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**Knowledge Management and Adding Value through Leadership  
Development**

Research report  
Presented to  
The Graduate School of Business  
University of Cape Town

In fulfilment  
of the requirements for the  
Master of Commerce Degree

By  
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## **PREFACE**

I wish to express my sincere gratitude to the following people who have assisted me directly and indirectly in the completion of my master's degree dissertation.

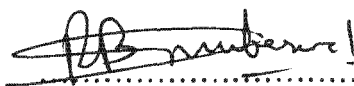
My supervisor, Kurt April, Senior Lecturer at the Graduate School of Business of the University of Cape Town, who has been instrumental in igniting my interest in the topics of Knowledge Management and Leadership, and who have substantially heightened my own level of awareness. I would also like to thank Kurt for his continuous encouragement and academic insight. He was always available to provide constructive assistance, which I badly needed to get this report successfully prepared.

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I would also like to thank my brother Jonathan who introduced and supported me to do the AIM programme, a foundation for this long journey, and for his belief that his success is real success when the family is successful. I am indebted to say "thank you" and "God bless you always".

This report is not confidential, and may be used freely by The Graduate School of Business.

I certify that, except where noted, this report is my own work and all the references, to the best of my knowledge, are accurately reported.



Respicius Muberwa Bijura

## **ABSTRACT**

Knowledge management (KM) is the subject of much literature, discussion, planning and some action. Effectively implementing a sound KM strategy and becoming a knowledge-based organisation are seen as mandatory conditions that want to be successful in the knowledge economy. Organizational leaders play critical roles in boosting the spirit of their followers in the world marked by rapid change. Leaders need to understand that rigorous knowledge management will determine the organisational survival of their organisations and they are therefore required to play positive roles in leading with knowledge.

While businesses put as much effort as possible in balancing their operations with the unpredictable business environmental changes, leadership frameworks should change to suit this transformation. Successful, twenty - first century leaders should trust, respect and collaborate with their followers so that, in return, they work as twenty - first century employees: they share their expertise with the rest of their colleagues, and assist leadership in the fulfilment of the organisational mission - to collaborate fully in all aspects and at all levels, of the organisation.

This research focuses on the investigation of the rich alignment between the functional areas of knowledge management and leadership. We believe that deep investigation of the subject matter will brighten the cloudy business environment we operate in, specifically in the African continent. The work that was performed during this research study attempts to link the three dimensional leadership developmental frameworks (cognitive complexity, competence integration, and personal mastery) with that of the identified organisational process outcomes (i.e., the processes embedded in the spiral of knowledge complexity). This then sets out the integrative framework for addressing the enormous leadership challenge of lifelong learning.

**KEY WORDS:** Knowledge management; leadership; intellectual capital; competence; Creativity; communication; enabling technologies

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## 1. INTRODUCTION

The industrial organisation's command and control model of leadership has served organisations and individuals effectively for decades. But with the changing business world, the increase in business uncertainty, strong global competition and technological change, individuals and organisations alike are obliged to rethink their current practices and focus on group and team involvement, shared leadership and performance management. Organizational systems, infrastructures and civilization have been built up in a complicated web of complexity, which are quite interdependent and integrated. Solutions and the direction and way ahead, it appears, are no longer as clear cut as before. Because of radical, discontinuous change in the new business environment, organisations need faster and faster cycles of knowledge creation and action (Malhotra, 1998). Increased realisation of knowledge as core competence, coupled with recent advances in information processing and Internet as well as Intranet technologies, make it inevitable for organisations to imagine and work towards a new world of leveraged knowledge. In these environments where knowledge is valued, workers work with greater efficiency and effectiveness and both employees and employers value the intangible resources which remain hidden for most of the organisations.

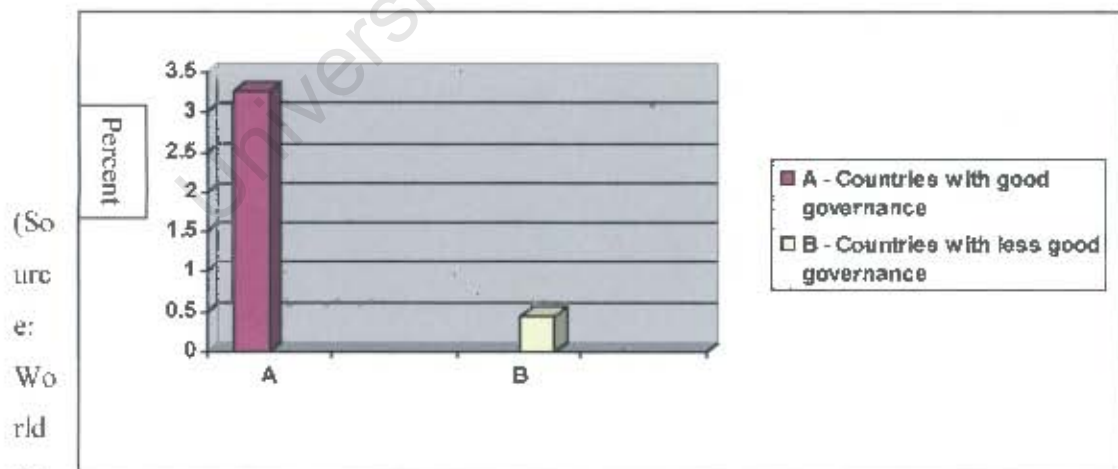
Early research, e.g., April (2000), Bollinger and Smith, (2001) shows us that the ability to strategize (individually and organisationally) and keep up with the changing business environment in the new economy, are dependent on the interconnections between previously disparate functional areas. It is therefore the premise of this research to investigate the rich alignment between the functional areas of knowledge management and leadership, in order to add light to a cloudy, future business environment. We have to bear in mind that the contrast between the old industrial economy and the emerging Knowledge Economy is indeed characterized by a shift from reliance on tangible, physical resources to intangible resources. Collaboration and proper timely utilization of these resources is the answer.

*"Let go of the assumption that you have to know everything and do everything yourself. Instead see the leader's role as one which integrates, orchestrates energizes and coordinate people and processes and gives as much emphasis to managing the organizational context...."* (Briner Geddes and Hastiungs, 1990: 12)

People do, and should, play a significant role in the changes we witness today. It is their tireless efforts through creativity, knowledge seeking and energy that contribute enormously to what is eventually achieved. Throughout, leadership has played a significant role in enabling people to perform the way they do. This significant role will persist, and be enhanced, if and only if knowledge management is mingled with leadership models, which will concur with today's complex and dynamic changes.

*"Knowledge management caters to the critical issues of organization adaptation, survival and competence in face of increasingly discontinuous environmental change... essentially, it embodies organizational processes that seek synergistic combination of data and information processing capacity of information technologies, and the creative and innovative capacity of human beings"* (Wally Information Group, 1999:2)

Leaders need to concentrate on establishing both direction and purpose (on personal and organisational levels). This is true at all levels of leadership e.g. community leadership, organisational leadership etc. Direction and purpose also, have to be well communicated to other members of the organisation, as well as maintaining continual thrust in the direction of the individual or common vision(s). This will yield positive results in organisations. See Figure 1 below:



(Source: World Bank 2000)

**Figure 1: Average Annual per capita GDP Growth, 1964-94**

We are in transition times requiring newer forms of leadership. In this fast changing environment, it is only leadership and not plain old management that is needed in organisations, leaders who will trust and involve all employees from decision-making to implementation through to the evaluation stage. Today leaders are those who will value the intellectual capacity of individuals across the board, those who will create space and allocate time for themselves and for their employees to develop and grow.

*"...today's networked, interdependent, culturally diverse organizations require transformational leadership to bring out...in followers...their creativity, imagination, and best efforts." (Cascio, 1995: 930)*

The gap existing between the pace of change in society, organisations and individuals, as well as the inadequate development of measures and processes to manage the change have resulted in below-standard performance all round. Equally, knowledge gaps are emerging with increase of responsibility (Politis, 2001). This research therefore seeks to uncover guidelines for individuals and organisations to both minimize and eradicate those gaps. Understanding diversity and developing leadership styles which encompasses knowledge management is the primary objective of this research. Lois O'Brien (2002, Appendix 4:2) says,

*"... if leaders can strategically invest in employees: value them, appreciate them, trust them, and respect them, they (employees) will reciprocate. What I think is that they will open up, and share their valuable knowledge – the knowledge needed to run modern organisations, I can't think of any other way of making people share what they have deep inside them..."*

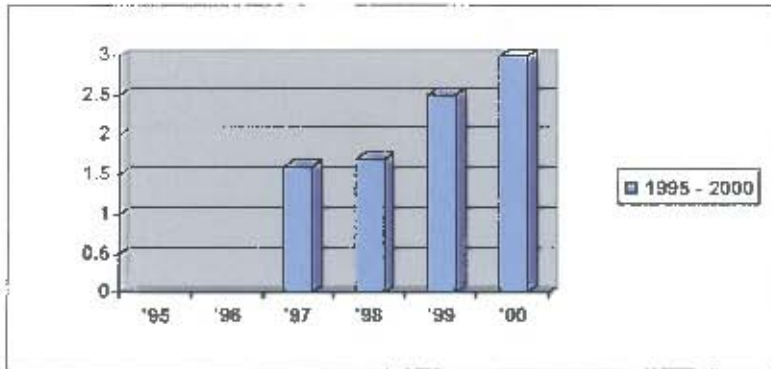
## **2. REVIEW OF ACADEMIC LITERATURE**

### **2.1 DATA, INFORMATION, KNOWLEDGE, AND WISDOM.**

According to April (2000), many people working in knowledge management, including middle - and senior managers of organisations, have failed to understand some of the fundamentals of knowledge complexity. Critical to understanding the fundamentals, and dimensions of knowledge complexity, is the need to make distinctions between data, information, knowledge, and wisdom. What is the use of making such distinctions? Simply to draw attention to their value and the different sorts of investments and resources they require.

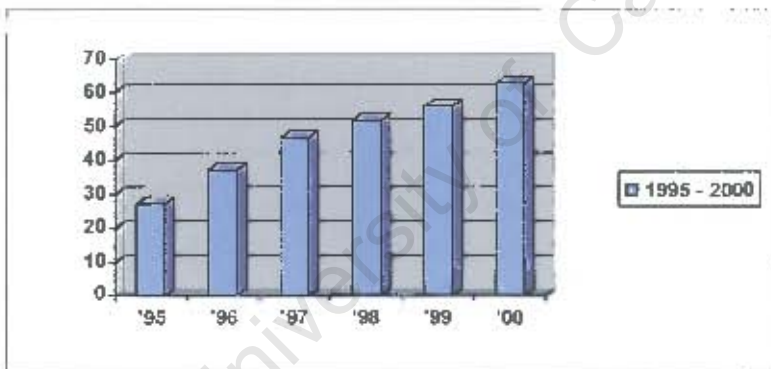
**Data** can be defined as set of discrete, objective facts, which on its own, has little relevance and purpose. Davenport (1997: 9) defines data as “observations of states of the world.” It is the important, and essential, raw material or building blocks for the creation of information. Examples of data are numbers, events and symbols. Lang (2001) gives more examples of data, her list include words, images, and sounds. Jones (1999) defines data as any signals, which can be sent by an originator to the recipient; human or otherwise. April (2000) sees confusion created by loose usage of the terms data, information and knowledge, to describe the same phenomena. Thus by defining these terms, we draw attention to their value and the different sorts of investments, resources and management they require. Allee (1997) makes the claim that data floats like so many whitecaps in a large sea of information. Truly data becomes information through linking and organising with other data. On the other hand, Prusak (1997) believes that data are events or entities represented in some symbolic form and capable of being processed. His definition suggests the distinction between data and information. For the purpose of this research data will be defined as symbols, signals and words that can be sent from a human originator to human recipient.

As soon as data is manipulated and/or related to any category, event, context, etc., it gains meaning, revealing patterns and trends, and then is termed '*information.*' Drucker (1988: 46) has eloquently defined information as data endowed with relevance and purpose. Bateson (1979) describes information as those differences that make a difference. Earl (1997) goes on to claim that information is the output of data that was manipulated, re - represented, and interpreted to reduce uncertainty or ignorance, give surprises or insights and allow or improve decision - making. And according to Machlup (1983), information is the flow of messages or meanings, which may be added, restructured and thereby should be changed to knowledge - the bearer of new meanings. Indeed, information can reside within computers, and because of the far-reaching effects of globalisation, information is increasingly available to many people (See Figures 2 and 3 below).



(Source: Data group World Bank 2000)

**Figure 2: Personal Computers per 1,000 People in South Africa**



(Source: Data group World Bank 2000)

**Figure 3: Personal computers per 1,000 People in Tanzania**

Africa however faces challenges like unavailability and poor resources. Existing resources and speed by which new ones can be acquired is also a problem. Additionally, the extent of awareness and commitment about information and computers is quite poor.

Information is linked to aiding human interpretation of data and decision-making, and is linked to reducing uncertainty for individuals and organisations.

The following is an instructive example to explain what information is in an African context: when an electricity customer goes to the supermarket, which is part of a franchise, and buys electricity units, that transaction can be partly described by information in categories – when and where he or she made the purchase, how many units of electricity were purchased, how much was paid for the electricity. Record keeping is at the heart of these information capturing cultures, and effective information management is essential to their success.

Modern organisations usually store information in some sort of technology system, e.g., in a database or document management system. Other organisations, still making use of outdated systems, may still be using filing techniques, fiche storage, etc. All organisations need information, and some industries are heavily dependant on it, e.g., banks, insurance companies, utilities like Eskom, Telkom, and Tanzania Telecommunication Company and government agencies such as the SA Revenue Service, Social Services, and Tanzania Revenue Authority, are obvious examples. According to Marshall, Prusak and Shpilberg (1997: 230), there are at least six things that can be done with information at an organisational level:

- 1) Information can be *generated* from internal operations, research and development groups, project teams, etc.;
- 2) It can be *accessed*, as it is needed, from sources inside and outside the organisation;
- 3) Information can be *transferred* formally before it is utilised, through training, or informally through on-the-job socialisation;
- 4) Information can be *represented* in the form of reports, graphs, and presentations, enabling easier access;
- 5) After its validity is tested, information can be *embedded* in processes, systems and controls.

These different information processes can be *facilitated*, by the steady development of a culture, based on incentives and leadership that values, shares and uses information. In the African context, this is rather critical because of the well known tradition of sharing whatever is available. We live in the least connected continent, which is particularly disadvantaged. By cutting the costs of long-distance communication,

however, the information revolution is also opening up new possibilities. How well Africa and Africa's friends take advantage of these opportunities will depend at least as much on our collective capacity to learn about the material resources available to us.

*Knowledge*, on the other hand, is “applied information” is meant to change the way the holder of the information perceives something (April, 2000) – it has an impact on his or her behaviour. According to Drucker (1988), knowledge results when the intellect (the capacity to think) does purposeful work using data and information. It generates new products, powers new processes, and spawns new materials. It affects all levels and functions in organizations. Knowledge is related to action and learning, and over time builds experience for the knower. Knowledge is the whole body of learning and skills that individuals (not machines) use for solving problems – it is always tied to people, and is therefore not reproducible in information systems.

Unlike data, both knowledge and information require an understanding of the socially - defined context, where the information and knowledge came from, its embedded assumptions, and thus its importance and its limitations (Berger and Luckmann, 1966). According to Earl (2000: 21), “a logical test of the value of an additional piece of knowledge could be whether it provides new understanding.” In our supermarket example above, the information tells nothing to the supermarket owner about why the customer went to that supermarket and not another one, the supermarket owner therefore can't predict how likely the customer is to come back, how satisfied the customer is with the service, whether it is convenient for the customer to go to his or her supermarket, whether the supermarket is run well or badly, whether it is failing or thriving, whether it will still be around in a few years, or if it continues its current business practices. While the raw material of decision-making includes information, it cannot tell you what to do – unless acted upon. It is only when the supermarket owner iteratively acts on the information he or she has gathered and recorded, that he or she starts to learn lessons which gives him or her knowledge about his or her business practices.

Knowledge, then, exists in the heads of people and it is therefore hard to trace the path between information and action. The challenge of knowledge management or knowledge leveraging (April, 2000) lies in the organizational context – to get people

to share their personal knowledge (which is just information to the receiver and not knowledge, unless that information is acted upon again by the receiver of that information).

Allee (1997) makes reference to the social context of meaning, encompassing archetypal patterns and forces as well as our cultural biases and interpretations. She believes that knowledge will be highly influenced by these factors, meaning that knowledge can never be discussed in isolation of other factors. Although most descriptions are neat on a piece of paper, in reality it is indeed complicated. A totality of what we know and accept that we think we know, is our knowledge until when it is proven invalid or irrelevant. Recipients of information use information and skills to make a cumulative stock of information that makes up knowledge. Meaning and value will increase progressively from low to high as we move from data through information to knowledge. Jones (1999) suggests that, knowledge as compared to data and information goes further to make it possible for predictions to be made, for links in causality to be established or for decisions to be taken regarding “what should be done”

McDermott (1999:105) describes six characteristics of knowledge that distinguish it from information:

1. Knowledge is a human act.
2. Knowledge is a residue of thinking.
3. Knowledge is created in the present moment.
4. Knowledge belongs to communities.
5. Knowledge circulates through communities in many ways.
6. New knowledge is created at the boundaries of old.

Knowledge resides in the user and not in the collection. This means that only human beings as opposed to technological beings take the crucial role in knowledge creation. Unlike information stored in a library of books or the hard drive memory in of a PC, the person now has information about something. Also, he or she is able to use that information to solve problems (personal or organisational) by reflecting on that information and experience, drawing insights in creative ways to solve that problem

such as the routine of driving early to work to avoid traffic jams, and heavy fuel consumption.

Besides individual knowledge, authors, e.g., (April, 2000; Savage, 1996) also write about shared organisational knowledge across the organisation. When we use the term knowledge in regard to organisations, we usually mean shared experience, concepts, shared values, shared beliefs and ways of working that can be communicated across the organisation. According to April (2000), knowledge is a fluid mix of framed experience, insights, and values that provide a framework for evaluating and incorporating new experiences and information. In organisations, it often becomes embedded not only in documents or repositories, but also in organisational routines, processes, practices and norms. Therefore, organisational routines, processes, norms and ways of working are all forms of applied organisational information, i.e., organisational knowledge. It originates and is applied in the minds of knower, but in an organisational setting is important in practice-oriented categorisations – such as described by Savage (1996):

- **Know-How:** a skill, procedures and routines.
- **Know-Who:** who can help me with this question or task.
- **Know-What:** structural knowledge, patterns.
- **Know-Why:** a deeper kind of knowledge understanding the wider context.
- **Know-When:** a sense of timing and rhythm.
- **Know-Where:** a sense of place, where is it best to do something.

To the organisation, knowledge can be defined as what people know about customers, products, processes, mistakes and successes (Grayson and O'Dell, 1998). It can be in databases, or through sharing of experiences and best practices or other internal and external sources to the organisation. Organisational knowledge accumulates over time and enables organisations to attain deeper levels of understanding and perception that leads to business astuteness and acumen (Bollinger and Smith, 2001). African knowledge on the other hand, is the basis for local-level decision making in agriculture, traditional health care, food preparation, education, natural-resource

management, and a host of other activities in rural communities which dominate the African continent.

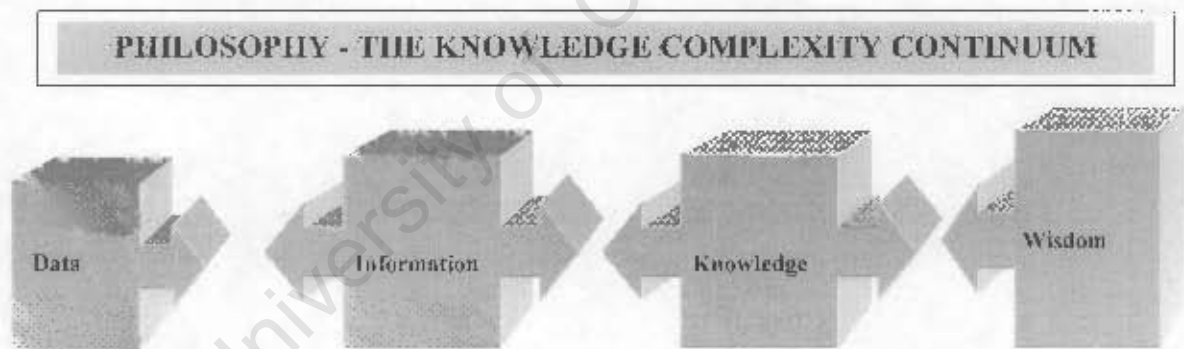
And finally, *wisdom* is the correct, contextualised application of knowledge, applicable in un-encountered environments – with the purpose of trying to create a sustainable basis of action for the individual and organisation, without the need for iterative action. Wisdom is highly applicable in previously un-encountered environments, during which an individual or an organisation makes sound judgements, has insight and awareness, based on previous experience and learning. Wisdom is what enfolds our values and purpose, it encompasses the totality of our world view; it penetrates and influences each of the data, information and knowledge levels. When individuals collect data for example, their values and assumptions determine what information to let in or reject and dismiss as not relevant. Our mental models, paradigms - our philosophy influence what we observe and the way our experience is organised.

The Concise Oxford Dictionary of Current English: Ninth edition, defines wisdom as a state of being wise - experience and knowledge together with the power of applying them critically and practically. This definition adds on experience to conclude that wisdom is the power to put in practice the combination of knowledge and experience critically and in practice. Allee (1997) continues to claim that, as we grow in knowledge we question what we believe about the future and examine our values and assumptions about what we should do - it arises in caring stewardship of our society and planet as well as business. Such self questioning is the wisdom aspect of knowledge. There will be no vision without wisdom and therefore will be lost in the sea of knowledge without guidance. Gaining knowledge alone is not enough, let us ask tough questions, dream of better future seek organisational wisdom and look for ways of making truly wise choices. Choices which will determine our success in the businesses we are engaged in.

In the African continent, those who have grown old are sought out for advice: the old man in East Africa for example is called Mzee. Jomo Kenyatta, the first president of Kenya was always referred to as Mzee. It is an honor to grow old in Africa.

One is seen as having wisdom that comes from having lived the seasons of life. Young University students will seek out the advice of uneducated grandmothers who do not know how to read and write. Wisdom does not just come from books. We read so many books, journals, magazines on knowledge, but it can be even dangerous if we do not know how to apply it in grace. A simple knowing brought about by life, that is to say, what we sought in our youth was in us all along.

It is for these reasons that information systems and computers only really provide benefit with respect to data and information – sometimes referred to as the ‘collect’ function of knowledge management. However, the knowledge processing and wisdom dimensions are much more related to human activities – sometimes referred to as the ‘connect’ function of knowledge management. Together, the continuum between the collect and connect functions make up a philosophy regarding knowledge management.



(Source: April 2001)

**Figure 4: Dimensions of Knowledge Management**

Codified and diffused knowledge is categorized as explicit knowledge, while uncoded and undiffused knowledge is tacit knowledge. An expert possessing tacit knowledge will explicate and communicate explicit knowledge to the knowledge worker, who will in turn receive, evaluate, accept, and organise that information so that s/he may act on that information to finally internalise that as knowledge. The knowledge worker then questions, dialogues and converses with the expert (through an intermediation process that may be physical face - to - face encounters, or virtual

over computer networks and systems) regarding the initial information – rendering new insights and understanding for the expert, which in turn again leads to new knowledge. It is for this reason that information and knowledge flows are often termed “spirals of knowledge complexity,” and the sharing or intermediation process plays a critical facilitating role.

Organisational reality provides a many of examples of knowledge that is a rich mixture of skills, ideas, contextually relevant facts and expertise. It is evident that this set is made up of contributions made by workers of the organisation consciously and unconsciously over a period of time. Leaders especially in Africa have to make these ends meet. Thus to make use of the unutilized knowledge and to make it possible for people in organisations to share what is available, because unlike the so called developed world, very little is available, and should be effectively utilized.

## **2.2 ROAD MAP TO KNOWLEDGE MANAGEMENT**

Knowledge management is not a new discipline for humankind, or even for Africa – we have been making use of many of the current knowledge management principles over the centuries, e.g., apprentices have been placed in environments in which they gained information and turned it into knowledge, and eventually wisdom over time; ethnic communities have, through the sharing of stories and storytelling, dialogue and conversation, passed on centuries of information and previous learning within that community, etc. History has shown that learning should go hand in hand with changes taking place. Why then the current buzz about knowledge management?

Clearly, successful knowledge management cannot be achieved with an outlook on learning that is individualistic only, or with the old economic mindset based on scarcity of resources which is only available to a few. The phenomenal growth of organisational development techniques, coupled with the ability for technology to enable the sharing, distribution and storing of data and information, have further highlighted the potential of this discipline (especially for a rich, diverse continent as ours). The important facets of societal, group, organisational and individual leadership are inextricably linked to knowledge within society and organisations, and

the degree to which it is shared. The varying degrees to which knowledge is shared within an organisational setting are:

- ⇒ **Personal/Individual Knowledge** – known only to those who create it or conceptualise it
- ⇒ **Shared** – diffused to others, often by personal interaction with the creator of that knowledge
- ⇒ **Proprietary** – known widely within an organisation, but protected from widespread external use
- ⇒ **Public** – readily available to everyone (local and international)

Becker and Brawner (2001) suggest a shift from a popular belief in the literature on organisational knowledge. They assert that achieving a completely shared knowledge bases is neither possible nor useful in organisations. They suggest that diverse knowledge base i.e. unshared knowledge is also essential especially in mastering complex organisational tasks. They are of the view that expert knowledge in organisations is predominantly unshared and that people can acquire an idea of other people's knowledge through acquiring meta knowledge on each other's (expert) knowledge base. Together with that, the reality about organisational knowledge remains to be that individuals come and go but organisations preserve knowledge, behaviours, mental maps, norms and values over time. Organisations should never lose out when an individual worker leaves the organisation - especially when the systems and processes, routines and norms are well embedded in organisational culture.

Developing effective organisational and individual leaders on the African continent necessitates integration of, and access to, the various degrees of organisational knowledge. Another one of the biggest challenges facing African countries and organizations are their abilities to transform tacit, complex knowledge into explicit, simple knowledge see Figure 5 below. As Valery Kanavsky of Hewlett Packard insists "The fundamental building material of modern cooperation is knowledge". Making it available and accessible is the challenge amongst leaders. Weick (1996) has said that knowledge is not something people possess in their heads, but it is something people do together. We take this assertion as one with critical consequences to leadership in the African context. If we Africans can keep working

together, sharing ideas, experiences and all processes in our organisations, then we will be successful, and Africa will be transformed.

Using South Africa as an example, consider the fact that there are eleven official languages, multiple cultures and ethnic backgrounds, varying educational standards and huge discrepancies between the socialisation and early childhood experiences across our society – the challenges are not only steep but quite unique. There is, unfortunately and fortunately, no framework or model from the developed world that can shed light on these circumstances and challenges.

The African continent needs a new breed of leadership. Politis (2001) has called them “knowledge enabled leaders”. Leaders who are capable of understanding the strategic relationship between knowledge acquisition and the business processes and functions, capable of supporting and facilitating employees to acquire and share knowledge. His survey of 227 people who are, or have engaged in knowledge acquisition indicate that, leadership style involving human interactions and encouraging participative decision making processes are positively related to the skills and traits that are essential for knowledge management.

In their research, Nonaka and Takeuchi (1995) found that Americans and Japanese tend to hold fundamentally different attitudes about information and knowledge. Americans, trained and educated in realism, tend to put their faith in explicit knowledge, or knowledge that is formal, unambiguous, systematic, falsifiable, and scientific. The Japanese, trained and educated in oneness of body and mind, are more inclined to value tacit knowledge, or knowledge that is intuitive, bodily, interpretive, ambiguous, non-linear, and difficult to reduce to a scientific equation. What then is the African, Tanzanian or South African attitude about information, knowledge and wisdom? Who are the valued sages and gatekeepers of the knowledge complexity dimensions? The South African knowledge management company, informs us that, in the optimal environment, the emphasis is less on control of implicit knowledge, and more on availability, or put another way: Shared (Knowledge) = Empowered Organisational & Personal Identities.

Knowledge management therefore, according to April (2000), is a unique integrated, systematic approach to identifying, managing, and sharing all of an

organisation's information assets, including databases, policies, and procedures, as well as previously unarticulated expertise, experience, deep understanding and intuition held by individuals. Fundamentally, it is about making the collective information and experience of an organisation available to the individual knowledge worker, who is responsible for using it wisely and for replenishing the information- and knowledge stocks.

This ongoing cycle encourages a learning organisation, empowers and develops leaders, stimulates collaboration, and empowers the way employees perform work. Allee (1997) suggests that, when it comes to knowledge, we must move more and more toward collaboration joining forces in new partnerships to build knowledge and reach shared understanding. In our urge to synthesize and integrate, important skills are surfacing that will carry us into the future. The future, which needs to embrace change and continuous learning; rapidly evolving business environment tends to decrease the useful lifespan of skills and knowledge of employees who make organisations to compete.

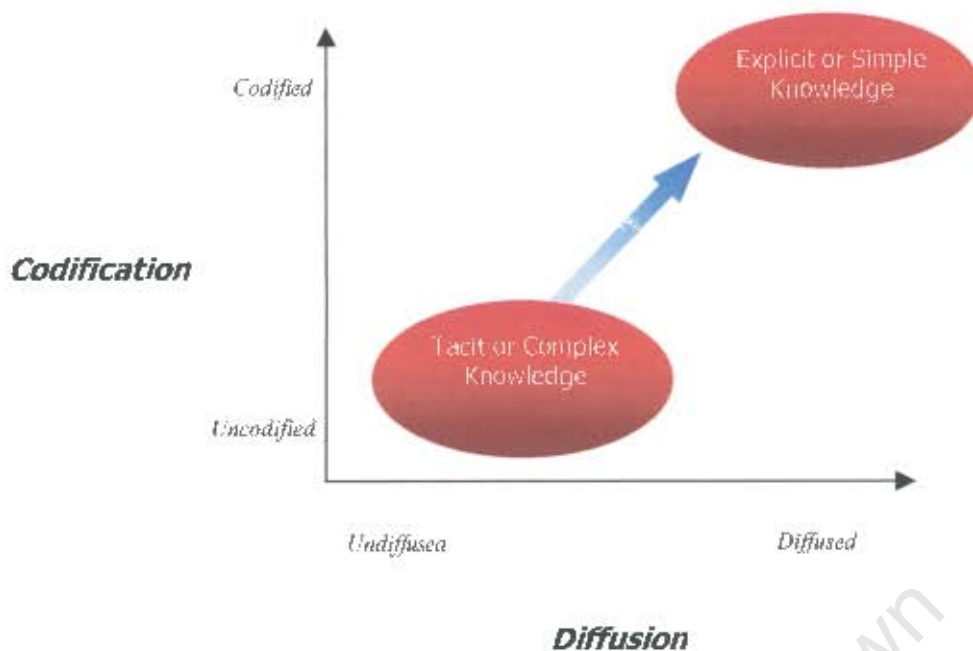
Our organisations should continuously adapt the environment with which they co-evolve in order to maintain their fitness to survive (Gray, 2001). If our organisations will learn at the faster speed than the changes taking place then we are safe, learning and making it possible and easier for others to access the available knowledge. Learning originates in the minds of individuals and manifests at the organisational level as changes in the theories of action, Angris and Schon, (1978). It is individuals therefore who will need to be encouraged to not only learn but also share with others the gained skills and experiences.

Because learning happens with and through other people, it is relational by nature and therefore there is a likelihood of conflict (Vince, 2000). The exploration and understandable concerns about hidden motives such as power, emotions and the possibility of political calculation may be of help in the ongoing debate on learning in organisations. Vince (2001) asserts that organising is part and parcel of learning, and therefore critical contemplation of the learning issues have to address these hidden motives, and therefore lead to clear perspective of how learning is constructed and experienced within organisations.

There is also an approach, which looks at group learning as a process involving activities by which individuals acquire, share, and combine knowledge. This approach assumes that learning has occurred if there is a change in knowledge as a result of group activities. The common focus for all the three approaches is on learning as phenomena essentially un-directional and occurs mainly within individuals, which is then manifested as a group or organisational level outcome. Individuals will replenish the information and knowledge stock by continuously developing and altering shared meanings. They execute their actions towards the attainment of the objectives.

Knowledge is indeed what people do together. What individuals possess in their heads will help them interact with others comfortably and share what they know. Will also help them to do things differently and be able to let go of those things, they think do not add value or adds very little value. This view has lots of implications, and relate to a great extent to leadership development in the African continent. We should let go of, the useless practices, which have become traditions in our organisations. Prusak (1997), claims that apart from monopolistic policies and other market irregularities, there is no sustainable advantage other than what an organisations knows, how it can utilise what it knows and how fast it can learn something new. Additionally, ability to unlearn for the African case is important. Truly, knowing useful things is wisdom, and not many things.

