

# Closing the Knowledge Gap: Retention of the Transitory Employee

In order to avoid the seemingly inevitable workforce crisis, companies must identify, recruit, and retain new and experienced “transitory employees” while capturing and holding the intellectual capital that current employees possess.

BY RATIERA L. HARRISON

The future of the U.S. workforce within the aerospace and defense (A&D) industries presents a looming crisis. Amidst a record number of baby boomers eligible for retirement, retention of “transitory employees”—those highly-skilled workers who are neither new hires fresh from college nor “lifers” intent upon ending their careers at the same institution—eludes human resources professionals and hiring managers alike. The chronic exodus of these experienced workers and the concomitant departure of baby boomers has led to a knowledge gap, or “brain drain,” where those workers planning to retire sometime between 2012 and 2017—representing roughly 40 percent of the nation’s total current workforce—hold a disproportionate amount of vital company information and business contacts. However, changing the way companies strategically target, procure, and cultivate both intellectual and human capital will allow this catastrophic event horizon to be avoided.

This article examines the U.S. corporate landscape and its employee types to uncover the corporate equivalent of “the missing link,” postulated herein as the “transitory employee”: Generation X and Y workers who climb the career ladder by job shopping and job hopping. It will then explore the characteristics of transitory employees, why they are important, and how to recruit and retain them.

## The Nationwide U.S. Employment Landscape

The Bureau of Labor Statistics reports that 17 percent of the U.S. workforce will be aged 55 or older by the year 2010, with an average of 10,000 Americans turning 65 every day by the year 2012.<sup>1</sup> Further, a recent Pew Research Center study shows that there is a five percent disparity between the average age at which today’s workers plan to retire (61) and their actual retirement age (57.8).<sup>2</sup> Additionally, AARP reports that 70 percent of this cohort plan to work after retirement; a mere 12 percent of retirees are currently working either full- or part-time.<sup>3</sup>

The news media is littered with allusions to the so-called “graying of America”<sup>4</sup> and the oncoming dual social and workforce crises caused by approximately 80 million baby

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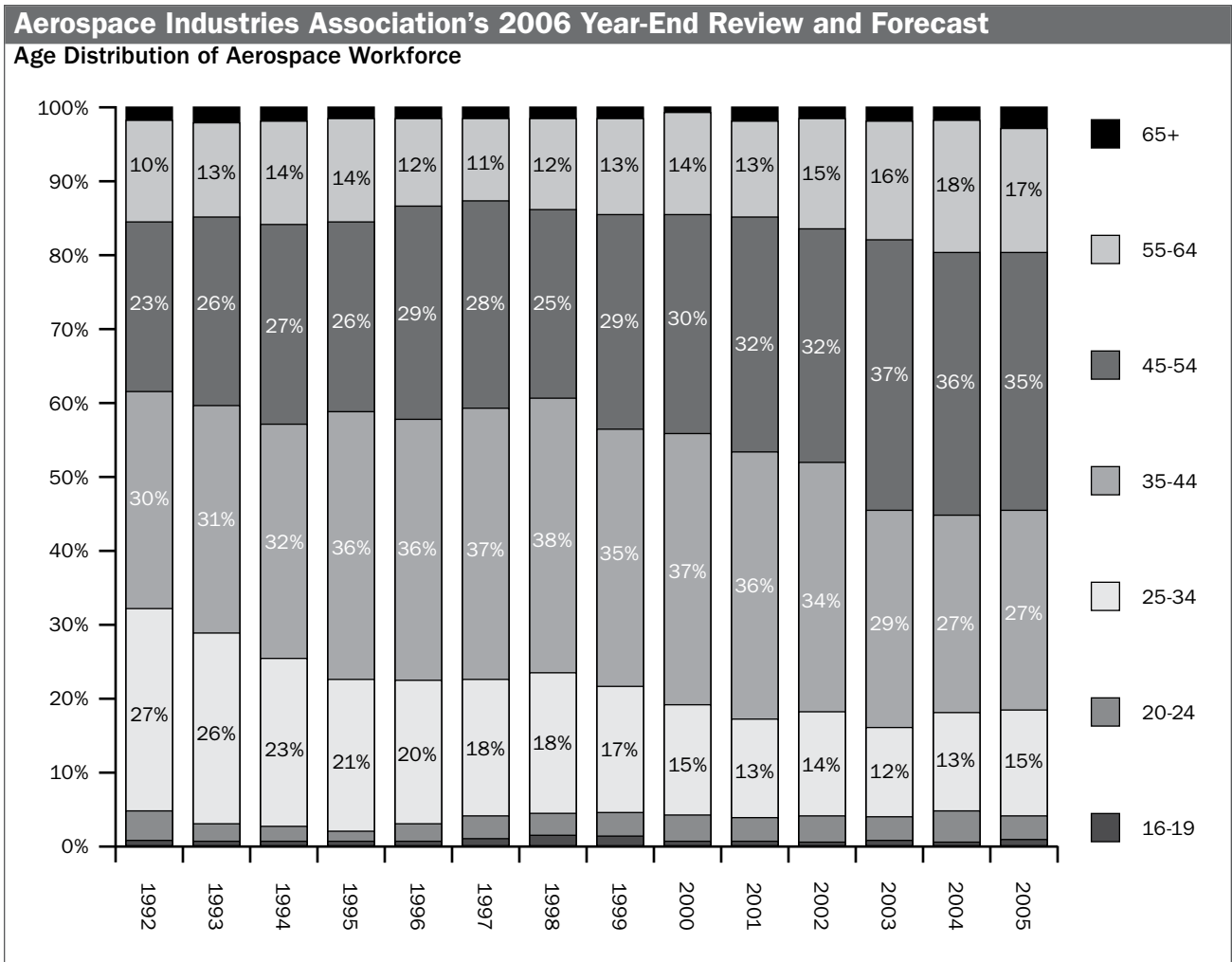


