# KNOWLEDGE MANAGEMENT AND SURVIVAL OF SMALL AND MEDIUM ENTERPRISES IN BENIN CITY

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**Abstract**
*The study examined knowledge management and survival of SMEs in Benin City. Some SMEs close shop due to knowledge loss when talented employees leave the organization or holds the organization to ransom. The objective of the study is to determine if SMEs in Benin City have knowledge management in their organization. The research design is both explorative and quantitative. Primary data were elicited through the use of questionnaire. The data were analyzed and presented using statistical technique such as tables and percentages. The result revealed that most SMEs in Benin City do not have knowledge management department and they relied more on tacit knowledge which is informal. Based on the above findings, it was recommended that SMEDAN policy directive should be how to encourage SMEs excluding micro enterprises to have a knowledge management department and ensure all tacit knowledge are transferred to explicit knowledge and formalized.*

***Key word**: Knowledge Management, SMEs, Benin- City, Tacit and Explicit knowledge.*

## Introduction

Small business can be seen as one that is independently owned and operated and is not dominant in its field of operation. Small and medium enterprises (SMEs) contribute greatly to Nigeria gross domestic product and capacity utilization. It provides jobs for the teaming population and enhance the prosperity of the nation. Adebumiyi (2020) posits that the United Nation Industrial Development Organizations Investment and Technology Promotion office in Nigeria shown that 20 percent of small and medium enterprises manage to survive in Nigeria.

Some small and medium enterprises in Nigeria that managed to survive years of operations close shop due to amongst others, knowledge loss when talented employee leaves the organization or holds the organization to ransom. Sometimes, it could be due to early demise of the founder who passes tacit knowledge about the organization without adequate succession planning. Most of the affected small and medium enterprises have no explicit knowledge in place to serve as reservoir to enhance continuity of the organization. Most small and medium enterprises in Nigeria are ingrained in such imbroglio because they do not have large financial resources that could be spent on investment in working assets and property, so they compete primarily on the basis of their know how dimensions of knowledge which most often becomes inadequate at the loss of prominent employee or proprietor who holds the key to company survival. Apart from plunging a lot of people into unemployment which could stem a lot of social crises for the affected families like hunger, poverty, kidnapping, banditry, robbery, arson and other

social vices, it also negatively affect the country gross domestic product and capacity utilization which could portend huge danger like poverty for the citizenry. Companies should therefore identify and develop their knowledge resources in other to strengthen or retain their competitive advantage and improve effectiveness. Therefore knowledge and the production of ideas represent the most important factor for company success. This means that contemporary firms are faced with the fact that they should focus their assets management on human capital. By managing knowledge, SMEs can improve their efficiency, provide a better foundation for making decision, improve communication between staff members and enhance synergy between staff members. When individual knowledge becomes organization knowledge, it enhances the performance of SMEs. Therefor the main objective of the study is to determine if small and medium enterprises in Benin- City have knowledge management in their organization. Such findings will help businesses in Benin City manage their tacit knowledge and stays beyond their founders or key persons who holds such tacit knowledge. It will also create awareness for small and medium enterprises in Benin City to invest in explicit knowledge for continuity and survival of the firms. Such will also initiate policy directives from the various supervisory bodies on the need for small and medium enterprise to manage their knowledge. In the light of the above, the research question is, does SMEs in Benin City have knowledge management in their organization. To achieve the above, information will be elicited from selected SMEs in Benin City with the aid of questionnaire, interview and personal observation.

The questionnaire will be served on the owner of the organization, management staff and senior employees of the organization. Accordingly, the research work will be organized into introduction; which highlights the motivation for the research work, literature review; which explained the theoretical and conceptual frame work and empirical review, methodology; which explained the method of data collection and analysis, findings and discussion, implication, conclusion and recommendation.

