Toward a Knowledge Management Strategic Framework in the Arab Region

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ABSTRACT

This article seeks to develop a framework for a Knowledge Management (KM) strategy in an emerging economy, viz. the Arab region, and to propose a framework for a successful KM strategy in such a socio-cultural context. To achieve the objectives of the study, a conceptual KM strategy framework was proposed and described; it was then illustrated using a case study. The paper adopts a case study approach as a powerful source of understanding the KM specificities. Twelve interviews with executives of a telecommunications company were conducted and then systemically analyzed. Based on the findings of the study, a profile of KM in an Arab country is developed as well as a holistic and integrative KM strategy framework. The final framework concludes with a proposed a three-layer KM framework. The first layer includes KM drivers (market liberalization, technological advancements, and customers’ preferences); the second, KM processes (knowledge strategizing, sourcing, composing, sharing, and using); whereas the third includes KM enablers (KM buying behavior, convergence of business and technology, source-data quality, project championship, process-based structure, and sharing culture). However, the proposed framework requires further testing through additional case study analyses to be able to capture the best practice of KM in this important region.

Keywords: knowledge management; knowledge management strategy; knowledge sharing culture; organizational learning

INTRODUCTION

Business organizations operating in today’s new economy find themselves in a highly competitive and turbulent business environment. Organizations are faced with fierce competitive pressures arising from technological advancements, globaliztion of markets, deregulation, liberalization, privatization, as well as rapid political and governmental changes that place huge demand on firms to remain flexible, responsive, and innovative (Drucker, 1995; Teece, Pisano, & Shuen, 1997).

The resource-based view of the firm recognizes the importance of organizational resources and capabilities as a principal source of creating and sustaining competitive advantage in market competition. According to this approach, resources are the main source of an organization’s capabilities, whereas capabilities are the key source of its competitive advantage (Grant, 1991). As knowledge is one of the principal resources in service-oriented firms, effective usage and management of knowledge resources are a prerequisite of gaining a distinctive advantage.
However, successful implementation of business concepts and practices in industrial Western economies may not necessarily replicate itself with success in emerging economies, for example, the Arab region, if implementation is not carefully customized to fit the available organizational infrastructure and to the specific society and culture. The aim of this chapter is to develop an understanding of a knowledge management (KM) approach in a changing and fast-growing Arab region and to propose a framework for a successful KM strategy in such a socio-cultural context.

Knowledge Environment in the Arab Region

Many international and regional development agencies have put forward their contributions for the best utilization of knowledge for sustainable national development. The World Bank Institute (Aubert & Reiffers, 2003) offered its conceptual framework for the creation of knowledge-based development strategies in different regions of the world. The framework is composed of the following five ‘pillars:

• An economic and institutional model that provides incentives for the efficient creation, dissemination, and use of knowledge to promote growth and increase welfare;
• An educated and skilled population that can create and use knowledge;
• An innovation system of firms, research centers, universities, consultants, and other organizations that can tap into the growing stock of global knowledge, adapt it to local needs, and transform it into products valued by markets;
• A dynamic information infrastructure that can facilitate the effective communication, dissemination, and processing of information; and
• An intangible component that makes a society function efficiently and move forward, such as the capacity to formulate a vision, the level of trust and self-confidence, and the appropriateness of guiding values.

In 2002, United Nations Development Program (UNDP) published the first Arab Human Development Report (AHDR, 2002) that addressed the most important development challenges facing human development in the Arab world at the beginning of the third millennium. The second report (AHDR, 2003) continued the process by examining in depth one of these challenges: the building of a knowledge society in Arab countries. Although it is a fact that Arab countries have greater resources than some developing countries that rank above them in various indices of human development, the need for sustainable human development in the Arab region is immense, as the region is “richer than it is developed” (AHDR, 2002). The AHDR (2003) underlined the importance of knowledge to Arab countries as a powerful driver of economic growth through higher productivity. As well, it affirmed that knowledge could help the region to expand the scope of human freedoms and enhance the capacity to guarantee those freedoms through good governance.

The relevance of this study is based on the premise that leveraging of the firm’s intellectual capital and core competencies is a means to achieve efficiency and competitiveness in a region that is in immense need for sustainable development. Today’s opportunity for the social and economic development of the Arab countries is to fuel banking and telecommunications industries, as well as other relevant sectors, with knowledge.

KM STRATEGIC FRAMEWORKS

Although KM is a young discipline for which no universally accepted framework has been established, some authors were concerned with creating KM frameworks. The role of KM frameworks is to oversee, or provide guidance for, the discipline (Rubenstein-Montano et al., 2001a). KM strategic framework is a high-level approach for outlining the processes and tools, as well as organizational and technological infrastructure, needed to manage knowledge gaps or surpluses and to permit knowledge to flow effectively (Zack, 2002). Some researchers