



Knowledge Transfer

Introduction

Ensuring that a person's knowledge does not vanish when they leave their post isn't just a nice thing to do anymore. It's increasingly becoming a mission critical priority for organizations across both government and industry. The consequences of not collecting and transferring a worker's knowledge before their departure includes, but isn't limited to: decreased organizational output and productivity¹, reduced competitiveness, and diminished capacity for organizational learning².

This paper discusses successful means of combatting knowledge loss and preventing its negative organizational impacts.

Background

Imagine the Commanding Officer or Executive Director of your organization announces a Change of Command or an upcoming retirement. This individual has been in charge of a myriad of business systems and helped build processes and new technology. The Command is losing a walking encyclopedia of institutional knowledge, including why key decisions were made, when, and how. A critical resource has been defining success and shaping operations. Now imagine that when this individual leaves, over 50% of their knowledge leaves with them.

Situations like these are becoming increasingly familiar to modern organizations. Today's workforce is defined by a constant movement of knowledgeable workers due to duty reassignments, shorter employee retention periods, periodic use of contract personnel and a growing population on the verge of retirement. Compounding the resulting instability is the fact that up to 50% of knowledge held by an individual—their intellectual capital—will vanish as soon as they leave.⁴

"Knowledge is the business! And the best practice of knowledge transfer should accelerate the business value"

—Jean-Claude F. Monney
Global KM Lead, Office of the CTO at Microsoft³

Solution

The unknown cost of losing intellectual capital can easily be mitigated with the addition of a focused Knowledge Transfer Initiative (henceforth: KT). KT seeks to organize, create, capture, or distribute the knowledge of the experts in a field and ensure its availability for future stakeholders.⁵ KT has proven to be an integral tool for maintaining competitiveness, reducing costs, and decreasing employee turnover across large and small firms or agencies alike.

All too often, organizations approach KT with little to no consideration for their employees, the context of the knowledge itself, or its intended use. Instead, organizations rely on a select handful of executives or directors to identify important information themselves. Standardized methods are then used to capture knowledge and convert it into a formulaic text-based format. Information is subsequently trapped (and frequently lost or forgotten) in a complicated software system.⁶ The result: a repository filled with useless, inaccessible information—that few stakeholders even know exists.

To avoid the later outcome, KT Initiatives must be sensitive to three truths:

-  1. Because knowledge lives with people, KT success relies on people
-  2. Attempts to capture every bit of information can be misleading
-  3. The context and type of knowledge matters.

In what follows, we outline an approach to KT that incorporates these truths.

¹Peter Massingham, "Measuring the Impact of Knowledge Loss: More Ripples on a Pond?," *Management Learning* 39, no. 5 (2008): 541-560.

²Achim Schmitt et. al, "Don't let knowledge walk away: Knowledge retention during employee downsizing," *Management Learning* 43, no. 1 (2011): 53-74.

³"Capturing the Value of Project Management Through Knowledge Transfer," Caris & Company, March 2, 2015, pp. 34-35, available from PMI.org, accessed August 5, 2016.

⁴Carol Rozwell and Karen Hobert, "How to Retain Knowledge for Reuse After Employees Leave," Gartner. March 7, 2016, available from Gartner, accessed August 5, 2016.

⁵"Capturing the Value of Project Management Through Knowledge Transfer," Caris & Company, March 2, 2015, pp. 34-35, available from PMI.org, accessed August 5, 2016.

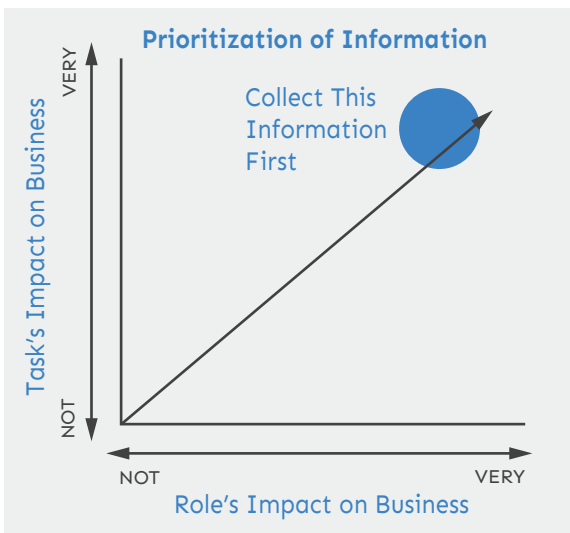
⁶Carol Rozwell, "Socialization of Knowledge Management Drives Greater Reuse," Gartner. June 13, 2012, available from Gartner, accessed August 5, 2016.

