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**The Utilisation of Knowledge within Steering Organisations,  
with Special Regard to Human Resource Development**

Thesis 1

- a) In our post-modern age a new model is needed to exercise executive power. A new relationship between Knowledge and Power should be in the centre of the change of the model. The essence of the new relationship is, on the one hand, that executive power should promote by all means the production, the mediation and the utilization of knowledge, on the other hand, it should minimise the risks associated with the utilization of knowledge. Executive power would be able to create such a new relationship if it pursues knowledge-based strategy.
- b) At macro-level, executive power pursues knowledge-based strategy, if it
  - understands the relationship between knowledge and economy (society);
  - searches for complex solutions to the problems of the post-modern economy and society in close cooperation with those affected, instead of the mass-production of regulations;
  - creates advantageous conditions for the returns of knowledge-investments;
  - can convert the freely available resources of mankind and nature into the costs of firms, in order to motivate them for knowledge-investments, while maintaining their competitiveness. As a consequence it prevents knowledge-investments, profitable at micro level, from causing negative externalities in the present and in the future.

Thesis 2

- a) The steering organisations, as active members of the global and national knowledge-networks, can convert their external relations into knowledge capital, by
  - incorporating their knowledge-workers into these networks;
  - making government related information available to the members of these networks;
  - cooperating with other steering organisations and with scientific (consulting) organisations in order to convert the information available at these network into knowledge, and to produce knowledge by combining the different kinds of knowledge.
- b) One of the most important elements of knowledge capital of the steering organisations is client-capital, in spite of the fact that these public administration organisations mainly prepare the decisions of the executive power and they directly do not provide services to clients. The steering organisations can mainly produce new knowledge, i. e. can realise the real problems and give tailor-made and novel answers, if they cooperate with their clients.

Thesis 3

- a) The structural capital of a steering organisation serves the utilization of knowledge in the most proper way, if it includes the following:
  - definite, well-articulated scale of values, which meets the requirements of the post-modern age, and combines responsiveness, responsibility and legitimacy;

- a vision reflecting the scale of values mentioned above, and the consistent system of related strategies;
  - an internal regulation and organisational structure, in accordance with the scale of values, including decentralisation and the proper adaptation of up-to-date management methods;
  - introduction of information-technology, which serves operation and first of all access to and sharing of knowledge.
- b) The steering organisations can be successful in the production, mediation and utilization of knowledge, if their leaders
- assist the decision-making process by setting the values and strategic directions to be followed during the process;
  - actively participate in making the most important decisions, which need innovation;
  - promote the creation of formal and informal knowledge-networks within the organisation;
  - encourage real-time (project-like) decision-making,
  - decentralise the repetitive (routine) decision-making (providing the necessary conditions in advance).

#### Thesis 4

Steering organisations could be converted into effective knowledge organisations with the help of a human resource development strategy, which aims at the development of competencies necessary to this conversion, and defines

- competencies needed for the production of knowledge as key-competencies,
- competencies needed for the mediation of knowledge as general competencies.

In order to implement such a strategy the closed system of the civil service regulation should be replaced by a new model. This new model – like a sponge - should be able to absorb knowledge and discharge (produce) new knowledge. Therefore I name this model as sponge model. The two pillars of that model are the following:

- the creation of the framework of life-long-learning for civil servants employed on life-long bases;
- the introduction of new employment related rules to the civil service in order to assist the combination of knowledge between the steering organisations and the organisations regulated by them.