The Role of Knowledge Management in Creating a Culture of Learning: The Case of Dubai Municipality

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Abstract

Purpose: The aim of this study is to empirically investigate the role of knowledge management in creating a culture of learning and creativity in a non-Western context. It further seeks to stimulate broader empirical and theoretical discussions on the topic.

Design/Methodology/Approach: As little is known about knowledge management approaches in our regional context, the qualitative approach was chosen as an appropriate method of studying this phenomenon. The openness of the qualitative method enables data collection that is not constrained by predetermined categories of analysis, and thus allows for a level of depth and detail that quantitative methods cannot provide. Our empirical investigation is based on semi-structured interviews and conducted in the Knowledge Management Department of Dubai Municipality.

Findings: Results indicate that the impact of knowledge management on organisational learning is below expectations. Written official statements or policies are not sufficient to enforce learning and creativity. Notably, institutional changes at the extreme produce conditions that might reduce the rate of organizational learning. The role of knowledge management is to develop context specific strategies to embrace learning and creativity.

Practical implications: In light of the institutional structures, our findings on knowledge management and organisational learning provide managers guidance in making decisions under extremely uncertain institutional settings.

Originality/Value: Knowledge management and organisational learning have been discussed within organisational and management research; however, the majority of these studies adopt a Western-based perspective. This paper contributes to our understanding of the relationship between knowledge management and organisational learning in an emerging market setting, which has so far received insufficient attention.

Keywords: Knowledge management, Organisational learning, Public sector, Dubai

Paper type: Research paper
1. Introduction

Knowledge management (KM) and organisational learning (OL) have been discussed in organisational and management research (see, for example, Senge, 1991; Garvin, 1993; Schein 1996; Walczak, 2008). Strong, Davenport and Prusak, (2008) argue that knowledge and organisational learning are closely correlated. An effective knowledge management system promotes and facilitates learning in an organisation (Walczak, 2008). Scholars and professionals have acknowledged the importance of knowledge as one of the key factors for modern firms, and have underscored the value of knowledge as a strategic asset (Kogut & Zander, 1992; Conner & Prahalad, 1996; Nonaka & Peltkorpi, 2006). According to Drucker (1991), knowledge is the most important source of wealth creation in contemporary post-capitalist societies. Moreover, knowledge is more critical to the success of organisations than capital and labour (see Nonaka & Peltkorpi, 2006). The main focus in the field of knowledge management is directed towards the strategic implications of knowledge within organisations. Drawing on a knowledge-based view of firms, strategic management studies have established that knowledge is the most important strategic asset for sustaining a firm’s competitive advantage (Penrose, 1952; Teece, 1998). Another strategic approach towards knowledge management discusses the role and function of knowledge within the decision making processes in organizations (see, for example, Miles and Snow 1978; Mohammed and Jalal 2011; Turner and Makhija 2012). In this perspective, knowledge and learning are critical to organizational decision-making. In line with these theoretical concepts, the aim of this paper is to explore the strategic impact of knowledge management on organisational learning in Dubai Municipality. Although there is a sound body of research on knowledge management and organisational learning, there has been little reference to the non-Western context (Walczak, 2008). Few studies have discussed the matter of KM and OL in the Arab world (see, for example, Mohamed et al., 2008; Tahir & Skok, 2010; Biygautane & Al-Yahya, 2011). The number and quality of such papers are not comparable with the intensity of the body of research related to the Western world; hence despite the rapid growth of Gulf countries, the interest of research is still somewhat limited.

UAE is a relatively developed and stable (and secular) Middle Eastern country with a significant industrial and commercial base. Generally speaking, if the practices of KM are unable to foster a learning organisation in such a setting, this will arguably cast doubt on the broader relevance of such practices across comparable contexts. Firms operating in the wider Middle East region, as well as in commodity-driven economies, could learn useful lessons from what does and does not work in such contexts. Hence, the focus of the present paper is to deliver insights into the practices of KM and OL in Dubai, and to discuss the role of knowledge management in the Arab world; in particular, in the Gulf countries.
In contrast with Western economies, the impact of the government on the public and private sector is omnipresent. In this context, the government promotes the position of the public sector as a role model for all the other sectors. The aim of the government of Dubai is to encourage and stimulate excellence in business and customer satisfaction. As highlighted in the guiding principles of the Strategic Plan 2015 of Dubai, the public sector is a crucial partner in terms of accomplishing the future goals of Dubai. In this setting, the role of the public sector is vital as it is recognised as a major driver for the rapid growth of the economy (Hvidt, 2009; Haak-Saheem, 2011). In order to encourage improvement in all aspects, the Dubai government has established a number of excellence awards for government entities. The award for excellence recognises and rewards exceptional government employees, departments and initiatives. Motivated by the Dubai Government Excellence Programme, each government entity strives to improve its performance in order to be awarded within the Dubai Excellence Programme (DEP) initiative. Dubai Municipality (DM), in the past, has been rewarded for its achievements by national and international bodies. DM was acknowledged for its activities and projects in the year 2011 by the Sharjah Award for Voluntary Activities, American Ideas Award, Med Prize for Best Projects, Excellence Award for Arabian Leadership personalities, Arab Achievement Award and the Arab Award for Creativity available at www.dm.gov.ae (accessed April 22, 2013).

