



# **STRATEGIC PRACTICES FOR KNOW-HOW RETENTION AND TRANSMISSION WITHIN ORGANIZATIONS**

Final Report

Public Part

## Project information

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## Executive Summary

The SKRAT project has *focused* on an issue of growing concern in the European environment: the effect of demographic change in organisations. Because of continuous retirement and staff turnover processes, lately along with mass redundancies due to the economic crisis at worldwide level, human capital can get lost unless companies turn it into structural capital, by valuing know-how as an internal intangible asset of the organisation. This project *aimed* then to provide a range of tools to facilitate the intergenerational transfer of know-how in SMEs in the metal industry. Consequently, SKRAT has had the *purpose* to contribute to the promotion of innovative and effective means for improving the learning system of companies through the retention of older workers (seniors) and by helping them to transfer experiential knowledge to young workers (juniors); in the current economic circumstances, the resulting methodology for strategic planning in the HR field applies also regardless workforce age. SKRAT has been developed by a *consortium* of organisations that brought the skills and competences required for its effective development. The distribution of tasks and workloads followed the technical profiles of each of the training, research and consulting organisations as well as social agents from Spain, Germany, Italy, Portugal, Romania and United Kingdom. SKRAT has been accomplished under a *collaborative approach* with the contribution of all partners in every stage of the work plan. Transnational meetings and partnership gatherings (via Internet) are a sound demonstration of the joint effort, mostly devoted to present, discuss and agree on the project's technical implementation. SKRAT has accomplished its *activities* throughout 25 months of overall duration, according to the work plan initially designed for a progressive implementation, following the Design for Self-Evaluation agreed on by the partnership. First technical stages demanded more time and efforts than foreseen once they were called to lay the foundations of further phases. Therefore, the project has released a series of inter-related outcomes as a progressive proceeding. This way, the partnership released the *Tool Grid* as a research study compiling statistical information at national level regarding Human Resources Management and VET systems as well as a list of tools and best practices on the issues. It was followed by the *Tool Kit* that, in two different but complementary documents, details the SKRAT methodology, offering guidance on how to tackle turnover processes in SMEs in order to ensure know-how remains in organizations as an intangible asset when employees holding critical positions leave the companies. The product was implemented for testing purposes in an array of organizations in all countries present in the consortium. Self-evaluation questionnaires from actors involved (management staff, senior and junior workers, facilitators and external experts) along with face-to-face interviews made it possible to gather statistical data as well as qualitative information. Inputs from both means were analyzed in a *Data Processing Report* (quantitative analysis) as well as in a *Case Study Report* (qualitative analysis). The latter demanded active group discussions within the partnership. The *Good Practice Manual* details the experiences from testing in all national scenarios and points out the resulting conclusions and recommendations; it has been spread among stakeholders and interest parties along with the Tool Kit it refers to. As a final result, SKRAT has offered organizations -specially small and medium sized- guidance on how to think and act strategically concerning know-how management in turnover processes. Despite this product has been designed tailored to the main general characteristic of SMEs, so its Guide can be easily used, it is advisable the support of facilitators in order to implement specific tools detailed in its Annex (or any alike) due to the lack of HR departments or just expertise in the subject in organizations of this kind. The project has displayed a variety of dissemination activities from the beginning of its lifetime. As central resource for this purpose, the website [www.know-how-retention.eu](http://www.know-how-retention.eu) counts on both public and private areas offering, on one hand, general information concerning objectives, results and partners and serving, on the other hand, as repository of its outcomes, with different levels of accessibility based on the profile of the interest party.

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# 1. Project Objectives

SKRAT was planned to identify strategic practices for the retention and transmission of know-how (experiential knowledge) amongst employees, with special emphasis on the process from older workers (“seniors”) to more junior staff. By the design, testing, analysis and evaluation of the resulting SKRAT methodology, the project has reached the objectives foreseen:

- To promote an integrated approach to the management of all recruitment, promotion and professional development practices with the objective of retaining know-how and generating additional know-how by intergenerational professional exchange
- To enhance the employability of senior workers by the continuous development of their competence and underpinning knowledge.
- To facilitate the transition from working life to retirement by gradually reducing their responsibilities for physically challenging production activities and focusing more on organisational and tutorial tasks
- To ensure that key staff can acquire core competences directly from skilled seniors.
- To consider staff turnover processes by incorporating experiential knowledge into work and learning assignments
- To facilitate the sharing of knowledge between peers, seniors and juniors
- To promote the continuous professional development of employees
- To fast-track the achievement of effective competence and performance by new post holders

