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Mohammad Samaun Safa and Fazna Shakir and Ooi Keng Boon

School of Business and Research Centre, Binary University College, Malaysia, Society for Health Education, Maldives, Business and Advanced Technology Centre, Universiti Teknologi Malaysia

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Mohammad Samaun Safa[a], Fazna Shakir[b] Ooi Keng Boon[c]

[a]*School of Business and Research Centre, Binary University College, Malaysia*
[b]*Society for Health Education, Maldives*
[c]*Business and Advanced Technology Centre, Universiti Teknologi Malaysia*

*Corresponding author
Email address: dearsafa@gmail.com

Abstract

Knowledge Management (KM) is an emerging concept in the field of management and widely adopted in organizations of the developed countries for enhancing organizational performance. This study discusses the KM practices of non-governmental organization (NGO) such as Society for Health Education (SHE), one of the leading NGOs in Maldives. The study further focuses on the linkage between KM practices and culture, strategy, information technology and training of SHE. The Sample size of the study is 130, which has been collected by using simple random sampling technique and analyzed using statistical tools. The findings show that KM practices are not linked institutionally to the above components whereas the awareness of KM can be moderately seen. SHE is potential to improve adoption of KM for better organizational performance. The study recommends that initiatives must be taken by SHE to adopt KM practices to gain more competitive advantage.

Keywords: Knowledge management, NGO, SHE, KM factors, Culture, Strategy, information technology, training, KM practice

INTRODUCTION

The Republic of Maldives or 'Dhivehi Rajje' is a country of more than a thousand islands spread over 90,000 square kilometers of the Indian Ocean. These islands are formed in 26 geographical atolls which are now divided into 20 atolls for administrative convenience. Maldives is a developing country with a population of about 300,000 and a common language known as 'Dhivehi'. The

main sources of national income are agriculture and tourism. Living standard of the citizen is average. In order to uplift overall socio-economic condition many NGOs are involved in various development initiatives. By 2000, nearly all of the 200 inhabited islands had at least one NGO. According to the record of registration by the end of 2002, the total number of NGOs was counted 374 of which 26 functioning in development related areas.

As known by the available literatures, in today's revolving economy the knowledge organizations have been able to grow at a higher pace and to be competitive in the corporate world (Kalra, 1997; Baines, 1997; Bueno and Salmador, 2004). Increasing competition, innovation and focus on information related issues indicate that organizations should take steps to establish themselves as knowledge creating and utilizing organization. Nonaka (1998) argues that KM can ensure competitive advantage of an organization in ever-changing business world. Most organizations in the developed countries are turning up KM-adopted organizations in order to gain advantage from competitors. The movement of KM-adoption has reached developing and least developed countries, too (Wang et al., 2006; Sukla, 2006). Maldives has a large number of organizations directly dealing with overseas organizations for operating business and development activities. Since KM has been found to be very useful to enhance organizational performance, these organizations including NGOs attempt to adopt KM practices as a new dimension to the organizational development process.

The KM practices by the NGOs such as SHE of Maldives, a developing country, thus, is required to be assessed to examine whether it has taken initiatives towards achieving KM environment and what the level of KM practices exist in culture, strategy, information technology (IT) and training. The studies discussed in the earlier section do not put shed any light on the KM-adoption by NGOs in developing country. This study attempts to asses the level of KM practices as well as KM awareness in SHE as an NGO. The study also investigates the linkage between KM practice and culture, strategy, IT and training component of SHE.

NGOs of Maldives

In late 1970s, for the first time the Island Development Communities (IDC) started providing non-governmental service in Maldives. IDC's various components including social and sports clubs and development programs evolved as NGOs in the subsequent years. These NGOs had a wide range of objectives and vision of developmental work. Presently, the leading NGOs which are involved in developmental works are CARE-Society, FASHAN (Foundation for Assessment of Self-help in Attaining Need), Diabetic and Cancer Society of Maldives, and VINARES[1] and KIDS.

Despite significant contribution made to socio-economic development, NGOs' genuine role occasionally seems to be ambiguous to many of the beneficiaries in terms of legal aspects. This ambiguity and need of a legislative environment for

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[1] A Dhivehi word means 'Distant Horizon'.