3.1 Prerequisites

Before launching a Knowledge Management (henceforth: KM) initiative, it is necessary to determine if your workplace culture is conducive to information sharing. In other words, do stakeholders trust each other enough to share information? Will workers understand why contributing information to a common repository is useful? Do individuals see the benefits for themselves? If the answer to any of these questions is no, we suggest taking the time to address them before proceeding, as employee buy-in factor is fundamental to success.

3.2 Step 1: Identifying Knowledge

Successful KM initiatives recognize that it is neither possible nor necessary to collect all information. To target what information is significant, Gartner⁹ recommends identifying various use cases for information. What information is needed to educate employees to perform various tasks, like ordering replacement parts? When collecting the knowledge for a project closeout, what information is critical for future projects? And so on. Once use cases are established, prioritize the data collection according to use cases' impact on daily business. What will damage your organization more: the failure to order a part or the failure to collect and



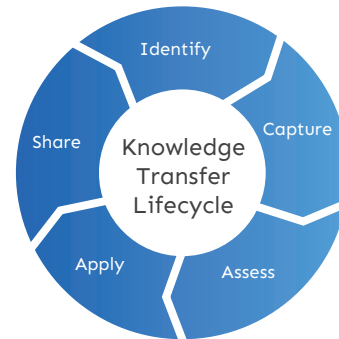
“Creating Culture is key.”

—Diane Millard

Manager of Benefit Administration at Blue Cross Blue Shield⁷



Within organizations that are the most effective at knowledge transfer, 90% of employees are willing to share.⁸



“...If there is no strategy for defining what knowledge is most critical, and what strategies can best be used to share and transfer knowledge, we leave to chance that the best decisions will be made.”

—Ed Hoffman

Chief Knowledge Officer at NASA¹⁰

provide access to critical information defining three years of decision-making on a mission critical technology project? Collect the data that underpins your answer first.

Beyond use cases, numerous strategies for identifying knowledge exist. Many organizations rely on project managers to identify important knowledge. Other methods include industry benchmarks, identifying current gaps in knowledge, interviews with experts, and skill gap analysis.¹¹ Whichever method you choose, it is critical that employees of all ranks give input.¹² After all, knowledge lives with and is used by employees, first and foremost.

⁷ "Capturing the Value of Project Management Through Knowledge Transfer," Caris & Company, March 2, 2015, pp. 34-35, available from PMI.org, accessed August 5, 2016.

⁸ Carol Rozwell and Karen Hobert, "How to Retain Knowledge for Reuse After Employees Leave," Gartner, March 7, 2016, available from Gartner, accessed August 5, 2016.

⁹ Carol Rozwell and Karen Hobert, "How to Retain Knowledge for Reuse After Employees Leave," Gartner, March 7, 2016, available from Gartner, accessed August 5, 2016.

¹⁰ "Capturing the Value of Project Management Through Knowledge Transfer," Caris & Company, March 2, 2015, pp. 34-35, available from PMI.org, accessed August 5, 2016.

¹¹ "Capturing the Value of Project Management"

¹² Rozwell, "Socialization of Knowledge"

3.3 Step 2: Capturing Knowledge

The most common ways of capturing knowledge include debriefings, subject matter experts, required documentation for project closure, the company intranet, knowledge transfer workshops, and mentoring.¹³ While all of these techniques have their place, it is critical that the capture method is consistent with knowledge type. There are two main types of knowledge: explicit and tacit. Explicit knowledge is any information that is easily formalized—the “know what”. Tacit knowledge is more intuitive and comes from experience—the “know-how”. Generally, explicit knowledge is far more easily captured than tacit knowledge. For example, if one wants to capture pre-existing knowledge on how to perform a low-complexity task like placing an order, documentation on the company intranet is adequate. Conversely, if one needs to learn how to respond to angry customers, a page of text would be useless.¹⁴

2 Types of Knowledge

Explicit- “know-what”
knowledge that can be readily verbalized, such as that found in encyclopedias

Implicit- “know-how”
knowledge that comes from doing and is more difficult to express in words

3.3 Step 3: Sharing and Applying Knowledge

Sharing knowledge refers to making information public and available for re-use. There is both a push and pull approach to doing this. The “push approach” involves publishing on websites, intranets, and in newsletters so that practitioners can find the knowledge. The “pull approach” involves facilitated sharing between sources and receivers.

Similar to knowledge capture, which approach is used must account for the type of knowledge being shared. Let’s say a prep cook at your restaurant, Employee A, is leaving and Employee B is taking their place. To turnover explicit knowledge about daily tasks—such as how to take inventory or at what temperature to store vegetables—a “push approach” of publishing instructions on the intranet is adequate. Conversely, tacit know-how—such as how to be quick and flexible in the kitchen—is best shared through “pull approaches” like observation, mentorship, and peer-to-peer storytelling. In fact, organizations that are most successful at knowledge transfer are practiced in the latter interactive, person-to-person methods so essential to capturing and sharing tacit knowledge.¹⁵

Another critical consideration when deciding what approach to use is both who the source is and who the receiver is. Understanding learning preferences and adapting how knowledge is conveyed can make the difference between merely collecting knowledge and actually using it.

