



This article appeared on the CIO website: <http://www.cio.com/research/knowledge/know.html?ID=1206>

January 7, 2005

Don't Put Your Company in a Purple Haze

Let your retiring Baby Boomers go, but not their knowledge.



By Megan Santosus

There's one good thing about a poor economy: With jobs tight and salaries at a standstill just about everywhere, managers don't have to concern themselves much over the pressure to retain employees. With few options available, employees have pretty much stayed put. Yet as the economy improves (as it seems to be doing, however slowly), retaining employees should rise to the top of employers' worry lists. Because adding to ordinary retention woes is the huge cadre of Baby Boom workers, the first wave of whom are nearing the golden age of retirement. As they leave the workforce in droves, what's to become of the knowledge and expertise that they've accrued?

In far too many organizations, such know-how is in danger of disappearing along with the employees who acquired it. According to consultant and author David DeLong, relatively few organizations are taking steps today to stem the knowledge-depletion he says they will experience as millions of employees retire en masse. In his book *Lost Knowledge: Confronting the Threat of an Aging Workforce*, DeLong outlines the challenges facing organizations that don't pay heed to knowledge retention. Given that many jobs today involve the kind of tacit knowledge and subtle expertise that can't be easily summarized in employee manuals, DeLong posits that productivity, customer service and even innovation will suffer as employees retire.

In effect, organizations are on the verge of a major knowledge management crisis, DeLong says. "People will be leaving the organization, whether it's an IT person, or an engineer or a doctor," he says. "How to get knowledge from them before they leave is a challenge and will become an increasingly difficult problem." It's a looming situation, DeLong adds, that organizations have been in denial about for years.

Faced with a rash of upcoming retirements, organizations need to take action now, and DeLong believes that IT can often serve as a facilitator of knowledge retention. Organizations can start by soliciting current employees about their knowledge. This is an activity that can be handled adequately through Web-based surveys on corporate intranets, or even via interviews conducted through e-mail. Another related area ripe for IT involvement is succession-planning, says DeLong. Companies need to determine the knowledge assets of current employees and then map those assets to needed skills in terms of succession plans. To do succession planning effectively, organizations should regularly take stock of their bench strength. IT can facilitate this activity as well through the creation of databases that track the skills of employees waiting in the wings, compare them against the employees who are nearing retirement age, and identify any skills gaps that exist. Shell Chemical, says DeLong, is one company that is "using IT to support staffing needs in terms of the specialized knowledge required for future projects."

One of the more interesting areas where KM meets retention is in the area of social networking analysis. The idea here, says DeLong, is to examine how employees really work together by identifying patterns of interaction among key people. Bringing those patterns to light can help reveal potential weaknesses or vulnerabilities as individuals head off into the sunset.

As DeLong points out, companies may not be able to stem the tide of retirements, but they can—and indeed should—do something to keep knowledge on board.