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Knowledge Management and Intellectual Capital in a Faith-based Organisation

A case study of Adventist Development and Relief Agency in South Africa (ADRA) 1994-2000

KNOWLEDGE MANAGEMENT AND INTELLECTUAL CAPITAL IN A FAITH-BASED ORGANISATION: A CASE STUDY OF ADVENTIST DEVELOPMENT AND RELIEF AGENCY IN SOUTH AFRICA (ADRA) 1994 - 2011

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ABSTRACT

There is a growing social role Faith-based Organisations (FBOs) are playing. Various stake holders like sponsors and donors insist on proper governance and efficiency in these organisations, sometimes as a condition for receiving grants. Knowledge Management (KM) has been lauded as one of the managerial tools that can help any organisation enhance the execution of its strategy and render it competitive.

KM has generally been applied in the public as well as the private sector (business) to drastically improve their efficiency and effectiveness. The concept has also been tried in the Non-governmental Organisations (NGOs) with much success. However there is scarcity of literature on KM in Faith Based Organization (FBOs). In this research paper, the researcher uses a faith-based organisation, the Adventist Development and Relief Agency (ADRA) as a unit of analysis in a case study based research. Through a triangulation of interviews, questionnaires and document analysis as well as an extensive literature review, the researcher comes to a conclusion that it is possible to apply Knowledge Management (KM) also to FBOs in order to bolster their efficiency in the delivery of social services.

FBOs have unique organisational links with the religious entities to which they affiliate but offer the same structural composition that is open to the application of many modern managerial concepts including KM.

DECLARATION

I declare that this report is my own, unaided work. It is submitted in partial fulfilment of the requirements of the degree of Master of Management in the field of Public and Development Management in the University of Witwatersrand, Johannesburg. It has not been submitted before for any degree or examination in any other university.

A handwritten signature in black ink, appearing to read 'Rambelani Peter Maligudu', written in a cursive style.

Rambelani Peter Maligudu

July 2013

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CHAPTER ONE

BACKGROUND AND GENERAL ORIENTATION

1.1 Introduction

Faith-based organizations (FBOs), defined as “religious organizations and other charitable organizations affiliated or identified with one or more religious organizations”¹ , play a key role in community-based service delivery programmes in many parts of the world. According to the World Health Organization (WHO), in Africa alone, Faith Based Organisations own and operate an estimated 30% to 70% of health care facilities and provide health care through hospitals, clinics, and community and home-based programmes (World Health Organisation 2007). FBOs often serve remote and rural areas where governments have the greatest difficulty in attracting and retaining skilled workers. FBOs are therefore a critical component of the social development equation, particularly in the developing world where organisations in the private sector are known to be reluctant to venture in because of perceived lack of profitability.

Since FBOs are a vital source of social worker production and service delivery, and are often located in areas where other providers are not available, they need to have integrated planning and resource acquisition and allocation systems to ensure their sustainability. FBOs are a key link in sustainability and expansion of community development services, and represent huge potential in developing countries’ efforts to strengthen human resources development in community affairs management.

¹ Joanne Fritz, About.com. 05 November 2012

FBOs like any other formal organisations have to have organisational goals and strategies. All organisations need to create/provide the right tools, people, knowledge, structures, teams, and culture in order to enhance learning, which ultimately leads to the improvement of service delivery. This therefore calls for organisations to develop initiatives and systems that sustain and support the storage, dissemination, assessment, application, refinement, and creation of relevant knowledge.

Given the nature and purpose of FBOs' work, it is the intention of this research to find out whether Knowledge Management (KM) as a management tool, can be applied to sustain their operations. The analysis will focus on the Southern Africa Union Conference (SAU), an administrative entity of the Seventh-day Adventist Church with its social delivery unit, the Adventist Development and Relief Agency (ADRA) situated in Bloemfontein, South Africa. For operational comparison other FBOs such as the Gift of the Givers, the largest disaster relief and humanitarian organisation in Africa may also be referred to in this study.

1.2. Statement of the problem

Associating a strategic management term like Knowledge Management (KM) with "faith" seems rather incongruous in a world where religion and faith seem to be in the melting pot of criticism and neglect. However, since the 1980s the importance of FBOs in the delivery of social services has risen steadily through KM practices. Placed alongside other "third sector" organisations, FBOs are now acknowledged as contributors to civil society, "social capital", new forms of governance and as bulwarks against social exclusion" (Harris; Halfpenny; and Rochester, 2003).

Knowledge management is critical for any organization to achieve its desired outcomes, be it corporate or faith based. This is because the application of KM (identification, generation of knowledge, organisation, storage and use thereof) is crucial to the organisation's ability to fulfil its mission and vision.

In this research, the Adventist Development and Relief Agency (ADRA) will be used as a case study of a Faith-based organisation (FBO) and its implementation of Knowledge Management (KM). Adventist Development and Relief Agency (ADRA) is the development and relief arm of the Seventh-day Adventist Church and delivers social services in South Africa and around the world.

The problem which this study will address is: Does ADRA SA apply KM at an acceptable level in the delivery of its services? Furthermore, what are some of the problems and challenges facing ADRA SA in the implementation of KM effectively? This study operates from the main assumption that the level of acceptability in the application of KM is informed by FBO's being perceived as knowledge-based organisations which function through identifying and utilising the right knowledge to gain a competitive edge; safe-keeping of large amount of data and information related to their stakeholders, like donors and recipients; sharing information with other similar service providers on best practices in their field and maintaining proper governance structures for accountability to stakeholders.

Given its unique organisational structure, this study will seek to determine whether ADRA as a FBO implements KM frameworks at a level which is acceptable to maximise its outputs which include a quick and seamless response to natural and man-made disasters, raising enough resources in usually short periods of time to deploy to needy areas and generating reports to donors accounting for how donor money impacted upon the given project.

1.3 Purpose of the research

The purpose of this research is to establish the applicability of Knowledge Management (KM) frameworks in Faith-based organisations (FBOs).

1.4 Research questions

The following research questions are dealt with in this study:

- a. What is the role of KM in FBOs?
- b. What are the perceptions underlying the applicability or otherwise of KM management frameworks on Faith-based organisations?
- c. How has KM been applied throughout the history of existence of ADRA? If KM was not applied how has knowledge in ADRA been stored and in what forms?
- d. Can KM frameworks be successfully applied in FBOs to maximise their organisational output?

In order to deal with the objectives of this study which are encapsulated earlier in the problem statement, purpose and the research questions, a case study of ADRA documents, storage systems, manuals and reports was conducted. Over and above a careful study of the documents, interviews with carefully selected individuals from ADRA were conducted. In particular, three of the individuals were persuaded to not only give interviews but also to self-administer a questionnaire. These individuals are in various levels of leadership within ADRA and their opinions were crucial in the determination of whether Knowledge Management processes can be compatible for usage in faith-based organisation.

1.5 Brief historical background of ADRA

According to their website which is www.adra-sa.org, the Adventist Development and Relief Agency (ADRA SA) is an independent humanitarian agency established in 1984 by the Seventh-day Adventist Church for the specific purposes of individual and community development and disaster relief. ADRA SA is part of ADRA International which was founded in 1956, and it is headquartered in Silver Spring, Maryland, United States of America. The Economic and Social Council of the United Nations granted ADRA general consultative status in 1997. ADRA SA was registered as an NPO in South Africa (SA) on 22 August 2000.

ADRA South Africa seeks to provide humanitarian, development and disaster relief assistance irrespective of culture, gender, origin or religion, and to give the necessary training for services which may include: primary health, economic development, disaster relief, food security, poverty alleviation and basic education. ADRA South Africa is part of an international network with spans more than 125 countries.

ADRA SA is currently one of the leading non-governmental relief organizations in the world. In 1997 the agency was granted General Consultative Status by the United Nations, a unique opportunity giving ADRA added voice in the international community. In 2004 it assisted nearly 24 million people with more than US\$159 million in aid. More than 4,000 ADRA staff members currently work in 125 countries. It is also noted in the ADRA website that “as new challenges and needs arise, ADRA continues to strive to realize its mission of reflecting God’s love through compassionate acts of humanitarian service”².

² www.adra-sa.org

1.5.1 ADRA Mission Statement

ADRA SA works with people in poverty and distress to create positive change and justice through empowering partnerships and responsible action (ADRA Network Policies and Standards, 2009:4).

1.5.2 ADRA Vision Statement

ADRA SA reaches across boundaries empowering and speaking out for the at-risk and forgotten to achieve measurable, documented and durable changes in their lives and society in Southern Africa. ADRA SA is a professional, learning and efficient organization that embodies integrity and transparency in delivering service to the poorest of the poor in Southern Africa. ADRA South Africa seeks to provide humanitarian, development and disaster relief assistance (ADRA Network Policies and Standards, 2009:5).

The mission as well as the vision statements of ADRA SA reveal organizational elements that call for modern managerial processes to be in place if ADRA SA is to be relevant and true to the purpose of its existence. Issues like professionalism, learning, efficiency, integrity and transparency can only be realized if an organization has systems in place that can render it more efficient and effective in its operations. This research seeks to determine whether, if Knowledge Management is implemented, ADRA SA will have the potential to excel in its quest to implement its business strategy in order to be competitive.

1.6 Assumptions

Some of the assumptions underlying this study are:

Firstly, FBOs are a vital link for social service delivery in society and as such must strive to fulfil their mission in an efficient and effective manner.

Secondly, Knowledge Management and Intellectual Capital (IC) are some of the new management tools which if applied in an organisation, can enhance its performance in the execution of its functions.

And lastly, the application of KM and IC frameworks in FBOs can improve their effectiveness in the delivery of services just like they do in for-profit organisations like businesses in the private sector.

1.7 Definition: FBOs

Faith-based organisations can also be defined as “large non-governmental organisations (NGOs) with religious affiliations” (Trinitapoli, 2006). Examples of such organisations include but are not limited to World Vision, Save the Children and Young Women Christian Association (YCMA). All these organisations have some elements of faith orientation as the basis for their operations. There is however some salient differences between NGOs and FBOs. These are well enunciated in Nagel (2006) and include such variables as “self-identity, participants, leadership, resources, products and decision-making” and funding (Nagel, 2006).

The table drawn from Ebaugh, Helen, Saltzman, Pipes, and Daniels (2003) in Nagel (2006) clarifies the differences between the two in a more simple and understandable manner for each comparative variable. As a service organisation, ADRA SA's characteristics are almost compatible with the ideal faith-based entities depicted in the suggested table. Except on funding which in the case of ADRA is mostly coming from the public with only a limited amount from the spiritual mother body or the denomination of affiliation, all the other variables place the organisation in the category of faith-based.

	NON-PROFIT ORGANISATIONS	FAITH-BASED ORGANISATIONS
Self- identity	Secular	religious
Participants	Ambition/qualification	Religious criteria
Leadership	Formal qualification	Formal qualification and religious authority
Resources	More public funding	Less public funding
Products	Secular	religious
Decision-making	Reliance on secular expertise	Reliance on both secular and spiritual expertise
Funding	Public and Private	Public and congregations

Source: (Ebaugh *et al.* 2003)

For instance, apart from the obvious marks that identify ADRA SA as a religious affiliated organisation, the prescriptions surrounding the election of an ADRA SA Director stipulate that apart from the necessary professional qualifications, he or she must be a member of the Seventh-day Adventist church in “good and regular standing”.

Although Jeavons (2004) contends that churches, mosques, synagogues can hardly be called FBOs in the normal sense of the word, he however agrees with the other authors on the importance of these organisations in the provision of social services. The view that FBOs are essential in the delivery of social services is also shared by others like Kissane (2007) as well as Jonson (2002) who, in his extensive review of the literature on the assessment of the effectiveness of Faith-based organisations states that the religious component in FBOs can facilitate “pro-social behaviours and various beneficial outcomes”. Nagel (2006) submits that the “holistic approach” of Faith-based organisations is said to be “better suited to provide personal transformation to the recipients, thus granting effectiveness of welfare efforts”. Given their nature and purpose, it will be the intention of this research to find out whether Knowledge Management (KM) as a management tool, can also be applied to FBOs.

