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Inter-Organizational Knowledge Transfer:
A Case Study of Peace Corps Macedonia and YMCA Bitola

by
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A capstone submitted in partial fulfillment of the requirements for the Degree of
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Executive Summary

This article presents a case study on inter-organizational knowledge transfer. The organizations involved are Peace Corps Macedonia and YMCA Bitola. The specific knowledge being transferred is project knowledge of youth leadership camps. Literature regarding factors that affect inter-organizational knowledge transfer is reviewed and a model of inter-organizational project knowledge transfer proposed by Easterby-Smith et al. (2008) is adopted. An analysis of the case finds factors that may have a negative impact on successful knowledge transfer include motivation discrepancies of key actor groups. The analysis also finds unique methods being employed as part of the knowledge transfer design may have a positive effect on inter-organizational knowledge transfer. These include the placement of a Peace Corps volunteer with the project receiving organization, and the gradual transfer of knowledge design which takes place over multiple cycles of the same projects. Recommendations for Peace Corps Macedonia and YMCA Bitola include ensuring motivation alignment among local Macedonian volunteers and Peace Corps volunteers. Recommendations for similar projects include the placement of a Peace Corps volunteer with the project receiving organization and consideration of a gradual transfer of knowledge design. Limitations of this study include the lack of generalizability of this study, the lack of knowledge transfer literature focusing on public sector inter-organizational knowledge transfer, and issues related to analyzing an in-progress knowledge transfer. Suggested areas for future research include factors that affect inter-organizational knowledge transfer in the public sector and further exploration of the effects of the knowledge transfer design employed in this case study.
1.0 Introduction

Inter-organizational project knowledge transfer is an increasingly important topic for organizations involved in inter-organizational projects (Bakker et al. 2011). It serves to create new knowledge which is often critical to innovation and to gaining and sustaining competitive advantages (Martinkenaite 2011; Cohen and Leventhal 1990). Breaking down inter-organizational project knowledge transfer, it involves the aspects of being both project based and inter-organizational. Project based refers to the generation of knowledge within a project and the subsequent transfer of that knowledge to other parts of the organization (Scarbrough et al. 2004). Inter-organizational refers to the project being conducted jointly by more than one organization. This study focuses inter-organizational project knowledge transfer between the organizations Peace Corps Macedonia and YMCA Bitola. In this case, knowledge of youth leadership programs is being transferred. This study aims to explore aspects of the in-progress knowledge transfer between Peace Corps Macedonia and YMCA in an attempt to identify areas of potential concern and to predict how certain factors may impact the successfulness of the knowledge transfer. In short, this study aims to answer the research question, How can inter-organizational project knowledge transfer between YMCA Bitola and Peace Corps Macedonia be explained and predicted?

To answer this question, first, the background of both YMCA Bitola and Peace Corps Macedonia are detailed in Section 2. The backgrounds of the specific projects being transferred are also explored. This focus on organization and project background serves to better explain the scale of the project and the key actor groups involved in the process. Relevant literature on inter-organizational knowledge transfer is reviewed in Section 3. The majority of the literature
reviewed by this study focuses on inter-organizational knowledge transfer in the private sector. This is due to current lack of literature on inter-organizational knowledge transfer in the public sector. A theoretical model of the factors that affect inter-organizational knowledge transfer is presented in Section 3.5. This model is adopted from Easterby-Smith et al. (2008). Section 4 analyses the relationship between Peace Corps Macedonia and YMCA Bitola, the knowledge transfer plan being employed by the organizations, and additional factors that may affect the successfulness of the knowledge transfer between the two organizations. Section 5 presents the limitations of this study. These include issues with the literature reviewed, generalization limitations, and issues that arise from the fact that the knowledge transfer being studied here is currently in progress. Finally, Section 6 presents the key findings and recommendations of this study. Key findings include inter-organizational level findings and knowledge transfer design findings. Recommendations regarding how YMCA Bitola can potentially increase the successfulness of the knowledge transfer are presented. Afterwards, recommendations for similar projects are given. Finally, potential considerations for future research are discussed.

As a whole, this study finds that certain organizational factors may have a negative impact on the successfulness of inter-organizational knowledge transfer between YMCA Bitola and Peace Corps Macedonia, however, the unique methods being employed as part of the knowledge transfer design may have a positive impact and should be further explored.

2.0 Organization Background and Project Background

This section provides background information on the organizations involved in the study as well as the projects involved in the study. The organizations involved in this study include
Peace Corps Macedonia and YMCA Bitola. The projects being focused on include the Young Men’s Leadership Project (YMLP) and Girls Leading Our World (GLOW). This information serves to further explain the type of organizations in the study and the type of knowledge held by each of the organizations. This information also serves to provide more detail on the scale of the organizations and the projects.

2.1 Organization Background and Project Background - YMCA Bitola

YMCA Bitola is a non-profit organization based in Bitola, Macedonia. The organization was established in May 2002. The mission of YMCA Bitola is “to work with young people in their personal development of body, mind and spirit by providing opportunities that nurture their responsibility, stimulate their creativity and celebrate the diversity of all of God’s creations” (YMCA Bitola). The vision of YMCA Bitola is “to be an organization that provides opportunities which empower young people to meet the ever-changing future with greater courage wisdom and love” (YMCA Bitola). The staff of YMCA Bitola consists of the National Secretary General, four project coordinators, one finance specialist, one administration expert, and one Peace Corps volunteer. YMCA Bitola’s programming includes multiple projects under the categories of volunteer service, non-formal education, arts and culture, and healthy lifestyle. YMLP and GLOW are considered part of YMCA Bitola’s non-formal education programming. For more information on the organizational structure and programs executed by YMCA Bitola, please see Appendix A.
2.2 Organization Background and Project Background - Peace Corps Macedonia

The Peace Corps is a United States international service organization. The organization sends American volunteers to interested countries with three goals: to help the people of interested countries in meeting their need for trained men and women, to help promote a better understanding of Americans on the part of the peoples served, to help promote a better understanding of other peoples on the part of Americans (Peace Corps). Peace Corps volunteers serve a standard term of two years.

