Pooling organizations are built on unique, vital knowledge that keeps their day-to-day operations in motion, drives creativity and innovation, and differentiates them from private insurance.

No matter how good your pool’s workflow documentation practices are, some of this knowledge ultimately resides within the people serving your pool. In other words, there is always some amount of critical information held solely by those doing the work.

In 2018, AGRiP’s Compensation and Benefits Analysis found that the pooling industry was expected to lose over 70 percent of its top executive talent by 2028. Given the unique industry knowledge that resides with top pool leaders, many pools are at real risk of losing the “secret sauce” that makes them special.

Fortunately, there’s a way to reduce this risk for your pool: Implement an effective knowledge transfer program. In this issue of Intelligence, we’ll define knowledge transfer, explain what a good knowledge transfer program looks like, discuss common misconceptions about knowledge transfer, and explore some real-world knowledge transfer situations.
Knowledge Transfer Defined

Knowledge transfer means replicating the expertise, wisdom and skills of critical professionals in the heads and hands of their coworkers. It moves the right skills to the right people at the right time to keep a workforce prepared, productive, innovative and competitive.

A knowledge transfer program can be implemented for a targeted transition, such as a retiring executive sharing wisdom with a named successor or a management team. Or it can be used broadly as a pool-wide undertaking to onboard new employees and/or to ensure adequate depth in every operational area.

Importantly, it includes the measurable transfer of both explicit skills as well as implicit or tacit knowledge. Explicit skills are things like knowing the typical steps in a given process, such as the underwriting methods to calculate a pool member’s contribution by applying rates to exposures.

Implicit or tacit knowledge goes deeper. It includes things like why a process is done, what could go wrong, who needs to be involved, which rules must be followed, what to look and listen for, how to troubleshoot the most common problems, and what outcomes or innovations should be shared with others in the organization.

For example, an underwriter might know how to apply your pool’s rating process, but they must also have tacit knowledge about when that process could create a member relationship issue or when an emerging issue might mean your pool’s typical process is insufficient to fund a new risk area.

You might be tempted to lump knowledge transfer in with one of the many other employee development programs you’ve heard of—knowledge management, succession planning, new employee onboarding, career mentoring programs, competency models, team-to-team rotations, formal job training, etc.—and happily declare, “We’ve got it covered.”

Although knowledge transfer is often associated with on-the-job training and mentoring, it means a lot more. Knowledge transfer asks the question: What can we do to make critical knowledge understood faster, with less stress, and with greater predictability and consistency? Ultimately, knowledge transfer depends on the expert(s) in your pool being able to teach your secret sauce to others.

In very simple terms, here’s what a knowledge transfer program entails:

1. Identifying knowledge that is currently siloed and needs to be shared or transferred
2. Naming an expert and at least one apprentice per silo of interest (and defining their roles and responsibilities)
3. A plan that includes communication and learning style preferences, knowledge transfer priorities, time blocking for the work, and due dates
4. Training resources for the expert to understand how to effectively share knowledge, conduct knowledge transfer meetings, demonstrate a task and create practice opportunities for the apprentice(s)
5. Similar training for the apprentice to be effective in asking questions and learning new information

6. Metrics for knowledge transfer, including the test for the apprentice(s) to make sure they’ve learned from the expert

**What a Good Program Looks Like**

Regardless of program scope or formality, it can be difficult to know what good looks like in the context of knowledge transfer. To be successful, a knowledge transfer program should:

- **Drive a clear conversation about what knowledge needs to be transferred, who is to deliver it (the expert), and who is the recipient assigned to receive it (the apprentices).** It can be challenging to designate an “expert” (i.e., someone capable of and tasked with delivering unique knowledge) unless there’s an impending retirement or another change in the works. And, since everyone is so busy, assigning “apprentices” (i.e., people to receive the knowledge) can also be difficult.

  Plus, designating experts and apprentices can give rise to difficult hierarchical or longevity conversations. What if your expert is not the manager of a team or the longest-tenured employee in a department?

  Whatever the need driving a knowledge transfer program for your pool, it should act as an important conversation guide with these details as the baseline.

- **Include clear outputs and defined measures.** Your pool’s knowledge transfer program should not only provide for methodical transfer of key information as efficiently as possible—it should also define metrics for proof of transfer.

  Long-term results will come from a little old-fashioned top-down management. This requires planning and a system to ensure knowledge transfer plans are executed as outlined and those involved are held responsible for results.

- **Be independent of the social or communication skills possessed by the person holding the knowledge.** Your knowledge transfer program shouldn’t rely upon the designated expert having great social skills or being a natural teacher. A good knowledge transfer program works independently of such personality traits because the process, steps and expected outcomes are clearly outlined.

