

Knowledge Transfer Behaviour Among Malaysian Public Sector Employees

Hairulniza Abd Rahman, Noor Azreen Mohd Khushairi* and Kardina Kamaruddin

Faculty of Business and Management, Universiti Teknologi MARA, Perlis Branch, 02600 Arau Perlis, Malaysia

ABSTRACT

This study examines the relationship between strategic human capital management (HCM) and knowledge transfer behaviour practices among Malaysia's public sector employees. This study also aims to analyse how workforce optimise organisational resources effectively. By using the WarpPLS software and partial least squares structural equation modelling (PLS-SEM), the research analysed responses from 173 public employees across multiple hierarchical levels. Results demonstrate a statistically significant link, with HCM improvements explaining 21% of the variance in knowledge transfer behaviour ($\beta = 0.28$, $p < 0.05$), confirming that enhanced human capital investment directly strengthens intra-organisational knowledge flows. The findings highlight the necessity for public institutions to cultivate multigenerational collaboration frameworks and adaptive learning environments, which are crucial given that Malaysia's ongoing challenges in talent retention and skill mismatches. Through institutionalising continuous learning mechanisms, the public sectors could better address the human capital constraints identified in Malaysia's development plans.

Keywords: Human capital, knowledge transfer behaviour, public sector

INTRODUCTION

In the current climate, public sectors are concerned on issues regarding human capital management (HCM) and how these issues influence towards the knowledge transfer behaviour (KTB) among employees in public sector organisations. This scenario particularly amid workforce generational diversity and evolving challenges. The findings emphasise that fostering inclusive organisational cultures and leveraging multigenerational creativity are critical to optimise HCM strategies, as differing generational values and behaviours (Casalegno et al., 2022; Dunn-Cane et al., 1999) necessitate tailored approaches to empower employees.

ARTICLE INFO

Article history:

Received: 13 June 2025

Published: 13 August 2025

DOI: <https://doi.org/10.47836/pp.1.4.018>

E-mail addresses:

hairulniza@uitm.edu.my (Hairulniza Abd Rahman)

azreenmk@uitm.edu.my (Noor Azreen Mohd Khushairi)

kardina@uitm.edu.my (Kardina Kamaruddin)

* Corresponding author

PROBLEM STATEMENT

The public sectors have recognised the benefits of using knowledge to deliver its public services (Daud & Yusuf, 2008; Mura et al., 2012). An organisation can derive ongoing value from intellectual capital management. Many academics concurred that maintaining competitive advantage and performance in public sector organisations require effective management of intellectual capital (Kardina, 2012; Ramezan, 2011). The components of human capital contribute to its uniqueness from its competitors (Daud & Yusuf, 2008). Ramirez (2010) stated that it is vital to develop an intellectual capital management model specific to the public sector. This is echoed by other researchers investigating intellectual capital management in the public sectors (Lonnqvist & Kujansvu, 2007; Wiig, 1997).

RESEARCH QUESTIONS

The aim of this study is to find the connection between human capital management and knowledge transfer behaviour practices in the Malaysian public sectors. Employees in the public sector who engage in knowledge transfer behaviour inside their organisations serve as the study’s empirical foundation. Thus, research hypotheses are developed: it was hypothesised that knowledge transfer behaviour and human capital are related.

Knowledge transfer behaviour is defined as an individual’s sharing of information and work-related experiences within the organisation. Human capital management is defined as managing various knowledge aspects in an organisation. The theory looks at how much human capital has a significant influence on the knowledge transfer behaviour. The standard deviation measures the degree of data scatter around the mean value and degree of variation in the respondents’ responses. The study variables’ mean, and standard deviation are shown in Table 1. All factors have mean scores above the midpoint of 4. To put it simply, the standard deviation figures showed that the scores were not very near to the mean. In the range of 1.0 to 1.09, the mean score of the variables in this study varied from 5.8 to 5.9 standard deviations. A low standard deviation also means data are clustered around the mean, and when the standard deviation is close to zero, it indicates that data points are close to the mean.

Table 1 shows that respondents had a high opinion of the human capital variable (M=5.95, SD=1.001), one of the variables of intellectual capital management (ICM). This

Table 1
The descriptive statistics analysis results

Variable	Mean (M) Indicator	Mean (M) Variable	Standard Deviation (SD)
Human Capital Management	5.95	5.79	1.001
Knowledge Transfer Behaviour	5.85	5.69	1.099

indicates that the study's public sector participants understood the value of human capital as a tool for managing an organisation's intellectual capital. The KTB measure showed high levels of acceptance among respondents ($M=5.85$, $SD=1.099$). Every item related to the study variables was answered using a 7-point Likert scale, where 1 represented "strongly disagree" and 7 represented "strongly agree." Total items tested for HCM were 13 and 36 items for KTB.