NGOs led to a reform in civil society regulations by the government in 2003. In the same year, in order to set transparency and eliminate confusion about NGOs' objectives and activities, the government made a requirement for each NGO to be registered with Ministry of Home Affairs and Environment (2003) by enlisting at least two founders. Due to another amendment in the civil society regulations made in 2004, NGOs are allowed to work as financial institution to provide loan to beneficiaries or to other small organizations.

Society for Health Education (SHE)

There are four leading NGOs including CARE-Society, FASHAN Diabetic and Cancer Society of Maldives, and SHE working actively in the capital Male of which SHE is considered the second oldest and the most active in the field of health development. Since there is no information to rank the NGOs, this assumption is made on the number of beneficiaries, type of programs and administrative area covered by SHE. A group of Maldivian women initiated SHE in 1988 with the objective of increasing people's awareness of health. In course of time, SHE has turned up a dynamic national NGO. SHE addresses a wide range of issues such as family planning, counseling in health and social development. Over last eighteen years, SHE has evolved into an organization comprising of service centers and a sizeable management with employees, registered members and volunteers contributing directly to the day-to-day performance of the organization. Mainly SHE's development activities are confined into five areas including health education, Thalassaemia, family planning (FP), counseling and awareness programs.

The paper has been segmented into a few sections. Introduction is followed by a literature review section which focuses on theoretical aspects of KM. Analytical framework has been discussed in the following section. The next section discusses the findings of the study and ends up with concluding remarks.

LITERATURE REVIEW

This section reviews available literature on KM and serves as a theoretical background of the study. The reviewed literatures focus on KM and competitive advantage, linkage between KM practice and culture, strategy, IT and training as well as organizational performance.

KM as Competitive Advantage with IT

In the age of e-economy, business organizations need to reconsider the process of doing business as well as incorporating KM practices into it to be more competitive. Mathi, (2004) and Awad and Ghaziri (2004) support this statement by saying that KM is the ultimate competitive advantage for today's organizations. KM is embedded in many key areas such as economics,

information management, business environment and in the human psychology. In addition, Hwang (2003) in his article quotes Leonard (1995) "Managing knowledge is a skill, like financial acumen, and managers who understand and develop it, will dominate competitively". In order to create a KM environment and to be competitive organization, it is necessary to choose the appropriate desirable environment in which the organization is able to adopt the changing concepts (Nonaka, 1998). Assimilation of KM and adopting a culture that supports knowledge sharing is able to bring change in organizational performance (Hwang, 2003; McHugh et al., 1995).

Technology is an important aspect in order to successfully organize and share knowledge. With the help of technology, organizations can build the infrastructure and tools to support the expansion of KM (Mathi, 2004). IT facilitates organizations to use knowledge for organizational efficiency and effectiveness (Lang, 2001). Furthermore, IT provides suitable environment for learning and interaction among the employees of an organization. Systems like expert systems are used in organizations to capture and manage knowledge (Gumbley, 1998). However, Gumbley (1998) states that although the technologies exist to manage knowledge, technology is not the key success factor in creating a successful KM environment in organizations. Davenport and Prusak (1998) supports them by arguing that the emphasis on the role of IT in KM is somewhat exaggerated (Hwang 2003; Davenport and Prusak, 1998).

However, the above studies reveal that KM could partially accelerate obtaining competitive advantage for an organization by assimilating the skill and application of IT knowledge. IT knowledge is a key tool to facilitate KM practice in organization for better performance.

KM in Organizational Culture

Adoption of KM in an organization is not a complicated process because employees are one way or another, already got into the habit of using undefined KM in their daily official undertakings. Thus, organizational culture is at a close position to assimilate KM. During KM adoption within an organization, cultural setting must be a concern in the context of the ability and acceptance by the employees (Gumbley 1998). Furthermore, the approach of adopting KM is somewhat extent related to the internal culture of organization. Therefore, when organizational cultures are rigidly bureaucratic, interactions are formal and hierarchical with limited participation that leads to the exchange of knowledge within a paradigm that is forced from the top management (Lang, 2001). According to Drucker (1998), knowledge is more concentrated in service staff; knowledge tends to be floating between the top management and the operational staff. The culture must be changed to infuse knowledge at all levels of the organization to obtain efficient human resource. Hence, in order to make KM effective, organizations need to adopt such a culture which provides an environment of sharing knowledge to accelerate success (Robbins, 2003).

