

Knowledge Management and Public Value in Municipal Mergers: The Nuova Pescara Case

Fabio Zuccarini¹, Alberto Trinchini¹, Simone Ciolelli² and Andrea Ziruolo²

¹Economics and Statistics, “G. d’Annunzio” University of Chieti-Pescara, Italy

²Department of Socio-Economic, Management and Statistical Studies at ‘G. d’Annunzio’ University in Pescara, Italy

fabio.zuccarini@comune.pescara.it

Abstract: Municipal mergers are commonly examined through their effects on administrative efficiency, expenditure, and service delivery. Yet, their success also depends on the capacity to integrate the knowledge, competences, routines, and institutional memories embedded within previously autonomous organizations. This paper reconceptualizes municipal amalgamation as a knowledge-intensive organizational transformation and investigates how Knowledge Management (KM) can support organizational integration and Public Value co-creation. The study adopts a conceptual research design supported by an exploratory case study of Nuova Pescara, one of the largest municipal merger processes currently underway in Italy. Drawing on documentary and institutional evidence, the analysis interprets the merger’s as-is, to-be, and gap analysis phases through the lenses of Knowledge Management, Organizational Learning, and Public Value. The findings suggest that administrative integration should be understood as the outcome, rather than the starting point, of a progressive knowledge integration process. Building on these insights, the paper develops a Knowledge Integration Governance Framework in which knowledge transfer, combination, and creation, supported by organizational learning and Strategic Human Resource Governance, transform distributed knowledge into shared organizational capabilities. The study contributes to Knowledge Management research by positioning knowledge integration as a strategic governance capability enabling institutional transformation and creating the organizational conditions for Public Value co-creation.

Keywords: Knowledge management, Public value co-creation, Municipal mergers, Organizational learning

1. Introduction

Across Europe, municipal mergers have become a common response to the growing complexity of local governance. Financial constraints, demographic change, digital transformation and rising citizen expectations have encouraged governments to redesign local administrative structures in pursuit of efficiency, improved service delivery and stronger institutional capacity (Dollery & Robotti, 2008; Blom-Hansen et al., 2016; Tavares, 2018). Accordingly, amalgamations are usually assessed through their effects on expenditure, governance arrangements and administrative performance.

Yet the results of municipal mergers remain uneven. International evidence shows that many amalgamation processes struggle not because legal integration is impossible, but because organizations fail to integrate people, routines, professional cultures and institutional knowledge (Kuipers et al., 2014; Tavares, 2018). Structural consolidation alone rarely produces organizational integration. Instead, mergers may generate uncertainty, resistance to change and parallel organizational cultures that persist after formal unification. This observation reveals a municipal merger paradox. Top-down standardization seeks administrative homogeneity through common structures and procedures, but it may weaken the informal knowledge networks through which public organizations preserve memory, transfer expertise and coordinate daily practices. Durable institutional transformation therefore requires interaction, learning and collaboration among organizational actors rather than compliance with new formal arrangements alone (Sørensen & Torfing, 2011; Kuipers et al., 2014).

Municipal mergers should therefore be interpreted not simply as institutional reforms but as knowledge integration processes. Each municipality accumulates explicit and tacit knowledge embedded in procedures, professional competences, routines, digital systems, institutional relationships and local cultures (Nonaka, 1994; Nonaka & Takeuchi, 1995; Davenport & Prusak, 1998). When municipalities merge, these knowledge assets do not automatically converge; they must be identified, preserved, transferred, combined and recreated.

Despite these insights, municipal merger research has mostly focused on fiscal outcomes, economies of scale, governance structures and political representation (Blom-Hansen et al., 2016; Tavares, 2018). Less attention has been paid to how organizational knowledge is preserved and transformed throughout merger processes. This is a relevant gap because knowledge integration may be one of the key conditions for organizational continuity, administrative effectiveness and long-term Public Value creation. The creation of Nuova Pescara

offers a significant context for investigating this issue. The merger of Pescara, Montesilvano and Spoltore is one of the largest local government integrations currently underway in Italy. Beyond its institutional dimension, the process requires the convergence of three administrative systems with distinct cultures, professional communities, governance arrangements, routines, digital infrastructures and organizational memories.

