MANAGING VALUABLE KNOWLEDGE AS A TANGIBLE ASSET
Creating Inventories of Organizational Knowledge

A problem that will not be ignored...
- Knowledge erosion
- Boomer retirements in full bloom
- Upward mobility
- Poorly advised layoffs
- Increased business complexity
- Ubiquitous, complex technology
- Direct impact on new business development

A widening knowledge gap is a reality for many organizations.

Supporting cultural values...
- Sharing knowledge makes an employee more valuable
- Individual learning is the key to organizational learning and growth
- Best practices should be recognized and encouraged
- Communities of practice are proven mechanisms to support knowledge sharing

How an organization responds to these beliefs guides the behavior of all employees.
Knowledge as a **SIGNIFICANT** asset...

- Expensive to...
  - Acquire
  - Maintain
  - Recreate/replace
- Has a market value
- Growing component of organization’s net worth

Knowledge assets demand a fresh management strategy.

Knowledge as a **UNIQUE** asset...

- Knowledge grows when it is shared
- Sharing knowledge does not result in loss
- Sharing can continue endlessly
- Once shared, knowledge cannot be reclaimed
- Sharing knowledge often triggers the return of NEW knowledge
- Knowledge lives in the minds of people
- People are free to move or leave

Knowledge is most valuable when it is being used.

Knowledge as a **TRUE** asset...

- Must be managed like physical assets such as...
  - What is it?
  - Who has it?
  - How frequently should it be maintained / refined?
  - When it should be retired?
  - What impact does it have on the organization?

Tracking this information will require asset management.
Addressing the challenge…
- Clearly define what organizational knowledge looks like
- Identify what we need to know to manage organizational knowledge
- Launch a knowledge inventory initiative

This is a non-trivial challenge and requires a deliberate, thoughtful response.

What is Organizational Knowledge...
- A recognized proprietary intellectual asset
- Comprised of...
  - Consistently defined data
  - Effective movement of information
  - Wise, proven decision-making
  - Can be identified using formal processes for discovery, capture and refinement

Not everything an organization knows is a true “asset.”

Describing Organizational Knowledge...
- Meaningful name
- Easy to understand, meaningful description
- Relative value to the organization
- Current transfer status
- Names of subject matter experts
- Mechanisms for knowledge transfer

This process requires repeatable strategies for knowledge organization and transfer.
Build a Knowledge Inventory...

- Declare a reasonable scope (Enterprise Area)
- Identify top-level groupings (Knowledge Areas)
- List collections of processes and information (Knowledge Topics)
- Define metadata for each Knowledge Topic

Training and templates exist to guide the creation of a Knowledge Retention Policy.

Knowledge Retention Policy (KRP)...

- By-product of an academic research effort
- Tested and proven in multiple organizations and business sectors
- Establishes a formal inventory of knowledge
- Guides new knowledge growth
- Facilitates knowledge transfer

The KRP is organized into a General Management Statement and the Knowledge Asset Inventory.

General Management Statement...

- Explains the purpose for the KRP
- Defines terminology used in the document
- Explains the rationale behind the values used
- Distinguishes between the Level 1 and Level 2 elements of the Knowledge Asset Inventory

The General Management Statement is intended to explain the process to anyone who is not familiar with the process.
Knowledge Asset Inventory...
- Identifies scope
- Declares and describes the Knowledge Areas and the associated Knowledge Topics
- Establishes organizational significance
- Recognizes subject matter experts
- Declares knowledge transfer mechanisms needed for each Knowledge Topic

Creating a recognizable taxonomy facilitates the actual use and retention of organizational knowledge.

Knowledge Transfer Metadata...
- Lists most commonly used document attributes
- Identifies the formal training required to become a SME
- Recognizes the value of cross training
- Considers the role of mentoring
- Potential use of apprenticeships
- Ad-hoc communications used to remain current

This information enables an organization to understand the knowledge required to support established activities.

Sample KRP...
Questions for YOUR Organization…

- Does your organization consider knowledge a valuable asset?
- Where is your knowledge located?
  - Minds of your employees (tacit and implicit)
  - Physical records (explicit)
- Do you have a knowledge succession plan?
- How are you incentivizing employees to share their knowledge?

If your organizational knowledge is a valuable asset, are you managing it as an asset?

Additional Information…

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Managing Organizational Knowledge
2-day workshop

Available from CRC Press or Amazon.