The SKRAT methodology, revolving around strategic planning and activity planning, offers the opportunity to think, plan and implement strategically in the HR field, enabling:

- Organisations to enhance their competitiveness by preserving their organisational know-how and turning human capital into structural capital
- Employees to be able to reinforce their present and future employability
- Long-term unemployed recruits to be more efficiently integrated into work ethics and practices by means of structured learning systems
- Newcomers to absorb key competences from experienced workers
- Society to achieve social cohesion by reducing unemployment rates

SKRAT is supposed then to bring positive long-term effects at different levels through the reinforcement of the sustainability of the human capital as an organization asset for SMEs. Their competitiveness is key for the economic recovery and further enhancement of social and labour conditions.

## 2. Project Approach

The project was developed by a multi-actor partnership. Because of the variety of organizations and their distribution in different territories, the project has brought results validated at cross-European level; this was possible because of the *constructive approach* all partners followed with *mutual collaboration* throughout the lifetime of the project. Fluent communication has constituted the basis for making this approach work: chains of emails, as the most common and regular means, chats on Skype and transnational meetings allowed active discussions on structure, content and layout of drafts and final results.

*Workload was distributed* and shared among partners: every organization was assigned to lead a specific work package, based on the required competences for such role, counting as well on the participation of the entire partnership. As such, leading organizations assumed the responsibility for managing the whole attainment of workload as they launched attempts on how to tackle the expected activities, left the proposals up to consideration and requested collaboration to partners for further developments.

*Technical developments* followed the steps originally planned though they were subject to some adjustments, time and content wise. Some activities required more efforts than initially foreseen though the resulting products were worth it. In these occasions, the dimension the products were reaching made it possible to anticipate further activities. The entire project was developed as a growing process. Initial activities were made at regional/national level to guarantee the validity of further developments at transnational level within the European context. National reports comprising data regarding ageing, staff regeneration, Human Resources practices and ECVET as well as methodologies on knowledge transfer were tackled to further identify a “Human Resources Management” strategy, based on the axis “motivation-satisfaction-rewards/incentives-staff maintenance and continuing staff improvement”, making organizations more responsive concerning their social responsibility. It was followed by the description of the “SKRAT methodology” for retention and transmission of know-how in turnover processes, pointing out specific tools to cover every step of the designed plan. As result from quantitative and qualitative analysis of the products, the project has set the basis for organizations to reflect and act on strategic planning concerning the retention of their human capital as a structural asset.

SKRAT was continuously monitored by its *internal evaluator*, assuring activities and results to reach standards of expected quality. For this purpose, indicators set up in the project proposal and enriched in the internal evaluation design –released at the beginning of the project life- were taken as a reference to assess the extent to which the project was being performing according to initial expectations. In this respect, the internal evaluator acted not only as a reviewer but also as an advisor, reorienting the work in times of uncertainty and pushing the activities when they seemed to be stuck.

Dissemination has been done by different means, following methodologies of comprehensiveness and user-friendly design of material: general information in Mass Media, release of newsletters, distribution of leaflets, publication of articles in magazines, interviews with key stakeholders, disclosure of project developments and spreading of project results.

### 3. Project Outcomes & Results

SKRAT sets its fundamentals on the management of Human Resources as structural capital of organizations. Unless companies consider the knowledge, skills, attitudes and competences employees bring at work as a valuable intangible asset and manage them accordingly (Resource-Based View of the Firm Theory- Wernerfelt, 1984 et al.), they will not have the chance to gain a sustained competitive advantage, crucial for their survival in the market. The situation worsens in the case of small and medium size enterprises, where HR departments or just related activities are rare. Therefore, SKRAT is focused on the transferability of know-how in SMEs, specially in the metal sector.

The project initially addressed the implications of an increasing ageing population at company level: the number of retirements is consequently getting higher. Because of this, SKRAT started revolving basically around know-how management and age management. Later on, it was obvious that the topic centred the attention of society in general and industry in particular regardless the age pyramid. Therefore, the project aimed at helping companies to manage their human capital for being a structural asset of organizations. It went hand-by-hand with the current economic scenario, that has radically changed worldwide in the last two years.

