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How Can Civilian Retention in the Army Contracting Command Contracting Professional Community Be Affected?

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Preface & Acknowledgements

During his internship with the Graduate School of Business & Public Policy in June 2010, U.S. Air Force Academy Cadet Chase Lane surveyed the activities of the Naval Postgraduate School's Acquisition Research Program in its first seven years. The sheer volume of research products—almost 600 published papers (e.g., technical reports, journal articles, theses)—indicates the extent to which the depth and breadth of acquisition research has increased during these years. Over 300 authors contributed to these works, which means that the pool of those who have had significant intellectual engagement with acquisition issues has increased substantially. The broad range of research topics includes acquisition reform, defense industry, fielding, contracting, interoperability, organizational behavior, risk management, cost estimating, and many others. Approaches range from conceptual and exploratory studies to develop propositions about various aspects of acquisition, to applied and statistical analyses to test specific hypotheses. Methodologies include case studies, modeling, surveys, and experiments. On the whole, such findings make us both grateful for the ARP's progress to date, and hopeful that this progress in research will lead to substantive improvements in the DoD's acquisition outcomes.

As pragmatists, we of course recognize that such change can only occur to the extent that the potential knowledge wrapped up in these products is put to use and tested to determine its value. We take seriously the pernicious effects of the so-called "theory–practice" gap, which would separate the acquisition scholar from the acquisition practitioner, and relegate the scholar's work to mere academic "shelfware." Some design features of our program that we believe help avoid these effects include the following: connecting researchers with practitioners on specific projects; requiring researchers to brief sponsors on project findings as a condition of funding award; "pushing" potentially high-impact research reports (e.g., via overnight shipping) to selected practitioners and policy-makers; and most notably, sponsoring this symposium, which we craft intentionally as an opportunity for fruitful, lasting connections between scholars and practitioners.

A former Defense Acquisition Executive, responding to a comment that academic research was not generally useful in acquisition practice, opined, "That's not their [the academics'] problem—it's ours [the practitioners']. They can only perform research; it's up to us to use it." While we certainly agree with this sentiment, we also recognize that any research, however theoretical, must point to some termination in action; academics have a responsibility to make their work intelligible to practitioners. Thus we continue to seek projects that both comport with solid standards of scholarship, and address relevant acquisition issues. These years of experience have shown us the difficulty in attempting to balance these two objectives, but we are convinced that the attempt is absolutely essential if any real improvement is to be realized.

We gratefully acknowledge the ongoing support and leadership of our sponsors, whose foresight and vision have assured the continuing success of the Acquisition Research Program:

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James B. Greene, Jr. Rear Admiral, U.S. Navy (Ret.)	Keith F. Snider, PhD Associate Professor

Panel 17 – The People Problem: Research in Acquisition Human Capital

Thursday, May 12, 2011	
11:15 a.m. – 12:45 p.m.	**Chair: Jeffrey P. Parsons,** Executive Director, Army Contracting Command, U.S. Army Material Command ***Determining the Appropriate Size of the Contracting Workforce: Yes We Can!*** Tim Reed, NPS ***How Can Civilian Retention in the Army Contracting Command Contracting Professional Community Be Affected?*** Charles Farrior, DAU ***Outsourcing the Procurement/Acquisition Function of an Operation: Is It a Good Thing or Not?*** Debbie Nicholson, J. M. Waller Associates, Inc.

Jeffrey P. Parsons—Executive Director of the U.S. Army Contracting Command (a new major subordinate command of the U.S. Army Materiel Command, AMC). The Army Contracting Command provides global contracting support to the operational Army across the full spectrum of military operations and in garrison. Mr. Parsons commands over 5,500 military and civilian personnel worldwide, who award and manage over 270,000 contractual actions valued at more than $80 billion per fiscal year. He exercises command and procurement authority over two subordinate commands, the Installation Contracting Command and the Expeditionary Contracting Command, and also leads the AMC Acquisition Centers, which support AMC's other major subordinate commands and Life Cycle Management Commands. Mr. Parsons was appointed to the Senior Executive Service on December 15, 2003.

Prior to assuming his current position, Mr. Parsons served as the Director of Contracting, Office of Command Contracting, Headquarters, AMC, Fort Belvoir, VA. Responsibilities from the Office of Command Contracting transitioned into the Army Contracting Command. Mr. Parsons continues to serve as the Principal Advisor to the Commanding General of AMC and his staff on all contracting matters and as the AMC Career Program Manager for the Contracting and Acquisition Career Program, with responsibility for the recruitment, training, education, and professional development of the civilian and military contracting professionals who are part of the acquisition workforce.

