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**Knowledge is Walking Out the Door:**  
Senior employees' experiences of knowledge retention

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# Knowledge is Walking Out the Door: Senior employees' experiences of knowledge retention

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## **Abstract**

Age Management has never been as important as today. The ongoing demographic change, with populations aging rapidly in developed countries, has made that organizations currently are struggling with a large number of workers retiring. A large loss of workers does not only mean a loss in bodies but also a loss in key competences that can be difficult to replace. Previous research has examined organizational, societal and managerial efforts in retaining knowledge but there is a lack of studies considering senior employees' efforts and experiences. This study, based on a field study at a Swedish multinational company, contributes to previous research by studying knowledge retention in regards to retirement from a senior perspective. Findings indicate that knowledge retention is a situated learning process in which knowledge is retained through daily interactions among employees. Therefore, knowledge will only contribute to organizational performance if it is perceived as valuable in the social context in which knowledge retention takes place. This study illustrates the importance of considering the situated aspects of knowledge to prevent valuable knowledge from walking out the door.

## **Keywords**

Age Management, Knowledge Retention, Situated Learning Theory, Communities of Practice

## **Introduction**

Developed countries are currently facing a major demographic change with populations aging rapidly (Chen & Mykletun, 2014). In a report made by Statistics Sweden (2009) it is said that it is a result of the baby boom that occurred after World War II, longer life spans and partly due to the low birth rates that have been seen since the 1980s. Since the baby boom generation (in this article referred to as seniors) has reached their retirement age many organizations are currently struggling with a large loss of workers (Gustavsson, et al., 2010; Harvey, 2012). A large loss of workers does not only mean a loss in bodies but also a loss in valuable intellectual competences that can be difficult to replace (Dychtwald, Erickson & Morison, 2004; Harvey, 2012). In order to cope with an aging workforce, age management has grown in importance (Furunes, Mykletun & Solem, 2011; Levy, 2011).

Despite its increased importance, age management is a quite new topic, both in practice as well as in academic research (Levy, 2011). The concept is used to describe the organizational

activities taken to uphold labor supply, deal with the interests and needs of different generations, maintain the productivity of senior employees and retain knowledge when employees retire (e.g. Brooke & Taylor, 2005; Grima, 2011; Skoglund & Skoglund, 2005). This study puts emphasis on the last mentioned component, i.e. knowledge retention. Too often, senior employees retire without having passed on any knowledge, which can lead to lost productivity, increased errors and diminished creativity (Calo, 2008). Unfortunately, knowledge gaps are difficult to identify and often, the way these gaps become realized is through mistakes done by successors (ibid.). It is therefore important that organizations plan for the large number of employees currently retiring (Chen & Mykletun, 2014).

Previous research has addressed the subject from different angles. Some researchers have focused on describing the work of knowledge retention (descriptive), some on how knowledge retention can be seen as a factor to competitive advantage (instrumental), while others have focused on presenting best practice of knowledge retention (normative). Researchers (e.g. Harvey, 2012; Levy, 2011) have described organizational efforts in retaining knowledge as a stepwise process based on primary stages such as defining knowledge, documenting it and integrating it. Considering knowledge retention as a means to competitive advantage, researchers (e.g. Cross & Baird, 2000; De Long, 2004) have claimed that embedded knowledge in an organization's memory enables companies to leverage learning from key experiences and through that improve business performance. Multiple instrumental studies have their basis in the recognition of knowledge as organizations' most valuable resource since it is an intangible asset consisting of tacit knowledge and therefore difficult for competitors to replicate (see e.g. Davenport & Prusak, 1998; Nonaka & Takeuchi, 1995). Other researchers (e.g. Liebowitz, 2011; Rothwell, 2004) have proposed different techniques that organizations should use in order to succeed in retaining senior employees' knowledge. Best practice has been argued consisting of process documentation, expert systems, information exchanges, electronic performance support systems, job aids, storytelling and job shadowing. Even if the importance of knowledge retention has been emphasized, companies tend to put limited or no interest at all in these issues (e.g. Coy, 2005; Ebrahimi, Saives & Holford, 2008; Kuyken, Ebrahimi & Saives, 2009).

Main focus in previous studies has been on what companies do or what companies should do to successfully retain knowledge when employees are set to retire (Alvesson & Kärreman, 2001). There is namely a common assumption among researchers that knowledge can and therefore should be managed to achieve the best possible result (Diedrich, 2004). Studies have historically paid limited attention to senior employees' experiences of knowledge retention (Levy, 2011). Previous research has addressed these issues from a society, organizational or managerial perspective (see e.g. Beck, 2014; Conjard & Saint-Genis, 2010; Slagter, 2007). This study contributes to previous research by studying knowledge retention in regards to retirement from a senior employee perspective. The first aim is to dig deeper into the meaning of key competence by examining what senior employees consider to be valuable knowledge. The second aim is to investigate senior employees' experiences of knowledge retention in connection to retirement. This will allow for a better understanding of the final aim, which is to identify what factors that have an impact on knowledge retention and in what way.

To understand senior employees' experiences of knowledge retention it is necessary to apply knowledge retention theories (e.g. Doan, Rosenthal-Sabroux & Grundstein, 2011; Liebowitz, 2011; Weick, 1995). Knowledge retention in this case refers to "embedding knowledge in a

repository so that it exhibits some persistence over time” (Argote, McEvily & Reagans, 2003, p.572). Looking into knowledge retention from a senior perspective, a complexity is discovered in how the employees perceive that knowledge best is retained and the way the organizational structure allows it to be retained. To make sense of senior employees’ view on knowledge retention in relation to their forthcoming retirement, situated learning theories (e.g. Brown & Duguid, 1991; Lave & Wenger, 1991) are added, and in particular theories of situated learning in communities of practice.

This article will first provide a theoretical framework introducing knowledge retention and relevant concepts from situated learning theory. Secondly, the method used to conduct and analyze the study will be described. Thirdly, the empirical data is presented, starting with an introduction of the organization and how they currently work with knowledge retention. Fourthly, our findings are analyzed and discussed in the light of the theoretical framework before the article concludes by presenting the conclusions and implications of the study.

### **Introducing Knowledge Retention**

Knowledge is argued to be an organization’s most valuable resource (Davenport & Prusak, 1998) and once knowledge is lost it can only be replaced through high investments in developing new knowledge or acquiring it from outside the organization (Calo, 2008). Knowledge that remains in the heads of employees, without being saved in the organizational memory, represent a threat to the organization. Hence, one of the biggest challenges for companies is how to avoid losing key competences (Agrifoglio, 2015). Special emphasis should be on retirement, as it is one of the most frequent causes of individual knowledge loss (Romhardt, 1997).

Knowledge retention involves saving critical knowledge that is at risk to disappear so that it can be reused over time (Argote et al., 2003). It needs to be well integrated in an organization’s operations and begin in good time before a key employee is about to depart (Doan et al., 2011), but still there are only few companies that have formal well-functioning strategies (Liebowitz, 2011). There exist a lot of information and knowledge, but organizations cannot and should not retain all available knowledge (Romhardt, 1997). Organizations must identify knowledge that is critical to organizational performance (Probst, 1998). According to Argote et al. (2003), it is important to consider potential knowledge gaps and their impact on performance when prioritizing what knowledge that is of value to retain.

When critical knowledge has been identified, it needs to be stored within the organization. This can be done in three forms, namely in individual, collective and electronic form (Romhardt, 1997). Individual form enables organizations to avoid losing valuable knowledge possessed by individuals, collective form aims to save knowledge into the collective memory of an organization and electronic form emphasizes the use of IT systems (ibid.). Weick (1995) distinguishes between four different sense-making levels where individual knowledge of cause-and-effect relations is stored in the first level. Shared meanings and interactions between individuals shape the second level, which in turn creates the third level where common minds are stored in the organizational memory and preserved over time in routines, ideologies or job descriptions. The final level consists of the organizational culture and is embedded in norms, habitual actions, metaphors et cetera (ibid.). Stored knowledge must be made available for others to apply and use in the decision-making process to avoid wasting organizational resources when replicating previous work (Alavi & Leidner, 2001; Weick, 1995).