FIGURE 1.

boomers<sup>5</sup>—loosely defined as those individuals born between 1943 and 1964<sup>6</sup>—who will soon qualify for retirement. Some hypothesize that companies will experience an employment shortage unlike any in history, while others estimate that this pioneering generation will change what it means to be an American worker by continuing to work well into their 70s, providing some \$400 billion in consumer spending. Still others speculate that both industry and commerce will crash because there quite simply will not be enough workers to sustain the growing economy.<sup>7</sup>

Basic econometrics tells us that at the current rate of growth, as domestic companies move further into increased foreign trade and production of ancillary products, job growth will either remain the same or increase. And although the full impact of a graying workforce has yet to rear its ugly head, nationwide preparation remains largely lackluster at the

organization level.

A 2006 Knowledge Infusion survey collected responses from nearly 400 human resources professionals of both small- and enterprise-size organizations. Over 50 percent of the respondents admitted that although they agree the retiring workforce will cause a knowledge and skill gap, less than 30 percent of respondents had a formally prepared, viable retention plan.<sup>8</sup>

Though the general formalization of specific tactics has not yet occurred, the anticipation is that benefits will become more flexible as employers seek to retain baby boomers beyond qualifying retirement age. “Work/life balance” is a term that is often used to describe the deference to the part-time hours, hotelling,<sup>9</sup> and telecommuting that boomers desire. An increased demand for higher wages is anticipated as the shortage in supply of qualified labor in the

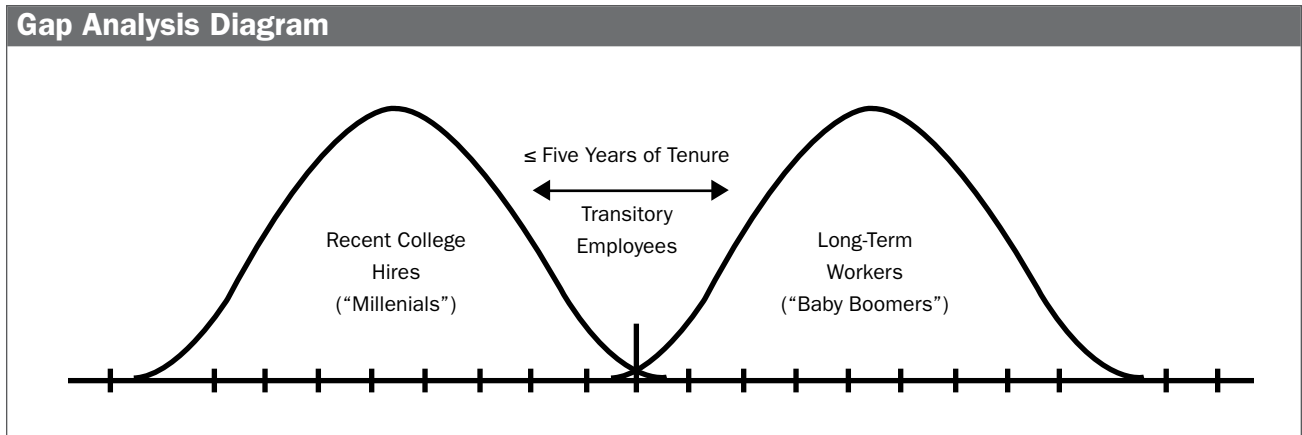


FIGURE 2.

A&D-related job markets forces employers in these sectors to focus primarily on the attraction and retention of entry- and mid-level recruits. Because it takes years for entry-level recruits to acquire and master the skills needed, it can be expected that companies, firms, and agencies needing highly-skilled labor will reduce costs by pressuring the government to adjust global policy via an increase in the number of new visas awarded per year, particularly the H-1B nonimmigrant temporary worker visa that permits entry into the United States to highly-skilled guest workers.

