

# **Barriers of sharing tacit knowledge: A case of Gauteng agricultural SMMEs, South Africa**

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## **Abstract**

This study looks at the barriers that affect the transferring of tacit knowledge within the organization. This study adopted a quantitative approach where 47 agricultural SMMEs were given questionnaire to fill out. In this paper, it was discussed that tacit knowledge is not easily transferred to other people because it resides within the individual who has it. It was discovered that organizations fail to transfer their knowledge due to the lack of management involvement and greater distance. However, participants indicated that they understand that knowledge management is a responsibility of everyone in the organization. This study recommends that management must be highly involved in what employees are doing and they must give their subordinates sufficient time to share their knowledge and receive it. Further research will look at the replication of this study in other sectors.

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

## **I. INTRODUCTION**

SMMEs play a crucial role in the economy of the country. To add on that, these SMMEs create employment to the people of South Africa, they reduce the number of people living with poverty. In contrast, about 70% to 80% fail in business, this is as a result of not reaching their full potential. This results in these SMMEs shutting down and people losing jobs. However, most people do not start businesses because they want to, but they start their businesses because of the push factors of unemployment, retrenchment and many more [2].

Employment in South Africa has decreased by 2.2%. Consequently unemployment rose to 26.7%, which made it higher by 2.2% from the 2015 rate. However, employment was lowered by 15 000 by this sector as compared to other quarters in the previous years [17].

[16] discovered that the income from agriculture has increased from R192 162 in 2013 to R212 998 in 2014. The total growth rate of agriculture is 10.8%. Within the agricultural sector, animals and animal products contribution is the major contributor and it amounts to R92 291 million, then followed by crop farming with R45 190 million and lastly the horticultural crops contribute R45 114 million.

However, this sector has been suffering since it has been affected by drought. About 6.5% of production has declined in the beginning of the first quarter due to the drop of production of crops and horticultural products. From the total contribution to the GDP it has also dropped by 0.1 [17]. SMMEs in the Agricultural sector are defined as any business that makes less than R7.5 Million per annum.

In addition to that, most of the SMMEs do not grow because of many reasons. Amongst many challenges, lack of management skills, poor infrastructure such as roads, electricity, water and information communication. Even owners of the SMMEs lack adequate trainings, skills and capabilities. These have a negative impact on the business [12]. Furthermore, the knowledge of the entrepreneur is very crucial in the performance of the organization [3].

Over the past decades, a lot has been reviewed about the importance of Knowledge Management within organizations. Knowledge Management has been used as a strategy that improves the competitiveness of the organization [11]. Furthermore, it is discussed that the effectiveness of managing knowledge contributes to the success of the organization [14]. Knowledge Management has been acknowledged for contributing in the economic growth [10]. Knowledge resource and evaluation is regarded as paramount for knowledge sharing. Moreover, measuring knowledge resources is very important as it helps us identify resources that are needed to help achieve knowledge sharing within organizations [7]. This study adds more literature and discusses barriers for sharing knowledge within SMMEs.

### **Problem statement**

Some of the employees are resistant to sharing knowledge with their co-employees within SMMEs. This makes the organization suffer if the knowledge rich employees not pitching to work, die, and retire or even leaving them for their competitors.

### **The aim of the study**

The purpose of this study is to look at barriers of sharing tacit know within agricultural SMMEs. This research will look at the knowledge management within SMMEs. The literature about barriers of sharing knowledge will be reviewed, the method for data collection and analysis will be discussed, findings will be discussed and recommendations and further studies shall be included in this study.