In the formulation of a knowledge retention strategy three questions must be asked: “what knowledge may be lost?”, “what are the organizational consequences of losing that knowledge?” and “what actions can be taken to retain that knowledge?” (Doan et al., 2011, p.3). Considering what knowledge that may be lost, researchers distinguish between various forms of knowledge. Organizational knowledge can be described as expressions of knowledge, such as explicit or tacit (Nonaka & Takeuchi, 1995), or based on the place of the knowledge, such as individual or collective (Lam, 2000). Explicit knowledge is of formal character and can therefore be captured in non-human storage tools like documents and computer programs, while tacit knowledge rather is based on experiences making it more difficult to verbalize (Nonaka & Takeuchi, 1995). Individual knowledge exists within a person while collective knowledge exists between individuals and emerges from interaction (Lam, 2000). Rules, procedures, routines and shared norms emerge from the collective knowledge into the organization through the knowledge sharing process (Hendriks, 1999; Walsh & Ungson, 1991). The aim of knowledge sharing is to make inaccessible knowledge in a specific context accessible to counteract the reinvention of the wheel (Diedrich, 2004).

In consideration of the organizational consequences of losing valuable knowledge, organizations need to have an understanding for potential risk factors as well as success factors within knowledge retention. Factors found to be a risk are if the average age of the employees is high, if many knowledgeable employees are leaving, if there is a limited focus on mentoring programs, if it is difficult to find information or if the informal communication is limited (Liebowitz, 2011). Factors contributing to successful knowledge retention are support from top management, a learning culture, and an efficient use of information and communication tools (Doan et al., 2011). Furthermore, HR practices are also crucial since knowledge resides within people which relates to other HR practices as recruitment, education, rewards and performance management (ibid.).

Liebowitz (2011) stresses the importance of understanding all pillars within knowledge retention in order to find an appropriate combination of tools and techniques to make sure that valuable competences are kept within the organization. Different types of knowledge need different tools and techniques to be retained (Nonaka & Takeuchi, 1995). Except from the more general initiatives taken by organizations to share knowledge, e.g. meetings, company functions, knowledge fairs, expertise locating systems et cetera, tools and techniques that can be used specifically for knowledge retention are for example storytelling, mentoring programs, job shadowing, exit interviews, processes manuals and taking advantage of the knowledge of retirees (adapted from Liebowitz 2011 and Rothwell, 2004).

As has been shown, it is important for companies to classify the knowledge, i.e. where knowledge resources are located, in what form they exist and decide upon what knowledge that is of value to retain (Romhardt, 1997). However, according to Weick (1995), what people know can only be turned into organizational knowledge if it becomes translated into a set of activities. A distinction is made between knowledge and knowing where the first term refers to a possession and the other one an action (Cook & Brown, 1999; Weick, 1995). Knowledge and knowing are complementary as knowledge is expressed in individual and organizational actions, i.e. in the process of knowing (Cook & Brown, 1999). In this way, knowledge retention on the individual level evolves through social interactions to collectively retained knowledge on the organizational level. Looking into the meaning of organizations as networks of shared meanings, retained through

the development and use of common languages and everyday social interactions, it is of interest for this study to add situated learning theory to the theoretical framework.

### **Situated Learning Theory: Retention through Communities of Practice**

Situated learning theory has emerged during the past decades as a response to the traditional and dominant cognitive perspective on knowledge in which knowledge is conceptualized as being a set of abstract puzzle pieces residing in people's heads and where learning is the process of passing on this knowledge from one head to another (Brown & Duguid, 1991). From this perspective, knowledge is rather argued to be situated, meaning that it is always qualified as knowledge from a particular point of view (Haraway, 1991). Even though knowledge is important, no knowledge is good per se (Kalling & Styhre, 2003). The conceptualization of knowledge as situated aims to move our understanding of learning beyond the narrow focus on the cognitive contents of individuals' minds to the embeddedness of learning in social relationships involving the acquisition, maintenance, and transformation of knowledge (Fox, 2000). Hence, situated learning theories revitalize the prescription and understanding for how knowledge sharing takes place within workplaces (Wenger, 2004).

The idea of situated learning within social interactions has existed for a long time but Lave and Wenger (1991) are recognized as the pioneers introducing situated learning as a model of learning in communities of practice (Fox, 2000). Many studies have since then been made but in order to best trace and understand the evolution of the concept focus will particularly be on studies done by Lave and Wenger (1991) and Wenger et al. (2002) seen as two major publications in situated learning theory (Agrifoglio, 2015). Lave and Wenger (1991) define communities of practice as a group of people who share common interests and who, by interacting on a regularly basis, accumulate knowledge and develop themselves both personally and professionally. Learning occurs naturally in the ongoing interaction between people and much of what is learned is specific to the situation in which the interaction takes place (*ibid.*). Situated learning theory refers to learning as a socially constructed process in which a group of people develop a mutual sense of identity, i.e. they become a community of practice (Lave & Wenger, 1991; Wenger, McDermott & Snyder, 2002). Communities of practice provide value to organizations by connecting people and collect the whole business system together around core knowledge requirements (Wenger et al., 2002). There are mainly four identified profits in social capital building: a decreased learning curve of new employees, a reduced number of reworks, a faster response to customer needs and an increase in generated ideas resulting in more innovations (Lesser & Storck, 2001).

Wenger et al. (2002) identify three equally important elements which together form a community of practice: a domain, a community and a practice. The domain symbolizes an area of interest bringing a group of people together and it defines the common ground and mutual identity that guides and facilitates the learning process among people (*ibid.*). Hence, within a community of practice, identity is not created by a task as in normal teams, but by an area of interest that needs to be explored and developed (Wenger, 2004). The community illustrates a social arena fostering learning by daily interactions and a willingness to share ideas (Wenger et al., 2002). While the domain creates the common ground of a community, the community in turn is composed by people interacting and building interpersonal relationships on subjects important to their specific domain (*ibid.*). Social interactions, if kept regularly, allows a sense of belonging, commitment and a shared understanding of the specific domain among members. People meeting sporadically to discuss a

particular issue do therefore not constitute a community of practice (Wenger, 1998). The last element, the practice itself, refers to a set of shared resources such as experiences, stories and tools allowing members to learn from each other. The practice is what enables members to improve their knowledge within the certain domain (Wenger et al., 2002).

Members' willingness to participate actively and share their knowledge is found to have a great impact on the outcome (Agrifoglio, 2015). In research done by Ardichvili, Page and Wentling (2003), it was found that most people look at knowledge as a public good that belongs to the whole organization, which means that most people are motivated by moral obligations rather than self-interest. Other findings rather have shown that people share their knowledge to other people only if they perceive that it benefits themselves (McLure & Faraj, 2005). On the contrary, Amin and Roberts (2008) mean that the reason making members willing to share knowledge depends on the relationships and proximity within the community. Research has also found that knowledge sharing depends on members' view on knowledge. Members who see knowledge as a valuable resource and a key to success are more motivated to enter communities (Fang & Chiu, 2010). However, members who view their knowledge as a private asset and a source of own competitive advantage are shown to be less willing to enter communities and contribute with their knowledge (Ardichvili et al., 2003). In order to succeed with knowledge sharing organizations would benefit from considering the situated aspects, and how to combine and apply key competences needed to execute the business strategy (see e.g. Wenger et al., 2002).

As has been shown, there is a belief in situated learning theory that knowledge is situated and that learning occurs naturally in the ongoing interaction between people (Lave & Wenger, 1991). In contrast to the traditional view on knowledge, where focus is put on the cognitive contents of individual minds, focus is shifted towards the interactions between individuals (Fox, 2000). Furthermore, researchers within situated learning theory state that people who share common interests and interact regularly with the use of shared resources become members of communities of practices (see e.g. Lave & Wenger, 1991). Within knowledge retention theory, researchers distinguish between different types of knowledge and how these types can be stored in various ways (see e.g. Lam, 2000; Romhardt, 1997; Weick, 1995). Knowledge retention theories also stress the importance of the collective and interactions, as is emphasized in situated learning theories. In order to enhance the understanding of senior employees' experiences of knowledge retention, it is of interest to let theories within knowledge retention combined with situated learning theories focusing on communities of practices form the theoretical framework for this study.

