# KNOWLEDGE MANAGEMENT PRACTICES IMPROVEMENT IN PUBLIC SECTOR ADMINISTRATION

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**Abstract:** The new economy, the Knowledge based economy, brings new challenges and opportunities for the private sector, but most of all, for the public sector. To take advantage of the opportunities that the knowledge based economy and society can bring to us, the public administration needs to take initiative and to identify the new techniques and instruments of the new knowledge management and to adapt them to the public sector management particularities. The competitive advantage that knowledge management instruments create is more and more recognized by the public sector administration, by generating strategic resources for public sector development. The purpose of this article is to identify to what extent public institutions in Romania have successfully implemented the new management, the Knowledge management. In order to face current challenges and to satisfy citizens' demands, public institutions must implement new practices and management techniques in a society that faces transformation. New technologies like online communication using social media represent just a few issues to be considered by public sector institutions to develop and predict future's need. Research methodology is based on the analysis of management practices in public institutions in Romania based on questionnaires addressed to staff. In conclusion, the article shows that considerable progress has been made when it comes to effective implementation of knowledge management in public institutions in Romania, new tools being developed by management after the interaction with the external environment and their stakeholders.

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#### 1. Introduction

In the recent years, a series of important changes in public management have emerged. It is absolutely normal, if we consider the innovations promoted by the skilled professionals. There are significant approaches that redefine the processes of management and its pursuit in public institutions and values like the expression method and performance evaluation obtained by the public managers and performers. (Boyne, G. A., 2002)

Knowledge Management (KM) is the process of the new management techniques. In the organizational context it is the process of the organizational knowledge in order to give value to the business and generate competitive advantages. KM enables the creation, communication and application of knowledge of all kinds to give value to the activities in core competencies. KM is used for solving specific problems arising within the organization, even when we are dealing with a product or service that represents an innovation in the public sector. KM facilitates the relationships with the beneficiaries, the partners and the suppliers of the public institutions. (Bhatt, G. D, 2001)

The proposed value (value proposition) of KM is that public organizations that implement a KM program will act decisively online, using the maximum parameters of intangible assets at the expense of allocating new funds for investments in tangible assets. Because of the changes within the market the uncertainty increases, the number of competitors also increases and, under such circumstances, the products and services will depreciate fast. Therefore, public sector institutions develop their capacity to create new knowledge, to disseminate them quickly and incorporate them into new products and services.

## 2. The New Public Management and its benefits for public sector institutions

#### 2.1. New KM principals for public sector institutions

Theoretical researches, especially those with practical results, have fully demonstrated the necessity of fundamental changes in public management.

The traditional approach not only it is inappropriate for the public sector but, it increasingly feels the need for major changes in public institutions through which the core values of the New Public management (NPM) should be developed. An analysis of the NPM content is found important to provide a clearer picture, given below: (Boyne, G. A., 2002)

• particular attention for the achievement of objectives; emphasis on individual responsibility of the public managers to achieve the objectives; increased managerial autonomy and flexibility; introduction of performance indicators for measurement; the achievement of fundamental and individual objectives; integration in management thinking of the "3E" meaning economy, efficiency and effectiveness; market orientation and attention towards the achievement of results for social needs.

One aspect is obvious and clear enough after this presentation, namely that the new model of public management outperforms the traditional model of public administration and, inevitably, sooner or later, the future public sector will be completely dominated by new managerial values promoted both in theory and in practice. It is also clear that the new approach changes significantly the working methods in public institutions and also the management of public and civil servants. Their work will be determined by the new coordinates of public management, namely, objectives, results, accountability of the performance, creativity and innovation, traditionalism not routine and specific administrative activities. (Salisbury, M., 2002).

#### 2.2. KM practices improvement in public sector administration

The mission of a public institution is a set of fundamental guidelines regarding the products and public services offered to meet the needs of a general and specific market segment of the public sector to which it is addressed; it also refers to the administrative level, the administrative-territorial unit and the local community where the services are offered and the technology is used for the production and supply. The role of the public is to provide goods and services at the highest quality that meet social needs, in terms of economic efficiency. (Bhatt, G. D, 2001)

This approach is required in the process of creating the dimensional system of values and aspirations because there is a set of values shared by all public institutions operating in the public sector. It is also required a number of specific values determined by the particular field to which they are addressed. In defining the content of the public mission, an equitable method is recommended, integrating both the values and aspirations of the common and specific management representatives. (Polayi, M., 1999).

In public administration, due to the large influence the political factors have on public management, the main goal is to bring together the matters of the public interest approach and the social one.

### 3. Research methodology

The complexity of the social, political and economic developments in different countries, as well as the dynamic changes in public institutions, will lead to a process of public management, in the developed countries, satisfying thus the scientific information, the human, technical and material need.