## **II. LITERATURE REVIEW**

### **Knowledge Management and Knowledge**

[11], defines knowledge management as the intellectual capital that can be used to help grow the organization. This intellectual capital is distinguished into two parts, namely: the strategy and measurement. Knowledge can also be transferred through individuals and also through organizations [18]. [8], suggests that knowledge management is all about creating, and providing a supportive organization that will make knowledge sharing possible. While on the other hand, knowledge is regarded as a tool that can be used to create wealth for the organization. There are two types of knowledge. Explicit knowledge and tacit [7]. Tacit knowledge is defined as that knowledge that is held within an individual. This knowledge can be accumulated through experiences that the person went through, through talent and through learning. Not all of this knowledge is important. However, some of it is of paramount importance while another it is not. Sharing of this type of knowledge is challenging especially if the sharer and the receiver are in different geographical areas [14]. While explicit knowledge is defined as the knowledge that can be saved within cabinets, libraries, shelves of the organization. This type of knowledge is stored within the organization. Transferring of this knowledge is quite easy as it requires one to read the files [6]. Knowledge management is used by managers of the organization. For the purpose of this study, this research will focus mainly on tacit knowledge.

### **Barriers of Knowledge sharing**

Employees do not share their knowledge because they are afraid they will lose control and ownership of their knowledge. [9], therefore, they would like to have a competitive advantage over other employees [3]. If management is not supporting their staff and not giving them direction, this can serve as a barrier to knowledge sharing. Employees need to be guided and be informed about the importance of sharing knowledge with their fellow employees within the organization. They should also understand that knowledge belongs to the organization. Greater distance will play a negative role in knowledge sharing. When people are far from each other, knowledge becomes very difficult to sharing it with other employees. Employees need to be under the same roof so that they can copy what the employees with the know-how do things [4].

### **Knowledge Management process**

It is important to understand that knowledge management is a process that starts with knowledge creation, the capturing of knowledge and the sharing of knowledge within the organization. The organization must ensure that they manage this process effectively. This will make employees to share their knowledge willingly and new knowledge will be created that will be used in the organization. This process requires that employees and employers of the organization be interconnected. The intention is to create new knowledge, to retain it and ensure that it is shared within the organization effectively [9].

### **Knowledge transfer**

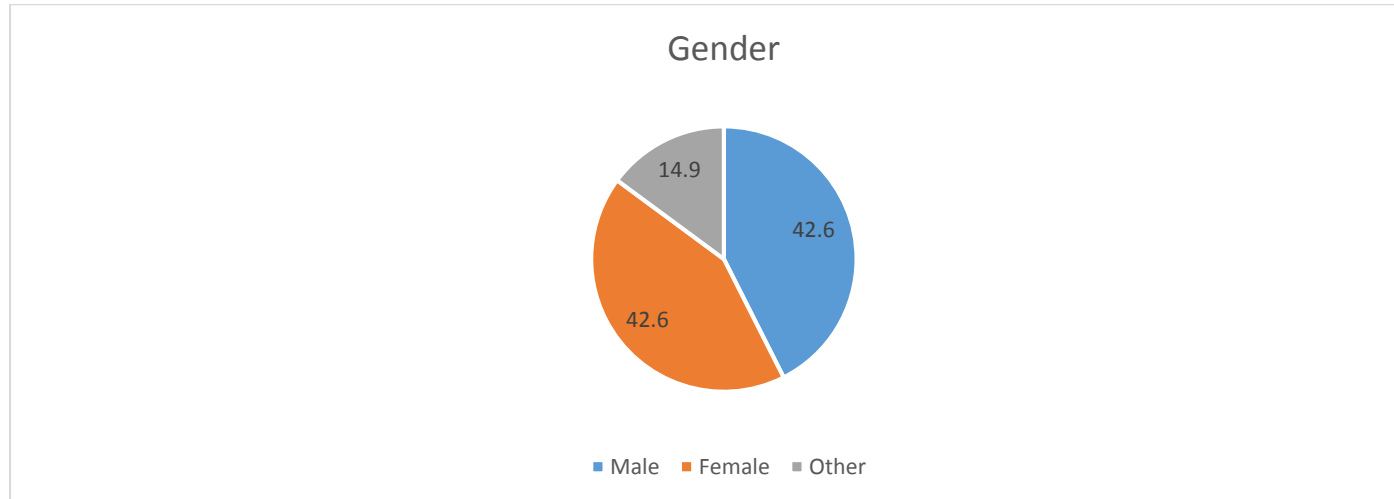
Knowledge transfer is influenced by the values, personality, culture and experiences of the individual who is knowledge rich. Most importantly the sharing of knowledge is highly affected by the receiver of the knowledge

