“Linking Knowledge Management and Employee Engagement”
Will They Tell You What They Know?

Dr. Robert Downing
Newport News Shipbuilding
Newport News Shipbuilding

A Subsidiary of Huntington Ingalls Industries
Quotes from Survey Participants

- I usually only share info when asked.
- I don't offer and do not press if the suggestion is not well received.
- Basically, I will share and ask for advice from anyone… I wouldn't share/ask for information from people who are extremely high up in management or people who are arrogant.
- If you think you can just flip a switch and I’m going to give you my best ideas – that’s never going to happen.
Types of Knowledge

Tacit Knowledge:
is inside of peoples’ heads or in the “Brains of Employees”. It has not been captured, so it has not been formalized or organized. The knowledge cannot be easily accessed by other employees.

Explicit knowledge:
Knowledge that has been articulated, captured, or codified (Nichols, 2000) – “Written down”.
Problem: Losing Tacit Knowledge at a Faster Rate

- Potential exists for significant knowledge loss.
- Large portion of workforce moving to retirement years
- Employees retire before their knowledge can be captured
- What are you experiencing?
Fear of Losing Your Knowledge

• Exercise
  – Interview each other to determine knowledge at risk:
    5 minutes
  – 15 minutes to report
  – Goal: To capture the unique/perishable knowledge
Increased Retirement – Continuing Knowledge Loss

Smaller Pool of Qualified Applicants

Increased Retirements (and other attrition)
The Sources and Transfer of Knowledge

- Paper Documents: 7%
- Electronic Documents: 16%
- Electronic Mail Files: 13%
- Electronic Knowledge Bases: 13%
- Brains of Employees: 51%

80 - 90% of the corporate knowledge is in peoples’ heads.
Problem with Sharing Knowledge

Slightly over 10% of the “knowledge transfer events” involved hiding knowledge.

Connelly, Zweig, Webster & Trougakos (2012).

From a Gallup Perspective – “Disengaged Employees”

Are you concerned with “Employee Engagement”? 
Common Management Assumption

A common management assumption is that employees freely and openly will share their knowledge. This assumption seems to be based on the attitude that the company owns the knowledge that resides within the employees’ heads.

What does this impact?

- Process Improvement / Development
- Problem Solving / After Action Reporting / Hot Washes / Critiques / Lessons Learned
- Training Development
- Requirements Gathering / “Mind Mining”
- Production
- Mentoring : “Shirt sleeve to shirt sleeve”
- New Employee Development
Purpose of the Tacit KM Study

Research Background: Developing predictors of general knowledge transfer – not just opinion.

The **purpose of this study** was to develop predictors or indicators of tacit-knowledge transfer.

30 questions / 5 categories
- Perceived management commitment
- Social interaction
- Trust
- Rewards
- Status
## Results of Linear Regression

<table>
<thead>
<tr>
<th>Variable composite</th>
<th>$B$</th>
<th>$SE_B$</th>
<th>$\beta$</th>
<th>$t$</th>
<th>$p$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust</td>
<td>0.50</td>
<td>0.14</td>
<td>0.43</td>
<td>3.51</td>
<td>0.001**</td>
</tr>
<tr>
<td>Perceived management commitment</td>
<td>0.41</td>
<td>0.13</td>
<td>0.40</td>
<td>3.26</td>
<td>0.002**</td>
</tr>
<tr>
<td>Social-interaction climate</td>
<td>0.32</td>
<td>0.12</td>
<td>0.36</td>
<td>2.82</td>
<td>0.007**</td>
</tr>
<tr>
<td>Reward</td>
<td>0.40</td>
<td>0.16</td>
<td>0.32</td>
<td>2.49</td>
<td>0.020*</td>
</tr>
<tr>
<td>Status</td>
<td>0.29</td>
<td>0.17</td>
<td>0.22</td>
<td>1.67</td>
<td>0.100</td>
</tr>
</tbody>
</table>
## Tacit KM Survey Questions and Scores

