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economy, the precursor to higher production capabilities, is considered crucial for economic development.

Applying knowledge management principles to regional and national government administration is proposed here as a potent weapon that can enhance both the capacity and capability of governments to identify potential, especially in terms local knowledge assets, codification in storage, and dissemination, and packaging them for sale, if necessary. Benefits of knowledge management programs to regional and national economic development encompass enhancing innovation and invention, fosters deeper involvement of human resources in all development endeavors from policy formulation to program evaluation, increases local /indigenous resources utilization, thereby making development poor-friendly, socially acceptable, economically feasible, and environmentally sustainable.

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underdevelopment to prosperity. The sources of national and international knowledge are identified to fill those knowledge gaps and hurdles.

Developing countries that have done knowledge management well have led their countries fast out of poverty to prosperity, those that have failed continue to lead their citizenry on the seemingly endless and bumpy poverty road. Malaysia has in place the mission of becoming a developed nation in 2020, considers the development of information technology as key to achieve the developed status, which is why it embarked on developing the cyberspace corridor high-speed internet communication will be available for enterprises. Singapore's future focus is to become biotechnology and pharmaceutical center, which has been underpinned by establishing state of the art research laboratories in biotechnology, training manpower in requisite skills as well as attracting multi national companies to establish their regional headquarters there.

The emphasis that developed countries put on extending knowledge to lagging regions is worth emulating by developing countries. United states spent US\$190 on plans to enable rural areas have access to broadband internet ([www.usda.gov/newsroom/release](http://www.usda.gov/newsroom/release)), the European Union gives subsidies to enterprises in economically lagging areas that adopt technology in running their operations as well as helping regional governments improve technology accessibility.

#### **IV. Concluding Remarks**

Public service delivery in many developing countries is fraught with inefficiency, poor performance, and corruption. Access for those who need services most, the poor, is at best irregular, and at worst, nonexistent. Redress to public service dysfunction, comes in a various ways. This encompasses institution of bureaucratic reforms, which take various forms; decentralization and de-concentration; democratization and attendant civil society empowerment., among others. The capacity to acquire, absorb, and disseminate knowledge is found to enhance the absorptive capacity of an

documents in all manner of storage mediums. It entails activities such as recording all data that is relevant to administration processes, their storage, means of access to personnel with knowledge and others in the organization, and updating. Document management systems should facilitate easy access of knowledge to those who need it to conduct of their activities. A number of enterprises produce applications that help in this endeavor IBM (global network), Intraspect software Incorporated (Intraspect) Ernst and Young computer consultancy(Cap gemnini), Microsoft (Windows sharepoint), Invention (techoptomizer), Siemens (Sharenet), among others.

*iii). Human resources management.*

The quality of human resources influences the capability and capacity to deliver services. As knowledge can only be created in the recesses of people's minds, the role that the local government can do is to provide an environment which is conducive to knowledge creation. The main goal should be to create a learning organization in all organ that provide public services, which can be achieved through the training and development of skills and competences. There should be mechanisms that facilitate knowledge storage and transfer to ensure better performance of tasks and activities The provision of appropriate incentives should encourage innovation and creativity. Such a working environment should be attractive to creative, hard-working personnel, emergence of learning communities, collaborations, multi -disciplinary teams, discussion forums, networking, virtual teams, which promote creativity, research and development.

*b). Knowledge Management in Practice*

Organizational knowledge management process (Figure 1) involves the production of knowledge, validation of the knowledge , integrating knowledge processes, diffusing it through various mediums, and through a feedback loop, updating it. Organizational knowledge production evolves from processes that induce individual and group learning , processes lead to the acquisition of information in the

results in support of the organization's objectives.” Davenport and Short (1991) view the business process as a set of logically related tasks performed to achieve a defined business outcome,” while Pall (1987) in Darnton and Darnton (1997) defines a business process as “ the logical organization of people, materials, energy, equipment, and procedures into work activities designed to produce a specific end result (Hall, 2003:2) . The overall picture that emerges from the above definitions is that a business/ work process encompasses the process that transforms inputs into outputs, such outputs must add value to the organization in terms of revenue, involve the incurring of cost to the organization, relate to organizational goals and ends for example satisfying clients needs, and entail activities and resources that cross organizational borders.

