

Benefits toward Knowledge Management of Thai Social Entrepreneurs

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Abstract

The purpose of the study was assess a theoretical benefits toward knowledge management of Thai social entrepreneurs. The benefit for implementing knowledge management in social entrepreneurs have not been systematically investigated. Existing studies have derived their success factors from large organization's perspective and have not considered the needs of social entrepreneurs. The research is aimed to bridge the gap and investigate need of knowledge management in small organization such as social entrepreneurs. The surveys were conducted total of 205 respondents. Group sampling was social entrepreneurs were collected and analyzed using SPSS software on the each benefits and semi-structured interview of best practice social enterprise in Thailand. The study concluded with discussion and future research.

This paper addresses the benefit toward knowledge management issues of why social entrepreneur need to conduct knowledge management in their company. From what we have learnt so far, knowledge management is mechanism important to improve their productivities and cost saving. Knowledge content, process and context all need to be carefully managed in order to preserve or create value for an organization. KM also needs to be integrated into the strategic management of the organization by identifying beneficial steps, key factors and possible alternative paths to follow, this paper attempts to put into the hands of social entrepreneur tools that can help them unleash the power of knowledge in their organizations. On the whole, the results were supportive, thus providing a preliminary indication of the appropriateness of the proposed success factor. In essence, this study is probably the first to provide an integrative perspective of success factors for implementing KM in the SE sector. This helps to ensure that essential issues and success factors are covered when they are planning and developing KM. At a later stage, it can also provide a basis for them to evaluate their KM practices.

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1. Introduction

Currently knowledge management (KM) is major tool of the most used and at the same time controversial concepts, currently discussed in academia and the business world. Interest in KM stems from the realization that organizational knowledge is a strategic corporate asset that require to be used, generated, represented, stored, transferred, transformed, build systematic and applied to future organizational plan and solving the problems (Schulttze and Stabell, 2004). Multinational large companies such as Toyota, Fuji Xerox, Masda, Panasonic, Uniliver, Procter & Gamble, KPMG, Deloitte, Tax Instrument, Facebook, Apple Inc. and Lenovo, have legacy recognized the need for KM in order to earn competitiveness in the market, respond quickly, cost saving, differentiate, create new markets segment, rapid growth and development new product and use technologies (Nanoka, 1991)

Consequently, KM is norm of practicing in large organization as now considered as established practice in large organizations. The learning organization has develop specialist who was analysis both tacit and explicit knowledge in the organization and KM became suggestion to increase business performance. (Srikantaiah and Koenig, 2000). Furthermore, research such as Coleman, (2003) have implicated KM as best practice with simply developing information and communication technology infrastructures and manage information into systematic form easy to access, retrieval and sharing. According to finding KM define as team of 1) growth and innovation organization, cost savings, effectiveness with productivity, customer relationships management, customer satisfaction, learning organization, employee loyalty, reduce attrition rate and decision making from top management. While KM seems to be successfully as mechanism in large organization, unlike small and medium entrepreneurship (SMEs) and social entrepreneurship.

Social entrepreneur is the field in which entrepreneurs tailor their activities to be directly tied with the ultimate goal of creating social value. In doing so, they often act with little or no intention to gain personal profit. A social entrepreneur “combines the passion of a social mission with an image of business-like discipline, innovation, and determination commonly associated with, for instance, the high-tech pioneers of Silicon Valley” Dees, (2007). Social entrepreneurship is a practice that integrates economic and social value creation which has a long heritage and a global presence. The global efforts of Ashoka, founded by Bill Drayton in 1980, to provide seed

funding for entrepreneurs with a social vision; the multiple activities of the Grameen Bank, established by Professor Muhammad Yunus in 1976 to eradicate poverty and empower women in Bangladesh. Innovative, highly-motivated, and critical thinkers. When these attributes are combined with a drive to solve social problems, a social entrepreneur is born.

Social entrepreneurs and social enterprises share a commitment of going ahead with a social mission of improving society. Bruton et al (2010) discuss in their study that the nascent field of social entrepreneurship is growing rapidly and getting immense attention among many sectors. There are several reasons behind the popularity of social entrepreneurship. Something inherently interesting and appealing about entrepreneurs is ‘Why’, ‘How’ and ‘What’ they do. Social enterprises are social mission-driven organizations which apply market-based strategies to achieve a social purpose. One well-known contemporary social entrepreneur is Muhammad Yunus, who was honored with the Nobel Peace Prize in 2006. He is the founder and manager of Grameen Bank and his work echoes a theme among modern day social entrepreneurs that emphasizes the enormous synergies and benefits when business principles are unified with social ventures.

While KM seems to be successfully applied in large companies, it is largely disregarded by social entrepreneurs. This has been attributed primarily to a lack of a formal approach to the sharing and exploiting of organizational knowledge, together with a lack of utilization of retrieve available information and skill set of use technologies. However, this informality within SE and on projects can also be viewed as a strong motivation for adoption of KM, since it will affect dissemination and transfer of experiences and relevant knowledge to future organizational development (Egbu et al., 2004). Specifically, though, as in any global corporation, SE need appropriate and up-to-date knowledge in order to compete, they tend to be more susceptible to problems of high attrition rate and knowledge sharing retention. Thus, this knowledge must be appropriately managed, disseminated and retained in the company. Consequently, even though KM processes are onerous in terms of cost saving on both direct and indirect costs, the consequences for an SE of not maintaining those processes can potentially make the SE vulnerable to knowledge leakage and consequent losses in efficiency, productivity and competitiveness.

