

2010

# Knowledge Management Challenges for Nongovernment Organizations: The Health and Disability Sector in New Zealand

Michelle Soakell

*University of Auckland Business School, m.soakell@auckland.ac.nz*

Michael D. Myers

*University of Auckland Business School, m.myers@auckland.ac.nz*

Follow this and additional works at: <http://aisel.aisnet.org/acis2010>

---

## Recommended Citation

Soakell, Michelle and Myers, Michael D., "Knowledge Management Challenges for Nongovernment Organizations: The Health and Disability Sector in New Zealand" (2010). *ACIS 2010 Proceedings*. 94.

<http://aisel.aisnet.org/acis2010/94>

This material is brought to you by the Australasian (ACIS) at AIS Electronic Library (AISeL). It has been accepted for inclusion in ACIS 2010 Proceedings by an authorized administrator of AIS Electronic Library (AISeL). For more information, please contact [elibrary@aisnet.org](mailto:elibrary@aisnet.org).

## Knowledge Management Challenges for Nongovernment Organizations: The Health and Disability Sector in New Zealand

Michelle Soakell

Department of Information Systems and Operations Management  
University of Auckland Business School  
Auckland, New Zealand  
Email: [m.soakell@auckland.ac.nz](mailto:m.soakell@auckland.ac.nz)

Michael D. Myers

Department of Information Systems and Operations Management  
University of Auckland Business School  
Auckland, New Zealand  
Email: [m.myers@auckland.ac.nz](mailto:m.myers@auckland.ac.nz)

### Abstract

*This paper reports on an exploratory study looking at the knowledge management (KM) challenges faced by Non-Government Organizations (NGOs). Specifically, this paper looks at NGOs in the health and disability sector in New Zealand. Within this sector, the introduction of competitive tendering and contracting and a lack of transparent funding processes has seen a move towards greater contestability of services in the NGO sector. To ameliorate this situation requires effective management of knowledge assets and a sound understanding of KM practices. Using qualitative research methods, we studied the KM practices of nine NGOs in the health and disability sector in New Zealand. Our findings suggest that there are many barriers to the successful implementation of KM in NGOs, some of the most important ones being related to organizational structure and culture.*

**Keywords:** Knowledge management, culture, organizational structure, non-government organizations, healthcare

### INTRODUCTION

Non-government organizations (NGOs) within the health and disability sector comprise an important component of the social service sector in many countries (NGO Working Group 2008). They play a role as both a fence at the top of the cliff with early intervention initiatives and an ambulance at the bottom with rehabilitation and support for chronic illness and ageing (NGO Working Group 2009).

However, NGOs have faced increasing financial and management pressures in recent years. They are increasingly being forced to compete with corporates and other NGO's for overly prescriptive funding (Eikenberry and Kluver 2004). As Lawton (2005, p.231) observes: "increasingly the [non-profit] and public sector[s are] . . . becoming more business-like, with the introduction of competition, output measures and corporate management styles." Knowledge Management (KM) has been suggested as one solution to these pressures (Smith and Lumba 2008).

However, not all NGOs have been successful in embracing KM principles (Smith and Lumba 2008). Many are skeptical of the effectiveness of KM in the social sector (Smith and Lumba 2008) often because of difficulties in implementation (Blair 2002; Matzkin 2008; Zack 1999). The ineffectiveness of KM practices among some NGOs can also be attributed to the adoption of inappropriate KM strategies, particularly the imitation of strategies employed by corporate firms (Britten 1998; Hume and Hume 2008). This highlights the need for research on KM practices in NGOs (Matzkin 2008; Renshaw and Krishnaswamy 2009; Borga, Lettieri and Savoldelli 2002). What are the KM challenges for NGOs, and are these challenges different from those faced by government agencies and companies? This purpose of this paper is to explore the KM challenges faced by NGOs. It focuses on the health and disability sector in New Zealand.

This paper is organized as follows. We begin by examining the body of literature around the KM challenges faced by NGOs. This is followed by a description of our research method. Then we report the findings from interviews with senior executives in the NGO sector. The paper concludes with suggestions for the establishment of effective KM practices for NGOs.

## LITERATURE REVIEW

There are many challenges to the successful implementation of KM (Kiple et al. 2008). As far as NGOs are concerned, the KM challenges they face are summarized below.

### Funding and Resource Constraints

Limited funding and resource constraints (Helmig et al. 2004) frequently prevent NGOs from successfully implementing KM (Hume and Hume 2008). NGOs are also reliant on financial support from donors (Dalkir 2009). This means there is a tendency to expend funds on operational activities with immediate outcomes rather than longer-term improvement projects such as KM - where short term payoffs may be intangible (Borga, Lettieri and Savoldelli 2002). Additionally, a competitive funding model in many countries (as in New Zealand) stifles collaboration within the sector (NGO Working Group 2007). This, too, tends to limit NGOs collaborating amongst themselves with regard to KM.