## Literature Review

### Conceptual Framework

Small and Medium Enterprises Development Agency of Nigeria (SMEDAN)(2007) defines small and medium enterprises (SMEs) as micro enterprises whose total assets (excluding land and buildings) are less than five million Naira with a workforce not exceeding ten employees. Small enterprises are those enterprises whose total assets (excluding land & buildings) are above five million Naira but not exceeding fifty million Naira with a total workforce of above ten, but not exceeding forty-nine employees. Medium enterprises are those enterprises with total assets (excluding land and buildings) are above fifty million Naira but not exceeding five hundred million Naira with a total workforce of between 50 and 199 employees. Sule, (1986) posit that the Nigerian industrial Development Bank ( NIDB) defines small scale business as an enterprise having an investment and working capital not exceeding 750,000 Naira. SMEs impact greatly on the Nation gross domestic products, it contribute to employment generation, capacity utilization of the economy and constitutes major part of the Nations export. Davenport and Prusak (1998) define knowledge as a fluid mix of framed experience, value, contextual information, and expert insight that provides a framework for incorporating new experiences and information. It originates and is applied in the minds of knowers. In organizations, knowledge often becomes embedded in documents, repositories, organizational routines, processes, practices and norms. Brown and Duguid (2000)( as in Chifiero, 2020) posits that knowledge is much harder to assimilate and understand than information. The acquired knowledge is a source of wealth and competitive advantage (Femie et al., 2003 as in Pretorius & Steyn, 2005). Firms

demonstrate competitive advantage if they create an environment of trust with strong social connections and knowledge sharing (Allee,2003) . Martensson (2000) opined that knowledge management is an integrated approach to identify, manage, share and capitalize on the know-how, experience and intellectual capital of staff in an organization, it encompasses systematic analysis, planning, acquisition, creation, development, storage and use of knowledge in companies. Knowledge management focuses on the individual and his/her knowledge as a resource and value. This was however simplified by Debowski (2006), who opined that knowledge management is the manner, in which an organization identifies, captures, organizes and disseminates its intellectual assets for the benefit of its long term performance.

Knowledge management comprises of knowledge creation, knowledge acquisition, knowledge transfer and knowledge storage.

**Knowledge acquisition**
Omerzel (2010) posits that through acquisitions, firm can acquire technological capabilities or market relationship. Marquardt (1996) (as in Omerzel,(2010) distinguishes between externally acquired knowledge and internally (within an organization) create knowledge. The imitation of successful operation practices of other companies falls within the most important methods of acquiring knowledge from the environment.

**Knowledge transfer and creation**
Nonaka and Konno (1998) posit that knowledge creation is a spiraling process of interaction between explicit and tacit knowledge. The interactions between these kinds of knowledge lead to the creation of knowledge. Knowledge transfer and knowledge creation starts when people sharing their internal tacit knowledge by socializing with other people or by obtaining it in digital or analogue form. The shared knowledge is then internalized by other people who generate new knowledge. This newly created knowledge is again shared with other people and the process begins again.

As knowledge flows in the organization between individuals, and from one level to another, the organization repository is accumulated through interactions between the organizations agents. It is necessary for a company to create a culture which encouraged communication. Sharing knowledge may play a significant role in increasing one's exposure to different ideas and provides different source of information.

**Knowledge storage**
Creation of knowledge is a costly affair that is why it is critical for organizations to store the knowledge and provide access to it, in a professional and efficient manner throughout the organization to leverage on it to achieve sustainable competitiveness. The process of storing knowledge allows for the creation of a quality knowledge base of an organization which should contain the entire usable knowledge of an organization. In order to be able to store knowledge, one usually collects and processes it in electronic form, part of it can be stored in the form of books, documents, and plans while part of it, usually tacit knowledge, remain with employees.

**Use of knowledge**
It is only by using knowledge that one creates its direct utility value. One creates new knowledge when using existing knowledge, one continually returns to the initial stage of knowledge management. That is the acquisition and creation of knowledge which are repeatedly followed by the transfer and storage of knowledge.