This paper, presents preliminary results of a study that aimed at addressing the latter gap, by trying to understand current KM awareness, perceptions and requirements in SE. Elements of success factor approach was chosen, as the aim was to acquire an in-depth appreciation of the

understanding of KM and potential barriers to its use. Therefore, a questionnaire-based study was deliberately. Before initiating the questionnaire process, an exhaustive literature review was undertaken, in order to gain an insight into KM and SE debates and to establish an appropriate success factor conceptual KM model for SE. Accordingly, the paper is organized into three main sections. A summary of the literature review is presented in the first, followed by a description of the research methodology and design. Finally, results are discussed and conclusions drawn.

2. Review of the Literature and Theoretical concept

Despite the strength of the KM in SE argumentation discussion, the lack of use KM within SE because that they are currently not convinced of the advantages of adopting a KM strategy for innovative purposes and business growth. Kerste and Muizer's (2002) explanation for this is that for SE, acquisition of knowledge is only interesting if this knowledge can be easily obtained, disseminated and will result in pragmatic and immediate increase in efficiency, higher profit margin or competitive advantages. In other words, KM advantages have to be clear and easily attainable to social business, otherwise SE will continue to focus on the traditional way of working such as owner decision making. However, there is currently a success factors of KM available for SE (Mc Adam and Reid, 2001). From the literature, definitions of knowledge vary widely. Many of articles in the KM search often confuse between knowledge with information, as identified by Wilson (2002) and Firestone (2001), and thus add to a certain degree of confusion and epistemological conflict. Knowledge management is understanding of or information about a subject which has been obtained by pass experience or empirical study.

Prior research documented referring social entrepreneurs (SE) play a significant role in the economy of a country. Consequently, the performance of the social sector is slowly increase volume associated with the performance of the nation. In Thailand, social enterprise is a small proportion of the total generate income comparing with SME which they a large proportion of the total establishments in the various sectors. Social enterprise comprise with small percentage to generate total income of the country, however the profit is not majority focus on purpose of social business. Previous studies dealing with the conditions of successful business have focused on small and medium companies rather than social enterprise. However, changes in the economic cause more uncertainty in social enterprise than in small and medium companies.

2.1 Definition of Social Entrepreneur

Now a day the use of the term social entrepreneur is growing rapidly, the field of social entrepreneurship to the wider field of entrepreneurship. Success stories of individuals solving complex social problems are being used to legitimize the field of social entrepreneurship. The examples of best practice that are frequently referenced in the literature on social entrepreneurship include: Ashoka, OneWorld Health, The Skoll Foundation, and the Schwab Foundation for Social Entrepreneurship. However, the field is arguably phenomenon-driven Mair and Marti, (2005) and falls short when compared to areas that are perceived to have greater rigour applied to them. As evidence of this, scholars have yet to link social entrepreneurship to the theory of entrepreneurship and knowledge management. Social Entrepreneurs and social enterprises traditionally lean towards a non-profit business model, as they are society-oriented organizations. For the social enterprise, their social mission is an explicit and central objective. This obviously affects their perception and assessments of opportunities. They purely focus on the social impact of their business activities, not on wealth creation. Austin, (2003) state that many commercial businesses are of a view that they are fulfilling various social needs along with their business motive to earn maximum profits, but social entrepreneurs are completely different from them. The social impact is the primary motive of their business.

Currently, the main aim of social enterprises is to generate a profit in order to pursue their social and environmental goals. The profit from a business can be reinvested with an aim to expand its service area for the welfare of the society. Similarly, the profit of a social entrepreneur can also be used to support a social cause, such as funding the programming of a non-profit organization for social purpose. Moreover, a business can accomplish its social aim through its operations by employing individuals from disadvantaged backgrounds or by providing finance to those microbusinesses which have difficulties in securing investment from mainstream lenders. Challenges for Social Entrepreneurs in Thailand The positive feedback of success and attention will naturally encourage new entrants, driving more and more effective social entrepreneurial initiatives. Peredo & McLean (2006) indicate that there are nevertheless tremendous hurdles and challenges that many social entrepreneurs face while operating in Thailand and that hinder the entrance of new social entrepreneurial ventures.

The review on challenge of Thai social entrepreneur is lack of education in social entrepreneurship in Thailand is still encumbered by the traditional educational system of the

country. As education is the main source for promoting entrepreneurship in the business sector of the economy, there is still a lack of specific curriculum on social entrepreneurship development in the Thailand education system. Due to the increasing demand of this sector, currently, the social entrepreneurship education is a “new era” limited to graduates of business schools and management institutes, whereas for other streams of education like the sciences and arts there is not a single course on social entrepreneurship in the curriculum. Due to this gap in the Thailand education system the country’s entrepreneurial sector is still underdeveloped and struggling. Even business schools that have developed curriculum on social entrepreneurship are lacking in terms of social entrepreneurship. This lack of social entrepreneurship knowledge presents a major challenge for social enterprises in finding competent and skilled promoters.

