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Knowledge Management Within the Lebanese Real Estate Bubble: An Exploratory Study

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Abstract

Real estate organizations entail immediate access to knowledge on a mix of issues, including information on the main business and conditions influencing it, the business units existing objectives and subsequent real estate requirements. With today's global and competitive environment, knowledge management (KM) is vital for the success of the real estate industry. Nowadays, operating in silos is not appropriate. Corporations should strategically integrate continuous improvement as parts of their objectives and KM should be a priority. or else elude their competitive edge. Real estate companies symbolize an industry that appears splendidly suitable to KM examination. Real estate companies are knowledge intensive, and the application of progressive technology might well change these organizations in the future. Based on a survey and interviews, potential determinants of KM in Lebanese Real estate firms will be identified.

Keywords: Knowledge, Knowledge Management (KM); competitive advantage, Real Estate Organizations, Lebanon.

Introduction

Knowledge Management (KM) is an area that lately has gotten growing attention. This is partially due to the appreciation that progressive economies will depend increasingly on their power to generate and deploy knowledge for competitive advantage. KM is a cross-disciplinary field that draws from a wide range of disciplines and technologies such as cognitive science, expert systems, artificial intelligence, lean management, knowledge-based management systems, computer-supported collaborative work, library and information science, technical writing, document management, decision support systems, semantic networks, relational and object databases, simulation and organizational science. There is a general agreement that KM will represent the biggest competitive advantage for organizations in the new millennium (Halawi, 2005).

The principal cause for this concern with KM is the idea that knowledge and its application are the means by which creativity can be promoted (Nonaka & Nishiguchi, 2000; Nonaka & Takeushi, 1995), innovation facilitated (Hargadon, 1998; Von Krogh , Ichijo & Nonaka, 2000), and competencies pulled in such a way as to advance overall organizational performance whether in the public, private or not-for-profit sectors (Pitt & Clarke, 1999). KM is crucial to organizational survival, nonetheless is a complex job involving great outflow of resources. As such KM is becoming an ever more persistent subject within the business community. The key aim of KM is to enhance competence and simplify communication procedures, permitting team members to concentrate on inventiveness and novelty rather than on finding information (Samuells, 2001).

KM applies systematic approaches to find, understand, and use knowledge to create value (O'Dell, 1996). KM is the systematic, explicit, and deliberate building, renewal, and application of knowledge to maximize an enterprise's knowledge-related effectiveness and returns from its knowledge assets (Wiig, 1997a,b).

With today's global and competitive environment, KM is vital for the success of the real estate industry. Nowadays, operating in silos is not appropriate. Your corporation should impart its knowledge or elude its competitive edge. This necessitates an all-inclusive solution that permits the business to explore and seek, categorize and organize, and gather all corporate knowledge in a sole and protected warehouse for reviewing critical matters. Real estate organizations entail immediate access to knowledge on a mix of issues, including information on the main business and conditions influencing it, the business units existing objectives and resultant real estate requirements

Real estate companies symbolize an industry that appears splendidly suitable to KM examination. Real estate companies are knowledge intensive, and the application of progressive technology might well change these organizations in the future.
Based on a survey and interviews, potential determinants of KM in Lebanese Real estate firms will be identified. Two basic research questions will be addressed:

1. How can a KM system supplement or augment existing capabilities at Real estate firms in Lebanon?

2. How can a KM system supplement or augment the Real Estate business outcome in Lebanon?

(Note: business outcome include demand, money supply, Job placement, Type of Corporations, Types of job accepted, job satisfaction and quality of education).

The first part of the paper presented the introduction. A brief overview of the real estate status in Lebanon is presented in the second section. The Last part present the proposed methodology followed by a conclusion.

