

**Evaluation of Knowledge Management Processes in South  
Mediterranean Region Small and Medium Sized Enterprises:  
Lebanon Case**

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**Abstract.** The purpose of research is to provide an evaluation of knowledge management processes in South Mediterranean Region for small and medium sized enterprises with its main focus on Lebanon case. In the context of transformations, knowledge management processes evaluation appears to be an effective tool for increasing the efficiency of the activity of organisations. The scientific literature analysis concerned with knowledge management processes along with the comparative analysis conducted, reveal that the absence of the application of knowledge management might have some destructive consequences for small and medium sized enterprises. Finally, the paper points out suggestions for the Lebanese enterprises that will have a positive approach towards the implementation of knowledge management cycle, which allows complex assessment of external and internal factors of processes and composing a set of decisions for improving cycle of knowledge management in small and medium sized enterprises.

**Keywords:** knowledge management, processes, evaluation, enterprise, Lebanon.

## **1. Introduction**

The evaluation of knowledge management processes is an indispensable component of knowledge management. An effective evaluation of knowledge management processes will allow owners and managers of the Lebanese small to medium sized enterprises to know the deficiencies in their management practices; caused by the lack of the implementation of knowledge management. In the context of transformations, knowledge management processes evaluation appears to be an effective tool for increasing the efficiency of the activity of organizations. Knowledge Management as a fundamental factor impacts on organizational performance; but unfortunately, almost 95% of the Lebanese small to medium sized enterprises lack the implementation of knowledge management.

The aim of this article is to provide the knowledge needed about knowledge management conception; and to explain the importance of its implementation to small and medium sized enterprises. Also, knowledge management processes cycle will be analysed in this article, in order to show the importance of its implementation in the Lebanese small to medium sized enterprises. The scientific literature analysis concerned with knowledge management processes along with the comparative analysis will be applied in this research; in order to provide theoretical evidence on how the absence of the application of knowledge management; might have some destructive consequences for small and medium sized enterprises. A high emphasis will be given on the application of the knowledge management processes; through which, future suggestions for the Lebanese enterprises will be proposed, that in turn will have a positive approach towards the implementation of knowledge management cycle for the Lebanese enterprises in the future.

Knowledge management evaluation methods will be handled in this research paper; showing how each method can be applied in the evaluation process of knowledge management processes. This article can be used by researchers and

practitioners who are working in the field of knowledge management, and by owners and managers of small and medium sized enterprises who consider the implementation of knowledge management in their organizations.

## 2. Knowledge Management Conception

Knowledge is an intangible resource and has become the solution to success for organizations. As a result, managing knowledge has become the primary concern of researchers (Honarpour, 2017). The scientific field of knowledge management has witnessed its boom in the early nineties. It was referred by Davenport in 1994 in its early stages as in the quoted definition: "Knowledge management is the process of capturing, distributing, and effectively using knowledge (Davenport, 1994)." The definition by itself sheds the light on the procedure of detecting the valuable information, so it can be captured, stored to be distributed, and effectively being used.

Table 1. Definitions of knowledge management (created by author)

Author(s) year	Knowledge management (KM) definitions
Murni, Rahmat (2010)	KM refers to the set of processes or practice of developing the ability to create, acquire, capture, store, maintain and disseminate the enterprise's knowledge.
Eftekhazade, Mohammadi (2011)	KM refers to those actions that are systematically taken for the purpose of finding and organizing the intellectual wealth of the organization and making it accessible; and also for the reinforcement of a continuous education and learning system.
Cardoso et al. (2012)	KM has been defined as a strategy for managing organizational knowledge as a corporate asset and harnessing processes such as creation and acquisition, storage, share and dissemination, retrieval and use of tacit and explicit knowledge.
Zaim et al. (2013)	KM is defined as any practice of creating, acquiring, capturing, sharing and using knowledge to increase organizational performance.
Wang et al. (2014)	KM is a process of managing knowledge, which aim to manage existing and acquired knowledge assents to meet needs for now and develop