There is also a suggestion that the entry of the new members in organisations and exit of existing ones also help the development and alteration of shared meaning. It is through coming in of new ideas, approaches and skills brought in by new organisational members that the existing ones are added on to. Equally those who leave create room for others to come and question the routines, behaviours and practices. New members will come with new/different ways of looking at issues, and thus challenging the traditions in the organisation. This does not change the truth that experienced staffs leave a gap when they leave. And this is a big problem in the African continent, especially nowadays when globalisation has taken its course. Trained employees who have acquired enough experience leave their organisations in search of “greener pastures” leaving gaps which are hard to fill because training is expensive and takes time.



**Figure 5: Tacit to Explicit Knowledge**

Explicit knowledge (or explicit information), also termed “simple knowledge” by some, is essentially managed in modern organisations within a dynamic technological, IT systems environment because it is relatively easy to codify (see Figure 2). It tends to be diffused, i.e., it rarely is specific to one individual and is often disconnected from the personal experience of individuals. Over the last five years these IT systems and software have been rapidly changing, with the advance of search technology, neural network data mining techniques, relationship management software, etc., and as a result thereby creating a wave of expectation by organisations regarding its use and applicability. The explicit approach is also sometimes termed the “object perspective” of knowledge management -- since it focuses on databases or other storage devices, mechanisms for sharing knowledge products such as documents, codified policies and procedures, as well as universal procedures, and makes extensive use of such terms as ‘knowledge transfer.’ That is to say the process of making the right kinds of data and information available, to the right people, within the right context, at the right time – when they need it, and then making sure that that information is acted on.

Implicit or tacit knowledge (see Figure 2), also termed “complex knowledge”, is much more difficult to manage, communicate, measure or control because it sits in people’s heads and is highly personalised. As Polanyi (1966:4) puts it “we can know more than we can tell”. Explaining tacit knowledge he goes on to say that we may know a person’s face and can recognise it among many others but cannot tell how we get to recognise that face, and this is what he refers to as ‘what we can not tell’. He suggests that we have to dwell into things to make them explicit. Human minds do not naturally create directories and sub – directories of information, hence, the knowledge tends to be uncodified and is diffused – it is related and connected to lived experiences and action, within particular contexts, of individuals (other people do not necessarily have the knowledge) since we all experience the world differently. It is drawn from an individual’s mental models, personal beliefs, assumptions and world view. According to Nonaka and Takeuchi (1995), tacit knowledge is an essential part of “knowing how” and “knowing why” and is essential to making knowledge useful.

The implicit approach is also sometimes termed the “process perspective” of knowledge management – since it focuses on ways to facilitate collaborative processes, expanding personal knowledge and learning dynamics, as well as problem solving. Vital tacit knowledge must be externalised, so that it becomes visible, and exists at a conscious level. It can then be used by the whole organisation. However, we must recognise that tacit knowledge is hard for individuals to articulate and that not all knowledge can be made explicit, and the costs for doing so will be high (human effort, time, resources required to engage with tacit knowledge in a meaningful way).

Jones (1999) refers to tacit knowledge as silent knowledge and explicit as transferable and transmittable. Although some authors argue that tacit and explicit are separate entities, e.g., Cook and Brown (1999) or as such they are not completely separate but mutually complementally as per (Nonaka and Takeuchi, 1995:61) and others, we will be taking the latter point of view. We also believe that the relationships need to be explored because it may affect our understanding of knowledge creation. Cook and Brown (1999) for example believe that tacit knowledge cannot be turned into explicit nor can explicit be turned to implicit, however they go on to argue that each form of knowledge can be used to facilitate the acquisitions of the other.

On the contrary (Nonaka and Takeuchi, 1995:61) contend that tacit and explicit forms of knowledge are inextricably linked and that knowledge is created and expanded through social interaction between tacit knowledge and explicit knowledge. It is Cook and Brown (1999) focus on social dimension that adds light to the discipline of Knowledge Management. This third dimension of tacit knowledge referred to as social knowledge which tends to exist in pieces throughout the organisation. In an organisation, members and groups do not know the same thing, and above all no one knows it all. Easterby - Smith argues that social knowledge is organised through a set of rules and a myriad of relationships that enable the organisation to function in a coordinated way. However these same routines are subject to failure and therefore require improvisation.

These arguments lead us to the conclusion that knowledge management's role is basically to connect human beings. Lang (2001) suggests that the real task of knowledge management is to connect people to people to enable them to share what expertise and knowledge they have at the moment, given that cutting edge knowledge is always changing. We however need to try and not warehouse everything a worker ever knew, all the time, we are obliged to remember the representational limitation problem. Mechanisms to screen through "useful pieces" of knowledge are tasks ahead of leaders in organisations determined to properly implement knowledge management strategies especially in Africa where careful planned strategies are needed to safeguard the continent. Proper ways are needed to tap into the available knowledge base in order to preserve and expand their core competence.

### **2.3 SPIRAL OF KNOWLEDGE COMPLEXITY**

A successful knowledge management, or knowledge leveraging, initiative recognises both the object and process perspectives as being important and valuable, and thus a comprehensive approach includes both of these perspectives. The challenge for an organisation, in trying to manage and create information and knowledge, is to develop the processes, structures and infrastructures which enable dynamic, value-added interaction between these two types of perspectives. Nonaka (1991: 99) presents four patterns, in his "spiral of knowledge" concept, for this movement:

1. ***Tacit to Tacit:*** movement from one individual's tacit knowledge base to another, without developing any systematic insight into the knowledge which makes something explicit and accessible to the organisation, e.g., a chef who teaches an apprentice to make pasta without ever using a recipe.
2. ***Explicit to Explicit:*** units of explicit knowledge can be combined to develop new sets of explicit knowledge. This type of exchange seldom broadens the organisation's universe of knowledge, e.g., putting a number of the chef's recipes on the Internet.
3. ***Tacit to Explicit:*** one individual is able to articulate the tacit knowledge they possess in order to create a new base of explicit knowledge (information) for others and the organisation, e.g., when a chef puts his or her creative skill and expertise into a textbook or recipe book for his or her restaurant, this is a movement from tacit to explicit – this is the most critical factor in creating a knowledge management framework.
4. ***Explicit to Tacit:*** this final stage depends on the former, where an individual's tacit knowledge is made explicit and then shared with the organisation as a whole, and the organisation is encouraged, and monitored, in the use and application of that knowledge (information). In applying and using this explicit knowledge (information), other employees and chefs embed the lessons learnt as their own implicit knowledge, e.g., other chefs in the organisation experiment and innovate with the recipes in the textbook or recipe book, and learn new lessons, new recipes, adapt the original information, find short cuts, etc., they then absorb and internalise this information and turn it into new information and knowledge (their own), and it becomes their own implicit knowledge.

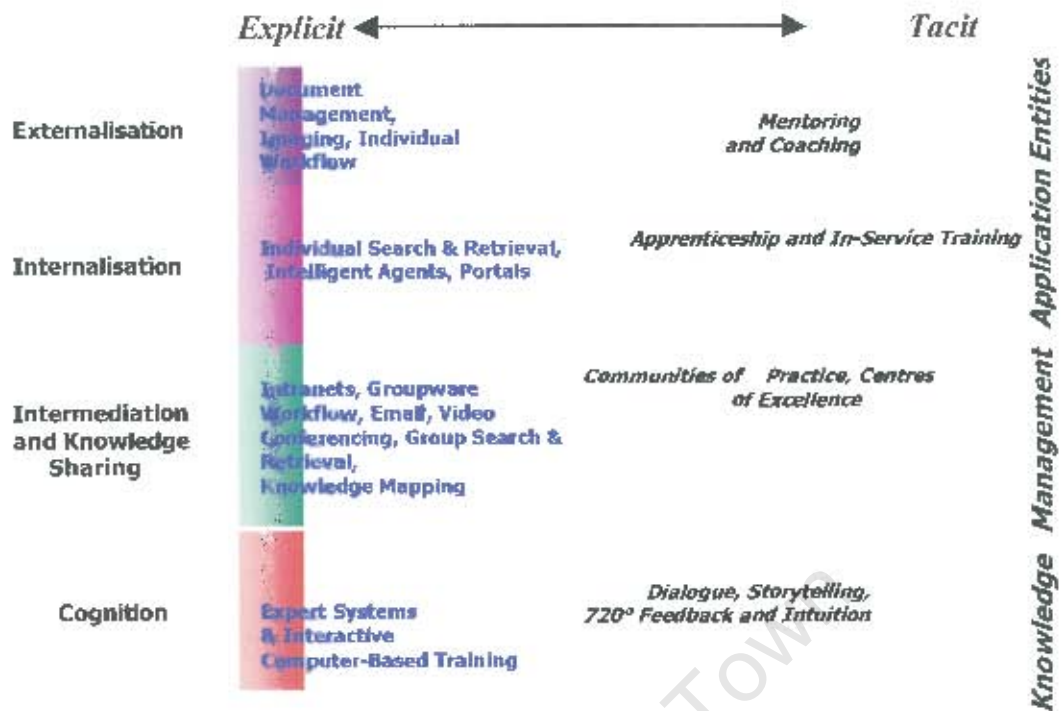
The final two steps in the spiral of knowledge are the critical points for knowledge management approaches and initiatives, i.e., articulating tacit knowledge in order that others may hear and understand, and then internalising that new explicit information to fit one's personal requirements and mental models, rendering the knowledge tacit.

It is however important to bare in mind the difficulty involved in the process of converting tacit knowledge into explicit since it is hard to think about metadata when doing the thinking work. Lang (2001) contends that, it is hard to think about thinking when doing a busy thinking.

Although technology helps a great deal in the capturing of knowledge, there will be more information to digest. As contexts get richer, knowledge may still be misinterpreted. This is “context paradox” and is according to (Shum, 1997: 73). We have to allow flexibility, and consider the dynamic and constantly evolving environment along the process of knowledge transfer. The tacit – explicit dichotomy highlights the transfer of knowledge but should be analysed carefully not to limit other considerations. Brown and Cook (1999) for example advocate the static view implied by “knowledge” and the dynamic view implied by the term “knowing”. The bottom-line however is appropriate transfer of knowledge amongst members of the organisation.

How then does an organisation’s departments and divisions make use of, and leverage, the different levels of knowledge complexity and facilitate spiralling up the hierarchy of knowledge complexity? Figure 3 below shows the practical application levels of knowledge spiral complexity, and informs the organisation of technological processes (collect) and human processes (connect) Hansen, Nohria and Tierney (1999), they need to put in place in order to traverse the spiral – these processes have to become part of workplace strategies and operations. This research, in presenting a framework of processes for engaging with the spiral of knowledge complexity also looks to establish what the roles of leadership within these processes are.

## ***Knowledge Spiral Complexity***



(Source: April, 2001)

**Figure 6: Application Levels of Knowledge Spiral Complexity**

Contrary to the in-use idea of organisational learning which points out that organisations learn as individuals learn, Argyris and Schon (1978), there is another meaning constructed by the interaction between emotion and power. Vince (2001) argues that the two (emotions and power) create social and political context within which both learning and organising can take place. Yes, organisations are learning when the establishment that has been created through the very process of organising can be identified and critically reflected on. To lead, is when the difference between learning and organising is well understood-unintended consequences of action and through paradoxical tensions that are integral to organising (Vince and Broussine, 1996).

Because learning primarily occurs in the context of social relations and as a result of complex interactions largely influenced by individuals and collective emotions then, learning can be more than organisational.

Organisational learning is visible in the organisational dynamics created from the interaction between politics (power relations) and emotions within organisations. Vince (2001), we can see something more than collective and individual learning. Emotions at the same time, can determine learning and organising, and indeed power relations moderates the learning process in the organisation.

It is until individuals are given the chance to challenge, and doubt the regime of truth created over a long period of time in the organisation that anxieties and uncertainties will be dealt with. Change and learning are always associated with anxieties and also the leaders resistance arise from the same anxiety. It is important for managers/leaders to understand the proper protection of learning and organising as well as how learning itself occurs. Some organisations do much to support learning within their organisations, but unfortunately their leaders have not been able to do what they should do to support organisational learning. They do not take time to reflect and act on organisational dynamics, on the establishment that organising has created and that limit learning and change. The implication then is inability to survive and compete. Indeed Goodwill on its own will not be enough, reflect well is inevitable for organisational learning to take place. We African leaders have an important role to play to eradicate the stiff hierarchies dominating organisations.

This research critically seeks and deeply goes into depth to synthesise these arguments of power and emotions in the organisations, also, looks at what basically the leader needs to do in the process of supporting learning, realising that learning will take place if there is space created for it, and of course lack of space will hamper learning in the organisation. Vince (2001), suggests that to develop theory and practice in organisational learning there should be a shift from learning from experience to learning from organising. Re-looking at our current approaches to strategic reflection, to different notions of leadership and to more democratic ways of expressing authority in organisations will provide us with useful means to understand organisational learning, which will suit individuals and organisations in Africa better. Hierarchies, bureaucracies and red tapes evident in African organisations will hinder learning, which is a result of knowledge sharing.

Power dynamics acts simultaneously as a barrier and enabler to the flow of knowledge within an organisation, and because knowledge management seeks the enabling of smooth flow through available formal and informal networks, these issues of power in organisations need to be viewed with powerful lenses so that the ultimate end be facilitation rather than hindrance of the flow of knowledge. According to Soenen and Moingeon (2001), knowledge flow is fundamentally embedded in power relations. To solve the problems of individuals and group resistance to share knowledge, one needs to understand why there exists such resistances. There are different reasons, thus, understanding and working on them may lead to the initiatives to be taken in a process of getting rid of these obstacles.

For both organisations as well as individuals mastering knowledge would mean thinking deeply about how we know what we know, how we shape our knowledge into new ideas, how we translate knowledge action into a knowledge quest (Prusak, 1997). Conscious effort to enable these initiatives will by whatever means be possible, if organisations will provide opportunities for their employees to do so, guide them through the process and above all, encourage and show them the positive outcome for them and for the organisation as a whole.

Management commitment refers to consistently championing the message of knowledge sharing. If there exist a reality that is not well-communicated and emphasized on, organisation members may not see the importance of the practice. According to the study by KPMG, within companies attempting to implement Knowledge management programs, two of the major barriers were: lack of skills in knowledge management (49%) and lack of understanding (40%). They suggest concrete education and training program as a way of alleviating the problem. It is evident that qualified individuals who are adept in change management and organisational behaviour should participate in this type of training, for positive outcome.

Reward system also, when inappropriately administered can lead to the failure of the successful implementation of best practice. Brown (1995) warns that outdated appraisal methods are a barrier to TQM implementation. The transfer can take place but if the Appraisal system is improper it may lead to premature abandonment.

He goes on to suggest that encouraging competition between divisions will sub optimise the organisation. There should therefore be a right balance between individual and team reward. Three factors should be considered regarding rewarding the employees: specific job performance, productivity of the team and individual contribution to the team. Individuals as well as teams should be rewarded when they successfully share and use best practice (knowledge).

While Performance Appraisals provide information on job performance and necessary improvement, they can put too much emphasis on short term results as opposed to long term results. These are, in actual facts incongruent with quality goals. When management make it clear to employees that they will receive some benefits for their sacrifices. There is also a risk of discrepancy between few workers who are part of quality team and take part in the best practice formulation, transfer and implementation and the others who just do the work according to the practice specification over which they have little say. The right balance between intrinsic and extrinsic motivation is also crucial in best practice implementation. When not carefully administered pay for performance can also put too much emphasis on specific outcomes and cause employees to loose sight of the larger picture. Work relationship can be affected negatively when employees are encouraged to compete for a pool of monetary reward (Bergh and Theron, 1999).

Simard and Rice (2001) argue that, diffusion related reward is the best for effective best practice transfer or knowledge sharing. It is the proper organisational culture in place that will enable knowledge sharing and above all it needs to be rewarding in itself; such as a sense of contributing to the greater good of the organisation, increased work efficiency, and recognition from others. If knowledge is not part of the organisational culture then the reward system will result in employee cynicism. Recognition is the most important reward for sharing and using organisational knowledge (O'Dell and Grayson, 1998). The difficulty then comes when evaluating the quality and impact of knowledge being shared and to successfully match it with the rewards. In the current waves of reorganising and downsizing, workers are likely to feel as if they are loosing their competitive advantage because of equating their job security and their level of knowledge, thus sharing it =loosing their power

(Davenport and Prusak, 1998). Allee (1997) suggests a new equation that because knowledge is power, we should not hoard it, but rather share it.

## **2.4 KNOWLEDGE LEADERSHIP**

There are three-dimensional contexts for leadership within the knowledge management domain: cognitive complexity, competency integration and personal mastery. Cognitive complexity increases with size of entity /responsibility/ organisation, degree of freedom, level of work and social complexity, speed of industry change and geographic dispersion. Personal mastery embodies self knowledge and self awareness, emotional agility and meta-cognitive horsepower. Competency integration involves key business-facing competencies, strategic and operational mastery and ability to engage and develop people. Together with my supervisor, we have developed a three-dimensional, tiered - framework for researching knowledge leadership development.

We intend to link the three-dimensional leadership development framework with that of organisational process outcomes (i.e., the processes embedded in the spiral of knowledge complexity). Underpinning the link is the notion of learning – individual and organisational learning. To “learn” means to enhance capacity for effective action through experience, in settings that matter to the learner. Learning always occurs over time and in “real life” contexts, not in classrooms or training sessions. Training, by contrast, is typically episodic and detached from the context in which results are produced. Organisational and individual learning is the process that enables an organisation and individual to adapt to change and move forward by acquiring new knowledge, skills or behaviours, and thereby transform itself or him/herself. “Outer transformation” describes shifts in policies, strategies, processes, practices and systems. “Profound transformation” refers to organisational and individual change that combines inner shifts in people’s values, aspirations and behaviours. In “profound transformation” there is learning: the organisation and individual doesn’t just do something new, it builds its capacity for doing things in a new way – indeed, it builds capacity for ongoing change.

Von Krogh, repeatedly makes the point that knowledge transfer is a matter of behaviour, or the creation of the favourable context through supportive attitudes and caring relationships. Here he justifies the role of leaders in making knowledge transfer possible in organisations. Basically leaders do have a role to play regarding learning, and they can allow learning by deliberately creating the conducive atmosphere for learning to take place. Awareness of leaders to this inevitable fact is critical in the changes taking place, making things unpredictable in the world; unconsciousness of this fact amongst leaders, and more specifically African leaders, will mean struggle and failure. African leaders need to learn so that they may be able to understand the need for others to learn. Also, to encourage the processes of change which, will make unlearning and forgetting take place. These are some of the crucial roles, African leaders ought to play to rescue the deteriorating and emerging continent.

Weick (1996) is of the view that organisations continue to exist only to the degree that there are able to maintain the balance between flexibility and stability. Flexibility means ability to adapt to the unforeseen circumstances and stability means ability to amass history and organisational knowledge. There is an organisational necessity whereby a new dominant logic needs to be replaced by the old. We will be ahead, far ahead if we let go the old useless facts incapable of equipping us with necessary skills and knowledge to compete effectively - what needs to be remembered should not be forgotten because we will need to build onto them, they will be our foundation. Forgetting new acquired knowledge that is not successfully transferred should also be avoided. Although some practices may not be very useful in Africa, we still need to learn from them, to build on them and consequently change them.

We therefore believe that investigating how knowledge is lost and or purposefully removed from memory is also important in the understanding of Knowledge management in the African context. There are evidences in the African continent to elaborate that the need to change is there but we are unable to change. Organisational inability to learn can be a major weakness in the organisation for it makes organisations unable to adapt and survive. Forgetting can therefore be a bad thing as it is a good thing depending on the time and context - the dynamics of forgetting can

be sometimes complicated but still fundamental in the knowledge management process in organisations.

## 2.5 INTELLECTUAL CAPITAL

### The changing landscape

The economies of the developed nations of the world have seen a big movement in terms of economic activities that comprise their GDP. They are now far less reliant upon traditional primary (i.e. resource based) commodities or even secondary (low value-added) commodities such as manufactured goods. In the "new economies", the emphasis, in terms of high economic value-added, is on service activities and intangible-based outputs (Petty and Guthrie, 2000).

Until recently, companies in industries that required heavy capital investment dominated corporate world. This same echelon is now dominated by companies in the financial services, media and telecommunications, consulting, and tourism sectors - companies that typically require only a modest investment in capital equipment (Petty and Guthrie, 2000)

Specifically, the importance of IC is emphasised in Accounting Standards Board, (ASB), 1997.

- the revolution in information technology and the information society;
- the rising importance of knowledge and the knowledge-based economy;
- the changing patterns of interpersonal activities and the network society;
- the emergence of innovation as the principal determinant of competitiveness.

Different definitions have been given for Intellectual capital. One company has defined it, "what walks out the door at the end of the business day", some have said that it is the people; some say it is a firm's know-how. Ulrich (1998) conceptualized intellectual capital as a multiplicative function of competence and commitment. As defined by the companies in the ICM Gathering, (Amboise, France, June 2001) intellectual capital is the sum of a firm's ideas, inventions, technologies, general knowledge, computer programs, designs, data skills, processes, creativity, and

publications. The ICM Gathering developed a definition of intellectual capital that has served them well ever since: Intellectual capital is knowledge that can be converted into profits. For these companies, intellectual capital comprises two major elements: human capital and intellectual assets.

Another good definition of intellectual capital, is that offered by the Organisation for Economic Co-operation and Development (OECD, 1999) which describes intellectual capital as "the economic value of two categories of intangible assets of a company:

- (1) Organisational ("structural") capital; and
- (2) Human capital.

More precisely, structural capital refers to things like proprietary software systems, distribution networks, and supply chains. Human Capital includes human resources within the organisation, and resources external to the organisation, namely customers and suppliers. Often, the term "intellectual capital" is treated as being synonymous with "intangible assets". The definition offered by the OECD, additionally, makes an appropriate distinction by locating intellectual capital as a subset of, the overall intangible asset base of a business, it does not see it as "same as". As such, there are items of an intangible nature that do not logically form part of a company's intellectual capital. A firm's reputation is one such item. Reputation may be a by-product-or a result of the judicious use of a organisations' intellectual capital, but it is not part of intellectual capital all together.

Historically, the distinction between intangible assets and intellectual capital has been vague at best. Intangibles have been referred to as "goodwill" (ASB, 1997) and intellectual capital as part of this goodwill. Recently, a number of contemporary classification schemes have refined the distinction by specifically dividing intellectual capital into the categories of external (customer-related) capital, internal (structural) capital, and human capital (e.g. Edvinsson and Stenfelt, 1999). From a utilitarian point of view, the distinction has proved a winner by facilitating the preparation of "intellectual capital accounts" (typically included in the traditional annual report) which are employed differently in making decisions regarding organisational value that are more encompassing than decisions made previously (Guthrie and Petty, 1999a). The differentiation between the terms "knowledge management" and

"intellectual capital" also seems unclear at times. There is a dominant view that knowledge management deals with the management of the intellectual capital, and that it is controlled by an organisation. Knowledge management, as a function, describes the act of managing the object, intellectual capital (Petty and Guthrie, 2000).

Nerdrum and Erikson (2001) say that complementarity is a central characteristic of IC. They believe that the concept is often neglected, while it is an important economic characteristic of many types of human capital. Their argument is that if one important capital item is insufficient or inadequate, for example, the ability to co-ordinate resources to meet the future demand for a certain product, the consequence is often that, other abilities or capacities are prevented from expressing themselves and to have economic effects. Consequently, the return on investment of other intellectual capital items becomes very low, or even negative. This has implications to KM.

Knowledge organisations (which make their profit by converting knowledge into value- predominantly from commercializing innovations) are like Microsoft and 3M in the United States. This classification, however does not exclude other companies whose commercialization requires large and expensive business assets such as manufacturing facilities and distribution networks. What qualifies them as knowledge companies is the management of their intellectual assets. A simple and good example is manufacturing companies using storytelling, which can serve as a powerful tool for organisational change and knowledge management to further develop an organisational Intellectual Capital.

#### **How does 'IC' bring value to the firm?**

Most organisations have not been able to locate their intellectual capital. Once an organisation comes to the understanding that it possesses intellectual capital, then it has to convert it into something of value. The question of how this is done depends, at least in part, on the kind of value the organisations wishes to extract from its IC. At one of the meetings of the ICM (Intellectual Capital Management) Gathering, member companies, all sophisticated in extracting value from their intellectual capital, were asked to describe how their organisations had received value from their intellectual

assets. The following list shows the diversity of the kinds of value organisations are obtaining from their IC:

- (1) Profit generation: like income from products or services, and income from the IC itself, through: - sale; - licensing royalties; -joint venture income donations (tax write-offs); etc.
- (2) Strategic positioning: like market share; leadership (innovation, technology, etc.); standard-setting.
- (3) Acquiring the innovations of others.
- (4) Customer loyalty.
- (5) Cost reductions.
- (6) Improved productivity.

The value many of these organisations receive from their IC (and most were receiving four or five kinds of value from the above list) is the result of a well-reasoned, well-planned, and well-executed set of management initiatives, Harrison and Sullivan (2000). Organisations have to design these kinds of initiatives to ensure that specific forms of value considered important to their business strategy are extracted on regular basis from the organisation's intellectual capital.

### **Management of intellectual capital**

Organisations managing their intellectual capital are strategically focused in managing both the human and the "paper" assets of the organisation. For the technology companies, the building block capabilities are already in place. But for non-technology companies, they need to create: competitive assessment, human capital management, human capital measurement and intellectual capital reports, Sullivan and Sullivan (1999).

- *Competitive assessment* - This focuses on the business and technology competitors, but in addition to the assessment focus on technology of competitive products and services and markets. The ICM Company competitive assessment capability focuses in particular on the competitors' human capital as well as on their technology.

- *Human capital management* - In the management of the organisation's human capital it is important to know the current and proper use of the human resource. What is the ideal allocation of the organisation's human capital for achieving near term and long term goals? What is its actual current alignment? What is the value creation focus of the human capital? What is the know-how the human capital has created in the organisation? How is this know-how defined within the organisation? Can it be described and accessed? What is the organisation's ability to commercialize it? How can the organisation develop, or how has it developed, systems to institutionalize the management of its human capital?
- *Human capital measurement* - How does the organisation define, describe and measure its intellectual capital? What kinds of knowledge does the organisation's IC generate? What is the breadth and what are the levels depths of knowledge created?
- *Intellectual capital reports* - What kinds of reports does the organisation have or wish to have about its intellectual capital? Internal reports? Actual or potential external reports? Do these include measures of key IC activities? Do they include valuations of the organisation's human capital?

## 2.6 COMPETENCE INTEGRATION

A significant proportion of an organisation's knowledge is stored in the minds of employees. Whenever knowledge plays a role of value creation, the importance of highly trained workers becomes high. Their work is no longer regarded as labour factor in production. Managers need to recognise that employees are producers and owners of non-material asset (Harrigan and Dalmia, 1991). The goal of training and development programmes for all organisations should be to maintain or improve the performance of individuals and, in so doing, that of the organisation. Investing in people's capabilities at work is and will always be a value adding initiative in the Human Resources Management; as Ulrich and Lake (1990:79) put it "The first challenge for any business is to generate the competences necessary to provide output that will be valued by customers".

Over time organisations have spent much time, effort and money on training and developing their employees, including managers. This initiative is vital for organisation's well being because education plays a key role in the development of new competencies in the organisation. With the increasing unpredictability of the future, equipping staff with skills and necessary knowledge becomes much more important. While in some organisations training is formal and structured, in others it is informal and unstructured. But whether or not the system is highly structured, a major responsibility of any organisation is to invest in the education and development of its employees by formulating and implementing a human resource development strategy that includes programs, objectives, and procedures for development program. This may be on the job or off the job training and other learning experiences. The organisation decides on where and how to train their employees.

Training refers to providing instruction to develop skills that can be used immediately on the job. This approach has a narrow focus and benefits the organisation quickly. The financial benefit, as a result of training also occurs so quickly. Contrary to that, development has a broader scope, it includes developing the knowledge that may be used in the present as well as in the future. It does not necessarily focus on either the present or future job but more on meeting organisation's general long term needs (Anthony, Perrewe and Kacman, 1996). The following example illustrates the difference, if an organisation taught its managers to use statistical software programs to manage their budget, that would constitute training, because it is a short term benefit program. If those same managers took courses in general systems theory and management information systems to help the organisation develop into a more efficient, effective organisation over a long time, the effort would be labelled as a development activity.

However both efforts are important and need emphasis and attention, for companies will always have short term objectives as well as long term objectives. While the terms training and development refer to the total structure of on the job and off the job training, utilized by organisation to develop employee's skills and knowledge necessary for proper job performance and career development, management development targets supervisors and managers. It normally excludes the programs targeting the professionals (such as engineers), skilled operative employees (such as

draftsman), and semi skilled operatives (Anthony, Perrewe and Kacman, 1996).

Organisations need to integrate training and development with other human resource strategies in performance appraisal, promotion and/or pay, if it aims at operating most effectively. How then do organisations engage appropriately in aligning the two?

On-the-job coaching in many organisations currently occurs by managers conducting sessions more or less in the following manner; they describe the overall job and express confidence in the employee's ability to learn the job/task. This is made overt and discussed. Coaching can be made effective by for example, showing that all people have the contribution to make by taking their views, make them seek help when they need it by not rushing in with help so quickly. Encourage people to identify and correct their own mistakes by providing models and guiding them with questions. It is important to allow people you are coaching, time to work something out for themselves. Give them enough time for reflection, because if they work with little time available, they may become stressed and unable to perform.

Other coaching behaviours that encourage the learning culture include, developing peoples interest in learning to do things for themselves by discussing with them how they intend to go about learning something. Also, developing their awareness on how to assess what they have done by getting them to check their own work and determining their quality. A good coach will help their people to realise that practice is necessary both for meaningful learning and to help them gain skills: this is critical for it highlights the necessity of learning while working, and where funds are not readily available, like in the African context, this is even more important because studying in formal institutions is expensive, above all may not be as applicable as what is learnt on the job- cheap if not free of charge.

The responsibilities for training and development are for all stake holders: top management, human resources department, the immediate supervisor and the employees themselves. The CEO and top management for example play a crucial role for effective learning to take place in the entire organisation. The top management concerned, together with the attention, understanding and commitment for training, have the duty to provide general policies and procedures required to implement the training program, for without them the organisation will not safeguard and prioritise

the efforts (Hendry, 1995). They also have the role of providing an administrative control to ensure that everyone complies with the program and give it a conscious commitment. Without this commitment things may be done but not properly and appropriately.

Finally, top management has to set and maintain the proper culture for encouraging training and if they do not, establishing a good climate for training in the organisation will be difficult, and that will lead to underutilization of the power of one of the organisation's assets - "the employee". Human Resource Department has the role of supporting the staff of the organisation. Together with the line management's determination and commitment, HRM will have to provide expertise and resources for training as well as sponsoring individuals who participate in workshops, conferences, as well as other programs in the organisation. Indeed, training and development is a shared responsibility.

Training strategies are driven by business strategy. Hendry (1995) argues that Human Resource planning needs to be flexibly linked to business strategy, and training needs to remain to some extent reactive. He lists five time horizons for training decisions in their twenty case studies for training in Britain, which varied enormously as:

- Ad hoc request.
- Annual budgeting, on the basis of forecasts, of labour turnover, recruitment and promotion.
- Commitment to major projects which can vary up to five years ahead.
- Commitments to groups of employees, such as graduates which involve a view of skill needs up to five years ahead and beyond.
- Long term manpower plans, such as in the health service where length of training, the numbers involved, career commitment, and resources require a careful plan.

Because training is seen as necessary to make the new system work, line managers who have traditionally been the weak link in implementing training plans through their tendency of keeping people back from courses, or to delay on-the-job training

are challenged and engaged by business-led programmes which bring direct business performance benefits to the organisation.

Fairbairns (1991) lists three questions to be asked before the training decision is taken, they are:

1. What skills/knowledge/personal attributes are important in a person's job?
2. In what skills/ knowledge/personal attributes, are they in need of training?
3. What skills/ knowledge/ personal attributes are likely to be encouraged, recognised or rewarded?

When all the answers to the three questions coincide, training is likely to be effective, and vice versa.

## **2.7 TRANSFORMATIONAL LEADERSHIP**

Leadership is defined broadly as influence processes affecting the actions of followers (knowledge workers), the choice of objectives for the group or organisation (Yukl, 1981). This influence should and must be strong and effective, for a significant impact to the followers. Transformational leadership has been defined as superior leadership performance that occurs when leaders "broaden and elevate the interests of their employees, when they generate awareness and acceptance of the purpose and mission of the group, and when they stir their employees to look beyond their self interest for the good of the group" (Baas 1990: 21).

