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Upravljanje znanja kot del strateškega upravljanja s človeškimi viri v globaliziranih malih in srednjih podjetjih

Knowledge management as part of Strategic HRM in globalised Small and Medium Enterprises

Magistrsko delo

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UNIVERZA V LJUBLJANI
FAKULTETA ZA DRUŽBENE VEDE

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The thesis addresses knowledge management from strategic human resource management point of view, specifically from Resource–based–view in SMEs, where there is neither knowledge management department nor appointed person for it.

Qualitative research, a case study, was performed during April and May 2014 in two SMEs having offices in several countries, and being in different lifecycle stages.. Both companies are running successful businesses. 19 interviews were held with both companies' middle and top management, and the research has shown that knowledge management is significantly impacted by the personality of the key person. Although the theory does not point it out specifically, the research has shown that (way of) recruitment plays a significant part.

In general the research supported the theory on KM in SMEs where this was relying on practical experience for the SMEs rather than large company approach modified for SMEs. It could be expected that globalisation of the researched companies would have impact i.e. imply KM and HRM to behave as large companies but it did not have (significant) impact apart from employees being more open and patient in communication.

Key words: Knowledge management, Strategic HRM , SME, recruitment.

Upravljanje znanja kot del strateškega upravljanja s človeškimi viri v globaliziranih malih in srednjih podjetjih

Naloga prikazuje upravljanje z znanjem (UZ) v srednjih in malih podjetjih (SMP) s stališča strateškega upravljanja s človeškimi viri, natančneje s stališča upravljanja z viri (Resource–based–view) v katerih ni osebe odgovorne za upravljanje z znanjem niti oddelka za upravljanje z znanjem.

Kvalitativna raziskava, študija primera, je bila izvedena v aprilu in maju 2014 v dveh SMP: obe imata pisarne v več državah, sta v različnih fazah svoje življenjske dobe, in poslujeta uspešno. V obeh podjetjih je bilo opravljenih 19 intervjujev z vodji na srednji in najvišji ravni upravljanja. Raziskava je pokazala, da je upravljanje z znanjem povezano z osebnostjo ključne osebe. Teorija sicer ne izpostavlja posebej načina zaposlovanja [recruitment], vendar je raziskava pokazala, da je način zaposlovanja eden ključnih elementov upravljanja z znanjem in vpliva tudi na uspešnost. Splošno gledano raziskava podpira teorijo s področja upravljanja znanja v SMP, kjer le ta izhaja iz njihove prakse in ne modificiranega pristopa upravljanja z znanjem velikih podjetij. Pričakovati je bilo, da bo globalizacija v podjetjih, ki delujejo v več državah, imela vpliv na UZ in UČR (HRM), da se bodo le–ta obnašala kot v velikih podjetjih, vendar se je izkazalo, da ni tako. Edini vpliv je bil na komunikacijo zaposlenih s sodelavci; le–ta je bolj odprta in potrpežljiva.

Ključne besede: upravljanje z znanjem, strateško upravljanje s človeškimi viri, srednja in mala podjetja, zaposlovanje.

Contents

List of tables and pictures

Introduction

The terms SME (Small and Medium Enterprises) and KM (Knowledge Management) have been (ab)used profusely in the last decade or so, signalling that maybe nothing new can be said.

The theory on how knowledge is managed in SMEs is abundant but mainly with two focus points; either analysing current situation in SMEs and/or proposing how to implement KM. However, what if company is not interested in implementing KM – either because its considered a common sense approach not needing extra function or it is not believed to be needed. Can the company efficiently manage knowledge through its vision, its performance through job description and annual appraisal by encouraging responsibility and accountability of employees, and all this without dedicated KM function (department or person)?

The thesis aims to provide recommendation how to manage knowledge efficiently without extra resources (people and cost) since SMEs in general are driven by cost optimisation, and HR departments are not among those that expand easily.

1 Theoretical framework

1.1 Resource Based View Strategic model

Resource–based–view strategic model (RBV), which emphasises the importance of focus on employees (Boxall and Purcell 2011, 99–100), reminded people of strategic significance of internal resources and their development over time.

The beginnings of RBV are traced back to Edith Penrose, who in 1959, emphasised the knowledge and experience of the management team and their subjective interpretation of firm's environment. Her ideas were however rediscovered only in mid 1980s when explosion of interest in RBV was started as it provides explanation of sources of competitive advantage. Anything considered a firm's strength or weakness can be resources, i.e. brand names, machinery, technology, and employment of skilled personnel, trade contacts, etc. (Wernerfelt in Boxall and Purcell 2011, 100). According to Barney (1991, 101) in terms of strategic analyses resources, i.e. assets, capabilities, organizational processes, firm attributes, information, knowledge etc., are strengths that firms can use to develop and implement their strategies. Grant (1991, 119) has divided resources into six major categories: financial,

physical, human, technological, organizational ones and reputation. RBV as strategic management is richly linked to human resource issues. Clusters of resources can be sources of competitive advantage, Barney (1991, 102–103) distinguishes between competitive advantage and sustainable competitive advantage, the difference in latter is that other firms i.e. current and potential competitors are unable to duplicate the benefits of this strategy. The sustainability, according to Barney, can last for a long period of calendar time but it does not mean that it will last forever. He suggests it cannot compete with what he calls duplication efforts of competitive firms, e.g., in case of unanticipated changes in economic structure of industry cause that source of competitive advantage is not valuable for the company anymore.

Firms are beholden to stockholders who supply financial capital but they are also dependant on any stakeholder group that contribute valuable resources. Workers (employees and contractors) are such contributors as they have the power to affect performance in a significant way, another such factor, although less obvious, is loss of irreplaceable key people (Boxall and Purcell 2011, 54–55).

In the study of sources of sustained competitive advantage which focuses on valuable, rare imperfectly imitable, non–substitutable resources Barney (1991, 117) points out, that also managers are important because they are able to understand and describe the economic performance potential endowment even if they and their skills are neither rare, imperfectly imitable nor non–substitutable. Barney warns that in spite of that, firms cannot expect to ”purchase” sustained competitive advantages on the open market. I would add, that competitive advantage develops through socialization processes, in and within the firm, described later in knowledge management. Barney (1991, 116) also suggests that the firm which exploits its (heterogeneous and immobile) resources is simply behaving in efficient and effective manner, if not, the firm is inefficient and does not necessarily maximize its social welfare.

The resources can be strong barriers to imitation by other companies if, according to RBV theory, are built through astute timing, learning and increase social capital when groups of people work together (Boxall and Purcell 2011, 120).

Grant (1991, 121–128) offered practical 5 stage approach to strategy formulation (See Picture 1.1). According to him, the first two stages are considered a foundation for a long term strategy as they are primary profit generators of the company,. They include identification and classification of the resources and firm's capabilities'. The theory points out inadequacy if looking only at a balance sheet and proposes an alignment of resources and

organisational capabilities. Basically, this can be translated into preparation of SWOT analysis, as suggested by Boxall and Purcell (2011, 101) adapted from Barney; to prepare an internal analysis of strength and weaknesses and an external analysis of opportunities and threats. Stage 3 refers to building sustainable advantage over competitors which they cannot be imitated; it includes evaluation of revenue generating potential and return on investment. The next stage involves formulating strategy, still having in mind the importance of transferability and replicability from stage 3.

Picture 1.1: A Resource–Based Approach to Strategy Analysis: A Practical Framework
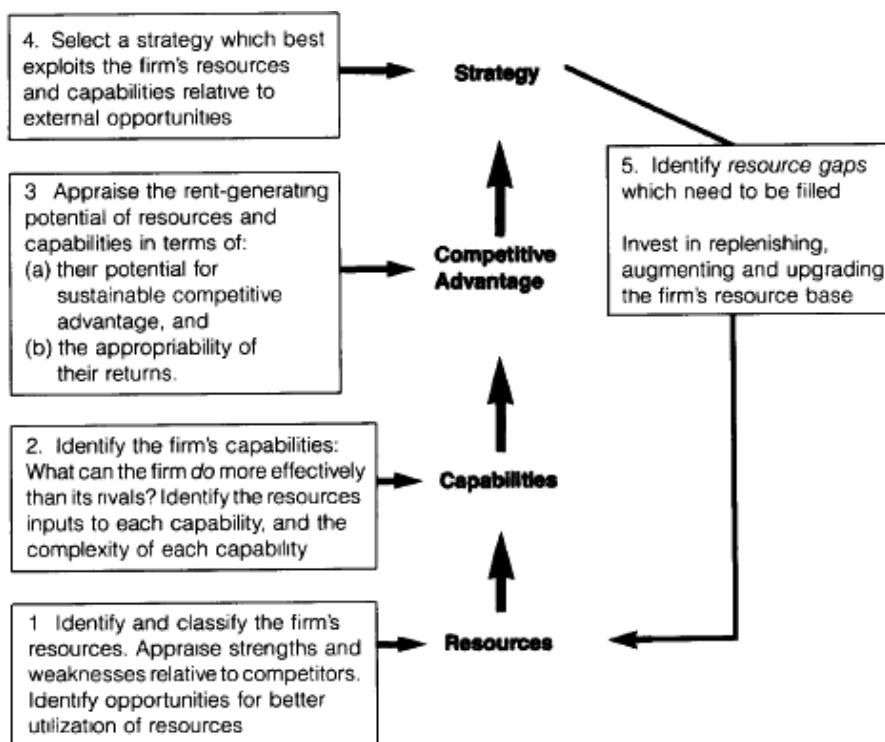
Source: Grant (1991, 115).

The final stage – identifying the resource gap – refers to investments in maintaining and increasing the resources and their support for expanding competitive advantage and broaden strategic opportunity. Based on the issue pointed out in LinkedIn initiated research "Mismatched talent"

> *the report shows employers are spending more time finding suitable candidates for vacancies and employees are at risk of prematurely leaving job roles after being poorly matched to a position… because the skills of available workers are "mismatched" to the opportunities available resulting in unnecessary recruitment costs [which] undermine growth and productivity* (Kirton 2014).

For the solution researchers propose to employers options like using talent analytics, challenge HR, broaden and balance recruitment strategies etc.) Namely, these options are too demanding for average SMEs.

The critics claim that RVB is imbalanced because it puts too much emphasis on internal (strengths and weaknesses) side of SWOT.

Armstrong (2006, 27–28) warns that in theory the formulation of strategy process is systematic but in reality, strategies are often based on the questionable assumption that the future will resemble the past. Hence the reality of strategic management is that managers attempt to behave strategically in conditions of uncertainty, change and turbulence, even chaos. The strategic management approach is as difficult as it is desirable. It can be assumed that the same can be said for KM. However does it have to be a stand–alone function within an organisational hierarchy? For SMEs the approach seems to be at hand – pick the useful part of RBV adapt it to fit the size and long–term goals of the company and make sure that knowledge management is a fluent process.

1.2   Knowledge management

Hislop (2009, 68) states that KM has different meanings in different organisations; for some it is a broad philosophy, for some it is centred around managing people and organisational culture, for others it is about communications and technology. In this paper (unless otherwise specified) the focus on knowledge management is on people and organisational culture, because people have the knowledge and company culture can enable or disable the transfer and expansion of it.

Yip et al (2012) propose eight activities which form a conceptual framework for KM (See Picture 1.2) the first one is to identify the knowledge between existing and required knowledge, the next one is acquisition (documents, external, ..), followed by application (usage of knowledge), then sharing it, i.e. transition from the individual to a group or organization, the fifth activity is development, i.e. management's efforts consciously aimed at producing capabilities, the sixth activity is creation – which will be addressed later – based on Nonaka and Takeuchi's SECI model, followed by preservation, i.e. selective retention of information, documents and experience and the final one being knowledge measurement of

the impact and effects after implementing knowledge management, e.g. customer satisfaction, efficiency, productivity, quality and etc.

Picture 1.2: Conceptual framework for KM activities
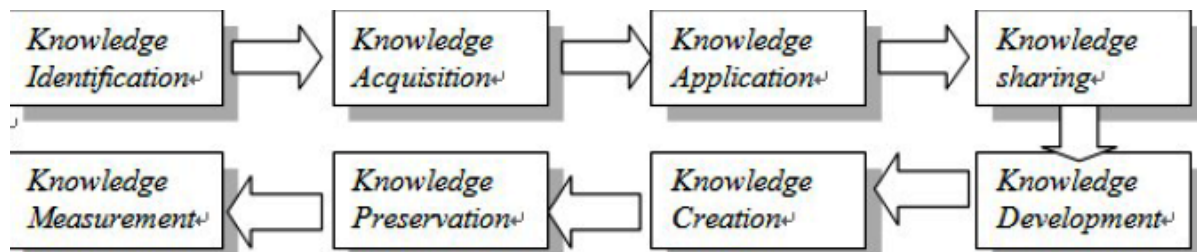
Source: Yip et al. (2012,18).

According to Grant (1991, 122) internal resources and capabilities provide a basic direction for a firm's strategy and are a primary source of profit. Resources, addressed in previous chapter, are the first stage of strategic analysis, Grant dedicated the next stage to identifying the capabilities which involve complex patterns of coordination between people and other resources. He further stipulates the key ingredient in relationship between resources and capabilities is the ability of an organisation to achieve cooperation and coordination within teams. To achieve this an organisation needs to motivate and socialize its members to develop smooth functioning routines, which Nelson and Winter (in Grant 1991, 122) call organizational routine. According to Grant routines for an organization are translated into what skills are for an individual. This brings us to knowledge management because organization's style, values, tradition and leadership are common ingredients of corporation's organisational routines.

According to Armstrong (2006, 107) "the purpose of knowledge management is to transfer knowledge from those who have it to those who need it in order to improve organizational effectiveness. It deals with storing and sharing the wisdom and understanding accumulated in an organization about its processes, techniques and operations." Furthermore, he claims that it deals even more with people and how they acquire, exchange and disseminate knowledge, and with information technology (Armstrong 2006, 107).

Regarding learning culture Armstrong (2006, 136) states it is a culture where learning in general is recognized by the top management, line managers and employees as an essential organizational process to which they are committed, and in which they are engaged continuously.

11

Harrison (in Armstrong 2006, 137) has defined five principles of organizational learning:

1. The need for a powerful and cohering vision of the organization to be communicated and maintained across the workforce in order to promote awareness of the need for strategic thinking at all levels.

2. The need to develop strategy in the context of a vision that is not only powerful but also open–ended and unambiguous which will encourage a search for a wide rather than a narrow range of strategic options, will promote lateral thinking and will orient the knowledge–creating activities of employees.

3. Within the framework of vision and goals, a frequent dialogue, communication and conversations are major facilitators of organizational learning.

4. It is essential to continuously challenge people to re–examine what they take for granted.

5. It is essential to develop a conducive learning and innovation climate.

Garvin (in Armstrong 2006, 138–139) defines a learning organization as "skilled at creating, acquiring, and transferring knowledge, and at modifying its behaviour to reflect new knowledge and insights". He suggests that learning organizations are good at doing five things:

1. A systematic problem solving, which rests heavily on the philosophy and methods of the quality movement.

2. Experimentation – this activity involves systematic search for and testing of new knowledge, based on 'kaizen'[1] –an important feature in a learning organization.

3. Learning from past experience – learning organizations review their successes and failures, assess them systematically and record the lessons learnt in a way that employees find open and accessible.

4. Learning from others – this process has been called SIS for 'steal ideas shamelessly', more acceptable word for it is 'benchmarking' – a disciplined process of identifying best practice organizations and analysing the extent to which what they are doing can be transferred, with suitable modifications, to one's own environment.

5. Transferring knowledge quickly and efficiently throughout the organization by seconding people with new expertise, or by education and training programmes, as long as the latter are linked explicitly with implementation.

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[1] Practice of continuous improvement

A learning organization's strategy will be set on belief that learning is continuous process and we can add that this needs to be carefully balanced, as Durkheim (1997, 198) put it with the need for change which diminishes pleasure as people like stability and regularity.

Knowledge is intangible, boundary–less and dynamic therefore the use of it requires organic concentration and "Ba[2]" provides a platform for knowledge creation and exchange (Nonaka, and Konno 1998, 41)

Picture 1.3: Spiral Evolution of Knowledge Conversion and Self–transcending Process
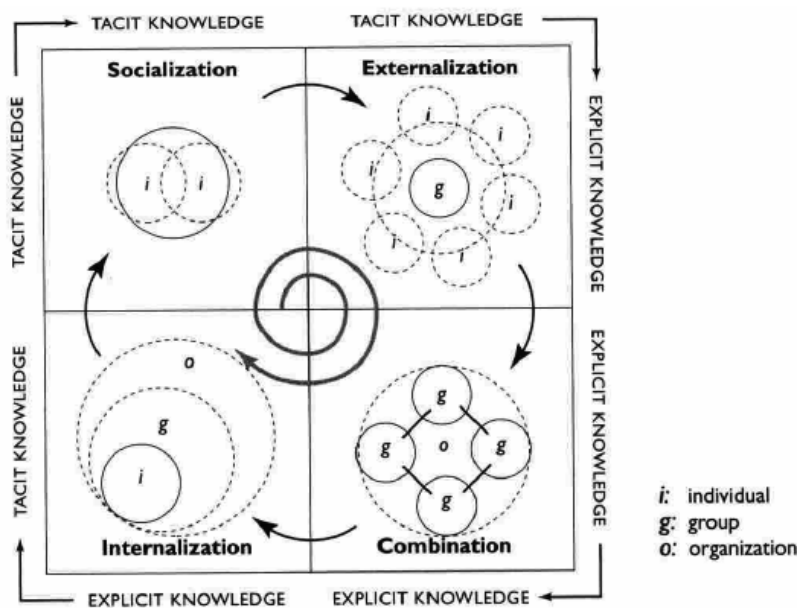
Source: Nonaka & Konno (1998, 43).

Takeuchi (2006, 7) expanded the knowledge creation as depicted by Nonaka and Konno (See Picture 1.3), explaining that by moving through the spiral, the interaction between tacit and explicit knowledge is amplified. The spiral becomes larger in scale as it moves up the ontological levels i.e. individual, group, organizational, and interorganizational. Knowledge created through the SECI process triggers a new spiral of knowledge creation, expanding horizontally and vertically as it transcends sectional, departmental, divisional, and even organizational boundaries (See Picture 1.4).

According to Takeuchi (2006, 6) creation of a knowledge spiral requires a number of different conversions or syntheses such as:

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[2] Shared space for emerging relationships e.g. physical, virtual, mental or any combination of them

1. tacit knowledge and explicit knowledge,

2. levels (individual, group, and organizational) within the company,

3. functions, departments, and divisions within the company,

4. layers (top–management, middle manager, and front–line worker) within the company,

5. knowledge inside the company and knowledge outside the company created by suppliers, customers, dealers, local communities, competitors, universities, government and other stakeholders.

