

When Your Best People Leave, Will Their Knowledge Leave, Too?

The job market is heating up. If you don't have a strategy for capturing the knowledge and expertise of your workforce, you may soon be in for a rude awakening.

by David Boath and David Y. Smith

EXECUTIVES OFTEN SPEAK of their most important resource as the one that walks out the door each night. Yet few leaders are sufficiently guarding their organizations against the day when key people walk out the door for good. And with the rebounding economy, that day may be coming sooner than many firms would like to admit. More so, as the workforce ages—and workers of all ages continue to be more transient—many companies are looking at an ongoing, irreplaceable loss of the knowledge, experience, and wisdom that have been a primary source of competitiveness and profitability.

That is, unless they begin to execute a strategic plan of action to retain and build on the great body of knowledge represented by their workforce. Such a plan should have the following goals:

- Help people capture and distribute knowledge—both their own and that of their coworkers.
- Support collaboration across time and space.
- Provide access to the learning and performance support needed to work most effectively.
- Implement organizational structures that lead to effective career development and succession planning.

The loss of knowledge and its effects on workforce productivity and performance represent a complex web of issues. It stands to reason, then, that no single or monolithic solution can address all the issues. Instead, organizations need to think in terms of a suite of strategies, techniques, and technologies. Companies seeking to pursue such an approach should follow these steps:

1. Identify the knowledge most at risk and institutionalize it

Companies should begin by identifying where they are most at risk from the loss of information and experience. This involves, in part, establishing performance-management and

career-development processes that carry with them the identification of employees who possess the most critical knowledge.

Don't lose the great body of knowledge represented by your workforce.

For example, as David W. De Long and Thomas O. Mann noted in “Stemming the Brain Drain” in Accenture’s *Outlook Journal* (January 2003), “When air traffic dropped dramatically after September 11,” Delta Air Lines cut the workforce to remain competitive. “So when 11,000

employees companywide agreed to take an early retirement or severance offer, Delta had less than two months to identify those employees who held jobs for which no backups or replacements had been trained...and then capture that knowledge before it walked out the door. Supervisors across the board worked with a team from Delta’s learning services unit to narrow the list of 11,000 down to those veterans whose departure would represent a ‘critical job loss.’ Once these outstanding performers were identified, they were interviewed about their roles at the company. This way, Delta retained as much critical knowledge as possible on very short notice.”

2. Establish more focused career-development and succession-planning programs

A career-development program builds knowledge that professionals need to prepare for future roles. For example, following a recent fourfold increase in new-drug discoveries, Wyeth recognized that its 150 clinical study team leaders had become a mission-critical workforce among its 6,000 employees in research and development.

In an effort to retain and develop these increasingly important managers, the company developed a unique career-progression model that defined a set of critical competencies—as well as the required levels of proficiency—for each career level. It assessed all clinical study team leaders against those competencies and created individual development plans to address opportunities for

improvement and growth. Wyeth also built tools to enhance clinical study team leaders' knowledge further and established collaboration forums to allow continued learning and sharing of best practices.

Additionally, to help ensure that the organization's expertise in trial management continues to grow, clinical study team leaders join so-called capability teams, where they address process changes and training needs, and they are also now part of a new, centralized organization focused specifically on trial management.

3. Build knowledge communities

In many organizations, knowledge resides solely with "experts," who take their knowledge with them when they leave. The right collaboration tools can capture experts' information and insights and help build a community around them, transforming their knowledge into community knowledge. One of the more seamless ways this can happen is by saving and archiving instant messaging (IM) conversations involving key company

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COMBATING "BRAIN DRAIN"

Organizational knowledge loss is a systemic problem involving the entire employment life cycle: recruiting, hiring, performance, retention, and retirement. Companies may be tempted to implement a number of nonintegrated solutions. While some of these—such as mentoring programs, knowledge databases, or hiring retirees as contractors—have some value, most are merely quick fixes, and comprehensive problems need comprehensive and integrated solutions.

Firms should implement the following to ensure they retain the expertise required to stay competitive:

- Workforce planning and organizational design, which ensures that structures and processes are in place to support career development, identification of most vital personnel, and succession planning.
- Workforce support and collaboration, using portal and enterprise resource management solutions.
- Learning design and delivery, focusing on anytime, anywhere learning and the powerful solutions found in today's performance simulation solutions.

experts. Often filled with insight, these conversations are generally lost as soon as they disappear from computer screens. But new tools capture them and make them available for retrieval, thus ensuring that the knowledge transmitted through them remains in-house.

4. Adopt more advanced e-learning techniques, especially performance simulation

E-learning has revolutionized workforce training. Freeing organizations from a restrictive belief that learning happens only when it's "officially" administered in classroom settings, e-learning has permitted a consistent distribution of high-quality content, enabling anytime, anywhere learning that is learner-driven.

Performance simulations, in particular, have proven to be highly effective learning techniques. Completing tasks in an environment that looks like

the real thing—with rules-based feedback and remediation—provides insights, assessments and coaching. Learners are directed to expert "war stories" and perspectives, specific reference materials, industry best practices, and practice activities, which they learn and apply to complete the task successfully. All of the material is available to learners at precisely the moments they are primed to learn—at the points of trial and error.

For example, to boost profitability and respond to change more quickly, Siemens' global workforce had to learn to speak a common financial language. The company used a 48-hour simulation experience designed for 10,000 finance and business professionals. With a combination of technology and group-based activities, they simulated the challenge of growing a single-product company focused on the domestic market into a global industrial organization facing complex business decisions. The exercises allowed participants to practice the roles of financial analyst, finance manager, and project controller. In business review meetings, they worked in teams to complete a case study, drawing on expertise gained in previous simulation activities. The result: staff came away from the simulation with both a more deeply engrained understanding of the pressing need for a common language and a more robust grip on the language itself. ♦

David Boath is a partner in Accenture's Health & Life Sciences practice. David Y. Smith is a partner at Accenture Learning. They can be reached at MUOpinion@hbsp.harvard.edu.

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