Managing the Risk of Knowledge Loss Due to Workforce Attrition

Retaining and Leveraging the Critical and Relevant Knowledge of the Procurement Workforce

Professional Development Session
National Association of State Procurement Officials
8 September 2008

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What if risk of knowledge loss could be managed like this?

Wouldn’t it be great if this could be a leading practice?
One View of Knowledge
Public Sector Organization

Information

Experience

FOCUS
Actionable
Meaningful
Relevant

KNOWLEDGE

Customer Value
Workforce Effectiveness
Mission Performance

Best Solutions

Best Decisions

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Definitions

- **Attrition**: Change in the numbers, skills, and competencies in the workforce due to retirement, promotion, transfer, career change of leadership and workforce.

- **Critical Knowledge**: Knowledge that is fundamental to the business or operational processes of the organization that supports mission delivery and mission success.
On a scale of 1 to 5, how would you rate your organization’s challenge in addressing the risk of critical knowledge loss due to workforce attrition? (1=low to 5=high)
Quick Survey

On a scale of 1 to 5, how would you rate your organization’s performance in addressing the loss of critical knowledge?
(1=Poor to 5=Excellent)
Why Is Knowledge Loss A Key Workforce Challenge We Are Facing?

• Loss of knowledge -- and people with the knowledge -- between agencies and those leaving government is increasing

• No integrated process or framework to capture and reuse the workforce’s relevant information, experience, and insight on a consistent and disciplined basis

• Complicating factors:
  (1) increasing size and complexity of procurement workload
  (2) decline in number of professionals in procurement workforce

• It exists at the leadership level and at the workforce level – it’s multi-generational and still not priority for most organizations
People Have Always Retired Or Left With Their Knowledge
What’s different about this now and why should we care?

• We have the “workforce gap” – knowledge of the workforce is inversely proportional to the age of the workforce

• There is a real issue when there is not a ready and continuous stream of knowledgeable replacements due to an inability retain workforce with the critical skills to fill the gaps of growing retirement eligibles and others transitioning

• Example → Acquisition Workforce:
  – The average age of the acquisition profession according to a 2007 NCMA survey is 47 years old
  – There is competition for the remaining scarce resources among many agencies and the private sector
  – We need a deliberate means for learning, capture and transfer of the “experience” of procurement – the “know how” and “know why” of procurement
Table Discussion

Consider the following questions:

1. Do you have a challenge? Where is the pain?

2. Does it impact your delivery of services to your customers? How?

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?
• Do you have a challenge?

• Where is the pain?
• Does it impact your delivery of services to your taxpayers?

• How?
• What are some of the tools and techniques your organizations are using for capturing and reusing knowledge?

• How well are they working?
What is your organization doing to address these workforce attrition and knowledge loss challenges?
• What questions should we be asking?
Some Basic Understandings

• You can’t capture everything that everyone knows, nor would you want to do this

• Technology cannot do this alone because it can’t get what’s in your head into someone else’s (tacit to tacit)

• This must be part of the way you operate and work—look for a place to start where it will have a significant impact on performance

• It is a long term commitment to maintain and sustain a knowledge enabled organization

• This is not easy—look for help within your organization or from outside expertise

• Understand the multi-generational nature of the workforce
What Are Some KM Tools And Techniques I Can Use For Capturing And Reusing Knowledge?

**Capture**
- SME Interviews
  - Know how and know why
  - Link to documents and training
- Knowledge Mapping
  - Know where it is and who has it
  - Link knowledge and process
- Knowledge Transition Interviews
  - Workforce and Leadership

**Capture, Transfer, Reuse**
- Expertise Location
  - Who knows what -- in context
  - Collaboration across stovepipes
- Mentoring and Intern Programs
  - Relationships for transfer
  - Efficiency of transfer
- Fast Learning
  - Peer Assist/Action Review/Retrospect
- Knowledge Assets
  - Web based resource and “electronic mentor”
- Communities of Practice
  - Link individuals with common context and shared objectives
  - Vetting and validation of new knowledge in use
What Actions Can I Take Right Now?

• Create awareness by articulating and communicating the knowledge loss problem as a “burning platform” and focus on the alternative of doing nothing

• Decide what knowledge is critical to your organization or is necessary to improve all aspects of your organization’s performance

• Evaluate how you currently capture what you know, how you reuse it, and leverage what good things you already are doing

• Find ways to maintain a dialogue with those who “know” who have left the workforce and those who are just joining your workforce

• Create a common approach for knowledge capture and reuse focused on collaborative behavior—it requires a cultural change and it is not easy
What Actions Can I Take Right Now

- Focus on the people and the processes necessary to move knowledge across the workforce — not the technology — it’s about changing behavior!

