

Managing Ambidexterity in a Knowledge Management Strategy for an International Non-Governmental Organisation

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Abstract: The survival of non-government organisations (NGOs) requires that they develop strategies designed for non-profits (Laurett & Ferreira, 2018) given the unique environment in which they operate (Akingbola, 2007; Courtney, 2002) while encapsulating sectoral diversity (Eagleton-Pierce, 2020). Extant research has focused on what NGOs do as opposed to how they perform activities (Lewis, 2014) with the latter offering researchers additional insights on the theoretical frameworks used in practice (Lindenberg, 2001). How organizations strategically respond to their environment can be examined using Miles & Snows (1978) adaptive cycle as an organizing framework. This research examines, over a two-and-a-half-year period ‘how’ an international non-governmental INGO developed a knowledge management strategy to align its internal operations with its external environment. This research identifies ‘how’ the adaptive cycle can support and understanding of how knowledge management strategy is developed in practice in INGOs.

Keywords: Knowledge management strategy, Organisational ambidexterity, Non-Governmental organisations, Strategy development

1. Literature

International non-governmental organisations (INGO’s) need to meet different and sometimes conflicting need from various stakeholder groups which can create internal tensions (Akingbola, 2020; Horvath et al., 2018; Wellens & Jegers, 2014). Different perspectives exist in the sector, with some arguing against the value of applying business frameworks in this non-profit context (Baines et al., 2012; Horvath et al., 2018; Marberg et al., 2019). The objective of this research was to examine the value of business frameworks, ambidexterity (Sollosy et al., 2019) and the adaptive cycle (Miles & Snow, 1978) in understanding how the inherent tensions were managed.

1.1 M&S Adaptive Cycle

Strategic planning, for INGOs, helps resource allocation through aligning organisational resources and objectives (Mara, 2000; Medley & Akan, 2008) as well as helping to develop capabilities that provide a competitive advantage over other INGOs (Hailey, 2000). This research used Miles & Snow’s (1978) adaptive cycle as a theoretical lens to help understand the process through which an organization can align itself to its environment. The adaptive cycle deals with three problems, entrepreneurial, engineering and administrative. The entrepreneurial problem considers how to define the product-market domain (Anwar et al., 2021; Walker, 2013) along with the INGOs human resource capabilities (Akingbola, 2007). The engineering problem focuses on the systems required to produce and provide products and services (Akingbola, 2007; Walker, 2013) and considers the part played by INGO volunteers (Akingbola, 2007). Finally, the administrative problem concerns developing solutions to the two previous problems (Walker, 2013) through developing relationships, roles and processes (Akingbola, 2007) as well as governance structures that provide stability while also enabling innovation (Akingbola, 2007).

1.2 The INGO Sector

INGOs operate in uncertain complex settings (Iannaccone, 2021) covering many sectors from education and health to agriculture (Avgerou et al., 2016). To survive they need to deal with a diverse set of stakeholders. They have a responsibility to the local recipient communities to which they provide services (Akingbola, 2020), to governments that provide them with funds (Wellens & Jegers, 2014) and internally from their boards of directors (Horvath et al., 2018). There has been a move to management-based operating models (Baines et al., 2012) and a focus on frameworks initially developed to suit for-profit firms (Lewis, 2019) which has met some resistance (Eagleton-Pierce, 2020). Some argue that applying private-sector models and frameworks changes the underlying nature of INGOs (Horvath et al., 2018) making it more difficult for them to pursue their social justice objectives (Baines et al., 2012) and lessening their connections to recipient communities (Marberg et al., 2019). This means that INGOs face tensions as they seek to meet social obligations in a cost-effective manner. Dealing with such a tension could be managed through organisational ambidexterity.

1.3 Knowledge Exploration and Exploitation

Knowledge exploration and exploitation are one form of organisational ambidexterity (Sollosy et al., 2019). Exploration involves experimentation with new ideas (March, 1991) and developing new products and services (Benner & Tushman, 2003) which can result in firms developing alternative sources of competitive advantage (Vrontis et al., 2017). Alternatively, exploitation focuses on stability (Farjoun, 2010) where activities are implemented efficiently (March, 1991) by adapting (Vrontis et al., 2017) and improving existing knowledge (He & Wong, 2004) incrementally. Exploration and exploitation, as initially conceptualized (March, 1991) were incompatible with each other. More recently, an alternative perspective has been posited (Filippini et al., 2012), suggesting the concepts reinforce each other (Farjoun, 2010; Zhan & Chen, 2013; Filippini et al., 2012). Exploration and exploitation can be managed as ambidextrous capabilities in two ways: structural ambidexterity requires different units to undertake each activity while contextual ambidexterity allows employees in the same unit to decide how to manage their time as they alternative between both activities as needed to complete their work (Benner & Tushman, 2003; Filippini et al., 2012). Given the diverse requirements faced by non-profits knowledge exploration and exploitation is an important but under researched topic. Recent research has considered how to use the work of Miles and Snow through the lens of ambidexterity (Sollosy et al., 2019).