2.2 Best practice in social entrepreneur.

Initially, the concept of social entrepreneurship used to be associated with corporate social responsibility and the provision of funds to charitable institutions to run philanthropic organizations on a small scale. Of late this concept has undergone transformation and has given birth to a large number of social enterprises. Similarly, the growth of some of the social entrepreneurs in the fields of health and power generation and their contribution to the welfare of society is briefly discussed in the following best practice.

Arvind Eye Hospital setup by Dr. Goindappa Venkataswamy, set a milestone in the field of medical science and also contributed hugely in the development of the country. In 1977, Arvind was set up with thirty beds that was increased to 100 beds in 1978 and then further expanded to 400 beds in 1984. The social strategy of Arvind in 1988 was for 135 paying and 400 for-free patients. In 1991 their facility in Madurai was extended to accommodate 280 paying and 1100 free patients. In 2007 Arvind started a new state of the art manufacturing facility by inaugurating the manufacturing of intraocular lenses, sutures blades & other products used in eye care and setting up an Arvind Managed Eye Care Service Division to manage eye hospitals in other parts of the country. Arvind eye hospital is currently doing 286,000 surgeries a year and Dr. Arvind is talking about scaling this to one million by 2015. Similarly Arvind hospital is committed to provide standardized quality services at the lowest cost.

Water Health International (WHI) financed by the Acumen fund in India. Early this decade, Dr. Ashok Gadgil, a Professor at the University of California, Berkeley patented an ultra

violet water work (UVW) treatment to kill pathogens and other microbiological contaminants in water. This technology is three times more powerful than the UVW technology available in the market today. WHI initially started its operation in India in 2006 by setting up the water purification plants at accessible locations for an under-serviced society. The basic motive of WHI in India is to provide safe and pure water to the people at an affordable cost and to make them aware of various water diseases. Now, WHI has 300 community water plants (including small and large) in four regions of the country (Andhra Pradesh, Tamil Naidu, Gujrat and Maharashtra) where each plant costs \$16000 - \$24000. The Water purification capacity of a small plant is 21,000 litres per day ranging up to 1.3 million litres per day for a large plant. The management of WHI is expecting to increase capacity to 50 million litres per day at the end of 2010.

WHI runs its business by using the resources of their local community such as the land, water and electricity. WHI uses the land for setting up the plant with an agreement to hand it back to the local community after 10-15 years without any cost to the community. The business strategy of WHI is totally society-oriented as it sells the purified water to the local community at an affordable price of \$0.003 per litre (regular cost of water is \$0.28 per bottle) by reducing the cost of purification, packaging, distribution and logistics. After providing purified water at a low cost the very next challenge WHI faced was the public awareness. To overcome this challenge WHI used various marketing tools including door to door marketing, water health awareness programs, oath taking ceremonies in schools, and with the help of its marketing team women self-help groups and school children raised awareness about various water diseases and the usefulness of the purified water. WHI is also using the brand name “Doctor Water” for its product. By setting up their water purification plants in underserviced areas of society, WHI is not only providing hygienic water solutions but also creating various economic opportunities for various social causes such as the eradication of poverty and disease. In the end, the General Manager of WHI states his view that the social impact of the WHI product can be seen in the increasing interest of people for cleaner water (expected to increase from 10 million people up to 50 million people by 2015). From the above review, it is clear that social entrepreneurs are making a valuable contribution to society by fulfilling their basic needs.

Characteristics of social enterprise are 1) Multi-agency environments is a social enterprises operate within complex environments comprised of diverse stakeholders and client groups. 2) Enterprise orientation as viable trading organizations, making an operating surplus, they

are directly involved in producing goods or providing services to a market. 3) Social aims they have explicit social aims such as job creation, training or the provision of local services. They have strong social values and mission, including a commitment to local capacity building. They are accountable to their members and the wider community for their social, environmental and economic impact. 4) Social ownership they are autonomous organizations often with loose governance and ownership structures, based on participation by clients, users, local community groups or trustees. Profits are distributed to stakeholders or for the benefit of the community.

2.3 Characteristic of Knowledge Management

Thus, and in generic terms, the aim of KM practices is to maximize organizational and individual knowledge by extracting tacit and implicit knowledge and translating these into explicit knowledge, which then can be interpreted, represented, codified, stored, retrieved, shared, access and disseminated. Therefore, academics such as Srikantaiah and Koenig (2000), Sanchez (2001), Firestone (2001) Nonaka and Takeuchi (1995), Howells (1996) as well as a large of multinational organizations, governance institution, local community and educational institutions have embraced the concept of KM. Not that these individuals and organizations reverted to a platonic objective view of the world, but because it is agreed that KM must include processes of interpretation, extraction, translation and acquisition of knowledge that are not usually included in traditional information management.

Nevertheless, it is undeniable as stated by Wilson (2002), that some KM use, large of multinational organizations, governance institution, local community and educational institutions, has been synonymous to research some cases KM has been promoted by well know consultants such as Accenture through simple renaming of existing solutions and technic of development. In general, KM in large organizations should be seen as the process of critically managing knowledge to meet existing needs and achievement, to identify and exploit existing and acquired knowledge assets and artefacts and to develop new knowledge in order to take advantage of new opportunities challenges and create competitiveness (Quintas et al., 1997). In holistic terms, KM must be seen as a strategy to manage organizational knowledge assets to support management decision making. To enhance competitiveness, and to increase capacity for creativity and innovation (Zyngier et al., 2004). In operational terms, De Jarnett (1996) proposed KM as a cycle that starts with “knowledge creation then knowledge sharing, which is followed by knowledge interpretation, knowledge dissemination and use, and knowledge retention and refinement”.