Practitioners and academics have proved through empirical data that transformational leadership enhances subordinates satisfaction (Hater and Baas, 1988); commitment to the organisation (Barling, Moutinho and Kelloway, 1998), employees' effective commitment (Barling, Kelloway and Helleur 2000) also transformational leadership is associated with business unit performance (Barling, Moutinho and Kelloway, 1998) Additionally, further investigation of the discipline has shown that it results in higher task performance (e.g., Howell and Frost, 1999).

These data suggest the increased importance of the discipline. The current changes require engagement of and commitment to transformational leadership. Focusing on the Transformational Leadership theory, we realize the distinction between it and the

then western paradigm of transactional leadership in which the leader and the follower are seen as very separate entities. Transactional leadership consists of contingent reward (also referred to as constructive transactions), management-by-exception and laissez faire management (Barling, Moutinho and Kelloway, 1998). It is when management take the initiative in offering some form of need satisfaction in return for something valued by employees. Examples of these are improved job satisfaction or recognition, pay and promotion (Sadler, 1997).

Tichy and Devanna (1996) observed a number of transformational leaders and concluded that they share a number of similar characteristics which differentiate them from transactional leaders. They list those characteristics as being *change agents*- able to transform their organisations, they are *life long learners* – believe that in a process of work, mistakes can happen, members of the organisation need to learn from them, they should not be taken negatively all the time, *they are courageous*, thus take stand, take risks, positively deal with resistance, confront reality and above all they persist. Other characteristics listed are that they *believe in people*- belief that human potential is unlimited and an optimism that goes beyond already well-developed beliefs in the importance of motivation, trust and empowerment, *they are visionaries*- plan ahead, have the *ability to handle complexity, ambiguity and uncertainty*. Also, that they are *driven by strong set of values*. Among others, these characteristics make them admirable and make them leaders, needed in organisations seeking to utilize knowledge management processes.

It is being argued that the guiding role of management for any knowledge management strategy is crucial. Transformational leadership, which falls under “newer leadership style” or “self management leadership dimension”, has made a good number of practitioners as well as academics to justify the positive role of this leadership style.

According to April, Macdonald and Vriesendorp (2000), the needs of leaders and followers in transformational leadership are regarded as more interdependent. They go on to say that we should involve the relationship of mutual trust of leaders and those being led. To them, the capacity to trust in others is a necessary “fluid glue” which will make it possible for members of the organisation, willing and able to work

in fluid, flexible fashion – sharing information, sharing experiences, sharing joy and pain, depending on others, empowering others, and working towards a relationship to higher level.

Transformational leaders are leaders who have high self awareness, who can lead themselves and be in position to lead others. Real and meaningful change and adapting to those changes should start within each individual. Successful leaders therefore will have to be willing to learn and constantly be aware of the way people think, how and why they behave in certain ways, how they learn and unlearn, and how to tap from their personal energy (April, Macdonald and Vriesendorp, 2000).

There are four components of transformational leadership as listed by Baas and Avalio (in Sandler, 1997):

- **Idealized influence:** Being able to show the followers that they can accomplish more than they believe possible. To have a clear vision and sense of purpose so that followers trust and respect them. These leaders build the base for future mission which energises the followers putting extra effort in their work. It is this energy that does wonders in organisations of today, working overtime, missing families and friends, depriving themselves some of their needs because of work - just to mention a few.
- **Individual consideration:** Leaders pay attention to the needs and potential for development of their individual followers. Delegating, coaching, mentoring, and giving them constructive feedback. In the long run they reciprocate.
- **Intellectual stimulation:** Deliberate effort to solicit new ideas and new ways of doing things, i.e. triggering their innovative and creative behaviours.
- **Inspiration:** Being able to generate enthusiasm, motivating people and being in a position to be seen to share the load.

Empirical data supports the existence of the following attributes among transformational leaders. This type of leadership is what is needed in African organisations, leaders who are dedicated to value the non material, the intangible assets, which are very much hidden. Transformational leadership will make followers

that are highly motivated and challenged to become knowledge champions, who will make a difference, who aim high always.

## **2.8 COMMUNITIES OF PRACTICE AND SOCIAL CAPITAL**

Lave and Wenger (1991) first introduced the ideas of a Communities of Practice (CoP) in 1991. Although seen as simple apprenticeship model where soft knowledge is transferred through the situated learning that takes place in apprenticeships, the central concept of legitimate peripheral participation was not restricted to apprenticeship alone. Lave and Wenger (1991) describe a CoP as “a set of relations among persons, activity and world, with time and with relation with other tangential and overlapping CoP’s. Old timers in the organisation will teach new comers by allowing them to participate in certain tasks relating to the practice of the community, and as time passes the new comers will move from peripheral to full participation in the community. Lave and Wenger (1991) saw a CoP as “an intrinsic condition for the existence of knowledge”. They saw “learning as legitimate peripheral participation”. LPP is not merely learning situated in practice but learning as an integral part of practice. They saw LPP as a complex and composite in character, and stated that each of the three aspects legitimation, peripherality, and participation are indispensable in defining the others and cannot be considered in isolation.

Legitimation is the dimension of CoPs that is concerned with power and authority relations in the group, and it does not necessarily have to be formal. Peripherality, also is not a physical concept as in core and periphery, a simple measure of the amount of knowledge that has been acquired.

Lave and Wenger (1991) use the term peripheral and full participation to denote the degree of engagement with and participation in the community but not that peripherality “must be connected to issues of legitimacy of the social organisation and control over resources if it is to gain its full analytical potential”. For them participation provides the key to understanding CoPs. CoP implies participation in an activity about which all participants have a common understanding about what it is and what it means for their lives and community. The community and the degree of participation in it are in some senses inseparable from the practice. It is evident that the term CoP has been extended to encompass new meaning that was not part of Lave and Wenger’s (1991) original idea. This has led to the term CoP to be used to refer to

the wide range of groups, from project teams to functional departments (Sandusky, 1997).

Organisations in the new economy are changing from well structured and manageable into interwoven network system with blurred boundaries. To operate effectively, they implement genuine sharing of authorities. They also reduce their autonomy share decision making, interconnect their organisational structure, manage jointly some activities or operations and open their organisation culture to outside influence. If this goes on to be a trend in the future we should from a knowledge management perspective, perceive managing knowledge creation and transfer as taking place in the context of network rather than view it from a traditional organisational perspective "mechanic". This however is already taking place, though at a small scale and has to change as time goes on because changes are continuously taking place.

Co-workers with complimentary knowledge in an organisation sometimes will form a group, and they are self organised. They get to that stage through communicating with one another about their common work practices, interests, or aims, these groups are what are called "communities of practice". If their communication proves to be useful overtime they strengthen their group, give it a name and establish a regular system of interchange. It is therefore possible for a team to become a CoP as informal relationships begin to develop and the source of legitimization changes in emphasis. Interestingly, these types of groups may form slowly and not at a full conscious level of participants. Communication in the process of development of the new CoP, is vital, it is it alone that creates the bond and shows the participant the royalty of other members.

Despite the existence of formal organisation, it is possible for much of the real work of the organisations to happen without it. Organisational charts may sometimes prove not to be as functional as the informal network. Managers are advised to pay attention to the informal organisation, the network of relationships that employees form across functions and divisions to accomplish the task fast (Krackhardt and Hanson, 1993). If the formal organisation is the skeleton of the company, the informal is the central nervous system driving the collective thought processes, action and reactions of its business units.

Krackhardt and Hanson (1993) believe that the formal organisation is set up to handle easily anticipated problem, but when unanticipated problems arise (which do most of the time) the informal organisation kicks in.

Managers can't be everywhere at once, nor can they read other people's minds, as a result they may draw conclusions based on superficial observation. They may be able to trace the social links of few people closer to them but the relationships of those not close to them remain off the mark. Who is capable of understanding and tracing those social links or advisory relationships as it is sometimes called? Prusak (1997) suggests that managers should diagram three types of relationship networks in the organisation:

- The *advise* network which shows the prominent players in the organisation on whom others depend to solve technical problems.
- The *trust* network to tell who backs one another in times of a crisis as well as sharing delicate political information.
- The *communication* network which reveals employees who engage each other on matters related to work.

In doing this, they will feel the obligation to strengthen these networks. They should come up with strategies on how to manage knowledge creation and transfer in the context of networking. Managers can bring out the strengths in their network structures. Their formal organisations complement the informal, and "rewire" faulty networks to work with company goals (Crackhardt and Hanson, 1993).

At the regional level, we need closer collaboration so that we can share our experiences and problem-solving strategies in the African context; after all, we have many things in common. Areas for collaboration include legislation and regulations, methods of enforcement, research, training and problem-solving strategies in problematic fields which are many.

## **2.9 CREATING A CULTURE FOR KNOWLEDGE SHARING**

Culture has been defined as a pattern of shared basic assumption that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new

members as the correct way to perceive, think and feel in relation to those problems (Schein, 1992).

The culture of the factory is its customary and traditional way of thinking (cognition) and of doing things (action), which is shared to a greater or lesser degree by all its members, and which new members must learn, and at least partially accept in order to be accepted into service in the organisation (Jacques, 1952).

Shared beliefs that top managers in an organisation have about how they should manage themselves and other employees, and how they should conduct their businesses is basically what culture is. These beliefs are often invisible to the top managers but have a major impact on their thoughts and actions (Morgan, 1986).

Schein (1992) differentiates “espoused culture” and “true culture”. An example of espoused culture in an organisation is that of safety banners posted prominently in the production area, and on the other side the true culture example is the unguarded machine. Whenever there is a gap between these two types of cultures as in the example above, a misalignment exists which normally tends to be very harmful to the organisation and its members. There should be processes in place to identify cultural misalignments and reduce them with targeted change initiatives.

The visible and audible manifestations of culture have been referred to as artefacts and espoused values (Schein, 1992). There is an assumption that artefacts (visible and physical) and espoused (audible and spoken) are congruent with and, or reflective of, the basic underlying assumption. Schein (1992:1999) confirms that this is not often the case, and instead many artefacts and espoused values are “wish lists” representing a desired culture that may be quite different from a true culture. This difference between artefacts and espoused values and basic underlying assumptions is what should be called “cultural misalignment”. And as soon as the misalignment is diagnosed, the organisational leader has to look for the strategic and tactical initiative to realign the cultural elements. That is exactly what we have to do when we want to create the culture for knowledge sharing. Analyse the existing culture, spot the misalignment and remove the barriers. There are obviously a lot of misalignments in organisations of the African continent, and these misalignments are possibly not seen

by each and every individual in organisations. Leaders have to engage all stakeholders to help in the identifying of these gaps, which need to be removed for organisations to be successful.

An organisation culture may well exert an influence over the strategies it pursues (Beach, 1993); whatever strategy an organisation aims at engaging in will not be value free. People at all levels, especially in Africa, will often be locked into traditional or habitual ways of seeing or doing things, and this undoubtedly affects their ability to contemplate new options and new solutions to problems and situations they find themselves in.

Schein (1992) believes that there are three different major occupational cultures in most organisations, namely culture of operators which is based on human interactions that value high levels of communication, trust and team work. The second one is the engineering culture which is based on common education, work experience and job requirements and finally the executive culture – whose assumptions are built around the necessity to maintain the organisational financial health. He sees the problem associated with these disconnects as the key barrier to organisational learning. Organisations will learn effectively if they recognise and confront the implications of these occupational cultures. This argument leads us into believing that the management part of the organisation has a role to play if indeed they want knowledge to be disseminated in their organisations.

It is our African leaders, who will realise the locks surrounding learning and work towards eradicating them for they limit change and ability to learn. In a process of implementing both individual and organisational learning, emotions and relations are generated; management therefore has a critical role to play, ranging from acknowledging both negative and positive sides of the relations and emotions, also the ability to take responsibility when they get wrong, and that is when learning will take place.

Bush and Wetzel (2001) suggest three steps of action oriented culture analysis:

- 1) Learning a mental model of culture - the goal of this stage is to help the leadership team develop a mental model that brings culture to the conscious level for analysis.
- 2) Observing “walkies” and “talkies” the process involving the active collection of artefacts “walkies” and espoused values “talkies” both can be gathered during the field trip of the organisation, department or office.
- 3) The third and last step is inferring basic underlying assumptions and from artefacts and espoused values, a step of which deeper meaning from artefacts and espoused values is inferred.

It is believed that most processes designed to change organisational culture take ten years or longer, but Bush and Wetzel suggest that organisations need to come up with processes which can bridge the gap in a reasonably shorter time.

These are models we need in the African countries, because we have no time to wait, globalisation comes with changes which are so fast, and we need to cope.

Hirschfield (1999) argues that the presence of a learning culture is not determined by the size of its training budget. She believes that it is something that is knitted into the values and belief system of the members of the organisation, and is demonstrated by attitudes where:

- Change is not seen as threat, but an opportunity for learning and development.
- People at all levels understand the need for, and develop the capacity to become life long learners.
- People develop the skills and confidence to learn new knowledge and skills without necessarily having to attend a formal training course.
- Any person well placed to give training does so, for example a researcher who developed new process or machine or the operator who learned how to fix something because he needed to.
- Blockages to learning in the organisation are systematically identified and removed.
- Trainers change their roles from course-runners to facilitators of learning, and

- Managers play an active and direct role in on-the-job coaching of their staff and also become 'facilitators of learning' and change agents in creating a productive 'learning culture'.

A knowledge culture should value knowledge and put it where needed, democratises knowledge delivered from individual holder transferred to others and valued according to its effectiveness. It is the culture, which values diversity, recognising that new ideas and insight are not the preserve of age, experience, race or gender. Also, should have subversive effect on traditional management hierarchies – managers becoming coaches, advisers, cheerleaders and facilitators. Above all should always have an eye on “knowledge grid” i.e. examining what we know we know, what we know we do not know, what we do not know we know, and what we do not know we do not know (Schwandt, Hillman and Bartz, 1990). The knowledge culture does not happen by accident, it is that collection of shared values and beliefs that develop over time, the un-stated concerns of common understanding and conversation. There should therefore be an intention to change the essence of how we learn.

Viewing knowledge as a complex system, we get to understand that organisational culture (environment) plays a significant role in the system which is characteristically self organising. As plants grow on the fertile soil-continually watered and taken care of, equally knowledge grows in the favourable environment. This viewpoint as portrayed in the (KMAT) Knowledge Management Assessment Tool, developed by Arthur Anderson and The American Productivity and Quality Centre, incorporates objects, processes, and organic aspects of organisational knowledge. The culture of the organisation can be changed, modified, fine-tuned by members of the organisation, especially those on the top part of the hierarchy. Complexity and Chaos Theory should not be misconceived; in fact the central concept of these terms is that while it is impossible to exactly predict the state of a system it is generally quite possible, even easy, to model the overall behaviour of a system. Organisations are not so structured to allow only what fits in.

Allee (1997) suggests that we move out of Plato's cave so that we may continuously and consciously differentiate the shadows from reality. Plato in his famous Allegory

of The Cave, argues that we mistake shadows from reality) instead of operating from personal understanding of how to organise knowledge and complexity, leaders are required to return to the centre and work with the patterns themselves. They also need to know that patterns exist. Viewing patterns as they are, will give us a deep understanding and ability to synthesize and comprehend, thus, learning will take place. The responsibility of creating a completely different environment from “the cave” lies in the hands of organisational leaders, and failure to do that will mean inability to intuitively and naturally integrate knowledge in our organisations, and thus failure to let the free flow of knowledge, which is needed to add value to our organisations. This will lead to poorer competency especially in the African continent and therefore failure to adapt in this era of discontinuous environmental change.

If African organisations can communicate, educate, train and problem solve business issues, establishing a learning environment to sustain and support new culture, quality processes will grow. On top of that, they should provide managers with leadership skills needed to change working environment to suit learning, and be ready to develop others to be able to climb up the ladder and be more productive for Africa to flourish.

## **2.10 CONNECTING PEOPLE THROUGH DIALOGUE, CONVERSATION AND STORYTELLING**

An organisation is made up of groups of people who work together to reach specific goals. These goals cannot be reached by individuals working on their own. Our progress as people will be based on our ability to work together, as well as on the benefits and consequences of our expressed ideas and actions. Communication is our bridge to the future, our link to the rest of humanity and the tool we rely on most as we make our way to the world (Gamble and Gamble, 1996). Fielding (1997) lists six major characteristics which make organisations different from other groupings as: people do different jobs and have different responsibilities, there will be one or more places where power is held, and that each post in an organisation may be filled by a number of different people. Others are: different sections of the organisation depend on each other, different sections of the organisation work together to coordinate their activities; lastly he argues that different section of the organisation work together on a regular basis. That is why we believe that people in the organisation need to access each other. Communication is a way of connecting people in an organisation.

Improving communication effectiveness, was and will still be emphasized for organisations' success, thus, making it possible to share information critical for organisational operations and survival. In South Africa, issues of diversity, collaboration and teams became very important in the 1990's and they will not be attained if we do not converse, dialogue and tell stories about our experiences, work problems, work processes and so on. Communication helps organisations to coordinate their activities (Fielding, 1997), Knowledge Management and Leadership literature reflects well these aspects of interpersonal and organisational communication, indeed communication is part and parcel of these issues.

### **Communication and conversation**

In the academic and popular literature, communication and conversation are often seen as tools for announcing and explaining change, preparing people for the positive and negative effects of change (Ulrich, Jick, and Von Glinow, 1993). Communication can reduce confusion about and resistance to change, thus facilitate transformation. It is a tool, very much needed in this fast changing world of business.

Organisational communication has been defined as the process by which information is exchanged by two or more people, usually with the intent to motivate or influence behaviour (Daft, Robert and Linda, 1987). A shared context is needed to enable communication in the organisation, and leadership and vision play a critical role in developing a shared context.

The convergence model of communication stresses that communication is a transaction and that in that transaction, meaning is created by both sender and receiver working together. This model also stresses the ideas of the "meeting of minds" (Fielding, 1997). It is at this juncture that the idea of right context comes in. Shared context helps the receiver to decode information, thus meaning is created.

For effective communication to take place people have to take one another into consideration. This will make the transaction complete, they need to work together following the established set of rules. In organisations, communication takes place between one to one groups, small groups and large groups and they may be in the

form of conversation, dialogue story telling etc. It can also be achieved by upward, downward, and lateral (also called horizontal or sideways) movements.

Kanter, Stein, and Jick (1992) maintain that the key roles communication plays are:

- Providing and obtaining information
- Creating understanding
- Building ownership

Because change occurs within communication, conversation and dialogue the list above treats communication as a tool for change process. It is through communication that internal and even external change take place. Much attention needs to be put on this aspect of communication; Reality has proved that organisations lacking this fundamental practice run into tremendous difficulty.

### **Dialogue**

“Dialogue” on the other hand comes from two Greek roots: **dia** and **logos**, suggesting “meaning flowing through”. Teurfs (1997: 16) suggests four skills that are embodied in dialogue namely:

- 1) **Suspending judgement.** Human way of thinking makes up “truths”, and we always wish to defend our positions against those of others (no matter what). Learning something new becomes difficult and we do harm to our personal relationship. To suspend judgement will help us see points made by others, we get to question our beliefs which are not always right, and we build a climate for trust and safety. Once an individual learns that they will not be judged for airing their opinions, they will express themselves as well as making the atmosphere open for others to be considered.
- 2) **Identifying assumption.** Held assumptions, inferences and generalisations condition us when making decisions, which lead us to disappointing results. Peeling away assumptions will make us see good and bad, value adding and useless. Finally we will explore differences, build common ground and consensus and get to the bottom of misunderstandings. Achievement of these will help for clashes and conflicts to be minimised and operations are positively influenced.

- 3) **Listening.** Learning effectively and building meaningful relationships will largely depend on how well we listen to the meaning arising at both the individual and collective levels. Staying present and attentive during the conversation will enable us to conquer blocks or as per Fielding “noise source” which distracts us from staying present and listening attentively.
- 4) **Inquiring and reflecting.** Our ability to solve problems and understanding matters concerning us, will be achieved through enquiry mind and reflection. Allowing ourselves time out to think in silence and evaluate what we did, and what we will do, puts us in better positions. We will be able to critique weaknesses and strengthen strong behaviours. And above all we will perceive common grounds.

Dialogue creates the atmosphere for acknowledgement of each speaker, incorporation of diversity, suspending status and role; avoid cross talk and seeking a next level of understanding, therefore, dialogue facilitates learning. In a dialogue each person does not attempt to make common certain ideas or items of information that are already known to him. Rather, two people are making something in common, creating something new together.

Basic assumptions that people bring in organisations with, are developed from our early childhood days, our experiences and socialisation, our peers and family, our education and study. We are identified with these assumptions and we hold onto them. We are ready to strongly and emphatically defend them when they are challenged. Unfortunately most of the time we behave like this unknowingly, senior executive role should therefore be to pay attention to existing informal channels by which organisational messages are conveyed, also to maintain and nurture an organisational culture which honours relationships, values competent individuals and encourages dialogue and conversation, throughout.

## Storytelling

*Policy manuals are no no's today. But anarchy's not in either. So how do we let people know what's important around here without constraining them? The best answer and I see it-Stories. Tom Peters*

Storytelling is a very familiar concept, especially in the context of Africa. While story telling is, of course, a cultural universal, thing it does seem to have a special place amongst Africans. We have been listening to stories through family gatherings in times of happiness, of sadness; elders have continuously used this method to pass their wisdom to the young generation, religious leaders and preachers use it to pass their message. History tells us how Native Australians and Americans, and many more successfully told stories. Even today, great story tellers are well known in communities and in some instances they become very famous and respected, we will gather to listen to them, we will learn from their stories. They are willing to share with others what they know, or heard from others or obtained through experience. People will tell their own stories in their own ways, some interesting, some boring, and some exciting and saddening.

In a process of storytelling comes a moment of "deep togetherness" (April, 2000). People talk of their frustrations, their accomplishment, their worries, and causes of all that, and end up creating common vision. Without this type of dialogue, and interaction as input, individuals will not develop a rich enough level of content, not just about events but about the systemic structures and mental models which exist below the surface (April and Cradock, 2000).

Storytelling is so effective because it is simple, no one needs high qualifications to understand or tell stories, every member of the organisation can easily engage in the process of storytelling if they wish to do so. It is also timeless, put in another way, it is fad-proof. It is the best form of training in the sense that people may know the kinds of things that will get them promoted and fired through stories. Such issues will always be discussed informally without intent of passing a specific message to the concerned, in that it becomes even more powerful. On top of that it is a strong recruiting and hiring tool. An organisation will simply hand interviewees a story

book, which will tell them how a company operates, its culture, its products, ethics etc. Storytelling is also memorable, because most good story tellers will pass strong messages jokingly, use metaphors, similes, onomatopoeia etc., thus penetrating deep in peoples mind, though fun. Armstrong (1992) of “Armstrong International” used it as a powerful management tool and it worked well for the organisation.

Storytelling has to become “business glue” in the companies. This practice should be meshed into the business processes of the companies. This will facilitate the necessary speed of information and knowledge sharing. For example a concept from one individual or group which leads to innovation or developed competencies in parts of the organisation will penetrate more easily and quickly through storytelling than other medium. If formal storytelling can become part of business processes, thus, organisations be willing to allow their employees time to feel at ease and tell their stories, and give them access to resources like groupware systems, knowledge repositories, integrated communication systems, and intranets as well as physical space and time. Then the process of employees discovering each other as members of the same organisation and working effectively through storytelling will be achieved quickly. The impact of this strategy is huge in the areas of knowledge management and leadership although it has not received enough attention by organisations especially in the African continent where storytelling has been a tradition.

## **2.11 INNOVATION AND CREATIVITY**

Survival is one of the challenges for any organisation. One third of all businesses in 1970 had disappeared thirteen years later. Today the environment is more turbulent and dynamic, and therefore survival becomes even harder. However there are companies, like Shell (founded 1907), Siemens (1847), Du Pont (1802), and 3M (1902) that survive and thrive (Skyrme, 1999). They manage to do this because they adapt and innovate.

For knowledge management to have real impact on how we do business, it has got to consider the concept of making radical changes in the way that we utilize knowledge. Creativity and innovation basically concern the process of creating and applying new knowledge. They are at the heart of knowledge management Gurteen (1998). Because knowledge management is the new discipline, creativity and innovation need

to be thought about in the same way. Intentionally combining people with different skills, ideas and values can generate creative solutions because individuals have different understanding of issues.

Creativity can be viewed as a process of generating ideas whilst innovation is seen as the redefining and most critically the implementation of those new ideas. While we may say that creativity is about divergent thinking, innovation is about convergent thinking. Put simply, creativity is about the generation of ideas and innovation putting them into action (Gurteen, 1999).

It is evident that creativity-coming up with new ideas, is not enough, and that we have to consider innovation which is taking new or existing ideas and turning them into action. Innovation is a stronger proposition, coming up with new ideas is the food of innovation. We have to apply the existing knowledge as well as develop appropriate new knowledge, to let knowledge keep evolving. Creativity and idea creation is simply a starting point of innovation. Organisations need to come up with knowledge infrastructures and processes to convert the available ideas to new products or processes. Nonaka and Takeuchi in *The knowledge-creating Company* argue that bringing together people with different knowledge and expertise is one of the necessary conditions for knowledge creation. They borrow a term from cybernetics, “requisite variety” to describe both the productive conflict of creative abrasion (what they call ‘creative chaos’) and a value of having a larger, more complex pool of ideas to work with. Their assertion suggests that little creative chaos may be useful in knowledge creation.

From the 1990, onwards the emphasis on innovation has been seen to replace efficiency and quality as the main source of competitive advantage for organisations (Bolwijn and Kumpe, 1990). Reflecting on this emphasis, a huge body of literature has emerged which aims to identify “best practice” in both the diffusion of innovation to users, and in the implementation of innovation within user firms (e.g. Wolfe, 1994).

Minnesota Mining and Manufacturing or (3M), as it is widely known, has 3 rules for innovation management: give your people space to think, remove any taboos on

thinking, permit mistakes, praise innovation, promote intensive communication, act as coach of innovation. Others are involving important customers, innovation can come from any source, products belong to the sales department; but technology belongs to the whole company and finally expect obstacles to innovation. These are basics for innovation and creativity in any organisation, however they may be done or called differently.

### **Blocks to creativity and Innovation**

It is important to highlight some of the blocks to creativity and innovation.

Identifying them will help us in the process of establishing the meaningful ways of removing them, because creativity and innovation are essential for organisations survival. Sir. William Bragg once said that the important thing in science is not so much to obtain new facts, but to discover new ways of thinking about them. Human beings are, naturally creative and a need to create is a fundamental driving force in all of us. Assuming that the above statement is true, why then do not we see a more creative world in all spheres of life? Why should science not flourish so rapidly and constructively?

In business alike, we do not need lots of new information and ideas, instead we need to think about the information and knowledge that we already have in abundance in slightly different and new ways. We fail to do this, together with other reasons because of the blocks that surround creativity. We need to get the awareness of them and work hard to remove them for creativity to take place or else we will be doomed to failure. Gueteen (1998) lists some of the blocks as follows:

### **Creativity is a serious business.**

It is not true that creativity is a serious analytical process. Once we understand that new thoughts and ideas come from a kind of thought play, a fun game of asking questions like 'what if these were brown?' What if had taken a different option? What if the limitation were not there? And being able to understanding that creativity is all about play in a team - that it is about interaction, working together, and collaboration; to take a theme, a question, a notion a whim, an idea, pass it around, break it up, put it together, turn it over, run it backward, fly with it as far as possible, etc. will help come up in new ideas.

### **Creativity is not needed**

Some people have a belief that generating new ideas, being creative-is often about holding brainstorming sessions. Viewing it in this fashion makes us miss opportunities to be creative. We indeed need to be creative every minute of our lives. Every decision, interaction and act needs to be a creative and innovative one - not one out of habit.

### **Creativity is specialized**

One of the biggest blocks to creativity at both the individual and organisational levels is the thought that creativity is needed in specialist discipline like R&D. Actually creativity is a responsibility of each functional discipline, each team, each manager, and each and every individual. It is also not limited to the grand scheme of things – to new products, new services or new improved processes. If I can better communicate my thoughts, write my report in a better way than I used to do or manage my time more appropriately than before then these will in all ways be creative actions.

### **Limiting paradigms**

Misusing, abusing and misunderstanding the word “paradigm” causes a big block to creativity at all levels. A paradigm is a whole way of thinking, perceiving, communicating and viewing the world. Its synonyms are world view and mindset- and it works at a subconscious level. No one is aware of his or her own paradigm. It is like thinking that the whole Africa is coloured Black not knowing that we are wearing black contact lenses.

### **Inappropriate mental models**

Mental models and paradigms are close terms. While paradigms are subconscious mental models are conscious. Scientific models for example, are not reality. Newtonian model of the universe for example, is the best model we had for a long time, but Einstein’s model has since provided the alternative, which we consider better regarding explanation of reality. May be in a few years/months time somebody else will discover a new theory to challenge Einstein’s.

Our thinking that business models are real is wrong. One model may be useful in one situation but an alternative model may be more appropriate depending on circumstances. Every business is different and equally every person is different. We need a large set of models to help tackle problems in this fast changing world. Appropriately adapting for every new and old situations and thinking things through from first principles each time is a way forward.

### **Limitation of traditional teaching**

The thinking that one can take a picture, a structure, a working model of something, constructed in our minds out of long experience and familiarity and by turning that into own words, effectively puts it whole into the mind of someone else, is wrong. This is an imperfect mental model. We also believe that we can communicate to each other through the imperfect medium of speech which may not be perfect.

### **Inappropriate belief in absolutes**

It is impossible for example to show that there is only one for things to work. An innovative communication strategy for example can be shown not to have worked, but even when it have worked well, it may not be possible to prove that it was the best way. There may indeed have been other better alternatives. There should be room for thought play, action, learning - the basis for innovation and creativity. In the African continent where hierarchy is dominating, there is a danger of leaders insisting on what they believe is right and leave no room for criticism which may allow new and different ideas. Leaders have to accept the transformation.

### **Worry, Reward and Punishment.**

To force someone to learn, trying to make them more creative or trying to get them to do things in supposed disciplined ways will frequently backfire and have the opposite effect. We live in an education and business tradition that places great emphasis on reward and punishment. It has been proved that, in the area of creativity, policies of management by objectives, appraisals, remuneration policy and exams are counter productive.

**Fear and lack of truth**

The fear of 'getting it wrong', losing face', making a fool of oneself', failure and the like, is one of the common blocks of creativity. In most of our African cultures this is a big problem, leaders and followers alike have to become transparent, and together be confident in what we do, and be answerable when we do something wrong.

**Information overload**

The coming in of technologies for knowledge management like, electronic mail, newswire, databases, etc, comes with information overload. Unlike in the past information is not a bottleneck as it was before. In fact we do not have to think that we have to track down and analyse all the available information. Because there is too much information as a result of technological changes, creative thought remains to be a real bottleneck, thus creativity.

**Judgement**

We do not only criticise others, but we judge others. At times when we are being creative we need to try and stop judging others. We have to positively and creatively challenge people, and pay attention to what they have to say.

**2.12 ENABLING TECHNOLOGIES FOR KNOWLEDGE SHARING**

Enabling technologies for knowledge management are the technologies, which capture, store and distribute structured knowledge for use by people. The goal of these technologies is to take knowledge that exist in human heads and paper documents and make it widely available throughout an organisation.

Technology's most valuable role in knowledge management is extending the reach and enhancing the speed of knowledge transfer. Information Technology on the other hand plays a role of enabling the knowledge of an individual or group to be extracted and structured, consequently be used by other members of the organisation, within and sometimes outside. Also, technology helps in the codification of knowledge and occasionally in its generation. There is hardly any aspect of knowledge work where technology cannot lend support (Skyrme, 1999).

Knowledge management is much more than technology but technology is clearly a part of knowledge management. New technologies such as Lotus Notes and World Wide Web have been instrumental in catalysing the knowledge management movement (Davenport and Prusak, 1998). Rao and Sprague (1998) argue that Information visualisation and knowledge extraction focus on the use of computation to lead to more natural performance by humans. And this human natural performance is part of knowledge management.

Indeed technology has played a crucial role in the explosion of the knowledge management discipline. A majority of business managers believe in the power of computers and communication technologies in knowledge management; this is true because Information technology can provide an edge in harvesting knowledge from piles of old buried data repositories.

Although the school of thought, which emphasizes that knowledge resides in human minds and therefore employee training and motivation are the key factors in knowledge management holds, we believe that technology plays an enabling vital role in the processes of knowledge management. Social actors are slow in converting information to knowledge; and this is one of the reasons why we believe that knowledge management is best carried out through the optimization of technological systems. It is indeed these new technologies available, which stoked the knowledge fire. It is these tools, which make organisations operate and compete successfully. Gregory Reuger, Senior vice president of Pacific Gas and Electric Co., one of the investor owned gas and electric utilities in the United States once said that they get their competitive edge by implementing new technologies more quickly than their competitors.

It is expensive to recreate personal and small group knowledge and that is why organisations may desire to codify and simplify such knowledge as to be accessible to the wider organisation as well as to the external users. Software has been successful in this, because they are codified so as to demand a fixed cost on the part of the general user, who is just required to understand the function of the program without the knowledge of the substantive technology.