DM is perceived as a vital government unit with an impressive historical record. Sheikh Rashid Al Maktoum established a new form of DM in the year 1974 with some independent characteristics; therefore DM is regarded as one of the largest governmental institutions in terms of services rendered and projects executed. DM is recognised as being the leading driver of growth and evolution of the Emirate of Dubai available at www.dm.gov.ae (accessed February 28, 2013). In addition to its position as a leading force for growth in Dubai, DM was selected for this study owing to its positive reputation as an organisation with a well-established KM system. DM employs over 10,000 individuals. The majority of these employees are regarded as labourers, working outside the premises. Approximately 3,430 individuals are recognised as ‘white collar’ employees, and have access to KM programmes.

The present paper is organised as follows: the following section highlights key strands of the existing literature that seeks to link KM with OL; Section Three describes the methodology, whilst Section Four presents the findings of this study. Finally, we move on to the conclusions, discuss their broad relevance, and set out the implications for practice.

2. Literature Review

Knowledge as a critical resource

Knowledge management and organisational learning are certainly not new topics. The idea of valuing knowledge as a resource has a long history (see Penrose, 1952). Grant (1996) argues that knowledge is an essential resource of firms in terms of value creation.
One of the most common ways of discussing knowledge is to distinguish between data and information (Nonaka, 1991). Data can be classified as raw numbers, images or sounds, whereby knowledge is organised in meaningful patterns. Unlike information, knowledge is concerned with beliefs, commitment, perspectives, intentions and action (ibid.). Other studies have explained knowledge by differentiating between explicit and tacit knowledge (Nonaka & Takeuchi 1995). Markedly explicit knowledge is more related to fact and theories; it is easier to codify and transfer across the organisation (Grant, 1996). Kogut and Zander, (1992) outline the difficulties of transferring tacit knowledge. Owing to the nature of tacit knowledge, its transfer between people is slow, costly and uncertain (ibid.).

Despite some unified perspectives within the field of knowledge and knowledge management, there is a common understanding of knowledge as a social construct. Teh & Sun (2012), in this context, emphasise the role and importance of knowledge management in the organisations of the 21st Century. Through this view, knowledge-sharing contributes to the creation and utilisation of knowledge within the framework of knowledge management (Chiang, Han & Chuang, 2011). Considering the fundamentals of the resource-based view of the firm (Penrose, 1952), successful companies direct more attention towards their resources than to other factors to obtain a competitive advantage. This strategic perspective plays a significant role in Wernerfelt’s (1995) approach; in his award-winning paper, Wernerfelt emphasises the role of resources in analysing a firm’s potential. The resource-based view perceives the firm as a bundle of idiosyncratic resources and capabilities where the primary responsibility of management is to maximise value through the optimal exploitation of resources (Grant, 1996). Resources are not only important for the current competitiveness of the firm; they also form the basis for the future success of the company. In regard to the role of resources within the field of strategic management, knowledge, as a resource, has gained additional attention. Knowledge is described as the most strategically important element of the firm’s resources (ibid.). More recently, Castro, Lopez and Delgado-Verde (2011) identify the knowledge-based perspective of the firm as a main contributor to organisational learning, creativity and innovation. In this context, Barney (1986) emphasises the transferability of knowledge within a firm as a source of competitive advantage. In line with the perspective of Nonaka and Takeuchi (1995) concerning tacit-versus-explicit knowledge, Kogut and Zander (1992) point out the challenges of transferring tacit knowledge across an organisation. The question here remains: How can the knowledge management department of DM enable and promote the mobility of tacit and explicit knowledge within the organisation?

Knowledge management and organisational learning

The concept of organisational learning has been studied for more than three decades. Learning as a relevant process was highlighted by Argyris and Schoen (1978). Although learning is considered critical to organisational success, there are tremendous challenges in terms of implementing the strategies that promote learning, creativity and innovation in organisational culture. The difficulties encountered in this process highlight he required changes of the mind-set and the cognitive structures of the members of an
organisation (Nicolini & Meznar, 1995). Several authors emphasise the high level of interdependence and the need for coherence (alignment) in the context organisational elements—particularly cognitive structures (Argyris & Schon, 1978). From a strategic perspective, organisations must have the potential to learn, unlearn and relearn based on past experience and behaviour in order to secure an internal and external environmental alignment (Fiol & Lyles, 1985). Nicolini and Meznar (1995) recognise that changing the learning environment—and hence learning—is triggered by some kind of disequilibrium, discrepancy, stress and novelty that requires some form of readjustment or realignment. In line with the challenges encountered in the process of knowledge transfer, Cohen and Levinthal (1990) emphasise the absorptive capacity of firms; as outlined in their work, knowledge absorption depends on the recipient’s overall ability to add new knowledge to existing knowledge. Through this view, knowledge transfer involves transmission and receipt (Grant, 1996). On the other hand, however, knowledge absorption requires the capacity of the knowledge receiver to understand, interpret and add new value to existing knowledge (Cohen & Levinthal, 1990). Grant (1996) highlights the importance of a common language as a driver of efficient knowledge aggregation. Although the common business language in Dubai is English, the official first language of the Emirate is Arabic. Due to the high level of diversity within the workforce, there is a wide variety of nationalities and cultures; therefore, for the majority, English is a second language. In addition to the internal challenges associated with the transferability of knowledge, management has to deal with challenges when knowledge transfer occurs across organisations (ibid.).