The Peace Corps Macedonia program began in 1996. Volunteers in Peace Corps Macedonia are divided into the categories of English education and community development. English education volunteers often serve in Macedonian primary and secondary schools. Community development volunteers often serve with municipal governments or non-governmental organizations (NGOs). In addition to service in English education and community development, Peace Corps Macedonia volunteers collaborate with local Macedonians on a variety of projects to meet Peace Corps goals. These projects include the YMLP and GLOW.

2.3 Organization Background and Project Background – Young Men’s Leadership Project

The Young Men’s Leadership Project began in 2006 as a leadership camp for high school aged youth in Macedonia executed solely by Peace Corps Macedonia volunteers. YMCA Bitola became a partner organization for YMLP in 2011. The camp has taken place on an annual basis at several different locations in Macedonia. Most recently these include a camp ground near Tajmishte, Macedonia (2011-2013), and at Shula Mina camp grounds near Krusevo, Macedonia (2014). The current goal of the project is to develop and engage young men in Macedonia to
help mold them into the future leaders of tomorrow (YMCA Bitola). The 2015 camp included sixty-four participants and thirty-four staff. Participants attend the camp for a total of seven days and receive instruction on five core concepts. These core concepts include leadership, democracy, civic responsibility, personal development, and environmentalism. The camp is multi-ethnic and conducted entirely in English. YMLP is only open to high-school aged male applicants from Macedonia. Sixty-four participants attended the 2015 project. Please see Appendix B for more information on the organizational structure of YMLP.

2.4 Organization Background and Project Background - Girls Leading Our World

Girls Leading Our World (GLOW) first began in 2001 as a three day workshop aimed at developing skills in teamwork and leadership among young women in Macedonia. The current mission of GLOW is to develop the inherent potential found among young women of Macedonia by providing them with the skills and knowledge necessary to become active leaders in their communities. GLOW’s five core themes of camp include developing leadership skills, improving self-esteem, increasing knowledge of women’s health issues, respecting and caring for the environment, and promoting the belief that every young woman can make a difference in their community. GLOW is multi-ethnic and conducted entirely in English. GLOW is only open to high-school aged female applicants from Macedonia. Eighty participants attended the 2015 project. For more information regarding the organizational structure of GLOW Macedonia, please see Appendix C.
3.0 Literature Review

This section will review literature on factors suggested to affect inter-organizational knowledge transfer. These factors are divided here into three main categories. These include organizational characteristics, inter-organizational dynamics, and knowledge characteristics. The following sections will explain each of these in more detail.

The fact that this study focuses on knowledge transfer from a government agency to the non-profit sector places it in a fairly unique situation regarding previous literature on inter-organizational knowledge transfer. A recent review of literature on the related topic of organizational learning and knowledge shows that forty-six percent of studies focus on the private sector only, while twenty-two percent are on public sector only. The remainder of the studies were unspecified, multi-sector, or non-profit (Rashman et al. 2009). Even less literature currently exists on the variables involved in the specific situation of knowledge transfer from a government agency to a non-for-profit organization. Therefore the majority of literature reviewed here will include studies that involve private sector inter-organizational knowledge transfer either partially or wholly. Section 2.5 addresses the potential issues that may arise from utilizing a body of literature that does not focus on public sector inter-organizational knowledge transfer specifically.

3.1 Literature Review - Organizational Characteristics

Organizational characteristics refer to organizational attributes as casual antecedents of successful knowledge transfer. These characteristics are sometimes referred to as actor attributes or actor characteristics. Past literature has suggested a number of characteristics to
have impact on successful knowledge transfer including size of organizations, age of the organizations, absorptive capacity of the project receiver and the project sender, motivation, and intra-organizational knowledge transfer capability. These organizational characteristics are discussed in further detail below.

The size of an organization has generally been found to be a significant antecedent in inter-organizational knowledge transfer. Gupta and Govindarajan (2000) suggest that larger firms or organizational units have more resources to enable absorption of new knowledge and support for enabling roles in absorptive capacity. Recent literature supports this positive relationship (Van Wijk et al. 2008). However, it is possible that relationship is more intricate when dealing with small and medium enterprises (SMEs). Jones and Macpherson (2006) find that small and medium enterprises are more limited in accessing knowledge from external sources, but also suggest that much of the ability to access external knowledge is dependent upon the individual owner-manager or small management group. The study goes on to suggest that owner-managers in stable organizations, identified by lower frequency of implementation of new processes, products, and relationships, are more likely to be have new external knowledge become concentrated on single individual or small groups. Conversely, those owner-managers in innovative organizations, identified by higher frequency of implementation of new processes, products, and relationships, are more likely to encourage deeper and wider learning across the organization (Jones and Macpherson 2006). Other research does not consider the variable of organizational size at all when attempting to identify the factors that affect inter-organizational knowledge transfer (Bakker et al. 2011; Easterby-Smith et al. 2010).
Age of the organizations as an antecedent of successful knowledge transfer has been found to be both a significant and insignificant variable across different studies. Frost et al. (2002) suggest the dynamics of motivation found in new organizations lead to an advantage in knowledge transfer. However, other studies have found age to have an insignificant or marginal effect on knowledge transfer (Yli-Renko et al. 2001; Gray and Meister 2004; Van Wijk et al. 2008).

Absorptive capacity has consistently been considered a significant precursor to successful knowledge transfer (Cohen and Levinthal 1990; Van Wijk et al. 2008; Bakker et al. 2011). It refers to an organization’s ability to recognize the value of new external information, assimilate it, and apply it. Although somewhat intangible and difficult to measure, previous studies have suggested measuring absorptive capacity as a function of prior related knowledge (Cohen and Leventhal 1990; Lane et al. 2006). Interestingly, absorptive capacity has been found to be significant factor both on the project sender side as well as the project receiver side. The importance of this variable on the project receiver side is clear. On the project sender side Bakker et al. (2011) finds a high level of absorptive capacity on the project owner side as a necessary condition for successful project knowledge transfer. Absorptive capacity in this situation was measured by evaluating when the sender organization could recognize the value of the knowledge created, and had the capacity to diffuse the knowledge outside the project being transferred (Bakker et al. 2011).

