trust and trust back to commitment. Internal marketing of the benefits of knowledge generation and circulation helped build this inter-personal/relationship maturity. Several authors (De Long & Fahey, 2000; Politis 2003;
Riege 2005; Lee, Gillespie, Mann & Wearing, 2010) have reinforced “trust between the employee and the organisation” as a critical barrier to knowledge management. This paper supports early research on “how” to build that employee trust and motivation for action is the role of internal marketing as by supported Ahmed & Rafiq (2004, 2012) and Yang (2012) and aims to examine these propositions in NFP firms.

Bailey & Clarke (2001) extended this important maturation process indicating that “personal relevance” benefits from both an individual and organizational position level was important to moving through each stage. Perceived personal relevance they argued is a precondition for the motivation to think and act differently. Sharing is not a natural human activity and knowledge starts and finishes with individual in most instances. As a consequence, the IM concept is challenged in satisfying potential every individual’s needs as well as the organisation – a very challenging task in any context. Clearly, the need to continuously renew knowledge is vital to sustainable knowledge management programs. This paper proposes that Internal Marketing (IM) is the organisational fuel to driving personal and organisational commitment and action to capture and renew knowledge and is a fundamental KM activity that is missing in most Australian NFPs currently. The widening and greater comprehension of the IM concept over recent years has seen the adoption in a very small number of Australian NFPs with limited application recognised around volunteering (eg. Oxfam – Change the World, Your Way). Its application to KM, in support of service delivery, is almost non-existent.

Data and Method

The purpose of this paper is to examine how IM has is used to support KM, what practices are required and preferred and provide a validation of the need for IM in starting and supporting KM in a NFP setting. This paper reports qualitative findings from a 32 in-depth interviews of NFP managers, senior full time and volunteer staff and quantitative results from an online survey, specifically examining IM, completed by 179 NFP managers, senior full-time staff and volunteers.

A combined qualitative and quantitative exploration and orientation study (Brewer and Hunter, 1989; Patton, 1990) was adopted for this research based on the early knowledge stage and nature of the NFP-KM-IM research context for the purpose of gaining triangulation and
verification of results (Jick, 1983; Patton, 1990). Theory generation and theory verification will both be emphasised in this research with qualitative and quantitative techniques used to capture as much reality as possible during this process (Patton, 1990; Marshall and Rossman, 2010). The advantage of using qualitative methods is the ability to extract rich and thick data and use inductive strategies for theory development (Yin, 1994, Minichello, Aroni and Timewell, 1999; Patton, 1990; Wollin, 1996). Quantitative studies use deductive and empirical examination to generate theory and verify the inductions of qualitative findings (Patton, 1990). Together these approaches offer a deeper coverage with verification and rigour. This research will verify and confirm qualitative findings of Study 1 by using quantitative measurement in Study 2.

As recommended by Eisenhardt (1989), the qualitative research sample consisted of more than six (6) case subjects with sampling continuing until theoretical saturation. These studies complete 32 interview subjects to ensure a consistent and complete set of responses. The quantitative survey was sent to NFPs resulting in 179 responses. This was a good response rate of 44%. The sample consisted of a good coverage of all role types with these depicted in Table 1.

Table 1: Distribution of Subjects

<table>
<thead>
<tr>
<th>Job Role</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>9</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>MANAGER</td>
<td>20</td>
<td>11.2</td>
<td>11.2</td>
<td>16.2</td>
</tr>
<tr>
<td>TEAM LEADER</td>
<td>32</td>
<td>17.9</td>
<td>17.9</td>
<td>34.1</td>
</tr>
<tr>
<td>OPERATIONAL STAFF</td>
<td>32</td>
<td>17.9</td>
<td>17.9</td>
<td>52.0</td>
</tr>
<tr>
<td>CONTRACTOR</td>
<td>35</td>
<td>19.6</td>
<td>19.6</td>
<td>71.5</td>
</tr>
<tr>
<td>PROFESSIONAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASUAL</td>
<td>28</td>
<td>15.6</td>
<td>15.6</td>
<td>87.2</td>
</tr>
<tr>
<td>VOLUNTEER</td>
<td>23</td>
<td>12.8</td>
<td>12.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>179</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>
The interviews selected subjects ranging from NFPs senior managers to operational staff and volunteers to provide a maximum variation to assess replication logic for theory building purposes. For the survey all NFPs managers, senior, operational, casual and volunteer staff were purposively selected with other roles included to ensure full assessment of current behaviour and needs of line staff. Open ended question were used and allowed for free flowing comments from subjects with this providing data variation, in depth scripts and theoretical saturation as recommended by Glaser and Strauss (1967), Eisenhardt (1989), Eisenhardt and Graebner (2007) and Perry (1998). The questions, based on previous IM research, focused on the following areas and were then replicated on a larger scale in the survey:

- Is promotion of the operational benefits of knowledge management to staff used and helping capture and renew of knowledge in your NFP? (Gronroos, 1981)
- Is promotion of the customer benefits of knowledge management to staff used and helping the capture and renewal of knowledge in your NFP? (Berry, 1981)
- Is promotion of the organisational and professional goals of knowledge management to staff used and helping the capture and renewal of knowledge in your NFP? (Winter, 1985; Berry and Parasuraman, 1991)
- Addressing issues of personal relevance “What’s in it for me?” in the value proposition is fundamental to the internal marketing of knowledge management to NFP staff? (Ballantyne, 2000, 2003; Bailey and Clark 2001; Arnett, Laverie and McLane, 2002; Politis, 2003; Bennett and Barkensjo, 2005; Benz, 2005; Sankowska, 2012)
- 'Socialisation' strategies (eg. Communities of Practice, Special Interest Groups, Training, Team Meetings/Presentations) are the best channels for the internal marketing of knowledge management? (Wegner and Synder, 2000)
- Is there any promotion of knowledge management’s value via Intranet site/s, Communities of Practice/special interest groups, location/office advertising, promotional materials such as internal newsletters, Annual Reports, volunteer/recruiting publications) and do you think these are effective in promoting the value of knowledge management practices effectively in NFP?
The survey questions were generated from the literature and IM construct definition and reviewed using judgment screening panel consisting of three members (3 PhDS experts). This survey instrument was based on the extant literature and the qualitative survey input developed. All items were scored on a seven (7) point Likert-type scale, with scales anchored by ‘strongly disagree’ and ‘strongly agree’. The screening panel examined the generated items and identified IM as the corresponding construct from a theoretical perspective to ensure the items reflected the literature. The aim of the purification study was to assess content wording. The items were further examined for correctness and content representation on the domain concept presented. Each item was retained if all experts assigned each item to IM and agreed. Items were altered according to expert instruction. For future use in IM research, further scale purification and reliability tested would be required.

Findings and Discussion

The following questions were discussed with participants and are based on internal marketing theory (Gronroos, 1981; Berry, 1981; Winter, 1985; Berry and Parasuraman, 1991). This section discusses the combined results of these questions:

- Is promotion of the operational benefits of knowledge management to staff used and helping capture and renew of knowledge in your NFP? (Gronroos, 1981)

- Is promotion of the customer benefits of knowledge management to staff used and helping the capture and renewal of knowledge in your NFP? (Berry, 1981)

- Is promotion of the organisational and professional goals of knowledge management to staff used and helping the capture and renewal of knowledge in your NFP? (Winter, 1985; Berry and Parasuraman, 1991)

It was widely recognised that information and knowledge were “different” with knowledge largely being based with individuals, subject matter experts or within small work groups, addresses the How and Why elements, most often being tacit (“in people’s heads”) and undocumented. Knowledge capture was ad hoc or opportunistic at best. Renewal of knowledge was limited unless directed by a supervisor or manager. This was largely due to a strong operational, day to day focus on core service delivery, fundraising and volunteer attraction. Particularly with the State branches of larger Australian and international NFP
organisations, KM was perceived to be a “head office thing”. Whilst the practice of KM was generally perceived to be a valuable activity, it was a low priority and strongly perceived to be a complex function requiring large investments of time, resources and ICT to “do it properly”. This complexity was perceivably an excuse for the local KM inertia. Therefore, the promotion of the value of KM practices at either operational, organisational, customer and personal/professional levels ranged from the non-existent, to confined to informal operational communications within work groups, to “something we need to do better”. Despite widespread recognition of the value KM offered, the understanding of the relationship between the motivations of the employee/volunteer, the needs of the organisation and its customer/s, the lifecycle of knowledge and the role of internal marketing were very broadly understood but not acted on, again for reasons of perceived complexity, organisational focus on service delivery and a perceived lack of financial resources to build KM capability which was often seen as an individual/professional responsibility.

The one exception (a national office of an international NFP) displayed a relatively higher level of KM activity by identifying those individuals, groups via a basic knowledge mapping/identification exercise to identify where core process information and knowledge resided and with whom and establishing formal communication lines to those area and people to capture and renew knowledge on specific areas of practice and interest. This knowledge was “marketed” via internal publications such as subject matter contact directories, informal lunchtime presentations, Intranet repositories and an innovative internal function called the Q&A Help Desk which reinforced the operational, and organisational benefits. Many of these initiatives were copied/”borrowed in some form” from success at the international headquarters. An underlining philosophy of “keeping it simple” and “connecting people to enable sharing “ permeated many of the capture and distributions processes and their KM mission. A strong “sharing culture” focused on the organisational and customer benefits rather than the personal/professional of KM although recognition of it was acknowledged by those interviewed as “basic human nature that it needs to relevant to the individual”. Participant 12 comments:

“With limited financial and technical resources, we knew we could make a substantial improvement by doing just a few simple things and using some ideas/innovations that had worked in the organisation elsewhere like the Q&A Help Desk. The Q&A Help Desk has
been a fantastic source of distributing information but also identifying gaps in knowledge, highlighting knowledge needs and driving the renewal of knowledge. It’s a Help Desk that really helps our people do their jobs, recognises contributions and expertise of people and teams which ultimately makes them more connected to organisation which many like.

This organisation distinguished itself in a number of ways. Firstly, that effective knowledge management does not have to be a complex process, does not requires large ICT investment and begins with people (what they do, what they know in both tactic and explicit forms). Secondly, this organisation understood that KM is an organic function that can be sustainable if the environment is supported at both the individual (bottom up) and organisational (top down) level. This is achieved by creating communications channels and forums that regularly promotes (formally and informally) the operational and organisational value of what they are doing as a work group/organisation and why they are doing it (customer outcomes) which promotes on-going capture and renewal of knowledge.

The following Tables 2, 3 & 4 contain the results from the online structured survey of the research questions regarding internal marketing of operational, customer and / organisational benefits of knowledge management. As identified in the Method section, the survey used a seven (7) point Likert scale. Note Tables 3, 4 and 5, that responses were not distributed across the seven intervals.
Table 2: Promotion of the operational benefits of knowledge management to staff will help the capture and renewing of knowledge in your NFP?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Strongly Disagree</td>
<td>10</td>
<td>5.6</td>
<td>5.6</td>
<td>5.6</td>
</tr>
<tr>
<td>2. Moderately Disagree</td>
<td>30</td>
<td>16.8</td>
<td>16.8</td>
<td>22.3</td>
</tr>
<tr>
<td>3. Disagree</td>
<td>33</td>
<td>18.4</td>
<td>18.4</td>
<td>40.8</td>
</tr>
<tr>
<td>4. Uncertain</td>
<td>6</td>
<td>3.4</td>
<td>3.4</td>
<td>60.9</td>
</tr>
<tr>
<td>5. Agree</td>
<td>36</td>
<td>20.1</td>
<td>20.1</td>
<td>81.0</td>
</tr>
<tr>
<td>6. Moderately Agree</td>
<td>34</td>
<td>19.0</td>
<td>19.0</td>
<td>100.0</td>
</tr>
<tr>
<td>7. Strongly Agree</td>
<td>179</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 2 indicates a small majority support (Mean - 4.68; Std Dev - 1.956; Variance - 3.825) for the promotion of operational benefits as a focus for capturing and renewing knowledge. A significant number 73 responded in the Disagree interval categories. This result can be attributed to the strong external focus most NFPs have. In addition, the 30 uncertain respondents suggested that the concepts of Internal Marketing and Knowledge Management were unknown/unfamiliar processes.

Table 3: Promotion of the customer benefits of knowledge management to staff will help the capture and renewing of knowledge in your NFP?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Moderately Disagree</td>
<td>54</td>
<td>30.2</td>
<td>30.2</td>
<td>30.2</td>
</tr>
<tr>
<td>3. Disagree</td>
<td>42</td>
<td>23.5</td>
<td>23.5</td>
<td>53.6</td>
</tr>
<tr>
<td>4. Uncertain</td>
<td>39</td>
<td>21.8</td>
<td>21.8</td>
<td>75.4</td>
</tr>
<tr>
<td>5. Agree</td>
<td>37</td>
<td>20.7</td>
<td>20.7</td>
<td>96.1</td>
</tr>
<tr>
<td>7. Strongly Agree</td>
<td>7</td>
<td>3.9</td>
<td>3.9</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Total 179 100.0 100.0
Table 3 results indicate the missing link many NFPs have with understanding how knowledge management contributes to customer/service outcomes. Some organisations understand it (24%), most do not (75%) despite its well documented successful impact in the commercial sector and some NFPs. Further, the results support a cultural norm that exists in many NFPs of not promoting “success” and maintaining a strong cultural equity and focus on the mission. Cultural equity however comes at a cost of the organisation and its staff not knowing if their efforts are having a measurable positive impact which possibly contributes to the high volunteer turnover that occurs in NFPs.

Table 4: Promotion of the organisational and professional goals of knowledge management to staff will help the capture and renewing of knowledge in your NFP?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Moderately</td>
<td>21</td>
<td>11.7</td>
<td>11.7</td>
<td>11.7</td>
</tr>
<tr>
<td>Disagree</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Disagree</td>
<td>36</td>
<td>20.1</td>
<td>20.1</td>
<td>31.8</td>
</tr>
<tr>
<td>4. Uncertain</td>
<td>12</td>
<td>6.7</td>
<td>6.7</td>
<td>38.5</td>
</tr>
<tr>
<td>5. Agree</td>
<td>45</td>
<td>25.1</td>
<td>25.1</td>
<td>63.7</td>
</tr>
<tr>
<td>6. Moderately Agree</td>
<td>40</td>
<td>22.3</td>
<td>22.3</td>
<td>86.0</td>
</tr>
<tr>
<td>7. Strongly Agree</td>
<td>25</td>
<td>14.0</td>
<td>14.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>179</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 4 results supports (61 percent in the agreed intervals, Mean – 4.68; Std Dev - 1.619; Variance - 2.623) internal marketing of knowledge management from a higher level strategic organisational view. Further, it also supported the personal engagement from a work role/professional perspective. As noted previously, the strong focus on organisational mission underlines this higher level approach.

The research moved from the organisational to the personal staff level with the following question:
• Addressing issues of personal relevance “What’s in it for me?” in the value proposition is fundamental to the internal marketing of knowledge management to NFP staff? (Ballantyne, 2000, 2003; Bailey and Clark 2001; Politis, 2003; Sankowska, 2012)

Many respondents perceived NFP’s largely egalitarian organisational culture to be at odds with internal marketing (IM) on a number of levels including diverting scarce resources away from core service activities and promoting individuals or groups as being “better or more successful”.

“We probably don’t beat our drum as much as we probably should and some things are difficult to measure to know what impact we making exactly. However, it is something we probably need to look at doing, but again it’s the time to do it and where the priorities are which are external to our clients, not internal to our staff many of whom are volunteering to be here.”

“Our focus is very external. Promoting what we do among ourselves would seem wasteful, although I understand now why you would do it, but many people would not support it.”

The strongest resistance to IM was based on a perception that it was a non-strategic, “promotional” activity that seeks to distinguish, differentiate and reward specific individuals/groups as higher performers rather than, as later researchers (Ballantyne, 2000) have found, to build employee motivation in a more holistic, systemic context of individual, organisation and organisational strategy (which the current Oxfam – Change the World, Your Way campaign does successfully). The resistance can be attributed partly to a lack of a contemporary understanding of IM and a greater gap to understanding how organisational knowledge can be supported by IM’s employee motivational outcomes. Interestingly, the aforementioned Oxfam (Australia) displayed a much higher level of KM maturity.

A number of employees interviewed reflected that “motivation and satisfaction” had to be high to work in an NFP environment where salary and working conditions were usually much less than many of their private and public sector counterparts. At times, the motivation to work and perform was challenged and the effort required to “go that extra step” to support seemingly strategic activities such as KM was minimal. Reaffirming the importance of
individuals and groups and their role activities to the NFP’s strategy and mission, via “internal marketing”, was viewed positively when the IM concept was explained to them and contextualised to KM.

“Everybody needs a little pep talk or tangible reminder now and again about the importance of what we do and why we do what we do it. If it also addresses the how and why again, I think it’s a good thing.”

“I can see a number of benefits of it but it will always come down to resources and costs to do it which begs the question that we need to find new ways to do new things instead of always looking at how we normally do things. We are very externally focused and often take for granted the internal side of the organisation”.

The last comment highlighted the “standard approach” to operations and strategy that was encountered. This standardisation supported the scare resourcing and financial environment that many NFPs exist in. “New” corporate strategies and practices such as KM, IM require a different corporate mindset and operation. How can this be achieved?

In most cases, organisational culture was reflective of the senior management and their management style. The managers tended to be mature, with a number being long-term employees in the organisation or the NFP sector. Leadership was very NFP brand and operationally focused. This external focus was dominant and “internal” strategy such as KM and IM was seen to be an activity that should be driven from a higher organisational authority. Consequently, KM and IM activity was seen to need to be driven by “head office” internationally or nationally”. The contradiction arises that a lot of the information and knowledge within the organisation was localised and regionalised, therefore head office driven KM and IM activity, potentially from overseas, was going to be largely irrelevant and/or have to be adapted for local conditions. In the case of Oxfam (Australia), the later applied based on support from local senior management who understood the regional knowledge requirements and “aligned globally and acted locally”.

“Performance management” was universally rejected by respondents as being counter to NFP’s egalitarian environment and lower salary conditions. However, the motivation for “making change/improving lives, environmental sustainability” was strongly reflected in NFP
missions. The individual and/or work group connection was a missing link that “performance management” would traditionally (in a commercial environment) be used to make that linkage to organisational performance. Internal marketing can play a critical role here to replacing performance management reviews (which were seen as usually one directional, subjective and often punitive) at the individual level with a more organisation focused goal/s which work groups can identify with, plan for and status report against. Knowledge Management can be one of those “how” elements, together with specific communications to volunteers, fundraising, donors and corporate partnerships. The individual identification with the goal/s is important so the words/messages and images used need to be carefully developed. Using actual volunteers, employees, projects and/or clients in an inclusive organisational context may be a “new approach” to IM and NFP marketing worth considering.

“The what’s in it for me?” factor will always be there. However identifying with people who are either peers, mentors and/or admired leaders can be very powerful.”

Table 5 - Addressing the 'Why' value proposition is fundamental to the internal marketing of knowledge management to NFP staff?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Moderately Disagree</td>
<td>12</td>
<td>6.7</td>
<td>6.7</td>
<td>6.7</td>
</tr>
<tr>
<td>3. Disagree</td>
<td>21</td>
<td>11.7</td>
<td>11.7</td>
<td>18.4</td>
</tr>
<tr>
<td>5. Agree</td>
<td>47</td>
<td>26.3</td>
<td>26.3</td>
<td>44.7</td>
</tr>
<tr>
<td>6. Moderately Agree</td>
<td>50</td>
<td>27.9</td>
<td>27.9</td>
<td>72.6</td>
</tr>
<tr>
<td>7. Strongly Agree</td>
<td>49</td>
<td>27.4</td>
<td>27.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>179</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 5 results supports (Mean – 5.39; Std Dev- 1.519; Variance – 2.307) the need for “relevance” in internal marketing as posited by Bailey & Clarke (2001). Table 3 results indicates that the relevance is more organisational and role/professional oriented rather than “personal” although the distinction is not clear cut. The proposed missing “why” causal link
is validated in these results with the link being between knowledge management to organisational and professional level outcomes.

Socialisation Strategies

The next question and area of discussion focuses on:

- 'Socialisation' strategies (eg. Communities of Practice, Special Interest Groups, Training, Team Meetings/Presentations) are the best channels for the internal marketing of knowledge management? (Wegner and Synder, 2000)

The impact and value of socialisation strategies was well regarded albeit that regular organisation was almost universally seen to be difficult. Time constraints, work/service priorities, availability of key personnel, transient and part-time employees’ ability to attend were among the many reasons provided. The sophistication of socialisation strategies being used was relatively low including the use of the term “Community of Practice/Special Interest Group”. Socialisation channels (work group meetings, presentations) were generally ad hoc, albeit that the value of the engagement from both audience and presenter/organisation perspective were always viewed very positively for their ability to deliver existing knowledge, capture new knowledge on occasions and directly communicate key organisations messages such as the value of supporting knowledge management and staff’s opportunity to contribute. The use of digital recording devices (audio, video) to support the knowledge capture and distribution was limited, again despite recognition of the benefits of its use could to support staff unavailable to attend. Low level ICT maturity was often given as a reason for not pursuing this. Informality was a strong underlying theme although those NFPs using socialisation channels were recognising that some “formal” structure (agenda, regular times, venue etc) were required to achieve authenticity and organisational support.

No question that when we get a group of people in a room together at a morning tea or the like, the amount of information and knowledge shared during that time can be amazing, but getting everyone there first is a big challenge as most prefer to be out working for the cause and do not see the value unless we do it properly. It’s a fine line between keeping it informal so people feel comfortable to attend and contribute and making it more formalised which seems to put people off.
We are organising presentations from project teams, subject matter experts more and more as we have found, our people like to see and speak to the “experts” directly and drill down with questions that are relevant to them and their work. People have learnt from people for centuries and it still works.

Promotion of Knowledge Management’s: Groups, Materials and Media

The following section discusses the area of promotion of knowledge management’s and the value of different mediums such as Intranet site/s, Communities of Practice/special interest groups, location/office advertising, promotional materials such as internal newsletters, Annual Reports, volunteer/recruiting publications) and do you think these are effective in promoting the value of knowledge management practices effectively in NFP?

Promotion of the features and benefits of knowledge management via internal channels and/or external channels was non-existent in most Australian NFPs interviewed. The few organisations engaging in some level of KM activities were ad hoc at best with promotion of KM with one exception (Oxfam Australia as noted). Promotion of KM benefits was usually direct to the audience of presentations, team meetings, Q&A service desk etc. The value/benefit proposition being largely spontaneous and a little varied but generally in the realm of “knowledge management helps you do your job easier, faster, better. Join in and contribute”. Printed promotion of KM via internal newsletters, publications, advertising was very limited. Again, this was attributed to a greater recognition of the NFP mission and service outcomes, albeit that KM was a strong contributor to some of those publicised outcomes.

KM is seen as an internal thing to the organisation, like accounting and admin. They are all important but we don’t spend resources promoting their activities and value to our staff, clients, doners etc. Therefore it is seen to just function like accounting and admin, which is not the case with KM. By nature, it needs constant driving. It’s always a case of resource constraints and priorities which are usually fundraising/donations and staff attraction.

We have found a direct, action-based approach has worked best for us which is our Q&A Help Desk. Staff learn about the features and benefits via direct usage. It’s a simple operation at the moment but more effective than any glossy brochures, posters or the like.
Promotion of KM using advertising in internal and external publications would be great but the reality is that it cost dollars which are prioritised to other areas in the organisation.

Table 6 - 'Socialisation' strategies (eg. Communities of Practice, Special Interest Groups, Training, Meetings) are the best channels for the internal marketing of knowledge management?