### **Methodology: Design of the Study**

A qualitative research will outline the basis for the research design in this paper. Since this study aims to gain a deeper understanding for senior employees' experience of knowledge retention at a multinational company, a case study has been chosen as research method. A case study method is a suitable approach to use when the aim is to provide in-depth knowledge of a phenomenon within its real-life context (Czarniawska, 2014; Silverman, 2013). An advantage of case studies is that it allows the researcher to use more than one tool when gathering the empirical data (Silverman, 2013). In this study, documents in combination with individual, dyadic and focus group interviews have been used and the data collection period lasted for seven weeks.

Initially, the searching for and reading relevant literature to strengthen the study's reliability was done. A literature study is valuable to gain a fundamental understanding of previous research

within the area and creates a solid knowledge base when conducting the empirical research (Silverman, 2013). In order to get a first insight into the case company's work with age management, and in particular knowledge retention, an informative meeting with two contact persons at the company was conducted. These two contact persons work at the HR department, where one is a male HR manager specialized in health and rehabilitation and the other a female HR manager specialized in pension and insurances.

Case studies tend to contain a lot of narratives (Flyvbjerg, 2006) and interviews can be seen as an instrument used to provide researchers with these descriptions (Kvale, 2006). The two contact persons helped to search for relevant interviewees to get an understanding of senior employees' experiences of knowledge retention. To avoid degrees of nominator bias and the snowballing method (Kvale & Brinkmann, 2008) the male contact person used a list of all white-collar employees aged over 62 years working in one of the three sites in Sweden. With the use of a random number generator in Excel, he provided a list of various senior employees' name and their contact information. With the use of this list an email was sent out to the employees explaining the aim of the study together with a request for an interview. During the entire data collection period the male HR person kept providing lists, containing six randomly selected senior employees at a time. This because the participation of the interviews was voluntary whereby some employees chose to not participate.

Primary data was gathered by first conducting a few individual interviews with interested employees, i.e. introductory interviews. Based on these interviews, the interview questions were altered to better fit the data before the rest of the individual interviews were conducted. When fourteen individual interviews with senior employees had been done, a dyadic interview with the two HR managers was conducted to clarify certain issues that had been raised in the interviews with the senior employees.

When the individual interviews with the senior employees and the dyadic interview with the two HR managers were compiled, the male HR manager provided two more lists of senior employees' names. An email was sent to these employees asking them to be part of a focus group interview. Two focus group interviews were done with three employees in each group. The aim with gathering employees in a group discussion was to develop the empirical results by listening whether they agreed, disagreed or if they perceived that something was missing. With the aid of the two focus groups, the validity of the study was strengthened. The collection of data was carried out until a saturation point was reached (Glaser & Strauss, 1967), i.e. where no new information was obtained from further data. This meant that the data collection was rounded off after having been conducting in total fourteen individual interviews with senior employees, two dyadic interviews with the HR representatives and two focus group interviews in which three senior employee participated at a time.

### **Collection of Field Material**

The collection of empirical data was initially done through reading documents that gave an overview of the case company's previous work, policies and internal documents concerning age management and knowledge retention. The documents were provided by the contact persons at the case company. Examining organizational documents are useful since it provides valuable background information (Bryman & Bell, 2011). Bearing in mind that data collection is time-consuming, an advantage of using secondary data is that it saves time while a disadvantage is that



it does not necessarily cover all the important aspects for the study. Furthermore, it is important to be aware of the fact that the content and structure of these documents are adapted by whom and for whom these documents are targeted (Silverman, 2011). Hence, the documents provided by the HR managers were viewed critically.

The rest of the field material was collected through conducting individual, dyadic and focus group interviews. As there are multiple views of one case, these different interviews were used as tools to portray multiple realities (Stake, 1995). An overview of the number of interviewees sorted by department and type of interview can be seen below in Table 1. All participants in this study are white-collar employees over the age of 62 years, working in various departments located in two different sites of Sweden. All interviews were conducted at the company's headquarter site except for one individual interview that was held over the phone. Each interview lasted between 45-60 minutes which was seen as enough to capture the interviewees' experiences on knowledge retention.

Department	Dyadic interview	Individual interview	Focus group interview
Corporate Communication (CC)		1	
Finance (F)		1	
Human Resources (HR)	2		
Information Technology (IT)		2	2
Intellectual Property (IP)		1	
Logistics (L)		1	
Manufacturing (M)		1	
Marketing, Sales & Customer Service (MSC)		1	1
Purchasing (P)		1	
Quality & Customer Satisfaction (QCS)		3	
Research & Development (R&D)		2	3
<b>TOTAL</b>	<b>2</b>	<b>14</b>	<b>6</b>

**Table 1.** The number of interviewees sorted by department and type of interview.

The interviews were open-ended (Silverman, 2013) to unfold the varieties of individual experiences (Kvale, 2006). The interviews were also semi-structured and revolved around themes such as the interviewee's view of age management, valuable knowledge and knowledge retention in regards to retirement. The focus groups revolved around the results from the individual interviews but the participants were encouraged to talk about their experiences based on the results. All interviews were recorded and notes were also taken about issues that were unclear (Czarniawska, 2014) in order to ask the interviewees to elaborate these issues. Furthermore, impressions were written down within a few hours after the interviews had been made to better capture and make sense of what had been told, rather than solely relying on the audiotape and the notes (Stake, 1995). All interviews and focus groups were transcribed to aid the analysis of the field material.

There were two issues that needed to be considered before conducting the interviews, where the first one concerned ethical issues. As potentially powerful and private knowledge was being produced and will become public, the information that was gathered need to be used in an ethical manner (Kvale, 2006). Hence, the case company and all interviewees are anonymized. The other issue concerns the fact that the interviewees might have altered the truth to answer the questions in a way they thought was preferred (Czarniawska, 2014). The use of multiple data collection methods such as studying documents and conducting different types of interviews has hopefully overcome this shortcoming.

### **Analysis of Field Material**

As the field material was collected through various tools used on different occasions, the use of grounded theory was appropriate as this approach promotes a constant comparative analysis when analyzing data (Glaser & Strauss, 1967). By using a grounded theory approach, the collected data was analyzed carefully and in an open way, which portrayed the data in new ways (Charmaz, 2006).

The field material was analyzed in different stages. The first step of the data analysis took place after only a few of the intended individual interviews had been conducted and transcribed. The data collected from these interviews were coded and categorized into concept cards as suggested by Martin and Turner (1986). As semi-structured interviews in case studies tend to consist of large amounts of qualitative data (Turner, 1981), various concepts were identified. In total, approximately 30 concepts were found including a vast range of themes such as lack of strategy, the value of having a social network, informal groups, and inefficient work areas. These concepts aided the change and rephrasing of the interview questions emphasizing the most relevant concepts found in the first set of interviews. In the following interviews the focus was shifted to mainly concern the definition of valuable knowledge, how knowledge becomes retained, and driving forces as well as obstacles for knowledge retention.

The second step consisted of coding and categorizing the dyadic interview with the two HR managers, and the collected documents related to age management and knowledge retention. These data was then compared with the individual interviews made with the senior employees to find connections and to summarize the results. In order to test the validity of the results, the third step consisted of discussing the results in focus groups with other senior employees than the ones that the results were based on, i.e. the individual interviews.

The discussion from the two focus groups, together with the individual and dyadic interviews with the HR representatives were used to discover relevant theoretical concepts appropriate for this study. After have noticed that knowledge is retained through daily interactions among employees, theories outlining the idea of knowledge retention with special regards to situated learning theory was selected to be able to, as described by Martin and Turner (1986), move up in the level of abstraction.