**Type of knowledge**

Nonaka and Takeuchi (1995) distinguish between two type of knowledge; Tacit and Explicit knowledge. Tacit knowledge is described as information that is difficult to express, formalize or share. It is unconsciously acquired from the experiences one has while immersed in an environment. Tacit knowledge is intuitive and acquired by having some considerable experiences and expertise at some task or job. Tacit knowledge is transferred among individuals working closely together through socialization processes such as apprenticeship, leadership and direct observation (Grffith, et al.,2003 as in Pretorius & Steyn,2005).

Explicit knowledge can be expressed in words and numbers and can be easily communicated and share in the form of hard data, scientific formulae, codified procedures or universal principles. Bratianu and Orzea (2010) notes that once the knowledge becomes explicit, it can be shared, disseminated and transferred to others through verbal and non- verbal language.

Sanchez (2005) distinguishes between two types of knowledge. Personal knowledge: knowledge within the organization consists of tacit personal knowledge in the minds of individuals in the organization. To manage the personal knowledge of individuals, managers are typically urged to identify the kinds of knowledge possessed by various people in an organization and then to arrange appropriate interactions between knowledgeable individuals. That is by transferring people as knowledge carriers from one part of organization to another, to encourage them share their knowledge with each other in order to move knowledge from one part of the organization to another and through their interactions to create new knowledge that may be useful to the organization.

**Organization knowledge**

The organizational knowledge approach assumes that knowledge is something that can be made explicit that is can be articulated and explained by individuals who have knowledge even though some effort and assistance may sometimes be required to help individuals articulate what they know. The organization knowledge approach addresses ways that organizational knowledge assets can be disseminated within an organization usually through documents, drawing, standard operating procedures, manuals of best practice and the like.

**Models of knowledge management**

Nonaka and Takeuchi (1995) proposed four models of knowledge transfer and creation

- Socialization: defines the process of sharing experiences and thus creating tacit knowledge such as mental models and technical skills. Tacit knowledge can be obtained using language through observation, imitation, practice and participation in formal and informal communities and group. The process is tacit to tacit.
- Externalization: is a technique of expressing tact knowledge into explicit concepts. Taking the shape of metaphors, analogies, concepts, hypothesis or models. The process is tacit to explicit.
- Combination: is the technique of integrating concepts into knowledge system by combining different bodies of explicit knowledge. This knowledge is then transferred through media such as documents, meetings and also in the form of

electronic mail conversations. This process leads to the formation of new knowledge. This is explicit to explicit.

- Internalization: is the technique of embodying explicit knowledge into tacit knowledge and which is closely related to learning. This is explicit to tacit phase.

**Theoretical Review**

Organizational knowledge management theory primarily focuses on organizational structures and how an organization is designed culturally and hierarchically to manage knowledge and knowledge processes. This was popularized by Max Weber(1864-1920). Ecological knowledge management theory was introduced by Urie Bronfenbrenner in 1970s and focuses on people, relationships, and learning communities, including interactions among individuals and organizations and the internal and external factors that draw people together to share knowledge. Resources based theorem propounded Birger Wernerfelt in 1980s, see the firm as a collective of individual unique resources. In line with the resource based theory, valuable and knowledge employees are not sufficient to outperform competitors. They should be managed and controlled in a way that enables the firms to implement its desired strategy (Barney, 1991).

**Empirical Review**

Omerzel (2010) uses a structural equation modeling technique to verify a theoretically proposed model of knowledge management. The purpose of the study was to clarify the importance of different determinants of knowledge management with the aims to investigate its influence for the firm performance. The empirical analysis estimates the relationships in the structural model of the influence of knowledge management on performance using data collected through questionnaire; (1) use of knowledge (2) knowledge acquisition at individual level (3) knowledge storage (4) motivation (5) measuring the efficiency of knowledge management implementation and (6) knowledge transfer, nevertheless, the firm performance was measured by firm growth and firm profitability. To verify and confirm the relationships between the proposed dimensions, an exploratory and confirmatory factor analysis was performed. The findings indicate that all dimensions are interrelated and important for the firm performance. However knowledge management represents a strong factor for the firm performance in the proposed model.