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Strongly Disagree</td>
<td>1</td>
<td>.6</td>
<td>.6</td>
</tr>
<tr>
<td>2. Moderately Disagree</td>
<td>24</td>
<td>13.4</td>
<td>13.4</td>
</tr>
<tr>
<td>3. Disagree</td>
<td>21</td>
<td>11.7</td>
<td>11.7</td>
</tr>
<tr>
<td>4. Uncertain</td>
<td>6</td>
<td>3.4</td>
<td>3.4</td>
</tr>
<tr>
<td>5. Agree</td>
<td>47</td>
<td>26.3</td>
<td>26.3</td>
</tr>
<tr>
<td>6. Moderately Agree</td>
<td>26</td>
<td>14.5</td>
<td>14.5</td>
</tr>
<tr>
<td>7. Strongly Agree</td>
<td>54</td>
<td>30.2</td>
<td>30.2</td>
</tr>
<tr>
<td>Total</td>
<td>179</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 6 clearly supports the use of Socialisation strategies for the internal marketing of knowledge management (Mean - 5.09; Std Dev – 1.779; Variance – 3.165). What specific socialisation channels were the most effective in different NFP contexts were not examined in this research but is recommended for future research. It was apparent from the qualitative research that one approach did not fill all and that different channels worked better than others depending on the nature of the NFP and in some cases, some innovation and adaptation of “popular” socialisation techniques were undertaken to customise to the NFP’s environment.

Table 7 presents a summary of the survey results. Interestingly, Q3 – the Promotion of Customer Benefits, received the least support (Mean - 3.49, Std Dev -1.312; Variance – 1.746) compared to the promotion of the organisational, operational and role/professional benefits. Explanations of this result lies in many NFP’s staff not making the direct causal link between as knowledge management and external service delivery and customer benefit. As an “internal” activity it was often seen as supporting internal operational activity in the
same way as administration activities like Accounting and Finance. Whilst important to the NFP operation, the contributing link between KM to customer outcomes and benefits was indirect and vague. As a consequence, investment in KM activities usually suffered as the NFP attempt to operate cost effectively and divert funds to frontline service activities and programs to attract more funding and donor support. A further explanation lies in many NFP’s cultures centred on the higher level organisational mission rather than specific customer or project outcomes.

Table 7 – Survey Summary Results

<table>
<thead>
<tr>
<th>Q1. Promotion of the operational benefits of knowledge management to staff will help the capture and renewing of knowledge in your NFP?</th>
<th>Q2. Promotion of the customer benefits of knowledge management to staff will help the capture and renewing of knowledge in your NFP?</th>
<th>Q3. Promotion of the organisational and professional goals of knowledge management to staff will help the capture and renewing of knowledge in your NFP?</th>
<th>Q4. Addressing the 'Why' value proposition is fundamental to the internal marketing of knowledge management to NFP staff?</th>
<th>Q5. 'Socialisation' strategies (e.g. Communities of Practice, Special Interest Groups, Training, Meetings) are the best channels for the internal marketing of knowledge management?</th>
</tr>
</thead>
</table>

| Valid | 179 | 179 | 179 | 179 | 179 |
|---|---|---|---|---|
| Mean | 4.32 | 3.49 | 4.68 | 5.39 | 5.06 |
| Std. Deviation | 1.956 | 1.321 | 1.619 | 1.519 | 1.779 |
| Variance | 3.825 | 1.746 | 2.623 | 2.307 | 3.165 |
Summarising the findings of the in-depths interviews and survey can be seen in the proposed model of IM in KM (see Figure 1). Each positive activity has been offered in a sequence and the model of offers a framework for moving forward in understanding key elements of internal marketing’s formulation and delivery in supporting knowledge management activities and its on-going renewal. More particularly, this research contextualises the use of internal marketing in an NFP environment. In particular, the research provides insight to internal marketing’s required benefit/message components for achieving “personal relevance” which must be achieved as a priority. Further, the research positions socialisation strategies as a preferred channel for internal marketing delivery supported by internal promotions/communications channels such as newsletters, reports and advertising. However, for socialisation strategies to be truly effective, the design and delivery of them must be crafted to ensure the personal relevance requirement is addressed. Quite simply, this could be achieved by asking the audience/s prior or during the event/presentation what they are wanting from the knowledge forum – give the audience what they want. The aforementioned, Q&A Help Desk of one Australian NFP was an excellent example of this customised approach.

Finally, the research continues to support the emerging body of (Ballantyne 2000 & 2003; Ahmed and Rafiq, 2004; Bennett and Barkensjo, 2005; Yang 2012) research supporting the valuable role of internal marketing of building, developing and more importantly, sustaining knowledge management capability.
Proposed IM in KM Model

Figure 1 – Internal Marketing in Knowledge Management
Conclusion

This research supports that “successful” KM in an NFP context requires the organizations to commit to engaging staff/volunteers on either professional or organizational levels or a combination to build trust, personal relevance and satisfaction to support and drive knowledge. This engagement can occur through a number of channels with this research supporting Socialisation approaches being very effective. Those organisations struggling with implementing KM had a very low level of knowledge and understanding of what and how internal marketing can contribute to the professional and organizational interaction that must occur for sustainable KM.

Socialisation, in many forms (team/work group meetings, presentations, organisation “events”, workshops) remains an effective channel to support knowledge capture, distribution and renewal and also the engagement of staff/volunteers can also be achieved albeit that slightly different approaches and adaptations were undertaken in many instances. Internal marketing takes on a more direct approach in this collective environment and serves to reinforce other internal marketing and knowledge management activities. More importantly, direct social channels are effective in addressing the critical trust and personal relevance barriers (De Long & Fahey, 2000; Bailey & Clarke 2001; Politis 2003; Riege 2005; Lee, Gillespie, Mann & Wearing, 2010) via the physical presence attached to it and the reinforcement of “why” which helps to build the cycle of commitment (Ballantyne 2000) to supporting KM activity. Extending internal marketing to more formal channels such as newsletters, advertising, publications represents a maturation of the level of understanding of the benefits of internal marketing which can extend beyond knowledge management (Ahmed & Rafiq (2004, 2012) and Yang (2012) to other strategic initiatives. Moving some resources and finances away from the strong external client and donor focus remains a massive challenge in NFPs however, but the emerging evidence from those few NFPs adopting simple KM and IM practices successfully, without compromising the strong external focus, is compelling.
References


ABS - *Not-for-profit Organisations, Australia, 2006-07.*

Australian Productivity Commission (2010) *Contribution of the Not for Profit Sector*


Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)


Paper 6 - Augmenting transcultural diffusion through knowledge management: The critical role of internal marketing

Craig Hume
Griffith University

Accepted Book Chapter in *Transcultural Marketing for Incremental and Radical Innovation*, to be published this forthcoming in January/February 2014 by IGI Global:

Introduction

This chapter discusses the enabling role of internal marketing in adoption of knowledge management (KM) in the not for profit sector (NFP). The chapter considers the novel concept of transcultural marketing that strengthens transcultural diffusion and discusses the cultural complexities of the NFP sector and the cultural barriers requiring consideration in the adoption of KM. Transcultural marketing encompasses the promotion and development of oneness through diffusion of transcultural ideas and technologies from diverse philosophies within the one environment while respecting and embracing the diversity in thinking. Previous authors have suggested oneness and the promotion of oneness as vital fundamentals of internal marketing with internal marketing an essential element of performance and quality delivery for any firm. This chapter will advance understanding of the relationships of Knowledge Management, the role of internal marketing in generating, sustaining and strengthening transcultural diffusion of knowledge in nonprofit firms. Trans-cultural diffusion is the dissemination and exchange of cultural rudiments including ideas, styles, and technologies and deeply embedded in the success and philosophy of KM.

The scope of this chapter is to examine the key enablers of knowledge management (KM) in NFPs, including the cultural barriers of KM and reinforce and clarify the key role of internal marketing in its implementation (IM) using a single case methodology. Several interviews were conducted within the case ensuring the capture of rich and reflective data (Minichiello, & Aroni, & Timewell & Alexander, 1999). The single case was chosen as it offered a good mix of volunteer, part-time and full-time staff reflecting a diverse workforce, offered regional, national and international representation and maintained a very strong clear social
mission. Together, these factors aid in clearly examining culture and the elements of KM and internal marketing.

The classification of NFPs has encountered definitive difficulties with much of this related to the many differing practices, goals and cultures (Crossan & Hulland, 2002; Crossan, Lane & White 1999, Salamon and Anheier, 1992, 1996) highlighting the diversity of these firms. Depending on the research discipline, the NFP classification has differed, including dimensions such as size, employees, turnover, funds raised, tax exemption status and social mission (Salamon and Anheier, 1996). Interestingly, in the NFP literature, firms have distinct operating practices that create differing challenges, cultures and practices (Raymond, 1985). As NFP firms aim to provide services to all that need them, factors such as geographical spread and regional coverage creates different challenges for communication channel management, service delivery, staff management and dissemination of information.

Operationally, national, state and local legislative, taxation and legal requirements differ across state and international boundaries with these complexities further contributing to culture and practice.

KM implementation in a NFP aims to capture and embrace the diverse volunteer and employed workforce as knowledge workers and create an innovative process of KM. This chapter will examine the role of internal marketing in developing this cohesive and untied approach to knowledge capture, storage, renewal and retrieval. This chapter aims to develop transcultural marketing using internal marketing principles applied to the diverse workforce of NFPs and disclose ways to target and engage the differing cultures and perspectives of each worker segment.

The chapter will proceed with discussing IM, KM and culture. The chapter will present the case of a large charitable NFP and then offer specific discussion on the KM culture and the role of IM in implementation. The chapter will conclude with an implementation framework that considers culture and IM in KM implementation.

**Internal Marketing and Knowledge Management**

IM was first proposed as a solution to the problem of delivering consistently high service quality over 30 years ago (Berry, 1981), to producing a greater customer orientation
(Gronroos, 1981) to becoming a broader, systemic process to integrate the firm’s multiple internal functions and people to support business strategy and change (Winter, 1985; Varey & Lewis, 1999). More recently, IM has been proposed to provide the systemic link to knowledge management positing that internal marketing created a series of motivating activities to drive knowledge from individual tacit levels to group-wide explicit levels on an on-going basis (Ballantyne 2000 & 2003, Hume and Hume, 2009). This knowledge spiral or continuum is strongly similar to that highlighted in Nonaka & Takeuchi’s (1995) early acclaimed Socialisation, Externalisation, Combination, Internalisation (SECI) knowledge creation model. Ballantyne’s (2003) identification of personal, organisational and strategic linkages was a major leap in KM theory and helped explained a missing “How” element in Nonaka & Takeuchi’s SECI model. IM’s evolution to a “strategic” enabler involved three separate but intertwined elements namely, employee engagement and satisfaction, a customer orientation and a strategy implementation/change management phase or outcome (Ahmed & Rafiq, 2004). The structure and strength of these factors is in the early stage of investigation in NFP KM implementation and emphasizes the need to consider people and culture in implementation.

Popularly referenced Knowledge Management (KM) case studies including Accenture, Boeing, Chrysler-Daimler, 3M, General Electric to date are all private sector based (Riege, 2005). However, academic research into the formula/methodology for modelling of those successful KM characteristics into non-profit organisations (NFPs) is rudimentary at best with “corporate practices” not translating easily into the NFP sector (Renshaw & Krishnaswamy, 2009; Andreasen, Goodstein, and Wilson, 2005; Rainey, Backoff, and Levine, 1976). The business practices of for-profit organisations such as differing employment guidelines and procedures, differing legal and ethical constraints (Crossan, Bell and Ibbotson, 2004; Salamon and Anheier, 1992), different operational and managerial structures, differing accounting and taxation practices, and the pursuit of profits and accumulation for owners and investors, are contrary to the purpose of serving the public or the mutual benefit of donor and recipient and the business practices of NFPs. The accounting, legal and ethical obligations that follow the NFP mission and status influence practice, policy and the beliefs of the employees and volunteers in these organizations and
Contribute to the diverse range of cultural barriers (Helmig, Jegers, and Lapsley, 2004; Hume, Sullivan Mort, Liesch, and Winzar, 2006).

The chapter will focus on the role of KM and highlight cultural factors and how the firm can manage these factors through internal marketing practices. The chapter will contribute to theory building of KM and internal marketing and the influence of these variables on the structure of KM programs and adoption and diffusion.

Specifically, this chapter will address the following areas:

- Knowledge Management, Radical Innovation and Change
- Innovation and the need for a KM Plan
- Leverage ICT: radical and incremental
- KM and cultural barriers
- The KM case.
- What are the dimensions that influence its success?
- What role does internal marketing and culture in the successful implementation of KM?

**Knowledge Management, Radical Innovation and Change**

NFPs are knowledge-intensive enterprises (Lettieri et al., 2004; Martinsons and Hosley, 1993; Murray, 2002; Murray and Carter, 2005). However, the knowledge in NFPs is often fragmented, heterogeneous, rarely formalised (Andreasen et al., 2005; Helmig, Jegers, & Lapsley, 2004) and transient due to the considerable turnover of volunteer staff and the lack of operational maturity (Gilmour and Stancliffe, 2004; Helmig et al., 2004; Lettieri, Borga & Savoldelli, 2004; Kipley, Lewis and Helm, 2008). With greater focus on KM in business research, many different varieties of knowledge management have appeared and been functionally defined in order to bring some order to the knowledge fragmentation and focus for knowledge management activity (Haggie and Kingston, 2003).

In fact, many different KM “approaches” and "designs" (Binney, 2001; Boisot, 1998; Nonaka and Takeuchi, 1995; Treacy and Wiersema, 1993; Wiig, 1997) exist in order to assist organisations in most appropriately developing a knowledge management strategy tailored to their needs. For example, (Binney, 2001) broadly categorised these knowledge categories as Transactional, Analytical, Asset Management, Process, Developmental and Innovation. Each category broadly reflects a core source and focus of support. For many NFP firms, KM is a radical innovation focused on capturing, storing and sharing knowledge never practiced.
Radical innovation comes from changes in either technology or meaning. KM is in most part a complex technology-driven innovation that involves ICT to aid in the capture, storage and distribution of knowledge and information. It is driven by “champions” and advocates just like the inventors and tinkerers of radical innovation (Camison-Zornoza, Lapiedra-Alcami, Segarra-Cipres & Boronat-Navarro, 2004; Adams, Bessant, & Phelps, 2006). In the knowledge economy, it is often the case that the right knowledge to solve a problem is in a different place to the problem itself, so interdisciplinary innovation is an essential tool for problem solving. This level of knowledge strategy classification and understanding of the type of knowledge (Binney, 2001) is an operationally “mature” approach to KM (Thorp, 1998) and better applied to mature for-profit firms (Binney, 2001; Boisot, 1998; Nonaka and Takeuchi, 1995; Treacy and Wiersema, 1993). Organisational maturity (Thorp, 1998) can be measured in several ways with focus on the dimensions of people, business practices, facilities and equipment, Information and Communication Technologies (ICT), knowledge, accountability and governance. Capability-Maturity is not only an indication of how well a firm delivers its product and service and how well it competes but it also considers the firm’s ability to enable and integrate new programs and developments to enhance delivery (Camison-Zornoza, Lapiedra-Alcami, Segarra-Cipres & Boronat-Navarro, 2004).

In firms that are small or low on the capability-maturity index (Thorp, 1998; Adams, Bessant, & Phelps, 2006)) such as first-time adopters (Binney, 2001) KM is difficult to grasp (Malhotra, 2004) and as such is radical and innovative (Adams, Bessant, & Phelps, 2006; Afuah, 2003; Camison-Zornoza, Lapiedra-Alcami, Segarra-Cipres & Boronat-Navarro, 2004). It could easily be argued that the majority of NFP’s fall into this category of operationally immature in particular with immature management practices (Lettieri et al., 2004). For these firms there is no doubt KM is innovative and radical.

Change management literature generally supports the concept of incremental change as a more successful option than full-scale change (Dunphy and Stace, 1993) with smaller organisations having greater ability to adopt change (Raymond, 1985). Theory suggests in most instances that small firms succeed because of shorter communications channels and stronger informal networks (Ahire and Golhar, 1996; Chen and Hambrick, 1995). Conversely, Raymond, (1985) posited that larger firms, with greater resources and funding, could have greater technology and change success. It is evident that communication...
channels, the mixed workforce of volunteers and employees, funding constraints, informal communication and culture are all important to the success of innovation, adoption and change in NFPs.

**KM and Cultural Barriers**

Culture is referred to as the values and behaviors that contribute to the unique social and psychological environment of an organization (Zien & Buckler, 1997). Organizational culture includes an organization’s expectations, experiences, philosophy, and values that hold it together, and is expressed in its self-image, inner workings, interactions with the outside world, and future expectations (Ajmal, Helo, & Kekäle, 2010; Zheng, Yang & McLean, 2010). It is based on shared attitudes, beliefs, customs, and written and unwritten rules that have been developed over time and are considered valid. Also called corporate culture, it’s shown in business conduct, employee treatment, customers and donor behavior and expectations, and the wider community perceptions. Culture includes empowerment in decision making, how new ideas are developed, personal expression, how power and information flow through hierarchy, and how committed employees are towards collective objectives (Ajmal, Helo, & Kekäle, 2010; Zheng, Yang & McLean, 2010). Culture affects the organization’s productivity and performance, and provides guidelines on customer care and service, product quality and safety, attendance and punctuality, and concern for the environment. It also extends to production-methods, marketing and advertising practices, and to new product creation. Organizational culture is unique for every organization and one of the hardest things to change.

Irrespective of the type of KM strategies implemented, each of these factors are proposed to contribute to both KM successes and failures (Ajmal, Helo, & Kekäle, 2010; Zheng, Yang & McLean, 2010). KM literature consistently highlights cultural factors, at multiple levels, as the biggest barrier to getting engagement and support for KM strategy and activities (Ajmal, Helo, & Kekäle, 2010; Zheng, Yang & McLean, 2010 ;Chong and Choi, 2005; Chua and Lam, 2005; Malhotra, 2004; Riege, 2005). It must be noted this research is primarily conducted in for profit firms with no specific reference made to NFPs. Further research has examined the elements of corporate culture and their impact of information technology adoption. This research suggests culture is a very important variable in the success and adoption of KM.
programs (Ajmal, Helo, & Kekäle, 2010; Poku and Vlosky, 2002). Based on the knowledge of NFP practice (Benz, 2005) assumptions can be made about the culture within NFPs.

It is evident that in NFPs many factors affect culture and some of these are also the factors that create the differences in for-profit and non-profit firms. NFPs have both permanent and volunteer employees differing from that of the for-profit firms, which are unlikely to have volunteer workers. Volunteers work for the shared belief of the social mission of the NFP and may create less barriers than those that are employed (Benz, 2005). There is some belief in NFPs that workers gain some utility from work other than just monetary rewards (Arnett, Laverie, and McLane, 2002; Benz, 2005). However social mission may be contrary to the business mission resulting in conflict in the best practices for business practice (Benz, 2005). Either scenario will complicate culture and the adoption and development of a KM process. Leadership and management styles will impact the expectations of workers and the team approach to knowledge sharing of other line management (Lee, Gillespie, Mann & Wearing, 2010; Wiig, 1997). Unquestionably, there is evidence that culture is important to KM adoption yet whether it is the most important has not been shown.

The lack of understanding of the role of culture in KM adoption in NFP presents a future research opportunity to investigate culture specifically in the NFP sector (Ajmal, Helo, & Kekäle, 2010; Zheng, Yang & McLean, 2010). Several authors advocate that organizational culture should be the focal point of all KM programs (Ajmal, Helo, & Kekäle, 2010; Zheng, Yang & McLean, 2010; Hall, 2003; Oliver and Kandadi, 2006). Applying cultural factors to non-profit firms’ issues such as the underlying “donor agendas” and philanthropic objectives of non-profit employees, the groups they represent and the individual workers all combine to create a "unique" cultural complexity and future NFP research field. Additionally, personal factors (Bailey and Clarke, 2001) of relevance, value, trust and recognition (Arnett, Laverie, and McLane, 2002; Politis, 2003) are more elements of the cultural challenges across NFPs. Combined, these unique socio and organisational cultural factors will create significant barriers to the capture, collation and diffusion of knowledge in NFPs. As noted, research in the area of organisational culture, knowledge and NFPs is limited; however the wide-spread referencing of “cultural issues” across the greater knowledge management research field suggests that NFP will be similarly affected, albeit the focus will be with characteristics reflecting the diversity of the NFP sector.
**Culture and Leadership**

Cultural issues include the leadership style and governance issues within the organisations and this represents another milestone in KM implementation. Research evidence in KM suggests that a combination of many leadership styles (transformational, transactional, and charismatic for example) are required for KM competence (Hall, 2003). Oliver and Kandadi (2006) summarise these leadership traits as "evangelization". In driving, sustaining and supporting KM practices, case study evidence strongly supports this claim (Choy, 2005).

KM research has supported the leadership paradigm must include not just the executive levels of the organisation but also the functional and middle management levels. Case study research has emphasised that effective management and leadership are integral to each other and leadership at all managerial levels is required to develop a desired knowledge culture (McDermott and O'Dell, 2001). Using a popular military-style analogy, command for strategic programs such as knowledge management needs to occur from top to bottom with all levels clearly understanding the objective/s, key implementation tasks and performance levels, via trusted communication channels who “walk the talk” (Welch and Welch, 2005).

In addition, there is a need for high performing “knowledge management champions” at every level and/or functional area to motivate, reaffirm and most importantly, model desired behaviours when the knowledge management program implementation gets either tough, confused (Jones, Herschel, and Moesel, 2003). Using the classic “marketing concept”, an organisation’s success depends on its ability to satisfy customer needs. From the concept of internal organisational customers, the same principle applies here (Bruhn, 2003). Unless the knowledge needs of the organisational users are understood, they cannot be met. Thus a key role of the knowledge champions is to constantly monitor and identify users’ needs and communicate directly with key knowledge contributors and SMEs to facilitate knowledge transfer in an expeditious fashion that satisfies “customers” and builds support and loyalty for the knowledge management initiative (McAdam and Reid, 2001).

It is evident that this research has been conducted in for-profit environments, which in most part have multiple layers of management. In a NFP environment, layers of management are less evident (particularly small NFPs which characterize the industry sector) with volunteer networks filling these roles. The effectiveness of knowledge champions and the selection of
knowledge champions can be negatively affected by the transient and often culturally
unsophisticated business attitudes of the volunteer worker (Galindo-Kuhn and Guzley, 2001)
complicating the implementation of KM plans. As noted earlier, many
“contemporary/corporate” business practices such as Knowledge Management, “new” to the
NFP operational practices, are now being considered it is logical to assume that KM
champions in NFPs would need to be recruited, undergo significant education, mentoring and
management to drive contemporary KM practices. Finding, recruiting or conscripting
“change champions” in a first-time adopting organisation is a major challenge for any
organisation, the challenge in smaller NFPs particularly would potentially be significant
because they tend to be governed by social entrepreneurs and fraught with constrained
funding.

For social entrepreneurs, the social mission is overt and fundamental to their decisions
(Kong, 2008). Satisfying the social mission is most prominent not wealth creation (Dees,
Emerson, and Economy, 2002). Social entrepreneurs have a more holistic sense of value than
economic value and can tend to react slowly to operational innovations unless the holistic
value measure is satisfied. Unlike a business entrepreneur the threat of going out of business
is not as ominous (Dees, Emerson, and Economy, 2002) so laggard change to innovation is
evident (Dees, Emerson, and Economy, 2002). Moreover, the costs and time associated with
the recruitment of KM personnel (Champions) could work as a deterrent to the adoption of
implementation of the program furthering hindering the success and support for KM in NFP.