The professionalization of the public management is a complex process of attracting, selecting and creating public institutions and civil servants specialized in public management, who will apply the methods, techniques and approaches that lead to outstanding performance expectations for institutions and citizens. In this respect, the first step was to set a clear role and limits of ability of the political representatives in public management. The second step was the acceptance that the professionalization of the public management requires a redefinition of the content of the training activities and new training for the civil servants. The third step was to trigger a process of training and development of the new system of values which, in the shortest time, will lead to a level of performance in the public sector that will reach, at least the expectations of the citizens in those countries. (Bhatt, G. D, 2001)

Research methodology is based on the analysis of the management practices in the public institutions in Romania based on questionnaires addressed to the staff. The successful implementation of KM practices means, for the public institutions in Romania, considering the professionalization of public management and integrating principles and practices of knowledge management.

Therefore, the research for this article is based on a questionnaire addressed to the staff of 10 public institutions in Romania, at the local administration level, trying to find out which is the degree of implementation of the knowledge management and, at the same time, the level of its professionalization.

Thus, we considered of great importance staff training benefits and motivation to perform daily activities observing the principles KM.

#### 4. Research results

The research results showed that public management system in Romania and its professionalization is absolutely necessary if our state administrative system wants to promote KM values.

The important stages in this process are:

- 1. the development of a comprehensive diagnostic study in human resources;
- 2. the foundation of a global human resources strategy in the public sector;
- 3. the overall strategy development and the strategy in the human resources administration field and other areas of the public sector activity;
- 4. training the human resources to implement strategies;
- 5. ensuring the organizational climate;
- 6. implementation of the human resources strategies;
- 7. monitoring, evaluation and adaptation of the global strategy of human resources.

The effects of such fundamental changes of the authorities and public institutions in our country are selectively presented below: significant improvement in the quality of administrative decisions; an increased functionality of the institutional and administrative system; improved services provided to institutions and citizens; improved image of the public institutions and state authorities.

Initiating and accelerating the professionalization of public management in the public sector, in our country, is required in the process of administrative reform, which is expected to be implemented among public authorities and institutions at central and local level.

The implementation of the information technology in public sector organizations is another important aspect analyzed in the questionnaire. It shows the extent to which KM implementation is appreciated as an opportunity for the government services that can, thus, become more effective and efficient. For this purpose, David Mc.Kewitt, an acclaimed specialist, says that in the public management, access to public information and transparency in the management process are, clearly, the support for the development of the society as a whole. (Polayi, M., 1999).

It is, in fact, the goal which led to the development of two new fields: computer science and cybernetics administrative management. One of the technologies used today by the governments around the world is the internet. According to statistics, over 50 million people use Internet every day. It allows fast and low cost access to official documents and government information.

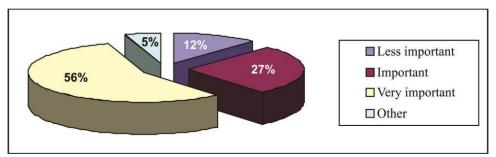


Figure 1: The importance of implementing KM in public institutions

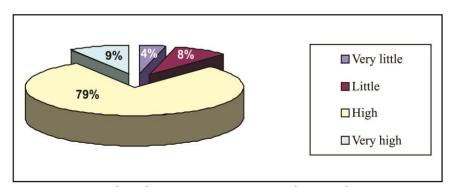


Figure 2: What is management professionalization for institutions employee

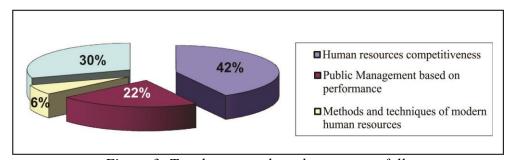


Figure 3: To what extent have been successfully implemented KM principles

#### 5. Conclusions

In the current climate of competitiveness and the economic downturn management is obliged and increasingly put under pressure to find the means to use the human potential to its fullest level. Nobody is willing to support the cost of replacing already trained workforce leaving the organization. Nowadays, public organizations must move "clever" and continuously to survive. Implementing a KM is the key to making this transformation possible. Although technology plays an important role in KM, the focus is on people and motivation. In organizational work, we often face the situation in which we do not fully cover what we know; it may remain uncovered a difference more or less important, depending on the situation.

The managers of the public institutions are obliged to eliminate as much as possible this difference. Initiative basically means capitalizing on communication by creating the necessary framework for people to connect and share mutual knowledge in order to prevent and resolve the real problems faced by the organization at a certain moment. To achieve this, in time, confidence and involvement of the group members are needed.

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