It important to identify core processes, which represent according to Johansson et al.(1993), “a set of linked activities that both crosses functional boundaries and, when carried out in concert, addresses the needs and expectations of the ‘market place’ and drives the organization's capabilities. The performance of an organization vitally depends on the extent to which core competences are able to deliver the services.

Business/work process reengineering according to Hammer and Champy (1993) involves “...fundamental re-thinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measures of performance such as speed, quality, service, and speed.” The implication of the foregoing is that by inducing business process reengineering, knowledge management enhances the capability of an enterprise to achieve its main objective of transforming inputs into outputs, overhauls knowledge acquisition, storage, and sharing mechanisms that speed up the process, increases the flexibility and responsibility of the enterprise to adjust to challenges and opportunities that occur.

*ii). Document management.*

Many knowledge management programs do not go beyond efforts at improving at improving document handling in the organization. Knowledge management entails efforts tailored to better handling of knowledge in the organization in form of

The implications of relating knowledge management to human resources management are many. Better management of the human resource in the organization enhances the knowledge creating capacity in an organization. Thus the management of the general conditions in the organization which include the working conditions, recruitment, selection, training and development, performance appraisal and evaluation are an integral component of the knowledge management process. Additionally, ensuring that interaction among workers and between workers and the management through communications and other means serves the knowledge management process

Any knowledge management program consists mainly of work/ service process, human resource, and document management. Process based knowledge management where concentration lies in studying work procedures, processes, and methods used in regional administration for codification, which increases their accessibility. Business process knowledge management also entails the identification, and exploiting the technology embedded in activities that occur regularly in the organization to improve delivery. Such transactions include help desk applications, clients' service applications, order entry applications, service agent support applications, among others. The activities carried out include benchmarking, best practices, quality management, business process re-engineering, process automation, lessons learned, methodology, among others. The underlying objective is to re-engineer the work processes and standard operating procedures in the organization.

*i). Business / Work process*

Hammer and Champy(1993) defines business process(work process) as “a collection of activities that takes one or more...inputs and creates an output that is of value to the customer,” while Harrington(1991) considers a business process to be “a group of logically related tasks that use the resources of the organization to provide defined

*countries lag further and further behind.*” It is the difference in the capacity to create, absorb, and disseminate (knowledge gap) between developed and developing countries that underlies differences in growth, standard of living, and prosperity. The success, or lack of it, registered by countries in the realm of managing knowledge influences the nature of economic development trajectory, upward; when knowledge acquisition, absorption, and communication capabilities are well developed) or downward, in the absence of such capabilities.

Hence, the importance of knowledge management. The art and science of knowledge management is about identifying, creating, transferring, dissipating and utilizing to the fullest extent possible, of knowledge assets, business intelligence, and corporate knowledge, to ensure sustainable competitive advantage in business. Wiig(1999) defines knowledge management as “... the practical, basic and directly aimed at supporting the firm’s ultimate objectives.” Malhotra (2000) defines knowledge management as “catering to the critical issues of organizational adaptation, survival, and competence in face of discontinuous environmental change, while Jarboe (2001) offers a more technical definition of knowledge management as “...set of techniques and tools to uncover and utilize information and knowledge assets especially tacit knowledge.” According to Cindy Johnson, “Knowledge management is ...all about recognizing that regardless of what business you are in, you are competing based on knowledge of your employees.”