[1]. However, knowledge sharing is not expensive but rather time consuming and difficult [15]. Furthermore, knowledge is a valuable resource for any organization. However, after employees have transferred to other employees, the next step is the application of that knowledge. Employees are not transferred knowledge so that they have it and do nothing with it. They must use it so that the organization can be competitive in the market and have skilled employees. However, there must be infrastructure that support knowledge transfer, capabilities of the employees and effective management [8]. Furthermore, there is no a right way that can be used to share knowledge within the organization. Moreover, sharing of knowledge within the organization is dependent on the culture and style of the organization

### **III. RESEARCH METHODS**

This study adopted a quantitative approach whereby 47 SMMEs were given online questionnaires (google forms) to fill out. The responses were automatically analysed. The SMMEs that were given these questionnaire were given during the business and computer lessons that are conducted every Friday at the University of Johannesburg. This project is tailor made for SMMEs that have signed up with Enactus University of Johannesburg. The questionnaire had two sections, Section A covered the biographical information of the participant and Section B was the main questions. Section B had 5 options (strongly disagree, disagree, neutral, agree and strongly agree). Participants were only allowed to make one selection.

### **IV. FINDINGS AND ANALYSIS**



*Figure 1 Gender*

With regards to gender, 42.6% is reported to be males and another 42.6% is females. The remaining is for those who did not want to disclose if they were either male or female. It seems like there is a balance between genders with regards to urban farming in Gauteng Province. Back in the olden days agriculture used to be a male dominated industry but now things are changing. This industry can be having a high number of female tapping into it. This can be as a result of the endless training that are given to females and the BEE strategies that promote the previously disadvantaged people. Black woman are getting more attention within the country. There is a lot of funding that is going to enterprises that are dominated by black females. Another reason can be that most of these farmers started farming in their backyards, then later started commercializing their produce. With regards to the 14.9% that started other can be because they did not want to disclose their sexuality.

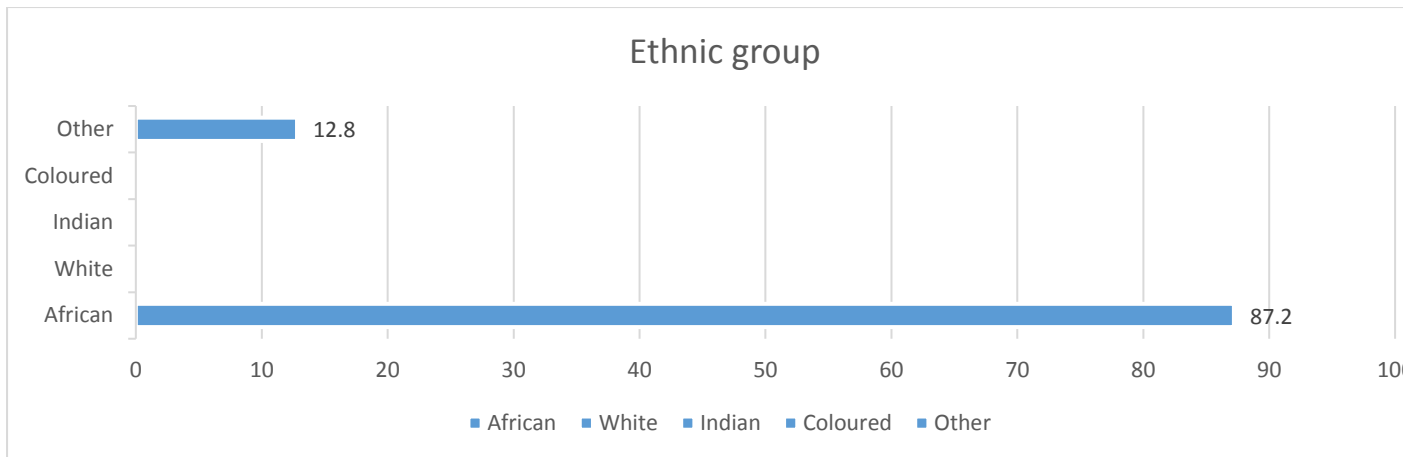


Figure 2 Ethnic group

87.2% has been discovered that they are African, followed by 12.8% who classified themselves as other. Participants were dominated by Africans. This might have been like this because Soweto is dominated by Africans. Most of the farmers reside in Soweto and nearby townships. Those townships are dominated by black people. It is rare to find other ethnic groups. Even during their agricultural workshops that are held at the University of Johannesburg you only find Africans.