KM and Organizational Strategy

Developing an effective KM system in an organization is related to the appropriate organizational strategies. Without strategies of capturing knowledge, organizations might face problems in acquiring right information. Hence, today most organizations consider KM as a key strategy for them to survive and to be competitive (Hwang 2003). Appropriate strategies should be made allowing sufficient link between KM and the corporate strategy (Lang, 2001). Strategies such as knowledge creation strategy, knowledge transfer strategy and customer focus strategy are some of the strategies which organizations consider as KM adopting strategies (Wiig, 1997; Manasco, 1996). KM is also considered as a strategic resource, giving competitive advantage and acting as a driver for implementation of an organizational strategy. Understanding the link between KM and organizational performance helps implementation of KM into organizational strategy (Carlucci and Schiuma, 2006).

KM and Training

An effective KM system is built upon the knowledge of the individuals within an organization. Individual should have the ability to use knowledge within the system in performing routines and procedures. Therefore individuals are considered as the building block of organizational learning. Hence, organizations need to develop strategies to develop learning opportunities for individuals of the organization (Hwang, 2003). Swieringa and Wierdsma (1992) report that training in related field is the most efficient way to achieve knowledge. Stewart (1994) supports their findings by stating that training is one of the most effective ways to capture human wisdom. Bhatt (2001) also emphasizes on encouraging employees to upgrade their knowledge and support interactions between the skilled and poorly skilled employee. Therefore, by providing training to all employees, the organization would be able to capture, transfer and construct the knowledge gained. An organization needs to act as a mentor in managing the knowledge gained by its members. This mentoring attitude will enable capability of continuous learning and problem solving skill (Hwang, 2003). Findings by Zaharias et al. (2001) and Ikhsan and Rowland (2004) report similarly by stating that knowledge gained from training will enable employees' capacity to perform successfully.

Linking KM to Organizational Performance

There have not been many researches done to link organizational performance and KM, but researchers have implicated that the more knowledge organizations are able to capture the higher the performance. Managing knowledge does not necessarily improve performance, but the knowledge managed should be linked to utilization and development of an organization to gain better performance (Kalling, 2003). Although the concept of KM is well-known, only a small number

of organizations are capable to link KM to enhance organizational performance (Zack, 1999). Iksan and Rowland (2004) report that organizations should have the ability to transfer knowledge from one unit to another in order to gain an overall performance. The ability to apply knowledge to perform important activities is viewed as a source of competitive advantage. When knowledge is managed to improve development and subsequently utilized by individuals, only then KM can be used to improve performance. Farshath (2004) concluded his study stating that Maldivian organizations are aware of the concept of KM to some extent and is moving towards better implementation of KM but the extent to which KM is practiced has never been a subject of research in the country. If NGOs develop a sustainable link between KM and their activities, it is possible for them to capture the knowledge of volunteers.

METHODS

Selection of Organization

SHE has been selected for studying its KM environment for the following reasons:

a. SHE has a large number of full-time employees which is more than any other NGOs in Maldives.
b. SHE has been able to render its services to all islands (119) of the country.
c. Raising awareness among the community is fundamental goal of SHE's mission.

Sampling Procedure and Sample Size

The necessary information for the study was collected by a questionnaire survey. Due to various constraints including time limit and cost, the entire survey population of the SHE could not be covered. The population of SHE was 70 full-time employees and 150 registered members/volunteers during the period of study. A total of 150 respondents were selected using simple random sampling technique. Sample size was determined based on the guideline reported by Barlett et al. (2001) and Sekaran (2003). Bartlett et al. (2001) report that a sample size of 116 would be sufficient if the survey population is 200. In contrast, Sekaran (2003) states that a sample size larger than 30 and less than 500 is usually appropriate for most researches and valid to be analyzed using general statistical tools. A total of 150 questionnaires were sent out to the respondents of the sampling frame, of which 130 questionnaires were returned (response rate is 86 percent). Thus, the sample size of the study is 130. The survey took place in February, 2006 and was accomplished by the mid of March, 2006.