### **Findings: Introducing WimCorp and the Setting**

The studied company, hereby referred to as WimCorp, is a leading multinational corporation operating in the manufacturing industry. The headquarters of WimCorp is located in Sweden and the company has global operations such as manufacturing, product development, sales, technology and customer service in Western Europe and Asia. WimCorp is a well-known and respected brand

with presence in 100 countries. The strongest markets are in China, Sweden, United States, United Kingdom and Germany. Throughout the long history of the company, sales have fluctuated in some periods but in recent years the sale numbers have increased steadily. In 2015 the company reached an all-time high in sales volume, with an increase by 8 % compared to the same period in 2014. A range of new products drives the recent growth and the company has a strong belief that this growth will continue in the future. The vision of the company is to keep driving global success and the aim is to increase sales globally with 60 % by 2020. WimCorp currently employs approximately 28.500 full-time employees worldwide. The employees in Sweden tend to work at WimCorp for many years and some senior employees have been employed for more than 45 years.

In the near future there will be more employees retiring than the company has experienced before. These employees have been part of significant occurrences in the company's history, such as changes of ownership and new production plants. The majority of the new recruits at WimCorp have no previous experience from the company and they are relatively young. This has given cause to a gap in age and in experience between new recruits and senior employees. To be able to cope with these issues, an age management project emerged in 2013.

In the beginning, the project mainly dealt with issues related to an aging workforce and retirement. Later, the project evolved into concerning creating a healthier workplace for all ages to encourage all employees to work for a longer time. One crucial cornerstone in the project is the work with not losing valuable knowledge when employees retire. This issue is seen as problematic, causing WimCorp to not yet have a strategy or systematic way of how to retain valuable knowledge. From a HR perspective, there are two critical aspects making it difficult to create a uniform action plan that is valid for all departments within the organization. First and foremost, as described by one HR manager “[n]ot all employees’ knowledge can be considered as key competence”. Another problematic aspect specified by the HR managers is that WimCorp tends to be too headcount-focused, meaning that an employee often needs to have left the company before a successor is recruited.

The senior employees at WimCorp share the opinion that the issue of retaining key competence is problematic. In order to understand their experiences of knowledge retention, the empirical data has been divided into three parts, each covering one of the three aims of this study. First, a definition of what valuable knowledge is according to the senior employees is presented. The second part deals with their perception of how knowledge currently is being retained at WimCorp, both in form of resources offered by the company and initiatives taken by themselves. Finally, the last part identifies driving forces and obstacles for knowledge retention. A schematic figure summarizing the empirical data is presented below (see Figure 1).

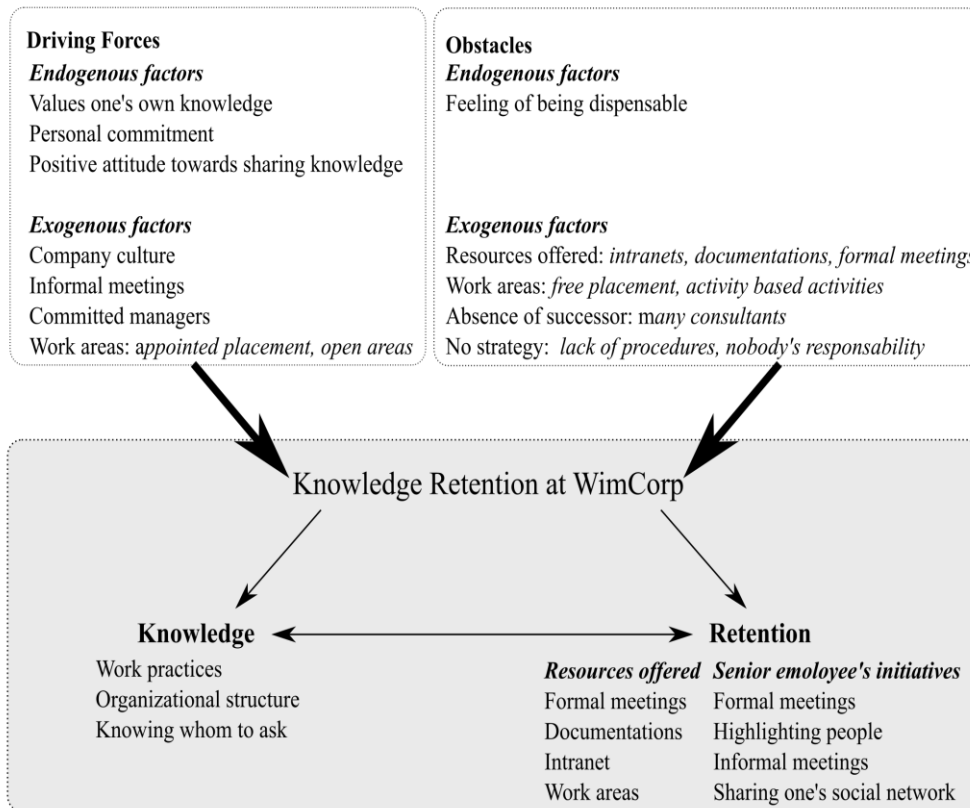


Figure 1. A summary of the empirical material.

## Knowledge

All employees value their knowledge and claim that WimCorp would benefit if it were retained within the company. As they have worked for many years and have had various roles, both at WimCorp but also at other companies, they have earned a lot of experiences throughout the years. As one employee at the logistics department puts it “[w]hat I see as my greatest competence is my long experience, something that’s really immeasurable.” Many of the employees have worked at WimCorp for a long time, which they explain has given them a good understanding of WimCorp’s operations, i.e. work practices and knowledge about the organization. As is described by one employee:

Tremendous amount of work has been gathered throughout the years. It means that those who are new have a lot to catch up on. (R&D<sub>1</sub>)

In addition to the their knowledge concerning how to do things the best way and about the organization, all of them state that there has been one additional important factor during their time at WimCorp, namely their social network. As one employee puts it:

Knowledge and the social network accounts for 50/50. You can learn a lot on your own, but face-to-face interaction with others in the industry gives at least as much. (R&D<sub>2</sub>)

Many of the employees stress the importance of creating a network of contacts and see it as a central part of the knowledge, i.e. knowing whom to ask. It gives you the benefit of not needing to

know everything yourself, which is impossible at a company of the size of WimCorp. Further, it is a common belief that this type of knowledge is more difficult to grasp in comparison to work practices and knowledge about the organization. This is due to that it takes a lot of time to get to know various employees, their specific role at the company and how one can benefit from their knowledge. It is expressed that the more people you know, the more time you will save and the shorter becomes the lead-time. As one of the employees at the IT department describes it: “I can’t know everything, but I do know who can help me”. The employees express that more focus should be put on retaining this type of knowledge. According to one of the few employees who have a successor, the possibility to introduce one’s social network to a successor is probably the most essential part as it will make the job much easier for the successor. It is a common concern among the employees that new employees have a difficult time in the beginning at WimCorp. As one employee describes:

They [the new employees] are often very skilled and well educated but they don’t have the social network. To create a network of contacts and knowing who to call takes a few years. (P)

Some employees claim that they might take a lot of their knowledge for granted, such as knowing whom to ask and knowing how things work. This complicates the process of knowledge sharing as they do not know what to share and how to share it. As is illustrated by one employee:

I’ve been here for so many years. It takes time to learn things and to understand the context, making some parts of my knowledge difficult to pass on. I’ll do my best to share as much as I can but I can’t share everything, it’s impossible. (QCS<sub>1</sub>)

The employees are aware of the difficulties in retaining all their knowledge within the company but they express that there are various ways in which this can be done and they make a distinction between resources offered by the company and their own initiatives.

## **Retention**

WimCorp has no formal instructions concerning how knowledge retention should be done, at least none that the employees are aware of. The employees mention that they are encouraged by their managers to take on some actions with the use of various resources offered by the company. Some of the employees state that they have been asked to talk about their knowledge in formal meetings. Others mention that they have been told to write down what they know and what they have done throughout the years, i.e. some sort of documentation. The majority of the managers have also encouraged the use of the intranets, as this is a big part of WimCorp’s operations. There exist several different intranets at WimCorp to promote knowledge documentation online with the aim of making it available to all employees at the company. As there are no official instructions on how to retain knowledge when an employee retires, the use of these resources has varied depending on what has been encouraged by various managers.