The technical documentation supporting the merger reflects this complexity. The transition has been structured through organizational diagnosis (as-is analysis), future institutional design (to-be configuration) and gap analysis. Although developed for managerial purposes, this logic closely mirrors Knowledge Management and Organizational Learning processes: existing knowledge is identified, interpreted, integrated and transformed into new organizational capabilities (Argyris & Schön, 1978; Nonaka & Takeuchi, 1995). Against this background, the paper argues that municipal mergers are knowledge-intensive organizational transformations in which knowledge integration is a prerequisite for administrative integration rather than its consequence. Accordingly, the study addresses the following research question:

How can Knowledge Management support organizational integration and Public Value co-creation during large-scale municipal merger processes?

To answer this question, the paper develops and illustrates a conceptual framework through the Nuova Pescara case.

The study contributes in three ways. First, it extends Knowledge Management research by positioning municipal mergers as knowledge-intensive transformations. Second, it identifies knowledge integration as the mechanism connecting organizational learning, administrative harmonization and Public Value co-creation. Third, it offers a managerial framework for mapping, preserving and integrating organizational knowledge during large-scale local government reforms.

2. Theoretical Foundations

2.1 Knowledge Management and Organizational Learning in Public Administration

Knowledge has become a strategic resource for contemporary public organizations. While traditional administration relied mainly on hierarchy, procedures and compliance, current governance environments require institutions to generate, integrate and mobilize knowledge across organizational boundaries to address complex public problems (Moore, 1995; Bryson et al., 2014; Cepiku et al., 2025). Organizational performance therefore depends not simply on information availability but on the capacity to transform dispersed knowledge into coordinated action, adaptive decision-making and institutional learning (Alavi & Leidner, 2001; Laihonon et al., 2024). Knowledge Management concerns the creation, codification, transfer, integration and application of explicit and tacit knowledge (Nonaka, 1994; Nonaka & Takeuchi, 1995; Davenport & Prusak, 1998). In public administration, this knowledge is embedded in information systems, routines, institutional memory, professional judgement and everyday practice (Wiig, 2002; Massaro et al., 2015). Organizational Learning explains how organizations transform such knowledge into new routines, capabilities and shared practices (Argyris & Schön, 1978; Wenger, 1998). Municipal mergers represent a demanding organizational learning environment because previously independent administrations must integrate accumulated knowledge, professional competences, routines, digital infrastructures and institutional cultures. In this setting, the ability to preserve and recombine knowledge becomes a prerequisite for institutional integration.

2.2 Knowledge Integration as the Core Mechanism of Organizational Transformation

Periods of organizational transformation introduce a specific challenge: integrating previously independent knowledge bases. Knowledge integration refers to the capability to combine heterogeneous experiences, routines, competences and organizational memories into a coherent system supporting collective action. It is not the simple transfer of information; it requires the reinterpretation of existing knowledge, reconciliation of professional practices and construction of shared understandings (Nonaka & Takeuchi, 1995; Wenger, 1998; Alavi & Leidner, 2001).

Organizational studies show that integration success depends less on structural consolidation than on retaining critical knowledge, preserving human capital and facilitating learning between previously independent organizations (Bresman et al., 1999; Ranft & Lord, 2002). Post-merger performance is shaped by deliberate learning processes through which organizations codify experience, adapt integration strategies and develop new capabilities. These mechanisms are highly relevant for public organizations. Municipal administrations must reconcile different administrative cultures, regulatory interpretations, decision-making

routines, professional identities and service delivery practices. Contemporary public-sector KM therefore views knowledge not as a centrally stored resource but as something continuously formed, negotiated and reconstructed during organizational change (Kassa & Ning, 2023; Laihonon et al., 2024).

Knowledge integration should thus be treated as the enabling condition of organizational transformation. Administrative harmonization, process standardization, digital interoperability and governance redesign become sustainable only when supported by mechanisms that preserve organizational memory while generating shared knowledge.

2.3 Municipal Mergers as Knowledge-intensive Organizational Transformations

Municipal amalgamation literature usually interprets mergers as reforms aimed at improving efficiency, service delivery, financial sustainability and governance arrangements (Dollery & Robotti, 2008; Blom-Hansen et al., 2016; Tavares, 2018). This perspective is valuable but often assumes that organizational integration follows automatically from institutional integration.

Creating a new municipality requires the convergence of independently developed routines, competences, digital infrastructures, cultures and institutional memories. Amalgamation is therefore the integration of multiple organizational knowledge systems (Nonaka & Takeuchi, 1995; Davenport & Prusak, 1998; Massaro et al., 2015). Large-scale mergers require procedures, systems, roles and cultures to be aligned through collective learning rather than technical implementation alone (Kuipers et al., 2014; Sørensen & Torfing, 2011). From a KM perspective, as-is analysis, to-be design and gap analysis map, evaluate and recombine existing knowledge into a new institutional configuration (Argyris & Schön, 1978; Nonaka, 1994; Alavi & Leidner, 2001).

