Knowledge Management for a Postmodern Workforce: Rethinking Leadership Styles in the Public Sector

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This paper explores the nexus of knowledge management and contemporary leadership theory within the public sector. The postmodern values embraced by the replacement cohorts (Millennials and Generation X) for the retiring Baby Boomers are in direct conflict with traditional leadership theories, thereby reducing the attractiveness of governmental employment. Today, the federal government, as a bureaucracy, is very rigid in its methodology. Yet, the postmodern workforce thrives better in a flexible, fluidic environment. Two leadership styles, bureaucratic and transformational, are evaluated to determine which is preferred in dealing with the public knowledge management system in the 21st century. The paper concludes with a discussion that highlights strategic implications for researchers and practitioners. The study is significant because a massive organizational shift will happen globally in the near future. This effort contributes to further exploration into the application of leadership competencies in the public sector.

As federal government insiders sound the alarm of impending danger, who will save the government from major disaster? With 60% of white collar employees (1.6 million) and 90% of executives (over 6,000) eligible for retirement, the federal government finds itself in a difficult situation.[1] Many agencies scatter as they consider the huge corporate knowledge that may be lost if these predictions occur. Consequently, these changes in workforce demographics will create leadership challenges in the future as baby boomer employees make their massive exodus from the workforce. The government's current urgency comes as no surprise because personnel specialists, academic scholars, and government gurus have presented this information to anyone who would listen. In January of 2001, the General Accounting Office (GAO) placed human capital issues on its high-risk priority list and considered it one of the government's greatest management challenges.[2] Given this incredible situation, today's federal executives need to develop relevant strategies to address the current and future knowledge drain on this country's public system. This article explores the preferred leadership style in effectively overseeing the knowledge management system during the transition of the postmodern workforce. This requires identifying the current values attributed to contemporary leadership and comparing them to the important leadership theories in the postmodern period.

Knowledge Management Infusion

In today's hypercompetitive environment, knowledge management becomes a vital component for modern organizations. Knowledge management (KM) relates to an organization's ability to systematically capture, organize, and store information. When dealing with KM issues, many people focus on intellectual capital or technology issues, rather than human element.[3] Consequently, many organizations develop their own KM perspective. For example, Lotus Development Corporation defines KM by the following five technology pillars: business intelligence, collaboration, knowledge transfer, knowledge discovery and mapping, and the location of needed expertise.[4] As organizations continue to become more complex, engage in global competition, and operate under uncertainty, disseminating information becomes a

valuable commodity.[5] KM has been a core ingredient for most government agencies; it is difficult to separate strategic planning from KM.[6] Georg Krogh, Kazuo Ichijo, and Ikujiro Nonaka maintain that knowledge creation must be supported by the organizations in a number of ways if knowledge creation is to happen. In fact, they note the following enablers are: (a) instill a knowledge vision, (b) manage conversations, (c) mobilize knowledge activists, (d) create the right context, and (e) globalize local knowledge.[7]

However, managing this KM system is not easy for the public sector. For example, the Department of Energy (DOE) developed a Core Technology Group (CTG) in order to better exchange technical personnel, knowledge, and expertise with its program.[8] The objective of this group was to design the ability to maintain and even strengthen technical capacity for ensuring that the Defense Program mission requirements are transferred effectively into the 21st century.[9] Although implementing the CTG required an enormous culture change, the implications were significant. The CTG review found organizations do not need more control and technology but rather, more open dialogue and knowledge sharing. Knowledge sharing without committed leadership and encouraging organizational culture will be marginally successful. Furthermore, Alex Birman and John Risko maintain that an organization can improve competitiveness and adaptability and increase its chance of success with an effective KM process.[10] However, Michael Tushman and Charles O'Reilly argue that an organization's culture can prevent it from undergoing positive change because organizational renewal demands require mastering both innovation and organizational change.[11] Unfortunately, each person in an organization is engulfed in corporate culture. For the public sector, the current corporate culture along with the massive retirement of Baby Boomers represents a serious concern as it relates *tacit knowledge*. Xiaoming Cong and Kaushik Pandya argue that tacit knowledge, which is often unwritten and less concrete, is more valuable because it provides context for people, places, and ideas.[12]