Instrument and Scale

The items used in the questionnaire were adapted and modified accordingly from previous studies on KM. The first part of the questionnaire was designed to focus on the demographic information of the respondents including position, department, gender, age, education level and experience. The second part focused on the KM factors related to SHE. The items in the second part were divided into 6 sections including culture, strategy, IT, training, performance and awareness. Each section consisted of about 9 to 10 items. Likert scale was used to measure how strongly respondents agree or disagree with the statements (Sekaran, 2003). A 5-point Likert scale was used with following anchors, always to never and strongly agree to strongly disagree. '1 (one)' represented 'always' and 'strongly agree'.

Data Analysis

Frequency of various demographic variables was derived to analyze the demographic aspect of the respondents of SHE. The demographic variables were department, gender, age, education level, and experience (years). The KM components such as culture, strategy, IT and training were analyzed using mode as the measure of central tendency along with graphical synthesis. In dealing with the categorical data, mode is affective to examine the highest frequency of occurrence of the variable (Safa and Jessica, 2005). Spearman correlation was used to investigate the relationship between the studied KM components mentioned above. This is an appropriate method when variables are measured on an ordinal scale (Sekaran, 2003). The data were analyzed using SPSS computer package.

RESULTS AND DISCUSSION

Demographic Findings

Table 1 shows the frequency distribution of demographic variables. Though the demographic variables do not directly relate to KM in an organization, the researchers realize that this information may be helpful for developing KM strategy of SHE. This assumption is based on the fact that SHE is interested in having this research as a basis to develop KM environment.

Table 1 reveals the information on the distribution of demographic variables. Out of 130 respondents, most of them (70 percent) are females and only 30 percent are male. The level of education shows (Table 1) that 9 percent of the respondent's have certificate level of education, 38 percent have GCEO/A level, while 31 percent have diploma. Fifteen percent respondents have undergraduate level of education followed by 6 percent postgraduate level of education.

Table 1. Demographic attributes of the respondents

Item	Frequency	Percentage
Gender		
Male	39	30
Female	91	70
Level of Education		
Certified	12	9
GCE O/A level	50	38
Diploma	40	31
Undergraduate	20	15
Postgraduate	8	6
Age		
below 25	30	23
26-30	48	37
31-39	35	27
40-49	14	11
50 and over	3	2
Years of experience in SHE		
less than 3 years	34	26
less than 5 more than 3 years	36	28
5 - 8 years	42	32
More than 8 years	18	14
Distribution of department		
Laboratory	28	22
Family Planning	13	10
Counseling	21	16
Administration	9	7
Finance	5	4
Program	11	8
Health Education	34	26
Maintenance	6	5
Management Information System	3	2

Age distribution of the respondents shows that 22 percent are below 25 years of age, 37 percent are between 26 to 30 years. The age of 27 percent respondents range from 31 to 39 years followed by the age group of (11 percent) 40-49 years. Only 2 percent respondents are above 50 years old.

Twenty-six percent respondents have experience of less than 3 years and 28 percent have less than 5 years but more than 3 years. Thirty-two percent of the respondents have experience of 5 to 8 years while 14 percent have experience of more than 8 years (Table 1).

Out of all respondents, 26 percent work in the Health Education Department. Twenty-two percent of the respondents work in the Laboratory followed by Counseling Department (16 percent). Ten percent respondents are from the Family Planning Department while the Program Department accounts for 8 percent only. Seven percent respondents are from Administration and 4 percent from Finance Department. Five percent of respondents are from Maintenance department and a mere 2 percent are from Management Information Science Department. The departmental distribution shows that Health Education Department is comparatively larger than others in terms of number of employee. In contrast, Management Information Science Department has the lowest number of employee which reveals its limited use.