	opportunities in the future.
Bolormaa, Demchig (2015)	KM – deliberate activities taken to handle organization’s resources more efficiently in order to improve its performance.
Lee, Wong (2015)	KM involves the management, exploitation and development of knowledge assets with the aim of enhancing organizational performance.
Corfield, Paton (2016)	KM can be defined as the management perspective, and associated practical activity, intended to make the best use of the knowledge resources available to an organization to meet its productive opportunities.
Hasani, Sheikhesmaeili (2016)	KM is a process that enables organizations to formulate ways in the effort to recognize and reserve knowledge assets in the organization obtained from the staff of different sectors or colleges.
Lopes et al. (2017)	KM, it is the process of capturing, distributing, and effectively using knowledge.

Knowledge management has taken the attention of many researches (Murni, 2010; Eftekhazade, 2011; Cardoso, 2012; Zaim, 2013; Wang, 2014; Demching, 2015; Lee, 2015; Corfield, 2016; Hasani, 2016; Lopes, 2017). Knowledge management (KM) is the main significant competitive resource in each organization. Many researchers consider that businesses that can acquire knowledge and apply it more rapidly; will be more successful in competitive market (Shakeriana, 2016). Nowadays, many organizations are hiring knowledge managers, as the competitive environment necessitated a need to manage knowledge more effectively. Companies that operate in an international economy can no longer expect the success they have achieved in the past through their products and services to happen again; if they don’t use knowledge management in their business operations in the future (Migdadi, 2016). Hence, the failure and the success of business nowadays relies heavily on their ability to adopt; and if they don’t possess the right knowledge about how and when to make their move, they will remain in their places; watching their customers switching to their competitors. Knowledge management happens to

be the most significant resource that ensures a firm's stable growth (Lee, 2016). Hence, knowledge is the hidden wheel that rolls the entire organization in its various departments towards success.

Knowledge management is about providing the right knowledge to the right people. It's about ensuring that organizations are able to learn, retrieve, and use knowledge in the operations they choose, and in the time, they want. Organizations in the competitive markets always seek information in order to outperform their rivals. Their research and development departments are spending huge amount of time and money; trying to improve and develop their products and services.

The aim of KM is to improve the performance of businesses and their profitability (Wanga, 2016). Therefore, Knowledge management has attracted a huge interest in management research and practice, since it plays an important role in determining the organization's innovation capability (Wang, 2016). Moreover, organizations are always faced with changes, and they have to manage the knowledge they have in order to maintain their stability in the competitive market. Hence, Knowledge management is the key tool for organizations to overcome their rivals and to maintain growth stability (Ahmadya, 2016). Knowledge management is about understanding where and what are the forms of knowledge needed by organizations.

Indeed, there are different types of knowledge like explicit, implicit, tacit, procedural, declarative, and strategic knowledge. The explicit knowledge can be found and derived from reports, books, and manuals; this type of knowledge can be transferred easily and systematically. The implicit type is a form of knowledge that can be articulated but it's not yet articulated. The tacit type is difficult to formalize and hard to share with others, because it's embedded in the personal experience of the worker. Also, the procedural knowledge is a type of knowledge that manifests itself in the depth of experience and skill that is related to a certain task. The declarative knowledge consists of the ability to

describe figures, facts, and procedures. The last type in our stated types of knowledge is the strategic, which is knowing when and why to do something.

### **3. Importance of Knowledge Management to Small and Medium Sized Enterprises**

Knowledge management has become the most fundamental strategic factor in Small to medium sized enterprises (SMES), as it has an association with organization's capabilities to attain a competitive advantage (Edvardsson, 2012). Therefore, businesses have to look for ways to effectively manage this aspect, which imposes a significant challenge for smaller businesses, as these businesses usually have a shortage of the resources required to make the most out of their knowledge stock (Lin, 2014).