A further definition of Faith-Based organisations reveals more variations between them and NGOs as well as Profit-Organisations. The definition worked out by Ebaugh; Chafetz and Pipes (2006) is one of the best as it measures, empirically, the correlates of religiosity in FBOs. After positing that religious non-profit organisations are “central” to the provision of social and welfare services because of the moneys they collect and the services they render, Ebaugh *et al.* (2006), conceptualise the faith factor in Faith-based organisations (FBOs) using Jeavons’ (1988) description of seven key areas in which faith manifest itself within organisations namely:

- a. Self-identity.
- b. Religious convictions of participants.
- c. The extent to which religion helps or hinders the acquisition of resources.
- d. The extent to which religion shapes goals.
- e. The impact of religion on decision-making.
- f. Products and services.
- g. Religious authority and power of leadership.
- h. The extent to which religion determines inter-organisational relationships

Source: (Jeavons, 1988 in Ebaugh et al. 2006)

The above definition can include churches, synagogues, mosques or institutions that are extensions of these, whose main operations involve primarily the delivery of human social services as opposed to for-profit organisations whose main objective is usually the betterment of the bottom line. However, as stated above, the need for proper governance and managerial

strategies as well as accountability seem to be fundamental for all organisations regardless of their nature. The core variables that compel an organisation to apply some form of management seem to be the presence of a strategy, vision and mission.

The extent to which there are similarities in form and structural appearance between FBOs and For-Profit Organisations in as far as issues of efficiency, effectiveness and economy, cannot be overemphasized. Both types of organisations offer products and services in a competent manner that would satisfy their different constituencies or recipients (Fischer, 2004). Both types of organisations need financial or material resources to operate to meet their highest stated objectives and mission. However, when it comes to Faith-based organisations (FBOs), it is what Hefferan (2005) calls “a religious idiom of development” that allows FBOs to claim a “higher purpose” in their work, that separates the two. The question is: given these faith difference between ‘secular’ and faith-based organisation will it be possible to apply modern managerial frameworks, especially those related to Knowledge Management (KM) and Intellectual Capital (IC) to enhance their performance in the deliverance of their services? This is one of the questions examined in the research.

1.8 Knowledge Management and Intellectual Capital (IC)

According to Wiig (2000) in Wong and Aspinwall (2004), Knowledge Management (KM) can be defined as “that function in the organisation which deals with the knowledge related activities such as creating, organising, sharing and using knowledge in order to create value for an organisation”. DeLong & Fahey (2000) in Holt (2007), give one of the most informative definitions on the purpose of KM which is “to enhance organisational performance by explicitly designing and implementing tools, processes, systems, structures, and cultures to improve the creation, sharing and use of knowledge critical for decision

making". Drucker (1968) argues that the world is slowly turning into a "knowledge society" (Drucker, 1968 and Bell, 1973 in Nonaka, 1994). Holt (2007) also argues that knowledge is regarded and accepted as the "richest resource of today's organisations".

This research moves from a global and generally accepted premise that there are two types of knowledge, tacit (that which resides in the individual's memory and is not easily transferable or coded) and explicit knowledge (found in databases, books, magazines, and can easily be transferred and coded) (Nonaka, 1994).

Knowledge Management (KM) and Intellectual Capital (IC) which is defined as "the possession of knowledge, applied experience, organisational technology, customer relationships and professional skills that provide a competitive edge in the market" (Edvinsson and Malone, 1997 in Kong, 2007), are related terms and their strategies and approaches are usually deployed and configured by companies and organisations in order to have a competitive edge. This view is propagated also by Gold, Malhotra and Segars (2001). Knowledge Management and Intellectual Capital approaches are some of the most powerful strategic management concepts that form the platform for achieving the organization's mission through action, innovation, or commercialization.

On the one hand Knowledge Management (KM) is the stage at which the organization knows itself by knowing what it knows, where it recognizes the value of the tacit knowledge, as the basis for decision making and hence the real source of value creation. Only when that happens will the organization use more of the knowledge available to it, learn from its mistakes, and not reinvent the wheel. This process, which is well explained by Gold *et al.* (2001) of "recognizing, creating, transforming and distributing knowledge", is capable of giving any organisation an edge over its competitors. KM is a process where

knowledge, skills, expertise and communication are cared for, administered and steered with innovativeness and wisdom in a goal-oriented fashion.

Intellectual Capital (IC) has three primary, non-financial components, namely: Human Capital (HC), Structural Capital (SC) and Relational Capital (RC). According to Kong (2007:290) Human Capital includes various human resource elements including attitudes, competencies, experience and skills, tacit knowledge and “innovativeness and talents of people. Structural Capital refers to the learning and knowledge enacted in day to day activities and includes “databases, manuals, organisational culture and similar variables. Finally, Relational Capital stands for the “organisation’s formal and informal relations with its external stakeholders and the perceptions they hold about the organisation” (Kong, 2007). The dissipation of an organization's knowledge resources, can directly affect performance and subsequently its bottom line. When an organization experiences memory loss and brain drain it turns into an organization that does not know what it knows and lacks the capability of leveraging the tacit knowledge of its employees for maximum performance.

In the main, KM and IC frameworks have been successfully applied to public and private as well as the Non-profit sectors amongst others around the world and in South Africa (Sunassee, 2001). However, there is dearth of literature on whether the application of KM can enhance organisational performance of Faith-based organisations. As stated above faith-based programmes do not only provide resources such as what Lockhart (2003) in Nagel (2012), refer to as “religious capital, such as knowledge in sacred texts, theology and worship practices”, but also their human capital for the provision of relational and social services. This is what the research examines by using the case study of ADRA SA.

1.9 Brief history of KM in NPOs and FBOs

In terms of section 1 of the Non-profit Organisations Act 71 of 1997 in the Republic of South Africa, an NPO is defined as a “trust, company or other association of persons established for a public purpose and of which its income and property are not distributable to its members or office bearers except as reasonable compensation for services rendered. Nongovernmental organisations (NGOs) and community based organisations (CBOs) are collectively known as non-profit organisations (NPOs). In some instance, NPOs are also referred to as Civil Society Organisations (CSO)”³.

In the United States of America (USA) in the 1980s the late President Ronald Reagan Administration initiated the cutting of social spending by withdrawing funds from human services social organisations. Non-profit organisations (NPOs) had to adapt to the new resource deprived environment by strategically adopting what is called “marketization” (Alexander, 2000). These human services organisations found themselves having to adapt to new demands by running their programmes and services in strategically competitive ways. Although they (NPOs) were criticised for sacrificing the principles of investing for people rather than profit as in For-profit entities, in order to stay afloat and compete for scarce resources, they had to adopt some of the new managerialism concepts, including KM and IC approaches in their operations (Kong, 2007).

The environment in which Non-profit organisations found themselves (highly competitive) forced them to also adopt approaches that would lead them to operate both efficiently and effectively similar to public and private or business

³ www.dsd.gov.za Accessed 13.08.2012

formations. Some of the practices highlighted included accountability, performance management, construction of Knowledge Management plan, and the leveraging of intranet technology (Hume and Hume, 2008). Although there are peculiarities between for-profit and non-profit organisation, including their mission and strategies which guide their approaches and operations, there has in several studies been found certain important similarities that demand that both operate along business principles.

Some of the differences that have been found to mitigate upon the wholesale application of strategic management approaches on non-profit making organisations (NPOs) include: the average size of NPOs, available financial resources, a high turnover of workers who in any case are mostly volunteers and often create by their departure, a knowledge vacuum. This is because employees are the custodians of both tacit and explicit knowledge which is “the most critical asset that separates their organisation from their competitors” (Sunassee, 2003). The high turnover of workers from any organisation may rob it of its intellectual capital rendering it uncompetitive in the execution of its mission.

Except for a passing reference by Lockart (2003) in Nagel (2012) to ‘religious capital’, which is a term denoting knowledge of sacred texts and other spiritual exercises, there is hardly any literature that deals primarily with KM in FBOs. However a cursory look at organisations like ADRA and Gift of the Givers, their vision and mission, and the amount of information they generate, store and distribute, reveal the importance of KM discourse around FBOs.

The Compassionate Capital Fund (CCF), an American federal organisation set up to fund community-based programmes views. Faith-based organisations as “uniquely situated” for serving “families in poverty, prisoners re-entering the community and their families, children of prisoners, homeless families, and at-

risk youth” (U.S. department of Health and Human Services, 2000:1, in Fischer, 2004). With the suggestions of funding or sponsorship of Faith-based social programmes gaining momentum, donors, like in the case of Non-profit organisations, are now insisting on the adherence of these so-called “agents of transformation”, (Clarke, 2007; Kong, 2007) to the principles of transparency, efficiency, effectiveness and accountability, notions that were once only promoted in the Public Sector Managerial approach.

Harris et al (2003) give as some of the reasons why the British government wanted to partner with a faith-based organisation like the Jewish Volunteer Sector (JVS) as four fold: First, it was the increase in the organisation’s professionalism. Secondly, it was the drive for the particular organisation to compete in their level of services to the communities. Thirdly, it was the influence and observance of business management principles in the volunteer organisation. Lastly, it was the strong norms of mutual responsibility which stemmed from the positive influence of the family unit. It can be argued that the fourth variable, which is normative in nature, is unique to Faith-based organisations (FBOs). The first three, namely professionalism, competence and a business approach are common in both public and private or business sectors.

It is this insistence, by especially donors and partners like governments and private sponsors for both Non-profit and Faith-based organisations, to adopt these “secular” but excellent outcome methods, (Fischer, 2004), that makes one interested to research if strategic management tools like Knowledge Management (KM), Performance Management (PM), Balanced Scorecard (BSC), Intellectual Capital (IC) approaches and similar others can be implemented successfully in the realm of Faith-based organisations, or other religious entities.

1.10 Significance of the study

Apart from adding to the literature on the importance of Knowledge Management in different organisations, this study is specifically intended to contribute information about the real possibility of applying this powerful concept (KM) to Faith-based organisations with similar positive consequences like those observed in the public and the private sector.

1.11 Conclusion

This chapter was about giving a general background as well as definitions on Faith-based organisations and Knowledge Management with significant emphasis on the possibility of the applicability of KM and other best managerial practices similar to it on FBOs in order to enhance their performance in the delivery of social services. Although there are some differences between secular and religious institutions, their organisational structures are clearly open to the implementation of Knowledge Management concepts for efficiency and effectiveness.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Although there is scarcity of literature and academic material that deals specifically with the concept of Knowledge Management (KM) in Faith-based organisations (FBOs), there is no such shortage of material when it comes to the subject of Knowledge Management.

The following literature review is pursued in order to find out what is written about Faith-based organisations and their utilisation of Knowledge Management. The review objectives are first for the researcher to frame the context and theoretical work on KM, IC and FBOs, discover prior research on these concepts and then summarise what is known about them and hopefully stimulate further research on FBOs and KM (Neuman, 2011 and Mouton, 2006). The following table will deal with concepts, constructs and themes as well as the summary of sources available for consultation designed to enrich this research, and thereafter, a more elaborate, integrated discussion on the review will follow. At the end a conclusion will be given.