Motivation is another factor suggested to influence successful transfer of knowledge (Anheier 2000; Easterby-Smith et al. 2008). This factor applies both to the project sender and the project receiver. In the case of the project sender, motivation reflects the level of interest
the sender organization has to teach or send the project. In the case of the project receiver, it reflects the interest of the receiving organization to learn or receive the project. Bakker et al. (2011) measured motivation by evaluating whether the individual participants in the projects had time or inclination to consider if knowledge was being transferred during the process. Easterby-Smith et al. (2008) suggests that motivation on one side may impact motivation on the other side as the lack of motivation for teaching may lower the motivation for learning, and a lack of motivation for learning may lower the motivation for teaching.

Intra-organizational knowledge transfer ability is another characteristic suggested to play a role on both the project sender and project receiver side. Intra-organizational knowledge transfers refers to the ability of an organization to diffuse information throughout itself (Easterby-Smith et al. 2008). This is key when considering the path of knowledge transfer throughout the process. The process starts with knowledge being present in a particular location within the project sending organization. It is then diffused through the sending organization, intra-organizationally, to a location where it is able to be transferred externally, inter-organizationally. On the project receiver side, the information is then taken in externally and then diffused throughout the organization, intra-organizationally (Easterby-Smith et al., 2008).

3.2 Literature Review – Inter-Organizational Dynamics

Inter-organizational dynamics include factors that are associated with the social context of the relationship between firms. These characteristics are divided here into the cognitive category and the relational category. These categories are discussed in more detail below.
The cognitive category refers to shared representations, interpretations and systems of meaning between the project sender and project receiver (Van Wijk et al. 2008, p. 835). It is the mutual understanding aspect of the relationship. Multiple past studies have found this to be a significant factor in successful project knowledge transfer (Bakker et al. 2011; Van Wijk et al. 2008). Interestingly, the relationship between cognitive embeddedness and successful knowledge is curvilinear. This means that as levels of related knowledge rise the likelihood of successful knowledge transfer raises as well until the point at which knowledge between the two organizations overlaps too much, causing a negative effect (Nooteboom et al. 2000). This negative effect has been suggested to occur due to the fact that when organizations have the same or nearly the same related knowledge they begin to question the value of the relationship leading to a breakdown of the relationship (Nooteboom et al. 2000).

Since the cognitive category represents the shared understanding between organizations, this is also where the issue of cultural distance is positioned. Cultural distance refers to the differences between organizations arising from the situation of the organizations being based in different cultures. Vaara et al. (2012) breaks down cultural differences into the subsets of national cultural distance and organizational cultural distance. National cultural distance in the study is measured by the “Global Leadership and Organizational Behavior Effectiveness” (GLOBE) project which evaluates how cultural values are related to organizational practices, leadership, and economic competitiveness. Organizational cultural distance in the study refers to differences in key organizational functions including management and control, sales and marketing, production, research and development and finance. The study states that certain amount of organizational cultural distance is embedded in
national cultural distance. It goes on to find that organizational cultural distance leads to a negative impact on successful knowledge transfer while national cultural distance actually leads to a positive impact on successful knowledge transfer. The study explains that this may be because once the organizational cultural differences are controlled for the individuals involved may make special efforts to address cultural differences (Varra et al. 2012). Regarding cultural distance as whole, previous literature finds a negative relationship between cultural distance and successful knowledge transfer (Van Wijk et al. 2008).

The relational category refers to strength of the relationship between the organizations involved in the knowledge transfer. This strength is characterized by high frequency of interaction, trust, and resource commitment (Rowley et al. 2000). The logic behind this factor is that the partners involved in the knowledge transfer are more willing to commit to the knowledge transfer process in situations where they are more confident that obligations will be fulfilled by the other side (Rowley et al. 2000). As expected, higher levels of strength of relationship have been found to increase likelihood of successful knowledge transfer (Van Wijk et al. 2008; Bakker et al. 2011).

The issue of power imbalance and power relations is related to the relational. Easterby-Smith et al. (2008) assert that the project sender and the project receiver are often in a situation of power imbalance. Usually the project sender is in the more dominant position and dictates the pace of the knowledge being transferred. This can lead to a negative impact on knowledge transfer. Mason and Leek (2008) use power imbalance to explain issues in inter-organizational knowledge transfer. Further, the fear of losing power can motivate the project
sending organization to protect against the potential transfer of unintended knowledge to the
project receiving organization (Easterby-Smith et al. 2008).

3.3 Literature Review - Knowledge Characteristics

Knowledge characteristics refer to those attributes which define aspects of the specific
knowledge being transferred. The characteristic of most importance here is knowledge
ambiguity. Knowledge ambiguity is the uncertainty as to exactly what knowledge is being
transferred (Levin and Cross 2004). This ambiguity can arise from misunderstanding of the
underlying components knowledge and how they interact. It can also arise from
misunderstandings on the sender side as to where the source of the specific information
actually is. Past literature suggests that knowledge ambiguity emerges from the underlying
complexity, tacitness, specificity, and institutional embeddedness of the knowledge (Simonin
1999; Martinekenaite 2011).