Picture 1.4: SECI Process of Knowledge Spiral
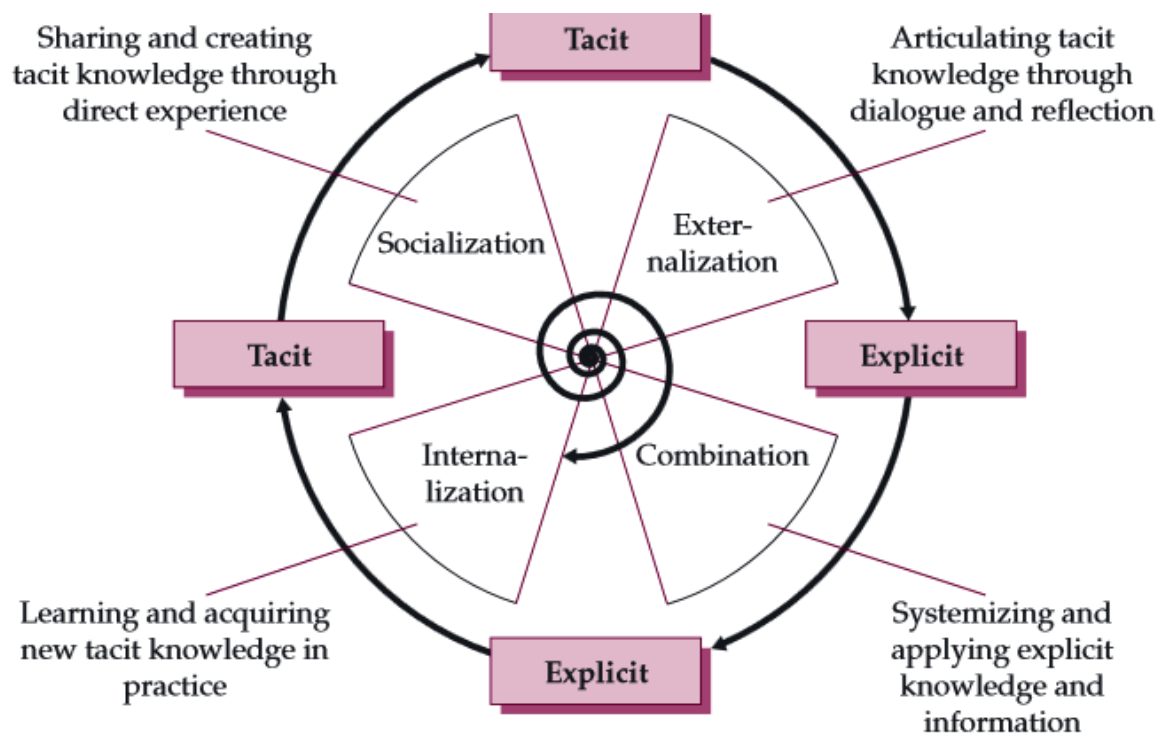
Source: Takeuchi (2006, 7).

Takeuchi (2006, 6) also points out the importance of middle management whose role is to resolve any contradictions between what top management hopes to create and what actually exists in the real world by creating mid–range business and product concepts, called the middle–up–down management process.

Middle managers are positioned at the intersection of the vertical and horizontal flows of information in the company, meaning access to a lot of knowledge which puts them in

position to lead project teams and enable them to put the company's vision into action. In order to do so Takeuchi proposes for middle managers to acquire certain qualifications. They need to be skilled at:

1. coming up with hypotheses in order to create mid–range concepts,

2. integrating various methodologies for knowledge creation,

3. encouraging dialogue among team members,

4. using metaphors and analogies in order to help others generate and articulate imagination,

5. engendering trust among team members,

6. envisioning the future course of action based on an understanding of the past, and

7. coordinating and managing projects (Takeuchi 2006, 6).

According to Takeuchi (2006) and Nonaka (2007) the drivers of the company are middle management whereas top management may support a creative chaos. This could be more applicable to large companies than SMEs where top and mid management is usually smaller in size therefore communication between hierarchical levels can be faster. Team members create new points of view through dialogue and discussion. They pool their information and examine it from various angles. Eventually, they integrate their diverse individual perspectives into a new collective perspective. Nonaka (2007, 171) claims middle managers synthesized the tacit knowledge of both frontline employees and senior executives, made it explicit, and incorporated it into new technologies and products.

Winkelen and McKenzie (2007, 531) presented the link between individual and organisational learning initiatives by implementation of "employee lifecycle" in which the expert knowledge develops in the initial phase of employment (See Picture 1.5) suggesting that the organisation (outer cycle) pushes the individual (inner cycle) to acquire the knowledge.

Picture 1.5: Employee lifecycle
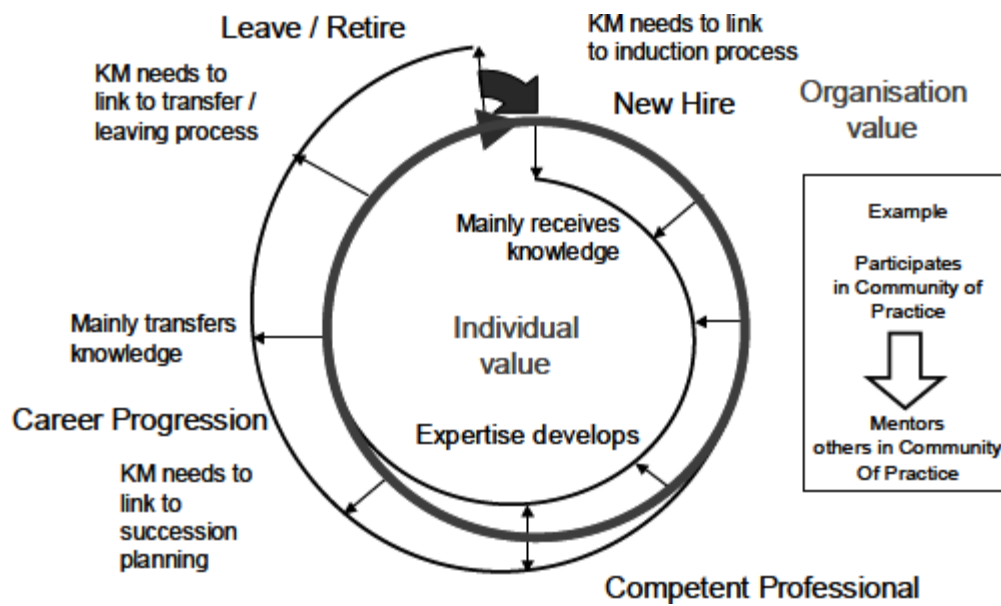
Source: Winkelen and McKenzie (2007, 531).

According to Armstrong (2006, 147) performance management is strategic, because it is forward looking, developmental and provides framework for managers to support team members.

Rodrigez et al (2006, 530–536) suggest that introduction of a KM programme in a firm involves an important change as the firm needs to be prepared for managing the change in an effective way, and continue that people need to have suitable competences and a suitable work environment (motivation). A cultural factor is one of the most important factors in managing knowledge successfully, followed by organizational and technological factors, which play a secondary role. They also propose enhanced intellectual model related to KM which has 8 sections of Key success factors for KM (KM–KSF) (See Table 1.1). Having in mind HR department in SME not only measuring factors in proposed models but also investing in all the proposed activities are unlikely to happen.

Table 1.1: Sections of KM–KSF

Section	Description
Section 1. People's competence (core competences)	Learning to learn, Decision making, Teamwork, Deduction and analytical skills, Management and leadership, strategic , Self–management and self–development
Section 2. Competence improvement	Formal training and competence development on a regular basis, aimed at short term economic returns, Informal training, Attitude
Section 3. Stability	Staff satisfaction and motivation

Section 4. Improvement of capacity of persons and groups	Change management
Section 5. ITC penetration	IT as enabler
Section 6. Process and business philosophy	Business philosophy, Project management
Section 7. Organization structure	Flexibility, Easy communication and info flow, Roles clearly defined, Enterprise controlling system, Informal organization
Section 8. Intellectual Property	Knowledge as a value

Rodrigez et al (2006, 530–533).

A lively discussion initiated by Ram Charan's article (2014) on HRM function to be split into two separate functions; one being administrative dealing with compensations and benefits, reporting to CFO[3] and the other being HR Leadership –Organisation focusing on improving the people capabilities of the business and would report to the CEO[4], faced opposition but to not to the split as the author had expected but to his statement that CHRO[5] is not sounding board and trusted partner to CEO like the CFO is. This seems like another proof that in general the focus of the company is on finance and a profit, and less on human resources and the knowledge needed for optimum performance. Or is it?

The theoretical approach to knowledge management is a subject of interesting development; according to Serenko et al. (2010) it started by a prevailing number of publications written by practitioners during 1994–1998 (33 %) and dropped to 10 % in 2008, when majority of writings were done by academics and for academics. Hislop (2009, 293–276) states that articles on knowledge management, according to Abrahamson, took the bell shaped behaviour in late 1990s which peaked in 1998, which signals that it was fashionable and that the increase will be followed by a decline in interest. This development is supported by the fact that since 2003 no comprehensive up–to–date survey on uptake of knowledge has been undertaken (Hislop 2009, 275).

The stated could pose a danger that KM/IC becomes purely a scholar discipline because of the sophisticated language used. It is quite possible that the analysis of the two companies will show that KM is an integral part of business, irrespective of how it is named in academic papers, or on the other hand, that an academic approach of KM can contribute to more structured and cohesive recommendations for KM.

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[3] Chief Financial Officer
[4] Chief Executive Officer
[5] Chief HR Officer

1.3   Human Resource Management in Small and Medium Enterprises

The chapter provides definition of SMEs as they provide substantial amount of jobs and how their variations in size (but not only) impact approaches and expectations by human resource management.

The European Commission defines SMEs by number of employees and either turnover or balance sheet total, as presented in the table 1.2 below:

Table 1.2: SME definition

Company category	Employees	Turnover	or	Balance sheet total
Medium-sized	< 250	≤ € 50 m		≤ € 43 m
Small	< 50	≤ € 10 m		≤ € 10 m
Micro	< 10	≤ € 2 m		≤ € 2 m

Source: (SMEs 2014).

According to EU web page "more than 99% of all European businesses are Small and Medium Enterprises (SMEs). They provide two out of three of the private sector jobs and contribute to more than half of the total value–added created by businesses in the EU. SMEs are considered the true back–bone of the European economy, being primarily responsible for wealth and economic growth, next to their key role in innovation and R&D" (Small and medium–sized enterprises (SMEs 2014). The question arises whether such a definition where 99% of all business are in one category and whether managing such entities in reality requires same approach to managing business, people and consequently contributions, whether they employ 200 or 20 employees. Harney and Dundon (2006, 4) pointed out that 70% of small firms are actually "sole proprietorships or partnerships".

With regard to cross–country cultural differences concerning the role of HRM in service industries, there are significant differences between the European countries. The predominant difference is between old vs. new EU countries, where HR development functions (career planning, training investment, performance appraisal etc.) are significantly positively associated only in Old EU regions. (Kramberger 2011).

In 2008 Gooderham et al. attempted to answer the question on influence of HRM practices with strategic HRM on firm performance, by analysing 3281 European firms (using Cranet

data set) of 80 different HRM practices consolidated in 15 bundles of HRM practices which were then further categorized as either "calculative" i.e. efficient use of HR , "collaborative" i.e. promoting the goals of both employees and employer or "intermediary" i.e. the ones with no common theme. They point out several limitations: use of cross–sectional data, not being able to control organizational structure nor culture, possibility that HR practices bundles were not aligned with strategic and on top of that the response rate by countries was low (20% – 35%) they still state that the role of HRM (in calculative HRM practices) in performance is less important than other authors suggested and that "off–the–shelf" HRM bundles are inadequate. Their analysis also indicates that for European firms the country of location is a relatively important source of variation in performance. The study focused on Old EU members i.e. accession until 2004. It unfortunately didn't offer (at least) any insight into split between new and old EU regions to enable comparison between above mentioned HR functions.

From human resources point of view, according to European Commission's Analytical report November 2006 – January 2007 (European Commission, 2014), SMEs presented two main issues: the first one is recruitment problem, i.e. filling up vacancies with appropriate candidates, although less than a half of European SMEs reported this as problem. The second problem SMEs pointed out was expectation of candidates' high wages. Unfortunately the report focuses more on economic perspective of SME performance rather than management of knowledge, talents etc. (which are not mentioned at all). According to Harney and Dundon (2006, 26) who delivered a case study on six SMEs operating in the Republic of Ireland. The various ownership structures and management styles clearly influenced responses to intensified competition. What is more, we should not neglect the attitude in SMEs towards union in their research where the management was clearly opposed (Harney and Dundon 2006, 29) but nevertheless concludes that HRM in SMEs is not a seamless garment but rather a quilt composed of a distinct mix of policies and practices, in some cases uneven and contradictory, imbued with varying levels of formality and informality, each reflecting the unique context from which they emerged (Harney and Dundon 2006, 34). This implies that the statement made by Brand and Bax (2002, 6) that the personal attitude of the small business owner determines whether the flexibility potential that is definitely present in every small firm gets used, applies also for the management of the small business. However, this does not seem to be applicable for HR managers, according to Brand and Bax (2006, 10),

they are not free in choosing their ways to bring about the desired balance in the labour allocation process.

On the other hand, Jarvis and Rigby (2011) in their research carried out in 20 small and medium sized accountancy practices (SMP) into increase of HR and employment advice provided to SMEs by the accounting practitioners, discovered that it relates to the wider business support and advisory role required by their SME clients. As the result of this research trust has been recognised as the fundament of the relationship and also similarities between SMEs and SMPs were discovered helping the bond between them further.

Durkheim (1997, 326) states that an entrepreneur in a large scale industry is more dependent upon his workers provided they are aware of interdependence and know how to take coordinated actions. If workload provided is not sufficient, the solidarity declines because a worker activity is lower than it should be. Consequently different functions are discontinued and can't work harmoniously together, what results in lack of cohesion. The implied answer here is that knowledge flow can be (is?) more easily transferable in smaller companies because work is less specialized and less fragmented.

Wright (2008, 13) in describing the outcomes of a study of 600 US business done at Cornell University, states that many SMEs are owner–operated and have few or no HR employees hence their HR practices are informal and reflect principles rather than specific practices. They focused on three main aspects of HRM and identified a few alternative HR strategies within each:

• Employee selection

> Small and medium–sized businesses can focus on "person–job fit" by hiring people for the specific job (only looking at the skills directly relevant to the job applied for), or they can focus on "person–organization fit" (looking for broader skills, the ability to get along with team members and fit in the company culture).

• Workforce management

> Tight controls can be emphasized by closely monitoring day–to–day activities of employees using lots of explicit rules and procedures to dictate their pace and schedules. Or, they can use "involvement and self–management" to get employees involved in defining their activities, giving them more autonomy.

• Motivation and retention

> SMEs can use monetary incentives—paying higher wages than competitors and using financial rewards for performance—or a family–like community and environment, using social events and meetings to foster employees' emotional attachment to the company.

He concludes that SMEs focus much more on selecting, managing and motivating employees by creating and supporting family–like cultures to which workers become emotionally attached (Wright 2008, 13)

This concurs somewhat with Beijerse's (2000) statement that SMEs do not have KM implemented at either strategic or at tactical level. However, at operational level they use several systems or instruments He therefore implies that this does not mean SMEs have no KM but that it "point[s] to a study into the perception of knowledge management in the British business community to whom the following statement was made: "We already use knowledge management, only we don't call it knowledge management."

2   Problematics

Knowledge management is a hot and fashionable topic. The companies closer to the higher end of SME definition i.e. medium size leaning toward large ranking companies, tend to have HR departments and usually also have measurement like days of training attendance per employee per year in place. However micro and small companies usually have HR department purpose of which are administration of employee contracts, hiring and firing. In them knowledge is perceived to be responsibility of an employee. In best cases training attendance is used as "reward" available to selected employees. The cost of training and education is predominantly perceived as unnecessary cost and it was also one of the first "cost saving" actions by the management in times of crises.

Based on my work experience of two decades in international companies, I was intrigued to review attitude and processes in the two companies that that are both international by operations and their culture but seem very different in other aspects – the new, rising star, is technology driven, growing fast, privately owned, average age of employees below 30 and on the other side the company whose glory days are over so to speak, international in behaviour

but in state ownership (although not by the state where the head office is registered), providing services that are perceived conservative and average age of employees at 42.

The companies' subject of research are introduced in the table 3. Both are successful in their line of work, attitude towards employees is inclusive and supportive yet demanding in terms of expected results and work attitude and ethics. Both companies are from Slovenian provenience with head offices outside Slovenia, both are in service industry. The first one, the mission of which to bring fun and entertainment to everybody, is technology driven, founded by a group of entrepreneurs in 2009. The other, existing for nearly 3 decades, offers comprehensive range of products and services to meet their clients' trade and financial needs.

Table 2.1: Comparison of researched companies

	Larger SME (Company 1)	WindingDown SME (Company 2)
Established in	2009	1989
Type / Activity	Service –develops and markets entertainment applications	Service –provides forfaiting and other forms of financing of international trade–related transactions
Status	rising	closing
Number of employees	Over 100 & recruiting	17 & reducing
HR department	established	none
Competency matrix, Job description	implemented	none
Appraisal discussions	Semi annually	none

Neither of them has a KM function implemented. The first one, to be called Larger SME i.e. Company 1 (See Picture 2.1), has been growing fast ever since its establishment and has been investing in its employees from the beginning, not so much in technical education but rather in developing "soft skills" e.g. project management, communication. Regular semi–annual appraisal meetings with employees, including career development, are held. At the time we started this research in November 2013, the company employed over 100 employees and was still recruiting.

The other company, to be called WindingDown SME i.e. Company 2 (See Picture 2.2), is in its final stage of lifecycle, (in the process of closing) due to political regulation. The employees are aware that the company is in process of closing. Nevertheless, fluctuation is rather linked to expiration of contracts as opposed to voluntary exits. Being a small company,

at the time of starting this research company employed 17 people in total. The appraisal interviews are not formalised, induction of new employees in past years was reduced to on the job trainings. It needs to be pointed out that WindingDown SME (Company 2) supported participation of two former employees (general managers) to share their experience for this research. One person left the company in 2012, the other in 2013.

