Knowledge Continuity Management Process in Organizations

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ABSTRACT

Current literature on knowledge management generally treats knowledge transfer as a process being realized within the same employee generation, among current employees. Knowledge transfer between employee generations, from current employees to successor employees, is largely ignored. The neglected process, called as knowledge continuity management, is vital for the firm's survival and competitiveness. Concentrating on the process of knowledge continuity management, this paper illustrates the importance of knowledge continuity within the integrity of knowledge transfer and business continuity. It also discusses the theoretical and managerial implications of this neglected, however challenging, dimension of knowledge transfer process.

INTRODUCTION

Knowledge transfer is crucial for organizations and knowledge continuity management has critical importance for the effectiveness of knowledge transfer process. Knowledge continuity management specifically addresses the vertical transfer of job-specific critical operational knowledge from incumbent to successor employees (Beazley et al., 2002; Beazley et al., 2003; Field, 2003; Heath, 2003; Delany and O'Donnell, 2005; Morgan et al., 2005). Knowledge transfer literature has traditionally concentrated on horizontal knowledge transfer and the process of knowledge continuity management is largely ignored. However, it represents an important challenge for global business organizations faced by organizational and environmental conditions threatening continuity. Therefore, this paper will explore and conceptualize the knowledge continuity management process in organizations. It will also discuss the implications of the knowledge continuity challenge for research and managerial practice.

KNOWLEDGE TRANSFER AND KNOWLEDGE CONTINUITY

Knowledge transfer is among the organizational knowledge management topics that have received considerable attention in recent years (Gilbert and Cordey-Hayes, 1996; Major and Cordey-Hayes, 2000; Garavelli et al., 2002; Goh, 2002). Because, efficient transfer of knowledge throughout the organization is one of the prerequisites for an organization to manage knowledge effectively. Knowledge transfer is needed in all stages of organizational knowledge management. As a process, it is evaluated as a complement to knowledge management process (Garavelli et al., 2002; Goh, 2002). Innovation practices and efforts of organizations, becoming more prevalent everyday, have increased the attention to knowledge transfer research. Knowledge transfer is the transmission of knowledge from a person/possession to another person/possession (Gilbert and Cordey-Hayes, 1996). In other words, it is the transmission of knowledge from a source to a user (Argote and Ingram, 2000). Knowledge transfer process encompasses many intermediary functions such as knowledge codification and interpretation (Garavelli et al., 2002).

Actually, organizational knowledge transfer process is composed of the integration of two interrelated and interdependent subprocesses. These are the horizontal and the vertical knowledge transfer subprocesses. Horizontal knowledge transfer is the transfer within the same employee generation, among current employees. And vertical knowledge transfer is the transfer between employee generations, from current employees to successor employees (Beazley et al., 2002). In fact, these two knowledge transfer subprocesses are neither the same nor fairly distinct from each other. They combine synergistically to create the megaprocess of knowledge transfer. Functionally, they resemble the integrated subprocesses of inhalation and exhalation which create breathing (Beazley et al., 2003).

Both processes together, horizontal knowledge transfer among current employees and vertical knowledge transfer among employee generations following each other, enable preserving and developing organizational knowledge base (Argote et al., 2000; Richards, 2000). In this way, experiences and successful applications gathered collectively in long years can be transformed into organizational knowledge. This knowledge helps to solve new problems, enriches the useful inputs of decision processes, helps the organization to generate creative responses to environmental challenges.

It should be noted that the knowledge transfer literature has traditionally concentrated on horizontal knowledge transfer while neglecting vertical knowledge transfer. Whereas, vertical knowledge transfer is critical as well as horizontal knowledge transfer. To the extent that critical operational knowledge is not preserved between employee generations following each other, each generation will have to start over by creating its own knowledge base by wasting time and money (Markus, 2001; Beazley et al., 2003). Thus, employees will not be able utilize past perceptions and understandings which could support the effectiveness of their decisions. Consequently, the organization will be unable to reuse its own knowledge. This is a serious impediment to new organizational knowledge creation and a barrier to overall organizational effectiveness.

Knowledge continuity management specifically emphasizes the neglected vertical knowledge transfer process. This is the process of transferring job-specific operational knowledge from the incumbent to the successor employees. Knowledge constituting the object of the transfer process is the knowledge needed to succeed in the specific work, namely critical operational knowledge (Beazley et al., 2002; Beazley et al., 2003). Due to its importance, knowledge continuity management process (i.e., the systematic maintenance of the vertical knowledge transfer activities) should be examined in detail.

