

## Professional Development Session...Table Discussion Summary

### Managing the Risk of Knowledge Loss Due to Workforce Attrition: Retaining and Leveraging the Critical and Relevant Knowledge of the Procurement Workforce

#### Background

Part of the morning session included an opportunity to explore state perspectives on workforce attrition and knowledge loss. We used several questions to create a conversation between the tables to get the conversation going:

1. Do you have a workforce attrition and knowledge loss challenge? Where is the pain?
2. How does it impact your delivery of services to your customers? Ad something
3. What is your organization doing to address these workforce attrition and knowledge loss challenges?
4. What are some of the tools and techniques your organizations are using for capturing and reusing knowledge? How well are they working?

**Caution:** Please note that responses are individual in origin and may or may not reflect a broader view of all those represented. The distilled responses are summarized below.

#### Environmental and Workforce Dynamics That Affect Your Ability to Address the Challenges of Workforce Attrition and Risk of Knowledge Loss

[These are conditions or factors that must be addressed concurrently or precedent to any mitigations to knowledge loss]

- **Salaries** are not high enough to attract and retain the workforce; makes it hard to compete for the workforce and skills we need
- **Recruitment process** is archaic
  - Our HR system is not flexible enough to accommodate our changing needs; a one size fits all approach to recruiting doesn't work for us.
  - Need to recognize that each position and its assigned responsibilities are different
  - HR system needs to be dynamic to support us. (E.g. Flexibility on education or certification is dependent by state)
  - While procurement is willing to spend additional salary to attract and hire the right people, HR focuses on "low bid."
  - Question: Can you levy knowledge requirements for each position and align these with salary?
- **Unions:** create challenges
  - Purchasing classifications covered under union in Iowa; not the same for all states—this makes hiring the right needed skills more complicated.
- **Politics:** Political environment not conducive to changes in recruiting and hiring policy (same can be said of the management structure).

- **Internal Transfers:** Procurement folks can transfer to a customer or other agency for “more money and less responsibility.”
  - Investment is lost when they take the acquired knowledge in central procurement with them when they transfer. (E.g. learn to process high dollar procurements and then they go to other agencies with lower dollar and more “mechanical” contracting responsibilities.
  - Other perspective on this is that these organizations need this skill and those qualified people as well.
- **Procurement Authority:** more demands from agencies for procurement authority; belief they can do it faster and better.
  - Affects centralization v. decentralization. Agency procurement officials often not procurement professionals, are lawyers, managers, etc.
  - Lack the skills necessary to execute procurement--we have to clean up after them.
- **Generational Differences:** Gen Ys expect to change careers and jobs. Our procurement organizations (with HR) need to meet their culture and expectations, their growth requirements in order to attract and retain as long as possible. We need to be able to continue to challenge them with increasing responsibility to keep them.
- **Territorial Issues:** with lifers (knowledge hoarders)
  - Single source of specific knowledge. (Question: how do you value that knowledge?)
  - Not always a willingness to share when needed
- **Valuing and Recognizing Knowledge Employees.** HR system not flexible with salaries and promotions so how can a manager reward the efforts and skills of an employee on a timely and targeted basis?
  - Praise only goes so far
  - Need ability to give merit increases
  - Need ability to provide non-monetary recognition
  - Recognize high performance for customer service
  - Can provide recognition through high profile and interesting projects that provide new challenges
  - Encourage and support certification
  - Some believe that morale is not the manager’s responsibility.
- **Hiring Freezes and Reductions in Hiring:** huge challenge to replace lost experience as workload continues to exist and increase
  - Attract valued employees—opening up telecommuting options, work hour flexibility. Accommodate flexibility as much as they can.
  - For every two that leave, can only hire one—who should get that one person as staff?
- **Training**
  - Roles of Procurement professionals: Training procurement people to be managers is also a challenge. Retention issues often have to do with the management.

- **Action:** Understand why people come to your organization and why they leave.

## Mitigating and Managing the Risk of Knowledge Loss Including Tools and Techniques to Support the Workforce and the Organization

[Identified by State so you know whom to call for more information]

- **GA:** Developed a document repository for collaboration and knowledge transfer via SharePoint; part of a larger knowledge center.
- **MA:** Web-based procurement information site that maintains a history as well; Most folks coming into MA can do research via this website for information; Training for internal and external customers.
- **WVa:** Customer Training; have a retreat once a year for training. This is the only travel for most—huge perk. Working toward certification. Try to make it fun (i.e. game show-based). Give prizes.
- **MN:** Focus on succession-planning process to back everything up so that nothing is known only by one person.
- **UT:** Focus on cross training across commodity areas. Try to train before people they leave.
- **NV:** Concept of “grow your own organization;” focus on what you CAN control; not on what you cannot control
  - Be the agency people want to transfer into, not transfer out of.
  - Keep an eye on other people in agencies—never be surprised when you have an opening. Look at other agencies skill’s for transfer
  - Don’t just take what HR gives you—make sure these other folks know to apply for an open position.
  - Identify potential skills to be used in the future.
- **AZ:** Community of practice—group of people with common objectives, knowledge to share—get them together to improve ability to deliver at an individual level.

## Questions That We Should Be Asking When We Get Back

[Subjects to consider as you start the conversation in your own state]

- **#1 Question: *What is the impact of doing nothing to mitigate the loss of knowledge loss due to workforce attrition?***
- *Why should we be paying attention to succession planning and how does this relate to knowledge loss that can be mitigated? How to get to succession planning?*
- *How can I get HR to be a partner in addressing this challenge?*
  - Q: How many of you (attendees) view your state HR as your partner? (25%)
  - Q: How many of you think that HR views it as getting the right people, skills, training as a partnership with you?
  - This is a wonderful place to start that conversation.
- *How can we get our customers engaged on this challenge and its inherent risks since it impacts them as well?*

- Customers—beneficiaries of your work.
- Meeting with our senior customers. Using book From Good to Great. Have created an informal leadership team—discuss what we do well, what we are not doing well.
- Ask customers—what are we not doing well, what needs are we not meeting?
- Trying to change from an adversarial culture (unions, etc.).
- GA: meet and greets all over the state of Georgia to meet customer base. Quarterly—going to top 15 agencies and universities, meeting with them one-on-one, find out their operational needs and business needs.
- Note that using “customer” vs. “client” makes it sound like they have a choice—they don’t, but, if you run your procurement organization as if they did have a choice, run it as an operation that “facilitates” their mission, where they can see the value of what you’re doing, it helps.
- *What do you as a customer take away in terms of the value that we do provide?*
  - Want to see leadership, training, strategic sourcing value.

Special Thanks to Nicole Smith for capturing this discussion and making this summary possible!