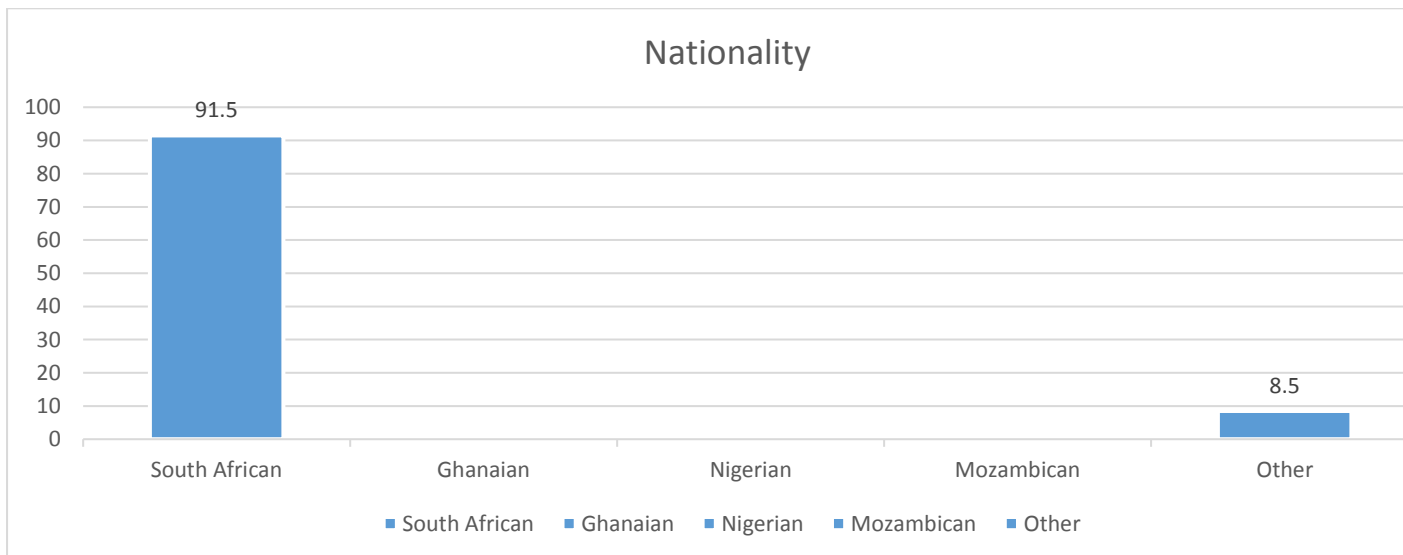


Figure 3 Nationality

With regards to nationality, 91.5% have classified themselves as South Africans, while 8.5% have classified themselves as other. In elaborating, they stated that they are from Zimbabwe and Lesotho. Most of the foreign nationals venture into other industries such as manufacturing. Agriculture can be a challenge because they do not have land. Most of South Africans go to Soweto and nearby areas when they urbanize with the intention of looking for employment or seeking a better life.

