Competing Values Framework and Knowledge Management Processes in Malaysian Universities

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ABSTRACT

This paper aims to investigate the relationship between knowledge management (KM) processes and organisational culture (OC) between the public and private higher education institutions in Malaysia. Based on the data collected from 594 academics in 3 public and 3 private universities in Malaysia, the empirical results reveal that more than 87% of the respondents have at least some knowledge of KM. The mean scores also suggest that the institutions have somewhat balanced culture which is conducive for KM implementation. All the KM processes exhibit significant positive correlations with all the OC types. The implications are discussed and recommendations are provided in light of the findings.

Keywords
Knowledge management; Organisational culture; higher education; Malaysia

1.0 INTRODUCTION

There is wide recognition that higher education institutions are in fact knowledge-based (Sallis & Jones, 2002) and that there is as much need for KM in higher education as in the industries (Laudon & Laudon, 1999; Sallis & Jones, 2002). Similar to the corporate sector, the institutions are increasingly operating in an ever-changing and uncertain environment (Bates, 1997; Levine, 2000; Middlehurst & Woodfield, 2006). Since higher education does not solely provide knowledge to students but is also engaged in managing and collaborating existing knowledge for future reference (Maizatul Akmar & Chua, 2006; Yusof & Suhaimi, 2006), hence, an institutional-wide approach to KM which can lead to considerable improvements in sharing explicit and tacit knowledge and subsequently improving the performance of the institutions is necessary (Sharimllah Devi et al., 2007; 2008; 2009).

There are, however, two primary issues that make KM implementation a challenge across the higher education institutions. First, there are clear and substantive differences between public and private higher education providers, particularly from the perspective of styles of leadership and administration, quality, and the ability to meet market demands (Balan, 1990; Mintzberg, 1993; Patrinos, 1990; Perry & Rainey, 1988). These dimensions are strongly linked to KM practices (i.e. leadership) and outcomes (i.e. quality of programmes and ability to meet market demands). Unfortunately, very limited empirical research has been attempted to compare the differences in KM practices between the public and private institutions.

Second is the tendency of faculty members to hoard knowledge (Ho et al., 2008; Wiig, 1993) as many regard knowledge as proprietary and thus should not be shared. Managing knowledge in these institutions has therefore become a matter of managing organisational culture (OC) (Alvesson & Karreman, 2001; McDermott (1999). In fact many KM researchers and practitioners have arrived at consensus that one of the most critical factors in KM implementation is the presence of a knowledge friendly culture (Chong, 2006; Davenport & Prusak, 1998; Greengard, 1998; McDermott & O'Dell, 2001; Nonaka & Takeuchi, 1995; Ryan & Prybutok, 2001; Skyrme & Amidon, 1997). However, very few studies have been done to investigate cultural aspects that facilitate KM implementation, especially among the higher education sector. This gives rise to a growing discontentment among the academics regarding the practicalities of implementing KM (Michael, 2004).

This paper thus explores the KM processes and OC between the private and public higher education sector. The implications of this study could be of remarkable value to help the institutions, both public and private, to assess the existing cultural practices as they prepare to implement KM initiatives. Specifically, the findings could help the institutions to evaluate

their existing cultural practices which will help steer the direction for KM success.

2.0 LITERATURE REVIEW

2.1 Knowledge Management (KM) Processes

KM is widely recognised as a process involving knowledge generation, use and application. The knowledge to be managed includes both explicit; documented knowledge, and tacit; subjective knowledge. The literature suggests that there are as many as six KM processes (creation, capture, organisation, storage, dissemination, and application) (Bhatt, 2000; Earl & Scott, 1999; Horwitch & Armacost, 2002; Parikh, 2001).

2.2 Organisational Culture (OC)

Organisational culture (OC) has been touted as a strong strategic KM enabler given the fact that it motivates and supports while encouraging KM processes at an individual, group, and organisational levels (Coukos-Semmel, 2002). In fact, Kotter and Heskett's (1992) study on OC and performance concluded the following: (a) OC has a major impact on a company's long-term economic performance; (b) OC contributes importantly in determining the success or failure of organisations in the next decade; and, (c) although difficult to change, management can restructure OC to become more performance enhancing.

