The role of knowledge continuity management in relation to General Managers across Corrective Services NSW

Debbie Coulter, Darren Ross, Al Martin, Wayne Taylor

Introduction

Change is a significant and consistent element of the business environment today. Change can occur for a variety of reasons and can be driven from within or externally to an organisation. Corrective Services New South Wales (CSNSW) is going through a considerable amount of change today. These changes are the result of a number of factors including but not limited to; a change of government, a change of the bureaucratic structure, structured continual improvement processes and a change in the leadership of the organisation. As a result of all these changes, CSNSW has no alternative but to address the challenge of knowledge continuity management (KCM) and the risks associated with years and decades of corporate knowledge exiting the organisation as these changes take affect. This paper will examine the purpose and benefits of KCM within the context of CSNSW General Managers. This essay will achieve this by providing an overview of KCM and outline the purpose and benefits of this approach to retain corporate know how. In addition this paper will briefly analyse KCM within other organisations and provide details of the current approach of CSNSW to manage knowledge at the General Manager level. Finally this paper will examine the rationale for CSNSW to implement a formal KCM strategy and make recommendations on how this strategy could be incorporated into the current operations of CSNSW.

Knowledge Continuity Management - Purpose and Benefits

Beazley, Boenisch and Harden (2002, p. XV) define KCM as:

The efficient and effective transfer of critical operational knowledge – both explicit and tacit, both individual and institutional – from transferring, resigning, terminating, or retiring employees to their successors

In an ideal world an organisation would be able to take all the job specific and organizationally unique knowledge of a departing employee and provide it to a new employee in order to effect a seamless transition from one to the other. This is of course the purpose of KCM, however practically completing this task presents a number of challenges to both individuals and organisations. Individuals may not have an understanding of the depth of their knowledge or may consider some information as not relevant for another individual. Pauleen and Gorman (2001, p. 5) in their text on personal knowledge management discuss the difficulties an individual can have in identifying, understanding and categorizing information without processes and tools which will enable them to evaluate what they know about a particular topic or given situation. The challenge for an organisation is developing the tools and processes to allow an existing employee to communicate the knowledge they have and then managing that knowledge to use it effectively. Delahaye (2011, p. 10) highlights the difficulties organisations face in being able to maintain their current knowledge, disseminate specific knowledge and discard useless knowledge. Frameworks and the technology to perform these tasks can represent a significant investment for an organisation.

Despite these challenges and the additional costs that can be incurred with technologically advanced knowledge management systems, KCM has been identified as critical in many organisations as a direct result of its benefits. Beazley et al have identified several outcomes of sound KCM practices including:

- Increased efficiency
- Increased productivity
Decreased employee frustration and stress  
Increased service levels

The value of these outcomes can be significantly greater than their actual worth in operational and politically charged environments where decreased service levels, productivity and budget overspends can result in considerable external pressures and potentially undermine the organisation and its stakeholders. This may very well describe the environment that CSNSW operates within.

**Continuity Management within Other Organisations and Industries**

A number of other organisations and industries have identified KCM as an effective management system to address a range of issues including the sudden loss of senior personnel, a shortage of suitably qualified and trained personnel within the industry and an increase on the reliance of technical and job specific knowledge for these senior roles. These issues, all of which could be CSNSW issues, have been discussed in depth by Morgan, Doyle and Albers in their 2005 paper *Knowledge Continuity Management in Healthcare*. Morgan et al identify the loss of a senior manager as having a far greater cost than simply recruitment in an industry that has a strong governance requirement, is driven by policy and procedure and is constantly scrutinized by external stakeholders. Within the Healthcare Industry KCM, in particular retaining operational knowledge, is directly linked to improved service delivery, reduced induction and training times and increased productivity.

The utility services industry has also adopted KCM to address pressures within their industry including a reduction in the size of the workforce and growing private competition. Interestingly these pressures are again similar to those faced by CSNSW. Baker, Perez and An (2004) in reviewing the City of North Miami Beach Public Services Department identify the need for physical systems to capture key information that can then be accessed by new and existing staff such as an electronic management system. Such a system would allow information to be passed on long after the owner of that knowledge had shared it with the organisation. The issue of information and knowledge being lost through turnover, promotions and retirements is highlighted by Field (2003) in an example where a technologies company lost an estimated $1 billion in revenue by not knowing some 15 years earlier it had discovered the solution to a technical issue which delayed the release of a new product. Despite the value of an electronic management system the emphasis of a KCM framework must remain on the quality of the information it provides and not the technical specification of the management system. Baker et al state the purpose of a KCM management system must be to capture, store and share explicit and tacit knowledge.

**Current Approach of CSNSW to Manage Knowledge at the General Manager level**

Currently within CSNSW there is no evidence suggesting KCM systems, processes or ideologies are utilised formally within the General Manager cohort. At the time of their departure from the organisation, General Managers as NSW Public Service Employees are managed under the same standard policy and procedures as all other CSNSW employees. The current CSNSW Resignation Policy and Guidelines, section 8.1 identifies the importance of information relating to staff knowledge. It fails, however to ask the questions that will lead to an effective transfer of knowledge between two employees who perform the same work. Beazley et al (2003, cited in Kalkan, 2006, p 45) notes the main difference between KCM and the more traditional transfers of knowledge is the focus on a knowledge transfer across an organisation.

