

# Corporate Knowledge Leakage: A Case study of three Southern Africa Development Community (SADC) Public Broadcasting Organisations

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## Abstract

*Knowledge attrition is a worldwide challenge that can impact negatively on a particular organisation. This study is based on a PhD degree that was completed in 2012. The study investigated how knowledge loss affected three member states of Southern African Development Community (SADC) public broadcasting corporations' performance. These are Botswana, South Africa and Zimbabwe. A survey questionnaire was administered to 162 professionals and managers in the three public broadcasting organisations. This included 37 managers were drawn from the departments of: Human Resource, Engineering, Library and Archives, Radio and Television, Finance and Accounts, Administration, Corporate Services, Information and Communication Technology, Sales and Marketing, Programming, Learning and Development, Transport, Procurement, Content Enterprises, Organisational Development, Audiences Services, Licences, Broadcast Information Technology, International Affairs and Public Commercial Services. The results showed that the three broadcasting corporations have lost valuable knowledge to other competitors but still there are no measures to harness this knowledge haemorrhage. The study therefore recommends the establishment of a knowledge officer's post to oversee the management of the broadcasting corporations' knowledge.*

**Key words:**

Knowledge Management, Knowledge Loss, Corporate Memory, Knowledge Leak, SADC

## Introduction

Knowledge loss due to various forms of workforce attrition in organisations is inevitable. Critical knowledge in departments of the broadcasting organisations in SADC region largely rests with people. Poole and Sheehan (2009) believe that when such people leave they take with them the critical knowledge. Sallies and Jones (2002) are of the view that knowledge loss is immensely damaging and serious when key individuals leave the organisation. Poole and Sheehan (2009) assert that if the expertise of senior staff is not transferred to the next employee, the potential to innovate will be eroded and there is an increased risk that avoidable mistakes will become a regular occurrence. Knowledge loss is not without its negative effects on the organisations losing it. Moreover, the loss of expertise with knowledge built up over employee's careers as well as client intelligence has implications for organisations' competitive intelligence.

In a recent survey conducted by Manpower (2010), 80% of the 2000 respondents who were randomly sampled stated that almost 5% of their staff were about to leave the organisations. In yet another study, Right Management (2009) (cited by Tennessee Valley Authority, 2007) noted that 60% of employees intended to leave and pursue new jobs while 21% of the employees were busy networking with potential employers. These findings suggest that the surveyed companies were bound to lose vast amount of organisational knowledge that was accumulated over years of company experience.

Lahaie (2005) investigated the impact of corporate memory loss at Huronia District hospital, Canada. Findings indicate that the departure of senior

managers at this hospital caused serious ramifications due to knowledge loss. Other risks of losing organisational knowledge, as observed by Manpower (2010), were financial impact of replacing lost knowledge through training of new employees. Manpower's (2010) interpretation of the loss of knowledge is that the value of the organisational knowledge lost when employees leave is difficult to quantify.

Tennessee Valley Authority (2007) in America is reported as facing challenges of an ageing workforce nearing retirement with 30-40% staff eligible for retirement in 5 years' time. This will result in potential loss of critical, specialised knowledge. In the opinion of du Plessis (2004), the risk of knowledge deterioration that may arise when people leave an organisation can be reduced by knowledge retention through capturing of the organisation's individual tacit knowledge or team capabilities and subsequently transforming it into organisational knowledge and documentation processes.

### **Knowledge Attrition in SADC Broadcasting Corporations**

Knowledge loss among SADC broadcasting corporations in general is worrisome. For example, the South Africa Broadcasting Corporation (SABC) has been losing its key personnel and witnessed high turnover of its six top leadership responsible for transforming the corporation (The Star, 1999). Moreover, SABC lost a number of experienced managers who included 16 journalists in a span of six months. In 2007, 76 staff members from various departments quit SABC. In addition, 12 top-drawer journalists and presenters left (Motsepe, 2004).

