

The Importance of Knowledge – from the Perspective of SME Leaders in Nitra Region at the Time of COVID-19 Pandemic

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Abstract: The aim of our research is to assess the opinion of the leaders of SMEs in the Nitra Region about the concept of knowledge and the importance of its sharing. We used a structured in-depth interview to prepare the practical part of our research. We were able to conduct a total of 75 interviews using various online platforms. The results of our research have shown that most owners expect their employees to share their knowledge with them. In contrast, less than half of them share their own knowledge with their employees. More than 20 percent said, that an employee had already withheld knowledge important to the company. It was also indicated in such a proportion that the transfer of knowledge isn't rewarded in any way. If an employee isn't properly motivated, he/she will not share his valuable knowledge in future. The employee should feel the success of the organization as his or her own. Appropriate communication between subordinates and senior management should be established to support knowledge sharing. Based on the majority of owners, there is nothing hindering the transfer of knowledge in their organization – previous research does not confirm this.

Keywords: knowledge; knowledge management; small and medium enterprises; leader; Slovakia

JEL Classification: D80; D83; D89

1. Introduction

The importance of knowledge was also evident in the rudimentary forms of society. Think of the tribes for whom those with different knowledge (e.g., shamans, healers) enjoyed great respect in their own community. But such were the masters, or later the doctors, priests, and teachers.

In general, it can be said that the management of knowledge is not new among organizations either, however, in the past this was not due to conscious planning and management. As one of the prominent branches of management, knowledge management is already a planned and conscious process that ensures the survival and even development of companies (Rácz & Magyar-Stifter, 2015; Nagy & Velencei, 2019; Maris, 2020; Galabova et al., 2021).

There are several perceptions of the concept of knowledge organization. One view is linked to Dahlberg's name and the International Society of Knowledge Organization (ISKO) – she created. In 1989, the institute used first the term Knowledge Organization (KO). The term

quickly became accepted in the field of layout and classification. The term they coined is now a widely used Komarov at universities, informatics, research institutes, professional journals, conferences, domestic and international companies too. Dahlberg (1998) has previously stated that knowledge organization involves the organization of knowledge units (concepts) and related objects in order to systematize and share our knowledge with others. Dahlberg (2006, online) later stated that knowledge organization is the science of organizing and arranging concepts based on characteristics. The organization aims to promote knowledge organization through various tools such as databases, libraries, dictionaries and the Internet. Its members are mostly philosophers, linguists, computer scientists and other experts in the field of science (Hjørland, 2016; Ohly, 2012; 2018).

Nevertheless, the concept of knowledge organization used in the literature has become confused with the term knowledge management and has become synonymous with it. On this basis, the concept of knowledge organization means more than the storage and making available of knowledge. Accordingly, the term knowledge organization is used hereafter as a synonym for knowledge management by the authors of the present study.

In order for companies to be successful, they definitely need to manage their internal knowledge properly. Companies need to be aware of their goals. They need certain tools to achieve these goals. The most important of these is knowledge itself. Another question is how consciously managing this knowledge is in each company. In our opinion, to this day, there are companies – especially the smaller ones SMEs – that do not consciously manage knowledge, just "float before their eyes" to achieve their goals and therefore do everything they can (including striving to acquire, preserve, multiply the knowledge). However, the term knowledge management is already used to manage consciously designed knowledge. This branch of management is relatively young, and professionals began to work on the subject in the 1990s (Davenport & Prusak, 1998; Ganguly et al., 2019; Mura, 2020; Sánta, 2021).

A number of definitions have emerged in relation to knowledge management. According to the classical interpretation of Davenport (1996) and Gholami et al. (2013) by managing human knowledge we mean all activities including mapping, collecting, organizing, sharing, further developing and effectively utilizing the accumulated, documented and implicit knowledge, expertise and experience within an organization.

2. Methodology

The aim of our research was to assess the opinion of the leaders of SMEs in Nitra Region regarding knowledge management. We wanted to examine all this in the special situation caused by the current COVID-19 pandemic.