The off-shoring and importing of employment may not, however, be as viable as one might think. Fierce competition on a global scale is more likely. Statistics reveal that the worldwide population is also graying. The median age of the global population is anticipated to rise by 9.7 years. China and India can expect an age increase of 13.8 and 14.3 years, respectively. Also, according to a recent United Nations Population Fund report, the European population over age 65 will grow from its current rate of 12 percent to 28.5 percent—the largest expected increase of any region worldwide—by 2050. In the United Kingdom alone, the age group of people 50 or older is the only growing demographic sector (with other age groups expected to remain stable) and over the next 20 years, the number of Britons aged 75 and older will jump by approximately 43 percent.<sup>10</sup>

### The Industry-Level U.S. Employment Landscape

Within the highly technical A&D industries, where typical career spans of 20 years or more are common, as much as 60 percent of the U.S. workforce will be eligible to retire within the next five years.<sup>11</sup> The current average age of U.S. aerospace workers is 45 and an estimated 25 percent will be eligible to retire in the coming 12 months. Approximately 33 percent of

civilian technical and scientific workers in the Department of Defense (DOD) are already eligible.<sup>12</sup>

The retention of long-term employees, defined as those who have worked for an organization for more than 7-10 years, remains high, as does the recruitment of new hires fresh from college, yet the mergers, consolidations, and subsequent massive layoffs of the 1980s to mid-1990s have resulted in a dearth of middle-aged talent with a solid experiential industry background. This means that the highly-skilled, lower- to mid-level management so crucial to the ongoing operations of the A&D industries is in the hands of those who will soon be eligible for retirement. The age distribution of the aerospace industry workforce is illustrated in FIGURE 1 on page 50.

When interviewed, Clay Jones, president and CEO of Rockwell Collins, stated that his company needs “to go out and basically generate a new workforce of knowledge workers to replace those experienced people who are going out the door.”<sup>13</sup> Middle-aged workers rotating in and out of a company’s roster are notable contributors to the brain drain between the more disparate age groups. The transitory employees area shown in FIGURE 2 illustrates the dearth of experienced middle managers caused by workforce reductions soon after the end of the Cold War. A major consequence of this gap is that a large number of mid-level positions have been filled by contractors, whose higher pay rates have motivated workers to leave the A&D industries after garnering only five years or so of training and experience.<sup>14</sup>

Further exacerbating labor woes are the peculiarities of the A&D industries themselves. These peculiarities include, but are not limited to:

- An influx of tightened national security measures and federal regulation post-9/11;

- An obfuscated view of enemies and threats, requiring an in-depth expertise of culture and language separating that which is business from that which is conversational or quotidian; and
- The extended processing time of security clearances.

The off-shoring and importing of employees in these industries is highly regulated and first- and second-generation Americans find it difficult to enter the intelligence communities due to these factors. Yet, like the U.S. economy as a whole, many A&D firms are also turning their focus to a global one; to reduce surplus and increase shareholder value, exposing an urgent need for workers from diverse backgrounds.

This limited workforce of the A&D industries is comprised of three major groups:

1. Baby boomers,
2. Transitory employees, and
3. New college hires.

## 1. The Baby Boomer Workforce

Baby boomers make up a third or more of the nation's workforce, filling many of its most skilled and senior jobs. Due to sheer size, boomers are one of the first identified consumer groups to be targeted with a modern mass market approach. As a result, they are harbingers of change. In terms of the employment landscape, they are also a major factor in bringing a measure of flexibility to the office.

As an employee, the baby boomer was once characterized by near-workaholic habits. While they are still among the most aggressive, creative, and demanding workers on the market, they are now aging and are subsequently less interested in working long hours, less defined by their careers, and more interested in alternative compensation. As a result of this trend, "quality of life" has become a key phrase. Telecommuting, job sharing, part-time work, flex scheduling, and more robust health insurance can be partially attributed to this generation's influence.<sup>15</sup>

However, in the wake of macroeconomic downturns, fiscal scandals, and an uncertain housing bubble, anxieties regarding personal savings have kept much of the workforce working longer than economists' speculations. A decades-long tendency to opt for early retirement began to reverse in the 1980s, and seems to be continuing today.<sup>16</sup> Boomers can expect 25 years of retired life with 17 percent of them earning \$100,000 per year per household. The results of a 545-person retiree poll have made Maritz Research believe that boomers

will have to continue to work, at least part-time, after retirement.<sup>17</sup>

## 2. The Role of Transitory Employees

Transitory employees are defined as experienced, skilled workers who have less than five years of tenure with their current employer. There are two types of transitory employees: (1) intra-industry and (2) extra-industry.

An intra-industry transitory employee already possesses knowledge of the business/industry language and technical aspects of the job and only requires training in their new company's culture and ways of doing business. Sources for these candidates can be either:

- **Internal**—transfers from a different department within the same company,
- **Quasi-internal**—transfers from suppliers or customers, or
- **External**—transplants from directly or indirectly competing firms.

An extra-industry transitory employee has functional job experience from a differing industry. Source fields for these candidates can be either converse or correlative. Converse candidates are career-switchers who, with the aid of an advanced degree or other resume-enhancing tool, have a background in an unrelated or contradictory field. Correlative candidates have a background in a core field that is either complementary or synergistic. Complementary fields such as accounting, finance, or operations are directly applicable to a multitude of companies. An example of this type of transition is when an accountant switches from a position in the healthcare industry to a position in the aerospace industry. When companies have a need for an employee that can handle multiple roles, they often narrow the scope of their search to candidates from synergistic fields. An example of this is when an employer has an opening for a candidate with a strong background in finance but is conversant in another field, such as marketing.