**Culture, KM and Performance Management**

Closely linked to the need for leadership for modelling behaviors and culture is the need for
clear and sustained performance management around KM objectives (Marquardt, Smith, and
Brooks, 2004). Performance management in NFPs generally however does not have the
same visibility, influence and impact as private sector organisations (given the largely
volunteer workforce) where annual salaries, work opportunities, tenure and promotions are
directly linked. As previously mentioned some members in the NFP firms and potential
champions may be volunteer works whose reward and remuneration comes in the form of an
esoteric social contribution to a greater social good (Bennett and Barkensjo, 2005; Lettieri et
al., 2004; Mitchell, 2003). Managing these altruistic objectives of volunteers complicates the
strategies for performance management in the NFP firm. For the salaried members of the firm, incentives and remuneration are constrained by the limited funding and scarce resources found in most NFPs (Leete, 2001). The competitive salaries and incentives such as share packages and bonuses offered in for-profit firms are not available in the NFP firm. Wage differential are evident in many professions that operate in both for-profit and non-profit sectors (Leete, 2001). Irrespective of the wage differentials and lesser funds available it is important to highlight required behaviors and outcomes and recognize contributing good behaviors/performances to key stakeholders who use, help support and fund KM activities at every opportunity. These indicators, encompassed as part of the formal status/management-reporting regime, go a long way to recognizing and modelling behaviors (Mahdi, Almsafir, & Yao, 2011). Being “mentioned in dispatches” (internal marketing communications) rewarded and praised in network meetings and thanked by leader and CEOs carries significant influence in the competition for promotions, work opportunities and ultimately salary increases for employed staff and is seen as valuable tool in developing employee satisfaction and ownership (Bennett and Barkensjo, 2005).

Data collection and the case of the NFP

This chapter will present the findings of a single thorough case exploration (Babbie, 1989; Churchill, 1979; Kinnear and Taylor, 1996). The objective of exploratory research offer depth and thick descriptions to areas where little is known increasing the researcher’s familiarity with a problem and clarifying concepts (Patton, 1990; Churchill, 1979; Miles & Huberman, 1995; Zikmund, 1991; Churchill, 1979; Jick, 1983). This chapter offers a case study methodology to highlight the overall themes and practices and offer a deeper understanding of the KM, Culture and internal marketing. The case is reflective and retrospective and includes a range of interview responses from subjects within the firm. As recommended by Eisenhardt (1989), Eisenhardt & Graebner, (2007) and Patton (1990), the research sample will consist of more than six different subjects. The case investigation interviewed 11 subjects until theoretical saturation was reached. This particular case was selected as the firm was seen as a robust reflection of the NFP sector. The case was international in its operations, offered a strong social mission and set of firm values, a good mix of volunteers and full-time employees and strong cultural fundamentals such as group work, informal and formal communication channels and social customs. The firm had strong
leadership, a perception of fair treatment of staff and empowered decision making. Staff appeared strongly committed towards the collective objectives and social mission.

This research adopts a qualitative ethnographic approach and employs a combination of workplace observations and document collection to explore and gather a contextualized understanding of the measures and evaluations of KM. Multiple data sources across hierarchical levels, together with observation and relevant document collection, were sought within each of the case study to provide the data variation and the theoretical saturation as recommended by Glaser and Strauss (1967), Eisenhardt (1989), Eisenhardt and Graebner (2007) and Perry (1998). Data from the multiple sources was divided into themes and categories based on literature findings. The next stage progresses to narrative analysis, a subfield of discourse studies. Discourse studies have increasingly using types of linguistic analyses (Alvevesson & Karreman, 2000; Soderberg, 2006).

This chapter also includes narrative analysis, a subfield of discourse studies. Discourse studies have increasingly using types of linguistic analyses (Alvevesson & Karreman, 2000; Soderberg, 2006). A computer-assisted text analysis of the interview transcripts was undertaken using Leximancer (Smith, 2000) and relying on a corpus-based approach (Stubbs, 1996). One advantage of the use of the Leximancer 3.0 system is argued that it avoids fixation on particular anecdotal evidence, which may be atypical or erroneous (Smith and Humphreys, 2006). Identification of the dominant themes of the cases was undertaken by examining the maps. Leximancer stochastically calculates of the concepts in the corpus, as recommended by McKenna and Rooney (2005). This visualisation technique enables investigators to see, in a global representation, the important concepts in the corpus and relationships between these concepts. Concepts that occur in very similar semantic contexts tend to form clusters. Each map is then used by the investigator to present an overall representation of the corpus and to guide interpretation.

**NFP Case Example**

This section offers a case summary, the KM criteria and highlights the elements of IM that have been offered to overcome cultural factors. The findings of the overall case, the cultural aspects of the case, the comments and discussion from the interviews are reported with
related comments to internal marketing, knowledge practice and knowledge management also
discussed.

The Non-Profit Case.

The case study is a leading animal welfare charity, dedicated to improving the lives of all
domestic, farmed and native animals. It operates with substantial budget requirements of $20
million dollars for support services. The firm is a non-government, community based charity
with less than 1% funding from government. Most support comes from donations, bequests
and sponsorships. The firm has grown to approximately 150 with 50 % volunteers. The case
firm must operate and manage the welfare services, sponsorship networks, donor networks,
and animal placements. Each of these activities requires substantial information
management.

The interviews within the case selected subjects ranging from NFPs senior managers to
operational staff and volunteers to provide a maximum variation to assess replication logic
for theory building purposes. For the survey all NFPs managers, senior, operational, casual
and volunteer staff were purposively selected with other roles included to ensure full
assessment of current culture, operational behaviour and needs of line staff. Open ended
question were used and allowed for free flowing comments from subjects with this providing
data variation and in depth scripts. The questions, based on previous KM, Culture and IM
research, focused on the following areas:

What are the fundamentals of culture evident in your firm such as decision making,
empowerment, leadership, communication and formal/informal gatherings and channels?

Is promotion of the NFP’s goal, operational, customer benefits of knowledge management to
staff used and helping capture and renew of knowledge in your NFP? (Gronroos, 1981,
Berry, 1981 Winter, 1985; Berry and Parasuraman, 1991)

What types of communication and HR strategies are used to assist with employee
satisfaction? Do these assist with knowledge sharing? (Ballantyne, 2000, 2003; Bailey and
Clark 2001; Arnett, Laverie and McLane, 2002; Politis, 2003; Bennett and Barkensjo, 2005;
Benz, 2005; Sankowska, 2012). Are 'Socialisation' strategies (eg. Communities of Practice,
Special Interest Groups, Training, and Team Meetings/Presentations) used as channels for the internal marketing of knowledge management. (Wegner and Synder, 2000)

The following section will highlight specific practices found related to the case.

**Culture, Leadership, ICT and Internal Communication for KM**

There is a strong sentiment for support of the role of internal marketing and socialisation channels to encourage capture and promote knowledge uses and benefits. There was suggestion of the “need to sell”/communicate the message of knowledge, the organizational outcomes and benefits of KM and the required behaviors of individuals to capture knowledge. There was also suggestion that a plan to change behaviors to make them more committed and automatic in KM was needed. It was essential that it was understood that there are many very busy people and different motives inside the firm and marketing messages to create awareness of KM needed to be carefully created and strategically implemented.

The difference between information and knowledge was not articulated clearly or strongly. A Project Management manual gave some definitions but no active working distinction with staff offering little insight into what knowledge was required.

“We are yet to manage information properly before we start managing knowledge effectively. As Information Management grows, we will need to articulate Knowledge Management more clearly.”

At the international level, the strategic plan talks about knowledge management and information management as a clear strategy, but does not translate to regional and local groups which are more information focused. This practice seems related to a lack of formal communication channels, formalised and informal sharing via work groups and peer networks.

The case appeared to have operations manuals identifying some organizational and operational areas. There were finance systems and procedures in place however these policy based systems were inconsistently applied and reports generated often included inaccurate information. This was suggested to be a combination of user error and system error. This case showed evidence of induction and orientation processes with national and international
directories made available to all staff. Disappointingly, this information was not kept recent. The case did maintain and store a lot of reports including project reports outlining Lessons Learnt, retrospective materials stored in Intranet sites and shared file drives however the capture of information was acceptable, but not strategic. There was a Senior Information Management Officer coordinating projects to avoid duplication and improve quality however decision making and integration into the firm of these was slow and ineffective. The case showed Centres of Excellence in operation however these were not supported by a defined KM process and internal marketing. Learning Laboratories were in a number of country offices nominated to develop knowledge about “What and How” however this was not translated to the local offices. It was evident that globally this firm showed a level of understanding about knowledge but defined captured, categorization, distribution and communication processes were evident.

Lack of socialization and social interaction between staff and other offices/branches was identified as a key constraint and there was limited transcultural diffusion. Program Working Groups reported to an international body on issues such as knowledge capture and distribution however this information was not channelled back or shared between these groups. It was evident that a silo mentality was in operation. Knowledge awareness was low and this was a weakness as the organization has grown and inconsistencies of services are emerging. There was a lack of interaction, sharing and socialization in this case.

The Operational Manuals contained a lot of policy, procedural and technical information (perhaps refined over the years by a very informal knowledge renewal of the material). The Program Management Office was seen to be driving programs and activities that captured feedback from project managers and staff in various reports however this was not well coordinated as a knowledge management activity. This process was very delivery focused and showed little interaction among stakeholders and knowledge champions. There were regular presentations outside of the normal operational meetings however these appeared adhoc and not strategic. The available Intranets were underutilized with adhoc content management and this was seen as a major issue. Version control within the organization was more of a basic process and behavioural/cultural problem than a technical problem.
Tacit knowledge was evident in operations manuals and work activities. - The What and the How and the Why in some parts. The Policy framework was determined by the Why predominately. Relationship building & socialization was recognized as a key element of extracting information and tacit knowledge. But there is no/little formula to building social bonds, dealing with the diverse workforce and the practice of putting knowledge into documented knowledge. In fact, socialization activities associated with knowledge exchange were minimal and weak. The case recently employed a new CEO (6-8 months) with the CEO making a strong push on delivering the strategic plan. KM is documented as part of the enablers and the CEO is pushing more KM activity via resourcing and funded activity. Volunteers are not easy to recruit and manage for this case firm and their Information Management and Knowledge Management does not directly relate to catering for this group of workers. The case is evidence of the knowing KM needs is insufficient when the culture is not overly KM focused. Resultant from a culture not sure of KM is the lack of transcultural diffusion. The sentiment among staff is that the introduction of the new CEO and a new culture more focused on KM may change this.

Overall, the current decision-making strategy is to “Make an informed guess based on what you/we know about the areas/tasks and our own informal communications” with the impression of culture and information suggested as “Culture here means that you take the initiative yourself but the way we store things it is easy to have information overload – there is little sharing and this needs to be managed better, there is a lot of wasted time looking for material and the latest version. Culture is important and it needs to be one of communication”. Unfortunately, there is consensus among staff that “Formal channels versus informal channels need to be carefully managed to ensure the accuracy and validity of information provided, too many staff think they know what is going on but their opinions are personalized and out of touch.” There is evidence in this case that informal and formal social networks need to be developed and supported and processes for knowledge capture needs to be defined and managed in both channels.

The case and the subjects interviewed suggested that there is a small functional IT department consisting of two staff that offers objective technical advice however there is conflict between the KM business needs and the IT beliefs. External KM “champions” are generally seen as a problem, with IT staff not good at articulating/sharing the needs and plans of IT or
KM capabilities. There is a fear of scalability and of doing anything technically complex or involving perceived significant financial and resource investment. There have been lots of previous bad IT experiences with these not assisting the investment and implementation and use of IT for KM activity. The case suffered a major failure of a Project Management Information System with this remaining a major legacy. Financial constraints and previous bad experiences have made it very hard to build/procure new tools and functionality at core operational levels such as Finance and HR. The organization is attempting to consider KM strategy more and is slowly changing its perceptions and behaviors towards KM. The organizational maturity is low and this impacts the adoption of KM. The role of the new CEO and the implementation of a more strategic focus are through to assist this in the future.

In summary, the case recognizes the importance of new leadership, the development of a culture that embraces the importance and value knowledge management and internal communications/marketing. There is clear evidence that for transcultural diffusion and KM implementation, cultural development and internal marketing are essential.

**Map Analysis for Case**

The Figure 1 for the case study shows the map created from the analysis of transcripts for this NFP firm. It is evident that *knowledge* is the central node with the map identifying several nodes and pathways from this central node and these are closely linked and intertwined. *Culture and KM* features prominently and is highlighted with *Knowledge, management, people, social, time and marketing* are all overlapping and support the centrality of knowledge as a multi-faceted concept in this case. These pathways reflect that people and social play a very important role in the lack of KM strategy and also play a vital role in the future success. The diffusion of knowledge and transcultural ideas relies heavily on an internal marketing strategy and culture developing. This case also emphasizes and acknowledges the role of creating oneness through internal marketing and communication with the management node reflecting need for management support, charismatic leadership and KM. This supports the notion that knowledge practices need to be supported by the organization are related to culture and people.
The interesting node of *time* has been introduced in this map and portrays the perception of staff that the capture and sharing processes requires significant time and commitment for success.

**Figure 1 – Case Narrative Themes**

### Findings and Discussion

The following section elaborate further on the interviews and focuses responses to questions based on internal marketing theory (Gronroos, 1981; Berry, 1981; Winter, 1985; Berry and Parasuraman, 1991). This section discusses the combined results of these questions:

- Is promotion of the operational benefits of knowledge management to staff used and helping capture and renew of knowledge in your NFP? (Gronroos, 1981)

- Is promotion of the customer benefits of knowledge management to staff used and helping the capture and renewal of knowledge in your NFP? (Berry, 1981)
• Is promotion of the organizational and professional goals of knowledge management to staff used and helping the capture and renewal of knowledge in your NFP? (Winter, 1985; Berry and Parasuraman, 1991)

**Information and Knowledge**

It was widely recognized that information and knowledge were “different” with knowledge largely being based with individuals, subject matter experts or within small work groups, addresses the How and Why elements, most often being tacit (“in people’s heads”) and undocumented. Knowledge capture was adhoc or opportunistic at best. Renewal of knowledge was limited unless directed by a supervisor or manager. This was largely due to a strong operational, day to day focus on core service delivery, fundraising and volunteer attraction. Particularly with the State branches of larger Australian and international NFP organisations, KM was perceived to be a “head office thing”. Whilst the practice of KM was generally perceived to be a valuable activity, it was a low priority and strongly perceived to be a complex function requiring large investments of time, resources and ICT to “do it properly”. This complexity was perceivably an excuse for the local KM inertia. Therefore, the promotion of the value of KM practices at either operational, organisational, customer or personal/professional levels ranged from the non-existent, to restrained to informal operational communications within work groups, to “something we need to do better”. Despite widespread recognition of the value KM offered, the understanding of the relationship between the motivations of the employee/volunteer, the needs of the organisation and its customer/s, the lifecycle of knowledge and the role of internal marketing were very broadly understood but not acted on, again for reasons of perceived complexity, organisational focus on service delivery and a perceived lack of financial resources to build KM capability which was often seen as an individual/professional responsibility.

One subject (a national office of an international NFP) displayed a relatively higher level of KM activity by identifying those individuals, groups via a basic knowledge mapping/identification exercise to identify where core process information and knowledge resided and with whom and establishing formal communication lines to those area and people to capture and renew knowledge on specific areas of practice and interest. This knowledge was “marketed” via internal publications such as subject matter contact directories, informal
lunchtime presentations, Intranet repositories and an innovative internal function called the Q&A Help Desk which reinforced the operational, and organisational benefits. Many of these initiatives were copied/”borrowed in some form” from success at the international headquarters. An underlining philosophy of “keeping it simple” and “connecting people to enable sharing “ permeated many of the capture and distributions processes and their KM mission. A strong “sharing culture” focused on the organisational and customer benefits rather than the personal/professional of KM although recognition of it was acknowledged by those interviewed as “basic human nature that it needs to relevant to the individual”.

Subject 11 comments:

“With limited financial and technical resources, we knew we could make a substantial improvement by doing just a few simple things and using some ideas/innovations that had worked in the organisation elsewhere like the Q&A Help Desk. The Q&A Help Desk has been a fantastic source of distributing information but also identifying gaps in knowledge, highlighting knowledge needs and driving the renewal of knowledge. It’s a Help Desk that really helps our people do their jobs, recognises contributions and expertise of people and teams which ultimately makes them more connected to organisation which many like.

This organisation distinguished itself in a number of ways. Firstly, that effective knowledge management does not have to be a complex process, does not requires large ICT investment and begins with people (what they do, what they know in both tactic and explicit forms). Secondly, this organisation understood that KM is an organic function that can be sustainable if the environment is supported at both the individual (bottom up) and organisational (top down) level. This is achieved by creating communications channels and forums that regularly promotes (formally and informally) the operational and organisational value of what they are doing as a work group/organisation and why they are doing it (customer outcomes) which promotes on-going capture and renewal of knowledge.

Promotion of Operational Customer and / Organisational Benefits of Knowledge Management

Many subjects suggested that the concepts of Internal Marketing and Knowledge Management were unknown/unfamiliar processes with this attributed to the strong external focus most NFPs and their focus on social mission. Discussions indicated the missing link
many NFPs have with understanding how knowledge management contributes to customer/service outcomes. They support a cultural norm that exists in many NFPs of not promoting “success” and maintaining a strong cultural equity and focus on the social and philanthropic mission. Cultural equity however comes at a cost of the organisation and its staff not knowing if their efforts are having a measurable positive impact which possibly contributes to the high volunteer turnover that occurs in NFPs. The subjects supported the personal engagement from a work role/professional perspective. The culture was underpinned by an organizational mission with a higher level approach.

**Personal Significance and the Culture of Knowledge**

The research discussed personal issues and the relevance of knowledge “What’s in it for me?” in the value proposition and ascertained whether this is fundamental to the internal marketing of knowledge management to NFP staff (Ballantyne, 2000, 2003; Bailey and Clark 2001; Politis, 2003; Sankowska, 2012). Many respondents perceived NFP’s largely egalitarian organisational culture to be at odds with internal marketing (IM) on a number of levels including diverting scare resources away from core service activities and promoting individuals or groups as being “better or more successful”.

“We probably don’t beat our drum as much as we probably should and some things are difficult to measure to know what impact we making exactly. However, it is something we probably need to look at doing, but again it’s the time to do it and where the priorities are which are external to our clients, not internal to our staff many of whom are volunteering to be here.”

“Our focus is very external. Promoting what we do among ourselves would seem wasteful, although I understand now why you would do it, but many people would not support it.”

The strongest resistance to IM was based on a perception that it was a non-strategic, “promotional” activity that sought to distinguish, differentiate and reward specific individuals/groups as higher performers rather than build employee motivation in a more holistic, systemic context of individual, organization and organisational strategy (which the current Oxfam – Change the World, Your Way campaign does successfully).as found by researchers (Ballantyne, 2000). The resistance can be attributed partly to a lack of a
contemporary understanding of IM and a greater gap to understanding how organisational knowledge can be supported by IM’s employee motivational outcomes. The current specific culture of this firm may also be essentially to blame with diversity not managed and employee motivation not a priority. The firm displayed a low level of KM maturity.

A number of employees interviewed reflected that “personal motivation and satisfaction” had to be high to work in an NFP environment where salary and working conditions were usually much less than many of their private and public sector counterparts. At times, the motivation to work and perform was challenged and the effort required to “go that extra step” to support seemingly strategic activities such as KM was minimal. Reaffirming the importance of individuals and groups and their role activities to the NFP’s strategy and mission, via “internal marketing”, was viewed positively when the IM concept was explained to them and contextualised to KM.

“Everybody needs a little pep talk or tangible reminder now and again about the importance of what we do and why we do what we do it. If it also addresses the how and why again, I think it’s a good thing.”

“I can see a number of benefits of it but it will always come down to resources and costs to do it which begs the question that we need to find new ways to do new things instead of always looking at how we normally do things. We are very externally focused and often take for granted the internal side of the organisation”.

The last comment highlighted the “standard approach” to operations and strategy that was encountered. This standardisation supported the scare resourcing and financial environment that many NFPs exist in. “New” corporate strategies and practices such as KM, IM require a different corporate mindset and operation. How can this be achieved?

In this case, organisational culture was reflective of the senior management and their management style with manager’s mature and long-term employees in the organisation and the NFP sector. Leadership was very NFP brand-centric and operationally focused. This external focus was dominant and “internal” strategy such as KM and IM was seen to be an activity that should be driven from a higher organisational authority. Consequently, KM and IM activity was seen to need to be driven by “head office” internationally or nationally”. The
contradiction arises that a lot of the information and knowledge within the organisation was localised and regionalised, therefore head office driven KM and IM activity, potentially from overseas, was going to be largely irrelevant and/or have to be adapted for local conditions. In the case of Oxfam (Australia), the later applied based on support from local senior management who understood the regional knowledge requirements and “aligned globally and acted locally”.

“Performance management” was universally rejected by respondents as being counter to NFP’s egalitarian environment and lower salary conditions. However, the motivation for “making change/improving lives, environmental sustainability” was strongly reflected in NFP missions. The individual and/or work group connection was a missing link that “performance management” would traditionally (in a commercial environment) be used to make that linkage to organisational performance. Internal marketing can play a critical role here to replacing performance management reviews (which were seen as usually one directional, subjective and often punitive) at the individual level with a more organisation focused goal/s which work groups can identify with, plan for and status report against. Knowledge Management can be one of those “how” elements, together with specific communications to volunteers, fundraising, donors and corporate partnerships. The individual identification with the goal/s is important so the words/messages and images used need to be carefully developed. Using actual volunteers, employees, projects and/or clients in an inclusive organisational context may be a “new approach” to IM and NFP marketing worth considering.

“*The what’s in it for me*?” factor will always be there. However identifying with people who are either peers, mentors and/or admired leaders can be very powerful. ”

Results indicate that the relevance is more organisational and role/professional oriented rather than “personal” although the distinction is not clear cut. The proposed missing “why” causal link is validated in these results with the link being between knowledge management to organisational and professional level outcomes.
Socialisation Strategies

'Socialisation' strategies (eg. Communities of Practice, Special Interest Groups, Training, Team Meetings/Presentations) are the best channels for the internal marketing of knowledge management? (Wegner and Snyder, 2000) and these were the basis for the promotion of knowledge questions.

The impact and value of socialisation strategies was well regarded albeit that regular organisation was almost universally seen to be difficult. Time constraints, work/service priorities, availability of key personnel, transient and part-time employees’ ability to attend were among the many reasons provided. The sophistication of socialisation strategies being used was relatively low including the use of the term “Community of Practice/Special Interest Group” (Wenger & Snyder, 2000). Socialisation channels (work group meetings, presentations) were generally ad hoc, albeit that the value of the engagement from both audience and presenter/organisation perspective were always viewed very positively for their ability to deliver existing knowledge, capture new knowledge on occasions and directly communicate key organisations messages such as the value of supporting knowledge management and staff’s opportunity to contribute. The use of digital recording devices (audio, video) to support the knowledge capture and distribution was limited, again despite recognition of the benefits of its use could to support staff unavailable to attend. Low level ICT maturity was often given as a reason for not pursuing this. Informality was a strong underlying theme although those NFPs using socialisation channels were recognising that some “formal” structure (agenda, regular times, venue etc) were required to achieve authenticity and organisational support.

No question that when we get a group of people in a room together at a morning tea or the like, the amount of information and knowledge shared during that time can be amazing, but getting everyone there first is a big challenge as most prefer to be out working for the cause and do not see the value unless we do it properly. It’s a fine line between keeping it informal so people feel comfortable to attend and contribute and making it more formalised which seems to put people off.

We are organising presentations from project teams, subject matter experts more and more as we have found, our people like to see and speak to the “experts” directly and drill down
with questions that are relevant to them and their work. People have learnt from people for centuries and it still works.

**Promotion of Knowledge Management: Groups, Materials and Media**

The following section discusses the area of promotion of knowledge management and the value of different mediums such as Intranet site/s, Communities of Practice/special interest groups, location/office advertising, promotional materials such as internal newsletters, Annual Reports, volunteer/recruiting publications) and do you think these are effective in promoting the value of knowledge management practices effectively in NFP?

Promotion of the features and benefits of knowledge management via internal channels and/or external channels was non-existent in most Australian NFPs interviewed. The few organisations engaging in some level of KM activities were ad hoc at best with promotion of KM with one exception (Oxfam Australia as noted). Promotion of KM benefits was usually direct to the audience of presentations, team meetings, Q&A service desk etc. The value/benefit proposition being largely spontaneous and a little varied but generally in the realm of “knowledge management helps you do your job easier, faster, better. Join in and contribute”. Printed promotion of KM via internal newsletters, publications, advertising was very limited. Again, this was attributed to a greater recognition of the NFP mission and service outcomes, albeit that KM was a strong contributor to some of those publicised outcomes.