Among the many constructs measuring cultural practices of organisations, the Competing Values Framework (CVF) developed by Cameron and Quinn (1999) is perhaps one of the most comprehensive models proposed so far due to its strong theoretical foundation. It is extremely useful in helping to organise and diagnose a wide variety of organisational phenomena. The framework arrests the trends in culture by focusing on competing values along the internal/external and control/flexibility divides (Quinn & Spreitzer, 1991). Apart from exploring the competing demands within organisations between their internal and external environments, the CVF also investigates control and flexibility focus (Denison & Spreitzer, 1991) which constitutes the two axes of the competing values model. Organisations with an internal focus accentuate integration, information management and communication, whereas organisations with an external focus stress on growth, resource acquisition and interaction with the external environment. On the second dimension of conflicting demands, organisations with a focus on flexibility emphasises adaptability and spontaneity (Zammuto et al., 1999).

As shown in Figure 1, the CVF has four distinct culture types:

1. Clan or Group
2. Adhocracy or Development
3. Hierarchical
4. Market or Rational

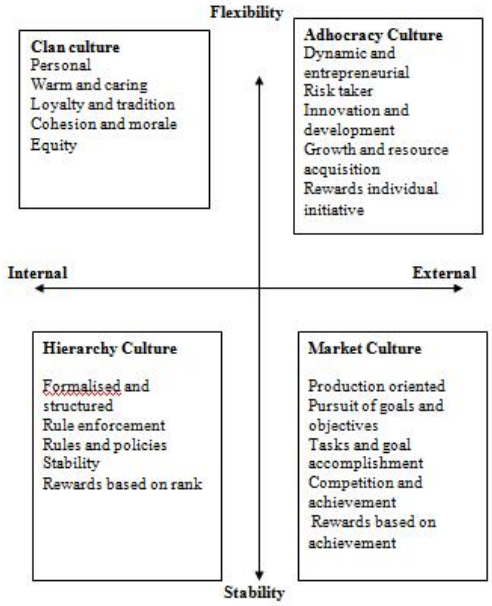

Figure1: Competing Values Framework

Based on the extensive review of literature, this study adopts the six KM processes and the CVF to measure the culture of both the private and public higher education institutions.

3.0 METHODOLOGY

3.1 Sampling

The study was conducted on the entire population of academics attached to three public upgraded university colleges and three private university colleges in Malaysia to ensure maximum return rate of the questionnaires. The academics were chosen because of their responsibility in generating knowledge through research and disseminating knowledge via teaching (Chaudhry & Higgins, 2003; Jones, 2003). The nature of the study was explained in a cover letter accompanying the questionnaire.

Prior to administering the questionnaires, permission was sought from the management of each institution. Out of the 1453 questionnaires administered, 594 were returned, yielding a response rate of 40.8%. Overall, there was a return rate of 33.9% for public institutions and 52.8% for private institutions. Since the response rates for both the public and private institutions in isolation as well as the overall are more than 30%, this

enables the generalisation of the results obtained (Sekaran, 2003).

3.2 Questionnaire

The survey questionnaire used in this study contains two sections. Section 1 contains two questions on demographic information, which consists of the academics' knowledge of KM and if their institutions had a KM programme in place. Section 2 contains Organisational Culture Assessment Instrument (OCAI) developed and validated by Cameron and Quinn (1999) based on the theoretical model of CVF (Figure 1). The questionnaire was piloted prior to dissemination so as to achieve face validity.

4.0 FINDINGS

Table 1 shows the profiles of the respondents. A majority of the respondents seemed to have some knowledge of KM. This justifies their inclusion in the current study. However more than half of the respondents state that their institutions do not have or are unsure if a KM programme is in place. Hence, it can be concluded that KM does not have a very strong base in these institutions.

Table 1: Demographic characteristics of respondents

Items	Descriptions	%
Knowledge of KM	Nothing	12.8
	Some knowledge	37.9
	Average knowledge	40.7
	More than average knowledge	8.2
	Very knowledgeable	0.3
Institution has KM Programme	Yes	43.8
	No	20.2
	Unsure	36.0

Table 2 illustrates the overall mean score for the public and private institutions as a whole and on its own for the four OC types. All the factors in the OC type scored an average mean factor rating; however, the highest of this is the clan culture and hierarchy culture, and the lowest is the adhocracy culture for the public and private institutions as a whole. The findings imply that the academics show an average tendency to all the culture types in the institution surveyed, with a slightly more emphasis on the clan and hierarchy culture. The standard deviation scores below one imply that the respondents have consistently rated all the elements.

Consistently, Table 2 also illustrates the overall mean score for public institutions for the OC types. All the OC types scored an average mean factor rating as illustrated in the table above; the highest of this being the clan culture, and the lowest is the adhocracy culture.