Both types of transitory employees represent the seasoned personnel of the A&D communities who will move into the upper management ranks once baby boomers retire. They are composed mainly of members of Generations X and Y. Yet, they also represent the sect of employee that is the most difficult for A&D firms to retain. According to the Aerospace Association, the ranks of workers aged between 25 and 34 plunged to 15 percent in 2005 from 27 percent in 1992.<sup>18</sup>

What makes this age group so transitory is their penchant for job-hopping over a relatively short period of time. A

significant percentage hold advanced degrees and many use these to change from company to company or industry to industry. According to [Careerbuilder.com](#), top executive recruiters say that a decent interval for staying at a job before moving on is anywhere from one to three years.<sup>19</sup> In fact, employees in the United States and the United Kingdom are presently comfortable moving to another company after three to five years for nonmanagement positions, four to seven years for middle management, and 5-8.5 years for senior managers.<sup>20</sup> As of 2005, the average job tenure at all tiers was four years in the United States, while the average job tenure in Greece was 12 or more years.<sup>21</sup>

An analysis of 2006 numbers shows that between the ages of 18 and 38, the average American will have had an average of 10 employers. Further, the 2006 job tenure average in the United States is 6.6 years—a rise from the four-year average job tenure in 2005. This is compared to 12.2 years in Japan, 11.2 years in France, 10.6 years in Germany, and 8.2 years in the United Kingdom.<sup>22</sup>

In industries such as A&D, transitory employees seek to create their own expedited career paths by staying with a company only as long as it takes to be credited with a significant achievement or the recognition of experience.<sup>23</sup> If they have not been promoted or otherwise remunerated for instituting this positive impact, or if they are unhappy with their current working conditions, these Gen Xers and Yers then tend to leverage the significant achievement or learning, saving it up and cashing it in for a new position at another firm.

### 3. Recent College Hires

The job duties of current, seasoned mid-level managers are, in some cases, being passed on to recent college graduates— younger, drastically less experienced workers who not only lack the full knowledge to capably handle complex business concerns and consequences engendered by an industry whose operations are predicated on an in-depth familiarity with government regulation, but who must also learn the basics of business in praxis. Generation Y, also known as “the millennials,”<sup>24</sup> comprise approximately 35 percent of the intelligence community’s workforce. Many have only freshly acquired their undergraduate degrees, yet out of necessity they are being fast-tracked up the career slope and partnered with boomers who attempt to cram decades’ worth of experience into only six to twelve months of teaching.

In addition, a generation gap between the expectations and values of the millennials and that of older generations most certainly exists. Many boomers find it hard to translate instructions to someone with little more than theoretical

knowledge of a subject when they themselves are so far down the learning curve due to their superior experience. Another frustration is that the integration of a large number of inexperienced hires in the short-term lengthens processing times and increases error rates, instigating cost surges. Also, complaints such as tardiness, missed deadlines, and sloppy or unproofed work are more common. Though millennials are often credited with providing new and innovative ideas or concepts, they must often be painstakingly taught the basics of business: accepting responsibility, becoming a team player, etiquette, the importance of punctuality, maintaining the right attitude, modes of dress, networking, and proper communication.

Finding these new college hires is a challenge, as U.S. students currently show low interest in the areas of science and math, while engineering students rank the A&D industries near to last on their list of eligible employers. A Bain Consulting Group study found that only seven percent of students at 15 top engineering schools expected to pursue a career in A&D.<sup>25</sup>

### Recruitment and Retention Problems

John Malanowski of Raytheon has stated that in an effort to be “more scientific and more deliberate,” the company developed a software program to analyze labor and demographic data.<sup>26</sup> The software allowed Raytheon’s talent acquisition team to recruit with more specificity in targeted regions. However, it is not used to identify potential low- to mid-level managers; it is used to identify potential new hires from colleges and universities. Such technologically advanced systems are not in place to target middle-aged employees, who typically are no longer as closely associated with educational institutions.

Another problem facing the modern workforce is “talent shrinkage”—a system whereby employees are “stolen” by rival firms’ recruiting tactics. In the 1990s, when the A&D industries were shedding themselves of potential middle managers, fledgling high-tech companies fought tooth and nail over a relatively small pool of top performers. In order to entice desirable employees away from larger firms, perks such as increased benefits were introduced.<sup>27</sup> The result is that today, in order for a company to recruit an employee away from a rival firm, the company must be able to offer such perks as better wages, stock options, the ability to work from home, childcare facilities, and more.<sup>28</sup>

In addition, job shopping every two to three years has become the norm. Tempted by potentially lucrative positions, but desirous of more security, employees use outside job offers as an internal career advancement tool, offering their current

employer a right of first refusal. If the current employer does not meet or exceed the outside offer's rewards package to the employee's satisfaction, a resignation may swiftly follow.