Furthermore, WimCorp has also begun reorganizing the old open work areas where everyone has their permanent place, into activity-based areas where the employees have no specific place to sit. Instead, the employees need to choose placement each day, depending on what type of work they are planning to do that specific day. According to the employees and the HR managers

this is done for two reasons, where one reason is to create more space. The second reason is to make employees interact with other colleagues than they usually do, which hopefully will lead to more knowledge being spread throughout the company. As the work of rearranging the work areas is being done gradually, some of the employees are still sitting in the open work areas at their own place, in contrast to others who already are part of the new activity-based system having free placements. The employees express that these resources are not sufficient or good enough for knowledge to be retained within the company. More is needed and therefore they take own initiatives.

There are some common stories among the employees regarding how they in general share their knowledge with others. The employees state that they arrange their own formal meetings as it enables knowledge to be shared face-to-face. At these meetings, the employees invite people who they think would benefit from taking part of the information or who they know are interested in the subject, i.e. employees who show interest for their work. As one of the employees explains:

I try to have ongoing exchange of expertise with my colleagues. (...) People who are interested can take part of my meetings and sometimes I invite people to participate. (R&D<sub>3</sub>)

Sharing knowledge to people who are interested and highlighting people who show interest is a recurring statement among many of the employees. The majority of the employees stress that it is easier to share knowledge with others if they share an interest for the specific subject. As is expressed by one of the employees at the MSC department: "I try to somehow push it [the knowledge] over to people who are interested". They also invite people who are interested in their work and who would benefit from being part of their social network. Informal meetings are also common among the employees and the majority mention that it is the daily working environment, such as the occasional coffee breaks, that contributes the most to knowledge sharing. These meetings give the employees the opportunity to interact with colleagues in a natural way and to describe and show certain issues in practice as they occur. As the employee at the IP department states: "[i]nformality contributes to knowledge being shared".

As seen above, there are some actions taken by WimCorp, such as formal meetings, documentations, intranets and rearrangements. However, the employees feel that these resources are not enough. Therefore, they take own initiatives in form of highlighting interested employees, arranging formal meetings, sharing their contacts, having informal meetings et cetera. The reason why these various approaches differ in how well they contribute to knowledge retention is explained by several factors having an indirect impact on the outcome.

### **Driving forces**

Driving forces encouraging employees to take own initiatives when it comes to knowledge sharing and can be divided into endogenous and exogenous factors. Endogenous factors relate to the employees' own approach, i.e. internally, while exogenous factors originate from their surrounding environment, i.e. externally. Considering endogenous driving forces, the employees' positive attitudes as well as their personal commitment to share knowledge with colleagues contribute to knowledge retention at WimCorp. As described by one employee at the QCS department: "...most people, who don't undervalue their knowledge, are in favor of sharing their knowledge with others". The overall view among the employees is that people at WimCorp do value their

knowledge and therefore are willing to share it with colleagues who are interested and ask for it. As one employee puts it:

Everyone should share his or her knowledge. It's good. If someone teaches me something, I can pass on that knowledge. (...) People are willing to share their knowledge, but they won't come to you. You need to find them yourself and ask! (CC)

In regards to exogenous driving forces many of the employees claim that it lays in WimCorp's culture to share your knowledge. The employee at the IP department state that at WimCorp: "[i]t's forbidden to not share your knowledge". The employees explain that knowledge sharing at WimCorp takes place all the time, not only in connection to retirement. One employee explains:

I think that the culture here is the reason why we help each other. I haven't experienced anything else. Maybe sometimes, but it's very rare that someone doesn't share. (IT<sub>1</sub>)

The most recognized exogenous driving force is the informal meetings. These meetings are viewed as the most crucial contributor to knowledge being shared naturally at WimCorp. The employees explain that during the informal meetings people participate on their own terms and they share the same interest for a specific subject. This makes the informal meetings more interesting compared to the formal meetings. Committed managers have also been recognized as a driving force by some of the employees, since these managers are described as being active and supportive when it comes to issues related to retirement.

The work areas also have an impact on the employees. Those who have their own workplace in an open work area feel that this type of work area is a contributing factor to knowledge being retained at WimCorp. The awareness of always knowing where you can find your co-workers and have the opportunity to sit together with people you are familiar with lead to better communication and therefore also more knowledge sharing. Some of the employees who only have a few months left to retirement and still do not have a successor, explain that they pass on their knowledge to colleagues who they work together with. As one employee puts it:

We sit together in a core team. (...) There are four people sitting together, who have various areas of knowledge and hence various knowledge is gathered. (...) In this way we can make sure to always support each other. (QCS<sub>1</sub>)

As has been shown above, the fact that employees value their knowledge, show personal commitment and have a positive attitude towards sharing knowledge are important endogenous factors contributing to knowledge retention at WimCorp. While the company culture, open work areas, informal meetings and committed managers are essential exogenous factors. However, even if these driving forces exist it is not a guarantee that knowledge becomes retained. All employees express their concern regarding obstacles having an impact on the outcome as well.

## **Obstacles**

There are many various obstacles, both endogenous and exogenous factors, which can explain why knowledge is not retained as effective as it could be at WimCorp. These factors can be summarized

in dissatisfaction with the resources offered as well as the activity-based work areas, lack of strategy, absence of a successor and also the feeling of being dispensable. The employees believe that these factors stand in the way for knowledge being retained in the company.

### **Resources Offered**

WimCorp encourages the use of formal meetings, documentations and intranets to spread knowledge. However, the employees express that they are dissatisfied with all of these resources due to various reasons. In regards to the formal meetings, the employees state that they have too many meetings that most of the times are inefficient and therefore unnecessary. Meetings, where no one arrives in time, no one knows what to talk about or no one listens to each other, are not uncommon scenarios. Many of the employees feel that they could use their time more efficiently if they did not have to attend such meetings. One employee explains:

To be honest, I don't participate in so many scheduled meetings any more. I try to avoid them because they are too many and too inefficient, a real PowerPoint terror. I'm fascinated how we even manage to build a product here with all these useless meetings. (IP)

The employees also point criticism towards the intranets, which are described as big databases where you are supposed to enter information but where you at the same time have problems finding the information you are looking for. Since the majority have trouble finding what they need, they have stopped using them. Instead they find other ways of searching for information, mostly by asking other colleagues. Some are also concerned that the intranets might break down as the IT department is spending a lot of time updating them. Since this scepticism appears among many colleagues it has also contributed to the decreased use of intranets.

Related to the importance of making use of available information the employees claim that there is an inefficient use of documented material. They all agree on the importance of making use of documentation, since it hopefully means that people avoid making other people's mistakes again. However, the employees mean that people at WimCorp are bad at taking advantage of existing material. Some explain that they have prepared a lot of documented material but when the time has come for retirement, they have not received any directives regarding to whom they should hand it over to. This ignorance has made them unmotivated and frustrated. As explained by one employee:

I do no longer prepare for how to pass on my knowledge. I have a lot of documents and manuals but what should I do with it? Should I just press the delete button or who should I hand it over to? It makes me sad that there is no one to hand it over to. (QCS<sub>2</sub>)

The employees explain that they do not have any motivation to document when there is no one using the material or no one to hand it over to, especially since they have pressured goals to fulfil. They describe it as a trade-off between trying to catch up with their regular work and spending time updating the manuals to make sure that everything is correct. As is put by one employee:

We need to develop lessons learned document and we need to develop product descriptions. But when are we supposed to do these things when there are constantly new projects that need to be done? (R&D<sub>4</sub>)



This dissatisfaction with the resources offered is the reason why they are not being used as promoted by managers at WimCorp and that they are rather seen as obstacles for knowledge retention. Another resource offered by the company are the work areas. As described above, a rearrangement is done partly aimed at strengthening the communication between employees. But contrariwise, the idea of free placement and activity-based areas are seen as hampering knowledge retention.