2.4 Knowledge Integration as an Enabler of Public Value Co-creation

Public Value should be regarded as the outcome of dynamic organizational processes rather than the automatic consequence of institutional reform (Moore, 1995; Meynhardt, 2009, 2015; Bryson et al., 2014). During municipal mergers, knowledge integration is one of these enabling processes because it allows organizations to reconcile administrative practices, professional competences, technological infrastructures and institutional memories developed independently over time. As knowledge is transferred, combined and recreated, public organizations develop new routines, strengthen organizational identity, improve coordination and build the capabilities required to govern the new municipality. These intermediate outcomes create the conditions for Public Value through better governance, stronger legitimacy, improved service delivery and stakeholder collaboration (Bryson et al., 2014; Pee & Kankanhalli, 2016). This interpretation bridges municipal merger research and Knowledge Management. While amalgamation studies focus on institutional design and economies of scale, KM explains how knowledge is created, transferred, integrated and applied (Nonaka, 1994; Davenport & Prusak, 1998; Alavi & Leidner, 2001). Bringing these perspectives together suggests that administrative integration is the outcome of a prior knowledge integration process.

Building on these theoretical foundations, the proposed framework conceptualizes municipal amalgamation as a knowledge-intensive organizational transformation. It begins with organizational antecedents - institutional context, distributed knowledge assets, human capital and stakeholder expectations - which activate knowledge transfer, knowledge combination, organizational learning and knowledge creation. These processes are supported by leadership, governance mechanisms, communication, organizational culture and digital infrastructures, ultimately generating stronger organizational capabilities and Public Value co-creation. Figure 1 summarizes this conceptual framework by positioning Knowledge Integration at the centre of organizational transformation, connecting institutional antecedents with intermediate organizational outcomes and the co-creation of Public Value through a continuous cycle of learning and adaptation.

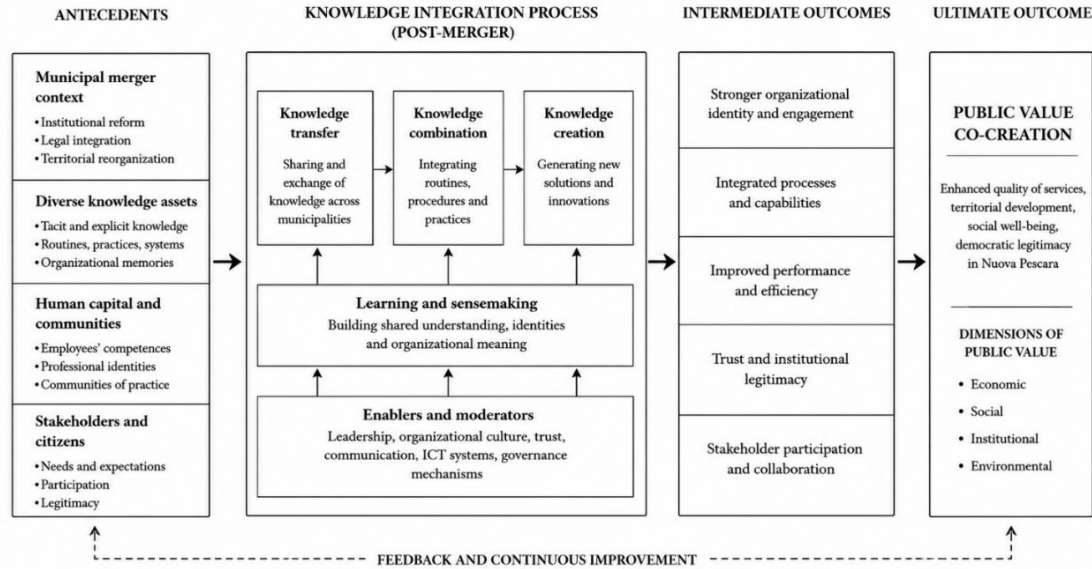


Figure 1: Conceptual framework of Knowledge Integration for Public Value co-creation in municipal merger processes (authors' elaboration)

3. Methodology

3.1 Research Design

This study adopts a conceptual research design supported by an exploratory institutional case study. Rather than testing causal relationships or evaluating merger effectiveness, the research develops a theoretically grounded interpretation of municipal mergers as knowledge-intensive organizational transformations. The objective is explanatory, focusing on the mechanisms through which distributed knowledge may be identified, integrated and mobilized during complex institutional transitions.