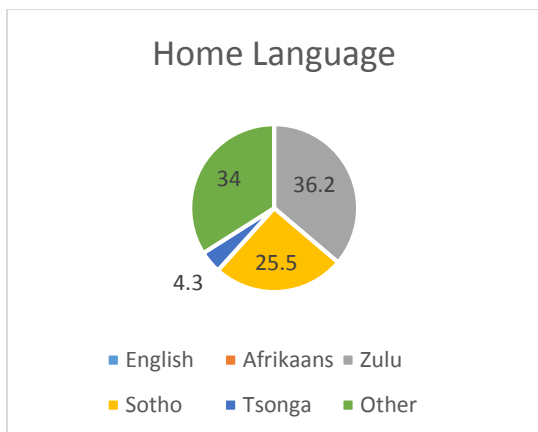


Figure 4 Language

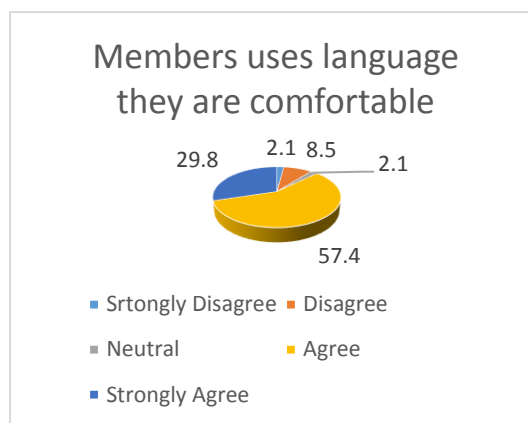
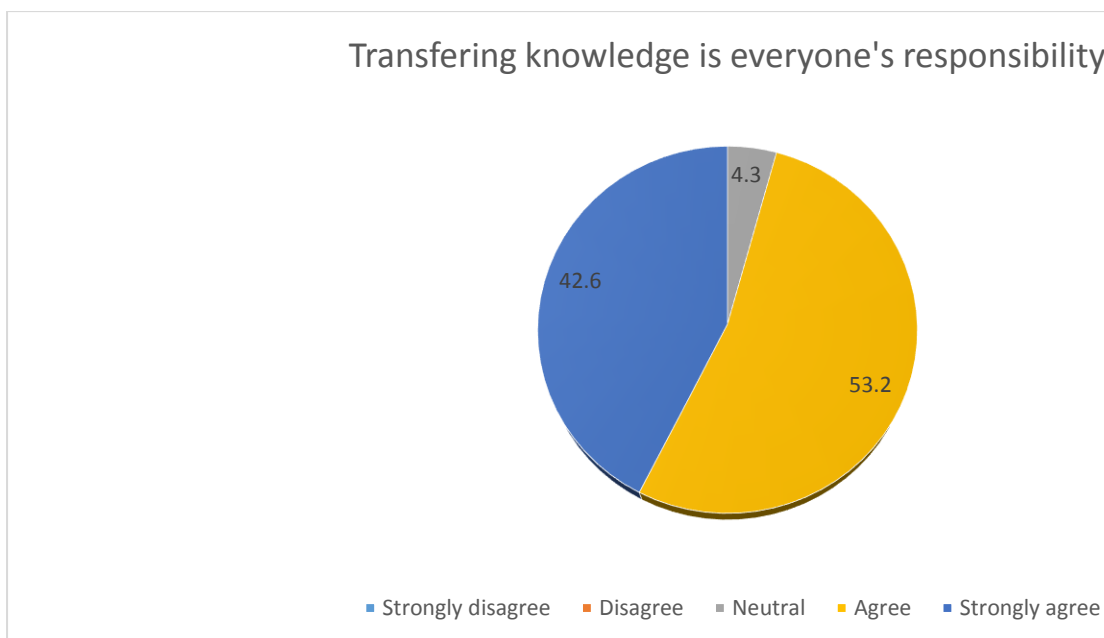


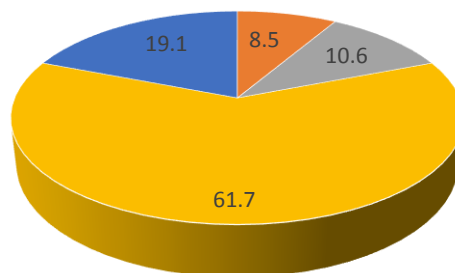
Figure 5 Language of communicating in the organization