The project development followed the stages initially planned though certain steps were underestimated once they factually demanded much more efforts than foreseen. In any event, all outcomes and results were accomplished and in some cases they anticipated later developments.

Dissemination activities started from the beginning of the project. It is due to mention how the Mass Media covered the kickoff meeting of the partnership, when the promoter made a public presentation of SKRAT to several radio stations, newspapers and TV channels. It was followed by a series of contact to stakeholders and interested parties in the different territories of the consortium along the project lifetime. Last –though not final- activity in this regard concerns exploitation of results by sending all partners the Good Practice Manual to key agents in different fields.

Dissemination has been possible because of specific outcomes: the project had a *logo* as corporate identity and compiled key information in its *leaflet*.



Strategic Practices for Know-how Retention And Transmission within Organizations



Improvements on its development were released

for general concern in four newsletters. The project counts on a *website* with content oriented URL, that coped with its double purpose: on one hand it is the platform to disseminate the project and its results and, on the other hand, it served as a working tool for the members of the consortium:

partners were required to upload both partial and final products for the entire partnership to access the same information; different levels of accessibility to the repository were set in order to respect the restrictions



initially foreseen. Contrary to planned, the working group preferred to use another communication tool for immediate interaction; Skype housed discussions and debates amongst partners, specially concerning the case studies exercise.

Technical implementation issued a series of inter-related outcomes: the *Tool Grid* supposed to be a research study dealing with different topics regarding knowledge management. The activity started at national level: every partner gathered statistical information about ageing, staff regeneration, Human Resources and the respective VET systems (with regard to ECVET) in all countries involved, along with methodologies on knowledge transfer. The Tool Grid was then released as a comprehensive study compiling a wide range of tools and best practices. It is structured in two blocks: the first one presents the approach it follows and a short overview of the national reports, focused on qualitative issues, while the second part details the steps that give shape to the strategic approach, offering examples of different tools that could be potentially used in the Tool Kit. Though the Tool Grid is feature as a private document, the *Tool Grid-Overview* is available for all registered users in the project website.

The *Tool Kit* was then developed, having demanded much more time than initially planned. As a methodology for retention and transmission in turnover processes (tailored to succession plans though applicable as regular and general activity in the frame of Human Resources Management), it intends to help small and medium size enterprises to think and plan strategically, given the fact that most of them do not have an HR department neither they invest time/resources for related activities. It is then supposed to allow actions for activity planning. As in the case of the previous

result, the Tool Kit is presented in two different documents: Guide and Annex. The *Tool Kit-Guide* details the SKRAT methodology and its steps: for every phase, reflections, explanations and recommendations are provided in order to catch the attention of the reader. The *Tool Kit-Annex* offers a set of tools for every given stage.



The Tool

Kit was then tested in several companies in all countries of the consortium. Different actors were involved: managers, senior and junior employees as well as facilitators and external agents. Testing was followed by data gathering. Information of quantitative character was compiled and analyzed in a *Data Processing Report* whilst qualitative information meant to be the raw material as basis for further discussion amongst partners; as result, the *Case Studies Report* was issued. Questionnaires and interviews with actors involved served as sources for both documents.



Based on findings obtained, the partnership elaborated the *Good Practice Manual*, detailing experiences from the testing exercise and the further analysis under

quantitative and qualitative criteria. The document has been released as public information, accompanied by the original Tool Kit.



The partnership reached to an overall conclusion: the Tool Kit is welcomed in SMEs as it allows them to be aware on the need to manage their know-how and it helps them for strategic planning and activity planning. Nevertheless, though the Tool Kit has a friendly-user structure, content and design, the complexity of the activity itself requires professional support for SMEs; here the role of facilitators becomes crucial. The implementation phase was underestimated as well once an in-depth process requires, on average, a two-

three years period; therefore, it was difficult to envisage results from implementation in the medium to long run.

The project was monitored internally following the methodology and indicators detailed in the *Design for Self-Evaluation*. With an utilisation focus and formative character, it set the criteria to gather qualitative and quantitative data for the evaluation of the project developments. The internal evaluator took an active role throughout the lifetime of the project, participating in debates amongst partners and giving feedback whenever it was required. As result of this monitoring activity, and *Evaluation Report* was issued, explaining how the activity was performed and detailing main conclusions from the exercise.

Based on the dissemination levels and restrictions initially specified, these products can be looked up in the project website as well as in the ADAM database.