Conceptual research is appropriate when emerging organizational phenomena require interpretative frameworks for future empirical investigation (Alavi & Leidner, 2001). The study integrates Knowledge Management, Organizational Learning, Public Value and municipal merger literature (Moore, 1995; Bryson et al., 2014; Massaro et al., 2015; Kassa & Ning, 2023; Laihonon et al., 2024; Tavares, 2018). Nuova Pescara provides an exploratory setting in which the organizational dynamics of knowledge integration can be interpreted.

3.2 Case Selection

The creation of Nuova Pescara is a particularly suitable case because it involves the convergence of three historically autonomous municipalities characterized by different governance arrangements, procedures, professional communities, technological infrastructures, cultures and institutional memories. The merger has also been supported by a structured planning process articulated into as-is analysis, to-be design and gap analysis. This planning logic closely reflects KM and Organizational Learning processes. Identifying existing organizational assets corresponds to knowledge mapping; comparing current and future configurations resembles organizational sensemaking; and redesigning the future municipality represents knowledge recombination and capability development (Nonaka & Takeuchi, 1995; Argyris & Schön, 1978). The case was therefore selected for theoretical relevance rather than statistical representativeness.

3.3 Data Sources

The study relies primarily on documentary and institutional evidence produced during the Nuova Pescara merger, including the Official Merger Report, analyses prepared by the Municipal Merger Office, planning documents, governance reports, organizational mappings and technical materials. These sources are analysed as organizational artefacts describing structures, competences, human resource management, digital interoperability, governance arrangements and planning during the transition from the as-is to the to-be configuration.

3.4 Analytical Approach

The study adopts an abductive and interpretative analytical strategy based on continuous interaction between theory and evidence. The documentary analysis followed a qualitative interpretative approach. Institutional and technical documents produced during the Nuova Pescara merger process were systematically examined to identify recurring organizational themes, governance mechanisms, knowledge assets and integration challenges. These empirical insights were then iteratively compared with the Knowledge Management, Organizational Learning and Public Value literature through an abductive process. Accordingly, the documentary evidence did not serve to test hypotheses, but to inform, refine and theoretically ground the proposed Knowledge Integration Governance Framework.

The analysis follows the logic of the merger planning process: first, the existing organizational configuration is examined to identify distributed knowledge assets; second, the planned configuration is analysed to understand how these assets should converge; third, the organizational gaps are interpreted as knowledge integration challenges requiring learning, capability development and governance coordination. Accordingly, the analysis is organized around four dimensions: organizational antecedents and distributed knowledge assets; knowledge integration processes; organizational learning and capability development; and Public Value enabling conditions. These dimensions form the analytical architecture through which the Nuova Pescara transition is interpreted and translated into the conceptual framework. Figure 2 summarizes the research design adopted in this study, showing how the institutional context, documentary evidence and as-is/to-be/gap analysis are interpreted through Knowledge Management, Organizational Learning and Public Value perspectives.

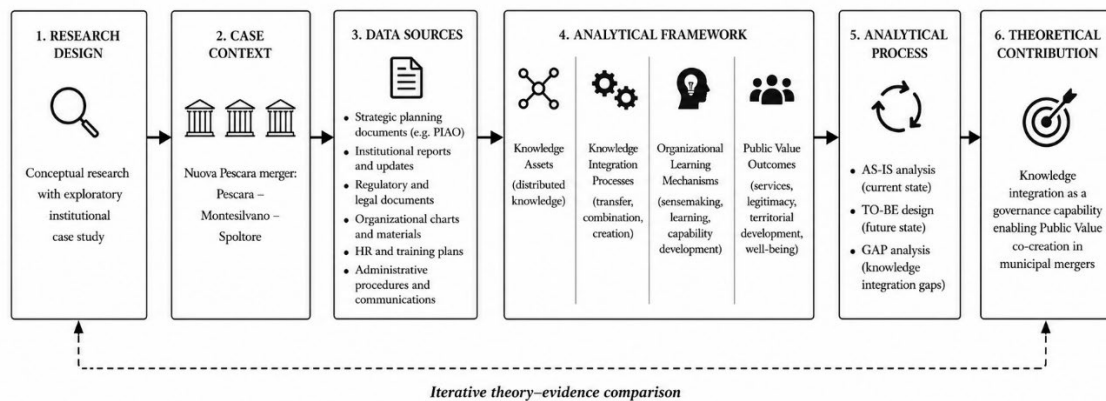


Figure 2: Research design and analytical process (authors' elaboration)

4. Knowledge Integration Challenges in the Nuova Pescara Merger

The Nuova Pescara transition can be interpreted as the progressive integration of three organizational knowledge systems. Knowledge distributed across procedures, information systems, professional expertise, routines and institutional memory must be recombined into a coherent administrative system (Nonaka, 1994; Davenport & Prusak, 1998; Alavi & Leidner, 2001).