Knowledge workers are a critical commodity. Many leaders are more concerned with managing resources and work processes than dealing with people. In fact, people just become another product to manage in a hectic environment. Christina Maslach and Michael Leiter suggest that the current organizational paradigm represents the dehumanization of today's workers.[13] First, corporations are more focused on the bottom-line. Corporate values promote the importance of making profits; it sacrifices human capital. Unfortunately, people sacrifice their livelihood for the good of corporations. In doing so, they become a disposable commodity. Second, many managers operate under a Tayloristic philosophy where managers "know-it-all" and followers are only subordinates with little insight or experience. Managers are smarter; therefore, they lord over their workers. However, advanced communication technologies and vast access of information to workers make this approach outdated. Finally, knowledge workers become the unpredictable variable for most 21st century organizations. As a rule, an organization's knowledge and capability building depends primarily on its human and social capital.[14] Knowledge workers create and capture information for the management of knowledge. This situation occurs because today's workers are more informed than previous generations. However, knowledge workers are driven by different motivational factors than traditional workers. Therefore, today's managers cannot afford to guide workers in the same tradition; they must apply new approaches of leadership in order to inspire today's knowledge workers.

Cultural Value Clashes

The enormous demographic changes within the 21st-century American workforce are creating organizational growth pains. For the first time in American history, there are four generations co-

existing in the workplace.[15] With global competition, a tightening of corporate budgets, and threats of outsourcing core organizational functions, leaders cannot afford to manage in the traditional fashion. According to business director Greg Hammell, individuals communicate based on their generational background.[16] Each generation has distinct attributes such as behaviors, expectations, and habits. The Greatest Generation (1922-1945) progressed through the hard times of American history. This group has a keen respect for authority, tradition, and high moral standards. Characterized by its activism, the Baby Boomer Generation (1946-1964) contains a sense of involvement and optimism; they work within an organizational structure to get things done. Next, Generation X (1965-1980), known for its cynicism and skepticism, move through organizations as modern day mavericks; they are mobile, adaptable, and career savvy. Growing up in the Information Age, the Millennial Generation (1981-2000) has a value-based lifestyle; they are diverse, gender neutral, technology savvy, and confident in their abilities. Given these distinct generational perceptions, today's leaders will be faced with organizational challenges, such as recruitment, teambuilding, and motivation.

Currently, there is considerable buzz among practitioners and academics regarding the role of leadership theory and organizational culture in organizational performance. Kerry Harding explains that a new generation of workers will produce significant human resource problems for traditional organizations.[17] He describes this new generation as the Emergent Workforce, which crosses age groups, gender, race, and geography.[18] These workers are driven by a new set of values and job expectations. Whereas traditional organizations use corporate culture to influence employees' values, Majken Schultz argues that postmodernism challenges the very assumptions of the merits of such corporate culture.[19] For example, emergent employees are viewed as job hoppers. In one study, emergent employees (88%) said that loyalty was not related to employment length while traditional employees (94%) viewed loyalty as the willingness to stay with an employer for the long term.[20] In fact, workers, who are influenced by postmodernism, are known for (a) questioning everything, (b) viewing truth as relative, (c) valuing relationships over institutions, (d) valuing the ability of storytelling, and (e) demonstrating emotion and experience.[21] These postmodern premises attack the heart of traditional organizations, thus providing an avenue for organizational conflict between leaders and followers.

Likewise, the federal government has its own culture issues. These divergent generational groups currently reside in the public workplace. One key element that contributes to a lack of value alignment is the difference in these generational attitudes. There is considerable evidence that generational differences influence a multitude of worker attitudes and behaviors with profound implications for recruitment and retention.[22] Given that 70% of federal employees are over 40 with a mean age of 47, there are likely to be sharp differences in leadership styles between incumbent employees and younger, recently hired employees.[23] The current federal government senior manager cohort consists largely of Baby Boomers,[24] setting the stage for conflict with the postmodern orientation of Generation X and Millennial workers that are replacing retiring employees.[25] Some individuals will argue that the value differences between Baby Boomers and Millennials are small. It is true that they share many values such as being goal-oriented and confident. However, there are some critical value traits that are divergent. For example, Baby Boomers' leadership style is characterized by an autocratic mentality while Millennials are by a democratic approach.[26] These divergent generational traits of leadership will inspire some followers while inhibiting others. Reacting to changing cultural influences and global threats abroad, the federal government finds itself in a major transformation process.[27] These situations are made more complicated due to the massive exodus of its leaders. Yet, Jennifer Salopek

maintains that the diverse abilities of this multigenerational workforce can be harnessed to maintain organizational productivity.[28] By mixing modern and postmodern values in organizations, incongruent values are generated.[29] Therefore, federal traditionalists and the postmodern workforce continue to exist with conflicting values.

