

WestminsterResearch

<http://www.westminster.ac.uk/westminsterresearch>

**Knowledge Management activities in Social Enterprises: lessons
for small and non-profit firms**

Granados, M., Mohamed, S. and Hlupic, V.

This article is © Emerald and permission has been granted for this version to appear here <http://westminsterresearch.wmin.ac.uk/17918/>

Emerald does not grant permission for this article to be further copied/distributed or hosted elsewhere without the express permission from Emerald Group Publishing Limited.

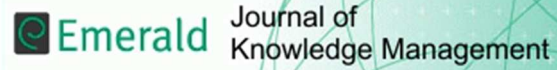
The final, published version in Journal of Knowledge Management, 21 (2), 2017 is available at:

<https://dx.doi.org/10.1108/JKM-01-2016-0026>

The WestminsterResearch online digital archive at the University of Westminster aims to make the research output of the University available to a wider audience. Copyright and Moral Rights remain with the authors and/or copyright owners.

Whilst further distribution of specific materials from within this archive is forbidden, you may freely distribute the URL of WestminsterResearch: (<http://westminsterresearch.wmin.ac.uk/>).

In case of abuse or copyright appearing without permission e-mail repository@westminster.ac.uk



**Knowledge Management activities in Social Enterprises:
lessons for small and non-profit firms**

Journal:	<i>Journal of Knowledge Management</i>
Manuscript ID	JKM-01-2016-0026.R2
Manuscript Type:	Research Paper
Keywords:	Knowledge activities, Social enterprises, Knowledge management, Hybrid organisations

SCHOLARONE™
Manuscripts

Knowledge Management activities in Social Enterprises: lessons for small and non-profit firms

Abstract

Purpose - This paper explores what Social Enterprises (SEs) in the UK know and how they acquire, convert, apply and protect this knowledge. This will enable them to manage their knowledge effectively, hence improve their practices and maximize the creation of social, environmental and economic value.

Design/methodology/approach - This study follows a qualitative approach, comprising of 21 interviews with founders and senior members of SEs in UK.

Findings – The results show that the investigated SEs have KM practices similar to the already identified in SMEs, associated with informality, reliance on external sources and focus on socialisation activities, but they have unique challenges on managing their knowledge related to their hybrid mission, to include social and economic objectives, and their closed relationship with stakeholders.

Research limitations/implications- As there is limited research on Knowledge Management (KM) practices in SEs; they were defined based on previous studies in large, private and public companies. Therefore, not all practices may be included. This research is a starting point in the study of KM in SEs.

Practical implications – This study identifies knowledge activities that enable the creation of social, environmental and economic value in SEs. This allows SEs, small firms and non-profit organisations to review their current practices and develop plans for their further improvement.

Originality/value – This paper is one of the first empirical studies exploring KM practices in SEs, highlighting their informal nature as well as their impact in and on the enterprise.

Keywords – KM activities, Social Enterprises, Knowledge sharing

Article classification - Research paper

1.Introduction

Social Enterprises (SEs) are 'businesses that trade to tackle social problems, improve communities, people's life chances, or the environment' (Social Enterprise UK, 2016). The impact of these organisations has significantly increased in recent years, with 70,000 SEs in the UK contributing at least £24 billion to the UK economy and employing almost a million people, with 31% of SEs working in the top 20% most deprived communities in the UK (Villeneuve-Smith and Temple, 2015). Consequently, these organisations are attracting the attention of governments and private organisations alike, as a response to mitigate current failures in the public, private and non-profit sectors. However, there is still a lack of evidence about how these organisations operate, perform, innovate and scale up (Haugh, 2005; Peattie and Morley, 2008; Robinson *et al.*, 2009; Shah, 2009; Muñoz, 2010; Castresana, 2013). This results in an increasing need for more research and empirical evidence that describe and explain the idiosyncratic characteristics of SEs, and explore different strategies to maximise their social and environmental impact.

The overall purpose of this study is the development of Knowledge Management Capabilities (KMCs) that will enable SEs to pinpoint their existing knowledge and manage it. This is based on the understanding that, under the growing pressures of complexity and globalisation, enterprises that effectively capture organisational knowledge and distribute within their operations, production and services, have a strategic advantage over their competitors (Kogut and Zander, 1992; Quinn, 1992; Drucker, 1995). Developing adequate capabilities to manage knowledge is therefore important and has resulted in considerable empirical and theoretical research that study how organisations can develop KMCs to obtain positive outcomes (Leonard-Barton, 1995; Gold *et al.*, 2001; Lee and Choi, 2003; Mills and Smith, 2011). This research has been conducted in large, for-profit organisations, where resources and competitive conditions can trigger the use of Knowledge Management (KM). However, the authors agree with other researchers that there are additional sectors and organisational types, or sizes, that could also develop these capabilities and improve their organisational outcomes, such as small businesses, Social Economy enterprises, and more specifically SEs (Ruiz-Mercader *et al.*, 2006; Hume and Hume, 2008; Hume and Hume, 2014; Ragsdell *et al.*, 2014; Hume and Hume, 2015).

There is a paucity of research studying Knowledge Management practices in SEs, with only few contributors including areas related to KM as part of more general organisational or performance studies (Bloom and Chatterji, 2009; Meyskens *et al.*, 2010). Consequently, to explore the potential for SEs to benefit from KM, and to learn how KM can be applied in the

1
2
3 context of SEs, the paper investigated the current KM activities of 21 SEs in the UK. A
4 qualitative approach was followed deploying semi-structured interviews with founders, CEOs,
5 Managing Directors, and other senior managers of SEs in the UK.
6
7

8
9 This paper starts with a brief theoretical foundation of SEs and KMCs. Furthermore, the
10 methodology used is explained and justified, followed by a discussion of the findings and the
11 presentation of the derived conclusions. The limitations of the study are explained; and
12 recommendations for future research in the areas of SEs and KM are provided.
13 Subsequently, the impact of this study and how SEs, small firms and NPOs can use the
14 findings of this study as part of their organisational plans will also be explained.
15
16
17
18

19 **2. Theoretical background**

20 *2.1 Social Enterprises*

21
22
23
24 Although Social Enterprise is becoming an emerging field of interest for both academics and
25 practitioners (Granados *et al.*, 2011), SEs contributors agreed that they remain an under-
26 researched phenomenon (Robinson *et al.*, 2009; Castresana, 2013; Urban, 2015). It is
27 known that SEs are operating in normal market conditions transforming inputs into outputs
28 through production of goods or services (Doherty *et al.*, 2009; Leahy and Villeneuve-Smith,
29 2009; Villeneuve-Smith, 2011). This transformation normally involves innovative processes
30 that can give the enterprise a comparable and competitive advantage over public and private
31 sector organisations, securing their economic objectives and, subsequently or
32 simultaneously, their social and environmental values. Studies on their organisational
33 characteristics, as well as government surveys, agreed that SEs have a multi-bottom line,
34 being related to social, environmental and economic goals, a multi-stakeholder dimension,
35 and a broader financial perspective to focus on sustainability (Doherty *et al.*, 2009; Leahy
36 and Villeneuve-Smith, 2009; Villeneuve-Smith, 2011). However, all these characteristics
37 present two important challenges and opportunities for SEs that make them different from
38 private, public or charity organisations. One main challenge is associated with the hybridity
39 of their mission, forcing SEs to be accountable to deliver both financial and social results,
40 which in the majority of cases are opposite (Battilana and Lee, 2014; Doherty *et al.*, 2014;
41 Ebrahim *et al.*, 2014; Stevens *et al.*, 2015), combining aspects of both charity and business
42 at their core (Galaskiewicz and Barringer, 2012; Battilana and Lee, 2014; Besharov
43 and Smith, 2014; Ebrahim *et al.*, 2014; Mair *et al.*, 2015). This tension between social and
44 economic missions is reflected in SEs' values, identity, resource allocation, decision-making,
45 and their ways of managing capabilities (Battilana and Lee, 2014; Stevens *et al.*, 2015). The
46 second challenge is the way SEs approach value creation without the need to capture value
47
48
49
50
51
52
53
54
55
56
57
58
59
60

(Santos, 2012). This impacts the way SEs focus their efforts towards sustainable solutions rather than sustainable advantages, and the way SEs adopt a position of empowering others (internally and externally), as opposed to the more traditional position of control (Santos, 2012).

These challenges provide a unique context for studying how business practices currently used by other organisations, such as KM, can prove useful for SEs. Even though there is a lack of research regarding the KM practices of SEs (Granados *et al.*, 2011), contributors have suggested that the SE sector is challenged by competition and a performance driven environment. Thus, it is necessary to provide more business support, business skills and sustainability tools for SEs (Paton, 2003; Bull, 2007; Doherty *et al.*, 2009). Moreover, it has been argued that SEs follow a strong knowledge and experience-sharing philosophy (Horst, 2008) that plays an important role in supporting KM.

All these considerations validate the importance of researching SEs from the Knowledge Management perspective, investigating their current knowledge practices and identifying the possible impact of developing KMCs.

2.2 Knowledge Management Capabilities

Many researchers consider knowledge as a source of competitive and sustainable advantages in organisations (Drucker, 1991; Sveiby, 1997; Grover and Davenport, 2001); and as a resource, possesses intangible and unique characteristics. However, it has been argued that resources on their own are not productive, they require the cooperation and coordination of teams of resources (Grant, 1991). Thus, the capacity for a collection of resources to perform some task or activity is perceived as a capability that can result in competitive and sustainable advantages for the firm (Grant, 1991; Grant, 1996b; Spender, 1996; Sveiby, 2001). Moreover, by controlling and managing these capabilities, the organisation can improve efficiency and effectiveness (Barney, 1991). In that sense, knowledge could become the primary source of competitive and sustainable advantage for a company, and KM would support the aggregation of resources into capabilities.