<table>
<thead>
<tr>
<th>Question</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>26</strong> You and Pat both work at your company. Both of you started work</td>
<td>“Friend”</td>
</tr>
<tr>
<td>at the same time and have been friends ever since. Would you share</td>
<td>Mean Score 6.7 (out of 7) on KM Sharing Survey</td>
</tr>
<tr>
<td>with Pat?</td>
<td>Note: This is the highest mean score of all the survey questions.</td>
</tr>
<tr>
<td></td>
<td>95.7% will share</td>
</tr>
<tr>
<td><strong>17</strong> You and Pat both work at your company in completely different</td>
<td>“Don’t Know Them”</td>
</tr>
<tr>
<td>divisions and have never met each other. Would you share with Pat?</td>
<td>Mean Score 5.0 on KM Sharing Survey</td>
</tr>
<tr>
<td></td>
<td>71.4% will share</td>
</tr>
<tr>
<td><strong>18</strong> You and Pat both work at your company. Pat has a reputation for</td>
<td>“Perhaps, Don’t Like Them”</td>
</tr>
<tr>
<td>never helping anyone. Would you share with Pat?</td>
<td>Lowest Mean Score 4.5 on KM Sharing Survey</td>
</tr>
<tr>
<td></td>
<td>64.3% will share</td>
</tr>
</tbody>
</table>
### Tacit KM Survey Questions and Scores

<table>
<thead>
<tr>
<th>Question</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>New</strong></td>
<td>You and Pat both work at your company in completely different divisions. The two division have been fighting over turf and responsibilities for some time. Would you share with Pat?</td>
</tr>
<tr>
<td><strong>New</strong></td>
<td>You and Pat both work at your company. Pat stabbed you in the back two weeks ago. Would you share with Pat?</td>
</tr>
</tbody>
</table>
Significance

• Knowledge sharing is “Situational” – it depends on the Situation and how the employees feel about sharing.
  – Note: This is not just “bad employees” not sharing. This is “good employees not sharing” – depending on the situation.

• Question: Does this apply to all discretionary effort from employees? Gallup says “Yes”
Employee Engagement, the Missing Link

Black Box “Magic Occurs”

Employee Engagement → Knowledge Sharing → Productivity & Profitability

Culture Impacts Productivity
Q12® Employee Engagement

- I know what is expected of me at work.
- I have the materials and equipment I need to do my work right.
- At work, I have the opportunity to do what I do best every day.
- In the last seven days, I have received recognition or praise for doing good work.
- My supervisor, or someone at work, seems to care about me as a person.
- There is someone at work who encourages my development.

- At work, my opinions seem to count.
- The mission/purpose of my company makes me feel my job is important.
- My associates (fellow employees) are committed to doing quality work.
- I have a best friend at work.

- In the last six months, someone at work has talked to me about my progress.
- This last year, I have had opportunities at work to learn and grow.
Why Is Employee Engagement So Important?

Copyright © 2009 Gallup, Inc. All rights reserved.
Business units in the top engagement quartile have 48% fewer safety incidents and 41% fewer quality defects than their bottom-quartile counterparts.
ENGAGEMENT = PERFORMANCE

Grand Mean Shop A

- 2011: 3.76 (≈ 30th Percentile)
- 2013: 4.34 (≈ 75th Percentile)
PERFORMANCE

Accidents Shop A

- 2011: 14
- 2013: 5
- 64% Drop

FTQ Shop A

- 2011: 98.1%
- 2013: 98.8%

Manhours/Detail Shop A

- 2011: 9.3
- 2013: 6.3
- 32% Drop

Cost Performance Index Shop A

- 2011: 0.94
- 2013: 1.13
- 20% Increase
CHALLENGE TO LEAN PROFESSIONALS

If Knowledge Sharing is voluntary, how do we increase the likelihood that colleagues and customers will share their knowledge…?
PLACEHOLDER - EXERCISE

• Give out Q12 handout
• Ask: Which of these questions would be effected by implementing a knowledge management program
• 10 minutes
STRATEGIC (VS. PIECE-MEAL APPROACH)

• “a strategy and/or practice used to identify, capture and retain knowledge, information, skills and relationships that are critical to the current and future performance of a organization.

“Hope and handwringing is not a Strategy”
IN CONCLUSION

• We can increase knowledge sharing (and Employee Engagement) by increasing “Trust” (Friend at work).

• Trust is necessary for employee engagement (and Knowledge Sharing), and Social Interaction is necessary to build that Trust.

• Part of the process to increase Trust is to allow/encourage more social interaction at work (developing the Friend at work).

• The actions that increase Knowledge sharing are also likely to increase Employee Engagement.