3.4 Literature Review – Models of Inter-Organizational Project Knowledge Transfer

To summarize the preceding literature review, the four major groups of factors that
affect inter-organizational knowledge transfer include organizational characteristics on the
project sender side, organizational characteristics on the project receiver side, inter-
organizational dynamics and knowledge characteristics. The following inter-organizational
knowledge transfer model (Figure 1) illustrates the factors involved.
The above model is adopted from Easterby-Smith et al. (2008). As shown, organizational characteristics on the side of the project sender side as well as the project receiver side include absorptive capacity, intra-organizational transfer capability, and motivation. The project sender and project receiver are labeled “Donor Firm” and “Recipient Firm” respectively on the above model. On the sender side motivation refers to motivation to teach while on the receiver side it refers to motivation to learn. The factors of age and size of the organization are not included in the above model. As mentioned previously, the age of organization as a factor influencing inter-organizational knowledge transfer has been found both to be significant and insignificant across different studies (Frost et al. 2002; Van Wijk et al. 2008). Therefore its exclusion from the above model is not of great concern. The exclusion of organization size is somewhat more concerning given that recent studies that have indicated the significance of the variable (Van Wijk et al. 2008). However, it should be noted that organizational size is suggested to be significant primarily because it directly impacts absorptive capacity, which is included in the above model.
This may be an area for potential improvement of the model or for more research on why studies are finding both organizational size and absorptive capacity to be significant in the same models.

Knowledge characteristics in this model include tacitness, ambiguity and complexity. These characteristics are not necessarily independent from one another. As mentioned in Section 3.3, ambiguity may emerge from the underlying complexity, tacitness, specificity, complexity and institutional embeddedness (Simoni 1999; Martinekenaite 2011).

Inter-organizational characteristics in this model include power relations, trust and risk, structures and mechanism, and social ties. This could potentially be another area for improvement on the model as more recent literature has broken down inter-organizational dynamics into the relational and cognitive categories (Bakker et al. 2011; Vaara et al. 2012).

Even so, the subcategories mentioned, power relations, trust and risk, structures and mechanism, and social ties, seem to address the same aspects of the inter-organizational relationship.

Regarding the model as a whole, Van Wijk et al. (2008)’s meta-analysis on casual antecedents of inter-organizational knowledge transfer finds that none of the factors are sufficient to predict successful knowledge transfer in isolation, Van Wijk et al. (2008)’s analysis included variables for size, age, absorptive capacity, cognitive factors, and relational factors. Further, literature is underdeveloped in comparing the predictive strength of the characteristics mentioned above. Therefore, it remains unclear to what degree of importance each characteristic holds in the model.
3.5 Literature Review – Public Sector Inter-organizational Knowledge Transfer

As mentioned previously, the literature on public sector inter-organizational knowledge transfer is underdeveloped at the moment. Unsurprisingly, knowledge transfer from government agencies to the non-for-profit organizations is even less developed. Therefore the model above could potentially exclude significant factors or include insignificant factors related to public sector inter-organizational knowledge transfer. A model of public sector knowledge transfer does exist, however, the model focuses on large scale government agency to government agency transnational situations (Dawes et al. 2012). As mentioned previously, the study here examines the transfer of knowledge from a government agency to the non-for-profit sector in a relatively small scale situation. So adopting the model prosed by Dawes et al. (2012) would have its own relevancy issues. For more information on the Dawes et al. (2012) model please see Appendix D.

The following non-comprehensive list illustrates some of the potential issues that could arise from adopting the private sector focus Easterby-Smith et al. (2008) model:

- Public sector organizations have been found, with some exceptions, to manage to minimize risk as opposed to facilitating innovation (Brodtrick 1998). It is unclear whether or not this may impact several of the characteristics found to be significant in knowledge transfer success, such the motivation of the organizational actors or the relational factors.
- Differences may exist between the private sector and the public sector regarding the goals of organizations. Public sector organizations have objectives to achieve social
outcomes rather than objectives geared toward profit (Anheier 2000). These objectives could potentially affect the inter-organizational dynamics mentioned above in Section 2.2. For example, this could affect the factor of power imbalance. Power imbalance is presented above as a negative factor, however, organizations may not have any fear of losing power to a receiving organization in the setting where organizations are mission driven rather than profit seeking.

- Miller (2014) finds through survey research that external professional networks are seen by non-for-profit managers as critical for the process of integrating new knowledge into the manager’s organization. How this compares to the professional networks in the private sector and if the differences could affect inter-organizational knowledge transfer remains unclear.

4.0 Case Analysis

This section presents and analyzes the inter-organizational knowledge transfer of leadership projects, YMLP and GLOW, between Peace Corps Macedonia and YMCA Bitola. Section 4.1 examines the partnership structure between the organizations and then proceeds to analyze that structure and other potentially significant aspects of the inter-organizational relationship. Section 4.2 presents the specific plan for knowledge transfer of the leadership projects. Section 4.2 then proceeds to analyze that plan and potential factors related to that specific plan.
4.1 – Case Analysis – Partnership Structure between Organizations

The relationship between Peace Corps Macedonia and YMCA Bitola for the purposes of the leadership projects YMLP and GLOW is designed as an equal partnership. The following model (Figure 2) illustrates this:

![Organizational Chart for GLOW and YMLP Leadership Camps](image)

Legend: Equal Partnership  →  Take Direction  →  Coordination/Information

Note: YMCA Bitola includes POVs assigned to the organization

Figure 2 - Organizational Chart for GLOW and YMLP Leadership Camps (YMCA Bitola)