36.2% speak isiZulu, followed by 34% who said their home language is other, 25.5% speak Sotho and the remaining 4.3% speak Xitsonga. This is clear that there is diversity within the organizations. 57% indicated that they agree that they use the language they understand the most. While 29.8% responded that they strongly agree that they also use the language they are comfortable. The remaining were neutral, disagree and strongly disagree. This is so because South Africa has 11 official languages. However, if they speak different languages this may happen that some of them are not heard as they do not have a common language or rather everyone having his or her own language. It might happen that other employees do not hear other languages within the organization. These findings are impressive because more than half of the participant indicated that they use the language they are comfortable in. However, the remaining disagree that they use the language they are comfortable in. Others even stated that they strongly agree that the language they use make the comfortable. However, residents of Soweto usually speak iSiZulu fluently even if they are not Zulus, but this does not mean these people feel comfortable speaking it. Others may hear it but struggle to speak it or read and write it. However, this diversity is good because it means different people with different skills come together and work in one organization. Everyone will have something to share within the organization. However, these employees must hear each other when they communicate or else knowledge transfer may not be effective or not possible at all.



Respondents perceive knowledge sharing as follows: 42.6% strongly agree while 53.2% states that they agree, 4.3% are just neutral. Clearly they understand that knowledge sharing is very important in the organization. Only 4.3% indicated that they are neutral to the question of transfer knowledge as a responsibility for every in the organization. The remaining agreed that transferring knowledge is everyone's concern. Employees acknowledging and understanding the importance of sharing knowledge will make them to be more willing to transferring the knowledge that they have to other employees.

### Regular meetings are held so that all members may give feedback



■ Strongly disagree ■ Disagree ■ Neutral ■ Agree ■ Strongly agree

With regards to regular meetings that are held in the organization with the intention of giving feedback on everything that employees did, 61.7% indicated that they agree that they have regular meetings while 19.1% states that they strongly agree. 8.5% disagree and 10.6% are neutral. Majority of the participants indicated that they do attend regular meetings. These meetings help build confidence, trust and they promote a culture of socializing within the organization. These feedback meeting will make employees to report on everything that they did and the mistakes that they did while working. This will make knowledge transfer to be effective within the organization.

## V. RECOMMENDATIONS AND LIMITATIONS

[10], discussed that tacit knowledge should be extracted from employees and be documented. All employees' experiences should be documented so that the knowledge should remain within the organization. Employees should be informed that knowledge belongs to the organization, therefore they should not hesitate transferring knowledge to other employees. Those who are receiving knowledge must also have a good attitude towards the individuals who are knowledge rich and trying to share it. This will build a good relationship between the sharer and the receiver of knowledge. Management must emphasize the importance of sharing knowledge within the organization. They must also make sure that teams functions properly. They must offer a helping hand when they are needed by their employees. Meaningful and constant feedback meetings must be made within the organization. This will make all employees to transfer their knowledge. They must also use the language they all feel comfortable to communicate as this will make knowledge transferring effective. [13], discussed that employees should be allowed to communicate within the organization. They should constantly communicate with each other anytime. This will make them to share knowledge as much knowledge as they can. Distance also play a vital role in the success of knowledge sharing. Employees should not be apart from each other. They must be allowed to mingle with each other. This study is limited to agricultural SMMEs that are based in Gauteng, under the city of Johannesburg municipality.

## VI. CONCLUSION AND IMPLICATIONS OF THE STUDY

Knowledge Management plays a significant role in the success of the organization. Both the employers and employees of the organization should share their tacit knowledge as this will make them to gain a competitive edge over their competitors and they will be innovative. The more they share tacit knowledge is the more they will create new knowledge that they can further use in their SMMEs. However, agricultural SMMEs must be aware of the barriers of knowledge transfer. If they know they will be able to overcome them. This study has discovered that there must be effective communication within members of the SMMEs. It was found that more than half of members of the SMMEs think that knowledge transferring is everyone's concern. As this study was limited to only agricultural SMMEs, a replication study in other sectors must be done. This will help us find out if other sectors see things the same with agricultural SMMEs.

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## Biography

Mr. Lawrence 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.