## Retaining the Transitory Employee

In a 2005 sample survey of 5,000 people, the Conference Board reported that U.S. job satisfaction had fallen to less than a 50 percent approval rate. The largest decline in job satisfaction has occurred among workers 35-44 (tumbling by 19.2 percent), and the second largest decline occurred among workers 45-54 (dropping 16.7 percent).<sup>29</sup>

Currently, nearly 25 percent of Americans are "showing up to work just to collect a paycheck."<sup>30</sup> Today, employees are less happy with company promotion policies and bonus plans and more satisfied with their commutes and relationships with coworkers. Thirty percent are satisfied with education and job training programs, while satisfaction over wages is 33.5 percent.<sup>31</sup>

Overall, the following represent four major reasons that employees leave the A&D industries.<sup>32</sup>

### 1. Inability to Gain Experience

Highly qualified technical workers are not being adequately challenged with projects and are instead being given simpler tasks that equate to little more than "busy work."

When higher-profile projects do come in, they are invariably handed over to the more experienced team members. A lack of stretch assignments makes it difficult to attract top talent and retain them long enough to build their experience base.

Also, declines in defense spending and new projects have altered the age-to-achievement ratio of the A&D workforce. Abatement in new projects leads to reduced opportunities for quality work experience. Because an overall decline in DOD funding increases unit costs, workers will be attached to fewer projects in their lifetimes, which will engender an overall decrease in broad-based expertise.<sup>33</sup>

### 2. Improper Training of New Hires

Concurrent with an increase in the use of technology, aerospace companies are focusing on training young workers. Transfer of knowledge, however, is a large concern. When older experts in the field leave the company, the requisite regeneration of knowledge leads to frustration at both ends of the corporate spectrum. Managers must reschedule goals or timelines and remaining employees must regenerate knowledge with incomplete information or lack of a crucial skill.

Knowledge sharing, however, can be problematic on multiple fronts. Older employees may feel threatened by sharing information, believing that revealing too much of what they know could lead to their own early elimination. A "You're on your own," or "I never got training, so why should I equip you?" attitude is pervasive in some firms.

Another problem concerns the intuitive capabilities of the trainee and the articulation skills of the supervisor. If trainees have difficulty understanding the curriculum, or if trainers cannot clearly articulate the subtleties of their experience, training becomes a frustration on both ends.

### 3. Difficulties with Immediate Superiors or Managers

Friction inevitably exists between workers. Three key complaints against superiors or managers include:

1. Disorganized leadership,
2. Incivility, and
3. Unpaid or underpaid performance.<sup>34</sup>

### 4. Better Career Opportunities Elsewhere

Within the A&D industries, employees are well aware that they can get wages of up to 25 percent more elsewhere.<sup>35</sup> Not everyone sees pay scale as the primary reason to leave, but lower wages, combined with outdated benefits packages and an unclear understanding of where they stand in terms of future promotions, are powerful incentives.

### Solution: Recruitment

Today, transitory employees are looking for more than just higher wages and better benefits in exchange for working long hours and weekends. Instead, they seek a "total rewards plan." Pilfering best practices (such as onsite daycare services, childcare savings accounts, telecommuting, etc.) from a multitude of competing firms and industries only results in a hodge-podge of benefits options that may not necessarily meet the needs of an individual organization's human capital.

To prevent employee shrinkage, organizations should first research to find out what employees desire and expect in a workplace environment, then institute benefits packages to reflect these needs and concerns. It is also important to remember that while you are placing all this focus and attention on the recruitment and retention of transitory