The study of these capabilities has been considered and explained mainly by the Knowledge-based View (KBV) theory (Grant, 1997; Eisenhardt and Santos, 2002). KBV practitioners and academics have concurred that, in order to develop Knowledge Management Capabilities (KMCs), it is necessary to have techniques, mechanisms or processes to manage knowledge in an organisation. In addition to, certain social, cultural and historical context, which are important for individuals to interpret information and to

1
2
3 create meanings (Leonard-Barton, 1995; Grant, 1997; Nonaka *et al.*, 2000b; Gold *et al.*,
4 2001; Lee and Choi, 2003). These are the process capabilities (the activities that create and
5 integrate knowledge) and the organisational capabilities (the organisational conditions where
6 information is interpreted to become knowledge), which together can develop KMCs
7 (Leonard-Barton, 1995; Gold *et al.*, 2001; Ndlela and du Toit, 2001; Lee and Lee, 2007).
8 However, the empirical evidence offered in the literature for KMCs development is, mostly, in
9 large and profitable firms, with clear organisational components that articulate the
10 development of such capabilities (Gold *et al.*, 2001; Lee and Choi, 2003; Liang *et al.*, 2007;
11 Nguyen *et al.*, 2009; Zheng *et al.*, 2010; Mills and Smith, 2011). Thus, a difficulty remains in
12 translating these theoretical and conceptual propositions into empirical scenarios. A possible
13 reason for this is that organisations may differ in objectives, sectors, sizes and missions.
14 Consequently, it is difficult to unify these theoretical propositions for improving the
15 management of knowledge, quantifying the benefits, and measuring KM performance.
16 Therefore, there is a need for more research and empirical evidence on the elements that
17 can develop KMCs within different organisational scales and structures, such as small and
18 Social Economy enterprises, as well as the possible outcomes of this development (Serenko,
19 2013; Massaro *et al.*, 2016; Zieba *et al.*, 2016). This knowledge can contribute to the
20 creation of different areas of study and application in the practice of KM and KMC. In doing
21 so, alternative strategies to improve a SE's performance and impact can be proposed.
22
23
24
25
26
27
28
29
30
31
32

33 In order to explore further the knowledge activities undertaken by SEs and study how they
34 can identify this knowledge practices, this paper will focus on the knowledge-process
35 capability in SEs as justified above.
36
37
38

39 *2.3 Knowledge-process capability (KPC)*

40
41 This capability represents the knowledge activities within the organisation that leverage
42 organisational capabilities. This capability should be present in order to store, transform and
43 transport knowledge in an efficient manner throughout the organisation (Gold *et al.*, 2001).
44 The classification of activities explored in this research followed the one proposed by Gold *et al.*
45 (2001). These are the activities associated with the creation and integration of knowledge
46 according to the KBV theory (Kogut and Zander, 1992; Nonaka, 1994; Grant, 1996b; Grant,
47 1996a). The activities descriptions and propositions are presented in Table 1.
48
49
50
51
52

53 **Insert Table 1 here**

54
55
56 As mentioned previously, there is a paucity of research exploring the KM practices of SEs
57 and the potential challenges and opportunities in their implementation. However, this does
58
59
60

1
2
3 not indicate that SEs are not managing their knowledge, but that they are actually managing
4 knowledge more informally, without using KM terminology, as has been identified in SMEs
5 and non-for-profit organisations (Uit Beijerse, 2000; McAdam and Reid, 2001; Holm and
6 Poulfelt, 2003; Desouza and Awazu, 2006; Hutchinson and Quintas, 2008). Thus, as
7 suggested by Hynes (2009), this study explores the literature on KM in SMEs to provide
8 potential explanations of SEs behaviours in regards to KM, recognising their differential
9 challenges explained previously in the paper. This adds another challenge for this study,
10 since there is still limited research tailored to the specifics of SMEs (Massaro *et al.*, 2016),
11 and, as Durst and Edvardsson (2012) argued, researchers need a different approach to
12 understand KM practise in SMEs.
13
14
15
16
17
18

19 3. Method

20
21
22 To explore the knowledge-process capabilities in SEs, this study followed a qualitative
23 approach. This approach was selected as it seeks to understand or explain behaviour and
24 beliefs, to identify processes, and to understand the context of people's experiences
25 (Hennink *et al.*, 2011). Thus, a qualitative methodology helped to illuminate complex
26 concepts related to knowledge activities in SEs and to understand the deeper perspectives
27 of members of SEs concerning these activities. **Nevertheless, Gioia *et al.* (2013) states that
28 qualitative research has been critiqued as too often lacking in scholarly rigor and suggest
29 that it is important to have a systematic approach to new concept development. Hence, the
30 authors in this paper explain fully how the analytical process has been developed.**
31
32
33
34
35
36

37 The present qualitative study follows on from a previous quantitative study conducted by the
38 authors exploring the KMCs in SEs with 431 founders and senior managers of SEs
39 (Granados, 2015). The population of the previous study was SEs in the UK that were self-
40 defined and were members of at least one of the listed UK SE networks. Thus, a
41 convenience sampling approach was followed, where participants were chosen from the
42 participants identified in the previous quantitative study that were conveniently available and
43 willing to participate further in the qualitative study. They are the most appropriate to
44 contribute to the qualitative data set (Creswell and Plano Clark, 2011). The interviews were
45 conducted with 21 founders/senior managers of SEs in UK (see Table 2). To maintain
46 confidentiality and anonymity of the participants and their organisations, participants are
47 named SE1, SE2, SE21. The group was represented mostly by micro (less than 10
48 employees) and small (less than 50 employees) organisations. In terms of the legal form, the
49 qualitative sample represent six different types, including mostly Limited Company (LC) and
50 Community Interest Company (CIC). The age of the enterprises was relatively high, with
51
52
53
54
55
56
57
58
59
60

1
2
3 more than half of the participants working in mature SEs with more than a four-year life span,
4 and six with more than ten years of existence. These SEs undertook a wide range of social,
5 environmental and economic activities ranging from: consultancy enterprises, mainly
6 supporting other SEs, to financial institutions, such as credit unions, community centres and
7 publishers.
8
9

10 11 **Insert Table 2 here**

12
13
14 The topics covered in the interviews included how their SEs were managing their knowledge,
15 what kind of knowledge they have and how they were developing knowledge-process
16 capabilities. The phrase “Knowledge Management” was avoided during the interviews to
17 allow interviewees to express their working practices without the use of “business stream”
18 words that may confuse them. The four knowledge activities analysed in this study and used
19 as probes in the interviews were Acquisition, Conversion, Application and Protection.
20 Additional to the knowledge activities, and in order to comprehend and contextualised them,
21 it was also important to explore the types of knowledge managed in these organisations.
22
23
24
25
26

27
28 The interviews were set up face-to-face at a venue selected by the participant and where
29 they perceived it as a relaxed environment to talk freely. In some cases, online synchronous
30 interviews were conducted using the video system Skype for geographically disparate
31 research participants. Validity was assured by building rapport, trust and openness between
32 interviewer and interviewee, giving the participant the confidence to express the way they
33 perceive reality. The interviews were recorded, transcribed and uploaded into NVivo. The
34 data were then analysed through coding, which facilitated the assessment of predefined
35 theoretical concepts, such as the different KM activities presented in Table 1 (deductive
36 codes), but at the same time permitted the study of unique issues raised by participants
37 themselves (inductive codes) (Grbich, 2013). These codes can refer to issues, topics, ideas
38 and opinions that are evident in the data (Hennink *et al.*, 2011).
39
40
41
42
43
44

45
46 During the analytical process the data were continuously checked and tracked to question
47 actively in which academic direction the information collected was leading the researcher,
48 and identifying areas that required follow-up (Hennink *et al.*, 2011; Grbich, 2013). This
49 preliminary data analysis helped the researcher to get familiarised with some of the
50 vocabulary and acronyms mentioned by participants. The next stage was coding the data.
51 As was explained previously, the collection of qualitative data was framed in the theoretical
52 constructs identified in Table 1. These are considered deductive codes because they are
53 originated by the researcher (Hennink *et al.*, 2011). However, in order to avoid introducing a
54 preliminary restriction on the issues to be investigated, new codes were created from the
55
56
57
58
59
60

1
2
3 qualitative data. These codes are considered inductive codes because they come directly
4 from the data (Hennink *et al.*, 2011). Additionally, they allow the identification of unique
5 issues raised by participants themselves, as well as the possibility of the theoretical
6 concepts departing considerably from the views of participants (Hennink *et al.*, 2011).
7 Inductive codes identified in the data included types of knowledge, tacit and explicit
8 knowledge and small company issues.
9
10
11

12 13 **4. Findings and discussion** 14

15
16 Knowledge is situation-specific and a significant amount of knowledge is not shared but held
17 by individuals (Leonard-Barton, 1995). Thus, organisations need processes to promote
18 knowledge sharing, creation and utilisation. The processes studied in this research followed
19 the Knowledge-based View (KBV) theory perspective and included Acquisition, Conversion,
20 Application and Protection (Gold *et al.*, 2001). There is a paucity of studies in the SE
21 literature that explores how SEs are managing their knowledge, thus, the following sections
22 discuss the findings from the interviews in relation to the literature from SMEs, non-profit
23 organisations (NPOs) and enterprises in other sectors. Before these discussions on the
24 deductive codes associated with each process, it is necessary to described the type of
25 knowledge managed by SEs, which emerged as an inductive code during the analysis. This
26 helps to understand its particularities, discussing how the knowledge processes within SEs
27 are defined, and whether they are informally or formally implemented in the SE.
28
29
30
31
32
33
34

35 *4.1 Types of knowledge managed by SEs* 36

37
38 By analysing the different knowledge activities undertaken by SEs, participants described
39 the knowledge and information that is acquired, converted, applied and protected by each
40 enterprise. Following the Polanyi classification of knowledge (Polanyi, 1966), this
41 knowledge and information varied from completely tacit knowledge that is kept “in our
42 directors’ heads” (SE7) or in the “collective consciousness” (SE17), to completely explicit
43 knowledge that is kept in shared servers and datasets. As illustrated in Figure 1 below,
44 participants described having considerable tacit knowledge in their SEs. This concurred with
45 previous literature on SMEs (Osterloh and Frey, 2000; Maguire *et al.*, 2007), which
46 suggested that these organisations remain highly reliant on tacit knowledge that drives the
47 organisation forward.
48
49
50
51
52
53
54

55 **Insert Figure 1 here**
56
57
58
59
60

To emphasise the importance of tacit knowledge, SE13 reflected *"It's all mostly in people's heads, the memories, the failures, the successes and the past that keep everything going"*.

The type of tacit knowledge presented in SEs can be described under the classification of knowledge assets proposed by Nonaka *et al.* (2000b), experiential knowledge and conceptual knowledge. These were experiential knowledge, such as, members', stakeholders' and other SEs' experiences, members' skills, and SE history and reputation; and conceptual knowledge, such as, community necessities and cultural understanding.

As will be explained in each of the activities in the following sections, this type of experiential and conceptual knowledge is rarely managed. This was corroborated by comments given by participants, such as:

"Some of the staff that is just there, it's almost like this is the social history of how we've done things, and particularly when we have made mistakes, I suppose; because you make mistakes and you learn from them and you don't do that again. But that's only really effective through historically by people." (SE13)

"... there's a lot of data in people's heads that we haven't extracted yet, so we've got lots of stories of how we worked with people and what's gone on in the past, but we don't take enough time to sit down and reflect on all those issues." (SE15)

"... to be able to pass that knowledge on I would have to contextualise it and focus on being able to teach someone else, and that means knowing what I know, and I don't really know what I know. And that's a challenge I suppose" (SE9)

The last comment clearly stated some of the main difficulties in managing tacit knowledge within organisations, and transforming it into explicit knowledge, which corresponded with numerous KM discussions, such as "if only we knew what we know" (O'Dell and Grayson, 1998b; O'Dell and Grayson, 1998a).

