This knowledge pill examines the issue of document classification, which is an important requisite of the effective knowledge management in organizations

Documentation

- Documentation: codifying knowledge into written, audio, visual, and/or video assets
- A common necessity of companies
- All KIBS companies produce lots of materials that they need to classify:

  - Project documents
  - Administrative papers
  - Procedures
  - Written notes of different types
  - Photos, pictures, drawings, technical data
  - Etc.

- Documentation represents a core element of the «organizational memory»

Source: Pexels
(https://www.pexels.com/photo/pile-of-folders-357514)

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In this pill, we directly refer to the classification of documentation.

Documentation is the process of codifying knowledge into written, audio, visual, and/or video assets.

This is a common necessity of all companies including, or course, KIBS.

In fact, all KIBS companies produce lots of materials, in various forms and formats, for example: project documents, administrative papers, procedures, notes of different types, photos, pictures, drawings, technical data, and so on. Documentation represents a core element of the «organizational memory». For its effective use, there is a need to properly classify all these materials

Document classification

- Classification is important for easier retrieval and reuse of knowledge in organizations

  - To avoid «reinventing the wheel» at any new project
  - To train new recruits
  - To reduce negative effects of turnover

Source: Pexels
(https://www.pexels.com/it-it/foto/valigetta-con-documenti-appoggiati-sul-tavolo-4792282/)

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Classification of documents is essential for an easier retrieval and reuse of the knowledge contained in these documents.

In fact, finding previous documents on a topic or issue may avoid redoing activities that have already been done in the company, in other words to avoid reinventing the wheel.

Also, when a company recruits new employees, a well classified repository can help their training and operative introduction.

Finally, a proper classification of documents may help to reduce the negative effects of turnover, because the precious knowledge produced by employees can be retained for future uses.

Problems of ineffective classification

An ineffective document classification may lead to:

- Wasted time in searching knowledge
- Not finding the most suitable knowledge
- Not finding the most updated knowledge
- Finding wrong information

And, from a business perspective:

- Wasting time to "reinvent the wheel" in a new project
- Slow response to clients' requests
- Improper response to clients' requests
- Wasting time in training employees
- Losing precious knowledge in case of turnover

Source: Unsplash
(https://unsplash.com/it/foto/UiCa2P8Tvxc)

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Conversely, an ineffective document classification may lead to several problems.

First, there may be waste of time in identifying and searching the elements of knowledge contained in documents.
Therefore, people can get lost in the archives and they may not find the most suitable knowledge for a problem or situation they may face with a project, a client, an administrative procedure, and so on.
Also, improper classifications may result in not updated or wrong information and consequently bad decision-making.
From a business perspective, this has practical implications, for example inability to respond quickly and properly to requests coming from clients. In addition, there may be a need for longer time for training employees. Finally, in the case of turnover, some precious knowledge produced by past employees may become inaccessible because it remains buried and hidden in the archives.

Causes of ineffective classification

- Different systems to store documents
- Stand-alone and not connected systems to store documents
- Different kinds and formats even for the same object of documentation
- Many people producing documents of the same type
- Use of different titles, tags, or repositories for similar documents
- Unstructured process or approach to documentation

Source: Pexels
(https://www.pexels.com/photo/man-in-white-dress-shirt-covering-his-face-7640484/)

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The experience of businesses shows that bad classification may be a result of various causes.

For example, a company may have different systems to use documents that are used in the distinct parts of the organization, which leads to inconsistency and chaos. If, as is frequent, there are digital repositories, sometimes they are incompatible or not connected.

Documents themselves may be produced in different forms and formats even when they refer to the same class of objects or problems. Or there can be different people producing documents of the same type, and they may adopt different classification criteria when they archive these documents. For example, they may use different words in a title, different keywords or tags, or even different folders and repositories. Generally speaking, a completely unstructured process of classification can become difficult to manage.

How to classify documents

- Use of standard operational categories, e.g., dividing documents based on:
  - Project
  - Client, market or sector
  - Office, company department, or operational process
  - Topic
  - Technology or competence area

Pros:
  - Easy to adopt and understand
Cons:
  - Static
  - Can lead to conflicting classifications
  - Can be ineffective for cross-searching

Source: Pexels
(https://www.pexels.com/photo/woman-carrying-books-6344226/)

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So, how can be documents classified?

The simplest way is to adopt classification criteria based on some standard operational categories. For example, a company can decide to store documents in different repositories or folders on the basis of the project they refer to, the client and market, the company department, the topic, or the technology or competence area.