*KM is seen as an internal thing to the organisation, like accounting and admin. They are all important but we don’t spend resources promoting their activities and value to our staff, clients, donors etc. Therefore it is seen to just function like accounting and admin, which is not the case with KM. By nature, it needs constant driving. It’s always a case of resource constraints and priorities which are usually fundraising/donations and staff attraction.*

*We have found a direct, action-based approach has worked best for us which is our Q&A Help Desk. Staff learn about the features and benefits via direct usage. It’s a simple operation at the moment but more effective than any glossy brochures, posters or the like.*

*Promotion of KM using advertising in internal and external publications would be great but the reality is that it cost dollars which are prioritised to other areas in the organisation.*
It was apparent from the qualitative research that one socialization approach did not satisfy all and none were practiced regularly. The diverse workforce required differing levels of interaction. The subjects suggested that different channels worked better than others depending on the nature of the NFP and in some cases, some innovation and adaptation of “popular” socialisation techniques were undertaken to customise to the NFP’s environment.

**The How to Strategy for IM**

The interviews revealed that many NFP’s staff were not making the direct causal link between knowledge management and external service delivery and customer benefit. As an “internal” activity it was often seen as supporting internal operational activity in the same way as administration activities like Accounting /Finance, Human Resources. Whilst important to the NFP operation, the contributing link between KM to customer outcomes and benefits was indirect and vague and this was a reflection on the culture evident with the NFP. As a consequence, investment in KM activities usually suffered as the NFP chose to operate cost effectively and divert funds to frontline service activities and programs to attract more funding and donor support. A further explanation lies in many NFP’s cultures centered on the higher level organizational mission rather than specific customer or project outcomes.

This research contextualizes through the case findings, the evidence and use of internal marketing in an NFP environment. In particular, the research provides insight to internal marketing’s required benefit/message components for achieving “personal relevance” which must be achieved as a priority. Further, the research positions socialisation strategies as a preferred channel for internal marketing delivery supported by internal promotions/communications channels such as newsletters, reports and advertising. However, for socialisation strategies to be truly effective, the design and delivery of them must be crafted to ensure the personal relevance requirement is addressed. Quite simply, this could be achieved by asking the audience/s prior or during the event/presentation what they are wanting from the knowledge forum – give the audience what they want. The aforementioned, Q&A Help Desk of one Australian NFP was an excellent example of this customized approach. Crating a cohesive sense of oneness through promotion of content and practice will cement a strong and performing culture. Finally, the research continues to support the emerging body of (Ballantyne 2000 & 2003; Ahmed and Rafiq, 2004; Bennett and Barkensjo,
2005; Yang 2012) research supporting the valuable role of internal marketing of building, developing and more importantly, sustaining knowledge management capability.

A basic framework of “Must Have” and “Nice to Have” could be proposed with Figure 2 below.

After some testing and preliminary implementation of the proposed activities, it would be advised that the “Must Have” category can be further refined and focused on on-going knowledge management efforts into the more mature definitions such as those proposed by Binney, (2001) and others. The “beginner” approach/phases could enable immature NFPs to
develop a greater awareness of key knowledge content and the important content networks/people from where it is sourced and developed. Knowledge and development of these internal knowledge relationships/linkages is important for supporting internal marketing projects developing a knowledge based culture which in turn support and benefit from knowledge management programs (Ballantyne, 2003; Chong and Choi, 2005). More broadly, it is critical to focus on what could be delivered to meet immediate operating needs quickly and effectively rather than speculating on delivering a complete solution that supports all functional roles across the organisation. This incremental rather than radical focus is also conceived to be the best approach in a change resistant organisation, an immature organisation and first time adopters. Moreover, the anecdotal evidence on KM failure supports the avoidance of “big bang” implementations (Thorp, 1998). This approach could be advanced for more enabled small to medium NFPs, which offer operationally flexible and accessible knowledge practices. There is a role for a more complex implementation and in fact for the more enabled firm this could be the most appropriate KM strategy to pursue (Davenport, Long, and Beers, 1998).

For first time adopters (such as NFPs) of many “new” management disciplines such as KM, engaging the users is essential to success. Activities such as seeing, touching, experimenting with and understanding the end-to-end process/lifecycle is a critical element in the adoption process. Nonaka and Takeuchi’s, (1995) matrix of knowledge types provides the most practical illustration of the KM “roadmap” or implementation plan. This pioneering model outlines a process of “organisational knowledge creation” depicting it as a spiral in which knowledge is “amplified” through the four modes of knowledge, socialisation, internalisation, externalisation and combination. It also illustrates how knowledge becomes “crystallised” within the organisation at higher levels moving from individuals through the group/s to organisational levels. Using this in conjunction with the framework presented will assist in the application for first time and small adopters in the NFP sector.

Where knowledge, particularly tacit-oriented technical knowledge, is typically the basis of job status and position, the expectation/request to document it and willingly divulge it to groups of potentially hundreds of “anonymous” and/or “junior” staff members on public IT network directories/Intranets is often met with significant passive and active resistance (Blair, 2002; Politis, 2003). Adopting internal marketing programs that encourage and reward
knowledge sharing will overcome this and are a must have. As a result, a more non-threatening and personalised approach, as espoused by Nonaka and Takeuchi (1995), would be used in which the identified knowledge creators are initially “socialised” with designated personnel, both known Subject Matter Experts (SMEs) and their associates, to share experiences and interpretations within their “home” territory as an informal and preliminary (COP) “community of practice (Wenger and Snyder, 2000). This process will offer successful outcomes however must build critically needed trust between the relevant parties/stakeholders. Over time (12 months plus), and with persistence, the Subject Matter Experts and knowledge community will gain the confidence to continue to feed the knowledge diffusion process. Inter-personnel trust is a MUST HAVE in the acquisition and sharing of knowledge in work teams and the organisation.

On-going trust building to “obligation/commitment” is seen as critical to maintaining momentum and renewal of the KM program and building a quality KM knowledgebase. Most importantly, the focus on the people- in the Socialisation phase and creating forums, events, activities through internal marketing will foster personal engagement and dialogue. This process should not be underestimated as the internal marketing and socialization task can involve a significant amount of investigation and investment.

Conclusion

This chapter reports that “successful” KM in an NFP context and creation of oneness requires the organizations to commit to engaging all staff/volunteers culturally on either professional or organizational levels or a combination to build trust, personal relevance and satisfaction to support and drive knowledge. This engagement can occur through a number of channels with this research supporting Socialisation approaches being very effective. Those organisations struggling with implementing KM had a very low level of knowledge and understanding of what and how internal marketing can contribute to the professional and organizational interaction that must occur for sustainable KM.

Socialisation, in many forms (team/work group meetings, presentations, organisation “events”, workshops) remains an effective channel to support knowledge capture, distribution and renewal and also the engagement of staff/volunteers can also be achieved albeit that slightly different approaches and adaptations were undertaken in many instances Internal
marketing takes on a more direct approach in this collective environment and serves to reinforce other internal marketing and knowledge management activities. More importantly, direct social channels are effective in addressing the critical trust and personal relevance barriers (De Long & Fahey, 2000; Bailey & Clarke 2001; Politis 2003; Riege 2005; Lee, Gillespie, Mann & Wearing, 2010) via the physical presence attached to it and the reinforcement of “Why” which helps to build the cycle of commitment (Ballantyne 2000) to supporting KM activity. Extending internal marketing to more formal channels such as newsletters, advertising, publications represents a maturation of the level of understanding of the benefits of internal marketing which can extend beyond knowledge management Ahmed & Rafiq (2004, 2012) and Yang (2012) to other strategic initiatives. Moving some resources and finances away from the strong external client and donor focus remains a massive challenge in NFPs however, but the emerging evidence from those few NFPs adopting simple KM and IM practices successfully, without compromising the strong external focus, is compelling.
References


Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)


Chapter Eight – accepted in *ICT Management in Non-Profit Organizations*,
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Global

Paper 7: Key Enablers for Knowledge Management for Australian Not-for-Profit Organizations – Building an Integrated Approach to Build, Maintain and Sustain KM

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Abstract

Not for profit organizations (NFPs) operate in an increasingly competitive marketplace for funding, staff and volunteers and donations. Further, NFPs, both in Australia and internationally, are growing rapidly in number in response to increasing needs for humanitarian services and environmental sustainability that local and national governments and established international aid organizations cannot or struggle to provide effectively. Many NFPs are being driven to adopt more commercial practices in order to improve their donor appeal, government grant applications, staff/volunteer retention and service delivery. Knowledge Management (KM) is one such “corporate” practice being explored to address the increasingly competitive environment. Although the concept of knowledge management may be basically understood in NFPs, researchers and NFP managers are yet to explore and full understand the complex inter-relationships of organizational culture, ICT, internal marketing, employee engagement and performance management as collective enablers on the capture, co-ordination, diffusion and renewal of knowledge in a NFP environment. This paper/chapter presents research into the relationship of KM with those enabling elements and
presents an implementation model to assist NFPs better understand how to plan and sustain KM activity from integrated organisational and knowledge worker perspectives. The model emphasises an enduring integrated approach to KM to drive and sustain the knowledge capture and renewal continuum. The model provides an important contribution on “how to” do KM.
Introduction

Knowledge Management (KM) is an organisational activity that retains a certain mystique. What constitutes knowledge in the organisational context and how organisations can effectively and efficiently manage knowledge on an enterprise-wide basis is the subject of a growing body of research crossing many domains such as organisational behaviour, operations management, marketing and information management. What in pragmatic and replicable terms does successful “knowledge management” involves is a question that continues to have evolving answers based on the many different organisational and cultural contexts studied. The myriad of models and lists of activities that have been proposed under the banner of “knowledge management” are significant and continually evolving since Drucker (1969) first coined the term “knowledge worker” and posited that KM was crucial to future organisational competitiveness. With the complexity building around KM, came confusion, some publicised successes and a slow recognition that KM is a multi-dimensional, cross-disciplinary field that should be approached with some caution.

In the background of the academic evolution of KM, the not for profit (NFP) sector in Australia, indeed globally, are increasingly adopting more “advanced and mature” practices from the private sector in a movement to optimise their operations and performance in the face of increasing competition within the NFP sector and increasing demand for their services. The adoption of some of these “contemporary corporate practices” has met with mixed support and reaction from those who believe that these approaches were at odds with the sector’s mission, values and cultures (Helmig, Jegers, and Lapsley, 2004). Consequently, the adoption of KM in the NFP sector has been somewhat limited and informal (Lettieri, Borga, and Savoldelli, 2004; Cornfield, Paton & Little, 2013) despite being knowledge intensive organisations. One argument for this limited adoption is that the limited funding, limited resources and high accountability to members and the public NFPs face (Helmig et.al., 2004) makes it very difficult to gain the requisite financial investment, resourcing and expertise that are often required to pursue and develop these commercial practices (such as knowledge management) practices fully to be truly effective. Another argument is that despite being knowledge intensive enterprises, the knowledge is too unwieldy to manage and should not divert NFPs away from focusing on core service delivery and fulfilling their mission. Ideally, developing a generic KM strategy could reduce the costly approach to this
practice for this sector however with the many different NFP enterprises that exist in Australian (Australian Productivity Commission, 2010 estimated over 600,000, the majority of them “small” organisations) with differing purposes and practices, the practicality of developing a generic “standard” KM strategy is an anomaly.

It is evident that the diversity of size, mission and operation within the NFP sector makes the context for knowledge management an extremely complex and difficult business undertaking. Riege (2005) and other authors have identified many barriers to KM that exist from a non-industry specific standpoint. What is unclear in the KM and NFP research to date is identification of specific KM enablers that are common, and/or scalable, to supporting and sustaining KM initiatives in the NFP sector (Reige, 2005; Stankosky, 2005; Conley, Curtis and Wei Zheng, 2009; Lin, Chinho, Ju-Chuan Wu, and Yen. 2011; Singh and Kant, 2007; Ho, 2009)

It is then suggested that to move forward in NFP-KM research and develop a foundation KM framework in this context, it is important to consider the many inherent differences of for-profit and NFPs and the differences within the NFP sector itself when developing a KM strategy in the NFP sector. It is proposed that the growing diversity, inherent characteristics of the NFP sector and within the organizations themselves necessitates a more customized approach to KM. Consideration must be given to operational variables such as NFP membership, geographic operations, operational maturity and management structures which directly impact KM. Further, it is necessary to understand that the KM “system”, as many researchers refer to it, is more holistic than an ICT system supporting knowledge distribution and involves a number of enabling elements of people, process, leadership and culture which must be also directly integrated into the KM strategy (Corfield, Paton and Little, 2013).

The intent of this chapter is to build on earlier research examining the role of critically required “key enablers” such as organizational culture, leadership, ICT, internal marketing and human resource in the operation of KM. Importantly, this paper aims to make a contribution to the KM theoretical knowledge by providing a pragmatic KM implementation model for Australian NFPs that will go to explain “the how” to operate KM which has not been widely researched at this time.

In particular, this paper will address the following question/s:

Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
How can ICT resources support KM in NFPs?

Is Organisational leadership critical to building and sustaining KM in a NFP context?

What is the role of organisational culture is critical to supporting and sustaining KM in a NFP context?

How can performance management support KM in NFPs?

This chapter reports research of the qualitative findings from a 32 in-depth interviews of NFP managers, senior full time and volunteer staff and quantitative results from an online survey, specifically examining the completed by 179 NFP managers, senior full-time staff and volunteers. All items were scored on a seven (7) point Likert-type scale, with scales anchored by and “Strongly Agree” (scored 1) to “Strongly Disagree” (scored 7). These findings inform the understanding of ICT and KM in non-profit firms.

The purpose of this paper is to examine enablers used to support KM, what practices are required and preferred for KM in a NFP setting. This chapter reports qualitative findings from a 32 in-depth interviews of NFP managers, senior full time and volunteer staff and quantitative results from an online survey, specifically examining IM, completed by 179 NFP managers, senior full-time staff and volunteers.

A combined qualitative and quantitative exploration and orientation study (Brewer and Hunter, 1989; Patton, 1990) was adopted for this research based on the early knowledge stage and nature of the NFP-KM-IM research context for the purpose of gaining triangulation and verification of results (Jick, 1983; Patton, 1990). Theory generation and theory verification will both be emphasised in this research with qualitative and quantitative techniques used to capture as much reality as possible during this process (Patton, 1990; Marshall and Rossman, 2010). The advantage of using qualitative methods is the ability to extract rich and thick data and use inductive strategies for theory development (Yin, 1994, Minichello, Aroni and Timewell, 1999; Patton, 1990; Wollin, 1996). Quantitative studies use deductive and empirical examination to generate theory and verify the inductions of qualitative findings (Patton, 1990). Together these approaches offer a deeper coverage with verification and rigour. As recommended by Eisenhardt (1989), the qualitative research sample consisted of more than six (6) case subjects with sampling continuing until theoretical saturation. These
studies complete 32 interview subjects to ensure a consistent and complete set of responses. The quantitative survey was sent to NFPs resulting in 179 responses. This was a good response rate of 44%. The sample consisted of a good coverage of all role types with these depicted in Table 1.

**Table 2: Distribution of Subjects**

<table>
<thead>
<tr>
<th>Job Role</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO</td>
<td>9</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
<tr>
<td>MANAGER</td>
<td>20</td>
<td>11.2</td>
<td>11.2</td>
<td>16.2</td>
</tr>
<tr>
<td>TEAM LEADER</td>
<td>32</td>
<td>17.9</td>
<td>17.9</td>
<td>34.1</td>
</tr>
<tr>
<td>OPERATIONAL STAFF</td>
<td>32</td>
<td>17.9</td>
<td>17.9</td>
<td>52.0</td>
</tr>
<tr>
<td>CONTRACTOR</td>
<td>35</td>
<td>19.6</td>
<td>19.6</td>
<td>71.5</td>
</tr>
<tr>
<td>PROFESSIONAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CASUAL</td>
<td>28</td>
<td>15.6</td>
<td>15.6</td>
<td>87.2</td>
</tr>
<tr>
<td>VOLUNTEER</td>
<td>23</td>
<td>12.8</td>
<td>12.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>179</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

The interviews selected subjects ranging from NFPs senior managers to operational staff and volunteers to provide a maximum variation to assess replication logic for theory building purposes. For the survey all NFPs managers, senior, operational, casual and volunteer staff were purposively selected with other roles included to ensure full assessment of current behaviour and needs of line staff. Open ended question were used and allowed for free flowing comments from subjects with this providing data variation, in depth scripts and theoretical saturation as recommended by Glaser and Strauss (1967), Eisenhardt (1989), Eisenhardt and Graebner (2007) and Perry (1998). The chapter will proceed to discuss each of the proposed enablers and discuss how they are adopted in a NFP setting.
Leverage Available ICT Carefully

The continuing development and capability of ICT infrastructures, networks and applications to facilitate cross-functional work groups, worker mobility and support management decision making has been a major catalyst and driver of the knowledge management practice (Davenport and Prusak, 1998; Chong and Choi, 2005). However, implementing complex, enterprise-wide, expensive new ICT applications such as the “popular” knowledgebase intranet/portal solutions, as part of a knowledge management/change program to modernize/corporatize the enterprise, is at the heart of many early KM failures (Malhorta, 2004; Choy 2005; Chua and Lam, 2005).

In particular, many ICT solutions are suggested to be too ambitious, complex and expensive for first time and immature adopters such as the NFP sector where the capability-maturity to implement and operate state-of-the-art technology continues to be low (Reige, 2005; Corfield, Paton and Little, 2013).

For larger, established and more operationally mature NFPs, the resource and management and costs requirements to operate and maintain a co-ordinated knowledge portal can also be significant and underestimated. The decision to finance projects such as intranets and associated connectivity is a cost-benefit trade-off between providing the core functions that support the social mission and innovating operational processes and practices to enable those functions and growing demand for NFP services (Helmig et al., 2004).

Despite the financial constraints, information and communications technology, even for the very small (<50 staff/volunteers) NFP, is a key enabler in communications with staff (email, SMS), suppliers (email, web-based ordering), donors (email, web site) and clients (email, web site, SMS) in some cases, accessing key documents and information and developing more automated mature work practices in the organisation. Quite simply, ICT as an increasingly prevalent business and personal commodity cannot be ignored but its application as a KM tool must be considered in a realistic, focused and integrated perspective involving focused and incremental (as opposed to “big bang”) application and configured for the staff, organizational culture, process maturity and organizational structures particular to the NFP. The focused, incremental and integrated approaches being key “lessons learnt” from research
of KM failures over the past 20 years (McDermott, 2000; Malhotra, 2004; Ajmal, Helo and Kekäle, 2010; Zheng, Yang and McLean, 2010).

Bearing in mind the learning from earlier KM-IT failures, the pervasiveness of ICT in staff/volunteer’s everyday lives and business has not abated and the outlook shows no signs of slowing. “Connectedness” defines work and life in the 21st century and is critical to KM as a renewable operational activity. Technology is still often seen as a luxury (Hume et al., 2006) in many NFP environments, but its existence, albeit in many cases, quite basic in the form of mobile phones, PCs, tablets, a printer and internet access, is enough to support core KM activities, rather than attempt to drive it, which was a root cause failing of the KM-IT failures as noted. Further, the prevalence of “personal ICT devices” (such as mobile phones, PC tablets) and contemporary social media and mobile applications owned and used by many staff and volunteers, juxtaposed with the NFP’s organisational ICT infrastructure, provides a workable foundation on which to support fundamental KM activities, particularly in timely knowledge capture and distribution. Large, globalised NFPs present a much greater degree of complexity by virtue of their network scale, greater financial investment required and cultural differences but the proliferation of ICT applications to overcome this tyranny of geography and language will help greatly reduce this. Quite simply, the reliance on ICT is unavoidable but importantly, it is must be leveraged with strong reference to the organisational characteristics (process, people, and structures), culture and operational maturity of the NFP enterprise. This may require some adaptation and innovation, but the principal of keep it simple and grow incrementally from success, remains a valuable lesson from many years and the significant cost of KM failures.
Table 1 – The role of ICT in NFPs

<table>
<thead>
<tr>
<th>Q1. The use of ICT is fundamental to supporting knowledge management in your NFP?</th>
<th>Q2. ICT is used to create an organisational 'memory' that is used by the NFP staff to deliver services?</th>
<th>Q3. Knowledge in your NFP is best “managed” via ICT channels (eg. Internet/Intranets, Emails, File Servers, Collaborative work spaces?)</th>
<th>Q4. Knowledge in your NFP can be “managed” with non-ICT channels such as libraries, Communities of Practice, team/group meetings, presentations/fact sheets and informal discussions?</th>
<th>Q5. ICT is essential to effective knowledge management in your NFP?</th>
<th>Q6. Organisational knowledge is captured, distributed and renewed in your organisation without the use of ICT?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>2.28</td>
<td>2.79</td>
<td>3.57</td>
<td>2.74</td>
<td>2.19</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>1.416</td>
<td>1.599</td>
<td>1.656</td>
<td>1.324</td>
<td>1.296</td>
</tr>
<tr>
<td>Variance</td>
<td>2.004</td>
<td>2.558</td>
<td>2.744</td>
<td>1.754</td>
<td>1.681</td>
</tr>
</tbody>
</table>

The above results in Q1, Q3, Q5 and Q6 clearly indicate that ICT has an enabling role in supporting KM in an NFP and plays an on-going role in knowledge renewal. However, Q3 (Mean: 3.57; Std Dev 1.656) and Q4 (Mean: 4.0; Std Dev 1.602) results suggest that ICT alone does not help KM and that the “people” factor also plays an important role in KM. This enabling element will be discussed later in the paper/chapter.

Whilst the role of ICT is clearly recognised as an enabler of KM, there is a “gap” in KM practice as highlighted in Table 2. Results for Q7 (Mean – 4.26; Std Dev 1.672) and Q9 (Mean – 4.48; Std Dev – 1.32) highlight that core businesses processes for KM are lacking despite a recognition of information and knowledge gaps within the organisation. Without consistent business processes to direct and drive KM, related ICT investments and have subsequently failed on many occasions. As a consequence, ICT has often been blamed for many KM failures whereas the root cause is the lack of KM processes on which the ICT solution should be configured to support. Whilst being recognised as a key enabler, ICT’s effectiveness would be significantly enhanced with a stronger focus on business processes.
which span the knowledge creation and renewal cycle. Key to that outcome is a need for stronger recognition and promotion of the KM processes within the organisation via leadership support and internal marketing of KM.