To achieve our goals, we chose the interview as one of the qualitative research methods. We conducted a structured interview and formulated our questions so that they could be easily analyzed. This also saved time and energy, as it was relatively easier to organize and analyze responses – using this method.

During the interview, we used open-ended questions that allowed us to interpret simply. Our research was conducted in the Nitra Region between December 23 and March 31, 2020 (100 days). Due to the pandemic, we used online applications to conduct the interviews

(Messenger, Meet and Zoom). We have tried to adapt to the needs of leaders regarding the platform. We recorded the answers, and then we started checking and processing them. We used Microsoft Excel to describe the answers we received.

The aim of our research was to examine the views of owners on knowledge sharing. A total of 85 managers responded positively to the request, but one-person-enterprises ("self-employed") could not be considered because they did not have employees. In some cases, the interview was canceled. Thus, we were finally able to work with 75 responses during data processing. Our interview consisted of 12 open-ended questions consisting of two main sections. At first, we were interested in demographics. Then we wanted to examine the main area we examined - knowledge management - based on the answers.

We assumed that owners who characterize knowledge with positive attributive are more likely to share their personal knowledge. For examining this we formulated one hypothesis: There is a relationship between the characterization and the actual knowledge sharing of owners. For testing the hypothesis, we used Fisher's exact test – since our date could be summarized in a 2x2 table. We used a significance level of 95% (α = 0.05) when testing the hypothesis.

In our research, we had to reckon with some limitations. These included material and time constraints, which limited our research in several ways. A further disadvantage of a structured interview is that it is not possible or only minimal to deviate from the pre-prepared interview outline. In addition, the lack of personal presence during the interview may have reduced trust in the interviewees.

3. Results

In this part of our study, we describe the results of our qualitative research in more detail, which we prepared based on the responses to the interview questions. In our first two interview questions, we wanted to assess several factors. Some of these are summarized in the table below. Based on the results, men (66.2%) were in the majority compared to women (33.8%). The result is in line with the generally accepted fact that the majority of entrepreneurs are men.

Regarding age, the respondents indicated a specific number, but from these we created groups using the generational grouping based on the work of Berkup (2014). However, we made a change from the original theory. The oldest members of "Generation Z" were born in 2009 (Garai-Fodor et al., 2021). However, in our research, we marked 2002 as the upper limit for "Generation Z" because only individuals over 18 years of age could complete the interview. In the end, this group finished in last place (6.0%). In our opinion, this is not a coincidence, as in many cases it takes a few years of experience to start a self-employed business (Godany & Mura, 2021; Timonen et al., 2018). The highest proportion were individuals born between 1980 and 1994 (41.8%). They were followed by individuals born between 1965 and 1979 (38.8%) and then by individuals born between 1946 and 1964 (13.4%). We could also determine the mean age, which was 42 years. The standard deviation was 11, the median was 43, and the mode was 39.

In our opinion, the proportion of the older generation may be even higher, however, they may run a company that does not have an absolute need for the internet, so we could not reach them with the interview. This is despite the fact that although they have an e-mail address, they

are only used for the necessary things (e.g., to order raw materials, products) and for these relatively infrequently. In our opinion, the higher representation of the older age group can also be explained by the change of regime, as this may have greatly influenced the entrepreneurial spirit at that time.

We also wanted to survey general information about companies. One of the essential data is the number of employees, based on which we can also identify the size of the company. Based on the results, micro-enterprises predominate (80.5%). This is followed by small companies (13.0%) and medium-sized companies (6.5%).

Regarding the age of the company, our subjects indicated a specific number, but we used to group again. In this case, the individual groups were not compiled on the basis of previous theories, but on the basis of the answers obtained. This is how the starting year for the foundation was 1989. However, this cannot be a coincidence, as it was a year of regime change. However, the proportion of companies set up between 1989 and 1999 is not the highest (21.2%). Based on our results, most (38.6%) companies were founded between 2010 and 2019. This is followed by companies formed between 2000 and 2009 (30.7%). Last place was taken by the companies that were founded in 2020, but overall, their share is high (12.0%). We could also determine the average age of the companies, which was 12 years. The standard deviation was 10, the median was 11, and the mode was 1.