### Emerging Professional Identity

Reforms in the non-profit market place have challenged the existing roles and identities of both public and non-profit sector professionals (Paulsen 2006). Traditionally, social sector professionals were defined by the ability to assist and serve the needs of the public. But now there is considerable emphasis on project and contract management competencies (for which many of these individuals are not appropriately trained). Thus, “the challenge is to determine the degree to which these roles are emerging as part of a new identity for service professionals” (Paulsen 2006, p. 9) and examine the implications for KM.

### Organizational Structure

Organizational structure presents significant challenges where KM implementation is concerned. Saqib, Rohde and Wulf (2008) suggest that small NGOs typically do not have a defined organizational structure. Volunteer networks “fill many roles within the organization” (Hume and Hume 2008, p.132). The result is a lack of organizational knowledge and inconsistency in decision making (Saqib, Rohde and Wulf 2008). Also, NGOs usually have to consult their stakeholders for all major decisions (Lettieri, Borga, and Savoldelli 2004). This situation contrasts with the professional management found in government and for-profit companies.

### Lack of Leadership

The IS research literature has consistently highlighted a lack of leadership as a one of the most important barriers to KM (Renshaw and Krishnaswamy 2009). This problem is compounded in the case of NGOs, however, since most leadership and management roles tend to be transient (Lakey et al. 1995). Complex governance and diffuse power structures are common to the social sector (Collins 2005). Hence, lack of leadership is a serious barrier to KM in the NGO sector (Saqib, Rohde and Wulf 2008).

### Cultural Barriers

Some researchers have suggested that a precursor to any successful KM implementation is to first build a culture that will support the sharing of expertise (Davenport and Prusak 1998; Van Krogh 1998; Szulanski 1996; Desouza 2003). However, Giordano (2007) found that the high task uncertainty typical of the NGO environment makes “it less likely (for knowledge) to be shared without some equitable form of reciprocity” (Giordano 2007, p.270). Burt and Taylor (2003), in their study of the KM needs of Friends of the Earth, found that this NGO opted for a ‘lax’, more voluntaristic system in tune with its culture of ‘anarchic’ independence. They concluded that this NGOs deep commitment to grassroots autonomy and independence—institutional principles in keeping with its original vision— delimited the technological alternatives that this organization would countenance (Burt and Taylor 2003, p. 121). They noted that major changes, such as the move to web-based technologies, would require a paradigm shift in organizational culture (Burt and Taylor 2003).

### Research Question

Previous research has highlighted the five challenges above to the successful implementation of KM. However, what are the challenges when there is a move towards a greater contestability of services in the NGO sector? This aspect has not been considered previously. Hence, we explore the KM challenges faced by NGOs in New Zealand, where competitive tendering and contracting has been recently introduced in the health and disability sector.

## RESEARCH METHOD

We used qualitative research methods (Myers 2009) and in particular interpretive case study research (Klein and Myers 1999) to explore the KM challenges faced by NGOs in New Zealand. We selected ten NGOs from the NGO Working Group Register on the recommendation of the Secretary of the Health and Disability NGO Working Group (refer table 1.) Case study research was used to study the KM challenges of nine NGOs that agreed to participate, with the qualitative data primarily obtained from documents and interviews. One hour interviews were conducted with eight CEOs and one General Manager (Finance, Information Services and Property) in 2009. The interviews were semi-structured in nature, following the dramaturgical approach recommended by Myers and Newman (2007). Briefly, informants were asked to discuss barriers to the successful implementation of KM (refer appendix 1). All interviews were recorded on audio tape and then analyzed using thematic analysis (Myers 2009). All interview transcripts were analysed for sentences and structures which corresponded with key areas from the literature review (Miles and Huberman 1994). This data was then used to illustrate or challenge the findings of the literature review.

Table 1. Descriptions of Participating Organizations.