Present KM Practice and Link to the Organizational Components

This section describes the important findings on the present practice of KM in SHE by determining the link between the components such as culture, strategy, IT, training, performance and awareness. The findings are discussed component wise in the following section.

Culture and KM

Table 2 reveals the description of the items. There are 10 items included to analyze KM practice in the culture of SHE. Figure 1 shows the responses to the items regarding culture. Item 1,2,4,8 (Table 2) have a scale of 2 implying that the individuals have a tendency to share information and intra-team communication is strong (Figure 1). Figure 1 shows that recording and sharing is a routine task in SHE (item 1 – scale 2). Employees are co-operative and helpful when asked for information (item 2- scale 2) but the respondents do not think that knowledge sharing can be seen as a strength within the organization (item 3 - scale 3). Although there is a good intra-team communication (item 4 – scale 2), knowledge sharing is not particularly encouraged by the management (item 5 – scale 4). The findings shows that there is no culture for rewarding the individual for sharing knowledge (item 6 – scale 5). Employees are rarely stimulated to develop or capture experiences learned (item 7, 9 – scale 4). The respondents agree that colleagues learn from each other (item 8 – scale 2). The management rarely motivates employee to share knowledge by building trust, giving incentives, making available time and resources (item 10 – scale 4).
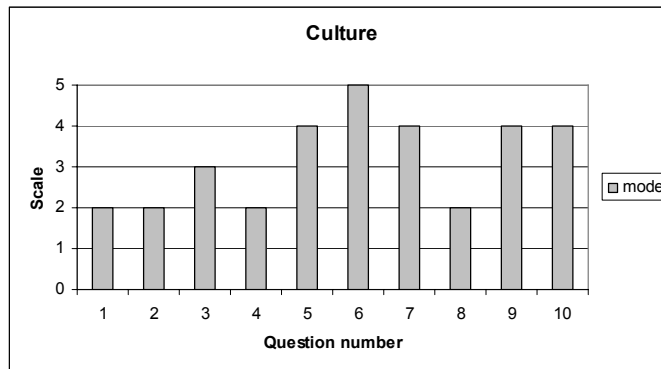
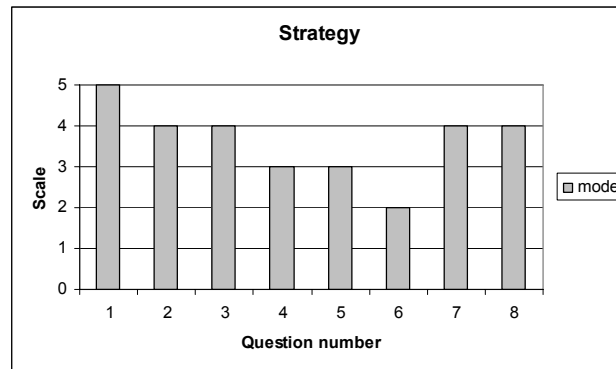**Figure1.** Relationship between KM practice and culture

Table 2. List of the items used to analyze culture and KM practice

1. Recording and sharing knowledge is a routine like any other daily works for employees
2. Employees are co-operative and helpful when asked for some information or advice
3. Knowledge sharing is seen as a strength in SHE
4. There is a good intra-team communication and sharing of knowledge
5. Knowledge sharing behaviour like sharing, reusing knowledge is actively promoted by top level management
6. Individuals are visibly rewarded for sharing knowledge
7. Employees are stimulated to acquire or develop new knowledge
8. In SHE, colleagues learn from each other who knows what
9. The management stimulates employee to capture experiences and lessons learned
10. The management motivates staff to share knowledge by building trust, giving incentives, making available time and resources

Strategy and KM

Table 3 shows the list of items used to determine KM practice in organizational strategy. Figure 2 shows the responses to the items. The top level management do not recognize KM as an important part of the organizational strategy (item 1 – scale 5) and shows that there is no clear strategy for storing KM or a vision for KM in their daily work (scale 4). The organization rarely encourage its skills and knowledge sharing across departments (item 4, 5 – scale 3). Most of the respondents agree that everyone in the organization would respond with the same answer if asked about the organizations expertise (item 6 – scale 2). Research and strategy for KM is rarely practiced while there is no systemic approach to use knowledge in daily undertakings (item 7, 8 - scale 4). Based on

these findings it can be seen that KM is not recognized as a part of the strategy in SHE (scale 3 and above for all the items except item 6).