Theoretical Foundation

Since 1976, Lebanon has been a war zone, with many violent and recurring confrontations. Nevertheless, today the construction and real estate sector has rumbled into one of its greatest profitable funds (Patterson, 2011). The real estate industry in Lebanon is considered to be an important source of the country's gross domestic product and a significant income generator. Lebanon has attained a continual growth over the past three decades to transpire as a considerable worldwide actor in both the political and the economic field. Lebanese realty rests on sound market considerations and strong sectorial buffers despite current overall environment uncertainties (Barakat et al,2011). Real estate in Lebanon has been shown to be extremely resistant to external factors. Real estate dealings in Lebanon more than doubled in value in the first quarter, to $2.1 billion from the previous year Bank Audi SAL Saradar Group SAL said in a report back in June 2010 (Sezar and Derhally, 2010) In addition, real estate investment in Lebanon grew to $7 billion in 2009 as a result of improved political and security conditions, economy and trade.

A key social issue in Lebanon is still the shortage and high turnover rate of knowledge workers driven by the considerable rise in living costs. Knowledge within the real estate companies in Lebanon is generated within one project or unit and then lost. Failure to transmit this knowledge within the organization and across the industry leads to wasted activity and impaired performance.

Thus, within real estate organizations, organizations should be efficient in managing knowledge and the use of KM may well transform these organizations in the future.

Research Design and Strategies

A sample of major real estate firms in Lebanon will be compiled and a questionnaire will be prepared to the managing director in each firm. The data will be also collected by means of semi-structured interviews focusing on KM problems and practices.

The research design for this project will consist of a mixed method design that integrates quantitative and qualitative research. This type of design will explore and measure key processes and best practice outcomes of real estate firms in Lebanon. Furthermore, qualitative and quantitative methods will improve the results of the project by providing data that can give insights into how the real estate models from selected regions of the world can translate into best practices in Lebanon. Using quantitative research methods can tell Lebanon's real estate firms what works, while the qualitative research methods can tell Lebanon's real estate firms how it works.

Firstly, the project will employ descriptive statistical information of the statements presented in the questionnaire survey. Secondly, Univariate Analysis of Variance (ANOVA) will used for the comparison of sets of means. It will establish whether any differences between the respondents are statistically significant and identify where those differences lie. Thirdly, Principal Component analysis will also be used to construct similarities and differences (of the groups) amongst the real estate firms in Lebanon.

The project will use probability sampling, which will entail a random sampling frame. This method reinforced the notion that the random sample obtained from real estate directors in Lebanon is representative only to that population and not beyond it. In addition, the semi-structured interviews will be relatively unstructured and open-ended and will allow the real estate managing directors to respond to answers in their own words. Furthermore, this type of format will provide large amounts of current business data. Therefore, the objective of the face-to-face semi-structured interviews will be to further narrow down specific points and learn as much about how Lebanon's real estate firms conduct their practices and procedures.

By constructing a methodological triangulation encompassing questionnaire surveys, semi-structured interviews and business reports from Lebanon real estate firms will allow for flexibility to investigate complex sensitive issues regarding methods, processes and procedures. This triangulation will enhance convergence and corroboration, and it will add value to the conclusions, and most importantly, enhance the reliability and validity of the significant findings (Creswell, 2009).

Conclusion

This research seeks to accomplish the following:

- Synthesis and report of leading real-estate models from selected regions of the world.

- Synthesis and report of the real estate boom since 2002 and the changes in the Lebanese laws that facilitate it. This would include study of Demand and money supply and the effect of competition.

- Synthesis of licenses issued and supply of commercial and residential units in relation to the actual population of Lebanon.

- Final Report with Recommendations for Real Estate Companies operating in Lebanon.

This is a research in progress. Therefore, we hope to be able to devise a valid and reliable instrument that allows us to investigate the research questions presented earlier.
We recognize that this may be a daunting undertaking since most of the constructs involved are unobservable and the effects of any variable may be difficult to isolate from other knowledge generating processes such as organizational learning, cultures, routines and innovation and entrepreneurship Real estate firms can achieve maximum benefit from KM based on the presented research in several directions :End user tools will improve individual productivity

Larger real estate companies may find the knowledge repositories appropriate, as agents have neither information about nor access to

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