Organisation Name	Organization Description
OrganizationOne	A large organization spread across a number of centres which aims to improve the lives of individuals affected by arthritis.
OrganizationTwo	A small national organisation comprising 8 staff, with a number of standalone affiliates which raises awareness of asthma and respiratory illness in New Zealand.
OrganizationThree	A middle-sized organization with several outreach offices across New Zealand. The organization promotes the Deaf culture and interests of the Deaf community.
OrganizationFour	A middle-sized organization with 13,500 members based in 39 different societies and a budget of roughly just under \$0.5m year. The organization represents individuals with diabetes to ensure that they have the best access to health care.
OrganizationFive	A large organization, employing 280 staff with an annual income of approximately \$12m per year. The organization works to promote a positive view of sexuality.
OrganizationSix	An organization which aims to support the community, researchers and medical professionals to reduce heart disease through intervention and education. The organization comprises of 18 local/regional offices in addition to a national office.
OrganizationSeven	An iconic, community based organisation committed to supporting children from age 0 to 5 and their whanau/families. The organization employs a paid nursing workforce and extra support is provided by a voluntary adjunct.
OrganizationEight	The organization is New Zealand's largest provider of vision-related services to blind, deafblind and vision-impaired individuals. It is well established with 11,700 members and employs over 300 staff in 19 offices throughout the country.
OrganizationNine	A large, independent charitable trust that provides services for children, young people and adults with disabilities and their families. The organization employs approximately 750 staff including part time and casual employees and supports between 80 and 85 community houses for its service users across the Auckland and Hamilton regions.

## FINDINGS

The main findings are discussed below.

### External Relationships

The majority of NGOs reported difficulty managing their relationships with volunteers, particularly with respect to their integration into the organisational structure and their lack of IT capability. Most suggested that there were certain roles that volunteers did not have the qualifications or experience to fill. Also, there were difficulties with volunteers who were not competent with the use of IT which in turn affected learning strategies within the organisation. Despite this, all NGOs suggested that volunteers were a necessary component of their workforce.

Health centric NGOs appear to have integrated a different sort of 'volunteer.' One NGO, for example, provides opportunities for students to undertake placements, whilst another provides students with a role in annual strategic and business planning.

Overall, most NGOs expressed a desire to work with volunteers and to provide them with resources and training equivalent to that received by staff. It was apparent that integration difficulties are not attributable to a lack of commitment or motivation on the part of the organisation, suggesting that there is an opportunity for better use of KM by these organizations.

### **Commercial Principles, Partnerships and Alliances**

An important difference between not-for-profit NGOs and companies is that, whereas businesses are driven by profit and shareholder value, NGOs are driven to ensure a better life for people. However, our informants alluded to the tension between the need to bring commercial principles to the organisation to ensure sustainability and loyalty to the mission and organisational values.

(Some staff say) "you're just making this another corporate. You're just making us into something like the for profit sector". Well, we're not. Yes we are bringing commercial principles. Yes, we are worried about revenue. Yes, we do have to make a return on our investment. But it's for a different goal (Interview with CEO from NGO Six, 2009).

Given the balancing act between commercial principles and the mission or the organization, one informant commented that KM is "in many ways, more important for for-profit organisations than it is for the likes of us [the NGO]" (Interview with CEO from NGO Two, 2009).

What appears to be problematic for NGOs wanting to bring commercial principles to the sector is that, unlike in business, a number of the necessary measures are outcomes rather than outputs. NGO Eight, for example, reported that as a charity they need to be able to measure outcomes, but that there is not always the ability to do this, making it difficult to ascertain what level of benefit a client is receiving. Here again, there seems to be a potential opportunity for better use of KM.

### **Organisational Structure**

Historically, NGOs within the health and disability sector have been very independent. Informants recognized this as a barrier to information sharing, learning and therefore successful KM. In response to this, most have either restructured or are in the process of doing so in an attempt to embrace the 'matrix organization.' Although most NGOs have a relatively flat structure, larger ones tended to have a larger organizational hierarchy.

Tensions between centralization and decentralization were also apparent in all the NGOs. Most have a number of local or regional branches that are largely autonomous and feed into a national organization and a national vision. For some, the national office was seen as an enabler for the local and regional branches, but for others it was not.

Regardless, all organizations with local and/or regional and national offices reported some difficulty 'getting everyone on the same page.' Informants suggested that there was little sharing of information between local and national offices and that the former tended to feel somewhat isolated. This suggests an opportunity for KM.

(Within the) National office, [sharing] it's easy! You can just walk between offices and people. But it is probably more important for the out reaches, for us to look after them and give them what they need (Interview with CEO from NGO Five, 2009).

Most also recognized that learning needs differed, to some extent, depending on a person's position in the organizational hierarchy. For example, there was a need for greater external and self directed learning at higher levels of the organization. Staff at these levels had a requirement to keep abreast of developments in their field of practice.

### **Organisational Culture**

Almost all of the senior executives we interviewed displayed a culture of passion, determination and motivation to work toward the goals of the NGO's mission. All of the NGOs valued learning and recognized the importance of moving from information to knowledge.

In NGO Six, for example, staff members are encouraged to publish partly because science is the backbone of the organisation and a number of external programme evaluations are conducted. In this light, knowledge as viewed as the means to improvement.

The majority of NGOs also have well established staff performance management and for many, this is ingrained into the culture of the organisation. As these NGOs are service delivery oriented, field staff needs to be well trained and educated. For performance management purposes, many record and monitor training undertaken by clinical staff covered by the Health Practitioners Competency Act. This again suggests an opportunity for better use of KM.