Prior to his appointment to the Senior Executive Service, Mr. Parsons was the Director of Contracting, Headquarters, U.S. Air Force Materiel Command, Wright-Patterson Air Force Base, OH, where he retired from active duty as an Air Force Colonel after 26 years of service. He was responsible for developing and implementing contracting policies and processes to annually acquire $34 billion in research and development, production, test, and logistics support for Air Force weapon systems. He was directly responsible for the training, organizing, and equipping of more than 3,000 contracting professionals.

Mr. Parsons' contracting career began in 1977 as a base procurement officer supporting the 90th Strategic Missile Wing at F. E. Warren Air Force Base, WY. He held a variety of positions as a contracting officer with a wide range of experience touching on all aspects of systems, logistics, and operational contracting. He was the Director of Contracting for a multi-billion dollar classified satellite program operated by the National Reconnaissance Office and served twice as a plant commander in the Defense Contract Management Agency. Mr. Parsons also held several key staff positions at

Headquarters, U.S. Air Force, the Air Force Secretariat, and with the Office of the Secretary of Defense, in which he was responsible for the development, implementation, and management of integrated, coordinated, and uniform policies and programs to govern DoD procurement worldwide.

Mr. Parsons received his bachelor's degree in psychology from St. Joseph's University, Philadelphia, PA, and holds two master's degrees—one in administration with a concentration in procurement and contracting from George Washington University, Washington, DC, and the other in national resource strategy from the National Defense University. He is a graduate of the Industrial College of the Armed Forces and the Defense Systems Management College Executive Program Management Course. Mr. Parsons holds the Acquisition Professional Development Program's highest certifications in contracting and program management. He also is a Certified Professional Contracts Manager, National Contract Management Association.

How Can Civilian Retention in the Army Contracting Command Contracting Professional Community Be Affected?

Charles Farrior—Mr. Farrior has approximately 28 years Acquisition experience within the DA and the DoN. He is LIII certified in Contracting and Program Management. He served as the Corporate Administrative Contracting Officer for the Navy with approximately $8 billion responsibility/year; his latest assignment was Director of Business Management for AMCOM Contracting Center with approximately $20 billion of obligations/year and over 600 employees. He has completed Executive Leadership Development programs from Cornell, Center for Creative Leadership, and American Management Association, and will finish the Army Senior Service College Fellowship program this month. He has also written and published three articles and a book, earned an MBA and BBA, and holds the CPCM certification. Additionally, he is an NCMA Fellow. [charles.farrior@dau.mil, or charles.farrior@us.army.mil]

Abstract

There is a civilian retention issue within the contracting professional community at the Army Contracting Command (ACC). This research paper explores the causes and impacts of it, and offers solutions. The presented solutions are supported through the introduction of a novel formula which provides helpful indicators for the issue.

Introduction

There is a perceived civilian retention issue pertaining to the contracting professional community within the Army Contracting Command (ACC) identified by several of the ACC contracting organizations when they have presented briefings at various Commander's Conferences and offsite meetings, and in conversations with the ACC Executive Director and Deputy Executive Director. These discussions have also transcended to other senior management within the ACC contracting organizations and have even been topics of discussion in other ACC events such as the ACC Training Conference in June 2010. The ACC also has a Human Capital Plan designed to strategically address a number of issues pertaining to ACC workforce issues. Civilian retention is one of the issues identified therein as needing action. In a dialogue with the ACC Executive Director, Mr. Jeff Parsons, in August 2010, he referenced his belief that there was a problem with retention of contracting professional employees and expressed interest in research surrounding the issue and potential solutions, as applicable (J. Parsons, personal communication, August, 2010). For purposes of this paper, the contracting professional is defined as one who is classified in the 1102 series under federal government personnel classification guidelines. The contracting professional community will be referred to as the 1102 community hereforth.

Literature Review

A large amount of research that relates to employee retention is existent. It ranges from focused studies on just a single company or industry, such as that found in Ramlall (2003), to studies with over 24,000 employees, as found in Hausknecht, Rodda, and Howard (2009). Additionally, much of management theory pertaining to employee attitudes is attributable to Herzberg and his findings from the 1950s and 1960s (1959 and 2003). Therein, Herzberg makes a definitive distinction between hygiene and motivational factors as they pertain to employees. In particular, he posits that money is not something that will be a satisfier for an employee (2003). It has been found that these conclusions have been looked at in such a way that there is a belief that money is not an important retention tool.