Moffett et al. (2003) studied the relationship between cultural and technological aspects of knowledge management. A survey questionnaire was constructed and tested via a pilot phase. The questionnaire was then distributed to over 1000 organizations across the industrial sectors. The findings indicate that a strong relationship exists between knowledge management and other organizational factors, namely organizational culture internal technical culture. Byukusenge et al., (2016) studied whether knowledge management under its three dimensions of knowledge acquisition, knowledge sharing and responsiveness to knowledge lead to innovation in Rwanda SMEs. The study adopted a cross –sectional survey design to collect data used to examine that relationship. The results revealed that only knowledge sharing was found positive and significant predictor of innovation.

**Methodology**

The study adopted quantitative research method and the research design is both an exploratory and descriptive. The used of exploratory stem from the need to have an in-depth insight into knowledge management and small and medium enterprises survival. The survey approach involves purposive selected sample taken from the population,

which was based on convenience of the field workers sent to different areas in Benin City. Edo State remains an emerging industrial layout in Nigeria, which house lots of small and medium enterprises as a result of its strategic location as serving as a link to various states in Nigeria. This attribute made the choice of Benin City imperative.

The techniques used by the researcher to obtain data for analysis is questionnaire and interview. Sample of one hundred (100) small and medium firms were purposively selected. The research instrument is made up of two sections. Section A and B. Section A sought information on demographic issues while Section B contains questions that will address the research questions raised. The internal consistency was done using cronbach's Alpha test. The reliability figure is 66.5%

In generating the required data for analysis, a response scale research instrument was used because it allows the respondents indicate how close their feelings match the statement on a rating scale. The scale 5-1 was used for each of the questions. The questions were scored on a likert scale from strongly agreed (S.A), agreed (A), neutral (N), disagreed (D) and strongly disagreed (S.D) which were allocated scores 5-1. The statistical package for social sciences (SPSS. 22.0) software was used . This statistical tool was used because it is suitable means of breaking down and analyzing the generated data into percentage and frequencies.

**Findings and Discussions**

**Table 1: Position in organization**

| | Frequency | Percent |
|---|---|---|
| Owner | 41 | 41 |
| Manager | 30 | 30 |
| Workers | 29 | 29 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 1 shows that owners of business are 41, Managers 30 and Workers 29 respectively out of 100 respondents considered. Which show that the respondents have adequate knowledge of the subject matter.

**Table 2: Qualification**

| | Frequency | Percent |
|---|---|---|
| Pry/SSCE | 21 | 21 |
| B.Sc/M.Sc | 73 | 73 |
| Ph.D | 6 | 6 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table2 shows 21 respondents have Pry/SSCE, 73 respondents have B.Sc/M.Sc while 6 respondents have Ph.D. the 79 respondents of both B.Sc/M.Sc and Ph.D demonstrate strong academic qualifications, which enhance understanding of the subject matter.

Table 3: Type of Business

| | Frequency | Percent |
|---|---|---|
| Trading | 26 | 26 |
| Service | 32 | 32 |
| Manufacturing | 17 | 17 |
| Agriculture | 5 | 5 |
| Others | 20 | 20 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 3 shows that 26% of the respondents are in trading business, 32% of respondents are in service business, 17% respondents are in Agriculture business while 20% respondents are in other business. Such spread help in the application of knowledge management in all sectors.

**Table 4: Years operation**

| | Frequency | Percent |
|---|---|---|
| 1-9 | 52 | 52 |
| 10-15 | 24 | 24 |
| 16-20 | 7 | 7 |
| 21-30 | 11 | 11 |
| 31-40 | 4 | 4 |
| 41+ | 2 | 2 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 4 shows that 52 respondents have been in business between 1-9years, 24 respondents have been in business between 10-15 years, 7 respondents have been in business between 16-20 years, 11 respondents have been in business between 21-30 years, 4 respondents have been in business between 31-40 years while 2 respondents have been in business for 41+ years and above. Such spread can give a convincing report about knowledge management at any level of years.