¹³ “Capturing the Value of Project Management”

¹⁴ Ibid

¹⁵ “Capturing the Value of Project Management”

Case Study

American Express, concerned about a loss of institutional knowledge due to the retirement of its mature workforce, launched a program to retain and transfer this knowledge. Jim Rottman, who led the effort, stated, “this was a problem with no simple solution.”¹⁵ Rottman also stated that part of the solution was to ensure that both those providing the information and those receiving the information were enthusiastic about the tools and the process. To ensure this, according to Rottman, “those near retirement needed to learn new teaching tools like “learning maps”, or visual representations of systems and processes, and interactive media like wikis, instant messaging, and audio posted on a company intranet.”¹⁶ Through these tools, knowledge will not only be transferred but stored in a searchable form.

This emphasis on peer-to-peer interactions is not meant to devalue technological-based means of sharing knowledge. Embracing social networking is a proven means for developing useful content and inspiring knowledge creation through collaboration.¹⁷ Tagging, linking, and blogging are useful ways to alert colleagues to valuable knowledge. Rich Site Summary (RSS) feeds are also a powerful tool for delivering relevant information directly to employees. That being said, we encourage the use of technology to engage and connect people, not to replace them.

For more information on using technology to inspire workplace collaboration, see the accompanying [White Paper on Social Business Strategy](#).

76 percent of organizations that are effective at knowledge transfer measure project success rates to determine the value of their knowledge programs.¹⁸

Assessing the Benefits of Knowledge Transfer

Assessing the value or benefits of knowledge is the most difficult step in the Knowledge Transfer Lifecycle. It is also the most important in that it provides the necessary feedback to refine the KT process in the future. A Knowledge Assessment reviews the entire lifecycle of knowledge transfer, tracing formal and informal knowledge networks and charting where gaps exist. Creating a literal chart of knowledge pathways in an organization is a recommended first step for assessment. Once these pathways are made visible, you can begin to gauge how successfully knowledge is being transferred through interviews or surveys with employees.

Conclusion

As the Command expands and faces new challenges, it is necessary to implement and maintain a strong KT and KM Initiative program across all levels. In addition, at a more granular level, it is imperative that a collective corporate memory exists; detailing when decisions were made and why. Equally as imperative, is that this corporate memory be accessible to all those who need it, at any time or geographic location. Implementing a comprehensive KT and KM initiative, that is powered by a robust social business strategy, creates a communications and collaboration tool that will allow for sustained growth.

¹⁵ Douglas MacMillan, “Retiring Employees, Lost Knowledge,” Bloomberg, August 20, 2008, <http://www.bloomberg.com/news/articles/2008-08-20/issue-retiring-employees-lost-knowledgebusinessweek-business-news-stock-market-and-financial-advice>

¹⁶ Douglas MacMillan, “Retiring Employees, Lost Knowledge,” Bloomberg, August 20, 2008, <http://www.bloomberg.com/news/articles/2008-08-20/issue-retiring-employees-lost-knowledgebusinessweek-business-news-stock-market-and-financial-advice>

¹⁷ “Oracle Knowledge Management: Knowledge Zone,” Oracle, accessed August 5, 2016, <http://www.oracle.com/partners/en/products/applications/knowledge-management/get-started/index.html>

¹⁸ Ibid.

Works Cited

- "Capturing the Value of Project Management Through Knowledge Transfer." Project Management Institute, March 2, 2015. Available from PMI.org, accessed August 5, 2016.
- MacMillan, Douglas. "Retiring Employees, Lost Knowledge." Bloomberg. August 20, 2008. <http://www.bloomberg.com/news/articles/2008-08-20/issue-retiring-employees-lost-knowledgebusinessweek-business-news-stock-market-and-financial-advice>
- Massingham, Peter. "Measuring the Impact of Knowledge Loss: More Ripples on a Pond?" Management Learning 39, no. 5 (2008): 541-560.
- "Oracle Knowledge Management: Knowledge Zone." Oracle. Accessed August 5, 2016. <http://www.oracle.com/partners/en/products/applications/knowledge-management/get-started/index.html>
- Rozwell, Carol. "Socialization of Knowledge Management Drives Greater Reuse." Gartner. June 13, 2016. Available from Gartner, accessed August 5, 2016.
- Rozwell, Carol and Hobert, Karen. "How to Retain Knowledge for Reuse After Employees Leave." Gartner. March 7, 2016. Available from Gartner, accessed August 5, 2016.
- Schmitt, Achim; Borzillo, Stefano; and Probst, Gilbert. "Don't let knowledge walk away: Knowledge retention during employee downsizing." Management Learning 43, no. 1 (2011): 53-74.