

KNOWLEDGE GAPS OF SALESPERSONS IN THAI SMEs



PARICHART HONGPHISUTTHIKUN

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Miss Parichart Hongphisutthikun
Candidate

Asst. Prof. Vichita Ractham,
Ph.D.
Advisor

Assoc. Prof. Sooksan Kantabutra,
Ph.D.
Committee member

Assoc. Prof. Annop Tanlamai,
Ph.D.
Dean
College of Management
Mahidol University

Asst. Prof. Winai Wongsurawat,
Ph.D.
Committee member

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Parichart Hongphisutthikun

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PARICHART HONGPHISUTTHIKUN 5549025

M.M. (ENTREPRENEURSHIP MANAGEMENT)

THEMATIC PAPER ADVISORY COMMITTEE

ASST. PROF. VICHITA RACTHAM, Ph.D., ASSOC. PROF. SOOKSAN
KANTABUTRA, Ph.D., ASST. Prof. WINAI WONGSURAWAT, Ph.D.**ABSTRACT**

In 2012, the SMEs were accounted for 37% of the overall GDP of Thailand (OSMEP, 2012). Knowledge Management (KM) is a critical area for SMEs in competitive market environment based on the fact that the intangible assets creates more values for organization than tangible one (Volkov & Garanina, 2007). The purpose of this thematic paper is determine the knowledge gaps of salespersons in Thai SMEs. The paper adopted a case study approach involving five participants; owner, manager and three salespersons from a Thai SME. The data collected through face-to-face interview and non-participant observation.

The results show that there are mismatching between the owner's expectation and salesperson understanding about responsibilities due to the absence of actual job description. The key knowledge and skills necessary that had not been mentioned by salespersons will identify as knowledge gaps. While the scope of identified knowledge was similar, the gaps was found in term of insufficient level of knowledge that salespersons possess.

This study was limited to small amount of interviewees participated in the research. The lack of understanding about KM of interviewees might cause confusion and misunderstanding.

The entrepreneur should consider on identifying knowledge necessary and knowledge available to enhance learning process within organization and trying to minimize or eliminate the gaps.

KEY WORDS: Knowledge Management/ Knowledge Gaps/ Salespersons/ SMEs/
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25 pages

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CHAPTER I

INTRODUCTION

Small and Medium sized enterprises (SMEs) are the engine of growth of Thai economy. According to the annual report 2012 of the office of Small and Medium Enterprises Promotion of Thailand (OSMEP), the SMEs were accounted for 37% of the overall Thai GDP, approximately 4.211 trillion baht. The SMEs employ 80.4% of total Thai industries workforce. Even though the number of new business registrations in 2012 was increasing for 15.2% from the previous year, the business dissolution was accounted for 27% of registered (OSMEP, 2012). In combination with intense competitive market environment, SMEs have to improve their performance in order to sustain in the current business world.