Table 5: Your organization has knowledge management department

| | Frequency | Percent |
|---|---|---|
| Disagreed | 79 | 79 |
| Neutral | 16 | 16 |
| Agreed | 5 | 5 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 5 shows that 79 respondents do not agreed that their organization have knowledge management department, 16 respondents where neutral while 5 respondents agreed that their organization have a knowledge management department. This position may have held sway since 58% of the respondents belongs to trading and service business.

**Table 6: Employee have the ability to visit and access information from the said department.**

| | Frequency | percent |
|---|---|---|

| | | |
|---|---|---|
| Strongly disagreed | 30 | 30 |
| Disagreed | 33 | 33 |
| Neutral | 25 | 25 |
| Agreed | 10 | 10 |
| Strongly agreed | 2 | 2 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 6 shows that 63 respondents cannot access information from knowledge management department, 25 respondents where neutral while 12 respondents agreed that they can access information from knowledge management department. This position is valid since most of the organization do not have knowledge management department.

**Table 7: Discussions /meetings are conducted around new concepts and ideas**

| | Frequency | percent |
|---|---|---|
| Strongly disagreed | 1 | 1 |
| Disagreed | 2 | 2 |
| Neutral | 7 | 7 |
| Agreed | 52 | 52 |
| Strongly agreed | 38 | 38 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 7 shows that 3 respondents do not agreed that discussions/ meetings are conducted around new concepts and ideas, 7 respondents are neutral while 90 respondents agreed that discussions/meetings are conducted around new concepts and ideas.

**Table8: Management is open to ideas proposed by employee**

| | Frequency | Percent |
|---|---|---|
| Disagreed | 8 | 8 |
| Neutral | 14 | 14 |
| Agreed | 39 | 39 |
| Strongly agreed | 39 | 39 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 8 shows that 8 respondents agreed that management is not open to ideas proposed by employee, while 14 respondents are neutral and 78 respondents agreed that management is open to ideas proposed by employee. This position may have been influenced by respondents who are owners and managers.

**Table 9: Employees exchange information freely among each other irrespective of departments**

| | Frequency | Percent |
|---|---|---|
| Disagreed | 6 | 6 |
| Neutral | 12 | 12 |
| Agreed | 43 | 43 |
| Strongly agreed | 39 | 39 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 9 shows that 6 respondents disagreed that employees exchanged information freely

among each other irrespective of departments, 12 respondents are neutral while 82 respondents agreed that employees exchange information freely among each other irrespective of departments.

**Table 10: organization's information on job procedures is stored in data base**

| | Frequency | Percent |
|---|---|---|
| Strongly disagreed | 39 | 39 |
| Disagreed | 30 | 30 |
| Neutral | 21 | 21 |
| Agreed | 10 | 10 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 10 shows that 69 respondents do not agreed that organization information on job procedures is stored in data base, 21 respondents are neutral while 10 respondents agreed. The reality is that most of the small and medium enterprises practice informal knowledge management which is formalized as the employees interact with one another.

**Table 11: Supervisor reward people who share their knowledge**

| | Frequency | Percent |
|---|---|---|
| Strongly disagreed | 2 | 2 |
| Disagreed | 10 | 10 |
| Neural | 36 | 36 |
| Agreed | 34 | 34 |
| Strongly agreed | 18 | 18 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 11 shows that 12 respondents agreed that their supervisor do not reward people who share their knowledge, 36 respondents are neutral while 52 respondents agreed that their supervisor reward people who share their knowledge.