The importance attached to knowledge and how it is managed through knowledge management programs can not be overemphasized , especially considering the notion that knowledge creation takes place in the minds of individuals through the data, information and experiences they are exposed to. This explains human resource management as it is the embodiment of knowledge management is considered to be important to the organization. It holds key to knowledge which is *“the most important asset of an organization”*. *What the company must do is just to identify , manage, and transfer knowledge, and billions of dollars to start rolling in’* (Carnerio, 2000).

corporate social responsibility (www.adb.org). Corporate governance principles ensure the existence of an early warning system, which serves as tip-off for management, stakeholders, regulatory authorities to take proactive measures to deal with impending problem, or failing to do that remedial measures that rectify the situation. Once corporate operations are based on good corporate principles, delineates boundaries and streamlined standards that define the conduct of individuals, businesses, and society in relation to the corporation, which goes a long way to create a predictable environment for investors, employees, and other stakeholders, public confidence in business and political institutions is enhanced, which augurs well for investment, which in turn fosters economic development (Igor, 2002).

Doubtless, adherence to principles of good corporate governance tantamount to complying with good corporate management. Thus, compliance with such principles is the best way for management to achieve the stakeholder, social, and government objectives of high economic value added, responsibility, and taxation and environmental obligations, respectively (BDI, 2002; Bayer,2003).

The discipline, novel though it is, that can augment the effectiveness of regional resources use is knowledge management, the techniques and tools of which, are portent in fostering the identification of regional assets, tangible and intangible alike, codification, storage, dissemination, updating, and revitalization. It is to that, that the article now turns.

### **III. Improving Governance by adopting Knowledge management principles**

#### *a. The Discipline of Knowledge Management*

Knowledge according to Mc Elroy (1999) is infinite, encompassing, among others, new ways of doing things, new products, new strategies, and new markets. The world bank report 1998/1999 (Worldbank, 1999) stressed the vital importance of knowledge in fostering economic development regarding it as having “ *the potential of lifting hundreds of millions out of poverty, or creating a widening knowledge gap, in which poor*

committee principle calls for appointing an audit committee comprising of individuals who are independent, knowledgeable in accounting, financial analysis and reporting, equipped with a written mandate and terms of reference, engage independent external auditors answerable to the committee, ensure that suitable internal control and risk management system is incorporated into corporation operations, and focus of substance of underlying transactions personalities . The principle of code of conduct calls for corporations to have in place written code of business conduct and a system that ensures the implementation thereof in letter and spirit. Conflict of interest principle calls for corporations to identify, disclose, and explain actual and potential conflicts of interest in detail that directors face to facilitate sound judgment on the adverse impact thereof. Involvement of individuals in issues where their interests conflict, should be avoided.

The principle of environmental and social commitment calls for corporations to deal with often conflicting objectives of good performance, social development, and environmental protection. The conduct of board of directors principle streamlines the authority, qualifications, compensation, training available, terms of reference, access to corporate information in the conduct of their activities, as well as monitor the performance of directors. Responsibilities of directors principle stipulates that investors, have the right to monitor and vote on issues that foster the success of the corporation, should be given requisite information for that purpose, such as corporate reports. Upholding of fair treatment of minority shareholder is also called upon. Role of directors in turnaround situations principle stipulates that directors of beleaguered corporations must play a proactive role to send their corporations out of the doldrums must avoid preferential treatment to creditors, and trade once troubled companies are dissolved([www.adb.org](http://www.adb.org)).

Corporations (both state and privately owned, that comply with principles of good governance in letter and spirit should enjoy lower cost of capital as indulgence in malfeasance is ruled out, attract better business partners, higher competitiveness, better financial performance, transparency, and enhanced capability to fulfill

This became particularly so in South East Asia during and in the aftermath of the 1997 financial crisis which was caused as well as exacerbated in the main, by rampant poor governance.

It is in pursuance of a redress to such malpractices, for the benefit of stakeholders and the maintenance of a sound economic system, that has induced governments, multilateral agencies, and not-for-profit organizations to demand corporations private and state owned alike, to conduct their operations basing on transparency, accountability, responsibility principles-what have come to be known as principles of good governance. These encompass, among others, principle of performance orientation, nomination and compensation committees, disclosure, audit committee, code of conduct committee, conflict of interest, environmental and social commitment, conduct of the board of directors, responsibilities of investors, and role of directors in turnaround situations.