2.4 Types of knowledge

The conceptualizations of knowledge, the literature in KM are different types of knowledge in order to be able to propose its management. Not negligence of the internal nature of knowledge creation and construction, KM focus on the nature of the captured knowledge that emerges from the process of knowledge such as lesson learnt and learning by doing. Wilson (2002) and most of the social constructivist and postmodernist philosophers would argue that once extracted this knowledge is but mere information and heuristics. KM divide and typify knowledge in two different ways.

Explicit knowledge can be formalized and represented, and thus articulated in formal languages. This is the type of knowledge that most critiques of KM equate to information. As information, explicit knowledge can be easily stored systematically and retrieved, shared and cascade within business unite and organizations. Some of the examples of explicit knowledge are found in commercial publications, e-mail, internet, share drive, companies broadcast intranets, database, organizational business records and self-study material (Srikantaiah and Koenig, 2000). The management of explicit knowledge usually call chief information technology they role are includes create, generate or acquisition of that knowledge and should be supported by a number of information and communication technologies.

Tacit knowledge can be described as experience and lesson leant that are embedded in an individual such as perception, perspective and inferential knowledge. It includes lesson leant, best practice, insights, hunches, intuitions, and skills that are highly personal and difficult to formalize, and as a result are hard to communicate or share with others. Tacit knowledge therefore cannot be easily codified and thus is not readiness transferable from one person to another and formulate to achieve and retrieved. It can only be “learning by doing” by close association over an extended period of time. The core differentiation between information management and KM lies in the assumption that tacit knowledge forms the basis of intellectual capital of organizations and needs to be expressed and managed. Traditionally, Information Management do not consider tacit knowledge in their frameworks and models and focus on explicit knowledge alone. Explicit knowledge is relatively uncomplicated, therefore, it is with tacit knowledge that KM enters into a new and unexplored field. According to Nonaka (1991) explicit and tacit knowledge have a symbiotic relationship where the each contribute or benefit from the

other. In order for KM to be effective it is essential that both explicit and tacit knowledge are present in the organization's infrastructure. This infrastructure may include benchmarking, training, sophisticated information technology and a basis of trust and will vary depending on the complexity of the organization and its goals and objectives.

2.5 Factors of knowledge management

Before identification and analysis of factors it needs to be born in mind that social enterprises are characterized by already mentioned distinctive features. These features influence not only leadership style or sources of financing, but also in a special way influence organizational culture through unusually high degree of mission awareness and declared values. Unfortunately rarely does the research on factors touch upon the third sector organizations. For lack of a comprehensive theory for the study of social entrepreneurship, most studies rely on the business entrepreneurship literature (Bygrave, 1993) (Dacin et al., 2011). Therefore, the author made an attempt to find out to what degree solutions elaborated by the private sector can be used in the third (social) sector. The main aim of the research was to identify success factors in social enterprises, as well as identification of similarities and differences in terms of success factor in both sectors.

An analysis of the literature on social entrepreneur and social enterprises shows that most of the researches focus mainly on identification of activities determining the survival of the organization (Hisrich et al., 1997). The results of this researches can be categorized in two areas, i.e. descriptive and normative. Descriptive researches concentrate on identification of distinctive features that social entrepreneurs probably have, while normative researches concentrate rather on identifying factors affecting the success of social enterprises (Smallbone, 1990). Whilst the main objective of the company operating in the private sector is to achieve a profit and economic returns, in case of social enterprise the main interest is the added value and social contribution, with emphasis on the sense of mission and service (Kanter & Summers, 1997). Another dissimilarity is over-dependence of the social sector enterprises on external sources of funding, due to its inability to demand realistic fees for the services provided to the majority of its clients, in addition to its reliance on volunteers and staff ready to accept below-market wages (Emerson, 1998). The above-mentioned characteristic features and differences appearing between private and public sector, to a large extent influence the specificity of success factors. However, some of them apply to enterprises operating in both sectors.

Social enterprise were defined differently from different country to another, but still there are same criteria for the classification of social enterprise on which almost all countries and organizations agree. Those include purpose of set up enterprise, sharing profit to social, operation process in ecology, set purpose of enterprise to solving social problem and fair trade. For practicing KM in SE, there are certain factors or areas which are vital for its practices. These factors are known as Key Success Factors (KSFs). In general, areas, matters or actions which are useful in the successful practice of a plan, process, project or business are known as Critical Success Factor (CSFs). When it comes to the practices of KM, those ‘activities and practices’ which are helpful in the practices of KM are known as success factor Wong, (2005). The importance of KM not only essential for large organizations but most significant for social enterprise and the success social enterprise is well manage their learning organization and build strong capacity of knowledge management Skryme, (1997).

