

BRIDGING THE KNOWLEDGE GAP

Part One

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Organizations of all sizes and industries are facing a serious problem that threatens their ability to thrive and perhaps even survive. It is the ever-increasing *knowledge gap*. For some, the gap is becoming a chasm!

Due to a host of changes that affect their operations and markets, organizations must expand their base of knowledge at an unprecedented rate. Technologies become obsolete before they can be implemented. Market and customer needs shift before the latest round of revisions are complete. The reality of a global economy taxes the thinking of even the most progressive business planner. It presents a dizzying combination that leaves many organizations frustrated and exposed.

If the demand for new knowledge is not enough to strain organizational viability, the loss of critical employees is certain to increase the knowledge gap. Long-term workers carry volumes of organizational know-how in their heads and exiting employees take it with them when they leave! Something must be done to capture this knowledge asset.

WHAT IS KNOWLEDGE?

The Merriam-Webster dictionary defines knowledge as “the fact or condition of knowing something with familiarity gained through experience or association.”

Organizational knowledge is a key factor in performance and it is a valuable organizational asset. When organizations fail to capture and retain knowledge and experiences, they lose the capability to perform established functions.

With the growing dominance of intangible assets, organizations are recognizing knowledge’s value in the form of human capital, intellectual property, routines, innovations and creativity. Knowledge exists in manuals, tables, lists and databases. We capture some knowledge as business policies, rules, processes, procedures and job descriptions. Organizational knowledge drives our interactions with internal and external customers. Simply, organizations run on knowledge.

The big question facing most organization today is how to efficiently and effectively capture, retain and reuse organizational knowledge. Business knowledge transcends a specific organization and generation. It adapts to new opportunities. It is the heart of any business.

WHAT IS KNOWLEDGE MANAGEMENT?

Knowledge Management is an emerging discipline dealing with all aspects of knowledge processes within an organization. It includes knowledge creation, discovery, capture, sharing, organization and retention.

Knowledge Management cannot be an accidental or localized act. It takes a deliberate, structured focus to retain current knowledge and expand on that base. Knowledge Management deals with treating organizational knowledge as a vital, precious business asset. Due to historical bias from tracking physical, tangible assets, managing knowledge requires a significant shift in organizational thinking. The assumptions of managing physical assets simply do not apply.

For example, when a physical asset is divided and distributed, the total is reduced. If you parcel out land for a new development, it takes all of the pieces to make up the whole. Knowledge, on the other hand, may be distributed, used and shared without loss to the original. In fact, knowledge becomes *more* valuable when it is shared. It grows!

Once shared, physical assets are distributed, they may be repossessed. Not so with knowledge. Once that horse is out of the barn, it can never be fully recovered.

KEY REASONS

Human Relations organizations have predicted elements of the knowledge gap for some time. Quite simply, the “boomer” generation is peaking and resulting resignations are reaching all-time high levels. Many mature organizations are experiencing a 40-60 percent staff loss over

the next five years due to planned retirements.

Other employees are just quitting. They are frustrated with unreasonable and uninformed decisions by their management. Opportunities exist elsewhere and people move on looking for greener pastures.

Regardless as to the cause, staffing experts predict the problem will grow much worse over the next decade. At the same time that knowledgeable, skilled employees become harder to find, they will also be harder to keep. Salaries are likely to climb as competition for these resources intensifies.

Whether due to retirements or resignations, the outcome is the same. These are the people who *know what* the organization must do and they *know how* to do it. “Knowing what” and “knowing how” are the core ingredients of organizational knowledge. And many companies are losing it. New employees have neither the job experience nor the company knowledge to fill the void.

The net result is that organizations are losing the ability to perform established business functions. Among those functions are the capability to launch new projects to create products and services to repair the damage.

MANAGEMENT CONTRADICTIONS

At least some of the blame for this knowledge gap must fall on the shoulders of senior executives. For several decades, they have delivered a message to staff that is confusing and often contradictory. They want a job done right, but they want it fast. And if “right” gets in the way of “fast,” “right” tends to lose. So much pressure has been placed on organizational units to get work done, that knowledge collection and

retention have been ignored. Concerns over the failure to refine and keep important organizational knowledge in the form of documentation, requirements or procedures are brushed aside.

Instead of making knowledge retention a corporate priority, senior management has chosen to simply ignore the problem. Mt. Vesuvius may be rumbling but water is still running to the all the homes of Pompeii. There is no escape from limited vision and poor decision-making. Losing market position or going out of business has never been easier.

Before Knowledge Management can provide any relief to the growing knowledge gap, senior executives in every area of an organization must take a bold, enlightened and tangible stand. They must create a ***Knowledge Retention Policy.***

*Since 1981, **Chuck Tryon** has written and presented seminars on Knowledge Management, Project Management and Requirements Management to hundreds of major corporations in the United States, Canada and Europe. Thousands of project professions routinely apply his training, processes and templates to their work. Additional information on Mr. Tryon is available at www.TryonAssoc.com.*

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