Some organisations have extensively invested in technology. Davenport and Prusack (1998) cite an example of Hewlett-Packard, a computing company, which recorded amazing results as a result of technology. Their web based knowledge management proved to be a major success. White papers, sales presentations, technical specifications, and pointers to external materials, are all available worldwide through an intranet web. Their system also includes a search engine, a function for browsing categories by categories, tools for assessing accesses by HP employees and archiving capabilities for documents that have not been recently accessed. Based on the number of submissions and accesses as well as anecdotal information about the use of ESP (Electronic Sales Partner) in successful sale efforts the system appears to be a great success. They had phenomenal feedback from both submitters of information and users. Knowledge management therefore is powerful at HP because technology has been used as an enabling factor.

Technologies most valuable role in knowledge management is extending the reach and enhancing the speed of knowledge transfer, it also helps structuring and extracting knowledge of individuals as well as groups (Davenport and Prusak, 1998). There is a wide variety of technologies that companies can apply for the purpose of knowledge management. A few examples are listed below:

#### **Expert system and Artificial Intelligence**

An example of an expert system is like the one developed by Douglas (now part of Boeing). They developed an expert system to scan aircraft approaching the runway and determine whether they were positioned properly for landing.

Expert system is grounded in common sense premises and observations of human cognition and has applicability to a variety of reasoning tasks. We should say however that it is difficult to embed tacit knowledge into such a system.

Companies have applied Case Based Reasoning (CBR), to such tasks as planning, scheduling design, legal reasoning, story understanding, and robot navigation. Most importantly it is used in customer service and support process in organisations. The foreseeable future will bring evolutionary and not revolutionary improvements in technology and a continued heavy role for people as more than passive users of knowledge technologies (Davenport and Prusack, 1998).

Infrastructure technologies like phone and video conference do receive minimal attention but they play a role of facilitating knowledge management. Knowledge technologies also are more likely to be employed in an interactive and iterative manner by their users. Roles of people in knowledge technologies are integral to their success. While some technologies involve participation by broad groups in the use of knowledge, others do involve just few individuals. Additionally the level of the knowledge required to successfully use a particular technology do differ, some require an expert in the field while others assume that the user is a passive participant in the knowledge process, like infrastructure technology.

### **Broad knowledge repository**

Repository of structured explicit knowledge is one of the best-known approaches to using technologies in knowledge management. Rapid decline in electronic storage cost, make it practical for organisations to store larger quantities of their critical information and make it readily available through their corporate networks, Davenport and Prusak (1998). They exist in different forms: documents, databases, and data warehousing. Some companies do use external online services to store internal knowledge repositories. The internet for example is able to overcome some of the disadvantages of the localness of knowledge. At the moment we should admit that there is a problem of “information overload” in many companies, which comes with these technologies.

Two leading toolsets for managing a knowledge repository are Lotus Notes and the Internet -based Web. The difference between the two is that while Notes excels at database management, discussion-group creation, management and replication of databases for remote disconnection in the field, the web is ideal for publishing information across multiple types of computer platforms, for multimedia databases, and for displaying knowledge that is linked to other knowledge through hypertext. The development of groupware reflects the shift from emphasizing using the computer to support record keeping and managerial decision making to use the computer to facilitate human interaction and team performance. Groupware is therefore strong knowledge management strong tool.

Data warehouses integrate information from multiple sources into a consistent format and make it available for analysis. Document management systems are geared to give knowledge workers easier access to original documents, thus facilitate sharing of knowledge from broad stored knowledge. They also help add contextual information such as its applicability. “Redlining” for example, enables users to add comments directly to the documents.

### **Knowledge creation**

Example of this is a creativity tool like ‘idea fisher’; new ideas are stimulated by applying well known creativity techniques such as word association or word triggers. Mind mapping for example, groups ideas together or randomly links them to create new ideas to be used in organisations.

### **Longer time analysis system**

A Neural network is a statically oriented tool that excels at using data to classify cases into one category or another. They require a lot of quantitative data and high-powered computers to yield very accurate classifications of cases even with many interrelated variables. However neural networks is something of a “black box” for it is not easy to explain why they did what they did (Davenport and Prusak, 1998).

### **Knowledge discovery**

*Data mining:* This uncovers association and patterns without the user having to know in advance what questions to ask. Its advantage is that it can identify sequence associations and clusters. And unlike humans, it can cope with thousands of variables at a time and discover new knowledge. These are some of the reasons we have to opt for these technologies.

*Text mining:* Draws out key concepts from large documents. SemioMap, a text analysis tool, provides visual concept maps from the multiple sources of text that it analyses and mines. Users can uncover connections between apparently unrelated concepts and seeing how a corpus of documentation is evolving. This is one of the solutions to the growing problem of information overload.

*Visualisation:* Presenting information in visual form is a way through which, humans and computers work symbiotically in a wide range of knowledge work. Basically its application is identifying the communication patterns that are different from those expected from an organisation chart.

### **Information gathering**

These tools make knowledge workers more productive by providing them with rapid access to the information they need when they need it. Search engines: e.g. AltaVista, Google and yahoo, are common amongst internet users. They help retrieve information stored across different repositories, outside organisations, local and international.

*Intelligent agents:* A class of software that operate autonomously and semi intelligently, some go to the extent of saying knowledgeably. Through filtering and monitoring of incoming information streams sorting out relevant material and seeking out information of interest to its owner they generate alerts which prompt the user when new information is available.

*Customised information provision:* Services that deliver information directly to users' computers via email or World Wide Web. Examples are News EDGE, Dow Jones Interactive, and Reuters Business Briefing (Skyrme, 1999). Customisation is an important development which tailors information to different needs of individual knowledge workers according to their interests.

*Push Vs Pull:* Pull technology e.g. searching online databases and the internet and push technology e.g. email and customised information. The information is pushed from source to user, and is difficult to cope with. Organisations in the African context need to strike a balance between push and pull technologies, because they are in actual fact starting to use the technology. Inappropriate use may become harmful to organisations. This however may not be possible for users to wake up and understand that they have to take precautions, information managers have to get the right education and later educate all users.

## **Knowledge development**

Once information is accessed, organisations need to find ways of using it and processing it to refine and develop new knowledge. Below is the list of some of the tools for knowledge development.

- *Simulation and modelling* which allows knowledge team to share mental models and surface hidden assumptions. Systems dynamics for example illustrates how the best decisions are often counter intuitive to normal management thinking-challenges and opportunities are presented to the manager
- *Guidance system Using expert systems* that guide users through a decision making or problem solving process
- *Case based reasoning*: The basis behind this technique is a knowledge base of cases, especially of problems and solutions; reusing and adapting solutions to the past cases which tend to be similar.

## **9.8 Collaborative technologies**

Technologies like internet and intranet make the most impact on knowledge networking. They enhance person to person collaboration and the sharing of organisational information and knowledge. Significant collaborative technologies are more generic and universal as depicted on a space-time grid (see figure 4 below).

		TIME	
		Same	Different
P L A C E	Different	Telephone Audio conferencing Videoconferencing	Email Document Management Groupware (conferencing/forums etc.) Internet/Intranet
	Same	Meeting Support Software Group Decision Support- System	Notice Boards Team Rooms

**Figure 7: Positioning of Various Collaborative Technologies**

Examples are: *Group Decision Support System* whereby the screen becomes a medium for sharing personal knowledge with a larger group—decisions are reached faster and help the involvement of every participant to achieve greater consensus and ownership of the outcome. *Information persistence* also helps to keep key information permanently visible. *Videoconferencing*, aids simultaneous communication over a distance, because it is commonly reckoned that effective communication relies roughly 10 percent on words, 20 percent on voice and tone, and the remaining 70 percent is on body language (Skyrme, 1999). Videoconferencing therefore adds in vital visual element in communication. *Groupware* helps knowledge workers share their expertise particularly in a distributed environment. *Lotus Notes* as discussed before, is among the best known groupware products. *Internets and intranets* offer benefits for knowledge networking as well, they include easy to access and use, universal access to information, rapid publishing of information, person to person interaction, scalable networks and access to external information and knowledge. On top of that, internet and intranet link people to information and people to people.

### **People's role**

Technology is very effective, but yet on its own won't make a person with expertise share it with others. Technology alone won't get an employee who is uninterested in seeking knowledge to jump onto a keyboard and start searching or browsing. What we see here is that a mere presence of technology will not create a learning organisation, a meritocracy, or a knowledge-creating company (Davenport and Prusak, 1998).

Technology, though common in the domain of knowledge distribution, does not enhance the process of knowledge use. It does not tell the user what to do with the knowledge delivered. Individuals are responsible for creating knowledge using their brain. An example for this is group decision support system. Once the organisation acquires skills, desire and attention to knowledge, technology can expand access and ease the problem of getting the right knowledge to the right person at the right time. It is therefore very important to understand that technology goes hand in hand with people in the organisations.

Davenport and Prusak, (1998) suggest that we ought to get a few toes into the water, as far as knowledge technology strategy is concerned. They argue that we may not even know how willing people are to share knowledge through those systems. The best solution for this is to get started with something. There is no right technology for knowledge management, at the moment we are all finding our way (Davenport and Prusak, 1998). In the African environment, technology is not as much used as it is in the West. Carefully planning for it is very important because the need is there and globalisation obliges us to go for technology. The belief is that, good choice, proper training and gradual acquisition is a way forward.

#### 4. IMPORTANCE OF RESEARCH

In order for business to grow and be sustainable, much effort should be made for them to balance with the unpredictable environmental changes which have changed the world. We live in a sensitive world whereby it is important to try to meet the needs of all stakeholders including customers, employees, suppliers, and the greater community.

Unfortunately, command and control leadership throughout Africa has resulted in negative perceptions in the workforce. If we, in Africa, do not become more productive through collaboration, and take full accountability and responsibility for our futures as leaders, then the wave of globalisation will sweep over us and we may be colonised for the second time. We will then, in all probability, deteriorate in our personal and organisational capabilities, and will fail to play significant roles in the new world economy. African leaders will, and must, find ways to show respect for the unique differences of individuals to facilitate the transformation process, by being responsive to the values and preferences of people working in organisations. Leaders have to change their thinking, their behaviour, and their organisations, to provide a congruent experience for all involved in the new redesigned, to fulfil their respective roles as leaders.

As leaders, we have the responsibility to role model the required behaviours, nurture and develop new talent and leaders, encourage others to develop to their full potential no matter what the odds, and use knowledge management processes unashamedly for those ends.

*“Role models relationships and networks are the mechanisms by which important skills of leadership are transmitted” (Haas and Tamakin, 1992: 85)*

This reality has to be well understood by organisational members, through new and modern strategies which should focus mainly on how organisations are led. It is the deep-rooted contributions by leaders and managers of the organisations who will address critical issues of transformation and change that will keep us going.

*“Humankind cannot evolve beyond its current state of crisis by using the same thinking that created the situation” (Einstein)*

The top management team exerts influence over the members of their organisations through its shared perspectives of environmental events, organisational capabilities and leadership behaviour. The totality of employees, managers, leaders, stakeholders and the like fuse to make society what it is. It does not matter whether it is in production or service, governmental or non-governmental organisations. Full contribution and determination to make things happen rely on them. Leaders in actual fact are simply what people follow. An autocrat does not always command respect from the followers. A good leader, on the other hand, engenders respect, makes the unpopular decisions and because of the trust and faith people have in him or her, they will be respected and accepted. This is a confirmation of how important it is to have a proper leadership style, in this new era where knowledge needs to be well managed.

Taking Africa successfully into the 21<sup>st</sup> century will require that their leaders come up with unique strategies to solve immeasurable problems facing the continent. Adopt new styles of leadership promoting an environment of trust and principles that can build organisations which value the intangibles and the management of it. Most literature on leadership and knowledge management emphasise the word ‘relationship’ (egg., Vince and Broussine, 1996; Covey, 1999). Efforts and research must therefore be addressed at the intersection of the previously separate functional areas, and not only at the functions – true multidisciplinary research will reveal the unique aspects and guidelines required for leaders to successfully operate in our African environment, as well as our turbulent world. This research is therefore important for many challenges that are facing the leaders and managers in this transformation period on our continent.

## **4. RESEARCH METHODOLOGY**

### **4.1 RESEARCH FRAMEWORK**

Traditionally, management research approaches tended to be limited from the sciences of which they are derived. Research activity is described as a social process, not a rationally contrived act (Pettigrew, 1985). Research process on the other hand, is seen as a craft not the application of rules or techniques, which tend to be formalised.

The new sciences question the notion of scientific measurement and objectivity. From complexity perspective, organisations are basically non-linear systems thus, difficult to be approximated by any linear form. "Every act of measurement loses more information than it gains". Whatever we decide to notice blinds us to other possibilities (Wheatley and Kellner-Rogers, 1996:26). The choice to observe one criterion means ignoring others which may be more important. This leads us to believing that eclectic approach is probably more appropriate as opposed to traditional approaches. It has not been possible, and has remained to be a challenge to incorporate new scientific paradigm into the methodology for this research, and as a result exploratory research was used in conducting this research which is hoped to yield information that have both theoretical and practical use.

### **4.2 EXPLORATORY RESEARCH**

Believing that it is not things themselves, but rather peoples views about them that matters, the researcher has adopted a social constructionist perspective framework for this research. (Lawler, Mohrman and Cummings(1985) suggest that during exploratory research, no attempt is made to intervene in the system or to manipulate any of the variables, as is the case with experimental approaches. However, Alasuutari(1995:43) contends that the material consists of reports that document the situations as carefully and accurately as possible. Thus, one is not collecting material in certain situations, the material rather consists of documented situations. This method does not attempt to relate the results to subsequent events; it assesses the general feelings and attitude of interviewees.

Exploratory technique is used in order to become more familiar with the problem being investigated, by drawing together information which was available and accessible-available literature and people, as well as academics who have enough experience and are familiar with the subject matter being investigated, including the interviewees (CEO's, MD's and some other leaders in different industries). The information gathered was interpreted to help develop the guiding principles which become the main theme of this research report. "Information about social Worlds is achievable through in-depth interviewing" (Silverman, 1997:99).

### **4.3 INSTRUMENTATION**

Two research instruments that was used in this research are: one-on-one interviews and questionnaires (mainly by emails) with various senior leaders in businesses, in public and private sectors as well as academic institutions. Burgess (in Easterby-Smith and Lowe, 1991:71) proposes that an in-depth interview is an opportunity for the researcher to probe deeply to uncover new clues, open up new dimensions of the problem and to secure vivid, accurate, inclusive accounts that are based on personal experiences. Silverman (1997) claims that, in a conversational view the interview conversation is a pipeline for transmitting knowledge.

Stewart (in Easterby-Smith and Lowe, 1991) helps us to understand how individuals construct the meaning and significance of their situations... from...the complex personal framework of beliefs and values, which they have developed over their lives in order to help explain and predict events in their words.

This study had the following objectives:

- Determine whether or not there are common emergent leadership themes in the South African and Tanzanian business environment.
- Ascertain to what extent these themes are, or can be, enhanced through knowledge management practices.
- Determine whether there is a link between collaborative working techniques and leadership development.

- Highlight and raise the debate for an African Leadership paradigm that takes cognisance of the African context (and is possibly different from the accepted Anglo-Saxon approaches in most Western Business Schools).
- Determine the tenets for developing a coaching and mentoring guiding framework in which Africans can flourish and take up their rightful roles as leaders of their continent.

The primary research tool used for the purpose of this research was personal interviews with open-ended questions. Interviews were conducted with, and questionnaires sent to, “subjects” from companies and organisations both in South Africa and Tanzania. Areas of interest from the literature determined the format and types of questions. These instruments were decided upon in careful consideration of the objectives of the research, and by seeking advice from my supervisor Kurt April, who approved the questions prior to applying them.

All interview responses were recorded on magnetic tape and interviewees were comfortable with the recording. All interviewees were aware that the transcriptions of the conversation were to be part of the research dissertation. Together with the interview questions (Appendix 1), the researcher, attached a one page abstract of the research to the interviewees. The letter of request for the interview was faxed, posted or emailed prior to interviews as shown on Appendix 3. The invitation included:

1. List of primary questions to be discussed during the interview (Appendix 1).
2. The invitation letter.
3. Abstract of the research (at the beginning of the research report).

The planned duration for the interview was specified at 60 minutes, but with the consent of certain interviewees, the process extended to 90 minutes in few cases. The interview format consisted of 21 open-ended questions as shown in Appendix 1. During the interview, the researcher was able to probe further the answers of the “subjects” by making use of secondary questions as they became apparent during the interviews. These questions are shown on appendix 2. However, this process was limited by the researcher’s ability to accurately understand and interpret the

responses. Furthermore, the researchers “mental models” and prior experience were also limitations in being able to accurately identify with the responses. Also, the fact that English is the researcher’s third language was a limitation to accurately understand interviewees’ responses. Some respondents allocated little time to the interview, which limited further probing. Collected information was gathered in two ways.

- Interviews – of which all subjects were willing to be recorded on magnetic tape.
- Questionnaires – all questionnaires were emailed back to the researcher, and respondents were encouraged to be as detailed as possible in their responses to the questions, and were also urged to avoid ambiguity.

#### **4.4 SAMPLE**

Due to the limitations on the amount of time, and the geographical constraints, on this research, the sample of South African and Tanzanian leaders that were interviewed, may not have been representative of the population of leaders in South Africa and Tanzania respectively. Nor may the sample be representative to the population of leaders in Africa. An attempt was made to interview both established and influential as well as those who are not as established and influential but are in senior leadership positions already.

The researcher encountered difficulties in both receiving responses to invitations, and in setting up appointments. Most identified leaders proved to be very busy. Their Personal Assistants and Secretaries passed on the emails and letters that were sent to their bosses. While some leaders handled the invitations themselves, and set up interviews at very short notice, others took more than a month to respond due to their time constraints and regular national and international travel. Reminders, in the forms of telephone calls, and emails were consistently sent to the leaders who did not respond quickly enough. Finally some responded while others never came back to the researcher regarding the research.

For the South African part, a total of 23 leaders were interviewed in South Africa, (all from Cape Town) and 5 questionnaire responses were received from leaders outside

of Cape Town). For the Tanzanian part, 12 leaders were interviewed and 5 questionnaires were received. The researcher was able to interview more subjects and that was my intention right from the beginning. This gave as opposed to questionnaires, confidence to the replies. The researcher was able to overcome interviewee bias by observing to identify non verbal clues like inflection in the interviewees voice, facial expression and body language. All these were used in developing secondary questions where necessary.

#### **4.5 DIRECTION**

Constant direction for the research was sought in the following manner:

- Regular consultation with my supervisor (Kurt April) electronically, telephonically and face- to-face meetings in his office.
- Electronic correspondence with leaders and academics knowledgeable in the field, e.g., emails sent to, and received from Professor Russ Vince of the University of Glamorgan-Wales.

#### **4.6 SCOPE ADVANTAGES AND LIMITATIONS**

Throughout the interviews my focus was on leaders, and their ability to lead. Understanding the organisation led by these leaders attracted very little of my attention. The research aims at questioning leaders and enquiring about their personal beliefs, experiences and practices.

In the course of the research, other issues and areas of further research related to this work became evident. Attempts were made to incorporate them, but it was not possible to include all issues that were identified. Some of these issues are: level of awareness of leaders who led the organisations in question, the level of awareness of their followers and the competencies of leaders which drives their assumptions and beliefs. In addition, it would be of much interest to investigate the career paths of well established and influential leaders in contrast with senior leaders with long experiences, but not as influential and powerful. Also, a comparative study of South African organisations in the Tanzanian environment against South African

organisations in the South African environment (with the focus on knowledge management processes) would have been worth studying.

The researcher gathered a lot of information from intensive literature and academic work, and together with viewpoints and insights obtained from the interviews with leaders, all these made it possible to develop guiding principles for the research. Also, the process enabled me to gain an understanding of how leaders lead with knowledge.

Although exploratory research allows the researcher to be flexible, thus it requires a set, controlled structure where the same questions are asked of each interviewee, the specific number of questions during each interview must be completed, and questions cannot be altered and changed from one interview to the next, the research was occasionally flexible with emphasis on open ended structured interviews and the seeking of insights, explanations, and ideas. Some insights gained from previous interviews during the previous interviewing process, were then used to subsequent interviewees. It was the intention of the researcher however, to keep the underlying and basic concept constant throughout the research period. From time to time subjects were redirected when the researcher felt that the answers were not directly addressing the asked question. This was not the case always because of different situations and understanding of subjects.

With exploratory research method, social interaction needs to be observed carefully, the researcher, had therefore to constantly monitor the social interaction to gain unbiased information. Alasuutari (1995) claims that, different types of interaction situation also yield different types of research material, "the question an interviewer may ask and the answer an interviewee gives, will often depend on the way in which their situations are defined" (Easterby-Smith, 1991:76). During the research the trust aspect was bared in mind because it is an important and difficult issue while conducting interviews especially in one-off interviews like the one the researcher used during this research, the researcher never met all the interviewees before the day of the interview. There is a possibility with exploratory research of failing to develop trust which may have resulted in the interviewees simply resorting to answering in the manner that, they thought the researcher wanted to hear.

It came to the researcher's attention that people are likely to say what they do not do. This was more obvious with the leaders interviewed in Tanzania: because most of them did management studies at a certain stage, some answers to the questions were what management theories say (the way it is supposed to be/be done). Some told me more after the magnetic tape was switched off. It was understood that together with other factors this was caused by the lack of trust. Randall Cullen, (2002, Appendix 4:6) made this statement "you are not going to get a bad answer to that, they are going to tell you that they do everything... people talk of stated values you know!".

Due to the time allocated for these interviews, it wasn't possible to interview the followers and employees that were being led by the interviewed leaders. This would have provided useful insight on the reliability of the answers provided. It would also have indicated the level of awareness of the leaders that were interviewed, which is a primary determinant of their success in being able to harness their followers' potential knowledge.

Cognitive psychology findings tell us that people make sense of the world by using partial mental models. Johnson (1987) confirms that leaders in organisations do what they do sometimes unaware of what they do; below the level of awareness. It is thus possible for interviews to produce unreliable information. English language competence was a problem with some leaders in Tanzania, some preferred not to accept the invitation because of that. It was made it easier for some, by allowing them to mix English and Swahili (which is widely used) where it wasn't easy for them to find words or phrases in English. And this is because the English language is not used regularly.

It was the researcher's intention to have an equal mix of black and white leaders for the case of South Africa, as well as female and male leaders. Attempts were made to achieve the right ratio by means of invitation to interviews and questionnaires. This was apparently not achieved i.e. "Subjects" are mainly white male leaders for the case of South Africa. Out of the total sample of 28 in South Africa: 4 are blacks, and 3 are white and female. From the Tanzania sample, two are female and the rest are male-all are black.

The research includes leaders from a wide range of companies and organisations, with regard to number of employees, size of organisation or company and type of industry. Also, the sample includes leaders from organizations and companies from the private sector, public sector, as well as academic institution both in South Africa and Tanzania.

A considerable time were taken out to learn Atlas ti qualitative analysis software, which was used in the analysis of the data for this research. This software falls under the category of theory builders. Atlas ti includes code and retrieves capabilities. The researcher was able to formulate propositions or assertions implying a conceptual structure that fits the data the researcher was analysing, to test whether or not they apply and tell how they apply. Because it is organised around a system of rules, it makes it easy to analyse the data, and for this case, a lot of data (220 pages of interview transcripts).

Through coding, segmentation of the data becomes possible, and then the codes are attached to the chunks. It is also possible to revisit and update the original assigned codes when necessary. It was also possible to see where the retrieved chunk came from. With the case of interviews which was analysed, it became possible to tell which interview, from which organisation, industry, etc., thus, making the analysis more rigorous and systematic. With Atlas ti, the researcher is able to make notes about the meaning of codes or data which could be difficult and tiresome if done manually. It is also possible to see connections between different parts of data. After the analysis is completed, the software is capable of sending the results of the analysis to the printer. It then becomes easy to refer to the printed summary with quotations, and thus, to write discussions relating to each relevant code.

## 5. RESEARCH FINDINGS

### 5.1 INTELLECTUAL CAPITAL

*It's hid in mighty particular places, Huck-something on islands, sometimes in rotten chests under the end of a limb of an old dead tree, just where the shadow falls at midnight; but mostly under the floor in ha'nted houses...it lays there a long time and gets rusty; and by and by somebody finds an old yellow paper that tells how to find [it] – a paper that is going to be ciphered over about a week because it's mostly signs and hy'roglyphics. (Mark Twain)*

Professor Beda Mutagayhwa (2002, Appendix 4:21) Director of The Computing Centre of The University of Dar Es Salaam made the statement that: "...we do not have much of the natural resources or financial capital, we have intellectual capital and to me this has become our indispensable asset. Indeed today's useful equipment is, and will remain to be talent and highly developed minds - we have to keep capitalising on these opportunities presented by intellectual capital." This is the mentality and understanding of senior executives, successful and productive in the new global economy. Not only for organisation which entirely relied on people's skills like law firms, consultants and advertising agencies, but rather all industries, all sectors and each and every individual.

Stewart (1997) in his book *"Intellectual Capital : The New Wealth of Organisations"*, argues that, today when knowledge has become the primary raw material and result of economic activity, organisational intelligence-smart people working in smart ways has moved from a supportive role to a starring one. For the people who allocate money to corporations (that is investors) and people who invest money within them (that is managers) and the people who allocate their lives to them (that is employees), intellectual capital has become so vital that it's fair to say that an organisation that is not managing knowledge is not paying attention to business". We are challenged to give knowledge enough attention for the betterment of the businesses we are involved in.

Leaders and managers of organisations are increasingly focusing on the new field of intellectual capital. Intangible assets or “goodwill” as it is sometimes referred to, has played a significant role in today’s organisations. This answers the question why companies around the globe are now routinely trading at levels far beyond their book values. The reality behind it is that, hard assets of the knowledge company contribute far less to the value of its ultimate product (or service) than the common, and well known ‘intangible assets’. Many high tech companies have little by way of assets: they work in buildings which are rented, equipment and computers are leased. Such companies depend entirely on their intangible resources, particularly the skills and knowledge of employees. Richard Smith, Partner of Deloitte consulting, (an international consulting company), while addressing the issue of Deloitte employees, made this comment “...because it is as we often say our own stock and trade...people and that is all we have together with our clients”. These are therefore our primary assets, it is therefore absolutely critical to our business” (2002, Appendix 4:1). His words are echoed by Mark Neville of Future Perfect “...this particularly is people organisation and therefore what we have is people skills, it is skills of the people that we collaborate with on the projects. We sell our time and expertise” (2002, Appendix 4:25).

Leif Edvinsson of VP Intellectual Capital, Knexa.com Enterprises, whom some entitle as the “godfather of IC”, in his earlier days at Scandia, began to probe the surface of IC by challenging the traditional ways of a company, asking questions such as “what happens to companies with zero employees?” He suggested that the remains will consist mainly of intellectual property. In his presentation at the 4<sup>th</sup> World Congress on Intellectual Capital, Edvinsson insisted that the awareness of the IC today is greater than ever but that the formation of an arena for the exchange of IC is the true nirvana. He went on to say that we must decrease the volatility of the world’s stock exchange-which he referred to as “dirty exchanges”- because the wild fluctuations show that “we have no clue how much companies are really worth.” Together with his challenge, some companies have not been able to take these words seriously. Mark Neville, went on to say that sharing is the most difficult thing because in most organisations, people have the feeling of ‘what I know is really what makes me valuable in the organisation, and what I know I should keep to myself’ (2002, Appendix 4:25). In the South African environment, the problem starts at the

interaction level. Experience has shown that people with different backgrounds, races, etc. do not easily mix, and when they do bias dominates.

There are three intellectual capital assets:

- Human Capital-knowledge asset contained in employees.
- Structural knowledge - KM systems, databases.
- Marketplace Capital- brand, customers.

The three entities need to be combined to form a meaningful business model. There is a need for companies to have deliberate initiatives to raise awareness of the importance and measurement of IC. Verna Allee, president of Integral Performance Group, believes that people have already grasped the importance of IC, but in most important respects have missed the real point. She argues that the intangibles related question that we are asking often is based on old management views that shared the type of mechanistic versus organic thinking. She mentioned two important shifts that would be part of this view, mainly: 1) Expand value to include all categories relevant to business success; and 2) use methodologies that link tangibles and intangibles to continually evolving real activities.

We really have to think of intangible assets in real currency terms that can be traded for other intangibles or tangible assets. Allee's model of a typical asset view that encompasses three basic categories, business relationships, internal structures, and human competence and the flow of knowledge among them add enough light to the understanding of her point of view.

Back during the industrial age, an idea couldn't become valuable unless a measurable collection of physical assets was assembled around it to exploit it. This has changed dramatically. Unlike machinery or money, says Michael Brown, chief financial officer of Microsoft, "ideas have power by themselves. They can accumulate without travelling through an institution and then suddenly explode". One of the reasons why organisations do not manage knowledge is that it almost always comes folded in some kind of tangibles - it can be in a form of paper of a book, magnetic tape, body of a knowledge worker or in the piece of tree of a carving. We manage the forms rather

than the substance itself, which is like a viticulturist paying more attention to the bottle than to the wine – “It is easier, after all, to count the bottles than to describe the wine” (Stewart, 1997:56). How possible will it be to make a shift, and find ways of “describing the wine” and know that the glass structure surrounding it have to be taken care of but the content, the valuable, the buyable is the wine? “We have to find ways of seeing and feeling the intangibles...that is so difficult but necessary...” Mtembei Ruteganya (2002, Appendix 4:39)

The challenges facing us are that of the future knowledge economics. We are not operating at the full percentage of the IC potential. Edvinsson suggests that Europe operates at about 45 per cent of its IC potential. The idea of knowledge nomad is indeed a fundamental change in the labour market over the coming years. The more knowledgeable the worker is, the more likely his/she is to be employable. As Ian Reid of Platinum Black argues “...my personal role is that we employ people’s minds, I do not employ people as a whole I employ just their minds-I say that right upfront and they know that we are looking for innovative and dynamic minds in whatever they do, and my role is to look at that at all levels, all the time” (2002, Appendix 4:16). Edvinsson predicted that in 50 to 70 years the current industrial society would be dead like the feudal countries of old Europe. This gives leaders a challenge to devise means of elevating the value of IC, to understand these realities. We all have a role to play for this shift to be realized, it may not be easy considering the environment we operate in and the existing mental models which focuses more on the tangibles, but needless to say every individual effort is needed today than it was before.

Management of IC is not easy. Few executives in companies understand its dimension and the proper ways of navigating it. Issues that are likely to be known to executives include codified intellectual assets like patents and copyrights, and the inkling of the value of others, such as brand equity. They may also know that the training and the experience gained on the learning curve belong somehow in their asset base. The human resource director may be in position to explain the size of the payroll but will not be able to tell how much is the replacement cost of employee’s skill and whether or not they are appreciating or depreciating. Observe the following comment made by Valentine Rweyemamu, CEO of Social Action Trust Fund: “The philosophy here [at

SATF] is to train as much as we can, so that in the end we unlock the value of those assets deeply hidden, and in which, to our point of view have been ignored. Ideas are very valuable resources, and they are also free - Aren't they?" The understanding that these assets "intangibles" are deeply hidden, and that they have been ignored, have to penetrate everywhere in organisations. It should not be "executives" knowledge only.

Stewart (1997) suggests that, for companies to make the most of their ideas, their leaders need to understand how and why their intellectual assets have gone unmanaged, and to realise the tremendous cost of these negligence – the money wasted, and the opportunities squandered. This is a wake up call, for companies which in are many especially in the African continent. Our mental models direct our actions and decisions, especially when we do not have enough time to go through a rational analytical process-and we act depending to our experiences (emphasis placed on physical and monetary goods) and we have different experiences, knowledge and competencies. We therefore end up acting according to our different mental models. Primarily the aim of IC process is to uncover these value creation paths" (Peppard and Rylander, 2001) and to arrive at a common model of how the organisation ought to work to achieve its intended goals.

The fundamental philosophy for organisations needing to transform should remain to be building the knowledge of different individuals (human capital) and should be done as aggressively as possible. Additionally organisations should not only focus on building knowledge on different individuals, but put mechanisms in place to extract the experience and tacit knowledge of employees to turn it into structural capital. In this way people can learn from each other's experience, they can pick up a project where it is left by another individual and new employees can get up to speed very quickly. Also, it reduces the risk associated with staff leaving and taking all valuable knowledge with them. This is one of the challenges facing today's leaders. Professor Beda Mutagayhwa discusses this problem, "The problem is that very often we have to repeat training because those we train run away to go to greener pastures, and that makes us to keep training technical skills for a number of times" (2002, Appendix 4:21).

## **5.2. COMPETENCE INTEGRATION**

Success for any organisation in the global marketplace requires a workforce which is motivated and encouraged to achieve high performance. This performance will be made possible through shared commitment of employers and employees to develop worker skills aiming at increasing corporate productivity.

