Chapter 5.23
The Political Economy of Knowledge Management in Higher Education

Amy Scott Metcalfe
The University of British Columbia, Canada

ABSTRACT
In this chapter, I discuss the economic and political implications of knowledge management in higher education. First, I examine the linkages between KM and capitalism, with the help of theoretical frameworks that connect increasing managerialism in higher education with the promises of profit-making in the New (Knowledge) Economy. Next, I discuss the politics of information and the ways in which knowledge is stratified in postsecondary institutions. Third, the social dynamics of information and communications technologies (ICT) are explored in the context of higher education institutions. These perspectives provide a counter-balance to the decidedly functionalist views of much of the knowledge management literature. The intent of the chapter is to provide a foundation for the rest of the volume and the more specific studies of KM in higher education to follow.

INTRODUCTION
As the external environment increased pressure upon institutions of higher education to become more productive and business-like, it is not surprising that business management techniques are promoted as the best vehicles for change (Ewell, 1999). In the Information Age, the management techniques that have been the most popular in the private sector pertain to e-business, the art of combining the marketplace with high technology and opportunities provided by the Internet. E-business initiatives are also becoming common in higher education, with Web-based portals linking academic units to shared databases and common business rules (Katz et al., 2000). Distance education courses are hosted on the World Wide Web, and “e-learning” has become standard jargon in the field. Academic managers have embraced information technology since the age of the
mainframe computer, which has resulted in the development of techno-centric institutional infrastructures, electronically-driver business cores, and wired classrooms in colleges and universities throughout the industrialized world.

Ushered into academe on the heels of information technology and institutional restructuring, knowledge management promises to lead to better decision-making capabilities, improve academic services, and reduce costs (Kidwell, Vander Linde, & Johnson, 2001). KM is often loosely defined, but its central purpose is the action of “transforming information and intellectual assets into enduring value” (Kidwell et al., 2001, p. 3). Founded on the notion that “intellectual capital” is a hidden asset of many businesses, KM seeks to bring this essential knowledge to light in order to make organizations more competitive. In the arena of higher education, KM is being touted as a method that will increase institutional innovation (Lyman, 2000). Getz, Siegfried, and Anderson have stated that, “higher education occupies a strategic role in productivity growth, not only because it is an industry itself, but also because it is a source of new ideas and trains the managers that affect productivity throughout the economy” (Getz, Siegfried, & Anderson, 1997, p. 605). It is in this context that KM proponents have noted that the absence of KM principles in higher education is a striking oversight (Serban & Luan, 2002).

Colleges and universities are obvious sites to explore the implementation of knowledge management (KM) principles in the public sector, given the historic connections between academe and the production of knowledge. While the creation and dissemination of knowledge has long been the social role of colleges and universities, recent neoliberal shifts in the political climate have led to legislative and private sector demands for evidence of a return on investment for public expenditures to higher education. As state support for postsecondary education dwindles, more attention is paid to “productivity” measures and ways in which institutions are maximizing public and private investments. Institutional research offices have been at the core of the data collection efforts. An increase in the use of information technology has provided more opportunities to measure and codify the production capacities of higher education institutions, from the learning mission to research output. Data points such as graduation rates, expenditures per student, faculty/student ratios, the cost to raise a dollar, grant revenues received, patents granted, and other factoids are collected, contextualized, and distributed by academic institutions to their public and private constituents. Thus, the information gathered and evaluated is used to determine financial aid formulas, institutional rankings, state appropriations, and other important “knowledge-based” decisions that affect higher education.

Recently the principles of KM have been applied to academic settings to help in these efforts. As an outgrowth of the data-gathering opportunities afforded by the widespread adoption of information technology (IT), KM is wedded to the technological infrastructures of modern organizations. Therefore, issues of access to and control over IT systems and the social power differential between those who are the “monitored”, those who are the “users”, and those who are the “managers” of technology are inherent to KM implementation, regardless of the size and type of organization where it occurs. Academic labor and its products have been traditionally shaped by professional norms and peer-review, but a shift toward technocratic decision-making in an environment marked by academic capitalism (Slaughter & Leslie, 1997; Slaughter & Rhoades, 2004) has permitted new value systems to prevail. In such an organizational climate, the intellectual capital that was previously considered a public good is now a “knowledge asset” that has the potential to increase institutional legitimacy and to provide new revenue streams. Knowledge management, as it has been defined and shaped by the private sector, is thus being employed in the public sphere in order to “capture” these as-