Many studies support the view that there is a strong bond between KM and OL (see, for example, Senge, 1991; Schein, 1996; Popper and Lipshitz, 2000; Allame et al., 2011). There is a body of research relating to the transformation of organisations into learning entities to change management (Cohen & Sproul, 1991; Garvin, 1993). However, organizational changes at the extreme may affect the process of knowledge management and organizational learning negatively (Newman, 2000). For instance, decision making under extreme uncertain conditions such rapid institutional changes in emerging markets is problematic (see DiMaggio and Powell, 1983). In this vein, a string of literature on KM and learning draws on the environmental conditions of an individual’s information processing for better decision making. The preceding discussion has suggested that organizational structure will influence how organizational members process information. Consisted with this logic, Tushman and Nadler (1978) argue that the organization’s information processing capacity is reflected in its ability to gather, interpret and synthesize information related to organizational decisions. As noted by Radner (1993), it is the individuals who make critical decisions within the organizations. Indeed, Teece et al. (1997) argued that a firm’s capabilities are best understood as the organizational structures and managerial processes that underlie its development and utilization of acquiring, disseminating, interpreting and integrating organizational knowledge. In line with this notion, organizational structure and design plays a significant role for ensuring proper information flow to reduce uncertainties and enable members of an organization to make critical decisions. The choice of structure is determined by the need to resolve problems arising from the operating environment of the organization (Turner & Makhija, 2012). In the light of learning and unlearning of organizations, the information processing of individuals which is embedded within the structure of an organization can lead over time to a more
successful approach towards solving problems and accomplishing tasks (Argote, 1999). Greenwood and Hinings (1996) highlight the role of institutional embeddedness of organizations in the process of learning. In this view, problems in a relatively stable environment are easily anticipated and therefore needed knowledge is more predictable as the nature and quality of needed knowledge changes in a less stable environment. When an organization faces greater environmental uncertainty, it becomes more difficult to anticipate both the problems and their solutions (Becker & Baloff 1969). The rapid growth and dynamic changes in emerging markets reflect a great extent of uncertainty such as the case of Dubai. Turner and Makhija (2012) distinguish between mechanistic and organic structures, while mechanistic structures foster blueprint and decidedly efficient patterns of information processing, organic structures enhance an individual’s reliance on communication and interdependence. The environment of knowledge management in creating a culture of learning in Dubai Municipality can be considered as organic due to the level complexity and institutional upheaval. Hvidt (2009) highlights the lack of industrial experiences, shortages of competencies and ‘fast track’ development as a major characteristic of emerging economies. In addition, Sabri (2005) considers the high level of complexity as a major weakness of organizations in the Arab World. Accordingly, organizations in this regional context require further structural changes and development in order to embrace learning (ibid.). In this vein, one of the key functions of the Department of Knowledge Management is to design appropriate structures of information flow which enable employees to make proper decisions.

Prior to exploring the notion of OL, it is necessary to provide a clear definition of this concept since it is recognised as uncodified and ambiguous (Popper & Lipshitz, 2000). Whilst Garvin (1993) correlates OL with continuous improvement, Senge (1991) suggests the use of five disciplines to foster learning in organisations: system thinking, mental models, personal mastery, shared vision, and team learning, all of which are major characteristics of a learning organisation. In a similar spirit, Nonaka (1991) defines a knowledge-creating company as a place where inventing new knowledge is a way of behaving and being, in which everyone is a knowledge worker. Despite the attractiveness of the idea of a knowledge-creating company, Garvin (1993) argues that this notion is neither realistic, nor practical.

However, Schein (1996) emphasises the importance of having an adequate culture that promotes OL. In his study, he criticises the glibness of those scholars calling for the creation of a new organisational culture, as if culture can be ordered up like an item on a restaurant menu (Schein, 1996, p. 1). Thus, the question is posed: is the creation of a ‘learning culture’ the biggest challenge for the KM department of Dubai Municipality? Despite the government’s emphasis on knowledge and learning, and its subsequent reflection on the strategies of Dubai Municipality, the shift in the mind-set of the people and their behaviours is, thus far, an unachieved target. Nicolini and Meznar (1995) describe this shift as an organisational change, encompassing all the drawbacks of a change process. Davenport and DeLong (2003) argue that the incorporation of KM can change businesses significantly; therefore, they raise the question of how organisations can use knowledge more effectively. Their findings downgrade the transformational ability of KM since many organisations do not have clear objectives of KM. In the case of Dubai Municipality, defining the objectives of KM should not be a great challenge since these are related to the strategies of the government of Dubai (available at www.deg.gov.ae accessed March 5,
The contribution of the present paper is centred on delivering some new impulses to understand the field of knowledge management and organisational learning within an unexplored context.

Owing to the demographics of the UAE, the majority of the employees are non-UAE citizens. Since the government promotes a policy of increasing the percentage of citizens in the workforce (Emiratization), expatriates—specifically, knowledge workers (Drucker, 1991)—secure their jobs by protecting and hiding their knowledge. The role of knowledge management in such a context may be to motivate and encourage knowledge transfer for the sake of enabling learning at an organisational level.

