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### **Surviving the Retirement Boom**

***As baby boomers prepare to retire, prepare your business to carry on without them.***

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In 2010 approximately 31 million baby boomers will turn 65 and become eligible to retire — and many will do just that, leaving their jobs and taking with them a huge body of accrued knowledge, including procedural and historical information as well as contacts built over the years and insights born from experience. While surveys show that 70% to 80% of company executives are concerned about the “knowledge drain,” less than 20% have begun to identify the knowledge they need to retain and how to retain it.

While it is important to recognize that an exodus in the managerial ranks will have a major impact on your business, you should also consider the other staff members of retirement age who are a part of the statistics. These staff members perform critical tasks in the company’s daily operations. The impact of this knowledge drain is a great threat to the stability and continuity of your company in the near future. Before your business experiences a knowledge drain, glean all you can from your employees.

If the company has enough advance notice of an employee’s retirement, a highly effective way to minimize the knowledge loss is to set up a mentoring program. The prospective retiree and his or her replacement can perform key tasks as a team. As the trainee starts to take ownership of the position, the soon-to-retire veteran will be there to troubleshoot.

The most difficult knowledge to replace is the “tribal knowledge,” which typically cannot be documented. Much of this lore is in the relationships. The employee being mentored should be introduced to the contacts/clients as the replacement by the retiring staffer or a manager. This gives both your company and the client the chance to get comfortable with the new person. Understanding the culture of the client, and how the client interacts with your company, is essential for a smooth transition.

Before any retirements are announced, have all of your employees document the step-by-step procedures or “how tos” for performing everyday tasks. Documentation could be for one complex task, an entire process covering several departments, or the work within one specific department (e.g., how does customer service track orders?).

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In addition to the key tasks, it is especially important to document procedures that are prone to errors, those that need to be performed consistently and those handled by positions with frequent turnover.

The procedures you document can be as simple as how to get a form from your health insurance carrier. While it sounds simple, the person who performs this task needs to know:

- 1) what website to access;
- 2) where on the site the employee forms are located;
- 3) how to complete the downloaded form so the carrier does not reject it, and
- 4) how the carrier prefers to receive the completed form.

As employees perform individual tasks, ask them to record each step they take, including seemingly obvious steps.

To get employee buy-in, make sure your team understands that the purpose of the documentation is to grow the company. When you ask all employees in all departments for their help, it takes away the suspicion of “why is my job being documented?” If you do not want to pay overtime it’s important that you put aside one hour per day for employees to work on this. Equally important is the reward to staffers for their participation. It could be as simple as a gift card, but it is an important element to the success of the project.

Will your company still be asking “what should we do?” in three years, or will you start now to minimize damage that the loss of knowledge will bring to your bottom line.