Another possible reason why tacit knowledge is rarely well managed by some SEs is the idea that sharing too much tacit knowledge with a new person who is going to take the job actually constrains the creativity and development of new knowledge (SE17). This may exemplify what Leonard-Barton (1992; 1995) called "core rigidities", which are capabilities that constrain future learning and actions taken by the organisation, thus hindering knowledge creation rather than promoting it. In spite of this, participants acknowledged the importance of this knowledge by realising how much the SE would lose when a member leaves the organisation. This will be discussed further in the application process.

1
2
3 The previous considerations were focused on the particularities of the tacit knowledge found
4 in SEs. Regarding explicit knowledge, the other two knowledge assets proposed by Nonaka
5 *et al.* (2000b), systemic and routine knowledge, were also detailed by participants, such as,
6 clients' information and operational knowledge (see Figure 1). Participants were also aware
7 of the importance of managing explicit knowledge in their SEs, as SE8 interpreted:
8
9

10
11 *"Because you can't find yourself talking about problems that you haven't really collected the*
12 *information and haven't done anything with it ... so it's good to keep information, at least you*
13 *can at some point see statistics on what makes a difference and what doesn't"* (SE8)
14
15

16
17 Different types of tacit knowledge were described more often by micro organisations,
18 whereas explicit knowledge was mentioned more frequently by small SEs. This
19 substantiates the initial discussion presented in this section, which recalled earlier studies
20 that suggested that smaller organisations tend to have more tacit knowledge than larger
21 ones.
22
23

24 25 26 4.2 Are SEs managing their knowledge formally or informally? 27

28
29 Even though none of the participants used the word 'Knowledge Management' to refer to
30 their practices in managing knowledge, they described behaviours and activities within their
31 SEs that revealed some KM practices. Participants described both organisational conditions
32 to leverage knowledge, as well as activities for acquiring, applying, conserving and
33 protecting knowledge within their SEs. What this indicates is that, as was found in previous
34 studies of KM in SMEs and NPOs (Uit Beijerse, 2000; McAdam and Reid, 2001; Holm and
35 Poulfelt, 2003; Desouza and Awazu, 2006; Hume and Hume, 2008; Hutchinson and Quintas,
36 2008; Kong, 2008; Zieba *et al.*, 2016), SEs have knowledge activities that are not governed
37 by the structures, concepts or formal language of KM, but were expressed more informally
38 as general practices of the organisation. This suggests that SEs, in the main, are in an early
39 stage of learning about the formal concepts of KM, and adopted informal, rather than formal,
40 processes to manage knowledge. As SE6 expressed it: *"I think it just felt that (implementing*
41 *shared folders by headings), it was instinctive, I just felt that was right"*.
42
43
44
45
46
47
48

49
50 These informal processes and activities of managing knowledge, however, differed
51 significantly from one SE to the other. Thus, the following discussions present the main
52 activities and strategies adopted by participants in their SEs to manage their knowledge,
53 giving important consideration to the main differences made evident in the empirical data.
54 Exploring informal knowledge activities in the study was important because, as Hutchinson
55
56
57
58
59
60

and Quintas (2008: 135) suggested, “a research focus on formal KM processes alone would therefore lead to an incomplete picture”.

4.3 Acquisition

Knowledge acquisition activities are orientated towards obtaining knowledge for the organisation. This involves the creation of new knowledge, sharing of new and existing knowledge, and importing knowledge from external sources. In the interviews, participants outlined various internal and external activities that support the acquisition and creation of knowledge in SEs. To analyse these activities, one of the most significant models for knowledge creation within an organisation proposed by Nonaka *et al.* (2000a; 2000b) was used: the SECI (socialisation, externalisation, combination and internalisation) cycle. The SECI process involves four modes of conversion between tacit and explicit knowledge, which are (Nonaka and Takeuchi, 1995; Nonaka *et al.*, 2000a; Nonaka *et al.*, 2000b):

- *Socialisation*: from tacit to tacit knowledge. Tacit knowledge held by one individual is handed over, and becomes the tacit knowledge of another. It is defined by individual and face-to-face interaction, where members share experiences, feelings, emotions and mental models, thus, increasing existing tacit knowledge;
- *Externalisation*: from tacit to explicit knowledge. People convert some proportion of their tacit knowledge into explicit knowledge by conceptualising and articulating it. It represents the collective and face-to-face interactions where mental models and experiences are shared, converted into common terms, and articulated as concepts, hence, facilitating the conversion of tacit to explicit knowledge;
- *Combination*: from explicit to explicit knowledge. Existing information is reconfigured through the sorting, adding, re-categorising, and re-contextualising of explicit knowledge. It refers to collective and virtual interactions; and
- *Internalisation*: from explicit to tacit knowledge. An individual absorbs knowledge that others hold, and converts it into actions and practices that are deeply related to tacit knowledge. It is defined by individuals and virtual interaction.

Due to the importance of internal and external sources of knowledge in SEs, as well as the evident emphasis of this in the interviews, the analysis included the distinction made by Sveiby (2001) of external and internal structures. The external structure involved relationships with customers, suppliers and, in the case of SEs, the community. The internal structure includes the concepts, models, computers, systems and culture (Sveiby, 2001).

1
2
3 Figure 2 describes all the acquisition and creation activities involving both tacit and explicit
4 knowledge, and both internal and external knowledge in the investigated SEs.
5
6

7
8 **Insert Figure 2 here**
9

10 Internal socialisation was maintained by supporting and encouraging informal and constant
11 communication among members. This was not difficult because SEs are in the majority
12 micro and small enterprises where people know each other very well and are required to
13 work collaboratively to execute projects. Another important activity to allow knowledge
14 acquisition was employee rotation. This activity, as highlighted by KM researchers, was very
15 useful in permitting knowledge transfer between individuals and exposing them to common
16 expertise held locally and tacitly (Sveiby, 2001; Wickert and Herschel, 2001).
17
18
19

20
21 In regards to external socialisation, constant communication with the community permitted
22 the SE to accumulate tacit knowledge about the real necessities and the context for those
23 necessities. Thus, allowing knowledge transfer from external structures to individuals and
24 internal structures. This created value for SEs, as suggested by Sveiby (2001), by providing
25 them unique knowledge of, and insight into, the local market and customers, demonstrating
26 their genuine interest in creating social value.
27
28
29
30

31
32 By demonstrating the existence of these socialisation activities in SEs, it can be inferred how
33 the organisational culture of SEs has embodied trust and collaboration attitudes in members,
34 how important is for the SE to acquire external knowledge from its stakeholders, and how
35 the social mission is embedded in all their practices. The trusting and collaborative culture
36 illustrated in SEs can lead to greater willingness among SE members to share insights and
37 expertise with each other in order to contribute to the successful performance of their
38 organisation (Wang and Ahmed, 2003; Omerzel *et al.*, 2011).
39
40
41
42

43
44 The externalisation activities in SEs allowed them to be aware of 'what was out there' and
45 how to drag in resources to the SE, transforming the tacit knowledge of the community into
46 explicit input for their planning process. The interaction with other SEs was crucial for
47 sharing experiences and learning lessons among similar organisations that were tackling
48 similar social problems, or were undertaking similar business activities.
49
50
51

52
53 The combination activities described by SEs permitted them to combine explicit knowledge,
54 as this knowledge is relatively easily transmitted to more people in written form through
55 technology and shared solutions. The internalisation activity was less detailed by
56 participants, with only one case identified. The knowledge gathered by the SE through
57
58
59
60

1
2
3 experiences was converted into explicit knowledge, the manual, which was then offered to
4 other SEs to develop tacit knowledge from it.
5
6

7 On one hand, the findings presented in Figure 2 corresponded with previous studies in
8 SMEs (Desouza and Awazu, 2006; Maguire *et al.*, 2007) that found socialisation as the
9 predominant way through which knowledge transfer and sharing occurred in SMEs. This is
10 because employees are always in close contact with the owner, as well as in close proximity
11 to each other. This resulted in a smooth flow of knowledge up-and-down the hierarchical
12 ranks, which normally occurs via personalised meetings among individuals. On the other
13 hand, the findings contradicted suggestions made by Dacin *et al.* (2010) in SEs and Lim and
14 Klobas (2000) in small firms, about the lack of knowledge of these firms about their external
15 social context. As was evident in the interviews, SEs made it a priority to be well-connected
16 with their localities and the community. This has been found to help them use environmental
17 knowledge in an effective way concerning business activities.
18
19
20
21
22
23

24
25 All the knowledge activities previously described and discussed summarised the attempts
26 made by SEs to acquire knowledge that can be converted, applied and then protected. It
27 was noted that, in light of the findings from the interviews, knowledge acquisition activities
28 are the most usual knowledge activities in SEs. SEs are currently acquiring, sharing and
29 creating knowledge internally and externally, both tacit and explicit, without regarding it as
30 formal KM practices.
31
32
33

34 35 4.4 Conversion 36

37
38 Knowledge conversion activities are orientated towards making existing knowledge useful. In
39 order to analyse the activities of knowledge conversion described by participants, the SECI
40 cycle of Nonaka *et al.* (2000a) is also used. The description of each element of the cycle for
41 both internal and external knowledge is presented in Figure 3. Because knowledge
42 conversion activities are more associated with the conversion from tacit to explicit
43 knowledge, externalisation, and explicit to tacit knowledge, internalisation, both processes
44 will be analysed in more detail.
45
46
47
48

49
50 **Insert Figure 3 here**
51

52
53 In general, it can be observed that SEs were not converting all the knowledge they were
54 acquiring, specifically tacit into explicit (externalisation) and explicit into tacit (internalisation).
55 This finding matched similar results in small firms (McAdam and Reid, 2001; Wong and
56 Aspinwall, 2004; Desouza and Awazu, 2006). These studies established that knowledge
57
58
59
60

embodiment, although being helped by sharing and openness, was not systematically converted and used within the organisations. Knowledge, once internalised by employees was applied directly to work, and was seldom documented in a secondary storage medium like a notebook or information systems. Thus, it was simpler for small firms to organise tacit knowledge, but not explicit knowledge. This is because, being small, individuals have a better idea of the level of expertise and know-how of their colleagues and whom to consult if they need certain information. However, small firms often lack time, financial resources and formality in their systems and procedures to convert it to explicit knowledge that can be accessed by other members in the future.

Concluding, SEs can design more knowledge activities to convert not all the knowledge acquired by the SE but, at least, the knowledge that can create value in the future for the SE. This may include activities supporting knowledge transfer from internal structures to individual competence. This is because, as Durst and Edvardsson (2012) outlined, in order to manage effectively organisational knowledge, the enterprise needs to understand what types of knowledge are provided and their respective relevance to the firm.

4.5 Application

Application processes are focused on making knowledge useful, consequently, creating value for the organisation. The interviews explored in more detail the different activities undertaken by SEs to apply some of the knowledge that was internally and externally acquired, and some of which was converted to organisational knowledge. These activities are discussed in Table 3.

