



Welcome to recent posts from the Stemke Consulting Group's [Know-How blog](#). Our purpose is to share ideas and stimulate discussion to help you achieve outcomes in business growth, talent development, cost optimization and innovation.

In this issue we focus on employee attrition and social learning strategies. In both areas, KM processes, tools and behaviors can make a substantial contribution. Know-how takes many forms. Dov Seidman's book "HOW: Why How We Do Anything Means Everything" helps leaders understand that reputation and conduct is hard to copy and can be an important competitive advantage.

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Creating an Effective Social Learning System

The rise of social media (e.g., Facebook, Twitter, wikis) has enabled us to easily reach out, connect and communicate with friends and acquaintances everywhere. We share aspects of our lives and seek advice on questions such as: "where can I go for...", "who knows about...", "where is the best deal on..." When Millennials come to work, they expect similar tools to network with their business colleagues.

Companies that provide these capabilities are seeing impressive results from the workplace learning enabled by these knowledge sharing tools. Suddenly "social learning", developing knowledge, skills and attitudes while interacting with others in real-time or offline, has become a most popular buzzword in the learning and development (L&D) community.

Formal versus Informal Learning

Learning has always had formal and informal components. Formal learning offers courses, classrooms or workshops. It is official, scheduled, follows a curriculum and may result in diplomas or certificates. You don't sign up for informal learning and there is no graduation, since learning never ends. Examples are: shadowing, trial-and-error, asking questions, reading a book or participating in an online group.

There is a growing realization that informal learning predominates^{1, 2}. In leadership development for example, only 10% of learning is delivered by formal methods. Relationships, mentoring and networks account for another 20%. The remaining 70% is provided by challenging work assignments and on-the-job experience.

KM Processes for Social Learning

A KM team can help a L&D group jumpstart a social learning practice. Knowledge managers have pioneered effective learning and knowledge transfer processes and tools such as online communities, peer assists, expertise locators, wikis and virtual collaboration for many years. They also know about getting results by reinforcing knowledge-sharing behaviors.

A community of practice (CoP) is probably the best example of a social learning system. A well-designed CoP supports a question and answer process so that members can share and

learn from each other. Answered questions and real-time events are valuable resources for employees just joining the group. Member profiles provide another way to find and connect with colleagues for a deeper conversation. When coupled with other captured knowledge collected by the community (e.g., standard practices, job aids, work processes), a CoP can act as both a performance support system (accessing knowledge while doing work) and a learning tool (adding new lessons as members gain new insights).

Social technology is clearly an important enabler. However effective knowledge transfer processes and reinforced seeking and sharing behaviors are also critical ingredients to deliver a learning experience that creates a competitive performance advantage for your organization.

1. Jay Cross, <http://informl.com/book/chapter2.pdf>
2. Lombardo, M. M., Eichinger, R. W. (2000). [The Career Architect Development Planner](#). 3rd Ed., Lominger Ltd

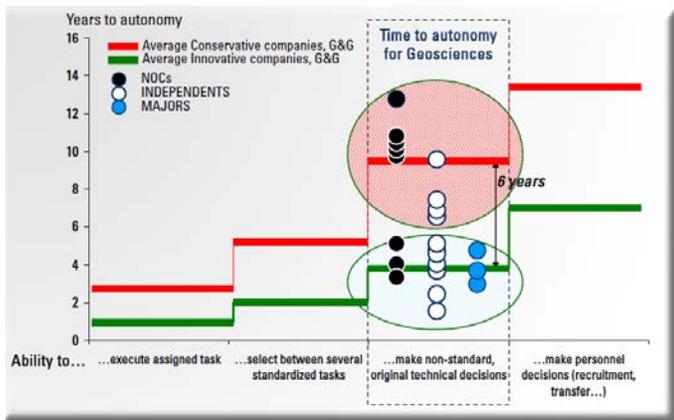
Can KM Practices Reduce Employee Attrition?

This question was posted recently on the Knowledge Management LinkedIn group by Avinish Mishra (<http://lnkd.in/TsQBRj>). Most responders thought that KM did not have an effect outside of creating a sense of belonging or job satisfaction.