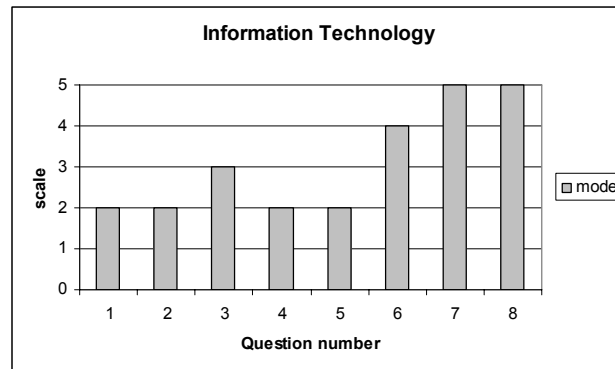**Figure2.** Relationship between KM practice and strategy

Table 3. List of the items used to analyze KM practice and strategy

1. The top management recognize KM as important part of the organizational strategy
2. SHE has a clear strategy for storing knowledge assets
3. There is a clear vision of how KM is to be used in daily office undertakings
4. SHE hone its skills for generating, acquiring and applying knowledge
5. Knowledge sharing across departmental boundaries actively encouraged
6. The answer to the question about the expertise of SHE is supposed to have similar response
7. SHE has a clear strategy for knowledge development through research and acquisition (e.g. recruitment)
8. SHE has a systematic approach to make use of knowledge in daily work

Information Technology and KM

Figure 3 shows that technology is highly used to provide service, and SHE has the systems that enable employees to make use of the available knowledge (item 1, 2 – scale 2). Duplication of effort occurs only a few times (scale 3). Respondents agree that it is easy to find the right information in the day-to-day environment and most of the time accomplished tasks are documented well (item 4, 5 – scale 2). Respondent also mention that there is no database to store the documented knowledge or the right system to capture, share and easy way to browse (item 6, 7, 8 – scale 4 and above). In conclusion, it can be seen that though IT is one of the strong means for knowledge dissemination, it is not used

widely to adopt KM practice in SHE. Table 4 reveals the list of items to determine the use of KM in IT.

Figure 3. Relationship between KM practice and IT

Table 4. List of the items used to analyze KM practice and IT

1. SHE uses technology to enhance service
2. SHE has the systems that make easy use of available knowledge
3. Whether SHE experiences problem of duplicating efforts
4. Whether it is easy to find correct information in day-to-day environment
5. An accomplished task is documented well
6. SHE Awareness of appropriate knowledge storage system
7. SHE has the right systems to capture and share new ides and experiences
8. SHE has the systems in which employee can easily find the knowledge that they need