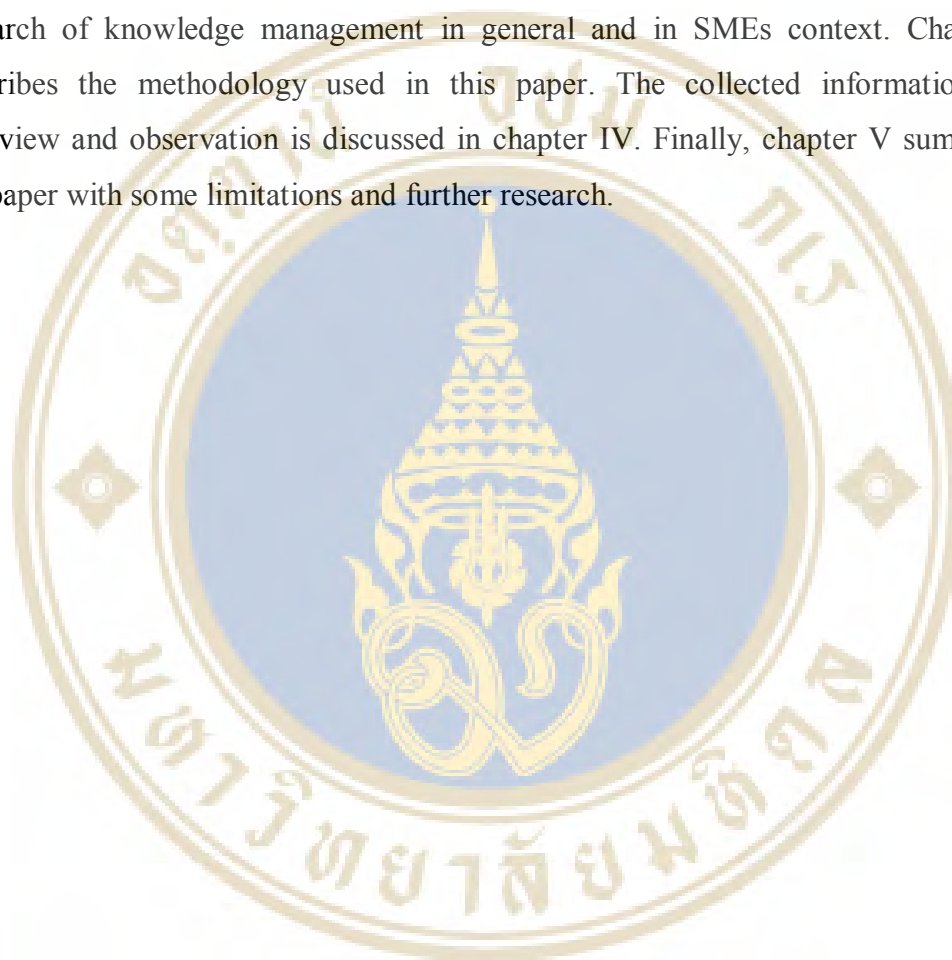
Knowledge Management (KM) is a critical area for SMEs in competitive market environment based on the fact that the intangible assets create more values for organization than tangible one (Volkov & Garanina, 2007). Omerzel and Antoncic (2008) suggests that managing knowledge assets are new tools of SMEs for survival, growth and maintaining a sustainable competitive advantage. Durst and Edvardsson (2012) addresses the KM researches in SMEs that had been done mostly in the areas of knowledge management implementation, knowledge management perception, and knowledge transfer, however knowledge identification, knowledge storage/retention and knowledge utilization are poorly understood.

Hutchinson and Quintas (2008) addresses that most of SMEs manage knowledge without use of the language and concepts of KM or having formal KM structures, even though KM processes exist informally. Before implementing KM structure, identifying the knowledge gaps within organization should have been done in order to determine the improvement area and developing suitable KM process for company to close those gaps.

This paper focuses on determining knowledge gaps for salespersons in small and medium sized enterprises, aimed for enhance understanding and awareness

for Thai SMEs in the knowledge management field. Identifying knowledge gaps is the prior step before implementing or developing a suitable KM process for small organizations where an expensive KM system might not be appropriate. This should help entrepreneurs to improve working efficiency, stimulating learning process and sustaining competitive advantages.

Next chapter of this paper is the literature review based on existing research of knowledge management in general and in SMEs context. Chapter III describes the methodology used in this paper. The collected information from interview and observation is discussed in chapter IV. Finally, chapter V summarizes the paper with some limitations and further research.



CHAPTER II

LITERATURE REVIEW

2.1 Knowledge and Knowledge Management

In order to understand knowledge management, we should understand the meaning of knowledge first. The term knowledge has been used since the classical Greek era and has led to many epistemological arguments (Alavi & Leidner, 2001). One of the most referral perspective of knowledge is the hierarchical view of Data, Information and Knowledge which indicated that data is raw numbers and facts, information is processed data and knowledge is authenticated information (Alavi & Leidner, 2001). However, Tuomi (1999) argues that the hierarchy should be reversed which is knowledge must exist first to formulate information and before data can be generated to measure information. In addition knowledge exists inside of knower as a result of cognitive processing by inflow of new incitement (Tuomi, 1999).

Beijerse (2000) agrees that knowledge is neither equal to data nor information. Instead knowledge can primarily be described as something that makes both data and information manageable and it is a consequence of many factors such as experience, skills, culture, personality and etc. Davenport and Prusak (1998) gave the comparatively broad approach of knowledge definition: *“Knowledge is a fluid mix of framed experience, values, contextual information, and expert insight that provides a framework for evaluating and incorporating new experiences and information. It originates and is applied in the minds of knowers. In organisations, it often becomes embedded not only in documents or repositories but also in organizational routines, processes, practices and norms”*.