The principle of performance orientation should how the corporation achieves maximum economic value through efficient utilization of resources, especially human capital. This principle shows the commitment of the corporation to fulfill the value creation for the stakeholders, which enhances its ability to fulfill community, environmental and social obligations. The nomination and compensation committee principle elucidates the names, mandate, and terms of reference consonance with principles of good practice of individuals who are entrusted with the responsibility to nominate the leadership of the corporation (the nomination committee), which should be independent, and the compensation committee shouldering the responsibility of designing compensation policy for senior management, directors, and employees, which should be benchmarked to industry standards, and key performance indicators.

Disclosure principle obliges corporations to follow fair and standard accounting principles in disclosing annual reports, disclosure of potential risks, adherence to continuous disclosure as demanded by regulatory bodies. Giving access to corporate information to third parties both timely and adequately. Audit

availability of an in-house database of the poor enables the adoption of programs that tailor assistance directly to the poor (Dwiyanto, 2004).

Many regional /national governments have embarked on utilizing better social capital, which entails “*finding solutions to local problems by harnessing the power of collective action*”. Service provision is channeled through groups that are either formed for the purpose or existing groups. Groups /committees of service users are formed to deliver the services with finances coming from donors, governments, or from collective efforts. An example is the water supply groups in Cote De Ivore, where the central government relinquished control over water supply to water user groups, which led to reduction of costs and breakdowns (Worldbank, 2004:72).

Doubtless, in an era of openness and democracy, the vital importance of civil society empowerment can not be overemphasized. Governments, central and regional alike, do not have the capacity to monitor service delivery due to the long route involved (client-policymakers-service providers), and difficulties in managing supervisory staff, clients are in a better position to do the job. This takes various forms, among which pressure groups, comprising people in an association tailored to pursuing something(s) of interest to all of them, non governmental organizations, which represent people who are organized in bid to provide mobilize resources, financial, technical, and physical, used in delivering various services, serve as watch dogs, and correction agents of public service delivery. The existence of a critical mass media is another mechanism that sees to it service delivery is done right from formulation of policy, which should be transparent and accountable, implementation that reaches the intended target(effectiveness), and at a fair cost to the tax payer(efficiency).Collective action fosters the ventilation of myriad interests, which arise from a heterogeneous society, which is an apt description of the cosmopolitan society.

The importance of governance has taken center stage in light of rampant mismanagement, fraud, ‘cooking books, corruption, all of which led to underperformance, even collapse of corporations, private and state-owned alike.

models, programs, and techniques of delivering services, which they can introduce in their places of work on completion.

The introduction of the citizen's charter in the delivery of services is yet another innovation that has made headway in several regional governments in Indonesia. The citizens' charter is one of the mechanisms that empower the public to articulate the needs, monitor the delivery of services to fulfill such needs, and call for questioning to service providers, once service delivery falls short of expectations. By stipulating the procedure, time, and cost of service provision, the citizen's charter ensures that all stakeholders are aware of what the nature of service provision, which makes it possible for performance evaluation. Moreover, as the charter lays out the rights and responsibilities of service providers and clients, along with the consequence to the parties in the event of non-compliance with the charter's dictates, accountability is easy to implement. The innovation has been adopted in the issuing of birth certificates, and the managing of people's service clinics, in Yogyakarta, and Blitar, respectively. Expected benefits include enhanced commitment from service providers and clients (Dwiyanto, 2004).

In order to meet the demand for increased revenue, local governments have come up with various innovations. One such innovation has been forging collaboration between regional governments and the private sector in utilizing regional resources such as land, mineral, and human resources. One such collaboration involves the formation of joint ventures to manage local resources, and taking over the management of local companies. Efforts to boost local government revenue has also been done through the introduction of user fees in the provision of health services at people's health service centers, while at the same time providing insurance to those who are unable to pay for such services.

