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The Relationship Between Knowledge Management and Achievement of Success in Public-Private Partnerships in Construction Projects in Palestine: Mediating Role of Organizational Culture

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Abstract. The concept of partnership between the public and private sectors is considered a new concept in Palestine, as it is a country under Israeli occupation, and previous studies have not focused on examining the impact of knowledge management in achieving the success of partnership projects between the public and private sectors. This study aims to identify the role of organizational culture (OC). in the relationship between knowledge management (KM) and the success of public-private partnership projects (SPPPs) in the construction sector in Palestine. 150 specialists were contacted from different public and private sectors (government, private, and academic employees who have experience in implementing partnership projects), and 130 questionnaires were considered usable. The Smart Pls-4 program was used to analyze the data, and the study concluded that knowledge management has a significant impact on the completion of partnership projects between the public and private sectors. Moreover, knowledge management has an important relationship with the organizational culture of organizations, and the results also showed that OC acts as a mediating influence in the relationship between knowledge management and SPPPs.

Keywords. Knowledge management, Public private partnership, Organizational culture, Construction project, Palestine

1. Introduction

The Public private partnership (PPP) is an economic model for efficiently executing infrastructure projects, provided they are properly designed and managed [1]. Palestine,

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like numerous other emerging nations, faces mounting demand to expedite infrastructure development and deliver essential social amenities to its populace, including access to clean water and construction projects. As a consequence, the Palestinian government decided to privatize a number of projects and services. Considerable financial resources have been allocated to these endeavors [2]. As PPPs continue to expand in scope and impact, KM has become a vital and important matter. Previous research consistently highlights that effective KM techniques help make well-informed decisions, promote cross-sector cooperation, and make PPPs more flexible in response to changing conditions. In line with this, Akinbo's study [3]. indicates that the implementation of KM positively enhances the outcomes of PPP projects. Through knowledge, companies can evaluate risks and allocate resources. Knowledge management also contributes to collecting, organizing, and disseminating information related to the project, ensuring that companies' decisions are based on a comprehensive understanding of the project's nature. This, in turn, affects the success of PPP projects [4]. On the other hand, the interplay between KM and SPPPs it is profoundly influenced by the prevailing organizational culture OC [5]. Strong OC is critical to KM, HRM, and overall organizational performance. Partnership projects are more likely to succeed when there is a culture that emphasizes cooperation, transparency, and ongoing learning. This is because such an atmosphere fosters effective information exchange. Thus, managing information and ensuring joint projects succeed can be strategically aided by an understanding of and utilization of the OC [6].

Many studies have been conducted in other countries on the topic of KM and its effect on the success of PPPs in construction projects. However, there is a lack of study on this subject in Palestine. Although KM and OC have been extensively studied independently, there has been comparatively less focus on exploring both factors in SPPPs. Furthermore, this study will contribute by shedding light on the mediating role that OC plays in the link between KM and SPPP in Palestinian construction projects.

2. Theoretical Framework and current hypothesis

2.1 Knowledge management (KM)

Knowledge management (KM) is one of the modern concepts that is receiving increasing attention from those interested in business management, where knowledge is considered an important asset. To obtain intellectual capital, many companies invest in knowledge management. According to the researcher, knowledge management is the systematic process of creating, using and applying organizational knowledge to enhance performance in companies [7]. Al Shraah et al. suggest that organizations that effectively implement knowledge management (KM) practices by collecting, organizing, and disseminating existing knowledge within the organization can enhance their business performance by making informed decisions that contribute to increasing productivity and profits, thus gaining a highly competitive advantage [8].Therefore, organizations must create an environment Through it, members can exchange information, transfer it, confront it, and try to analyze it to reach the best results and increase the success of the organization [9].

2.2 Success of the PPP projects (SPPPs)

The success of PPP projects is linked to achieving goals and benefits for all parties involved. Success can be measured in several ways. One of the most effective methods is the multidimensional approach proposed by Shen et al.,[10]. This method evaluates the project's success by measuring efficiency, impact on the client, and team satisfaction. The efficiency dimension measures whether the project is in line with the allocated schedule and budget [11]. The impact on the client is measured by the quality of results and client satisfaction. Team satisfaction is also evaluated, as well as employee loyalty [12]. These dimensions are applied and evaluated throughout the project life cycle, focusing on both short- and long-term aspects.