2. Methods

This research followed the case study an international non-governmental organisation (CaseCo), working in the development sector, as it developed its knowledge management strategy over a two-and-a-half-year period. That CaseCo was trying to deal with diverse stakeholder requirements was identified during early interviews. The case company had an annual budget of approximately €40m and employed over 400 employees. Such an approach has previously been adopted (Scheepers et al., 2004; Walsh & Lannon, 2023). Two of the three authors were involved with the case study INGO for the course of the project. This allowed them, like Filippini et al. (2012), to study how the strategy was developed from beginning to end. As with previous exploration/exploitation research we interviewed employees at different organizational levels (Sherif et al., 2013): 3 managers on the executive leadership team, 6 middle managers at headquarters and 8 additional administrative staff. using recorded semi-structured interviews (Filippini et al., 2012) as well as participant observation.

After initial interviews at CaseCo's Irish headquarters a series of workshops were developed and delivered in three field sites in The African countries of Uganda, Kenya and Zimbabwe which involved 22 field staff. During these workshops the teams identified KM issues relevant to their local context. After this KM teams were formed in each country as well as at the Irish headquarters as well as a KM coordinating committee. Each team worked on their own set of priorities while coordinating their activities through monthly skype calls. While the teams at headquarters focused on knowledge exploitation activities while the in-country teams considered how to explore new knowledge. NVivo software was used to analyse the data. The data was coded firstly by whether the activities related to exploration or exploitation. After this the activities for each group were further coded against the three elements of the adaptive cycle with themes being identified.

3. Discussion and Conclusions

The research objective was to examine whether business frameworks, specifically ambidexterity and the adaptive cycle, aid an understanding of how INGOs manage the tensions that arise when trying to satisfy diverse stakeholders.

One way in which the tension was managed was by separating the ambidextrous activities geographically. At the beginning of the study CaseCo possessed well developed information systems. These gathered data on its various development projects in over 20 countries and were used for donor reporting. Consequently, the focus on future activities centred on exploitation of the existing information systems. As these systems were developed and maintained centrally, it was a team at headquarters that focused on knowledge exploitation. The case organisation, worked with many recipient communities and local NGOs to implement its development projects. However, it felt this area was not sufficiently developed and that there was a need to consider how to explore and develop new knowledge that was context-specific, rooted in the experiences of local communities, and that was relevant to recipients' needs. Therefore, knowledge exploration took place locally, in teams located in Kenya, Uganda and Zimbabwe. Exploring knowledge focused on improving organisational learning about local needs. While CaseCo was efficient at developing, implementing and managing projects it wanted not only to be efficient but also effective. This better understanding of local situations, it was felt, would enable it to forge better relationships with both local NGOs and communities. If this were achieved, in the long run,

CaseCo could develop its reputation for a deeper more localised understanding of problems which, it was hoped would act as a source of competitive advantage. Exploiting knowledge involved improving the underlying structure of CaseCo's document repository to improve work processes. This included considering the most appropriate ways in which to classify the existing knowledge used for donor reporting and how this could most efficiently be share across the various geographic regions in which CaseCo worked. Diverse stakeholder needs were met through structural ambidexterity (Filippini et al., 2012) separating the two sets of activities, which were developed in different regions, by different teams and for different purposes. This indicates a need for the INGO sector to apply this for-profit literature to the not-for-profit setting.

The three problems, entrepreneurial, engineering, and administrative, that constitute the adaptive cycle were present in the CaseCo study as it developed its knowledge management strategy. However, the sequence in which the adaptive cycle problems were addressed was different for exploration and exploitation. Both sets of activities began dealing with the entrepreneurial problem. Exploring knowledge in local situations let the in-country teams to next consider administrative problems, drawing on, and dealing with engineering problem in a marginal way. Answering the entrepreneurial question when exploiting the knowledge held in information systems led to developing tasks that required incrementally modifying those systems, raising engineering problems which needed resolution before lower-level administrative problems could be considered. While the adaptive cycle was relevant to the case, the sequence in which the actions took place was different. Therefore, while business frameworks are useful, they may need to be adapted in not-for-profit settings.

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