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The Process of Knowledge Transfer Across Generations of Employees at PT Sumiati Ekspor Internasional

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Abstract

The operational sustainability of an organization depends heavily on the effectiveness of knowledge and skills transfer between generations of its employees. This study aims to analyze in-depth the process of knowledge transfer between generations of employees, specifically from Generation X (senior employees) to Generation Z (younger employees) at PT Sumiati Ekspor Internasional, and to identify the barriers (stickiness) that occur at the individual, group, and organizational levels. This study uses a descriptive qualitative approach. Data collection was conducted through participant observation, in-depth interviews with six key informants (representatives of Generation X, Generation Z, and Management/HRD), and documentation studies. The results show that the knowledge transfer process has been carried out informally through daily work interactions, mentoring, and on-the-job training. At the individual level, the effectiveness of transfer is strongly influenced by differences in communication styles and learning preferences; Generation X tends to provide detailed and procedural explanations, while Generation Z is more adaptive to visual information and the use of digital technology. At the group level, open two-way communication and collaborative teamwork norms are the main drivers of successful transfer. At the organizational level, a family climate and culture strongly support the process of knowledge transfer. However, the absence of a formal documentation system and a structured knowledge management program has the potential to lead to future knowledge loss. The study concluded that knowledge transfer occurs naturally and adaptively, but requires the intervention of a more structured and digitalized knowledge management system to ensure sustainability.

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Keywords:Knowledge Transfer, Generation X, Generation Z, Organizational Behavior, Knowledge Management, Stickiness.

INTRODUCTION

In the era of globalization and increasingly competitive business dynamics, a company's ability to maintain and improve the quality of its human resources is crucial. One of the most vital aspects of strategic human resource management is the Knowledge Transfer (KT) process. In a modern work environment, KT is not simply about providing instructions, but rather the process of sharing tacit (experience, insight, intuition) and explicit (documents, procedures) knowledge, skills, and work culture from senior employees to younger ones (Goh, 2002; Farkhan & Indahdewi, 2023). The goal is to ensure that the organization's core knowledge is not lost with the retirement of senior employees and can continue to support the company's sustainability and innovation (Angelina & Sushandoyo, 2023).

Failure to implement this knowledge transfer process often results in a phenomenon known as the "broken second generation." This phenomenon refers to a situation where the next generation in an organization or business fails to build on the success established by the previous generation due to the loss of core competencies and core knowledge (Saputra, 2021). The main obstacles that often trigger this failure are clashes in characteristics, work culture, values, and communication patterns between generations in the workplace (Helm, 2017).

In Indonesia, the current workforce dominance is shifting towards a mix of Generation X and Generation Z. Generation Z employees (born after 1996) generally grew up as digital natives, accustomed to digital technology, fast-paced, visual communication methods, and demanding high flexibility. In contrast, the older generation, namely Generation X (born between 1965–1980), has a tendency to value face-to-face interactions, detailed work processes, high loyalty, and a more traditional approach (Jokhu, 2023). This gap in learning and communication styles risks creating barriers or stickiness that disrupt the flow of information (Szulanski, 2000).

This phenomenon is highly relevant and occurs in real-life situations at PT Sumiati Ekspor Internasional, a handicraft exporter in Denpasar, Bali. As a company operating in the creative industry, relying on traditional craftsmanship, aesthetic values, and international export standards, PT Sumiati relies heavily on the skills of its artisans and operational staff. Currently, the company boasts a distinctly multigenerational workforce, with Generation X holding strategic positions as knowledge sources (production

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experience, export standards, quality control), while Generation Z occupies executive positions (production, administration, digital marketing) as knowledge recipients.

Previous studies have largely discussed knowledge management in the banking or technology sectors (Zailani & Kurniasari, 2022). However, there is still a lack of research examining intergenerational knowledge transfer in the export-driven creative industry, which is rich in local tacit knowledge. Based on this literature gap and the phenomenon, this study aims to analyze in-depth how the knowledge transfer process between Generation X and Generation Z at PT Sumiati Ekspor Internasional takes place, as well as identify inhibiting and enabling factors at the individual, group, and organizational levels.

LITERATURE REVIEW

Organizational Behavior Theory This study uses the Organizational Behavior Theory proposed by Gibson, Ivancevich, and Donnelly (2012) as the main theoretical basis (Grand Theory). This theory examines human interactions and behaviors within an organization by dividing them into three main levels of analysis. First, the individual level, which focuses on a person's motivation, perception, personality, values, and learning abilities. Second, the group level, which analyzes team dynamics, leadership, norms, and interpersonal communication. Third, the organizational level, which looks at the impact of organizational structure, work culture, evaluation systems, and managerial policies on overall work effectiveness (Gibson et al., 2012). This theory is very relevant to dissecting how differences in psychological and social characteristics between Generation X and Generation Z affect the effectiveness of knowledge transfer.