Drawing on the work of Nonaka (1994), there are two dimensions of knowledge in organizations: tacit and explicit. Tacit knowledge is knowledge that difficult to express and hardly to identify. It is rooted in an individual’s actions, experience and involvement in a specific context. As a result of highly personal and hard to formalize, tacit knowledge is difficult to communicate or share with others.

There are two dimension of tacit knowledge: technical dimension and cognitive dimension. Technical dimension or “know-how” is an informal personal skills of individual that apply to a specific context, while cognitive dimension referred to individual’s mental models which consists of beliefs, values, paradigms and viewpoints that influence perception of each person (Nonaka & Konno, 1998; Alavi & Leidner, 2001) .

Explicit dimension of knowledge is knowledge that can be expressed in words or numbers, in form of hard data, such as manuals, scientific formulas, document and standardized (Nonaka & Konno, 1998; Beijerse, 2000). Thus, the explicit knowledge is easier to communicate, transfer and share among individuals than the tacit knowledge.

Managing knowledge to the organization’s benefit is essential for completing in competitive environment. Firms need to be able to identify and leverage the collective knowledge within organization in order to complete with competitors (von Krogh, 1998). Knowledge management (Alavi & Leidner, 2001) is generally regarded as a process involving various activities. Numbers of literature identify different labels and amount of activities that combined for knowledge management process (Evangelista, Esposito, Lauro, & Raffa, 2010). However Alavi and Leidner (2001) suggests that there are, at minimum, four basic processes of knowledge management that should be concerned; creating, storing/retrieving, transferring and applying knowledge.

Knowledge creation refers to developing new content or replacing existing content within the organizations’ tacit and explicit knowledge (Alavi & Leidner, 2001). Knowledge could be acquired from external knowledge sources as well as internally produced (Durst & Edvardsson, 2012).

Knowledge storage/retrieval, also referred to as organizational memory, is a process of keeping knowledge inside organization to avoid losing them due to retirement, departures of organization members as well as forgetting and so forth (Durst & Edvardsson, 2012). Not only preventing knowledge loss, recording valuable knowledge in electronic form such as written documentation, and structured information stored in electronic database (Alavi & Leidner, 2001) also improving

consistency and reducing cost due to the reuse of the best practice (Egbu, Hari, & Renukappa, 2005).

Knowledge transfer is a process in passing knowledge to others. Transfer of knowledge occurs at various level (Alavi & Leidner, 2001): between individuals, from individuals to explicit sources, from individuals to groups, between groups, across groups. And from the group to the organization. This process is considered as a crucial part of knowledge management. It is important that available knowledge gets to the right person at the right time (Beijerse, 2000).

The process that enhance the organization competitiveness is application of the knowledge rather than the knowledge itself (Alavi & Leidner, 2001). Durst and Edvardsson (2012) also agrees that knowledge application is the only way to create value within the organization. Technology can support this process by integrating knowledge with organization routines. Thus, knowledge can be applied in many locations and the new knowledge can be applied faster through workflow automation (Alavi & Leidner, 2001).

2.2 Knowledge Management in SMEs

There are large amount of literatures in knowledge management (KM) that investigate based on the practice of large organizations whereas only few researches support the understanding of KM focused on the small to medium sized enterprises, SMEs, (Durst & Edvardsson, 2012). SME is not a scaling down of large organization (Sparrow, 2001), therefore the practical understanding and best practice of large enterprise cannot be applied directly in SMEs context. Due to the limited resources of SMEs, the introducing of knowledge management systems into SMEs is a challenge (Evangelista et al., 2010).

The research of McAdam and Reid (2001) indicates that understanding and implementation of knowledge management have been developing in the large organization sector as well as scientific and social elements of knowledge that are recognized. In contrast with the SME sector, less advanced in a mechanistic approach of knowledge and lack of investment in KM have been found. In addition, KM's

benefit were perceived towards the market rather than towards improvement of internal efficiency, for example, IT is used to store customer's information to identify the target market rather than enhancing communication across the company for efficiency improvement.

