

White-Paper

Knowledge Retention: How to manage knowledge in small and mid-size companies.

Introduction

Management of Intellectual Capital is gaining in meaning in today's age of knowledge society in all forms of organizations. In an environment of global markets and ever increasing integration of products and services, the use of purposeful and critical knowledge and the expertise of employees is becoming more important. The conditions to pursue this, are often more favorable in small and medium size companies than in the large organizations. Large organizations spend significant amount of resources towards downsizing their knowledge management solutions into small units. This is to take advantage of small and manageable solutions. For example, to simulate the advantages of informal face to face contacts, a lot of technical effort is involved. In small and medium size organizations, this is everyday work.

So small and medium size organizations can use this natural advantage to a better management of their "Knowledge" and motivate their employees for :

- Transparent size and a flat hierarchy structure
- Possibility of a quick and an informal exchange of information
- Trustworthy and homely corporate culture

It is much easier in small and medium size organizations to support the management through "Knowledge" using proper IT infrastructure . This reduces the cost per employee and furthermore, the success is achievable in a much shorter period.

Problem Areas of Knowledge Loss and Knowledge Retention

If you study the problem areas which are to be solved using knowledge management solutions, loss of critical knowledge has been recognized as one of the central problems in an organization. One can really comprehend it, if one understands that knowledge and expertise once acquired do not necessarily remain at the disposal of organizations for all times to come. For this reason knowledge retention has won in stature and meaning in the recent past and is frequently leading to concrete projects in organizations. Knowledge collected over the years can be lost through a mere unnecessary reorganization or with the merger of different companies. Other circumstances such as job cuts, attrition, force the organizations to respond to impending knowledge loss. Otherwise it could lead to a collective loss of knowledge. Also the events like 9 / 11, where the whole teams or departments with their valuable knowledge were destroyed, make organizations more sensitive to the problem of knowledge loss. Retention of competencies and documents though require a more systematical management of knowledge, where adequate methods are used to bring the critical retained knowledge back into the organization. Employees often use their precious time, which they require to fulfill their job requirements, for a futile search of knowledge. The required knowledge is somewhere in the organization but is not available when needed. Studies show that with the implementation of knowledge management solution, the productivity can be increased by 30 %.

Examples of missing Knowledge Retention

- A number of employees, groups or departments in an organization work on similar problems. They do not know about the activities and expertise of the others.
Result: Duplicate work.
- One team has developed an extremely efficient system to solve their problems. Other employees in the same organization could profit from their method. However, there is no official policy to transfer this knowledge. **Result: Knowledge cannot be used and will be forgotten in a short period.**
- An employee tries to negotiate a business transaction with a customer. But the deal does not come through. The report usually mentions that the transaction has fallen through. The reasons for this failure are not always documented and communicated. **Result: Other employees do not learn from this experience.**
- A customer complains about a product but also gives suggestions for its improvement. This information is usually appreciated by the service department or call centre, but it is seldom communicated to the design or development departments. **Result: Useful user related knowledge cannot be utilized for product enhancement.**
- A project has come to a conclusion. The project management has all the finding and results. But the whole business process with all the "trials & errors", the faults, the negative results and "lessons learned" are usually not documented. **Result: Important expertise and knowledge cannot be communicated and transferred to other projects.**
- An employee is leaving the organization. His /her knowledge has not yet been transferred to the others. **Result: Knowledge loss. For example, personal notes and documentation is also useless unless the others know about it and were trained to use these.**
- An employee suddenly gets ill. He / she is the only one, who through his / her experience know what to do when a certain machine is not properly functioning. **Result: An expensive search for that expertise and knowledge.**

>>>>> Six Steps to successful "Sharing and Retention" of Knowledge using PowerDOCUMENTS

> Step 1: Identification of the "real" Problem.