Reflection of knowledge management and organisational learning in the Arab world

As mentioned earlier, the majority of studies in the field of knowledge management and organisational learning have been conducted in Western economies. The study by Walczak (2008), centred on knowledge management and organisational learning, delivers various international perspectives. He criticises the dominance of the Western ideology and accordingly promotes the importance of considering cultural differences. Culture is recognized as the most significant challenge in terms of managing knowledge across firms. Dubai Municipality has incorporated a common strategy for the generation of knowledge by benchmarking current practices against the best practices in the world. Indeed, there are certain challenges to overcome when knowledge is generated across organisational and geographical borders.

In a recent study, Ibrahim, Rowley and Delbridge (2012) state that, despite the great interest of scholars and practitioners in the field of knowledge management, especially knowledge-sharing, there has been little reference to the Arab World. Whilst the majority of studies have been conducted in Western economies and cultures, there have been few informative contributions related to the Arab region. Hutchings and Weir (2006) outline the embeddedness of knowledge-sharing in the frame of the Arab culture. Walczak (2008) provides alternative models to understand KM and OL beyond the borders of Western countries, such as the USA, Germany or Switzerland. Sabri (2005) argues that a successful transition of Arab societies into more knowledge-focused economies requires fundamental changes in management capabilities and organisational structures. Up until this point, knowledge management is not able to address the aforementioned challenges for the development of mechanisms to overcome those barriers, nor is there any appropriate concept to tackle effective knowledge management processes and organisational learning. Without any significant experiences or conceptual frameworks, managing knowledge or initiating organizational learning is, in fact, a challenge for the knowledge management departments of any organisation in the Middle East.

3. Methodology
The present research draws on knowledge from the broad fields of knowledge management and organizational learning. However, as little is known about knowledge management approaches in our regional context, the qualitative approach was chosen as an appropriate method studying this phenomenon. The openness of the qualitative method enables data collection that is not constrained by predetermined categories of analysis, thus allows for a level of depth and detail that quantitative methods cannot provide. Our investigation is based on semi-structured interviews with twelve employees from the Knowledge Management Department and focuses on the case of Dubai Municipality. The study investigates the role of knowledge management in creating a culture of learning within the largest public entity. It focuses on the initiatives undertaken by the DM to manage knowledge and promote learning, and gathers insights into the challenges associated with creating a learning culture and the barriers to it. The case of Dubai Municipality will unveil context related peculiarities that have not been taken into consideration in prior research. The use of case studies analysis to trigger new empirical and theoretical insights is a popular approach in the literature (see Mintzberg, 1979; Yin, 1981; Eisenhardt, 1991; Cepeda & Martin, 2005; Eisenhardt & Graebner, 2007; Siggelkow, 2007). Mintzberg (1979) describes case study research as a strategy of ‘direct’ research, which is able to deliver more useful results. In this context, Mintzberg raises questions such as, ‘What, for example is wrong with samples of one? Why should a researcher apologise for them? (Mintzberg, 1979, p. 583). Thus, the aims are to ‘simplify, reconnect and redirect theory and practice’ and accordingly provide new impulses (Lee, 1999, p. 166).

Although interviews are a highly efficient way of gathering rich, empirical data, there is the challenge biased information (Eisenhardt, 1991); therefore, multiple interviews with diverse informants were carried out with the aim of reducing the likelihood of representing biased data.

Data sources

Data were gathered from three main sources, namely semi-structured interviews, archival documents, and direct access to knowledge management technologies. In addition, relevant information on the website of DM, as well as public documents, including press releases were collected.

Interviews

Of a total of twelve semi-structured interviews, seven were in-depth, in-person interviews with employees of diverse hierarchical level, and lasted 1–2 hours. This is considered acceptable for the purpose of the present work (see, for example, Mintzberg, 1979; Guest et al., 2006; Eisenhardt & Graebner, 2007; Siggelkow, 2007). In view of the limited amount of previous research on knowledge management in the Arab context, an inductive approach using semi-structured interviews to obtain qualitative data was deemed appropriate (Saunders, Lewis & Thornbill, 2003). Prior to each interview, information relating to the purpose of the interview was provided. The term ‘knowledge management’
and ‘organisational learning’ were defined to become the focus of the interviews. The semi-structured interview templates concerned the role of KM in terms of creating a learning organisation in Dubai Municipality, and considered what policies and programmes need to be in place, how employees perceive the role of KM in fostering OL in DM, the major challenges to and opportunities arising from the establishment of KM and OL in DM, and the DM’s future strategic objectives in regard to KM and OL and so forth. Two follow-up meetings were arranged with the director of the KM department, with certain questions expanded upon in terms of which role KM could play in terms of establishing a learning and creative environment. The attempt was made to triangulate through the use of diverse informants, as well as by cross-checking information against archival data and public documents (e.g. websites) to avoid retroperspective bias in the interviews.

Archival documents

The archival documents collected comprised of internal organisational charts, job descriptions of senior employees of the KM department, including the director, list key performance indicators of employees measuring knowledge management and learning performance, internal memos, the annual strategic plan, and a manual of the implementation of new policies (e.g. creating a culture of creativity). These documents constituted a valuable primary source of data, and offered the opportunity to counter-check the interviews and control the retroperspective bias.

Observation of knowledge management technologies

Direct access to the utilised technologies concerning knowledge management and organisational learning was a valuable additional source of data. The explanation of a key employee of the KM department was useful in terms of gaining understanding into the key functions of the system. The review of the ‘knowledge gate’, as a major tool of managing knowledge, was considered important in terms of deepening the understanding of the role of knowledge management in creating a culture of learning.