**Table 2 – Knowledge Management process maturity**

<table>
<thead>
<tr>
<th></th>
<th>Q7. Your NFP has clearly communicated processes for capturing, documenting, filtering and distributing knowledge (either tacit and/or explicit?)</th>
<th>Q8. Your NFP recognises knowledge gaps?</th>
<th>Q9. Your NFP recognises how knowledge is created, renewed and sustained?</th>
<th>Q10. Your NFP recognises the difference between information and “knowledge”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>4.26</td>
<td>2.29</td>
<td>4.48</td>
<td>2.64</td>
</tr>
<tr>
<td>N</td>
<td>174</td>
<td>174</td>
<td>174</td>
<td>174</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>1.672</td>
<td>1.249</td>
<td>1.320</td>
<td>1.231</td>
</tr>
<tr>
<td>Std. Error of Mean</td>
<td>.127</td>
<td>.095</td>
<td>.100</td>
<td>.093</td>
</tr>
<tr>
<td>Variance</td>
<td>2.794</td>
<td>1.561</td>
<td>1.742</td>
<td>1.516</td>
</tr>
</tbody>
</table>

**Supporting Organisational Culture is Fundamental**

Irrespective of the type of KM strategies implemented, many fundamental elements are proposed that contribute to both KM successes and failures. KM literature consistently highlights cultural factors, at multiple levels, as the biggest barrier to achieving engagement and sustained support for KM activities (Chong and Choi, 2005; Chua and Lam, 2005; Malhotra, 2004; Riege, 2005). It is important to note however this research was conducted in for profit firms with no specific reference to NFPs. Further, research has examined the elements of corporate culture and their impact of information technology adoption. This research suggests culture is a critical, fundamental element that must be designed, engineered and nurtured in the adoption and sustained success of KM programs (Nonaka and Takeuchi,
Based on the knowledge of current NFP practices (Benz, 2005), a number of basic assumptions can be made about the culture within Australian NFPs. It is evident that in NFPs, many factors affect culture and some of these are also the factors that create the differences in for-profit and non-profit firms. Firstly, NFPs have a significant mix of both permanent and volunteer employees as opposed to for-profit firms which are predominantly permanent workers. Volunteers work for the shared belief of the social mission of the NFP and may create less barriers than those that are permanent employees (Benz, 2005). There is some belief in NFPs that workers gain some utility from work other than just monetary rewards (Arnett, Laverie, and McLane, 2002; Benz, 2005). However, the NFP’s social mission may be contrary to the business mission resulting in conflict in the use of best practices for standard business practices (Benz, 2005). Either scenario will complicate the organizational culture and the adoption and development of a KM program. Secondly, leadership and management styles will impact the attitudes, expectations and behaviors of NFP workers and the collective approach required for knowledge sharing (Wiig, 1997). Unquestionably, there is evidence that culture is important to KM adoption yet many unanswered questions remain regarding the meaning and content of a “knowledge culture” (Oliver and Kandadi, 2006).

Several authors advocate that organizational culture should be the focal point of all KM programs (Hall, 2003; Oliver and Kandadi, 2006) although this was made from a for-profit research context. Applying cultural factors to NFP’s operational issues such as the underlying “donor agendas” and the philanthropic objectives of non-profit employees, the groups they represent and the workforce characteristics of permanents and volunteers all combine to create a "unique" cultural diversity and complexity. The plethora of personal psychological and organizational cultural factors associated with NFPs will further create a complex chemistry to directing and controlling the capture, collation and diffusion of knowledge. As noted, research in the area of organizational culture, knowledge and NFPs specifically is limited, however the prolific referencing of “cultural issues” across the broad knowledge management research field suggests that NFPs will be similarly affected, albeit that the focus will be with specific characteristics reflecting the diversity of the NFP sector.
Table 3 - Organisational Culture Impact on KM

<table>
<thead>
<tr>
<th>Q11. Organisational culture is critical in supporting and sustaining KM in NFPs?</th>
<th>Q12. Personal &quot;trust&quot; is a key enabler to KM in your NFP?</th>
<th>Q13. Like-minded &quot;specialists&quot; and/or &quot;experts&quot; in your NFP communicate regularly and share knowledge?</th>
<th>Q14. Personal knowledge is a key source of position and status in your NFP?</th>
<th>Q15. Cultural and language similarities assist in the success of KM in your NFP?</th>
<th>Q16. The 'public' nature of knowledge sharing and distribution motivates the capture and/or creation of knowledge in your NFP?</th>
<th>Q17. Hoarding of information and knowledge by individuals or groups is actively discouraged in your NFP?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>1.50</td>
<td>2.34</td>
<td>3.09</td>
<td>3.10</td>
<td>3.00</td>
<td>2.64</td>
</tr>
<tr>
<td>N</td>
<td>174</td>
<td>174</td>
<td>174</td>
<td>174</td>
<td>174</td>
<td>174</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>.858</td>
<td>1.586</td>
<td>1.679</td>
<td>1.521</td>
<td>1.536</td>
<td>1.532</td>
</tr>
<tr>
<td>Variance</td>
<td>.737</td>
<td>2.516</td>
<td>2.819</td>
<td>2.313</td>
<td>2.358</td>
<td>2.348</td>
</tr>
</tbody>
</table>

Continuing the research findings, the above results of Q11. (Mean: 1.50; Std Dev 0.858) clearly identifies the importance of organizational culture to KM however closer examination of organizational practices suggest that is what is generally supported is not always fully shared and done by everyone in the organization as indicated by results in Q12 (Mean 3.09; Std Dev 1.679) and Q14 (Mean 3.10; Std Dev 1.521). This operational distinction can be examined by looking at the results of Q8 which strongly suggests that personal “trust” plays an important part to enabling KM to operate (Politis 2003; Ballantine, 2000, 2003). Interestingly, while the importance of knowledge capture and sharing is “publicly” recognized (Q16 – Mean 2.64; Std Dev 1.532); communication about the on-going commitment (Q17 – Mean 2.97; Std Dev 2.057, Variance – 4.230) to KM renewal is mixed. These results go to partly explain why so many KM program can start successfully but are not sustained. KM is a renewing activity (Nonaka and Takeuchi, 1995) and based on the above results it is proposed that sustainable KM requires cultural, personal and organizational support on an ongoing basis in NFPs.
KM Support and Leadership are Vital

Aligned with the organizational cultural issues outlined above, the leadership style and governance practices within NFPs represent another key element in KM implementation warranting further research. KM research evidence suggests that a combination of many leadership styles (transformational, transactional, and charismatic for example) are required for KM sustainability (Hall, 2003). Oliver and Kandadi (2006) summarized these multi-faceted leadership requirement as "evangelism". In driving, starting and sustaining KM programs, case study evidence strongly supports this evangelist-style leadership preference (Choy, 2005).

KM research has supported the leadership requirement and indicated that also it must include not just the executive levels of the organization but also the middle and functional management levels. (McDermott and O'Dell, 2001) to drive and sustain KM. Using a popular military-style analogy, command and management for strategic programs such as KM needs to occur from top to bottom of the operation with all levels clearly understanding the objective/s, key implementation tasks and performance levels, via trusted communication channels who “walk the talk” (Welch and Welch, 2005) and direct expeditiously in the field. In addition, there is a need for high performing de facto leaders or “knowledge management champions” at every level and/or functional area to motivate, reaffirm and most importantly, model desired behaviours when the knowledge management program implementation gets either stalled, tough and/or confused (Jones, Herschel, and Moesel, 2003). Using the classic “marketing concept” principle, an organization’s KM success depends on its ability to satisfy customers’ need (Bruhn, 2003). Customers in a KM program being internal staff. Unless the knowledge needs of the organizational users are understood and delivered in such a way to provide user utility and increase effectiveness, the organization’s strategic objectives cannot be met. Thus a key role of the knowledge champions is to constantly monitor knowledge users’ needs and engage regularly with key knowledge suppliers such as SMEs (subject matter experts) and functional groups (who manage corporate and/or external information as part of their daily activities) to facilitate knowledge transfer in an expeditious and consumable fashion that satisfies both “suppliers” and “customers” of information and knowledge which ultimately builds support and commitment for the knowledge management program.
It is evident that the leadership aspect of KM research has also been primarily conducted in the for-profit environments, which in most part have multiple layers of management. In an NFP environment however, management layers are less evident (particularly the predominately “small” NFPs in Australia) or relatively informal with volunteer networks filling these directing and supervisory roles. The recruitment and effectiveness of knowledge champions can be negatively affected by the transient and often culturally unsophisticated and immature business practices and behaviours of volunteer workers (Galindo-Kuhn and Guzley, 2001) in NFPs therefore complicating the implementation of KM programs. As noted earlier, many “contemporary/corporate” business practices such as knowledge management which are “new” to the NFP operational environment are now being considered. It is therefore logical to assume that KM champions in NFPs would need to be recruited, undergo significant education, mentoring and management to drive contemporary KM practices. Recruiting or conscripting “champions” in a first-time/early adopting organization is a major challenge for any manager/leader. The challenge in NFPs is further compounded because of their many unique operational and strategic characteristics such as the prevalence of social entrepreneurs in NFP leadership/management who have limited interest for perceived “strategic investments” (such as KM), a laggard approach to change generally unless the holistic value measure is satisfied, a strong sense of employee equality preventing any sort of preferential allocation or role recognition and the strong operational focus to the NFP mission (Dees, Emerson, and Economy, 2002). Despite the NFP characteristics, growing competitive and service pressures are forcing NFPs to adopt new practices. The role of leadership and its specific attributes and behaviours in those changes in the NFP sector are under researched at this time but are closely aligned with the importance of organizational culture which leadership is strongly correlated to.
The above results strongly endorse the role of leadership in supporting KM and indicate that “active” involvement is a key characteristic. Further, there is recognition that differing leadership styles (Q21) are required for NFPs which operate differently geographically and have different service missions. The identification of those differing leadership style elements related to NFP size, operation and service orientation is recommended for further research.

**Goal Setting Performance Management**

Closely linked to the need for leadership for consistently shaping organizational culture is the need for establishing behavioural KM norms (Corfield, Paton and Little, 2013) to model organizational behaviours. These norms and practices make KM activities such as capture, documentation and socialization a more formal feature of the organizational relationship with its staff, and less a matter of chance. Greater awareness of “normal” practices and the drivers for them educates and motivates staff to doing them regularly and confidently. This research proposes that performance management in the form of knowledge goal setting for individuals, work teams, business units and enterprise has a vital role to play in reinforcing the knowledge management norms. Goal setting involves setting performance targets and reviewing performance against targets, lessons learnt and opportunities and plans for
improvements on a bi-annual or annual basis. The goals can vary dependent on what role the individual or business unit performs. It could support capture, documentation, codification, quality assurance and/or distribution. Importantly, the goals developed should all align to achieving overall higher level KM performance objective/s. Good performance may be “rewarded” with more tasks, different tasks and ultimately responsibility for the NFP’s performance with a specified role. Under-performance is examined for lessons learnt, opportunities to “do better” and/or identify other competencies the staff has to support the KM practices. Importantly, lessons learnt or best practices developed can then be socialized/”internally marketed” to internal audiences via presentations to work groups meetings, given/sent directly to other key staff or made accessible.

As previously mentioned, significant numbers of NFP staff may be volunteers whose reward and/or remuneration comes in the form of an esoteric social contribution to a greater social good (Bennett and Barkensjo, 2005; Lettieri et al., 2004; Mitchell, 2003). Managing these altruistic objectives of volunteers complicates the objectives for business-based performance management in the NFP organization. For the permanent salaried members of the NFP, incentives and remuneration bonuses are also constrained by the limited funding and scare resources found in most NFPs (Leete, 2001). Irrespective of the wage differentials (Lette, 2001) and lesser funds and resources available in NFPs, it is fundamental to regularly highlight required and desired behaviours and performance outcomes to individuals and groups in order to operate as a sustainable operating entity. Extending the behavior and performance modeling to include knowledge management practices should not be such an issue in NFPs so long as the linkage (through socialization activities and internal marketing) between individual performance and the role/professional and organisational outcomes and benefits associated with the NFP can be matched.
The support of performance management in NFPs is weak as evidenced by Q23 - (Mean: 3.76; Std Dev 1.92) with earlier research (Hume and Hume, 2013) showing a strong resistance to it as a “corporate practice” that should not apply to NFPs where many staff are volunteers and the salaries and working conditions for permanent staff are often considerably less than their professional counterparts. Unless the organizational culture is supportive (Q22 – Mean 1.84; Std Dev 1.204), KM performance management objectives are likely to fail. The research results also indicates that even recognizing and measuring employee and/or team contributions and high level performance (Q26 – Mean 3.26; Std Dev: 1.762; Q28 – Mean: 3.57; Std Dev: 2.024) within the organization is also not strongly supported. These results support previous NFP research on the singular, strong focus on NFP mission. This
external (as opposed to internal) focus is further supported by Q27 (Mean: 2.86; Std Dev 1.848) results which extend to examining “best practices” to improve NFP performance. Whilst the support for performance management is weak, there is evidence to suggest that all is not lost with Q24 and Q25 results indicating that performance management could assist in breaking down knowledge control (Q20) and organizational silos (Q25) within the organization. This indicates a recognition that internal hurdles for KM exist and addressing these could well support organizational performance in achievement of the NFPs external mission. Clearly, the supply chain between staff and volunteers’ behaviours, knowledge management and NFP’s mission performance is not well understood and/or accepted. With significantly growing competitive pressures for services and funding, Australian NFPs need to re-evaluate their resistance to performance management in order to become “higher performing”. Linking high level organizational goals and objectives to team/business unit activities, including KM goals, should assist building an understanding of the need for performance management. Moving away from an individual focus to a larger team/business unit performance focus will potentially also assist in creating a larger, more accepted “goal” oriented perception of performance management which will align more easily with the NFP mission, and as a consequence be more readily supported by staff and volunteers.

**Internal Marketing**

Earlier research (Hume, Pope and Hume, 2013) identified the key enabling role of internal marketing (IM) for building critically required trust and relevance (Bailey and Clark, 2001, Politis, 2003, Riege, 2005, Yang, 2012) between NFP staff (both permanent and volunteer) as a precursor to building commitment and obligation to capturing and sharing knowledge. Internal marketing messages must target role/professional and/or strategic organisational benefits, in line with the corporate mission, as opposed to individual benefits and specific customer outcomes. Internal marketing is the “fuel” that builds personal relevance and trust that ultimately drives the connection between individual staff, work teams and the organisation, moving knowledge from capture, documentation to distribution. Internal marketing through socialisation strategies (Communities of Practice, team presentations) were found to be the preferred IM strategy across many different sized NFPs (Hume, Pope Hume, 2013) for effectively communicating and re-enforcing messages about the need and organisational and /or professional benefits of operational activities such as KM and working
as a direct distribution channel. There is a growing body of research (Ballantyne 2000, 2003; Ahmed & Rafiq 2004, 2012; Yang, 2012) highlighting the role of internal marketing in KM, however IM, like KM, retains some mystique in design and adoption. The internal investment at the expense of core external activities appears to be a common denominator in the background. Further, understanding the casual links between the IM – KM activity, personal relevance and the organisational outcomes is another contentious debate. Moving some resources and finances away from the strong external client and donor focus remains a massive challenge in NFPs however, but the emerging evidence from those few NFPs adopting simple KM and IM practices successfully like Oxfam (Change the World, Your Way), without compromising the strong external focus, is compelling. Further, understanding and communicating the linkages between an organisation’s staff, their activities, knowledge (either tacit or explicit) and the organisation’s performance or mission is not a unique requirement in any sector but finding the right channels in which to do effectively is a challenge. Recent research in NFPs would suggest socialisation strategies are preferred and achievable compared to ICT investment, particularly amongst the predominately small to medium sized NFPs in Australia.

**Need a KM Plan and Review Progress Against It**

“Knowledge Management” is being applied to the broad spectrum of activities involved in the managing information and knowledge, although there is still no widespread agreement on what constitutes KM (Hull, 2000; Haggie and Kingston 2003). This could be premised on the issue that the drivers for knowledge seem to vary from organization to organization and the activities involved in and around supporting it, both explicit and indirect, are also increasingly varied (Haggie and Kingston, 2003). As noted, KM research and discussion within the NFP domain particularly is also just evolving (Lettieri, 2004). As a consequence, the context of knowledge management in NFPs is still considered limited. Cornfield, Paton and Little’s (2013) 12 years longitudinal study of three medium-sized UK-based NFPs highlighted that KM activity had advanced in all three cases to the creation of common intranet-based “knowledgebases” and a growing recognition of the value of leveraging the now common basic ICT tools. However, KM for many stakeholders, remained “abstract”, “remote and ethereal” to which parts of the organisations continued to struggle with. Investment in KM had to be explicitly linked to mission and “championed” by recognized
leaders within the organisations. Whilst KM activities were being embedded and valued, the NFPs studied could not show that KM “actually worked”. The gap between having a KM strategy and “managing” it to ascertain what is working and not working and what changes, adjustments or improvements need to be made remains an NFP weakness in the KM domain. The need for regularly making the “why” benefits connection between the NFP organization, its staff and their role and KM activity via internal marketing activities is key to KM sustainability (Hume, Hume 2013). The “why” benefits proposition can be developed from assessing the KM strategy and organizational performance relationship, both good and poor.

Cornfield et.al’s study findings highlighted some key implications for the diverse NFP sector. Most importantly, the need to plan and custom design KM within the context of the organisation’s capabilities and organizational challenges. Secondly, the need to be realistic and taking a long term view to improved capacities and performance from KM. These findings should be extended to include a regular review of the tailored KM strategy and plans to ensure that whatever activities involved are being effective, within the capabilities of the organization, towards achieving organizational objectives. By undertaking this improvement cycle, KM’s impact will become more defined, measureable, supported by the wider NFP organization and ultimately more effective. Whilst the complexity and diversity around KM strategy persists, the need for this KM strategy due diligence can not be stressed enough, particularly early KM adopters and resource constrained enterprises which make up the majority of Australian NFPs.

An Integrated Approach

The model below proposes an integrated approach to five key enablers of KM. All component elements work together and individually as part of the overall KM strategy to help drive the critical KM processes of capturing, documenting, coding and distributing knowledge.
This model supports earlier KM research and models depicting a continuum or spiral of how knowledge is created and amplified within an enterprise at a process level (Nonaka and Takeuchi) or individual knowledge worker level (Ballantyne). This model adds an additional layer using internal marketing as a driving force to keep the KM development processes going and leveraging key organizational enablers of performance management, organizational culture, leadership and ICT working collaboratively as an overall KM strategy. The model highlights the multi-disciplined approach required for KM and the important human-organisational engagement that must occur supported by internal marketing to help maintain the knowledge continuum.
Understanding the Inter-Relationships

Leadership – Organisational Culture

KM research evidence strongly supports the role of leadership in KM. Whether it be a certain style for a particular organizational context or combination of leadership styles (transformational, transactional, and charismatic for example) or “evangelism” (Oliver and Kandadi, 2006) there is little question that consistent and tangible verbal and physical support from executive is required to support KM. Organisational culture will be shaped by the organizational leaders who direct strategy, policy, operations and recruitment and ultimately shapes staff behaviours and attitudes towards KM.

Leadership - ICT

To build KM capability, embed and sustain it requires a constant direction/reminder to do it. Leaders can use basic ICT to deliver and reinforce those key KM requirements and use internal marketing messages to reinforce and maintain KM activity. In geographically dispersed NFPs, ICT can provide a critically needed “connectedness” to staff in the field or regional offices, using the simplest of ICT tools such as email, SMS and/or social media applications, will help build the important human-organisational engagement and support the regular internal marketing messages.

ICT – KM Performance Management - Goal Setting

Closely linked to the need for leadership for shaping organizational culture and modeling staff behaviours is the need for clear and sustained performance management around KM objectives (Marquardt, Smith, and Brooks, 2004). Again, ICT can be used to communicate KM goals and benefits, and in many cases, monitor KM performance (contributions to capture, documentation, distributions and user access) against those goals.

KM Performance Management Goal Setting – Organisational Culture

NFP staffing and culture are strongly influenced by the overall mission and the service objectives contained within the mission. Linking KM performance with organizational goals/benefits is a key objective of the Internal Marketing enabler. Ultimately, KM goals and
activity will be understood as key enablers to achieving the service delivery objectives and corporate mission and thereby influence the organizational culture.

**Organisational Culture - ICT**

As noted previously, ICT plays a key organization-staff communications (and operational KM) role in which key messages are either delivered directly or re-enforced (from internal marketing and socialization activities) about required KM behaviours, activities and the benefits from KM. The reach of commodity ICT is significant and its pervasiveness to shaping attitudes and behaviours and ultimately organizational culture is well supported in literature.

**Leadership – KM Performance Management Goal Setting**

KM performance management goal setting rely on Leadership to formulate, focus and communicate the KM goals, organizational and professional benefits associated with achieving organizational KM goals. Further, Leadership should recognize and communicate good performance as an organization thus reinforcing the organizational and professional benefits of KM in a meaningful manner to staff and volunteers.

Leadership has a responsibility to track performance against those goals and adjust the KM strategy and elements of key enablers accordingly to support it.

**Future Research Directions**

Research into the NFP sector and its increasing adoption of KM is under-explored at this time. The vital and increasingly prevalent role of NFPs in our society necessitates this limitation should change. The diversity of the NFP sector creates complexity but at the same time also creates the opportunity to either focus on specific characteristics and/or undertake comparative analysis.
This chapter/paper highlighted the need for an integrated organizational approach within which a number of additional research questions arise such as:

**ICT**
- How can NFPs leverage social media and Web 2 technologies to build KM competency?
- How could NFPs collaborate to share ICT resources and costs to improve KM and better fulfill their missions?
- Can larger and national and multi-national NFPs utilize ICT cloud solutions to build KM competency?
- Can socialization strategies (such as Communities of Practice) be virtual (using ICT such as Skype) and still be effective? What is the importance of tangible “human” factors in the knowledge management?

**Performance Management**
- Should demonstration KM competency/performance be a compliance and performance requirement for future competitive government grants?

**Leadership**
- How does NFP size, location, structure and mission impact a particular leadership style for KM to be successful?

**Internal Marketing**
- Internal Marketing to NFP permanent staff and volunteers? Is there a difference?

**KM Strategy**
- NFP-KM best practices: What are the distinguishing elements of the enablers?
- Can/should the role of “Knowledge Champions” / Knowledge Managers be justified and sustained in NFPs?
Conclusion

The Australian NFP sector faces the same challenges and uncertainty that the commercial sector tackles at this time of global economic uncertainty. The unique strategic and operational characteristic of the NFP sector intensifies many of these challenges. Doing more with less, a large volunteer workforce, variable donor base that is under siege from 700,000 competitive NFPS, requires significant changes in the way NFPS operate in order to survive and sustain in the future. Working smarter rather than harder is a familiar response however it is evident that those who are adapting to the changing environment, adopting best corporate practices such as KM within the normal financial and resources constraints of the NFP, are benefiting in terms of meeting increased demand for services and improved internal operations and service delivery.

The sustainability of the NFP sector is critical to Australia’s social, economic and environmental well-being. It is therefore important that the sector be guided to adopt new practices to increase their viability and maintain service delivery. This paper aimed to provide a pragmatic strategic framework for developing and sustaining KM within a NFP environment. It is based on quantitative and qualitative research undertaken over six years in Australia across a wide range of Australian NFPS including small, locally-based organisations to nationally-based organisations and Australian offices of multi-national NFPS. From the multitude of interviews and case study analysis undertaken, it was clearly evident that KM, whilst widely recognized something “we need to do better”; retained a certain mystique for a variety of reasons including a perception of large and complex ICT investments required, process complexity, requirement for specific KM expertise and previous poor implementation experiences. Perceptions that KM, as a “corporate practice” was not applicable to the NFP environment were extremely rare. The formulation of this research was to address a missing “how to” strategy for Australian NFPS that was pragmatic and scalable and would provide a basic KM building block that was missing but increasingly required during these challenging times.
References


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Chapter Nine - Contributions, Limitations and the Future

This thesis set out to advance theory on the nature of Knowledge Management in NFP organisations. After thorough assessment of the extant literature and analysis of the themes and findings of seminal work, the thesis investigated a number of propositions of both large and small practices. The thesis investigated a set of propositions related to nature of information technology, people, performance management, internal marketing and knowledge definitions by adopting a mixed method of qualitative and quantitative methods. The examination of each of these propositions has been reported in a number of published works with each contributing to the field of NFP management and advancing enquiry in the field of NFP marketing, management and operations. This thesis offers a new perspective and practical approach to NFP context analysis making a valuable contribution to scholarship. This chapter will proceed by discussing each of the propositions and their findings and offer an advanced discussion of the managerial and theoretical contributions.

Statement of Research Propositions Revisited

The following research propositions emerged from the literature review as noted in Chapter 2 are reviewed as follows:

**Proposition One:** Organisational culture affects how Australian NFPs capture, management and sustain their knowledge management.

This research established a strong positive relationship of the impact and importance of management organisational culture (Benz, 2005) as part of the KM paradigm in Australian NFPs. It was evident that many factors affect organisational culture in an NFP and help create the differences in for profit and not for profit firms. The research helped understanding why KM programs in some NFPs can be started successfully and not sustained when the nuances of the NFP organisational culture and employees/volunteers are not designed into the overall KM program (Nonaka & Takeuchi, 1995; Davenport and Pruska, 200, 2003; Hall, 2003; Chong & Choi, 2005; Oliver & Kandadi, 2006).
Proposition Two: Leadership styles impacts how Australian NFPs capture, management and sustain their knowledge.