This shared commitment requires employers to deliberately invest in education and development programs that go beyond present jobs, prepare individuals for future employment opportunities, and promote learning that promote the development of employee flexibility, the taking of initiative and good use of personal judgement. It requires employees to engage in a continuous learning mode and become competent in all aspects of work required of them, to work to their full potential.

### **5.2.1 TRAINING AND DEVELOPING EMPLOYEES**

The goals in training and development are to assess employees and provide feedback on their skills and interests, selecting, training and development activities that go hand in hand with their job needs - to let the staff members gain the skills that will help them in their careers. There should be a good alignment between human resource and business strategies. Nick Bicket (2002, Appendix 4:36) says that within Old Mutual, HR model is absolutely linked and focuses directly to the business strategy. However when it comes to talent reviews, whereby they select and develop talented individuals, people at the bottom of the hierarchy are not considered, he says, "...key people are identified within the organisation from top to pretty half way down...". Thomas Kabaka (2002, Appendix 4:12) also says "I doubt very much if the two are aligned" (HR and business strategy). He believes that they have been with the feeling that the person doing business is the one in the administration circles, high up the ladder. When the alignment is poor, the results are also poor. There should be a follow-up after a training event so that they practice new skills or knowledge on the job. Paul Edwards (2002, Appendix 4:42) says, "All developments are encapsulated in the individual development plan, the final outcome of career management: performance improvement (the current job) and the employees own developmental aspirations."

In academic institutions, there has been a tendency of making administrative, also called support staff to feel detached from the organisation. Professor Nick Segal (2002, Appendix 4:14), says that there hasn't been a strategic plan to look at them (support staff) as individuals and working out a most appropriate career path. Professor Brian O'Connell (2002, Appendix 4:18), says that he wants to develop amongst support staff, the notion of significance of support, he believes that, because they are people supporting for the academic project, success of the enterprise is success for them as well. He admits that it is a difficult shift to make but people are becoming a little brighter eyed. For institutions to be successful there should not be favoured groups; treating some groups better than others, because each employee works towards the same goal. This message therefore needs to get across so that all members get the same understanding, that they supplement each other. Additionally, management in such organisations have to make effort to integrate all groups in different projects, seminars, workshops etc. this will be a strong leveraging tool.

### **5.2.2 ASSESSING THE NEED FOR TRAINING (PERFORMANCE APPRAISALS)**

First, make sure training is really the issue, Raymond Ackerman (2002, Appendix 4:29), talks of Pick and Pay Institute located in Johannesburg for training employees at all levels, from literacy to MBA. Your performance appraisal discussions will help you to determine the goals for the employee and where training fits in. Lois O' Brien (2002, Appendix 4:2), when discussing the use of performance appraisals, says, "...we go to setting one short term goal combined, we also look at people's long term goals which might be career change; might be wanting to grow into a management position, it might be wanting to grow into another division within the organisation. We look at training aspect, whatever training that person requires, and we identify any area that they need to do... in those training I got a full schedule as an MD..." Leaders should indeed get involved in development processes. Sue Kleinschmidt Page (2002, Appendix 4:28) says, "I will do that for all my employees...similarly, my boss reviews my performance as well, that is how it works - it is a hierarchical thing"

Professor Nick Segal (2002, Appendix 4:27) has reservations about the performance appraisals, the system which is considered effective by the majority of leaders. He says that the implemented performance appraisal which in theory should be used to identify development needs, is poorly designed. He is of the idea that although on few cases the system has been successful, but with a significant number of people there has not been a quality strategic discussion about development. Together with the design, the researcher wonders whether they are always administered appropriately. During the performance appraisal, encourage the staff to discuss their immediate training needs and their long-term career plans. Let them start by assessing their strengths and the areas where they could improve. Professor Douglas Pitt (2002, Appendix 4:14), says that he encourages and supports his staff, and that he spends a lot of time dialoguing with staff to find out what they need. Other times, an employee may be recommended for training as their manager does not want to deal with their poor performance. In this situation training helps neither the employee nor the manager. If training is the answer, here are some ways of assessing the type of training required, it should be done skilfully.

**Changes in Business:** You have won a new contract, you need to upgrade your computer system, operations system, or you need to comply with new industrial challenges. In all of these cases, you can increase the chances of your employees accepting the changes by providing them with proper skills training. Christopher Mlaki, Managing Director of Tanzania Investment Bank says that their focus of training has changed dramatically since they expanded their operations to become a financial institution which takes deposits, the function they did not have before (2002, Appendix 4:9). Professor Brian O'Connell (2002, Appendix 4:18), has a goal of having 100% staff with PhDs in 10 years to fulfil his "hope" of transforming the institution, training and developing academic employees without PhDs.

**Asking for Feedback:** Ask your customers, managers and employees for feedback because you may discover hidden training needs, for employees. Christopher Mlaki (2002, Appendix 4:9) comments "the training has to answer to the needs of the organisation". Once you have asked for the feedback, take the time to listen without getting defensive, not everything discussed will please you. Both the negative and positive comments are a gold mine of opportunities for improving businesses. Human

beings however will like to hear pleasant stories, full of praises and positive comments. Basically, however, the process has to start from employees, as Esther Benedict (2002, Appendix 4:23) suggests “to me employees must understand and like the job they want to do and the important role that they have to play to make the business successful”. They need to be encouraged, and shown the right way, they should not be left to figure out “the right way”.

**Career Planning:** There are career advantages in working for small organisations. The smaller the company the more likely it is that staff will do a variety of tasks unlike big organisations. Both a leader and followers can capitalise on this by adapting job responsibilities to reflect their career goals. Matching the two promotes greater job satisfaction and increases the likelihood of good business turnover. Career development can be done within special projects, Dr. Tracy Eastman, (2002, Appendix 4:24), says that her team spends quite a reasonable time “intermingling” to understand how different processes of the project work. Steve DeBeers (2002, Appendix 4:5) says that they have “multi skill” practice, which implies that employees in the branches do not focus on one skill only. He gives an example of a cashier who is also trained to be a shop packer, so that when the shop is quiet he can help to pack the shelves.

**Errors, Complaints and Frequent Problems:** We should not ignore these negatives in the business or in how the staffs operate. By systematically analysing the problem areas you can figure how to solve them. Appropriate training may be part of the solution. They have to be considered as learning opportunities, after all, no business will operate without problems.

**Developing the Training Plan:** Once you have assessed and prioritised the need for training, the next step is to plan and deliver the training, things to think about may include the budget, whether the training can be delivered in-house (on-the job training, coaching, teaming up with a co-worker) or externally (professional seminars, private trainers, conference attendance) etc. Nellie Agingu (2002, Appendix 4:3), Steve DeBeers (2002, Appendix 4:5), Fatima Allie (2002, Appendix 4:34), Allan Shelly (2002, Appendix 4:33), and others, talk of mentoring and coaching in their organisations. They believe that one of the leader’s key roles is to continuously help

employees at work. No respondent from the Tanzanian sample saw this as a useful tool, it is a discrepancy on that side.

### **5.2.3 TYPES OF TRAINING AND DEVELOPMENT PROGRAMMES**

Training occurs at different levels, from mastering basic skills (e.g. how to use equipment) management development – at advanced level (e.g. how to manage change). Training programmes fall into four broad categories.

**Orientation Training:** the need to do orientation training is for new employees, those who have been transferred into a new department as well as those who have been promoted. They need the training so that they understand the goals of the company, the job results and performance level that you expect from them. They also need a chance to get to know the people they will be working with so that they may become recognized team members. Max Mathews (2002, Appendix 4:45) says that every new employee does the rotation in all sections to learn basic skills and perceive the standard of their work. Thomas Kabaka (2002, Appendix 4:12) talks of a similar practice when he says that all employees who join the company have to rotate in all departments learning and meeting different people, people that they will need to do their work effectively. There should be a follow up on the orientation training after a while, to see how your employee is settling into their new role.

**Business Skills:** This type of training programme focuses on the skills, which is needed to run a business successfully. It includes sales and marketing, presentation skills and customer service. Nick Bicket (2002, Appendix 4:36) says that his organisation (Old Mutual) came up with the idea of establishing a business school for equipping their employees with required skills. It becomes easy for learners to concentrate with what the organisation wants. This possible with big organisations like Old Mutual, because running the school effectively, is a costly project to indulge in.

**People Skills:** Everyone needs to be able to deal with people effectively and appropriately - whether as part of a team or its leader. Even the most technical of all employees seldom work alone. Good people skills make it easier to get the work done and keep a positive environment. People skills training include supervision,

communication, teamwork and project management. This is taking place in researched organisations already, but should be strengthened.

**Technical and Professional Skills:** This is specific training that directly relates to the line of business. In almost every field, current skills and knowledge have a limited shelf life, and with the changes taking place skills shelf life is likely to lessen. It is essential that staff continue to refresh and upgrade their competencies mainly through sharing and transferring of knowledge. This has been well reflected in the research findings. E.g. Professor Brian O’Connell (2002, Appendix 4:18) says “... given the fact that change is so rapid, that the half life of any particular skill or any knowledge is reduced dramatically, it is imperative to have a vibrant framework for knowledge dissemination, sharing and multi skill”. Peter Major (2002, Appendix 4:22) also says “everyone at the table said we want to grow out of everybody’s skills...we want people who have IT background to start doing human resource background...” Professor Douglas Pitt (2002, Appendix 4:14) is keen to do “cross-fertilisation” of ideas through the use of the unused common rooms in the faculty. This process does not only circulate knowledge quickly and effectively, but ends up saving money for organisations, less money for training.

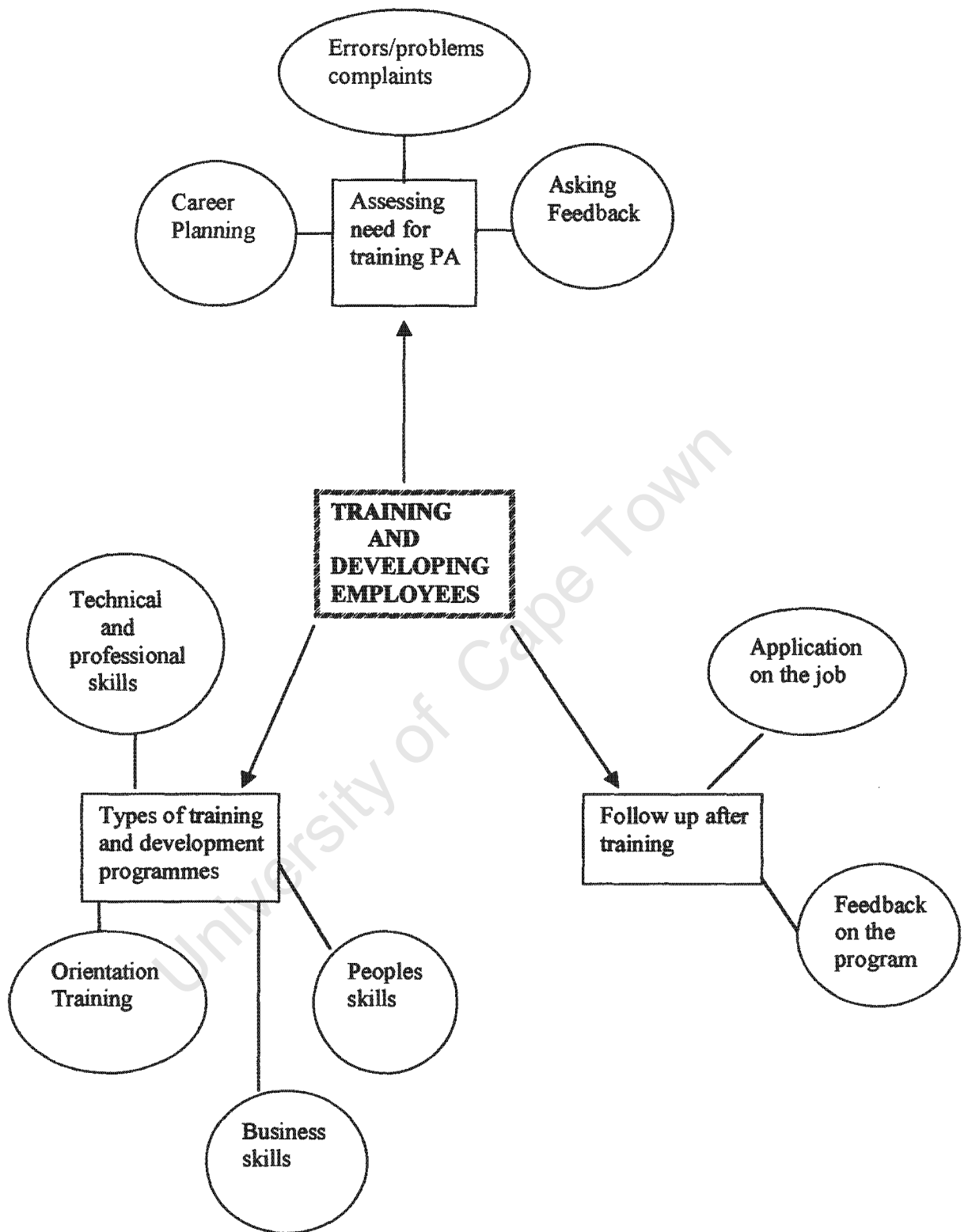
#### **5.2.4 FOLLOW-UP AFTER THE TRAINING PROGRAMME**

If training occurs in a vacuum it will be a waste of time and money for both the organisation and staff. Following-up after every training session can help solve such a shortcoming, and should be routinely done.

**Feedback on the Programme:** Soon after the training programme is over, you want to ask your employee for some feedback on it. For example, did they like the programme? What did they learn? Enjoy learning? And how will they apply it on the job? By asking for their comments you are showing that you care about the employees and that you are expecting some changes after the training program. Give the employee every opportunity to practise what they have learnt. Also, another way of follow up can be observing behaviour to see if the employee applies the training to the job that was trained for. Set some criteria for the observation, e.g. are they now using

equipment properly, are the monthly reports accurate - earlier than before? Is there less tension in the teams? Are there fewer complaints? Finally one should assess the impact on the Business: As training is mostly expensive, one wants to assess its impact on the business, and determine whether or not it is worth it. This can be hard to do, but it is important. For example, if the training was on customer service, then look for a decrease in customer complaints. If it was on using a new machine, software etc. check to see if the new system has in fact made things faster and easier for the employees and business. As Michael Fuller (2002, Appendix 4:31) says, “ we are trying to move away from the tendency of how much we will increase to your salary this year, and moving more towards how have we developed your skills, and how much you have contributed your intellectual skills to the organisation”. Figure 8 below summarises the training processes.

University of Cape Town



**Figure 8: Training and Developing Employees – Important Aspects**

### 5.3 TRANSFORMATIONAL LEADERSHIP

Many businesses today are different from what they were five years ago. If the trend goes on like this they will be even more different in the future. They are going to face different challenges, activities, competition etc. Leadership becomes critically important in these times of transition. Businesses are faced by the situation of coming up with leadership models which will rescue them and equip them with skills to cope with changes. Omar Ali Omar (2002, Appendix 4:37) emphasizes the role of the leader, he says “it is through leadership alone that the company will achieve whatever needs to be achieved, the leader shows the way...if I am blind (as a leader) even the visionary employees will be blind”. Raymond Ackerman (2002, Appendix 4:29) says that his job as the Chairman of Pick and Pay is like to be at the control tower at the airport. He remarks that he sits and watches for planes not to crash, and that his overall job is to ensure that Pick and Pay philosophies are followed. He concludes that when something goes wrong and the plane is about to crash he jumps in.

Transformational leadership goes beyond transactional leadership which relies on centralised control, where managers control most of the activities, telling each person what, when and how to do tasks. Transformational leaders trust their subordinates and leave them space to breathe and grow. It is a more developmental and constructive form of leadership for both individuals and the organisation as a whole. Robert Kahendaguza (2002, Appendix 4:43 2002) says “I require them [employees] commitment, hard work and a sense of ownership of and belonging to the organisation, cooperation is ensured through participatory leadership”. Sense of ownership will not come from word of the mouth alone, leaders need to make endless effort to trust and give fellow workers responsibilities, which will make them feel “owning” the organisation they work for. Thomas Kabaka (2002, Appendix 4:12) has similar ideas about involvement and does not believe that remunerating employees with bigger packages is consistent because after sometime people will take it to be “their right” he is against a transactional leadership initiative whereby the leader offers some form of need satisfaction in return for something valued by employees, these can be pay, recognition, and improved job satisfaction.

Tracy Eastman (2002, Appendix 4:24), proposes the crucial ingredient of “passion” for the leader to be successful. She says, “It is a driving force for me to be part of this project. There are also people in senior hospital management and IT management who directly support me, I therefore get stuck and will consult others who will discuss with me and find the way forward”. She emphasizes that a powerful leader will seek help from others, will work with others to achieve the objectives set for the organisation together with their ability, dedication and passion.

Transformational leadership requires leaders to believe that they are not alone on top, but rather the whole group contributes to the organisation’s well being. Nashon Mtembei (2002, Appendix 4:38) says, “my personal stewardship function is to understand that without the rest of the people nothing can be achieved, that is why I spend quite sometime visiting schools and sometimes helping to teach and manage wherever possible. Our office is designed in such a way that people below me can do everything that I do, equally I can do everything that is done by them...” Ludovick Otouh (2002, Appendix 4:7) explains why it is easy for him to run NBAA (National Board of Auditors and Accountants), he says, “We had a series of surveillance and the concept was re-engineering NBAA. And whatever we intend to do, we do it collectively, we sit, we discuss, we implement, and because the employees are involved as the time go, in actual fact you do not have to go on reminding them – they take it as their thing”.

Professor Brian O’Connell (2002, Appendix 4:18) eagerly emphasized the need of courage and determination and hard work, he believes that there is no fairy God Mother to do anything for anybody. He added that there is a need to know that there is no short cut. He listed hard work, dedication, determination and to be creative as some of the requirements for today’s leader. He went on to say,

*“It is hope. I must epitomize hopefulness, I never by any gesture or word; indicate that I do not believe that this enterprise can be gloriously successful. We can actually become a world class sight of knowledge production we have it in our own power to be that, and to project the hope, the vision of this country. This country’s hope is tied to us and our hope, and to make it possible for this knowledge sharing to take place,*

*to torridly evolve as much power, real power as much down as possible. To make sure that each of the people is entrusted with the space aligned to...”*

Trust is an important ingredient for transformational leadership. Leaders need mutual trust with the people they lead. It is through our capacity to trust others that the sharing of knowledge, experiences, difficulties and moments of joy become possible. Nicolas Bicket, (2002, Appendix 4:36), talks of the co-creation process, which he refers back to Old Mutual “Siyakula” model, that through the company’s revitalization, Old Mutual spent eight months talking to every single employee, and eventually co- crafting the value system. He believes that they got the buy in from employees through that vital process. Rev. Wilfred Mmari (2002, Appendix 4:32) says that his experience has taught him that qualification and status alone seem not to be enough for transforming any organization. He suggests that a serving attitude is needed for real transformational leadership. This is probably not as simple as it sounds. Most organizations especially in the Tanzanian context are believed to have steep hierarchies and bureaucracies which limit employees lower the ladder to participate in most things that go on in their organizations.

While conducting interviews for this research, the researcher wanted to talk to people in top leadership positions at the University of Dar Es Salaam and some other organizations, but could hardly get through to them. he had a shocking experience when he was asked to write a letter (apart from the invitation pack which was sent already) requesting for the interview. Was told that “we will consider it”. These were mere secretaries-no access to the boss. The blame goes to these PA’s but more specifically to leaders who encourage those kinds of behaviours and attitudes.

Lyanga Mwapachu (2002, Appendix 4:10) says that the transformational leader has to go down to the people so that they can learn from him through listening to him and feeling his presence in times of happiness and in times of anger, he emphasizes that “you have to inspire your employees, you have to make them get the trust in all ways, you have to grow them and give them space to breath and think”. Once employees are not trusted they lack sense of belonging and their relationship with leadership becomes poor. Their morale goes down, and finally their performance is negatively affected. Mtembei Ruteganya (2002, Appendix 4:39), says that on the stumbling

blocks to transformation in his organisation, his company has a vertically aligned organization, red tapes and attitudes. He admits that all the three mentioned factors negatively affect the transformation process. According to him his company has tried to convince those who are resistant to change but it has not been easy. Raymond Ackerman (2002, Appendix 4:29), confirms that hierarchy is very much discouraged in Pick and Pay. He says that he tries and stops hierarchies as much as it is possible to have a flat organizational chart. He does that by trying to make as many people as possible to report to the CEO or to himself (Chairman). He is with the idea that when people are bureaucratic gamble a lot and do not feel the life of the organization.

Bob Cork (2002, Appendix 4:19), claims that sometimes there are people in organizations with dictatorial attitude and to him they are a big block, using the term a bit loosely he said that middle management sometimes are "little Hitlers". He proposes the different approach of dealing with such a situation, "a lot of old ways of doing things, passed out the business at the time when the 'old' guy left the business, it was harsh but was necessary -we have brought a lot of new blood who come with a new attitude that has transformed the business". He had tried hard to get the business back to its feet but in vain, decided to take this unpleasant option. It is difficult to confirm that he tried hard enough, but this may not be the best solution always, new employees may later change and be like those who left. The better solution, would be trying endlessly to change those onboard; the culture of the organisation. Nick Bicket (2002, Appendix 4:36), says that because of the size of Old Mutual and the fact that it has the legacy of 156 years, changes within the company are as difficult as a big ship to turn around. As a result they have opted to flatten the organization first and that they have put some incentives in the remuneration structure which rewards the speed of change. Leaders have to find ways, whether easy or difficult, harsh or pleasant, which will sustain their organizations in these times of unpredictable changes.

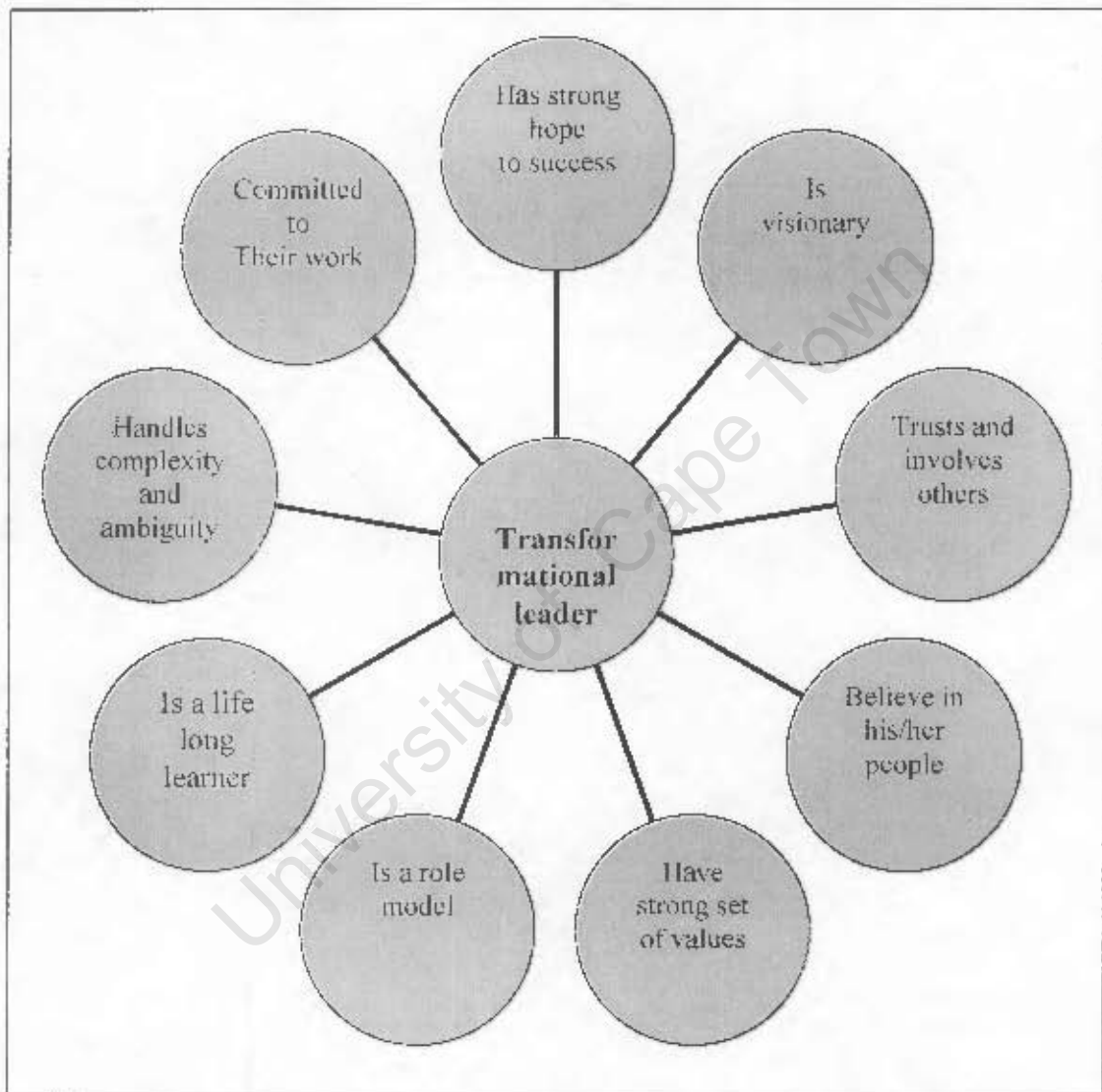
Ian Burke (2002, Appendix 4:41) says that he gives employees the responsibility and ownership of a task, and expects them to produce the results. When they do not produce the results he intervenes. He suggests that leaders will have to keep revisiting their followers for guidance, mentoring and coaching when need be. When you are faced with the situation to run a growing business, you are never sure whether what you are doing is the right thing or not. It is at this stage according to Bob Cork,

(2002, Appendix 4:19) that you look for support, and it is very important to have your team pushing as hard as you are. He says that he had to bring in the consulting company to help him to transform his organization successfully and he was making good progress. All employees were now participating in everything and seem to have the feeling “we are building our company”. Originally it was more of command and control type of leadership.

Leading by showing example, is a strong and useful tool. This directly implies assurance to employees that what they are told and showed to do are possible. Integrity is so important if a leader wishes to be followed. The majority of leaders will not associate with their employees with the belief that they will be degrading themselves. Professor Douglas Pitt (2002, Appendix 4:14), says “I would like to think that I do MWA (managing by walking around), that I am accessible that I do not ask people to do things that I do not do myself. If I have to scrub the floor I will scrub the floor. I believe in participation”. He however warns that there are situations where he has to take decisions which are not necessarily seen by individuals as best to their best interests. Context sometimes matters. Raymond Ackerman (2002, Appendix 4:29), has similar ideas, he says that the leader has to set an example, that whenever he makes a private phone call from the office, he charges it to his private account, whenever he has newspaper in the morning he pays for it, and whenever he has lunch he pays for it. He stresses that all this is to show people that he is not taking any advantage as a company chairman. His conclusion is that, if the leader shows a bad example others will follow. Indeed transformational leaders need to have a strong set of values.

A transforming organization needs to be learning all the time. Accordingly, a transformational leader needs to be learning and encouraging others to learn. The lower leaders put themselves the better they will be able to influence positively all employees across the board; sticking on top with very few, will not do them any good - Geoffrey Kasimbazi (2002, Appendix 4:8). Asked how Metro Cash and Carry leadership has encouraged transformation, Steve DeBeers (2002, Appendix 4:5), says that they have explained to their employees that they are not going to promote anybody because of the colour of their skin or their genders, that the only reason for promotion will be “required skills” which according to him are obtained through

training. Fortunately the company has an explicit development plan whereby it pays for every course that employees enrol on. He is himself doing EMBA at The Graduate School of Business-setting an example.



**Figure 9: Some of the Qualities of a Transformational/Knowledge Leader**

## 5.4 COMMUNITIES OF PRACTICE AND SOCIAL CAPITAL

*Most important, in an age of rapidly proliferating Knowledge, the central domain is a social network that absorbs, creates, transforms, buys, sells, and communicates knowledge. Its stronghold is the knowledge embedded in a dense web of social, economic, contractual, and administrative relationships (Joseph Badaracco)*

### 5.4.1 MEANING

The concept “communities of practice” was originally introduced by Lave and Wenger (1991). It has now extended to encompass the wide range of groups, from project teams to functional departments (Sandusky, 1997). Social capital on the other hand points to the value of relationships between people in organisations, and between organisations and other firms. Trust, reciprocity, shared values, and networking are all things that according to social capital theory add value to the organisation; they also speed up the transfer of information and the development of new knowledge. The two concepts are critical to knowledge management in Africa.

### 5.4.2 ARGUMENTS IN FAVOUR

Co-workers with complimentary knowledge sometimes form a self organised group through the way they communicate, their same interests, beliefs and aims - the way they manage working together. Michael Fuller (2002, Appendix 4:31) says that he lets groups develop as they wish, and that at the end of the day they will bring to the larger organisation what they have done in the small group. He explains that he gives assignments in small groups of two or three and leaders do not interfere to let them work to their best ability. Lave and Wenger (1991) saw learning in these communities of practice as “legitimate peripheral participation-(LPP)”, which implies learning as an integral part of practice. Mtembei Ruteganya, General Manager Research and Development of Tanzania Electricity Supply Company (TANESCO), which produces its electricity mainly through hydropower, (2002, Appendix 4:39), claims that his company is a member of hydropower organisation in Norway, China,

and that he is himself a member of some national and international committees and boards. He also says that they are members of the Environmental Centre in Sweden. He is of the understanding that whenever his company gets problems in certain areas, they quickly contact them and seek help. It is through seminars, meetings, correspondences that they had over a long period of time, that have created the relationship that exists.

Sue Kleinschmidt Page (2002, Appendix 4:28), says that they try and share and transfer the knowledge to effectively gain the most from different people. She believes that because there will be people who will know more than others, those who do not know much are cross managed by herself or her assistant. She introduces an important point of sharing as people get connected to other networks. This is always the reason why people are encouraged to work with others. Individual with individual, groups with groups as well as company with company. Extending the definition of communities of practice, Brown and Gray (1995), argues that "at the simplest level, they are a small group of people who've worked together over a period of time. Not a team not a task force, not necessarily an authorized or identified group. They are peers in the execution of real 'work'. What holds them together is a common sense of purpose and a real need to know what each other know".

Paul Edwards thinks that cross-cultural networking is a necessity, and the primary means for achieving it is a leader's clear and unambiguous commitment to social transformations (2002, Appendix 4:42). This is vital in every working environment and more specifically in the South African context because the existing cultures and races have to interact for organisations to achieve better performance. Sitting in groups according to colours, races or religions for the sake of it will not be of any advantage to us, to our organisations and to the country as a whole. Organisations need to understand the power of stories - the use of narration which cuts barriers through exchanging people's tacit knowledge in their groups. They will also show the transition from new comer to old timer. Hildreth, Kimber and Wright (2000)

Valentine Rweyemamu (2002, Appendix 4:13), says that getting connected to the right social network is very important because they allow one to rub shoulders with birds of the same feather, to get to know what others are doing and may be to borrow

from their experiences and perform better than they do at present. He adds that they get invited to several occasions and to him, that participation is for their advantage because as a financial institution they have to pass the message that they exist. Bob Cork (2002, Appendix 4:19), supports this idea by suggesting that for him to be part of that world (attending international conferences) gives him the most knowledge in the shortest possible time. Lyanga Mwapachu (2002, Appendix 4:10), says that through playing golf every week, and as a member of The Leaders Club, he meets leaders from different organisations and as he talks and listens to them he learns and educates others unknowingly. Esther Benedict (2002, Appendix 4:23), also believes that she discovers things about people by just talking to them and it wasn't at all what she thought she could find out. She has a belief that both formal and informal networks are important. It is important for leaders to get this critical message, and plan for networking because participants cannot anticipate real outcomes prior to networking.

Networking can be a problem solver and will sometimes get to the one in need of it unexpectedly. Knowledge "gets around", and extensively knowledge is generated through member's additions of incremental portions (Davenport and Prusak, 1998). Peter Major (2002, Appendix 4:22), thinks that, in sports for example, when you are participating you may not know who you will need in the future; you might need a lawyer, an engineer or an architect. Furthermore, he explains that he got his first job because The Managing Director who employed him was a club member. Nason Mtembei (2002, Appendix 4:38), says "...I get to know people with different management skills and talents and at the same time, I know who to talk to when I am stuck with something". He implies learning how to lead and manage his organisation through networking, to draw from a big pool of ideas.

Through working in groups and networking we get to relax and listen to different ideas from others and at the same time we get moments out of our jobs – take a break. David Sineke (2002, Appendix 4:4) says "social networks give you an opportunity to socialise, because you do not have to do business all the time. Sue Kleinschmidt (2002, Appendix 4:28), also thinks that doing the same thing all the time can be boring.