Concept, construct or theme	Literary Sources
Definition of KM, IC, FBOs	For KM and IC the researcher consulted the following sources Aspinwall, 2004; Holt, 2007, Nonaka, 1994 & 1998; Gold, Malhorta and Segars, 2001; Kong, 2007; Sunassee, 2001; Ebaugh, Chavetz and Pipes, 2006;). The details are provided in the bibliography To both define and differentiate between FBOs and other third sector organisations, the following sources were consulted: Nagel, 2006; Ebaugh <i>et al</i>, 2003; Jeavons, 2004, Fischer, 2004; Hefferan, 2005
KM in third sector organisations	For a political definition of NPOs www.dsd.gov.za, Hume & Hume, 2008; Alexander,

	2000) The literature traces the development of the idea of using KM in Non-profit organisations.
KM in FBOs	For the usage of the term “religious capital” (Nagel, 2012); FBOs contribution to “social capital” and knowledge (Harris, Halfpenny & Rochester, 2003). The adoption of ‘secular’ outcome methods is dealt with in Fischer (2004); Clarke (2007); Cavil and Sohail (2007); Graddy & Ye (2006)
Organisational Profiles: ADRA, SAU, Gift of the Givers	www.adra-sa.org ; www.sau.org.za , www.giftofthegivers.org , ADRA Manual (2008); TOT Manual (2007); SAU Policy Book (2011 edition) For international involvement (www.adra.org)
KM Models or Frameworks	Three models will be discussed and contextualised to FBOs. One is by Sunassee and Sewry (2003) and two other by Bhatt (2000).
KM in ADRA	Questionnaire to measure perceptions on KM in ADRA, Interviews with Management and staff at ADRA Headquarters and Regional Offices (Neuman, 2011; Mouton, 2012)

Knowledge management is a process where knowledge, skills, expertise and communication are cared for, administered and steered with skill and wisdom in a goal-oriented fashion (Parliament of Finland Committee for the Future, 2000). The role of Knowledge Management in the corporate world cannot be overemphasised. There is significant amount of literature on KM and its role and importance in the strategic performance of businesses.

In fact KM is billed as the only variable that even when companies are weighed pound for pound and found to be equal in other respects like financial and material resources as well as technology, would be the differentiating factor. The difference can be what KM practitioners call “the asset that does not usually appear on the spread sheet”, and that is knowledge. Nonaka, Toyama and Nagata (2000) support Drucker (1993) in declaring that knowledge is the “only meaningful resource” an organisation can possess to give it a competitive advantage over its competitors. This view is further amplified by Nonaka (1991), Prahalad and Hamel (1990), Nonaka and Takeuchi (1995) amongst many others.

Nonaka *et al.* (2000:2) posit that knowledge and skills give a firm a competitive advantage because it is “through this set of knowledge that a firm is able to innovate new products/processes/services or to improve the existing ones more efficiently and/or effectively”. According to Ilkka Niiniluoto (1988) in Suurla, Markkula & Mustajarvi (2002:33), there are three ‘information society concept’ to distinguish namely:

- a. An information and communication technological society where computers and new electronic communication media enable the increasing processing and transfer of data and information,
- b. A skilled information society may be used in reference to a community with an abundance of skill-related and expertise- related knowledge,
- c. An understanding society is one characterised by enlightenment or wisdom, one where knowledge is valued as such, in addition to its instrumental value, and where knowledge management and application also involves an ethical question about the principles of good life.

The pursuit of knowledge management as a strategic management tool puts the spotlight on the value of human capital or human resource. As argued before, tacit knowledge resides in the cognitive system of a human being first before it is transferred for codification. The company that will benefit to the maximum is the one that is able to facilitate through consultation and affirmation and in a non-threatening manner the sharing of this type of knowledge. It is after all “knowledge and skills that give a firm (organisation) a competitive edge” (Nonaka, Toyama and Nagata, 2000). Informed by existing research on tacit knowledge, this research will also examine aspects of tacit knowledge management in ADRA SA.

Liebowitz (2000) in Sunassee (2003) argues that it is after all “the collective knowledge of employees that has become such a critical resource to the

organisation that managers need to know how to manage that ‘intellectual capital, in order to succeed’. Sunassee (2003) further defines a business strategy as “a high level, flexible, plan that oversees the birth and development of a business initiative”. He (Sunassee) explains that in order to ensure the success of any business objectives, subsequent business developments must be aimed at furthering the goals of the organisation. He therefore defines a KM strategy as “a high level plan that aims at supplying the organisation with the knowledge resources that it needs to carry out its vision and goals”. In their Website of Foundation Knowledge⁴, Cong and Pandya (2003), list some of the major benefits of Knowledge Management namely:

- a. Improving the organisation’s performance through increased efficiency, productivity, quality, and innovation.
- b. By having greater access to their employees’ knowledge, organisations make better decisions, streamline processes, reduce rework, have higher data integrity and greater collaboration.
- c. Increase of the financial value of the organisation by treating people’s knowledge as an asset similar to inventory and capital facilities. When such a mind shift occurs and the organisation starts treating people not as ‘things’ but as its best asset, there is bound to be an increase in its relevance and a certain attractiveness of its services and products.
- d. Knowledge Management initiatives are seen as strategic facilitators of competitive advantages

There is scarcity of literature on the applicability of KM or IC conceptual frameworks particularly to social service organisations like FBOs (Harris, Halfpenny and Rochester, 2003). Hume and Hume (2008) posit that “although the concept of knowledge management is basically understood, the implications

⁴ www.ejkm.com; accessed 03.05.2013

and strategies to pursue this practice in the Non-profit organisation (NPO) context are under explored". There is however an avalanche of research on the undisputed importance of Knowledge Management and Intellectual Capital on , all organisations private and public (Nonaka 1994, 2000; Krogh, Nonaka, and Aben, 2001). Next in line is the growing literature on what Kong and others call "third sector organisations or Non-profits and the insistence that governance in these community service organisations must mirror that of For-profits organizations through the adoption of business strategies (Kong, 2007; Fischer, 2004; and Alexander, 2000). Then follows the thin, almost still undeveloped line of investigation on KM in Faith-based organisations where at best one finds FBOs lumped together as a category with NGOs or Non-profit organisations, thereby blurring both their importance and their potential uniqueness in the realm of KM and IC (Clarke, 2007; Harris *et al.*, 2003; Graddy and Ye, 2006). Perhaps it is the uniqueness of Faith-based organisations that lands them on the periphery of KM and IC development.

Cavil and Sohail (2007) point out that there are peculiarities that obtain in FBOs that are rarely found in what one could refer to as "secular" organisations and NGOs with their over-emphasis on "effectiveness, efficiency and economy". The faith foundation in FBOs and the affective orientation towards service as an obligation by adherents is unique to organisations that are religious in orientation like churches; synagogues; and similar establishments. Secondly, the fundamental driving force for delivering a service by these entities is philanthropic in nature and not necessarily the pursuance of the bottom line. Although Faith-based organisations sometimes mix their mission to humanity with intentions to proselytization and share similarities with for instance a political party whose similar strategy could be that of delivering services to its constituency with the view of garnering support at the same time, their main focus is service to humanity. However, in matters of governance and strategic management, the need for tried and tested approaches seem to be the same for public, private, non-profits as well as FBOs. For example Graddy and Ye (2006:311-312) argues that:

- a. The unique organisational structure of FBOs may offer both efficiency and effectiveness over secular providers.
- b. These organisations have easy access to volunteers which can lead to this “low cost labour” offering more services and allotting more time to each beneficiary than other service providers.
- c. The defining characteristic of these organisations which is their reliance on faith – may make them more effective either by “leading them to employ different methods of service delivery, or to employ the same methods with more intensity. Trulear (2000) in Graddy and Ye (2006:312) further strengthens this argument by stating that “because of their sense of mission, these organisations are more willing to make a long term commitment to a service recipient, continuing to provide services until changes occur”.
- d. Lastly, Graddy and Ye (2006:312) state that FBOs are more adaptive, more willing to conform services to an individual’s needs, in contrast to for instance, a governmental programme that insists that all participants conform to the programme

When one looks at the nature and organisational structures of FBOs and some of the best proposed KM or IC implementation frameworks in NGOs and For-profit organisations, a pattern emerges that seems to land all three organisations to some degree of compatibility with modern managerial approaches. For example, Zach’s model of organisational readiness for KM offerings and strategy from which Sunassee and Sewry extrapolated some of his eight “critical success factors”, is a case in point (Zach, 1999; Sunassee and Sewry, 2003).

In the selection of a proposed framework of successful implementation of a knowledge management strategy the model proposed by Sunassee and Sewry

(2003) seems to be the most balanced with some of its variables found in that suggested by Wong and Aspinwall (2004):

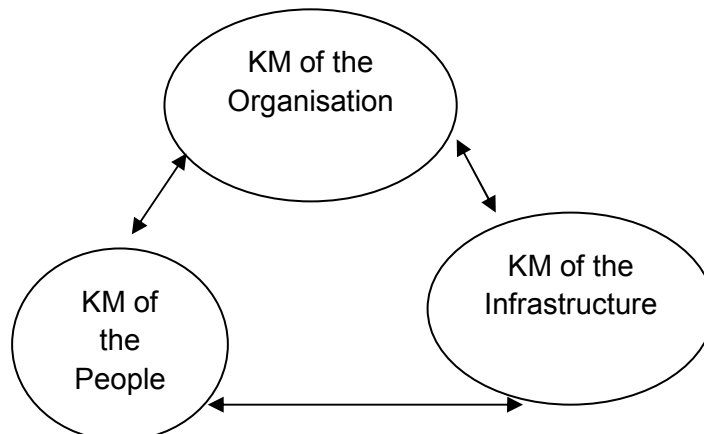


Fig. 1, Sunassee and Sewry (2003)

The above model has three components that are interdependent in the successful application of KM namely: KM of the organisation which deals with how the organisation relates to both its internal and external stakeholders like employees and donors. Then comes KM of the people which deals with how the organisation utilises the skills and expertise resident in its employees which include also their tacit knowledge. Thirdly, KM of the infrastructure which is about how the organisation leverages its IT in the creation, storage and use of knowledge.

According to Sunassee and Sewry (2003), the above model or framework also has a cluster of eight (8) critical success factors that when applied can lead to the successful implementation of a credible knowledge management framework namely:

- a. Alignment of KM strategy with organisation's strategy.
- b. Top management support.

- c. Creating and managing knowledge culture.
- d. Use of pilot project.
- e. Creating and managing organisational learning.
- f. Managing people
- g. Choosing the right technology (and reputable vendor).
- h. Including double-loop learning

Factors mentioned above are not different from the ones propagated in Lowe's model here below and those found in Bhatt (2000). The organisation's vision and strategy, management support, culture (willingness to learn, innovate and create), internal processes as well as a solid technological support and a good reward system are some of the fundamentals that can make KM projects easily adaptable even to Faith-based Organisations (FBOs).

Davenport & Prusak (1998) collapse the proposed KM enablers from different sources to four namely: infrastructure, culture, measures, and technology. These enablers do not function in isolation (Fig 2) but are equally important and operate in an integrated way to generate an atmosphere of ease of application in any organisation.

Proposed factors that determine success when implementing and executing knowledge management activities

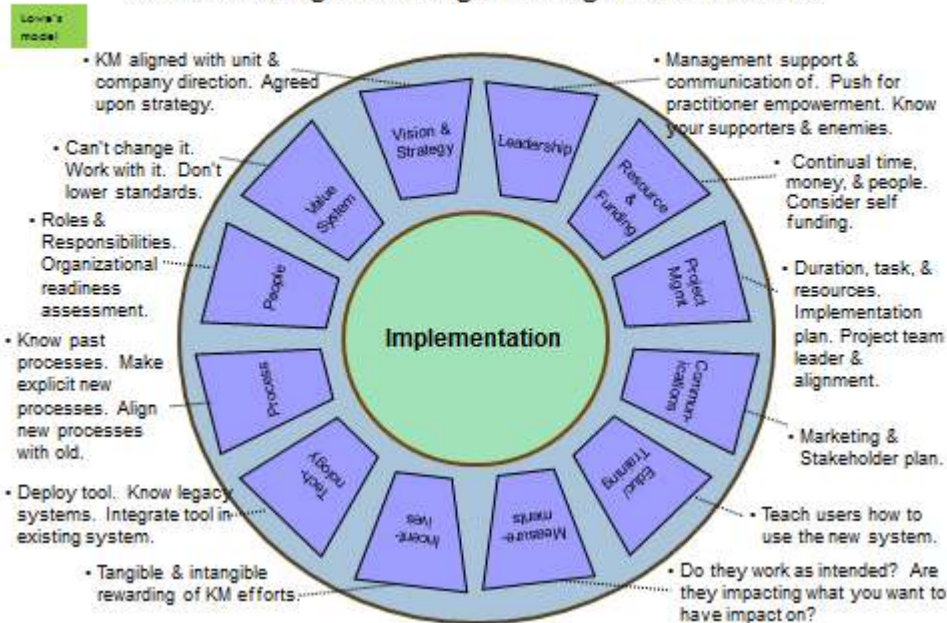


Fig 2: Lowe's model of KM Enablers⁵

In the examination of KM in ADRA SA, some of these concepts will be explored.