Hutchinson and Quintas (2008) discussed that knowledge management in organization could be classified into two types, formal and informal. The formal KM concerns policies, plans, structures, initiatives and practice that are named and governed by the concepts of KM. On the other hand, the informal KM refers to practices that are concerned with knowledge processes but are not so labelled or constituted. Both of them are involved with managing explicit knowledge, such as written document, and tacit knowledge, such as people demonstrating how to perform a task.

Small firms do manage knowledge informally as part of their normal activities, without the use of concept and terminology of knowledge management (Hutchinson & Quintas, 2008). There are two main points that has been made in this research: first, the knowledge of SME is managed without use of KM concept and implementing of formal KM structures such as intranets and knowledge capture or sharing system while the characteristic of informal knowledge management has been discovered. Second, small firms are more likely to adopt an informal processes to manage their knowledge.

2.3 Identification of Knowledge and Knowledge Gaps in SMEs

Nowadays, the challenge of organization is how effectively company can deal with obtained information. Starting with located them, organization can manage them effectively and efficiently (Dalkir, 2011). The growth of organizations and their survival depends on their ability to identify knowledge gaps and fill them (Haider, 2003).

The process of knowledge identification is closely related to strategic planning activity in order to determine the necessary knowledge that linked to organizational competitive advantage (Beijerse, 2000). Zack (1999) suggests that

organization should identify key knowledge before implementing any system related to KM. In addition, Beijerse (2000) proposes that in order to structurally manage knowledge in organization there are nine possible knowledge streams that manager or entrepreneur should be concerned. Before implementing knowledge management process, SMEs should start with evaluating the knowledge within the organization as an input for the determination of available knowledge and the necessary knowledge to perform tasks. Then the knowledge gaps will be addressed based on this investigation. Thus, the knowledge stream becomes a knowledge cycle that is a directional for the knowledge management process which are knowledge creation, transfer, storage and application.

Perez, Amaya, and Barcelo (2013) identify the existing and missing key knowledge in the training area by analyzing the description of the job profile and the requirements of the person holding that jobs. Then compare the knowledge that the job required and what the persons know by asking “What do the employees need to know to be able to perform the essential tasks on the job?”. The answer will provide the list of key knowledge in order to identify the knowledge gaps.

CHAPTER III

RESEARCH METHODOLOGY

3.1 Research Approach

There are two common research methodology; qualitative and quantitative approaches. The quantitative research is based on the measurement of quantity or amount, normally uses statistics to evaluate the outcome of the research, in contrast with qualitative one. The qualitative research aims to investigate the meaning, feeling and describe the situation (Rajasekar, Philominathan, & Chinnathambi, 2013).

The case study method is a very popular form of qualitative analysis which involve in depth analysis of a limited number of events or conditions (Kothari, 2004). This paper employs the case study approach to examine the knowledge gaps for sales position in Thai SMEs in order to improve working efficiency. Determining those gaps should help entrepreneur and organization to highlight the area of improvement in order to enhance company competitive advantage especially in the field of Knowledge management.

To answer the research question, personal interview and non-participant observation techniques are adopted as the data collection approaches because the knowledge is intangible and sometimes hard to explain in word especially tacit knowledge embedded in employees or owner. The personal interview is suitable for intensive investigations which allows interviewer to collect the information personally from the sources (Kothari, 2004). In addition, a non-participant observation also provides others possible information related to the research question with limited time concerned.

Open-ended questions are used to discover the information and provide more complete picture of the respondent's knowledge and understanding about knowledge gaps in organization. A list of open-ended questions is developed to scope the interview and ensure that all interested area will be covered.

To ensure validity of the data, the probing technique is adopted, Probing question is a following question trying to discover more detail about primary question as well as confirming the addressed points (Mind Tools Ltd., 1996). Reflective note taking is also used to record observed data in order to fulfill both recording important information and adding reflection for further probing questions (Boch & Piolat, 2005).

3.2 Company Profile

The SME that was participated in this paper is Navanakorn Yanyont Co.,Ltd., the Honda motorcycle dealer established in 2002. The company is a family owned business that sells new and used motorcycle at the retail level as well as provided the maintenance services for motorcycles, based on a dealership contract with the automaker, A.P. Honda Co., Ltd. The company aims to provide the quality products with excellent customer service at reasonable price which also aligned with Honda's standard and policies.