Training and KM

Figure 4 shows the responses to items related to training. Table 5 reveals the items. Employees of SHE are committed to continue improvement (item1 – scale 2), though the flow of new ideas is poor (item 2 – scale 3). SHE often carries out training for employees (item 4 – scale 2) but the finding shows that there has never been a training in the field of KM (item 4- scale 5). Employees are always encouraged to continue their education by providing funding (item 5 – scale 2). From the findings, it is seen that the organization rarely encourages experienced workers to share knowledge with the new employees (item 6 – scale 4), and also it can be seen that training manuals and documents are rarely used (item 7- scale 4). SHE encourages training and development, but it is expressed by the respondents that the training and development is not related to KM as well as not intended to increase the concept of knowledge capturing and sharing.
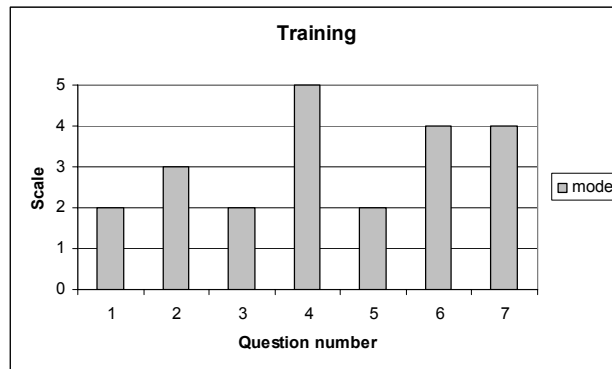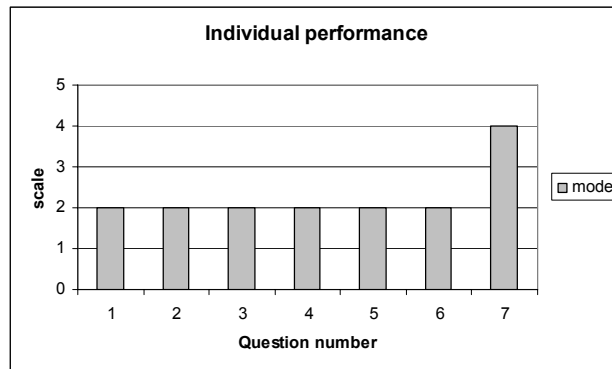
Figure 4. Relationship between KM practice and training

Table 5. List of the items used to analyze KM practice and training

1. Individuals of SHE committed to continue improvement
2. Whether there was a constant flow/generation of new ideas in SHE
3. Whether there were any capacity building program
4. SHE provides training related to KM practices
5. SHE encourages employees to continue their education by providing funding
6. SHE encourages experienced workers to transfer their knowledge to new or less experienced workers
7. Employees share knowledge by preparing written documents such as training manuals and daily procedures

Performance and KM

Figure 5 shows that most of the items (1-6) regarding individual performance are at scale 2 which indicates better individual performance. All the items are relevant to the individual's performance and their view on developing and contributing knowledge to the organization. Preference to use other peoples' ideas and suggestions than figuring out a problem is not at all supported by the respondents (item 7 – scale 4). Individually the respondents are keen and willing to share, develop and contribute their knowledge to the organization. The findings of the items related to performance, perhaps, are a little biased due to individual response. The findings might have been different if the responses were made by the supervisors. Table 6 reveals the list of items used for individual performance.

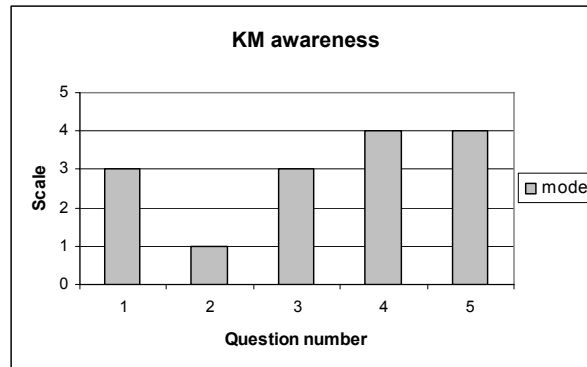**Figure 5.** Relationship between KM practice and individual performance

Table 6. List of the items used to analyze individual performance and KM practice

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1. I often ask myself which knowledge do I need to perform my current tasks
2. I always effectively develop new knowledge
3. I like to make my contribution to the corporate knowledge base
4. I like to share my ideas and experiences with others
5. By sharing my knowledge I have made a significant contribution to SHE
6. I am flexible in applying other people's knowledge, in order to become more efficient and effective
7. I prefer to use other people's ideas and suggestions, instead of figuring out myself

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Awareness of KM

Figure 6 shows the distribution of responses made on awareness of KM. Most of the respondents moderately feel that KM practices are a responsibility of the manager and executives (item 1- scale 3). The respondents also strongly agree to the fact that knowledge is applied for improvement and innovation (item 2 – scale 1). It can be seen with the scale-3 that the respondents are only moderately aware of the concept of knowledge management in the organization (item 3 – scale 3). Most of the respondents disagree that e-mail and intranet is a good medium of knowledge transfer and storage medium (item 4-scale 4). The term knowledge management is defined as information by almost all the respondents (item 5 – scale 4). Table 7 reveals the items relevant to awareness of KM.