Documentary evidence presents the transition as a sequence of knowledge identification, integration and capability development (Nonaka & Takeuchi, 1995; Argyris & Schön, 1978; Laihonon et al., 2024). The as-is phase maps organizational units, procedures, competences, technologies and responsibilities; the to-be phase recombines capabilities and redesigns governance arrangements; and gap analysis identifies where knowledge integration is required before administrative integration can be completed.

4.1 Structural Asymmetries and Organizational Knowledge Gaps

The documentary evidence shows substantial asymmetries in organizational size, staffing allocation, functional specialization, technological maturity and administrative capacity. These differences affect the distribution of organizational knowledge within the future municipality. Pescara constitutes the dominant administrative structure, while Montesilvano and Spoltore operate through smaller configurations. This difference influences not only personnel numbers but also the concentration of specialized competences, routines and institutional experience.

The organizational diagnosis also identifies differences in strategic functions, particularly digital transformation, ICT governance, technical services and local policing. These knowledge-intensive areas depend on specialized competences and organizational continuity. From a KM perspective, such disparities reduce the absorptive capacity of the future organization, making knowledge transfer and capability development essential components of the merger (Alavi & Leidner, 2001; Pee & Kankanhalli, 2016). Financial asymmetries further reinforce these differences because historical budget constraints have generated heterogeneous staffing policies, recruitment capacities and organizational investments. Therefore, organizational knowledge embodied in charts, regulations and procedures cannot simply be merged through administrative harmonization. It requires deliberate knowledge combination capable of balancing capacities while preserving essential public services.

Digital transformation is among the most critical integration areas. The future municipality will depend on interoperable information systems, standardized digital procedures and employees' capacity to operate within common technological environments. Digital upskilling should therefore be interpreted not only as a technological investment but as a strategic Knowledge Management intervention aimed at preserving operational continuity and reducing knowledge fragmentation (Kassa & Ning, 2023; Laihonon et al., 2024). Table 1 provides a quantitative overview of the organizational baseline prior to the merger, highlighting structural asymmetries in staffing levels and administrative capacity.

Table 1: Organizational baseline of the three municipalities prior to the Nuova Pescara merger (authors' elaboration based on the Official Organizational Design Report of the Nuova Pescara Merger Office)

Municipality	Employees (FTE + PT)	Administrative staff (%)	Employees per inhabitant
Pescara	580	45%	1 : 205
Montesilvano	195	38%	1 : 276
Spoltore	72	32%	1 : 263
Future Municipality of Nuova Pescara	847	41%	1 : 224

Taken together, these findings reinforce the central assumption of the paper: the principal barriers to municipal integration are organizational rather than merely structural. Human resources, digital systems, competences and institutional routines are interconnected knowledge assets that must be preserved, recombined and progressively aligned before administrative integration can be fully achieved.

5. A Knowledge Integration Governance Framework for Municipal Mergers

The analysis suggests that municipal amalgamations should be understood as knowledge-intensive governance processes. Their success depends on the capacity to identify, preserve, combine and recreate distributed organizational knowledge. Rather than merely describing the Nuova Pescara transition, the case illustrates how documentary evidence can be interpreted through a Knowledge Management lens to explain why organizational integration emerges from knowledge integration. In this respect, the empirical material provides the practical grounding upon which the proposed governance framework has been developed.

Building on the theoretical discussion and the Nuova Pescara case, this paper proposes a Knowledge Integration Governance Framework explaining how public organizations can govern merger processes while supporting organizational transformation and Public Value co-creation. Unlike studies that examine municipal mergers mainly from institutional, financial or organizational perspectives (Dollery & Robotti, 2008; Blom-Hansen et al., 2016; Tavares, 2018), the proposed framework places Knowledge Integration at the centre of the governance process. Administrative harmonization is interpreted not as the starting point of the merger but as the outcome of organizational learning, through which heterogeneous knowledge assets are transformed into shared capabilities (Nonaka, 1994; Alavi & Leidner, 2001; Laihonon et al., 2024). The framework comprises five interconnected stages linking organizational diagnosis, knowledge integration, Strategic Human Resource Governance, capability development and Public Value co-creation in a continuous learning cycle.