KNOWLEDGE CONTINUITY MANAGEMENT PROCESS

Organizational knowledge continuity management is a complicated process including the functions of planning, application, and evaluation (Beazley et al., 2002; Beazley, 2003; Beazley et al., 2003; Morgan et al., 2005). It is composed of mainly seven stages representing the vital functions mentioned below:

- *Conducting an assessment of the current state of knowledge continuity in the organization*

Knowledge transfer is a mechanism to be used selectively, thus all knowledge transfer activities must depend on careful assessments of the current state (Von Krogh et al., 2001). This stage requires the collection of such data as annual turnover and retirement eligibility statistics by job classification, an analysis of existing knowledge continuity between incumbent and successor employees by job classification, knowledge loss from volunteer turnover, the extent to which organizational culture values knowledge and the degree to which organizational reward system supports knowledge transfer (Beazley, 2003). Data gathered will enable the assessment of the current state of knowledge continuity in the organization and provide a basis for knowledge continuity implementation planning.

- *Determining the objectives and scope of the knowledge continuity implementation*

Most of the organizations prefer to start with a pilot program. This program may be related to a specific function like finance or an operating unit like publications, (Beazley, 2003). However, regardless of the characteristics of the pilot program, some factors must be considered in order to determine the scope of knowledge continuity management. "Breadth of implementation" is the first factor. This indicates the number of job classifications that will be included in the knowledge continuity management planning. "Depth of implementation" is the second factor. It indicates how much knowledge should be harvested for each job classification. Jobs that have less potential impact on the organization, that involve many recurring events rather than unique events, and that need knowledge contained largely in documents or databases rather than in the heads of employees require less knowledge harvesting than those with the opposite characteristics (Beazley et al., 2002; Beazley, 2003; Field, 2003). The third factor is the "sophistication of the technology" to be employed in the knowledge harvesting and transfer process. The greater the sophistication of the technology, the easier it will be to harvest knowledge from incumbents and transfer it to successors. The last factor is "organizational culture and the reward system". Organizational culture and reward

system should be realigned to support knowledge continuity activities (Beazley et al., 2002; Lahaie, 2005). Especially, organizational culture enabling knowledge harvesting and transfer is critical for knowledge continuity management (McDermott and O'Dell, 2001).

- *Establishing responsibilities for implementing knowledge continuity activities and coordinating the responsible staff*

Authority for knowledge continuity management might be given to the chief knowledge officer or a manager specifically assigned to manage the knowledge continuity activities. The assigned manager should arrange a team dedicated to knowledge continuity planning, application and evaluation. Specific assignments will prevent confusion and enable auditing during the knowledge continuity management process. Another advantage specific assignments offer is that they prevent ambiguity and enhance the motivation of the employees charged with responsibility.

- *Planning the knowledge continuity implementation process*

Knowledge continuity is an organizational change initiative. Thus, it must be planned carefully in order to succeed. The need for the change should be determined as objectively as possible. A functional coalition of employees assigned should be formed. A vision for the knowledge continuity initiative should be developed and communicated to the related employees through every possible means (Kotter, 1996). To support the knowledge continuity activities, interventions to organizational culture and reward system should be executed (O'Dell and Grayson, 1998; Beazley et al., 2003; Morgan et al., 2005). Planning process must be detailed sufficiently so as to minimize the negative effects of unexpected conditions and happenings.

- *Creating a methodology to harvest and transfer the critical operational knowledge*

This stage includes creating the methods to identify critical operational knowledge for each position, the means through which to harvest it from incumbents, the vehicle through which to transfer it to successors, and the technology and social tools to facilitate the process (Beazley, 2003). The main transfer vehicle for critical operational knowledge is the knowledge profile. Knowledge profile organizes critical operational knowledge functionally (Beazley et al., 2002; Thellefsen, 2004). It is created via harvesting the critical operational knowledge of employees departing from the organization or a specific position in the organization. Knowledge profile helps to adaptation and socialization of newcomers. With the help of it, newcomers will also have the chance to gather detailed information about customers and projects, past successes and failures, strengths and weaknesses of the organization, and the critical points for high performance in their jobs (Beazley, 2003).

- *Harvesting critical operational knowledge from incumbent employees and transferring it to successors using the knowledge profile and other needed tools*

This is the stage that the transfer is actually realized. Transferred critical operational knowledge is composed of three components. These are job task knowledge, role knowledge and organizational norms knowledge (Lahti et al., 2002). Job task knowledge relates to what is needed to perform specific aspects of a job. It represents the technical dimension of the critical operational knowledge. Role knowledge relates to what is expected of the individual in a particular position. Organizational norms knowledge relates to the behaviors and attitudes that the employing firm values (Lahti et al., 2002). In order to perform a job successfully, the newcomer should acquire all three dimensions of the critical operational knowledge. Technical knowledge is not sufficient solely. Besides, effective utilization of information technologies is important at this stage (Bender and Fish, 2000; Alavi and Leidner, 2001).