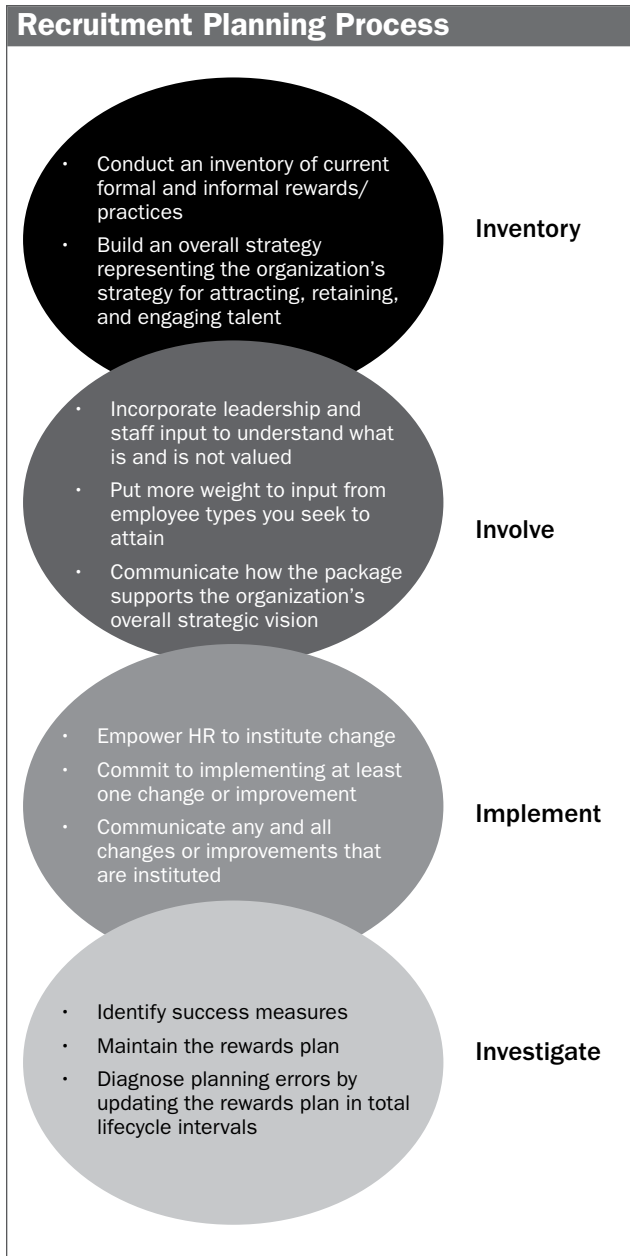


FIGURE 3.

employees, it is equally essential for organizations not to ignore the needs of its existing staff.

FIGURE 3 provides a framework to be used as a roadmap for the internal recruitment planning process. It is imperative to first assess the current inventory of rewards and benefits. Then, tactics must be formulated to achieve short-term and long-term objectives via input from leadership and staff. Employees have been involved in far too many focus groups

that lead to nowhere fast, so taking immediate action in instituting at least one change or improvement instills trust in an organization's commitment to employee input. Firms need to be able to quickly adapt to changes in workforce recruitment tactics, so active monitoring at different intervals of the plan's total life cycle is also necessary. If individual tactics and rewards are not working, they must be altered or replaced.

### The Total Rewards Package

Reorganization is needed in order to tailor rewards to specific institutional compositions and needs. A comprehensive strategy should be championed by the leadership team and should address each category of the framework detailed in FIGURE 4 on the next page. This process results in the development of a total rewards package.

Comprised of the monetary and nonmonetary return employees receive in exchange for their work, total rewards packages consist of four key rewards elements:

- 1. Work/Life Environment:** Transitory employees seek to work for organizations that enable them to participate in a successful work/life environment where institutions support employees by providing programs and assistance in the form of flexibility and balance.
- 2. Communication:** The company's expectations of individual and organizational goals and objectives must be clear to all and positive reinforcement through recognition programs serves to reinforce the employee's sense of worth, teaches team members that the organization values improvement and provides feedback.
- 3. Benefits:** A "cafeteria-style" benefits plan can be of use to many companies, as it allows employees to choose the best fit to their individual and changing lifestyles. Under such a plan, each worker is granted a set dollar allocation and prescribed a base plan with each component of the plan assigned a dollar value. The employee is then allowed to pick and choose from a menu of available options up to the dollar amount they have been granted.
- 4. Compensation:** Currently, the composition of the transitory employee's compensation package does not necessarily reflect the limited supply and high demand for this type of worker. To recruit high-quality candidates, the increased salaries, sign-on bonuses, and other perks that baby boomers routinely receive—and

Total Rewards Package			
Work/Life Environment	Flexibility & Balance	• Appropriate Workload	• Job Security
		• Authority & Autonomy	• Personal Growth
Communications	Recognition	• Challenging Variety of Work	• Schedule & Time Off
		• Community Involvement	• Tools and Equipment
		• Development	• Tuition
		• Acknowledgement	• Opportunity
Benefits	Active & Passive Remuneration	• Advancement	• Title
		• Certificates/Plaques	• Trophies
		• Fairness or Recognition	• Verbal Feedback
		• Impact/Value	• Written Feedback
		• Cars	• Health
		• Counseling	• Perks
Compensation	Cash & Cash Equivalents	• Dependant Care	• Professional Memberships
		• Discounts	• Retirement/Superannuation
		• Financial Support	
		• Competitive Base Salary	• Short-term Incentives
		• Cash Recognition	• Stock
		• Equity	
		• Long-term Incentives (Annual)	
• Performance-based Shares			

FIGURE 4.

that transitory employees can get from outside industries—must become more commonplace within the industries of A&D.

### Solution: Retention

Retention of transitory employees requires targeted planning and institutions that should begin from within. These devices must identify internal candidates that meet the classification criterion of a “transitory employee,” then be able to formulate a plan from the gathered and analyzed data that this source provides. FIGURE 5 provides a framework to be used as a roadmap for the internal retention planning process.

### Confronting the Top Four Reasons for Leaving the A&D Industries

#### 1. Inability to Gain Experience Due to Lack of Depth

As organizations seek to maximize shareholder value and hedge against a decline in defense funding, they will increasingly turn to the sourcing of global projects, the discovery of new uses for current technology, and the producing of

ancillary products. This opens new training opportunities for the transitory employee who can reduce the learning curve—with a nominal increase in costs—by taking advantage of mentoring, job-sharing, and becoming a secondary contact person on important projects.