In this paper the knowledge gaps within Sales department will be focused since salespersons are the most obvious customer contact point which affect the customer satisfaction, company image and profitability. Sales department is the major part that generate income for organization, communicate and receive feedback from end users. Therefore, company should play attention to develop and improve salespersons' performance in order to increase work efficiency and customer satisfaction in the end.

3.3 Research Framework

This paper aims to determine the knowledge gaps for salespersons which contribute to improve working efficiency. The sample is convenient as interviewees are one owner, one manager and three employees, who are willing to participate in the study. Face-to-face thirty minutes interviews were conducted individually to identify the knowledge necessary for sales position. The available knowledge within organization as well as the source of knowledge that existed in company will be

discovered via interview as well. In addition others knowledge or skill needed for sales position will be identified by non-participant observation. In the end the knowledge gaps were discussed as the differences between knowledge necessary and knowledge available. Processes, objectives and primary interview questions for individual interview are stated below.

Table 3.1 Research framework

Research question: To determine knowledge gaps for sales position in Thai SMEs that contribute to improve working efficiency		
Processes	Objectives	Interview questions
<p>Determine the knowledge necessary</p> <p>↓</p> <p>Determine the knowledge available within organization</p> <p>↓</p> <p>Identify knowledge gap</p>	Identify what knowledge is necessary and responsibilities of salesperson	<ol style="list-style-type: none"> 1. What are the responsibilities of salesperson? 2. What do you expect from salesperson? 3. What do you think that salesperson should know to perform task efficiently?
	Identify the key knowledge that exists within sales area	<ol style="list-style-type: none"> 1. What skill or knowledge do you think you owned and help to perform job well? 2. What kind of knowledge or information provided by company that help you (salesperson) to perform job? 3. How could you get access to information?
	Identify what knowledge is missing in the sales area	<ol style="list-style-type: none"> 1. Any suggestion for knowledge development for salesperson?

CHAPTER IV

RESEARCH FINDINGS

4.1 Data Analysis

After gathering data via face-to-face interview, the information is classified into three areas; job description of salesperson, knowledge necessary, and knowledge available.

4.1.1 Job Description of Salesperson

Liked many SMEs in Thailand, the actual job description of salesperson is not available. However, to establish clear understanding of necessary knowledge for this position, the responsibilities of salesperson should be revealed. The job description was summarized from the owner and manager's expectation and salespersons who perform the job daily.

From the interviews, salespersons not only responsible for selling products, they have to participate in others activities as well. The responsibilities of salespersons are hard to point out due to its overlapping with others department and complex relationship with many parties. However, the tasks could be classified into two major groups based on relationship; within organization and across firm's boundary. Firstly, the salespersons have to cooperate with others department such as service, spare parts, accounting and etc., in order to provide good service to customers and smoothing process flow. Secondly, salespersons are the most obvious customer contact point as well as communication with A.P. Honda and financial institutes for operational purposes such as maintaining service standard and leasing approval.

The job description of salesperson could be explained as a process of providing service to customer; before, during and after sales services. In the before sales phase, salespersons have to prepare themselves well before approaching prospects. This phase also includes the distributing brochure and follow up prospects. During sales,

salespersons have to interact with customer directly, explaining about product and service provided, answering questions, serving customer's demands, offering suitable leasing plan and closing sales. The after sale service is the phase that salesperson do the follow up call in order to ensure the customer satisfaction with product and service as well as establishing closed relationship with customers for future contacts.

Moreover, salesperson have to do some paper works such as reporting daily and monthly sale, warrantee recording and doing motorcycle registration process which require some basic computer skill such as Microsoft Offices, Internet and typing.

4.1.2 Knowledge Necessary

The knowledge necessary refers to key knowledge that salesperson should have to perform tasks effectively and efficiently. According to the interviews, most of the knowledge identified are related to sales and customers. The knowledge necessary is closely linked with strategic planning in order to enhance company's competitive advantages. Thus the key knowledge will be identified based on the owner and manager's perspective aligned with training provided by A.P. Honda. The detail of each knowledge is discussed below.