Studies show that untrue; money plays a major factor in employee decisions on either staying with or leaving an organization (Laabs, 1998). Additionally, there is quite a difference in opinion that exists as to the number one cause of employee voluntary departures. Some say it is pay (Pink, 2009; Towers Watson, 2010). Others say it is lack of job engagement (Martin & Schmidt, 2010). It has been shown that some employees have a need for recognition. In these cases a company should focus on its star performers, and employees critical for mission execution who have not achieved star status (Cosack, Guthridge, & Lawson, 2010). In any case, it is clear that the cost of losing employees is significant. Loss of an employee could cost double the amount of the departing person's salary (Heathfield, n.d.; Cascio, Young, & Morris, 1997), in addition to productivity losses. There are predictive elements of behavior for those who may be considering departure of a company or organization (Avey, Luthans, & Jensen, 2009; Barrick & Zimmerman, 2009). There are tools available to assist an organization in determining if they have a retention issue, and which areas need corrections or adjustments. First, an organization can perform an analysis based on the novel formula introduced within the paper. An organization can also perform a targeted "stay survey" like the one discussed herein. A stay survey can give you insights from employees who have a vested interest in the organization as indicated by years they have worked for the organization. Based on information obtained during the survey period of this research, there are locations in the Army Contracting Command (ACC) where this is a civilian retention issue. Initially, when the issue was being considered for research, it was reviewed to determine if there was an issue across all of the Department of Defense (DoD) in the contracting professional community. It was clear very quickly that the retention issue did not transcend the DoD (USD[AT&L], 2010). Of note, there is a portion of the research that points to mitigating the retention issue before employees are even brought on board (Collins, 2001). Pre-hiring initiatives include the act of "on-boarding" new employees before their first day of work by providing information on the organization, and identification of a sponsor who will stay in touch with the new employee during the first several months of employment (Sullivan, 2007). At the conclusion of the paper, several recommendations are presented for use by the ACC and other organizations that have retention issues.

Is There a Retention Issue?

Hypothesis 1a: There is proof that there is a systemic civilian retention issue in the ACC 1102 community. The basis of this research is that there is a perceived issue pertaining to contracting professional employees leaving organizations within the ACC. The first issue is whether or not this is perception or fact. The first resource reviewed is Appendix 1 of the *DoD Strategic Human Capital Plan Update, The Defense Acquisition Workforce* of April 2010.

Based on the information therein, we find there is not a civilian retention issue for 1102s for the DoD as a whole. This was an important fact to understand the scope of the issue. That outcome would have potentially redirected the entire scope of the issue. The information shows that 1102s are targeted for growth of over 20% from the baseline of FY 2009 through FY 2015, due to an increased workload and the ever-increasing need for specialization in the field. Further, the document indicates that certain retention initiatives appear to have benefited the DoD in retaining acquisition professionals in general. It states, "there was a 25 percent decrease in losses across the workforce…in FY 2009 as compared to FY 2008. Turnover, excluding administrative losses, decreased from 8.9 percent in FY 2008 to 6.5 percent in FY 2009" (USD[AT&L)], 2010a, p. 1–11). While part of that decrease can be attributed to economic uncertainty and the reluctance of employees to look for alternative employment, the initiatives appeared to have a positive impact. Additionally, the

Appendix 1 to the aforereferenced Appendix 1 contains more detailed information pertaining specifically to contracting professionals. It indicates that there were 23,752 in the contracting workforce in the DoD in FY 2009; regarding workload, a total of $384 billion was obligated in FY 2009 (USD[AT&L)], 2010b). Of those, 7,741 were civilian contracting professionals supporting Army work. The document further states while the 1102 community was somewhat level from FY 2001 through FY 2008, workload increased by over a third. Also, 36% of the 1102 workforce is either eligible for retirement or will be eligible for retirement within the next five years. Initiatives to increase the workforce are articulated and serve to counterbalance projected losses and to actually grow the 1102 workforce for the DoD community (USD[AT&L], 2010b).

In Losey's review of a report from the Partnership for Public Service and Booz Allen Hamilton dealing with attrition in government jobs from an overall perspective, attrition rates declined significantly from 2008 to 2009 to only 5.8% (2010). It is believed that this significant decrease is due to current economic conditions. Attrition rates for critical employees, however, are much higher. This was a significant impact as mission-critical employees and new hires consume a lot of resources in bringing them onboard and training them. This also could be an indicator that candidates are not matched well for the job in which they are hired, the employee is not given adequate training, or their salary does not remain competitive with other employers (Losey, 2010).

In a dialogue that was conducted with the Naval Sea Systems (NAVSEA) Command Executive Director for Shipbuilding, Ms. Theresa Ryan revealed that retention is not a recent issue with their workforce. They have hired a large number of interns to supplement their workforce. However, in the future, retirement could be an issue as they have a large number of retirement-eligible employees (T. Ryan, personal communication, December 2010).

Personal communications (various) with representatives of management of the AMCOM, TACOM, and CECOM Contracting Centers have revealed that each believes they have retention problems based on Center-specific data depicting numerous vacancies and jobs that they have to fill. In the instance of the TACOM Contracting Center, additional time was spent at their office in Warren, MI, to aid in understanding the results of a recent climate survey they administered. The source of the retention issue is different for each of the aforementioned Centers. However, each has at least one competitive entity within their geographic area that has caused pressure on their personnel on board number and experience level. The 413th Regional Contracting Office in Hawaii does not currently have a problem with retaining 1102 personnel. However, they went through a somewhat painful set of processes to remedy a retention issue. More on each of the organizations will be discussed in the survey section of this paper. The data suggests the ACC does have civilian retention issues within the 1102 community.