Picture 2.1: Larger SME (Company 1)

Larger SME (Company 1)

```
        COO & CRO ─── CEO ─── Deputy CEO

                        │
    ┌───────┬───────────┼───────────┬───────────┐
            VP Product   VP          VP Design &  VP Legal
            Development  Technology   Animation

General Manager   SD Business   SD Product    SD Technology   SD of QA      SD Finance
                  Development   Development
```
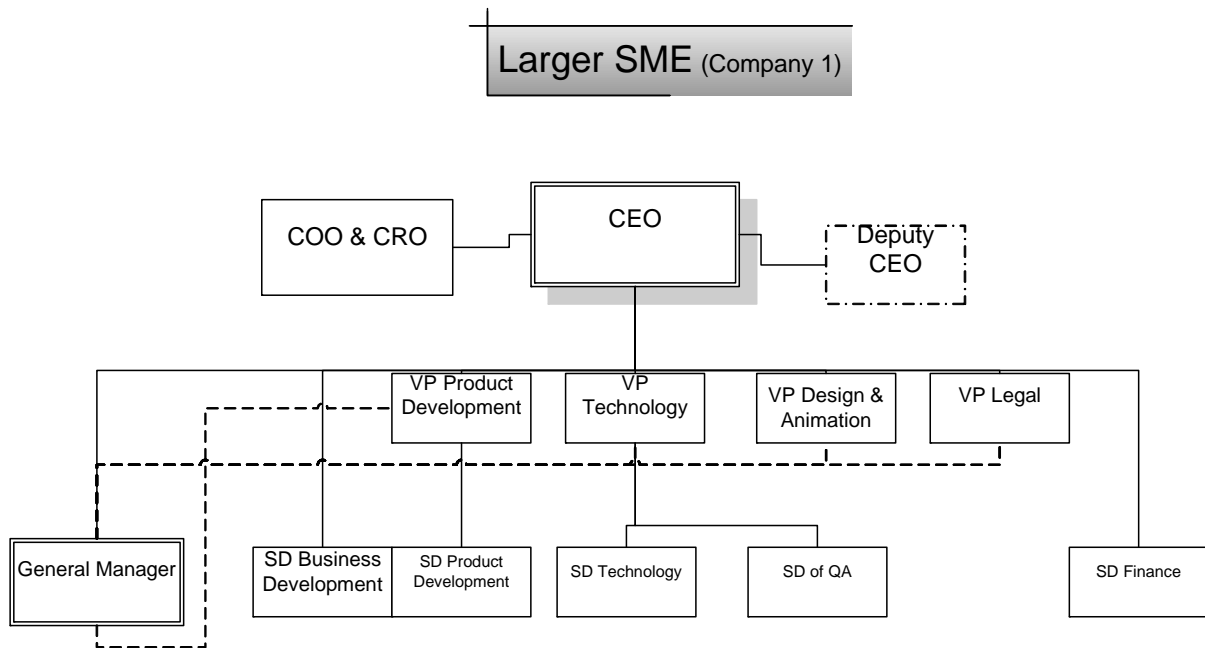
Picture 2.2: WindingDown SME (Company 2)

WindingDown SME (Company 2)

```
          Managing Director ─── Deputy Managing Director

                  │
        ┌─────────┴─────────┐
   General Manager      General Manager
   Branch               Subsidiary

     Ex GM                  Ex GM
```

23
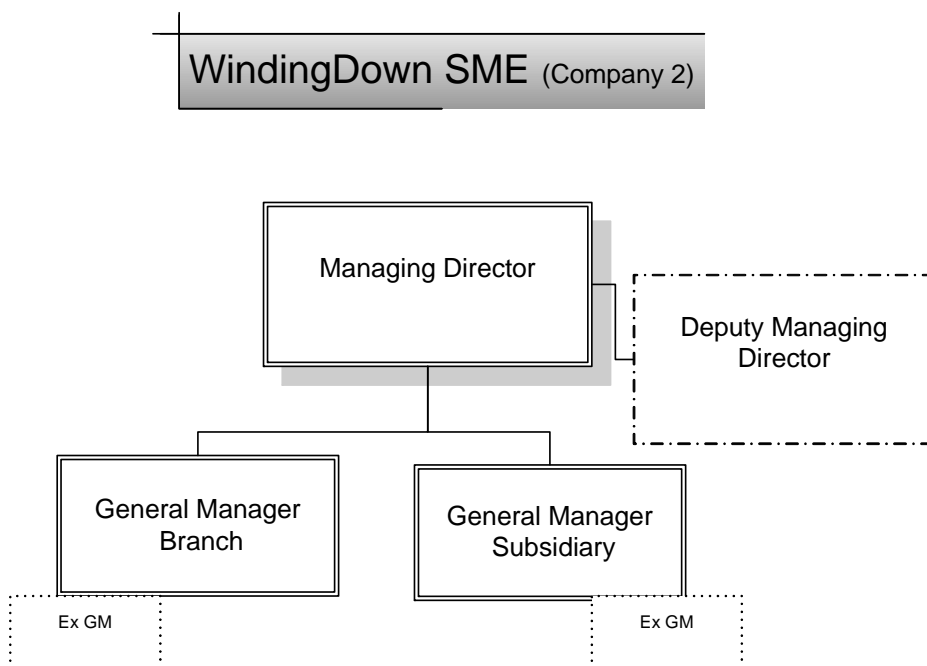
Larger SME (Company 1) has pointed out they are interested in the research and would like one of the outcomes of their cooperation to be a content for the workshop on how to increase responsibility and accountability by employees, cascaded downwards in their hierarchical structure.

3 Empirical part

The aim of the research is to find the answer to questions: a) how is the knowledge managed in a company without dedicated job description (person) nor department, and b) is knowledge management influenced by the personality of person in charge?

The theme is approached through a RBV, based on Grant (1991) and aligned with KM theory (See Picture 3.1) considering both strategy and KM being intertwined recurring processes and having in mind that none of the companies have the person or department responsible for KM in place, or have the desire to implement one. The latter especially applies to the WindingDown SME which is after nearly 30 years approaching its end.

Picture 3.1: Balancing strategic HRM with KM

Adopted from Resource Based View

| Resources and capabilties | Sustainable competititve advantage (transferability & replicability) | Select strategy | Identify resource gaps / mismatched talent |

Knowledge management approach:

Company culture: employee selection.   Organisational   Importance of middle
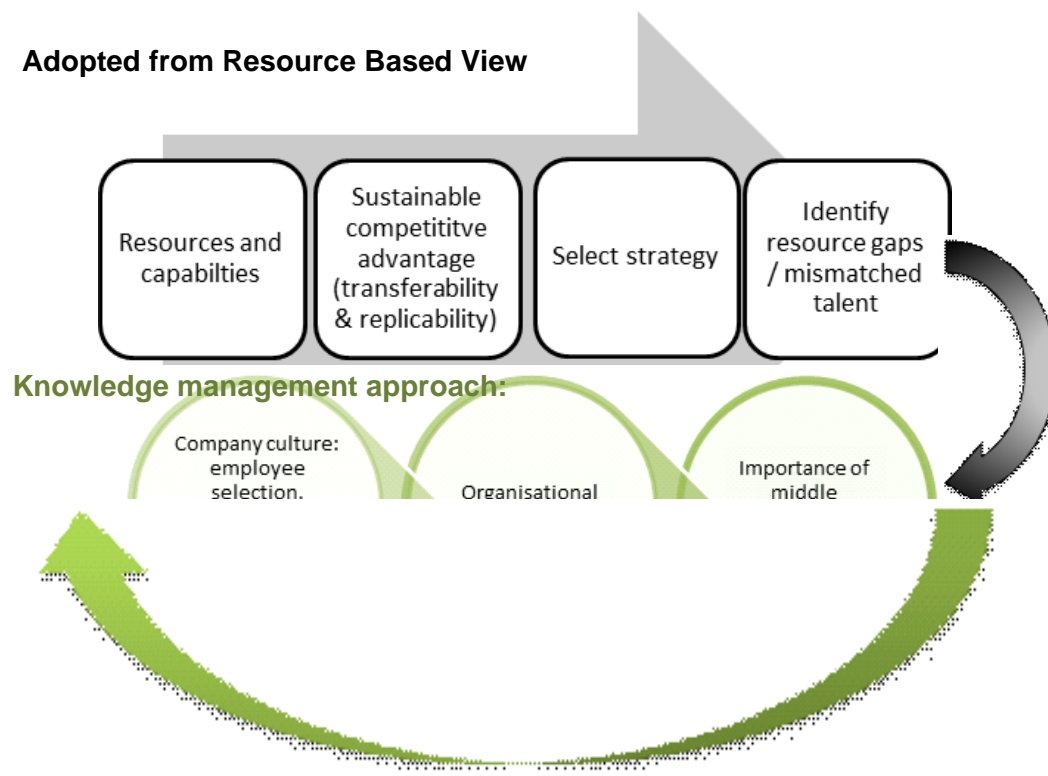
3.1 Methodology

3.1.1 Type and model of research

The research is qualitative in form of case study where information was systematically gathered and analysed "not to understand or test abstract theory or to develop new theoretical explanations; instead, the intention is to better understand intrinsic aspects of the particular […] organisation" (Berg 2001, 229). It was done on the case of the two SMEs in order to understand their approach towards employees, knowledge, their role and transfers there of between them.

According to Blaž Mesec (1998) case study is wholesome description of respective case and its analysis meaning, detailed description of the case, activities and the process of uncovering these features i.e. the process of research[6].

The critics of this method claim that in the past it could be perceived as biased because of the influence of researcher's (my) background and identity. However by applying "critical subjectivity" my insights and experience (Maxwell, 2009) can be beneficial to the outcome. Mesec (1998) is also refuting critics' claims that case study is inferior and could only be used for explorative research because its results shouldn't be generalised since one case cannot represent general population, as is the case of the research based on questionnaire. However, he does point out that reliability increases with careful and meticulous description of data collection process as well as every information received. With this, in case the research would be performed again in similar circumstances equal results would be achieved. Berg (1998; 232) says that "for many researchers, objectivity rests on the ability of an investigator to articulate what the procedures are so that others can repeat the research if they so choose".

The methodology's approach and execution is based on approach as described by Baxter and Jack (2008) and Kumar (2010) i.e. to study the issue within context and in–depth. In addition also the approach described by Blaž Mesec (1998) for social work research that the focus is on interviewee, meaning to let him speak as opposed to what is in the (sole) interest of interviewer, was applied.

For Computer–assisted Qualitative Data Analysis Software (CAQDAS) Rademaker's (2012) research was taken into consideration in which a team of three professors, who are members of college–wide evaluation committee, members of different college departments, who had very different perspectives towards research and the use of computers, investigated faculty's

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[6]The passages referring to B. Mesec were translated by author of the thesis

use of conversation and reflection to demonstrate professionalism in teaching. Based on the research they made the following proposals:

> *The "trying out" resulted in unique moments for each of us that expanded our understanding of what another member was trying to express related to data analysis or interpretation. Our suggestion is for researchers to allow sufficient time to "play around" with the software, and to try to look at their data from multiple perspectives. Additionally, we suggest diverse scholars can work together through the medium of CAQDAS to provide more opportunity for collaboration in data analysis and interpretation.*

The qualitative analysis has been chosen because "qualitative research is addressed as a good research approach among so many research schools of the world for its in–depth analysis capacity and attractive description styles." (Hossain, 2011) Another reason to choose a qualitative study was the comment made by the senior officer of one of the companies chosen for analysis during our discussion: "we're not afraid of competition copying us; they did it and failed because they do not have our spirit, dedication, we love and enjoy what we do, it's newspaper articles [in semi–business newspapers] that we want to avoid."

From the objectives' perspective the research is exploratory (Kumar, 2010), not so much that the area is little known, but because it is interesting to know what is different and what the same in the selected companies in terms of managing knowledge. According to Baxter and Jack (2008; 548–549), who cite Stake; intrinsic type is also applicable because my "intent is to better understand the case… It is undertaken…because in all its particularity and ordinariness, the case itself is of interest.*"*

3.1.2   Data sources and collection

Both companies were approached in November 2013 and invited to participate in the research. The WindingdownSME Company 2 agreed without any conditions, the small delay with interviews was caused by the change of directors. For the LargerSME, on the other hand, the preparatory discussions took longer, but the only reason for that was their interest and expectations of feedback what would be their gain from their participation. as they are constantly seeking opportunities for improvement.

The process of data collection (See Table 3.1) started in November 2013 with discussions regarding companies' willingness and potential scope of their involvement, followed by their

submission of secondary data for review and clarification of potential questions prior to interviews.

Table 3.1: Research process

Selection of companies Nov–Dec	Feb Mar Preparation, Coordination of Interviews	Apr May Data collection	May / June data processing	Jun analyses of collected data	Jun / Jul Preparation of research report
Introductory meetings discussion on amount of involvement and time available by participants disclosure of secondary data	discussion who to interview within company discussions on frame and length of interviews framework for semi structured interviews	invite sent to participants by Deputy CEO and MD collection of secondary data preparation for primary source collection	interviews: carried out, summaries written, authorised careful reading – looking for main themes main themes selected, formation of categories	interview data imported in QDA, 2ndary data added, followed by reading of summaries &formation of codes final reading with coding	preparing conclusion proposal disseminati on outcomes to both companies

The next step was reviewing and analysing the documents provided by both companies respectively including several discussions with top management which were used to check my understanding.

Both companies provided vision and mission statements as well as their strategy.

In case of Larger SME (Company 1) the documentation provided included also competency matrix, job descriptions and completed appraisal forms but only for some employees. The WindingDown SME (Company 2)   on the other hand, does not perform appraisal talks, nor has job descriptions. The result of this is that interviews carry the heavy weight of the analysis and secondary data source serves as supporting information (excluded from coding).

The interviews were semi structured. The main topics were prepared and discussed in advance with the person in charge in the respective company (i.e. Deputy CEO and managing director), and then consolidated into one document which was used after the interview to write summaries. At the same time the duration of interviews was agreed (approximately 30 minutes per participant) as well as content of the "Invitation letter" for the interview

participants which was sent out by Group Deputy CEO and Managing Director of respective companies.

 It was agreed that participation of employees would be strictly voluntary; they would have the right to refuse an interview. The interviews were carried out with middle and top management of both companies in April and May 2014. Altogether there were 19 interviews, 13 in Larger SME (Company 1) and 6 in WindingDown SME (Company 2).

The topics for interviews were divided in three main themes titled 1) Manager where the information regarding their beginning in the company was discussed, 2) Knowledge with the aim to determine where and how the information needed to do the job, is received and 3) Expectation addressing future needs for knowledge. At the beginning of each interview it was explained to the interviewee what the topics are, at the same time they were asked if they agree that notes will be made and then send for authorisation to interviewee. The interviews were concluded with a question if there was anything else they would like to add or thought they would like to tell but were not asked. (Appendix A). "The order of the questions [asked varied] according to the natural flow of conversation" (Gibson and Brown 2009, 88). This also meant that the process was managed and judgements to what is relevant for the research goal were made on the spot thus the interview became data gathering process since it included analysis, working through the ideas with "research participants and improvising their data as an analytically mediated outcome" (Gibson and Brown 2009, 88–89). Notes during the interview were made in the shape of mind map. The summaries were written in MS Word, no later than within 2 days after respective interview took place and sent by e– mail for authorisation. No names or any other revealing data were written in the summary of the interview. Seventeen interviews were done in person at their business premises and two were conducted over the phone. 17 out of 19 interviews carried out were authorised, the reason for the two missing was in agreed deadline for submission which would not be extended (See Table 3.2).

Table 3.2: Overview of interviews

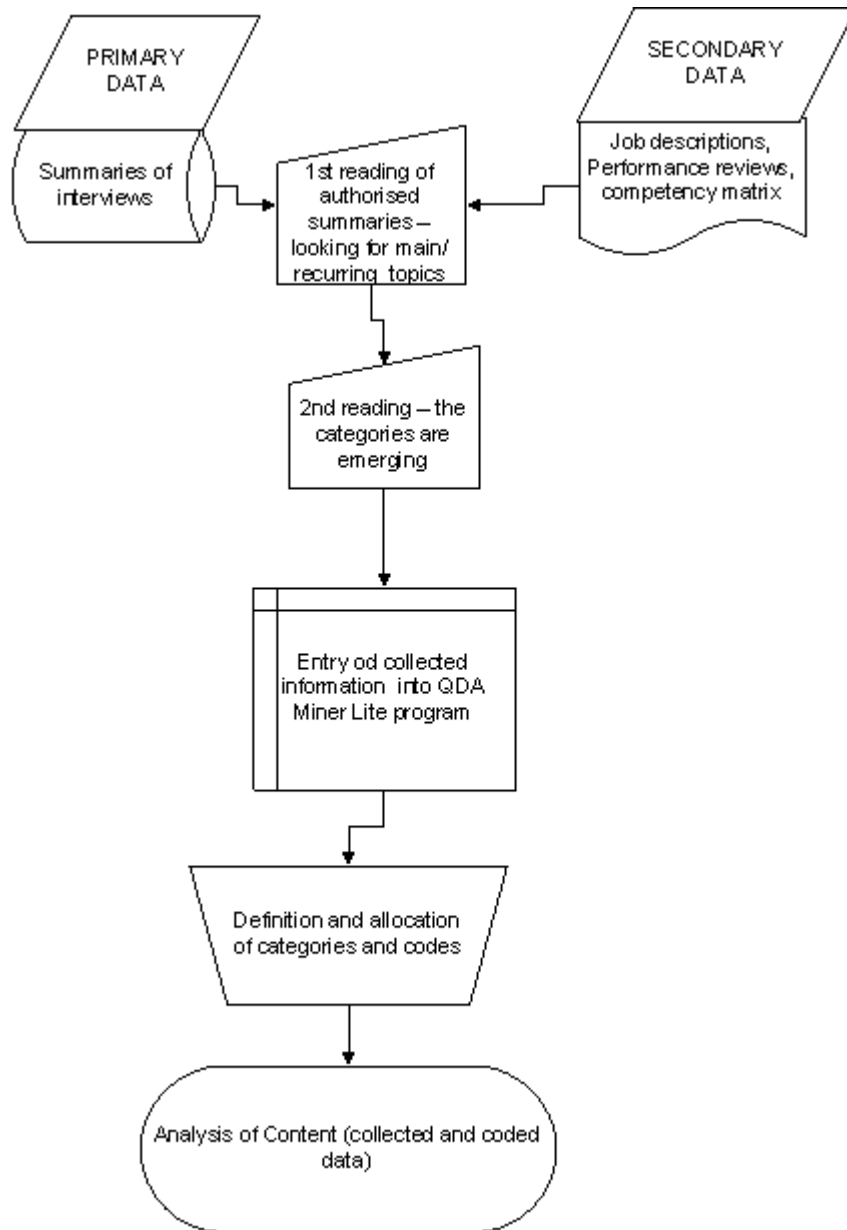| Summary - Interviews	Company 1	Company 2
Completed	13	6
Authorised	11	6
Top Management participants	7	2

The interview framework was structured in such a form that main themes for interviews would facilitate categorisation for the analysis. The assumption was made on theory i.e. importance of middle management (theme Manager), management of knowledge (theme Knowledge) and strategic HRM in terms of knowledge (theme Expectation). However, during the interviews and even more so later, when reading summaries of interviews of both companies, it became clear that the information provided was more complex and "open minded approach" (Berg 1998; Boyatzis 1998; Mesec 1998; Gibson and Brown 2009) and expansion of categories as shown on the right hand side of the table Categories and codes of data analysis (See Table 3.3) was imminent.

