

**The Entrepreneur and opportunity of grabbing skills
through Knowledge Management
MERAZI Nadjet¹**

University of Sidi Bel Abbas

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Abstract:

With the emergence of a knowledge-based economy where knowledge is an indispensable resource, this has prompted many entrepreneurs to start small and medium-sized companies due to their flexible handling of these external changes and the use of knowledge management to develop knowledge companies for entrepreneurs. The paper refers to the conceptual approach to the issue of knowledge management and its role in developing the knowledge of entrepreneurs and the relationship between knowledge management and its role in creating entrepreneurship by small and medium companies. The results showed that there is an urgent need for knowledge management to build and develop the knowledge of entrepreneurs through multiple processes (knowledge acquisition, knowledge exchange, knowledge transfer, and knowledge practice) aimed at transforming acquired knowledge into market innovation. In the form of a service or a commodity, so as to achieve a competitive advantage.

¹ **Corresponding author:** MERAZI Nadjet (nadjet.merazi@univ-sba.dz)

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1. Introduction:

The business world has become full of risks and difficulties that stand in the way of companies and their goals, such as achieving survival and growth in this rapidly changing environment, which is characterized by the existence of a free global market and great competition. Therefore, many countries have adopted the concept of entrepreneurship by practicing activities through individuals by establishing small and medium companies instead of large ones. This may make it difficult to create flexibility with this environment, and in order for this entrepreneurial activity to succeed, it must have a successful leadership capable of managing the goals of these companies and motivating their members, and influencing them to adapt to the external environment. Therefore, the term “Entrepreneur” appeared who is able to create these advantages and successfully practice the entrepreneurial activity(Castro et al., 2020).

But, with the emergence of the knowledge economy and virtual transactions through the Internet and the use of modern technology, knowledge has become the main resource in this economy(ICHIO, 2007), which stimulates the rest of the economic sectors, and therefore the entrepreneur must control and manage this knowledge, and he must also be aware of everything that roams in his external environment and try creating new knowledge that contributes to creating innovations in its products and services provided in the market, and thus more need for a strong mechanism through which the entrepreneur(Bandera et al., 2017), through his company, can seize opportunities in his environment and face or avoid risks, and thus more need for knowledge management that supports the knowledge of

the entrepreneur while achieving his goals and gaining a prestige in the market.

1.1.Statement of problem: Knowledge management is among the most important mechanisms capable of providing the company with the knowledge and developing the competencies of its human resources, even in emerging companies, by giving the entrepreneur prestige through his knowledge, from this perspective can be formulated research problem as follows: How can knowledge management affect the development of the entrepreneur's knowledge of emerging companies in shade the contemporary business environment?

1.2.Research questions: This article focuses to answer the following questions: What is knowledge management? Who is the entrepreneur? And what is his knowledge? And how does this management contribute to that?

1.3.Research objectives: This paper focus to delineate the role of knowledge entrepreneurs in small and medium companies through Knowledge Management, and their role in seizing opportunities from the contemporary business environment, especially in the knowledge economy.

2. Who is an entrepreneur?

A question asked by Gartner's (1988) Who is an entrepreneur?(Ramoglou et al., 2020)This question about the exact entrepreneur concept. Hadizadeh(2013)defined the entrepreneur, as the person who creates new things and achieves value, by using time and more effort, and taking risks to obtain financial resources, personal satisfaction and independence(p. 1110). Hence, the entrepreneur seeks primarily to innovate in return for the resources he exploits to invest them and obtain profit and value for the company. He can also be considered a person who has the ability and scientific and technical knowledge to make decisions by transforming a new idea into innovation in reality(Castro et al., 2020), and this means that the entrepreneur is a key of success of innovations in the markets due to his possession of the necessary competence through the embodiment of his

knowledge and ability to transform idea into a product or service that stands out among competitors.

