Retain Organizational Knowledge

How to avoid losing valuable knowledge when clerks change jobs or retire

iCompass

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The high cost of failing to retain organizational knowledge

An organization's most valuable asset is its people. No surprise there, right? Yet the value of that asset is most often expressed as the monetary cost of replacing an employee. Typically, that calculation completely overlooks the value of organizational knowledge that is lost when an experienced employee leaves.

Make no mistake, replacing valued employees isn't cheap. According to the Society for Human Resource Management, the total cost of replacement, including training and lost productivity, can range from 90 percent to 200 percent of an employee's annual salary.[1] On the other hand, the loss of organizational knowledge can be devastating.

Although the cost of losing organizational knowledge is hard to quantify, retaining such knowledge is a fundamental need of every enterprise. That is especially true for local governments, which are required by legislative mandate to keep community records and make them available upon request. Typically, those records are managed and preserved by municipal clerks. When clerks leave, they take with them the valuable knowledge they have acquired during their years on the job. All too often, their departure also drains the organization of critical information and skills.

1 "2014 North America Municipal Clerk Survey," International Institute of Municipal Clerks, 2014

Knowing the importance of retaining organizational knowledge is one thing. Having effective strategies in place to accomplish it is another.

Many cities and towns still use manual processes to manage meeting agendas, public records, and other information, processes that were created and refined by clerks who have worked there for many years. Important documents are often filed in folders and stacked in boxes, making it nearly impossible for anyone to find information, except for those who have the necessary institutional knowledge. When the clerks leave, the details of these jury-rigged processes go with them, leaving the organizations at risk of failing to perform duties and provide information as required by law.

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In a survey conducted by the Aberdeen Group, 61 percent of human resources executives and line-of-business managers rated "capturing and transferring knowledge from those who have it to those who need it" as a top workforce-related challenge.[2] Yet a study by the Institute for Corporate Productivity found that a third of responding companies retain knowledge poorly or not at all when workers leave, while half rate themselves as doing just "okay" at protecting organizational knowledge. Only two in ten think they are doing well or very well at knowledge retention.[3] Similarly, in a Manpower survey, 31 percent of employers indicated that their organization does not have a proactive process in place to capture a person's job knowledge.[4]
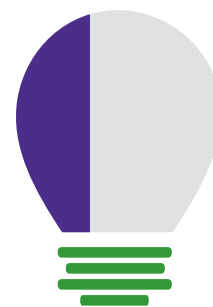
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2 "Knowledge Retention and Transfer in the World of Work," Manpower Group Solutions, 2010
3 Ibid.
4 Ibid.

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Why knowledge retention is an urgent issue for local governments

Despite the efforts of local governments and other employers to keep valued employees on the job, they do leave. Some change jobs in search of better pay or better hours, or for other personal or professional reasons. Some relocate to a different community. Others simply retire. As the workforce continues to change in response to current trends, however, workers are leaving more frequently and in greater numbers.

Our workforce is aging rapidly. The first baby boomers started turning 65 in 2011, and 8,000 more on average will reach that milestone every day of every year through 2029. Today, one in three Americans is age 50 or older. By 2030 one of every five people in the United States will be 65-plus.

Among clerks, those trends are even more profound. According to a survey of municipal clerks in North America issued by iCompass in 2014,[5] more than 60 percent of those surveyed were over 50, and more than 20 percent were over 60—a sure sign that the pending retirement of municipal clerks throughout the United States and Canada could lead to a significant loss of organizational knowledge by local governments.

Worker mobility is another critical factor. People today change jobs within their chosen profession six to eight times during their careers. The increased number of job changes puts businesses and local governments at greater risk of organizational knowledge loss.

50+
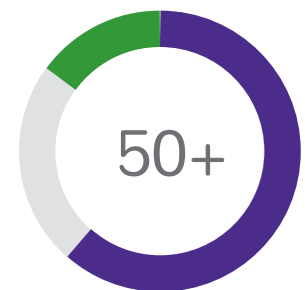
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5 "2014 North America Municipal Clerk Survey," International Institute of Municipal Clerks, 2014

The complexity of the jobs clerks perform and the number of roles they play means they possess even more organizational knowledge than most other experienced employees.

Many city employees have complex jobs. Half of all municipal clerks fill at least two key roles as a routine part of their job; some wear as many as three or four hats in their work.[6] The complexity of the jobs clerks perform and the number of roles they play mean they possess even more organizational knowledge than most other experienced employees.