### **Funding**

Lack of funding presents a double edged sword with respect to KM. On the one hand, because NGOs rely on donations and grants, it is necessary for them to ensure they are up to date with both the ethical and practical aspects of fundraising. However, the lack of funding often means that some services must be contracted out, leaving a knowledge gap within the organisation.

Given the current economic climate, and the balancing the act between revenue generation and knowledge and learning, putting extra resources into KM is a challenge. Some informants suggested it was difficult for smaller NGOs in particular to afford KM systems and practices.

... You know, it costs money... And the sad part is that a lot of them [small NGOs] really can't afford it and they've become very inert. I'm not sure in terms of practices that they're necessarily the best run organisations. I don't have evidence of that, but just by virtue of their size [sound KM] is certainly problematic (Interview with CEO of NGO Six, 2009).

Others have suggested that prescriptive funding presents a challenge where investment as opposed to service delivery/operational spending is concerned:

. . . because people work in a charity, they are frightened to spend money. You and I give that money and as the public expects, that money goes to providing service for the members. Because we are an NGO, people will often make do, and it's the sticky tape sort of approach instead of saying this broken down piece of furniture isn't going to help us anymore, let's find out what we really need and put some money into that (Interview with CEO from NGO Eight, 2009).

### **Role of Technology in KM**

The role of technology in ensuring successful KM practices was generally seen by all the NGOs as a positive and critical one. Most respondents acknowledged the linkages that IT brings where KM is concerned. NGO Three described the benefit that IT brings for their hearing impaired and deaf staff:

People assume that we should be like any other community . . . [but] every deaf household is full of plugs and full of technology because it's what gives us access. Getting people to recognise that [information technology is not a luxury] is really difficult (Interview with CEO from NGO Three, 2009).

One NGO mentioned that the development of an intranet had been expected to address underlying organisational culture issues and provide linkages to the outreaches of the organisation; however, it had failed to do so.

I don't know [why the branches don't use the intranet]. In the regions I don't think they see the point of it. I don't think it's very effective (Interview with CEO of NGO Six, 2009).

Despite a belief that IT is critical for effective KM, most organisations reported unsatisfactory experiences with IT, particularly with respect to KM. For NGO Three, current videophone protocols restricted calls to individuals within the same network necessitating a large volume of email communication and a number of shared drives to ensure access. This created management difficulties.

For most, however, the bulk of IT related KM problems arose as a consequence of their intranet. A number of informants reported difficulties locating information. NGO One attributed this to the different protocols and expectations around where information should be located, despite standardised organisational filing. The use of hyperlinks to direct staff to information maintained on shared drives was used by some in an attempt to assuage this:

And we do have standardised organisational filing. Although I've never been in an organisation where whoever sets up the filing systems means it's logical for anyone else. So you have exactly the same problems with nobody being able to find anything... (Interview with CEO of NGO One, 2009).

Perhaps in recognition of the above, a number of NGOs suggested a need to identify different information channels as a means to adapt KM for specific groups of people. NGO Three, for example, reported a need for

specific media for different communities including Maori, youth and the elderly. It had also recently launched a new website with a section for the deaf community, separate to the main site viewed by the public. Similarly, NGO Five has implemented three separate websites: one for their international unit, another aimed at youth, and a corporate website for the national office.

Not surprisingly, a clear majority of organisations were also eager to embrace online communication. Social networking tools, such as Facebook and Twitter, were being used or at least evaluated by most NGOs.

We don't twitter yet though. Not yet. We are a bit behind the times with twittering (Interview with CEO of NGO Eight, 2009).

While these technologies are expected to enhance networking, particularly among youth, it was also evident that a lack of resources dedicated to monitoring online communications required attention.

But we don't have a lot of resources around here for monitoring it [Facebook]. And you get very caught out with something like diabetes because people have a lot to say. They complain a lot, even about their doctors or how they're taught. People sometimes don't like being told what to do (Interview with CEO of NGO Four, 2009).

Many also reported difficulty linking KM strategies to organisational functions, largely because of limitations with existing information systems. NGO Seven, for example, had difficulty with the integration of a number of different systems and still retains hard copies of client notes. NGO Eight suggested that despite being able to record qualitative data, there was no way to draw on it to develop lessons learned or best practice, solely because the system is geared toward data collection as opposed to aggregation and analysis. Thus, there is a need to ensure that knowledge can be used to evaluate the tracking of outcomes. This again suggests the need for better use of KM.

## DISCUSSION

There appears to be a need for improved volunteer management within the social sector. High volunteer turnover (Hume and Hume 2008) and an inability to integrate existing volunteers is a barrier to the effective use of KM in NGOs. The lack of technology and business acumen on the part of the volunteer workforce is also a problem in a sector that is looking to leverage commercial principles.