Insert Table 3 here

Participants described practices related to *succession planning* within the SE, recognising the importance of making knowledge available to everyone in the SE (SE10 and SE11). By sharing knowledge throughout the SE, the management team and founders were guaranteeing that knowledge from CEOs and older members could cascade down to other members of the SE, assuring the SE continuity, or as SE15 stated "*keeping the organisation pointing in the right direction and moving forward*". SEs were then converting tacit knowledge into tacit or explicit knowledge that was used by other members in case the owner of the knowledge was not there. Some of this knowledge is:

- External: Relationship between the different sectors (SE9); Networking contacts and critical understanding of local politics (SE14); and

- Internal: Organisation's vision (SE15); Strategic planning (SE9 and SE15); General management of the organisation (SE15); Understanding, scheduling, visualisation and execution of projects (SE9)

Nonetheless, not all participants described having activities of acquiring and applying organisational knowledge associated with succession planning. In fact, the majority of participants did not have a succession strategy and some described this as one of the main threats to the future of their SEs, as some participants mentioned “.. *at the moment, without me being around, the company won't really function.*” (SE14) and “*I know if I am run over by a bus tomorrow, all the actual running of the company would go with me*” (SE9). This evidenced how transfer and application of knowledge represents a critical aspect in view of the SE continuity. This is because the knowledge of some key employees, in the case of SEs, normally the Founder and/or CEO, may be the source of competitive and comparative advantage of the SE (Durst and Wilhelm, 2012). Thus, the departure of any member could result in a lack of essential “know-how” important for the SE success, such as, fundraising expertise (SE15), or crucial contact with key relationships (SE14 and SE15).

This finding is in line with the empirical study of small firms by Lim and Klobas (2000), who found them susceptible to the loss of employees seeking better compensation and higher prestige associated with larger organisations, thus, leaving the firm with much-needed organisational knowledge. Nonetheless, these findings differed from another study of SMEs by Desouza and Awazu (2006), which outlined that small firms are not affected if one or more employees leave, due to the ease of availability of common knowledge and the concentration of core knowledge in the owner, without whom the company would not exist. This, as was explained before, was not the case in SEs, where their co-operative and participative structure implied that core knowledge resided in different people. Thus, if one person was to leave the organisations, core knowledge can also leave the organisation, risking the continuity of the SE.

All the activities described in Table 3 emphasised how SEs are using the knowledge they have regarding their customers, their services and their experiences to “*not re-inventing the wheel*”, and to adjust and define the operational and strategic direction of the SE. Moreover, this knowledge was used by SEs to measure their impact, which could determine the effectiveness of the SE, help the SE to legitimise itself, and be used as a marketing tool to obtain new customers and financial sponsors. In the words of SE1:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

"I think it would be helpful to know just how powerful knowledge could be, just not only about evidence of success or failure, but the opportunity to change direction or to evolve into another arena".

Regardless of these groups of activities described by participants to apply their knowledge, some idiosyncratic characteristics of SEs may obstruct the effective application of this knowledge. The small size of SEs and the scarcity of economic resources can restrict the conversion, retention and further application of knowledge throughout the organisation, and even threaten its survival in the case of the holders of this knowledge leaving the SE.

4.6 Protection

Protection processes are associated with the protection of knowledge from inappropriate use, both internally and externally, as well as from losing it. These activities were hardly mentioned by participants in the interviews, denoting that SEs may not give the same importance to protecting knowledge as to acquiring, converting and applying it. Among the few protection activities described by participants, some of the most common associated with explicit knowledge were:

- Using passwords in systems to restrict access to explicit knowledge and information kept there (SE10);
- Having protocols in place for permission to access sensitive data (SE10 and SE11); and
- Encrypting the information in computers often (SE8).

The main reason for keeping data protected in their systems was the data protection policy/act signed with service users (SE8 and SE10). This policy prohibited the SEs for sharing customers' information with third parties, due to the sensitivity of the information managed by the SE.

In the case of tacit knowledge, only one participant, SE10, described having a practice in place that did not protect the knowledge itself embedded in people's head, but did protect the enterprise from the loss of that knowledge. This was obtained by having an insurance policy that covered the financial damage of losing information and knowledge from key members if they die. Although this practice demonstrated that the SE was aware of its tacit knowledge, it was though a corrective practice rather than a preventive one. Similarly, this SEs has developed a franchise model of their SE, which included manuals and handbooks with all the practices, experiences and processes undertaken in the SE. In order to maintain the competitiveness of this model, the SE also decided to protect it through a trademark.

1
2
3 A possible reason for having few protection activities within SEs was suggested by
4 participant SE11, who reflected that:
5
6

7 *"Because we are such a small crew, then basically it's not necessary for us to keep all sorts of*
8 *levels of information within our team". (SE11)*
9

10
11 This may imply that in smaller SEs, in this case a micro SE, there is no reason for restricting
12 information or knowledge to some members, because all members are actively involved in
13 the operation of the SE. Thus, only activities associated with external protection of
14 knowledge are required.
15
16

17
18 Conversely, another possible reason for finding few knowledge protection activities within
19 SEs could be that, by having an open and collaborative culture based on trust, SEs did not
20 require keeping a "knowledge-protection" attitude among its members, encouraging instead,
21 a more "knowledge-sharing" attitude. This echoed previous studies on KM, which
22 theoretically and empirically demonstrated that increasing knowledge protection will
23 decrease knowledge transfer (Norman, 2004; Khamseh and Jolly, 2008), sharing (Randeree,
24 2006), and integration (Liao and Wu, 2010). This may be because, by limiting the access to
25 knowledge, the organisation is hindering its ability to transfer knowledge and learn from
26 members or stakeholders. Thus, members and stakeholders will respond to the SE
27 limitations of information sharing by further reducing their own sharing, which will be
28 detrimental to knowledge production.
29
30
31
32
33
34
35

36 **5. Conclusions, implications and limitations**

37

38
39 Although the empirical findings from this study detailed how SEs were mainly acquiring
40 knowledge, and not necessarily converting, applying and protecting it, there were certain
41 types of knowledge that were acquired or created by the SE and then applied directly into
42 their operations and services. Some of this knowledge was related to their members
43 expertise, experiences, lessons learned and community understanding. Among others,
44 these types of mechanisms will help SEs to conserve acquired knowledge and to retrieve it
45 when needed (Alavi *et al.*, 2005). Nevertheless, participants agreed that SEs did not follow
46 the formal and recognised practices of KM. Instead, they developed more informal activities
47 that support the management of knowledge but are not visualised as such. This can imply
48 that, as was found in SMEs and NPOs (Uit Beijerse, 2000; Desouza and Awazu, 2006;
49 Hume and Hume, 2008; Hutchinson and Quintas, 2008; Kong, 2008), SEs are using KM
50 more at an operational level, rather than at strategic and tactical levels of the organisation.
51
52
53
54
55
56
57
58
59
60

Continuing with the similarities of SE's KM practices with the already identified in SMEs, this paper contributes to the discussion started by Desouza and Awazu (2006) on the main particularities that differentiate KM activities in SMEs versus larger firms, and expands this in light of findings on SEs. As identified by Desouza and Awazu (2006) in SMEs, this paper confirmed how SEs may rely heavily on external sources of knowledge to support their operations and strategies. This knowledge was gathered from communities, other SEs, associations, SE networks and government institutions. Moreover, it was confirmed how SEs, as identified in SMEs, focused their informal KM practices for acquiring and applying knowledge more on people-based than technology-based activities. Although the paper confirmed the dominance of socialisation activities within SEs, both formal and informal due to their small size as suggested by Desouza and Awazu (2006), the evidence from SEs demonstrated that socialisation was also crucial between members and stakeholders. SEs maintained an open channels of communication with their main customers, normally people in their communities. This knowledge transfer was essential to accurately tackle and assess their social impact. Another important finding that differentiates SEs from the particularities defined by Desouza and Awazu (2006) is the issue of knowledge loss, as explained in the discussion about conversion activities. The SE structure implied that core knowledge was spread in key individuals who, by leaving expectedly or suddenly the SE, could affect significantly the SE survival.

These findings have important implications for different actors. For SE and KM researchers and academics, this study confirmed the importance of studying not only formal, but also informal KM practices, in order to obtain a real and accurate understanding of how SEs and small firms are managing their knowledge and its impact in and on the firm. This has implications on the development of further informed, relevant and accurate research that support those seeking to learn more about SEs. Moreover, as suggested by Masarro *et al.* (2016) in the context of SMEs, this paper confirms how SEs provide a specific and unique research context for KM study, which requires the use of new and relevant research, rather than replicating findings and concepts from larger organisations.

For SE practitioners, it was recognised how SE should assume more business orientated strategies, such as KM, so that they can improve their performance and enhance their creation of social, environmental and economic value. The current economic and social scenario requires the development of more competitive and sustainable advantages, which can be defined by the management of their valuable knowledge of practices and stakeholders. This justifies the need for developing knowledge-process capabilities in SEs.

The knowledge activities studied in this paper can help SEs to evaluate their current

1
2
3 practices and to develop plans for their further improvement. Some important practices
4 described by the studied SEs and recognised as effective KM activities include storytelling¹,
5 job rotations and e-learning. Storytelling is considered one of the best ways to transfer tacit
6 knowledge since it provides both information and context in a more relax environment
7 (Whyte and Classen, 2012). As one studied SE mentioned, it was their stories with the
8 community and clients, shared by all members, that allowed them to 'move forward' and
9 legitimise themselves as a SE. The SE just needs to bring people together to tell stories
10 about their experience, normally focus on a defined topic, with ways of capturing the meeting,
11 such as video or notes. Job rotations is one of the most effective and at the same time
12 cheapest and easiest ways of preventing breakdowns of crucial processes within the SE
13 when a key member leaves. Moreover, it provides all members of the SE with knowledge
14 that would help them when facing problems in their daily activities. Another important
15 practice is the use of interactive e-learning environments and simulations that can be
16 sometimes free online or with reduce cost. This practice would help the SE to convert core
17 knowledge into something useful for all members and stakeholders. Lastly, as indicated by
18 Leonard-Barton (1995), most innovation occurred at the boundaries of the firms. Thus, by
19 effectively managing knowledge across the various types of boundaries, such as, community,
20 other SEs, associations, networks and government, the SE can develop innovations, and
21 more specifically, social innovations that create value.
22
23
24
25
26
27
28
29
30
31
32

33 For SE supportive organisations – government, private sector, associations and networks,
34 the findings from this research, specifically the evidence of SEs' type of knowledge required
35 or managed, may prove useful when defining programmes and proposals for enhancing and
36 supporting the sector.
37
38
39

40 This research has some limitations that may have a degree of impact on the results, and
41 certain lessons emerged from this. First, this study presents conceptual limitation associated
42 with the limited research in the area of KM practices of SEs. For this reason the KM
43 practices studied in SEs were defined based on previous studies of KMCs in large private
44 and public companies (Gold *et al.*, 2001; Lee and Choi, 2003; Lee and Lee, 2007; Zaim *et al.*,
45 2007; Mills and Smith, 2011). This precludes the study of other important elements
46 associated with knowledge-process capabilities that are related to SEs exclusively. Thus,
47 this study needs to be considered as a starting point in the study of KM in SEs. Future
48 research should study different components of KMCs, such as, absorptive capacity (Cohen
49
50
51
52
53
54
55
56
57
58
59
60

¹ The authors thank an anonymous reviewer for this suggestion

and Levinthal, 1990), leadership and strategy. Another limitation is associated with the sample studied in this paper. Although researchers have argued that senior managers are more suited to provide information about the overall organisational practices of an enterprises (Bryman and Bell, 2011), it is important to consider the perception from other actors, such as employees and stakeholders, in future research. This would provide complementary insights into the SE practice, both internally and externally.