In Zimbabwe, the Zimbabwe Broadcasting Corporation (ZBC) has not been spared either. According to Southern Africa Migration Project (SAMP) (2004), the brain drain of skilled professionals from Zimbabwe has become particularly voluminous and damaging over the last decade. In June 2002, the state broadcaster lost experienced staff in a restructuring exercise when 60% of the workforce was retrenched (ZBC Brochure, 2010). Zimbabwe has lost thousands of its talented professionals in their twenties to Britain, the US, South Africa and Australia; among them are doctors, nurses, engineers, lawyers and journalists

(SAMP, 2009). The same pattern of knowledge has been reported in Botswana.

### **Statement of the Problem**

Knowledge attrition is a worldwide challenge that can impact negatively on a particular organisation. Broadcasting organisations need to take precautionary measures to ensure that the departure of employees does not affect service delivery, quality of products and production, among other things. Loss of knowledge is damaging and if broadcasting organisations do not put measures to capture important/critical knowledge, then organisational knowledge in employees' heads can walk out with the employees at the time of their departure. Failure to harness corporate and individual knowledge may result in loss of expertise and knowledge, loss of productivity, reductions in the quality of future knowledge (Sallies and Jones, 2002).

### **Objectives of the Study**

The study sought to:

- establish which form of knowledge (tacit or explicit) is more important in broadcasting,
- identify categories of knowledge that have been lost in various sections of broadcasting,
- establish the effects/impact of such loss in the said sections of the broadcasting organisations.

### **Methodology**

The study used the survey method and employed the triangulation design for data gathering and analysis. Data were collected by administering a questionnaire to staff and interviewing managers from three public broadcasting organisations in Botswana, South Africa and Zimbabwe. A survey questionnaire was administered purposively to 162 professionals (that included 37 managers) in the three public broadcasting organisations. The professional staff in the three corporations consisted of journalists, reporters, engineers, radio and television presenters and announcers, librarians, information technology officers, producers, sales and marketing officers, archivists, training officers, human resource officers, events coordinators, finance and accounting officers. These 37 managers were drawn from the departments of: Human Resource, Engineering, Library and

Archives section, Radio and Television, Finance and Accounts, Administration, Corporate Services, Information and Communication Technology, Sales and Marketing, Programming, Learning and Development, Transport, Procurement, Content Enterprises, Organisational Development, Audiences Services, Licences, Broadcast Information Technology, International Affairs and Public Commercial Services.

## Discussion of Findings

Respondents were asked questions about their personal information such as their age, level of education, and experience in the broadcasting industry. The general response rate was 100% for the interviews and 68% for the self-administered questionnaire.

### Characteristics of Respondents

Age group data obtained from the three broadcasting corporations indicate that the highest numbers of respondents were between the ages of 25-35 years (71; 43%) and followed by 36-46 age group (57; 34.5%). Respondents between the ages of 47-57 and those less than 25 years ranked third and fourth with 29 (17.5%) 6 (3.6%) respectively. The lowest number consisted of 2 (1.2%) respondents between the age of 58-65 years. Interestingly, there were no respondents aged above 65 presumably because they would have retired.

Analysis by highest levels of education attained revealed that 87 (54.04%) have Bachelor's degree, 48 (30%) are Diploma holders, 10 (6.21%) have Master's degree. Matric/Advanced Level/High School accounted for 5.59% while, 7 (4.16%) had post matric and post Advanced Level Certificates. There were no responses to the PhD category.

In terms of experience, the majority (44%) had served in their respective organisations for a period between 0-5 years and the least (3.11%) had worked for the organisations for a period in between 31-40 years.

During the interview, managers were required to state the length of time they had worked for the organisation. This would help in determining the knowledge accumulated about the organisation and its culture (Giovanni, 2009). The longevity of service of the managers is represented as follows: 10 (27%) had worked for between 0 to 5 years; 6 (16%) for

6-10 years; 9 (24.3%) for 11-20; 12 (29.72%); for 21-30 years; and 1 (2.70%) for 32-40 years. No manager indicated the "other category".

Giovanni (2009) is of the view that interviews should generally involve people in the top hierarchy since these people possess appropriate knowledge and information. The level of education combined with experience equips managers with vast and thorough organisational knowledge that is used to furnish researchers with detailed and precise responses thereby increasing the reliability of the results.