This suggests that there is a need for a more selective volunteer recruitment process, if there is indeed a need for a higher calibre of volunteer in the social sector. However, to expand the vision of volunteering, NGOs must draw on the purity of the mission – be it helping those with ill health or enhancing the lives of those with disabilities – to ignite passion and commitment in the workforce.

With the introduction of commercial principles to their organisations, a number of NGOs reported a move to focus on their core business. In fact, many are outsourcing their IT capabilities to external providers. Given the current economic downturn and the ever-present need for small and medium sized NGOs to find cost-effective ways to reduce overhead costs, this is to be expected. Nevertheless, there may be some potential to use the technical volunteer, a relatively untapped resource of (student) expertise, to develop long-term capacity and address technology concerns. The technical volunteer can be seen as a means to enhance integration. These individuals may aid the NGO to assess its KM technology infrastructure and develop problem solving strategies when break downs are experienced.

All of the NGOs said that inadequate funding was inhibitive of collaboration between NGOs and innovative KM practices. Prescriptive funding arrangements also limit technology ownership within the sector. Policy development may therefore be necessary to heighten collaboration and aid the healthcare sector to move toward an agreed balance of institutional responsibilities among government, corporates and NGOs.

This research project has highlighted the need to develop measures around the costs and benefits of organizational infrastructures for KM. There seems to be a need to develop a KM framework (Smith and Lumba 2008) and gain clarity around KM structure and strategy, particularly if tensions between national and local levels are to be addressed. Further research is needed to determine how best to gauge forms of learning that are not yet commonplace in the sector; for example, the ability to strategize about technology decisions (Merkel et al. 2007).

The findings from this research project and the previous research literature they confirm or contradict are presented in table 2.

Table 2. Summary of Research Findings.

Theme	Previous literature	Our research findings
Multiple, professional (emerging) and cultural identities	Pappas (1996); Weisbrod (1998); Herman and Renz (2000); Block (2001); Barge and Hackett (2003); Hernes (2005); Paulsen (2006); NGO Working Group (2009);	<ul style="list-style-type: none"> <li>• Few or no measures to gauge the benefits of learning in spite of the need to enforce and encourage staff training at all levels given multiple professional identities.</li> </ul>
Organizational structure	Lemieux and Dalkir (2005); Fredericksen and London (2006); Hume and Hume (2008); Saqib, Rohde and Wulf (2008); Dalkir (2009)	<ul style="list-style-type: none"> <li>• Organizations are frequently siloed with flat structures for small NGOs and multitiered hierarchies for larger NGOS.</li> <li>• Acknowledgement of the need to break down silos and the role of shared repertoire to enhance knowledge transfer, but little beyond this.</li> <li>• Findings confirmed difficulties with part time workforce, but suggest that organizational structures within social sector organizations are <i>not</i> 'anarchaic.'</li> <li>• Volunteer integration, rather than turnover, is problematic.</li> <li>• Staff frequently operate in one and two person offices necessitating improved knowledge classification systems and systems that are understandable and transferable.</li> </ul>
Lack of leadership within the organization	Lakey et al. (1995); Collins (2005); Hume and Hume (2008); Kipley et al. (2008); Saqib, Rohde and Wulf (2008); Renshaw and Krishnaswamy (2009); Dalkir (2009)	<ul style="list-style-type: none"> <li>• Board and top tier management are both active and supportive in the domain of KM despite reports in the literature which suggest otherwise.</li> </ul>
Lack of or inappropriate performance management initiatives	Demarest (1997); Leete (2001); Figallo and Rhine (2002); Lettieri, Borge, and Savoldelli (2004); Saint-Onge and Armstrong (2004); Bennett and Barkensjo (2005); Hume and Hume (2008); Smith and Lumba (2008)	<ul style="list-style-type: none"> <li>• Performance management measures are appropriate and well engrained and are supported by the recording and monitoring of training activities.</li> <li>• Informal measures for staff appreciation are evident.</li> </ul>
Funding inadequacies	Storey and Barnett (2000); Borge, Lettieri and Savoldelli (2002); Keating et al. (2003); Helmig et al. (2004); NGO Working Group (2007); Hume and Hume (2008); Smith and Lumba (2008); Dalkir (2009); Renshaw and Krishnaswamy (2009);	<ul style="list-style-type: none"> <li>• Move to focus on core business and to bring commercial principles to the sector, in light of funding inadequacies.</li> <li>• Discussions around brand reputation as a means to channel alternative funding sources and develop corporate partnerships and alliances to better the financial status quo were prevalent.</li> <li>• Small NGOs do not appear to be able to afford the cost of sound knowledge processes, however, in general there is a willingness to spend on IT where necessary.</li> <li>• Limited interaction with other NGOs in light of CTC processes.</li> <li>• Prevalence of rudimentary KMS tools such as shared drives and intranet technologies</li> <li>• Unsatisfactory reports of experiences with IT geared toward KM, lack of systems integration, few technology evaluation processes and limited employee skillset all stem directly or indirectly from funding inadequacies</li> </ul>
Presence of	Szulanski (1996); Davenport and	<ul style="list-style-type: none"> <li>• Most organizations sport a culture of passion,</li> </ul>