3.1.3   Analysis

Some authors (e.g. Boyatzis 1998; Mesec 1998) propose the process of analysis to start with reading the text and making notes meaning assigning codes, which are in the next step grouped in categories and in the third step "upgraded" into propositions. According to Mesec (1998) the analysis cannot be separated from interpretations. However in order to keep the goal of the research in mind the approach as described by Kumar (2010) seemed more appropriate. He proposes the analysis to be performed in 4 steps. The first one being identification of the main themes (carefully read through in order to understand the communicated meaning and selection of wording that accurately represents the meaning of responses), followed by assignment of the codes to main themes, which he considers optional (main themes suffice), the third step is classification of responses under the main themes, this involves reading all interview transcripts again and assigning them to different themes, can be done by use of computer programme. The final step is integrating themes and responses into report, either by using some verbatim responses in discussion or report can be written based on frequency of occurrences.

The analysis started (See Picture 3.2) with a review of secondary data sources. For the WindingDown SME (Company 2)   only Vision and Mission exist and can be summarized to: "becoming flexible all–round financial company exploiting investment and finance opportunities in its countries of operation by servicing clients with experienced professional employees, being profitable and focus on personal initiative in setting new challenges." No job descriptions nor appraisal talk or competency matrix are implemented. Their strategy does not include winding down of operations.

Picture 3.2: Data analysis process

PRIMARY DATA

Summaries of interviews

1st reading of authorised summaries — looking for main/ recurring topics

SECONDARY DATA

Job descriptions, Performance reviews, competency matrix

2nd reading — the categories are emerging

Entry od collected information into QDA Miner Lite program

Definition and allocation of categories and codes

Analysis of Content (collected and coded data)

With this said, the emphasis is on Larger SME (Company 1) which provided the below described documents (secondary sources):

Vision, which can be summarized to, being an entertainment company based on fun and family values

and mission statement saying they build entertainment with humour and creativity to empower inner child in everyone.

<u>Competency matrix</u> The company identified following competency areas a) Influence on results, b) Leadership and self–organisation, c) Expertise, d) Innovation and self–initiative, e) Internal cooperation and f) External cooperation: They're presented in matrix with 4 levels of promotion. The competency matrix is used in semi–annual appraisal talks as one of the areas where status planned vs achieved is evaluated by the superior, employee and job requirement.

<u>Job descriptions</u> are divided in two main areas 1) Internal assignments for the purpose of the company and 2) Assignment in relations to customers. The first one has strong elements of knowledge sharing – it includes mentoring, organizing training and education

<u>Semi–annual appraisal</u> form titled "Working Agreement for a calibrated assessment of employee" includes evaluation of past set goals, setting of goals for the new evaluation period, the form is filled out by both an employee and their superior.

The analysis on primary data – authorised summaries of interviews– started as per broad description by Gibson and Brown's (2009, 109–125) of "transcription of data" not being just predecessor to analysis but the central point of researcher's approach to data was applied to value of written notes and summaries for interviews carried out. The first reading of summary interviews was done after all (except the 2 mentioned) authorized interviews were returned. All interviews were read carefully in one go to identify the recurring themes, having in mind the goal of the research. This represented Step 1 – identification of main themes, paying attention to the words and language used, to reflect meaning and context of responses (Kumar 2010, 278). Kumar suggests the use of software such as Etnograph, NUD*IST N6, NVivo as they provide benefit of feedback whether data is suitable for analysis. In my case I used the QDA MinerLite software (Appendix B) since it is free and provides just enough options to test and analyse the data. The benefits of Computer–assisted Qualitative Data Analysis Software (CAQDAS) according to Rademaker et al (2012) are easy storage and easy access to large amounts of language (and other types of) data, the ease of manipulation and change around categories, themes and codes. On the other hand Gibson and Brown (2009, 188–189) warn that some researchers use the function extract and focus only on the extracted segments causing concern that removal of context can change the meaning of the text. This might be the issues for large amounts of data and analysis spread over longer period of time. Further he poses another danger to reliability, the software that enables automated coding which saves time but removes researcher from interpretative process. This was, of course, not the case in this research. After loading the summaries in QDA Miner

Lite, they were read again, categories entered in the system for testing – where the next steps took place: step 2 – assigning codes to main themes, followed by step 3 – classification of responses to the main themes. The fourth and final step is integrating themes and responses into report.

Having in mind the research questions the following themes or categories were the result of careful reading 6 categories (See Table 3.3):

Recruitment – was split into 6 types (codes) explaining how the employee (i.e. mid or top manager) joined the company and how he became acquainted with the job.

Support – was further split in 5 types providing information who was most helpful to interviewees at the beginning of their employment.

Knowledge category provides insight on how the information and knowledge are acquired, used and further developed including information where there are potentials for new knowledge

Delegation – this category provides information how standardized or flexible workload and task delegation is.

Culture – this category explains the extent of self–initiative required from employees or permission to learn from mistakes

Final and to some extent selective category is top management's attitude to knowledge, explaining the expected attitude toward employees' acquisition and sharing of knowledge and attitudes and behaviours top management supports.

Table 3.3: Categories and codes of data analysis

After initial discussions & **before** interviews		After Interviews & Reading		
Interview Framework		**Category**	**Code**	**Description of code**
Manager	Job title and position, were there any changes within this company – describe them	**Recruitment**	Agency, Ad	Employed through Headhunting agency, web ad etc. (i.e. not by recommendation)
	When you joined the company – how did you get to know what is expected from you		Invite	Employed through invitation directly from top management, by recommendation of a known person
	Did you have a mentor when you joined the company – what did you like the		Induction formal	The induction process based on rules and guidelines of the company, timeframe and goals determined by HR

				process of the company
	most about having a mentor			
	If you didn't have the mentor – what would be different if you had		Induction informal	Induction process is not formalised, it depends on the employee's superior and selfinitiative
	How many people are in your team		No induction	No induction was provided, the employee was expected to either have or know where to find needed info
	Who helps you most in achieving your goals – how and what is his position		Reason to join	The information, feelings etc. employee had about the company that help him made the decision why to join this particular company
			Mentor / Buddy	Who provided the information and guidance in first few months. The person(s) who are appointed by company HR policy
Knowledge	Where do you get information needed to do your job	**Support**	Colleagues	Who provided the information and guidance in first few months i.e. colleagues who have similar work tasks or are influenced by employees performance.
	What do you if you don't have enough information / knowledge to do the work		Networking	Who provided the information and guidance in first few months i.e. the employee used his (previous) existing network of people and also within company but outside his immediate circle of work.
	How would you describe your ideal mentor		Self	The employee used mainly own knowledge and expertise, only in extreme situations support from others was required
	How (to whom) do you appoint tasks in your team		Description of "ideal" mentor	Employee describes what kind of mentor (personality, expertise, soft skills) would be most helpful for new employees
	Do you encourage your team to expand their knowledge – how	**Knowledge**	Training	How is the knowledge maintained and / or enhanced – through formal training, organised events etc.
	How do you improve/expand your knowledge		Self initiative	The enhancement of existing knowledge is driven by self–interest, self–motivation
	Do you select and send your team		Previous experience	The interviewees state that knowledge to do the work

Expec tation				
	members to training and education			comes from their previous experience
			Improvement possibilities	These statements provide insight how/where the interviewees see the potential to perform better
Expec tation	What kind of knowledge do you need to do your work better	**Delegation**	Formal structure	Delegation of tasks is based on organi chart i.e. based on job descriptions
			Flexible	Tasks are delegated based on availability of staff and choice made by superior
	Who can help you get the knowledge you need	**Culture**	Pro–active	The company supports self–initiative by employees, encourages them to propose new solutions, take responsibility for their work, look for new ways of doing and open communication
	What do you need to improve your team's and yours management of knowledge		Trust	The company gives employees freedom and opportunity to learn from mistakes
		T–Attitude to Knowledge	Initiative by employee	The replies provided by top management on their expectations of attitude towards acquiring and sharing knowledge – expects employees to take the initiative
			supportive	The replies provided by top management which employees' attitudes / behaviours they support

When the data was categorised and coded, the CAQDAS was handy again, firstly categorised and coded text was retrieved (See Picture 3.3) and used for checking to see if any text was duplicated after elimination of any possible duplications it was used for reading coded text and to make brief comparison to highlighted text in interview summary for contextual testing and then for final stage of writing the results into the report which was also sent to the responsible person in respective company. The feedback is pending.

Picture 3.3: Example of retrieved data for analysis

3.1.4 Restrictions and limitations

Both companies were extremely supportive and helpful in discussing their business including confidential information with me, the interviews were carried out with all managers that received invite. However it cannot be said that based on these discussions the full scope was comprehended.

Also in the case of WindingDown SME (Company 2)   main information source were discussions, as they do not have formalized HR procedures.

In interviews, as well as in their summaries, words information and knowledge were used interchangeably, in the context of discussion for purpose of transparency and traceability, ignoring the academic definition and division between data, information and knowledge.

The qualitative research is about context, about the content of shared information as well as the way information was provide (i.e. nuance). Validity and reliability in qualitative research in general raise a lot of noise; according to Kumar (2010, 186) they are debatable and controversial and dependent upon identical replication of process and methods for data collection. Reliability in case study is to be treated differently since the case study cannot be repeated, hence it is crucial to document and methodically describe process of data collection and archive every information (Mesec 1998). Gibson and Brown (2009, 182) list possible solutions for reliability e.g. the internal reliability can be increased by more than one researcher or checking the interpretation of an individual researcher by their colleagues etc. but continue that issue of reliability is more complex than just checking the consistency of procedures and judgements. Due to new technologies i.e. software this step is now much faster and easier although Gibson and Brown (2009) warn that some software enable automatized coding thus excluding the personal involvement and reflections of researcher.

3.2   Results

The below stated results of research are derived by deduction (generalisation), which according to Mesec (1998, 50) is not new or unusual. If it was, according to him, the same would apply also to experiment which we keep doing often nevertheless.

From the analysis of secondary data source it can be deducted that formally Larger SME (Company 1) puts employees as a main driver (fun, family values) which is expected to result in profitability and sustainability. However WindingDown SME (Company 2)   appears to be giving priority to customer service and expertise of employees but the results of interviews show that both companies perceive employees as the strongest barrier to imitation by others hence their valuable asset.

Rather surprisingly the results between the two companies do not vary much. In below tables some typical answers for respective categories are shown, details are in Appendix D.

First and most similar example is category Recruitment (See Table 3.4) – both companies resort to employment based on recommendation (invite) and their previous experience was

of significant value. The induction[7] as such was not really needed according to interviewees but when available it was welcome.

Table 3.4: Examples of replies referring to category Recruitment

Invite	Company 1 – growing	In terms of recruitment we pay attention to the fact that from internal candidates we already know the "negative" bits, but from external candidates they're yet to be discovered – so we consider and think through the benefits and threats the decision whom to employ brings
Invite	Company 1 – growing	I was invited by the person who is now my boss
Invite	Company 1 – growing	I was called by one of the owners and offered the job – he explained about the company and position.
Invite	Company 2 – winding–down	From the start it was clear that reason for employment was level of expertise, being self–motivated expert with self initiative who knows what is needed to complete the task
Invite	Company 2 – winding–down	The recruitment in the company relied on recommendations
Invite	Company 2 – winding–down	In small company it is crucial to employ the best person for position i.e. "all–around" specialist with common sense, team player.
No induction	Company 1 – growing	From the beginning I was hands–on and also set–up the culture of the company.
No induction	Company 1 – growing	For the CEO position there was no need for mentor, I know the company, the products, the culture and I can always ask people who have better expert knowledge for respective area for their opinion.
No induction	Company 1 – growing	At the beginning it was through discussions with other founders – they are tech experts so my role was business ops driven i.e. administration, HR, finance, purchasing (including premises) royalties application , process management
No induction	Company 1 – growing	No, didn't have mentor, I also like to learn myself, try things out
No induction	Company 1 – growing	The start was about issues presented that needed solutions – so I started looking for them.
No induction	Company 2 – winding–down	the reason for my recruitment was that I'm experienced, know how the owner company functions, I have (pre–)established connections hence the assumption for my employment was I have the knowledge to complete the task – close the company fastest way possible.
No induction	Company 2 – winding–down	There was no mentor, the inclusion in team and work–performance were dependent on my self–initiative. If I had a mentor I would be quicker in understanding how the (IT) system works (tasks and tools).

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[7] Induction is training provided by the employer to new employees to assist their adjustment to new job, help them become familiar with their new work environment and colleagues

Regarding the support in Larger SME (Company 1) (See Table 3.5) two persons came out strongly; CEO who is perceived the best support in creative in technical issues and Deputy CEO who is perceived valuable support in project management issues and soft skills. This outcome when compared to aforementioned Nonaka and Takeuchi theory that top management may support creative chaos rather points out that top management in this case encourages explicit knowledge by being available for open communication and discussion thus providing clarity.

Support is also received by colleagues. In comparison mentor vs buddy, buddy wins by providing more useful information (who's who in the company, where to get lunch,…), than mentor – this however is driven by the fact that company is technology and market leader hence self–initiative and independence are crucial for day–to–day work. In WindingDown SME (Company 2) the support is more widely spread, even though company is much smaller, using the colleagues and wider social network.

In both companies finding the information, knowledge, by employee himself is important as well as having social network. Another interesting point was that when asked about ideal mentor both companies replied it should be more than one person e.g. "I think several people and combination of different approaches is better than just one mentor". Regarding ideal mentor WindingDown SME (Company 2) answers were oriented more towards efficient coordinator and promoter of company culture.

Table 3.5: Examples of replies referring to category Support

Colleagues	Company 1 – growing	I talked to Group CEO and Group Deputy CEO they helped me most – in the way they promote company culture. I wanted to get to know the company, its environment, the fastest way possible.
Colleagues	Company 1 – growing	For the expert knowledge and skills I ask VPs , Group CEO and Group deputy CEO for soft skills we have workshops e.g. SDI, psychologist, Arbinger and I ask Group deputy CEO. I also use my existing knowledge e.g. events organization, project management
Colleagues	Company 1 – growing	For general business directions from Group CEO and Deputy Group CEO, for specific topics discussions with experts from different areas of expertise
Colleagues	Company 1 – growing	Group CEO advises and directs me on product related issued and Group deputy CEO with project management related issues

Colleagues	Company 2 – winding–down	Colleagues i.e. employees were and are of substantial help, in addition to obvious reasons, due to sudden promotion (outside the Group) my predecessor left before hand–over could take place. I ask for help of the people who are seated closer to me for practical reasons. Essential help is provided also by president of the Board of Directors – which is unique corporate world but advantageous for the company.
Colleagues	Company 2 – winding–down	No, didn't have direct mentor, but management and especially line manager were always supportive, I respected hierarchy of the company
Colleagues	Company 2 – winding–down	Colleagues who are experts in respective fields, regardless of hierarchical position. The company promotes flat organi structure. In case the person asked didn't have the information they usually recommend someone who does if not – info can be found on web
Colleagues	Company 2 – winding–down	The best support were colleagues – the closer their office was, the more I asked for their help, if it was specific issue I asked the person who knew the most about the issue.
Colleagues	Company 2 – winding–down	The support of colleagues was always present, all the questions that could be, were answered, the support was never an issue, but it was never provided before hand, always on the bases of initiative or questions, or even problems which arose because of the wrong handling of the issue.
Colleagues	Company 2 – winding–down	I mainly needed help from CIO & risk Deputy MD on content and Deputy MD for style and form of proposals. When CIO and some key players left the structured approach stagnated.
Colleagues	Company 2 – winding–down	Ask questions to colleagues, they were always supportive and helpful; check existing documentation and practice
Description of "ideal" mentor	Company 1 – growing	It should be more than one person, company should provide open environment, allowing development. I try to discover problems
Description of "ideal" mentor	Company 1 – growing	The ideal doesn't exist, also it works better to have several persons e.g.someone covering content (expertise) issues and someone for soft skills
Description of "ideal" mentor	Company 2 – winding–down	In general the company needs consistency to honor accepted decisions and to carry out and finish the designated and agreed tasks
Mentor / Buddy	Company 1 – growing	most helpful was his description and presentation of employees.
Mentor / Buddy	Company 1 – growing	For social contacts "buddy" (the onboarding system) was helpful, to some extent mentor helped me to get acquainted with products and content issues also cooperation with other departments was helpful

Mentor / Buddy	Company 1 – growing	I was supposed to have mentor – my boss, who was busy with his own tasks, I also had buddy and that was helpful, makes it easier to get acquainted
Networking	Company 1 – growing	We have open office policy – so I can ask anyone who is best experienced for the requested topic
Networking	Company 1 – growing	Experts from different areas of expertise
Networking	Company 1 – growing	This depends on the issues at hand, I ask around to find the expert on the subject and then cross reference the info provided for optimum results
Networking	Company 2 – winding–down	good relationship with employees in the mother company and elsewhere in order to get good ideas and solutions.
Self	Company 1 – growing	I don't have a role model, I observe and look up to different people,
Self	Company 1 – growing	The help for expert part, because the nature of our work, is mainly self–initiative and info sharing

With regards to knowledge (See Table 3.6) both companies expressed the self–initiative is the key driver for knowledge, followed by having social network to be able to ask around, make cross reference to information received. Training is not perceived as knowledge generating event but rather possibility to network, although in Larger SME (Company 1) they value in–house soft skills training, on some occasions existing knowledge as starting point for acquisition of new knowledge was mentioned. The difference between Larger SME (Company 1) and WindingDown SME (Company 2) was in knowledge improvement possibilities – WindingDown SME (Company 2) was very specific that in current situation legislation knowledge is most beneficial whereas Larger SME (Company 1) mentioned variety of possibilities; learning from mistakes, structuring their knowledge, refresher courses for soft skills etc.