Gender		Number of employees		
Male	66.2%	1-9	79.2%	
Female	33.8%	10-49	14.3%	
Age group		50-249	6.5%	
1946-1964	13.4%	Found	Foundation	
1965-1979	38.8%	1989-1999	21.2%	
1980-1994	41.8%	2000-2009	29.9%	
1995-2002	6.0%	2010-2019	37.7%	

2020-

11.7%

Table 1. Demographics of business leaders and basic characteristics of companies

We also wanted to assess in which sector the companies of the sample operate. According to the results, most of them (13.0%) are trading. At the same time, the construction industry also reached 13.0%. This is closely followed by other services (12.9%). Services that did not fall into any of the categories used were included here. This was followed by telecommunications with 10.4%. The share of companies engaged in transportation and manufacturing was the same (9.1%). The proportion of companies in other categories that did not provide services – but could not be classified in any of the main categories – was the same (9.1%) too.

At the beginning of our interview, we also asked our subjects what prompted them to undertake. Based on the responses received, we were able to distinguish 3 main and one other category. Most of them (33.7%) decided to start their own business because of their independence. Some respondents had a bad experience as an employee in their previous job. There have also been individuals who – as they claimed – have always wanted to be independent and now can't even imagine not being in control.

The group of forced entrepreneurs (22.1%) included those subjects who – according to their claims – were forced to start a business solely on the basis of subsistence. One of the main reasons for this was that their previous jobs had ceased and so they were trying to solve the shortage of money that arose from the situation. Our next group includes companies that started their own businesses because of an emerging opportunity (22.1%). Part of this group founded their company in the early 1990s, but there were also young individuals with an entrepreneurial spirit who saw the opportunity in 2020. While in the previous case the change of regime brought the appropriate changes, the latest entrepreneurs were inspired by today's extraordinary awareness and endless wealth of opportunities. While for some it was "chaos", for others the pandemic provided a unique opportunity. Some of the owners (22.1%) could not be classified in any of the categories, as other or mixed reasons were given.

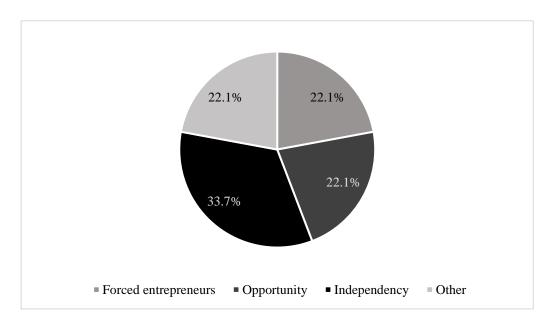


Figure 1. Motivation of entrepreneurs to start a business

The third question of the interview was already related to knowledge management. We asked SME leaders what they though about knowledge sharing. We received a variety of responses, however, we tried to categorize each response into as few categories as possible. As a result, we were able to classify the responses of our subjects into three main groups.

Based on the "Figure 2", it can be said that more than half of the owners (53.2%) attributed the knowledge to the word "important". A further 32.5% characterized it by a positive attributive. Among the individual answers, the following attributives can be highlighted: "useful", "good thing", "essential" and "indispensable". Some of these individuals also indicated that they would be happy to share their own individual knowledge with their employees - although we asked this separately in the next question. On the other hand, 14.3% of respondents described knowledge sharing as something negative. We listed there the responses that call for caution too — they highlighted that knowledge is "double-edged," so we need to think about with whom and what we share. There have been individuals who told that sharing knowledge is "dangerous" because everyone interprets it

differently and can only work with proper communication. In our opinion, these answers can be considered positive too, since they contain some truth. The attitude of these individuals is understandable, because they are just careful about what they share.

