

# **A framework for sharing tacit knowledge within SMMEs: A South African Study**

**Lawrance Seseni**  
Department of Quality and Operations  
University of Johannesburg  
[sesenilawrance@gmail.com](mailto:sesenilawrance@gmail.com)

**Charles Mbohwa**  
Department of Quality and Operations  
University of Johannesburg  
[cmbohwa@uj.ac.za](mailto:cmbohwa@uj.ac.za)

## **Abstract**

This study aims to develop a framework for sharing knowledge effectively within SMMEs that are situated in Johannesburg, South Africa. This is a qualitative approach. It was discussed that tacit knowledge is an intangible resource and intellectual capital that is not easily transferred to other people because some employees of the organization are not eager to share their knowledge. The reason for this can be the desire of having an upper hand over their colleagues. However, this paper discovered that in order for effective knowledge sharing to take place there must be a culture of sharing within the organization, those who are sharing and receiving knowledge must be given sufficient time so that sharing may be effective, management must support their subordinates by means of giving them the resources that they may need, there must be effective teamwork, employees must be committed and motivated, effective communication and there must be trust between the employees themselves and employees with their employers. Further research should be done on the correlations between the framework's independent variable and the dependent variables of sharing knowledge within SMMEs.

**Keywords:** Knowledge Management, SMMEs, Tacit Knowledge, Knowledge Sharing

## **I. INTRODUCTION**

Knowledge management is a multidiscipline topic [17]. It has been widely studied for the past decades. A number of knowledge frameworks have been proposed, they all had the following common main activities:

1. to identify knowledge
2. to create knowledge
3. to store knowledge
4. to share knowledge
5. lastly to apply the shared knowledge.

There are two types of knowledge namely, explicit which is regarded as the information within the organization. It is easy to transfer this type of knowledge and it can be codified. While on the other hand there is tacit knowledge which is the know-how of the individual. It is not easy to transfer this type of knowledge as it is said that it is personal and it resides within individuals [16]. Some of the reasons for studying knowledge management is that knowledge management contributes to the success of the organization [14], it creates and maintains sustainable competitive advantage which is not easily copied by competitors. This means it helps the organization to have a sustainable competitive advantage [5], and this will result in contributing to the success of the organization in the market [8].

SMMEs play a vital role in the growth of the economy of South Africa. They employ more than 55% of the total employment in the private sector and 43% of the salaries and wages are drawn from SMMEs. Moreover, their contribution to the GDP is 35%. However, most of the start-ups fail in their first year of establishment [10]. These SMMEs are started by entrepreneurs who have certain competences in certain industries [20]. [2] Discuss that

SMMEs competes with other organizations using the knowledge management/resource than using other resources because they have limited resources.

### **Research contribution**

Studies have been conducted on knowledge sharing within organizations but there is little research conducted on Knowledge sharing/transfer within SMMEs. This study will add literature on Knowledge sharing within this sector.

The research question is, how can employees share knowledge effectively with other employees within SMMEs?

### **Research problem**

Key employees SMMEs quit and join the big companies if they are presented by the opportunity. This leaves the SMMEs being less productive because employee(s) with knowledge left them.

### **Research objective**

- ✚ This study seeks to introduce a knowledge sharing framework that can be used by SMMEs in South Africa.

This research paper has 7 headings, and they are as follows:

1. Introduction
2. Literature review
3. Research methodology
4. Findings and discussions
5. Research implications
6. Recommendation and further research
7. Conclusion

## **II. LITERATURE REVIEW**

**Knowledge Management-** this topic has been receiving attention the past decades. It was discovered that some of the research topics have been growing while others have been declining and others declined and picked up again. In explaining this further, Knowledge Innovation, Knowledge as a process and Managing/Competitive advantage have been declining since 2012. Knowledge strategy declined since 2011. While Knowledge Management as a problem solving has been growing since 2012 [17].

Knowledge Management is defined as a process of storing, creating, re-using and communicating tacit and explicit knowledge of employees that can be used by other employees within the organization to improve the productivity, efficiency and performance [9]. Knowledge has two types: elicited knowledge and tacit knowledge. Elicited knowledge can be documented while tacit knowledge is procedural and is not codified ([16]; [9]; [7]). For the purpose of this study, this research will solely focus on tacit knowledge as it is the sharing of the know-how, know-where and know-who is the most crucial part of this research.