Table 2: Mean scores of OC Types

Culture type	Public and Private IHLs	Std. Deviation	Public IHLs	Std. Deviation	Private IHLs (Rank)	Std. Deviation
Clan Culture	3.44 (1)	.479	3.67 (1)	.422	3.11 (3)	.346
Adhocracy Culture	3.25 (3)	.425	3.33 (4)	.451	3.17 (2)	.356
Market Culture	3.32 (2)	.479	3.42 (3)	.449	3.18 (1)	.489
Hierarchy Culture	3.44 (1)	.495	3.63 (2)	.419	3.18 (1)	.475

Similarly, the overall mean score for private institutions for the four OC types also shows an average mean and standard deviation rating for all the OC type. The highest of this being the market and hierarchy culture, and the lowest is clan culture. The findings imply that the academics show a neutral tendency to all the culture types in the institution surveyed.

Table 3 demonstrates that all the six KM processes identified from the literature have a moderate significant positive correlation with all the cultures, namely, clan, adhocracy, market and hierarchy for both the public and private institutions. Greater correlation coefficients were recorded for adhocracy and market culture types. The Pearson correlation analysis provides evidence that all the OC types are encouraging for KM implementation. This indicates that a mix of all the four OC types is needed for the KM processes to be effectively carried out.

Table 3: Correlation between KM Processes and OC in Public IHLs

OC / KM Processes	Clan	Adhocracy	Market	Hierarchy
Public and Private IHLs	.445**	.516**	.554**	.423**
Public IHLs	.465**	.462**	.456**	.343**
Private IHLs	.555**	.581**	.693**	.472**

** Correlation is significant at the 0.01 level (2-tailed).

5.0 DISCUSSION

This research is probably one of the first studies that attempted to comprehensively examine the relationship between KM processes and OC in the public and private higher education setting. The findings on the extent of academics' knowledge on KM (Table 1) provide empirical evidence that the higher education sector is in fact knowledge-based organisations (Cronin & Davenport, 2000; Goddard, 1998; Rowley, 2000).

In relation to OC types, this study found that the institutions surveyed have a balanced culture, which is ideal given that Cameron (1986) reports that organisation with a balanced culture is better than in which only one culture dominates. The balance can be explained by the fact that the institutions surveyed are relatively new, established around 2000. Hence, academics employed from varied institutions with different OC types make up the academic pool, thus contributing to the equilibrium.

The market and adhocracy culture recorded a higher correlation in the public and private institutions as a whole because the basic emphasis underlying the market and adhocracy culture is strength in market position, and research and development, respectively which is in line with KM which is known to improve customer service, encourage individual learning and develop rapid commercialisation to renew unique knowledge and expertise (Skyme & Amidon 2000). The clan culture recorded a higher correlation to KM processes in the public institutions because its premise of employee involvement in programmes, which is to some extent a communal effort is consistent with the nature of KM processes (Yeo et al., 2004).The market culture recorded a greater correlation with KM processes compared to the rest of the cultures due to its attributes in private institutions.

The hierarchy culture recorded the lowest mean score in all the institutions. The premise of the hierarchy culture emphasises on rules, stability and formalisation which may not be in line with KM processes, which stresses on efficient exploitation and development of the knowledge assets of an organisation (Davenport et al., 2003).

6.0 RECOMMENDATION

The results demonstrate that the market culture has a significant relationship with KM processes, thus the higher education sector should focus more on the market culture. It implies that the institutions must keep track of how their best competitors are performing. Publications, and news clippings must be studied and the best practices in the best institutions throughout the world must be benchmarked.

In line with this, a formal SWOT (Strategies, Weaknesses, Opportunities, and Threats) analysis needs to be conducted to identify the core competencies and strategic advantages of a faculty. In addition, bottlenecks need to be identified as well as the redundancies as issues that slow down work need to be eliminated, redesigned, or changed. Next, the institutions must emphasise only on world-class quality in products and services, and the message that only best ideas, thinking and effort are acceptable needs to be communicated. Additionally, clear priorities need to be established since not everything done adds value to the institutions. Business needs to be done with competitors, be they private or public institutions once in a while in the form of joint workshops, training and conferences. In this way, the techniques of what they do better can be identified.

To achieve this, the top management and even the government leaders play critical roles in shaping the culture of the institutions. In promoting a balanced culture, the leaders must take the role of cultural change agents in enabling KM. Only through proper change management initiated by the leaders through systematic promotion of desired subcultures and planned organisational development projects can create parallel learning structure for KM initiatives to be successful (Schein, 1992).

7.0 CONCLUSION

It is necessary than ever before for the higher education sector to recognise the value of their intellectual capital and manage these intangible assets in order to be adaptable to a knowledge-based society (Metaxiotis & Psarras, 2003). Therefore, it is hoped that the findings and recommendations made in this study would help the institutions to properly manage their KM processes through the development of a KM-friendly culture across the institution.

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