• Necessary that employees perceive management commitment.
REALLY - IN CONCLUSION

- Knowledge Sharing is a gift.
- So, how do you encourage gift giving?
- And, are you ready to receive the gift?
OPTIONS FOR ACTION

• Do Nothing
  – Expected Results?

• Do Something
  – Expected Results?
Contact Information

• Robert E. Downing, Ed.D.
  Newport News Shipbuilding - Huntington Ingalls Industries
  Bldg. 520, 4th Floor
  4101 Washington Avenue
  Newport News, VA 23607
  (757) 688-9764, cell (757) 717-3416
  roberete.downing@hhi-nns.com
Thank You!

Please complete the session survey at:
www.ame.org/survey

Session: ThP/37
“Linking Knowledge Management and Employee Engagement”
Dr. Robert Downing
Newport News Shipbuilding
RobertE.Downing@hii-nns.com
Resources

- Conoco-Phillip’s knowledge retention strategy slides and presentation materials:
  - Slides: http://www2.apqc.org/aug2014kmcc
  - Recording: http://webmedia.apqc.org/il80web20025/Marketing/2014_Webinars/2014.8.21_August_KM_CC.wmv

- Additionally, The Tennessee Valley Authority (TVA) freely shares their KM materials:
  http://www.tva.gov/knowledgeretention/index.html

- Finally, let me also suggest that the Knowledge Management materials from The America Productivity and Quality Center (APQC) offer a wealth of information.
  http://www.apqc.org/
Resources

• Conoco-Phillip’s knowledge retention strategy slides and presentation materials:
  – - Slides: http://www2.apqc.org/aug2014kmcc
    - Recording: http://webmedia.apqc.org/il80web20025/Marketing/2014_Webinars/2014.8.21_August_KM_CC.wmv

• Additionally, The Tennessee Valley Authority (TVA) freely shares their KM materials:
  http://www.tva.gov/knowledgeretention/index.html

• Finally, let me also suggest that the Knowledge Management materials from The America Productivity and Quality Center (APQC) offer a wealth of information.
  http://www.apqc.org/
References


“All clipart images in this presentation are copyrighted works of Microsoft. Individual elements of this presentation may not be copied without the express written permission of Huntington Ingalls Industries.”
References

• Longwood, Nancy: Leveraging Employee Engagement for Competitive Advantage: HR’s Strategic Role (2007).

“All clipart images in this presentation are copyrighted works of Microsoft. Individual elements of this presentation may not be copied without the express written permission of Huntington Ingalls Industries.”
TVA Knowledge Retention

• Knowledge Retention
• Step 1: Conduct Assessment
• Step 2: Determine Approach
• Step 3: Evaluate

http://www.tva.gov/knowledgeretention/
index.html

TVA has given us permission to share their materials - 05/06/14
Facing the Attrition Challenge
Critical Issues

• Focusing on the critical positions where knowledge loss is the greatest threat
• Identifying and prioritizing the specific knowledge and skills at risk
• Developing concrete, actionable responses to mitigate this loss.

The Knowledge Retention Process

• Three main questions:
• 1. Specifically, what knowledge is being lost?
• 2. What are the business consequences of losing each item of knowledge?
• 3. What can we do about each item?

## Overall Process

<table>
<thead>
<tr>
<th>Who?</th>
<th>So What?</th>
</tr>
</thead>
</table>
| • Garner support and resources  
• Establish sponsors and agents  
• Define near- and long-term objectives | • Assess consequences of loss  
• Categorize and prioritize  
• Confirm |

<table>
<thead>
<tr>
<th>What?</th>
<th>Now What?</th>
</tr>
</thead>
</table>
| • Determine relative risks  
• Identify positions/people  
• Prepare interviewers and interviewees  
• Conduct interviews/info gathering  
• Compile lists of knowledge/skills  
• Confirm | • Identify responses  
• Establish schedules, responsibilities, measures, etc.  
• Approve and implement  
• Monitor and extend |

Strategic Lessons Learned

• There is a logical process
• Focus on Critical Positions -- One job at a time
• Lots of detailed work, analysis, planning, and project management
• Limited number of ways to deal with it.
• Everyone must do their part - management, HR, supervisors, process owners, KM professionals

Tactical Lessons Learned

• Clarify purpose to employees & defuse concerns
• Include newer employees as “observers”
• “How did you learn it?” enlightening
• Clusters of knowledge based on career path
• Safety and reliability/risk drive priorities
• Retirees can be a continuing resource