As shown, Peace Corps Macedonia and YMCA Bitola are jointly responsible in directing the Peace Corps GLOW liaison, the camp collaborative, and the Peace Corps YMLP liaison. The GLOW and YMLP liaisons are members of Peace Corps Macedonia staff who are responsible for aiding Peace Corps Macedonia volunteers with their respective projects. GLOW and YMLP
liaisons also serve as a form of institutional memory for Peace Corps Macedonia leadership camp knowledge. As mentioned before, Peace Corps Volunteers serve a standard term of two years. This means that the institutional memory held by Peace Corps volunteers is constantly being cycled. The presence of the liaisons helps to retain this institutional memory as they are not subject to the standard two year term of service. The camp collaborative is a meeting group that includes representatives from Peace Corps Macedonia, YMCA Bitola, YMLP coordinators, GLOW coordinators, and both the YMLP liaison and GLOW liaison. This collaborative serves as the primary planning group for issues that affect both projects. As noted by Figure 2, the camp collaborative takes direction from the equal partnership of Peace Corps Macedonia and YMCA Bitola. The camp collaborative gives direction to the camp coordinators of YMLP and GLOW. The camp coordinators of YMLP and GLOW are the groups primary responsible for the planning and execution of the leadership projects. These camp coordinators are either Peace Corps volunteers or Macedonian volunteers, this will be discussed further below. Finally, both camp coordinator groups give direction to their respective outreach projects. These include GLOW clubs on the GLOW side and YMLP in Action on the YMLP side. Each of these outreach projects promote the goals of their respective camp throughout the year during the down time of the main projects. In addition to the structured relationship between Peace Corps Macedonia and YMCA Bitola, Peace Corps Macedonia has assigned one volunteer to serve with YMCA Bitola as the volunteer’s primary service assignment since 2011. Peace Corps Macedonia has kept the position filled by placing volunteers with YMCA Bitola in 2013 and again in 2015. Therefore, YMCA Bitola has had a Peace Corps Macedonia volunteer serving with the organizations since 2011.
The structure of this relationship may have several effects on the transfer of knowledge. The fact that the basic structure of the relationship is designed as equal partnership could serve to alleviate some power imbalance issues. As previously mentioned Easterby-Smith et al. (2008) state that most of the time the project sender and receiver are in a situation of power asymmetry where the knowledge sender is in a superior position. This can cause issues related to the pace of the information being transferred. However, it is unclear whether power imbalance issues permeate through designed equal partnerships such as the one shown above.

On the issue of cultural distance, Peace Corps Macedonia may be addressing some of the concern with the placement of one volunteer with YMCA Bitola. As previously mentioned, cultural distance arises from the situation of the organizations involved in the knowledge transfer being based in different cultures (Vaara et al. 2012). This can result in misunderstanding that may negatively impact the successfulness of the knowledge transfer. The national secretary general of YMCA Bitola, Viktor Illiev, regards the presence of Peace Corps volunteer with YMCA Bitola as having a positive impact on communication and understanding between YMCA Bitola and the Peace Corps volunteer coordinators of the program:

When we have cultural differences, skype and email cannot help because we miss other information from body language and nonverbal communication. So having a Peace Corps volunteer at our office who knows exactly our points, our perspective, the context in the organization and in our city makes it easier to transfer that message to the American volunteers and backwards [...] So [the Peace Corps volunteer] is kind of a translator of the messages – not literately like in English and Macedonian – but what we mean with our words (Iliev April 8, 2016)
Regarding relational strength of the connection between the two organizations, it seems that in general the organizations have a strong relational tie. As mentioned previously, relational strength is characterized by frequency of interaction, resource commitment, and trust (Rowley et al. 2000). On frequency of interaction it appears that the placement of a full-time volunteer with the organizations has helped in this regard. Organizations that take on Peace Corps volunteers are invited and expected to attend multiple organizational development workshops held by Peace Corps Macedonia staff over the term of volunteer service. This may work to ensure frequent contact between the organizations. Further, the daily presence of the volunteer with YMCA Bitola also acts as a constant path of communication between the organizations. Illiev of YMCA Bitola explains that there is also cooperation between the two organizations by way of YMCA Bitola sharing best practices at Peace Corps training events (April 8th, 2016).

On resource commitment, Peace Corps Macedonia is dedicating resources in the form of volunteer time commitment as well as Peace Corps Macedonia staff time commitment. The specific number of volunteers committed to the project changes by the year. Last year’s project involved twenty-two Peace Corps Macedonia volunteers on the YMLP program and twelve Peace Corps Macedonia volunteers on the GLOW program. Combined, nearly forty percent of Peace Corps Macedonia volunteers serving at the time performed duties for YMLP or GLOW in 2015. Also, Peace Corps Macedonia staff dedicates resources in the form of time from the liaisons of both projects. On the side of YMCA Bitola, the organization devotes time in coordination and planning eleven out months of the year. The organization also commits
resources in the form of time by purchasing and building materials for the programs throughout the year (Iliiev April 8th, 2016).

Funding for the 2015 project was obtained both through corporate sponsorships as well as a U.S. Embassy funded democracy grant. Corporate sponsorships made up seventy percent of the joint program budget, including both YMLP and GLOW. The U.S. embassy grant accounted for the remaining thirty percent of the budget. Previous project cycles have been funded primarily through U.S. embassy grants.

The factor of trust in this situation may be more difficult to quantify than the other inter-organizational factors. As mentioned previously, trust in this context refers to the belief that the partner organization will fulfill its obligations (Inkpen and Tsang 2005, p. 1027). In the situation of YMCA Bitola and Peace Corps Macedonia the organizations have collaboratively completed a total of five project cycles. This could be considered an indicator of a belief in future partner obligation fulfillment.

4.2 Case Analysis - Knowledge Transfer Design

While Peace Corps does provide a manual on youth leadership camps, little direction is provided on transferring projects or knowledge to local organizations. The manual states that volunteers have developed unique methods of transferring ownership at the end of a service term or gradually over several years (Peace Corps Youth Leadership manual, p. 45). The manual goes on to mention several scenarios related to local organizations supporting the leadership projects. This includes examples such as the Moroccan government’s decision to financially support youth leadership camps. However, the examples are limited and it seems that
volunteers and country staff are largely left on their own to determine the best methods for leadership project knowledge transfer.

In the case of Peace Corps Macedonia, the specific plan for knowledge transfer is designed to be completed over the course of multiple years. The strategy focuses on recurring volunteer staff to preserve institutional knowledge as well as to build a base of support from local Macedonians. The following illustration, Figure 3, has been created to graphically illustrate this plan.