From the interviews, it was revealed that five managers were diploma holders, 25 had first degrees, four had master's degrees, one indicated a post high school certificate another mentioned a 'higher degree' and the researcher could not yield favourable results through probing. All the managers from Radio and Television services had either journalism, media or communication training backgrounds. Transmission and ICT managers had engineering and computer technology training respectively while those in administration had arts, social sciences or humanities training backgrounds. Their training backgrounds coupled with years of relevant experience made them appropriate for the positions in which they were employed at the time of the study.

### Tacit and Explicit Knowledge

During the interview, managers were asked to identify the type of knowledge that was more important in their organisations. The majority, 36 (97%), indicated that tacit knowledge was far more important than explicit knowledge. Only one (3%) manager suggested explicit category was important. However, all the 37 managers were quick to point out that both forms of knowledge were important for the organisations. Managers stated clearly that in broadcasting, being a dynamic industry, the tacit knowledge was more important than explicit knowledge as the employees react quickly to issues. According to Taylor (2007), individuals join an organisation with certain levels of knowledge and increase those levels of knowledge until they become familiar with their new roles and culture of the organisation. 'Tacit knowledge is closer to action', argued another manager. One manager from the Engineering section stated that staff in the section

relied on tacit knowledge for transmission because it is practical. Another one stated that the broadcasting industry is a creative, mobile and dynamic industry which relies on tacit knowledge and not explicit. A SABC manager from the marketing and sales section stated that one needs tacit knowledge when discussing issues with a client rather than to make references to recorded knowledge. Managers from administration sections such as Transport, Human Resource, Accounts and Stores all acknowledged the importance of explicit knowledge since they use recorded information that they need to fall back to when need arises and for reference purposes.

### Risks of Losing Knowledge in the Broadcasting Organisations

Managers were asked to indicate some of the risks that they considered to be associated with loss of tacit knowledge in their organisations. One manager from the engineering department retorted that, "If we lose tacit knowledge we are doomed. People will suffer because they will not have information that they want". "When we maintain transmission equipment we do what is called modification so the next person should know what modification has been done." Another manager said, "Risks are very high...if you don't document; if the person leaves, also the knowledge is gone." This is consistent with literature surveyed where tacit knowledge is referred to as sticky while explicit is leaky and migratory (Turban *et al.*, 2008; Nemani, 2010). One of the ICT managers said: "losing tacit knowledge moves the whole organisation 'five years back at the same time affecting the vision and strategic planning of the organization," a view that is consistent with that of Mohammed *et al.* (2006) who point out that valuable knowledge is acquired through the number of years an individual spends in an organisation.

On the loss of strategic knowledge in the three public broadcasting organizations, managers made the following various comments, "organisation would be grounded", "work performance would be substandard", "continuity is affected", "negative impact on art, political and economic stories that broadcasting corporations produce", "challenges of retrieving information", "adverse effect on the chains of production", "output is not up to scratch", "radio and television listeners and viewers will note that the programmes are half-baked and do not have depth",

"loss of knowledge creates a gap", "quality of work may deteriorate because we can't replace 20 years of experience." This confirms Levy's (2011) findings that many of those retiring nowadays have spent many years in the same organisation and some even in the same job such that there is a vast amount of knowledge to be transferred and retained.

These comments indicate that managers were quite conversant with possible ramifications associated with loss of organisational knowledge but surprisingly some of them took no initiatives to curb the knowledge losses. As one ZBC manager alluded to, loss of knowledgeable employees was well pronounced on the quality of broadcasting products that the organisation was producing following exodus of its experts in 2004 due to the restructuring and economic challenges in the country.

### Knowledge Lost within the Last Five Years

Literature reviewed indicates that when experts leave an organisation they leave with their knowledge. Respondents were asked to identify expertise that had been lost from the organisations in the last five years. During interviews, managers revealed that the loss of knowledge was as a result of resignations, retirements, being fired/dissmised from work, deaths, ill health and so forth. The results of the findings are shown in table 1 below.