cultural barriers	Prusak (1998); Van Krogh (1998); Zack (1999); Blair (2002); Borga, Lettieri and Savoldelli (2002); Desouza (2003); Ryan (2003); Hurley and Green (2005); Lemieux and Dalkir (2005);Giordano (2007); Kipley et al. (2008); Smith and Lumba (2008);	determination and motivation. <ul style="list-style-type: none"> <li>• Difficulty 'getting everyone on the same page' was evident of tensions between national and branch levels.</li> <li>• Appreciation of the role of knowledge sharing and reuse to develop best practice internally; tendency to acquire, but not utilize, share, or store knowledge.</li> </ul>
-------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

## CONCLUSION

In recent years the introduction of competitive tendering and contracting processes has forced nongovernment organizations to compete with corporates and with each other for overly prescriptive funding. KM has been suggested as one way for NGOs to compete more effectively in this new environment. With this goal in mind, this paper has provided an exploration of the KM challenges faced by NGOs in the health and disability sector in New Zealand.

The literature reveals a number of impediments to successful KM for NGOs. These include funding and resource constraints, organizational structure, leadership and performance management initiatives (or lack of) and emerging professional identities which challenge the traditional notion of not-for-profit roles.

Our research project explored KM challenges faced by nine NGOs in New Zealand. Our research project has shown that volunteer integration, more so than turnover, is a serious problem for NGOs. There is also an underlying tension between commercialization and the inherent service culture of the sector. Hence, a clear practical recommendation from our study is that there is a need for improved volunteer management to recruit a stable pool of expertise into the organization, of which the technical volunteer remains an untapped source. This suggests that there is a clear opportunity for better KM systems and practices in the NGO sector. KM could be better utilized to facilitate knowledge sharing amongst the volunteer workforce.

We acknowledge the limitations of our findings. Our data were obtained from a small number of organizations in New Zealand and hence may not represent the sector as a whole. Also, the challenges faced by these NGOs in New Zealand may differ in some way from those in other countries. However, the organizations we studied are important and well-known within the New Zealand context. Also, our literature review has shown that NGOs in many other countries are facing similar challenges. Hence, we believe that this research has at least captured some of the most important KM challenges facing these organizations. Further research is now needed to see if our findings hold in different NGO sectors and in other countries.

## REFERENCES

- Barge, J.K. and Hackett, S. 2003. The Intersection of Cultural and Professional Identity in Nonprofit Management, *Communication Research Reports* (20:1), pp. 34-44.
- Blair, D. 2002. Knowledge Management: Hype, Hope or Help? *Journal of the American Society for Information Science and Technology* (53:12), pp. 1019-1028
- Block, S.R., 2001. Executive director. In J.S. Ott (Ed.), *Understanding Nonprofit Organizations: Governance, Leadership and Management*, Westview, Bolder, CO.
- Borga, F., Lettieri, E., and Savoldelli, S. 2002. 'Knowledge Management for the Non-Profit Sector: methodologies and findings,' Conference Proceedings: *Third European Conference on Knowledge Management*, pp.79-95
- Burt, E. and Taylor, J. 2003. New Technologies, Embedded Values, and Strategic Change: Evidence From the U.K. Voluntary Sector, *Nonprofit and Voluntary Sector Quarterly* (32:1), p. 115-127
- Collins, J., 2005. *Good To Great and the Social Sector*, Boulder, Colorado: J. Collins.
- Dalhir, K., 2009. Organizational Memory Challenges Faced by Non-Profit Organizations, In *Building Organizational Memories: Will You KnowWhat You Knew?*, Canada: Information Science Reference. pp.165-83.
- Davenport, T. and Prusak, L., 1998. *Working Knowledge: How Organizations Manage What They Know*, Boston, MA: Harvard Business School Press.
- Demarest, M., 1997. Understanding Knowledge Management. *Long Range Planning* (30:3), pp.374- 84.