This research confirmed the strong, charismatic leadership requirement (Oliver and Kandandi, 2006) to drive and sustain KM programs in NFPs but added to the research by confirming the need for KM leadership at middle and operational levels as posited by McDermott and O’Dell, 2001) to maintain the KM momentum. The research also confirmed that the role of de facto KM leaders or KM “champions” is required and valuable to the process. The research indicated that leadership and KM was a regular as opposed to an ad hoc activity given the regular service delivery nature of NFPs. The role of KM leadership and its specific attributes and behaviours in NFPs are under-researched at this time but are closely correlated to the impact of organisational culture on KM and are recommended for further research in the future.

Proposition Three: Information technology practices affect how Australian NFPs capture, manage and sustain their knowledge.

The role of ICT as an enabler of KM was clearly supported but the “gap” between recognition of the value and the effective use of ICT in operations was also highlighted. Stronger process definition and role statements were viewed as a key underlying enabler to effectively using ICT in Australian NFPs. Recognition of the importance of defining organisational processes, roles and performance with the effective use of ICT use highlighted the work of Bhatt (2001) and Grant and Qureshi (2006). In addition, the research identified that leveraging existing ICT tools, as opposed to investing significant amounts of money, in enterprise style applications can still be effective in supporting KM if tailored to the organisation’s capability and maturity. The proposition was supported with the addition of process maturity and adoption of innovation as key influencing factors.

Proposition Four: HR performance management practices affect how Australian NFPs capture, manage and sustain their knowledge.

The research identified that individual-based performance management was strongly opposed in a NFP setting where employees and volunteers were mostly attracted to the industry where the corporate mission was central and collectively embraced and individual performance not
regularly and formally assessed. However, the research identified the opportunity to re-engineer the use of individual performance management to a more holistic organisational or team based knowledge goal or objectives, which were aligned with organisational and customer benefits, as opposed to individual, would be supported and sustainable. Whilst the proposition in its current wording was not clearly supported, the notion of setting measureable performance goals and objectives was supported in a larger organisational paradigm.

**Proposition Five:** Internal marketing affects how Australian NFPs capture, manage and sustain their knowledge.

The research revealed that many NFP staff were not making the causal link between knowledge management and improved service delivery and customer benefit. Internal marketing however was identified as having the ability to helping build the awareness and engagement across the organization and importantly, for a KM program, helping build the critically required personal trust and relevance (Bailey and Clark, 2001; Politis, 2003; Riege, 2005, Yang, 2012) between NFP staff (both permanent and volunteer) as a precursor to building the commitment and obligation to capturing and sharing knowledge (Ballantyne, 2000, 2003). The value of organisational investment in internal marketing to build KM capability and maturity, as opposed to core service delivery, was questioned however this was largely based on a general lack of understanding of what and how internal marketing works. The use of socialisation strategies via Communities of Practice as an internal marketing channel (Wegner, 2000) and the regular communication of knowledge artefacts and subject matter experts via Intranet pages, internal newsletters and presentations as internal marketing activity was well supported, thus supporting the research proposition.

**Theoretical and Managerial Contributions of this Thesis**

By contributing to the field of NFP management and advancing enquiry in the field of NFP marketing, management and operations, this thesis offers a new perspective and practical approach to NFP context analysis making a valuable contribution to scholarship. This approach is based on improving organisational performance in NFP services. By doing this, findings inform both large and small NFP organizations of ways to better meet the needs and
wants of internal customers/employees and donors, suppliers and sponsors through KM design, knowledge capture, storage and retrieval. Moreover, the findings assist researchers in further advancing the field of KM and NFP research. This research positions the future research program to focus on continuing the advancement of NFP and KM management by examining the higher order constructs of internal marketing, ICT infrastructure, Culture, performance management and knowledge in KM adoption and employee motivation to participate in the KM process. The thesis was a journey of exploration (Study 1), explanation (Study 2) and theory development (Study 3). The following discussion highlights both the theoretical and practical NFP operations management and KM practice and theory contributions that have been highlighted throughout this research program. These contributions are identified as theoretical contributions and managerial implications.

The following discussion will focus on, first, the theoretical contributions and implications. Second, the managerial and practical contributions will be reported.

**Theoretical Contributions and Implications**

This thesis contributed to theoretical development in several ways as previously highlighted. This section will discuss in more depth each of these contributions.


Recognition of the challenge Knowledge Management in an NFP context is advanced by this project, more specifically greater exploration of a functional “How to” approach/model that early researchers started to address in examining the many operational challenges NFP faces and recommendations for greater awareness, knowledge collaborations (internally and externally) and ICT portal solutions to help overcome them. This research provides an organisational strategy that has an integrated people, process, organisational structure and most importantly, a KM outcomes focus that is aimed at the core of the organisation – the knowledge worker. Previous research has tended to focus on the many resource and financial
barriers of NFPs and high level recommendations without an important and needed explanation of “How” and “Why” at the critical knowledge worker - organisational levels.

Contribution #2: Clarifying the KM implementation roadmap for NFPs

This research presents a model which integrates key enabling elements for KM and the knowledge creation continuum. Nonaka and Takeuchi’s (1995) seminal work created a dynamic KM process framework which Ballantyne (2000;2003) extended thinking with a linking of how the knowledge continuum can be sustained via an engagement with the knowledge worker through internal marketing which helped drive critical personal trust and commitment elements to support the KM creation process. Weerawardena, McDonald, and Sullivan-Mort (2010) also posited the need for strategic and competitive advantages created by knowledge management. KM however has many more elements within the organisation that needs to be harnessed for it to be created and sustained. Much research has tended to focus on elements such as organisational culture and industry case studies in the for-profit sector. As noted earlier, NFP-KM research was fragmented at best, yet the need for KM in the sector is increasingly compelling. Whilst enabling elements such as cultural, organisational leadership and ICT were recognised, there was very limited research in explaining how NFPs could build KM capability at an organisational level which brings together all the key enabling elements in a holistic, understandable and pragmatic model. Further, the model illustrates the inter-relationships between the key enablers making for co-ordinated implementation and on-going alignment.

Contribution #3: Particularizing and measuring the construct of internal marketing in a knowledge management context. Advancing internal marketing theory by applying it to a NFP context, identifying key value proposition elements.

This thesis research substantiates previous work of Ahmed & Rafiq (2004), Politis (2003); Ballantyne (2000; 2003) and Riege (2005) on the connection between employee trust and knowledge management. Further, this research extends Ballantyne’s internal marketing proposition to building employee trust and commitment to KM by particularising internal marketing’s value propositions of personal, professional and organisational benefit.
Furthermore, this research contextualises internal marketing and knowledge management in a NFP setting which has not been under-explored to date.

**Contribution #4: Testing and clarifying the relationships of internal marketing and performance management in NFPs and elaborating the approach and understanding of this construct for future research.**

This thesis explores the role of internal marketing and performance management as key enablers to KM and provides insight into their application such as the value propositions of internal marketing and the subtle re-positioning of performance management away from individuals to a higher level organisational and work group or business unit level KM goal/s. Again, there is limited research in testing these constructs in an NFP environment. The support of these constructs at these exploratory levels is a strong case for further research and advances Ahmed & Rafiq (2004), Politis (2003); Ballantyne (2000; 2003) and Riege (2005).

**Managerial Contributions and Implications**

The following discussion highlights the practical operational planning and management contributions that have been highlighted throughout this research program as areas of consideration.

These managerial contributions include:

**Contribution #1: Providing NFP managers and management consultants working in the NFP sector with an operational model to leverage in planning, operating and sustaining KM initiatives in diverse Australian NFP organizations.**

Mixed outcomes from investments in Knowledge Management (KM) has meant it retains a certain “mystique” in both for-profit and not-for-profit sectors (Kong, 2008). Although the concept of knowledge management may be basically understood in NFPs, the detailed implications and strategies to pursue this practice in an NFP context are under explored at this time. This research provides a pragmatic and holistic operational model that frames the supported key enablers for KM in a meaningful and replicable way. Further, the model illustrates how the organisational integration works to drive knowledge capture, distribution and renewal which provides a meaningful framework from which the organisation can review
its KM performance in a more detailed and focused manner. For NFP managers and consultants, the model provides a blueprint that can be used within the many financial and resources constraints that define the sector.

Contribution #2: Debunking a commonly held perception that knowledge management is primarily ICT driven.

The reliance on ICT to improve and/or solve knowledge management requirements lies at the heart of many early KM failures. Knowledge, both tacit and explicit, begins and continues with people creating and renewing it as work. ICT is an enabler (providing processing power, storage capacity, network connectivity) in the knowledge process; working from instruction by people who use it. This research examined the role, use and importance of ICT in the KM process. An enduring message/theme from the research were questions by all NFPs about the capability-maturity to use and support ICT effectively and a strong realisation of the need to focus on knowledge capture from the (staff and customers) source – people first. ICT played an important role in the documentation of the knowledge and then downstream in storage/retrieval and distribution but it was never was the initiator of the process. ICT’s existence as a key source of knowledge storage, distribution and collaboration support goes some way then to explaining the perception that it leads or drives the knowledge continuum where the research showed it is more of co-facilitator (with people/knowledge workers) across knowledge management and enabler of related internal marketing, organisational culture and leadership initiatives.

Contribution #3: Expanding the knowledge management research paradigm away from a strong focus on understanding the concept of “What is knowledge?” emphasizing its various attributes and formalizing different taxonomies to a much needed pragmatic research program on the “How?” NFP organizations can manage knowledge from a process and people-oriented view.

This PhD research was initiated from a number of requests of “Please tell how in simple, understandable terms How we can have better KM?” from a number of NFP managers and employees during early scoping interviews. The perception that a lot of KM research, which was also largely private sector based, was not easily translate-able and/or transferable to the
NFP sector, regardless of NFP size, and mission. Whilst there was a general level of knowledge and understanding of the difference between information and knowledge, the forms of knowledge (tacit and explicit) and the influences of organisational culture, leadership and ICT, there was a strong perception that KM was too complex, requiring detailed information and KM strategy and significant ICT investment before one could commence. The need for a pragmatic operational (and scalable) model and approach linked to well-accepted knowledge creation theory (Nonaka and Takeuchi, 1995) is needed to help the Australian NFP sector address the demanding and challenging future.

**Contribution #4: Developing a contemporary understanding of what are the key enabling organizational functions in implementing, operating and sustaining knowledge management programs in structurally different NFPs.**

As noted previously, NFP-KM research, particularly in Australia, is under explored at this time. The growth, maturation and increasing financial support for the sector (Australian Productivity Commission, 2010) is driving new perspectives from funding bodies such as government, philanthropists and the corporate sector who are seeking more accountability and performance for their support. NFPs organisations have subsequently needed to respond in this increasingly donor competitive and accountable performance landscapes. Much KM research, particularly case studies, have been focused in the for-profit sector and examining international cultural differences. In particular, there has been very limited Australian based NFP-KM research. Despite this limitation, Australian NFPs are increasingly aware of the need to adopt and/or improve practices and performance and want help. Given the resource and financial requirements that characterise the sector, assistance must be relevant to the NFP sector today, easy to comprehend and “pragmatic” (translated: can implement it without major additional financial and resource investment). A common theme from the qualitative research was “*I understand why we need KM, I just need to understand how we can do it without spending millions of dollars? What are the things we can do now to make it work here?*”

This research presents a model which aligns and leverages KM enablers within the capability and capacity (to varying degrees/levels) of the vast majority of Australian NFPs to implement, develop and sustain KM at a working level in the short-medium term. The model...
aligns and focuses processes, ICT assets and KM activities as opposed to introducing “revolutionary” new management concepts.

**Contribution #5: Helping NFP managers recognize that knowledge (both tacit and explicit) is primarily created by people (staff and volunteers) within the organization.** For the capture and sharing processes to begin, mature and be sustained, involves understanding and managing the primary psychological elements of combinations of the organisational, professional and personal value.

NFPs distinguish themselves with a large number of volunteers within their workforce and well qualified professionals who choose to work in the sector which is characterised by generally lower salary levels and working conditions than their corporate counterparts. Their motivation to work in the NFP sector is usually either a strong moral, emotional and/or ethical alignment with the NFP’s mission. In order to change or realignment staff attitudes and behaviours to supporting “new” processes such as KM, it is necessary to firstly communicate the alignment between those required KM behaviours and the benefits to achieving the organisational mission. Positioning professional and personal benefits (*What’s in it for me?*) elements are still required but not without prioritised reference to the NFP mission. The challenge for internal marketing in delivering these value propositions is multi-layered – at the organisational level, the business unit level and the individual. As a consequence, the pursuit of knowledge (in its explicit and tacit forms) is therefore widespread and constant to drive and sustain the knowledge continuum. NFP managers must be equally active and address the three psychological elements in constructing internal marketing messages related to KM activities.

**Contribution #6: Keep it Simple and grow/mature KM planning and activity with experience. Learn from what works and what does not work in your organization and adapt/innovate if and where needed to improve.**

A strong find from the research was that those NFPs that were making progress with KM were either adapting and/or innovating KM capture and distribution practices in to simplified and accessible forms such as Oxfam Australia’s Question & Answer Help Desk. Growth and maturation came from direct user/knowledge worker feedback which ensured the elements
that worked well continued and grew by user demand and those that did not were removed or re-engineered. Successful practices attracted positive organisational attention/external promotion, executive support and continued financial investment. With operational KM experience came more focused planning and implementation, incrementally rather than transformationally, which is fraught with risk and failure.

As noted early, many NFPs (both large, medium and small sized NFPs) questioned their capability-maturity to implement highly functional, ICT enablement in support of KM. Simplifying processes and using available ICT can and has produced effective KM as evidenced in this research. The perception that effective KM requires process complexity, large ICT investment and mature organisational cultures aligned to KM are somewhat misguided and contribute to the “mystique” about KM.

**Contribution #7: Confirming the critical roles of active leadership and organizational culture to implementing and sustaining KM activities.**

The role of organisational culture is well researched in the KM literature. The role of leadership is an emerging area where leadership styles and the relationship to organisational size and type are being increasingly examined. This research comprehensively confirmed the importance of both constructs in KM with suggestion that there is an extension of “leadership” to include not just executive management but also operational level KM leadership or “knowledge champions” who have an important daily-weekly influence on driving KM activities. KM “champions” are recognised process/subject matter leaders who actively and personally support KM activities across the knowledge capture-distribution process ultimately building a supportive KM culture and work teams.

**Contribution #8: Re-engineering the role and poor perception of performance management and KM to be more strategic KM goal-oriented and organizationally/work team based rather than personal work focused and retrospective.**

Whilst employee-based performance management was strongly resisted by NFP employee respondents in the research, the notion of organisational and/or team based goal setting was supported. The explicit linkage between individual/work group activities and the organisation’s mission and goals was “the glue” that ensured employee support and action for
all work activity and organisational communications, including internal marketing, to sustain the activity and support for KM in this instance.

This research also posits the on-going assessment and measurement of KM performance and goals to ensure that employee/volunteer work activity and organisational goals continue to be meaningful and achievable and opportunities to realign/improve are identified early to ensure NFP employee/volunteer support.

Contribution #9: Australian NFPs face an increasingly competitive and demanding future. Adoption of corporate practices such as Knowledge Management are required and achievable in order to improve service delivery and remain viable to customers, donors, staff and volunteers.

Australia’s not-for-profit sector is large and diverse and plays an important role in building a productive and inclusive Australia. Made up of entities that are neither commercial nor government, the sector plays a central role in enriching communities, culturally, socially, economically and environmentally and most importantly, provides assistance and support to the most vulnerable in our community. As noted, there are an estimated 600,000 entities in the Australian not-for-profit sector which contribute around $AUD 43 billion to the economy making it larger than the communications industry, agriculture or tourism (Australian Productivity Commission, 2010). The majority of these are small unincorporated neighbourhood groups or associations that provide support for and wellbeing in the community. Around ten percent of the not-for-profit sector is termed ‘economically significant’ meaning they employ staff or access tax concessions. These entities provide around eight percent of employment in Australia (around 900,000 people) and make up over four percent of GDP. Over 6 million Australians volunteer each year contributing more than $AUD 14.6 billion in unpaid work. The importance of the NFP to Australia’s social and economic fabric can not be understated; hence the sector’s organisational performance should be of paramount academic and government interest.

This research strongly supports the increased adoption of KM to assist the Australian NFP sector’s performance. Importantly, this research aims to provide an integrated operational framework which is pragmatic and within the operational capability-maturity of all
Australian NFPs now to build and sustain KM capability to help address the growing demand for their services.

At the time of writing this PhD thesis, reforms to strengthen the Australian not-for-profit sector are being implemented as part of the social inclusion agenda which is a whole-of-government approach to providing opportunities for all Australians to participate in the life of the nation. The not-for-profit sector reforms, under the guidance of the newly created (December 3, 2012) Australian Charities and Not-for-Profits Commission (ACNC), are focused on delivering smarter regulation, reducing red tape, building better relationships and increasing social investment and volunteering. Whilst this Federal Government support is highly commendable, it will take a little time to build its momentum and have the desired impact. The Australia NFP sector must also take some responsibility for its reform by supporting the adoption of more performance supporting “corporate” practices such as Knowledge Management.

Contribution #10: Recognition that Australian NFPs (in fact all NFPs) are knowledge intensive organisations. Great value lies within the organizations if managers are prepared to invest and support knowledge management as a key operational activity, rather than a strategic activity that “head office should be responsible for”.

This research confirmed that NFPs are knowledge intensive organisations who recognise information and knowledge in its explicit and tacit forms but commonly struggle to “manage” it as an organisational asset. Knowledge was largely perceived as too unwieldy and large that it should be the responsibility of “head office”, with its greater resources, to organise and sponsor, particularly among the larger NFP organisations that were nationally and internationally structured. Whilst there was recognition of the existence of corporate information and knowledge, many NFPs operated on a local/regional basis where knowledge was required to support service delivery on a daily basis. As a consequence, some NFP organisations “acted locally”, taking responsibility for some simple KM activity themselves, in order to deliver service and remain relevant. There was strong recognition that the KM requirement was becoming increasingly compelling that relying on a head office initiative was dismissing responsibility and accountability for the NFP’s mission in your area/region. The common question asked, addressed in this thesis, was “How?”
Alignment of Research Propositions, Theoretical Contributions and Managerial Contributions

Table 4 provides a summary of the inter-relationships of the theoretical and managerial contributions that emerged from the research and their alignment with the research propositions and seminal authors in the research. The table illustrates the contribution of this research program from both scholarly and managerial perspectives.

As this thesis is presented as a series of integrated papers, it should be noted that a number of the contributions emerged in the different research contexts, consequently multiple alignments emerged.

### Table 4 – Alignment of Research Propositions, Theoretical Contributions and Managerial Contributions

<table>
<thead>
<tr>
<th>Research Proposition</th>
<th>Theoretical Contributions</th>
<th>Managerial Contributions</th>
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<tbody>
<tr>
<td><strong>Proposition One:</strong> Organisational culture affects how Australian NFPs capture, management and sustain their knowledge management.</td>
<td>Contribution #1: Advancing NFP knowledge and management, specifically the work of Lettieri, Borga and Savoldelli (2004), Riege (2005), Vasconcelos, Seixas, Kimble and Lemos, (2005); Hume and Hume (2008); Kong (2008) and Weerawardena, McDonald and Sullivan-Mort. (2010). Contribution #2: Clarifying the KM implementation roadmap for NFPs, specifically the work of Nonaka and Takeuchi’s (1995), Ballantyne (2000, 2003).</td>
<td>Contribution #1: Providing NFP managers and management consultants working in the NFP sector with an operational model to leverage in planning, operating and sustaining KM initiatives in diverse Australian NFP organizations. Contribution #3: Expanding the knowledge management research paradigm away from a strong focus on understanding the concept of “What is knowledge?” emphasizing its various attributes and formalizing different taxonomies to a much needed pragmatic research program on the “How?” NFP organizations can manage knowledge from a process and people-oriented view. Contribution #4: Developing a contemporary understanding of what are the key enabling organizational functions in implementing, operating and sustaining knowledge management programs in structurally different NFPs.</td>
</tr>
<tr>
<td>Research Proposition</td>
<td>Theoretical Contributions</td>
<td>Managerial Contributions</td>
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<tr>
<td><strong>Proposition Two:</strong> Leadership styles impacts how Australian NFPs capture, management and sustain their knowledge.</td>
<td>Contribution #1: Advancing NFP knowledge and management, specifically the work of Lettieri, Borga and Savoldelli (2004), Riege (2005), Vasconcelos, Seixas, Kimble and Lemos, (2005); Hume and Hume (2008); Kong (2008) and Weerawardena, McDonald and Sullivan-Mort. (2010). Contribution #2: Clarifying the KM implementation roadmap for NFPs, specifically the work of Nonaka and Takeuchi’s (1995), Ballantyne (2000, 2003).</td>
<td>Contribution #5: Helping NFP managers recognize that knowledge (both tacit and explicit) is primarily created by people (staff and volunteers) within the organization. For the capture and sharing processes to begin, mature and be sustained, involves understanding and managing the primary psychological elements of combinations of the organisational, professional and personal value. Contribution #9: Australian NFPs face an increasingly competitive and demanding future. Adoption of corporate practices such as Knowledge Management are required and achievable in order to improve service delivery and remain viable to customers, donors, staff and volunteers.</td>
</tr>
<tr>
<td>Research Proposition</td>
<td>Theoretical Contributions</td>
<td>Managerial Contributions</td>
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<td>Proposition Three: Information technology practices affect how Australian NFPs capture, manage and sustain their knowledge.</td>
<td>Contribution #1: Advancing NFP knowledge and management, specifically the work of Lettieri, Borga and Savoldelli (2004); Riege (2005); Vasconcelos, Seixas, Kimble and Lemos, (2005); Hume and Hume (2008); Kong (2008) and Weerawardena, McDonald and Sullivan-Mort. (2010). Contribution #2: Clarifying the KM implementation roadmap for NFPs, specifically the work of Nonaka and</td>
<td>Knowledge (both tacit and explicit) is primarily created by people (staff and volunteers) within the organization. For the capture and sharing processes to begin, mature and be sustained, involves understanding and managing the primary psychological elements of combinations of the organisational, professional and personal value. Contribution #7: Confirming the critical roles of active leadership and organizational culture to implementing and sustaining KM activities. Contribution #10: Recognition that Australian NFPs (in fact all NFPs) are knowledge intensive organisations. Great value lies within the organizations if managers are prepared to invest and support knowledge management as a key operational activity, rather than a strategic activity that “head office should be responsible for”. Contribution #9: Australian NFPs face an increasingly competitive and demanding future. Adoption of corporate practices such as Knowledge Management are required and achievable in order to improve service delivery and remain viable to customers, donors, staff and volunteers.</td>
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</table>

Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
<table>
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<tr>
<th>Research Proposition</th>
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<tr>
<td>Takeuchi’s (1995), Ballantyne (2000, 2003).</td>
<td>Contribution #3: Expanding the knowledge management research paradigm away from a strong focus on understanding the concept of “What is knowledge?” emphasizing its various attributes and formalizing different taxonomies to a much needed pragmatic research program on the “How?” NFP organizations can manage knowledge from a process and people-oriented view.</td>
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<tr>
<td>Contribution #4: Developing a contemporary understanding of what are the key enabling organizational functions in implementing, operating and sustaining knowledge management programs in structurally different NFPs.</td>
<td>Contribution #6: Keep it Simple and grow/mature KM planning and activity with experience. Learn from what works and what does not work in your organization and adapt/innovate if and where needed to improve.</td>
<td></td>
</tr>
<tr>
<td>Proposition Four: HR performance management practices affect how Australian NFPs capture, manage and sustain their knowledge</td>
<td>Contribution #1: Advancing NFP knowledge and management, specifically the work of Lettieri, Borga and Savoldelli (2004), Riege (2005), Vasconcelos, Seixas, Kimble and Lemos, (2005); Hume and Hume (2008); Kong (2008) and Weerawardena, McDonald and Sullivan-Mort. (2010).</td>
<td>Contribution #1: Providing NFP managers and management consultants working in the NFP sector with an operational model to leverage in planning, operating and sustaining KM initiatives in diverse Australian NFP organizations.</td>
</tr>
<tr>
<td>Contribution #2: Clarifying the KM implementation roadmap for NFPs, specifically the work of Nonaka and Takeuchi’s (1995), Ballantyne (2000, 2003).</td>
<td>Contribution #4: Testing and clarifying the relationships of internal marketing and performance management in NFPs and elaborating the approach and</td>
<td>Contribution #3: Expanding the knowledge management research paradigm away from a strong focus on understanding the concept of “What is knowledge?” emphasizing its various attributes and formalizing different taxonomies to a much needed pragmatic research program on the “How?” NFP organizations can manage knowledge from a process and people-oriented view.</td>
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<td>understanding of this construct for future research advancing the work of Ahmed &amp; Rafiq (2004), Politis (2003); Ballantyne (2000; 2003) and Riege (2005).</td>
<td>Contribution #4: Developing a contemporary understanding of what are the key enabling organizational functions in implementing, operating and sustaining knowledge management programs in structurally different NFPs. Contribution #6: Keep it simple and grow/mature KM planning and activity with experience. Learn from what works and what does not work in your organization and adapt/innovate if and where needed to improve. Contribution #8: Re-engineering the role and poor perception of performance management and KM to be more strategic KM goal-oriented and organizationally/work team based rather than personal work focused and retrospective.</td>
<td></td>
</tr>
<tr>
<td>Research Proposition</td>
<td>Theoretical Contributions</td>
<td>Managerial Contributions</td>
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</table>
| **Proposition Five:** Internal marketing affects how Australian NFPs capture, manage and sustain their knowledge. | Contribution #1: Advancing NFP knowledge and management, specifically the work of Lettieri, Borga and Savoldelli (2004), Riege (2005), Vasconcelos, Seixas, Kimble and Lemos, (2005); Hume and Hume (2008); Kong (2008) and Weerawardena, McDonald and Sullivan-Mort. (2010).  
Contribution #2: Clarifying the KM implementation roadmap for NFPs, specifically the work of Nonaka and Takeuchi’s (1995), Ballantyne (2000, 2003).  
Contribution #3: Particularizing and measuring the construct of internal marketing in a knowledge management context. Advancing internal marketing theory by applying it to a NFP context, identifying key value proposition elements, specifically the work of Ahmed & Rafiq (2004), Politis (2003); Ballantyne (2000; 2003) and Riege (2005).  
Contribution #4: Testing and clarifying the relationships of internal marketing and performance management in NFPs and elaborating the approach and understanding of this construct for future research advancing the work of Ahmed & Rafiq (2004), Politis (2003); Ballantyne (2000; 2003) and Riege (2005). | Contribution #1: Providing NFP managers and management consultants working in the NFP sector with an operational model to leverage in planning, operating and sustaining KM initiatives in diverse Australian NFP organizations.  
Contribution #3: Expanding the knowledge management research paradigm away from a strong focus on understanding the concept of “What is knowledge?” emphasizing its various attributes and formulating different taxonomies to a much needed pragmatic research program on the “How?” NFP organizations can manage knowledge from a process and people-oriented view.  
Contribution #4: Developing a contemporary understanding of what are the key enabling organizational functions in implementing, operating and sustaining knowledge management programs in structurally different NFPs.  
Contribution #5: Helping NFP managers recognize that knowledge (both tacit and explicit) is primarily created by people (staff and volunteers) within the organization. For the capture and sharing processes to begin, mature and be sustained, involves understanding and managing the primary psychological elements of combinations of the organisational, professional and personal value. |
Limitations and Future Directions

This research program adopted a purposive and convenience sample due to cost and time constraints. This research has focused primarily on an accessible sample of NFP organisations with Study 1 and 3 not intentionally selecting particular NFPs or sector categories for the administration of the survey instrument. The convenience and snowballing sampling technique provided a solid platform for exploratory work however only allowed inference to the specific firm in question rather than enabling generalisation. Future research and empirical testing of NFP firms with large scale random samples would allow for this. Moreover, random cluster sampling in different types of NFPs would allow testing and generalisation to different types of NFPs. Research could be conducted using NFP organisational types and classifications such environmental, preventative health, social welfare and advocacy agencies with each of these possibly yielding diverse results.

Furthermore, this research did not deeply analyse and screen for previous work experience and business intellect of staff and volunteers interviewed. It must be recognised that previous business and work experience and exposure and recognition of KM processes may influence opinion of the needs and practice in NFPs. In future research, controlling for these and screening for workplace experience may further advance knowledge. Examining the role of other management constructs such as employee-organisational trust and commitment (Politis, 2003; Le and Choi, 2003; He, Fang and Wei, 2009; Holste and Fields, 2010), leadership styles (Donate and Guadmillas, 2011; Kuo and Lee, 2011; Von Krogh, Nonaka and Rechsteiner, 2012) and the NFP volunteer experience (Connelly and Kelloway, 2003; Stirling, Kilpatrick and Orpin, 2011) could also provide an interesting and worthwhile approach for future KM research.

As noted in Chapter 8, a combined qualitative and quantitative exploration and orientation methodology (Brewer and Hunter, 1989; Patton, 1990) was adopted due to limited current knowledge of the Australian NFP sector and limited KM research. Multiple qualitative methods and the quantitative study were used for the purpose of gaining triangulation and verification of results (Jick, 1983; Patton, 1990). The advantage of using qualitative methods
was the ability to extract rich and thick data and use inductive strategies for theory development (Yin, 1994, Minichello, Aroni and Timewell, 1999; Patton, 1990; Wollin, 1996) but the approach does have its limitations. Further, the quantitative research used a mix of nominal and ordinal scales based on the outputs from the earlier qualitative studies. The use of this mixed quantitative technique was similarly due to the early stage of NFP-KM research in Australia and the desire to draw inferences and conclusions for the collective group (as the NFP sector as a whole) about each research construct. This survey did have it limitations as it was constructed primarily from the qualitative interviews with limited known scales available. Basic scale purification through expert panels, reliability and validity tests were conducted however these could be advanced to offer further and more rigorous scale testing.

The construction and format of the thesis as a series of publications defines and predetermines the required number of reportable papers and the content of concluding chapters, this restricts the content included in the thesis. Further research and analysis of the descriptive data of the data set and further statistical analysis such as factor analysis will be reported in future papers.

It is proposed that future research will include advanced analysis such as factor analysis to examine commonalities among the data and make the data more collectively insightful and further support the holistic KM-IM-NFP model developed (Chapter 8). This analysis will also form the basis of rigorous scale purification and testing and contribute to advanced scale development and large scale empirical application. Testing higher-order factors’ relationships would also offer deeper understanding of the nature and measurement of the constructs developed in this research. In addition, regression analysis would also highlight any predictability within the variables. With this extension of analytical techniques, the additional segmentation of NFP sector types with the data will provide added insight to potential similarities and differences within the NFP sector’s many organisations.

Future research will also include increasing the data set with further data collection in a wider catchment of NFPs to support the aforementioned deeper factor and regression analysis. The response rate was statistically acceptable however it represents only a small percentage of the very large Australian NFP sector and as mentioned was a non-random sample. The use of open source information survey applications such as Survey Monkey™ and the increasing ICT connectivity of NFPs and their employees/volunteers will significantly improve the...
opportunity to increase the response rate and distribution across NFP types. The ability to email potential respondents directly with a hyperlink to the survey instrument also increases the timelines of responses. This would also allow for survey application globally to assess if there are any transcultural differences in the management of knowledge.

As KM research of this type in this sector has been limited in the past, compared to other sectors, there are many additional themes and topics for future research. Future themes could include an examination of KM implementation and measured business performance. This is prefaced on a strong possibility that future demonstration of KM competency/performance will be a compliance and performance requirement for future competitive government grants and donor support? Global and comparative studies will also advance understanding of the increasingly role of ICT connectivity and social media overcoming geographic and cultural barriers in KM operation. More specifically, can socialization strategies (such as Communities of Practice) be “virtual” (using ICT tools such as Skype) and still be effective? What is the importance of tangible “human” factors in the knowledge management? In addition, can NFPs utilize ICT cloud solutions to build KM competency?

The model adopted in this program was based on the current literature for KM. Internal marketing received more attention due to the relatively limited research undertaken in the IM-KM field after David Ballantyne’s (2000; 2003) seminal work. Further, the role of internal marketing in driving and sustaining organisational performance such as staff retention, innovation and organisational culture remains under-researched at this time. Overall, this research project focused on measuring the enablers of KM implementation in NFP settings. The composition of the context definition was extracted from a set of case studies in large and small NFPS and in depth interviews with organisational employees from CEOs to volunteers. This data formulated a general descriptions and ideas that formed the basis for research in survey form in Study 3. These descriptions may not be reflective of all NFPs with inferences not generalised to all NFPs without further research random empirical work. However, this research has broadened the managerial and theoretical underpinning of enquiry in this area and has advanced the model of KM in NFPs. NFPs have not been a popular choice of in KM research and have not received the same attention from rigorous business researchers as has manufacturing, health, education, professional services and telecommunications for example. This program has offered rich investigation that will assist
in the future development of KM in this sector. It has offered developmental strategies that can begin to establish the capture, storage and retrieval of knowledge and the implementation of KM in NFPs. This research contributes to the domains of academic researchers, IT managers and NFP business managers and employees/volunteers.
Bibliography


Australian Bureau of Statistics - Not-for-Profit Organisations, Australia, 2006-07. (8106.0)

Australian Productivity Commission (2010) Contribution of the Not for Profit Sector


Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)


Appendix 1 - Ethics Application and Approval

PART F - DECLARATIONS

F1. Contact Person

On behalf of the research team for this project, I confirm that all members of the research team have read the current NHMRC National Statement on the Ethical Conduct of Research Involving Humans and the GU Research Ethics Manual. We accept responsibility for the ethical and appropriate conduct of the procedures detailed in this Checklist, confirm that we will conduct this project in accordance with the principles contained in the Statement, the GU Research Ethics Manual, and confirm that the research team will comply with any other condition laid down by the Griffith University Human Research Ethics Committee.

Having completed this Checklist, I believe that this project qualifies for (click one box):

- Expedited Ethical Review Level 1
- Expedited Ethical Review Level 2

Signed

[Signature]

Date 24/9/08

Is this project student research?

Details Knowledge management enablement in Australian Non-Government Organisations

F1A. Supervisor - To be completed by the principal supervisor if this application relates to student research and the student is the listed contact person.

I have read this application and support its submission for ethical review. The student is familiar with the current NHMRC National Statement on the Ethical Conduct of Research Involving Humans and the GU Research Ethics Manual.

Signed

[Signature]

Date 24/9/08

Is this project funded research?

Details

Is a declaration in relation to pecuniary or other potential conflict of interest required?

Details

F2.  Head of School or Centre Director recommendation / authorisation

Scientific merit

STEP ONE
The research / scientific merit of this project has been considered (please tick one of the following statements).

- By another GU or External process (RAPS for PhD projects, peer review for research grants, etc).
- By the authorising officer.
- Is yet to be considered.

STEP TWO
Please tick if there is a need for additional review of the scientific merit of the research.
- I believe that this project requires an expert / external research / scientific merit review.

Research Safety

STEP ONE
The research safety of this project (please tick one of the following statements):

- Does not warrant consideration.
- Has been considered by a University workplace health and safety process.
- Has been considered by the authorising officer.
- Is yet to be considered.

STEP TWO
Please tick if there is a need for additional review of the research safety of the research.
- I believe that this project requires an expert / external review of the research safety of the project.

I have considered this application and the ethical implications of the proposed research and recommend it for the HREC. I confirm that the qualifications and experience of all investigators are appropriate to the study and the necessary resources are available to enable this research to be conducted.

Signed: [Signature]

Date: 20/4/08

Print Name: [Print Name]

Position: [Position]


Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
From: Chris Rose' Meyer [c.rosemeyer@griffith.edu.au]
Sent: Wednesday, 21 October 2009 2:47 PM
To: Craig Hume
Subject: approval letter

Dear Mr Hume

RE: GRIFFITH UNIVERSITY HUMAN RESEARCH ETHICS COMMITTEE 31-Oct-2008

I write further to the additional information provided in relation to the conditional approval granted to your application for ethical clearance for your project "Knowledge Management Enablement in Australian Non-Profit Firms" (GU Ref No: MKT/06/08/HREC). This is to confirm receipt of the remaining required information, assurances or amendments to this protocol.

Consequently, I reconfirm my earlier advice that you are authorised to immediately commence this research on this basis. The standard conditions of approval attached to our previous correspondence about this protocol continue to apply.

Regards

Dr Gary Allen
Manager, Research Ethics
Office for Research
Bray Centre, Nathan Campus
Griffith University
ph: 3735 5585
fax: 3735 7994
email: g.allen@griffith.edu.au

Cc: PRIVILEGED, PRIVATE AND CONFIDENTIAL
This email and any files transmitted with it are intended solely for the use of the addressee(s) and may contain information which is confidential or privileged. If you receive this email and you are not the addressee(s) [or responsible for delivery of the email to the addressee(s)], please disregard the contents of the email, delete the email and notify the author immediately.

Chris Rose-Meyer
Senior Policy Officer
Research Ethics, Governance and Integrity

Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
Appendix 2 - Research Consent Letters

Interview Consent Letter (Studies 1 & 2)

The following letter will be distributed to candidates prior to the in-depth interview. The candidates sign the consent form, returned it to the interviewer, and retained the participant’s letter.

Dear Participant,

Thank you for agreeing to participate in this interview exploring your organisation’s knowledge management strategies and activities. The study aims to interview the management and staff of Australian Not for Profit Organisations (NFPs) to understand what is “knowledge” in their organization, how it is captured, organized, distributed and renewed. My name is Craig Hume and I am a PhD candidate in the Griffith University Business School. This interview forms the foundation for my research into Knowledge Management Enablement in Australian Not for Profit Organisations.

NFPs in Australia operate in an increasingly competitive marketplace for funding, staff and volunteers and donations. Further, NFPs, both in Australia and internationally, are growing rapidly in number in response to increasing needs for humanitarian services and environmental sustainability that local and national governments and established international aid organizations can not or struggle to provide effectively. In this context, many NFPs are being driven to adopt more commercial practices in order to improve their donor appeal, staff retention and service delivery. Knowledge Management (KM) is one such business strategy being explored to address the competitive environment. Although the concept of knowledge management may be basically understood in NFPs, the detailed implications and strategies to pursue this practice in an NFP context are under explored at this time. Understanding how the
Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)

Many and varied NFPs define, capture and manage knowledge is the first step in gathering important information that will assist in understanding the complexities and constraints of knowledge management practices in the unique NFP environment and developing knowledge management theory.

This research requires you to participate in a 1-hour interview. The interview will include open-ended questions about your descriptions, opinions and thoughts toward a number of knowledge management activities in your NFP. There will be no financial compensation for involvement in this survey and participation is purely on a voluntary basis. No foreseeable risks are foreseen in your participation. The information gathered in this interview will only be used for the purpose of this PhD research. For convenience and clarity the information will be taped to facilitate transcribing and analysis.

This information will be stored under locked file by myself and will be treated with the utmost professionalism and privacy at all times. At any time, interview participants should feel free to withdraw from the study by not completing the interview and if required should feel free to contact myself by email on Craig.Hume@student.griffith.edu.au or on the telephone number provided for discussion on the findings and results of the study. Data on withdrawal will be destroyed. This study has been cleared by one of the ethics committees of Griffith University in accordance with the Research Higher Degree guidelines. You are, of course; free to discuss your participation in this study with my principal supervisor, Associate Professor, Gillian Sullivan Mort (07) 3735 7344 or gillian.mort@griffith.edu.au. If you would like to speak to an officer of the University not involved in the study, you may contact the Manager, Research Ethics, Office for Research, Bray Centre, Nathan Campus, Griffith University on research-ethics@griffith.edu.au or (07) 3735 5585 (in Australia) or from outside Australia +61 7 3735 5585.

I look forward to your participation in the study.

Yours sincerely,

Craig Hume
PhD Candidate
Griffith University

Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
PRIVACY STATEMENT

The conduct of this research involves the collection, access and / or use of your identified personal information. The information collected is confidential and will not be disclosed to third parties without your written consent, except to meet government, legal or other regulatory authority requirements. A de-identified copy of this data may be used for other research purposes. However, your anonymity will at all times be safeguarded. For further information consult Griffith University’s Privacy Plan at www.griffith.edu.au/ua/aa/vc/pp or telephone (07) 3735 5585.
Interview Consent – Studies 1 & 2

To Whom It May Concern,

This is to certify consent for participation in the interview requested by Craig Hume. I understand the following in-depth interview to be part of Craig’s PhD research. It is understood this interview forms the foundation for the research into Knowledge Management Enablement in Australian Not for Profit - Organisations.

It is understood that NFPs in Australia operate in an increasingly competitive marketplace for funding, staff and volunteers and donations. Further, NFPs, both in Australia and internationally, are growing rapidly in number in response to increasing needs for humanitarian services and environmental sustainability that local and national governments and established international aid organizations can not or struggle to provide effectively. In this context, many NFPs are being driven to adopt more commercial practices in order to improve their donor appeal, staff retention and service delivery. Knowledge Management (KM) is one such business strategy being explored to address the competitive environment. Although the concept of knowledge management may be basically understood in NFPs, the detailed implications and strategies to pursue this practice in an NFP context are under explored at this time. Understanding how the many and varied NFPs define, capture and manage knowledge is the first step in gathering important information that will assist in understanding the complexities and constraints of knowledge management practices in the unique NFP environment and developing knowledge management theory.
It is understood the objectives of the PhD research is to gather my descriptions, opinions and thoughts on a number of knowledge management activities in my organization including how my NFP defines, captures, manages and renews knowledge. I understand that there will be no financial compensation for involvement in this interview and my participation is purely on a voluntary basis. Further, I have read and understood the included Privacy Statement.

It is understood this study has been cleared by one of the ethics committees of Griffith University in accordance with the Research Higher Degree guidelines. I am free to discuss participation in this study with Craig Hume’s (the researcher) principal supervisor, Associate Professor, Gillian Sullivan Mort (07) 3735 7344 or gillian.mort@griffith.edu.au. If I would like to speak to an officer of the University not involved in the study, I may contact the Manager, Research Ethics, Office for Research, Bray Centre, Nathan Campus, Griffith University on research-ethics@griffith.edu.au or (07) 3735 5585 (in Australia) or from outside Australia +61 7 3735 5585.

In understanding all these factors and having received the participant information form, I consent to participate in this study.

Signature of participant:………………………

Date: ……………………………

PRIVACY STATEMENT
The conduct of this research involves the collection, access and / or use of your identified personal information. The information collected is confidential and will not be disclosed to third parties without your written consent, except to meet government, legal or other regulatory authority requirements. A de-identified copy of this data may be used for other research purposes. However, your anonymity will at all times be safeguarded. For further information consult Griffith University’s Privacy Plan at www.griffith.edu.au/ua/aa/vc/pp or telephone (07) 3735 5585.
Dear Participant,

Thank you for agreeing to participate in this survey exploring knowledge management in Australian Not for Profit Organizations (NFPs). The study aims to survey the management and operational staff of Australian NFPs about who their organization defines, captures, coordinates, distributes and renews knowledge. My name is Craig Hume and I am a PhD candidate in the Griffith University Business School. This interview forms the foundation for my research into *Knowledge Management Enablement in Australian Not for Profit Organisations*.

NFPs in Australia operate in an increasingly competitive marketplace for funding, staff and volunteers and donations. Further, NFPs, both in Australia and internationally, are growing rapidly in number in response to increasing needs for humanitarian services and environmental sustainability that local and national governments and established international aid organizations can not or struggle to provide effectively. In this context, many NFPs are being driven to adopt more commercial practices in order to improve their donor appeal, staff retention and service delivery. Knowledge Management (KM) is one such business strategy being explored to address the competitive environment. Although the concept of knowledge management may be basically understood in NFPs, the detailed implications and strategies to pursue this practice in an NFP context are under explored at this time. Understanding how the many and varied NFPs define, capture and manage knowledge is the first step in gathering important information that will assist in understanding the complexities and constraints of knowledge management practices in the unique NFP environment and developing knowledge management theory.
This survey requires you to complete this questionnaire and return the completed survey to the collection officer and boxes provided. The survey should take approximately 15 minutes and will include questions about what is considered “knowledge” in your organization, how does your organization, capture, co-ordinate, distribution and renew knowledge.

As long as you have no objection, the survey will also include questions about you and your organization title/position. These will be anonymous and are collected to ascertain audience categories for analysis. There will be no compensation for involvement in this survey and participation is purely of a voluntary basis. No foreseeable risks are foreseen. The information gathered in this interview will only be used for the purpose of this research and demographic and personal details will not be divulged for the purpose of any activity other than this research. Further, I have read and understood the included Privacy Statement.

This information will be stored under locked file by myself and will be treated with the utmost professionalism and privacy at all times. At any time participants should feel free to withdraw from the study by not completing the survey and if required should feel free to contact myself by email on Craig.Hume@student.griffith.edu.au. Data on withdrawal will be destroyed.

This study has been cleared by one of the ethics committees of Griffith University in accordance with the Research Higher Degree guidelines. You are, of course; free to discuss your participation in this study with my principal supervisor, Associate Professor, Gillian Sullivan Mort (07) 3735 7344 or gillian.mort@griffith.edu.au. If you would like to speak to an officer of the University not involved in the study, you may contact the Manager, Research Ethics, Office for Research, Bray Centre, Nathan Campus, Griffith University on research-ethics@griffith.edu.au or (07) 3735 5585 (in Australia) or from outside Australia +61 7 3735 5585.

Thank You for your participation.

Yours sincerely,

Craig Hume

PhD Candidate

Griffith University

Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
PRIVACY STATEMENT
The conduct of this research involves the collection, access and / or use of your identified personal information. The information collected is confidential and will not be disclosed to third parties without your written consent, except to meet government, legal or other regulatory authority requirements. A de-identified copy of this data may be used for other research purposes. However, your anonymity will at all times be safeguarded. For further information consult Griffith University’s Privacy Plan at www.griffith.edu.au/ua/aa/vc/pp or telephone (07) 3735 5585.
To Whom It May Concern,

This is to certify consent for participation in the following survey. I understand the following survey part of Craig Hume’s PhD research into *Knowledge Management Enablement in Australian Not for Profit Organisations*.

It is understood that NFPs in Australia operate in an increasingly competitive marketplace for funding, staff and volunteers and donations. Further, NFPs, both in Australia and internationally, are growing rapidly in number in response to increasing needs for humanitarian services and environmental sustainability that local and national governments and established international aid organizations can not or struggle to provide effectively. In this context, many NFPs are being driven to adopt more commercial practices in order to improve their donor appeal, staff retention and service delivery. Knowledge Management (KM) is one such business strategy being explored to address the competitive environment. Although the concept of knowledge management may be basically understood in NGOs, the detailed implications and strategies to pursue this practice in an NFP context are under explored at this time. Understanding how the many and varied NFPs define, capture and manage knowledge is the first step in gathering important information that will assist in understanding the complexities and constraints of knowledge management practices in the unique NFP environment and developing knowledge management theory.

It is understood that the survey should take approximately 15 minutes to complete and will include questions about my position/title in the organization for analysis purposes. I understand that there will be no compensation for my involvement in this survey participation and that it is purely of a voluntary basis and no foreseeable risks are foreseen. It is
understood this study has been cleared by one of the ethics committees of Griffith University in accordance with the Research Higher Degree guidelines. It is understood that I am free to discuss my participation in this study with Craig’s principal supervisor, Associate Professor, Gillian Sullivan Mort (07) 373 57344 or gillian.mort@griffith.edu.au. Further, if I wish I can speak to an officer of the University not involved in the study, by contacting the Manager, Research Ethics, Office for Research, Bray Centre, Nathan Campus, Griffith University on research-ethics@griffith.edu.au or (07) 3735 5585 (in Australia) or from outside Australia +61 7 3735 5585.