Optimum Leadership in the Postmodern Era

Twenty-first century organizations within the public sector will require a different leadership style than the status quo. In the postmodern age, organizations are often complex, emotional, and chaotic. Michael Hitt and Duane Ireland emphasize that these dynamic variables are forcing a new paradigm for leaders.[30] This new type of leader must be involved with building an organization's infrastructure and capabilities with a stress on the intangibles, such as social capital. However, today's leaders are too consumed with promoting their own interest instead of stimulating creative organizations. Managers become virtual outcasts to their followers. Krogh, Ichijo, and Nonaka maintain that organizations of the future must show their commitment to becoming caring organizations.[31] Clearly, there must be a correlation between caring and successful organizations. Gareth Morgan claims that forward-thinking organizations utilize innovation to infuse new thinking and move beyond traditional organizational boxes.[32] In fact, today's organizations are fueled by knowledge workers. Clearly, leaders should create an environment that supports knowledge sharing. Krogh, Ichijo, and Nonaka argue that most managers do not match their words of being a concern manager with thier actions.[33] When employees see no action, they lose trust and confidence in their managers. In dealing with a postmodern workforce, this occurrence could be fatal in the leader-follower relationship. Therefore, the postmodern workforce will require more collaboration, emotional intelligence, and worker participation to enhance employee motivation and commitment. Understanding leadership theory in postmodernism will be vital in this transition of knowledge.

Given this premise, this article explores two leadership styles to determine the preferred style in guiding the knowledge management system into the 21st century. Henry Schmidt suggests that leadership definitions presented in the research literature reflect the viewpoint of an industrial society.[34] Vana Prewitt adds that the current leader-centric theories are based on modernist assumptions and are out of date for leading postmodern organizations.[35] Furthermore, Thierry Pauchant argues that leadership theories should be primarily focused on leaders and their impact on their followers.[36] Peter Northouse further claims that leadership styles impact subordinates' perception of their job characteristics.[37] Applying varying leadership theories to knowledge management systems could produce a cultural quagmire for organizations given the clash between employee, managerial, and organizational values. Therefore, the right leadership style is crucial. Traditionally, most public leaders have operated in a bureaucratic leadership style. A bureaucratic environment includes (a) authority and responsibility clearly identified and legitimatized; (b) hierarchy of authority producing a chain of command; (c) leaders selected by technical competency, training, or education; (d) leaders appointed, not elected; (e) administrative officials work for fixed salaries and have no ownership of process or organization; and (f) administrators subject to strict rules for control.[38] Bureaucratic leaders influence employees primarily on their legality of authority and the right to issue commands.[39] Clearly, these assumptions maintained by bureaucratic leaders will create a value crisis for members in a postmodern workforce.

According to Prewitt, current leadership models in large bureaucratic organizations are invalid because in the postmodern age organizations are often complex, networked, emotional, and

chaotic.[40] In fact, the process of bureaucracy is often viewed as a cold and heartless process to postmodern employees. In terms of the source of power, bureaucratic organizations rely on position, as well as both coercive and reward power strategies, all extrinsic approaches that possess less relevance to the intrinsic motivational orientation of the postmodern workforce. The postmodern workforce tends to function in an environment where information is fluid. However, Krogh, Ichijo, and Nonaka note that most managers attempt to control information rather than support knowledge creation.[41] Unfortunately, the employee's worth is seen through the lens of an impersonal process. Some of the problems with a bureaucracy include the impersonal rules, rigid authority channels, and the standardization of organizational processes. Therefore, organizational leaders need to analyze the ramifications of bringing these postmodern employees into a non-flexible bureaucracy.

Given the innovative nature of the Emergent Workforce, they will be better able to build knowledge creation with a transformational leadership style. In contrast to bureaucratic leadership, transformational leadership speaks to the higher needs of employees. A transformational leader will request employees to transcend their own self-interests for the good of the organization and focus on long-term benefits rather than short-term gain.[42] In fact, this ideology speaks to the concept of a caring organization by attempting to support knowledge creation in a postmodern workforce. Krogh, Ichijo, and Nonaka suggest that leaders can play a pivotal role in the success of how information is disseminated within an organization. They further maintain that knowledge creation can be enabled in the following ways: (a) sharing tacit knowledge, (b) creating concepts, (c) justifying concepts, (d) building a prototype, and (e) cross leveling knowledge. Transformational leaders attempt to raise the consciousness of their followers while facilitating the achievement of lower order employee needs.[43] In fact, they are social architects of their organizations and advocate organizational values and norms to employees. For an organization comprised of a multigenerational workforce, motivating employees at every level is important. Therefore, transformational leaders, who possess a clear and compelling vision can impose their views of individual knowledge creation.