4.1.2.1 Salespersons should know about company's profiles, policies and Honda's Philosophy such as Respect for the individual, the Three Joys and CSI no.1. These beliefs provide the basic foundation for employees to ensure that standards and alignment between dealer and Honda will be established. Furthermore, salespersons should know about company accomplishment to enhance both employees and customers confident such as reward granted.

4.1.2.2 Knowledge about products, services and sales conditions is the most frequently mentioned knowledge among interviewees. They are obviously the core of sales position. The major part of dealership business is selling products and provided service to customer, not manufacturing. Salesperson as a company's representative must be well educated about product available such as motorcycle models, available colors, specifications, and warrantee condition in order to provide the correct information to customers. Moreover, salespersons must know the updated promotion campaign, leasing conditions, and stock available.

4.1.2.3 Salespersons must possess good communication skill. Communication is the most important skill for salespersons both verbal and non-verbal. Starting with first impression, salespersons should dress up properly, nice and clean according to company's policy. Verbal communication should be polite, clear and easy to understand. For example, salesperson should avoid using technical terms while explaining product specification to customer by explaining in term of benefits that customer should get from that technology instead. Another critical skill for salespersons is listening skill. The good salesperson should be able to identify customer's needs. Not only selling product, but we (company) must sell the product that matches with customers' needs and solves their problems. In order to achieve that, good listening skill must be developed. Listening skill is also important for after sales service especially when dealing with complaint. Salesperson should listen with concentration, clam, polite and respect customer's opinions to avoid conflicts.

4.1.2.4 Sales techniques are vital for salespersons. The techniques refer to knowing how to identify customers' needs, how to greet customer in proper way, how to deal with particular types of customer and how to close sales effectively. The techniques for avoiding conflicts, interpreting basic customer's physical movement, negotiation and problem solving skill are critical. For example, negotiating the price give the signal that customer want to purchase our product and open-ended question is suitable for silent customer who speak less in order to identify customer's needs.

4.1.2.5 Salespersons should know about operational knowledge or how processes flow within organization in order to enhance cooperation, teamwork and efficiency. Selling motorcycle is not a one-time action, there are many steps before and after closing the sales which relate to several parties such as service, accounting and administration. For instance, after the contract complete, salesperson have to communicate with mechanic to do pre-delivery inspection before consignment. The payment must be made. The document have to be completed for registration process and warrantee has to be recorded.

4.1.2.6 Basic numeracy skill and computer skill are required. Salespersons have to be able to calculate lease payment for customer which involve

basic mathematic equations. These knowledge and skill are essential for doing sale report such as sale growth and percentage change compared with the same period of last year. In addition, basic computer skill for Microsoft Offices, Words and Excel, and typing skill are helpful for recording and doing report on the database, both offline and online.

4.1.2.7 Training skill is required especially for senior salesperson. The salespersons' manual is not existed in this SME, however seniors have responsibility for training new staff as a partner who teach the organization culture, work flow and knowledge necessary under manager supervision.

4.1.3 Knowledge Available

This phase is look at what knowledge is already available in the organization and source of knowledge provided. The existing knowledge was identified based on the position, however, the knowledge of the owner and manager are grouped together due to similarity. This is a consequence of family owned business characteristic, the manager position is occupied by family member.

4.1.3.1 Knowledge owned by employees: According to interviews, most of knowledge owned by salespersons are related to customer, market and day-to-day operations. As stated before, salespersons are direct customer's contact point of organization, actual market situation is easily acquired via interaction with customers. They know what customers' wants, frequently asked questions, what customers' likes and competitors' information. Furthermore, the knowledge of product, service, and sales conditions are retained as the fundamental information for salespersons. Negotiation is another skill that interviewees mentioned since customers always bargain for price reduction or additional premiums. Sales technique is vary among interviewees because it is a personal skill that developed on individual past experiences. One of them mentioned about work flow, good relationship with colleagues and time management skill. She believes that these skill help her to perform job well. However all of them agree that they can ask for manager and/or owner support when faced with difficult case.