In understanding all these factors and having received the participant information form, I consent to participate in this study.

**Signature of participant:**…………………………

**Date:**…………………………
Appendix 3 - Qualitative Questions and Consolidated Responses

Study #1 – NFP consolidated interview responses and comparisons

<table>
<thead>
<tr>
<th>1. What is considered to “knowledge” in your organisation? What is the distinction between information and knowledge?</th>
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<tbody>
<tr>
<td>Knowledge – is anything that helps get the job done – either documented or tacit stuff in people’s head that they share with others on the project site or in the office.</td>
</tr>
<tr>
<td>The difference is not articulated clearly or strongly. A Project Management manual has some definitions but no active working distinction. We are yet to manage information properly before we start managing knowledge effectively. As IM grows, we will need to articulate KM more clearly.</td>
</tr>
<tr>
<td>No distinction at all.</td>
</tr>
<tr>
<td>Don’t formally define K and I. People aren’t really interested. Most just don’t care.</td>
</tr>
<tr>
<td>K – is largely technical-based information – What and How but not so much “the Why”. The Why is a missing link.</td>
</tr>
<tr>
<td>At the international level, the strategic plan talks about knowledge management and IM as a clear strategy, but does not translate to OZ which is more IM focused.</td>
</tr>
<tr>
<td>KM is considered any document available on the Internet, Intranet and shared drives in the organisation and the “what/how/why” stuff inside people’s head albeit that there is no real recognition of the value of the “how to and why to” knowledge. Very immature.</td>
</tr>
<tr>
<td>Take a pragmatic view. KM – predominately tacit – in people’s heads on how and why. Information is the stuff that has been documented/codified. Covers all sorts of technical, legal and process related information.</td>
</tr>
<tr>
<td>Information and Knowledge are blurred because of the expectation that knowledge is documented but we know that a lot isn’t. Labour shortage does not help. Too busy to capture it.</td>
</tr>
</tbody>
</table>
| Some understand the lifecycle of how knowledge is transferred – some don’t. What’s important is that as long as it is available when they want/need it in whatever form. Know it is not the most efficient but
Delivery/operations focus blurs the strategic importance.

A lot of “unofficial” information and knowledge – generated within work groups etc that again it’s about getting the work done. The informal channels work pretty well but not always timely and accessible and sometimes not accurate because of poor “version controls”.

<table>
<thead>
<tr>
<th>2. How does your organisation typically collect, co-ordinate and distribute knowledge?</th>
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<tbody>
<tr>
<td>Track people’s qualifications and experience – so Subject Matter Experts (SMEs) can be identified but directory is not always up to date and access is restricted.</td>
</tr>
<tr>
<td>A few operational initiatives:</td>
</tr>
<tr>
<td>1. Operations Manual (Heidi) – “How to do X” involving various SMEs in the organisation and operational areas</td>
</tr>
<tr>
<td>2. Finance systems and procedures controlling more,</td>
</tr>
<tr>
<td>Absolutely hopeless.</td>
</tr>
<tr>
<td>Doubt if they actually deliberately “collect” knowledge. Very document focused.</td>
</tr>
<tr>
<td>Issues with In “K team”.</td>
</tr>
<tr>
<td>NO formal KM co-</td>
</tr>
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1. Internet (push and pull) |
2. Email |
3. Weekly Newsletter from Exec Director which discusses a lot of stuff that’s happening etc. Extract stuff
Information – documents are managed under the guise of a QA (Review and Approve) system. The missing “know how & why” gets lost in the bureaucratic process.

CEO’s PA does a lot of the distribution task by virtue of self-empowerment to help people and the organisation.

There is a very general awareness/understanding of the knowledge development process but not a lot of direct focus on it. Happens more by chance and on the odd occasion is deliberately, captured, coded and distributed. Updating is an issue. We have multiple copies – not well managed at

<table>
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<tr>
<th>ordination process.</th>
<th>rather than policy based activity that was inconsistently applied and gave inaccurate information.</th>
<th>multiple copies - Filed in shared drive. Also distributed via Intranet. Poor content management</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Induction/orientation process – national and international directories made available. Challenge is to keep them up to date etc.</td>
<td>4. Information &amp; Knowledge “Help Desk” – Q&amp;A service focused (not IT problems) but process, information/knowledge needs. Identify KM needs/trends from the calls to HD, Find/use SMEs etc to provide answers. Identifies knowledge gaps very importantly and generates a lot of work; however the problem of timing is not meant because when they ring is when they want it. The Help Desk is modelled on Oxfam (UK) the HQ. One person runs the service. Control helps</td>
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</tr>
<tr>
<td>4. A lot of reports, projects Lessons Learnt – retrospective materials stored in Intranet sites, share drives. Capture of information needs to improve capture to demonstrate the impact CARE is having.</td>
<td>5. SIMO – Senior Information Management Officer – Project information co-ordination to avoid duplication, improve quality etc. No necessarily a SME but an interest enough to make decisions etc.</td>
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<td>6. Centres of Excellence – CARE International initiatives – Australian:Water and Sanitation,</td>
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</tr>
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all.

| 5. Lunch-time talks – recorded (audio) distributed to other Oxfam groups. CoPs exist albeit very informally but not really used well. It’s been more freewheeling. Formality did not seem to work for various reasons. |
| 6. Oxfam Extranet – available to post docs to for global access. Access is controlled - Depends what you are working on. |

Housing technical expertise.

7. Learning Laboratories – a number of country offices nominated to develop knowledge about “What and How” works.

8. Program Working Group reports to international body on issues such as knowledge – capture and distribution.

9. CARE USA – 70-80% of the volume. Provide a lot of resources to get things going.

K awareness - this is a weakness as the organisation has grown and staff has grown and turned –over resulting inconsistencies of services etc.

coop-ordination but is a lot of work. Work that is well worth it albeit that it is hard to quantify. No internal marketing although that would be great. We are confident that the stuff we provide does help but we don’t leverage that enough.
Access controlled to avoid dumping and overload. Was very passive originally but is developing into a more active site now that is very useful. Connectivity and content management issues initially. Now has 2-3 people f/t support on it. Language/culture issue do exist but a lot of work gone into content management which has paid dividends.

### 3. How is knowledge sustained and/or renewed to support its relevance and value to the organisation?

| Training documentation (peer reviewed) has been a primary source of updating/renewing information and knowledge. | Operational Manuals contain a lot of policy, procedural, technical information (perhaps refined over the years by a very informal knowledge renewal of the material) | A lot of recreation/duplication – but you don’t know it’s there most of the times. Multiple docs and versions. No EDRMS. 1000’s doc on Intranet. | It’s very ad hoc. What we lack is some knowledge mapping to understand what is coming down the track and coming up, who actually uses it and how etc. We trawl through material which is not |

Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
| Program Office – Canberra – driving programs and activities capture feedback from project managers and staff in various reports etc but not well co-ordinated as a knowledge management activity. Very delivery focused. |
| The informal channels – *toolbox* – *morning smoko chat* – is a strong source of renewal but not everyone hears/sees it. Not documented. |
| Conferences, CoPs- also useful but they are infrequent due to time and costs issues. Tends to be a JIT approach much of the time. |
| Regular presentations outside of the normal operational meetings. |
| Intranets – underutilised. No/little Content management is an issue. Version control/date/use issues across the organisation. More behavioural/cultural rather than technical problem |
| IT dept get nervous about us using “new” tools, particularly anything touching externally. |
| No renewal process. No lifecycle. Thousands of useless docs. Knowledge and value are often hard to find. |

Unfortunately, version control is a real problem. Often very difficult to find “the latest information”. Results in inaccurate/out of date information and knowledge being used many times.

Ad hoc approach generally as people/SMEs come across stuff they know/think will be useful.

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No renewal process. No lifecycle. Thousands of useless docs. Knowledge and value are often hard to find.

No Content Management. Looking at an open-source Wiki solution to develop final docs for distribution. Using external teachers (voluntary) also to help develop “proper” education material to educate and train. More IM than KM but it’s a start.

We rely on our own experience to determine need. Get reminders from people via the Help Desk. Resourced constrained to do a lot of this work which so important.

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Generally, waste a lot of time looking. SMEs can help but again you need to know where/who to look for.

Shared drive has admin controls which limits access also. Not sophisticated at controlling documents – providing read only access etc when potentially could add more value. The knowledge mapping is non-existent.

<table>
<thead>
<tr>
<th>4. What is the level of understanding between explicit (corporate documents, procedures, industry reports etc) and tacit (undocumented “how to do something” / “how to adapt” expertise) and how does your organisation’s knowledge management (KM) strategy address it?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Believe there is an understanding of the difference but it’s a time and effort/priority issue to get people to document. Also a lot of the project teams are also not IT savvy and do not</td>
</tr>
<tr>
<td>Understand that some differences between corporate documents (project reports, procedures, Third parties docs/reports ie.</td>
</tr>
<tr>
<td>Generally understood that there is good stuff in people’s heads and a lot of it is not in documented form all the time.</td>
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Project management
Relationship building & socialisation is recognised as a key element of extracting information and knowledge. But there is no/little formula to building that into documented knowledge (as per SECI model).

Tacit knowledge – SMEs know in the organ. Some lessons learnt captured in project reports etc. Often “the gold” is embedded informally. No CoPs. Starting monthly meetings – but attendance consistency is a problem. Not well organised. Resourcing constrains restrict ability to move away from the core operations of fundraising and delivering projects.

<table>
<thead>
<tr>
<th>5. How does your organisation capture “tacit” knowledge and make it explicit and/or available to others? What works and what does not work well in capturing tacit knowledge?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training – delivered by SMEs – in support of the documentation provide tactic</td>
</tr>
<tr>
<td>Forums – around particular contemporary issues work well. Needs someone to take the lead on “topical issues” of</td>
</tr>
<tr>
<td>SMEs exist but not really experts in some cases. Sometimes are SME by virtue of</td>
</tr>
<tr>
<td>Active pursuit but it is difficult to find the time. Rely on the SME people to do it but it is very difficult</td>
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Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
<table>
<thead>
<tr>
<th>expertise</th>
<th>current interest and needs and drive and promote the need and value to attend. New staff have also been helpful in generating ideas on “How to/Why?” Some of the presentations/materials collected and later circulated.</th>
<th>location (not position) in the business, very flat structure.</th>
<th>when they are busy and difficult to access in many cases. Language issues as well in many cases. Eg. Sponsored project in East Timor (lots of great things happening but no English).</th>
</tr>
</thead>
</table>
Rely a lot on informal social channels - ToolBox Chat, Lunch Room chats, GA Xchange - a national initiative to share documents – but tends to be very technical documents and some people concerned about negative feedback that has occurred in the past. Is not well managed. Removing identifiers would help. Reflects organisations immaturity and some scientific arrogance. Intranet generally has content management issues – some areas more dynamic than others. Project teams – access issues. Informal channels work best for them. |
IT upgrade – managed service project in progress to improve a lot of IT issues.

6. What role does organisational culture have in KM?

<table>
<thead>
<tr>
<th>Inter-State biases within the federated GA corporate structure. Funding competition between states undermines collaboration.</th>
<th>New CEO (6-8 months) making a strong push on delivering strategic plan. KM is documented as part of the enablers and is pushing more KM activity via resourcing and funded activity. Volunteers not easy to recruit and manage and their IM and KM needs vary requiring a whole lot of work that we are not geared up for. So we do what we can do. Knowing KM needs is a challenging task when the culture is not overly KM focused until recently. Make a guess based on what you/we know about the areas/tasks and our culture.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly shared mission about “changing landscapes”, so the barriers are not that strong, it’s probably more “personal”. The KM tools (lack of and understanding of what is really needed by whom and where) are our real issues but the two element of</td>
<td>Co-operative culture but still has to be requested. Very personable and informal which supports “sharing” to some extent. Would not say that KM forms a core of the culture. Very mission-operationally focused.</td>
</tr>
<tr>
<td>Culture is very important. Oxfam is generally a “sharing” organisation and very inclusive. Part of the fabric of the organisation. Power plays not generally part of the fabric. K is shared increasingly but it has taken some effort. We have written Oxfam-Australia’s first ever KM strategy – very simple but it'</td>
<td></td>
</tr>
</tbody>
</table>
people and knowledge co-exist and GA have some issues – perhaps part of the scientific competitive nature of our work.

Using a mandated/corporate style approach involving performance appraisals etc will not work. As an NFP, many people work for the mission and personal satisfaction, not the salaries. With that goes a certain acceptance by everyone that a dictatorial approach will not work and would not be acceptable to many volunteers.

Some states are more “commercially” focused (selling training courses to raise $) but the link between making $ and using it with KM is not that own informal comms Culture suggest that you take the initiative yourself- but easy to have information overload – so sharing needs to be managed.

Formal channels vs informal channels – need to be careful to ensure the accuracy and validity of information provided.
| Leadership is supportive but probably not all that strong. With a scientific background there is an certain expectation about knowledge being developed and shared but the reality is a bit different. Again, the time and people issue does not help. Sharing is not strongly promoted as a collective role. Rhetoric only is the harsh reality. |
| See previous comments |
| No KM strategy. There is some recognition but not the attention that it deserves there are more pressing priorities – fundraising and projects. |
| Where (functional area) in the organisation or other organisation does boss come from?? This past experience often defines the strategy and style. If it’s a fundraising background – that’s where the focus and resources tend to be. |

Leadership to support KM – need a CEO/Manager from the people side of the business eg. HR, not so much IT who are more interested in functionality/up time etc.

KM is new and our boss not really sure what it is and no urgency. Nice to have, we should do more, but the linkage with outcomes etc is not strong enough compared to
<table>
<thead>
<tr>
<th><strong>8. How does your organisation create support from staff and management to actively participate in KM activities?</strong></th>
<th><strong>Does your organisation actively promote KM and its uses and benefits internally to staff and management?</strong></th>
<th><strong>Do you believe that “internal marketing” is an enabler to support KM?</strong></th>
<th><strong>What are the key elements (ie. utilising Intranet front page for communication or cross-functional group presentations) of the internal marketing of KM?</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Culture is not well accepting of praise and/or promotion of individuals or groups. It tends to be more critical/analytical—in a scientific way. Hence many people have been scared to participate based on previous experiences. We do not promote our successes that well. Scientists do not tend to do that. Similarly, the field workers are a very egalitarian group. We do occasionally note the effort related to a project but it’s more project-outcome oriented.</td>
<td>Agree strongly. Need to sell/communicate the message—value/outcomes of KM and required behaviours of individuals to change behaviours to make it more committed and automatic.</td>
<td>Personal selling/promotion of the content and the value to them personally and organisationally. The organisation is small so the inter-action is high don’t need a lot of full-on marketing campaigns via the Intranet, brochures per se.</td>
<td>People need to understand the need to share and contribute. Promotional budgets required but pretty basic message doesn’t really require very much at all.</td>
</tr>
<tr>
<td>Understand that there are many very busy people and different motives inside NGOs so the marketing messages has to be carefully created. Can’t please all the people and may have to accept that we won’t or do we?</td>
<td></td>
<td>Technical issues (Intranet) hinder dynamic promotional campaigns but the personal element is still very effective, particularly if the person is well</td>
<td>Knowledge mapping will help identify customer needs to helping target message.</td>
</tr>
</tbody>
</table>
9. How does IT support and/or hinder your organisations’ KM activities?

| Have decentralised/off-site IT support, on a part-time basis so it is very reactive to our needs/wants. | Get objective technical advice. Business needs vs IT wants/beliefs. |
| Line Managers tend to drive the IT strategy. | Have 2 f/t IT resources on staff. |
| Technology is basic – PCs, laptops, mobiles. Remote Access has been a problem. | External advice is generally seen as a problem. Only interested in a sale and ongoing revenue. |
| Have not looked at other tools such as DVDs, iPods, Wikis etc to compensate access issues. | Not good at articulating our needs and plans either. Vulnerability – fear of doing anything major/significant. |
| Shared drive/File system controls not good – QA guides activity but access | Lots of bad experiences have also not helped. Project Management Inf System was a failure and remains a legacy. |
| $constraints and the noted | Intranet – each individual has to log on – creating a barrier to use. Big Brother monitoring. |
| | No Intranet strategy to determine content etc. Now starting a needs analysis. |
| | Dial in access – unreliable. |
| | Projects staff have laptops, mobiles. |
| IT comes from a very different vision about IM and KM. | Data/information is accessible and secure are main priorities. The capture, codification, presentation not so much. |
| | Promoting “Sharing” is not part of their brief. This is slowly changing. Online phone book recent apps development. A tool not a leader. |
rights etc do not support, hence there are multiple versions, poor naming protocols etc. Hence have ended up with a huge volume of stuff which is hard to navigate. Using a Mass Archiving strategy as a last resort.

| previous bad experiences makes it even harder to build/procure new tools and functionality. |

| 10. How does your organisation’s KM strategy take into account its specific characteristics (ie. products/services, operation management, organisational structures, human resources etc) and organisational maturity? |

| Making the tangible/understandable link to “Projects of Natural Significance” (high profile program) is important – addresses the important Why element. Otherwise we really don’t. Budget and HR constraints are the primary considerations. |

| Trying to take this more into account recognising that CARE International and Australia etc is changing. Can’t wait to address everything perfectly so have to adapt. Care Project Information Network (sophisticated d/base that was scrapped. Replaced by a simplified Excel based product that is supplied via email which seems to work OK) |

| No strategy. Adapt/react to environment. |

| Identifies that this is a first time and there are lots of issues with staff retention, changes, demands etc. Adopted a KISS principle to build momentum maturity and capability. Some basic knowledge mapping has helped refine focus of activities of what’s important and how best to distribute it. |
Appendix 4 – Research Survey

Knowledge Management in Australian Not for Profit Organisations (NFPs)

This survey is designed to collect data for the PhD studies of Craig Hume (s0885768).

Craig is a Ph.D. candidate in Griffith University's Business School.

For further information: craig.hume@student.griffith.edu.au

Dear Survey Participant,

Australian NFPs operate in an increasingly competitive marketplace for funding, staff and donations. Further, NFPs, both in Australia and internationally, are growing rapidly in number in response to increasing needs for the humanitarian and environmental sustainability that governments struggle to provide effectively. In this context, NFPs are being driven to adopt more "commercial " contemporary business practices in order to improve service delivery, service management, staff retention and donor appeal. Knowledge Management (KM) is one such contemporary business practice being adopted to varying degrees. Although the concept of knowledge management is basically understood in many NFPs, the detailed implications to build and sustain this practice in an NFP environment are under explored at this time.

This PhD research aims to undertake theory building with respect to the dimensions of knowledge management in Australian NFPs and the role and influence of key "enablers" such as organisational culture, leadership and internal marketing on the operation of KM including knowledge capture, co-ordination, distribution and renewal.

Your participation in this research is greatly appreciated and valued.

Kind Regards,

Craig Hume
There are 56 questions in this survey

**Section A: Demographic data related to your NFP relationship**

1 [A1] How is your NFP organised and managed? (Select one) *

Please choose all that apply:

- Locally within a suburb and/or regional area
- State-wide operation
- National operational with offices in all/most capital cities of Australia
- Internationally organised with offices in each Australian capital city

2 [A2] Number of employees (including volunteers) in your NFP? *

Please choose all that apply:

- 0-10
- 10-50
- 50-100
- 100-500
- 500+

3 [A3] Products / Services focus of your NFP? *

Please choose all that apply:

- Environment
- Health
- Housing
- Social Welfare
- Migrant
- Disability
- Rural
- Aged Care
- Animal Welfare
- Arts/Culture
- Education
- Family
- Indigenous Support
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20 [C3] Promotion of the organisational and professional goals of knowledge management to staff will help the capture and renewing of knowledge in your NFP? *

21 [C4] Addressing the 'Why' value proposition is fundamental to the internal marketing of knowledge management to NFP staff? *

22 [C5] 'Socialisation' strategies (eg. Communities of Practice, Special Interest Groups, Training, Meetings) are the best channels for the internal marketing of knowledge management? *

23 [C6] Internal marketing of knowledge management should be 'multi-channelled' (eg. Intranets/Internet Special Interest groups, location/office advertising, promotional materials such as brochures/newsletters, DVDs etc) to be effective in NFPs? *

Section D: The Role of Leadership

24 [D1] Organisational leadership is critical in supporting effective knowledge management in NFPs? *

25 [D2] Effective knowledge management requires NFP leaders to be actively involved in knowledge management activities. *

26 [D3] NFP leaders must actively promote the use and benefits of knowledge management to staff for it to be adopted and sustained. *

27 [D4] Different leadership styles are necessary for NFPs which operate at differing local, national and international levels and different service focus. *

Section E: The Impact of Organisational Culture

28 [E1] Organisational culture is critical in supporting and sustaining knowledge management in NFPs? *

29 [E2] Personal 'trust' is a key enabler to knowledge management in your NFP? *

30 [E3] Personal knowledge a key source of position and status in your NFP? *

31 [E4] Cultural and language similarities assist in the success of knowledge management in your NFP. *

32 [E5] The 'public' nature of knowledge sharing and distribution motivates the capture and/or creation of knowledge in your organisation?

33 [E6] Like-minded 'specialists" and/or "experts" in your NFP communicate regularly and share knowledge? *
34 [E7] Hoarding of information and knowledge by individuals or groups is actively discouraged in your NFP?

**Section F: Performance Management**

35 [F1] Performance appraisals/reviews are used in your NFP? *

36 [F2] Performance reviews of knowledge management contributions, involving all operational and management staff, is done in your NFP? *

37 [F3] Performance management would assist in the capture and distribution of knowledge in NFPs where knowledge is the source of status and power/authority? *

38 [F4] Performance management would assist in breaking down organisational 'silos' and foster cross-functional knowledge creation and sharing in NFPs? *

40 [F6] Intellectual capital is recognised and/or rewarded in your NFP? *

41 [F7] Best practice is reviewed/studied regularly in your NFP as a strategy to improving or measuring performance? *

42 [F8] Rewards and/or public recognition are given for high level performance and/or the achievement of organisational goals in your NFP? *

**Section G: The Use of Information & Communications Technology**

43 [G1] The use of ICT is fundamental to supporting knowledge management in your NFP?

strongly disagree

44 [G2] ICT is used to create an organisational 'memory' that is used by the NFP staff to deliver services? *

45 [G3] Knowledge in your NFP is best “managed” via ICT channels (eg. Internet/Intranets, Emails, File Servers, Collaborative work spaces such as Lotus Notes)?

46 [G4] Knowledge in your NFP can be “managed” with non-ICT channels such as libraries, Communities of Practice, team/group meetings, presentations/factsheets and informal discussions. *

47 [G5] IT is essential to effective knowledge management in your NFP. *

48 [G6] Organisational knowledge is captured, distributed and renewed in your organisation

**Section H: The Impact of Organisational Size**
54 [H1] Small sized NFPs (>50 people, organised locally, flat management structures, regular social interaction and have a very specific focused service goal) have effective knowledge management that supports operations and its strategic activities? *

55 [H2] Medium-sized NFPs (>100 people, organised nationally) have effective knowledge management because of access to investment and donor capital, greater organisational agility, language and cultural similarities, access to professional resources and ICT connectivity. *

56 [H3] Large-sized NFPs (internationally organised, large permanent and volunteer staff base, significant donor and financial resources) struggle with knowledge management because of multiple language and cultural differences, large investment and technical complexities required for ICT connectivity, large organisational hierarchies and diverse knowledge areas. *

Submit your survey.

Thank you for completing this survey.
Appendix 5: - PhD Confirmation Documentation

Craig Hume: Knowledge Management Enablement in Australian Not for Profit Organisations (NFPs)
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CERTIFICATE OF COMPLETION

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You have successfully completed your RHD Induction!
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