Chapter 73
Drivers, Benefits, and Challenges of Knowledge Management in Electronic Government: Preliminary Examination

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ABSTRACT
This chapter explores the role of Knowledge Management (KM) and knowledge workers in the public sector organization in the broader perspective towards achieving the Electronic Government orientation in Malaysia. The future implementation of KM in the public sector organizations should leverage and articulate the experiences, ideas, and expertise of an organization’s knowledge workers for the embedded organizational knowledge. A survey questionnaire was used to collect data from all public sector accountants working in the accounting specialist department of the Federal Government in Malaysia. This selected knowledge intensive accounting organization has a large pool of public sector accountants and the core competencies of the organization are to provide timely accounting information and quality accounting services to all agencies of the Federal Government. Public sector accountants (knowledge workers) are responsible for the strategic policies and operational management in various departments of this selected public sector organization. The responses from the questionnaires are aimed to preliminarily examine the organizational readiness in technology resources as well as to identify the perceived benefits and challenges in using KM as a strategic management tool to improve the internal operational efficiency and electronic service delivery system for E-Government in this selected knowledge intensive accounting organization in Malaysia.

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INTRODUCTION

Malaysia has put in place strategic national policies to embrace Knowledge based Economy (K-Economy) such as the Electronic Government (E-Government), Knowledge Management (KM) and Knowledge Workers (K-Workers). Therefore, this book chapter explores the role of KM and K-Workers in the public sector organisation in the broader perspective towards achieving the E-Government orientation in Malaysia.

KM is a newly emerging inter-disciplinary business model which involves people, technology and processes (Awad & Ghaziri, 2004; Edwards et al., 2005; Salleh et al., 2008) to systematically leverage knowledge to enhance effectiveness, to improve efficiency and to facilitate competency, creativity and innovation (Stankosky, 2005; Salleh et al., 2008; Chong et al., 2011; Salleh et al., 2012).

Knowledge is a critical organizational resource for any organization in order to survive and succeed in the K-Economy era. KM is an important strategic management tool at both micro and macro levels in achieving specific objectives of an organization and also to a country so as to gain competitive advantage to survive in the K-Economy era (Salleh et al., 2008). In the E-Government environment, the KM strategy plays a central role towards realizing the benefits of K-Economy and achieving the economic competitiveness of the country. Therefore, this study attempts to address the absence of KM research in the transformation process of Malaysian government towards an E-Government paradigm. In this study, the introduction of KM strategy within E-Government environment will encompass the drivers, benefits and challenges of KM from a preliminary study of public sector accounting organization in Malaysia. E-Government in Malaysia can be defined as the transformation of public sector internal and external relationship through Internet enabled operations and Information and Communication Technology (ICT) to improve and optimize government service delivery, constituency participation and governance (Kassim, 2003; Salleh et al., 2011).

The primary focus of this preliminary study emphasizes on the use of technology resources to leverage the experiences, ideas and expertise of an organization’s employees (knowledge resources) for the embedded knowledge assets. Apart from having effective KM strategies and adequate Information and Communication Technology (ICT) infrastructure, the main barriers of implementing KM are all people related issues such as poor understanding of what KM involves, a lack of top management leadership and a culture that inhibits knowledge sharing (Taylor & Wright, 2004).

The research conducted for this study attempts to fill the gap by examining and identifying the critical factors for KM implementation strategy that should be adopted by a public sector accounting organization in Malaysia in transforming towards E-Government orientation for knowledge based products and services. The Accountant General’s Department (AGD) in the Ministry of Finance of Malaysia is selected to study the drivers, benefits and challenges of KM adoption for E-Government readiness in a public sector accounting organization. The AGD is a knowledge repository of public sector accounting knowledge and practices apart from serving as the main knowledge provider of accounting functions and services to all ministries and government agencies of Federal Government in Malaysia. A self-administered survey questionnaire was used as the main research instrument for data collection and research findings.

This study attempts to analyze whether the responses to the survey questionnaires by the public sector accountants in the AGD can provide answers to the following objectives:

1. To assess the perception of public sector accountants on the level of organizational readiness for KM adoption in terms of tech-