2.1. Characteristics of the entrepreneur in the business world:

An entrepreneur is considered a person who has certain qualities where Ramoglou et al.(2020) considered that there are qualities that make this individual an entrepreneur, so we will get acquainted with the most important of them:

- **Achieving value and distinction:**

Aliaga-Isla & Huybrechts(2018) asserts, through their study of social entrepreneurship, that entrepreneurs are people who have a higher purpose by generating value for their companies either: by creating or expanding economic activity, or by identifying and exploiting new products, processes, or markets, i.e. Through their companies, they can contribute to the economy, and this is what came in the work of the researcher Machlup(1985) who studied the business world through the view of the knowledge economy and its management so that his research for the so-called knowledge industries by showing him the importance of knowledge in the economy by investing in it by entrepreneurship; Also, Andersson et al.(2010) considered that the entrepreneur is an independent agent who adopts a set of rules in order to achieve goals, including profitability and growth (p.133), Success through creating a unit for its members and having the ability to lead projects through the practice of entrepreneurial activity and its independence, which is positively reflected on its companies through innovation in its products or services provided;

- **To be innovative:**

Weber(2011) considered that the entrepreneur is the individual who is able to control and implement change within the markets, while according to Kirzner(1973), the entrepreneur must make innovations through the rational exploitation of the resources available to him to produce wealth, that is, to be characterized by creative thought whose basis is efficiency and effectiveness in the current resources

by dealing flexibly with external changes, this means that the entrepreneur is a key to the success of innovations in the markets due to his possession of the necessary competence by embodying his knowledge and abilities to transform idea into a distinctive product or service among competitors;

- **Striving for survival and continuity:**

So that Farny& Binder(2021) emphasized the most important qualities of the contemporary entrepreneur so that his most important goals are sustainable development as one of the biggest opportunities, and here comes the role of knowledge management that contributes to obtaining the appropriate knowledge within a precise cycle within the company and helping to respond to the three dimensions of sustainable development (economic , social and environmental);

- **To be flexible:**

Shane &Venkataraman(2010)obligated the entrepreneur to be vigilant about opportunities and their sources, the processes of discovering, evaluating and exploiting them, and in order to ensure that his company has flexibility with the external environment requires effective strategies thus emphasized Cantillon& Defoe(2001; As stated in Aliaga-Isla & Huybrechts, 2018)that the entrepreneur is responsible for planning that he needs accurate information and knowledge on the basis of which the future of the enterprise is determined.

2.2. Entrepreneurs Types:

We will mention three types of entrepreneurs who, by the nature of their work, resort to knowledge management, which can help them effectively by providing them with knowledge and managing it within their companies, knowing that knowledge management can be benefited from in all types of companies and with different types of entrepreneurs, and they are following:

- **Knowledge Specialist Entrepreneur:**

It is the entrepreneur who considers challenges as an opportunity for him through flexible dealing with them by

controlling the available knowledge in his environment and even contributing to pushing individuals to create new tacit knowledge and transforming it into organizational knowledge, described by Andersson et al.(2010), It is the entrepreneur who creates value for knowledge in the unlimited knowledge markets through its application in order to achieve progress in the economy, society, and the environment, and this type of entrepreneur is important in light of the current challenges with the emergence of the Corona pandemic, which requires quick dealing with changes that may lead to the cessation of contracting activities as it happened in the quarantine and began to deal remotely;

▪ **Creative Entrepreneur:**

It is a renewed type of entrepreneurs who are looking for areas that contain a new boom present in the market, seizing opportunities from them, achieving their goals and expressing creative idea, as well as interested in new markets, characterized by opportunities that can push these companies to create value in the economy and excellence in it (Andersson et al., 2010; Wang & Keane, 2020) which is an essential component to mastering a modern field and a precursor to the success and cutting edge of modern technology;

▪ **Technology Entrepreneur**

This entrepreneur can be called by the term Technopreneur, which means the entrepreneur who is interested in the technical field to invest in it through engaging in contracting activity and achieving future goals(Eliakis et al., 2020);

