

Knowledge Management at SMEs: Commonalities and Improvements

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Sharing Knowledge is Power Multiplied

The importance of knowledge management are commonly undermined in organisations, especially Small and Medium Enterprises (SMEs). Unlike large corporations, SMEs tend to have limited resources, and less complex needs for their knowledge management. Comprehensive knowledge management involves the selection and effective utilisation of information - not just for the organisation to operate seamlessly, but for learning and strategic planning to take place. We highlight the common practices of knowledge management observed in SMEs and thereafter the improvements that companies can consider, to thrive in their organisation performance.

Learning the Know-Hows

The knowledge management process generally entails the stages of gathering, storing, sharing and application of knowledge. In SME settings, knowledge management occurs most primarily through the mode of socialisation where stakeholders interact with one another. Employees in SMEs work closely alongside one another whereby departments are relatively smaller. Departments can sometimes be single-represented, or have staff taking multiple roles. Communications within their counterparts happen spontaneously and frequently, allowing for knowledge creation and sharing to take place as staff do so. While large corporation hold trainings to impart knowledge, the skills, operating procedures and expertise are passed down in less formalised settings. The advantage that SMEs have with an **'open'** sharing culture is that knowledge gets transferred more efficiently amongst staff, hence facilitating immediate application of the knowledge.

Besides, SMEs also look to the external environment as a source of knowledge due to limited resources in building in-house knowledge-generating capabilities. Companies often leverage on the relationship built with their suppliers and partners that they work closely with. Through their interactions and observations, they collect readily available information as solutions to improve their existing functions. When it comes to using technology, most SMEs adopt automation to manage the information used to facilitate their operational efficiency, such as the systems that can generate reports to minimise manual work, and capture information exchange between stakeholders.



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Collaborate, Consolidate, Communicate

Where knowledge sharing is involved, SMEs should look into further strengthening the retention of the information generated within the organisation through their interaction platforms. This may involve putting in place the documentation of information generated from internal or external discussions, and having storage tools like intranet systems and shared drives. It not only provides ease for information to be accessed repeatedly, but allows companies to value ideas that were contributed for future development and decision-making. One other common missing aspect is the act of combining information derived from both internal and/or external sources to value-add existing business performance. SMEs can explore structures and platforms into their business processes. This includes adopting software programs that are customised to generate results that tracks the business performance, such as customer satisfaction rate and footfalls. Doing so may help to highlight business needs and allow the company to better allocate resources. The knowledge system should also consist of appointed individuals or a task force that plays the role of ensuring that information collected and stored is being consistently evaluated and act upon to drive improvement for the organisation.

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Reference:

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