- **Uncover workforce risks that could cripple your pool.** A good knowledge transfer program identifies your pool’s risk of having insufficient workforce skills to meet its strategy. This is important insight, because false complacency can be dangerous. As scary as it sounds, uncovering knowledge gaps is a positive result—it’s better to know them now rather than later.

- **Be simple.** Your knowledge transfer program should be defined clearly enough for anyone in your pool to put it into practice and generate results within days. Maintaining a knowledge transfer program is not a full-time
Voicing your team’s misconceptions can uncover hidden barriers to your success before those barriers have a chance to slow you down.

Knowledge transfer is often hampered by a number of common misconceptions. These misconceptions are worth talking about among your leadership team as a way of gaining buy-in before you set out to methodically transfer knowledge and reduce your talent risk. Voicing a misconception can uncover hidden barriers to your success before those barriers have a chance to slow you down.

Here are a few of these misconceptions and why they’re simply not true:

**Misconception #1:** What I do for the pool is entirely unique—my knowledge is too complex, specialized, instinctive, political, situational, tactile [add your favorite adjective here] to be transferred.

There are nuances to how this myth is voiced:

- “There are a million variations in how I decide to act.” (After a little investigation, it turns out to be closer to seven variations that are repeated in a wide variety of situations.)
- “My expertise has too many dimensions/dependencies/relationships to teach.” (Is it just that you aren’t sure how to break these dimensions down?)
- “You can’t actually pinpoint some of my skills and insight —I’ve been working here for years and I just intuitively know what to do.” (Having used knowledge transfer techniques with hundreds of job roles ranging from bank tellers to airplane mechanics to army base commanders, I know that virtually any position has 60 to 120 unique job skills.)

Any expert’s knowledge and wisdom can be packaged and measurably transferred, so long as the apprentice has the capacity to learn it. This may sound like a big loophole. But, if you haven’t made a sound hire or assigned a capable human resource to learn, knowledge transfer can’t fix that. The good news is, if you did make a poor choice in assigning an apprentice, this will become clear very quickly when they can’t respond to the knowledge transfer process as expected.

**Misconception #2:** The team is just too busy. Our expert can’t take time out for a concentrated knowledge transfer effort.

The experts we tap to be mentors are busy—usually the busiest. These people are often pulled in many directions already and may feel overwhelmed before
even starting to imagine knowledge transfer as another task on their list. And there may be the sense that transferring their knowledge is a big, one-time task, which can create another imagined roadblock to starting. How can they make knowledge transfer happen on top of their “real” workload?

You have to be ruthlessly efficient to engage in effective knowledge transfer. With a systematic approach, knowledge transfer even for a very complex job can be organized in a matter of hours or days (not weeks or months). Then, the highest-priority skills can be taught in a series of methodical one-hour chunks.

It might take 70 hours for a mentor to teach their expertise, but the mentor can plan for each of those 70 hours in an efficient and timely way (like with any other task), with deference to their regular priorities.

Being “too busy” is never going to end for a pool executive or other pool expert. None of them will go home one day with a finished to-do list. But replicating their skills to reduce risk is a critical priority, so there’s no choice except to prioritize and weave knowledge transfer into the other tasks already underway.

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**Misconception #3: I’m not a good teacher.**

Sometimes the designated expert is hesitant because, of all the things they’re good at, sharing knowledge is not one of them. Fortunately, you do not need to be a naturally gifted teacher to make knowledge transfer happen. More than 70 percent of my clients are scientists and engineers. This is not a population known for group hugs and tea parties—yet they’ve implemented very successful knowledge transfer programs.

Mentors simply need to be competent and willing to spend limited, focused time following the program. The good news is that pool experts are natural innovators and are accustomed to executing in new areas. Knowledge transfer is a natural extension of these foundational skills.

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**Misconception #4: Our expert could retire but doesn’t plan to, so we don’t need to worry about this yet.**

Any employee can leave at any time—and for reasons that might be unexpected. The real risk to your pool isn’t an employee’s age or retirement plans; it is employees with unique knowledge that is siloed rather than shared.

At one of my client sites, a young engineer was hired to take over a critical role for a few older coworkers. She stayed for six years and during that time took ownership of a pivotal system. Everyone on the team was relieved at how well she was doing, and they were shocked when she announced she was leaving to go to graduate school. In the end, she left before the people she was hired to replace.

You can probably think of a similar story within pooling. The current employment environment post-pandemic is serving to underscore this risk. It’s an employee’s market and knowledge workers can perform their jobs from anywhere—so what guarantee is there that your pool experts will remain?
Misconception #5: Knowledge transfer feels like just another “flavor of the month” initiative, and there are too many of those already.