## **Work Areas**

There are some idiots saying that we shouldn't have our own workplaces anymore. I don't understand how they think. We used to sit together in subgroups with the people we worked with. Put me together with a mechanic and I wouldn't get any work done. There would be no exchange of expertise between us. (M)

When it comes to work areas, the majority of the employees prefer to have it like it used to be, i.e. open work areas where everyone has their own place to sit. They have the opinion that the new arrangements, i.e. activity-based areas, hamper the exchange of knowledge for various reasons. Some of these areas are said to be noisy while silent spaces do not allow any sound. In both cases, it is perceived as difficult to deal with tasks that are confidential. As people cannot sit together with the ones they work together with a lot of time is spent on trying to find the right people. One employee explains:

My colleagues and I believe that free placement and silent work areas complicates the exchange of knowledge. To be able to do my job I need to interact with the people I work with on a regular basis. Our way of working fails and the processes are complicated when we can't sit next to each other. The fact that I don't have an idea where the others are when I arrive in the morning is so frustrating. (R&D<sub>5</sub>)

The new activity-based work areas make people become anonymous as new employees have a difficult time getting to know their team. One employee expresses its dissatisfaction by saying:

Now I'm critical and perhaps it's because I'm old. If you sit like we do in silent areas you need to arrange meetings every time you have something to say to someone, even if it's just a talk for ten minutes. Silent spaces complicate communication and retention of knowledge. (...) There are so many girls with a ponytail and I wonder why they don't have nameplates on. For new employees it must be heart breaking not to know who is who and what everyone is working with. (F)

Another reason behind the dissatisfaction of the activity-based work areas is that it changes the way in which the work has always been done before, i.e. working together in teams. The new work areas make people become more individualistic and more focused on their own work, rather than working together and helping each other in teams. One employee explains:

It's completely different from how we always have worked, i.e. sitting together and work in teams. (...) The only way to succeed with knowledge retention is to work in teams. If there is someone new joining the company, we need to be able to work together. The available knowledge that exists

within the team can then be transmitted through daily interactions. The senior employees who have worked a long time in the company possess broad skills and should not have the main responsibility for a team. Instead, they should have a senior role in which they provide support, guidance and structure the process. This would lead to a natural knowledge retention. (...) The idea of someone sitting and writing down their knowledge will not work. Letting seniors to be part of teams with the function to help and control that things turn out in the right way, instead of having the main responsibility, is the fastest way for new employees to learn. Not by trying to read a bunch of documents. (R&D<sub>1</sub>)

There is a belief among employees that work areas need to be more flexible for different types of work and that it is not appropriate by the company to apply the same to all employees. The free placement and activity-based work areas are claimed to be inappropriate as they do not suit everyone, mainly as the employees feel that they do not have time to chitchat with random colleagues. Nor do they have time to run around searching for the people they need to interact with in their daily work.

### **Absence of Successors**

Another obstacle mentioned is that the employees do not know who their successor will be. Most of them state that it would be easier to hand over their job if they had the chance to work side by side with another person, i.e. letting this person be a part of their everyday life at work. Some of the employees have at many occasions pointed out the importance of going in parallel with their successor but without any success. One employee explains:

I've been nagging for two years now if I can get someone walking beside me to learn my work. They've told me that they'll arrange it, but nothing has happened. Now they've finally said that they'll hire someone, but I haven't seen anyone yet. (...) Having a successor is most often a question of money. It should be seen as a short-term cost that saves money over time. Otherwise it can become very expensive. (IT<sub>3</sub>)

Not having a successor is something they see as a big disadvantage since it would be much easier to hand over all parts of their knowledge, especially knowledge that is hard to verbalize. There is a belief among the employees that WimCorp is trying to be as efficient as possible and save money in the short-term by not allowing or encouraging successors. In order for WimCorp to be as successful as possible they all agree that the company needs to have a more long-term perspective. One employee states:

The company tries to streamline by not allowing two people walk side by side. They seem to think that this will lead to a higher degree of efficiency. The company will never let a competent employee support another person instead of going into high gear and solve problems. This is wrong! The company has to start working in a different way. (R&D<sub>5</sub>)

Some employees further stress that WimCorp has a strange view on the use of consultants, as the company seems to believe that they can solve any issues by hiring more consultants. Instead of focusing on appointing successors in good time before an employee retires, a consultant is usually appointed some days after the employee has retired in order to fill the gap while searching for a

successor. As the senior employee does not get the chance to walk side by side with neither the consultant nor the successor, there is not much knowledge retained from the retired employee.

### **No Strategy**

It's much easier for the company to plan for retirement, than if someone just change job. (...) If you know that someone will retire in two or three years you have the opportunity to take care of his or her knowledge, if you want to. (R&D<sub>4</sub>)

The employees all agree that a strategy is needed in order for WimCorp to be as successful as possible when it comes to retaining valuable knowledge when employees retire. However, no one seems to have time or give priority to take advantage of their knowledge. As one employee describes it:

My manager emphasizes the importance of handing over my accesses and keys but no one takes care of my knowledge. There has been plenty of time to prepare for my retirement. (MSC<sub>1</sub>)

There is also an unawareness of who is in charge of questions related to retirement, whether it is HR or the managers. As the employee at the manufacturing department states, “[i]t is possible that HR works with these issues but I have no contact with HR as they only work towards the managers”. Many of the employees argue that these issues should be put on HR as managers already have too much to focus on. The employees also describe that they have created their roles themselves, which they think complicates the process of handing over their job even more. Their work tasks and what they contribute with is more than you can find in the official job-description. Most roles have developed and grown over time, making no role similar to another. This results in a knowledge gap bigger than expected. By having some kind of long-term plan or a conversation concerning retirement, the employees think this problem could be overcome. One employee explains:

Some days after my 65th birthday my manager came to me in panic and said ‘Oh, you are 65! When will you retire?’ I could have left without saying anything. (...) I do a lot more than I should. But all these extra things I am doing, who will keep on doing them when I am gone? (...) I know that HR puts it on the manager. Everything is on the managers today, but the managers have too much things to do. They cannot keep up with these issues. In the old days there was one HR person in each department who fixed all these issues. (CC)

In the absence of a strategy for how knowledge should be retained within the company the employees feel that the responsibility is left in their hands. The lack of support from managers and the absence of a successor as well as guidelines on how to prepare for their retirement creates a feeling of being dispensable among the employees.

### **Feeling of Being Dispensable**

The majority of the employees feel that WimCorp neither appreciate their knowledge, nor encourage them to work longer. The employees explain that there are various ways in which they could continue contributing to knowledge retention even when they have retired, e.g. by working

from home, holding seminars, or coming back for shorter projects. Regarding the last suggestion, i.e. coming back to work for shorter projects, is expressed as an efficient way of retaining knowledge since it allows them to show their work in practice instead of only handing over documents. As one employee puts it:

I have the experience, I know what to do, I know how to think and so on. I think I'm quite alone about that. Would something happen after I've retired, I would be able to come back to work and go alongside my successor in order to provide support and help. (CC)

The employees feel that they are the only ones worrying about what will happen to their knowledge when they retire, not the company. There is a view among the employees that they cannot take the entire responsibility for knowledge retention, especially not as long these obstacles exist at WimCorp.

### **Discussion: The Importance and Ambiguity of Knowledge**

Like many other companies in countries exposed to the demographic change (Chen & Mykletun, 2014), WimCorp is struggling with a workforce aging rapidly with many employees set to retire. The organization is not only struggling with a gap in age but also in experience since new recruits usually do not possess the same experience as senior employees do. Knowledge gaps create a need for companies to prioritize what type of knowledge that is of value to retain within the organization (Argote et al., 2003). Based on these knowledge gaps and a wide range of valuable intellectual competences at risk of being lost (Gustavsson et al., 2010; Harvey, 2012), the significance of knowledge retention has grown at WimCorp. However, even though the importance of retaining valuable knowledge is clear, what is meant by valuable knowledge seems to be quite ambiguous.