Due to the restricted resources of SEs and their dynamic characteristics, it is recommended to develop practical guidance supporting the audit and further development of knowledge-process capabilities in SEs. This guidance can be in the form of a practical framework. This framework can support SEs initially to assess their current KMCs, and then, based on this, to build applicable and relevant development plans to improve such capabilities, and obtain an improvement in their organisational performance. This format would allow the consideration of the heterogenic characteristics of SEs. The empirical implementation of this framework, possibly in a more case-based type of research, is recommended.

References

- Alavi, M., Kayworth, T. R. and Leidner, D. E. (2005), "An Empirical Examination of the Influence of Organizational Culture on Knowledge Management Practices". *Journal of Management Information Systems*, Vol. 22 No. 3, pp. 191-224.
- Barney, J. (1991), "Firm Resources and Sustained Competitive Advantage". *Journal of Management*, Vol. 17 No. 1, pp. 99-120.
- Battilana, J. and Lee, M. (2014), "Advancing Research on Hybrid Organizing – Insights from the Study of Social Enterprises". *The Academy of Management Annals*, Vol. 8 No. 1, pp. 397-441.
- Besharov, M. L. and Smith, W. K. (2014), "Multiple Institutional Logics in Organizations: Explaining Their Varied Nature and Implications". *Academy of Management Review*, Vol. 39 No. 3, pp. 364-381.
- Bloom, P. N. and Chatterji, A. K. (2009), "Scaling social entrepreneurial impact". *California Management Review*, Vol. 51 No. 3, pp. 114-133.
- Bryman, A. and Bell, E. (2011), *Business research methods*, Oxford University Press, New York.
- Bull, M. (2007), "'Balance': the development of a social enterprise business performance analysis tool". *Social Enterprise Journal*, Vol. 3 No. 1, pp. 49-66.
- Castresana, J. C. P. D. M. (2013), "Social enterprise in the development agenda. Opening a new road map or just a new vehicle to travel the same route?". *Social Enterprise Journal*, Vol. 9 No. 3, pp. 247-268.
- Cohen, W. M. and Levinthal, D. A. (1990), "Absorptive Capacity: A New Perspective on Learning and Innovation". *Administrative Science Quarterly*, Vol. 35 No. 1, pp. 128-152.

- 1
2
3 Creswell, J. W. and Plano Clark, V. L. (2011), *Designing and conducting mixed methods research*,
4 Sage Publications Ltd., London.
- 5
6 Dacin, P. A., Dacin, M. T. and Matear, M. (2010), "Social Entrepreneurship: Why We Don't Need a
7 New Theory and How We Move Forward From Here". *Academy of Management Perspectives*,
8 Vol. 24 No. 3, pp. 37-57.
- 9
10 Desouza, K. C. and Awazu, Y. (2006), "Knowledge management at SMEs: five peculiarities". *Journal*
11 *of Knowledge Management*, Vol. 10 No. 1, pp. 32-43.
- 12
13 Doherty, B., Foster, G., Mason, C., Meehan, J., Meehan, K., Rotheroe, N. and Royce, M. (2009),
14 *Management for Social Enterprise*, Sage Publications Ltd, London.
- 15
16 Doherty, B., Haugh, H. and Lyon, F. (2014), "Social Enterprises as Hybrid Organizations: A Review
17 and Research Agenda". *International Journal of Management Reviews*, Vol. 16 No. 4, pp.
18 417-436.
- 19
20 Drucker, P. F. (1991), "The New Productivity Challenge. (cover story)". *Harvard Business Review*, Vol.
21 69 No. 6, pp. 69-79.
- 22
23 Drucker, P. F. (1995), "The information executives truly need". *Harvard Business Review*, Vol.
24 January- February No. pp. 54-62.
- 25
26 Durst, S. and Edvardsson, I. R. (2012), "Knowledge Management in SMEs: A Literature Review".
27 *Journal of Knowledge Management*, Vol. 16 No. 6, pp. 3-3.
- 28
29 Durst, S. and Wilhelm, S. (2012), "Knowledge management and succession planning in SMEs".
30 *Journal of Knowledge Management*, Vol. 16 No. 4, pp. 637-649.
- 31
32 Ebrahim, A., Battilana, J. and Mair, J. (2014), "The governance of social enterprises: Mission drift and
33 accountability challenges in hybrid organizations". *Research in Organizational Behavior*, Vol.
34 34 No. pp. 81-100.
- 35
36 Eisenhardt, K. M. and Santos, F. M. (2002), "Knowledge-based view: A new theory of strategy?". In:
37 Pettigrew, A., Thomas, H. & Whittington, R. (eds.) *Handbook of strategy and management*.
38 SAGE Publications Ltd, London, pp. 139-164.
- 39
40 Galaskiewicz, J. and Barringer, S. N. (2012), "Social Enterprises and Social Categories". In: Gidron, B.
41 & Hasenfeld, Y. (eds.) *Social Enterprises: An Organizational Perspective*. Palgrave Macmillan
42 UK, London, pp. 47-70.
- 43
44 Gioia, D.A., Corley, K.G. and Hamilton, A.L. (2013), "Seeking qualitative rigor in inductive research
45 notes on the Gioia methodology". *Organizational Research Methods*, Vol. 16 No. 1, pp.15-31.
- 46
47 Gold, A. H., Malhotra, A. and Segars, A. H. (2001), "Knowledge Management: An Organizational
48 Capabilities Perspective". *Journal of Management Information Systems*, Vol. 18 No. 1, pp.
49 185-214.
- 50
51 Granados, M. L. (2015) Improving innovation and performance of Social Enterprises: Knowing what
52 they know. Paper presented at 75th Annual Meeting of the Academy of Management. August
53 7-11. Vancouver, Canada.
- 54
55 Granados, M. L., Hlupic, V., Coakes, E. and Mohamed, S. (2011), "Social Enterprise and Social
56 Entrepreneurship research and theory: A bibliometric analysis from 1991 to 2010". *Social*
57 *Enterprise Journal*, Vol. 7 No. 3, pp. 198-218.
- 58
59
60

- 1
2
3 Grant, R. M. (1991), "The resource-based theory of competitive advantage - implications for strategy
4 formulation". *California Management Review*, Vol. 33 No. 3, pp. 114-135.
5
6 Grant, R. M. (1996a), "Prospering in dynamically-competitive environments: Organizational capability
7 as knowledge integration". *Organization Science*, Vol. No. pp. 375-387.
8
9 Grant, R. M. (1996b), "Toward a knowledge-based theory of the firm". *Strategic Management Journal*,
10 Vol. 17 No. 10, pp. 109-122.
11
12 Grant, R. M. (1997), "The knowledge-based view of the firm: Implications for management practice".
13 *Long Range Planning*, Vol. 30 No. 3, pp. 450-454.
14
15 Grbich, C. (2013), *Qualitative Data Analysis: An introduction*, Sage Publications Ltd, London.
16
17 Grover, V. and Davenport, T. H. (2001), "General perspectives on Knowledge Management: Fostering
18 a research agenda". *Journal of Management Information Systems*, Vol. 18 No. 1, pp. 5-21.
19
20 Haugh, H. (2005), "A research agenda for social entrepreneurship". *Social Enterprise Journal*, Vol. 1
21 No. 1, pp. 1-12.
22
23 Hennink, M., Hutter, I. and Bailey, A. (2011), *Qualitative Research Methods*, Sage Publications Ltd,
24 London.
25
26 Holm, M. J. and Poufelt, F. (2003) The Anatomy of Knowledge Management in Small and Medium-
27 Sized Enterprises! Paper presented at LOK Research Conference. 1-2 December. Middelfart.
28
29 Horst, D. V. D. (2008), "Social enterprise and renewable energy: emerging initiatives and communities
30 of practice". *Social Enterprise Journal*, Vol. 4 No. 3, pp. 171-185.
31
32 Hume, C. and Hume, M. (2008), "The strategic role of knowledge management in nonprofit
33 organisations". *International Journal of Nonprofit & Voluntary Sector Marketing*, Vol. 13 No. 2,
34 pp. 129-140.
35
36 Hume, C. and Hume, M. (2014), "Key enablers for knowledge management for Australian not-for-
37 profit organizations: building an integrated approach to build, maintain, and sustain KM". In:
38 Ariza-Montes, J. A. & Lucia-Casademunt, A. M. (eds.) *ICT Management in Non-Profit*
39 *Organizations*. IGI Global, Hershey, PA, pp. 17-35.
40
41 Hume, C. and Hume, M. (2015), "The Critical Role of Internal Marketing in Knowledge Management in
42 Not-for-Profit Organizations". *Journal of Nonprofit & Public Sector Marketing*, Vol. 27 No. 1,
43 pp. 23-47.
44
45 Hutchinson, V. and Quintas, P. (2008), "Do SMEs do knowledge management? Or simply manage
46 what they know?". *International Small Business Journal*, Vol. 26 No. 2, pp. 131-154.
47
48 Hynes, B. (2009), "Growing the social enterprise – issues and challenges". *Social Enterprise Journal*,
49 Vol. 5 No. 2, pp. 114-125.
50
51 Khamseh, H. M. and Jolly, D. R. (2008), "Knowledge transfer in alliances: determinant factors".
52 *Journal of Knowledge Management*, Vol. 12 No. 1, pp. 37-50.
53
54 Kogut, B. and Zander, U. (1992), "Knowledge of the firm, combinative capabilities, and the replication
55 of technology". *Organization Science*, Vol. No. pp. 383-397.
56
57
58
59
60