**Table 1: Experts Who Left the Organisations**

Experts	Left the organisation
Technicians	64%
Engineers	60.3%
Editors	55.3%
IT Specialists	50.9%
Accountants	44. %
Marketing Specialists	37.3%
Public Relations Officers	26.7%
Librarians	21.1%
Information Officers	19.9%
Communications Manager	19.9%
Researchers	16.8%
Archivists	14.9%
Documentalists	8.7%
Loss of tacit (personalised) knowledge takes place when the knowledgeable employees leave or	

die while explicit (codified) knowledge is lost when organisational documents cannot be found (Dan, 2008; Taylor, 2007; Kim, 2005; and du Plessis, 2004) for one reason or another or when documents get destroyed in a disaster. Loss of technicians, engineers and editors was even supported during interviews by the managers. This confirms other studies (Wamundila & Ngulube, 2011, Phaladi, 2011; Levy, 2011 and Tennessee Valley Authority, 2007) that knowledge attrition is inevitable. Technicians seem to be mobile in the region due to their rare knowledge and skills in the broadcasting industry.

When asked to indicate "any others" who had left, the respondents indicated reporters, journalists, channel controllers, board members, top management, chief executive officers, producers, cameramen, technical operators, logistics officers, data capturers, audio operators, programmes managers and photographers. Such high labour turnover means the public broadcasting organisations lose specialist knowledge which in some cases is the core to their business (Staplehurst and Ragsdell, 2010). The respondents gave answers with regards to the departments they were placed in the organisation and less on the general knowledge about the organisation.

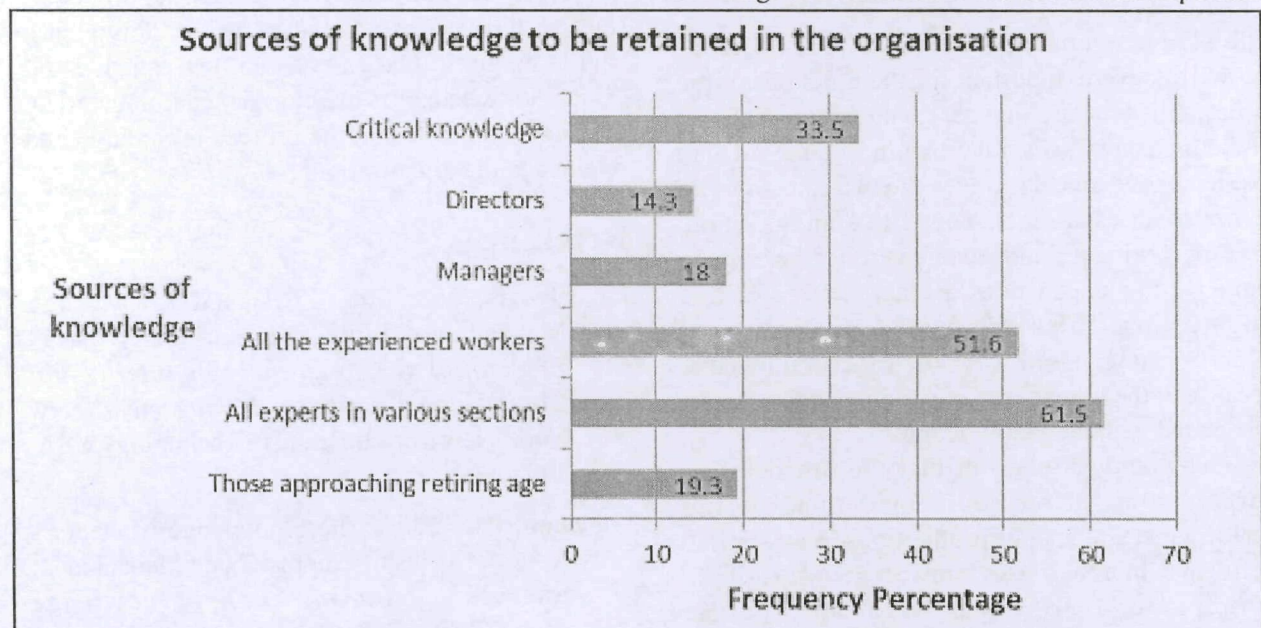
Asked whether those who left were interviewed to capture their knowledge, respondents posted

various comments such as; "not to my knowledge", "the organisation does not interview people when they leave", "sometimes people even leave without a goodbye", "HR conducts exit interviews", "not privy to the processes that happens after resigning" and "HR can provide more accurate statistics" written on the questionnaires. Interviews with managers revealed that some of the experts who departed held exit interviews with the Human Resource Department (HRD) for purely personnel matters on why they were leaving. Further asked in the interview about interviews to capture the knowledge of departing experts, managers indicated that the experts left under different circumstances. While some experts made sudden departures, some retired, some were fired, some were retrenched, some died and some disappeared never to return.