**YMLP/GLOW Transfer Over Time**

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**Peace Corps Macedonia Volunteers**

**Local Macedonian Volunteers**

*Figure 3 - Leadership camp transfer overtime (example)*

As Figure 3 shows, volunteer staff is divided into three categories. These are coordinators, class facilitators, and counselors. Categories highlighted in white indicate that they are filled by Peace Corps volunteers while categories highlighted in green indicate that they are filled by local Macedonian volunteers through YMCA Bitola. The plan is designed to gradually replace Peace Corps Macedonia volunteers with local Macedonian volunteers over
the course of multiple years. Coordinators are responsible for planning the primary functions of
the camp including participant recruitment, volunteer staff recruitment, schedule and event
planning, budgeting, and execution of the project. The positions of counselor and class
facilitator are intended to be transferred first with the coordinator positions being transferred
later in the process. The plan is designed this way with the intention of local Macedonian
volunteers gaining familiarity with the camp through the positions of class facilitator and
counselor before being moved to the coordinator roles which have more responsibility. All
volunteers, local Macedonian volunteers and Peace Corps volunteers, spend one year
shadowing a position before preforming the duties that position in a subsequent project cycle.
It is important to note that the current situation between Peace Corps Macedonia and YMCA
Bitola regarding leadership camps does not reflect any one position on the graphic above nor
does the plan illustrate a specific number of years in which the plan is to be completed.

Knowledge in this transfer process is held in several different locations. First, knowledge
is held electronically. All past years programming and budget information is stored and able to
be referenced for future years. Knowledge is also held as institutional memory by all those
involved in each year’s project cycle. This includes YMCA Bitola staff, Peace Corps staff, Peace
Corps volunteers, and local Macedonian volunteers. Knowledge transfer for electronic
information, past programming and budget information is designed to be transferred quickly
and easily. Knowledge transfer for institutional memory is designed to occur slowly through
volunteers experiencing the projects over the course of multiple years.

In analyzing this knowledge transfer design, it appears that the method of transferring
knowledge over multiple iterations of the same project may have several interactions with the
factors suggested to affect inter-organizational knowledge transfer. These factors include intra-organizational knowledge transfer, absorptive capacity, and motivation of key actor groups in the knowledge transfer design. As mentioned above, intra-organizational knowledge transfer refers to the ability of an organization to transfer knowledge to different locations within itself. In this knowledge transfer design, much of the knowledge is received in the exact location that necessary for the project in future years. For example, the local Macedonian staff are the individuals who gain knowledge through multiple iterations of the project and are the ones expected to continue the project implementation. Therefore, it may be the case that intra-organizational knowledge transfer is not as relevant a factor when dealing with the volunteer groups on this specific project design. However, it is still the case that intra-organizational knowledge transfer may be relevant for members of the YMCA Bitola staff and the Peace Corps Macedonia staff.

On absorptive capacity, literature suggests both the absorptive capacity of the project sender and project receiver are factors that affect successful knowledge transfer (Cohen and Leventhal 1990; Van Wijk et al. 2008; Bakker et al. 2011). Unfortunately, absorptive capacity is notably difficult to measure, therefore this study will not attempt to quantify the level of absorptive capacity within Peace Corps Macedonia or YMCA Bitola. However, this study does suggest that absorptive capacity may have an interesting interaction with the specific knowledge transfer design being employed here. As mentioned above, absorptive capacity can be measured as a function an organizations prior related knowledge (Cohen and Leventhal 1990). Since this transfer of knowledge is occurring through multiple iterations of the same project, both organizations stand to potentially increase this related knowledge with each
project cycle. On the project sending side this would occur mainly through the staff liaisons as Peace Corps Macedonia volunteers serve a standard term of only two years. On the project sending side this would occur through the staff of YMCA Bitola as well as through the recurring local Macedonian volunteers.

Motivation of some of the key groups in this knowledge design may be an area of concern for this knowledge transfer design. As previously mentioned, studies have measured motivation by evaluating whether the participants in the knowledge transfer had time and desire to consider whether or not knowledge was being transferred as part of the process. In this particular knowledge transfer plan the participants on the project sender side include primarily YMLP and GLOW liaisons, who are members of Peace Corps Macedonia staff, and Peace Corps Macedonia volunteers. On the project receiver side the participants include local Macedonian volunteers and members of the YMCA Bitola staff who work directly with the camp. Focusing on whether or not the participants in the knowledge transfer have desire to consider whether or not knowledge was being transferred as part of the process, it may be appropriate to assume desire for successful knowledge transfer is sufficient within the YMLP and GLOW liaisons and the staff of YMCA Bitola. Both of these groups are comprised of individuals who work directly for organizations that have goals directly related to the successful transfer of project knowledge. On the side of YMCA Bitola this goal is the organizations commitment to the development of young people (see Section 2.1). On the side of Peace Corps Macedonia this goal is related to the first goal of Peace Corps (see Section 2.2).

However, the evaluation of the desires of local Macedonian volunteers and Peace Corps volunteers as it relates to inter-organizational knowledge transfer is more complicated. Both
groups are connected to the goals of their respective organizations more loosely. Local Macedonian volunteers are recruited based on their commitment to the goals of the YMLP and GLOW programs and not based on the goals of YMCA Bitola. The goals of GLOW and YMLP involve only the development and capacity building of Macedonian youth and not the longer term success of the eventual YMCA Bitola’s programming. On the side of the Peace Corps Macedonia volunteers, it is true that their organizational mission is the same as that of the Peace Corps staff, however, Peace Corps Macedonia volunteers serve a standard term of only two years, a maximum of two project cycles. It should be of some concern whether the brevity of the term affects the desire of Peace Corps Macedonia volunteers to consider successful knowledge transfer by way of a long term plan. These two volunteer groups together constitute the majority of individuals working on the program, therefore, their motivations should be considered of great importance in this case.