Communities of knowers, who come together because of common interests, will normally talk together face to face, over the telephone or via email. Through these processes in the informal self generated groups knowledge will be generated. Sometimes these networks may become formalised. Geoffrey Kasimbazi (2002, Appendix 4:8), says that he has realised that people in his organisation come to him to ask for his input on a brilliant idea, which has been previously discussed informally by a small group of employees. He clarifies that this happens often and he wonders why it never happens during the formal meetings. Chrisostom Mwakalinga (2002, Appendix 4:11) has similar ideas, "...we do not interfere with their group discussions, but I believe that they add something to the organisation, although their contribution may not be seen so directly". Lois O'Brien (2002, Appendix 4:2), says that quarterly, each department goes out with their team members for lunch...doesn't have to be an expensive lunch but for people to go and spend time together [informally], she calls this "kissing and making up". Ali Omar Ali (2002, Appendix 4:37), says "there is an atmosphere created in offices and which in some ways hinder freedom to listen and communicate..." He supports what others have said by suggesting that sometimes and for some people, the office environment can be inhibiting when it comes to information and knowledge sharing.

Networking has to be done cautiously. We have to make good choices of who we should rub shoulders with and at the same time decide on the amount of time we should spend on our businesses and out networking-within and outside our companies. When asked the importance he attaches to networking, Raymond Ackerman (2002, Appendix 4:29), says, "I love my business, I spend my whole time...I rather spend time with one of my own people getting to know him than socialising with someone who doesn't really care whether I live or die...". He adds that "...going by my company first, if I may say some people spend too much time on being socially connected and are not running their business. There is a balance here, we are too cautious of the social context, but it is useful to know the right person, people that you may run to when you have got a problem. But it should be very much taken to know your own people". Professor Brian O'Connell (2002, Appendix 4:18), says "...you seek then, those who share your vision, who share your hope, your dreams, and who can add value to you as you can add value to them. We have an elaborate system of fellowships, and scholarships where we go and refine ways we do

things, consistently". Nellie Agingu (2002, Appendix 4:3), says that establishing a network, like after attending a workshop or seminar and call it a day is useless. She suggests that relationships and contacts established have to be kept and managed, rather than taking them for granted. Managing networks will mean abandoning those which we may feel irrelevant at a certain stage and creating more networks according to emerging needs. Nick Bicket (2002, Appendix 4:31), highlights on the same issue that Old Mutual allows a lot of freedom in that [networking], that it defines its goals and culture to find the kind of areas where it wants to play a role in, and when all that is defined, they allow their people to make up their own minds.

Technology is one of the day to day works of knowledge management. But it is not enough; technologists need to have a strong focus on how to make knowledge content appealing and how to persuade those who have knowledge to put it into a rich knowledge base. Ideally, knowledge workers possess both technical know-how and intuitive skills. Peter Major (2002, Appendix 4:22), says that people in his company are urged to expand through attending more presentations, more lectures, and give more talks to grow their young company. He points out that every time he meets someone he knows, he brings in one of the other person so that they can also meet that person, so that if he dies they know who to meet. Mike Thompson (2002, Appendix 4:30), says that they [with his senior colleagues] have an informal tea party every month to meet the new employees who join the company. They will have tea together and will introduce the company values to the new comers, and all these things we are discussing (referring to the interview questions). He goes on to say "...interestingly my position on the WESGROW board was recognised by the provincial Government, and they put me forward as a representative of the board. We have got connections now with The Government, with Business against Crime, the Police, the Mayor, the Premier, and is by moving in those circles that my staff start to say wow! Look at what Thompson is doing, and may be wishing like doing something". It is obvious that a leader needs to set an example for others to follow in the footsteps.

### 5.4.3 ARGUMENTS AGAINST

Surprisingly, not all leaders have acknowledged the importance of networking specifically networking with people outside their companies or industries.

They do not think that it adds much value to their businesses. Some believe that there is no need to plan for it. They probably lack the understanding that there is knowledge out there that will not reach them and they need it for the betterment of their organisations. Caroline Mitchell (2002, Appendix 4:40), says, "I have a personal dislike of social networking and have never been good at that". Christopher Mlaki (2002, Appendix 4:9), suggests that "people from the same profession sit together and discuss issues related to their work". But listening to people from outside their profession can give them tremendous knowledge though not directly related. Well, this may not always be the case but confining ourselves to our companies/industries may limit professional and organisational growth. Sue Kleinschmidt Page (2002, Appendix 4:28), believes that in the marketing area they have to play their cards closer to their chests. This argument is questioned, because although organisations and more specifically marketers have to be aware of the competition around, lessons needs to be taken from competitors and these lessons may be learnt after opening up, and through interaction. Ian Burke (2002, Appendix 4:41) Managing Director of DURAM (Pty) Ltd, says, "very little attention has been put to the external networks-our value system says that we want to create the social environment that ideally could be a model to use externally" This is doubtful because we network to learn, to tap from experiences, indeed to add to what we know and what we do, also, to add to others' knowledge base as well. The more we share the more we learn. Organisations can not be 100% self sufficient, even when they are performing brilliantly.

Ian Reid (2002, Appendix 4:16), says, "I spend most of my time networking with my colleagues and clients who add something to the bottom line. I have the dream of growing this company, and I will not do that through joining clubs – I have to concentrate on Platinum Black all the time". Tracy Eastman believes that informal meetings and networking depends on the nature of the job, she is of the idea that in her job (IT section of the Department of Health) what matters most is skills which one will bring in, that there is very little on the social aspect. She thinks that people just

do their jobs and they are safe, they are very strict - they cannot tolerate on people that are not pulling their weight. She says that they seldom socialise, it is entirely work.

There is another group of leaders who do not believe that leaders can plan for networks. Max Mathews (2002, Appendix 4:45) says that these groups (communities of practice) are naturally established and that they are not formally created. He however admits that they make a contribution to his business. Paul Edwards (2002, Appendix 4:42) says that no formal description of communities of practice exist, he admits that there are various types of teams that work throughout the organisation like natural teams, forums, committees, project teams etc. but are not formally connected. Connecting teams may have positive outcome on the organisation, because different teams are likely to operate differently. Lois O'Brien (2002, Appendix 4:2), has similar ideas regarding networks, she says that they do not consciously look for and support networks, from a business perspective - she admits they network in view of going to book fairs, with the intent of getting international experience.

Networking in and outside the organisation does not necessarily need to be with the same group of the same expertise at the same level of work. The idea of networking is to learn more, to add to what we know, to bring in the knowledge existing somewhere else, and needed to the organisation. Thomas Kabaka says that at TRC, emerges groups which are dependent on the hierarchy. He uses the word "stratification" to define the existing network- different groups of drivers, of professionals etc. He says that even at the management level, you still find small groups who speak their own language and all are at the same level. He thinks that, the tendencies of leaders at top positions to believe that they are drivers while others are passengers have to change. Indeed, to occupy a top position does not mean self sufficiency. Leaders continuously need help from others in the organisation, and will be difficult to take in their thoughts if they give little respect to subordinates. He has the belief that it has not been a tradition in Tanzania for leaders to socialise especially after work where they could discuss different issues over a bottle of beer (2002, Appendix 4:12).

## 5.5 CREATING A CULTURE FOR KNOWLEDGE SHARING

### 5.5.1 WHY SHARING KNOWLEDGE IS IMPORTANT

Today, the creation and application of new knowledge is essential to the survival of almost all businesses. There are many reasons for this, Lyanga Mwapachu (2002, Appendix 4:10), says, intangible products - ideas, processes, information... are taking a growing share of global trade from the traditional, tangible goods” Unlike in the manufacturing economy, sharing becomes so important. Another reason which makes sharing so important is the need for innovative spirit, the application of new knowledge to different situations. Ian Reid (2002, Appendix 4:16), says “increasingly the only sustainable competitive advantage is continuous innovation, organisations are not static, changes are taking place all the time”.

With personnel management, leaders need to pay attention to it because there is a trend whereby turn over of staff is increasing abundantly. Peter Major (2002, Appendix 4:22), says” People do not take a job for life any more, the truth is, (and we have to understand it that way) “when someone leaves an organisation their knowledge walks out of the door with them.

Organisations miss the point that, in most cases expertise learnt and applied in one part of the organisation is not leveraged in another. Regardless of the type of operations that those departments of the same organisation get involved in, others need to know what is going on in other departments. Mike Thompson (2002, Appendix 4:30), says, “

*...our problem as an organisation is that “we do not know what we know”. Large global or even small geographically dispersed organisations do not know what they know, we are trying to avoid that here, accelerating change, not only in technology but in business, socially...as things change so does our knowledge base erode – in some businesses, as much of 50% of what we knew few years ago is probably obsolete today. We can not avoid that in the financial industry, and we at Cape of Good Hope Bank are aware of that”*

To create a knowledge sharing culture one needs to encourage people to work together more effectively, to collaborate and to share - ultimately to make

organisational knowledge more productive. But we need to remember that we are talking about sharing knowledge and information – not just information. Also, to understand that the purpose of knowledge sharing is to help an organisation as a whole to meet its business objectives, we are not doing it for its own sake, and that is why knowledge sharing is so important. Richard Smith (2002, Appendix 4:1) highlights on knowledge sharing culture as he speaks of the gap “...you need to see if there is any way you can use to try and measure the gap between your desired future culture and your current culture”. Knowing how to make knowledge productive is more important than mere sharing. At all stages we need to comprehend the reality that changing a culture is tough. Not only does it mean change – which has always been tough – it means seeing the world in a different way. It means revealing our hidden paradigms like the tacit acceptance that “knowledge is power” and that is why we have to share it. And to believe that sharing knowledge is power.

April and Cradock (2000:129), say “collaborative and people development cultures will be the workplace model for companies in the new economy. Such cultures bring out people’s full range and useful knowledge”. Mike Thompson (2002, Appendix 4:30), says that they require their people to work in teams, and to share knowledge with other people, and he believes that it is through the company’s cultural element that sharing comes through. Mark Neville, adds that the culture of his company is that of collaboration, the leader has to pass the culture to the followers through leading by example, and if one is dealing with an organisation which its core access is people’s skills, knowledge, and information, then there has to be openness (2002, Appendix 4:25).

Getting results from investing in knowledge requires corporate systems and culture that allow it to flow freely, which means scrapping rules that stifle new ideas (Stewart, 1998). Mark Neville (2002, Appendix 4:25), says that his organisation is “unorganised”, he elaborates that the terminology means “to be ready to organise into teams, to do anything that needs to be done...to be flexible. We are not organised into hierarchical or rigid ways, to say you must do that and I must do that – I am the boss and you are subordinates... can get ourselves into different configurations and shape for any given task”. He explains that they still have different responsibilities and that every team has the leader – specific people with specific responsibilities.

With the ability to share information broadly and fully without filtering through a hierarchy, we can manage the way we always wanted to. (Stewart, 1997)

Max Mathews (2002, Appendix 4:45) says, "...the nature of the work we do, make us in all ways work as a team, our aim focus of work, competence and high quality, obliges the whole organisation to work as a team and not only few individuals or one individual...one person may be assigned to do the job at the preliminary stage, and then pass it to the other and on and on... at the end of the day we meet and discuss" he attaches quality and high standard of performance to group work. What is not known to one may be known to the other. That is the essence of sharing.

Rev. Wilfred Mmari (2002, Appendix 4:32), believes that the powerful way of creating the culture of learning is "to do it the different way", because through it people will wish to do it the proper way and in the process they will learn something new. He adds that companies will not have to learn if all things they, see, operate etc., are done in the same ways all the time. Indeed he is raising the critical issue of designing jobs in such ways that allow people to learn and develop. An environment for stretching people (April 2000).

Valentine Rweyemamu (2002, Appendix 4:13), says, "...the required culture is a competitive culture". He believes that because of the competition vivid in the financial sector in Tanzania, they have to keep competing and that is what he preaches to members of his organisation. Professor Nick Segal the Director of The Graduate School of Business at the University of Cape Town, says, "you must bring in fresh thought, and bring in whatever relevant experience to each problem and try to nurture the awareness of the need to thinking and to reason further, it doesn't mean that if you do something today, you can do the same tomorrow" (2002, Appendix 4:27).

Different organisations have different priorities at different times, and this, depends on the environments in which these organisations operate in. While some are concerned by very competitive business environment, others seek high quality research, and others concentrate on good reputation etc. Regardless of the industry, sector, size of organisation etc, collaboration and team work are seen as an important ingredient for all organisations.

### **5.5.2 LEADERS ROLE**

If you believe that knowledge sharing is the way to help you; your department; team or organisation to meet its objectives then start to practice it within your sphere of influence and encourage others to do the same – lead by example. The higher up in the organisation you are the more influence you have. Raymond Ackerman (2002, Appendix 4:29), thinks that it is enormously important for the leader to set an example, “I always believe that having my head in the sky and my feet on the ground...and the leader has got to deal with hope, if the leader is negative the whole company will be negative...I believe in what Kissinger (one of the former American Secretaries of State) said; that the leader can get his or her people to where he or she wants them to be. To him the leader has to show what he wants the culture of the organisation to be. Fatima Allie (2002, Appendix 4:34) adds that the leader has to set an example and provide support – be honest and share knowledge and information.

Peter Major (2002, Appendix 4:22) thinks that the role of leadership is very important in establishing a required culture, because they are expected to drive, monitor and to change...to bring up change. He concludes that, together with that, everyone has an input on the process. Richard Smith (2002, Appendix 4:1), proposes three ways for a leader to encourage the culture of learning and knowledge sharing: through performance appraisals, setting example or by simply telling them and engaging in discussion with them and to work with them to get where you want to be. He adds that trust is important for sharing to take place. Professor Brian O’Connell (2002, Appendix 4:18), is of the idea that leaders have to be open and honest. He says that lack of that culture “cripples” the rest of the people. He gives the example of the South African government involvement in the “arms deal” scandal, that if he tells the community that the Government has no money to increase its contribution to UWC (University of the Western Cape); they will ask him “what about the arms deal?”

### **5.5.3 MOTIVATION FOR KNOWLEDGE SHARING**

The real answer is to help people see for themselves that knowledge sharing is in their personal interest, the old paradigm “knowledge is power” has to change and be explicitly understood that “sharing knowledge is power”.

If people understand that sharing their knowledge helps them do their jobs more effectively; help them retain their jobs; helps them in their personal development and career progression; reward them for getting things done (not for blind sharing); and brings more personal recognition for knowledge sharing to become a reality, they will willingly share their knowledge. Elred Mang'wana (2002, Appendix 4:15), says that there are incentives for closing the gap existing between what they expect and what they have, those include employees trips to prestigious National Parks and trips abroad. He says the intention is to motivate them and let others see as well.

Raymond Ackerman talks of The Vuselela parties, going on within Pick and Pay, all over the country, the wearing of Vuselela open neck shirts on Fridays, (vuselela is a Khosa word meaning, growth/ re-birth), (2002, Appendix 4:29).

There is a need for knowledge workers to educate their employees on some important facts about knowledge for knowledge sharing, like: knowledge is perishable and increasingly short-lived and that if you do not make use of your knowledge then it rapidly loses its value. Even with the low level of knowledge sharing that goes on today –let them know that if they do not make their knowledge productive then someone else with that same knowledge will. Also, that they are not the only ones with those ideas. More importantly they have to know that by sharing their knowledge, they gain more than they lose. Sharing knowledge is a synergistic process – you get more out than you put in. If a product idea or a way of doing something is shared with another person, then just the act of putting an idea into words or writing, will help participants shape and improve that idea. If one gets into dialogue with the another person then they will benefit from their knowledge, from their unique insights and improve their ideas further. Trying to work alone can easily lead us to failure – we need not only the input from other people but their support and buy - in. Being open with them, sharing with them, will help organisations to achieve their objectives.

#### **5.5.4 TO MAKE IT HAPPEN**

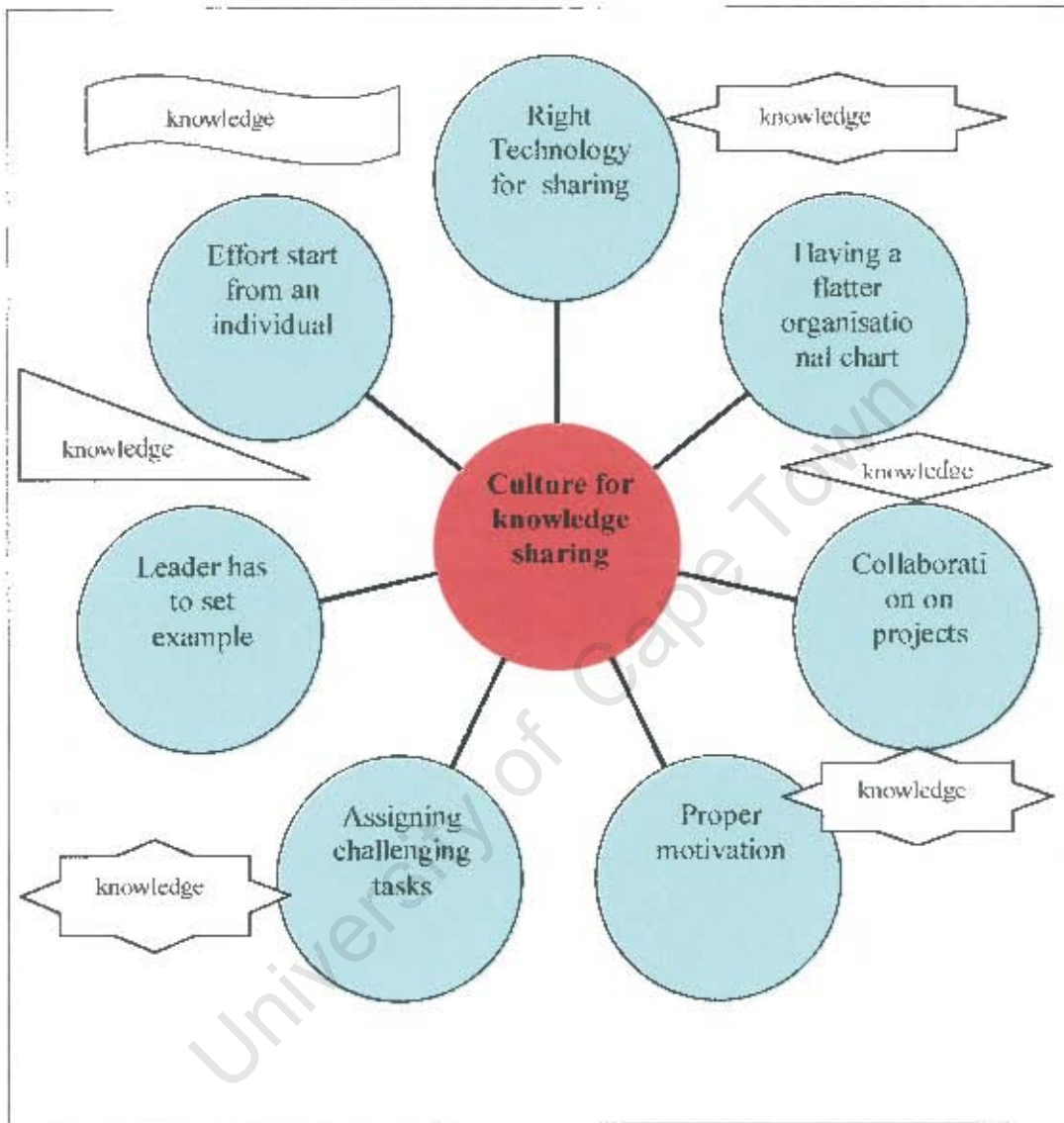
Knowledge sharing starts within an individual. After all - if you are a company executive, a mid-level manager, a receptionist, or a graduate student you are still an individual. Each one of us has his or her job, set of objectives and sphere of influence. Lyanga Mwapachu (2002, Appendix 4:10), suggests that there is still a

need for collaboration from all other employees "...it has been the tradition here that individuals will have to start the initiative themselves then they are guaranteed support".

Sharing is not just about giving or providing knowledge to others. It is about things like, soliciting feedback, asking questions, telling people what you plan to do before doing it, asking other people for help, asking someone to work with you in some way however small it may be, telling people what you are doing and more importantly why and how you are doing it,. On top of that asking people what they think about a certain concept, idea or process is sharing knowledge. Others are like asking them for advice, asking people what they would do differently at home, at work, in life; it does not end with sharing information but know-how and know-why. Fundamentally sharing is about being more open in your way of work and in your relationships with other people. (Gurteen, 1999)

#### **5.5.5 THE ROLE OF TECHNOLOGY**

Technology plays a crucial transformational role and is a key part of changing the organisational culture to that of knowledge sharing. People are basically key, but if technology (as discussed under section 5.8) is implemented well and people are trained and educated in its use, knowledge sharing technology is crucial. It helps not only in the sending and accessing of information quickly, but also posting your knowledge for others to access from other locations of the organisation and outside the organisation. Nick Bicket (2002, Appendix 4:36) says, "...we still think that e-learning is not the only answer nor is it to be seen in isolation...we have our philosophy more to blend the approach between action learning which takes place on the job across interventions...we blend all that together..."



**Figure 10: Some of the Requirements for the Culture for Knowledge Sharing**

## 5.6 CONNECTING PEOPLE THROUGH DIALOGUE, CONVERSATION AND STORYTELLING

*Whether clear or garbled, tumultuous or silent deliberate or fatally inadvertent, communication is the ground of meeting...It is, in short the essential human connection.* (Ashley Montagu and Floyd Matson)

Communication springs from the Latin verb “*communicare*” which means “to make common”. The primary meaning of communication is not to recite deliver, speak, write or sermonize. “Making common” lacks in all these activities. Communication involves common (“communal”) interests shared by all parties involved in the communication (Bell and Smith, 1999). Peter Major (2002, Appendix 4:22), explains the importance of communication saying that communication is everything; it leads to transparency, to dedication, to performance. He adds that, let them [employees] know what is going on; listen to them when they have something to tell you. “To me that is the right culture to have” he concludes: Organisations have realised the role that communication plays in organisations and emphatically talk about this importance. Bob Cork (2002, Appendix 4:19) says:

*“...it doesn't matter whether it is only time out of work or if it involves spending some company money, I know that through those practices [communication] more money will be made.”*

A wider distribution of information can yield many positive outcomes; organisational learning becomes more broadly based and more frequent; retrieval of information becomes more likely; and new information can be created by piercing together different items. (Huber, 1991): quoted by Chun Wei Choo (1998). Lyanga Mwapachu (2002, Appendix 4:10) puts it this way,

*“... again meetings, seminars and informal gatherings I suppose help a great deal. People will go in blank and leave knowledgeable of some issues. That is how organisations of today should work; we cannot afford to work in isolation anymore”*

Organisational communication should be at all levels. Members have to work with that in mind because it is communication that will run the business. Leaders need the feedback from all parts of the organisation, as clarified by Thomas Kabaka (2002, Appendix 4:12),

*“A strong leader will seek feedback from employees at any cost because they are the ones who know what s/he needs to know to run the business.”*

Prof. Douglas Pitt (2002, Appendix 4:14) has similar ideas, he says,

*“I make myself available for the long working day here. If people want to get hold of me they can do so either here or at my home telephone number, or my cell phone. I am not inaccessible, and I think accessibility is very important.”*

Messages may not get through as easily as we anticipate. Repeatedly passing the message is required when one seeks to send an important message to others.

Professor Brian O’Connell, (2002, Appendix 4:18), a dedicated New Rector and Vice Chancellor of the University of the Western Cape, who has been in office for six months and whose desire is to change the existing culture of the University to one of “hope, agency and knowledge” believes that he has to pass his message to the university community. He does it in style:

*“I seek every possible opportunity to engage all this institution and the world above this institution. Yesterday I made four speeches, and I made one this morning, and I will make another one tonight, another one tomorrow. And I will make two on Sunday - It is putting there the message of the institution that it understands its role, an institution with huge potential, the institution that values what it does and is looking for people to pass it and support it...”*

Commenting on the committee system he says that although he considers it a nuisance, but on the other hand he believes that it brings the cohesion, and it provides safety valves, he says that nobody can miss them out, they are available through one channel or another. This inevitably will give him the feedback he needs to make his dream of transforming the institution come true. He cannot do that job of

transforming the institution alone. All stake holders have to work together, and through communication, different sections of the organisation are linked.

Face to face communication is viewed as a powerful means of communication by the majority of leaders. They argue that written communication lacks body language, and immediate response. Lyanga Mwapachu (2002, Appendix 4:10) admits that mostly he uses memo as a way of communication but the most effective one is direct communication. He stresses that it becomes much more effective when you speak to people face to face. The memo misses body language, which tells you a lot when you get to talk face to face. Also David Sineke (2002, Appendix 4:4), speaks of the importance of face to face communication: "the fact that employees can see who the leader is, they can touch and feel..." He was comparing face to face communication with electronic communication. Mike Thompson (2002, Appendix 4:30), supports this assertion. When asked what he thinks is the most effective way of communicating with all members of the organisation, he answers. "...face to face and we do it regularly."

On the contrary some company leaders admit lack of communication in their organisations. Steve DeBeers (2002, Appendix 4:5) says "... we know what the problem is, we know how we are handling it ...communication is one of our big problems". Once communication becomes a problem then there exists gaps, and the organisation gets disconnected, when these gaps are not identified and bridged, they cause difficulties in organisational operations.

Sometimes feedback does not come smoothly, there tends to be a gap existing between different groups in the organisation, mostly between employees and management, there exists a limit to the flow of information. It can be because of the leaders' inability to encourage it or the tendency of subordinates feeling junior. Nellie Agingu (2002, Appendix 4:3), elaborates on this by saying that there is an issue of seniority; because in most cases they (employees) will go on to say, yes, yes, even when they would like to say no. She believes that the way to level that seniority may be speaking to people outside of that context where they do not feel taken by the formality. This can be encouraged through informal discussion or talk sessions. She admits that they do not have enough of those sessions and therefore the gap remains

there. There is that tendency in organisations where most people are unaware of the potential value of the information they come across and they fail to pass it on those who can make best use of it. Mike Thompson (2002, Appendix 4:30), when talking about feedback from employees added:

*"It doesn't happen very often, but one or two have come and I thanked them. And I say to them that go out and tell your friends that you were here and we had a talk about something. It is to do with openness.*

Professor Nick Segal also highlights on the gap problem, in communication between him as a director of the Business School, and the rest of the employees. He says,

*"I ask but I recognise people are not free to giving me personal feedback, because of the hierarchy, when people are looking at the boss they get inhibited, so I do not get as much feedback as I would like."*

Possibilities of delayed feedback or lack of feedback altogether comes with this disturbing situation because the act of communication isn't a one way delivery of goods, from speaker to hearer. True communication takes the form of a loop. The speaker delivers a message to the receiver who has to interpret and send feedback to the sender.

For organisational communication to be effective, leaders need to have listening skills, which will encourage those who have to give them feedback. Chrisostom Mwakalinga (2002, Appendix 4:11) and many others, mention the open door policy and that leaders need listening skills to make employees keep coming to them to interact and tell them what is happening in their work places. Caroline Mitchell (2002, Appendix 4:40), highlights on the similar point when addressing the question of how she encourages feedback "by sharing my ideas, beliefs, and values with them and by listening". Tracy Eastman (2002, Appendix 4:24), talks of listening and adds another ingredient of "place" she says, "...they come and shout at me because they have been pressurised, shout and be angry, and consequently the problem is solved. Employees will need place where they can talk, think and listen

Of all the forms of unstructured communication within the organisation, one of the most useful and potentially most constructive is the company "grapevine".

Dr. Bernadeta Killian explains how their department's tea room bring employee together and the way they get to talk about the whole lot of things informally when they are in the tea room. She stresses that the atmosphere whereby there is no boss, no agenda, no formality, makes the sharing take place effectively. Professor Beda Mutagayhwa (2002, Appendix 4:21), insists that when he communicates social events to employees the feedback is well felt unlike when he communicates company issues. He considers it a very unfortunate situation. Indeed, there is a need to create the informal environment even when communicating formal, official or organisational issues to the rest of the employees. Michael Fuller (2002, Appendix 4:31), says that his company sets up the informal culture whereby people do not wear ties; people do not feel inferior to others because of different levels of education and experiences, and that interaction is made easy as a result. Steve DeBeers (2002, Appendix 4:5), the marketing Executive of Metro Cash and Carry Supermarkets explains that each store has informal places where they can gather for tea breaks and lunch breaks. And in there people will converse, will tell their stories will trigger others to talk and share their knowledge. He is against the idea of leaders participating in those kinds of discussions because they (employees) will not freely share their ideas and knowledge.

People in organisations behave like sense makers who use information in action (Weick, 1979). Information use therefore becomes a hermeneutic process of enquiry in which understanding is realised through interpretation and dialogue (Wino grad and Flores, 1987). Fatima Allie (2002, Appendix 4:34), sees the importance of dialogue as she proposes "...communicate the benefits of dialogue and invite/encourage people to do so". Richard Smith (2002, Appendix 4:1), explains why he thinks dialogue is powerful: "... people are more spontaneous when they talk, as opposed to when they write; usually the verbal communication is much more effective". Max Mathews made it clear that to them they meet as a company informally to discuss business. "...we do this normally after work, where we discuss all issues ranging from reliable clients, contractors' tactics as well as hard working and lazy individuals"

The need to change so that companies may cope with the unpredictability of the future has made companies come up with strategies to effect the turnaround in their

businesses. The examples below illustrate this concept. Nick Bicket talks about Old Mutual “Siyakula” strategy - meaning “we are growing” that they have heavily invested to it and the strategy is very powerful (2002, Appendix 4:36). He says that the strategy has brought the culture of openness, to the organisation, thus the leaders encourage it across the organisation and between employees. Senior management also will be challenged by their employees on certain issues of quality, of strategy, of culture; he clarifies. He invited me to participate at the Siyakula feedback session which was to take place later that morning at their office gallery in Pinelands. I attended and Old Mutual Managing Director, Roddy Sparks, flanked by his assistants, was giving the feedback to all South Africa Old Mutual workers. It was transmitted live by satellite from Durban. He addressed all the promises that were given to the employees, and participants got an opportunity to ask questions and comment on some of the issues raised and discussed during the feedback session. One lady was excited as she stood up to make a comment, she said “we thank “Siyakula” strategy because now bosses visit our places of work and talk to us...they never visited our places before; we feel part of the organisation now”.

Elred Mang’wana (2002, Appendix 4:31) emphasizes on “tujitegeme” strategy which is a Swahili word for “let us be independent” so powerful that people participate in everything willingly unlike before it was introduced. Additionally Raymond Ackerman (2002, Appendix 4:29), the chairman of Pick and Pay, talks of The “Vuselela” strategy, vuselela is a khosa word which means “rebirth”. He explains that every Friday employees are encouraged to wear their “Vuselela” T-shirts, which will remind them of the strategy. Together with the achievements they have, he still sees the need of interacting more than they are doing.

*“... I believe that people should sit together and talk more, they do but I would like to see them do more than that. It is a powerful tool for people to learn, in their small groups, in their departments, in different stores. We should do more than what we are doing at the moment”*

Communication is not a simple concept or idea as some respondents have indicated. There is a need to plan for it, to continuously think about it, to invest on it. There are as many different assortments of audience needs as there are people who receive

communication. Each of us has different needs at different times and in different situations-who could possibly hope to meet the diverse needs of audiences? Leaders have to put in place mechanisms and strategies, whereby communication can be made easy and possible.

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## 5.7 INNOVATION AND CREATIVITY

*“It is nothing short of a miracle that the modern methods of instruction have not yet entirely strangled the holy curiosity of inquiry; for this delicate little plant, aside from stimulation, stands mainly in need of freedom; without this it goes to wreck and ruin without fail. It is a very grave mistake to think that the enjoyment of seeing and searching can be promoted by means of coercion and a sense of duty*

(Einstein, 1949)

These two concepts of innovation and creativity are not often distinguished, they are often seen as part of the process by which knowledge is developed and transformed into business value. All in all creativity is an important ingredient for organisations' survival in the New Global Economy. Professor Douglas Pitt (2002, Appendix 4:14) says: “we cannot stop this process of generating new ideas and making sure that those ideas are turned into action because that means life for this organisation....”

organisations have to create a climate conducive to creative criticism and ideation. Nellie Agingu believes that creative employees will not do much if they are thrown to stiff, policy driven operation which may crush their ideas and crush every creative vibe (2002, Appendix 4:3). Organisational leaders should avoid antagonistic company culture that fights change, because this culture exists in many organisations.