Knowledge management has been studied intensively; yet, there is a tendency to concentrate on large businesses and disregard SMEs' importance to several countries (Wang, 2016). Not only has the literature focused on large business; but the banking sector also. As in the rest of the region, Lebanese financial institutions remain conservative in their lending practices with loans given primarily to large businesses; even though 94 – 95% percent of businesses in Lebanon are considered to be SMES. Hence, the Lebanese SMES don't have financial support in order to encourage the implementation of knowledge management.

Effective knowledge management can make competitive advantage for the company. The systematized information can be used to make decisions in shaping the organization's business strategy, detect the problems that occur, link the resources of the company to be more effective, manage customers and partners, share necessary knowledge to all organization members, and produce new knowledge that is valuable for the company. If small and medium sized enterprises not manage knowledge well, the organization may not grow;

possibly even shutdown (Suryawan, 2015).

Knowledge management is the key to small and medium sized enterprises success. Thus, nowadays many SMES are encouraging the implementation of knowledge management, as they consider it as a core competency. Managing knowledge in small and medium sized organizations revolves around the necessity to increase sales, cultivate work functions and decision making, reduce progress time, increase customer satisfaction. Thus, the application of knowledge management in small and medium enterprises is mainly fundamental; as it's considered the sole key resource that is responsible for improving the organizational functions. SMEs usually face extreme environmental uncertainty, like the threat of their rivals that continuously differentiate their products. Certainly, severe competition can push organizations to search for innovative methods of doing business; because usually, SMEs have limited resources and the competitive pressure forces these firms to implement KM (Patrick, 2013). Hence, KM can be seen as a practice of organizational improvement that is capable of transforming organizational functions, decreasing costs and eventually distinguishing SMES with a competitive advantage over their rivals (Fen, 2014). Thus, knowledge management is a need in markets that are known for competition and uncertainty, like the Lebanese market.

In conclusion, the implementation of knowledge management in SMEs should be given high importance, as they have limited resources in view of assets such as financial capital, human resource, machinery and so forth. In other words, the existing resources should be used effectively and efficiently, as this limitation will affect SMES more than it will to large businesses.

#### **4. Knowledge Management Processes Cycle**

Knowledge management processes can be defined as all the activities inside or outside the organization's environment that are directed towards knowledge, as it involves knowledge creation, detection, sharing, implementation, storage, and

refinement (Alharithy, 2015). There is no agreement on the number of knowledge management processes, and they differ from a scientist to another. Table 2 provides different point of views of researchers on knowledge management processes:

Table 2. Different researchers' point of view of knowledge management processes  
(created by author)

Author(s), year	Knowledge management processes
Wee, Chua (2013)	Knowledge creation, knowledge sharing and knowledge reuse.
Wang, Yang (2013)	Identify knowledge, capture knowledge, share knowledge, apply knowledge.
Sa'nchez et al. (2014)	Knowledge acquisition, transfer, and utilization.
Calvo-Mora et al. (2015)	Creation, storage, transfer and application of knowledge.
Carriona et al. (2015)	Absorptive capacity, knowledge transfer and knowledge application.
Asma, Abdellatif (2016)	Acquisition, capitalization, diffusion and utilization of knowledge.
Sousa, Loureiro (2016)	Creation, organization, storage and reutilization.
Allal-Chérif et al. (2016)	Identifying, formalizing, organizing, storing and disseminating knowledge.
Cerchione et al. (2016)	Knowledge creation, storage, transfer/sharing, and application.
Cerchione, Esposito (2016)	Knowledge creation, storage, sharing.

Although scientists have different point of views on knowledge management processes (Chua, 2013; Wang, 2013; Sa'nchez, 2014; Calvo Mora, 2015; Carriona, 2015; Sousa, 2016; Allal-Chérif, 2016; Cerchione, 2016; Esposito, 2016), but the purpose after all is one; which is how to improve organizations' performance throughout the application of knowledge management processes.

As stated previously, small to medium sized enterprises don't have the capabilities of large organizations, and they should make the best use of their



resources; and to do so, they require a systemization of processes within their firms. In order to illustrate how knowledge management processes can improve the cycle of the organization; each process should be handled aside.