According to Storey and Barnett (2000) in Wong and Aspinwall (2004:93), a significant proportion of KM initiatives do fail. These authors say this is because “implementing KM is not a piecemeal and easy task that organizations can undertake. It involves the support of a technological infrastructure, a change in organizational culture and the management of different types of knowledge. Organizations that have jumped on the bandwagon to implement it may fail in their efforts if they do not know how and where to start and lack the guidance of a proper and cohesive implementation framework”. The above models or frameworks are not the only ones in KM. Knowledge Management literature teems with even more powerful frameworks that can help in the successful implementation of KM in any organisation.

⁵ www.emeraldinsight.com. Accessed 19 November 2012

Two more such models stand out prominently and have been applied successfully in many organisations. One is by the European Foundation for Quality Management (EFQM) and the other is the subject of the Best-Practise Report (BPR) by the American Productivity & Quality Centre (APQC). The EFQM model used by Bhatt (2000) is said to have been applied to thousands of organisations with positive results.

EFQM Model

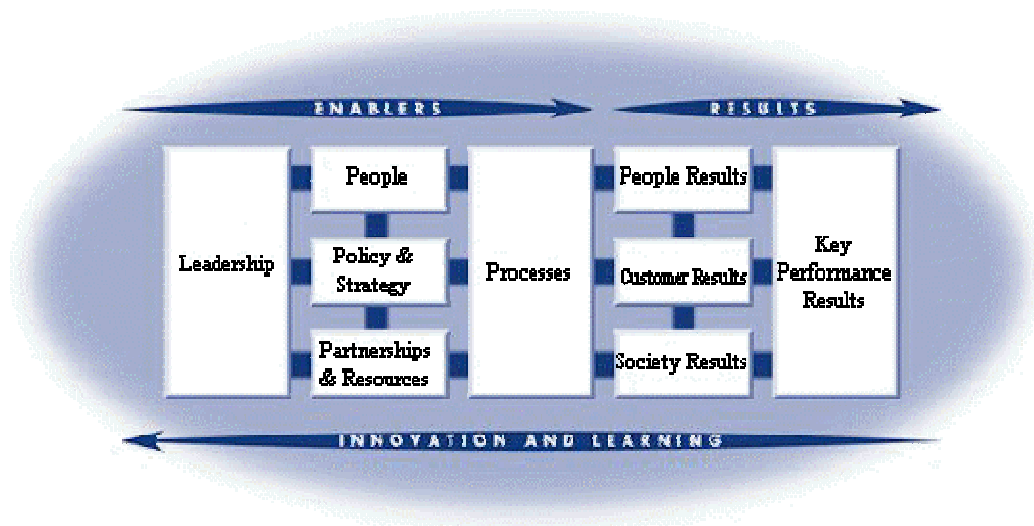


Fig 3 - EFQM Excellence Model, Source: Bhatt (2000)

A brief overview of the model reveals nine highly defined variables that can be used to measure an organisation's progress towards service excellence through KM application. Five of the variables are enablers (how we do things) namely: leadership, people, policy and strategy, partnerships and resources as well as processes. Four are termed results (what is targeted, measured and achieved), and include people, customer, society and key performance results. The arrows indicate the direction of innovation and learning helping to improve enablers that in turn lead to improved results.

In addition, the model uses a scoring method which an organisation or an entity can use as a self-assessment tool called RADAR (Results, Approach, Deployment, Assessment and Review).

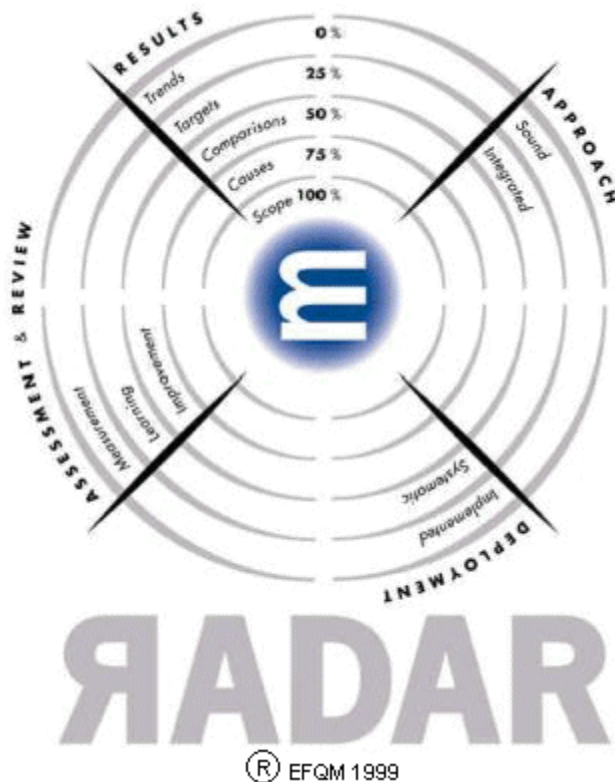


Fig. 4 – EFQM RADAR, Source: Bhatt (2000)

According to Bhatt (2000), British Quality Foundation members who were surveyed recently after taking the self-assessment test found the following to be the benefit of the model:

- a. Development of clear, concise action plans
- b. Clear and more focused leadership
- c. Better and more focused policy and strategy

- d. Process improvement enabling achievement of an organisation's objectives
- e. Improved prioritisation of resources
- f. Greater motivation and satisfaction of an organisation's personnel

A critical look at all the nine variables as posited by Bhatt (2000) and their KM implications reveals the possibility of the adaptability of this model to a variety of organisations including FBOs. Although there could be differences in that for-profit organisations will oftentimes be watching their bottom lines where FBOs will be interested in the quality of their social services, the rest of the aspects or enablers as well as their KM implications are likely to resonate well in FBOs environment. Hereunder is a simple table with the nine variables, each with a concise description of KM implications, as argued by Bhatt (2000), James (2009), and Jazzar, Zairi and Schiuma (2010). The KM implications of the cluster of both enablers as well as the results are adapted and applied in an FBO setting.

Variable E= Enabler, R= Results	KM implications in FBOs
Leadership (E) – How leaders develop vision, mission and values for long term success as well as their personal involvement to see to it that these are implemented	Depending on the leadership style, often charismatic in FBOs, knowledge can be identified as the greatest asset the organisation has. Leadership buy-in for any KM offering is therefore essential.
Policy and strategy (E) – How the organisation implements its mission and vision through a clear stakeholder focused strategy	Although technology and processes are pivotal in KM application, it is people who are the greatest asset of any social service organisation like an FBO.
People (E) – How the organisation manages, develops and releases the knowledge and full potential of its people at different levels in order to support its policy and strategy	Harnessing tacit knowledge of its workers must be one of the goals of any knowledge-centric organisation. Every worker must be made to feel that they are contributing towards organisational success.
Partnership and resources (E) – How the organisation plans and manages its external partnerships and internal resources in order to support its policy	FBOs are multi-stakeholder organisation because of the nature of their operations. There is need for networking and interfacing with other social service providers and potential partners.

and strategy as well as the effective running of its processes	
Processes (E) – How the organisation designs, manages and improves its processes in order to support its policy and strategy with a view to generating increasing value for its customers and other stakeholders	Are people working together or in silos? Are there controls in terms of regulating the flow and usage of knowledge in order to add value to the organisation? These are some of the important questions to be asked.
Customer results (R) – What the organisation is achieving in relation to its external customers	Finances may not be the best indicators in FBOs as much as quality of service to recipients or beneficiaries.
People results (R) – What the organisation is achieving in relation to its people	People must be made to feel that their knowledge is adding value to the organisation. This is very important in FBOs where most people work for intrinsic rather than financial benefits.
Society results (R) – What the organisation is achieving in relation to local and international society	KM and information dissemination are key to both the image of the organisation and its relationships to different stakeholders
Key performance results (R) – What the organisation is achieving in relation to its planned performance	Performance measurement and management, even in social or welfare organisations are key to monitoring and evaluation of KM

When one looks at the above-mentioned framework it is surprising how popular concepts like KM and IC which have been extended to public, private organisations as well as the NGOs or NPOs, effectively giving these entities a competitive advantage in the area of service delivery, have similarly not been largely applied to Faith-based organisations. It is rare to come across literature with regards to FBOs which proposes such noble strategic business concepts as KM; and IC in faith-based organisations. However, it is the intention of this study to investigate, through the usage of ADRA SA as a unit of analysis, to find out whether KM or IC frameworks can be successfully implemented to give FBOs a competitive edge in the execution of their mission.

2.2 The importance of Knowledge Management

The world is in the “knowledge economy” era. There is general agreement amongst authors and scholars in Knowledge Management (KM) and

proponents of Intellectual Capital (IC) approach that knowledge has now turned to be the most important asset in any organisation whether private or public. Knowledge is now defined as the organisation's "primary commodity" and its flow in any entity is seen as the "most important" factor in the economy (Sunassee, 2003). This view is also supported by Kong (2007:282) who posits that, "the determinants of success of enterprises and of national economies as a whole is ever more reliant upon the gathering and the utilisation of knowledge". KM guru Ikujiro Nonaka agrees by adding that "in an economy where the only certainty is uncertainty, the one sure source of lasting competitive advantage is knowledge" (Nonaka, 1998).

Holt, Bartczak, Clark, and Trent (2007) echo the same sentiments as those of other KM proponents when they state that the "richest resource of today's organisations is knowledge". Holt *et al.* (2007) further define Knowledge Management as "the process that 'manages' (collection, categorisation, analysis, and distribution) information across the organisation's value chain to support operational and strategic decision-making". It is the "process of developing and managing both the explicit and tacit elements of data and information to provide operational and strategic insights for the organisation to develop competitive advantage" (Holt *et al.* 2007:75). The identification of knowledge as the pivotal variable for the success of any organisation has also elevated the status of human resource or people, in whom knowledge resides as real capital. This is because Intellectual Capital (IC) as defined by Bontis (2000) in Kong and Prior (2008) is representative of the "collective knowledge imbedded in the personnel, organisational routines, and network relationships of an organisation".

Knowledge Management and Intellectual Capital approaches are some of the notions and concepts in a cluster of best practices that form the foundation of what Alexander (2000) called the "New Public Management" or "new managerialism" that requires entrepreneurial leaders to emphasise the values

of efficiency, economy, and effectiveness (Terry, 1998 in Alexander, 2000). In layperson's terms, the New Public Management approach is a system of governance that the public sector (for example, the government) is adopting and adapting from the markets or the private sector (for example, business) with high emphasis on accountability, competitiveness, performance and profitability amongst other variables. In fact amongst the strategic management concepts which (Terry) gives are: SWOT, resource-based view, core competency, knowledge-based view, Balanced Scorecard (BSC), and Intellectual Capital (Kong, 2007).