2.3 KM and SPPPs

Effective KM provides organizations with important information to make good and efficient decisions, reduce barriers and risks when implementing PPP projects. [13]. On the other hand, KM helps project parties exchange information and lessons learned between them, which improves the implementation of PPPs in construction projects, increases the ability of PPP projects to adapt to all internal and external challenges, and achieves a significant increase in economic growth [14]. Many studies have investigated the relationship between KM and the performance of companies. According to Karyatun et al., the relationship between KM and the performance of companies is statistically positive. In other words, by improving decision-making, encouraging effective collaboration, learning from experiences, adapting to changes, encouraging innovation, and optimizing resources, organizations can contribute to the success of PPP projects [15]

2.4 KM and OC

In order to achieve success, an organization must foster a flexible culture that facilitates the flow of information and encourages discussion and participation [16]. Studies have shown that organizational culture is a crucial element for implementing knowledge management and its activities. Shea et al., found that a lack of constructive organizational culture that supports teamwork leads to weakness and a lack of trust among members, making it difficult to transfer and exchange information that helps the organization make the right decisions and contribute to its success [17]. This, in turn, negatively affects their performance, job satisfaction, and loyalty, and increases the likelihood of employees leaving [18].

2.5 OC and SPPPs

The success of PPP projects depends not only on structural and contractual aspects but also on the organizational culture that permeates both the public and private entities involved. Organizational culture (OC) refers to the mindset, values, and norms established by individuals inside a company that impact the emotions and thought processes of its workforce [19]. The aim of OC is to achieve the strategic goals of organizations and institutions by improving mechanisms for solving organizational

problems and providing an environment that helps employees innovate and be creative. According to Paais et al, there is a relationship between OC and employee performance, which in turn affects the success of the organization and the projects implemented [20].

2.6 OC as a mediator

Recently, organizations and companies have been paying great attention to their OC. A strong OC helps in achieving the goals of the organization and contributes to creating a competitive advantage that increases the spread of the organization's work [21]. Numerous studies have applied many theories to examining how OC adoption affects organizational performance. These include mediation theory [22], role theory [23], relationship theory [24], and knowledge theory [25].

The Social Exchange Theory (SET) offers valuable perspectives in examining the connection between KM, OC, and SPPPs. Just as SET highlights the importance of positive social exchange relationships in the workplace, the effective management of knowledge within PPPs relies on collaborative and mutually beneficial interactions between public and private entities [26]. Successful collaboration in PPPs relies on the exchange of expertise, information, and innovative ideas [27]. A positive OC promotes trust and cooperation among the organization's employees, which improves the decision-making process and problem-solving faced by organizations [28].

Therefore, drawing on the principles of SET, it can be argued that the relationship between KM and the achievement of SPPPs in construction projects in Palestine is intricately tied to the establishment of positive social exchange relationships and the cultivation of an OC that supports knowledge-sharing and collaboration. In summary, this paper posits the hypothesis.

H1. KM significantly impacts SPPPs.

H2. KM significantly impacts OC.

H3. OC significantly impacts SPPPs

H4. OC mediating the connection between KM and SPPPs.

3. Methodology

In this study, we used a survey method and created a structured questionnaire via a Google Form. The questionnaire link was shared on social media platforms.150 specialists were contacted from different public and private sectors (government, private, and academic employees who have experience in implementing partnership projects), and 130 questionnaires were considered usable. So, the study had a sample size that was sufficiently large to employ structural equation modeling. This study includes three variables (KM, SPPPs, and OC). Respondent responses were evaluated using a 7-point Likert scale for each of these components. Combining factor analysis and regression analysis to examine overt and covert variables' relationships [29].

to evaluate the model assessment and confirmatory factor analysis. We used a variety of criteria for model evaluation and factor analysis to evaluate the scales' convergent validity. Using the indicators' outer loadings, and all outer loadings are > 0.60. Consequently, offering respectable item reliability [30]. The next stage is usually done by using composite reliability (CR) and Cronbach's alpha. All indicators have values > 0.7, as shown in table (2), demonstrating internal consistency [31]. In the final stage,

every latent variable's average variance extracted (AVE) is evaluated. According to Fornell et al. [31], a concept is considered to explain at least 50% of the variance among its constituents if its value is 0.50 or greater. As indicated in table (1), the researchers discovered that every AVE value was greater than 0.5 and deemed acceptable.