The two HR managers shared the opinion that not all employees' knowledge is of value to retain. Their opinion is in line with the argument that it is not possible nor necessary to retain all available knowledge and that organizations therefore need to identify what competences that is critical for organizational performance (see Probst, 1998; Romhardt, 1997). But looking into situated learning theory, no knowledge is supreme in its own nature. As argued by Kalling and Styhre (2003), no knowledge is good per se since it is embedded in routines, practices, norms and cultures. From this perspective, knowledge is rather seen as a process being socially constructed, developed and maintained, and is therefore always qualified as knowledge from a particular point of view (Haraway, 1991). What is perceived as valuable knowledge is therefore highly subjective. Managing to retain knowledge possessed by an employee considered as having great expertise do not necessarily add value to the company. Hence, knowledge seen as key competence at WimCorp can only contribute to organizational performance if it is perceived as valuable in the new constellation of interacting employees.

According to the employees, their key competence is based on their long experience that has given them deep knowledge about work practices, the organizational structure and knowledge about who to contact. By interacting with colleagues on a daily basis the employees do not need to know everything themselves. As can be seen, the employees do not express their knowledge as being abstract puzzle pieces residing in their heads waiting to be passed on to another head as suggested by the traditional perspective on knowledge (Brown & Duguid, 1991). Instead, it is within the interaction among employees that individual knowledge becomes transformed into

collective knowledge (Lam, 2000). Rules, procedures, routines and shared norms at WimCorp can be described as emerging through the collective knowledge into the organization (Hendriks, 1999; Walsh & Ungson, 1991). Thus, the retention of knowledge is complicated as some parts of the knowledge is embedded between individuals, i.e. collective knowledge, and expressed in actions.

The employees claimed that some parts of their knowledge are more difficult to share with colleagues. Knowing whom to ask and experiences difficult to verbalize were described as being more complicated to share by the means of intranets and documentations. This can be described by referring to Nonaka and Takeuchi's (1995) breakdown of knowledge into two different categories. Knowledge that is easier to document and verbalize is of more formal character and can be seen as explicit knowledge while knowledge that is difficult to define can be seen as tacit knowledge incorporated in the memory of an employee. To be able to capture tacit knowledge, the retention of knowledge needs to be well integrated in WimCorp's operations and begin well before an employee is about to depart (as proposed by Doan et al., 2011).

### **Retention: Striving for Communities of Practice**

When valuable knowledge has been identified in the organization, it needs to be stored in order to be retained (Romhardt, 1997). There exist many different tools and techniques that can be used specifically for knowledge retention, e.g. storytelling, mentoring programs, job shadowing, exit interviews, and processes manuals (Rothwell, 2004; Smith 2007). However, the employees have only identified four initiatives taken by WimCorp in the belief that it would contribute to knowledge being retained within the company. These resources are regular formal meetings, documentations, intranets and the re-arrangement of working areas. Considering these resources, there seems to be an underlying approach in line with the traditional perspective on knowledge as explained by Brown and Duguid (1991) as interaction between colleagues is not encouraged. This is in contrast to how the employees described knowledge sharing and knowledge retention at WimCorp.

Furthermore, there is no difference made by WimCorp between how the retention of tacit and explicit knowledge should be done (see Nonaka & Takeuchi, 1995), nor between individual and collective knowledge (see Lam, 2000). According to Doan et al. (2011) it is important to differ between various types of knowledge in order to be able to take appropriate actions to retain that knowledge. Since this is not done at WimCorp, the employees need to take own initiatives that take into consideration various types of knowledge.

The employees arrange own formal and informal meetings, they highlight people and they share their contacts. These initiatives are done in collaboration with interested colleagues and they usually take place in practice, i.e. in the daily working life. The employees expressed that knowledge retention occurs more naturally in this way. It seems that these initiatives in combination with the resources offered by WimCorp, better capture the various parts of knowledge, making it easier to retain. Weick's (1995) four-level framework is a good point of departure for making sense of how knowledge is retained within WimCorp. It is in the interactions of individuals that knowledge becomes stored and retained. Knowledge at the individual level evolves through social interactions to collectively retained knowledge on the organizational level and shapes the organizational memory.

Knowledge retention at WimCorp seems to be a socially constructed learning process in which a group of people who share common interests interact on a regularly basis and have

developed a mutual sense of identity, i.e. they have become a community of practice (see Lave & Wenger, 1991; Wenger et al., 2002). Considering the three elements characterizing a community of practice, all can be seen significant in the case of WimCorp. The common interests of the colleagues at WimCorp comprise the domain, the ongoing interactions shape the community, while tools and techniques used to retain knowledge can be seen as representing the practice. How effectively knowledge is retained through communities of practices depends on the maintenance of these elements. Therefore, all factors identified as having an impact on knowledge retention can be explained by considering how they affect these elements.

### **Driving Forces: Positive Impact on the Domain**

The domain symbolizes an area of interest bringing a group of people together and it defines the common ground and mutual identity that guides and facilitates the learning process among people (Wenger et al., 2002). The employees identified three endogenous factors as driving forces for knowledge retention. These factors are that employees value their knowledge, they show personal commitment and they have positive attitudes towards sharing knowledge. Fang and Chiu (2010) are some of the researchers within situated learning theory suggesting that knowledge sharing depends on members' view on knowledge and that members who value their own competence are more likely to enter communities of practices. As was explained by one of the employees, people first need to understand and feel that their knowledge is of value before they can successfully share their knowledge. The employees expressed that it is for everyone's best that knowledge is shared since it is a necessity in order for knowledge to be retained within the company. Hence, there seems to be a view of knowledge being a public good that belongs to the entire organization (Ardichvili et al., 2003).

While the endogenous factors are what allows knowledge being retained at WimCorp the exogenous factors are what enables knowledge to be retained. The employees identified the company culture, informal meetings, committed managers and open work areas with appointed placement as exogenous factors facilitating knowledge retention. These factors are in line with the factors said to contribute to knowledge retention as mentioned by Doan et al. (2011). As can be seen, these driving forces are what encourage knowledge to be retained at WimCorp. Why these factors exist can be explained by considering the domain. Common interest is what brings people at WimCorp together and what makes people willing to share their knowledge to colleagues having the same interest as themselves. It means that, these factors contribute to knowledge retention since they are driven by, and simultaneously maintain, the domain. However, there is a view among the employees that there are too many obstacles having a negative impact on the outcome.

### **Obstacles: Negative Impact on the Community**

In regards to communities of practice, the community is a social arena fostering learning by daily interactions and a willingness to share ideas (Wenger et al., 2002). Two exogenous obstacles were identified as complicating the maintenance of communities, namely the absence of successors and the activity-based work areas with free placement. The absence of successors is experienced as an obstacle for knowledge retention since WimCorp is too headcount focused and do not encourage successors to work side by side with senior employees in preparation for retirement. This has a negative impact on knowledge retention since employees are neither able to hand over their knowledge in practice, nor have new recruits the possibility to take part of social networks which

makes it difficult to enter communities. The employees express a similar view as Liebowitz (2011) who argues that knowledge retention becomes inefficient when companies do not use mentoring programs or when the informal communication is limited. Letting a senior employee walk side by side with a successor might be a short-term cost but can lead to savings in the long run as it simplifies the knowledge retention process.

According to Argote et al. (2003), companies need to identify potential knowledge gaps before knowledge is lost. Calo (2008) argues that these knowledge gaps are difficult to identify and that companies need to start in good time before employees retire. The employees expressed that WimCorp tends to realize that there are knowledge gaps when a senior employee already has retired. This problem has been solved by WimCorp by filling the knowledge gaps with consultants while searching for a successor. This can be argued to be problematic since temporary consultants, when leaving the company, take the knowledge with them. The employees suggest that, if the company does not have time to find a successor, they are willing to come back to work after their retirement. According to Romhardt (1997), one way of storing knowledge is to store it in individual form. By employing former retired employees rather than consultants, WimCorp would avoid that the individual knowledge is lost.

