

The Prize Joseph Merlot-Joseph Leclercq was created by the Belgian Section of CIRIEC in 1964 to recognise a doctoral thesis in the Public Economy.

The Prize honours the memory of two founding fathers of the public economy: Joseph Merlot and Joseph Leclercq. The Prize is designed to encourage research in the public economy, in particular general-interest services and tools of public policy and evaluation.

The 2016 Merlot-Leclercq Prize was awarded to the doctoral thesis by Geoffrey Aerts, “Public-Private Mixing - A Knowledge Transfer Perspective” (Faculty of Economic, Social and Political Sciences and Solvay Business School, Vrije Universiteit Brussel), emphasising the excellent structuring of the work, its strict scientific methodology and, more particularly, its usefulness for public decision-makers and for enterprise leaders or heads of public services.

Mr. Aerts' work focuses on the management and transfer of knowledge in the public sector, more particularly in connection with public-private partnerships (PPPs). He addresses the dimensions of reciprocal apprenticeship of the technical project, the transfer of best practices among organisations in charge of PPPs and, in a more general way, the transfer of knowledge between all the interested parties (agencies, public services and administrations, as well as operational levels, and this at all hierarchical levels involved in the setting up of a PPP).

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The Prizewinner's Speech

How my thesis came about, and what practical consequences might it have for organisations in the public sector.

The impetus for this research came from a very interesting conversation that I had with an erstwhile General Director of a department of the Flemish civil service, without naming any names, who explained to me, back in 2012, one of his primary misgivings concerning the public-private partnerships resorted to in the financing of public goods, assets and services in Flanders.

His fear was that he would no longer be able to attract the right people because of the, as he saw it, ever-increasing gap between the public and the private sector in terms of wage, culture, degree of innovation and the benefits offered in the public sector. This while the old guard with whom he had spent some years working in his department were also no longer being replaced on account of budget restrictions.

All that, he said, has now produced a situation whereby crucial information and knowledge can no longer be handed down from generation to generation and, *de facto*, will most likely result in a weakening of the internal capacity, knowledge and experience of the department in question. This at the time that his own department was confronted, under pressure from a globalised world economy, with radical infrastructure projects largely financed by private means and also requiring a total change in terms of management and supervision of project initiation, implementation, financing, interests and knowledge. To put it briefly, all that

required a change in the organisational culture the likes of which his department had never before experienced.

That is when I decided, having spoken with my sponsor, Prof. Dr. Elvira Haezendonck, to delve deeper into an aspect of strategic management of organisations less well known at the time - that is, knowledge management - at the various organisation levels within the public sector, and this in situations where public and private interests mix freely side by side.

More specifically we studied knowledge management on the public side, such as:

- ❖ observed and compared between different PPP projects, thus on a per-project basis,
- ❖ within different public and semi-public organisations, thus also at intra-organisation level,
- ❖ and how knowledge is distributed between public organisations active in one and the same field of operations or, to put it another way, at inter-organisation level.

The results of the research would seem to suggest that an inclusive form of knowledge management is often lacking government-side, in the sense that knowledge management is either completely neglected or, if taken up at all, then not in any particular or general strategic manner. This means that knowledge - and knowledge management - is not regarded as an asset with an added value that can be increased within an organisation and throughout different organisations, and that there was scant regard for what we have since come to recognise as the teaching-learning organisation. The emphasis was laid on the personal, the intangible, so research would seldom register any structured form of sharing of knowledge. Unfortunately this has resulted in a situation whereby the cases and settings studied by us seldom succeed in picking up on the knowledge inside individual heads and then going on to communicate and share methods, best practices and acquired knowledge.

One missing component in all this is without doubt information technology; I will come back to the subject shortly, but we also found real barriers to the sharing of knowledge between organisations and within organisations that nonetheless displayed a rather human character. Elements such as reputation and experience are involved here, but so too are matters such as distance from other colleagues, superiors and departments, access to persons and the particular culture of the own organisation. People who, for example, work in an organisation in which the sharing of knowledge and transparency have no particular place in the culture are bound to experience difficulty in sharing knowledge with people who do happen to work in a teaching-learning organisation.

A teaching-learning organisation pins its hopes on the networking society and flourishes in organisations where individuals with different interests, similar or dissimilar profiles and/or task packages go out looking for each other so as to learn from each others' experiences. By so doing, acquired knowledge and best practices can be passed on in practice communities in a spontaneous, easy, one-to-one manner. The very existence of such communities is in itself an expression of the good health of the knowledge ecosystem with a given field or sector.

Such networks are already in place on many levels and in different areas within our government; the question is simply whether they are succeeding - to any sufficient extent - in communicating and in making accessible to all interested parties the knowledge that they

have gathered. Come to mention it, one of the barriers that we ran up against in our research was the institutional structure in this country of ours, which means that it is not always easy to offer advice from one administrative level to the other, even though this should perhaps be made possible, not only mindful of the general interest or our society, but also for the sake of improved provision of services and best-possible deployment of scarce public resources.

However, to make knowledge tangible and controllable, information technology now makes it possible, for example, to work simultaneously with various contributors on a single document, project or set of specifications, to conduct project monitoring anywhere in the world, at any time of the day and, at the same time, to guarantee internal communication in a team without everyone having to be physically present at any given place.

In the cases that we studied these collaborative methods seemed to be used seldom, if indeed at all. We could therefore only conclude that much work still remains to be done in this field of investigation.

However, technology alone is not enough. People must also be able to trust each other and be ready to share their knowledge. The human values in a high-tech environment just keep on evolving; in principle, knowledge is now far more accessible than it was about 50 years ago - people are now used to working with rapidly-evolving information technology. It thus follows that our government will now have to make the necessary adjustments.

However, it is also crucial that we use practical tools that allow people to feel confident and not to sow the seeds of fear of failure, to promote an open culture of seeking out instead of hiding away and - so doing - assuring the necessary transparency, the sharing of knowledge in the public sector.

This, then, ought to bring about the situation whereby any organisation will be able to enjoy the benefits of an increased efficiency and savings on resources to be invested through the batching, analysis, evaluation and experimentation with knowledge that the organisation has one way or another acquired from projects or joint operations, or quite simply from the best and most important source of all: the human capital in the home organisation.