Table 1. Measurement model

variable	Alpha	AVE	CR
KM	0.817	0.647	0.879
OC	0.81	0.623	0.868
SPPP	0.75	0.653	0.868

4 Testing Research Hypothesis

In order to offer a causal explanation, we used PLS-SEM. Bootstrapping is a technique used by the PLS software that yields T-statistics for significance testing of the inner and outer models [32]. The findings of the hypothesis tests are shown in Fig.1.

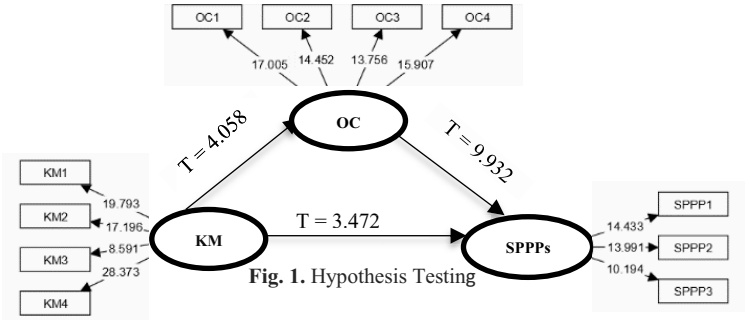

Fig. 1. Hypothesis Testing

Our framework assigns 10.2% to OC and 48.9% to SPPP, indicating a stronger predictive capacity Table (2)

Table.2. Standardized coefficient

Criterion Variable	Predictor variables	Relationship	coefficient	Adj R2
KM	SPPP	H1	0.261***	0.102
KM	OC	H2	0.33***	0.489
KM	SPPP	H3	0.574***	

*** **P < .01**

Regarding the direct connection KM→SPPPs (β = 0.26, T = 3.472, P = 0.01), this suggests that H1 is acceptable; KM→OC (β = 0.342, T = 4.058, P = 0.00); OC→SPPPs (β = 0.585, T = 9.932, P = 0.00). Therefore, we also accepted H2 and H3. Also, OC has played a role in the positive effect of KM on SPPPs (T = 4.78, P = 0.00). So, H4 is accepted here. Shown in table (3)

Table.3. Hypothesis result

Hypothesis	β	P values	T statistics	Decision
KM -> OC	0.342	0	4.508	accepted
KM -> SPPP	0.26	0.001	3.472	accepted
OC -> SPPP	0.585	0	9.932	accepted
KM -> OC -> SPPPs	0.198	0	4.78	accepted

5.Conclusion

This study found that there is a positive and direct relationship between knowledge management and the success of public-private partnership projects, in addition to the existence of a positive relationship between knowledge management and organizational culture. The study also provided evidence that supports the mediating role of organizational culture in the relationship between knowledge management and the success of public-private partnership projects. These results help managers and decision-makers in government and private institutions to pay attention to knowledge management and organizational culture in organizations because of their effective role in achieving the success of partnership projects, especially in the field of construction, as knowledge exchange helps improve the organizational culture of the organization, which thus affects employee and customer satisfaction and improves the performance of workers in organizations. In this research, we study 4 dimensions of knowledge management: which is knowledge creation, acquisition, sharing, and application. The organizational culture of organizations was the main point in this paper because it served as a mediator, and the study may lead to adding other dimensions or variables such as organizational creativity. And others to provide a more complete explanation of the relationship and produce more ideas and results that contribute to improving partnership projects and increasing profits. Our research was limited to the construction sector in Palestine, but it applies to other industries such as service businesses.

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