- Pick a place to start – at the leadership level or at the workforce level – and look for the early adopters in your organization

- Then, pick a pilot project to demonstrate the value of these efforts and the investment in time and resources

- Measure or value the outcome of your efforts to demonstrate success and to convince anyone that not doing this is a risky alternative
Better Practice Transfer
You Can Do This!

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Some Assumptions

- Taxpayers and stakeholders expect high performance and mission success and must trust that the procurement process will provide this:
  
<table>
<thead>
<tr>
<th>Products and Solutions</th>
<th>Workforce Management and Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of Delivery</td>
<td>Financial success</td>
</tr>
<tr>
<td>Culture of Integrity</td>
<td>Innovation</td>
</tr>
</tbody>
</table>

- Moving knowledge by sharing better practices within an organization is a fundamental component of risk management, risk mitigation and mission success

- The procurement process requires the integration and balance of people, process, and enabling technology for successful planning, execution and management of expected outcomes

- Success in “leveraging what you know about what you do” is not accidental; it happens because all levels of an organization see this value and make it part of planning and execution, not something extra
Some Questions We Will Consider

• What is knowledge?
• Is there a difference between “best” practice and “better” practice?
• How can I transfer what I know?
• How do I know it’s a better practice?
• What I can take back with me to my organization and use right away to transfer knowledge?

• Other questions we should address??
Data - Information - Knowledge

Data

“1345UA0010 32A”

Information

“United flight 0010 leaves LaGuardia at 1345 from gate 32A”

Knowledge

“That flight is always delayed and often cancelled”

*Relationships and trust are required for knowledge transfer and re-use*
KM Concepts:
Value of transferring “better” practices

- Step-Change in Productivity: Accelerate the transfer and use of existing know-how.
- Speed & Agility: Learn, decide & adapt faster than the “speed of change”.
- New Missions & Services: Quickly access and build on experience & ideas to fuel innovation.

Value of transferring “better” practices
High Performing and Knowledge Enabled Procurement Organization

People share what they think others may need to know
- High trust
- Partnering mindset
- Communities of Practice
- “It’s all about the conversations”
- Leadership demands collaboration

The latest know-how & experience is routinely embedded in strategy & operations
- Fast learning processes
- Performance-based process improvement
- Execution and Training are Aligned

People & their collective knowledge are secure, yet highly visible and easily accessible
- Common sense security
- Accessible networks
- Easy to find people who know
- Virtual Collaboration

A Leader Supported Integrated Approach
Some Insight to “Better Practice” Transfer

• Focus on ‘best’ practices often limits the transfer of better (or leading) practices that could improve performance.

• External benchmarking is useful but does not replace the need for “internal better practice” transfer.

• There is always a wealth of better practices inside an organization that can be transferred to improve performance.

• Whether or not you choose a formal or informal approach, the basic principles are the same.
Context for “Better Practices”

• Simple Definition
  – A repeatable activity that routinely results in improved or superior performance

• Critical Success Factors
  – Advice and coaching in its use is readily available from those who use it
  – Documented in a contextual manner that makes it reusable and adaptable
  – Easy to find and access
  – Owned by people who have a vested interest in its use

“You don’t have a best practice unless someone else is using it.”
- Jack Welch
Basics for What Works & Why

• Delivering business results *while* changing behavior

• Meeting people and teams ‘*where they are at*’

• Knowing who the *customers* are for the knowledge

• Focusing on knowledge transfer, not just sharing
Fast Learning Transforms the Way We Work

Knowledge

Where I Am

Where I Want To be

Time

Δt

Learning While Doing Curve

Doing Curve

Fast Learning

Fast Learning
What Processes? How Can I Use Them?

Learn Before Doing: Peer Assist (2 hrs to 2 days)
Geared for highly relevant, timely knowledge transfer

Learn While Doing: Action Review (15 min)
Geared for immediate improvement

Learn After Doing: Retrospect (2 to 4 hrs)
Geared for creating & capturing new knowledge
The Action Review

Learning while doing

4 Simple Questions:

• What was supposed to happen?
• What actually happened?
• Why is there a difference?
• What can we learn from this and do right now?

After any event, sub-task or milestone - just 15 minutes to improve work for tomorrow, while building team relationships, trust and learnings
The Action Review Template

This is a template that may be used when conducting an Action Review. Remember the Action Review should only take 15 minutes or less.