Reference on the above discussion, practicing of KM lack in SE and one of the most important reason is not having enough financial resource (OECD, 2002). Although another reason for not practicing KM is that SE because is lack of financial and mentoring. This attribute of SE is an important obstruction in the process of knowledge sharing which is an important component of KM practices. Social entrepreneur don’t want to share their knowledge with the employees because they fear that when employee will leave the company they will take knowledge, experience, know-how and good practice with them. Now a day start up social enterprise has struggle with lack of experience and this is reason why KM is so much important in social entrepreneur Klein, (2008).

As a result of literature review exploratory research on 31 KM projects in 24 companies, by Davenport et al. (2008) purposed of finding and determine the factors associated with their efficiency and effectiveness practicing in knowledge management. The survey before start project they do evaluated each performance and acceptant rate by using indicators to those of successful rate. As outcome were classified as success factor from eight common ground were identified. They were linking KM to economic performance including clear communication and use simple language, a standardize and adjustable knowledge structure, multiple channels of knowledge sharing and transfer, build up learning organization culture, accessible into system of knowledge sharing , innovation and change motivation and collaboration and support from top management.

However, since this was an exploratory study, it was agreed by Davenport et al. (1998) that linking the identified factors to the success of KM should be viewed as hypothesized, not empirical study.

Leadership support: Without the commitment and support from leadership in an organization, not only KM but even any other course of action can't be followed or practiced. Hence, Leadership plays a major role in the practices of KM. This factor was considered as CSF by different authors. Like organization leadership and support (Wong, 2005), knowledge leadership (Skryme & Amidon, 1997), senior management support (Davenport et al, 1998), leadership (Holsapple & Joshi, 2000); (Hasanali, 2002); and senior leadership support (Liebowitz, 2009).

Organization Culture: Culture plays a vital role in any organization. In an organizational culture where people are afraid of sharing their knowledge should first be changed. Different studies emphasized on the importance of culture. Culture itself consists of many components and here we are discussing about CSFs for the practices of KM, therefore emphasis should be on 'knowledge friendly culture'. Culture was suggested as a CSF by many authors like culture by (Wong, 2005); (Hasanali, 2002); (APQC, 1999) supportive culture (Liebowitz, 2009), knowledge friendly culture (Davenport et al, 1998) and knowledge creating and sharing culture (Skryme & Amidon, 1997), (Skryme and Amidon, 1997; Davenport et al., 1998; Liebowitz, 2009; McDermott and O'Dell, 2001)..

Information Technology: Without suitable Information Technology (IT) tools, KM can't be practiced because IT is a foremost enabler for KM practices. Different authors have analyzed the significance of IT as key KM enabler and considered it as a very important CSF for KM implementation. Like IT by (Wong, 2005), technological infrastructure (Skryme & Amidon, 1997); (Davenport et al, 1998), knowledge Ontologies and repositories (Liebowitz, 2009), IT infrastructure (Hasanali, 2002) and technology (APQC, 1999),(Alavi and Leidner, 2001).

Strategy and Purposes: Strategy should be developed about the practicing of KM. Without proper strategy, any plan will fail. This factor was suggested by many authors with different names like strategy and purpose (Wong, 2005), strong link to business imperative, vision and architecture (Skryme & Amidon, 1997), clear purpose and language (Davenport et al, 1998), KM strategy (Liebowitz, 1999) and strategy (APQC, 1999).

Measurements: Measurement acts like a data collection system that gives useful information about a particular situation or activity. An initiative like KM will suffer the risk of becoming just another management fad, if it is left unmeasured. Sayings like "you cannot manage

what you cannot measure” and “what is measured is what gets done” certainly hold true for KM. According to Arora (2002), measuring KM is necessary in order to ensure that its envisioned objectives are being attained. Measurement enables organizations to track the progress of KM and to determine its benefits and effectiveness. Essentially, it provides a basis for organizations to evaluate, compare, control and improve upon the performance of KM (Holsapple and Joshi, 2000; Davenport et al., 1998; Hasanali, 2002; APQC, 1999).

Organizational infrastructure: Many organizations especially large ones have KM infrastructure in the form of KM department, Chief Knowledge Officer (CKO) or Chief Information Officer (CIO). Such infrastructure is important for the practices of KM. This factor was also previously discussed by authors as CSF. Like organizational infrastructure (Wong, 2005); (Davenport et al, 1998), CKO or equivalent and KM infrastructure (Liebowitz, 2009) and structure, roles and responsibilities (Hasanali, 2002).

Processes and Activities: All processes and activities should be systematic. Process and activities should be coupled with KM. Without proper linkage between ‘process and activities’ and KM, there will be no use of practicing KM. Factor was suggested as CSF by many authors like process and activities (Wong, 2005), systematic organization knowledge processes (Skryme & Amidon, 1997), multiple channels for knowledge transfer (Davenport et al, 1998) and control and co-ordination (Holsapple & Joshi, 2000). Processes and activities (Davenport et al., 1998).

Motivational: To encourage knowledge creation and sharing behavior, rewards are important (both intrinsic and extrinsic). This factor was suggested as CSF by authors as motivational aids by (Wong, 2005), change in motivational process (Davenport et al, 1998) and incentives to encourage knowledge sharing (Liebowitz, 2009.; Yahya and Goh, 2002; Hauschild et al., 2001).