You should be very careful with your assessment, whether there is a real need and justification for a "Knowledge Retention" solution in your organization. To clarify that, a team including somebody from the top management should be established. This is to assess the risk of losing critical and valuable knowledge and skills. This team should be discussing the following questions and other weaknesses in the organization. It should be clear that knowledge retention solutions are implemented to avoid knowledge loss. A roadmap has to be formulated as to what is to be achieved with this solution.

- Do the employees have access to a **common knowledgebase**?
- Do the **expertise** in the **core areas** and **processes** collected and documented. Does these expertise transferred between the departments ?
- Can the **experience** gained from the projects be used again systematically?

- Does the knowledge of employees available during their **absence**?
- Are there any **transfer procedures** defined, if the employee changes departments?
- Is there an imminent **retirement** of important employees planned ?
- Can the **new employees** be trained at a short notice?
- Do you **lose** knowledge of temporary workforce?

>> Step 2: Identify what knowledge is to be retained, and specify how and in which form.

Now in the second phase of your discussions, you can define and decide the central and critical areas of knowledge which are to be retained in your organization. These could be expertise, products (ideas), competencies, processes, customers and / or projects. After the broad spectrum of areas has been defined, these are to be subdivided and redefined in organizational methodology. These should then be maintained in the form of a hierarchical tree structure or "mind maps". For example , in projects these could be the different phases of a project. In business processes these could be sub processes which play a major role. Or with competencies, these could well be the themes, which are important for the employees to perform their duties. **This way you build a Thesaurus, which structures the critical knowledge in your organization.**

The second important part is to lay down the structure as how to **build your knowledge units (knowledge documents)**, which are stored under the themes of Thesaurus. Thus a knowledge document describing the expertise in a project, can be stored in the following areas:

- Summary
- What was the background of the project?
- What did we do ?
- What have we achieved?
- What have we learnt?

For other areas of application, which are important for your individual knowledge retention solution, you should create your specific knowledge documents.

You have **two approaches** at your disposal while finding a **solution for a specific knowledge retention problem** in your organization. Definition of a hierarchical tree structure (Thesaurus) and the creation of knowledge documents. Sometimes it is beneficial that structured elements are directly used in the knowledge documents instead of Thesaurus.

You should be careful and take your time while structuring, as you should be thinking about all aspects of your needs. It is better to discuss it more often with a team and get new useful ideas.

>>> Step 3 : Definition of the Knowledge Retention Process and the role of employees to capture and manage critical and valuable knowledge.

After the successful completion of the first two steps, you should have the following documents:

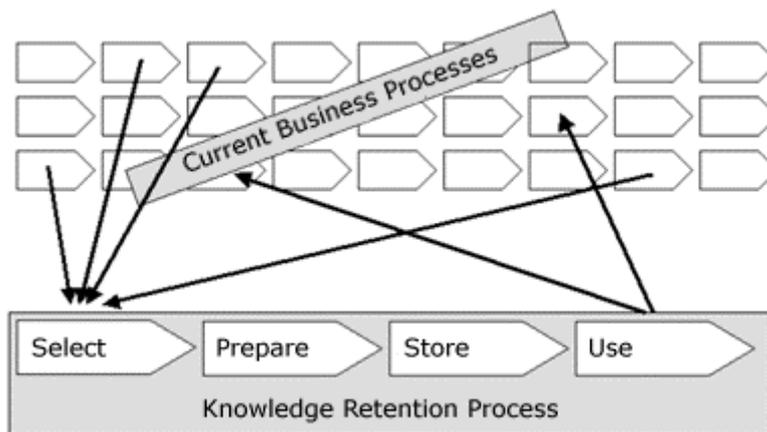
- Identification of critical and problem areas associated with knowledge loss
- The goal you want to achieve through a knowledge retention solution
- One hierarchical structure of important knowledge areas
- A structure to store knowledge units (knowledge documents)

In the next important step you have to define the role models. It is to be defined, who is responsible to assess, capture, manage and store the critical and valuable knowledge in a knowledge retention solution like powerDOCUMENTS.