4.1.3.2 Knowledge owned by the owner and manager: Most of knowledge that existed in the SME belongs to the owner both the strategic related and operational related. For example, the owner has closed relationship with Honda's management level which provide insightful information about market situation, new model launch and competitors. This knowledge could lead to effective strategic planning for company. Since the organization structure of this SME is quite flat, the owner and manager responsibilities are quite similar. In addition manager is occupied by family member, leading to easily share knowledge with each other. Similar to many SMEs, owner and manager have to control day-to-day operations by themselves (Wong & Aspinwall, 2004). Therefore the administration and management knowledge such as inventory management, marketing plan, relationship management, accounting and human resource management has been developed over time. Not only managing business, manager has to train and evaluate workers also. They also mentioned about ability to access to source of information both formal and informal one which give advantage in term of self-development. For example, if new technology has been introduced, the owner is the first one who know and able to contact Honda's representative freely for clarification. Moreover, several trainings provided by A.P. Honda are limited to dealer's management level only.

4.1.3.3 Sources of information: The SME can acquire information both within organization and from outside firm. The main sources of information within company are the owner, managers, and colleagues. The inside sources are provided knowledge mostly related to operations, leasing conditions and problem solving. The organization members can also gain knowledge from A.P. Honda, online source and customers, which accounted for outside sources. Normally A.P. Honda provides the product knowledge through intranet website that require username and password, variety of training programs and visiting dealer quarterly. Public websites also provide lots of news and information that might related to customer and market situation such as economic, political situation, competitors and future trends. Sometimes salespersons gains knowledge about competitors via communicating with prospect also.

4.2 Discussion

In the discussion section, the gathered data was discussed in order to answer the research question of determine knowledge gaps for improving working efficiency of salespersons.

According to literature review, knowledge gap refers to the difference between the necessary and available knowledge within the organization, on the other hand the expected knowledge for sales position versus what actually salespersons know.

The scope of knowledge is quite similar between knowledge necessary and knowledge available, however there are some differences in details. From the interview, salespersons mentioned what they need to know, for example product knowledge, leasing conditions, sales technique, and operational knowledge, in contrast with knowledge related to company profile, numerical and computer skill, and training skill that no one mentioned about.

Even though all of interviewees agree that knowledge about products, services and sales condition is important for salesperson, there are some disagreement in term of how much they should know. One issue that the owner pointed out was many of salespersons only know the basic specifications of product but cannot explain the benefit that customers should get from those technologies. This also leads to the knowledge gap in product knowledge due to inadequate knowledge level. The product knowledge can be classified as explicit knowledge since there are documents provided by A.P. Honda such as brochure, which explained the general information about product, and sales book, which provides insight information. Moreover, there are many external sources for this kind of knowledge such as news, website and magazines. Depends on each individual, some salespersons gain product knowledge through these tools, while others not.

In term of sales techniques and communication skill, the topics are broadly defined. There are much more elements related that might not be mentioned in the interviews. Salespersons mentioned communication mostly in term of verbally, however, listening skill and non-verbal communication seem to be the missing parts. The sales technique can be the explicit knowledge since it is teachable and able to record

as a case study, however the application of these techniques depends on individual experience as a tacit knowledge similarly for communication skill.

The functional integration both horizontally and vertically of SMEs organizational structure is lowering the degree of employee's specialization in their jobs (Wong & Aspinwall, 2004), therefore the accurate job description is hardly to define. As a consequence, the confusion about responsibility of salesperson between the owner's expectation and the salespersons themselves occur. Understanding the operational knowledge, work flow, should help to reduce this problem. However, lacking of interest was found due to only one salesperson mentioned about this knowledge.

Every Honda dealers are selling exactly the same products which manufactured from Honda's factory. In order to differentiate from others, salespersons, as a company's representative should build customer trust toward firm via organizational accomplishment and profile. For the studied SME, the top sales reward within Bangkok and the vicinity areas has been granted for 5 years in a roll from A.P. Honda. In addition, the Honda's philosophy and policies should be maintained to achieve customer satisfaction and standard. However, salespersons did not mention this knowledge at all during interviews.

Even though, the basic numeracy and computer skills were not pointed out by salespersons during interview, they possess these skill according to observation. All of the salespersons, excluding new staff, are able to calculate lease payment for customers, whereas the reports have been done by supervisor.

The last knowledge gap that could be identified is training skill. The SME does not have formal training program or steps where the responsibility of training new staff have be given to specific person. New staff has been trained through day-to-day operation, first as an observer and then under supervision of senior salesperson. This seems to be a transferring process of tacit knowledge, however there are few measurement established to evaluate new staff. Therefore, some essential knowledge might be missed out.