The Concept of Knowledge Transfer and Knowledge Creation Knowledge in organizations is divided into two: explicit knowledge that is easily documented, and tacit knowledge that is embedded in individual experience and skills and therefore difficult to articulate (Nonaka & Takeuchi, 1995). The knowledge transfer process is a conscious effort by the organization to disseminate both explicit and tacit knowledge from the source unit (or individual) to the recipient unit so that it can be applied (Landaeta, 2008). This process includes socialization (tacit to tacit), externalization (tacit to explicit), combination (explicit to explicit), and internalization (explicit to tacit).

Barriers to Knowledge Transfer (Stickiness of Knowledge Transfer) Szulanski (2000) introduced the concept of stickiness to explain why transferring knowledge within organizations is often difficult and costly. Szulanski divides the transfer process into four stages: initiation, implementation, ramp-up, and integration. At each stage, stickiness can

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arise due to four main factors: (1) characteristics of the knowledge (causal ambiguity, lack of evidence), (2) characteristics of the source (lack of motivation to share, lack of trustworthiness), (3) characteristics of the recipient (lack of absorptive capacity, lack of retention), and (4) the organizational context (rigid work culture, poor interpersonal relationships).

Intergenerational Knowledge Transfer Intergenerational knowledge transfer is an effort to bridge the competency gap between senior and junior employees. Generation X is known for being hardworking, possessing in-depth expertise, loyal to their company, and favoring structured, formal communication. On the other hand, Generation Z excels in technological literacy, rapid adaptation, and independent information seeking, but they demand instant feedback and straightforward instructions (Praptiwi et al., 2025). Managing these differences requires a mentoring approach, direct assistance, and appropriate use of technology for effective transfer (Ragili et al., 2020; Permana, 2021).



Figure 1. Conceptual Framework

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Conceptual Framework The conceptual framework of this study assumes that the process of knowledge transfer from Generation X (source) to Generation Z (recipient) is influenced by dynamics at the individual, group, and organizational levels (Gibson et al., 2012). In this process, there are obstacles (stickiness) that must be overcome, such as differences in communication methods (Szulanski, 2000). If these obstacles can be overcome through a culture of collaboration and technology, knowledge integration will be achieved, which will have an impact on increasing the productivity of export companies.

RESEARCH METHODS

This study employed qualitative methods with a descriptive approach. The choice of qualitative methods was based on the research objective of in-depth exploration of the meanings, social interaction patterns, and real-life experiences of employees across generations in the workplace without manipulating variables (Creswell, 2018). The research location was PT Sumiati Ekspor Internasional, located in South Denpasar, Bali.

The population of this study was all company employees. The sample (informants) was determined using a purposive sampling technique, where the researcher selected six key informants who were deemed to best represent intergenerational dynamics. The six informants consisted of: two Generation X employees (aged 46-47 years, Purchasing and International Marketing positions), two Generation Z employees (aged 24-26 years, operational and marketing staff), and two representatives from the managerial level (HRD and Operations Manager).

Primary data collection techniques were conducted through three methods: informal participant observation in production areas and offices, in-depth interviews using semi-structured interview guidelines, and internal documentation studies (SOPs, evaluation reports). Qualitative data analysis was conducted using an interactive model that includes data reduction (transcription and coding of themes), data presentation in narrative and matrix form, and conclusion drawing. To ensure data validity, researchers implemented credibility testing through source triangulation (comparing Gen X, Gen Z, and Manager responses) and technical triangulation (interviews were confirmed with field observations). In addition, the concepts of transferability, dependability, and confirmability were also applied by maintaining researcher objectivity and providing a detailed description of the research context.

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RESULTS AND DISCUSSION

Based on the results of interviews, participatory observations, and document studies in the field, the analysis of the knowledge transfer process at PT Sumiati Ekspor Internasional was studied comprehensively using the Organizational Behavior Theory framework which includes the individual level, group level, and organizational level.

Individual Level Analysis At the individual level, the effectiveness of knowledge transfer centers on psychological dynamics, motivation, and intergenerational learning style tendencies. The characteristics of Generation X employees at PT Sumiati demonstrate a high level of commitment and a sense of moral responsibility to share their experiences (tacit knowledge) to maintain the quality of export production. Ms. Komang (Generation X) stated, "I share knowledge through direct explanations while working, giving examples of practical practices in the field... The approach is more flexible to accommodate their fast learning styles." However, the phenomenon of stickiness (knowledge stickiness) described by Szulanski (2000) has been proven to occur in real life due to clashes in individual characteristics. Generation X has a work orientation that prioritizes precision and sequential processes, while Generation Z has expectations of instant and practical results. This was emphasized by Ms. Fetty (Generation X): "Generation Z tends to want things to be fast and practical, while some processes require precision and time. Sometimes they lack the patience to follow detailed procedures."

