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# Occurrence of knowledge loss/attrition

TAL  
TECH



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This knowledge pill offers an overview of potential factors that may cause knowledge loss or attrition in knowledge-intensive business services (KIBS) small and medium-sized enterprises (SMEs).

## Causes of knowledge loss/attrition



Source: Photo by RosZie on Unsplash

- Employee turnover;
- Retirement of experienced employees;
- Failure to capture and share knowledge;
- Unexpected events; such as Covid-19.



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Here are some factors that may contribute to knowledge loss or attrition in KIBS SMEs that will be discussed in this knowledge pill: (1) Employee turnover; (2) Retirement of experienced employees; (3) Failure to capture and share knowledge; and (4) Unexpected events such as Covid-19.

# Employee turnover



Source: Photo by Mohamed Hassan on Unsplash



- Leaving employees take with them knowledge, skills, and experience gained during their tenure. Such knowledge include:
  - institutional knowledge
  - industry-specific knowledge
  - process and system knowledge
- Employee turnover can take the form of:
  - Voluntary » **occurs when employees resign**
  - Involuntary » **occurs when employees are dismissed.**

First, employee turnover can be a cause of knowledge loss because when employees leave an organization, they take with them their knowledge, skills, and experience gained during their tenure. This knowledge may include institutional knowledge, industry-specific knowledge, or even specific knowledge related to the organization's processes and systems.

There are two types of employee turnover: voluntary and involuntary. Voluntary turnover happens when employees resign, while involuntary turnover occurs when members are dismissed from the organization. Regardless of the type, both forms of turnover pose a threat of knowledge loss.

# Retirement of experienced employees



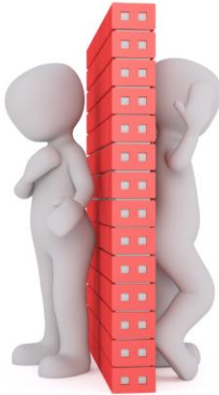
Source: Photo by Andrea Piacquadio on Pexels

- Retiring employees also take their knowledge with them, **leaving gaps** in the organization.
- The loss of experienced employees can also result in a **lack** of mentorship and training opportunities for newer employees.



The retirement of experienced employees can also contribute to knowledge loss/attrition in KIBS SMEs. Employees who have been with an organization for an extended period have accumulated a wealth of knowledge and expertise, which is not easily replaced. When these employees retire, they take their knowledge with them, leaving gaps in the organization. The loss of experienced employees can also result in a lack of mentorship and training opportunities for newer employees, leading to a further loss of knowledge.

## Failure to capture and share knowledge



Source: Photo by Peggy Marco on Unsplash

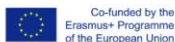
- Lack of initiatives towards **sharing and capturing** of knowledge are more likely to result in knowledge loss.
- Especially when **key employees** or **expertise** leave the organization, this becomes even more evident.

Knowledge loss or attrition can also be caused by the absence of proper knowledge management initiatives such as sharing and capturing of knowledge. Organizations that do not have such knowledge management initiatives in place are more likely to lose knowledge when key employees leave. This ensures that knowledge and expertise are effectively transferred from the experienced staff to the newly hired staff.

## Unexpected events



Source: Photo by Geralt on Pixabay



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- In the event of **unexpected events**, such as disease, accident, or death, knowledge loss can cause:
  - Disruption of business continuity,
  - Having difficulty replicating or building upon previous work.
- A typical example is the recent Covid-19 pandemic, which led to **loss of key** employees due to illness or death.

Lastly, unexpected crises such as disease, accident, and death can lead to knowledge loss in SMEs because they can disrupt the continuity of business operations, resulting in the loss of institutional knowledge held by key employees. Additionally, if this knowledge has not been adequately documented, it can be difficult for others to replicate or build upon it.

A typical example is the recent Covid-19 pandemic, which led to loss of key employees due to illness or death.

## Sources and find out more!

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