The first stage, organizational diagnosis, corresponds to the as-is analysis. It maps organizational structures, procedures, competences, technologies, governance arrangements and stakeholder relationships, making explicit the distributed knowledge assets upon which future integration depends (Wiig, 2002; Massaro et al., 2015). The second stage concerns knowledge integration. Once organizational knowledge has been identified,

knowledge transfer allows existing practices to circulate across organizational boundaries; knowledge combination reorganizes procedures, competences and routines into new institutional configurations; and knowledge creation generates routines, governance solutions and capabilities that did not previously exist (Nonaka, 1994; Nonaka & Takeuchi, 1995; Alavi & Leidner, 2001). The third stage, Strategic Human Resource Governance, represents the principal managerial contribution of the framework. It aligns organizational development, competence management, leadership, employee engagement, culture and performance management. In this perspective, human resources are not passive administrative resources but the primary mechanism through which organizational knowledge is preserved, mobilized and renewed (Ranft & Lord, 2002; Bresman et al., 1999; Kuipers et al., 2014).

Within the Italian public administration context, this governance infrastructure finds operational expression in the Piano Integrato di Attività e Organizzazione (PIAO). Rather than a compliance document, the PIAO can be interpreted as the managerial architecture through which knowledge integration becomes operational, connecting strategic planning, organizational development, human resource management, training, performance evaluation and organizational well-being (Cepiku et al., 2025). The fourth stage consists of organizational capabilities such as shared identity, employee engagement, integrated processes, coordination, digital maturity, institutional trust and stakeholder collaboration. These capabilities indicate that fragmented knowledge has been transformed into coherent institutional capacity (Bryson et al., 2014; Pee & Kankanhalli, 2016). The final stage is Public Value co-creation. Public Value is not an automatic consequence of institutional reform; it emerges when organizational knowledge is mobilized to improve governance quality, service delivery, democratic legitimacy, territorial development and citizens' well-being (Moore, 1995; Meynhardt, 2009, 2015). Table 2 summarizes the principal knowledge risks emerging from the gap analysis and links them to the corresponding Strategic HR Governance levers embedded within the PIAO.

Table 2: Strategic knowledge integration priorities emerging from the organizational gap analysis (authors' elaboration based on the Organizational Gap Analysis conducted within the Nuova Pescara Merger Office)

Strategic area	Knowledge risk	Knowledge Management priority	Strategic HR Governance lever
Digital transformation & ICT	High	Digital reskilling, interoperability of information systems, reduction of operational errors, strengthening digital capabilities	Training programmes, digital transition initiatives, competency development
Local Police & Public Safety	Medium–High	Harmonisation of operational procedures, cross-municipal knowledge sharing, Communities of Practice	Inter-organizational Communities of Practice, joint operational training
Social Services (ECAD / Integrated Welfare)	Medium	Standardisation of administrative procedures, integration of tacit and explicit knowledge, service coordination	Competency mapping, organizational learning, process harmonisation

Compared with established Knowledge Management research, which mainly examines knowledge creation, transfer and learning within existing organizations, the Knowledge Integration Governance Framework extends the analysis to large-scale institutional transformation. It conceptualizes knowledge integration not only as an organizational process, but as a governance capability that precedes and enables administrative integration. The proposed framework therefore advances a different interpretation of municipal amalgamation. Rather than considering mergers as exercises in consolidation, it conceptualizes them as governance processes centred on knowledge integration, in which strategic human resource management, organizational learning and integrated planning transform dispersed organizational knowledge into Public Value.

6. Implications and Conclusions

6.1 Theoretical Implications

The study contributes to four streams of literature. First, it extends Knowledge Management research by applying KM concepts to large-scale municipal amalgamations, showing that institutional transitions are valuable contexts for observing how distributed knowledge can be preserved, recombined and transformed into organizational capabilities (Nonaka, 1994; Alavi & Leidner, 2001; Massaro et al., 2015; Laihonon et al., 2024). Second, it contributes to Organizational Learning by showing that municipal mergers are continuous learning processes. The transition from as-is to to-be, mediated by gap analysis, illustrates how organizations construct new routines, reinterpret existing practices and develop a shared identity (Argyris & Schön, 1978;

Wenger, 1998). Third, the paper contributes to municipal merger research by suggesting that efficiency, expenditure reduction and governance performance should be interpreted as consequences of a prior knowledge integration process rather than as automatic effects of institutional consolidation (Dollery & Robotti, 2008; Blom-Hansen et al., 2016; Tavares, 2018). Similar integration challenges have been documented in the Danish municipal reform (Blom-Hansen et al., 2016) and in Portuguese territorial consolidation processes (Tavares, 2018), where administrative restructuring alone proved insufficient to ensure organizational integration. The Nuova Pescara case extends these observations by showing how Knowledge Management provides an explanatory framework for understanding these institutional transitions.