Haider (2003) indicates that the growth of organizations and their survival depends on their ability to identify knowledge gaps and fill them. Identifying

knowledge gaps in SME should highlight the improvement area that managers and entrepreneurs have to focus on. Closing these gaps should enhance salespersons to perform more effectively and efficiently as well as increase customer satisfaction and sustainability of business in the future.

4.3 Recommendations and Suggestions

The misunderstanding of salesperson's responsibility between the owner and employees had been pointed out during the research. As a consequence, the key essential knowledge for salespersons is difficult to identify. The flat structure of SME enhances the quick adaptation to market change compared with large organization. The overlapping in operational functions reduces the degree of employees' specialization in their jobs resulting in lack of comprehension of a specific task (Wong & Aspinwall, 2004). There are four recommendations the entrepreneurs should consider before implementing any formal knowledge management process.

Firstly, the accurate job description should be done giving the similar understanding between organization and employees who perform the job. The job description also provides the skills requirement that employees have to possess in order to do the job well.

Secondly, the owner should clarify which knowledge and how much of them that should transfer to employees. It is the fact that most of knowledge generated in organization came from the owner and only common knowledge has been sharing to employees to avoid knowledge loss whenever a staff leaves the organization (Wee & Chua, 2013). However, it is impossible for the owner to involve in every single activity of the business especially in expansion period, some of authorities must be given. Appropriate amount of knowledge should be given to ensure the success.

Thirdly, the appropriate evaluation tools should be established to ensure that employees, salespersons, have the correct knowledge and sufficient enough to perform job efficiently. For instance, sales skill contest and KPI linked to the test score.

Finally, the management level should give priority for create learning culture across the organization. Most of the knowledge detected in the studied SME are tacit knowledge which hardly to identify and explain but could be transfer via interaction among team members (Nonaka & Konno, 1998). The positive attitude toward sharing will reduce the resistant when implementing knowledge management process. For example, setting goal for team instead of individual to encourage teamwork and collaboration.



CHAPTER V

LIMITATIONS AND CONCLUSION

5.1 Limitations and Further Research

The small amount of company and interviewees is the limitation of this paper. Only one SME could not represent the general characteristic of knowledge gaps for salesperson in Thai SMEs. There were only five interviewees participated in the interview which some others important point might be missed.

The interviewees has no foundation about knowledge management, as a consequence confusion and misunderstanding about interested topic occurred. Some identified knowledge might be too general which might not directly linked to the sustainable competitive advantage of the firm.

The intensity of knowledge that necessary or available in organization did not involve in this paper, however, only pointed out the scope of knowledge that related to improve performance of salesperson.

For further research, the quantitative research, expanding the number of samples both companies and interviewees should be conducted in order to find the similarity and contrast of knowledge gaps in Thai SMEs. The level of knowledge required in each stage should be imposed for more accurate evaluation of knowledge gaps. Furthermore, the market requirement for necessary knowledge of salespersons should be investigated to confirm that those knowledge serve customer's demand correctly.

5.2 Conclusion

This paper aims to determine knowledge gaps for salespersons in Thai SMEs in order to increase their performance and sustaining company's competitive advantage in current market situation. The salespersons are the company's

representative who directly contact with customers offering product and service to serve their needs. In addition, many knowledge had been generated in this field which linked to company's profitability and customer satisfaction.

The knowledge gaps refer to the differences between knowledge necessary for performing job and knowledge available within salesperson. The results show that there are mismatching between the owner's expectation and salesperson understanding about responsibilities due to the absence of actual job description. As a result, the knowledge gaps appear. While the scope of identified knowledge was similar, the gaps was found in term of insufficient level of knowledge that salespersons possess.

This study is limited by only five interviewees from one SME were participated in the research. In addition, they are lack of understanding about knowledge management that caused confusion.

This paper highlights the area that Thai SMEs should concern to improve their performance before implementing formal knowledge management process. The entrepreneur should consider on identifying knowledge necessary and knowledge available to enhance learning process within organization and trying to minimize or eliminate the gaps to ensure its survival, growth and maintaining a sustainable competitive advantage.

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