- 1
2
3 Kong, E. (2008), "The development of strategic management in the non profit context: Intellectual
4 capital in social service non profit organizations". *International Journal of Management*
5 *Reviews*, Vol. 10 No. 3, pp. 281-299.
6
7 Leahy, G. and Villeneuve-Smith, F. 2009. *State of Social Enterprise Survey 2009*. London: Social
8 Enterprise Coalition.
9
10 Lee, H. and Choi, B. (2003), "Knowledge Management Enablers, Processes, and Organizational
11 Performance: An Integrative View and Empirical Examination". *Journal of Management*
12 *Information Systems*, Vol. 20 No. 1, pp. 179-228.
13
14 Lee, Y.-C. and Lee, S.-K. (2007), "Capabilities, processes, and performance of knowledge
15 management: A structural approach". *Human Factors and Ergonomics in Manufacturing &*
16 *Service Industries*, Vol. 17 No. 1, pp. 21-41.
17
18 Leonard-Barton, D. (1992), "Core capabilities and core rigidities: a paradox in managing new product
19 development". *Strategic Management Journal*, Vol. 13 No. pp. 111-125.
20
21 Leonard-Barton, D. (1995), *Wellsprings of knowledge: building and sustaining the sources of*
22 *innovation*, Harvard Business School Press, Boston, MA.
23
24 Liang, T.-P., Ouyang, Y.-C. and Power, D. J. (2007), "Effects of Knowledge Management Capabilities
25 on Perceived Performance: An Empirical Examination". In: Kulkarni, U., Power, D. J. &
26 Sharda, R. (eds.) *Decision Support for Global Enterprises*. Springer US, pp. 139-164.
27
28 Liao, S.-H. and Wu, C.-C. (2010), "System perspective of knowledge management, organizational
29 learning, and organizational innovation". *Expert Systems with Applications*, Vol. 37 No. 2, pp.
30 1096-1103.
31
32 Lim, D. and Klobas, J. (2000), "Knowledge management in small enterprises". *The Electronic Library*,
33 Vol. 18 No. 6, pp. 420-433.
34
35 Maguire, S., Koh, S. and Magrys, A. (2007), "The adoption of e-business and knowledge
36 management in SMEs". *Benchmarking: An International Journal*, Vol. 14 No. 1, pp. 37-58.
37
38 Mair, J., Mayer, J. and Lutz, E. (2015), "Navigating Institutional Plurality: Organizational Governance
39 in Hybrid Organizations". *Organization Studies*, Vol. 36 No. 6, pp. 713-739.
40
41 Massaro, M., Handley, K., Bagnoli, C. and Dumay, J. (2016), "Knowledge management in small and
42 medium enterprises: a structured literature review". *Journal of Knowledge Management*, Vol.
43 20 No. 2, pp. 258-291.
44
45 Mcadam, R. and Reid, R. (2001), "SME and large organisation perceptions of knowledge
46 management: comparisons and contrasts". *Journal of Knowledge Management*, Vol. 5 No. 3,
47 pp. 231-241.
48
49 Meyskens, M., Robb-Post, C., Stamp, J. A., Carsrud, A. L. and Reynolds, P. D. (2010), "Social
50 Ventures from a Resource-Based Perspective: An Exploratory Study Assessing Global
51 Ashoka Fellows". *Entrepreneurship: Theory & Practice*, Vol. 34 No. 4, pp. 661-680.
52
53 Mills, A. M. and Smith, T. A. (2011), "Knowledge management and organizational performance: a
54 decomposed view". *Journal of Knowledge Management*, Vol. 15 No. 1, pp. 156-171.
55
56 Muñoz, S.-A. (2010), "Towards a geographical research agenda for social enterprise". *AREA*, Vol. 42
57 No. 3, pp. 302-312.
58
59
60

- 1
2
3 Ndlela, L. T. and Du Toit, A. S. A. (2001), "Establishing a knowledge management programme for
4 competitive advantage in an enterprise". *International Journal of Information Management*,
5 Vol. 21 No. 2, pp. 151-165.
6
- 7 Nguyen, Q. T. N., Neck, P. A. and Nguyen, T. H. (2009), "The critical role of knowledge management
8 in achieving and sustaining organisational competitive advantage". *International Business*
9 *Research*, Vol. 2 No. 3, pp. P3.
10
- 11 Nonaka, I. (1994), "A Dynamic Theory of Organizational Knowledge Creation". *Organization Science*,
12 Vol. 5 No. 1, pp. 14-37.
13
- 14 Nonaka, I. and Takeuchi, H. (1995), *The knowledge-creating company*, Oxford University Press, New
15 York.
16
- 17 Nonaka, I., Toyama, R. and Konno, N. (2000a), "SECI, Ba and Leadership: a Unified Model of
18 Dynamic Knowledge Creation". *Long Range Planning*, Vol. 33 No. 1, pp. 5-34.
19
- 20 Nonaka, I., Toyama, R. and Nagata, A. (2000b), "A firm as a knowledge-creating entity: a new
21 perspective on the theory of the firm". *Industrial and Corporate Change*, Vol. 9 No. 1, pp. 1-20.
22
- 23 Norman, P. M. (2004), "Knowledge acquisition, knowledge loss, and satisfaction in high technology
24 alliances". *Journal of Business Research*, Vol. 57 No. 6, pp. 610-619.
25
- 26 O'dell, C. and Grayson, C. J. (1998a), "If only we knew what we know: identification and transfer of
27 internal best practices". *California Management Review*, Vol. 40 No. 3, pp. 154-174.
28
- 29 O'dell, C. and Grayson, C. J. (1998b), *If Only We Knew What We Know: The Transfer of Internal*
30 *Knowledge and Best Practice*, The free press, New York.
31
- 32 Omerzel, D. G., Biloslavo, R. and Trnavčević, A. (2011), "Knowledge management and organisational
33 culture in higher education institutions". *Journal for East European Management Studies*, Vol.
34 16 No. 2, pp. 111-139.
35
- 36 Osterloh, M. and Frey, B. S. (2000), "Motivation, Knowledge Transfer, and Organizational Forms".
37 *Organization Science*, Vol. 11 No. 5, pp. 538-550.
38
- 39 Paton, R. (2003), *Managing and measuring social enterprises*, Sage Publications, Inc, London.
40
- 41 Peattie, K. and Morley, A. (2008), "Eight paradoxes of the social enterprise research agenda". *Social*
42 *Enterprise Journal*, Vol. 4 No. 2, pp. 91-107.
43
- 44 Polanyi, M. (1966), *The tacit dimension*, Routledge & Kegan Paul, London.
45
- 46 Quinn, J. B. (1992), *Intelligent enterprise*, The Free Press, New York.
47
- 48 Ragsdell, G., Espinet, E. O. and Norris, M. (2014), "Knowledge management in the voluntary sector: a
49 focus on sharing project know-how and expertise". *Knowl Manage Res Prac*, Vol. 12 No. 4,
50 pp. 351-361.
51
- 52 Randeree, E. (2006), "Knowledge management: securing the future". *Journal of Knowledge*
53 *Management*, Vol. 10 No. 4, pp. 145-156.
54
- 55 Robinson, J., Mair, J. and Hockerts, K. (eds.) (2009), *International perspective on Social*
56 *Entrepreneurship*, London: Palgrave Macmillan.
57
58
59
60

- 1
2
3 Ruiz-Mercader, J., Meroño-Cerdan, A. L. and Sabater-Sánchez, R. (2006), "Information technology
4 and learning: Their relationship and impact on organisational performance in small
5 businesses". *International Journal of Information Management*, Vol. 26 No. 1, pp. 16-29.
6
- 7 Santos, F. M. (2012), "A Positive Theory of Social Entrepreneurship". *Journal of Business Ethics*, Vol.
8 111 No. 3, pp. 335-351.
9
- 10 Serenko, A. (2013), "Meta-analysis of scientometric research of knowledge management: discovering
11 the identity of the discipline". *Journal of Knowledge Management*, Vol. 17 No. 5, pp. 773-812.
12
- 13 Shah, D. (2009), "Social Enterprise in practice: A UK policy perspective: thought piece from the UK
14 Social Enterprise Coalition". *Social Enterprise Journal*, Vol. 5 No. 2, pp. 104-113.
15
- 16 Social Enterprise UK. (2016), *What are Social Enterprises?* [Online]. Available:
17 <http://www.socialenterprise.org.uk/about> [Accessed 4 January 2016].
18
- 19 Spender, J. C. (1996), "Making knowledge the basis of a dynamic theory of the firm". *Strategic*
20 *Management Journal*, Vol. 17 No. pp. 45-62.
21
- 22 Stevens, R., Moray, N. and Bruneel, J. (2015), "The Social and Economic Mission of Social
23 Enterprises: Dimensions, Measurement, Validation, and Relation". *Entrepreneurship Theory*
24 *and Practice*, Vol. 39 No. 5, pp. 1051-1082.
25
- 26 Sveiby, K. E. (1997), *The new organizational wealth: managing & measuring knowledge-based assets*,
27 Berrett Koehler Publishing, San Francisco.
28
- 29 Sveiby, K. E. (2001), "A knowledge-based theory of the firm to guide in strategy formulation". *Journal*
30 *of Intellectual Capital*, Vol. 2 No. 4, pp. 344-358.
31
- 32 Uit Beijerse, R. (2000), "Knowledge management in small and medium-sized companies: knowledge
33 management for entrepreneurs". *Journal of Knowledge Management*, Vol. 4 No. 2, pp. 162-
34 179.
35
- 36 Urban, B. (2015), "Evaluation of social enterprise outcomes and self-efficacy". *International Journal of*
37 *Social Economics*, Vol. 42 No. 2, pp. 163-178.
38
- 39 Villeneuve-Smith, F. 2011. Fightback Britain. *State of Social Enterprise Survey 2011*. London: Social
40 Enterprise UK.
41
- 42 Villeneuve-Smith, F. and Temple, N. 2015. *State of Social Enterprise Survey 2015*. London: Social
43 Enterprise UK.
44
- 45 Wang, C. L. and Ahmed, P. K. (2003), "Structure and structural dimensions for knowledge-based
46 organizations". *Measuring Business Excellence*, Vol. 7 No. 1, pp. 51-62.
47
- 48 Whyte, G. and Classen, S. (2012), "Using storytelling to elicit tacit knowledge from SMEs". *Journal of*
49 *Knowledge Management*, Vol. 16 No. 6, pp. 950-962.
50
- 51 Wickert, A. and Herschel, R. (2001), "Knowledge-management issues for smaller businesses".
52 *Journal of Knowledge Management*, Vol. 5 No. 4, pp. 329-337.
53
- 54 Wong, K. Y. and Aspinwall, E. (2004), "Characterizing knowledge management in the small business
55 environment". *Journal of Knowledge Management*, Vol. 8 No. 3, pp. 44-61.
56
- 57 Zaim, H., Tatoglu, E. and Zaim, S. (2007), "Performance of knowledge management practices: a
58 causal analysis". *Journal of Knowledge Management*, Vol. 11 No. 6, pp. 54-67.
59
60

1
2
3 Zheng, W., Yang, B. and Mclean, G. N. (2010), "Linking organizational culture, structure, strategy,
4 and organizational effectiveness: Mediating role of knowledge management". *Journal of*
5 *Business Research*, Vol. 63 No. 7, pp. 763-771.

6
7 Zieba, M., Bolisani, E. and Scarso, E. (2016), "Emergent approach to knowledge management by
8 small companies: multiple case-study research". *Journal of Knowledge Management*, Vol. 20
9 No. 2, pp. 292-307.