General Managers are also subject to annual performance agreements conducted by their Regional Assistant...
Commissioners as stipulated under the Crown Employees General Managers, Superintendents, Managers Security and Deputy Superintendents Department of Attorney General and Justice – Corrective Services NSW Award, 2009. Such performance agreements are based on Key Performance Indicators (KPI’s) that are generic to all GM’s. Such performance agreements assist General Managers gauge their relative effectiveness in resource management and service delivery, but don’t provide any insight into the individual’s knowledge used to achieve such KPI’s.

General Manager’s attend an annual, two-day conference, the content of which is set by senior management with the underlying themes of future vision, education, networking and information sharing. A focus on learned and tacit knowledge comprised of various skills, corporate systems, corporate social fabric, processes and procedures, task shortcuts and the corporate culture of standards, values and roles (Beazley et al, 2002) would lead to a dissemination of operational knowledge across the General Manager cohort. It would be wrong to think that there is not some continuum of knowledge within the General Manager cohort even without formal KCM systems in place. However it is only with a structured system that an organization can effectively capture, assess, analyse, influence and manage knowledge and ensure that the continuum of such knowledge will assist future General Managers within the organization. Currently there is no structured system in place to capture, store or share the information shared within this forum.

Rationale for CSNSW to Implement a Formal Knowledge Continuity Management Strategy in relation to General Managers

There are currently around 30 General Managers across CSNSW, responsible for the management of correctional centres. It is predicted that the majority of these General Managers will leave CSNSW within the next 5 - 10 years, due to retirement, resignation, redundancy or changes in workplace practices, taking their accumulated knowledge with them.

KCM is necessary to capture, store and share (Baker, Perez and An, 2004) the huge amount of operational knowledge and wisdom which resides in the heads of the experienced General Managers. Without KCM, there is a risk that corporate memory and “know how” will be lost as they leave, jeopardising the achievement of strategic goals, particularly as CSNSW embarks on a period of significant change and General Managers are required to move to a more autonomous model.

SAGECO, an organisation contracted by the NSW Department of Premier and Cabinet to foster KCM, recommends (www.sagecontinuityonline.com.au, 2012) that organisations conduct a critical resources analysis, to determine the priorities for KCM. The priorities are to be determined according to which key roles are hardest to recruit for; whose knowledge is essential to achieve strategic or business plan goals; whose departure will make the organisation the most vulnerable; who are the mature or most admired employees for their technical and leadership ability; how many employees are aged 50 – 54 or 55+ and where are they located.

The benefits of KCM in relation to General Managers may include improved succession planning with better access to knowledge and wisdom; ongoing ability to deal with problems and opportunities; enhanced adaptability; better work practices and processes generally; and the promotion of a culture of collaboration in knowledge sharing.

Recommendations for Knowledge Continuity Management activities for CSNSW General Managers

The project group recommends that CSNSW implement a KCM strategy to address the loss of corporate knowledge at the General Manager level as a matter of urgency. KCM activities may include:
Capturing and sharing explicit and tacit operational knowledge for General Managers could be achieved through the use of video or audio recorded interviews. Utilising a structured interview process designed to extract relevant information these interviews could be made available for all General Managers to review and learn from. A structured interview program for these interviews could be established to ensure knowledge is gathered at key milestones within a General Manager’s career. These Milestones may include the first 12 months within a centre, when a General Manager leaves a centre and progression throughout their career; For example a General Manager could be interviewed every five years and upon retirement. The information gathered during this process could be used to develop a knowledge profile of both the individual and a specific operational environment assisting both new and existing General Managers.

Knowledge management and the continuum of knowledge can be enhanced by the forming of learning groups of three or four people drawn from the broader community of General Managers, incorporating a mix of experienced and new General Managers, to review and discuss issues impacting this group or the organization more broadly. These focus groups may document and make available these discussions providing strategies to overcome or manage these issues for other General Managers. KCM activities which provide opportunities for people to talk and pass on anecdotes, stories and experiences are the most effective means of transferring implicit of knowledge. Stories and anecdotes reflect messiness, explore values and beliefs and when told in a group create an informal environment of exploration that invariably reveals insights one could never predict (Anecdote Pty Ltd, 2006, P.5).

Mentoring involves creating a learning relationship, with the mentor acting as coach and role model. Coaching is a planned one-to-one instruction, where a work situation is turned into a learning opportunity (Standards Australia, 2005, P43). It is recommended that mentoring relationships be established between experienced and new General Managers, acknowledging that time and effort is required for this to happen.

Conclusion

Organisations that understand the value of the knowledge their employees collect over the duration of their career have identified KCM as critical to retaining that knowledge. This paper has examined the purpose and benefits of KCM and provided examples that are particularly relevant to the CSNSW General Manager group. In providing these examples this paper has also clearly identified that the current knowledge capturing practices for General Managers within NSCSW is insufficient and has no real capacity to store and effectively share this information for the benefit of the other General Managers or the organisation. Finally this paper has outlined the case for CSNSW to implement a KCM framework for General Managers and provided a snapshot of the type of KCM activities that could be conducted for this group.

Reference List


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