**Table 12: Knowledge of experience retiring or exiting employees are captured by the organization**

| | Frequency | Percent |
|---|---|---|
| Strongly disagreed | 1 | 1 |
| Disagreed | 14 | 14 |
| Neutral | 23 | 23 |
| Agreed | 50 | 50 |
| Strongly agreed | 12 | 12 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 12 shows that 15 respondents do not agreed that knowledge of experience retiring or exiting employees are captured by the organization, 23 respondents are neutral while 62 respondents agreed that knowledge of experience retiring or exiting employees are captured by the organization. This position is valid since most of the knowledge management in SMEs are informal and more of tacit knowledge.

**Table 13: The organization assigned individual close to retirement to document his/her area of expertise**

| | Frequency | Percent |
|---|---|---|
| Strongly disagreed | 14 | 14 |
| Disagreed | 30 | 30 |
| Neutral | 27 | 27 |

| | | |
|---|---|---|
| Agreed | 21 | 21 |
| Strongly agreed | 8 | 8 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 13 shows that 44 respondents do not agreed that the organization assign individual close to retirement to document his/her area of expertise, 27 respondents are neutral, 29 respondents agreed that the organization assigned individual close to retirement to document his/her area of expertise.

**Table 14: The organization have succession plan which provides for transfer of knowledge and training of replacement staff**

| | Frequency | Percent |
|---|---|---|
| Strongly disagreed | 1 | 1 |
| Disagreed | 12 | 12 |
| Neutral | 15 | 15 |
| Agreed | 52 | 52 |
| Strongly agreed | 20 | 20 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 14 shows that 13 respondents do not agreed that the organization have succession plan which provides for transfer of knowledge and training of replacement staff. 15 respondents are neutral while 72 respondents agreed that the organization have succession plan which provides for transfers of knowledge and training of replacement staff.

Table 15: Management expect staff to document experiences and lesson learned and make them available to the rest of the organization

| | Frequency | Percent |
|---|---|---|
| Strongly disagreed | 4 | 4 |
| Disagreed | 11 | 11 |
| Neutral | 30 | 30 |
| Agreed | 36 | 36 |
| Strongly agreed | 19 | 19 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 15 shows that 15 respondents do not agreed that management expect staff to document experiences and lessons learned and make them available to the rest of the organization , 30 respondents are neutral while 55 respondents agreed that management expect staff to document experiences and lessons learned and make them available to the rest of the organization.

Table 16: Knowledge recording helps employees adapt when they are transferred to different departments

| | Frequency | Percent |
|---|---|---|
| Strongly agreed | 1 | 1 |
| Disagreed | 2 | 2 |
| Neutral | 16 | 16 |
| Agreed | 45 | 45 |
| Strongly agreed | 36 | 36 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 16 shows that 3 respondents do not agreed knowledge recording helps employees adapt when they are transferred to different department, 16 respondents are neutral while 81 respondents agreed.

Table 17: I have no access to useful information for my work

| | Frequency | Percent |
|---|---|---|
| Strongly disagreed | 42 | 42 |
| Disagreed | 26 | 26 |
| Neutral | 19 | 19 |
| Agreed | 7 | 7 |
| Strongly agreed | 6 | 6 |
| Total | 100 | 100 |

Source: Researcher's field work, 2021

Table 17 shows that 68 respondents agreed that they have access to useful information for their work, 19 respondents are neutral while 13 respondents believed they do not have access to useful information for their work.

**Implications**

The study shows that 79 respondents do not agreed that their organization have

knowledge management department. Many small and medium enterprises do not have knowledge management department. Most of their roles and responsibilities are systematized and informal, which becomes formalized as the workers interact frequently with each other. The formalized tacit knowledge flows from the superior to the subordinate. The implication is that though no formal knowledge department, the free interaction among staff encourages the free flow of information which helps the organization performance sustainability. Organizations that seek for innovation through research and development must put in place knowledge management department to help actualize their aspiration. Small and medium enterprises either innovate or die, the informal dissemination of information must be formalized through documentation of ideas or concepts to be handled by department from which all staff gets adequate information for improvement on their productivity. The failure of SMEs in Nigeria to adopt formalization (explicit knowledge), may have been responsible for the high demise of SMEs after the founder or key personnel exit from the organization.