#### 2. Improper Training of New Hires

The incorporation of an information transfer system addresses the issue of knowledge regeneration, sharing, and articulation. There are five steps involved in the knowledge transfer process:

1. Create a knowledge assessment plan,
2. Make employees responsible,
3. Facilitate knowledge transfer,
4. Overcome barriers and begin execution, and
5. Review, revisit, and revise.

Making an assessment of current tasks, information, and gaps assists organizations in formulating the outline of a full knowledge transfer plan. Incorporating employee input makes

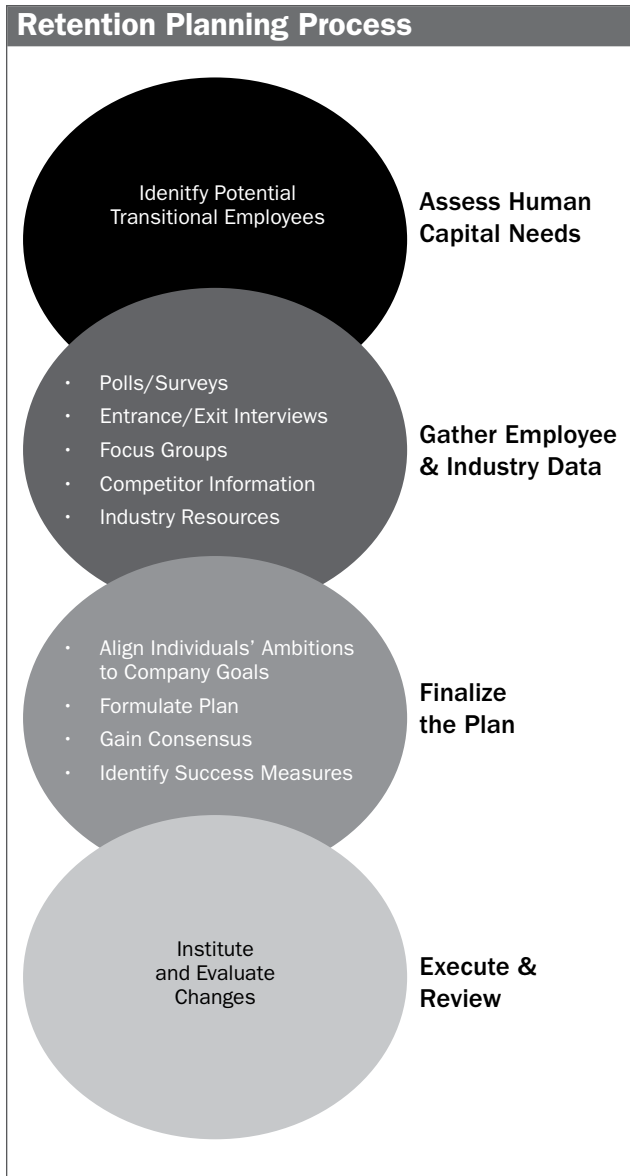


FIGURE 5.

certain that information needs are assessed at a task level. An individual's personal performance review and promotion should be dependant upon how well knowledge is transferred, and the organization must provide tools for that transfer of knowledge. Additionally, it should be communicated that knowledge sharing is not a tool for worker replacement or displacement. In executing the plan, it is essential to remember that documentation must be pushed down to the desk reference level. In other words, a manual should be created where step-by-step instructions for each individual task are both pictured and detailed. Finally, monitoring and revision of

the process should be undertaken annually so that terms and procedures are not out of date. The implementation of a knowledge transfer system should not unduly disrupt daily operations, especially during busy times when activity is high.

#### 4. Difficulties with Immediate Superiors or Managers

##### Disorganized Leadership

Employees are too often promoted to positions based upon tenure instead of actual managerial potential. This leads to disorganized leadership. Many problems occur when technical or subject experts are promoted to the management level but do not meet the leadership expectations of their team members. "Less than one-third of all supervisors and managers are perceived to be strong leaders,"<sup>36</sup> states S. Ramchandani, an expert at the research and monitoring firm Taylor Nelson Sofres.

Competent leadership can be both a learned and intuited behavior. It is primarily when a manager or supervisor communicates, coordinates, develops, performs, and represents the organization well that the likelihood of group achievement is increased. See FIGURE 6 on page 58. Basing promotions upon a supervisor's strategic and technical skill (plus successful training and mentoring of team members), while offering paid management training courses, is one simple solution.

##### Incivility

Incivility is a major hurdle to jump for this process to be successful. Employee morale and productivity are increased when basic rules of civility, which serve as a foundation for a positive work environment, are practiced.

##### Unpaid or Underpaid Performance

When managers emphasize team performance over individual performance in allocating incentive dollars, they do not differentiate between outstanding and poor performers. The bottom 25 percent are being subsidized with 25 percent of the pay-for-performance pool and those that need to be weeded out of the organization have little incentive to leave. Productivity slows when top talent realizes that their increased efforts do not equate to increased incentives, they will consistently outperform when career growth is aligned with the company's goals. Instead of allocating bonuses and incentives equally across a team, managers must fairly disburse funds based upon concrete evidence of high performance.