Table 3.6: Examples of replies referring to category Knowledge

Improvement possibilities	Company 1 – growing	Encourage responsibility, accountability and self–initiative.
Improvement possibilities	Company 1 – growing	To be able to learn from mistakes, be able to analyze them – to turn them into a lesson
Improvement possibilities	Company 1 – growing	The knowledge needed is how to manage people, effective communication and how to set–up relationships.
Improvement possibilities	Company 2 – winding– down	Most helpful knowledge for reaching goals are team spirit and cooperation. Mainly I ask colleagues for support and information.
Improvement possibilities	Company 2 – winding–	Informal communication is essential to make least damaging decisions.

		down	
Improvement possibilities	Company 2 – winding–down	In this company mostly needed is legal knowledge – this is again specific situation .
Improvement possibilities	Company 2 – winding–down	In the final stage of the company leadership and management are of crucial importance hence, emphasis needs to be given to team management and workshop on change management should be provided.
K_Network	Company 1 – growing	It starts with open communication with others, I talk to a person of whom I know he has knowledge and broad perspective. People also come to me with issues needed to be solved.
K_Network	Company 1 – growing	Usually we feel we could do something better and then we look for options, the climate and culture in the company are essential
K_Network	Company 1 – growing	For networking conferences and trade events are useful, however I have not attended one yet.
K_Network	Company 1 – growing	I encourage transfer of knowledge: if I read interesting book – I present my team with a recap, if somebody attended workshop he has a short presentation of it
K_Network	Company 1 – growing	Learn from people – also from outside the company, I read and experiment, use prototyping phases,
K_Network	Company 1 – growing	The crucial effect is from communication, organization of work (company culture) and escalation.
K_Network	Company 2 – winding–down	Learning from real life examples , asking questions up/down organi structures, have the possibility to think/reflect on issues at hand and work
K_Network	Company 2 – winding–down	By talking to colleagues i.e. employees, reading company's and client documentation in the small company where formal hierarchy is not focus point the information flow is smoother and more efficient.
Self initiative	Company 1 – growing	I learn from everyone, I read books about different topics from how to write scripts to marketing, I ask questions, discuss with people
Self initiative	Company 1 – growing	We are the leaders so there are no technical workshops, self–initiative is required, but we also know who does what
Self initiative	Company 1 – growing	I'm not a typical lawyer, I approach the problem from business perspective, not just legal – if the problem is new I look for solutions of similar cases on line
Self initiative	Company 1 – growing	Learn myself, I'm eager, self–initiative, I talk to people, tell them what I need
Self initiative	Company 1 – growing	we encourage learning – we expect employees to be pro–active.
Self initiative	Company 1 – growing	In our line of business the theory is not yet written, so it's all about self–initiative, looking for challenges

Self initiative	Company 1 – growing	My line of work is not widely spread in Slovenia, there are no training, our company is also leader so we can't copy from competition – no copy / paste option, which means that it's up to my initiative – to read and check the web in addition I learn from experience
Self initiative	Company 1 – growing	I also need to persuade people they need new knowledge, new approaches
Self initiative	Company 1 – growing	by being inquisitive, as this line of work is specialized, this line of work has image issue– the perception is the not much computer knowledge is needed to do the work
Self initiative	Company 1 – growing	I resort to combination of knowledge , create "big picture" of situation, company, resort to hierarchy
Self initiative	Company 1 – growing	I reflect on what is similar (known) and what is different, important is to know how much one doesn't know, i.e. doubt and then to have time to reassess.
Self initiative	Company 2 – winding–down	Self–learning and initiative are preferred
Self initiative	Company 2 – winding–down	I have learned a lot – driven by situation; need to be self–reliant, results must be visible etc. In the last year there was deterioration in relations driven by unclear date of actual closing, reduction in staff and this should be rectified. At this stage it's not about knowledge but about attitude; every problem can be solved through communication
Self initiative	Company 2 – winding–down	The initiative for training and education was up to the employee , the manager supported the training and education
Training	Company 1 – growing	We have good in–house training for soft skills. Attendance to conferences is discussed, after attending it is important to share – with sharing you know if you understand (what you've learned).
Training	Company 2 – winding–down	I'm sceptical about benefits of formal education, what counts is the application of knowledge in space and time.

The delegation (See Table 3.7) of tasks also supports the perception given in other categories that both companies provide creative and open environment that encourages sharing knowledge emanating from employees own interest – namely delegation of tasks is predominantly flexible – depending on availability of the people, and superior's judgement who needs challenge. In Larger SME (Company 1) some delegation is also deriving from semi–annual appraisal talks. In WindingDown SME (Company 2)   – the specific situation of winding down is most visible in this category – delegation is rather not performed anymore, as there is no new business and the workload and workflow are established.

Table 3.7: Examples of replies referring to category Delegation

Flexible	Company 1 – growing	I look into what needs to be done, who is best for the job.
Flexible	Company 1 – growing	It is done in steps, confidence in relationship (trust) must be established– I must know what they can do, test them with this, and then give them something new in order to challenge them
Flexible	Company 1 – growing	I support people who like challenge, in my opinion best results are achieved with combination of challenging work with boring parts.
Flexible	Company 1 – growing	It depends on the task, I know all the people in the company I usually select a person who is interested in the task, someone who has already proven himself at similar tasks and shows initiative
Flexible	Company 2 – winding–down	Don't have dedicated people I only ask for support and consideration as we are small team.
Flexible	Company 2 – winding–down	Delegating is not really something I need to do – company cannot generate new business and the current roles and tasks are established so I just let them continue to flow naturally. The way I work is hands–on the job but when necessary to delegate tasks I'm aware that with them I don't delegate responsibilities
Flexible	Company 2 – winding–down	The team was very small; one team member was for admin support and the other was account officer. The expectations to deliver results were different but were strongly dependent personal traits.
Flexible	Company 2 – winding–down	To the person who in my view is best suited to carry out the respective task, regardless of his/hers position in the company
Flexible	Company 2 – winding–down	I do not delegate, since we do not get new work load, the existing workload is already allocated
Formal structure	Company 1 – growing	At the beginning I had difficulties with it, partly because of constant time pressure (it would take less time to do it by myself then to explain it to someone) but then I started with delegating responsibilities – delegating after that is more transparent and smooth. For ad–hoc tasks the delegation depends on; tasks already distributed, who would be the fastest to provide result, as well as which tasks employee wishes to perform
Formal structure	Company 1 – growing	The roles are quite clear. Based on profile you know who is best for the job and what he's interested in.
Formal structure	Company 1 – growing	In my situation we pay attention not to override hierarchy, I talk things over with the functional boss so he can appoint tasks to his team

Company culture (See Table 3.8) in both cases also encourages pro–activeness, people who are engaged and as one of interviewees from Larger SME (Company 1) put it "The crucial part of success is at the management – if they are open and supportive as Group Deputy CEO, who helps prioritize, knows what is important allows us to discover [by ourselves] and gives us opportunities." Which fully corresponds with the experience from WindingDown SME (Company 2): "The culture of the company was driven by the managing director who "lead by example" displaying responsibility, commitment to the company and support, inclusion to the employees."

What is interesting is that both companies are operational in different countries but multi–culti is non perceived an issue, even though during our initial discussions cultural differences (use of certain words in different languages, difference in behaviours etc.) were pointed out as conflict creating issue. The mention of cultural differences was addressed as the new business challenge related to expansion of business in Larger SME (Company 1) "Communications knowledge is due to in–house workshops good. We need training in inter–cultural differences – interpretation of actions e.g. in UK, in Slovenia, how business is run China, what to pay attention to, how to manage external partners."

Table 3.8: Examples of replies referring to category Culture

Pro–active	Company 1 – growing	I identify the knowledge and interests and always consider what the "cost" of new product or process etc will be so – the decision justifies the risks taken.
Pro–active	Company 1 – growing	We are inventing so there are no books yet, no experience we need to think a lot, need to be open–minded as well as analytical
Pro–active	Company 1 – growing	One the major contributors why we are good is the culture feed, we also use "helpful–against" approach to review and discuss variety of options
Pro–active	Company 1 – growing	People and relationships are key, we have semi–annual (appraisal) talks which include discussion on development and expectations by employees.
Pro–active	Company 1 – growing	The key for improvements are people who are engaged and self–initiative they come with fresh ideas and we decide which to follow through and implement
Pro–active	Company 2 – winding–down	Most helpful knowledge for reaching goals are team spirit and cooperation. Mainly I ask colleagues for support and information.

Pro–active	Company 2 – winding–down	Development comes from psychological perspective – personal profiles, culturally induced behavior patterns – knowledge and skills can be acquired anytime & anywhere. The most important is to behave as "going–concern" by encouraging employees to accept the responsibility by creating and supporting the area of trust, respect and open communication.
Pro–active	Company 2 – winding–down	I would like to stress that I feel good to be a part of this team – it has motivating and stimulating effect on work results and work climate. The conflicts are being resolved in a way that there is no negative residue left, people are open to different points of view, humor is used effectively.
Trusting	Company 1 – growing	The crucial part of success is at the management – if they are open and supportive as Group Deputy CEO, who helps prioritize, knows what is important allows us to discover and gives us opportunities.
Trusting	Company 1 – growing	It is important to have trust in order to give them new tasks to challenge them and allow to learn from mistakes. Mistakes can be made, the most important is to have the right reaction to mistakes
Trusting	Company 2 – winding–down	The culture of the company was driven by the managing director who "lead by example" displaying responsibility, commitment to the company and support, inclusion to the employees.
Trusting	Company 2 – winding–down	The best about this company was that it encourages people to contribute their best , the unconditional trust from bosses which resulted in some cases of sloppiness which could lead to bad decisions.

Category T_Attitude to Knowledge was added with purpose to evaluate top management position towards attitudes and behaviours from employees which the company supports (See Table 3.9). Again some similarities were observed. They both promote initiative by employees e.g. Larger SME (Company 1) said: "I challenge them [subordinates] to consider other options, points of view, assign new projects, develop them with regards to their development wishes, expressed at semi–annual appraisal talks – it's more effective to develop oneself by solving problems – takes less time than learning by reading" and WindingDown SME (Company 2) said: "we just need to maintain employees' desire to do and be better by enabling the atmosphere where they can articulate themselves."

Table 3.9: Examples of replies referring to category T_Attitude to Knowledge

Initiative by employee	Company 1 – growing	Keep asking questions what and how something could be better, there is no formal process
Initiative by employee	Company 1 – growing	I challenge them [subordinates) to consider other options, points of view, assign new projects, develop them with regards to their development wishes, expressed at semi–annual appraisal talks – it's more effective to develop oneself by solving problems – takes less time than learning by reading
Initiative by employee	Company 1 – growing	I expect them to be self–initiative, follow–up on new developments, trends and make a proposal what to do.
Initiative by employee	Company 2 – winding–down	I prefer to send people to training upon their request which is based on argumentation how it will improve their performance. Training for HR process are rather good, but I don't think we have reasonable training on processes for distressed companies – there are many speakers teaching how to saw wood but almost none can actually saw the wood.
Supportive	Company 1 – growing	We have mentor and buddy system for newcomers, also internal trainings self–initiative and proposals from employees are preferred.
Supportive	Company 1 – growing	employees usually come with proposals for training and workshops for the topic on their field of work (e.g. technical, legal, finance,…) for soft skills we organize at least two worshops (approx. 6 days) a year.
Supportive	Company 2 – winding–down	we just need to maintain employees' desire to do and be better by enabling the atmosphere where they can articulate themselves.
Supportive	Company 2 – winding–down	Open relationships, no hierarchy, but everybody knows their respective responsibility, benefits of multicultural environment (different perspectives on issues at hand, open and diverse approach,…)

For the conclusion I'd like to point out one statement from WindingDown SME (Company 2) on their company culture, that can be useful to Larger SME (Company 1) as they expressed possible issues with multi–culti: "Open relationships, no hierarchy, but everybody

knows their respective responsibility, benefits of multicultural environment (different perspectives on issues at hand, open and diverse approach,…)"

Even though Hislop's (2009, 267) conclusion was that leadership impact on KM is not properly supported with evidence or that presented evidence does not substantiate strongly enough the claim in the two researched companies the culture created by the management (in Larger SME (Company 1) two people and in WindingDown SME (Company 2) the managing director) strongly suggests that link exists, if for no other reason, then for its link to organisation i.e. vision and mission

Generalised deduction from the above stated is that recruitment plays significant part in knowledge management, the information provided by the company at that point i.e. before and during entry sets the path. This is clearly visible with the WindingDown SME (Company 2) – job descriptions do not need to exist because the rules were set at the recruitment.

Key elements are:

- potential employee in predominant number of cases was invited to join (based on recommendation),
- the rapport was established (open and direct communication) and
- roles were clear even when the tasks were assigned flexibly.

The recruitment approach is followed by another important element: personal characteristics of employee – self–initiative, being curious, communicative (social networks), last but most certainly not least is culture which is promoted and lead by example by key players of the company. One of the examples which popped up several times during interviews is that employees are being allowed to learn from mistakes (as oppose to sanction / punishment). The consensus at the interviews was that expert knowledge comes from personal characteristics; eagerness to learn, being open to new options, manage stress, … these are the same characteristics needed to transform tacit knowledge into explicit.

Peltier and Naidu investigated impact of social networks as small business enterprises transition across the organizational lifecycle and "suggest that small business owners cannot adhere to the status quo and must instead be willing to change business practices as their organizations evolve across the organizational lifecycle" (Peltier and Naidu, 2012). One of this situations, maybe the turning point, for the Larger SME (Company 1) can be when, due to the size, they will change recruitment to public applications (not personal recommendations), even though they have "state of the art" recruitment system which includes different evaluations of candidate including psychological profile, team inclusion

feasibility, on–boarding (buddy) etc. The research has shown that buddy system is well accepted in the company, as it helps with inclusion in the team, mentoring has its benefits but its effectiveness is questionable. Majority of answers in the interviews pointed out that it would be best to have several mentors because of variety of topics popping up.

The interesting outcome is presented by WindingDown SME (Company 2) where HR and knowledge management, formally viewed, appears to be non–existent however with the company culture that is open to different points of view, respective towards others, it shows the essence of knowledge management – creating the environment for open communication, free expression. All of this however is based on the assumptions which both companies have in place, that employees are experts in their line of work (reason why neither company needs expert training) hence all they need to make their tacit knowledge explicit are soft skills (communication, negotiation, conflict resolution…) company culture that continuously encourages ideas and opinions exchanges.

4   Discussion and Conclusion

RBV theory points out the importance of internal resources and evaluation of their strengths and weaknesses from organisational point of view. The outcome of the research supported the importance of such an approach, although mainly for the first two and the last (fifth) of 5 stages according to Grant i.e. resources, capabilities and identification of the gap, signalling that success of the company comes from within the company and with this, the criticism that RBV focuses too much on internal side cannot be (fully) accepted. This does not mean that selecting the strategy or external resources are not important or should be neglected. The competitive advantage comes from within as pointed out in the research; the management and not only the middle, plays important role in setting the path of company's culture by being open, creative, promoting self–initiative, challenges employees, allows them to learn from mistakes etc. The knowledge management is essential part of this culture. Although Hislop pointed out that KM has different meanings in different organisations for the two analysed companies the perception and management of knowledge is quite similar. For example, Winkelen and McKenzie suggested that at the beginning of employee lifecycle the learning initiatives i.e. the expertise develops driven by organisation's values, but the research showed that this is not necessarily the case.

The somewhat unusual decision to review KM in organisation that is closing provided, at least for me surprising results; knowledge is part of communication flow, social networks are essential and emphasis is on less formal, if not informal, knowledge transfer.

The company culture is significantly impacted by the decision makers in the respective companies, as demonstrated by CEO and Deputy CEO for Company 1 and Managing director for Company 2. With this we can easily reply to the research question if the personality of person in charge influences knowledge management – in the two companies it does, and fortunately for the best. This speaks in favour of promoting highly localised, even corporate–specific management styles (Kramberger 2011, 31).

Knowledge management is something that happens fluently it does not need to be pursued formally and imposed – it happens spontaneously through conversation within the company and outside with stakeholders. It is not about attending training and workshop, it is about climate and culture of the company allowing them to share thought and ideas, no matter how unusual they may be and discussing them, reviewing them and reflect on them, it is about connecting the dots, being interested in seeing the big picture (i.e. what the company as a whole does) in positioning oneself as important and integral part. In cases where top management, and middle too, of course, encourages such sharing the formal structure and hierarchy serve as information, as framework to resort to when needed as oppose to sticking by rules at any cost.

Both companies welcome and accept employees as experts and also interviewees value the knowledge their existing knowledge i.e. which they brought with them (including social connections), hence the companies put the emphasis on (further) developing soft skills and adoption of company culture. With this the spiral from tacit to explicit knowledge is additionally enhanced. Whether the spiral of KM and HRM should be enhanced by use of bundled HRM practices, which I guess Gooderham et al. (somewhat clumsily) attempted to advice against, or not, depends mainly on the management approach and attitudes. However, according to Wright, and also from my personal experience, employees, and the way they are treated by employer, have significant impact on outcomes; customer, operational as well as financial (See Picture 4.1).

Picture 4.1: HR Strategy and Performance
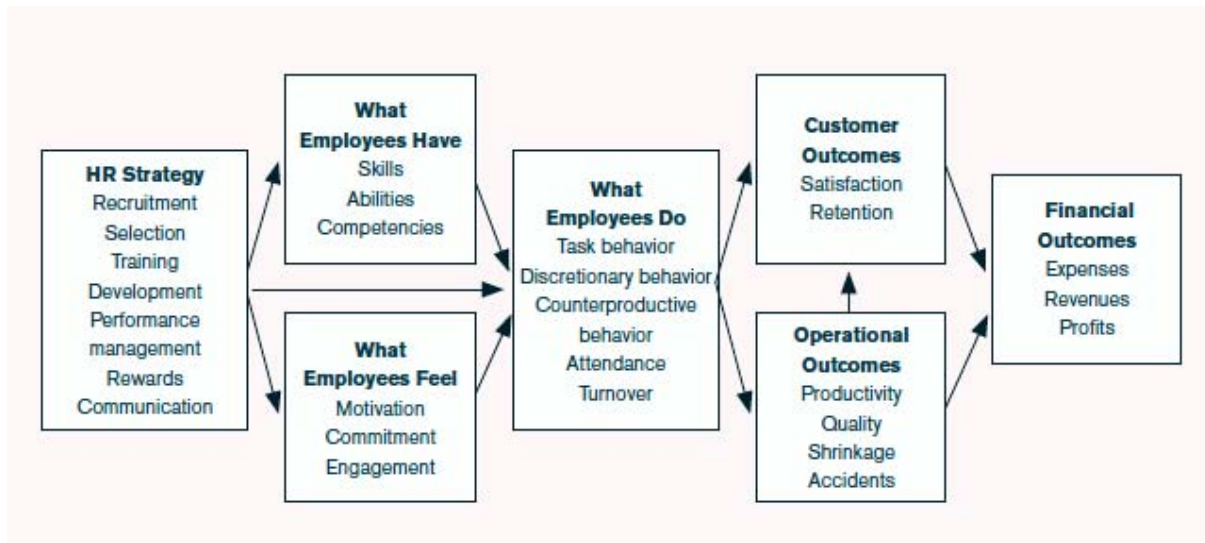
Source: Wright (2008, 7).

The central text and point of the picture 4.1 "What employees do" is linked to culture of the company for which Wong (2005, 269) says it is a wide concept, it comprises many facets such as; collaboration, which he finds crucial for KM, trust as it facilitates a more proactive and open knowledge sharing process in which individuals are constantly encouraged to generate new ideas, knowledge and solutions and the last is by openness to mistakes – all of this was also pointed out during the interviews.

Armstrong (2011, 56–58) says that the aim of bundling is to achieve coherence and that the process of bundling HR strategies is an important aspect of the concept of strategic HRM and warns that strategic HRM is holistic; it is concerned with the organization as a total entity and addresses what needs to be done across the organization as a whole. Meaning, that Gooderham was correct in stating that "off–the–shelf" HRM bundles are inadequate as they need to be custom made for each company to find out for themselves "which is the best way to relate different practices together" (Armstrong 2003, 58). It is likely that practices act to improve skills and increase motivation within the context of a philosophy of work that emphasises employee engagement and promotes work systems, allowing involvement and the freedom to make decisions. Under such conditions people can make a decisive difference to organisational performance (Tamkin 2004, 12).