This classification approach has the advantage that it is easy to adopt and understand, because all these classification criteria are generally well known and well defined in organizations. However, it is a static view of documents, and this classification can become obsolete in case of change in the business. In addition, sometimes people may find it difficult to classify a document in a category or in another when a document refers to different objects at the same time. Finally, in the case of complex activities where a person must search across various documents to find a solution to a business problem, this classification can be ineffective because it is just based on a general view of the business.

Tagging is another way of classifying documents. These can be even in the same folder or repository, but the focus is on some specific elements that characterize and, somewhat, summarize the essential elements of knowledge contained in each document.
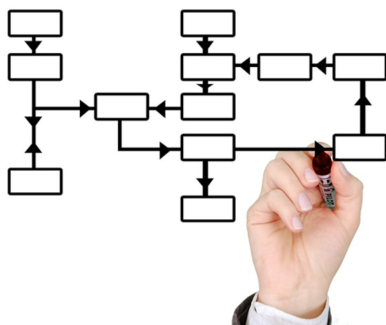
A way to characterize a document is, simply, to choose proper words in the title, or to add some keywords to a document in an additional field of a file.

Tagging can follow two different and opposite approach. A formal procedure can be adopted: in this case, tagging must adhere to specific rules and is based on a set of keywords pre-defined by the company management. Conversely, with an informal approach, tags are defined directly by each person that produces a documents, who will be free to choose the title or the additional keywords that, according to that person, better represent the knowledge content of the document.

Tags can represent the content more effectively than the generic standard classifications mentioned earlier, and can be more dynamic in case of change of business or operational conditions of a company. Also, tags can help retrieval of a document by humans and even by search engines, because they are generally well related to the really important content of a document.

However, tagging can lead to inconsistent classifications: sometimes it is impossible to easily define a document with a tag, and people may use an improper one. This can lead to misinterpretation and classification conflicts by different people.

Formal classification process

- Based on a pre-defined:
  - Set of criteria, tags, and keywords to use
  - Format and structure of documents
  - Procedure for storing, tagging and classifying documents
  - Structured digital (or paper) repositories
  - (Very often) a person or office in charge of document classification

Pros:
  - Efficiency and consistency

Cons:
  - Cost
  - Rigidity
  - Reduced attention by the rest of the company

Source: Pixabay
(https://cdn.pixabay.com/photo/2014/11/04/08/07/mark-516279_1280.jpg/)

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What general approach can a company adopt for document classification? Do they need to adopt a highly structured and formal approach, or shall they be more flexible and leave employees free to find their own way?

There is no simple answer to this question.

A formal classification approach implies that the company management decides a set of criteria, tags, and keywords that will be used throughout the company. Formats and structure of documents will also be decided in advance, as well as the procedures for storing, tagging and, finally, classifying documents. Repositories must also be organized in a structured way. Finally, very often there is a need for a person or an office who will in charge of the classification of documents or at least its final validation in case this is done by other employees. This results in high efficiency and consistency. However, setting up a formal procedure and creating a dedicated office can be costly. In addition, a formal approach is generally not flexible. Finally, the various employees working in the company may feel this approach as a bureaucratic and automatic approach, so that their attention to the real meaning and importance of classifications may reduce.

Informal classification process

- Based on a free approach by organizational members regarding:
  - Criteria, tags, and keywords
  - Format and structure of documents
  - Timing and approach to tagging and classification

Pros:
  - Flexibility
  - Consistency with each employee's needs and working styles
  - Inexpensive

Cons:
  - Risk of inconsistencies
  - Need of motivation and some training to employees

Source: Pexels
(https://images.pexels.com/photos/5676744/pexels-photo-5676744.jpeg)

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Adopting an informal approach means that employees are set freer to choose the criteria, tags, keywords, and even formats and structures or documents, as well as the timing and approach to classification. This leads to flexibility, and the classifications can be more consistent with each employee's specific knowledge needs. Also, the organizational cost is reduced. Conversely, there is more risk of inconsistencies, and employees must be well motivated and, maybe, trained in the problem and approaches to document classification.

Of course, there is no single solution, and each company must find their own way based on their sector of operation, management style, organizational structure, and available resources. Also, it may be necessary to adopt different approaches to classification in the different offices or parts. Mostly important, it is recommended that the adopted classification approach be consistent with the operational and decisional needs of the company. In any case, whatever solution is adopted, you must be flexible and prepared to changes and improvements. Also, it is preferable that excessive complexity is avoided, as well as an uncritical trust in technology which, itself, is not necessarily the solution.

To conclude, as it may be now clear, document classification is really an issue for effective knowledge management. So, the message for management is: whatever your approach will be, try to spend some time to reflect on your options and decisions, to assess the achieved results of the adopted solution, and to revise it if necessary.

Sources and find out more!

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More about the project:
knowmanproject.eu