Some leaders in organisations have considered creativity a big issue. This is a block to creativity when it is taken seriously. Creativity means coming up with a new idea or doing something in a slightly different or new way. Often in business, there is a lot of information available, if we can rethink about the ideas we have, play with them, add and take away, this will be creativity. It does not necessarily mean coming up with brand new or big ideas. Davenport and Prusak (1998), suggest that one of the principal factors for the organisation's ability to adapt is having existing internal resources and capabilities that can be utilised in new ways. This concept has big knowledge management implication. Mike Thompson CEO of Cape of Good Hope Bank (2002, Appendix 4:30) says, “...this is an interesting question, well; I think sadly creativity and innovation have been conceived as difficult, impossible to do concepts. As a result people lower in the organisation feel detached or incapable of providing it (creativity). And that is a problem- a big problem.”

Creativity is needed at every level and every dimension within an organisation, i.e., it should be taken to be the responsibility of every functional discipline, each team, and each and every individual regardless of what they mainly do in the organisation. Not necessarily about new products, new services or processes, as is sometimes viewed. Dr. Tracy Eastman (2002, Appendix 4:24), who has been working on the big project of setting up the IT system for government hospitals in The Western Cape department of Health, says that she does not have time to reflect on anything. That there has not been time since when the system went live, that she is busy most of the time and cannot find time for creativity.

*"...so for the last two years I have been completely focusing on the system and trying to get the system go live."*

She says that because they have gone live she will take two months of leave and step back from the whole thing (project) and reflect on the problems and achievements. She conceives creativity as a process, action which needs special time and environment, but this may not always be the case. Creativity can take place any time and in any place. Taking time out of work however, may give a person more concentration and more reflection, thus a big chance for meaningful creativity to take place.

Ideally, empowerment of employees results in increased initiative, involvement, enthusiasm, innovation and speed, which will support the company's mission. Defining and encouraging empowerment is the job of the leader. However, traditional leadership in a multi level organisational structure may be reluctant empowering their subordinates, with anxiety that ideas and initiatives from "below" may undermine their authority and ultimately their positions. Clear ongoing communication and commitment from top of the organisation down, can help to overcome this kind of struggle, as Nick Bicket (2002, Appendix 4:36) puts it: "...if you want to succeed you should strike out on new paths rather than travel the worn paths of accepted success"

It has been suggested that creativity can be encouraged to take place through assigning employees challenging responsibilities and seeking them to work together. The understanding is that, in a process of solving the problem they will be creative

and innovative. Davenport and Prusak (1998) in *Working Knowledge-How Organisations Manage what they Know* talks of “creative abrasion” which implies that intentionally combining people with different skills ideas and values can generate creative solutions. Richard Smith (2002, Appendix 4:1) says,

*“we actually say this is a problem which require industry input; it requires IT input, it requires HR input, whatever input it needs, put three people in the room together and figure out what the right approach is going to be through that. That is how we do it”*

Lois O’Brien (2002, Appendix 4:2), on the other hand says that they [whole company] spend the whole day brainstorming new titles, new ideas, and new thoughts. Robert Kahendaguza (2002, Appendix 4:43), has a similar idea, when asked how he encourages his employees to be innovative, he answers, “...by giving them challenging responsibilities and urging them to act as such.”

This takes us back to the need based approach to motivation, which concerns the desire to overcome obstacles, to exercise power to strive to do something difficult as quickly as possible. People with a high need for achievement seek fairly difficult but not impossible tasks. And these are people who will react positively to this strategy of “assignments”. Allan Shelly (2002, Appendix 4:33) says, “We believe that our performance is directly related to our ability to tap into our human potential”

On the other side there are leaders who believe that recognition will make employees creative, thus through making them aware that their actions or ideas are appreciated they will keep innovating. This school of thought suggests that other employees have to be told about these eventualities so that they can admire getting the same, if they become creative and innovative. Lyanga Mwapachu (2002, Appendix 4:10) says, “the first and most important [way of encouraging creativity] to me is recognition, write them and say congratulations for doing what you did and let every single person in the organisation know that. Make them feel good every time they get to be creative.”

Intrinsic motivation, relates with increased creativity levels. High level encouragement toward innovation, immediate supervisor encouragement, autonomy and sense of control, optimal challenges, and tasks matched to interests all positively influence intrinsic motivation. Organisations should seek to have their employees do what they love and love what they do. "...enthusiasm is the mother of effort, and without it nothing great was ever achieved", Wilfred Mmari (2002, Appendix 4: 32 2002).

Probably the combination of reward and recognition is the better way of encouraging employees to become creative. Human beings need both motivation and recognition. Undoubtedly, if reward and recognition are aligned properly, creativity can take place. Professor Douglas Pitt (2002, Appendix 4:14) talks about this approach:

*"I will have to say thank you very much and sometimes give them a little acknowledgement in a form of a small gift or whatever, from faculty funds. You see it is encouragement which is needed in these types of environment ..."*

Christopher Mlaki (2002, Appendix 4:9) has the same idea "...we have to acknowledge that... we write a recommendation letter and reward them accordingly"

Mike Thompson (2002, Appendix 4:30) believes that offering their employees trips abroad and publicizing the events will encourage creativity. He says,

*"...in a months time we will celebrate four people in The Cape of Good Hope Bank, and those will receive enormous publicity throughout the group and each one will go on the overseas trip – top class five stars overseas trip. By doing that we raise the whole awareness the need to perform for the rest of our staff members"*

Max Mathews (2002, Appendix 4:45) says, "...recently I offered a gentleman who worked successfully on a 17 million project in Claremont, a one month study tour at the University of Illinois, and I believe when he comes back he will wish to do even better"

These ideas, tally with E.L. Thorndike, a psychologist who formulated “the law of effect” which posit that behavioural reactions are acquired when the consequences are agreeable and are not learned when the consequences are not agreeable.

Steve DeBeers (2002, Appendix 4:3) highlights the danger of administering rewards in this form:

*“...when somebody does something really well and they get noticed, that person will be rewarded. We had the policy of an employee of the month ... but it tended to be the same people won it all the time. Once a person gets inspired to do, he is recognised, he has got the badge, it motivates him to do better, and others couldn't catch up”*

For that reason, the intention of letting others see and copy is not realised. In other words one may say that it plays a negative role of discouraging those employees who are originally not creative. Elaboration of this idea, may come through discussing Victor H. Vroom's theory of “expectancy” which states that motivated behaviour is not only influenced by the outcomes of behaviour, but also by the extent to which the individual believes that behaviour will have particular outcomes. Vroom maintained that Expectancy in conjunction with valence activates and sustains behaviour.

Valence refers to the relative attractiveness that outcomes have for the individual, i.e. an outcome has positive valence if the individual prefers to attain the outcome rather than not to attain it. Organisational leaders need to come up with appropriate mechanisms to encourage creativity, which may be contextual. Behaviourists tell us that behaviour may cease to occur when reinforcement is withdrawn or perhaps never given at all. Learned behaviour will continue only if the person is being reinforced.

Through reflection creativity will take place. Reflection will only be possible when there is space and time for it. This has been a problem especially these days when people in organisations are quite occupied and as a result get very little time if any, to reflect. Additionally, organisations should permit their employees to create the plan to get from point ‘a’ to ‘z’ rather than dictate everything, step by step, because in the process they may spur an average employee to new heights of creativity and accomplishment (Bergh and Theron, 1999). People should be allowed to do what they most enjoy. It remains to be a challenge to management to make time and space

possible for employees to be creative as Ian Burke (2002, Appendix 4:41) suggests: “Creativity requires reflection time and therefore employees have to be given time and space to do that, in terms of time management and waste management I will give you an example...”

Leaders should also reflect and set examples for others to follow. Rev. Mmari says that he reflects on his own creativity together with his tight schedule. He took this further to say that, he takes time out to talk to himself, and in conclusion the Reverend says, “I have silent minutes almost every morning to look ahead and trace my actions, my thinking, my attitude, my relationship with others and all that. We cannot expect our staff to do things that we are not doing. During my weekly retreats I do a lot of reflections as well” (2002, Appendix 4:32).

Peter Major (2002, Appendix 4:22), says similar words: “To me you better set good example... people look at you, you are old so be a player, just like playing rugby, run get the ball and then run and score. You do not have to stand while the rest are running – we have to keep refreshing our minds to cope”

Together with the importance attached to creativity in businesses, organisational members need not to overdo it. Lois O’ Brien (2002, Appendix 4:2) suggests that meaningful creativity should be market lead. Equally, Nicky Bicket (2002, Appendix 4:36) had this to say in conjunction with Lois’s point of view: “There have been a lot of interventions since Maslow, and if you do not have a strategic framework, to be able to filter through the pool of ideas and pick what is good for Old Mutual, and what is consistent with the organisation; avoiding jumping from one idea to another...”

### **Failures**

Some companies are extremely cautious not to make errors and some are so shielding that they spend an enormous amount of money, time and human effort to research plans thoroughly in an effort to avoid mistakes. Regardless of these efforts mistakes will still happen. It is sometimes through trial and error that people come up with brilliant ideas and in trying we will sometimes fail. The fear of getting it wrong, loosing face, making a fool of oneself can block creativity. There should be freedom in organisations to fail. Michael Fuller (2002, Appendix 4:31) is of the idea that

encouraging failures will make his employees creative. He is the only CEO of a reasonably big organisation who was dressed casually in the working environment. He also gave a surprise invitation to a newly employed gentleman to give his views on the involvement issue during the interview. This, in a way, signalled transparency to the researcher. However, it can be said that although organisations need not to be very strict and adopt the punitive approach to failures, some initiatives should be thought of when failures occur. It should be a process rather than an action. Flexibility should be the bottom line in most cases. Nashon Mtembei (2002, Appendix 4:38) put it this way: “first of all we make sure that we train and train, secondly we create a comfortable working environment and provide sufficient tools. Whenever we fail we go back and ask ourselves questions and make a close follow up of where things went wrong. When that is successfully done, then it becomes easy to provide the treatment. We discourage jumping on blame and defence type of strategies which in my experience can be harmful.”

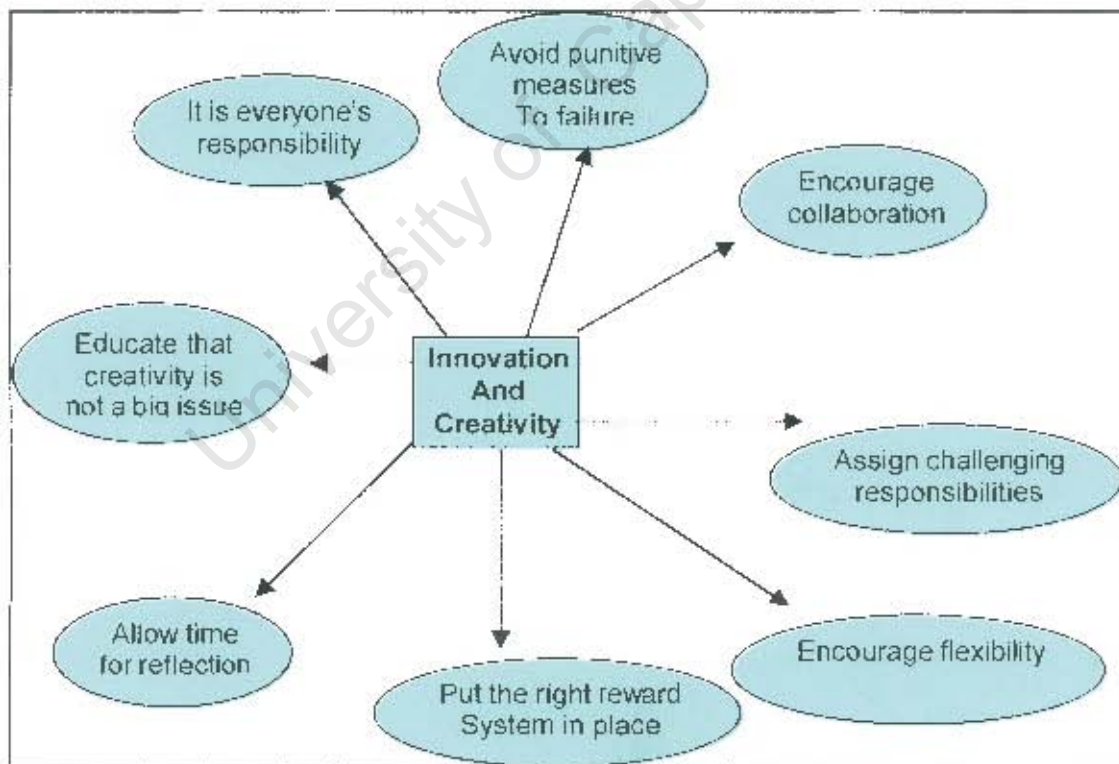
Thomas Kabaka (2002, Appendix 4:12) gives an intriguing example from the Tanzanian context, which to me is a reflection of what is really taking place in most organisations, although other leaders did not prefer to talk about it. He is transparent, and he says,

*“We miss the culture that failure is not the end of the world. We most of the time think that failure is a result of incompetence, negligence, poor concentration...that is not true always. People sometimes try hard but still fail. It has been a very unfortunate trend whereby failure of the executive is perceived to be failure which happened accidentally and the failures of the people lower down the hierarchy is negligence, and sometimes we believe that we have to punish them”*

He explained that people at the management level tend to favour ideas that benefit them individually or as a small group of people and pay very little attention to ideas which can be tools to transform his organisation and make it a very profitable institution. He is turning TRC into a profitable organization compared to how it was, before he took over. The experience with other leaders is that of expressing everything as positive as possible, regardless of what is exactly taking place.

Bringing together people with different knowledge and expertise is one of the necessary conditions for knowledge creation. Nonaka and Takeuchi talk of “creative chaos” which implies the value of having a larger, more complex pool of ideas to work with. Their assertion suggests that a little creative chaos may be useful in knowledge creation. This idea is supported by Professor Beda Mutagahywa (2002, Appendix 4:21): “we have a culture of working together as a team and helping each other, that to my experience has helped to minimise mistakes - because we are in the technical area, we have to try and minimise our failures or else we will jeopardize our reputation”.

There can be no teamwork without a clearly defined and articulated common understanding and purpose. Truly the Japanese saying that “*none of us are as smart as all of us*” says it all. Creative workers who are willing to work together and succeed are very much needed in organizations. “*I could use a hundred people who do not know there is such a word as impossible*” (Henry Ford)



**Figure 11: Various Elements of Creativity**

## **5.8 ENABLING TECHNOLOGIES FOR KNOWLEDGE SHARING**

### **5.8.1 WHY TECHNOLOGY**

Technology makes knowledge management more effective. These technologies can be used as tools for: discussion groups, data collection, building databases, and for retrieving or accessing data from the internet. They can also help as tools for sharing documents, for synchronous communication as well as for online courses. Lois O'Brien (2002, Appendix 4:2), says that technology is a way of life, that it is not nice to have but a must to have. She confirms that her company spends a lot of money on technology and that they invest on it. Ali Omar Ali (2002, Appendix 4:37) says that with the changes taking place there is no way to expect people to work effectively without these technologies for knowledge management.

Technology tools for discussion group range from simple email and mailing list server programs, to web-based tools that support topic-oriented discussions or threaded discussions, to integrated groupware. Through these technologies, emails are sent and received and circulated within and outside the organizations. Christopher Mlaki (2002, Appendix 4:9), says, "...everyone here has got an access to emails; our employees can also look for information from different sources from the internet". Technologies in today's organisations are part and parcel of organisations themselves. Dr. Tracy Eastman (2002, Appendix 4:24) says that emails have been very instrumental in her work. She believes that although it may be tedious to go through all the emails (receives 50-100 emails a day) she is in position to make decisions relying on them. "...so by the time I get that for my meetings, I can see the original email and all the responses to it, I can therefore read the whole thing and see what they have done and if they need advice. I will then say something like 'what Wendy said sounds like the best solution'" She says that she will have to come in at the end of everyday to make sure everything is alright. For her case technology has made her work easy in a way, considering that she (as most executives) has tight schedule most of the time.

Dr. Bernadeta Killian (2002, Appendix 4:20) published academic papers with colleagues in The USA, Poland and UK whom she never met face to face before.

Emails however, have to be used appropriately for their effectiveness, because they can sometimes be cold and impersonal. On top of that they may hinder the social aspect of life and cause information overload in organisations. Sue Kleinschmidt Page suggests that we have to send emails to people when we believe it is important to do so. She believes that discussing with people physically can sometimes be the best solution as compared to sending emails. Professor Douglas Pitt (2002, Appendix 4:14), says, “it is amazing what you can do with emails...and you end up with technology determining the pattern of social relationship...technology should not play part in social dynamics”, he also wrote a book with another academic in Hong Kong, who never met him face to face, through emails. Raymond Ackerman (2002, Appendix 4:29) is not happy with the email technology because he believes that emails are not better than talking to people face to face, and that, that has nothing to do with his age. He concludes “I hate piles of cold emails, they switch me off”.

Technology can be used as a tool for building databases. Lotus Notes for example is a document database that can store and manage collections of data of many types, such as spreadsheets, formatted text, Web pages, graphics, linked or embedded objects, and multimedia objects such as scanned images and faxes, voice/sound, and video. Notes incorporates a full text search engine to allow users to index and search documents based on user queries. It is a hypertext-based system, so that one document can contain a link to another document in the database or to documents stored on the World Wide Web. Individual users can create links from one page to another using a single mouse click. Peter Major (2002, Appendix 4:22) says that all files on the database in his company can be accessed by any other member of the organisation whenever needed. Geoffrey Kasimbazi (2002, Appendix 4:8), says that they have a database where they post all important documents for the organisation to help them when problems occur and for future reference when he and his present team members will not be there. This is a safe and reliable place where information is stored compared to information kept on say, pieces of paper.

Steve DeBeers (2002, Appendix 4:5) says that Metro Cash and Cary have a most comprehensive data warehouse in the country and that they know at anyone time what product goes through a till at what time through what cashier. This kind of operation minimises shrinkage. Michael Fuller (2002, Appendix 4:31) says that his courier

company offers customers the search access option to check and trace their sent parcels, to see where they are in the world. Richard Smith (2002, Appendix 4:1) says that he cannot think of the single job - however small, which they (Deloitte Consulting) do without drawing on their global experience. Depending on the operations of the organisation, technology and for this case database, may be used differently depending on what an organisation core competence is.

Technologies can also be used to retrieve and access data from the internet. Users enter keywords or a question and the results are returned, sorted with the best matches at the top. Individual search engines and Web guides include AltaVista, Yahoo, google etc. The retrieved information can then be used as learning material. Ian Burke (2002, Appendix 4:41) says that DURAM learnt from the internet the best distribution methods. The warehouse man used England and USA as examples of how companies have evolved the distribution network, and they implemented the learnt distribution methods. A technology company would have charged them a lot of money for such a service. Proper management is needed with this technology which retrieves information from the internet, because if not well managed it may consume too much time of the staffs who are interested in these exciting and educative technologies.

There are also technologies for synchronous communication and online courses, whereby people in organisations can communicate with others face to face or follow on a course. The immediacy in synchronous communication increases the quality of online collaboration. Three technologies that support such interaction are online chat, videoconferencing, and shared whiteboards. With a camera attached to their computers, participants view one another as the discussion takes place.

Videoconferencing ranges greatly in setup and quality. This tool is not well represented from the sample for this research. It is evident however, that big organizations use this tool. E- Learning has brought effectiveness in addition to cost savings. Richard Smith (2002, Appendix 4:41) says that Deloitte has opted for e-learning because, as an international organization with employees all over the world, e-learning is comparatively cheaper as compared to classroom learning.

### **5.8.2 PROPER USE OF TECHNOLOGY**

Emphasis has been put on the proper use of technology. Thus, together with the advantages there are shortcomings accompanying technology. Allan Shelly (2002, Appendix 4:22) says “these have been mixed blessings as the proliferation of, software claiming to make life so much easier, is very often the bane of our lives. The volume of electronic traffic, unless properly managed, can also outweigh the benefits in many ways; the challenge is to harness these very powerful tools to best advantage”. Professor Nick Segal (2002, Appendix 4:27), also highlights on the importance of backing up technology. He says “Technology is brilliant but it is never sufficient...”

Dr. Tracy Eastman (2002, Appendix 4:24) suggests that technology should be used appropriately otherwise there is no need for it. Some people are now not doing as much as they should be doing; expecting technology to do wonders for them, they are wrong - technology is only a tool to help you do your work effectively and efficiently. “Your head is a better computer” - Lyanga Mwapachu (2002, Appendix 4:10). The understanding that people are critical for these technologies to be beneficial to individuals and organisations is very important, because lack of people directly mean lack of technology, technology work hand in hand with people. People develop, manipulate, and manage these technologies.

### **5.8.3 INFORMATION OVERLOAD**

The acceleration of change is accompanied by an increase in the information needed to keep up with all these developments. This too leads to psychological, physical and social problems. A world-wide survey (Reuters, 1996) found that two thirds of managers suffer from increased tension and one third from ill-health because of information overload; and this was six years ago, it is possibly worse today. Other effects of too much information include anxiety, poor decision-making and difficulties in memorizing, remembering, and reduced attention span (Reuters, 1996; Shenk, 1997). These effects merely add to the stress caused by the need to constantly adapt to a changing situation. Although some people have an idea that there is nothing like information overload like Lois O'Brien (2002, Appendix 4:2) who says that “in today's world one cannot have too much information and too much sharing...I do not think that this is excess, I think people are hungry and more and

more for more to learn, more to share”, reality shows that too much information is available in organisations these days. The lesson we may learn here is that we have to work harder than before and expect more information to keep coming, because, whether we like it or not, more information will keep coming. There are also leaders who say that information overload is “the cost of technology”, suggesting that so long as we are enjoying the benefits of knowledge management technologies, we should get prepared to suffer the consequences, get prepared to handle the immense amount of information coming in our organisations. When asked whether or not Tanzania Investment Bank has done something to curb the information overload problem, Christopher Mlaki (2002, Appendix 4:9), says “those are costs of technology”. There are many proposed ways of handling the information overload or excess.

The majority of leaders believe that screening and taking in information that the organisation needs is part of the solution, that there is no way we can attempt to know or take in everything. Elred Mang’wana (2002, Appendix 4:15) says “... you see it doesn’t help to put information out if people are not using it, you have to have the need to use it... you have to integrate that information you put out there with the work flow of the people”. This may contradict issues of “multi skill” and “multipurpose” employees, whereby employees are expected to be skilled in more than one job. Richard Smith (2002, Appendix 4:1) was told by a colleague that one of the ways to handle excessive emails problems is to delete every second email, assuming that if the deleted message is important the sender will resend it or phone instead of emailing. This is solving a problem by creating another problem, because one may delete a very important message which will never be resent. David Sineke (2002, Appendix 4:4) says that it is all about discipline, that although he receives a lot of emails he handles them alright. He feels that some people are lazy. His argument makes sense because information overload is a problem, and conditioning ourselves to work with information a bit harder may help. We should get rid of the phobia with emails!

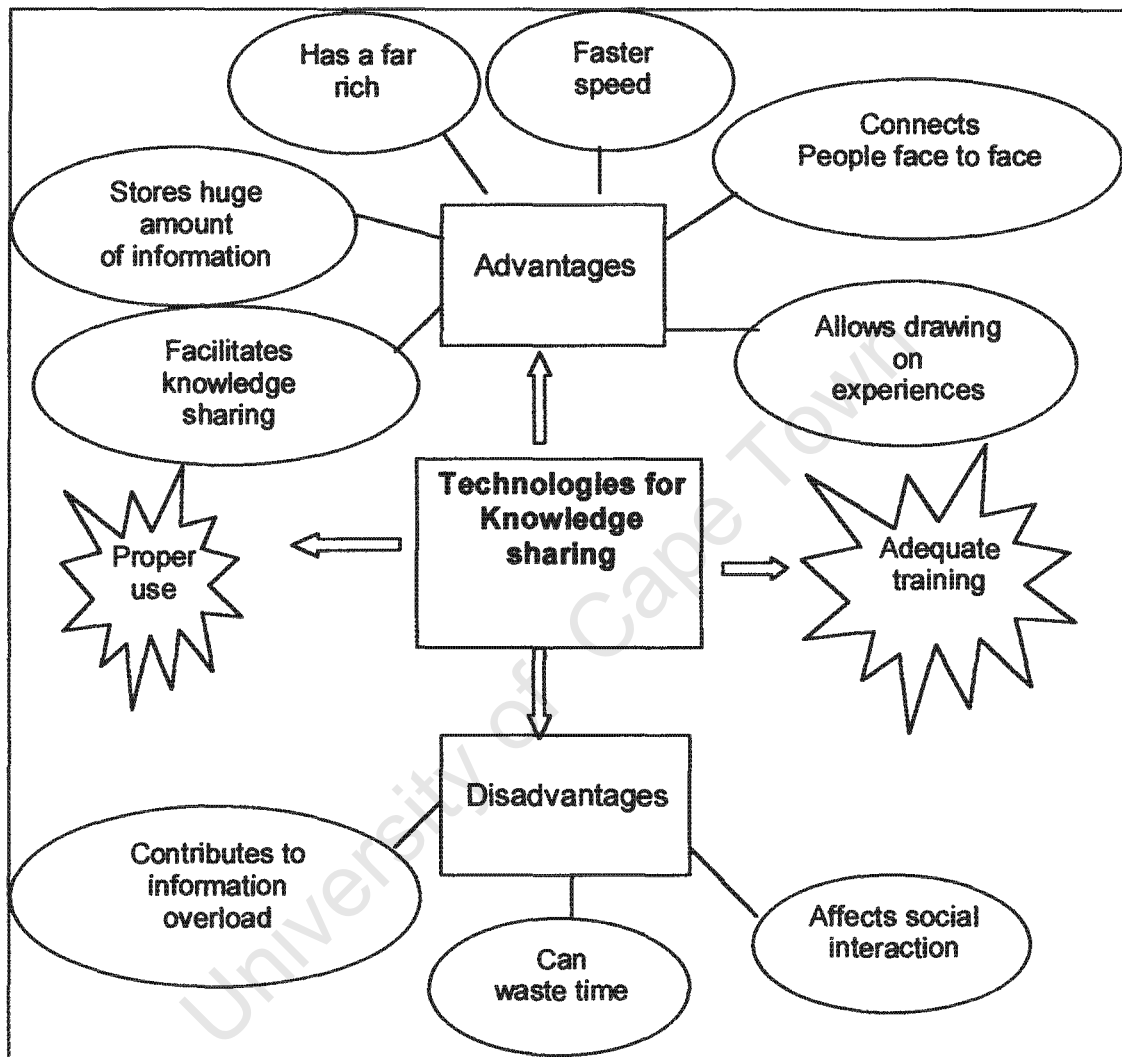
Raj Jaswa, CEO of software maker Selectica, deletes 80% of his e-mail without reading them. He suggests a strategy for getting through the CEO's e-mail clutter or anyone's clutter:

- Get the message across in the first two sentences.
- Get the name of the company or CEO you're approaching up high so that it's clear that the e-mail is not part of a mass mailing.
- Do not copy the e-mail to anyone else — again, to make it personal.
- Put the crucial point in a postscript (P.S.). Those always get read.

These ideas are shared by a good number of CEO's in organisations. They add the following: Develop an information management strategy that works for you, filter information, accept that not all pertinent data can be examined prior to a decision when data volumes are exceedingly high, attempt to recognize quality data, take control and subscribe to information groups and intranets which will send you what you need. Michael Fuller (2002, Appendix 4:31) believes that because he runs a decentralised company, information overload is not a problem to him as such. Esther Benedict (2002, Appendix 4:23) believes that users have to know that not all information can be turned into knowledge, thus, take in what they think will be useful.

#### **5.8.4 TRAINING FOR TECHNOLOGY**

Because changes are taking place all the time, and technologies are changing with changes taking place, there is a need to equip employees with adequate skills to work with technology or else we are taking a big risk. Technology may not be easy to handle. Christopher Mlaki (2002, Appendix 4:9) believes that training employees in the computer area to use the available facilities is very important. Geoffrey Kasimbazi (2002, Appendix 4:8) who admits that his organisation hasn't done enough regarding technology, supports this idea, he says that lack of training may make it difficult for them to handle technologies. The speed of technological changes is far too high, and this makes it very difficult to cope. By the time employees are trained to cope with certain developments, new technologies are in place already. Training for technologies should therefore be a continuous process, if organisations wish to work comfortably and harness the technologies.



**Figure 12: Advantages and Disadvantages of Technologies for Knowledge Sharing**

## **6. INTEGRATIVE FRAMEWORK FOR DEVELOPING LEADERS WHO ARE COMFORTABLE AND EFFECTIVE IN THE KNOWLEDGE ECONOMIES**

In today's Knowledge Economy, it seems skilled and admirable leaders, left and right are becoming scarce. At the same time, the increased need of leaders who are capable of bridging the gap between goals and needs becomes inevitable as the changes keep reshaping the leadership models that were previously applicable. Organisations are challenged to seek competent leaders and continuously develop them, for present responsibilities and for succession plans for the future.

The first step, in the effort of developing leaders, seems to be organizational shared understanding of what effective leadership in the Knowledge Economy should look like. Also, organizational processes and systems have to be considered, for organisations looking to develop their leadership pool. Without clear formal process, it will be complicated to develop leaders because leadership development is not “built in” on systems and practices of most organisations.

People-management skill is number one success factor for leaders. At all levels in the organisation, people management skill is considered to be the main and important driver. Additionally, the higher the level of management, the more important leader's personal characteristics become. It is evident that leaders, as it is with other employees of the organisation have to be developed throughout, so that they can perform accordingly. Consequently, there should be a positive process to occur when people at all levels are mutually engaged in helping their colleagues learn, grow, and achieve their objectives.

Leaders should be made aware of the importance of the Intellectual Capital in organisations, thus, understanding that there is a shift on the reliance on tangible goods to reliance on intangible goods, they will be able to pass this strong and needed message to their subordinates. The understanding that, the individual expertise, creative capability, leadership, entrepreneurial and managerial skills of each employee make up the collective brainpower that go into organisations' every day decision-making, and that the collective brainpower will make organisations successful,

is needed by leaders in Knowledge Economy organisations. There must be a process whereby everybody teaches and everybody learns; where practices, processes, values all promote learning because interaction generates knowledge. Indeed the environment where there is maximum use of everyone's skills and talent.

Competent employees are needed more than ever. Organisational leaders have a role to play to make sure that employee's training and development take place at all levels because an important aspect of leadership is the ability to develop capacities in others, as opposed to the common idea of a strong leader who takes over and directs the activity of followers.

Leaders should help their employees through coaching and mentoring and above all to set aside funds to make training plans possible. There should be a link between organisational strategy and Human Resources strategy. These issues may not be taken seriously or make good sense if they are not made clear to organisational leaders through training. Formal and informal education, are therefore not for employees only; it should start with employers because they themselves need awareness of some issues in their organisations. People are organisation's true and only wealth, thus, the people you retain, and their knowledge, is what makes or breaks your business. They will also determine the positioning of the organisational leader.

Formal and informal networks are critical in organisations. Not all leaders have a clear understanding of this aspect, and some have a misconception of it. The business challenges ahead of leaders are huge and networking is an immediate teacher. On top of that, some leaders understand networking and social capital, but miss out on the understanding that it is a subject needing much effort and planning for the organisation's life. An informal network is so important to subsidise the formal network.

When leaders have understood and put into place the culture for knowledge sharing, it becomes easy for them to run their organisations. Although it is never easy to change the existing cultures, there should be endless efforts when it gets difficult for the organisational leader to change the culture from less desirable to desirable. From the research findings, it is clear that recognition of the importance of developing leadership talent within the organization does not automatically translate into making

it happen. While nearly all interviewed senior leaders agree that their company cultures support learning and development, few of them have created and communicated a leadership strategy within their organisation.

Leaders of the Knowledge Economy need to understand that, people in the organisation should get connected. Dialogue, Conversation, and Storytelling are among other things, tools for connecting people. If in between there exists a gap, that gap will have negative effects on the organisation. The organisation may fail to operate effectively and end up falling apart if the gaps are not identified and bridged. Storytelling is unrealised powerful tool which needs strategic implementation in organisations regardless of their industries.

Awareness on creativity and Innovation is vital and needs to be encouraged and employed. If leaders can comprehend that creativity is not a big issue and that it should be expected from every individual in the organisation, organisations will survive and prosper. They will enjoy multidisciplinary collaboration and the vision of a bright future for all stake holders. Leaders need to understand that structuring the creativity team, in such a way that their roles do not appear at the centre of its workings is important. In so doing, it ensures a removal of hierarchical structure, a feeling of freedom amongst members, and the ability to accept credit and blame equally amongst them, this will lead to the team working in a more effective manner. Also, the reality that failure is part and parcel of daily work of employees, need leaders' full awareness. Punitive measures should be avoided for a creative and innovative culture.