Additionally, in an attempt to alleviate abject poverty afflicting some of their citizenry, many regional governments have developed more effective poverty eradication programs. This has been achieved by developing data bases on the percentage of the poor living under the jurisdiction of local governments. The

The enhanced powers of local governments is being put to the test as they are called upon to make improvements in the types and quality of public services delivered as well as the expediency. Local governments have responded to such challenges in myriad ways. One such means has been the increasing use of communication forums. People communication forums where peoples aspirations are conveyed to the bureaucracy, and members of regional parliament, while the latter explain the positions on issues raised, as well as source of feedback in efforts to improve the provision of public services.

The advent of democracy at local government levels, has meant that the public is becoming increasingly involved in the recruitment of officials that assume positions of responsibility. The door is slowly but surely becoming open to individuals without track records in state bureaucracy. Regional governments are allowing individuals from institutions of higher learning, the business community, and other professions to become public servants. Such individuals bring along with them, 'untainted' by standard bureaucratic norms and operating procedures, serve as agents of change by taking initiatives in a number of areas. There is no more befitting example than the initiatives made by the current mayor of Jogjakarta, who is a non-career bureaucrat. Changes effected included the merging of all offices that issue permits into one office, which has reduced cost, and time required to process documents; the development of a consumer satisfaction index, measure of service quality on the issuing of permits.

In pursuit of better performance, many regional governments have begun offering incentives that are linked to performance. Such incentives are expected to motivate employees to work harder, come up with ways of improving working processes, simplification of tasks, and revisiting standard operating procedures. The pressure to perform coming from within the bureaucracy and outside (civil service being open to individuals from outside the bureaucracy), has made it imperative for many bureaucrats to undergo further studies. Undergoing advanced studies means that bureaucrats are exposed to a variety of approaches, policies,

being intangible. Moreover, the existence of multiple principals that service providers face also complicates the incentive-performance link for service providers as myriad principles demand that agents (service providers) provide different and sometimes diametrically opposite services.

The de-concentration and devolution of power from the center to the periphery (national to local governments) has been conducted in many developing countries. The drivers of decentralization policies have been among others, the gross inefficiency and ineptness of bloated over centralized bureaucracies that have characterized many a developing country administration structure for long has induced a rethinking of an alternative mode of government; the increasing pressures for wider involvement in decision making by the public in line with greater democratization efforts; pressures from bilateral, multilateral and Non governmental donor agencies on developing countries that receive financial, technical, and other forms of assistance to make efforts to improve the conduct of government operations; and following the general trend in center-local relations to allow greater role of the lower level administrative units in managing most day-to-day affairs with the exception of defense, monetary policy, foreign affairs, and justice.

The advent of decentralized regional governments, among other things, empowers such institutions to manage local resources to the best of their ability with the ultimate objective of maximizing people welfare as they are conversant with the all manner of needs of the society, have better understanding of local institutions that can deliver goods and services as well as utilize local social capital to promote development. The demand for better service provision has never been higher, as people get to know their inalienable rights to good, timely, quality. There is a caveat however. To contribute to better service delivery, decentralization should empower service users to use local information on the quality of service provision in making their voting decisions, which should increase the responsiveness of policymakers and eventually the service providers to clients needs, and promises of local politicians should be more credible than those of national politicians.

right sizing (cutting the size of the bureaucracy by merging structural positions), using job rotation whereby employees take turns to serve in various jobs, adopting work-team approach in service delivery, adopting e-government, among others.

Reforming institutions should increase organizational capability to deliver services, yet reforms often encounter stiff opposition from those most to lose, who are the most influential, the service providers and policymakers; and employees. To deal with the problem of bloated civil service, many regional governments have come up with a number of innovations. These include right sizing bureaucracy, which involves reducing structural positions to cut on the regional budget that goes to routine expenditure the wage bill. Savings made can be used to finance development activities, which have a direct impact on improving public welfare. Efforts to right size the bureaucracy have been accompanied by additional measures to ensure that those who become civil servants have the requisite quality and dedication. To achieve that local governments, for instance, Yogyakarta special administrative province has effect a fit and proper test, that both current and incoming civil servants must pass to serve in their roles