For future reference the statement given by one interviewee "Open relationships, no hierarchy, but everybody knows their respective responsibility, benefits of multicultural environment (different perspectives on issues at hand, open and diverse approach,…)" should be investigated further, it obviously is a significant factor in the story of human resource management including KM but obviously in less formalistic, structured way. The whole research definitely triggers or better yet provokes the attitude of structured formalised knowledge sharing towards the less formal but fluent, open and ongoing communication. Based on the fact that companies researched are very different in terms of:

–   stage of lifecycle,

–   size: 100 employees compared to 17,

–   the nature of the business; one develops and produces products, in the shape of service, but nevertheless the product developed by them based, on creative solution; the other one (did) provide established products / services to clients, with limited possibility for creativeness

and very similar when it comes to managing people – both treat them as experts and expects them to have communications skills, motivation and ethics and constant desire to improve themselves, that corresponds to the expectations of management and / or owners.

The management by owners opens another perspective on the approach about people and knowledge management. As Wright pointed out SMEs are predominantly owner operated firms and are experiencing family like behaviour running their business which could mean, in addition to closer relationships, also tighter monitoring, more intense involvement etc.

It would be interesting to continue the research also with the employees to see how they match here presented results. Does the social network represent stronger influence on knowledge sharing than organisational structure (hierarchy)?

Increase in knowledge centres, knowledge officers and knowledge management were the results of the attempts to raise legitimacy of each firm's knowledge product which was done by linking practitioners and academics with engagement of academic gurus (Suddaby and Greenwood: 1995, 948–951). Although it should be pointed out that this refers to large companies and management consulting firms. In relation to HRM function in SMEs, EU wide, it can be said that although in Old EU countries HR development is significantly positively associated with it as opposed to New EU, based on the research HR development is significantly associated with the attitude of the, not only decision making, but also opinion

making management of the company, implying the influence is more personality driven than geography.

5   Proposal

The answer to question what does KM function contribute to organisation's success lies actually in micro level, meaning the person. On one hand person is the individual employee (as essential factor of its success) and on the other this is not just any person, but the key person i.e. the decision maker and or the opinion maker in the company, thus supporting the statement Wright (2008, 13) made already in year 2008, that *"many SMEs are owner– operated and have few or no HR employees"* therefore   *"SMEs focus much more on selecting, managing and motivating employees by creating and supporting family–like cultures to which workers become emotionally attached."*

In the two researched companies combined it was up to three people: CEO, Deputy CEO in owner operated Larger SME (Company 1) and Managing Director in WindingDown SME (Company 2)   to set the pace and the culture of socialization and thus the knowledge exchange. The key word being exchange, from as early as the recruitment talks onwards. Both companies had acknowledged that each person recruited already possesses knowledge thus suggesting respect and inclusion contributing to the new person to share his/her knowledge in exchange for company's culture. In other words the promotion of culture where everybody can express their opinion as well as admit they need more information. This is the socialized knowledge i.e. made explicit and discussed from different points of view.

Strategic HRM and business strategy in SMEs work hand in hand with KM (See Picture 5.1), the critical question is how to balance informal with formal approach for optimum results meaning how to keep the company culture open and creative yet keeping the structure in place – it seems the answer lies with the person in charge being the decision– or and opinion– maker.

If the general recommendation is to be made how to manage knowledge without extra resources it comes down to key players of the company i.e. top and middle management, who should not treat employees as means of profit generation but treat them with respect, trust them, challenge them to do things differently (better) then before, allow them to learn from mistakes and last but least lead by example i.e. encouraging open communication, acknowledging them as experts, be [the director or manager] the go–to person in case of issues, questions, … and know that this is continues process.

Picture 5.1: Balancing formal and informal approach to strategy and KM
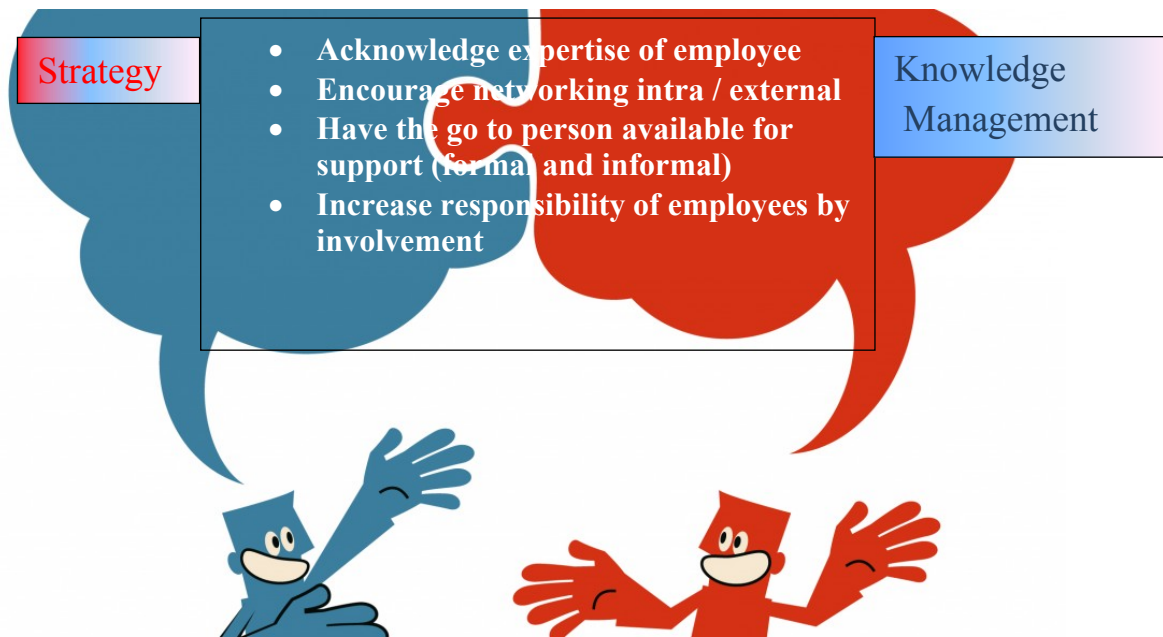
Let us conclude with the thought that knowledge and its management is essential for company's success. However from 1990s and well into 2000's it was a "big bang" (Schultz in Hislop 2009, 275) blown into something huge and fashionable, nearly made into stand alone and very important function, but in reality it is (essential) part of organisation's life which must be embedded into company's daily work as well as in its strategy. If not, it becomes one of those situations where academics are teaching managers their business. To paraphrase one of the presenters at INSAFE conference "..it's like people are teaching birds concepts of ornithology, but birds were, are and will be flying without the knowledge of it." … and the knowledge sharing and enhancing happens in the companies, in or outside the office.

6 Povzetek magistrskega dela v slovenskem jeziku

Termina srednja in mala podjetja (SMP) ter upravljanje z znanjem (UZ) sta bila v zadnjih desetletjih pogosto (zlo)rabljena in s tem nakazovala, da (verjetno) o temi ne moremo povedati nič novega. Teorija o upravljanju z znanjem v SMP je obširna; prevladujeta dva pogleda analiza trenutne situacije v SMP in predlog, kako vpeljati UZ, oba večinoma zastavljena na izkušnjah velikih podjetij. Kaj pa če podjetje ni zainteresirano za vpeljavo »projekta« upravljanje z znanjem – mogoče zato ker meni, da je upravljanje z znanjem nekaj samo po sebi umevnega, ne potrebuje posebne službe ali sistemizacije in opisa delovnega mesta ali pa meni, da le–to ni potrebno.

V nalogi predstavim upravljanje z znanjem v srednjih in malih podjetjih s stališča strateškega upravljanja s človeškimi viri oziroma natančneje s stališča upravljanja z viri (Resource–based–view, RBV) ter poskušam ponuditi predlog, kako upravljati z znanjem učinkovito brez dodatnih virov (zaposlenih in drugih stroškov).

Začnem s kratko predstavitvijo konceptov strateškega modela Resource–based–view, upravljanja z znanjem ter upravljanja s človeškimi viri v srednjih in malih podjetjih. Glavni (vendar ne edini) uporabljeni viri literature za teoretični del so; a) za strateško upravljanje s človeškimi viri: Boxall in Purcell, Armstrong ter Grant; za b) upravljanje z znanjem: Nonaka in Konno, Takeuchi, Yip, Winkelen in McKenzie, Rodrigez et al., Hislop ter Armstrong in za c) upravljanje s človeškimi viri v SMP: Kramberger, Gooderham, Wright, Durkheim, Harney in Dundon ter Beijerse.

Šele v letih po 2008 so teoretiki prepoznali, da SMP običajno upravljajo lastniki, da nimajo oddelkov upravljanja s človeškimi viri (kadrovskih služb), kaj šele oseb, zaposlenih za upravljanje z znanjem ali samostojne službe (oddelka) za upravljanje z znanjem.

Podjetji, izbrani za empirično raziskavo, sta uspešni v svoji dejavnosti, njun odnos do zaposlenih je vključujoč, nudi jim podporo, istočasno pa je zahteven v smislu doseganja zastavljenih ciljev, odnosa do dela in etike. Obe podjetji sta slovenskega izvora (ustanovili so ju Slovenci), s sedeži podjetij v tujini, obe delujeta v storitveni dejavnosti. Prvo, poimenovali smo ga VečjiSMP t.j. Podjetje 1 s poslanstvom prinesti veselje in zabavo vsem, je tehnološko usmerjeno. Ustanovila ga je skupina podjetnih ljudi v letu 2009 in od takrat je v obdobju rasti. Od ustanovitve vlaga v svoje zaposlene, ki jih usposablja zlasti s področja i.e.

mehkih veščin e.g. projektno vodenje, komunikacija ipd. Izvajajo redne polletne razgovore z zaposlenimi, vključno z načrtovanjem razvoja kariere. Drugo podjetje, poimenovano ZapirajočiSMP i.e. Podjetje 2 obstaja že skoraj 3 desetletja, svojim strankam nudi širok izbor produktov in storitev za njihove trgovske in finančne potrebe. Podjetje je v zaključni fazi svojega življenjskega cikla (v likvidaciji) bolj iz političnih kot gospodarskih razlogov. Zaposleni so s tem seznanjeni.

Raziskovalni vprašanji sta: a) kako se upravlja z znanjem v podjetju, ki nima za le–to delovnega mesta niti določene službe ter b) ali na upravljanje z znanjem vpliva osebnost osebe odgovorne za upravljanje (podjetja)?

Kvalitativna raziskava, eksplorativna študija primera, »je celovit opis posameznega primera in njegova analiza, tj. opis značilnosti primera in dogajanja in opis procesa odkrivanja teh značilnosti, to je procesa raziskovanja samega.« (Mesec, 1998) Izbrana je bila zato ker omogoča poglobljen vpogled v izbrano tematiko.

O sodelovanju s podjetjema sem se začela dogovarjati novembra 2013, ko smo se dogovorili, sta mi podjetji omogočili vpogled v sekundarne vire: vizijo in poslanstvo; v primeru Podjetja 1 – VečjiSMP so bili med sekundarnimi viri tudi matrica kompetenc ter opisi del nalog; za nekaj zaposlenih tudi obrazci polletnih razgovorov. ZapirajočiSMP nima opisov del in nalog niti matrice kompetenc ali polletnih razgovorov.

Intervjuji so bili delno strukturirani. Ključne teme sem pripravila in dogovorila vnaprej z odgovornimi osebami v posameznem podjetju (tj. v Podjetju 1 s pomočnico generalnega direktorja[Group Deputy CEO] ter v Podjetju 2 z direktorjem. [managing director]). Njihove komentarje sem vključila in združila v en dokument, ki sem ga kasneje uporabila kot obrazec za pisanje povzetkov intervjujev; te pa sem poslala posameznim intervjuvancem v avtorizacijo. Istočasno smo se dogovorili za okvirno trajanje posameznega intervjuja (30 minut za vsakega udeleženca). Poleg tega smo se dogovorili, da vabilo k sodelovanju udeležencem pošljeta odgovorni osebi v vsakem podjetju. Udeležba je bila prostovoljna, zaposleni so imeli možnost odkloniti sodelovanje.

Izvedla sem 19 intervjujev z vodji na srednji in najvišji ravni upravljanja, od tega je bilo 17 avtoriziranih. 17 sem jih opravila osebno v prostorih podjetja, dva intervjuja sem opravila po telefonu.

Intervjuji so imeli tri glavne teme: a) <u>vodja</u>, ki je zajemala informacije o vstopu v podjetje, b) <u>znanje</u> s ciljem ugotoviti kje in kako je intervjuvanec pridobil informacije potrebne za opravljanje dela ter c) <u>pričakovanja</u> kjer smo naslovili potrebe po bodočih znanjih. Intervjuvance sem vprašala če se strinjajo, da si med pogovorom delam zabeležke v obliki miselnih vzorcev, ki jih bom po intervjuju uredila, zapisala ter jim zapis poslala v preverjanje in potrditev.

Podatke sem analizirala s pomočjo programja za računalniško podprto kvalitativno analizo podatkov, tj. QDA Miner Lite. Na način kot ga priporoča za kvalitativne raziskave Kumar (2010) v štirih korakih: 1) identifikacija glavnih tem (po natančnem branju gradiva), 2) v drugem koraku, ki je neobvezen, obsega določanje kod glavnim temam, 3) tretjem koraku sledi klasifikacija odgovorov v glavne teme, 4) zadnji korak pa zajema integracijo tem v zapis poročila.

Presenetljivo je bilo, da se pridobljeni rezultati med podjetjema niso bistveno razlikovali. Raziskava je pokazala, da pri upravljanju z znanjem (pridobivanje in širjenje) zaposlovanje [recruitment] igra pomembno vlogo – obe podjetji zaposlujeta na podlagi osebnega priporočila. V nadaljevanju sem ugotovila, da je upravljanje z znanjem povezano z osebnostjo ključne osebe, i.e. njenim promoviranjem sproščenega in odprtega delovnega okolja, priznavanjem znanj in veščin, ki jih zaposleni ima ter jasno in razumljivo ubesedenimi pričakovanimi prispevki zaposlenega. Intervjuvanci so se strinjali, da strokovno znanje izhaja iz osebnostnih lastnosti posameznika: želje po učenju, odprtosti za novosti, obvladovanja stresa,…

Rezultat raziskave je podprl pomembnost RBV pristopa, vendar predvsem, prvih dveh in zadnje, 5. faze po Grantu, tj. virov, sposobnosti ter prepoznavanja manka virov. To nakazuje, da uspeh podjetja izvira iz notranjosti (zaposlenih). To pa pomeni, da kritike RBV pristopa, da se preveč osredotoča le na notranje vire, ne moremo (v celoti) sprejeti. Splošno gledano raziskava podpira teorijo s področja upravljanja znanja v SMP, kjer le–ta izhaja iz njihove prakse in nemodificiranega pristopa upravljanja z znanjem v velikih podjetjih. Obe podjetji dojemata in sprejemata zaposlene kot strokovnjake in tudi intervjuvanci cenijo znanje, ki so ga prinesli s seboj (vključno s svojimi socialnimi mrežami), zato obe podjetji dajeta poudarek (nadaljnjemu) razvoju mehkih veščin in kulture podjetja. Nadalje so

intervjuji izpostavili pomen spodbujanja kulture podjetja s strani najvišjega vodstva – v primeru analiziranih podjetij so bili to generalni direktor, pomočnica generalnega direktorja ter direktor.. Le–ti s svojim vedenjem določajo tempo in način socializacije v podjetje ter posledično izmenjavo znanj.

Uporabna izjava oziroma napotilo za možne uporabnike je sledeča: »Odprti odnosi, brez hierarhije, pri čemer vsakdo pozna svoje odgovornosti, prednosti večkulturnega okolja (nudi drugačne poglede na tekoče situacije, odstira različne pristope, …)« Smiselno bi jo bilo podrobneje raziskati, ker je očitno pomemben dejavnik v zgodbi o upravljanju človeških virov, vključno z upravljanjem znanja, vendar na manj formalen, uraden način. Celotna raziskava je sprožila ali bolje rečeno izzvala pogled na strukturirano formalno upravljanje z znanjem ter prenos le–tega v primerjavi z bolj sproščenim, manj formalnim načinom, ki je sproščen, tekoč, odprt in trajen – temelji na komunikaciji.

Obe podjetji, ki sta bili predmet raziskave, se med seboj bistveno razlikujeta v naslednjih elementih:

- – statusa v življenjskem ciklu podjetja;
- – velikosti podjetja: 100 zaposlenih v primerjavi s 17;
- – naravi posla; prvo podjetje razvija in proizvaja storitve, zasnovane na ustvarjalnih rešitvah; drugo podjetje pa (je) nudi(lo) že razvite in uveljavljene storitve strankam z omejenimi možnosti ustvarjalnosti.

Po drugi strani pa sta si podjetji zelo podobni, ko govorimo o upravljanju z ljudmi – obe podjetji zaposlene sprejemata kot strokovnjake s svojega področja in pričakujeta spretnosti in veščine komuniciranja, motivacije in etike ter stalno željo po izboljšanju. To je tudi v skladu s pričakovanji vodstvenih ljudi in ali lastnikov.

Upravljanje v SMP–jih v večini primerov prevzemajo lastniki, ki so tako v dvojni vlogi in s tem odpirajo novo, zanimivo perspektivo o ljudeh in upravljanju z znanjem. Wright je opozoril, da SMPje v večini primerov upravljajo lastniki, ki s podjetjem ravnajo kot z družino – gradijo na močnih čustvenih vezeh. To lahko poleg tesne povezanosti s podjetjem pomeni tudi močnejši nadzor in bolj intenzivno (zahtevnejšo) vključenost v delovne procese itd.

Vsekakor bi bilo zanimivo raziskavo razširiti tudi na zaposlene v obeh podjetjih in s tem pridobiti njihov vpogled v upravljanje z znanjem ter z njimi ter videti, ali se sliki

dopolnjujeta. Ali socialne mreže res pomenijo močnejši vpliv na delitev znanj kot organizacijska struktura (hierarhija)?

Pričakovati je bilo, da bo globalizacija v podjetjih, ki delujejo v več državah, imela vpliv na UZ in UČV (HRM), da se bosta le–ti obnašali kot v velikih podjetjih, vendar se je izkazalo, da ni tako. Edini vpliv je bil na komunikacijo zaposlenih s sodelavci; le–ta je bolj odprta in potrpežljiva.

Za izpolnitev obljube, dane na začetku – o priporočilu za upravljanje z znanjem brez dodatnih virov – se na podlagi povedanega ponudi izpeljava, da so ključni igralci srednji in najvišji nivoji upravljanja s svojim ravnanjem. Ti zaposlenega ne obravnavajo (le) kot ustvarjalca dobička, temveč ga obravnavajo spoštljivo, mu zaupajo, nudijo izzive, da dela drugače (bolje) kot prej, mu omogočajo, da se uči iz napak. In kar je morda najbolj pomembno, vodijo z zgledom tako, da spodbujajo odprto komunikacijo, ga sprejemajo kot strokovnjaka svojega področja, da so osebe, dostopne v primeru težav in vprašanj,… Predvsem pa se zavedajo, da je upravljanje z znanjem proces, ki se dogaja in traja.