- *Evaluating the knowledge continuity management process*

Knowledge continuity management process is evaluated at this stage. Outputs of the process may be determined as the main point of view while evaluating the process. Efficiency of the whole process offers another possible point of view. Also, the level of effectiveness displayed during the performance of the specified job is an important alternative as evaluation criterion. However, regardless of the criterion or criteria selected, knowledge

continuity management process should be related to strategic management process of the firm. Its effectiveness should be evaluated according to its contribution to strategic management process and the enhancement of the firm performance primarily.

DISCUSSION AND IMPLICATIONS: CONTINUITY MANAGEMENT EMBRACING KNOWLEDGE AND BUSINESS CONTINUITY

Recent management research has emphasized the importance of knowledge as an inimitable resource and a valuable asset for all kinds of organizations (Nonaka and Takeuchi, 1995; Grant, 1996; Beijerse, 2000; Johannessen and Olsen, 2003). Thus, knowledge continuity management has important implications for not only the knowledge transfer process but also overall business continuity. Business continuity is the effective protection of a firm against internal and external threats while maintaining competitive advantage and value system integrity (Smith and Sherwood, 1995; Herbane et al., 1997). Knowledge continuity will help the organization to secure its competitive advantages (Argote and Ingram, 2000). Therefore, managing and preserving the continuity of organizational knowledge is a prerequisite for preserving business continuity. Consequently, the concepts of knowledge continuity and business continuity should be regarded within the integrity of organizational performance. *Continuity management* should be conceptualized as the overall business continuity management whose main antecedent is knowledge continuity (Kalkan, 2004).

Figure 1: A Conceptual Model of Continuity Management Process in Organizations

Figure 1 represents the continuity management process in organizations. Job task knowledge, role knowledge and organizational norms knowledge are the main components of critical operational knowledge that constitutes the subject of knowledge continuity management. Preserving the continuity of these three knowledge components via transferring from incumbent to successor employees provides the achievement of organizational knowledge continuity. Knowledge continuity is the most important input for business continuity. Achievement of business continuity enhances firm performance via helping the firm to sustain existing competitive advantages and/or create new competitive advantages by means of realizing and utilizing opportunities. As seen, managerial practice must consider business continuity. And for this, it must primarily focus on knowledge continuity.

Effective knowledge transfer among current employees throughout an organization may solve some organizational problems and produce real successes. Likewise, many transfer practices in the past have confirmed this. However, horizontal knowledge transfer is a complex task generating frustration. It encompasses serious difficulties because of its complicated structure (Szulanski, 2000). Thus, the necessity of knowledge transfer has gained widespread acceptance but the way to realize it has proved to be more elusive. Knowledge continuity management

functions as a contributor to knowledge transfer process by offering a practical and strategic approach. The problems that have plagued knowledge transfer activities do not have the same degree of impact on knowledge continuity management process and activities in practice (Beazley et al., 2002). Knowledge continuity management is more manageable than traditional knowledge transfer activities due to the fact that its scope is more limited. Traditional knowledge transfer concentrates on the transfer of knowledge across an organization while knowledge continuity management focuses on the transfer of knowledge between two employees performing essentially the same work (Beazley et al., 2003). All other activities concerned in knowledge continuity management process are designed to play a role enhancing the efficiency of the main focused activity.

At present, there is very little information about the knowledge continuity management process in organizations. Nearly all work is based on the pioneering study of Hamilton Beazley and his colleagues (Beazley et al., 2002). So, much more theoretical progress is needed in this area. In spite of serious distinctions in general, knowledge continuity management and traditional knowledge transfer share almost the same approach in the issue of formality. They both accept the importance of informal knowledge transfer, but focus on formal transfer and neglect the other. Future knowledge continuity research should integrate the aspects related to informal knowledge transfer into the scope of knowledge continuity. Furthermore, knowledge continuity management process involves activities related to many aspects of organizational life and managerial practice. Future research should consider the multifaceted structure of knowledge continuity management. Research on the interaction of knowledge continuity management process with different processes and factors, such as the socialization processes and information technologies, will lead to a more comprehensive understanding of knowledge continuity.

RESUME

Literature on knowledge transfer reveals that knowledge continuity management is vital for overall knowledge transfer, business continuity and firm performance. This paper conceptualized knowledge continuity management process and offered a theoretical model demonstrating knowledge continuity with its main antecedents and consequences. Further research improving the model via theoretical and empirical studies, and enhanced managerial emphasis upon knowledge and business continuity will pave the way for progress in this neglected issue of knowledge transfer.

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