- Eikenberry, A. and Kluver, J. 2004. The Marketization of the Nonprofit Sector: Civil Society at Risk? *Public Administration Review* (64), p.132-140
- Figallo, C. and Rhine, N., 2002. *Building the Knowledge Management Network: Best Practices, Tools and Techniques for Putting Conversation to Work*, New York: Wiley Technology Publishing.
- Fredericksen, P. and London, R., 2006. Disconnect in the Hollow State: The Pivotal Role of Organizational Capacity in Community-Base Development Organizations, *Public Administration Review* 60(3), pp.230-39.
- Giordano, R. 2007. An Investigation of the Use of a Wiki to Support Knowledge Exchange in Public Health. Conference Proceedings: *2007 International ACM Conference on Supporting Group Work*, Florida, pp. 269-272
- Helmig, B., Jegers, M. and Lapsley, I., 2004. Challenges in Managing Nonprofit Organizations: A Research Overview. *Voluntas* (15:2), p.101.
- Herman, R.D. and Renz, D.O., 2000. Board Practices of Especially Effective and Less Effective Local Nonprofit Organizations. *American Review of Public Administration* (30), pp.146-60.
- Hernes, T. 2005. Four Ideal-Type Organizational Responses to New Public Management Reforms and Some Consequences, *International Review of Administrative Sciences* (71) p.5-17.
- Hume, C. and Hume, M. 2008. The Strategic Role of Knowledge Management in Nonprofit Organisations, *International Journal of Nonprofit and Voluntary Sector Marketing* (13), pp. 129- 140
- Hurley, T. and Green, C. 2005. Knowledge Management and The Nonprofit Industry: A Within and Between Approach, *Journal of Knowledge Management Practice* (6)
- Keating, E.K., Gordon, T.P., Fischer, M., and Greenlee, J. 2003. *The single audit act: how compliant are non-profit organizations?*, Working Paper No. 16, The Hauser Center for Nonprofit Organizations, The John F. Kennedy School of Government, Harvard University.
- Kipley, D., Lewis, A., and Helm, R. 2008. Achieving Strategic Advantage and Organizational Legitimacy for Small and Medium Sized NFPs Through the Implementation of Knowledge Management, *Business Renaissance Quarterly* (3:3), pp. 21-42
- Klein, H.K., and Myers, M.D. 1999. A Set of Principles for Conducting and Evaluating Interpretive Field Studies in Information Systems. *MIS Quarterly* (23: 1), pp 67-93.
- Lakey, B., Lakey, G., Napier, R. and Robinson, J., 1995. *Grassroots and Nonprofit Leadership*, Gabriola Island, British Columbia: New Society Publishers.
- Lawton, A. 2005. Public Service Ethics in a Changing World. *Futures* (37), p.231-243.
- Leete L. 2001. Whither the nonprofit wage differential? estimates from the 1990 census. *Journal of Labor Economics* 19(1), pp.136- 170.
- Lemieux, S.A. and Dalkir, K., 2005. The Challenges of Applying KM in a Non-traditional Setting: The Case of a Nonprofit Artistic Organization, Conference Proceedings: *Special Libraries Association Annual Conference*, Toronto.
- Lettieri, E., Borga, F., and Savoldelli, A. 2004. Knowledge Management in Non-profit Organizations, *Journal of Knowledge Management* (8:6), pp. 16-30
- Matzkin, D. 2008. Knowledge Management in the Peruvian Non-Profit Sector, *Journal of Knowledge Management* (12:4), pp. 147-159
- Merkel, C., Farooq, U., Xiao, L., Ganoë, C., Rosson, and M. B., Carroll, J. M., 2007. Managing Technology Use and Learning in Nonprofit Community Organizations: Methodological Challenges and Opportunities, Conference Proceedings: *Symposium on Computer Human Interaction for the Management of Information Technology*, Cambridge, Massachusetts.
- Myers, M.D. 2009. *Qualitative Research in Business and Management*. London: Sage Publications.
- Myers, M. D., and Newman, M. 2007. The qualitative interview in IS research: Examining the craft, *Information and Organisation* (17), pp. 2-26.
- NGO Working Group, 2007. *Barriers and Opportunities for Innovation and Collaboration in the Health and Disability NGO Sector*, Ministry of Health, Wellington.