**Tacit knowledge-** is defined as the know-how of an individual, which is generated through personal experience that have been accumulated throughout the years, skills, implicit learning and through practice. Some of the knowledge that lies within the individual is of less importance while other knowledge is important. Moreover, some of the knowledge becomes outdated and the sharing of this knowledge is not easy. This type of knowledge lies with the individual who has it [15]. [16], states that tacit knowledge is “tightly rooted in action, tools and procedure”. This type of knowledge cannot be codified. However, this type of knowledge can be attained through practice. Moreover, the receiver(s) of knowledge must be willing and must also have the abilities that are required for him or her to participate in the process of sharing knowledge [13].

**Knowledge creation-** [9] argues that sharing of knowledge within the organization creates another knowledge. This new knowledge can be used to boost employees’ productivity and team performance, this is good for business [11]

**Knowledge Transfer-** is defined as the moving of knowledge from one organization to another, or rather the moving of knowledge within organizations. This knowledge transfer can also be between departments and or divisions. Knowledge transfer takes a lot of time, it requires a lot of effort, it is not costly but it is difficult to share it ([18]; [7]). Moreover, knowledge transfer is not an easy task that just happen between individuals. It depends on the willingness and the ability of the individual who is knowledge rich and the individual who is knowledge poor. It has been discovered that some employees are not willing to share their knowledge because they want power and control over other employees [11]. In contrary, knowledge sharing has been acknowledged for

introducing innovation within the organization and improving competencies. Moreover, organizations are always looking for ways that they can use to share knowledge within the organization [8].

### **Knowledge sharing framework**

This framework was developed after reading journal papers. It has one depended variable and eight independent variables. All independent variables contribute to the success of knowledge sharing within SMMEs.

**Organizational culture-** [1], defines organizational culture as a shared language, dress code, attitude, behavior pattern, feelings, and interaction by people belonging to a particular organization. It has been acknowledged for assisting in setting priorities. [17], emphasized that a culture of sharing is needed within an organization. Employees will see the need for sharing, as sharing knowledge will be what they believe in as an organization.

**Sufficient time-** [18] states that knowledge sharing takes a lot of time. Sufficient time must be given to the people who are sharing knowledge and those who are receiving so that knowledge sharing can be possible or rather effective. Knowledge sharing should not be rushed. They must have time to digest what has been transferred and also apply it within the organization.

**Management support-** [4], states that management should provide relevant and sufficient resources that are related to the task at hand and rewards as well. Moreover, the management must provide guidance, support where is necessary and delegate tasks. This is regarded as effective leadership. Giving employees some sort of degree of power will make them to enjoy their work and to make decisions on the work that they are doing [1]. [19], reported that management must tolerate mistakes made by employees. [6], states that management must be able to encourage employees to start sharing their knowledge, they must stress that withholding the firm's knowledge will not grow the organization but it will make it fail. [11], reported that knowledge sharing will result into creating new knowledge that can be used within the organization.

**Teamwork-** Team members should come up with team spirit and instil it. This will harmonize the team, and it will also improve performance even in cases of high pressure in the workplace. Moreover, teamwork is regarded as a paramount factor that contributes positively to the organizational success [3]. [4] States that employees want to be in groups for different reasons such as: the need for mutuality, recognition for personal achievement, belonging, bounded power and creative autonomy. However, team members create knew knowledge within the organization [9]. [13] discussed that within teams there must be different types and levels of experiences so that sharing can be effective or rather serviced.

**Effective communication-** there are 3 techniques to analyze the communication in groups or organizations, and the techniques are as follows: observation, identify and lastly is interruptions. The communication amongst individuals in the organization should be effective at all times, this will make it possible for employees to feel at ease within the organization [1].

**Employee motivation and commitment-** [11], discused that sharing knoledge does not come naturally to human beings, but they must be motivated and committed to doing so. Committed employees are more likely to sharing knowledge to their fellows. However, some employees are not motivated, and or committed to share their know-how, know-where, wnow-who (tacit knowledge). The authors further emphesized that most organizations suffer a huge challenge of employees lacking the eagerness of sharing knowledge. Authors further emphesized that other organizations reward their employees for sharing knowledge and it works for them.