Organization Resources: Resources are mandatory to practice of KM. If organizations lack financial resources then practices of KM will be almost impossible. Different authors combined financial and non-financial resources under ‘resources’. All resources are essential but financial resources are more important because all other resources are dependent on financial resources. Hence this study will analyze separately ‘financial’ and ‘non-financial’ resources. ‘Resources’ was suggested as CSF by (Holsapple and Joshi, 2000; Davenport and Volpel, 2001; Wong and Aspinwall, 2004).

Training and Education: Human Resource Management and Development involves training and education, thus another important factor for the practices as KM practice requires

proper training and education to employees. Training and education is not only important to low level employees but is required for top management as well. If top management does not know anything about KM and its benefits then how they will pursue its practices. As a result, training and education is treated as a CSF for the practicing of KM. This factor was suggested as CSF by (Wong, 2005) as ‘training and education’ (Liebowitz, 2009)

Human resource Management: Knowledgeable people who also know the importance of sharing knowledge are important for KM practices. At the end of the day, it is upon employees who know how to get benefit from implementation of KM? This factor was also suggested by (Wong, 2005), as ‘Human Resource Management’ (HRM). HRM is not only limited to hiring and retaining of employees (Liebowitz, 2009); Hauschild et al., 2001).

In fact, it involves activities like human resource planning, industrial relations, setting safety and health standards etc. Some of these are not important to practicing of KM, therefore; scope of this factor was limited to only ‘hiring and retention of employees’ in this study. This also has an impact on the culture of an organization. As culture is dependent on humans so such people should be hired who are knowledgeable and like to share their knowledge. This will help in the promotion of knowledge sharing culture.

Table 1. Summary of success factors in KM.

Success factors	(Wong, 2005),	(Skryme & Amidon, 1997)	(Davenport et al, 1998)	(Holsapple & Joshi, 2000)	(Hasanali, 2002)	(Liebowitz, 1999).	(APQC, 1999)	McDermott and O'Dell, 2001).	(Holsapple & Joshi, 2000)	Total
1.Leadership Support:	x	x	x	x	x	x				6
2.Organization Culture:	x	x	x			x	x	x		6
3.Information Technology:	x	x	x		x	x	x			6
4.Strategy and Purposes:	x	x	x			x	x			5
5.Measurements:			x	x	x	x	x			5

6.Organizational Infrastructure:	x		x		x	x				4
7.Processes and Activities:		x	x						x	3
8.Motivational:	x				x	x				3
9.Organization Resources	x		x	x						3
10.Training and Education:	x				x	x				3

3. Research Method

This research was conducted in Thailand, for the complete resulted, 205 respondents. 350 social entrepreneur were approached, 45 questionnaires was reject due to incomplete information and the respond rate is 60%. The simple random technique was used for selecting social entrepreneur which include both type of product and service. The online survey was use to gathering data. The questionnaire consisted of three parts, the first part comprised of demographic, characteristic, and profile information of the respondents. The second part were asked to rank all ten factors from 1-10. One as most important and ten was least important. Weighted average method was used to rank the factors. T-test variance was used for measuring significance of each success factor benefit in practicing knowledge management in social entrepreneurs. The third part were asked to provide feedback on choosing the benefits from practicing KM were asked as well from respondents. These factors were prioritized on the basis of frequency. Frequency means, the number of respondents chose that option. The semi-structured interview of case study understand on benefit toward knowledge management.

4. Research Results

Descriptive analysis out of 205 respondents, there were females than males. The results show that (52.7%) of respondents are female. The majority of respondents, were aged between 25 to 35 years old, and majority of respondents educated in Bachelor's degree (76.6%) Average monthly income below THB 40,000 per month (43.9%). Majority of respondent is owner of business (94.1%) and employment (5.9%) The respondent have work operate business 3-5 years (35.1%) and Central of Thailand is majority locate business address for social enterprise (45.4%)

and (58%) social enterprise operate by open shop. The majority of business is ecology food and agriculture product.

Table 2, gives a list of success factors according to the significance each factor of knowledge management in social entrepreneur. Weighted mean shows that how high every factor was ranked from 1-10. Lower the weighted mean is, higher the significance will be.

Table 2 : Mean Importance of Factors and T-Test Analysis

Significance of factor for Social Entrepreneur					
No.	Factors	Mean	SD	t-value	Sig.
1	Motivational:	4.02	09.11	0.092	0.000
2	Leadership support:	4.50	09.10	0.125	0.001
3	Organization Culture:	4.75	08.66	0.150	0.001
4	Strategy and Purposes:	5.06	07.44	0.165	0.012
5	Processes and Activities:	5.10	07.21	0.176	0.014
6	Organizational infrastructure:	5.16	07.01	0.185	0.017
7	Measurements:	5.20	06.88	0.187	0.024
8	Information Technology:	5.46	06.33	0.193	0.026
9	Human resource Management:	5.57	05.66	0.202	0.030
10	Training and Education:	5.67	06.11	0.215	0.032
11	Organization Resources:	5.76	05.88	0.220	0.040