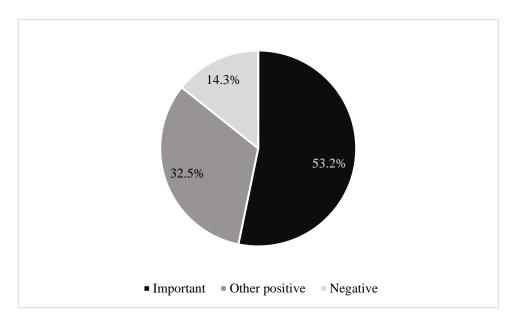


Figure 2. Entrepreneurs' views on knowledge sharing

To draw further conclusions, it is also important to look at the results of our next question, which specifically examined whether individual owners share their individual knowledge with employees. The responses of our subjects were classified into categories based on Figure 3.

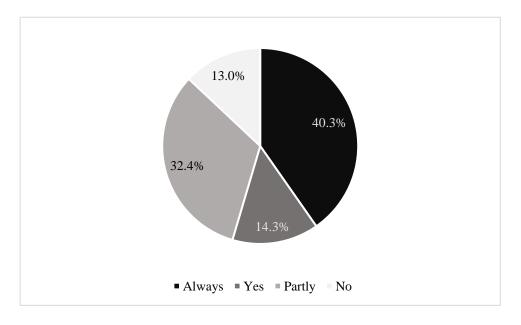


Figure 3. Do you always share your knowledge with your employees?

Based on the results, 40.3% of the owners stated that they always seek to share their knowledge with their employees. A further 14.3% answered "yes". These two categories can

actually be examined together, yet we made a distinction between them to show the slight difference between the meaning of them. Nearly one-third of the subjects (32.4%) stated that they did not share all their knowledge, while a further 13.4% answered "no". The majority of respondents argued that it is not necessary to pass on all their knowledge to employees in order to do their job properly. Some were outright afraid that their valuable knowledge would be used against them in the future. In this case, the subjects thought that employees could go to competing companies or even start a self-employed business. Overall, the results are also positive and cannot be judged by owners who treat their individual knowledge more carefully.

We wanted to examine the relationship between how the owners characterize the knowledge and if they share it or not – based on their answers. We had to aggregate some of the groups seen in Figure 3 – since the criteria for executing Pearson Chi-square test were not met. The categories seen at Figure 2 were aggregated too (positive – negative). The results are presented in a cross-table (Table 2).

Table 2. Relationship between the characterization and the actual knowledge sharing of owners

		Sharing the knowledge		
		"Not" or "partly" sharing	"Yes" and "always" sharing	
Characterizing the	Negative	81.8%	18.2%	
knowledge	Positive	39.4%	60.6%	

According to the results it is apparent that there is a relationship between the characterization and the knowledge sharing of owners. The ones who characterized the knowledge with positive attributive were more likely to share their knowledge (60.6%). On the other hand, those who characterized the concept "knowledge" with negative attributive were more likely to "not" or just "partly" share their knowledge (81.8%).

It is not likely that the above mentioned results are coincidental – since the ditribution is solid – but can proven by Fisher's exact test (Table 3).

Table 3. Fisher's exact test

	Value	df	Asymp. Sig. (2- sided)	Exact Sig. (2- sided)	Exact Sig. (1- sided)
Pearson Chi-Square	6.844	1	.009		
Continuity Correction	5.240	1	.022		
Likelihood Ratio	7.173	1	.007		
Fisher's Exact Test				.019	.010
Linear-by-Linear Association	6.756	1	.009		
N of Valid Cases	75				

According to Fisher's Exact Test the significance is 0.19 – Exact Sig. (2-sided). This is smaller than 0.05, so there is a relationship between the characterization and the actual knowledge sharing of owners.

In question 5, we asked owners if they expect their employees to share their knowledge that is essential to the company. Based on the responses received, 9.1% said they expect this in every case, while a further 81.8% also said "yes". Only 6.5% of owners indicated that they only partially expect their employees to share their personal knowledge that is important to

the company. Within this, some responded that only if it "makes the job run smoothly" and "if it affects the company". Our question specifically wanted to survey opinions about this type of knowledge sharing, so we can actually consider these answers to be "yes" as well. Only 2.6% of owners indicated that they not expect their employees to share knowledge important to the company. In our opinion, we got an overall result that could be expected. For every company, there is knowledge that is essential for trouble-free operation. Sharing these should be a basic requirement.