2.3 Theoretical approach

The Knowledge-based view (KBV) theories, intended mainly for entities like firms, are among the favoured theories by some scholars when it comes to dealing with the role of knowledge in the performance of an organisation (Kaplan *et al*, 2001). The basis of such theories, which are often an improvement from resource-based views or pure economic transaction models, is the consideration of knowledge as the most strategically important resource of any organisation (Grant, 1996).

The logic of these views is that knowledge-based resources are difficult to replicate or even imitate because of their uniqueness and social complexities, therefore different knowledge bases and capabilities among organisations are the actual variables and major determinants of sustained competitive advantage and superior corporate performance (Grant, 1996). It is therefore the ability of the organisation to strategically create, organise, share and use knowledge in a creative and innovative way that determines its above-average superior performance in a competitive environment.

Grant (1996) puts emphasis on the 'know what' (tacit knowledge and 'know how' (explicit knowledge) and his belief that these two types of knowledge reside in an individual and are both transferable as well as marketable commodities which can manifest themselves even in other resources in an organisation like machines, did not go far enough. Knowledge was seen as just another resource and machines as still the embodiment of the same knowledge. This elicited criticism of the KBV theory from Kaplan *et al* (2001). Kaplan *et al* argues that the emerging fields of knowledge-based theories are individually incomplete and collectively contradictory. She (Kaplan) suggests an Integrated Knowledge-Based View (IKBV) theory of the organisation or firm which takes into consideration knowledge, resources and an organisation's capabilities in its performance. The IKBV places a distinction between knowledge and resources. These two variables (knowledge and resources), are said to exist inside and outside of the organisation and are usually brought into the organisation through its capabilities. Capabilities therefore act as a vital link between knowledge and the organisation's performance.

Since knowledge is seen as information whose certainty is given by a specific context, the presence of it in any organisation, though immeasurable and not directly observable, can only be confirmed from organisational behaviour (Nonaka, 1994); (von Krogh, Ichijo & Nonaka 2000) (Kaplan *et al* 2001). Resources on the other hand are always observable and can often be measured. Kaplan *et al* (2001) concludes by positing that it is the confluence of both knowledge and resources that determines the capabilities of the organisation. This distinct treatment of knowledge and resources is the one that differentiates IKBV from the narrow RBV (Resource-based view) of the organisation. The IKBV is therefore the preferable instrument on which this research will largely be based.

2.4 Knowledge Management Process

A literature review on knowledge management cannot be fully complete without looking at the generally agreed upon processes of knowledge management which according to Daud and Yussof (2010) include knowledge acquisition, conversion and application. This is because according to Zhou & Fink (2003) as well as Gold, Malhotra and Segars (2001), knowledge management processes are an essential part of the organisation's business and are the essential prerequisite for successful knowledge management.

According to both Wong & Aspinwall (2004) as well as Bhatt (2000) knowledge acquisition involves the processes of creating, generating, developing, building and constructing knowledge. An organisation like ADRA SA can derive knowledge from external sources, such as by hiring people possessing the required knowledge or by purchasing knowledge assets such as patents, research documents or other material (Wong & Aspinwall, 2004). Lee & Yang (2000) as well as Bhatt (2000) on the other hand recommend adaptations of knowledge from other sources or obtaining it from knowledge-driven firms through networking.

Knowledge conversion involves the organisation of all the knowledge acquired by an organisation and rendering it accessible and formalised in a manner that would add value to the organisation. This process includes documentation, codification, and operating a credible and well-controlled data base or knowledge repository. FBOs like ADRA are knowledge-based organisations which function through identifying and utilising the right knowledge to gain a competitive edge; safe-keeping of large amount of data and information related to their stakeholders, like donors and recipients; sharing information with other similar service providers on best practices in their field and maintaining proper governance structures for accountability to stakeholders. It is therefore imperative for such organisations to convert both tacit (including indigenous

know-how) and explicit knowledge into easily storable units for the benefit of the organisation and its partners. Wong & Aspinwall (2004) warn against a 'lackadaisical' attitude of small operations like some FBOs which lead to the neglect of the application of knowledge management processes under the pretext that they are small-sized and need to save on overheads by cutting down on what they see as unnecessary expenditure.

According to Bhatt (2001), knowledge application has to do with the storage, retrieval, usage, and sharing of knowledge for the benefit of adding value to the organisation. Daud & Yussof (2010) posit that knowledge, wherever it resides, if not shared will remain valueless to the organisation. The application of knowledge involves the deployment of intellectual capital in order to make the organisation competitive. An organisation like ADRA can strengthen its communication through sharing knowledge about best practices with its counterparts through the usage of networks it has built amongst other faith-based organisations like for instance The Gift of the Givers in South Africa. Such sharing can bring about mutual benefits between the organisations and increase the stock of knowledge beneficial in the rendering of competitive social services especially by FBOs.

2.5 About ADRA SA

In order to enrich the literature on knowledge management in FBOs, the researcher needed to carefully select material that would not only shed light on the operations of ADRA but also characterise this organisation as a good example of how knowledge management can be applied by especially humanitarian organisations in the execution of their mission and vision. To this end, the Network Policies and Standard Manuals (1998-2009 editions), ADRA Operational Manual (2010), ADRA Manual (2008), ADRA TOT Manual (2008), ADRA Annual Report (2011) as well as the ADRA ENET User Guide (ENET.Support@adra.org) are a sample of some of the documents that the

researcher analysed to come to an informed conclusion about the applicability of knowledge management in an FBO setting. The researcher also visited the ADRA website at www.adra-sa.org for an in-depth analysis of how ADRA is utilising this information storage facility.

2.6 Conclusion

The above literature review was not only about Knowledge Management, its definition and its importance as well as different KM models and theoretical approaches but also about the unit of analysis in this study which is ADRA SA. The review has yielded much needed information, sufficient to formulate a well-informed opinion on the overall objective of this research which is to find out whether KM can be successfully implemented in FBOs. The preferred theoretical framework in this study will be the Integrated Knowledge Based View (IKBV) of Kaplan (2001) for its broadness in laying emphasis on the importance of both resources and knowledge in the overall performance of any organisation as opposed to the Knowledge Based View (KBV) which deals only with the effects resources can have on the organisation.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

Methodology refers to the approach a researcher adopts to undertake his or her research including theoretical underpinnings of the research, data collection methods, data analysis as well as interpretation of the results. This chapter will largely deal with the different data collection and presentation methods and the reasons why some methods are preferred over others.

3.1.1 Approaches

Neuman, (2011) states that there are three basic approaches to research methods in social sciences that have emerged over the years; from a rigorous evaluative process of elimination. They are: positivism, interpretivism and critical approach (Neuman, 2011:81). Neuman (2011:81) further states that each approach “is associated with different traditions in social theory and diverse research techniques”. The research techniques fall under two categories namely: quantitative method (usually dependent on positivist approach to social sciences) and qualitative method (which relies on the interpretative and critical approach to social sciences) (Neuman, 2011:151).

In Knowledge Management, variables, like the assessment of any organisation’s readiness for the implementation of KM strategies or any change in the organisational system to effect KM activities can be conducted using both qualitative and quantitative methods. This view is supported by Holt, Armenakis, Field and Harris (2007). In fact for a quantitative approach, Holt, Bartzak, Clark and Trent (2007) have already developed a simple instrument on

organisational readiness for a KM framework. The instrument resembles closely the one in Lee and Choi (2003) and Sunassee (2003) in that it takes into cognisance KM organisational readiness factors like affect, organisational and management support, appropriateness. It gives them statistical values through a questionnaire to determine perceptions about compatibility between KM frameworks and an organisation. However because of the limited nature of this study the researcher has decided to pursue a simple case study of ADRA SA.

It is the nature of the enquiry set above which is to investigate whether frameworks based upon Knowledge Management, long applied to certain organisations, can be adapted to Faith-based organisations that makes the adoption of a qualitative approach more attractive because of its depth, openness, and objectivity. In particular, the adoption of a case study method was preferred by the author as one of the most effective approaches whereby perceptions about a phenomenon could be determined. A case study method allows for the usage of other methods like interviews and or focus groups as complimentary approaches. This is triangulation which is described as basically “using more than one method to measure a phenomenon from different sides or perspectives in order to improve objectivity” (Neuman, 2011).

3.1.2 Case study

According to Yin (1984; 2003) case studies excel at bringing us to an understanding of a complex issue or object and can extend experience or add strength to what is already known through previous research. This is because case studies emphasize detailed contextual analysis of a limited number of events or conditions and their relationships.

Researchers have used the case study research method for many years across a variety of disciplines. Social scientists, in particular, have made wide use of this qualitative research method to examine contemporary real-life situations and provide the basis for the application of ideas and extension of methods. A case study research method is “an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence is used” (Yin, 1984:23). One of the advantages of a case study is that several research methods can be used (triangulation) to gather data. In this instance three methods were applied namely: interviews, self-administered questionnaire and document analysis.

However there are also disadvantages in the usage of case study methodology in research which according to Neale, Thapa and Boyce (2006) may include:

- a. Length: This is because of the detailed information that is compiled often in a narrative form which may be difficult to hold the reader’s attention.
- b. Lack of rigor: This criticism is often levelled against any method that is qualitative in nature and according to Neale *et.al* (2006), is sometimes reflective of a self-inflicted wound by those who choose this method without being systematic in their data collection. To ameliorate against these the researcher has taken strenuous steps to ensure validity and reliability in the study.

Another weakness of case studies is that their findings are usually not generalizable. There have been cases which have suffered overgeneralization by taking a small sample and drawing assumptions without sufficient evidence that these are representative of the population (Yin, 2003). To mitigate against this view the researcher would keep this case study exploratory.

3.1.3 Sampling for interviews

Through a simple non-random sample, 6 (N=6) participants from management and workers as well as volunteers were selected for interviews. This number was further split into two categories of management (N=4) as well as an office assistant (N=1) and an international volunteer (N=1). Had it not been for the lack of resources and time a further simple random sample from the workers and volunteers in ADRA would have been conducted to which a questionnaire would have been administered to study their perceptions about the applicability of KM frameworks in FBOs. A quota sampling (Neuman, 2011:234) would have been employed to further categorise the smaller units of analysis into identifiable segments like management and employers as well as volunteers.

3.1.4 Interviews

Structured interviews were employed in order to gather information about the applicability of KM in FBOs. For the purpose of this study, and the clarification of the role of the researcher and the objective of the research project, interaction with the interviewees on a face to face basis was necessary and more preferable as opposed to letting respondents self-administer a questionnaire. However, in order to maximise the interaction between the researcher and the respondents and to get value for time, a self-administered questionnaire was also used (Appendix 2). Responses by participants were also captured using a recording device (a verbal permission was solicited and secured from respondents first) and by taking written notes.

As already stated, a total of six (N=6) people from (ADRA), three (N=4) representing top management, as well as another two (N=2), representing employees as well as volunteers where successfully canvassed to participate in this research.

The profile of the interviewee ranged from an ADRA Director, ADRA Chief Financial Officer (CFO), MOWCS Director who is also a member of ADRA Board of Directors, a former ADRA director in Swaziland, and a former employee of ADRA in Darfur, to ADRA's programme coordinator. These interviews were conducted within a period of two months, a testimony to the tight schedule the participants have in their day to day responsibilities at ADRA.

In conducting the interviews, the researcher verbally obtained consent by using material that appears on a sample Informed Consent form suggested by Neale *et.al* (2006). The sample form was helpful in priming the researcher on what to say before, during and after the interview especially where a recording device was used.⁶

The five research questions of this study formed the basis for the self-administered questionnaire. Information gathered through this instrument was helpful especially in determining the perceptions of participants on KM in ADRA. Participants were told in advance about the objectives of the study, the questions they were to answer and as an incentive to their participation, they (participants) were rest assured by the researcher that the findings of the study will be made available to ADRA for learning purposes.