Significant of 0.000 $\alpha < 0.05$

Based on table 2, the results shows a significant relationship of each factor involved of practicing KM by SE and significant results of all factors are below $\alpha < 0.05$. motivational support is enormously important for the practicing of KM, hence making it as one of the most important success factor. The organization leadership supports is the highest ranked factors with weighted mean of 4.02 and a significant of 0.000 $\alpha < 0.05$. Leadership support is an important criterion for the practicing of KM, thus a success factor for practicing of KM with weighted mean of 4.50 and a significant of 0.001 $\alpha < 0.05$. Organization Culture is another important factor as nothing can be implemented without organization culture thus securing position among top 3 factors with a weighted mean of 4.75 $\alpha < 0.05$. Other important factors include strategy and purposes with weighted mean of 5.06 and a significant of 0.011 $\alpha < 0.05$. Processes and Activities with weighted mean 5.10 and a significant of 0.014 $\alpha < 0.05$, because processes and activities creates best

practice among all levels of employees about the importance of KM. Organizational infrastructure also another important factor with a weighted mean of 5.16 and a significant of 0.017 $\alpha < 0.05$. Measurements also considered as an important factor with a weighted mean of 5.20 and a significant of 0.024 $\alpha < 0.05$. Other factors like information technology with weighted mean 5.46 and a significant of 0.026 $\alpha < 0.05$. Human resource Management with a weighted mean of 5.57 and a significant of 0.029 $\alpha < 0.05$. The least two factors are Training and Education and Organizational Resources was considered as an important factor while practicing KM and the reason might be that SE lack of KM related mentors with a weighted mean of 5.67 and a significant of $0.032 < 0.05$ and 5.76 with significant of 0.040 , 0.05 respectively.

Table 3: Benefits of practicing KM in SE.

Frequency	Benefits
42	Build a strong of organization performance
36	Building up employees skills, awareness, creativeness and creativities
34	Organizational standardization
21	Cost avoidance and time saving
16	Work simplicity and create an innovation opportunity
15	Provide business enterprises an opportunities for product innovations
12	Put the right man on the right jobs
11	Better understanding among employees
10	Building up a positive culture and values add
9	Economy of scope and process innovation
8	An efficient decisions making
7	Scale up market segment of high quality products and services
4	Uncertainties and risks mitigation

Based on table 3, the results shows that the top most benefit of practicing KM in SE a build a strong of organization performance show frequency 42, second benefit importance is build up employees skills, awareness, creativeness, and creativities frequency 36. The lowest 3 benefit to practicing KM in SE were as efficient decisions making frequency 8, scale up market segment of high quality products and service frequency 7 and uncertainties and risks mitigation frequency 4.

There are three case study were selected for interview to understanding their objective and benefit to knowledge management toward their company.

1. Grassroots Innovation Network, organic farming solutions for rural communities (GIN)

Nawee Nakwatchara founder of GIN he is enabling farmers to become their own agents of change. His learning plots for alternative agriculture are stimulation farmers to experiment and contribute to a growing knowledge of locally appropriate agricultural practices. The GIN is a network-based company provider of innovative organic farming solutions for and by underprivileged rural communities. Sector in Agriculture and farming and areas of work Economic development Local R&D with two business partner Ashoka Fellowship and Swiss Development and Cooperation Agency. He work is a marked departure from the conventional packaging of rural assistance. He asks farmers to explore their own solutions, employing a familiar and tangible medium of communication: Land. The 1-ngan plots of individual farmers host collections of promising alternatives for increasing productivity and cutting production costs, with an emphasis on integrated farming, low-cost technology, and drawing on local wisdom. Farmers decide what to experiment with in their 1-ngan plots, while provides technical assistance in transforming the best of their ideas into widely replicable agricultural practices. Unlike traditional definitions of the word, believes that true self-sufficiency requires a cash surplus.

To enable farmers to invest in their future, integrates the 1-ngan learning plot with a profit-generating production model. He works closely with the 300 member households in his Grassroots Innovation Network with the aim of transforming the most successful findings from the learning plots into readily replicable and commercially viable production techniques and marketable products. Nawee has also formed a microcredit cooperative to provide financing and established a business firm to undertake larger-scale production and marketing tasks on behalf of the network. During the four years in which He is initiative has been underway, all of the 300 participating families have remained on their land, successfully resisting the strong pull of migration to urban areas. He is also actively advocating the adoption of his approach by government agencies charged with promoting rural development, and the national Bank for Agriculture and Agricultural Cooperatives recently launched a pilot project using his 1-ngan learning plot approach.

In the fourth year of the GIN initiative, instead of expanding the group's membership, he has developed another, more ambitious mechanism to provide a sustained flow of funding for

additional farmer-initiated experiments. On the basis of previous success in several small-scale ventures funded by the GIN microcredit program, the group decided to produce its first commercial-scale production organic fertilizer made from local cow and pig manure, with added nutrients from bat manure and dolomite, and to establish a new company to undertake that task. The newly formed company Grassroots Innovation Company, Ltd. buys the needed raw materials (i.e. often from member households, produces the fertilizer, and sells the product back to members at a low cost for their own use, while marketing it to other buyers as well. The fertilizer has quickly become very popular, even beyond GIN's membership. During the recent planting season, the factory produced more than 30 tons of fertilizer per month and distributed it all across Buriram province. As a result, the company has already become financially self-sustaining after only one year of operation. Her work has enabled all 300 member households of GIN to remain on their land, despite being at the prime working age of 30 to 40-years-old. GIN's learning/research activities have enabled participating farmers to make considerable reductions in their production costs, increase their farm outputs, and generate modest levels of surplus income from their farming operations.