Data analysis

A thematic analysis of the interview transcripts was undertaken in three stages. First, transcripts were analysed individually for key themes. Next, common themes shared between interviewees were identified. Meaning condensation techniques were used to present the meanings expressed by the interviewees in a succinct formulation (Saunders et al., 2003). This process supported the identification of the knowledge management initiatives undertaken by the DM, and the challenges associated with the development of a culture of learning. Several archival data, such as policy statements, implementation manuals and so forth, were analysed and compared against the existing theory. Moreover, the internal
knowledge gate website was observed several times over a period of six months in order to understand the activities related to knowledge management and learning.

4. Findings

Prior research has acknowledged the importance of knowledge management and organisational learning, but not in this regional context. As stated earlier, Dubai Municipality is one of the largest public entities in Dubai. As stated earlier, DM employs over 10,000 individuals working in 32 departments in six sectors: corporate support services, international affairs and partnerships, engineering and planning, environment and public health services, general support, and environment and public health monitoring. DM offers a wide range of services to the community. Managing knowledge more efficiently and effectively may have a positive impact on the improvement of all services.

KM and OL is crucial to the further development of the economy. The government of Dubai has recognized that the only way of creating sustainable economic and social development is to foster learning in all aspects. The recent global financial downturn has demonstrated that existing structures and strategies are not robust enough to face those challenges. Therefore, the government pays a great deal of effort in guiding Dubai to a knowledge oriented economy to reduce the vulnerability of the global challenges. The management of the last financial crisis and Dubai's ability to recover sooner than expected demonstrated the capacity of the Emirate to learn in order to ensure further progress. As spelled out in the Strategic Plan of Dubai, Dubai aims to develop knowledge and service based economy. Dubai Municipality has expended considerable effort and resources in the development of a strategic perspective on knowledge management. In line with the strategic plan of Dubai, it has established a knowledge management approach that focuses on creativity and organisational learning. In this perspective, Hvidt (2009) argue that a knowledge oriented economy is not so much about the number of educated people as it is about a special mind-set dominating such societies – a mind-set that focuses on making the right decisions in winning opportunities, on visions, and on creating a vibrant culture which fosters creativity and innovation. Our investigation indicates that the vision is clearly defined, but the creation of such a mind-set is a major barrier to further economic development. Thus, KM has developed certain strategies to highlight the role of knowledge in relation to culture, communication, people and leadership. As an example, the department of KM created the idea that 'reading is the key to knowledge'. There is a general resistance in the Arab culture to reading. The aim of this initiative is to encourage employees to read in a comfortable environment.

How is KM embedded within the organisational chart?

Figure 1 represents a snapshot of the structure of the knowledge management department. In regard to the role of KM in terms of creating a culture of learning and creativity, a senior employee reflects the importance of the unit:
‘KM is still a young unit, established in 2008 with the potential to become a major driver of the future performance of the Municipality.’

As shown in Figure 1, KM is managed under the umbrella of the international affairs and partnership sector. The embeddedness of KM within this frame is an indication as to how DM understands the role of KM. Records and documentation, knowledge exchange, and studies and knowledge resources report to KM. Sabri (2005) sees the structure of organisations in the Arab world as the biggest challenge in implementing KM and initiating OL. Indeed, the embeddedness of KM within the organisational chart of DM is questionable. Markedly, it is unclear whether or not the position of KM as part of the international affairs and partnership sector justifies the basic functions of KM.

Figure 1: The organisational chart of DM

Source: Adapted from the organisational chart of DM

There are certain initiatives of KM in terms of highlighting the importance of knowledge as a critical strategic asset of an organisation; however, this is, without any doubt, a thorny way of reaching the desirable target. There is a generic notion of the role of KM, although a specific definition of the business nature of DM is not available. Our empirical investigation shows that the effectiveness of information flow is not appropriately addressed. It is questionable if the current organizational structure promotes the desired culture of learning. In particular, in regard to organizational decisions, structural changes are required in order to enable members of an organization to gather, interpret, and synthesize information. In order words, the current structure reflects more of a silo rather than an integration of knowledge and learning. For being able to make better decisions, learning should be woven into every single part of an organization.

What policies and strategies are in place to ensure the effectiveness of KM and OL?

The director’s expectations are optimistic in terms of realising the necessary principles:

‘The written principles or policies are crafted with the support of multiple units. We truly believe that this policy might bring the desired outcomes.’