The challenge of not being able to interact with the people you want also becomes realized by having activity-based work areas with free placement. The employees argued that these work areas complicate the communication and exchange of expertise. The activity-based work areas are aimed to increase the interaction among colleagues but the employees did not share this view. Instead, they complained that they do not have the time to chitchat with random colleagues nor spend time on searching for colleagues. This is consistent with Wenger et al. (2002) argument meaning that people who only meet sporadically to discuss an interest do not constitute a community of practice. Romhardt (1997) states that the second form in which knowledge can be stored is in collective form. Due to that social interactions are made much more difficult, retained knowledge on the organizational level is hampered (Weick's, 1995). Social interactions need to be kept regularly in order for members in communities of practices to feel a sense of belonging and commitment (Lave & Wenger, 1991; Wenger et al., 2002). WimCorp seems to move away from having a natural knowledge sharing process taking place. The senior employees expressed the need for flexibility in the work areas to be able to have the chance to keep up their social interactions at work, i.e. to keep up the community.

### **Obstacles: Negative Impact on the Practice**

The third element characterizing a community of practice is the practice itself, which refers to a shared set of resources allowing members to learn from each other and improve members' knowledge within the certain domain (Wenger et al., 2002). The employees experienced that two exogenous obstacles, namely the resources offered and the lack of strategy, complicate the retention of knowledge. Liebowitz (2011) states that information needs to be easily available and Doan et al. (2011) suggest that efficient use of information and communication tools are needed in a successful knowledge retention. This stands in contrast to the employees' view of the resources offered by WimCorp, i.e. formal meetings, intranets and documentation. The majority of the employees were skeptical about these resources as they feel that they are not used in an efficient way. These resources are in consonance with the traditional view of knowledge (see e.g. Brown & Duguid, 1991).

According to Romhardt (1997) the third way in which information can be stored is in electronical form. WimCorp encourages this form of storing knowledge but as has been mentioned previously, they do not encourage the other ways of storing information, i.e. in individual form or collective form. The employees expressed that WimCorp does not seem to see the value in their social networks and therefore they are not adapting the resources to better fit the practice. Hence, knowledge retention at WimCorp seems to be made more difficult than it needs to be. The lack of strategies is not unique at WimCorp, as Liebowitz (2011) argues there are only few companies that have well-functioning strategies. According to Doan et al. (2011), knowledge retention needs to be well integrated in an organization's operations, companies have to start in good time before employees are set to retire, support is needed from top management and it should be HR's responsibility to deal with questions related to knowledge retention. Unfortunately, the employees at WimCorp experienced that knowledge retention is being handled in the opposite way than what is suggested by Doan et al. (2011). The employees explained that no one has time or give priority to take advantage of their knowledge, no one takes charge of issues related to retirement and there are no preparations done before employees are set to retire.

One question that the organization needs to take into consideration is what actions that needs to be taken to retain knowledge (Doan et al., 2011). Employees at WimCorp are currently suffering from not having any guidelines, uncommitted managers, inefficient resources offered, unclear job descriptions, lack of contact with HR and that no one encourage them to work longer or come back to work after their retirement. It seems like there is a lack of commonly used resources, i.e. lack of practice, at WimCorp that could be overcome by having well-functioning strategies concerning these issues. According to Lesser and Storck (2001), profits such as reduced number of reworks and a decreased learning curve for new employees will occur if a company starts to work actively with these questions. The employees at WimCorp agree on these profits and argue that in order for knowledge retention to occur more efficiently, organizational activities must contribute to creating a workplace where people have the opportunity to share knowledge with colleagues by interacting with each other.

Even though the quality of learning is highly defined by social structures, power relations and conditions of legitimacy, WimCorp tends to put more focus on conceptual structures and cognitive processes instead of social engagements providing the context for learning to occur. Hence, knowledge retention at WimCorp is a highly situated phenomenon that can be explained as taking place through communities of practices. From a situated learning theory perspective, in order to succeed with knowledge retention, WimCorp would benefit from considering the situated aspects of knowledge and in what way they best can combine and apply key competences needed to execute the business strategy (see e.g. Wenger et al., 2002). Hence, the context in which the process of knowledge retention occurs plays a crucial role in whether it will contribute to organizational performance.

### **Conclusion: Knowledge Retention from a Senior Employee Perspective**

This article has studied knowledge retention in regards to retirement from a senior employee perspective. The first aim was to dig deeper into the meaning of key competence. As have been discussed, what is seen as valuable knowledge seems to be highly subjective. It means that, retaining key competence do not necessarily lead to organizational performance as the value in knowledge becomes significant in the situation it is retained and used.



Regarding the second aim, i.e. investigate how senior employees experience knowledge retention in connection to their retirement, the overall perception is that knowledge retention does not occur as efficient as it could. The employees experience that the company does not value their knowledge and that the current organizational structure is perceived as not encouraging knowledge sharing among colleagues. These circumstances force the employees to take own initiatives allowing knowledge to be shared not only by using tools, but also through daily interactions, which proves the social and situated importance in learning.

The third aim was to provide a better understanding for what factors that have an impact on the ability to retain knowledge and in what way. On the one hand, valuing one's knowledge, personal commitment and positive attitudes towards sharing knowledge are driving forces allowing knowledge retention. On the other hand, the company culture, informal meetings, committed managers, appointed placement and open work areas are driving forces enabling knowledge to be retained. However, in the absence of formal strategies there are several obstacles found hampering the ability to share knowledge among employees. The feeling of being dispensable, free placement and activity-based areas in combination with the absence of successors and well-functioning strategies are factors complicating knowledge retention as they prevent the social interaction among colleagues. Additionally, obstacles such as formal meetings, intranets, and documentations are resources not valued by the employees as they are perceived inefficient since they do not capture the tacit knowledge. These driving forces and obstacles shape the context in which knowledge retention takes place and have therefore a direct impact on the outcome.

This study indicates that knowledge retention is a complex phenomenon. First and foremost, the trust and faith that companies put in key competence can be questioned since the value in knowledge is highly subjective. Furthermore, knowledge retention seems to be a socially constructed learning process in which a group of people, who share common interests, interact on a regular basis and have developed a mutual sense of identity, i.e. they have become a community of practice. However, the elements identifying a community of practice are found to be affected by the organizational structure. Even though the domain is upheld efficiently by employees' own initiatives, i.e. by sharing experience and social networks to colleagues with common interests, the two other elements are not fully utilized. Free placement and activity-based areas in combination to the absence of a successor, affect the community as these factors decrease regular interactions and the ability among employees to be a part of a social arena fostering knowledge retention. The practice itself is hampered since none of the resources offered by the company are commonly used among the employees as they are perceived as not contributing effectively to knowledge sharing.

Based on the concluding remarks above, there are some implications for organizations needed to be considered in the work of retaining knowledge when senior employees are set to retire. Managing to retain knowledge seen as key competence do not automatically add value to the company. This means that knowledge only will contribute to organizational performance if it is perceived as valuable in the social context in which knowledge retention takes place. To succeed with knowledge retention, organizations would benefit from considering the situated aspects of knowledge. It is not a matter of offering resources enabling knowledge retention to take place outside daily practices, rather it is a matter of creating a context allowing it to take place naturally within the daily work life. Hence, companies need to pay attention to the social aspects of knowledge retention to prevent that valuable knowledge continues to walk out the door.

This paper contributes to previous age management literature by studying knowledge retention in regards to retirement from a senior employee perspective. Although previous research have examined how organizations manage to retain valuable knowledge when employees are set to retire, there is a lack of studies considering senior employees' experiences on how their knowledge can be retained within a company. In this study this has been done through the identification of driving forces and obstacles having an impact on the ability to retain knowledge and in what way. Further, this study also contributes to previous knowledge retention research by having illustrated that retaining knowledge is not a matter of implementing a stepwise process as described by e.g. Harvey (2012) and Levy (2011). Instead, knowledge retention is socially constructed and therefore it requires a context in which it can occur naturally through daily interactions.

A limitation with our study is that knowledge retention is only considered from white-collar senior employee's perspective. It would be of interest to consider other employees' perspective as well, especially since this study has shown that knowledge retention in regards to retirement is highly situated. Further research is suggested to recognize other perspective as well, such as successors, managers or blue collar employees. Also, as this study has solely captured senior employees' experiences of knowledge retention, further research exploring how the phenomenon actually unfolds in practice is therefore encouraged. Additionally, more empirical research concerning other issues within age management are needed in order to expand within this interesting but still unexplored research area.

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