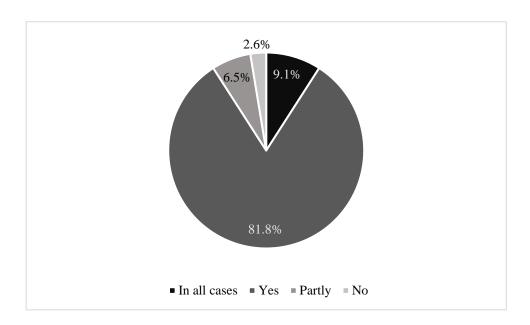


Figure 4. Do you expect employees to share their knowledge with you?

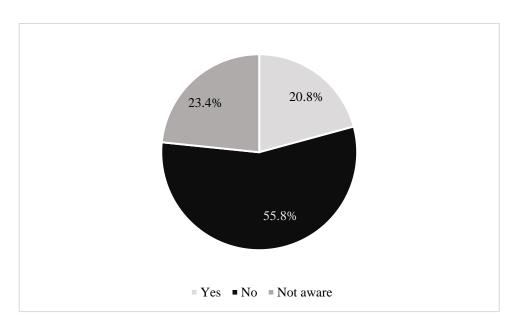


Figure 5. Were there any examples of your employee silencing important individual knowledge?

In the following, we also asked the owners if an employee had already silenced important data, information, or knowledge. We tried to categorize the responses received from the subjects into as few categories as possible. The responses received could eventually

be divided into three main categories. The majority (55.8%) of owners it has never happened before at their enterprises. Unlike the above, in the Figure 5, the respondents with "no" are marked in black this time, because the answer "no" is a positive phenomenon (that employees do not withhold knowledge from the manager). Only 20.8% said that such a case had already occurred. Another 23.4% are unaware that an employee has withheld important information, knowledge in the past or not.

Individuals who claimed to be aware of such a case were also asked what the employee's motive was. Most (25.0% of those who answered "yes") stated that employees had withheld valuable data, information or knowledge due to "laziness". 18.8% cited "jealousy" as a reason. Furthermore, "fear" and "selfish interest" were cited as further reasons by the owners. In one case, an employee of a company joined a competitor, causing great damage.

Owners were also asked about the means by which they motivate the transfer of knowledge within the company. Subjects gave extremely colorful responses, but these were categorized into six main categories and one "other" category. The latter included responses that could not be grouped into any of the main categories. Some responses fall into more than one category, so there may be overlaps. Based on the answers, the most common (39.0%) motivating tool is the cash benefit. 19.5% of owners said did not reward the transfer of knowledge with anything. Other motivational tools were listed by 10.4%. Of the other options, "day off" should be highlighted, which was mentioned by 3.9% of all respondents. This is 37.5% of the responses in the "other" category. Learning and development opportunities were mentioned as a tool in a small proportion (6.5%). It is worth mentioning three more categories - these are "praise, appreciation" (16.9%), "conversations" (15.6%) and "creating a good atmosphere, improving cooperation" (9.1%).

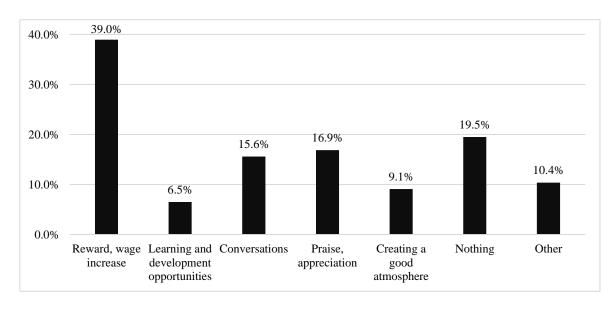


Figure 6. Motivating the knowledge sharing

In our next interview question, we asked managers what they thought was the biggest barrier to knowledge sharing. Based on the responses received, we were able to develop seven categories and one "other" option. The responses received are detailed in Figure 7.