According to the last policy release, there are indeed opportunities for KM to enforce a creative and learning environment. DM updated its corporate and excellence culture to support the creative human resources, as well as to strengthen and spread the corporate creativity culture, providing a suitable environment for motivation and creativity in different fields of municipal work (available at
With regard to this policy, the KM department prepared a 20-page document indicating the implementation of the aforementioned policy. This comprehensive action plan is based on intensive research by the KM department. The aim of this policy is to stimulate employee behaviour and performance to support organisational learning. The solutions developed are more technical and give less consideration to the specific context of DM. The necessary actions look good on paper but remain questionable in terms of whether or not such steps will work in the case of DM. The strategic timeframe for the implementation of this major policy is calculated for the next three years. The crafted documents reflect mostly international best practices without major consideration of the local context. As aforementioned the environmental conditions of Dubai differ from others in other parts of the world. In other words, the transformation into a creative and learning organisation is a matter of individual organisational adjustment, and will require a change in the cognitive and behavioural patterns of its members. However, changes in behaviour may occur without any cognitive association development; similarly, knowledge may be gained without any accompanying change in behaviour. The links between changes in behaviour and level of cognitive development may be depicted (Fiol & Lyles, 1985). The cognitive and behavioural difficulties are not considered explicitly in the strategic plan of KM. These problems also go largely unrecognised in research (Roth & Senge, 1996). Moreover, there is a tendency to treat these problems as if they had either purely technical or behavioural solutions. There is a common misunderstanding concerning how those challenges should be tackled: for example, some organisations believe that the key to resolving the lack of exchange amongst employees is simply to gather data and analyse it correctly in order to get people to communicate more effectively and more often. Roth and Senge (1996) doubt the impact of such technical approaches. Due to the financial capacity and fast development of the Gulf region, the GCC states prefer to acquire technologies and knowledge from the international market rather than to develop those within an institutional context.

DM has developed strategies to address the challenges pertinent in this regard, with some incentive plans developed to encourage employees to participate in KM programmes. The department of KM, in cooperation with the Human Resources Department, designed extrinsic and intrinsic incentives to encourage employees to embrace learning: for example, if an employee knows the answer to a question raised by a colleague and shares this knowledge within the frame of the knowledge gate, he or she then can expect some reward; however, our study indicates that the impact of rewards on learning is vague. Due to a lack of longitude experiences, and academic work, we are not able to forecast what type of motivation might work in this regional context. However, organizational learning occurs through routines that are repeated and modified and organized by schemas that help the organization assimilate process and interpret information (Kiesler & Sproull, 1982). In this view, the role of knowledge management is more to stabilize the conditions of the environment during institutional upheaval rather than to initiate many changes which will not lead to desired outcomes.

How do employees perceive KM and OL in DM?
The perception of KM and OL by employees is widespread. Certain groups of employees appreciate the programmes as a knowledge gate, whilst others resist such initiatives. The knowledge gate is a communication platform that encourages knowledge exchange amongst employees. The common resistance in the Arab culture to reading hinders other initiatives of the KM department. For example, the director established a reading club and encouraged employees to join; however, only around 1% of the employees showed any interest. On the other hand, some employees are interested in knowledge and learning, and acknowledged the function of KM and the benefits of learning. As reflected in an interview:

‘The themes around knowledge management and learning are still new to the majority of the people. We are convinced that people will value the learning with the time. All we need is patience.’

A similar perspective was shared in other interviews as well. Interviewees were expecting a change in the perception of the employees over time. Time constraints might be one of the biggest barriers to knowledge management and learning in a fast growing and rapid changing context. Thus, similar to other emerging markets, fast growth does not encourage time consuming processes in general. In this light, dynamic decision making and ‘fast track’ development may prefer to acquire knowledge and competencies rather than to develop them (Hvidt, 2009). As mentioned earlier, the financial capacity of the GCC region acts as a predominant barrier to knowledge management and learning. As aforementioned, due to the time constraints and the “catch – up” modus of the emerging economies with the developmental level of the Western world, the conditions of creating organization specific schemas and templates is not given.

Generally speaking, a common understanding of KM and OL does not yet exist. Reflecting on the perception of employees during the last few years, one can detect development and progress in regard to utilising the programmes and services of KM. For instance, the number of employees using the knowledge gate as a platform for exchanging knowledge is increasing, and employees are searching the internal database more often for specific knowledge. Despite some improvement, our investigation shows that, the perception of KM and OL indicates the novelty and early stage of the entire topic.

Where do you see major challenges to and opportunities for establishing KM and OL?

KM works with great enthusiasm in terms of developing proper KM systems and programmes. Nonetheless, it remains a lack of awareness amongst the majority of employees concerning the role of KM. In general, it is not entirely clear what knowledge means to DM, nor what KM can do to improve the work of individuals. As highlighted by Biygautane and Al-Yahya (2011), the dominant organisational culture in the Arab world poses numerous challenges concerning the sharing and transfer of knowledge. In other words, such challenges are not only attributes of DM. The considerable resistance of some groups in DM to the idea of KM and OL may be grounded in the uncertainty avoidance dimension of the Arab culture (Hofstede, 1991). Contentment with the status quo
and fear of the unknown may discourage staff from accepting new practices if they are unsure of their outcomes. In this context, an employee stated:

‘One of our biggest challenges is to encourage people to read. In addition, the work in such a vibrant and dynamic environment requires all of our attention and effort. On the other hand, our people are quite young and will be able to adapt to new things, if they see the true value of it.’