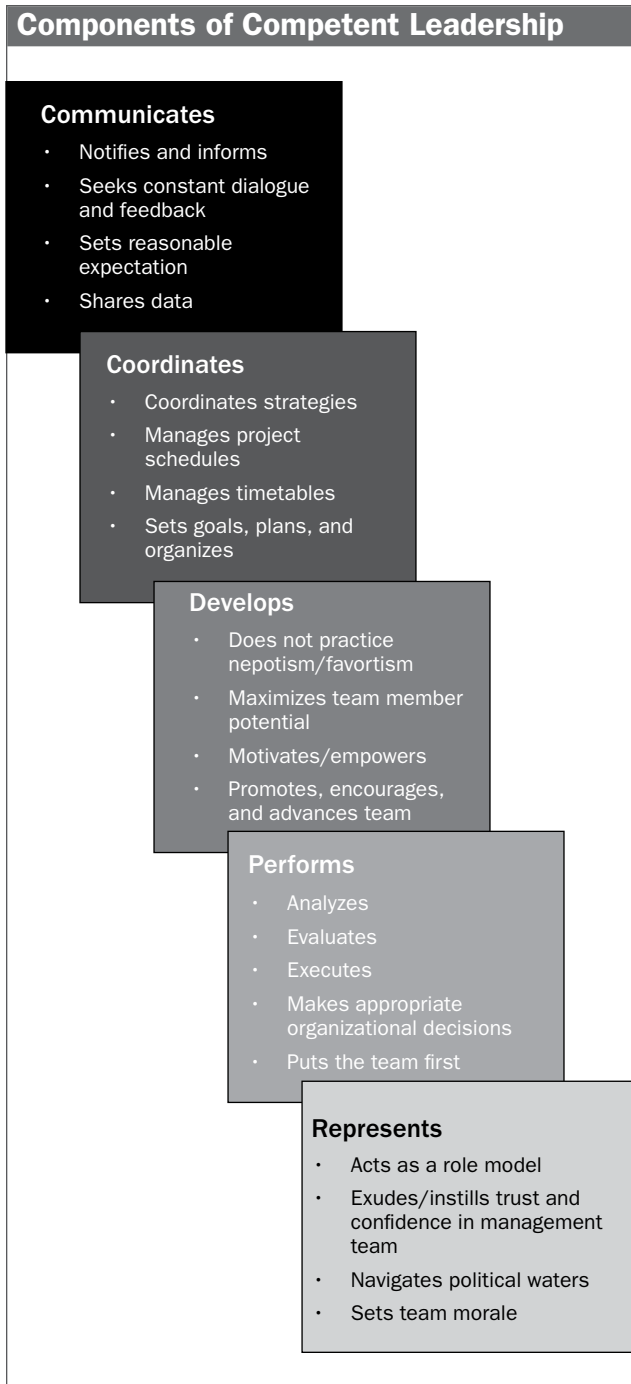


FIGURE 6.

## 5. Better Career Opportunities Elsewhere

Transitory employees, especially top performers, do not typically stay much more than two years at a company if they have not received some level of positive performance feedback

in the form of career or development opportunities. It may therefore be necessary for a firm to institute a lower rung of management, or “premanagement,” in order to appreciatively remunerate and promote top performers.

Talent pools can be developed by cultivating internal candidates, providing career or growth opportunities, and communicating these opportunities systematically. When a candidate is aware of career opportunities, feels that the organization has a vested interest in their personal growth, and clearly understands the skill sets or competencies required, there is a diminished need to look elsewhere for employment.

Development and career opportunities typically come in four forms:

- 1. Career Enhancement:** These systems help an employee move up the corporate ladder by broadening skills and outlining career pathways.
- 2. Information Access:** These tools expose an employee to the knowledge networks that are imperative to his or her job tasks.
- 3. Learning Opportunities:** These emphasize the organization’s commitment to support an individual’s personal growth as an employee.
- 4. Recognition:** This represents an employee’s concrete indication of the value of their efforts.

## Conclusion

The landscape of the U.S. workforce has shifted significantly within the past 10 years and is expected to change drastically within the coming decade. While some companies have already begun to respond to employee requests or expectations, slower-moving industry regimes that have not adequately and dynamically changed to fit the needs of a workforce in transition require a quick-step to more formalized programs.

Adopting a multitiered approach for identifying, procuring, cultivating, and retaining transitory employees ensures business longevity. Organizations that develop, communicate, and systemically execute a total rewards strategy—and ensure its value—realize significant benefits. Total rewards strategies are a reflection of the organization’s intentions and identified needs, allowing them to target transitory employees without alienating current staff. Additionally, successful knowledge transfer ensures that vital information and business contacts are retained and disseminated by current staff with a minimum of frustration and schedule impact. *JCM*

## ENDNOTES

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