### Sources of Tacit Knowledge to be Retained

Organisational tacit knowledge is viewed as the most important because it is linked to action. As such, a question was asked on the major sources of knowledge that have to be captured and retained in their organisations. The results are shown in the figure below:

Levy (2011) avers that determining the knowledge to be retained is one of the most important



**Figure 1: Knowledge to be retained in the organisation**

tasks of knowledge retention projects while Nonaka and Takeuchi (1995) are of the opinion that tacit knowledge is the more important category of knowledge because it is used for innovation. Not all knowledge needs to be captured. Majority of the 99 (61.5%) respondents were of the view that knowledge of all experts in various sections needs to be captured but 83 (51.6%) suggested knowledge of all the experienced workers which is consistent with what Tennessee Valley Authority (2007) regards as the 'critical knowledge of veteran employees'. This finding is consistent with Young's (2006) assertion that the most irreplaceable, high risk areas are where your knowledge retention efforts need to be focused.

The remainder, 54 (33.33%) reported critical knowledge holders and 31(19.3%) respondents suggested those approaching retiring age had important knowledge. Twenty nine (17.9%) said managers and 23(14.19%) chose directors. Further asked on who were critical knowledge holders in their respective organisations, managers revealed that those who had been with the organisations for more than 20 years and were approaching retiring age, experts, experienced workers, directors and even new employees who possessed vital skills for the organisation to continue existing in their business.

## Conclusions

The study found out that while both forms of knowledge were important for the functions of the three public broadcasting corporations, the majority of the managers valued tacit knowledge more than explicit knowledge. However, the two categories do complement each other. The HR, Administration, Transport, Finance and Accounts relied heavily on explicit knowledge while the other sections such as Engineering, Sales and Marketing, radio and television tasks used a lot of n tacit knowledge because of the innovation, creativity and dynamism associated with tacit knowledge.

The study found out that the broadcasting corporations suffer some inadequacies and performance gaps, poor productions, poor service delivery when they lose knowledge. Most of the gainers tend to be private and public organisations, and fellow broadcasting corporations in the region.

It was also found that in a period of five years, the three broadcasting corporations had lost technicians, engineers, journalists, reporters, accountants, presenters to competitors in the region and overseas. The worst affected was ZBC whose country had serious economic challenges that impacted negatively on the knowledge loss in the corporation. It emerged that most of its knowledgeable staff joined SABC and other broadcasting organisations in the region.

The study established that the experienced, highly skilled and those approaching retiring age were the most revered to possess valuable knowledge that was supposed to be retained. Such individuals included subject matter experts (SMEs), mentors in various broadcasting sections and those who had some apprentices.

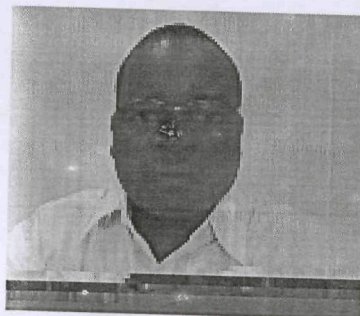
From the findings, the study therefore recommends that the three broadcasting organisations should value both categories of knowledge and work towards the capture, sharing and retention of the two. Knowledge retention would assist the organisations when knowledge walks out of their doors through the loss of staff..

Moreover, the organisations should develop a culture of knowledge sharing to mitigate the risks of corporate knowledge loss. Knowledge shared is knowledge captured. The study also recommends that organisational knowledge capturing strategies (mentorship, subject matter experts, and storytelling) should be put in place to ensure that valuable and critical knowledge of the experienced, the skilled, the knowledgeable and the retirees is captured and retained in the organisation.

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