**Knowledge creation.** When individuals are able to create knowledge within an organization, a variety of knowledge types will exist and increase (Kaschig, 2016). Perhaps the most model referred to in knowledge creation is Nonaka and Takeuchi (1995) SECI model, that holds that the conversion between tacit and explicit knowledge results in knowledge. Hence, they developed the model of knowledge creation and transfer that is illustrated as follows:

- ✓ Socialization: In this process, tacit knowledge (knowledge embedded in the mind of the beholder) will be transferred through social contact (communications and interactions) by the means of discussions, experience sharing, practice, and observation among organizational members.
- ✓ Externalization: In this process, the tacit knowledge is transformed into explicit knowledge in the shapes of documents, manuals, concepts, metaphors, hypothesis, descriptions and models. This process happens when the organization formally articulates its internal rules of operation, or when it sets its goals clearly.
- ✓ Combination: In this process, explicit knowledge will be created from explicit knowledge. In this mode, existing explicit knowledge is combined, characterized to form new knowledge. Explicit knowledge can be transferred through means such as Communities of Sharing, documents, meetings, storytelling and through technological means like the social media (Haider, 2015).
- ✓ Internalization: internalization is accomplished through transforming explicit knowledge to tacit knowledge; through a process in which abstract ideas change into concrete ones, and they are finally absorbed as an integral value (Cerchione, 2017).

Activities of knowledge creation in organizations include: Brainstorming,

Ideas, Competition, Knowledge Elicitation, Interviews, Benchmarking, and Knowledge Filtering,

*Knowledge sharing.* Knowledge sharing is a fundamental element of knowledge management. It aids at converting individual knowledge into organizational knowledge, and it enhances firm performance (Wang, 2016). The purpose of knowledge sharing is to contribute to knowledge continuity within an organization where employees have mutual trust, and are willing to communicate, consult, and exchange information (Zhu, 2016). Thus, when the knowledge acquired by the individual worker is shared and transferred among other workers within a group, synergy takes place (Hormiga, 2017). Moreover, knowledge sharing fosters internal knowledge circulation among employees, and it can as well increase the innovative behaviour (Lee, 2016).

Leaders, who infuse the knowledge sharing component, understand the dynamics of an ever-changing global environment. The importance of initiating a practical commitment to foresee prospective threatening patterns of concerns, problem solving, and implementing policies and procedures that are affiliated with change, and create new innovations aligned to the vision (Shao, 2017). Hence, knowledge sharing benefits the organization from many aspects. It helps in creating awareness between employees, so they share their experience among each other in the organization; and by doing so, others can become better skilled at performing their tasks. Consequently, employees will perform better with the limited resources they have; knowing the opportunities and threats that surround the organization (Oyemomi, 2016). Therefore, SMEs should increasingly rely on constructing a knowledge sharing base as an essential resource competency (Hussein, 2016).

Knowledge sharing improves the response-time for solving a problem or delivering a project. The result of the pooled work is better than the individual in an organization that encourages knowledge sharing. Also, employees in the organization become used for new ideas; instead of getting bored from the same

routine work they do every day. Moreover, knowledge sharing helps in reducing the employee's high turnover in companies. When an employee shares his knowledge, he will have an interest in the objective of the organization; and when not doing so, the employee will feel isolated from the organization, and will leave (Ditrichova, 2015).

Knowledge sharing practices include: Coaching/Mentoring, Communities of Practice, Communities of Sharing, Focus Groups, Job Rotation, Project Teams Training, Work Groups Facilitated Discussion, Meeting/Task Force, Informal Networks, and Knowledge Cafes.

*Knowledge implementation.* KM implementation is said to be the optimal approach to enhance organization's capability in numerous aspects such as innovation (Hassan, 2016). The knowledge implementation process requires the use of the current organizational knowledge in order to increase the business development opportunities; so that the organization is able to increase the benefits over costs, and achieve utility through the implementation of knowledge management. Thus, at this stage knowledge goals are set and defined, and they are transformed into activity results.