Regarding the characteristics of the knowledge being transferred, it appears that the location and understanding of what knowledge is being transferred is relatively straightforward. They are the administrative functions of camp operation including programming, promotion, and funding. Whether or not knowledge ambiguity is an issue in this case may be difficult to determine. As previously mentioned, knowledge ambiguity is the uncertainty as to exactly what knowledge is being transferred (Levin and Cross 2004). It is suggested to emerge from the underlying complexity, tacitness and institutional embeddedness of the knowledge (Simonin 2004; Martinekenaite 2011). This study does not attempt to analyze the level of knowledge ambiguity present here but instead offers the suggestion that reducing knowledge ambiguity may have a positive impact on successful knowledge transfer.
5.0 Limitations

There are multiple limitations in this research. These include issues with the body of literature referencing inter-organizational knowledge, the situation that knowledge transfer here is currently in progress, and issues regarding the specific cultural setting of the inter-organizational knowledge transfer. Each of these issues is discussed in more detail below.

As mentioned in Section 2.0, the majority of the literature reviewed is based on research conducted on private sector knowledge transfer or multi-sector knowledge transfer. This is done because literature on public sector knowledge transfer is currently lacking. Due to this, it is possible that the model used and the factors discussed as relevant to knowledge transfer may not be relevant or may not interact as described in the situation of knowledge transfer from a government agency to a non-for-profit organization, which is the case in this study. For example, since public sector organizations operate to achieve a mission instead of to profit, it is possible that inter-organizational dynamics may interact differently. It is also possible that mission alignment may be a significant factor when analyzing relational characteristics. Currently it is unclear to what extent the gap in the literature affects this study.

Another limitation of this study involves the usefulness of the finding s of this study. Because this study is reviewing a situation of knowledge transfer that is currently occurring, the ultimate successful or unsuccessfulness is unclear. For example, the placement of a Peace Corps volunteer with YMCA Bitola currently appears to be having a positive impact on communication and understanding between the two organizations. However, it is possible that the end result of
this volunteer placement may not have a significant impact on inter-organizational knowledge transfer in either direction. Therefore, the findings of this study should be considered tentative.

The final limitation discussed here is related to the specific setting of the project. This project is based in the Republic of Macedonia and involves a transfer of project knowledge from an American organization, Peace Corps Macedonia, to a local Macedonian organization, YMCA Bitola. Aspects of the relationship and plan for knowledge transfer could potentially be specific to the cultural differences between Peace Corps Macedonia and YMCA Bitola. This means that another Peace Corps post attempting to replicate the model used here may run into unforeseen issues. One particular place where issues may occur is with the culture of volunteerism. Thus far, YMCA Bitola has been successful recruiting and retaining volunteers to perform key camp functions. This may be more or less difficult to achieve in various cultural settings. Therefore, this finding here may not be generalizable depending on the differences in cultural settings.

6.0 Conclusions

This section first briefly restates the purpose and methods of this study. Then, key findings from the analysis are presented. Afterwards, recommendations specifically for the case of YMCA Bitola and Peace Corps Macedonia are presented. Then, recommendations are presented for organizations involved in or considering similar inter-organizational knowledge transfer projects. Finally, directions for future research on this and similar topics are discussed.

6.1 Conclusions– Purpose and Methods
Inter-organizational knowledge transfer in the public sector is an under-researched topic of importance to many organizations and critical to the success of some. This study focuses on one specific case of inter-organizational knowledge transfer and asks the research question, How can inter-organizational knowledge transfer between YMCA Bitola and Peace Corps Macedonia be explained and predicted?

To answer this, literature on inter-organizational knowledge transfer is reviewed and a model of inter-organizational knowledge transfer is adopted. This information is then applied to the in-progress knowledge transfer between Peace Corps Macedonia and YMCA Bitola. Inter-organizational dynamics, organizational characteristics, and the specific design of the knowledge transfer are analyzed. Also, limitations of the analysis and this study are discussed.

6.2 Conclusions – Key Findings

The key findings of this study are found below. They are divided into the categories of inter-organizational level findings and knowledge transfer design findings. Inter-organizational level findings includes findings related to the relationship between the Peace Corps Macedonia and YMCA Bitola, while knowledge transfer design findings includes information that is specific to the plan being employed in this case study. Organizational characteristic findings are included in knowledge transfer design findings.

- Inter-Organizational level findings
  - The relationship between Peace Corps Macedonia and YMCA Bitola is characterized by a high level of strength, measured by resource commitment, trust, and frequency of contact
o Cultural distance between Peace Corps Macedonia and YMCA Bitola is potentially being reduced by the placement of a Peace Corps volunteer with the organization

o The relationship structure between Peace Corps Macedonia and YMCA Bitola employs a model of equal partnership which may aid to avoid power imbalance issues

- Knowledge transfer design findings
  o The knowledge transfer plan being employed is a gradual multi-year plan based on electronic knowledge transfer as well as institutional memory building within the groups of YMCA Bitola staff and local Macedonian recurring volunteers.

  o Motivation to successfully transfer project knowledge from Peace Corps Macedonia to YMCA Bitola among local Macedonian volunteers and Peace Corps volunteers is unclear and is potentially an area of concern

6.3 Conclusions – Recommendations for Knowledge Transfer between Peace Corps Macedonia and YMCA Bitola

This section discusses potential approaches Peace Corps Macedonia and YMCA Bitola could undertake that may increase the likelihood of successful knowledge transfer of the leadership projects. First, recommendations are discussed regarding the motivations of key participants of the knowledge transfer process. Then, recommendations on the relationship between the two organizations are discussed.
On the topic of motivation of different key groups involved in the knowledge transfer process, it should be of some concern that the volunteer groups both on the YMCA Bitola side, and on the Peace Corps side may not have inclination to ensure the successful transfer of knowledge between the organizations. On the side of Peace Corps volunteers, this could arise due to the relatively short standard terms of service. On the side of the Macedonian local volunteers, this could arise due to the disassociation with the mission of YMCA Bitola. Both of these groups are likely key to the success of knowledge transfer as they constitute a significant portion of the staff involved in the project and hold key information related to programming, camp promotion, finance and methods of camp execution. A potential solution to this could be to reconsider the transfer of knowledge from Peace Corps Macedonia to YMCA Bitola as a goal of the camp itself. This would ensure that those volunteers who are dedicated to the mission of the camp also understand the importance of the transfer of knowledge between the two organizations. An alternative solution may be to concentrate more institutional memory retention on members of the YMCA Bitola staff rather than on local Macedonian volunteers. Also, as suggested by the literature, ensuring that those involved in the process have time to consider whether or not knowledge is being transferred would likely be important as well (Anheier 2000; Bakker et al. 2011).