To make it easier for the participants to understand their role in the study, the researcher gave a simple but detailed explanation of Knowledge Management (KM) at the bottom of the questionnaire and further solicited questions of clarification before the participants filled their responses on the questionnaire.⁷ The researcher not only got consent for participation in the study from the

⁶ Appendix 1

⁷ Appendix 2

participants but also encouragement to further explore the concept of Knowledge Management in FBOs.

3.1.5 ADRA SA documents analysis

Document analysis is a qualitative research method that is defined as a systematic way or procedure for reviewing or evaluating printed and electronic (computer based and internet transmitted material) (Bowen, 2009). A variety of documents can be used for systematic evaluation of a phenomenon or a theme. These can include but are not limited to newspaper clips, diaries, journals, organisation's constitution, organisational files, minutes of previous meetings, letters as well as websites.

For the purpose of this research, the researcher selected to use not only the interviews and questionnaires, but also document analysis in order to provide a 'confluence of evidence' that will hopefully bring credibility to this study (Bowen, 2009). It is therefore necessary to state that this research method is used in conjunction with the other two already stated.

Several documents were used in this study and these included ADRA Operational Manual, ADRA 2012 report, ENET user guide, ADRA website, ADRA constitution, Seventh-day Adventist Policy books (1994-2013). There are advantages as well as disadvantages of using documents analysis as one of the methods of research.

According to Bowen (2009) the advantages include the fact that documents can provide information on the context within which the participants in a research operate.

Secondly, information contained in documents can raise questions and situations that need to be observed during the research. For instance the ENET user guide helped the researcher to further want to explore how ADRA was storing information and research on project and sharing these with similar organisations before the advent of this powerful electronic information management system. This led to the observation that there has been a reasonable improvement in especially the security of important documents in the event of fire or theft of equipment.

Thirdly, documents are good at providing supplementary data. *Fourthly*, documents bring the historical developments in the entity or organisation to the fore. Lastly, document can be used to verify information from other sources like interviews and questionnaires.

According to Yin (1994) disadvantages include the fact that documents produced for a specific purpose may not provide sufficient information in another context. For instance it is not possible to glean the history of ADRA from reading or scanning the ENET user guide.

Secondly, some important documents that are relevant to the study may have a low level of irretrievability due to the fact that they may be blocked. For example, it was impossible for the researcher to personally go through what is stored in ADRA ENET without a PIN and also because of the strict ADRA privacy policy.

Lastly, an incomplete collection of relevant documents may suggest 'biased selectivity' on the part of the researcher (Yin, 2004). For an example, although there was a desire on the part of the researcher to go exhaustively through ADRA's document archives, time and lack of financial resources (some

documents are stored only around the world regional centres), proved to be a prohibitive factor.

Table 3: Sampling of documents and Data analysed

Document selected	Data analysed
ADRA Operational Manual	History of the development of ADRA, policies on information management and operational guidelines
ADRA Report (2011)	How stored information and knowledge is used to generate a report
ENET User Guide	How ADRA generates, uses, stores and organise knowledge
ADRA Website www.adra-sa.org .	ADRA and the storage and the dissemination of information
Seventh-day Adventist Policy Books (2006-2013)	Whether ADRA can be considered a Faith-based organisation.

3.2 Reliability and Validity

According to Carlson (2010), reliability and validity means trustworthiness, rigor and quality in qualitative paradigm. In order to ensure validity, member checking was followed. Creswell and Miller (2000) posit that member checking is a procedure which consists of taking data and interpretations back to the participants in the study so that they can confirm the credibility of the information and narrative account. All ADRA SA participants were allowed to view raw data in order for them to confirm, adjust or completely refute collected evidence before its incorporation into the research report.

An audit trail was also created. According to Carlson (2010), creating an audit trail means that all notes, scripts and recordings are preserved and well-kept and easily available for review if need be. Data collected in this study will be

handed over to Wits University for safe keeping and for availability in any situation that might in future be deemed necessary.

3.3 Delimitations and limitations of the study

Collis and Hussey (2003) note that in any research that is conducted, there will be limitations. Limitation identifies potential weaknesses in the research. Time, unavailability of relevant literature, lack of resources, inaccessibility of participants as well as lack of previous experience in conducting research on the part of the researcher may be some of the limiting factors. For example in one of the recorded interview with the CFO of ADRA, his phone was consistently ringing throughout and this was an indication of the pressure of time he faced at that moment. Out of many FBOs, only one is the subject of this study and no generalisations can be made to any other. The opinions of the number of people who participated (N=6), albeit helpful cannot be generalised to all the FBOs.

Finally, although the researcher was determined to doggedly, with the help of expert advice and through legitimate means, to negotiate and persuade as well as have access to information that will help him conclude the study within two months, unavailability of participants and inaccessibility of certain documents like the organisation's financial statements and previous budgets hampered the momentum to finish on the previously suggested schedule.

3.4 Ethical Considerations

Research can be intrusive by nature. It is therefore essential for the researcher to realise from the beginning that subjects and participants, be they animals, documents (especially in this case study) or human beings are

accorded certain rights and privileges that must at all times be upheld and respected. According to Neuman (2011), ethical research depends on the integrity of the individual researcher and his or her values.

The researcher did not use any coercive or illegitimate strategies to access information or publish findings without proper evidence and authorisation. A thorough introspection was conducted after data collection and the publication of findings to ascertain that this was an ethical research project. This is more imperative since the units of analysis are FBOs, who themselves are considered custodians of moral and ethical values (Harris *et. al*, 2003).

CHAPTER FOUR

PRESENTATION AND ANALYSIS OF THE FINDINGS

4.1 Introduction

The following findings were made after a thorough analysis of the data collected in a span of two months using different qualitative research methodologies. To analyse is to infer conclusions from collected data. To infer means to “pass a judgement, to use reasoning, and to reach a conclusion based upon evidence” (Neuman, 2011:458). For qualitative data analysis and findings the researcher used diagrams, tables and narratives that seek to explain patterns, similarities and differences between concepts that have a bearing on the subject at hand namely: whether Knowledge Management (KM) principles can be successfully implemented in Faith-based organisations (FBOs) to make them both efficient and effective in their operations.

The findings in this study are consistent with both the research questions posed earlier on and the two KM frameworks on the effect of KM in organisations proposed by both Bhatt (2000) and Sunassee and Sewry (2001).

4.1. ADRA as an FBO

It is worth stating from the beginning that there is absolute agreement amongst all 5 participants that ADRA SA is a faith-based humanitarian organisation whose focal operations derive from their understanding of the Christian imperative of service to humanity.

The post-1994 ADRA Policy and Standards manuals that espouse matters relating to the administration of ADRA activities in all parts of the world state categorically that “the Adventist Development and Relief Agency is a global Humanitarian organisation of the Seventh-day Adventist Church that demonstrate God’s love and compassion” (ADRA Manual, 1998-2009)

In fact the last ADRA Policies and Standards edition of 2009 which supersedes all the previous ones, says, under the caption ‘Preferred Futures’; “ADRA practices a biblical view of social responsibility and deepens the Seventh-day Adventist Church’s understanding of engagement in faith-based social action” (ADRA Network Policies and Standards, 2009:5). Although ADRA is affiliated to a denomination, it upholds the principles of respect for diversity, treating people with equality regardless of race, ethnicity, gender, economic, political, or religious differences (ADRA Network Policies and Standards, 2009:4).

The non-discriminatory stand taken by ADRA in the provision of services and employment opportunities was confirmed by the interview the researcher had with a former ADRA employee from Darfour who was in South Africa as an asylum seeker. The participant used to work for ADRA as an accountant and is himself a Moslem (Interview on the 21.01.2013). The interviewee also strengthened the view that it is possibly the faith foundation of the organisation that made its workers merciful, kind, courteous, humane and incorruptible with a daring willingness to serve communities even in remote dangerous areas of conflict-ridden countries.

ADRA can therefore be safely characterised as a Faith-based organisation in terms of its staff composition and its organisational affiliations as well as its operations. However, notwithstanding the non-discriminatory stance in staffing at ADRA, there is an insistence by the authorities of the church about affiliation that the Country Director; he or she must be elected from the Seventh-day

Adventist Church. This is done to preserve the overarching mission and vision of the Church of which ADRA is the extension thereof. According to one of the participants in the interviews, the Chairperson of ADRA Board is always the President (Bishop) of the Church or his designee. ADRA is also features in the hierarchy of the Seventh-day Adventist Church as one of the operational departments of the Church as can be seen in the Church's organisational structure.

4.1.1. Organisational Structure

The Seventh-day Adventist church organisational structure can be more or less represented by the following chart (Fig. 4). Within the departmental (units') structures, the knowledge management systems (KMSs) are given prominence because of the nature and scope of the work of proclamation and administrative operations involved.

The church pays careful attention to the corporate organisational elements of strategy, structure, staffing, skilling, systems and leadership style amongst others in order to both fulfil its mission and to sustain it relevance in an ever-changing environment.

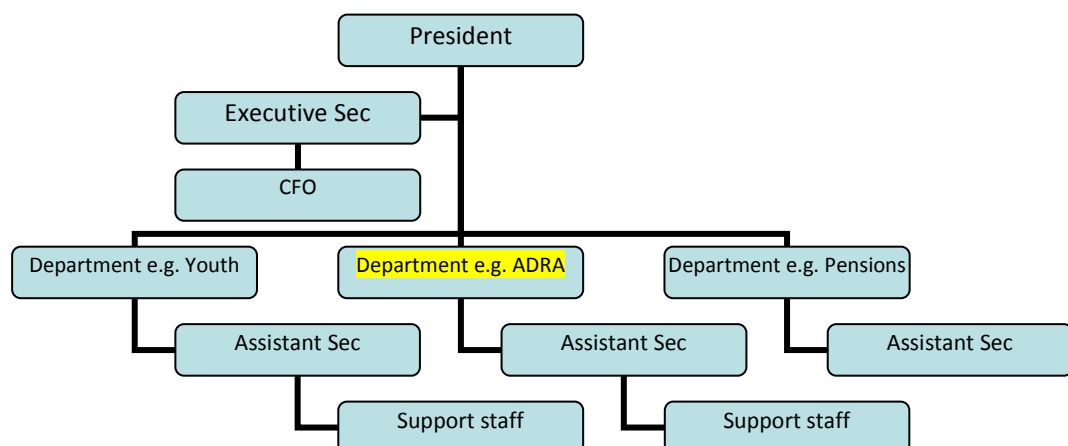


Fig. 5: SAU organisational structure: Source: SAU Policy Book (2005)

The delineation of humanitarian responsibilities to an organisation like ADRA by a denomination which at the top of its responsibilities is to bring spiritual healing to the society (SAU Policy: 2010-2013) is significant. ADRA's place in the structural network of the denomination both characterises it as an FBO and becomes reason enough for the consideration of KM offerings in the execution of its social mandate.

Lastly, in terms of funding, staffing, provision of offices from which to operate, recruitment policies and continuous training, there is equal participation of both the Church (ecclesiastical) and public (secular institutions) in a partnership that is spurred on by similar objectives. For example, whereas most programmes and projects at ADRA are funded by local as well as international donors, ADRA Directors and country office staff are paid for by the Seventh-day Adventist Church.

4.2 The role of Knowledge Management in ADRA SA

All six participants in the research project seem to share similar views albeit put differently about the role KM plays in FBOs and in particular in ADRA SA. The list of responses given can be summarised as follows:

- a. KM enhances organisational memory and information storage for future access and sharing. Knowledge is necessary as it is required by partners and donors to access funding as it provides these essential partnerships with accurate capacity of the recipient organisation.
- b. KM contributes in the implementation of the objectives of the organisation by improving efficiency and effectiveness in its

operations. Improved organisational performance gives it a competitive advantage in the execution of its core business.