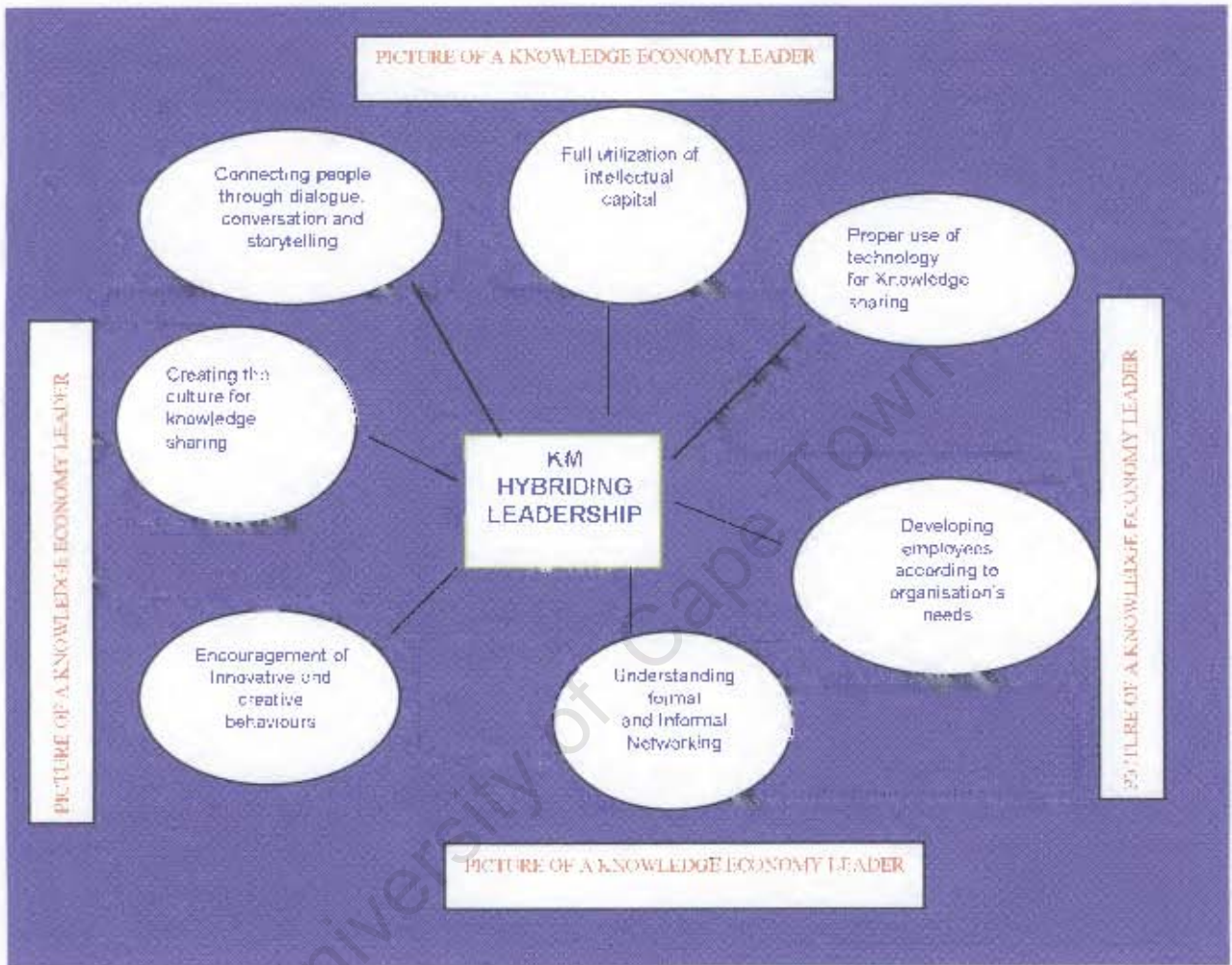
Finally, leaders, especially of the African continent, have to be made aware that technologies for knowledge sharing are important and there is no way it can be neglected or be partially instituted. These technologies add a lot of value to organisations by making the right kind of information available to the right people within the right context at the right time when they need it. However, leaders are challenged to make sure they choose and use it appropriately. When technology is not used appropriately it brings in information overload and determines human social interactions. It is therefore very important for leaders to first of all get proper training for the proper use of these technologies, also to continuously train their employees for

proper use of these technologies. Knowledgeable and creative IT personnel should be put in place to effectively monitor the use of technologies in organisations.

Effective leadership development should be focused on helping organizations capitalize on the true potential of their people and their collective organizational knowledge. This should then lead to the creation of an environment that can share knowledge and information through technology and people, remove the stumbling blocks that hinder true organisational unity, improve team collaboration and increase profitability.

Leaders of the 21<sup>st</sup> century are leading with tremendous challenges and have therefore to be developed to get equipped with the right tools to help them lead effectively. They will need people management skills like communicating expectations, inspiring others etc., as well as proper personal characteristics like adaptability, flexibility etc., which will open their eyes, and enable them to lead with knowledge. Figure 13 below adds light to this framework.

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**Figure 13: Knowledge Management Leveraging Leadership**

## 7. CONCLUSIONS

*“The only irreplaceable capital an organisation possesses is the knowledge and ability of its people. The productivity of that capital depends on how effectively people share their competence with those who can use it”.*

*-Andrew Carnegie*

To let people talk to one another, “access each other”, share their experiences, hasn’t been easy in organisations. The nature of jobs that people do, which in most cases are too demanding, and the importance that organisational leaders attach to it, contribute to a problem. It is not enough to have people who possess the intellectual capital which is hard to purchase in the market. If these people do not get opportunities to effectively talk and listen to one another there will be no knowledge transfer. The recognition of these hidden assets and their proper utilisation has always been a problem. It is now that leaders of organisations are starting to be bright eyed to see the evolving knowledge and critically thinking strategically on how to manage it.

Knowledge is shared in organisations. That is how organisations get their lives: people asking their colleagues how to handle certain problems, what to start with, how to finish something, write an introduction or conclusion of the report etc. This process does not necessarily need to be managed but the recognition that it is there and an ability to remove stumbling blocks that limit it, is crucial because it is fragmentary. How does one get hold of the right person with the knowledge needed is a difficult aspect, because not that person next to us will have a solution, an answer, or help. How much will be asked from that person and how much will be offered are all dependent. With the majority of the researched organisations, there hasn’t been enough effort to uncover value creation paths and forgetting the past. To get to the level where people pick up projects where they are left by others, where employees leave but no impact felt on the business, also, for new employees to cope quickly as they join new organisations or start on new projects.

Leaders should understand the challenge for today's organisation in trying to manage and create information and knowledge, which is to develop the processes, structures and infrastructures which enable dynamic value added interaction between the "objects" and process perspectives.

Competent employees are needed in today's organisations. Leadership has the critical role of properly selecting and training according to the needs of the business. There should be an alignment between human resource and business strategies. Some organisations still train randomly with a belief that every piece of knowledge is useful, but this may not be the case always. Moreover, employees rely very much on certificates, believing that certain qualifications can do certain jobs. There should be assessment before and after training, and the objective should be to train at all levels - in classroom, on the job and through e-learning depending on the size location, industry, funds available and several other aspects deemed important. Emphasis on creating a more self organising organisational structure as opposed to hierarchical structure is believed to be a vital strategy for knowledge to move freely in the organisation.

Groups in the organisation are important in the dissemination of knowledge. Groups should be encouraged to create common ground through education, discussion teaming and job rotation. People will then feel like having the same culture and speaking the same language thus work together as a real team. Much is said about making times available and establishing places like galleries, common rooms and recreation halls but not much on informal places is seen in most organisations – it is not considered as important as it really is. Letting people work on different projects together where they will have space and opportunity to work with others is the common means of knowledge transfer. The larger and more complex the organisation is, the less likely it will be for members to find an expert closer to where they are or exactly where they are. Equally, with greater size there is a bigger chance of locating the knowledge we need when right mechanisms are in place. Groups will be effective if and only if, people in those groups have been made aware of the role they have to play in society, in organisations and as individuals. Leaders have to try and make them aware of these responsibilities. What is currently done is

not enough, more effort should be made. Talking about it alone will have little impact, if any.

Cross cultural networking in the African, and more specifically South African context is critical. Storytelling can play an important role, and where it is difficult perseverance needs to be there all the time - storytelling should not be an alternative but a necessity. Spontaneous unstructured knowledge transfer is inevitable and will lead to organisation's success. Knowledge management should not be misunderstood to mean formalised transfer; it has an essential element of developing specific strategies to encourage such spontaneous exchange. It has been emphasized that informal settings have tremendous effect to knowledge transfer and sharing, and therefore should be understood and encouraged and made possible by leaders throughout. They help to limit the hierarchies, which to an unrealized level limit the free flow of knowledge in organisations. Although significant efforts are seen in organisations to flatten these hierarchies, it remains a biggest block especially from a Tanzanian perspective. Steep hierarchies should be discouraged all along. Networking at all levels is so important although some few leaders are still reluctant with the argument that their companies have to be models themselves while others believe that they have to concentrate with their own organisations because others may not add value to their businesses. Quantifying what is achieved through networking can not be done easily, and that may cause the identified reluctances, human nature forces us to value the immediate, the tangibles.

For mechanistic organisations, it has been difficult to make a shift to become a networked and interwoven organisation where knowledge can circulate freely. Most of us are comfortable in our comfort zones, to where and what we are used to. This is a limitation, it leads to underutilization of knowledge available in and outside our organisations, and leader's development and growth is consequently limited if not made impossible. This same fear is what prevents us from accomplishing what we are supposed to do in this planet and particularly in this beautiful continent of Africa. There is a need of leaders and employees in organisations to feel comfortable with changes, to wake up and believe that without continuous and sometimes radical changes there will be no survival in this new economy. To understand that the intangibles are rapidly replacing the tangibles, and that our knowledge is getting

eroded with these changes, we are obliged to work together more effectively with an understanding that “sharing knowledge is power” paradigm has replaced “knowledge is power”. Leaders are required to not only pass this message but lead by example, and change constantly.

Transformational leaders who are courageous, who believe in people, who will have their heads in the sky, who have the ability to handle complexity and uncertainty and who are driven by a strong set of values are needed to help organisations’ transformation. Words without actions will not rescue our struggling continent. Today’s organisations, in both developing and developed world, need “enabled leaders” who are capable of understanding the strategic relationship between knowledge acquisition and business processes and functions that will support and facilitate employees to acquire and share knowledge.

The trust which is very much needed for employees to share information and experience, their joy and anger, is not given to employees as it is supposed to be given. In Tanzania this situation is worse and very little seems to be taking place to change the situation. Hierarchies are still escalating although leaders talk of involvement, inspiration, and stimulating others intellectually. The understanding is that, they feel the need to do so but their mental models keep prohibiting them. With time they will have no choice but to do what they say. With globalisation, where leaders get involved with different international groups, where they are obliged to benchmark, where they learn in almost every business course, seminar, workshop about these issues of proper leadership style, leader - subordinate relationships etc., these changes are likely to speed up; and they have to speed up. Leaders should be willing to share the load and actively convince the rest to share happily and freely - to quickly move forward. Laws governing every aspect of life directly affect leadership. To live and co-exist with each other, these laws have to be respected and changed accordingly. We have the responsibility of creating a knowledge sharing culture. Each and every individual in the organisation has a role to play. That does not mean suggesting a huge idea; it is involving others with little things that we do and seeking to know from them almost always.

Communication is the huge tool to make organisation's ends meet. It has to take place throughout the organisation and it has to be two ways. It is a learning tool and it connects top bottom and bottom top although bottom top is not as smooth as it is mostly thought. Communication has to take place throughout the organisation, and all forms of communication are important depending on the context. It is important to carefully choose the most effective way of communication in different contexts because inappropriate choice may cause unnecessary problems, especially when face to face meeting that builds relationships and trust in the organisation is required, but other forms of communication to be used instead. Face to face is the most powerful way of communicating sensitive, important and delicate issues. Leaders have to minimise gaps which tend to exist between them and other members of the organisation by improving their listening skills and showing employees that they are valued. Leaders admit the existence of communication gaps, and admit that the impact is bigger than it can be imagined.

Organisational survival is dependent on new ideas from organisational members. Employees should be encouraged and treated to be creative. Creativity is not a big issue. It is simple; it happens all the time consciously and unconsciously and should be understood by all people in the organisation, not managers and executives only. It is not specialised like belonging to the Research and Development department only. Leaders deliberately make efforts to let creativity take its course. Some of these efforts are: putting people together like on projects, giving people challenging assignments and responsibilities and rewarding them appropriately. Indeed how well knowledge champions are encouraged to develop, supported, positively challenged, and their ideas utilised depends on their point of view and the concurrence of what they portray as well as the existing value system within organisations.

Failure goes hand in hand with creativity. Tolerance of failures and need for help is important and can be done through accepting and rewarding creative-non life threatening errors. With failures, careful post mortem of the problem is needed, whereby proper treatment for different failures follows. Failure to do that may result in making people loose status because they do not know everything - especially people down the ladder. Collaboration and giving employees a sense of responsibility helps to minimise failures and is strongly encouraged.

Technological changes taking place in organisations necessitate knowledge management technologies which stokes the knowledge fire. These technologies have a range of functions like, discussion groups, data collection, building databases, accessing and retrieving data from the internet. Others are for sharing documents, synchronous communication and online courses. Different organisation utilizes different technologies according to the need and the financial situation of their companies. While some are just reluctant to invest deeply in technology, others have invested much in technologies. Tanzanians have seen the need and are obliged to go for technologies. They are laying the technological foundations for these technologies. They are busy establishing internets, intranets and websites. Those who do not have the access within their organisations, have the option of using internet cafes which are available in towns and cities, and are affordable. Together with its usefulness as noted earlier, if not carefully utilized technology may determine social interaction which is badly needed especially in Africa.

Technologies have come in with information overload which is viewed as a big problem in most organisations. There are few exceptions of leaders who still believe that there is no such thing as information overload. They have probably misconceived the problem, or else they have the right tools to process the information coming in the organisation. To screen and take in what is needed, like through subscribing to intranets and other information providers who will send what the organisation needs is also seen as a solution to the problem. Information overload caused primarily by emails, can easily be minimised by starting the initiative ourselves, rather than putting the blame on others: sending email messages only when necessary, and being very brief and by encouraging others to be brief when sending emails. Additionally, training for technology use, is understood to help the proper utilisation of technologies. It has been shown that with some companies, available technologies are not well utilized, yet companies are in the move to purchase more sophisticated technologies. Proper technology training which will assist in utilizing the available technology is important before thinking of expanding and purchasing advanced technologies (which are quite expensive) for knowledge sharing.

For Knowledge Management initiatives to be successful and meaningful, a leader has an important role to play. Leaders have the ability to take their employees where they want them to be, to show them the right ways. Leaders have therefore to be ahead always, the move which starts with the understanding of our respective roles as leaders of the twenty first century.

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## APPENDIX 1

### PRIMARY QUESTIONS FOR INTERVIEWEES

- 1) What are the processes employed for developing your employees? How often are they reviewed, and by whom?
- 2) How are your people/human strategies aligned to your business strategies?
- 3) In which ways are employees encouraged to share and transfer skills and knowledge?
- 4) How would you describe your personal stewardship function as an organisational leader (i.e., entrusted with the sustainability of a viable organisation and workforce)?
- 5) What do you think are the key enablers, on the one hand, and key stumbling blocks/inhibitors, on the other, to organisational transformation in your organisation?
- 6) What do you require from your employees in helping craft transformational futures, and how do you ensure buy-in and cooperation?
- 7) What is your role in ensuring that your employees get connected to the right social networks to be effective and successful?
- 8) What would you describe as the most important social networks for leaders such as yourself, and how is access ensured?
- 9) In which ways are both formal and informal communities of practice established and integrated into the activities of the larger organisation?
- 10) What are some of your methodologies for creating the required culture, to embrace your company's future desired state?
- 11) What is the role of leadership in ensuring a culture of learning and knowledge sharing?
- 12) What technologies are employed to ensure employee buy-in into the organisational learning culture?
- 13) Are there forums and processes for employees to share their personal- and work experiences, as well as their stories?
- 14) What, in your experience, have you found to be the most effective ways of communicating with all members of your organisation?
- 15) In which ways do you encourage both personal feedback to yourself from employees, as well as between employees?
- 16) In which ways are employees, across the board (lowest to highest level in the organisation), encouraged to be creative and innovative?
- 17) What is your personal role in encouraging this, and how (and when) do you personally reflect on your own creativity?
- 18) How do you, and what is done to, encourage and motivate your employees in cases of failure?
- 19) In which ways are technology used to encourage information-and knowledge sharing in your organisation?
- 20) What does your organisation do, and how you go, about addressing the information excess or overload in the new global economy?
- 21) In which ways have technology enabled employees to work smarter and more effectively? What else can be done?

## APPENDIX 2

### FEW CONCEPTS AND IDEAS FOR SECONDARY QUESTIONS

- **Co-workers with complementary knowledge sometimes will form a self organised group, through communication with each other, about their experiences, common work practices, interests and aims. Are there such groups in your organisation? Are they beneficial to the organisation? If yes how do you encourage such groups?**
- **Are there processes for coaching and mentoring employees in your organisation? How are they done?**
- **Would you interact with all your employees across the board in the same manner, or may be you will behave differently with senior colleagues as opposed to staff on the shop floor? Do you believe that getting closer to junior employees may minimise their respect to you?**
- **Some senior leaders believe that social networks have no contribution to their business. They would prefer to concentrate with their own businesses rather than establishing those networks, what are your ideas about that?**
- **How do you relate with other employees of this organisation? What impression would you like to give your employees?**
- **What do you think of the expression that “organisations in the new economy are changing from well structured and manageable into interwoven network system with blurred boundaries”? What do you think will be a proper approach to manage knowledge creation and transfer in this era of uncertainty and complexity?**
- **What are your views on the operation of feedback systems that drive an organisation and the patterns of behaviour that those feedback system produce? If those feedback systems exist in your organisation what role do you play in initiating and maintaining the feedback systems? Do you believe that they are a result of informal interactions and communication between people?**
- **Do you believe that storytelling envisage performance in your organisation. Will you agree that successful strategy emerge from the complex interaction between people in organisation?**
- **For organisations to survive in the very competitive environment where they operate, creativity is viewed as a strong tool. What role do employees at the shop floor play in making this possible? What would you consider a creative idea? Does management creative ideas enough to run the business?**
- **Mentoring and coaching need skilful person to be effective. What does your organisation do to help those who will perform that crucial role?**
- **Technology plays crucial role in knowledge and information sharing. Do you believe that putting a lot of emphasis on it will diminish the social interaction in the organisation? How do you strike the right balance in this information economy where we are hungry for more information all the time? Is there a possibility of technology replacing people abundantly in the future?**

- **As a human being you have weaknesses and strength. As a leader can you think of some of the weaknesses and strengths that you have? How do you relate those with your performance as a leader?**
- **There is a natural gap existing between senior leaders in organisations and other employees. This gap limits communication between these groups and is therefore perceived to be dangerous in organisations. What has your experience been like, in the organisations you worked with?**
- **Some employees have the view that sharing what they know is loosing their power because what they know is their employability. Does this statement hold some water? Is there leadership style which will help in such situations? What will that be?**
- **The coming of IT has tremendously made us come across excessive information: useful, less useful and useless. There are also cell-phones, faxes voicemails and many other modern tools for communication. Proper tools to process the information coming in the organisation are badly needed. What do you have to say about this? Do you cope alright? How do you handle your emails?**
- **It is believed that leaders will not implement their vision without their followers' trust. Also, that for employees to perform effectively they need among other things to be trusted. Has "trust" been an issue to you? How do you go about this?**
- **Organisations need to have the culture of learning and knowledge sharing to be successful. Do you have such a culture in your organisation? What do you think are key indicators for such a culture?**
- **How are you handling the stumbling blocks, you have listed to keep going as an organisation/project.**
- **What do you require from your employees to make it possible for you to lead as a transformational leader?**
- **I read the findings of Access Point the Johannesburg based firm that 69% of SA employees say they are unhappy because of mistrust and fear of rejection. What are your views about these findings?**
- **Some respondents have indicated through their answers to the questions that informal gathering/meetings are so powerful and that they learn a lot when they meet informally, what is your view about that.**
- **Do you agree that information overload is a gap between the volume of information and the tools we have to assimilate the information into useful knowledge?**
- **Some of the people believe that work network is the most important, and some say that is the only network they have. What is your opinion on that?**
- **Some people do believe that stories are very powerful, and that can be used as a management tool. Do you buy in this assertion?**
- **What do you think helps not to have internal resistance-from employees? Is that likely to last very long?**

## APPENDIX 3

### LETTER OF INVITATION TO PROSPECTIVE INTERVIEWEES

**ATTENTION: Paul Edwards**  
**CEO M-Cell**

P.O.Box 231  
Johannesburg  
RSA

Tel. (011) 301 8001

Date: 17 April 2002

Dear Mr. Edwards,

#### **INTERVIEWS FOR UCT M.COMM RESEARCH REPORT**

My name is Respicius Bijura, a master of commerce research student at The Graduate School of Business of The University of Cape Town.

I am currently conducting interviews, and providing questionnaires for individuals who cannot be interviewed. This is for a Masters in Commerce research report which has the following title "*Knowledge Management and Adding Value through Leadership Development*".

To gather data for my research, I intend to interview and obtain responses to questionnaires from different CEO's, Managing Directors, and Leaders in various sectors as well as academic institutions; public and private both in South Africa and Tanzania.

I have selected you believing that you have a role to play in a country in transformation, and thus you will be able to contribute uniquely and give supporting insight for this crucial research.

Basically the purpose of the research is to determine your personal views and beliefs on the disciplines of knowledge management and Leadership; it does not aim at testing your knowledge about the concepts. The proposed interview will last for approximately 60 minutes and can be arranged during the period 10<sup>th</sup> March to 15<sup>th</sup> April 2002, kindly propose a convenient time for you.

Please find attached a one page abstract of the research I am conducting, also the total of 21 questions of which we will be discussing during the interview.

If having an interview is inconvenient for you or you are unable to be interviewed but you are still willing to be part of this research, I merely require you to provide typed answers to the questions, which could be faxed, posted or e-mailed to me before 15<sup>th</sup> April 2002.

In case of further information about this, contact me at:

Mail (Home Address) : 23 Red gum Avenue, Thornton, 7460.

Telephone (home) :( 021) 535 4479

Fax (home) :( 021) 535 4479

Cell :(083) 6983527

E-mail: [bjrres001@gsb.uct.ac.za](mailto:bjrres001@gsb.uct.ac.za) or [rbijura@hotmail.com](mailto:rbijura@hotmail.com)

I thank you very much for your time and consideration,

Yours Sincerely,

-----  
**Respicius Bijura**

University of Cape Town

Leader	organisation	position		
Richard Smith (I)	Deloitte & Detouche	Partner	1	S
Lois O'Brien (I)	STRUIK-International Division	Managing director	2	S
Nellie Agingu (I)	Foundation for contemporary research	Executive Director	3	S
David Sineke (I)	Engen	Industry Analyst	4	S
Steven DeBeers (I)	Metro Cash and Carry	Marketing Executive	5	S
Randall Cullen (I)	Diamond Fields International	Principal Geologist	6	S
Ludovick Otouh (I)	National Board of auditing and Accountancy (NBAA)	Chief executive officer	7	T
Geofrey Kasimbazi (I)	Tanzania Society for the Blind (TSB)	Chief Executive Officer	8	T
Christopher Mlaki (I)	Tanzania Investment Bank (TIB)	Managing Director	9	T
Lyanga Mwapachu (I)	Institute of Finance Management	Principal	10	T
Chrisost Makalinga (I)	MMI Steel mills	Project and production Director	11	T
Thomas Kabaka (I)	Tanzania Railways Corporation	Managing Director	12	T
Valentine Rweyamu (I)	Social Action Trust Fund (SATF)	Chief Executive Officer	13	T
Prof. Douglas Pitt (I)	Faculty of Commerce-University of Cape Town	Dean	14	S
Elred Mang'wana (I)	IMLASECO Markets	Managing Director	15	T
Ian Reid (I)	Platinum Black	Chief Executive Officer	16	S
Ian Colbert (I)	DeBeers Marine	Group Mineral Resource Manager	17	S
Prof. Brian O'Connell (I)	Rector and Vice Chancellor	University of The Western Cape	18	S
Bob Cork (I)	BCA Packaging	Chief Executive Officer	19	S
Dr. Bernadeta Killian (Q)	Department of Political Science-University of Dar Es Salaam	Head of Department	20	T
Professor Beda Mutagahywa (I)	University Computing Centre(UCC) of The University of Dar Es Salaam	Director	21	T
Peter Major (I)	HBD Asset Management	Managing Director	22	S
Esther Benedict (I)	APT program-Ministry of Education	Director	23	T
Dr. Tracy Eastman (I)	Department of Health-Western Cape Province	Senior Project Manager of Hospitals IT project	24	S

Mark Neville (I)	Future perfect	Managing Director	25	S
Colin Bird (I)	Plan Trust Development	Managing Director	26	S
Prof. Nick Segal (I)	Graduate School of Business-University of Cape Town	Director	27	S

Sue Kleinschmidt Page (I)	BOE	Group General Manager	28	S
Raymond Ackerman(I)	Pick and Pay	Chairman	29	S
Mike Thompson (I)	Cape of Good Hope Bank	Chief Executive Officer	30	S
Michael Fuller (I)	Laser Group	Chief Executive Officer	31	S
Rev. Wilfred Mmari (Q)	Aid and Development	Director of Training and Coordination	32	T
Allan Shelly (Q)	Ninham Shandy	Managing Diorector	33	S
Fatima Allie (Q)	South African Airways	Senior Manager Research (Prod.Dev)	34	S
Daniel Berger (Q)	Swiss Re- Life & Health	Managing Director	35	S
Nicolas Bicket (I)	Old Mutual	General Manager HR	36	S
Ali Omar Ali (I)	Regional Trading Company	General Manager	37	T
Nashon Mtembei (Q)	Rulenge Diocese Day Secondary. School Project	Director	38	T
Mtembi Rutganya (I)	Tanzania Electricity Supply Company (TANESCO)	General Manager Res.& Dev.	39	T
Caroline Mitchell (Q)	Metropolitan Life	Senior Manager	40	S
Ian Burke (I)	Managing Director	DURAM (Pty) Ltd.	41	S
Paul Edwards (Q)	M-Cell	Chief Executive Officer	42	S
Robert Kahdaguza (Q)	Ministry of Foreign Affairs	Senior Liaison Officer	43	T
Chikabi Rumisha (Q)	Marine Parks	Manager and Board secretary	44	T
Max Methews (I)	Mathews and Associates	Managing Director	45	S

Key: I = Interview

Q = Questionnaire

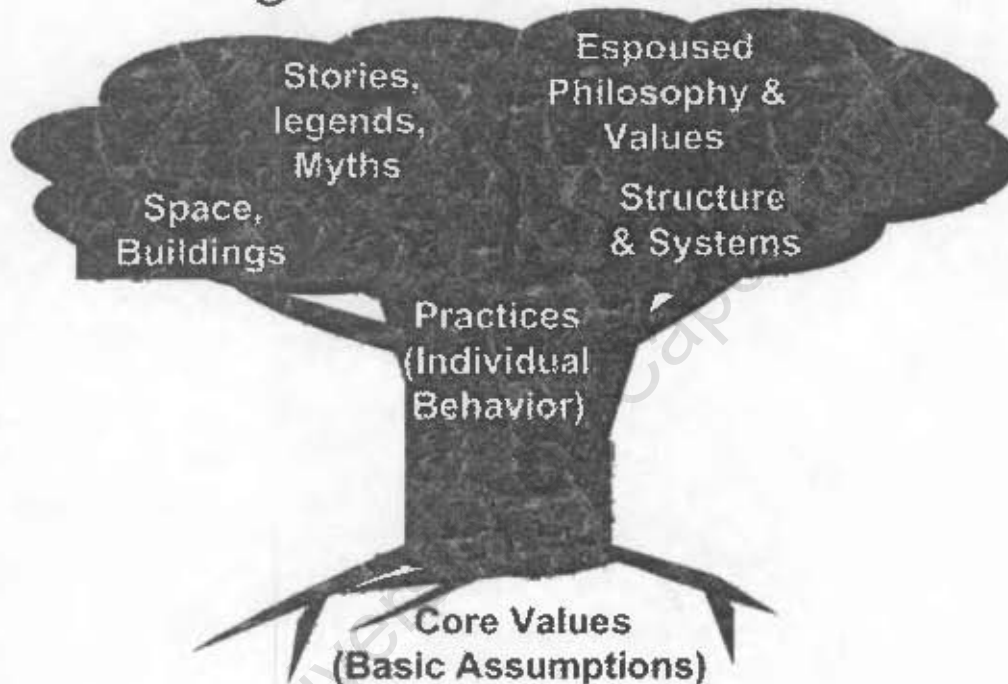
S = Interviews and questionnaires from South Africa

T = Interviews and Questionnaires from Tanzania

## APPENDIX 5

### MULTIPLE LEVELS OF ORGANISATIONAL CULTURE

# Organizational Culture

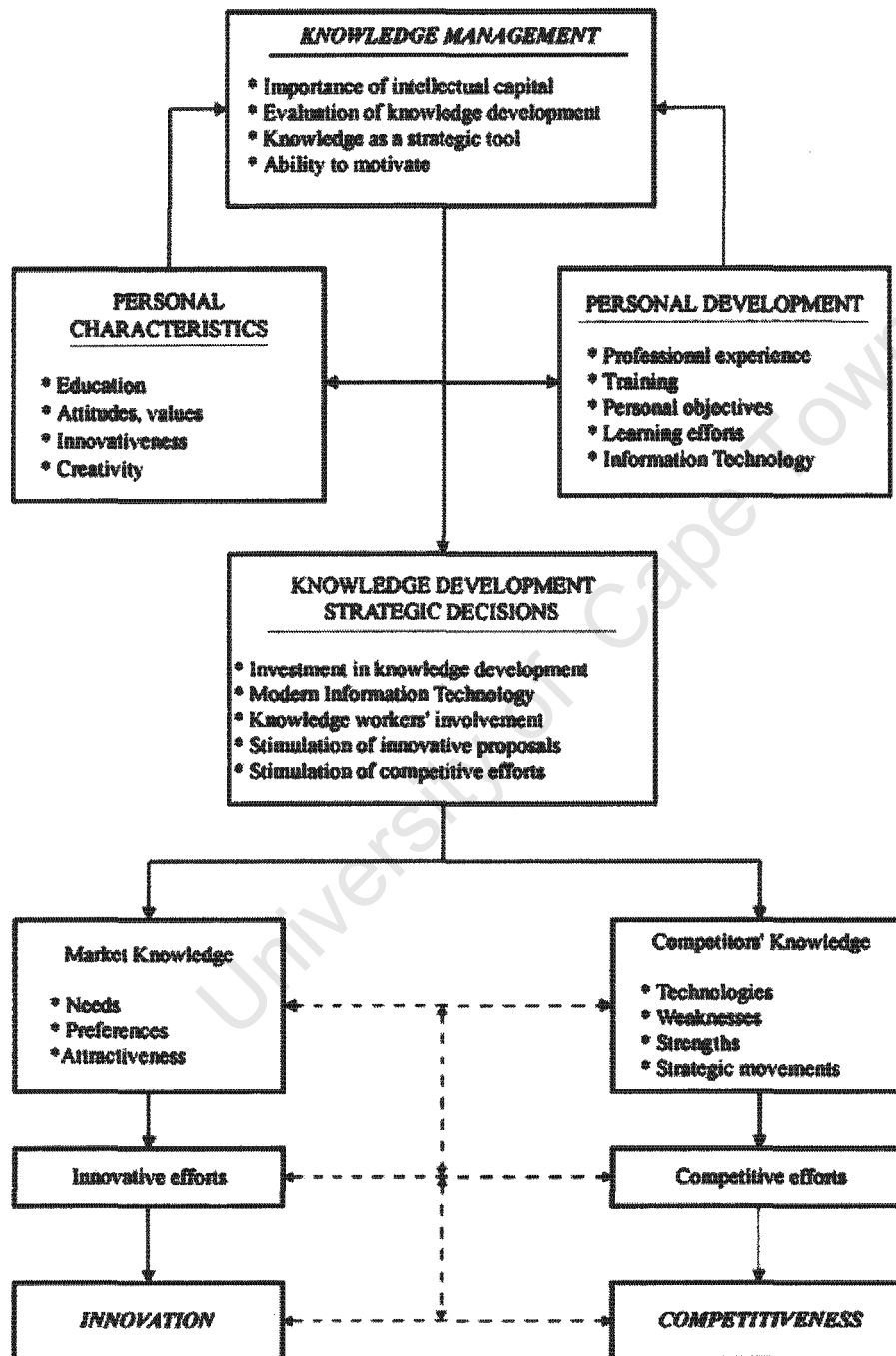


#### Multiple levels of culture

(Taken from: Overcoming cultural barriers to sharing knowledge- Richard McDermott and Carla O'Dell (2001))

## APPENDIX 6

### INFLUENCE OF KM ON INNOVATION AND COMPETITIVENESS



(Taken from: How Does KM Influence Innovation and Competitiveness, Alberto Carneiro, (2000))