Finally, the paper bridges Knowledge Management and Public Value by identifying knowledge integration as an antecedent of Public Value co-creation. Organizational knowledge becomes the mechanism through which institutional reform is translated into societal value (Moore, 1995; Bryson et al., 2014; Meynhardt, 2009, 2015).

6.2 Managerial Implications

The framework offers a governance model for managers involved in complex institutional reforms. Its first implication is the need to replace purely structural approaches with knowledge-based governance. Organizational charts, legal harmonization and procedures remain necessary but should be preceded by systematic processes aimed at identifying critical knowledge assets, mapping competences and preserving institutional memory (Davenport & Prusak, 1998; Wiig, 2002). Second, human resource management should operate as the infrastructure through which knowledge is retained, shared and developed. Competency mapping, targeted upskilling and reskilling, leadership development, digital capability enhancement and organizational well-being initiatives become components of Knowledge Management rather than isolated HR practices (Ranft & Lord, 2002; Bresman et al., 1999; Kuipers et al., 2014). Third, the transition from three municipalities to one institutional identity requires deliberate investment in collaborative learning. Communities of practice, cross-functional working groups and peer-learning initiatives should accompany technical redesign, reducing resistance to change while supporting common administrative routines and professional identities (Wenger, 1998; Sørensen & Torfing, 2011). The Nuova Pescara experience also highlights the importance of integrated planning instruments. The PIAO can be interpreted as the managerial infrastructure through which strategic planning, human capital development, performance management, organizational learning and Knowledge Management converge into a coherent governance system. Stakeholders should be regarded as active contributors to organizational knowledge, enriching decision-making and institutional legitimacy. Municipal amalgamation is therefore a collaborative learning process extending beyond administrative boundaries. Figure 3 presents the practitioner-oriented framework, positioning Knowledge Management as the governance capability connecting diagnosis, knowledge integration, strategic human resource management, capability building and Public Value co-creation.

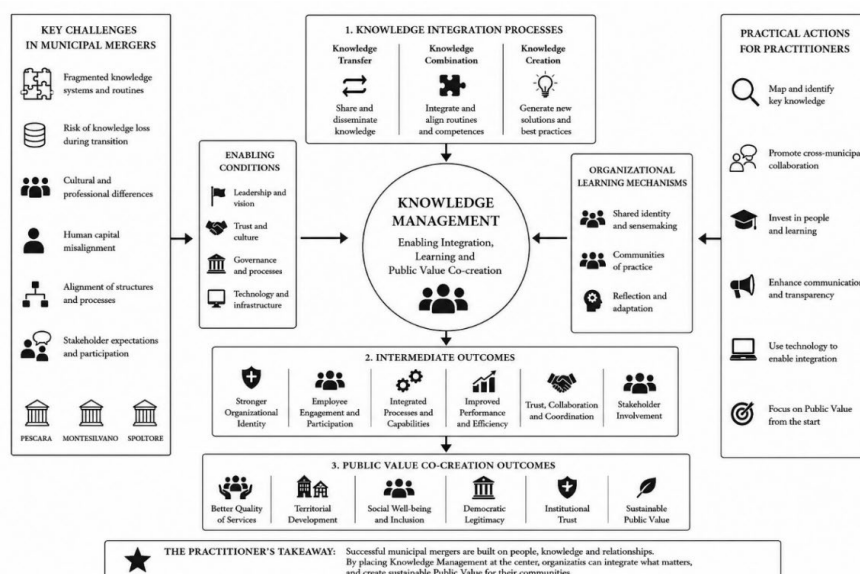


Figure 3: Knowledge Management as the governance capability enabling Public Value co-creation in municipal mergers (authors' elaboration)

6.3 Concluding Remarks

This paper argues that the success of municipal mergers depends less on institutional consolidation than on the ability to govern organizational knowledge. The proposed framework positions knowledge integration, strategic human resource governance and capability development as enabling conditions for Public Value co-creation. Future research should test and refine these relationships through comparative, longitudinal and quantitative studies across institutional contexts.

Ethics Declaration: No ethical approval was required for this study.

AI Declaration: AI tools were used solely for language editing and stylistic refinement. The authors retain full responsibility for the final manuscript.