- c. KM helps the organisation to be more creative and innovative through learning. Lessons learnt are easily incorporated into future operations leading to continuous growth and improvement
- d. KM is seen as “the process through which organisations generate value from their intellectual and knowledge-based assets. Most often, generating value from such assets involves codifying what employees, partners and customers know, and sharing that information among employees, departments and even with other companies in an effort to devise best practices” (Interview on the 27 November 2012).
- e. KM is the essential part of the organisation because the effective storage and accessibility of knowledge reflects on the efficiency and effectiveness of the organisation.
- f. FBOs like ADRA are knowledge-based and are involved in service delivery and therefore have to be professional in performing their mandates. This means that managerial tenets like bench-marking, monitoring and evaluation, skills training, performance management, KM and others must be implemented to enhance the delivery of social services. There is a general agreement that even FBOs must be run like all other business entities.
- g. By helping the organisation to be open and transparent (easy accessibility of information), KM can strengthen trust between the organisation and the donors thereby mitigating against reputational risk for both.
- h. With ADRA being one of the signatories (together with organisations like Red Cross, Gift of the Givers) of the

Humanitarian Organisations Ethics and Code of Conduct, KM assists in terms of both compliance and recognition in this essential network of social caregivers. Collaboration between ADRA and other humanitarian organisations increases its relevance and can prevent wastage of resources through duplication.

- i. There is a close relationship between indigenous and tacit knowledge. Therefore it is imperative that in order for organisations like ADRA and others to be more relevant to the society, they will need to place more emphasis on all types of knowledge. Failure to give recognition to all types of knowledge can lead to implosion of programmes and projects as was the case in Swaziland where, because of lack of understanding of the local culture combined with community participation apathy brought by the absence of consultation resulted in total failure of a project which donors thought was essential to the locals (Interview on 04.02.2013)

4.3 The application of KM in ADRA

All six participants seem to agree that the information infrastructure within ADRA is adequate to help the organisation carry out its vision and mission as well as strategy. The usage of Manuals, Intranet, Internet, Facebook is perceived by participants as proof enough that ADRA has always since its inception, applied KM in the quest to generating, storing, organising and proper usage of information.

A knowledge-intensive organisation like ADRA relies on the replication of past successes in terms of prompt response to disasters and other community projects. The organisation does not need to invent the wheel every time they

are faced with a crisis. This is unlikely to happen if there is no proper documentation and storage of information. Knowledge Management, if well conducted, is likely to leads to the satisfaction of those who are recipients of social services and a reciprocal increase in the trust they have in the organisation.

According to ADRA Operational Manual (1998-2012, Section E-7), the function of the Management Information System (MIS) is to “collect and distribute pertinent information to the relevant managers and project staff. The data is then used to correct problems, improve project performance, and monitor progress towards meeting objectives”.

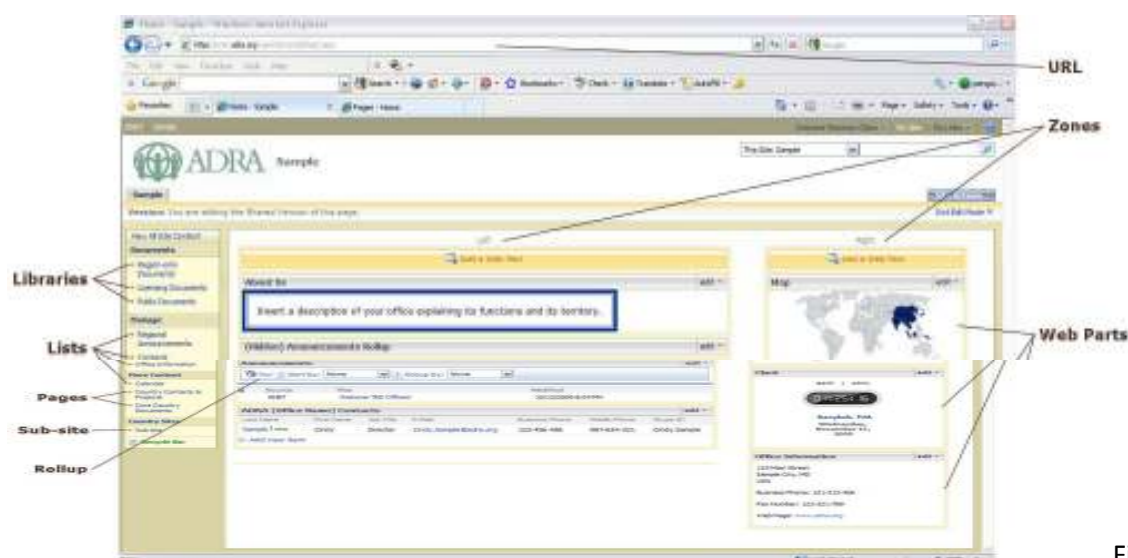
An effective MIS serves to:

- a. Monitor progress, allowing administrators to check that specified project objectives and intermediate targets are being met.
- b. Allow administrators to ensure that the project stays within assigned budget parameters.
- c. Allow the examination of project processes.
- d. Provide information that can be disseminated in fulfilment of ADRA International Central Office’s and the donor’s reporting requirements (Section E-7, ADRA Operational Manual 1998-2012)

Data collected and disseminated is used for periodic reporting and the monitoring of projects as well as donor’s reporting requirements to strengthen accountability and transparency.

4.3.1 The ENET

The application of KM in ADRA meets its zenith in ENET which is a “virtual collaboration environment designed exclusively for ADRA network” (ENET User Guide)⁸. This internet facility, designed specifically for ADRA in order to regulate the organisation’s participation in the Global Network through ADRA International, is according to 5 of the 6 participants the epicentre of ADRA’s generation, organisation, storage and usage as well as sharing of information.



6: ADRA ENET

Through the ENET, ADRA staff and Directors all over the world can log in using a personal identity code and are able to:

- Collect and process data. The libraries, lists, pages as well as sub-sites on ENET provide a one stop information source for ADRA administrators of the system in a completely secure environment.
- Analyse, summarise, present, and report data.
- Interpret and use data to make decisions.

⁸ <https://enet.adra.org/main/network/default.aspx>

- d. Give feedback based on the data to communities and organisations involved in the project. The flow of information is both ways between donors and recipients and between recipients and donors.
- e. Regularly re-evaluate the data being collected to ensure that it is still relevant.

Participants in this research were quick to emphasise during interviews that before the advent of the internet ADRA was largely dependent on the old filing systems, hardcopy Manuals which ADRA has managed to preserve until this day in order to keep the organisation's memory. However nowadays the ENET keeps all relevant information safe, secure, and well backed up in a non-destructible virtual space and makes the generation, sending and receiving of reports as well as the writing of proposal and the keeping of large data on donors and recipients, much easy.

One of the participants even remarked that the information system is so secure that in the event of fire or theft which can lead to damage and destruction of the hardware at ADRA headquarters, stored information could be retrieved in its original and intact form in seconds. This is because whether it is a proposal, a report, or a research paper on any project, the ENET has the capacity to instantly store information into the ADRA International virtual network (Twitter, Facebook and other applications) for easy global accessibility.

The security of the system is further guaranteed in that for logging every staff member at ADRA must have their individualised Personal Identity Number (PIN). The usage of a PIN protects the system against unauthorised access, thus preserving its integrity and reliability.

4.3.2 Tacit and Indigenous Knowledge in ADRA

According to a former Director of ADRA in Swaziland (Interview on 4.02.2013), tacit knowledge (which is knowledge that resides in people's heads or memories, sometimes not codified) and indigenous knowledge (local knowledge that define how people live and interpret their world according to their unique customs and mores), are essential for an organisation such as ADRA.

Lack of information about local communities' values and ways of doing things can make even the best social intervention falter.

Through programmes such as APLI (ADRA Leadership Training Programme) and workshops, the organisation continuously equips its staff to be sensitive to the real felt needs of the communities they intend to serve. Strategic partnerships with some of United Nations Agencies help to provide opportunities for world-class training in multi-cultural approaches for ADRA staff and management. However the researcher has observed a gap in that although there is recognition by ADRA management for the importance of both indigenous and tacit knowledge, there is no deliberate process to harvest and even codify such knowledge.

4.3.3 Leadership buy-in

Any KM offering that is not aligned with the strategy of the organisation and is not supported by its leaders is bound to fail. Without leadership support even the best processes in terms of hard and software cannot succeed. This is because people and not machines matter most in the success of any organisation in meeting its vision and mission.

It appears from the interviews conducted that leadership both at ADRA and the Seventh-day Adventist church are fully in agreement on the importance of Knowledge Management (KM) in the operations of the organisation. This is evident in the summary of the perceptions expressed on the importance of KM in ADRA by especially those that are in leadership positions like the Chief Financial Officer, the Director and members of the ADRA Board.

4.4 Discussion (Analysis)

The purpose of this study was to find out whether Knowledge Management (KM) defined as the systematic creation, organisation, storage and use of information in an organisation (Nonaka, 1991; Nonaka 1994; Nonaka &Takeuchi 1998; Wong & Aspinwall) is applied in an organisation like ADRA, a Faith-based organisation (FBO), to enhance its performance in the provision of social services.

This question is pivotal in this exploratory study in that, thus far the concept of KM has extensively been used purely in relation to the efficiency and effective performances in the business and the private sector realms where competitiveness and the bottom line are the main concerns (Sunassee & Sewry, 2001; Holt, Bartczak, Clark, and Trent, 2007). However, as shown by the scarcity of literature on KM in FBOs, very little appears on the application of this concept on FBOs.

The findings in this study, derived from extensive interviews (face to face and questionnaires) as well as a thorough analysis of several documents, (Yin, 2004) have yielded valuable information as far as real possibility of the applicability of KM in FBOs like ADRA is concerned. Apart from the

unmistakable organisational identity of ADRA as an FBO because of its religious affiliation to the Seventh-day Adventist Church (SAU Policy, 2010-2013; Nagel, 2006) there are several analytical confirmations which one can make related to these findings..

Firstly, ADRA has a clearly stated vision and mission statements in its documents as well as a strategy to fulfil its mandate (ADRA Network Policies and Standards, 2009:4) in an efficient and effective manner. Similar to any organization, public or private with clearly stated objectives to deliver services to its constituency, ADRA needs managerial tools like KM in order to survive in an environment largely defined by the knowledge economy.

Participants in this research were all agreed on the importance of KM in ADRA to the point of over-emphasising that although it is an FBO, ADRA must be run on business principles that govern efficiency and excellence in its operations. This view is also held and posited by Hume & Hume (2007) and Harris *et al.* (2003) who are advocates of the usage of managerial instruments like KM by social service organizations and NGOs. In fact Harris *et al.* (2003) further argues that the public in general place more faith in social services offered by FBOs because of their ethics which stem from their religious affiliations (Gaddy & Ye, 2006). The outcomes of the implementation of KM in any organization can only lead to more trust in that organization by the recipients. This view was confirmed by the interview the researcher had with a former ADRA employee who was helpful in revealing the positive sentiments of the citizens of Darfur towards ADRA and its impartial and non-discriminatory services to the community.

Secondly, the four core KM enablers that are generally the focus of KM specialists namely: infrastructure, culture, measures and technology (Davenport & Prusak, 1998, Bhatt, 2000, Sunassee & Sewry, 2001) resonate well with the present organizational structure of ADRA SA.

ADRA runs a network of projects around Southern Africa (including Lesotho, Swaziland and Namibia) that are well-administered by country Directors. The focus of its humanitarian work as well as its employment policies is on people (Bhatt, 2000). This is buttressed by its well enunciated policies of non-discrimination in all its practices and operations (ADRA Operational Manual, 1998-2012).

Although there is caution on organizations overdependence on technology (Fahey & Prusak, 1998), the ADRA's ENET enables it to store, organize and use knowledge efficiently and effectively at all times in an environment characterized by ease of accessibility and reasonable virtual security. In the management of knowledge and information, information technology (IT) is central to organizational competitiveness. In all the KM models consulted in this study (Lowes' model, EFQM Excellence Model, and the BPR in Bhatt, 2000) technology is given prominence under processes that include hard and soft ware as well as human resources in any organization. This perception is well supported in the Integrated Knowledge Management View of a firm or organization.