First it is to be determined who is going to be the knowledge manager (administrator). He / she is responsible for the maintenance of Thesaurus. He / she determines the access rights of the users. He / she examines the content and state of knowledge documents. Then it is to be decided whether the user is responsible to store his knowledge in powerDOCUMENTS, or is it the knowledge manager, or an interviewer (debriefing) is appointed, who in turn asks and prepares the critical knowledge to be stored. It can also be important whether and from whom a permission is required before a document is released in powerDOCUMENTS for general use.

>>>> Step 4: Integration and Setup of Knowledge Retention Process as a firm Component of added Value in your Organization.

One should take care that knowledge retention process must be so defined that it functions permanently and adds value continuously. The values generated over a period of time, have to be integrated again in the process. In the beginning, it generates and selects new critical knowledge in important business processes or knowledge areas. That knowledge is then captured (e.g. through experts, project team, interviewer or knowledge manager) and prepared according to the structure of the knowledge documents. Once the knowledge documents are approved by the management or approver, they are stored again in the next structured process with the help of powerDOCUMENTS.



For example, through classification of knowledge documents in the Thesaurus or through keywords for the search. Other users / employees have thus access to these. You should define the specific points in a business process where the stored knowledge can be fed back to derive benefit out of it.

>>>>> Step 5: Customizing powerDOCUMENTS in a hierarchical tree structure (Thesaurus), creating knowledge documents and laying down the rules for "Knowledge Retention Process" with its role models.

After you have successfully completed the first four steps, the following documents should have been produced:

- Identification of critical and problem areas associated with knowledge loss
- The goal you want to achieve through a knowledge retention solution
- One hierarchical structure of important knowledge areas
- A structure to store knowledge units (knowledge documents)
- An overview of roles which are important for your knowledge retention process and which employees are going to fill those role models

- A description of knowledge retention process with a fixed starting point for the current business process to capture the critical and valuable knowledge and its feedback in the process

With the help of this documentation, it is now much easier to configure the software tool powerDOCUMENTS according to your requirements. This way you can create and administer a central knowledge base for your employees. The hierarchical structure in the powerDOCUMENTS can be very easily adapted using the menu option "Documents>Edit Keyword Tree" . A knowledge documents can be created using "options>configuration" under the menu option " Documents>Category Title". Further you can make settings for your own individual process; e.g. whether the general release of a knowledge document is to be authorized by the supervisor or the knowledge manager. Your knowledge manager / administrator can thus administer the access rights for the user by using the menu option "Options>Edit Users".

We, however, recommend that you have a number of trial runs of your knowledge retention process while using powerDOCUMENTS. This will help you in making small changes, if necessary, on the hierarchical tree structure or on creating knowledge documents. After the necessary trials, it can be released for general use.

>>>>> Step 6: Supervision and Assistance in Feedback and transfer of Knowledge back into the Organization.

You should define the specific points where the knowledge, as an added value, should be transferred back into your organization. This should happen irrespective of what knowledge a user is looking for in the knowledge base using powerDOCUMENTS. Check list, for example, can be added to an existing business process. The users involved should be advised to search the knowledge base for a particular theme and note down whether knowledge was found or not. If it was found, can it be used in the organization. It also opens the opportunity for new employees. Participants in a project can be trained in a particular knowledge area using the knowledge base.

After a period of 6-12 months, a survey should be conducted among those employees, who were either knowledge giver (experts) or users in this knowledge retention process. Result of this expertise could then be adapted and fed back for the eventual adjustment of the business process.

Further Assistance

We wish you a lot of luck to create your own knowledge retention solution using this concept and the software tool **powerDOCUMENTS (www.powerdocuments.com)**. If you have any further questions regarding knowledge retention in small and medium size organizations, we would be happy to help you. The team can be reached at the following email address:

knowledgemanagement@powerdocuments.com

Sources:

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