Figure 6. Relationship between KM practice and awareness

Table 7. List of the items used to analyze KM practice and awareness

1. KM practices are a responsibility of the managers and executives
2. Knowledge is applied to improve and innovate
3. You are familiar with the concept of knowledge management
4. You consider e-mail and intranet to work as knowledge transfer and storing places
5. Are you familiar with the term knowledge management or are there any definitions given to knowledge management if so what are they?

Correlation between the Components

Table 8 shows the findings of correlation analysis which indicates that organizational culture is significantly correlated to strategy (r=0.304). Culture is also correlated to IT (r=0.109) and training (r= 0.092) at the 1 percent level of significance. The results also show that strategy is significantly correlated to both IT and training with a coefficient of 0.453 and 0.381 respectively. There is also a significant correlation between IT and training (r= 0.382). The overall findings of correlation analysis shows that the components are interlinked which implies that change in any component will affect others as well as KM practice. These findings are similar to the research findings of Mathi (2004).

Table 8: Correlation between the components of KM (Spearman correlation)

Item	Culture	Strategy	IT	Training
Culture	1			
Strategy	0.304***	1		
IT	0.109	0.453***	1	
Training	0.092	0.381***	0.382***	1

*** Significant at the 1 percent level.

CONCLUDING COMMENTS

The respondents are to some extent aware of the concept of KM. A majority of the respondents define knowledge as information that indicates though they are aware of the concept, but not fully aware of intellectual capital issues. The findings of the study indicate that KM practices exist in SHE in a non-institutionalized form. For instance, the knowledge that the respondents have are acquired through awareness raising field trips, leaflets or direct counseling. The results do not show any direct connection of KM to individual performance. Training is not directly carried out with regard to KM, but the organization supports training in other related fields by providing necessary financial support. The organization also does not encourage experienced employees to share their knowledge with new employees. Though training is provided to enhance human resource; it is not related to KM.

In interpreting the relationship between KM practices and the factors (such as culture, strategy and so on mentioned in the earlier section), it can be seen that KM is not utilized in the organization as a defined area of management, except the practices mentioned above performed by the Health Education Department (HED). The use of KM in the HED does not seem to be a planned practice of KM. Though there is a working culture in SHE, it doesn't implement any KM related issues. KM is also not practiced or implemented at the level of developing strategy in SHE. This phenomenon is evident by the findings such as where almost all the items regarding strategy had a scale of 3 and above, indicating either very few times, rarely or never. Though systems are used to provide service in SHE, it is seen that IT is not used as a KM tool. The findings indicate that SHE uses technology to provide service and information whereas it lacks of proper databases and management of information. SHE does not recognize IT as a tool to manage, codify and disseminate knowledge. Mostly the training given or arranged by SHE is not relevant to KM skill.

Overall findings and the above discussion indicate that KM is not put into practice or used in SHE for a better organizational performance, although KM is seen to some extent in their work, particularly in Health Education Department. This result coincides with Farshath's (2004) findings that Maldivian organizations are to some extent aware of the KM concept. In conclusion, with proper implementation of a KM system and adapting a KM framework on the success factors, the overall performance of SHE could be improved. SHE is a KM potential organization and required some adjustment in its policy for achieving sustainable completive advantage by adopting KM. The following recommendations could be made to adopt KM in SHE:

o The organizational culture of SHE is required to be changed according to the changing demand in the management field. It is essential for SHE to spend time on cultural issues that influence knowledge creation and management in order to develop a KM system. With a strong culture that supports KM will help to enhance the organizational efficiency than of now.

o SHE needs to adopt a KM strategy which would guide forming a KM environment. KM strategies need to be implemented in all related departments in line with the cultural settings.

o SHE needs to properly administer training to improve human capital. Implementation of more in-house training facilities conducted by experienced employees will create more KM awareness and efficient human resource.

o IT is necessarily to be introduced in all departments of SHE so that developing database and its use can help to store knowledge and documenting work properly.

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