## 4. Partnerships



SKRAT has been developed by a multi-actor consortium. Partner organizations have brought the skills and competences required to aim the project objectives. All of them are relevant organizations in their territories so dissemination effects have been guaranteed throughout the project lifetime. The project results have confirmed the proper distribution of tasks and workloads among partners, based on their respective profiles. Once the project have been implemented in different national environments, its results and conclusions offer validity at cross-European level.

The partner promoter in the project –Fundación Metal Asturias- is a training organization with great impact in its field, connected to all relevant actors in the subject matter (social partners, companies, political authorities), combining then profound expertise in the field with high potential impact.



IG Metall, the federation of metal workers in Germany, is organized in depth from shop-floor to policy making, due to the strong responsibilities of trade unions in Germany, specifically in the fields of vocational training and labour organisation, making it possible to achieve high impact on all levels of policy making and implementation (the organization contributes also to EUCAM as a vocational education expert).



ENTENTE, CENFIM and Training 2000 represent very experienced training and consulting organizations that have proven their innovativeness and abilities to interact with target groups within companies but also with their peer consultants and training institutions, which fosters the sustainability of the project results.



ISE contributes with its expertise in the development of action research projects in the wide field of Education as a public national research institute; it is also actively involved in the training development and evaluation of in-service training programs, participating in public debates in these matters what offers as well great possibilities for dissemination.

ISOB offers specific expertise in evaluation matters as an experienced research and consultancy organization specialized in the scientific guidance and quality assurance of innovation projects in the European scope. It also strongly works with the German Institute for Vocational Training, assuring the transfer of projects results into its discussion forums.



Active communication within the consortium demonstrated the collaborative approach under the project ran. Transnational meetings, chain of e-mails and chats on Skype served to debate technical developments. The internal evaluator took an active role in all discussions and, in certain times, helped to boost some improvements. In this regard, a non-planned bilateral meeting was scheduled with another partner to polish specific content for further implementation and testing.

## 5. Plans for the Future

The partnership is following the exploitation strategy, initially planned. All partners have distributed the Good Practice Manual (hard copy) to stakeholders along with the Tool Kit (digital file), comprising the Guide and its Annex. Both documents are available also in the project website (free download): while the Good Practice Manual is an open-file, the Tool Kit requires previous registration for tracking purposes. The partnership has ensured them to know all organizations and potential users that reach the project results. These products have been registered under Creative Commons NonCommercial-ShareAlike Attribution.

The consortium has signed an exploitation agreement to rule potential future activities.

SKRAT has supposed to offer assistance to SMEs concerning know-how management in turnover processes, with special attention to age management. As it reveals to be an helping had for organizations to plan strategically and to identify activity planning, partners will take the Tool Kit as a working document for their consultancy activities in the Human Resources field. Consultancy organizations outside the consortium are also invited to use the product as a reference tool.

SKRAT website will be running for a minimum two years period. This will ensure the products to be available for all interested parties.

Once the effects from testing require a medium to long run period, feedback from participating companies will be posted in the website whenever it will be gathered. Another multiplier effects will be communicated as well.

## 6. Contribution to EU policies

SKRAT has revealed to meet the expectations concerning EU policies in the field of Lifelong Learning.

It supports *employability*, bringing tools for specific Human Resources Management in turnover scenarios. The SKRAT methodology offers assistance for both horizontal and vertical promotions.

Means for *personal and professional development* are offered for employees to improve their knowledge, skills and competences. SKRAT supports also the unemployed, helping long-term unemployed and less-trained people, among others, to achieve the working requirements demanded in the labour market; this allows to gain *social cohesion*.

The SKRAT methodology works against know-how exodus in organizations, helping them to guarantee their *internal competitiveness*. This is supposed to facilitate acceptable rates of *employment*. Since the methodology revolves around the retention and transmission of know-how in terms of knowledge, skills and competences, based on the ECVET framework, it supports the improvement of quality in VET applied to specific strategic training practices in Human Resources Management for turnover processes. Once the ECVET system is called to be fully implemented from 2012 onward, the Tool Kit brings organizations criteria, hints and tool for the implementation of proper processes for recognition of competences and qualifications acquired at work.

The SKRAT methodology aims at retaining experiential know-how related to critical work assignments in organizations. This is possible through *endogenous training processes* that are put on stage as a procedure for knowledge transmission within organizations.