3. Knowledge of the Entrepreneur:

It is necessary for the Entrepreneur to build the knowledge that he possesses before starting his project and even after that by ensuring continuous learning(Levitt & James, 2010) a true future vision; Hartono & Halim(2014)considered that knowledge management is the facilitator and assistant for the entrepreneur to discover opportunities and avoid risks(p. 10). The Entrepreneur can transform this knowledge into innovations that help seize the opportunities available in the

external environment, according to Dierickx& Cool(1989), Knowledge is a powerful source of value creation and competitive advantage, and knowledge for the Entrepreneur is the source of organizational exploitation(Hadizadeh, 2013), because it helps to effectively and efficiently exploit the available resources in order to invest in them and achieve value and addition in the modern economy.

4. Knowledge management:

Before addressing the role of knowledge management in consolidating and developing the entrepreneur's knowledge, we must first identify the nature of this management and its most important operations that contribute to building his competencies in the company by providing knowledge.

4.1.KM, what did we understand from it?

Several definitions of Knowledge management (KM) came from different researchers, and their definitions vary according to the environments in which they worked and according to the type of activity of the companies on which they experimented with KM. Henry, J. (1974) defined it as a general policy for the production and dissemination of information(Wallace, 2007, p. 04). That is, it is an approach used by companies in order to facilitate the sharing of information after its production through data processing processes; this definition is old and shows that KM is the information system, that is, before the clear concept and close to the current meaning of KM appeared; there is also another definition according to Hong(2011, as stated in Sencioles et al., 2016), who introduces another meaning of KM as a set of practices that provide an approach to organizing knowledge resources in a company(Sencioles et al., 2016, p. 40), and thus KM It consists of a set of processes that we will learn about, with regard to Spender(2015), who considered that KM is responsible for regulating the relationship between knowledge and work through the use of organizational learning, and this indicates KM according to this definition studying the aspect of it is important in KM, which is the coordination of knowledge for the benefit of work, that is, the

application of knowledge that may be of great importance in achieving value for the outputs of the company and even in all its operations and functions through the dissemination of knowledge and the promotion of organizational learning among the competencies of the company that can also contribute to creating new tacit knowledge makes a big leap for companies in the business environment;

Through what was previously touched upon, it can be said that KM is a set of practices and processes that are responsible for the process of acquiring, creating, and sharing knowledge among the human competencies in the company in order to facilitate organizational learning processes and stimulate the rest of the competencies to create new flexible knowledge and help build knowledge Organizational value for the company in its changing environment and value in a constantly changing knowledge economy.

4.2.KM processes:

KM processes are the pillars or basics on which they are based and which enable them to achieve their goals, and they are numerous, but we will be satisfied with mentioning four of them: acquisition, creation and sharing of knowledge, application and storage of knowledge, given the importance of the four processes in the entrepreneurial activity, which also help the entrepreneur to deal with his knowledge and the knowledge he obtains from different sides.

Knowledge Acquisition: The process of acquiring knowledge is very important in KM, which means, according to a definition agreed upon by researchers Kaba & Ramaiah(2020) is the process of acquiring knowledge by an individual or company and the ability to apply it, and this means that the acquisition of practical knowledge in which it obtains the individual from the company obtains organizational or process knowledge in which the company obtains knowledge from different sources such as its members or from outside such as suppliers, customers or even competitors, and thus can improve its position by acquiring this different knowledge.

Knowledge Creation: After the process of obtaining diverse knowledge from different sources, this process can help to build new knowledge by individuals through the explicit organizational knowledge they obtained from the company, and thus it can also be defined as the process of creating knowledge and linking it to existing knowledge(Kaba& Ramaiah, 2020, p. 533). Therefore, the process of creating knowledge is built on the basis of previous knowledge acquired by the company, which it disseminated in the company in the form of organizational learning, which the individual acquired and on the basis of which he created new tacit knowledge related to work in it, as the researchers considered Kazuo & Nonaka(2007a) that the process of creating knowledge leads to the creation of sustainability of competitive advantage, and this shows the importance of creating knowledge continuously in creating new opportunities for the company through its competencies that it possesses.