Thirdly, the positive perceptions of the importance of Knowledge Management by the participants in the interviews (both verbal, recorded and questionnaires), especially by those on the leadership level in ADRA for example the Chief Financial Officer and the Directors (both former and current) as well as members of the Board confirmed an important aspect in KM. In the application of KM in any organization, leadership buy-in is as essential as the provision of IT processes if not more (Holt *et al.* 2007, Fischer, 2004).

The level of leadership understanding of what KM can do to advance the mission of the organisation and their unreserved support for the concept as a

whole in as far as it enhances the organisation's strategy is a good indicator and a reason for the advanced state of knowledge management evident in an FBO like ADRA.

The researcher observed a total commitment by the leadership of ADRA to modern managerial concepts like monitoring and evaluation, research, change management, succession planning, preserving organisational memory and indigenous knowledge as well as many other similar to these. The researcher also observed that the commitment was underlined by the determination to align ADRA with the rapid changes (political, economic, social, technological, and legal) that continue to redefine the context of ADRA both in South Africa and globally. ADRA SA can therefore be characterised as a learning organisation (Bhatt, 2000).

Lastly, ADRA SA's meticulous storage of explicit knowledge (Kong & Prior, 2007) in manuals, books, reports, as well as the ENET advantages it in its quest to become the preferred humanitarian services provider (ADRA Network Policies and Standards, 2009:5).

4.6 Conclusion

It is clear from the findings that ADRA SA possesses most of the factors that predisposes it as an organisation to the successful application of the Knowledge Management (KM) concept. These factors include but are not limited to a well stated vision and mission, the availability of a credible information technology, leadership buy-in and a proper organisational structure, and a keen awareness that KM has become one of the world's best managerial practices for any organisation, both faith-based and secular in the promotion of efficiency and effectiveness.

However there are also recognised challenges in the organisation that if dealt with can only lead to organisational excellence in performance. Some of the recommendations made at the end of the study will deal with these challenges.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusion

This study is about finding out whether Knowledge Management (KM) offerings can be successfully implemented in Faith-based Organisations (FBOs) to enhance their performance in the delivery of social services. Because of their nature (that of being knowledge-intensive organisations), FBOs can successfully implement Knowledge Management to significantly increase effectiveness in their functions as social services providers. Codification and proper utilisation of experiences and lessons learnt can help FBOs to avoid mistakes of the past and improve on their future performance.

Information management and networking as well as the capacity to learn from each other can help FBOs not only to save the often limited financial resources available to them but also to deliver quality social services to communities they serve.

Although limited to only one FBO, ADRA) which is the sole object of analysis in the current study, evidence from both interviews and document analysis in this case study suggests a real possibility that KM can be successfully applied even in FBOs.

Apart from showing the important role that humanitarian organisations play in the lives of communities that are in need, this study also opens up an exciting possibility of adding up to the scarce literature on Knowledge Management in FBOs. Hereunder follows a brief summary and recommendations.

5.2 Summary

The following summary is intended to give a crystalized view of this study. *Chapter one* establishes the important role Faith-based organisations (FBOs) play in the deliverance of social services globally and throughout the African continent and makes an argument that Knowledge Management (KM) can be used to improve the way such organisations can perform their mission and vision with efficiency and effectiveness.

Chapter two explores the literature on KM in FBOs as well as in public and private organisations. This chapter also introduces the two theories as well as the three models which deals with KM in organisations chosen by the researcher to formulate an anchor for the study namely: The Knowledge Based View (KBV), the Integrated Knowledge Based View (IKBV), the European Foundation for Quality Management (EFQM) and the framework by Sunassee and Sewry (2003). The final observation in this chapter is that these models or frameworks that have been used on secular organisations can also be applied as KM enablers in FBOs.

Chapter three dealt with the triangulation of several research designs which stem from the usage of a qualitative research method (case study) in this research. In particular document analysis, recorded interviews and self-administered questionnaires were employed to gather data for analysis to provide responses to the research questions.

Chapter four contains the findings as well as interpretations on several important aspects of this research as well as the main question of whether the organisational structure and the nature of FBOs like ADRA SA can allow the application of KM on them to enhance their performance. A clear view which emerged is that KM can indeed be successfully applied to strengthen efficiency and effectiveness in FBOs also.

Chapter five gives the conclusion, a succinct review and recommendations on the study

5.3 Recommendations

Several recommendations can be made from this research that will both enrich the organisational functions of ADRA SA and open up possibilities of future research on the essential subject of Knowledge Management in Faith-based Organisation. These include the following:

Firstly, ADRA SA must develop an integrated system of managing information that is balanced between maintaining an excellent information technology and developing its Human Capital (HC) excellence. That is why Donnan (2008)⁹ in considering technology's role in KM, argues that "technology's most valuable role in knowledge management is extending the reach and enhancing the speed of knowledge transfer" (Davenport & Prusak 1998:175). At the same time, they warn against placing too much emphasis on technology, citing "an excessive focus on technology [as] the most common pitfall in knowledge management" (Davenport & Prusak 1998:173)

This sentiment is echoed by Fahey & Prusak (1998:273) who caution, "Although IT is a wonderful facilitator of data and information transmission and distribution, and it can never substitute for the rich interactivity, communication, and learning that are inherent in dialogue. Knowledge is primarily a function and consequence of the meeting and interaction of minds. Human intervention remains the only source of knowledge generation".

Secondly, it would be prudent also for ADRA to develop equally extensive Human Resource (HR) policies to match their efficient IT infrastructure. One of

⁹<http://www.perfassocinc.com>

the key requirements in the successful implementation of KM is the availability of trained and professionally qualified staff.

Human capital can be a source of innovation and creativity especially where the organisation has a sustainable HR strategy of training and development. Either because of their size or lack of adequate financial resources, ADRA SA does not have its own HR Department. They (ADRA) still depend on the Seventh-day Adventist Church for their HR needs and this means they have no control on this vital unit in the quest to strengthen their Knowledge Management activities.

Thirdly, although ADRA SA has an impressive KM infrastructure, they have yet to develop a well-researched, deliberate and well documented KM strategy that takes into consideration the overall strategy of the organisation. Such strategy can be developed and honed during the annual cycles where the organisation lays down, adjusts, or improves its overall organisational strategy. The alignment of the organisational strategy with a credible and well-designed KM strategy is a must in the execution of the organisation mission and vision.

Lastly, ADRA could engage a KM specialist who would help the organisation establish a process that can be followed to mine and harness the vast amount of tacit knowledge that is resident in the minds of its constituency in order to also codify it (turn it into explicit knowledge) for future use and sharing. This investment can also be made in the area of establishing an intentional system of harvesting indigenous knowledge which could help ADRA to grow from essentially being a relief organisation to being fully developmental.

It is a burning wish in the mind of this researcher that further studies on KM and FBOs could be conducted to further explore the importance of this concept in a world that has become a global village and to add to the research in this area where there is scarcity in literature.

5.4 Areas of further research

The development by ADRA SA of a clear Knowledge Management strategy: Such strategy should be inculcated and integrated with the overall business strategy of the organisation. The fact that ADRA SA does not have a process in place that can be followed to mine and harness the vast amount of tacit knowledge that is resident in the minds of its constituency in order to also codify it (turn it into explicit knowledge) for future use and sharing. This also goes for the intentional harvesting of indigenous knowledge which could help ADRA to grow from essentially being a relief organisation to being fully developmental.

The overreliance of ADRA on their information systems: This is against the generally acknowledged advice that although IT is important in the efficient operations of any organisation, people and their networks are still the best resource that can be deployed to give an entity a competitive edge.

The lack of an independent Human Resource system: Recruiting, training and development of new and old staff members as well as having a clear leadership succession policy is one of the key enablers in the successful implementation of KM in any organisation.

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Data disk with all the voice recordings will be included

APPENDIXES

APPENDIX 1

I want to thank you for taking the time to meet with me today. My name is Rambelani Peter Maligudu and I would like to talk to you about your perceptions with regard to the usage of Knowledge Management in Faith-based organisations like ADRA (Adventist Development and Relief Agency in South Africa. Specifically, I am interested in finding out how ADRA has been generating, organising, storing and using as well as reusing information and knowledge.

The interview should take less than twenty minutes. I will be taping the session because I don't want to miss any of your comments. Although I may be taking

some notes during the session, I can't possibly write fast enough to get it all down. Because we're on tape, please be sure to speak up so that we don't miss your comments.

All responses will be kept confidential. This means that your interview responses will only be shared with research team members and we will ensure that any information we include in our report does not identify you as the respondent. Remember, you don't have to talk about anything you don't want to and you may end the interview at any time. Are there any questions about what I have just explained?

Are you willing to participate in this interview?

Interviewee Witness Date

Legal guardian (if interviewee is under 18)

APPENDIX 2

Sample questionnaire response

Research Questions (ADRA Board Member)

The problem which this study will address is: Does ADRA¹⁰ apply Knowledge Management at an acceptable level in the delivery of its services? Furthermore, what are some of the problems and challenges facing ADRA in the implementation of Knowledge Management¹¹ effectively?

The research questions posed are:

- a) What do you think is the role of KM in Faith-based Organisations¹²(FBOs)?

KM is the process through which organizations generate value from their intellectual and knowledge-based assets. Most often, generating value from such assets involves codifying what employees, partners and customers know, and sharing that information among employees, departments and even with other companies in an effort to devise best practices.

- b) What are the perceptions underlying the applicability or otherwise of KM management frameworks on Faith-based Organisations?

¹⁰ ADRA is Adventist Development and Relief Agency in South Africa

¹¹ Knowledge Management (KM) stands for the “creation, organisation, storage and usage of knowledge in the pursuit of strategic objectives of an organisation. There are two types of knowledge, **explicit** (codified in databases, books, manuals and electronic sources) as well as **tacit** (residing in people’s memories or in the experiences of employees, not necessarily codified but can be if need be).

¹² Faith-based Organisations (FBOs) are organisations whose existence is based upon a belief system e.g. churches, synagogues, Relief Agencies like the Gift of the Givers.

It has a poor history in faith based organisations as their perception is not one of business with specific goals and targets. In our organisation this has never been seen as a business but rather as a service and rendered in an ad hoc fashions living from day to day money comes in money goes out to service delivery. Little intelligence is applied to the process. The impact of the service and the perception of the customer are often disregarded as they get the service “free” and thus have to be grateful.

Organisations such as ADRA and MOWCS SA are moving away from this approach. Service delivery is being professionalised through creating and implementing service delivery standards, benchmarking against other similar service providers. Researching service delivery and creating set standards. This requires summarising service delivery in policies and procedures. Auditing service delivery to monitor and evaluate compliance with the primary funder.

Planning is based on formal strategic planning done and updated annually. Outsourcing specific skills base required to increase the level of service delivery.

Using intranet, internet, facebook, bulk sms to try and communicate in real time.

Creating monthly statistics and doing comparisons to assess the need improved service delivery and recordkeeping.

- c) How has KM been applied throughout the history of existence of ADRA?
If KM was not applied how has knowledge in ADRA been stored and in what forms?

Due to ADRA's international affiliation the global standards were set and systems developed to create a set and measurable standard world-wide. Every process is standardised and revised regularly.

- d) Can KM frameworks be successfully applied in FBOs to maximise their organisational output? If yes, why do you think so? And, if no, could you also provide reasons?

Definitely FBO's have to governed as a business – focusing on excellence in service delivery and customer service and aftercare. Regular assessment of service delivery can effectively create an information base for best practice. Monitoring and evaluations are the basis of measuring service delivery and best practice according to the organisational data base on all aspects of it business.