The implementation of knowledge management cuts consultancy costs for SMEs, as some companies use the services of consultants on a continuous basis without trying to acquire the knowledge they have, and this might increase the spending costs of the SMEs (Saide, 2015). Moreover, implementing knowledge management (KM) improves market responsiveness, and it enables the firm to know better about its customers (Hung, 2015). Thus, the effective knowledge management application leads to value-added innovations in organizations, and it raises the competitiveness level of their services and products (Kim, 2014).

*Knowledge storage.* Understanding that knowledge is an essential resource, organizations affirm the significance of knowledge storage aimed at present and future use. As in literature, many researchers have spoken about the concept of an organizational memory that emphasizes the storage and retrieval of

knowledge (Jackson, 2012). The preservation of knowledge appears to be one of the most important aspects in applying knowledge management; it can be reapplied, and used in creating new type of knowledge. Also, the storage of organizational knowledge from older and retiring employees is recognized as a critical requirement, as it helps organizations to acquire the experience possessed by those employees before they leave ( Deller, 2016); (Patel, 2013).

Organizations should filter the knowledge they have, and only store the knowledge that is current, significant, and precise; in order to yield the best desired outcomes for the organization. Knowledge that is shared between the organizational workers is more beneficial than it stays in the human brain. Additionally, such shared knowledge requires being stored in the organizational memory; so that other members inside of the organization can access it for future use; without the necessity for any sort of contact with the person who previously possessed such type of knowledge. Nonetheless, knowledge retention is an essential component of the organizational memory that allows organizations to preserve and embed knowledge inside their establishments (Schmitt, 2012).

Among the knowledge management activities for knowledge storage:

- ✓ Doing the same job that the employee is doing under his mentorship in order to capture his tacit knowledge.
- ✓ The transformation of all the forms of knowledge (tacit, explicit) into written forms, or through technological means from internal sources and external sources (Chen, 2014).
- ✓ The implementation of information technology network that facilitates knowledge access. As currently, almost every organization depends on information technology (IT). Thus, higher usage of IT leads to collaboration among employees; which, in turn, promotes the knowledge sharing (Abdul Karim, 2012).

- ✓ The establishment of social networks that can play an important role in storing knowledge about the organizational member's experience.
- ✓ Storytelling can be used to support the retention of knowledge (Dös, 2015).

## 5. Knowledge Management Processes Evaluation Aspects

Knowledge management activities result in knowledge circulation processes; and thus, researchers have applied a variety of methodologies that have been used in knowledge management processes evaluation aspects. Table 3 provides a summary of the methodologies for KM performance evaluation in recent literature.

Table 3. Summary of the methodologies for KM performance evaluation in recent literature (Dös 2015)

Paper	Representative Methodologies of KM Performance Evaluation
Lee et al. (2005)	Associating knowledge management performance index (KMPI) with three financial indicators (stock price, price earnings ratio, and research and development expenditure)
Kuah et al. (2012)	Integration of data envelopment analysis (DEA), Monte Carlo simulation, and genetic algorithm (GA)
Yin and Fai (2014)	Integrated knowledge management (IKM) model
Chen and Fong (2015)	Structural equation modelling (SEM) and system dynamic (SD) simulation
Lee and Wong (2015)	Survey instrument in small and medium companies
Wang et al. (2016)	Synthetic evaluation method by using triangular fuzzy numbers

Wanga et al. (2016) have established an index system, involving the process of knowledge management. Based on this index system, a synthetic evaluation method was introduced, using triangular fuzzy number to measure indexes that

facilitates the knowledge management performance evaluation with a group support system. The evaluation indexes that that were used for the evaluation of knowledge management processes were as follows (Wanga, 2016):

- ✓ Knowledge acquisition's evaluation indexes included: the ability of the organization to obtain and refine knowledge, and the ability to use stored knowledge and Internet resource.
- ✓ Knowledge transfer evaluation indexes included: Explicit knowledge transfer level, and tacit knowledge transfer level.
- ✓ The process of Knowledge creation was evaluated through the indexes of efficiency of new products development, time efficiency to market, and the degree of new knowledge application.

