

KM 100: INTRODUCTORY KNOWLEDGE MANAGEMENT FOR NOT-FOR-PROFIT ORGANISATIONS

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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

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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 that 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 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.

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 (e.g. 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, and 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 employee and 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); 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; and 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 sectors (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 and 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 volume 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 is 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 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 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 form 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 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 & 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 to question three. This, in turn, leads us to the following research questions for enquiry.

Q2a: What is knowledge, and what information is 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 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 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 be 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 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 obtaining 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 ongoing 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 to question five:

Q4. What cultural factors of NFPs, in particular philanthropic organizational objectives, 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 and 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 and 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 links between the internal and external environment of the firm. Most importantly, the focus on the people in the socialisation phase and creating forums, events and 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 communication 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* or *Hot Topics* hyperlinks on the Intranet front pages. Similarly, pull style functionality can be supported via a simple 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, Sehorn and Brown (1995). These findings identified the emergent themes and behaviours of KM within 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 and 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 types 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 Table 1, 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 approach 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 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 practised.

Interviewees were asked to discuss in the current system how they captured and discussed knowledge and, if they did not currently practise any method, what they thought may work. Socialisation and 'Communities of Practice' were only mentioned by the more established NFPs with the larger NFP representatives suggesting the creating of 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 1 also highlights employees' anticipated outcomes, with each of the interviewees suggesting 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.

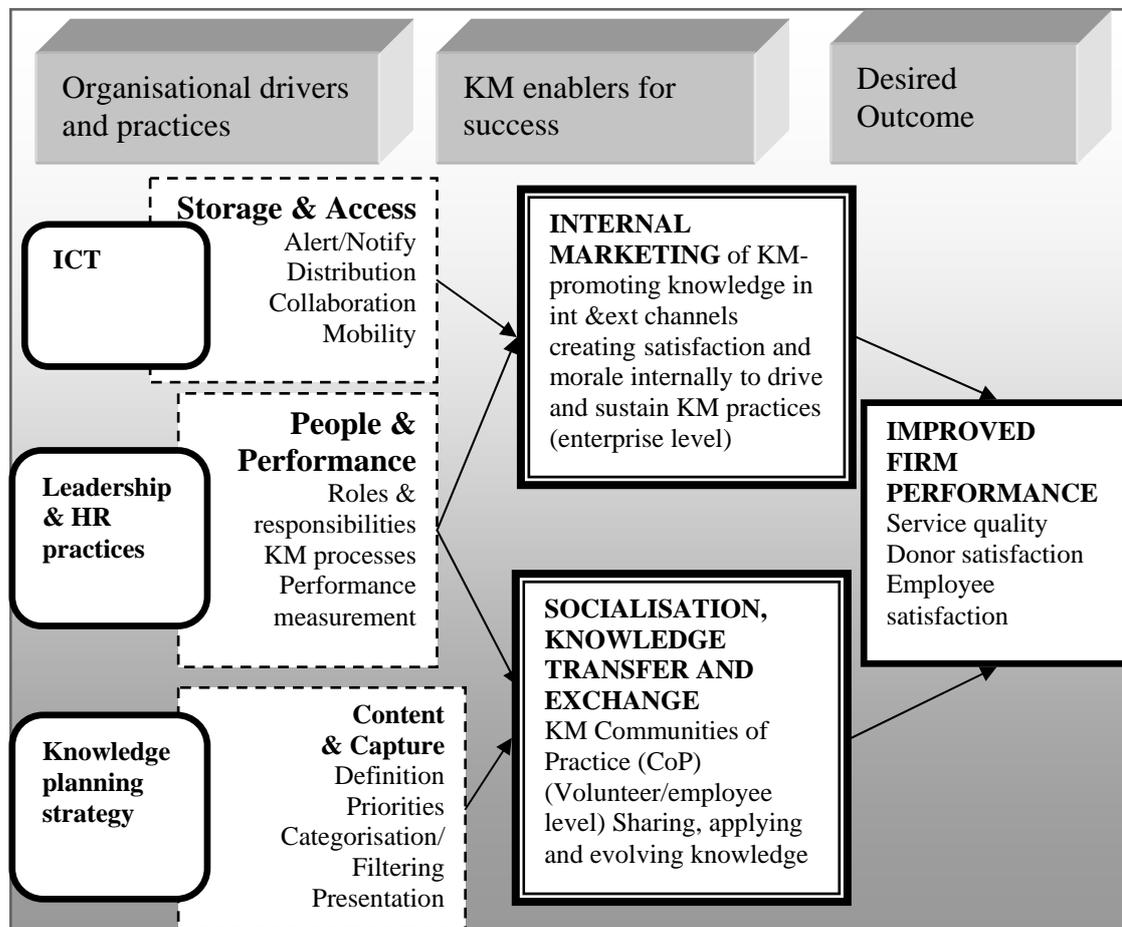
TABLE 1: INTERVIEWEE RESPONSES

Topic	Interviewee comments N=32
Type of knowledge	<ul style="list-style-type: none"> • Structured and unstructured knowledge; some we need for reporting • Service catalogues – contacts, subject matter experts, industry contacts and sector leaders. • Operational – methodology, templates/compliance, process and ‘best practices’; case studies, client deliverables • Historical – operational performance, trends & forecasts • External – regulatory, competitors, industry • Training - manuals • Marketing – presentations, fact sheets, links to related information. • Research & Development – new tools, techniques • Customer knowledge databases, needs and profiles • Donor knowledge databases, needs and profiles • Operational – case studies, client deliverables • Historical – operational performance (annual reports, financial statements, white papers/strategy statements)
Knowledge capture	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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
Improved outcomes with KM implementation	<ul style="list-style-type: none"> • Increased loyalty for donors • Increased donor satisfaction • Increased donor contribution • Recruitment of donors • Positive emotional outcomes and satisfaction for recipients • Increased confidence (in service received) • Increased commitment and trust • Increased process/service consistency • Increased service effectiveness • Increased service innovation/best practice development • Cost effective training • Improved morale and culture resultant from sharing knowledge

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.

Figure 1: Conceptualisation of knowledge management strategy for NFP stakeholders

Organisational drivers

The model proposes three essential drivers for KM success in NFPs. These include information and 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, are essential organisational drivers in creating 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 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 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 & Prusak 2000) it can be argued that these have been limited to specific applications, and there is a need for an 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 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 benefits of KM. 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, 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.

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