**Trust-** [12], states that employees need to be trusted by their fellow employees and by their superiors in the workplace. Higher levels of trust in the workplace by senior management affects the business in a positive way [2]. Additionally, employees who have trust in their fellow workmates and management are more likely to be committed and willing to share their knowledge within their organization [11].

**Successful Knowledge Sharing-** According to [19], entrepreneurs must choose the type of sharing knowledge in the organization. It is worth noting that, the sharing of knowledge creates knew knowledge that can further be used as a strategic resource for innovation and competitive advantage within the organization. Therefore, it is of paramount importance to understand that knowledge sharing takes place in three ways and they are as follows: intra-organizational, inter-organizational and cross borders [9]. This knowledge must be shared with fellows within the organization effectively.

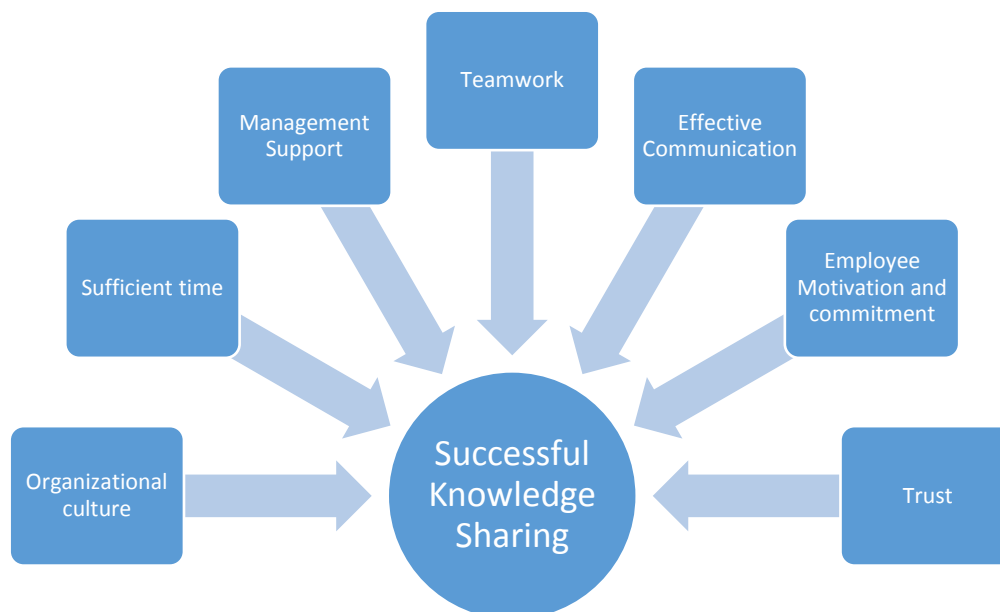


Figure 1 Knowledge Sharing Framework

### III. RESEARCH METHODOLOGY

This is a qualitative approach. Academic papers were reviewed. Academic papers that are reviewed are from Emerald that is on the University of Johannesburg database and is freely available for the University of Johannesburg students and academic staff.

This study introduces a framework that can be used by SMMEs in order to successfully share knowledge within the SMMEs.

This framework has one dependent variable and eight independent variables which affect the dependent variable. The dependent variable in this case is the success knowledge sharing, while the independent variables are as follows: organizational culture, sufficient time, management support, teamwork, effective communication and trust. The framework will explain the relationship between the dependent variable and the independent variables. All the independent variables contribute to the success of knowledge sharing in the organization.

After developing a framework, this study proposes the following hypothesis:

#### Hypothesis

H1: Organizational culture contributes positively to the success of knowledge sharing within the organization.

H2: There must be sufficient time for knowledge sharing to take place effectively.

H3: Management ought to support their subordinates

H4: There must be effective teamwork amongst employees of the organization.

H5: Effective communication contributes to the success of knowledge sharing in the organization.

H6: Employees must be motivated and committed to share knowledge.

H7: Trust contributes positively to the success of knowledge sharing.

### IV. FINDING AND DISCUSSIONS

As [15] states that tacit knowledge resides within individuals and it cannot be codified. However, this knowledge can be transferred. In addition, it is worth noting that it is not easy to do that [16]. SMMEs must come up with ways that can be used to share knowledge within them. It was discovered that organizational culture plays a critical role in the success of knowledge sharing. This study further discovered that sufficient time is needed. Sufficient time for the person who is sharing knowledge and the one who is receiving it. The process of sharing knowledge should not be rushed. Management support is also another element that should not be overlooked.