Many local governments also have relatively small staffs in the clerk's office (more than 80 percent have only one to three employees),[7] which means there are fewer people with whom to share critical knowledge. In addition, everyone is too busy to take on additional work or to learn new skills that are not required for their current job responsibilities.

Taken together, the pending retirement of many municipal clerks, the trend toward increasing worker mobility, the complexity of the jobs most clerks perform, the small staff in municipal clerk offices, and the low-tech way in which many clerks still handle information signal an urgent need for local government leaders to find effective ways to capture, transfer, and retain essential organizational knowledge.

6 "2014 North America Municipal Clerk Survey," International Institute of Municipal Clerks, 2014
7 Ibid.

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How local governments can retain organizational knowledge

Fortunately, there are several ways for local governments to ensure knowledge transfer and reduce the loss of organizational knowledge when municipal clerks leave their jobs.

• Reduce unnecessary attrition
One easy way to avoid losing an employee's knowledge and skills is by making sure she is happy at work—feels engaged, valued, and can see clear progress on her goals. With 78 percent of municipal clerks surveyed reporting that they were either "satisfied" or "very satisfied" with their jobs, the danger of experienced clerks leaving and taking their organizational knowledge with them due to dissatisfaction is relatively low. Still, keeping turnover at a minimum is a great way to maintain knowledge in your organization. Yet, sooner or later all employees do move on. Leaving critical knowledge in the hands, and mind, of one employee is a prescription for disaster.

• Promote ongoing knowledge transfer
Local governments can unlock organizational knowledge by making sure employees collaborate on projects, cross-train, and otherwise share skills and information routinely. If done as a routine part of the work environment, knowledge-transfer strategies are low cost and often effective. Yet with so few employees in most municipal clerk offices, this approach may be impractical for many local governments.

• Make strategic technology investments
Strategic use of technology is the best way to ensure that organizational knowledge is easily accessible and widely shared, and not locked away in the mind or personal files of a valued employee. This approach also has the advantage of making sure that critical information is available to new employees, reducing the need for excessive training and delays in getting them up to speed.

Technology solutions for local governments

Three key technology solutions for local government leaders
to consider include:

1) Agenda and records management solutions

By automating the management and publication of meeting agendas and
other government records, records management solutions make important
information quickly available and easily accessible by city employees and
the public. In addition, the information handled by these digital systems is
searchable, so nothing is lost or misplaced. And by replacing many manual
tasks with paperless processes, these solutions eliminate wasteful duplication
and repetition, reduce the potential for human error, and lighten the workload
of municipal employees. Automation makes this process highly repeatable,
and typically vendors will provide additional training and coaching for new
employees, if needed, to ease transitions and keep everything
running smoothly.

2) Data streaming solutions

These solutions stream data directly to the government website, automatically
refreshing information as staff members work throughout the day and
eliminating the possibility of data getting sidetracked or becoming backlogged.
Streaming government data online also provides the public with better access
to current information and makes less work for municipal employees by
ending the need for them to post frequent updates.

3) Cloud-based storage and productivity solutions

By providing a central repository where municipal employees can store
and share information, cloud-based solutions make it easier for employees
to connect and collaborate more effectively while ensuring that essential
government information is always available to those who need it. Some of
these solutions also incorporate the power of social networking, enabling local
government workers to quickly locate and share information more easily—and
on a variety of devices. Cloud solutions also provide a high level of security,
compliance with many leading standards, and continuous software updates to
ensure that government systems are always up to date.

Three technology
solutions to help
local governments
retain knowledge

1

**Agenda and records
management
solutions**

2

**Data streaming
solutions**

3

**Cloud-based storage
and productivity
solutions**

AgendaFree is an easy, cost-free step to help local governments retain organizational knowledge as clerks move on or retire. <u>**Simply sign up**</u> to get access to an online agenda creation and storage tool today.

Conclusion

The potential loss of organizational knowledge and essential job skills is a growing threat for local governments, and municipal leaders throughout North America must find a way to overcome that challenge before it is too late.

To learn more about how you can automate many of your team's tasks and processes to ensure that valuable knowledge remains as experienced municipal employees change jobs or retire, watch this introductory video.

About iCompass

iCompass Technologies provides cloud-based meeting and records management solutions for local governments, working under the guiding principle that software to improve efficiency and transparency should be available for any sized organization. iCompass most recently launched AgendaFree, the first free paperless agenda management tool for local governments. For more information, visit iCompasstech.com.

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