Regarding the relationship between Peace Corps Macedonia and YMCA Bitola, it appears the placement of a Peace Corps volunteer with YMCA Bitola has improved communication and understanding between the organizations from the viewpoint of YMCA Bitola (Illiev April 8th, 2016). This is a practice that may be beneficial to be continue for the duration of the transfer of knowledge.
6.4 Conclusions – Recommendations for Similar Projects

This section will discuss findings from this study as they relate to inter-organizational knowledge transfer in the situation of other Peace Corps programs as well as inter-organizational knowledge transfer in the public sector in general. First the potential effects of the placement of a Peace Corps volunteer with the project receiving organization are discussed. Then, further aspects of the particular knowledge transfer plan being employed in this study are discussed.

Peace Corps Macedonia has had one volunteer serving with YMCA Bitola since 2011. This volunteer placement appears to have had positively affected the relationship between the organizations. The volunteer serves to increase frequency of contact between the organization by way of organizational development workshops that are attended by YMCA Bitola staff members as well as by serving as constant reliable contact point between the organizations (Illiev April 8th, 2016). This may help reduce issues that are associated with cultural distance. This also may have increased the strength of the relationship between the organizations though the increases in frequency of contact. This practice of placing a volunteer with the projecting receiving organization should be a method for other Peace Corps posts to consider when attempting to increase the likelihood of successful inter-organizational project knowledge transfer. Regarding other instances of public sector inter-organizational knowledge transfer in general, while it may not be as realistic to replicate this particular practice, the potential value of dedicating time and resources to the purpose of increasing the strength of the relationship through methods similar to this may be an idea to explore further.
Regarding the specific knowledge transfer plan being employed in this case study, there are several practices reviewed here that organizations in similar situations may want to consider. They are as follows:

- **Institutional memory development in multiple locations** – Institutional memory in this plan is spread over several groups of volunteers and staff members who likely have overlapping knowledge of project functions in many areas. This could work to reduce the chance that institutional memory is lost by way of employee/volunteer turnover. This could also work to compensate in situations where knowledge transfer is unsuccessful. It should be noted that this does not seem to be dependent on the fact that the knowledge transfer occurs over a period of several program cycles, rather, that the design itself is based on a large number of volunteers participating in the project.

- **Knowledge transfer design modifications can be made throughout the process** – The multiple year design of this particular knowledge transfer allows modifications to be made to the plan with each successive cycle. Illiev of YMCA Bitola cited changes in the type of funding possible, from grant funding to corporate sponsorship, as a positive change made possible after years of cooperation between YMCA Bitola and Peace Corps Macedonia (April 8th, 2016)

- **Relationship strength can be developed throughout the knowledge transfer process** – The gradual knowledge transfer design employed here also allows for development of the strength of the relationship between the project sending and the project receiving organizations. Past research has measured relationship strength as a function of frequency of contact, trust in the partner organization’s intentions to follow through on
obligations, and resource commitment (Bakker et al. 2011). All of these factors have the potential to be further developed through successive project cycles.

The approach of gradual knowledge is not without its drawbacks. The most obvious drawback is that the implementation of a gradual knowledge transfer plan may not be realistic due to time constraints or funding constraints. Further, although development of relationship strength is presented as a positive factor in the list above, it should be considered that relationship strength could potentially decline over time. Misunderstandings, changes in resource commitment, trust of the partner organization to follow through on obligations, and frequency of contact are variables that could change in either direction over time.

6.5 Conclusions – Considerations for Future Research

Regarding future research on knowledge transfer in the public sector, much could be gained from an analysis on how factors that impact inter-organizational knowledge transfer vary across sectors. This study reviews literature primarily associated with private sector knowledge transfer. This is done because currently private sector knowledge transfer is more developed and thus allows for more impactful analysis and recommendations. However, as mentioned in Section 5.0, there is risk that factors affecting knowledge transfer may interact differently based on sector. Therefore future research on public sector inter-organizational knowledge transfer and government agency to non-for-profit inter-organizational knowledge transfer may serve to be beneficial.

On the topic of Peace Corps transferring its youth leadership projects, Peace Corps may want to explore how its country units are handling the process of inter-organizational
knowledge transfer. Its current approach, based on the Leadership Camp manual, appears to be to allow knowledge transfer plans to develop to satisfy the circumstances of its country unit. While this approach has its advantages, Peace Corps may want to consider diffusing knowledge of the more successful inter-organizational knowledge transfer practices among its posts.

Finally, regarding inter-organizational knowledge transfer design, this study has presented several advantages of implementing a gradual transfer of knowledge over multiple cycles of the same project. Future researchers may wish to consider exploring how different knowledge transfer designs affect the successfulness of the inter-organizational knowledge transfer.


http://glowmacedonia.wix.com/glowmacedonia#!.


Appendix A – YMCA Bitola Organizational Structure

Figure 4 - YMCA Bitola Organizational Structure (YMCA Bitola)
Appendix B – YMLP Organizational Structure

Figure 5 - Young Men’s Leadership Project Organizational Structure (YMCA Bitola)
Appendix C – Girls Leading Our World (GLOW) Organizational Structure

Figure 6 - Girls Leading Our World Organizational Structure (YMCA Bitola)
Appendix D – Transnational Knowledge Transfer

Figure 7 - Transnational Knowledge Transfer (Dawes et al. 2012)