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Appendices

Appendix A: Framework for interview

General topic	Topic	Interview in person / phone Summary written on: Authorized on:
Company	These are only framework questions meant as help during the interview	
Manager	Job title and position, were there any changes within this company – describe them	
	When you joined the company – how did you get to know what is expected from you	
	Did you have a mentor when you joined the company – what did you like the most about having a mentor If you didn't have the mentor – what would be different if you had	
	How many people are in your team	
	Who helps you best in achieving your goals – how and what is his position	
Knowledge	Where do you get information needed to do your job	
	What do you if you don't have enough information / knowledge to do the work	
	How would you describe your ideal mentor	
	How (to whom) do you appoint tasks in your team	
	Do you encourage your team to expand their knowledge – how	
	How do you improve/expand your knowledge	
	Do you select and send your team members to training and education	
Expectation	What kind of knowledge do you need to do your work better	
	Who can help you get the knowledge you need	
	What do you need to improve your team's and yours management of knowledge	
TBA (any thing to add)		

Appendix B: Example of QDA Miner Lite

Appendix C: Categories and Codes of analysis:

Category	Code	Description of code
Recruitment	Agency, Ad	Employed through Headhunting agency, web ad etc (i.e. not by recommendation)
Recruitment	Invite	Employed through invitation directly from top management, by recommendation of known person
Recruitment	Induction formal	The induction process based on rules and guidelines of the company, timeframe and goals determined by HR process of the company
Recruitment	Induction informal	Induction process is not formalised, it depends on the superior of the employee and employee's selfinitiative
Recruitment	No induction	No induction was provided, the employee was expected to either have or know where to find needed info
Recruitment	Reason to join	The information, feelings etc employee had about the company that help him made the decision wha to join this particular company
Support	Mentor / Buddy	Who provided the information and guidance in first few months. The person(s) who are appointed by company HR policy
Support	Colleagues	Who provided the information and guidance in first few months i.e. colleagues who have similar work tasks or are influenced by employees performance.
Support	Networking	Who provided the information and guidance in first few months i.e. the employee used his (previous) existing network of people and also within company but outside his immediate circle of work.
Support	Self	The employee used mainly own knowledge and expertise, only in extreme situations support from others was required
Support	Description of "ideal" mentor	Employee describes what kind of mentor (personality, expertise, soft skills) would be most helpful for new employees

Knowledge	Training	How is the knowledge maintained and / or enhanced – through formal training, organised events etc
Knowledge	Self initiative	The enhancement of existing knowledge is driven by self–interest, self–motivation
Knowledge	Previous experience	The interviewees state that knowledge to do the work comes from their previous experience
Knowledge	Improvement possibilities	These statements provide insight how/where the interviewees see the potential do perform better
Delegation	Formal structure	Delegation of tasks is based on organi chart ie based on job descriptions
Delegation	Flexible	Tasks are delegated based on availability of staff and choice made by superior
Culture	Pro–active	The company supports self–initiative by employees, encourages them to propose new solutions, take responsibility for their work, look for new ways of doing and open communication
Culture	Trusting	The company gives employees freedom and opportunity to learn from mistakes
T–Attitude to Knowledge	Initiative by employee	The reples provided by top management on their expectations of attitude toward acquiring and sharing knowledge – expects them to take the initiative
T–Attitude to Knowledge	supportive	The replies provided by top management which attitudes / behaviours they support

Appendix D: Results of research, coded and sorted by category

Category **Recruitment**

Recruitment			
Code	*Text*	*POSITION*	*COMPANY*
Reason to join	joined because of people i.e. healthy work climate, good team relations	Mid – Middle management position	Company 2 – winding–down
Reason to join	From the start we knew where we want to work.	Top – Senior management position	Company 1 – growing
No induction	the reason for my recruitment was that I'm experienced, know how the owner company functions, I have (pre–)established connections hence the assumption for my employment was I have the knowledge to complete the task – close the company fastest way possible.	Top – Senior management position	Company 2 – winding–down
No induction	No, didn't have mentor, I also like to learn myself, try things out	Top – Senior management position	Company 1 – growing
No induction	The role of mentor was performed by consultants, which proved to be successful as we needed different kinds of expertise – most valuable were the expert for organization and finance and the one for business development (they joined in 2011 and 2012).	Top – Senior management position	Company 1 – growing
No induction	The start was about issues presented that needed solutions – so I started looking for them.	Top – Senior management position	Company 1 – growing
No induction	For the CEO position there was no need for mentor, I know the company, the products, the culture and I can always ask people who have better expert knowledge for respective area for their opinion.	Mid – Middle management position	Company 1 – growing
No induction	From the beginning I was hands–on and also set–up the culture of the company.	Top – Senior management position	Company 1 – growing
No induction	At the beginning it was through discussions with other founders – they are tech experts so my role was business ops driven i.e. administration, HR, finance, purchasing (including premises) royalties application , process management	Top – Senior management position	Company 1 – growing
No induction	No, I didn't have a mentor	Top – Senior management position	Company 1 – growing

No induction	Mentor was never considered (due to closing phase and shortage of staff), the requirements for the employment were experience and knowledge of the industry.	Mid – Middle management position	Company 2 – winding–down
No induction	There was no mentor, the inclusion in team and work–performance were dependent on my self–initiative. If I had a mentor I would be quicker in understanding how the (IT) system works (tasks and tools).	Mid – Middle management position	Company 2 – winding–down
Invite	In terms of recruitment we pay attention to the fact that from internal candidates we already know the "negative" bits, but from external candidates they're yet to be discovered – so we consider and think through the benefits and threats the decision whom to employ brings	Top – Senior management position	Company 1 – growing
Invite	Before full time employment with this company I worked for them as freelancer.	Top – Senior management position	Company 1 – growing
Invite	In small company it is crucial to employ the best person for position i.e. "all–around" specialist with common sense, team player.	Top – Senior management position	Company 2 – winding–down
Invite	I'm one of 8 founders (all are still in the company), I have CEO position from the start, the scope has changed due to growth of the company.	Top – Senior management position	Company 1 – growing
Invite	Basis for the appointment were several years of experience in owner company and more importantly I have just recently completed the same tasks as required in this company	Top – Senior management position	Company 2 – winding–down
Invite	I was called by one of the owners and offered the job – he explained about the company and position.	Top – Senior management position	Company 1 – growing
Invite	I'm one of the founders.	Top – Senior management position	Company 1 – growing
Invite	I was invited by the person who is now my boss	Mid – Middle management position	Company 1 – growing
Invite	During job interview it was made clear the company wants to recruit independent, self–motivated expert with self initiative to close the company.	Mid – Middle management position	Company 2 – winding–down
Invite	From the start it was clear that reason for employment was level of expertise, being self–motivated expert with self initiative who knows what is needed to complete the task	Mid – Middle management position	Company 2 – winding–down

Invite	I started in 2011 as student working on visual images, lead minor projects and then in 2013 I was employed as CEO	Mid – Middle management position	Company 1 – growing
Invite	The recruitment in the company relied on recommendations	Top – Senior management position	Company 2 – winding–down
Induction informal	No specific mentor. The induction was a case of "learning by doing" the employee was given a task that needed to be performed entirely by himself, the outcome depended on resourcefulness – swim or sink approach.	Top – Senior management position	Company 2 – winding–down
Induction informal	The Group CEO and Deputy CEO were my informal mentors for all areas regarding the existing Company1 business, but I also brought additional expertise in areas that were novel to the company	Top – Senior management position	Company 1 – growing
Induction informal	Mainly through discussions with General Manager and line manager	Mid – Middle management position	Company 2 – winding–down
Induction informal	No mentor nor dedicated person for support were available, I attended induction training which did not include training on procedures to be carried out. It was expected to have know–how and motivation to get to know the procedures for the work to be done.	Mid – Middle management position	Company 2 – winding–down
Induction formal	Even though company grows fast we now have smaller teams working together well, the dynamics are also such you either fit in or leave – the recruitment process helps a lot	Mid – Middle management position	Company 1 – growing
Agency, Ad	I was recruited by head hunter	Top – Senior management position	Company 1 – growing
Agency, Ad	My situation is specific; I was assigned from the owner company	Mid – Middle management position	Company 2 – winding–down

Category **Support**

Support			
Code	*Text*	*POSITION*	*COMPANY*
Colleagues	The best support is Deputy CEO, her area of expertise is in different fields then mine, her points of view are different than mine which is great for business – it helps us cover business from different angles.	Top – Senior management position	Company 1 – growing

Colleagues	Group CEO, Group Deputy CEO and VP	Mid – Middle management position	Company 1 – growing
Colleagues	For tech issues VP of Product Development	Top – Senior management position	Company 1 – growing
Colleagues	From discussions with my boss, group CEO and Group Deputy CEO	Mid – Middle management position	Company 1 – growing
Colleagues	For the expert knowledge and skills I ask VPs , Group CEO and Group deputy CEO for soft skills we have workshops e.g. SDI, psychologist, Arbinger and I ask Group deputy CEO. I also use my existing knowledge e.g. events organization, project management	Mid – Middle management position	Company 1 – growing
Colleagues	I talked to Group CEO and Group Deputy CEO they helped me most – in the way they promote company culture. I wanted to get to know the company, its environment, the fastest way possible.	Top – Senior management position	Company 1 – growing
Colleagues	For general business directions from Group CEO and Deputy Group CEO, for specific topics discussions with experts from different areas of expertise	Top – Senior management position	Company 1 – growing
Colleagues	For product related issued I ask GCEO and for organizational issues I turn to Group deputy CEO, but sometimes I just swap the questions between the two	Mid – Middle management position	Company 1 – growing
Colleagues	Mentor as well as colleagues	Mid – Middle management position	Company 1 – growing
Colleagues	With VP for legal we cooperate well, I also have a consultant for expert issues and accountant	Mid – Middle management position	Company 1 – growing
Colleagues	The CEO and Deputy CEO – they helped me by giving directions	Top – Senior management position	Company 1 – growing
Colleagues	Group CEO advises and directs me on product related issued and Group deputy CEO with project management related issues	Mid – Middle management position	Company 1 – growing
Colleagues	The info I get from colleagues, bosses and relating to new ideas I talk to other peers and also group CEO	Mid – Middle management position	Company 1 – growing
Colleagues	Ask questions to colleagues, they were always supportive and helpful; check existing documentation and practice	Mid – Middle management position	Company 2 – winding–down

Colleagues	Colleagues who are experts in respective fields, regardless of hierarchical position. The company promotes flat organi structure. In case the person asked didn't have the information they usually recommend someone who does if not – info can be found on web	Top – Senior management position	Company 2 – winding–down
Colleagues	I mainly needed help from CIO & risk Deputy MD on content and Deputy MD for style and form of proposals. When CIO and some key players left the structured approach stagnated.	Mid – Middle management position	Company 2 – winding–down
Colleagues	The support of colleagues was always present, all the questions that could be, were answered, the support was never an issue, but it was never provided before hand, always on the bases of initiative or questions, or even problems which arose because of the wrong handling of the issue.	Mid – Middle management position	Company 2 – winding–down
Colleagues	The best support were colleagues – the closer their office was, the more I asked for their help, if it was specific issue I asked the person who knew the most about the issue.	Mid – Middle management position	Company 2 – winding–down
Colleagues	No, didn't have direct mentor, but management and especially line manager were always supportive, I respected hierarchy of the company	Mid – Middle management position	Company 2 – winding–down
Colleagues	Colleagues i.e. employees were and are of substantial help, in addition to obvious reasons, due to sudden promotion (outside the Group) my predecessor left before hand–over could take place. I ask for help of the people who are seated closer to me for practical reasons. Essential help is provided also by president of the Board of Directors – which is unique corporate world but advantageous for the company.	Top – Senior management position	Company 2 – winding–down
Colleagues	I don't have a dedicated support person, for operative tasks secretary is best support	Mid – Middle management position	Company 2 – winding–down
Description of "ideal" mentor	The person who takes time to direct in right direction, processes documented, monthly assessments	Mid – Middle management position	Company 1 – growing
Description of "ideal" mentor	I think several people and combination of different approaches is better than just one mentor, I don't people who say they know everything, nobody can know everything as things change, evolve, …	Mid – Middle management position	Company 1 – growing

Description of "ideal" mentor	Person who builds trust, relationships and effectively communicates	Top – Senior management position	Company 1 – growing
Description of "ideal" mentor	Maybe one is needed at the beginning, when one doesn't have the knowledge yet Later one is also good to have somebody to lean on	Top – Senior management position	Company 1 – growing
Description of "ideal" mentor	A person who allows natural flow and knows what is happening.	Mid – Middle management position	Company 1 – growing
Description of "ideal" mentor	I think it should be more than 1 person to cover more than just one area, apps are changing fast – we could present some specifics	Mid – Middle management position	Company 1 – growing
Description of "ideal" mentor	The ideal doesn't exist, also it works better to have several persons e.g.someone covering content (expertise) issues and someone for soft skills	Mid – Middle management position	Company 1 – growing
Description of "ideal" mentor	The mentor focuses on expert knowledge, buddy focuses on soft skills of new employee. We also have regular team building training,	Top – Senior management position	Company 1 – growing
Description of "ideal" mentor	It should be more than one person, company should provide open environment, allowing development. I try to discover problems	Mid – Middle management position	Company 1 – growing
Description of "ideal" mentor	I don't think it can only be one person; to understand company culture, products,… it's better to have different approaches, provided by different people	Top – Senior management position	Company 1 – growing
Description of "ideal" mentor	Ideal mentor should be the combination (balance) of personal skills & expert knowledge, someone who is good in prioritizing, and can refer to next person for more info.	Top – Senior management position	Company 1 – growing
Description of "ideal" mentor	At the time when I started that person would have to be lawyer, for the business CEO and Deputy CEO did good – by encouraging reflectiveness of the issue at hand. The mentor should take time to explain what is important and enable the right balance between being " thrown to the lions" versus giving directions & providing input (info)	Top – Senior management position	Company 1 – growing
Description of "ideal" mentor	The "mentoring" or delivery of information needed depends on situation. Based on experience I'd say it's a combination of various expertise the main differentiations are between technical and soft skills (e.g. communication) which usually require different experts	Top – Senior management position	Company 1 – growing

Description of "ideal" mentor	Person who conveys company culture, emphasizes importance of good relationship , encourages learning on practical /real life examples	Top – Senior management position	Company 2 – winding–down
Description of "ideal" mentor	Someone who would successfully coordinate work, show how to approach tasks ahead	Mid – Middle management position	Company 2 – winding–down
Description of "ideal" mentor	In general the company needs consistency to honor accepted decisions and to carry out and finish the designated and agreed tasks	Mid – Middle management position	Company 2 – winding–down
Description of "ideal" mentor	person with good leadership skills, develops own opinion, accepts criticism, presents the company	Mid – Middle management position	Company 2 – winding–down
Description of "ideal" mentor	For line job the role should not be centralized in one person. In current situation there is no need for a mentor. If for some reason there would be a need for a mentor I would give mentorship to existing team member in addition to his existing tasks.	Top – Senior management position	Company 2 – winding–down
Mentor / Buddy	For social contacts "buddy" (the onboarding system) was helpful, to some extent mentor helped me to get acquainted with products and content issues also cooperation with other departments was helpful	Mid – Middle management position	Company 1 – growing
Mentor / Buddy	officially I had the mentor, but in reality there was no need I've done same line of work in previous companies	Mid – Middle management position	Company 1 – growing
Mentor / Buddy	At time of joining I already had experience from my previous job, and mentor helped me to some extent with introductions to other deprtments	Mid – Middle management position	Company 1 – growing
Mentor / Buddy	my boss was my mentor, he introduced me to the company culture, provided information about colleagues	Top – Senior management position	Company 1 – growing
Mentor / Buddy	I was thrown to the sharks to swim, same as others, I had mentor who is also my boss for the expert knowledge and for inclusion in the company culture I had "buddy" which is company's Onboarding program	Mid – Middle management position	Company 1 – growing
Mentor / Buddy	I was supposed to have mentor – my boss, who was busy with his own tasks, I also had buddy and that was helpful, makes it easier to get acquainted	Mid – Middle management position	Company 1 – growing
Mentor / Buddy	Yes, at the beginning; my them–boss was my mentor, later I learned a lot from VP for legal	Mid – Middle management position	Company 1 – growing

Mentor / Buddy	most helpful was his description and presentation of employees.	Mid – Middle management position	Company 1 – growing
Networking	This depends on the issues at hand, I ask around to find the expert on the subject and then cross reference the info provided for optimum results	Top – Senior management position	Company 1 – growing
Networking	Experts from different areas of expertise	Top – Senior management position	Company 1 – growing
Networking	We have open office policy – so I can ask anyone who is best experienced for the requested topic	Mid – Middle management position	Company 1 – growing
Networking	good relationship with employees in the mother company and elsewhere in order to get good ideas and solutions.	Mid – Middle management position	Company 2 – winding–down
Self	I don't have a role model, I observe and look up to different people,	Top – Senior management position	Company 1 – growing
Self	I want to work with people who are driven, want to be the best, I test things	Top – Senior management position	Company 1 – growing
Self	when presented with a challenge I looked for the solution until I found it, other lawyers I knew did not know local as well as international law which is needed in this company– for me international was just another dimension to business practice	Top – Senior management position	Company 1 – growing
Self	The help for expert part, because the nature of our work, is mainly self–initiative and info sharing	Top – Senior management position	Company 1 – growing
Self	My own knowledge, experience, ask colleagues, search the web	Top – Senior management position	Company 2 – winding–down
Self	Ask around – the person who is most qualified to answer the question, last resort for info seeking is the web	Top – Senior management position	Company 2 – winding–down
Self	Company culture was set to self–reliant, from manager was expected to find solutions to problems by himself.	Mid – Middle management position	Company 2 – winding–down

Category **Knowledge**

Knowledge			
Code	*Text*	*POSITION*	*COMPANY*
Improvement possibilities	The acquisition of type of knowledge has changed due to mobile industry – workshops to video. We would also need knowledge on competition and networking	Mid – Middle management position	Company 1 – growing
Improvement possibilities	The knowledge needed is how to manage people, effective communication and how to set–up relationships.	Top – Senior management position	Company 1 – growing
Improvement possibilities	workshops, internet, our work approach is different than mainstream, we don't have specified politics for e.g. licensing hence we need persistence	Mid – Middle management position	Company 1 – growing
Improvement possibilities	We are market leaders hence knowledge acquisition in traditional forms is limited	Mid – Middle management position	Company 1 – growing
Improvement possibilities	We need refresher courses (of soft skills training), but in a way that is not forced, structured approach to training	Mid – Middle management position	Company 1 – growing
Improvement possibilities	We need expert knowledge on tax, accounting etc. Excel knowledge I teach the team.	Mid – Middle management position	Company 1 – growing
Improvement possibilities	I expect them (management team) to be pro–active and show self–initiative on what is needed	Top – Senior management position	Company 1 – growing
Improvement possibilities	Mainly time – to read, to attend training for goal oriented networking	Top – Senior management position	Company 1 – growing
Improvement possibilities	We need to structure our knowledge, on operational expert level – who does what, comment on it, ….	Mid – Middle management position	Company 1 – growing
Improvement possibilities	Mainly be being quick to act, flexible and know what is marketable.	Top – Senior management position	Company 1 – growing
Improvement possibilities	To be able to learn from mistakes, be able to analyze them – to turn them into a lesson	Top – Senior management position	Company 1 – growing
Improvement possibilities	I need to upgrade my current knowledge, get more experience and expand current networks as well as build new social networks	Mid – Middle management position	Company 1 – growing
Improvement possibilities	Knowledge how to handle situations when problems escalate, being quick to turn around as priorities change quite often	Mid – Middle management position	Company 1 – growing