**Task/Activity/Team:** Provide a brief description of the job, activity, or team which was subject to the review.

**Key Contact / AR Recorder:** This is the name of a person who can be contacted if more information is required.

**Date of Action Review:**

**Location of Action Review:**

**What was supposed to happen?**

Everyone shares their own understanding of what should have happened. This is often the most revealing part of the process. Unless the event had a clear, unambiguous, and well communicated purpose and plan, it is likely that different members of the team each had a different understanding of what was actually supposed to happen.

**Facilitator Suggestion:** Ask people to quickly write down their personal understanding of what was supposed to happen. Then, after a maximum of two minutes, ask them to read to the group what they wrote.

**What actually happened?**

Establish the facts about what actually happened. This is used to identify a problem, not a culprit. Save analysis and interpretation for the following two questions that focus on the facts.

**Who were there differences?**

**What can we learn from this and use for the...**
Document for Reuse
….with the reuser of the knowledge in mind!!

• The business **context & relevant** category in which the practice/method has been used & learning occurred.

• Specific **guidance** on what needs to be addressed at each stage of the practice/method
  - Key process and procedure steps
  - **Advice** in the form of guidelines, checklists, stories and FAQs containing *both local and validated common experience*.

• Links to **people** who have used the practice/method.

• A reference **library** of artifacts and documents associated with the implementation of the practice/method.

• Reference to the **Function** and/or **Community** who keeps the process current and renewed with improvements from its continued use

• **Feedback** from the end user to keep it relevant and alive.

*If you really want people to use a better practice, it needs to be documented in a manner that makes it easy to understand.*
One-Pager for Sharing & Determining Relevancy

Descriptive Title

4 paragraphs on one page:

1. Business process and context within which the practice/method has been applied
2. What it is and what it’s used for
3. Results and experience from it’s use
4. Key learnings and advice

Plus:

• Contact information for the people who have used it
• Where to find documents and other artifacts to help in it’s application
• Date
Questions…or comments?

Can you use this?

Where would you use this?
Case Study

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DIA AE Business Context

• Imminent acquisition knowledge loss of knowledgeable and experienced procurement professionals due to retirement from or transition within the government

• Immediate and long term risk to the quality of the intelligence operational support that the Office of the Acquisition Executive (AE) provides both to DIA and the intelligence community (IC)
Approach

- **Project 1 - Understand AE Workforce Dynamics**
  - Understand the workforce attrition and knowledge loss in AE (factors and dynamics)
  - Understand how AE captures, adapts, transfers, and reuses its relevant and critical knowledge in providing intelligence operational support (KM Assessment as baseline for Project 2)
    - Knowledge Leadership
    - Organization
    - Culture
    - Knowledge Flow and Use (Learning)
    - Enabling technology
    - Implementation
  - Project 1 was not focused on organizational or structural changes in the AE organization

- **Project 2 – Mitigation**
  - Pilot project tailored to a current AE challenge (COR)
  - Integrate Project 1 understandings of unique AE attrition factors and knowledge loss risks
  - Risk mitigation “actions in context” – craft plan and framework unique to AE
  - Develop and deploy “consistent and disciplined approach” to knowledge capture, adapt, transfer, and reuse” of critical procurement knowledge at both the leadership and workforce level as part of operating processes
Pilot Approach

Contracting Officer's Representative

• Solve an existing workforce attrition challenge where results can be measured

• Create awareness of the possibilities of KM-based performance improvement and “Fast Learning” among organization leaders, workforce and customers

• Demonstrate the value of this performance based KM approach to mitigating the risk of knowledge loss due to workforce attrition.

• Project Agreement and AE Knowledge Champion

• Transfer success and in context learnings to other parts of AE organization
Benefits

• Proof to those involved in the performance improvement effort that capturing and reusing “what they know about what they do” will help them individually do their jobs better and improve the performance of their teams.

• Transfer of KM skills to an AE provided Knowledge Champion who later will be responsible for maintaining and sustaining the evolving “performing and learning” culture in AE.

• Establishment of a Community of Practice (CoP) that better enables practitioners to share knowledge and standardize operational or business processes in their subject matter area.

• Developing expertise in tacit knowledge capture and distillation (sense making).

• Creation of Knowledge Assets leveraging the most easily accessible technology platform available to the AE and COR communities.
KM Operational Model

- Community of Practice
- Support from Leadership
- Driven by Practitioners
- Knowledge Asset
- "Electronic Mentor"
- Peer Reviewed
- Accessible and Useable
- Collaboration Tools
- Expertise Locator
- Threaded Discussion
- Fast Learning Processes
- Peer Assist
- Action Review
- Retrospect
- Targeted Interview

YOU! Agent of Change

Engagement Knowledge Managers
(project specific)

CKO Team
Internal Consulting

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