

# The Organizational Memory Problem

Why companies forget their most valuable knowledge

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## Executive Summary

Most expertise inside organizations is not written down. It exists as tacit knowledge accumulated through experience. Organizations rely on heuristics, exceptions, local context, and institutional memory, but much of that knowledge remains concentrated in individuals.

## The Hidden Asset

Organizations often maintain policies, procedures, knowledge bases, and training materials. These systems explain only part of how work is actually performed. The remainder exists as accumulated practical knowledge.

## The Cost of Forgetting

When experienced people leave, organizations do not simply lose labor. They lose capability. Processes continue and documents remain, but performance can decline because the organization has lost context and judgment.

## Why Documentation Is Not Enough

Documentation preserves information, but it rarely preserves judgment. The most valuable knowledge often involves exceptions, tradeoffs, risk assessments, historical context, and relationships. These elements evolve continuously and are difficult to capture through static procedures.

## Conclusion

Organizations that preserve experience gain compounding advantages. The future belongs to organizations that remember, learn, and reuse what they have already discovered.

## References

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