The challenge of using KM with farming operations were based on lessons learned and power of leader decision making, technology and internet also a big challenge for farmer. They are lack of education in searching new technology and innovation therefore old traditional of knowledge management still used.

2. Kokoboard, manufacturer

Kokoboard manufacturer of particle boards is a group of people who started the idea of using agricultural waste to make particle board with the desire to stop deforestation and extend the life of living green forest for future generation. Driven by environmental and social missions, the enterprise aims to save trees and keep the forest for the next generations through innovative technology while at the same time alleviate poverty in the rural farmer community. In addition, we ensure that our products are up to standards and safe to health and wellness of our end users, workers, and surrounding community. Kokobard offer truly environment friendly products for wide range of customers as Kokobard is the bio composite board, which contains natural texture, color, and fragrance. Moreover products are non-formaldehyde (Super E0) with standard physical properties, moisture resistant, and flame retardant. Products are internationally and nationally certified. With qualified professional of more than 30 years' experience working in our

team and our partnership research with the Royal Forest Department of Thailand, Kokoboard is a growing enterprise. A recent member of USGBC, U.S. Green Building Council, and the enterprise strives to provide environment friendly products for greener buildings and future sustainability. Kokoboard is a manufacturer of particle boards made from agricultural byproducts.

The challenge of use KM within their operation is knowledge sharing and retrieve from systematic stores. Kokoboard have a many innovation on operation particle board this also big challenge for them to work with rural farmer community.

3. *Opendream,*

Opendream web application and virtual community a social enterprise with expertise in internet solution development and information design. All the crews are digital natives from diverse backgrounds and experiences, with one single bold aim deliver the information, change the world. With years of experiences in open collaborative projects and open source communities, Opendream brings best-of-the-breed technologies and practices to work with our client-friends making impacts in their landscape, no matter does it is in public or private sector. Not only the solution we realizing for and with client-friends, they are empowering them. Together with their networks of friends in NGOs, new media bands, hi-tech firms, research institutes, and software developer communities, Opendream providing not only the efficient solution but also the gateway to wider new opportunities of collaboration, extending and enhancing the reach of their client-friends. Opendream providing web-application and virtual community development services by using technology to create social innovation. Opendream is internet platform base and most employee in company age from 25-35 years olds. They are used to social media and internet, but their big challenge was build up capacity of knowledge in to systematic.

The benefit toward knowledge management, is a journey is to implement KM solutions that combine those processes, culture, technology and understanding of benefit and need. They are best potential to enhance knowledge and add value to their organization there are requires all sources and forms of knowledge to come into play to maximize business success. The finding from SE case study indicate that one of the key imperatives from them are the:

Translation of individual knowledge held by key personnel into organizational knowledge. This is achieved by a variety of strategies including, embedding routine process and procedural knowledge into standard operating procedures, implicit knowledge through "lessons-learnt" programmers and drawing on deep tacit knowledge through mentoring programmers.

Generate new knowledge and encourage innovation the finding is that SE also generate new knowledge and encourage innovation through various strategies including the provision of selective incentives and rewards. Generally these innovations tend to be proposals or ideas for new products or services, new clients, new and improved business services and new ways of using and re-using knowledge. Furthermore, these organizations often acquire new knowledge through professional associations and industry affiliations and standards. Formal R&D activities are relatively limited in most such organizations. However, a number of organizations have access to the off-shore parent company R&D facilities. The lack of formal R&D facilities does not mean that these firms are not innovative or unconcerned with both product and process improvement and innovation. Rather process and product innovation and improvement is more often seen as part of everyday business, rather than identified as a separate activity or functional division.

5. Conclusions and suggestions.

This paper addresses the benefit toward knowledge management issues of why social entrepreneur need to conduct knowledge management (KM) in their company. From what we have learnt so far, knowledge management is mechanism important to improve their productivities and cost saving. Knowledge content, process and context all need to be carefully managed in order to preserve or create value for an organization. KM also needs to be integrated into the strategic management of the organization. This can be achieved by building KM awareness, determining its intended outcomes, auditing and valuing knowledge assets and resources, and finally by developing and implementing those KM solutions that have the best potential to enhance knowledge and add value to the organization. By identifying beneficial steps, key factors and possible alternative paths to follow, this paper attempts to put into the hands of social entrepreneur tools that can help them unleash the power of knowledge in their organizations.

Benefits for implementing KM in the SE sector have not been systematically examined and investigated. Many of the existing studies have derived their set from a large company perspective. Thus, they have not really been designed to meet the needs of smaller enterprise. This study has proposed a set of 11 success factors which is believed to be more appropriate benefits for SE. It has improved on initial studies by integrating insights and ideas drawn from them as well as adding some new factors. In addition, an empirical assessment was conducted to evaluate the extent of success of this proposition.

On the whole, the results were supportive, thus providing a preliminary indication of the appropriateness of the proposed success factor. In essence, this study is probably the first to provide an integrative perspective of success factors for implementing KM in the SE sector. This helps to ensure that essential issues and success factors are covered when they are planning and developing KM. At a later stage, it can also provide a basis for them to evaluate their KM practices. For academics, it provides a common language for the discussion and study of the factors underpinning the success of KM in SE. The study also specify a prioritized list on the role of each success factor practiced by SE. Further studies in this field should focus on the former issues in order to close the gap between theoretical propositions and the reality of practice.

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