Knowledge Sharing: Is a very important process because it helps to spread knowledge among the members of the company and transform tacit individual knowledge into explicit organizational knowledge in the possession of all its members. Zheng(2017) explained the need for a relationship between at least two parties, one of which is to obtain knowledge The other is to acquire it, that is, the success of the knowledge-sharing process is through the presence of parties receiving knowledge and others owning it.

Knowledge application: Is the process in which knowledge is incorporated into research and development activities by creating innovations(Abbas & Sağsan, 2019, p. 615), and here that knowledge created and shared among individuals is embodied in the form of a product, service, or even innovation. It includes the operations of the companies.

Storage and Protection of Knowledge: According to Nonaka & Konno(1998) is the preservation of knowledge within a knowledge base, that is, an important process in recording the knowledge that the company has benefited

from its previous experiences in the business environment within knowledge bases so that it can benefit from them In the future and for this knowledge to represent a pillar that helps create new knowledge, as for the protection of knowledge here, it is represented in all the systems and methods used by the company so as not to imitate or steal the intellectual property of that knowledge, especially with regard to the competitor.

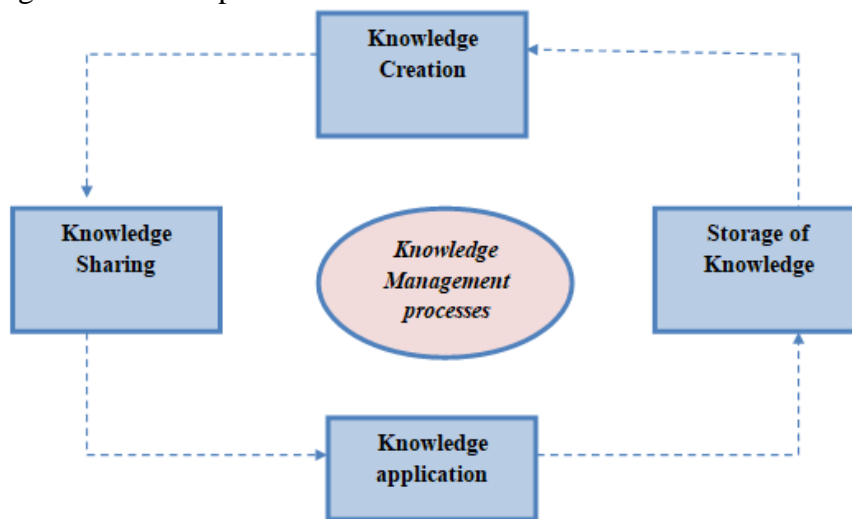


Fig.1: Integration of KM processes

Source: Prepared by the author

From Fig.01 that there is an integration between the KM processes, which constitute a continuous cycle in the creation and dissemination of knowledge in the company on an ongoing basis, and this ensures the ability of the company to possess a flexible and sustainable competitive advantage due to the company having the permanent ability to acquire and develop knowledge through the creation of new ones As we mentioned previously, this knowledge is then shared within the company so that organizational knowledge becomes available to all the company's competencies and used in its tasks to increase and develop their competencies more and more. This knowledge is then embodied in the form of outputs of great value. When the company succeeds in the

process of applying knowledge comes an important stage which is storing knowledge and protect it from theft and counterfeiting and even constitute a basic knowledge base as the identity of the company.

There is confusion regarding the order of the process of creating knowledge and sharing knowledge. There is a perspective that explains that the process of creating knowledge that precedes the process of sharing knowledge, so that this perspective builds shows that knowledge is created by individuals and then disseminated among the members of the company, but there is another perspective in the arrangement of KM processes, which is Which was adopted by the researchers Nonaka & Takouchi(1995) in their theory of organizational knowledge creation, as they explained that the process of knowledge sharing is the catalyst for the process of knowledge creation, so that knowledge sharing is an essential means for the dissemination of explicit organizational knowledge on the basis of which the individual can create individual tacit knowledge.

