

Trends in Knowledge Management Methods in Small Medium-Sized Enterprises (SMEs): Review Article

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Abstract: The past two decades have shown significant growth of research in the field of Knowledge Management (KM) in support of Decision making. This review reveals that there has been successful development and implementation of KM Methods in Large organisations and SMEs in advance economies and emerging economies and a low adoption of KM practices in SMEs in resource constrained areas. On the other hand, there has also been significant growth and improvement in affordable and reliable Information and Communication Technology (ICT) infrastructure and platforms in resource constrained areas, creating significant opportunity for Implementation of KM and its benefits. In this review paper, advancements of knowledge Management methods over the years is presented and their adaptability to support Small Scale Enterprises in resource Constrained areas is also examined. The major contribution of this paper is that it presents a Summary and Comparative analysis of the different approaches and to what extent knowledge Management been applied in Large Companies and SME's in advanced economies and emerging markets, it identifies challenges and makes recommendations for appropriate knowledge management methods for resource Constrained areas. There is a general observation that most methods reviewed are both communications-driven and data driven and require heavy network infrastructure and hence creating resource challenges for organizations. In addition many have been developed with the basic assumption that work flow procedures and guidelines are documented and automated, this creates challenges for adaptability. The paper has 4(four) Main Sections (i) Introduction which presents an overview of the Importance of Knowledge Management to SME's (ii) Trends in KM in SME'S (iii) The Comparative Analysis of Knowledge Management Methods in SME's shall be discussed in Chapter 3 (iv) Recommendations of Future Work and Conclusion in Chapters 4.

Keywords: knowledge management methods, small-medium scale enterprises, resource constrained areas, decision making

1. Introduction

1.1 SMEs and knowledge management

Knowledge is at the heart of much of today's global economy and managing knowledge has become vital to companies' success (Drucker, 1998; Kluge, Stein, & Licht, 2001). There is tremendous growth of SME's in Developing Countries and to survive in the global economy, small and medium enterprises (SMEs) have to improve products and processes, exploiting their intellectual capital in a complex network of knowledge-intensive relations inside and outside their boundaries. The real question is how can a company systematically exploit all dimensions of knowledge and fully utilize them to improve revenues, profits and growth (Kluge et al., 2001). Why should Small Medium Scale Enterprises (SME's) in developing countries manage their knowledge? Should they really make an effort at incorporating knowledge management (KM) into their organisations? Are the so called issues of knowledge management not already being covered under information management? Are they not just information technology (IT) issues? Managing knowledge is not being covered under information management, one of the obvious reasons being that knowledge is not identical to information. According to (Nonaka, 1991) knowledge also composes of experiences and skills needed to fulfil particular tasks. Hence for SME's it is the art of transforming information and intellectual assets into the enduring value for an organisations or enterprises customers and people. Knowledge Management in SME's is also building a knowledge sharing culture where knowledge can exploited efficiently and hence enhance commercialisation and innovation.

According to (Hislop, 2013) Knowledge is now the most important and valuable resource in the advanced industrial economies. Secondly knowledge represents the most important economic asset that business organizations possess, and that it is the prime determinant of innovativeness and profitability. When managed effectively knowledge enables an organisation to reduce the product-time to market, by being able to make good decisions based on the right knowledge and information, prevent valuable knowledge from walking out of