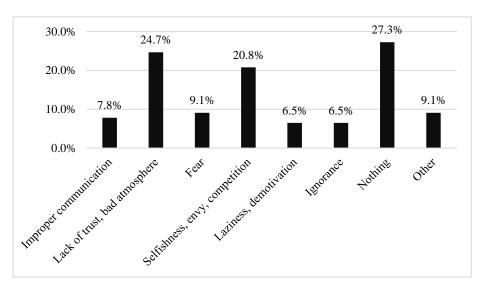


Figure 7. Barriers to knowledge sharing

Based on the results, most (27.3%) think "nothing" affects it Furthermore, only one person mentioned lack of time, so we classified it into category "other". In our opinion, this may not be a true reflection of reality, as former studies – Siuta-Tokarska (2013) and KPMG (2014) - identified lack of time as the biggest disadvantage of knowledge management. In the case of the former, 64% of companies indicated that lack of time was the biggest impediment, while in the latter 58%. It is necessary to add that the former research examined large Polish companies, while the latter examined Hungarian companies that already included SMEs. According this, companies should pay more attention in the future to allow time for knowledge transfer. They have to make sacrifices in the short term, but it can pay off in the long run. Careless knowledge can easily find "prosperity" elsewhere. In second place (24.7%) was a lack of trust and a bad atmosphere. 20.8% of owners think that selfishness, envy and competition can also cause problems.

4. Discussion & Conclusions

The aim of our research was to assess the opinion of the leaders of small and mediumsized enterprises operating in Nitra Region of Slovakia, about the knowledge and the importance of sharing it during the pandemic. For all this, we conducted a structured interview, which was conducted online due to the current situation caused by the pandemic. In addition to the difficulties, we can generally appreciate this solution, as it has managed to overcome geographical distances. This saved time and money.

90.9% of owners expect their employees to share their valuable individual knowledge with him. In contrast, only 40.3% said they sought to share their knowledge with their employees in all cases, while a further 14.3% answered "yes". However, this is understandable in some ways.

20.8% of managers said that their employee had already withheld some knowledge. It is important to highlight that 23.4% of managers were not entirely sure if such an incident had occurred – they said they were unaware of it. Based on these, it is possible that some of the cases will never surface and remain hidden from the owners.

19.5% of owners said they rewarded the transfer of knowledge with nothing. Knowledge sharing should be encouraged, because if an employee is not properly motivated, it may easily be that after a while they will not share their valuable knowledge with their supervisor because they do not see the point of it. If the position of the individual is not at risk and the incentive is lacking, it is unlikely that he/she will seek to put the company in a better position. It is important for the employee to feel the success of the organization as their own success. In order to support the willingness to share knowledge, it is essential to identify the appropriate channel of communication between subordinates and senior management.

Based on the results, most owners (27.3%) stated that there is nothing hindering the transfer of knowledge in their organization. Only one leader identified lack of time as a barrier to knowledge transfer. In our opinion, the lack of time is certainly present in most enterprises, so the results obtained based on the responses of managers do not faithfully reflect reality. This is also confirmed by the research of Siuta-Tokarska (2013) and KPMG (2014). Based on the results of the former 64%, and according to the latter 58%, the lack of time was firstly ranked in the list of factors hindering the sharing of knowledge. However, we should also add that the former research examined large Polish companies, while the latter examined Hungarian companies that included SMEs. Furthermore, some time has elapsed since that research, but such an improvement is unlikely. In light of this, we recommend that enterprises to devote sufficient time to knowledge transfer. This can be costly in the short term (time, energy, money) but can be a worthwhile investment in the long run. Owners ranked third (20.8%) that selfishness, envy, and competition can also hinder knowledge sharing. It would be worth improving this in the future. We can mention communication again, which can have a positive effect on this problem.

Among our future plans is to use a questionnaire to look at the opinions of employees, which we could compare with those of managers. We would also like to conduct research in other V4 or Western European countries.

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Conflict of interest: none

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