4.3.Relationship of the entrepreneur's knowledge to KM:

The entrepreneur is considered the mirror of the success of the entrepreneurial activity by building his company and facing external challenges so that he seeks to link that company with his external environment, and he who seeks to deal with risks and confront the problem of scarcity of resources, time constraints and stiffer competition in the market, and he must be more adaptive in a rapidly changing world, so he must learn And the development of his knowledge, which are critical components in the economy(Hartono & Halim, 2014). Therefore, the development of the entrepreneur's knowledge is a basic necessity in the knowledge economy that is full of challenges until it becomes more efficient and flexible, and this can only be done through KM, which has become an absolute necessity for companies, which supports Organizational learning processes, which are also the ones that work on

building new and new knowledge and developing them more and more;

KM can also be of great importance, including that it helps to develop the skills and knowledge of the entrepreneur in order to transfer, disseminate, accumulate and stimulate this knowledge to become innovation through products and services (Aliaga-Isla & Huybrechts, 2018; Hartono & Halim, 2014). Thus, KM helps the entrepreneur to successfully achieve all KM processes among the members of his company, who have a fundamental and important role in it, such as stimulating the processes of: knowledge transfer and sharing among individuals, which in turn motivates them to create other knowledge and achieve new innovations through production processes or through the products provided. Or otherwise, and also trying to apply and practice this knowledge and motivate individuals to trust their abilities by creating knowledge that can create opportunities in the changing business environment and even turn this knowledge into a permanent competitive advantage, so the entrepreneur also benefits from KM in obtaining On new knowledge created by individuals or updating their skills related to the successful conduct of this entrepreneurial activity, and KM works to provide a strong knowledge base that enables company to store their past experiences learn from them in the future; It can be considered that the entrepreneur is a source of knowledge and innovation creation through good management of his knowledge through KM that works to organize information and key competencies that are part of the memory of the company (Andersson et al., 2010; Hadizadeh, 2013; Schjoedt, 2002), and that the entrepreneur is a source of knowledge and innovation through good management of his knowledge. KM is the determinant of the source of knowledge internally, whether in the company or outside it. Terra (2001) indicated that the faster the identification and access to knowledge, the easier it is to achieve the objectives associated with it.

4.4. Is the knowledge of the entrepreneur enough to make the company successful?

The entrepreneur is an essential and first element for building the entrepreneurial project and its success, but this is not sufficient. Rather, it requires other elements mentioned by Nonaka & Konno (1998) the individual is considered as a source of knowledge creation and the team as a place to create it, thanks to the phenomenon of interaction between individuals, because the entrepreneurial work needs leadership capable of making the company successful, but it also needs to a capable team that cooperates to achieve goals (Nonaka & Hirotaka, 1995) emphasized the importance of sharing knowledge between the entrepreneur and the company's personnel for the success of the entrepreneurial project and adopting the so-called entrepreneurial team, which specializes in the presence of a team that performs the task of pioneering a project through emerging companies. Through cooperation and coordination between their knowledge for the success of the entrepreneurial project (Schjoedt, 2002), in other words, the main source of knowledge is from the individual himself, but the process of developing knowledge and its integration with the knowledge of others is through the team.

5. Conclusions:

Knowledge management is one of the most prominent topics in the necessities of the business world because it is among the most important secrets of the success of global companies in developed countries such as Japan. Therefore, this process was introduced in the contracting field due to the value it provides.

The results obtained are that knowledge management affects the knowledge of the entrepreneur and helps in building, renewing, and developing it in proportion to the external environment; Also, the knowledge of the entrepreneur is very necessary for creating innovations by transforming this individual tacit knowledge into organizational knowledge that all members of the company

benefit from and contribute to this innovation. And the recommendations that we can suggest are as follows: The need for entrepreneurs to pay attention to their knowledge through entrepreneurial education and develop the entrepreneurial spirit before engaging in start-up projects, and then the need for them to be familiar with knowledge management and know its importance in these companies.

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