- NGO Working Group, 2008. *Health and Disability Sector NGO-Ministry of Health Forum*, Annual Report, Ministry of Health, Wellington.
- NGO Working Group, 2009. *NGO Challenges and Opportunities for Changing Times*, Ministry of Health, Wellington.
- Pappas, A.T., 1996. *Reengineering Your Nonprofit Organization: A Guide to Strategic Transformation*. New York: John Wiley.
- Paulsen, N. 2006. New public management, innovation, and the non-profit domain: New forms of organizing and professional identity. In M. Veenswijk (Ed.), *Organizing innovation: New approaches to cultural change and intervention in public sector organizations* (pp. 15-28). Amsterdam: IOS Press.
- Renshaw and Krishnaswamy G. 2009. Critiquing the Knowledge Management Strategies of Nonprofit Organizations in Australia, Conference Proceedings: *Proceedings of World Academy of Science, Engineering And Technology*, pp. 456-464
- Ryan, D., 2003. Getting the Work Out: Notes on the Social Organization of Notification, *Sociological Theory* (24:3), pp.228-54.
- Saint-Onge, H. and Armstrong, C. 2004. *The conducive organization: building beyond sustainability*, Elsevier Butterworth-Heinemann, Amsterdam.
- Saqib, S., Rohde, M. and Wulf, V. 2008. A Framework Towards IT Appropriation in Voluntary Organisations, *International Journal of Knowledge and Learning* (4:5).
- Sheehan, J. 1998. *NGOs and participatory management styles: a case study of CONCERN Worldwide*, Mozambique, CVO International Working paper No. 2.
- Smith, J.G. and Lumba, P.M., 2008. Knowledge Management Practices and Challenges in International Networked NGOs: The Case of One World International, *Electronic Journal of Knowledge Management* (6:2), pp. 167-176.
- Storey, J. and Barnett, E., 2000. Knowledge Management Initiatives: Learning from Failure, *Journal of Knowledge Management* (4:2), pp.145-56.
- Szulanski, G., 1996. Exploring Internal Stickiness: Impediments to the Transfer of Best Practice Within the Firm. *Strategic Management Journal*, 17, pp.27-43.
- Van Krogh, G. 1998. Care in Knowledge Creation, *California Management Review* (40:3), pp.133- 153.
- Weisbrod, B.A., 1998. *To Profit Or Not To Profit: The Commercial Transformation of the Nonprofit Sector*, Cambridge, UK: Cambridge University Press.
- Zack, M. 1999. Managing Codified Knowledge, *Sloan Management Review* (40:4), pp.45-58

## ACKNOWLEDGEMENTS

We would like to thank DesignerTech Limited for funding this research and the University of Auckland Business School for a publication scholarship.

## APPENDIX 1

### Section A: Getting to Know the Interviewee

---

- A1 What is your position within the organization? How long have you held this position for?
- A2 What experience, if any, have you had in the for-profit sector? In what ways has this affected your role as a manager in the non-profit sector?

### Section B: Getting to Know the Organisation

---

- B1 How would you describe the organization you work for?  
*Include reference to the organizational culture, management style (with reference to performance management, leadership), organizational structure, size, income etc.*
- B2 How do knowledge management strategies link to key functions within the organization?
- B3 How is knowledge and learning viewed within the organization?

- B4 How do knowledge management initiatives address the external aspects of knowledge sharing and learning (e.g. relationships with other NGOs, government etc)?
- B5 What impact do issues of governance – leadership, management, financing, process and procedures – have on the success of knowledge and learning strategies within the organization?

### **Section C: Knowledge Management and the Organization**

---

- C1 Briefly describe your organization's approach to knowledge management in the past. (have you implemented knowledge management technologies, encouraged the development of communities of practice etc).
  - a. How successful has this approach been? Why?
    - i. If it was not successful, why did the approach fail?
    - ii. What could have been done, if anything, to prevent failure?
- C2 Briefly describe your organization's approach to knowledge management at present.
  - a. How successful do you believe this approach will be? Why?
- C3 How do individuals and groups within the organization keep themselves updated on issues related to the health and disability sector?
- C4 Are you using or contributing to any online workspaces? Why/why not? How are you using these?
  - a. Will online communication be a priority for you in the future?
- C5 Are lessons learned and good practice captured and shared within the organization?
  - a. What are the best ways to ensure that good practice and real lessons are captured?
  - b. How does the organization encourage knowledge sharing between employees?
- C6 What are your plans for the organization concerning knowledge management in the near future? Why?
- C7 What are the key knowledge and learning needs, capacities and challenges with respect to your organization?
  - a. What do you believe is needed to overcome these challenges and satisfy these needs?
- C8 In your opinion, what role does IT play in ensuring the success of a knowledge management initiative?
  - a. In what ways does technological infrastructure support knowledge and learning strategies?
- C9 What forms and types of knowledge are accounted for in knowledge and learning strategies within the organization?
- C10 How does the organization measure the costs and benefits of learning or unsuccessful learning?

### **COPYRIGHT**

Michelle Soakell and Michael D. Myers © 2010. The authors assign to ACIS and educational and non-profit institutions a non-exclusive licence to use this document for personal use and in courses of instruction provided that the article is used in full and this copyright statement is reproduced. The authors also grant a non-exclusive licence to ACIS to publish this document in full in the Conference Papers and Proceedings. Those documents may be published on the World Wide Web, CD-ROM, in printed form, and on mirror sites on the World Wide Web. Any other usage is prohibited without the express permission of the authors.