On the other hand, from the recipient's perspective, Generation Z recognizes the competence and importance of the experiences transferred by Generation X, but faces challenges in absorbing verbal explanations that are considered too lengthy. To overcome this communication barrier, the use of technology initiatives at the individual level is the main solution. Mas Yanto (Generation Z) said, "The role of technology is quite large in helping me understand knowledge from Generation X. With digital notes, photos, or explanatory videos, I can relearn more quickly." The use of digital devices (WhatsApp, photos, PDF documents) effectively transforms tacit knowledge from Generation X into an explicit form that can be relearned at any time by Generation Z, accelerating the process of knowledge integration.

Group-Level Analysis At the group level, observations indicate that the primary space for knowledge transfer is not formal training classes, but rather the communal, operational work environment. Group dynamics and day-to-day team interactions play the most dominant role in shaping knowledge. Mas Widu (Generation Z) described this situation: "Usually we learn not in the office, but directly while working together. If there is something we don't understand, we immediately ask our seniors on the team." This

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process is highly relevant to the Socialization stage in the SECI concept (Nonaka & Takeuchi, 1995), where the exchange of tacit knowledge occurs through direct observation, imitation, and practice. The group norms formed at PT Sumiati are two-way and very open. Junior employees are encouraged to proactively ask questions without fear, which indicates a strong sense of togetherness. Strong interpersonal bonds within this cross-generational group drastically reduce psychological distance and ego barriers, allowing for trust to be built. This trust facilitates Generation Z's absorptive capacity for direction and correction from Generation X.

Organizational Level Analysis The success of knowledge transfer at the individual and group levels is inseparable from the ecosystem created at the organizational level. Support from PT Sumiati's management is essential in facilitating this exchange. Ms. Fetty said, "Management gives us time to mentor new recruits, without immediately demanding quick results." This statement indicates that management intentionally creates psychological safety by providing time for on-the-job training (OJT) processes, so that mentoring activities are not perceived as burdensome or disruptive to operational Key Performance Indicators (KPIs). An organizational culture steeped in the principles of family and mutual assistance also anchors the success of this natural transfer process.

However, at the macro-structural level, this research uncovered a fundamental weakness. PT Sumiati Ekspor Internasional does not yet have a formal policy, a structured Knowledge Management (KM) program, or a standardized documentation system. Mr. Jerry (Manager) confirmed that, "The company still relies on direct (face-to-face) transfer because most knowledge is tacit." The transfer process still relies on the memory and physical presence of senior employees. This situation indicates that the externalization process (codifying knowledge into formal written procedures) remains highly vulnerable. The absence of a formal digital knowledge repository system carries a very high latent risk of organizational knowledge loss if Generation X employees resign, retire, or are unable to attend.

Discussion Holistically, the findings from these three levels of analysis confirm the Organizational Behavior Theory (Gibson et al., 2012) which states that organizational effectiveness is shaped by the synergy of individual behavior, group behavior, and organizational structure interventions. Stickiness or stickiness of knowledge (Szulanski, 2000) at PT Sumiati mostly originates from the initiation and implementation phases, where the opposing learning and communication styles between Generation X (detail/conventional) and Generation Z (instant/visual) clash.

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Fortunately, these barriers were successfully mitigated thanks to employees' independent technological adaptation initiatives and a strong family culture at the group level. These findings align with research by Farkhan & Indahdewi (2023) and Landaeta (2008), which concluded that social ties and two-way communication can compensate for the shortcomings of formal company systems in facilitating KT. However, as emphasized in Jokhu's (2023) research, a culture of word of mouth and informal mentoring will not be sufficiently resilient in the long term. Without institutionalization through a digital-based Knowledge Management system that explicitly maps, stores, and distributes export procedures, the sustainability of PT Sumiati's business processes will be constantly threatened by shifting workforce demographics.

CONCLUSION

The intergenerational knowledge transfer process (Generation X to Generation Z) at PT Sumiati Ekspor Internasional has been running quite effectively, informally and naturally in the daily work environment (on-the-job training). The success of this process is influenced by dynamics at three levels of organizational behavior. At the individual level, success depends on the ability of both generations to adapt their communication styles; Generation X adapts by providing more practical instructions, while Generation Z integrates digital technology to facilitate acceptance. At the group level, intense social interaction and open communication encourage the creation of trust that facilitates the transfer of tacit knowledge. At the organizational level, a family-like cultural climate serves as a supportive foundation. However, the company faces one fatal institutional barrier (stickiness): the lack of a formal knowledge documentation and management system, which makes the company's knowledge vulnerable to loss if the source (Generation X) is no longer in the company.

Based on these conclusions, it is recommended that the management of PT Sumiati Ekspor Internasional immediately design a formal Knowledge Management System (KMS). This can begin with digital documentation of each work procedure, the preparation of visual-based Standard Operating Procedures (SOPs), and building a knowledge database (for example, using company cloud storage or an intranet) that can be accessed by Generation Z. The company also needs to formalize cross-generational mentoring and coaching programs so that their implementation does not only depend on personal initiative. For further researchers, it is recommended to examine the Technology Acceptance Model variable as a mediator in the effectiveness of digital-based knowledge transfer in local creative industry companies.

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