KNOWLEDGE MANAGEMENT AND STRATEGIC ALLIANCES IN SMEs

Parand SHARIFNIAE[1], Azhdar KARAMI[1, 2]
[1] University of Tabriz, Tabriz, Iran
[2] Bangor University, Bangor, United Kingdom
E-mail: a.karami@bangor.ac.uk

Abstract

The purpose of this paper is to investigate the role of knowledge sharing via strategic alliances on firm performance in knowledge-based SMEs. Knowledge based activities are crucial for achieving competitive advantages. Knowledge sharing is also considered as an important factor to enhance firm performance. The firms should focus on developing and creation of knowledge-based competencies in order to improve their performance. Knowledge-based competencies can be developed through sharing dynamic capabilities within the firm as well as its value networks. This paper is a direct response to this gap in literature to investigate the role of knowledge sharing in SMEs via strategic alliances. The data collected from 280 SMEs operating in pharmaceutical sector in Iran. The data collection instrument is questionnaire and the research design is survey. This study benefits from a quantitative research methodology. The conceptual framework of the research has been developed using Structural Equation Modelling method and the data has been analysed by Amos software. The empirical findings of this research indicate that the successful firms are more involved in strategic alliances, which in turn results in sharing knowledge and strategic capabilities. Overall, SMEs' involvement in strategic alliances resulted in high firm performance. The results of this study also indicates that some SMEs are not cooperating with other firms due to technology leaking issues. The results of this study reveals that there is a significant relationship between SMEs involvement in strategic alliances and sharing transferable knowledge and capabilities. Meanwhile it has been found that sharing knowledge results in enhanced firm performance.

Keywords: Knowledge management, Alliance, SMEs, Capability, Strategy