In a recent study, Ibrahim et al., (2012) confirm the importance of attitudes towards knowledge and learning. Fiol and Lyles (1985) argue that the successful implementation of OL requires major behavioural and cognitive changes. In addition, the institutional setting of emerging markets, such as Dubai is dynamic and complex. For instance, problems cannot be determined by first-hand experience and the solutions to problems are interrelated (see Roth & Senge, 1996). In the case of DM, the short history of the United Arab Emirates and the absence of any experience of industrial revolution have placed KM and OL in conditions of uncertainty and novelty. In the present work, we found some evidence which indicates that KM is on the right path to enable OL. The centralized role and decision making of the government is critical in this context. The Strategic Plan of Dubai functions as a major guideline for further improvement in this regard. In contrast, the Western perspective of literature on KM and OL emphasize the role of empowerment and decentralized learning experiences (see e.g. Senge, 1990; Garvin, 1993; Nicolini and Meznar, 1995). Throughout our investigation, interviewees highlighted the importance of the Strategic Plan and the vision of the ruler Sheikh Mohammed Bin Rashid Al Maktoum for their operational and strategic concerns and decisions. This perspective has to be seen in connection to the developmental state paradigm which stresses the critical role of state intervention and focuses on the institutional and political bases of effective state intervention (Hvidt, 2009). The deep embeddedness within the institutional structures has a positive impact on KM and OL. Thus, organizations that adapt to institutional pressures are more likely to obtain scarce resources and have higher survival chances than those that do not (see Newman, 2000). In our case, DM is highly embedded in the institutional context that enhances the likelihood of success of revolutionary, fast and pervasive changes. Interviewees see the strategic objectives of the government as a critical support to improve KM and OL further.

What are your next strategic objectives with regard to KM and OL?

As highlighted in the previous sections, DM’s newest strategic decision in producing a creative environment is an indicator of the strategic perspective of this public entity. DM is the first government organisation to focus on learning by emphasising the value of creativity and innovation. The department of KM prepared a comprehensive and detailed strategic plan for the implementation of the new policy.

‘The aim of the new policy is to take the municipality to the next level. We want creativity and innovation, because we believe that learning, creativity and innovation are crucial factors of future success. We are eager to convince our people to be part of it. Our top management has its hands on it and we get the needed support.’
The next level of technological advancement is one of the major strategic objectives of KM. There is emphasis placed on equipping employees with the newest technologies so as to ensure access to knowledge from anywhere. According to the director, the IT infrastructure should support and encourage employees to utilise the availability of knowledge. Appropriate technology is an essential tool for sharing and exchanging knowledge. High investment in technology is expected over the next few years. However, the KM department is fully aware that moving to new technologies will not solve all existing problems. Markedly, there are several awareness campaigns in the pipeline for the encouragement of employees to embrace knowledge and learning. Nonetheless, the volatile institutional environment indicates a constant pressure and challenge in regard to decision making and strategic planning. In our study we identified the environmental conditions as uncertain and unpredictable for making strategic decisions. In this view, the dynamic and volatile institutional context in Dubai may often lead to circumstances in which existing knowledge and competencies become suddenly obsolete, leaving organizations with a competence vacuum. In addition, it is difficult to learn from limited available experiences during periods of significant changes. In other words, many changes in the institutional context inhibit organizational learning. Our data shows that individuals in such a context face challenges to make strategic decisions while the institutional context itself changes rapidly and radically. The dilemma is that KM and OL are organizational issues with long term perspectives but embedded in the conditions of emerging economies that exercise tremendous pressure on ‘fast track’ development underpinned by a great deal of changes.

5. Discussion and Conclusions

The present work mainly contributes to our understanding of the relationship between knowledge management and organisational learning in a non-Western context. It offers a range of empirical and theoretical insights into KM and OL in an emerging market represented in the case of Dubai Municipality. In line with the Strategic Plan of the Emirate, it has been demonstrated that DM has invested considerable effort and resources into establishing effective KM programmes and promoting a culture of learning. The latest decision in regard to creativity and learning shows the commitment of DM to knowledge and learning; however, as a large entity in the public sector, it struggles to establish a culture of learning and creativity. In other words, the impact of such initiatives is still limited. As mentioned earlier, existing challenges should be seen in light of the environmental conditions. Moreover, scholars and practitioners must recognize the urgent need to adjust their models, assumptions and practices significantly to account for how work is and will be performed and organized in an increasingly knowledge driven environment. So far we have made several claims that KM and OL should be seen in light of an institutional context. As highlighted by Brown and Duguid (2001), knowledge base is not a property that falls within its boundaries, but one that in part draws on its embeddedness in broader structures. Consequently, we have attempted to investigate the role of knowledge management in creating a culture of learning through institutional lenses. In this vein, the relationship between organizational transformation and institutional upheaval has a great impact on the
success rate of knowledge management on organizational learning. The analysis indicates that institutional framework in Dubai might be a major source of generating opportunities for novel ideas and practices. Thus, the government pushes for further development and encourages organizations to embrace change. Nevertheless, the existence of many institutional changes influences knowledge management and learning negatively. Our observations demonstrate that the normative process such as governmental structures and tight relationships of the public and private sector can guide organizations to find the fit between institutional upheaval and development of sustainable organizational templates. Given the fact that Dubai is governed by the vision of Sheikh Mohammed, strong cohesiveness can be viewed as a source of advantage. As Baum and Oliver (1991) argue, highly embedded organizations in the institutional context obtain a wide range of information which decreases the level of uncertainty and improves the likelihood for proper decisions. Our study shows that organizations embedded in such a context are more likely to obtain scarce resources and have a higher level of success; this proposition is supported by the case of DM. However, Biygautane and Al-Yahya (2011) acknowledge the opportunities and challenges of implementing knowledge management in the public sector. The recent study carried out by Ibrahim et al., (2012) highlights the difficulties of implementing a knowledge-sharing culture in the Dubai Police. In other words, KM is an interesting topic in the public sector, but its implementation is an uncertain adventure. The interest in the public sector has to be seen in light of its function within the economic progress. In contrast to the Western context, the public sector plays a bigger role in the development process of Dubai. As Hvict (2009) argues, not the private, but rather the public and the semi-private sectors are the driver of the rapid growth of Dubai. In addition, Haak-Saheem (2011) characterizes the structure of Dubai as a state and an organization at the same time where the ruler leads the developmental agenda. The government encourages the public sector to generate new ideas and practices; the Excellence Award is an example of such a motivation. Therefore, despite the novelty and uncertainty of the themes surrounding knowledge management, DM is convinced of the value of knowledge and learning.