Employees should be guided by their employers at all times. There should be support that they may need within the process of sharing knowledge to their fellow employees or even to their employers. This research has discovered that teamwork is very important and that employees must have teams that they belong to as these teams make them to have a source of belonging. Communication is of a paramount importance as it either influences employees to share their knowledge or not. It was discovered that there must be a constant communication by employees as this will increase the chances of the employees to share their knowledge. However, trust is another

element that has to be taken into consideration. It is discussed that employees need to be reliable and trustworthy. Without being trustworthy employees or employers will unlikely take the knowledge they receive from their fellows.

## **V. RESEARCH IMPLICATIONS**

Knowledge is an intangible resource that boosts the performance of the organization and instils a sustainable competitive advantage that contributes immensely to the success of the organization. With regards to SMMEs, by virtue of having limited resources that they can use to ensure that there is successful knowledge sharing in their organization, they find it difficult to ensure that knowledge management takes place. Some employees are finding it difficult to share their knowledge with their fellow employees as fear that they will lose control and a competitive edge. While on the other hand, other employees are reluctant to sharing knowledge with their colleagues because they want to be rewarded. This approach of rewarding employees is a challenge to SMMEs especially if they want to be rewarded with promotions and money as SMMEs have limited resources. This study introduces a framework that can be adopted by SMMEs. This framework will ensure that knowledge sharing becomes a success in SMMEs. It does not require too much resources such as money. However, for it to be effective it requires support from management, trust between employees with other employees and trust with employers and employees, sufficient time and employee involvement.

## **VI. RECOMMENDATIONS AND FURTHER RESEARCH**

This study recommends that management must support their subordinates. They must ensure that they give them all the resources that they need so that employees can successfully share knowledge with their fellow employees. There must be trust between all these parties (employees and other employees; and between employees and employers). This will make all of them to work well and they will not hesitate to share knowledge. With regards to communication, everyone must use any language that they are comfortable in using as long as other members will receive the message they are sending. Should there be a situation where there are members who cannot use the most understood or preferred language there must be an interpreter.

Their teamwork must be effective. They should be able to work well together. Their management must offer them trainings and talks about the importance of teamwork. They must also ensure that all the conflicts that may arise in the organization are solved immediately. They must ensure that employees feel that they belong. These employees must be given sufficient time to share knowledge as it takes a lot of time to share knowledge. It should not be rushed as the one who is receiving may not get all the knowledge that he or she wants. The employee who has knowledge should also be given time to share knowledge to avoid doing mediocre job. This study is limited to SMMEs, generalizing finding may be a problem. Further research must test the hypothesis and check the correlations between the independent variables and dependent variables. This will help the study to discover if there is a relationship between these constructs.

## **VII. CONCLUSION**

This research reveals that tacit knowledge is an intangible resources that is also intellectual capital that resides within individuals. It is discussed in this paper that knowledge sharing results to knowledge creation that can also be used to boost the productivity and efficiency of the organization. Sadly, some employees are not keen to share this type of resource because they want to remain competitive to their employees. It has also been noted that sharing of this knowledge is not simple as it is rooted to the individual who is knowledge rich. However, this type of resource like other resources can also be transferred to fellow employees within the organization. Management must see to it that employees understand the importance of sharing knowledge within the organization.

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## **Biography**

Mr. Lawrance Seseni is a University of Johannesburg student. Currently doing a Master's degree in Operations Management. His master's study is on Quality Management within SMMEs. In 2014 he was appointed as an academic tutor for Entrepreneurship National Diploma student who were doing second year of study. In 2016 he

was appointed as an assistant lecturer for first semester (5 months), his role was to lecture Entrepreneurship to first year National Diploma students in Small Business Management. He is now serving as a board of director with a portfolio of co-secretary of the IBASA YC (Institution of Business Advisers South Africa Youth Charter). He is also serving as a Strategic Adviser for Projects in the student organization called ENACTU University of Johannesburg. He served at Enactus University of Johannesburg since 2012 holding different portfolios. His research interests are in Knowledge sharing in SMMEs, service and product quality within SMMEs.