In summary, the study's variables' mean, and standard deviation scores reflect the population of the Malaysian public sector employees. The hypothesis examines the substantial impact of the link between the HCM and KTB. Table 1 presents the corresponding results of the beta, R-square, p-value, and t-value. Every observed variable for the human capital management in connection to the knowledge transfer behaviour is associated with the hypothesis of study. Investigations were conducted into the connections between the HCM and KTB. The WarpPLS 8.0 SEM analysis software was used to test the hypothesis. The beta value was shown to have a positive influence ($\beta = 0.28$, positive) on the link between the human capital management and knowledge transfer behaviour. The HCM and KTB's relationship is strongly correlated, as seen by the r-squared value of ($r^2 = 0.210$) for this hypothesis.

The results also explore the relevance of the association between the human capital management and KTB, with p-values less than 0.01. Thus, the findings recognise that the human capital management (HCM) and knowledge transfer behaviour (KTB) have a positive and significant association with the Malaysian public sectors. Additionally, as the t-value of 6.402 is greater than the t-ratio of 1.96, hypothesis was determined to be supported. This clarified how the knowledge transfer behaviour (KTB) was influenced by the human capital management (HCM). This outcome is consistent with a study by Baldini et al. (2016) that discovered that human capital influenced organisational transfer efforts.

CONCLUSION

In conclusion, by bridging the gap between theory and practice, the study advances the conversation on knowledge transfer behaviour and human resource management. Researchers can refine their models to investigate internal capital and external capital about the KTB based on the framework. The current framework recognises situation-specific aspects in the HCM rather than attempting to create a model that fits the requirements of diverse organisations and managerial scenarios. Thus, the study's framework might be a helpful tool for academics or managers in the public sectors to gauge and comprehend how much an organisation applies its HCM to enhance employee knowledge transfer practices.

The suggested approach can also be utilised to gather information to understand better how much managing human capital from the viewpoints of many generations will help public sector organisations. Managers in the public sector may also find the framework

helpful as a tool to gather data on the quality of human capital practices in their companies. Managers in the public sectors might then use the data to plan and incorporate human capital for learning, evaluation, and organisational growth.

ACKNOWLEDGEMENT

The authors would like to express sincere gratitude to the organisers and reviewers of the ICoFA 2025 for their valuable feedback and the opportunity to present this work. The authors also extend appreciation to the team members: Dr. Hairulniza, Dr. Noor Azreen, Dr. Kardina, and the mentors for their insightful discussions and continuous support throughout the process.

REFERENCES

- Baldini, M. A., Bronzetti, G., & Sicoli, G. (2016). A framework to measure intellectual capital. In *Country experiences in economic development, management and entrepreneurship: Proceedings of the 17th Eurasia business and economics society conference* (pp. 527-537). Springer.
- Casalegno, C., Candelo, E., & Santoro, G. (2022). Exploring the antecedents of green and sustainable purchase behaviour: A comparison among different generations. *Psychology & Marketing*, 39(5), 1007-1021. <https://doi.org/10.1002/mar.21637>
- Daud, S., & Yusuf, W. (2008). An empirical study of knowledge management processes in small and medium Enterprises. *Communications of the IBIMA*, 4(22), 169-177.
- Dunn-Cane, K., Gonzalez, J., & Stewart, H. (1999). Managing the new generation. *AORN Journal*, 69(5), 930-940. [https://doi.org/10.1016/S0001-2092\(06\)62292-8](https://doi.org/10.1016/S0001-2092(06)62292-8)
- Kardina K. (2012). *Intellectual capital management and public sector performance in Malaysia* [Unpublished doctoral thesis]. University of Wollongong.
- Lonnqvist, A., & Kujansivu, P. (2007). Designing and implementing an intellectual capital management system: Applying the Meritum guidelines in practice. *International Journal of Knowledge Management Studies*, 1(3-4), 276-291. <https://doi.org/10.1504/IJKMS.2007.012526>
- Mura, M., Lettieri, E., Spiller, N., & Radaelli, G. (2012). Intellectual capital and innovative work behaviour: Opening the black box. *International Journal of Engineering Business Management*, 4, Article 39. <https://doi.org/10.5772/549>
- Ramezan, M. (2011). Intellectual capital and organizational organic structure in knowledge society: How are these concepts related? *International Journal of Information Management*, 31(1), 88-95. <https://doi.org/10.1016/j.ijinfomgt.2010.10.004>
- Ramirez, Y. (2010). Intellectual capital models in Spanish public sector. *Journal of Intellectual Capital*, 11(2), 248-264.
- Wiig, K. M. (1997). Knowledge management: Where did it come from and where will it go? *Expert Systems with Applications*, 13(1), 1-14. [https://doi.org/10.1016/S0957-4174\(97\)00018-3](https://doi.org/10.1016/S0957-4174(97)00018-3)