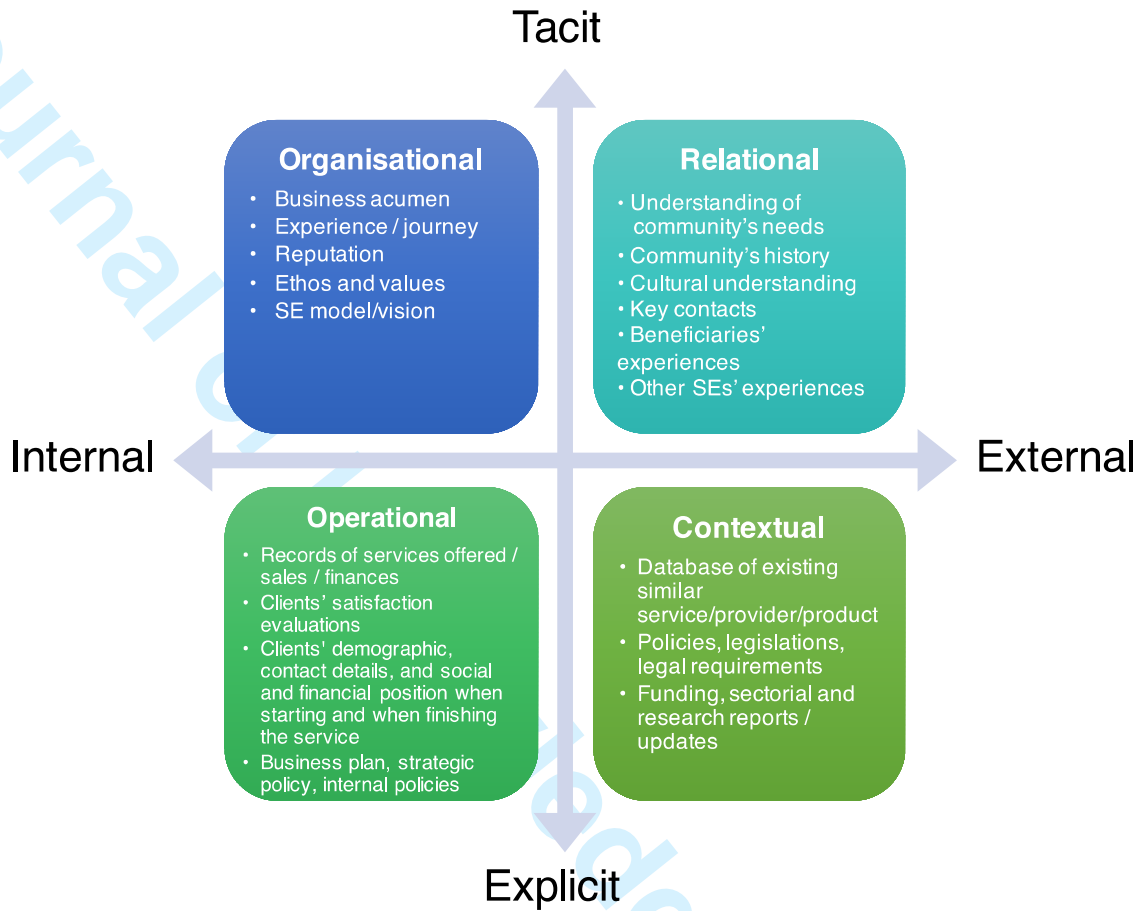
Table 1 – Knowledge-process capabilities

Knowledge activity	Definition	Proposition	Supporting literature
Acquisition	Process orientated towards obtaining knowledge by developing new content and replacing existing content within the organisation's tacit and explicit knowledge base	It opens new productive opportunities, enhances the firm's ability to exploit these opportunities, reduces uncertainty, and encourages process or product innovations	(Pentland, 1995; Nonaka <i>et al.</i> , 2000b; Gold <i>et al.</i> , 2001; Yli-Renko <i>et al.</i> , 2001)
Conversion	Process orientated towards making existing knowledge useful. The knowledge that was captured from various sources, both internal and external, requires to be converted into organisational knowledge for its effective use by the firm	It results in the distribution of knowledge by turning isolated knowledge or experiences into knowledge that the whole enterprise can use, and in the integration of knowledge that may reside in different parts of the organisations, reducing redundancy and improving efficiency by eliminating excess work	(Grant, 1996b; Gold <i>et al.</i> , 2001; Lee and Suh, 2003)
Application	Process concerned with the actual use of knowledge, which is making it more active and relevant for the organisation in creating value	It results in the creation of new products/services, innovation, management under unexpected scenarios, improvement of efficiency, reduction of redundancy, and improvement of customer satisfaction	(Grant, 1996a; Bhatt, 2001; Gold <i>et al.</i> , 2001; Sarin and McDermott, 2003)
Protection	Process associated with the effective control and protection of knowledge within an organisation from inappropriate or illegal use (for example, copyright, patents and IT systems that restrict and control access to knowledge and information)	Knowledge, as a main source of competitive advantage, needs to be "rare and inimitable", thus, it needs to be protected so knowledge will not lose these important qualities. This activity has received little attention in the literature	(Lee and Yang, 2000; Gold <i>et al.</i> , 2001; Jordan and Lowe, 2004; Mills and Smith, 2011)

Table 2 – Description of interview participants

Part.	Participant's information		SE's information		
	Gender	Job title	Size of SE	Age of SE	Legal structure
SE1	Female	Founder / Managing Director	Micro	8 years	Sole Trader
SE2	Male	Director of Operations	Micro	16 years	Private limited by guarantee without share capital
SE3	Male	Senior Manager	Small	28 years	Limited Company
SE4	Male	Managing director	Micro	16 years	Limited Company Credit Union
SE5	Male	Chief Executive Officer	Small	22 years	Limited Company
SE6	Female	Chief Executive Officer	Small	3 years	Community Benefit Society (BenCom)
SE7	Male	Founder / Managing Director	Micro	3 years	Community Interest Company (CIC)
SE8	Female	Founder / Managing Director	Micro	1 year	Limited Company
SE9	Male	Founder / Creative producer / Director	Micro	7 years	Limited Company
SE10	Male	Founder / Chief Executive	Small	11 years	Community Interest Company (CIC)
SE11	Female	Managing director	Micro	6 years	Limited Company
SE12	Male	Managing director	Micro	4 years	Community Interest Company (CIC)
SE13	Female	Chief Officer	Small	1 year	Limited Company
SE14	Male	Founder / Managing Director	Micro	1 year	Community Interest Company (CIC)
SE15	Male	Chief Executive Officer	Small	26 years	Friendly Society
SE16	Male	Executive Manager	Micro	13 years	Community Benefit Society (BenCom)
SE17	Female	Finance Director	Small	37 years	Limited Company Co-operative
SE18	Female	General Manager	Micro	1 - 2 years	Community Interest Company (CIC)
SE19	Male	Founder / Managing Director	Micro	3 - 4 years	Limited Company
SE20	Female	Chief Executive	Micro	4 years	Limited Company
SE21	Female	Founder director	Micro	1 - 2 years	Limited Company

Figure 1 - Types of knowledge in the investigated SEs



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60

Figure 2 – Description of knowledge acquisition activities

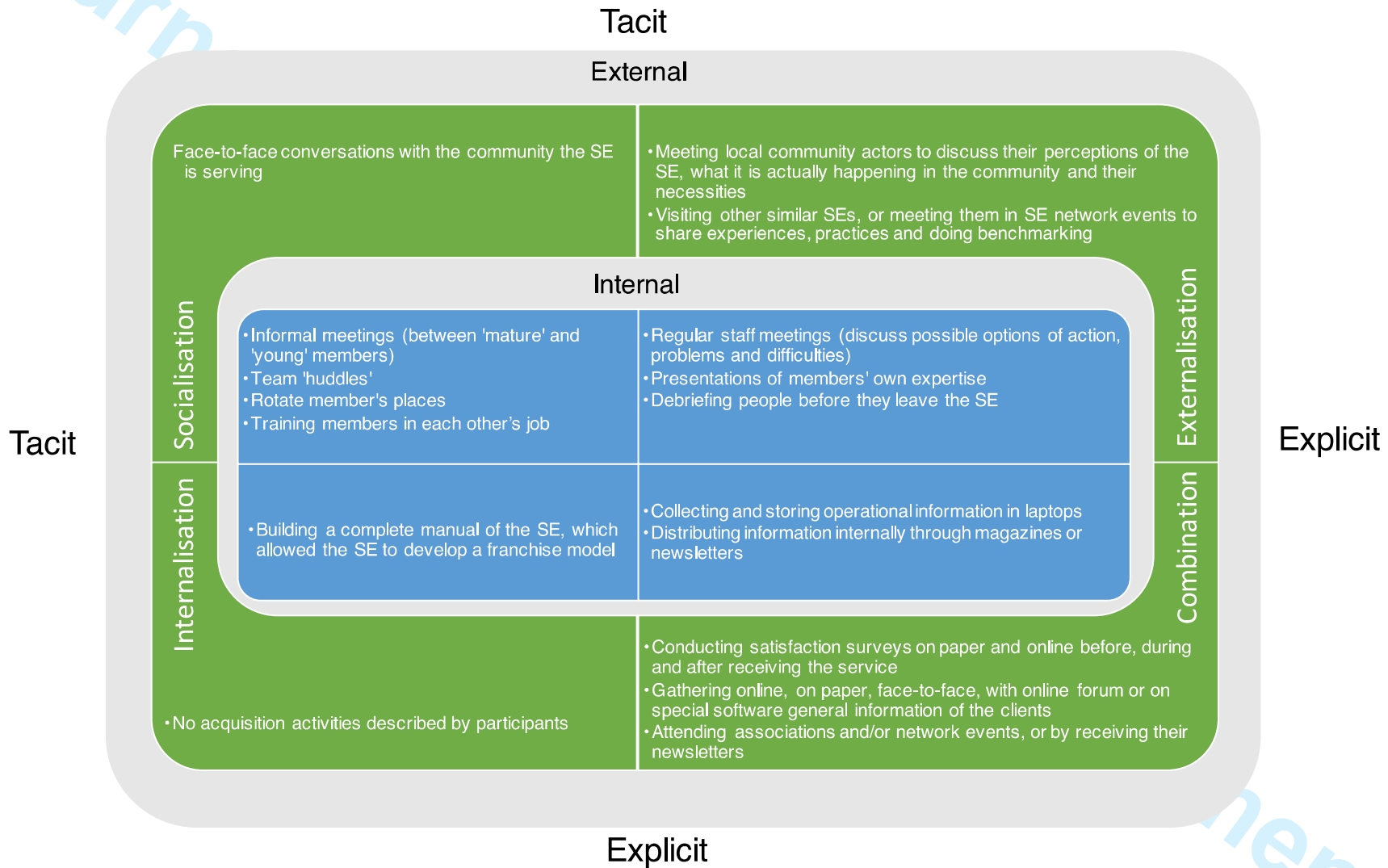
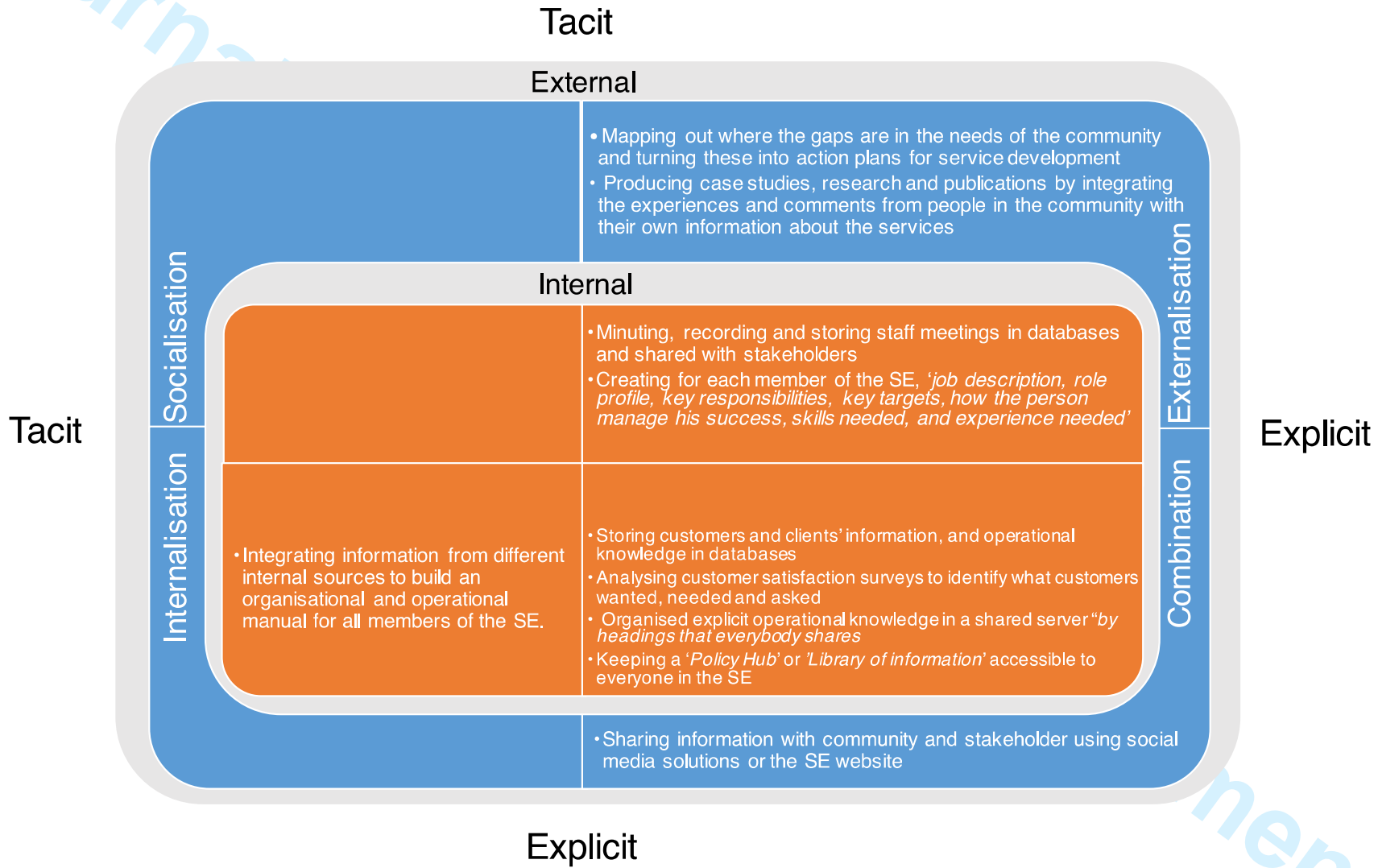