Migdadi et al. (2017) designed a study that was based on a survey of 210 Jordanian manufacturing and service organizations. The sample of their study encompassed the mid-level managers of the organizations. About 440 self-administered questionnaires were distributed among the respondents. Also, they have used the structural equation modelling (SEM) path analysis to assess the structural relationship of Knowledge management performance, market orientation with innovation capability, and organizational performance. They examined the impact of the knowledge management processes (knowledge creation, intra-organizational knowledge sharing and application, external knowledge acquisition, and knowledge storage and documentation) and market orientation on the innovation capability of organizations; which in turn impact organizational performance. The results of their study revealed that engagement in KMP and MO can lead to better innovation capability in the organizations, which in turn can lead to better organizational performance (Migdadi, 2017).

Lyu et al. (2016) used the balanced score card, which is a multi-purpose performance evaluation system that can transform the strategy and goals of an organization and its units into a set of diversified and inter-related objectives, and can then decompose the objectives into several indicators. They argued that

this method overcomes the drawbacks of using the single financial measures for performance management by integrating the four perspectives (finance, clients, internal business processes, and learning and growth). In addition, it allows the mapping with knowledge management processes (Knowledge Acquisition, Knowledge Storage, Transfer and Sharing, Knowledge Application, Knowledge Creation), in order to inspect the value creation (Lyu, 2016).

## **6. Evaluation of Knowledge Management Processes:**

### **Lebanon Case**

The following information is from a report prepared by building markets in February the 6th to the International rescue committee about the Lebanese economic situation with an explanation about the Lebanese small and medium sized enterprises. Sample size: building market have selected 29 small and medium sized enterprises, and interviewed 17 stakeholders.

Perceptions of Local Businesses:

- ✓ 75.9% of businesses reported they did not have a dedicated administration or human resource function defined as at least one fulltime employee whose primary job is administration or human resources.
- ✓ Fifty-nine percent (59%) reported they did not have a dedicated finance function – defined as at least one full time employee whose primary job is financial management or accounting.
- ✓ Seventy-two (72%) of businesses said they did not have a formal business plan.
- ✓ Seventy-five percent (75.9%) of businesses said they hired non-Lebanese workers. These businesses primarily operated in the construction, household and industrial services, and tourism sectors. These businesses also employed a higher percentage of unskilled workers, comprising approximately 32% of their current workforce.

- ✓ Businesses perceived increased competition from local businesses, availability of skilled labor, and infrastructure, as factors having major to severe impact on their business operations.
- ✓ Sixty-eight percent (68%) of businesses stated they were currently stable, 24% indicated that they were expanding, and 8% indicated that they were downsizing.
- ✓ Sixty-eight percent (68%) of businesses stated they had received some type of training, mentorship, or capacity building support in the past.

Perceptions of Stakeholders:

- ✓ Stakeholders noted a severe lack of accurate and reliable market information, statistics, and research about MSMEs and the business environment in Lebanon. Stakeholders specifically referred to the absence of a centralized repository of information about Lebanese businesses – including geographic location, sector of operations, management, ownership, age, registration, and certification, clientele, past performance, geographic scope, competition, the financial standing of businesses, and other key information.
- ✓ Stakeholders also noted a lack of centralized information on available business opportunities including procurement, finance, and business.
- ✓ 8 support services (training and mentorship), among others. These factors were noted as some of the possible reasons why businesses do not conduct research when developing their business plans and marketing strategies”. (Raman, 2016).

It's evident that the Lebanese small - medium sized enterprises lack the application of knowledge management processes. Comparing the current situation of these SMEs with the scientific literature review in this article we find that knowledge creation process is impeded, due to that fact there is difficulty of access to the explicit type of knowledge that can be found from reports, or manuals. The Lebanese Stakeholders noted a severe lack of accurate and reliable market information, statistics, and research about SMEs and the



business environment in Lebanon. Moreover, the implicit type of knowledge possessed by the foreign workers will be lost, especially that (75.9%) of businesses said they hired non-Lebanese workers and 75.9% of businesses reported they did not have a dedicated human resource function. Thus, the absence of a dedicated human resource management will lead to a consequence imposing a fact that the implicit knowledge of the foreign workers that is embedded in their brains; will leave with them once they leave the country; as Human resource management is considered to be a mean for organizations that nurtures “effective knowledge behaviour”, and it increases the level of their knowledge stocks (Chuang, 2016).