As with many misconceptions, this one has a basis in reality—some organizations have never met a trend they didn’t seek to embrace. But I’ve found four critical success factors that set up knowledge transfer to be sustainable:

1. An executive who agrees that the risk of not having the right talent in one to three years is worth managing and solving for over time
2. Designating a person in the organization to learn knowledge transfer tools and use them daily to hold others accountable and drive toward measurable results
3. Ensuring that, before any knowledge transfer process begins, the experts and apprentices understand how to prioritize knowledge transfer work
4. Incorporating the effort into existing systems and practices (e.g., the skills one teaches or learns through knowledge transfer can be part of every performance review)

Succession is inevitable for every role. By committing to a knowledge transfer program, you can distribute—and thereby protect—your pool’s “secret sauce.” However, knowledge transfer will be a management fad (here and gone) within your pool if it’s not implemented well. Only undertake this work if your pool is willing to commit knowledge transfer to a place near the top of your priority list.

For a hands-on experience developing a knowledge transfer plan for your top pool executive, register for AGRiP’s upcoming Knowledge Transfer Workshop (Oct. 4–5 in Minneapolis, MN). See our Succession Planning Residency page for more resources.

About the Author

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The ASSOCIATION OF GOVERNMENTAL RISK POOLS is a multinational organization for public entity risk pools with over 200 members from the United States, Canada and Australia. By providing support in the fields of education, intelligence, advocacy, networking and best practices, AGRiP energizes the power of pooling, making member organizations more effective, collaborative and informed.
APPENDIX: Five Case Study Examples

Following are real-world knowledge transfer scenarios. These are concrete illustrations of knowledge transfer in practical application—and its benefits. Although not pooling-specific, these examples are likely very familiar to you.

**Onboarding and Ramp Up to Productivity**
A new account manager has just joined a finance and consulting firm and needs to build specific skills before flying solo with the firm’s long-standing clients. A formal knowledge transfer program is used to drive the new hire’s onboarding so that the ramp up to productivity is reduced.

**Emergency Knowledge Transfer**
The highly successful and well-liked head of a research center with 14 years’ experience running the site and securing critical government contracts announces he will retire and depart in 30 days. There had been no warning, and his team of five is shocked and very concerned that no one will be able to fill his shoes. No one really knows what he does, but he clearly does it well because the site has been highly successful during his tenure. Within a couple of days of his announcement, the knowledge transfer process is deployed to break his role down into manageable chunks so that each individual task can be transferred to one of his direct reports until a replacement can be found. With the tasks laid out, half of each of his remaining 30 days is used for a knowledge transfer session on the most critical skills. In the end, he leaves before everything is transferred, but the remaining risks are known and his limited time has been used as carefully as possible to transfer the most critical knowledge.

**From Vendor to Customer**
A 27-year-old clinical specialist with a nursing degree needs to teach a veteran cardiologist how to install a new heart valve their company produces. In addition to the obvious generational differences, the two also have different learning styles. Knowledge transfer techniques are used to effectively pass on the skills needed to apply the heart valve. This allows the surgeon’s clinic to successfully treat their patients and, over time, adopt this product for regular use over a competitor’s.

**Engagement and Retention of Millennials**
A 26-year-old engineer has been working for almost two years in a team of largely retirement-aged professionals at a utility operation. The young engineer is considered smart and capable, but there is little evidence of this in her output. The knowledge transfer process uncovers a simple reason: She is only working in one of the 12 work areas covered by her team, and her skills are boxed in. When sought out to assess the problem, the engineer indicates she has already updated her resume and will be leaving the plant soon. She cannot imagine continuing a career with such narrow opportunities.

Implementing a knowledge transfer process shows the frustrated engineer all the skills and opportunities that are available to her if she stays. As a result, the employee interviews with and goes to work in a different team in the same division and flourishes.

**Driving Innovation**
In the video gaming industry, there are many creative positions with job titles like “artist,” “animator,” “designer” and “developer.” While there is clearly an innate talent that makes people successful in roles like these, there is also an ability to operate within a framework that allows them to get an excellent product to market on time.

Knowledge transfer efforts identify a set of secret skills that helps set certain people apart and makes them more successful at what they do. It turns out that these workers can “keep an ear to the ground” for the competitive landscape, “pluck innovation from the mundane,” successfully present ideas and gain approval to take risk, “sort for the fun quotient” in the team’s effort, and build relationships with outsourced partners.

Once everyone in the organization understands what sets these experts apart, they can begin to teach their secret sauce to others.