Figure 3 – Description of knowledge conversion activities



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

Table 3 - Discussion knowledge application activities

Internal	External
<p>From meetings:</p> <ul style="list-style-type: none"> • Converting knowledge acquired and shared in meetings into minutes and action plans, or directly into specific projects using lessons learned from previous similar projects (SE13); and • Meetings allowed members and managers to “...step back and reflect on what you've been doing, what you are trying to achieve and where you're going” (SE15). The tacit knowledge shared in those meetings was then being applied into the organisation to adjust their strategic direction. 	<p>From other SEs:</p> <ul style="list-style-type: none"> • Knowledge that was acquired by <i>sharing experiences with other SEs</i> was employed by some SEs to identify models of good practice, which were then implemented in their SEs (SE4 and SE15). This knowledge also helped SE20 to “prevent duplication and ensure targeting the right people”.
<ul style="list-style-type: none"> • Creating a <i>franchise model</i> based on the SE model (SE10). The success of a franchise system is replicating, managing, developing, perfecting, disseminating, and improving an intangible resource, in this case knowledge, both within and across organisations (Paswan and Wittmann, 2009). Thus, this SE was creating, acquiring, converting and applying its organisational knowledge, which then resulted in value for the SE. 	<p>From SE Networks:</p> <ul style="list-style-type: none"> • By attending, or belonging to, SE networks and sectorial associations, participants mentioned using the knowledge acquired in allowing the SE to “survive” by “being very aware of new kinds of funding, commissioning” (SE10), and then adapting and updating their business plan “hot off the press”.
<ul style="list-style-type: none"> • Creating <i>job descriptions</i> that included not only the explicit knowledge associated with the job, but also tacit knowledge, such as, the experiences needed for the job (SE17). This was combined with training in each other's job as well as regularly debriefing people. All this information and knowledge was used by the SE to “fill in for people”, avoiding “hiatus” and loss in productivity when a person left the SE. 	<p>From the community and customers:</p> <ul style="list-style-type: none"> • Business Opportunities <ul style="list-style-type: none"> – Developing reports that were presented to commissioners, who normally gave the contract to the SE because it had inside track of the information (SE10), or selling them to government or developers interested in working with particular communities (SE3) – Developing new services or products focused on current customers' needs and seeking possible new customers for those services in new areas (SE2, SE13, SE18 and SE10) – Allocating new products in relation to how they are sold and how they have been demanded in the past (SE2) • Strategy and organisational improvement <ul style="list-style-type: none"> – Planning strategic development of the community (SE5) – Making “<i>educated business decisions</i>” in terms of how to expand, where to expand and how to deal with organisation problems (SE2, SE8 and SE17) – Measuring social impact (SE9, SE10, SE11, SE14, SE15, SE20 and SE21) – Creating and measuring Key Performance Indicators that were used to adjust the strategic direction (SE5 and SE8) – Performing stock management and negotiating prices with suppliers (SE13) • Marketing <ul style="list-style-type: none"> – Providing evidence of the work that has been done by the SE as promotional and marketing material to potential funders, government and customers (SE8, SE13, SE14 and SE21) – Lobbying (SE8)

Journal of Knowledge Management – Revision no. 2

General Theme	Comment	Evidence / Response
Literature review	(R2) I am concerned about the consistency between themes introduced in your literature review and the results that you present (I will return to this in a later point). Although you have clearly made an attempt to argue why SEs differ from their commercial counterparts, it is unclear if these themes are entirely relevant for the paper in its current form.	The themes presented in the paper were derived from the literature (4 themes in Table 1). Following this, data was collected through interviewees responses and the emerged themes were found to be relevant and consistent with the themes from the literature, and 2 additional new themes were also found. The consistency of themes found in literature and through data collection validates the relevance of the themes discussed to the current study.
	(R2) As per my earlier point, your literature review raises issues of hybridity and organizational identity tensions. However, these themes are not really reflected in how you present your results. I don't get a sense of how knowledge capabilities might be different in conditions where SEs are experiencing these tensions. How does it contribute, if at all, to so-called 'mission-drift'? How do the knowledge management activities play out depending on which aspect of their 'dual identity' is the focus? These questions may then be linked to a question about your sampling i.e. why these SEs were selected as examples of such tensions. If this is not the focus of your study, then I suggest being clearer in your literature review about the contribution of using SEs as an empirical context to understand knowledge management.	The authors have included the discussion in the literature review about hybridity to justify why studying KM in SEs was different from other organisation, as suggested by reviewers in the previous revision stage (section 2.1, page 4). We consider that extending the discussion even further in the paper regarding the hybridity of SEs can distract the focus of the paper from the KM activities and their nature in the context of SEs.
	(R2) the theoretical contribution still needs a bit more thought and distilling to reach its potential. In particular, I think you need more consistency between the social enterprise themes you present and its relevance to the rest of the paper.	The contribution of using SEs as an empirical context to understand knowledge management has been elucidated in the literature review section (page 4). This paper is one of the first empirical studies exploring KM practices in SEs
Methodology – description of analytical process	(R2) The description of the analytical process is very brief and generally lacks transparency. It isn't clear how the coding process has developed. Firstly, it would be useful to see how the analytical process has developed - I find the Gioia methodology particularly useful for this.	In section 3 (page 6-8), the authors in this paper explain fully how the analytical process has been developed.
	(R2) Secondly, your results use some of the categories outlined in Table 1 - so it is unclear how inductive this process has been if you're using pre-established theoretical constructs? Or is this more of a mid-range theorising where the cases act as examples?	An explanatory paragraph was including explaining how the coding process was both deductive and inductive (page 7 and 8). The main deductive themes came from Table 1, indicating how our study used pre-stabilised theoretical constructs allowing at the same time for inductive codes to emerge from the data.
Results - coding process	(R2) This is exemplified really throughout your results where you have lots of terms (e.g. conceptual/experiential knowledge, p. 10) but it's not clear if these are first or second order codes. It is also quite confusing to have a new question structuring the results	Following the evidence/respond provided in the previous comment, a clarifying sentence was added to section 4 (page 8) indicating how the findings and discussion are structured based on the deductive codes (processes) and the inductive

	(4.2). In short, you need to provide more structure in the results section and explanation/evidence of the process followed.	code (types of knowledge).
Activities	(R1) the authors could make a stronger case by providing information about the specific activities of the SEs surveyed. Again, the value of qualitative research is most often found in the depth and details it provides, and it would be of great interest to SE practitioners and a wider audience to include operations in the analysis and discussion of KM in SEs.	Following the comments provided in the previous revision stage, KM activities from the interviews were described in section 5 page 19. We will consider operations for future publications related to SEs and KM.

Appendix 1 - Interview guide

Question type	Question	Topical Probes
Opening question	‘Thank you very much for your willingness to talk to me about your Social Enterprise. I have reviewed the information you gave on our survey and have some idea about your enterprise. But still, could you please tell me something more about the Social Enterprise and your role in it?’	Objectives Number of employees Participant’s responsibilities
Key question	In your organisation you probably have data, information and knowledge, that is probably in paper, computer or in people’s head, tell me, how do you manage that?	Knowledge practices - activities Information technology support Member’s participation and motivations Support from networks or other Social Enterprises Difficulties on implementing KM related activities
Closing question	From your experience, what are your thoughts for your Social Enterprise in the future?	