As for knowledge sharing, the situation is not different, the lack of the availability of reliable information about the Lebanese market and SMEs; shows that someone hasn't taken the effort to share his knowledge, as in theory employees consider it as an extra role to perform (Harvey, 2012). Sixty-eight percent (68%) of businesses stated they had received some type of training, mentorship, or capacity building support in the past; shows that the process of knowledge sharing did not continue and is not contemporary, and there is a need to increase this percentage.

The factors that are affecting the knowledge implementation process in the Lebanese SMEs can be considered social and related to organization's target orientation. Social in the sense that training and mentorship in some Lebanese SMEs is not currently encouraged; as sales, marketing, and customer service were identified as two main areas in which businesses needed additional support. The organization target orientation is affecting knowledge implementation in the sense of the organizational management structure, as of 75.9% of businesses reported they did not have a dedicated administration, indicates that SMEs don't have an administration devoted for identifying knowledge goals and fostering knowledge implementation in the organization culture (Honarpour, 2017).

As for knowledge storage, stakeholders specifically referred to the absence of

a centralized repository of information about Lebanese businesses including geographic location, sector of operations, management, ownership, age, registration, and certification, clientele, past performance, geographic scope, competition, the financial standing of businesses, and other key information. Stakeholders' need for such a repository proves the importance of storing information in a repository that can be used for knowledge creation, sharing and implementation in many stages of the Lebanese SMEs strategies (Taskin, 2015).

The main suggestions how to improve the performance of the Lebanese SMEs through Knowledge management practices are:

- ✓ The Lebanese SMEs should encourage knowledge creation by encouraging their employees to suggest new ideas through brainstorming sessions, and by the mean of conducting interviews, benchmarking, and competition.
- ✓ Knowledge sharing practices that should be encouraged by owners and managers of the Lebanese SMES include: Coaching/Mentoring, Communities of Practice, Communities of Sharing, Focus Groups, Job Rotation, Project Teams Training.
- ✓ The Lebanese SMES should consider knowledge storing by transforming all the forms of knowledge (tacit, explicit) into written forms, or through technological means from internal sources and external sources of the Lebanese SMES.

## **7. Conclusions**

In the context of transformations, knowledge management processes evaluation appears to be an effective tool for increasing the efficiency of the activity of organizations. Thus, the owners and the managers of Lebanese SMEs should consider the implementation of knowledge management in their organizations; and they should continuously evaluate knowledge creation, sharing, implementation, and storing in their organizations.

In literature, small to medium sized enterprises have limited capabilities, as

they suffer from a shortage of the resources required to make the most out of their knowledge stock. Knowledge management in small and medium sized organizations revolves around the necessity to increase sales, cultivate work functions and decision making, reduce progress time, and increase customer satisfaction. Thus, the application of knowledge management in small and medium sized enterprises is mainly fundamental; as knowledge is considered to be the sole key resource that is responsible for improving the organizational functions.

The analysis of the statistics from the survey conducted by building market reveals that there is a lack of knowledge management implementation; and the destructive consequences faced by the Lebanese SMES are related to the absence of the implementation of knowledge management processes.

Further research will be carried on two knowledge management processes composed of: knowledge identification and knowledge acquisition from the internal and external sources of the organization, and their relation with the increased innovation capability of small to medium sized organizations.

The present study is not without limitations by restricting itself to the database that could barely be reached about the Lebanese market. This study may not have allowed broad coverage of all empirical articles in the field of knowledge management in SMEs. Yet, it seems reasonable to assume that the review process covered an appropriate proportion of the studies available.

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