Some government officials and practitioners may not understand the significance of these differing leadership styles. However, Pauchant argues that current bureaucratic approach is primarily focused on leaders and their impact on their followers rather than leadership development.[44] Bureaucratic leadership implies that people in authority know best. However, Paul Kelms suggests that postmodernism does not support absolute truths. Obviously, this characteristic makes a postmodern workforce suspicious of traditional institutions.[45] Some scholars, such as Bass and Avolio, argue that transformational leadership is elitist and antidemocratic.[46] In fact, transformational leadership has its drawbacks when applying postmodern concepts. This problem can be highlighted with a simple example. Kenny Smith, a federal executive, creates an exciting workplace environment for his employees. The workforce loves his charismatic ways. He is a company man, promoting all of the corporate values. However, his senior management team operates in an unethical manner. While Kenny encourages his employees to achieve a high ethical behavior, he does not apply the same standards to his senior management. By supporting his organization's corporate culture, Kenny loses the trust and respect of his postmodern workforce.

As organizations, such as the federal government, move into an era of infinite data gathering, knowledge sharing becomes a vital commodity. Human capital and social capital are the two most important resources that a strategic leader manages.[47] Therefore, the objective is to foster

an environment where leaders and knowledge workers can effectively communicate. Furthermore, Schmidt suggests that the postmodern leader should have the following characteristics: (a) adaptable, (b) spiritual-focus, (c) tolerance for ambiguity in life, (d) entrepreneurial in his or her approach, (e) service-oriented, (f) accountable for action, (g) life-long learners, (h) upgrading performance, and (i) participatory.[48] Although many of these attributes overlap with traditional leadership theories, organizational leaders should be cautious with implementing them in a postmodern framework as discussed in this paper. In fact, many organizations struggle to apply leadership theories to their organizations in a practical manner. However, contemporary leaders must have the capacity to influence postmodern workers' values if they are to be successful in an ever changing environment.

The Path Forward

With the level of uncertainty in the public sector such as global terrorism, federal executives must improve their KM systems. Faced with the challenges of replacing millions of Baby Boomers, today's leaders understand that the job will not be easy. Clearly, KM encompasses facilitating relationships and stimulating creativity among followers.[49] However, Xiaoming Cong and Kaushik suggest that implementing and sustaining a KM system must be carefully done in order to be successful.[50] This paper demonstrates that any successful transition of the replacement workforce will include effective leadership and followership in the public venue. Although some leaders may view postmodern workers as more cynical and pessimistic about life, Kenneth Nichols argues that postmodernism has many positives. Nichols notes that postmodernism encourages organizational theory and public administration. Therefore, organizational leaders must focus on the most effective method for knowledge creation in the public sector.

Furthermore, C.K. Prahalad and Venta Ramaswamy argue that today's managers cannot focus solely on costs, process, and operations; managers must also strive for new sources of innovation and creativity if they want to be successful.[51] Given the issues identified with overseeing the knowledge management system in a postmodern period, this paper identifies several recommendations. First, organizations should hire, develop, and retain the right type of leader for their organizations. As a matter of fact, the right kind of leadership can stimulate knowledge sharing that must take place at all levels of an organization. Michael Hackman and Craig Johnson suggest that leaders exert a great degree of influence in an organization.[52] Second, managers must model values that promote a caring attitude to followers in the organization. In fact, James Kouzes and Barry Posner explain that leaders must lead by example so that employees can see they are committed.[53] Clearly, ignoring the human capital component of the socio-technical system is fatal when managing knowledge workers. Consequently, organizational leaders, who ignore or dismiss the impact of these cultural changes, may find themselves managing their KM processes in a chaotic environment.

This analysis compares two leadership styles and argues that each leadership approach has some flaws when applied to this postmodern generation. However, the article shows that transformational leadership may be used to motivate a multigenerational workforce even with its limitations. Further empirical research needs to be conducted on the influence of postmodernism on leaders, the workforce, human capital development, and organizational performance. It is hoped that the insight gained through this research may better assist practitioners in better managing their KM strategies in the public sector and to also stimulate additional research regarding generational leadership differences.

Endnotes

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