The study further revealed that 90 respondents agreed that discussions/ meetings are conducted around new concepts and ideas. This is mostly influenced by the vision bearer/founder. The implication is that the organization learned when they are able to actualized such ideas, such learning must be documented or put into explicit knowledge to enhance the continuous performance sustainability, even when the intellectual talent of the founder/key personnel is no longer available. The study also shows that 78 respondents agreed that management is open to ideas proposed by employees. This shows that Nigeria SMEs are wily to learn, the continuous encouragement of knowledge transfer will help in greater productivity of the organization. Such flow could be destructed if not formalized.

The study shows 82 respondents agreed that employees exchange information freely among each other irrespective of department. The implication is that it helps in the development of talent and the passing of tacit knowledge from superior to subordinate. Such practice will ensure continuity of the organization. The study also shows that 69 respondents do not agreed that organization information on job procedures are stored in data base, this may be responsible for dearth of information on technical requirement for a product, which most organization pay dearly for after the death/ retirement of the key personnel. In other to avoid being held to ransom by key personnel, SMEs must encourage explicit knowledge. The study further shows that 52 respondents agreed that their supervisor reward people who share knowledge. The implication is that most SMEs in Nigeria encourage development and growth, invariably the continuous survival of the organization. Which mean they are open to tacit knowledge management, which is healthy for the organizations. 62 respondents agreed that knowledge of experience retiring or exiting employees are captured by the organization. I hope this position is not influenced, since majority of the respondents are part of management. If this true, why are most SMEs closing shop after the death/retirement of their founder/ key personnel. The study further shows that 34 respondents do not agreed that the organization assign individual close to retirement to document his/her area of expertise, with 27 respondents neutral, it is a clear indication that most firms don't. The implication is that most firms will continue to run short of explicit knowledge, which could be catastrophic in the long run. 72 respondents agreed that their organizations have succession plan which provides for transfer of knowledge and training of replacement staff. This is encouraging, it will help enhance continuity and sustainable growth.

**Conclusions**

The study revealed that 79 respondents do not agree that their organizations have

knowledge management department and 69 respondents agreed that organization information on job procedures are not stored in data base. It is a clear indication that SMEDAN policy directive should be how to encourage SMEs excluding micro business to have a knowledge management department and ensure all tacit knowledge are transferred to explicit knowledge. All the knowledge in such organization must be formalized to enhance continuity of the firm. The 90 respondents that agreed discussions/meetings are conducted around new concepts and ideas and 78 respondents that agreed management are open to ideas proposed by employees is an indication that most SMEs are learning organization. Organization that learn and innovate holds the future, that probably accounts for SMEs survival pioneered by the intellectual talent of the founder/key personnel. The encouragement of the organization as evidence by 55 respondents to documents such ideas and concept will help enhance the continuity of the firm even after the founder demise.

A learning organization must continue to encourage job rotation among staff, and it remains the only way specific knowledge can be passed among employees. 72 respondents agreed that their organization have succession plan which provides for the transfer of knowledge and training of replacement staff, which means there is need to train staff and expose then to acquire the same talent/skills as exhibited by major players in the organization to enhance the firm survival. Documentation of office procedures most remain within the purveyor of management as evident by 62 respondents that agreed knowledge of experienced retiring or existing employees are captured by the organization. SMEs should not ignore knowledge documentation as evidence by 81 respondents that agreed knowledge recording help employees adapt when they are transferred to different department as it remain the key to its performance sustainability and continuity.

The research work was a daunting task, though most organizations in Benin City are used to the lexical –knowledge management but could not understand the need to dedicate a department to knowledge management. They felt comfortable with their informal practice of knowledge management. I will suggest that further research should be done on explicit knowledge management and continuity. This paper finally recommends that SMEDAN should come up with policy directive to encourage SMEs formalize their knowledge.

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