Drawing on the organizational level study, we identified that KM and OL must be seen in the context of the institutional condition. Proposed theoretical models and frameworks work only to a certain extent. In line with institutional theorists (see, for example, DiMaggio & Powell, 1983; Whitley 1998), we suggest that the process of creating a culture of learning should be closely connected to values, norms, and strategic objectives outside of the boundaries of DM. In other words, several changes in the structure of DM are needed to embrace learning. In this regard, knowledge and learning should be integrated into the daily work of the employees. Currently, KM and learning are addressed in silos. The role of KM here is to ensure that creativity and learning are visible in all aspects of the business—learning penetrates the entire organisation to

enforce a culture of interactivity and engagement. This approach is more relevant with regard to developing expertise for decision making. The current structure reflects isolation rather than integration of knowledge and OL. A more integrated structure would support the role of organizational learning as routines including organizational ideologies, conventions, strategies, technologies and cultures that define the way it undertakes activities. This perspective is crucial to ensure that knowledge is managed properly and learning takes place. Our investigation has shown that planned and implemented policies
and practices are loose and fractionally disconnected from the environment conditions. As discussed earlier, the environmental conditions in emerging economies are uncertain and coined by extreme rate of changes. Thus, as a response, organizations seek legitimacy in their institutional contexts by changing their strategies, structures, and practices to imitate other successful organizations (DiMaggio & Powell, 1983). In the absence of well-established structures of KM and OL in this context, mimetic changes are less likely to be effective (Newman, 2000). Therefore, despite the popularity of the adoption of best international practices, a stronger focus on the institutional framework is required to assure long term success. Although the adoption of best practice can be useful in some situations (see Pfeffer 1994; Darwish and Singh, 2013), there are fundamental differences between the origins of those practices and emerging economies in regard to resources, capabilities, routines and schemas (see Darwish et al., 2013). The case of DM delivers some evidence that KM and OL theoretical models and practical implementations - developed in the Western world - are imperfectly transferrable to those rapid changing economies. Such conclusion has been recently evidenced by one of our recent studies in a Middle Eastern emerging market where our findings reflect the extent to which Western-derived models of best practice may have little relevance in an emerging market setting (see Darwish et al., forthcoming). Recent work has highlighted the extent to which institutions and associated wider societal relations may impact on the viability of specific sets of work practices not only on national lines, but also on sectoral ones (see Lane & Wood, 2009; Darwish et al., forthcoming).

For instance, the KM department has to cope with the challenges related to the workforce characteristics in Dubai. As mentioned earlier, the ratio of foreigners within the workforce is high compared to other GCC countries. In fact, 80 percent of the population are non-nationals (Hvidt, 2009). The government puts a great deal of effort to get more UAE nationals engaged into the workforce (Emiratization). Due to the fact of Emiratization, knowledgeable expatriates fear the situation to be substituted by UAE nationals. Therefore, knowledge exchange does not fully take place. The role of KM will be to identify strategies to overcome those barriers. In this context, considering the institutional setting is crucial to embrace KM and OL.

While the legal, political and financial destination of the Arab World are only known vaguely and will take years to develop, Dubai’s developmental experiences may benefit the entire region. In light of the institutional structures, our findings provide managers guidance in making decisions under extremely uncertain institutional conditions. Thus, without the consideration of the institutional framework, knowledge management and organizational learning is likely to be episodic, ineffectual, temporary, and misguided.

Limitations and future research directions

Despite the contributions of the present study, we acknowledge some limitations. First, our sample includes a limited number of interviews. In addition to existing challenges in the Arab world for data collection, we encountered language related problems (see, for example, Sabri, 2005; Ibrahim et al., 2012). We hardly found employees speaking a sufficient level of English. Nevertheless, a larger sample
that represents broader perspectives of the role of knowledge management in creating organisational learning would improve the robustness of our findings. Second, whilst our findings are based on a single case, future research is encouraged to investigate the KM-OL relationship in cross-case settings. Finally, our focus on Dubai limits the geographical scope of investigation. Future work may pay attention on other parts of the regional context to generate a more comprehensive picture around KM and OL.

The developmental process as it unfolds in Dubai has hardly been addressed by academics. However, because of the absence of research related to the regional context in general and knowledge management and organisational learning in particular we recommend future researchers to explore the impact of institutional settings on managing knowledge and learning. Researchers can identify in this regard the complexity of an emerging economy and attempt to develop a more fine-tuned understanding of its relationship to knowledge management and organizational learning.

Acknowledgment: The authors are grateful to the editor of this journal and two anonymous referees for their constructive comments and feedback on an earlier draft of this article which led to several improvements. All shortcomings are ours. The authors would also like to record their debt to Abdullah Abdul Rahman, the director of the Knowledge Management Department at DM, and to all the employees of the department for being very cooperative and supportive during the conduct of this work.

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