One of the ways that have been proved successful in developed countries has been the separation of policy maker from provider. The policymaker often the legislature, ministry, and is directly accountable to the citizenry, while the service provider, line ministry/ utility provider shoulders the responsibility of delivering the services. If the policymaker serves as the service provider, day to day problems tend to overshadow focus on outcomes (Worldbank, 2004:98). The separation of policymaker and service provider, increases the possibility that incentives to service provider are linked to outcomes (service provision), which facilitates accountability of those who deliver services to ultimate users and policymakers. It is easier for policymakers to demand good performance from those who deliver the services if they are not part and parcel of it, as well as monitor the implementation thereof. The problem to this lies in the difficulty for monitors to measure the extent to which those who deliver services live to their commitments, due to the nature of services

third party in case a dispute arises) to monitor the effort that the management injects in the public concern. The existence of incomplete contracts implies that governance structure determines who has rights over decisions on future events that have not been laid out in initial contracts (including residual rights over nonhuman assets). Thus, governance problems are rooted in principal-agent problem as well as existence of incomplete contracts, which is attributable to information asymmetry (Hart, 1995).

There are various mechanisms that can redress or at least reduce governance problems in private enterprises. These include the board of directors, which serves as the shareholders' watch dog, on management performance and can go as far as firing management in the event of impropriety, large shareholders who tend to have immense interest in what the management does as they have a lot to lose in the case of impropriety, hostile takeovers which is disciplinary force for management that underperforms, financial structure by for instance the company taking on large debt. Creditors should have interest in what management does, as any underperformance affects the capacity of the firm to fulfill its debt obligations. Public utilities/corporations, on the contrary, have few mechanisms that do align management performance to the performance of the public body. These include board of directors, who are appointed by the same party that appoints management, the public stakeholders. The board of directors have no financial investment in the public body where they serve as watch dogs, a fact that compromises their performance. This may lead to the collusion of management and the directors, as by so doing they tend to push the activities of the public concern toward directions where they benefit most. There are other equally important mechanisms that can be used to improve the performance of public concerns.

Instituting reforms is the most effective way to improve public service performance as it involves changing existing relationships for the better, parties involved in service delivery, incentive schemes to service providers to induce better performance. Standard operating procedures are revisited and redesigned. Bureaucratic reforms encompass adopting a leaner structure through downsizing/

the main interested in increasing personal income which may come at the expense of increasing risk to the income enjoyed by the public (making risky investments, perks, and large salary for example).

To ensure that the interests of stakeholders are observed, effort injected by management must be monitored by stakeholders. . This being impossible, due to information asymmetry (management knows more about the public concern than the stakeholders do) for stakeholders to influence the effect management puts in running the public concern, making it necessary for establishing second best mechanisms that link management remuneration to performance of the public concern. In order to motivate management to put in more effort, incentive schemes that link management remuneration to organizational performance (quality, effectiveness, and efficiency of service delivery) high powered incentives , and incentives that lower management risk to states of the world over which management has control (low powered incentives). High powered incentives tailor management effort to organizational performance, whatever the states of the worlds are, and low powered incentives limit the potential risk management is likely to face only to events that affect performance to the extent that they are under his control and terms of service.

However, governance problems do not arise only because of the existence of principal-agent problems, they are equally rooted in the incompleteness of contracts that set out the terms under which management (control) executes obligations vested unto him by the stakeholders(ownership). Complete contracts put into consideration all potential events, all parties, possible states of the world, and as there is complete information, are observable.

Nonetheless, stakeholders find it difficult (free rider problem as every individual thinks that the other will do the monitoring task) and costly (high transaction cost of having to think about all the different eventualities that are likely to occur in the course of the contract reached between the government and management, cost of selling the plans to other stakeholders, cost of writing down the plans in as unambiguous way as possible to ensure that they can be enforced by a

to multiplicity of objectives of public service provision, monitoring hurdles, linking outputs to providers. In many cases service providers lack the skills and drive to fulfill their obligations.