My experience is different. I believe there is an indirect but strong relationship between KM and attrition. About 10 years ago, Chevron introduced an early career program called [Horizons](#) with goals of accelerating competency and getting new employees quickly integrated into our business. The program combined formal on-boarding, technical training on Chevron's processes, 2-3 rotational assignments during the first 5 years, an assigned mentor and encouragement to join a discipline-related Community of Practice. Many of the program's elements (mentoring, guided job assignments and CoPs) are familiar knowledge transfer techniques.

What is the value? Schlumberger has demonstrated that this sort of innovative approach can significantly reduce a new hire's time to competency (autonomy). [Their study](#) (slide 9) showed an incredible 6 year reduction compared to companies using a more traditional training approach.

We also saw a significant drop in attrition. During the early 2000's, some of our disciplines were losing new hires at a double digit rate during their first 3-5 years. Today, Chevron's retention is over 98%.



Source: SBC 2006 O&G HR Benchmark

There are two things today's new hires (really all employees) are looking for: meaningful, challenging work and investments in career development. A program like Horizons gives new hires a solid technical background and connections to peers and experts that enable them to handle challenging assignments while minimizing the risks normally anticipated from a new hire's lack of experience. If you provide opportunities like these you'll find that your employees are engaged and will stick around a lot longer.

Book Review - HOW: Why How We Do Anything Means Everything

"How: Why How We Do Anything Means Everything", by Dov Seidman, John Wiley & Sons (2007)

We all want to stand out, to offer unique products or services, to be better, faster or cheaper. But forces like globalization have made it easier for competitors to copy, to lower prices or increase marketing. In the 21st century, companies have an increasingly hard time differentiating themselves by what they do. Having great products is just the cost of entry. The differentiator is shifting to something not so easily copied: customer relationships – **how** we do what we do.

Think about it. If you reach out and inspire more people throughout your global network, your productivity skyrockets. If you keep promises 99 percent of the time while your competitor delivers only 80% of the time, you can gain critical advantage in the marketplace. If your interactions with others deliver a more meaningful customer experience, you engender a loyalty that brings them back again and again.

There are four HOWs that drive great relationships: how we think, how we lead, how we behave and how we govern ourselves.

HOW We Think

Changing how we think means worrying less about what existing rules say you can do and focusing more on what you should do. This doesn't mean breaking rules or looking for

loopholes. An over-reliance on rules can stifle creativity. Look to your personal values for innovative approaches and let them drive your business decisions.

HOW We Lead

In a knowledge economy, information and ideas are everywhere. It makes no sense to try to hoard knowledge. Command and control leadership is a paradigm of the past. Today's leaders must encourage their workforce and business partners to connect and collaborate to tap everyone's experience and insights.

Leadership style needs to move beyond motivation to inspiration. Employees are being asked to deliver more than ever: work with global colleagues with different languages, cultures and time zones; delight customers and act as ambassadors and brand managers in discussions and social media. Inspiration comes from creating a vision of how the company makes a difference in the lives of employees, customers and the community.

HOW We Behave

Today's business moves faster, spans the globe and is more fluid than ever. We depend on technology to work effectively together. Successful collaboration depends on our behaviors. Are we trustworthy, do we have a record of accomplishment and what do people say about us?

Our reputation is a critical success factor. If you buy from eBay, it is probably from vendors with the highest ratings. We might select a restaurant based on Yelp reviews. A reputation, our personal brand, is based on consistent performance, particularly one in which we exceed expectations.

HOW We Govern Ourselves

Governance creates tension between the ways a company seeks to control versus the culture that reflects the way things really happen. Instead of dictating culture, companies need to learn how to govern employees through the corporate culture.

Herb Kelleher, CEO of Southwest Airlines said: "If you create an environment where the people truly participate, you don't need control. They know what needs to be done, and they do it. And the more that people will devote themselves to your cause on a voluntary basis, the fewer hierarchies and control mechanisms you need. We're looking for people who on their own initiative want to be doing what they're doing because they consider it to be a worthy objective."

The freedom to self-govern can bind employees more tightly to the corporate values and common goals. This can be a significant competitive advantage. It is very difficult to copy a culture.

It is no longer WHAT you do that sets you apart, but HOW you do what you do. Your WHATs are easily duplicated. Enduring success – both for companies and employees – now lies in the realm of HOW, the new frontier of conduct.

Learn how you can increase business growth through talent development, innovation and cost reduction.

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