

Evolving your Workforce: Measure for Experience, Skills and Perspective

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Introduction

The current *Aviation Week and Space Technology* survey on the state of the Aerospace and Defense workforce highlights many challenges the industry continues to face. Possibly the most disturbing of these is the higher-than-average voluntary termination rates in the youngest ranks of the industry's workforce, even when confronted with a down economy.

The statistics within the study point to some underlying reasons for this volatility, in part attributing the movement to intangibles associated with a new worker in a mature industry. Also noted in the study, anecdotal evidence continues to mount that entry-level workers face entrenched cultural characteristics such as leadership style, barriers to forming lasting, meaningful relationships and the overall work environment, in addition to the more measurable items such as salary and promotion or advancement opportunities. The overlap between some of these items, and other industry trends such as the slowdown in retirements, points to the complexity of factors impacting a company's ability to fuel innovation.

A Healthy Balance

Companies certainly have their work cut out for them in this critical area, but before we discuss ways to retain young workers, it's important to note that the new working generation, Generation Y, has a natural tendency to change companies every 2-3 years. Unfortunately, some organizations focus desperately on retaining Gen Yers, to the point that they lose focus on the rest of the organization, therefore, we have to accept that there will be some turnover across this age group. The question is - how much is deemed as healthy to the organization and what can the organization do to maintain that healthy level? Across the industry, we've seen volatility in their turnover with a trend in the wrong direction. The AV Workforce survey shows that voluntary turnover has increased over the past three years with a noteworthy jump from 15.7% in 2008 to 21.9% in 2009.

Why Bother With the Newbies?

With a clearly established trend, heading in the wrong direction, let's look at solutions. Although it seems counter-intuitive that we should be concerned that our least experienced people leave before they can make a lasting contribution. However, their lack of experience can actually be of great value to your organization. In one respect, since they have not been "tainted" with the organization's groupthink they tend to have a more objective perspective that people who have "been in the system" for a while seem to lack. That fresh perspective can provide insight to connections or associations that we may have some cultural or institutional blind spot toward.

How to Keep Them Long Enough to be Old Hands

Purpose and Meaning

Projects at some companies can last for years and as new team

members, the younger team members can rapidly find their jobs becoming boring, rote, or downright stagnant. One of best ways they can add some variety while in a long-term role is to take on internal opportunities. Most companies have a variety of internal needs that are not being effectively serviced. Leading a new training class, assisting with a white paper, or contributing to a new solution repository are all ways to A) break up the monotony of the day, and B) build a favorable rapport with management. Another key point is to show them the impact of their work once they become skilled at their tasks.

With their excitement comes a yearning to make a difference. They want to have an effect on the organization – to see their work in action. Don't let them get lost in their cubicle sitting behind a computer without ever seeing the results of what they've done. Here are some suggestions to help engage the younger workforce,

- Where possible, regularly connect engineers with the end users. The effects will be two-fold: engineers will see and better understand the results of their efforts. It'll also allow them to identify ways to better their work as they capture a deeper understanding of how it's being used.
- Help them see the big picture. Not only should technical employees understand how their work is being used, they should also know how it fits into the big picture. In our widely-popular white paper entitled "*Making the Generation Gap Work to A&D's Advantage*", we share the experiences of one engineer who, after working on a program for over a year, finally was shown how his designs fit into the big picture. He learned how his designs helped saved the lives of US Marines during a surprise insurgent attack in Afghanistan. "All of a sudden," he says, "I had a renewed passion for my work."

Engineering PortabilitySM

A comprehensive approach is needed to retain young workers, particularly in these technical environments that are heavily impacted by blended cultures due to recent merger and acquisitions. The concept of Engineering PortabilitySM can help companies engage with their younger workers all allow them new opportunities, while still maintaining high productivity levels.

Across the industry, when an engineer moves from one program to another, in all too many cases that engineer finds a completely different environment, particularly if there's a classified Program involved. One program uses certain tools for risk management, earned value, corrective action, etc. while another program employs completely different tools. Different programs have different customers and different products to offer; however, the same fundamental business processes and associated tools (enablers) can be used across the large majority of Programs. This approach not only saves the company costs in the management, maintenance and support of those tools, it enables workers to move more freely from one program to another while minimizing the cost to the program as they ramp up. Employee training and skills development becomes simplified because the organization can train employees on the fundamental set of business processes and supported tools.

The Bigger Picture

Ultimately, as important as new recruit retention is, there is a broader issue at hand. Are we really managing our workforce to align it to our long term strategic goals? To gain a competitive advantage utilizing Human Capital Management principles, we should be investing in our workforce consistent with our overall strategy. The simplest incarnation of this is a corporate strategy to be the preferred provider of a specific technology or service. The expectation would then be that the key recruiting, retention, and growth functions (Engineer, Research and Development, Human Resources, etc.) would then be investing in those people to create a Human Capital advantage that falls into one of the following categories:

- Create competency advantages – “Our people are better at xyz than their people are”
- Create numbers advantages – “We have the most/only experts in that field”

The creation of these advantages takes the investment of resources – time, money, and effort – across the entire employment lifecycle. Like all investments, the key components of the strategy need to be tracked to see impact.

Return on investment (ROI) is difficult to calculate for skills investments, but there is a need to track and measure the effectiveness of these programs. For a competency advantage, metrics around skill expertise and productivity can be used to track progress. Examples of long term metrics would be papers written, patents submitted, and technical certifications or advanced degrees obtained. In addition, numbers advantage metrics such as “how many people do we have in this technical field and how many years of experience do they have” are easily implemented to drive a focus on managing the skills associated with our workforce.

It's All Related

The issues around newer employees highlights the larger workforce issues around attracting, training, and retaining people with key technical skills. Leveraging the management principle of “you get what you measure,” we are just now starting to measure and evolve the complex workforce (experience, skills, tools, and perspectives) that are now required to innovate and build the industry's next generation of products.

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