

The Importance of Trust to Facilitate the Sharing of Tacit Knowledge within Business Learning Networks

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ABSTRACT

Purpose - This paper discusses the importance of trust, within self learning networks, in accessing tacit knowledge for the direct benefit of both individual network participants and the regions in which they work. Therefore, this study aims to review how self-learning networks can facilitate trust leading to greater accessibility to entrepreneurial tacit knowledge.

Design/methodology/approach - SLNIW² is a longitudinal study spanning two years of engagement with the network participants. The Sustainable Learning Networks in Ireland and Wales (SLNIW) project aims to increase the competitiveness, creativity and innovative capacities and capabilities of micro-enterprises and SMEs in South East Ireland and West Wales by increasing accessibility to local entrepreneurial knowledge via the establishment of self-learning networks. To achieve this end the project created six networks, three in Ireland and three in Wales where explicit and tacit knowledge flows between the participants. The networks consisted of two all male groups, two all female groups and two mixed gender groups.

This study incorporated a mixed methodology approach through implying quantitative and qualitative techniques. Quantitative data was collected through questionnaires that were distributed to the participants and qualitative data was gathered through the researchers observing each network at their monthly meeting to gain an in-depth understanding into how the participants were engaging with the SLNIW process and knowledge sharing across the networks.

The network sessions facilitate knowledge sharing and to understand the extent of knowledge sharing a questionnaire was administered to the participants, which focused on trust within the networks, because trust is important for the transfer of tacit knowledge. Of course, trust needs time to build, which requires participants to attend monthly network meetings in order to develop trust. The final data source comes from the monthly evaluations of each network session.

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Data from the monthly evaluations demonstrated the level of communication between network participants since the previous network session and provided evidence of the primary reason for that communication.

Findings - The findings of this study suggest that when establishing learning networks trust is a key factor in increasing greater accessibility to tacit knowledge. Therefore, reinforcing the importance of establishing trust, the consequences of breaking trust and the necessity of trust is very important to increasing accessibility to entrepreneurial tacit knowledge. Attendance at network meetings was important as the network participants cannot engage in the sharing of tacit knowledge if they were not present at the monthly meetings. Overall, attendance has been high and ranged from 59% to 78%. This ranged from 61% to 78% attending the facilitated sessions and between 59% and 77% attending the self-facilitated sessions. These levels of attendance indicate that each of the groups are engaging with the process and even though there may be a drop off in attendance in some weeks; this does not have a significant bearing on the transfer of tacit knowledge or does not lead to a dilution of trust between network members.

The observations have identified that the transition from the facilitated to self-facilitated stage whereby the network groups are operating autonomously saw an increase in communication with the participants being more open and honest with one another as the sessions progressed, which contributed to an increase of trust. The development of trust between the network participants was investigated via a questionnaire in order to understand how trustful they felt with each other. The network participants agreed that trust is important for the success of networking however, while they trusted some members they considered the development of trust takes time and there is an expectation from the network participants that information exchange will grow with increased trust. Increased trust has developed from attendance at network meetings and hence the value of participant attendance.

The monthly evaluations collected after each network session indicated that 69% of the network participants had been in contact with other network members and that between the monthly meetings communication between networks members has ranged from 69% to 81% with many network members contacting more than one network participant. What is valuable to know is that business issues were the primary purpose for that communication, which shows that the entrepreneurs' accessibility to tacit knowledge has increased via their involvement with the SLNIW networks. The value of increasing accessibility to tacit knowledge will in turn increase the propensity for the transfer of tacit knowledge. The personal benefits and skills that the participants have gained from being part of the SLNIW network can only have a positive economic affect on the economies of South East Ireland and West Wales.

However, the quantitative data gathered did not offer much insight into how trust was established or broken or about the process and content of tacit knowledge exchange between the network participants. Therefore, the researchers propose to undertake a more in-depth analysis by gathering further qualitative data via focus groups and interviews with a sample of the network participants, which will take place directly after the self-facilitated stage of the project and at a time when the networks have been operating without the support of the SLNIW project team.

The objective of carrying out this analysis is to provide a dynamic account of any changes in trust relationships and tacit knowledge exchange as a result of the change in process or over a period of time.

Originality/Value - This paper contributes to the existing body of research on tacit knowledge and highlights the importance of trust in the knowledge transfer process and how a self-learning network can enable greater accessibility to tacit knowledge. This research has implications for academics, practitioners, entrepreneurs and policy makers who are concerned with the establishment of networks to propagate knowledge and technology transfer.

Keywords: Tacit knowledge, entrepreneurs, trust, self-learning networks, business networks and longitudinal study

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