References

- Alavi, M., & Leidner, D. E. (2001). Knowledge management and knowledge management systems: Conceptual foundations and research issues. *MIS Quarterly*, 25(1), 107–136. <https://doi.org/10.2307/3250961>
- Argyris, C., & Schön, D. A. (1978). *Organizational learning: A theory of action perspective*. Addison-Wesley.
- Blom-Hansen, J., Houlberg, K., Serritzlew, S., & Treisman, D. (2016). Jurisdiction size and local government policy expenditure: Assessing the effect of municipal amalgamation. *American Political Science Review*, 110(4), 812–831. <https://doi.org/10.1017/S0003055416000320>
- Bresman, H., Birkinshaw, J., & Nobel, R. (1999). Knowledge transfer in international acquisitions. *Journal of International Business Studies*, 30(3), 439–462. <https://doi.org/10.1057/palgrave.jibs.8490078>
- Bryson, J. M., Crosby, B. C., & Bloomberg, L. (2014). Public value governance: Moving beyond traditional public administration and the new public management. *Public Administration Review*, 74(4), 445–456. <https://doi.org/10.1111/puar.12238>
- Cepiku, D., Meneguzzo, M., Bonomi Savignon, A., & Mazzara, L. (2025). Strategic planning and management in Italian public administrations. In *Public Administration in Italy in Political and Historical Context: The Craft of the Italian State* (pp. 113–132). Springer Nature Switzerland.
- Davenport, T. H., & Prusak, L. (1998). *Working knowledge: How organizations manage what they know*. Harvard Business School Press.
- Dollery, B., & Robotti, L. (Eds.). (2008). *The theory and practice of local government reform*. Edward Elgar Publishing.
- Kassa, E. T., & Ning, J. (2023). A systematic review on the roles of knowledge management in public sectors: Synthesis and way forwards. *Heliyon*, 9(11).
- Kuipers, B. S., Higgs, M., Kickert, W., Tummers, L., Grandia, J., & Van der Voet, J. (2014). The management of change in public organizations: A literature review. *Public administration*, 92(1), 1–20.
- Laihonen, H., Kork, A. A., & Sinervo, L. M. (2024). Advancing public sector knowledge management: towards an understanding of knowledge formation in public administration. *Knowledge Management Research & Practice*, 22(3), 223–233.
- Massaro, M., Dumay, J., & Garlatti, A. (2015). Public sector knowledge management: A structured literature review. *Journal of Knowledge Management*, 19(3), 530–558. <https://doi.org/10.1108/JKM-11-2014-0466>
- Meynhardt, T. (2009). Public value inside: What is public value creation? *International Journal of Public Administration*, 32(3–4), 192–219. <https://doi.org/10.1080/01900690902732632>
- Meynhardt, T. (2015). Public value: Turning a conceptual framework into a scorecard. In J. M. Bryson, B. C. Crosby, & L. Bloomberg (Eds.), *Public value and public administration* (pp. 147–169). Georgetown University Press.
- Moore, M. H. (1995). *Creating public value: Strategic management in government*. Harvard University Press.
- Nonaka, I. (1994). A dynamic theory of organizational knowledge creation. *Organization Science*, 5(1), 14–37. <https://doi.org/10.1287/orsc.5.1.14>
- Nonaka, I., & Takeuchi, H. (1995). *The knowledge-creating company: How Japanese companies create the dynamics of innovation*. Oxford University Press.
- Pee, L. G., & Kankanhalli, A. (2016). Interactions among factors influencing knowledge management in public-sector organizations: A resource-based view. *Government Information Quarterly*, 33(1), 188–199. <https://doi.org/10.1016/j.giq.2015.06.002>
- Ranft, A. L., & Lord, M. D. (2002). Acquiring new knowledge: The role of retaining human capital in acquisitions of high-tech firms. *The Journal of High Technology Management Research*, 13(2), 295–319. [https://doi.org/10.1016/S1047-8310\(02\)00069-1](https://doi.org/10.1016/S1047-8310(02)00069-1)
- Sørensen, E., & Torfing, J. (2011). Enhancing collaborative innovation in the public sector. *Administration & society*, 43(8), 842–868.
- Tavares, A. F. (2018). Municipal amalgamations and their effects: A literature review. *Miscellanea Geographica*, 22(1), 5–15. <https://doi.org/10.2478/mgrsd-2018-0001>
- Wenger, E. (1998). *Communities of practice: Learning, meaning, and identity*. Cambridge University Press.
- Wiig, K. M. (2002). Knowledge management in public administration. *Journal of Knowledge Management*, 6(3), 224–239. <https://doi.org/10.1108/13673270210434331>