Improvement possibilities	Encourage responsibility, accountability and self–initiative.	Mid – Middle management position	Company 1 – growing
Improvement possibilities	The repository (portal) is the tool to help us find information but not the replacement for communication. It should be used to have a first understanding of what is possible, so that more detailed questions can be asked to the relevant experts	Top – Senior management position	Company 1 – growing
Improvement possibilities	Sales knowledge, analytical skills, risk assessment and closer cooperation with lawyers	Mid – Middle management position	Company 2 – winding–down
Improvement possibilities	Probably nothing new, maybe just to have more knowledge about the legal proceedings and their effects in the countries where we are present, however added value here is not substantial.	Top – Senior management position	Company 2 – winding–down
Improvement possibilities	Informal communication is essential to make least damaging decisions.	Top – Senior management position	Company 2 – winding–down
Improvement possibilities	In this company mostly needed is legal knowledge – this is again specific situation .	Mid – Middle management position	Company 2 – winding–down
Improvement possibilities	Most helpful knowledge for reaching goals are team spirit and cooperation. Mainly I ask colleagues for support and information.	Mid – Middle management position	Company 2 – winding–down
Improvement possibilities	Most helpful knowledge for reaching goals are team spirit and cooperation. Mainly I ask colleagues for support and information.	Mid – Middle management position	Company 2 – winding–down
Improvement possibilities	In the final stage of the company leadership and management are of crucial importance hence, emphasis needs to be given to team management and workshop on change management should be provided.	Mid – Middle management position	Company 2 – winding–down
Improvement possibilities	Investment into knowledge of local market,there is the need to be aware and understand sub–phases of company's winding–down – to be able to adapt, change management knowledge.	Mid – Middle management position	Company 2 – winding–down
Improvement possibilities	Annual appraisals should be introduced and carried out	Mid – Middle management position	Company 2 – winding–down
Improvement possibilities	Training by owner company to explain how their back–office functions ,with regard to specific reporting requirements	Top – Senior management position	Company 2 – winding–down

K_Network	I encourage transfer of knowledge: if I read interesting book – I present my team with a recap, if somebody attended workshop he has a short presentation of it	Mid – Middle management position	Company 1 – growing
K_Network	For networking conferences and trade events are useful, however I have not attended one yet.	Mid – Middle management position	Company 1 – growing
K_Network	It starts with open communication with others, I talk to a person of whom I know he has knowledge and broad perspective. People also come to me with issues needed to be solved.	Top – Senior management position	Company 1 – growing
K_Network	Deputy CEO and other people, I talk to them to check ideas	Top – Senior management position	Company 1 – growing
K_Network	The crucial effect is from communication, organization of work (company culture) and escalation.	Top – Senior management position	Company 1 – growing
K_Network	I ask around the people I know, if its complex and new they ask people they know, then I read, check the web	Mid – Middle management position	Company 1 – growing
K_Network	Usually we feel we could do something better and then we look for options, the climate and culture in the company are essential	Mid – Middle management position	Company 1 – growing
K_Network	Learn from people – also from outside the company, I read and experiment, use prototyping phases,	Top – Senior management position	Company 1 – growing
K_Network	Learning from real life examples , asking questions up/down organi structures, have the possibility to think/reflect on issues at hand and work	Top – Senior management position	Company 2 – winding–down
K_Network	By talking to colleagues i.e. employees, reading company's and client documentation in the small company where formal hierarchy is not focus point the information flow is smoother and more efficient.	Top – Senior management position	Company 2 – winding–down
K_Network	From managing director and colleagues I prefer to ask, than to pretend I know better	Mid – Middle management position	Company 2 – winding–down
Previous experience	like to encourage them to reflect , think things over, cross reference the current situation with previous workshops, projects	Mid – Middle management position	Company 1 – growing
Previous experience	Use the existing social network (colleagues and acquaintances) to get information and when necessary used outsourcing	Mid – Middle management position	Company 2 – winding–down

Previous experience	Majority of knowledge derives from my experience. The knowledge and expertise is something you possess irrespective of position one holds.	Mid – Middle management position	Company 2 – winding–down
Self initiative	Learn myself, I'm eager, self–initiative, I talk to people, tell them what I need	Top – Senior management position	Company 1 – growing
Self initiative	I'm not a typical lawyer, I approach the problem from business perspective, not just legal – if the problem is new I look for solutions of similar cases on line	Top – Senior management position	Company 1 – growing
Self initiative	I get an idea, I develop it further and start spreading it; the best motivation of employees is driven by owners attitude	Top – Senior management position	Company 1 – growing
Self initiative	Mainly google and on–line forums where control of masses is present (to improve validity of info provided) , in addition to that I apply commons sense approach.	Top – Senior management position	Company 1 – growing
Self initiative	Do my own research , discussions with colleagues, also we have monthly meetings during probation period to review the developmen	Top – Senior management position	Company 1 – growing
Self initiative	I look for info myself, do the search or ask colleagues and bosses	Mid – Middle management position	Company 1 – growing
Self initiative	we encourage learning – we expect employees to be pro–active.	Top – Senior management position	Company 1 – growing
Self initiative	In our line of business the theory is not yet written, so it's all about self–initiative, looking for challenges	Top – Senior management position	Company 1 – growing
Self initiative	during our semi–annual talks staff tells what they're interested in.	Top – Senior management position	Company 1 – growing
Self initiative	For the content / expert knowledge I use internet, twitter, newsletters, read books.	Mid – Middle management position	Company 1 – growing
Self initiative	reading articles online, books, attending workshops, analyzing work of competitors	Mid – Middle management position	Company 1 – growing
Self initiative	When I have time I read articles, we also have access to useful on–line portals (US, UK) with summaries and I look into Google, Wikipedia etc – sites where content is controlled by mass usage	Top – Senior management position	Company 1 – growing

Self initiative	My line of work is not widely spread in Slovenia, there are no training, our company is also leader so we can't copy from competition – no copy / paste option, which means that it's up to my initiative – to read and check the web in addition I learn from experience	Mid – Middle management position	Company 1 – growing
Self initiative	y being inquisitive, as this line of work is specialized, this line of work has image issue– the perception is the not much computer knowledge is needed to do the work	Mid – Middle management position	Company 1 – growing
Self initiative	I also need to persuade people they need new knowledge, new approaches	Mid – Middle management position	Company 1 – growing
Self initiative	I reflect on what is similar (known) and what is different, important is to know how much one doesn't know, i.e. doubt and then to have time to reassess.	Top – Senior management position	Company 1 – growing
Self initiative	I learn from everyone, I read books about different topics from how to write scripts to marketing, I ask questions, discuss with people	Top – Senior management position	Company 1 – growing
Self initiative	We are the leaders so there are no technical workshops, self–initiative is required, but we also know who does what	Mid – Middle management position	Company 1 – growing
Self initiative	I research by myself, observe the competition, however just observing and copying doesn't work	Top – Senior management position	Company 1 – growing
Self initiative	I resort to combination of knowledge , create "big picture" of situation, company, resort to hierarchy	Mid – Middle management position	Company 1 – growing
Self initiative	Self–learning and initiative are preferred	Top – Senior management position	Company 2 – winding–down
Self initiative	Mainly by self–interest and self–initiative	Mid – Middle management position	Company 2 – winding–down
Self initiative	The initiative for training and education was up to the employee , the manager supported the training and education	Mid – Middle management position	Company 2 – winding–down
Self initiative	I have learned a lot – driven by situation; need to be self–reliant, results must be visible etc, In the last year there was deterioration in relations driven by unclear date of actual closing, reduction in staff and this should be rectified. At this stage it's not about knowledge but about attitude; every problem can be solved through communication	Mid – Middle management position	Company 2 – winding–down

Self initiative	Found the info myself	Mid – Middle management position	Company 2 – winding–down
Self initiative	Self–initiative and proposals for training were supported within budget constraints.	Mid – Middle management position	Company 2 – winding–down
Self initiative	I read documentation and ask around – basically in such a situation (winding–down operations) decision making is about collecting as much info to make the least damaging decision (making the best decision is in these circumstances impossible)	Top – Senior management position	Company 2 – winding–down
Self initiative	New information/knowledge I mainly get from my own search of information	Mid – Middle management position	Company 2 – winding–down
Training	it's joint decision with team members / attendee	Mid – Middle management position	Company 1 – growing
Training	"soft skills" which are very useful we have trainings by different experts e.g. psychology	Top – Senior management position	Company 1 – growing
Training	the knowledge is driven by usability of it, we send people to workshops in London, we have internal workshops etc	Top – Senior management position	Company 1 – growing
Training	Internal workshops on soft skills have proven to be efficient – they enable open discussion –with them we have resolved problem areas and reduced working hours	Mid – Middle management position	Company 1 – growing
Training	We have good in–house soft skills workshops this year I started with attending conferences – which is selected carefully, main purpose Is networking and presenting the new knowledge to the team –sharing with colleagues	Top – Senior management position	Company 1 – growing
Training	For soft skills e.g. management we have internal workshops, books from company's library.	Mid – Middle management position	Company 1 – growing
Training	We have good in–house training for soft skills. Attendance to conferences is discussed, after attending it is important to share – with sharing you know if you understand (what you've learned).	Top – Senior management position	Company 1 – growing
Training	There is no need for structured knowledge development in a small company.	Top – Senior management position	Company 2 – winding–down

Training	There is no need for additional expert knowledge,	Mid – Middle management position	Company 2 – winding–down
Training	I'm sceptical about benefits of formal education, what counts is the application of knowledge in space and time.	Top – Senior management position	Company 2 – winding–down
Training	In this phase we do not even ask about training anymore – it is natural to master PC, have high standard of work ethics, understand cash flow, know financial sector	Mid – Middle management position	Company 2 – winding–down
Training	The most common case was learning by doing . Some training was available but mainly for networking.	Mid – Middle management position	Company 2 – winding–down

Category **Delegation**.

Delegation			
Code	*Text*	*POSITION*	*COMPANY*
Flexible	Delegating is not really something I need to do – company cannot generate new business and the current roles and tasks are established so I just let them continue to flow naturally. The way I work is hands–on the job but when necessary to delegate tasks I'm aware that with them I don't delegate responsibi	Top – Senior management position	Company 2 – winding–down
Flexible	The team was very small; one team member was for admin support and the other was account officer. The expectations to deliver results were different but were strongly dependent personal traits.	Mid – Middle management position	Company 2 – winding–down
Flexible	Don't have dedicated people I only ask for support and consideration as we are small team.	Mid – Middle management position	Company 2 – winding–down
Flexible	I support people who like challenge, in my opinion best results are achieved with combination of challenging work with boring parts.	Mid – Middle management position	Company 1 – growing
Flexible	The delegation of tasks and follow–up were not my strength, the work distribution was driven by ad–hoc requests and emergency tasks; system which would require responsibility was not established; the strategy of the company was not clearly set	Mid – Middle management position	Company 2 – winding–down

Flexible	The department went, and will also in the near future, go through major changes – it is being established properly. We now have our own accounting (it was outsourced before) next project will be development of processes – connecting them	Mid – Middle management position	Company 1 – growing
Flexible	We have standardized weekly process at them we brainstorm, draw etc but we also just throw them to swim with sharks i.e. learn–by–doing	Mid – Middle management position	Company 1 – growing
Flexible	It is done in steps, confidence in relationship (trust) must be established– I must know what they can do, test them with this, and then give them something new in order to challenge them	Top – Senior management position	Company 1 – growing
Flexible	I look into what needs to be done, who is best for the job.	Top – Senior management position	Company 1 – growing
Flexible	To the person who in my view is best suited to carry out the respective task, regardless of his/hers position in the company	Top – Senior management position	Company 2 – winding–down
Flexible	I do not delegate, since we do not get new work load, the existing workload is already allocated	Mid – Middle management position	Company 2 – winding–down
Flexible	It depends on the task, I know all the people in the company I usually select a person who is interested in the task, someone who has already proven himself at similar tasks and shows initiative	Mid – Middle management position	Company 1 – growing
Formal structure	The roles are quite clear. Based on profile you know who is best for the job and what he's interested in.	Top – Senior management position	Company 1 – growing
Formal structure	At the beginning I had difficulties with it, partly because of constant time pressure (it would take less time to do it by myself then to explain it to someone) but then I started with delegating responsibilities – delegating after that is more transparent and smooth. For ad–hoc tasks the delegation depends on; tasks already distributed, who would be the fastest to provide result, as well as which tasks employee wishes to perform	Top – Senior management position	Company 1 – growing
Formal structure	Allocation is based on combination of observation and results of expectation derived from semi–annual appraisal talks.	Top – Senior management position	Company 1 – growing

Formal structure	In 70% employees prioritize workload by themselves. We have weekly meetings where we discuss also upcoming tasks, also direct allocations of tasks and helpful is also that we have a system (software) for task allocation.	Mid – Middle management position	Company 1 – growing
Formal structure	In my situation we pay attention not to override hierarchy, I talk things over with the functional boss so he can appoint tasks to his team	Top – Senior management position	Company 1 – growing
Formal structure	I discuss issues with my team, agree with them. Before they start working I want to be informed of what and how, I expect them to own their job and be self–initiative	Top – Senior management position	Company 1 – growing

Category **Culture**

Culture			
Code	*Text*	*POSITION*	*COMPANY*
Pro–active	I identify the knowledge and interests and always consider what the "cost" of new product or process etc will be so – the decision justifies the risks taken.	Top – Senior management position	Company 1 – growing
Pro–active	Company culture was set to self–reliant,from manager was expected to find solutions to problems by himself	Mid – Middle management position	Company 2 – winding–down
Pro–active	People reporting to me are at senior management level so I expect them to have the knowledge and reflect on strategic development	Top – Senior management position	Company 1 – growing
Pro–active	Development comes from psychological perspective – personal profiles, culturally induced behavior patterns – knowledge and skills can be acquired anytime & anywhere. The most important is to behave as "going–concern" by encouraging employees to accept the responsibility by creating and supporting the area of trust, respect and open communication.	Top – Senior management position	Company 2 – winding–down
Pro–active	One the major contributors why we are good is the culture feed, we also use "helpful–against" approach to review and discuss variety of options	Mid – Middle management position	Company 1 – growing
Pro–active	People and relationships are key, we have semi–annual (appraisal) talks which include discussion on development and expectations by employees.	Top – Senior management position	Company 1 – growing

Pro–active	Most helpful knowledge for reaching goals are team spirit and cooperation. Mainly I ask colleagues for support and information.	Mid – Middle management position	Company 2 – winding–down
Pro–active	The key for improvements are people who are engaged and self–initiative they come with fresh ideas and we decide which to follow through and implement	Top – Senior management position	Company 1 – growing
Pro–active	We are inventing so there are no books yet, no experience we need to think a lot, need to be open–minded as well as analytical	Mid – Middle management position	Company 1 – growing
Pro–active	Communications knowledge is due to in–house workshops good. We need training in inter–cultural differences – interpretation of actions e.g. in UK, in Slovenia, how business is run China, what to pay attention to, how to manage external partners	Top – Senior management position	Company 1 – growing
Pro–active	I would like to stress that I feel good to be a part of this team – it has motivating and stimulating effect on work results and work climate. The conflicts are being resolved in a way that there is no negative residue left, people are open to different points of view, humor is used effectively.	Mid – Middle management position	Company 2 – winding–down
Pro–active	We are socially engaged – we participate in charity events	Top – Senior management position	Company 1 – growing
Trusting	Open and supportive working environment from which I can learn. Continue to use "4 eyes principle" this encourages sharing different perspectives and knowledge acquisition	Top – Senior management position	Company 2 – winding–down
Trusting	The best about this company was that it encourages people to contribute their best , the unconditional trust from bosses which resulted in some cases of sloppiness which could lead to bad decisions.	Mid – Middle management position	Company 2 – winding–down
Trusting	The crucial part of success is at the management – if they are open and supportive as Group Deputy CEO, who helps prioritize, knows what is important allows us to discover and gives us opportunities.	Mid – Middle management position	Company 1 – growing
Trusting	The culture of the company was driven by the managing director who "lead by example" displaying responsibility, commitment to the company and support, inclusion to the employees.	Mid – Middle management position	Company 2 – winding–down

| Trusting | It is important to have trust in order to give them new tasks to challenge them and allow to learn from mistakes. Mistakes can be made, the most important is to have the right reaction to mistakes | Top – Senior management position | Company 1 – growing |

Category **T_attitude to knowledge**.

T–Attitude to Knowledge			
Code	*Text*	*POSITION*	*COMPANY*
Initiative by employee	I challenge them [subordinates) to consider other options, points of view, assign new projects, develop them with regards to their development wishes, expressed at semi–annual appraisal talks – it's more effective to develop oneself by solving problems – takes less time than learning by reading	Top – Senior management position	Company 1 – growing
Initiative by employee	I expect them to be self–initiative, follow–up on new developments, trends and make a proposal what to do.	Top – Senior management position	Company 1 – growing
Initiative by employee	mainly through self–initiative – to come with proposals.	Mid – Middle management position	Company 1 – growing
Initiative by employee	Keep asking questions what and how something could be better, there is no formal process	Top – Senior management position	Company 1 – growing
Initiative by employee	expect them to be pro–active and want to develop themselves	Top – Senior management position	Company 1 – growing
Initiative by employee	I prefer to send people to training upon their request which is based on argumentation how it will improve their performance. Training for HR process are rather good, but I don't think we have reasonable training on processes for distressed companies – there are many speakers teaching how to saw wood but almost none can actually saw the wood.	Top – Senior management position	Company 2 – winding–down
Supportive	employees usually come with proposals for training and workshops and then we discuss the options and attendance	Top – Senior management position	Company 1 – growing

Supportive	employees usually come with proposals for training and workshops for the topic on their field of work (e.g. technical, legal, finance,…) for soft skills we organize at least two worshops (approx. 6 days) a year.	Top – Senior management position	Company 1 – growing
Supportive	We have mentor and buddy system for newcomers, also internal trainings self–initiative and proposals from employees are preferred.	Mid – Middle management position	Company 1 – growing
Supportive	Open relationships, no hierarchy, but everybody knows their respective responsibility, benefits of multicultural environment (different perspectives on issues at hand, open and diverse approach,…)	Top – Senior management position	Company 2 – winding–down
Supportive	we just need to maintain employees' desire to do and be better by enabling the atmosphere where they can articulate themselves.	Top – Senior management position	Company 2 – winding–down