



EXPERTISE IN TECHNOLOGY AND ECONOMICS



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Knowledge Sharing and Building in Succession of a Firm

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Challenges for Succession

- As a consequence of the baby boomers' coming retirement
- succession planning, implementation and research need to extend from managerial level to all levels of organizational hierarchy (Rothwell & Poduch)
 - research on succession needs to extend from manufacturing companies to all kind of firms and even to government organizations (Giambatista & al., Rothwell & Poduch)
 - the meaning and value of succession as a process supporting firms' competitiveness is reinforced

Succession in a Firm

Traditional view to succession (e.g. Rothwell & Poduch, Giambatista & al.)

- transferring of senior workers' expertise to newcomers
- one way communication concentrating in maintaining the existing competitive advantages

Knowledge-based view to succession

- senior workers share their expertise with newcomers
- newcomers share their competencies and build new knowledge with seniors
- two way interaction where both continuity and renewal are produced

Knowledge-based Organizations

Successful knowledge-based organizations balance on the edge of time. To create sustainable competitive advantage they are capable of renewal. These organizations

- are able to connect past experience with current activities and with a view to the future
- are able to identify their current knowledge and capabilities and create continuity
- allow for flexibility and emergence of new developments to renew their knowledge and capabilities for the future.

(e.g. Brown & Eisenhardt, March, Leonard-Barton, Pöyhönen, Teece & al.)

Succession and Competitiveness

Successful completion of succession is crucial for the competitiveness of a knowledge-based firm. Succession presents a challenge both to continuity and renewal.

- How to pass senior workers' valuable knowledge and skills to newcomers?
- How to take advantage of newcomers' competencies?

The Study on Succession

Aim to find out how succession could support an organization's competitiveness through building both continuity and renewal.

- Explore sharing and building of knowledge in social interaction related to succession:
 - What kind of knowledge is used, shared and changed in succession?
 - How and in what kind of situations is knowledge used, shared and changed?

Empirical Implementation of the Study

Case-study of a Finnish middle-size expert company operating in global markets.

Data gathered in summer 2006 in qualitative interviews of 12 professionals working as pairs of senior-and-junior.

A unique case with versatile data:

- succession of experts instead of managers
- six pairs of employees going through succession at the same time.

Knowledge in Succession

	Never expressed in words	Can be expressed in words	Always expressed in words
Individual	tacit (Polanyi, Tsoukas, Wilson, Choo)	implicit (Spender, Wilson)	explicit (Tsoukas, Spender, Choo)
social interaction			
Organizational	cultural or (Choo) shared tacit (Nonaka)	collective or (Spender) conceptual (Nonaka)	shared explicit (Choo) or systemic (Nonaka)



Sense-making Approach to Succession

Sense-making is the basis of social interaction. Through sense-making people construct their world by creating common meanings and understanding. (Weick)

Succession is interaction where knowledge is used, shared and changed through sense-making in ways that help

- individuals to understand and complete their jobs
- a firm to maintain and produce meaningful knowledge.

Sense-making as a Tool for Analyzing Succession

Three views of sense-making which together build a succession process of a firm.

- Individual (Dervin)
 - focus on the knowledge needs of a senior and a junior
 - knowledge is seen from a user's point of view
- Social (Weick)
 - focus on interaction between a senior and a junior
 - in this interaction common meanings and understanding are created and knowledge is used and changed
- Organizational (Choo)
 - focus on sense-making as a context for knowledge creation
 - new knowledge and ideas brought in by juniors essential

Knowledge Sharing and Building in Succession

(to be further developed)

		knowledge building		
new knowledge built	new knowledge created and transferred between the senior and the junior	new knowledge created and spread within the firm	- renewal of organizational knowledge	
	existing knowledge transferred between the senior and the junior	existing knowledge spread within the firm		
new knowledge not built	- continuity of organizational knowledge			
		between the senior and the junior	also with others in the firm	knowledge sharing





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THANK YOU!

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