Yet rampant inefficiency, incompetence, and ineptness do in no way presuppose that providing services by the public sector is essentially at fault, a fact proved by excellent performance of public service in education in a good number of developing and in many developed countries. Moreover state bureaucracy has proved successful in delivering police services, competent judiciary, public works, defense, and basic research, which have fostered the emergence of strong, reliable, efficient institutions, which have been the lynchpin of economic progress in many a developed nation (Worldbank, 2004:54). The problem then, lies in the form and efficacy or lack of it, that public service takes which is reflected in institutions and regulations.

This article assesses the governance problem, the root cause, and various ways to redress it, with the concomitant benefits associated with such ways. Knowledge management principles are introduced as catalyst in enhancing good governance, and promotion of regional and national development. Section two addresses governance problems, the cause and redress to them; section three considers the impact of knowledge management on good governance and regional and national development. Section IV. Concludes the article.

## **II. Problems of Governance and their Redress**

The root cause of inefficiency and ineptness often associated with public concerns is attributed to problems of governance. Governance problems are rooted in the existence of principal-agent problem and incomplete contracts worked out between stakeholders and public concern management. Public companies /corporations are by nature fraught with principal-agent problems which arise from the separation of ownership (the public) and control (management). While the public stakeholders interest is to maximize the value of the public concern by better delivery of quality services to those who need them at the time they do need them, management is in

Public bureaucracy, especially in developing countries, has been characterized by inefficiency, corruption, and poor performance. Poor performance has often been attributed to insufficient resources, low motivation, poor training of civil servants, and inadequate capability. Consequently, the noble objective of many a policymaker, of ensuring the delivery of services to the needy has been nothing more than sheer rhetoric and vote-catching phrase to be invoked during election times, and immediately discarded to the dustbin of history as business as usual takes center-stage. Doubtless, public service delivery in many developing countries is characterized by: inaccessibility of clients to power limits their ability to have any say in the production and delivery of public services.

Those who deliver goods are not motivated to do so, while clients are not informed or lack the power to exercise pressure on the bureaucracy to deliver services. Service provision suffers because the providers do not feel obliged to do their best, while poor clients, being weak, are left in the cold. Services end up going to those with power, elites. State deliberately do not avail information on outputs and outcomes, making it difficult for clients to know what to expect and using such information to demand better delivery of goods and services. Lack of compact between providers of services and clients due to the ineffectiveness of the state (failed regimes), absence of clear-cut or delegation and specification of goals, weak responsibilities for outputs and links to outcomes. Insufficient funding of service provision because political expediency determines budget allocations rather than past performance and demand for such services (Worldbank, 2004:56).

Absence of objectives to accomplish, hampers management of service delivery. The inadequacy of incentives to shore up performance by those involved in delivering public services, doesn't make things any better, which is coupled by absence of minimum service standards for quality and quantity, performance indicators, rewards and penalties. It is difficult to allow more capability, discretion, and autonomy, without measures of accountability to service providers which is due

## **Abstract**

This article assesses the governance problem, the root cause, and various ways to redress it, with the concomitant benefits associated with such ways. Knowledge management principles are introduced as catalyst in enhancing good governance, and promotion of regional and national development. Public service delivery in many developing countries is fraught with inefficiency, poor performance, and corruption. Access for those who need services most, the poor, is at best irregular, and at worst, nonexistent. Redress to public service dysfunction, comes in a various ways. This encompasses the execution of bureaucratic reforms, which interalia, take various forms; decentralization and de-concentration; democratization and attendant civil society empowerment.. Applying knowledge management principles to regional and national government administration is proposed here as a portent weapon that can enhance the capability of governments to identify potential, especially in terms local knowledge assets, codification m storage, and dissemination, and packaging them for sale, if necessary. Benefits of knowledge management programs to regional and national economic development encompass enhancing innovation and invention, fosters deeper involvement of human resources in all development endeavors from policy formulation to program evaluation, increases local /indigenous resources utilization, thereby making development poor-friendly, socially acceptable, economically feasible, and environmentally sustainable.

Key words: governance, knowledge management, principal-agent problem

## **I. Introduction**

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**Improving Public Service Delivery by Adopting Good Governance  
and Knowledge Management Principles**

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