Goldsmith puts forth the notion that the "best performers of a company were no longer interested in sacrificing their lives for the good of the organization…[as they] believed that their corporation would [let them go] when they no longer met [the company's] needs….Free agency meant that each employee was operating like a small self-contained business rather than a cog in the wheel of a large system" (2007, p. 212). Goldsmith also points out that in today's market, employees look out for themselves, in a departure from practices of the past.

What Do Surveys Say?

Many companies administer exit surveys to determine the thoughts of employees when they leave. Without critically thinking through the exit survey process, one may have results that do not yield valuable information. Bridget Mintz Testa, in *Workforce Management*, captures related recommendations from Robert Tate, PricewaterhouseCoopers (2010). The recommendations include surveying “only those who leave voluntarily,” and compare them with business unit performance and employee performance reviews (Testa, 2010). This would give a more balanced viewpoint of why an employee left the company, and would potentially have actionable survey information. The theory extends that if an employee leaves involuntarily, the survey may not provide relevant or useful information at all.

While exit surveys are useful, a more proactive approach would be to apply a “stay survey.” The concept of a stay survey is to target individuals who have a requisite amount of time and effort invested with an organization and find out strengths of that organization, and those areas which can be improved. This would theoretically turn into a revelation of information which would then be translated into action resulting in a higher retention rate. This concept was introduced to the author by an innovative ACC human capital strategist, Copper Perry, who had many years of experience working for various government organizations. It appears that the concept is very similar to that of employee retention surveys, which do not have a very large following at this time. It is observed that organizations sometimes use overarching climate surveys for the entire organization to find out answers to a variety of questions. However, they are not primarily targeted at retention.

Sullivan noted “pre-exit” interviews can be used to try to determine why employees were willing to stay with a company (1997). This appears to be the precursor to the stay survey. Sullivan created a list of questions that he provides for a company wishing to conduct one of these surveys. The two most compelling questions were “why do you stay?” and “if you ever considered leaving…what kind of ‘trigger’ would it take to get you to consider leaving?” (Sullivan, 1997). Deutsch discussed the usage of “employee retention surveys” as a tool to boost retention. According to Deutsch, these are most useful if a company has a high turnover rate. He is clear that action plans should be developed by the company administering the survey as a method of following up to ensure retention issues are addressed (n.d.). In a *PeoplePulse* newsletter, stay surveys are discussed with reference being given to Dr. Sullivan for the focus and nature of sample questions (2007).

With Ms. Perry’s assistance, parameters were developed for the pilot of the stay survey. The target of the ACC pilot was the AMCOM Contracting Center, which is an organization within the ACC that has approximately 700 personnel authorizations. It was agreed that those having four or more years of experience at the Center would be in the selectable pool for the survey. This was an important decision point as it was decided that those with four years of experience had invested both experiences and training into the organization. At that point, there were three employees with four years of experience at the AMCOM Contracting Center from each of the then-existing 10 Directorates at the Center who were randomly selected to participate. For administration purposes, it was decided that the survey would be administered by interview for two reasons. First, since this was the first application of the survey questions, face-to-face interviews would control the unknown. Second, the questions were designed to be open-ended, and they were carefully crafted so as to not lead any of the participants to a particular answer or conclusion. It was decided that the interview approach again would be the best methodology in capturing responses. Table 1 contains the list of ten questions in which Ms. Perry and the author came to agreement.

Table 1. Questions for Stay Survey

1. If you were to win the lottery and resign, what would you miss the most about working here?

2. What keeps you here? What about your job satisfies you?
3. What might entice you away?
4a. What aspects of working here do you like the best?
4b. What aspects of working here do you like the least?
5. Are you recognized for your accomplishments?
6. What motivates you to excel in your position?
7. Do you believe our leaders understand the value of people?
8. Do you believe our leaders understand the organization's mission?
9. What are the most important improvements we could make?
10. What are you struggling with? What would make your life easier?

As one would expect, there were multiple answers to most of the questions. The challenge from the initial set of results was then to compile the results in a meaningful way and use them as an action tool and a communication tool to the workforce. The results of the survey were published in the Center's emagazine; this was also restarted in an effort to increase communication with the workforce.

The challenge for this particular research was to expand usage of the survey to other select sites within the ACC for compilation. Additionally, one ACC Center coincidentally conducted a much more comprehensive climate survey. There were some questions from their climate survey that were somewhat related to the focus of the stay survey. Therefore, the answers to some of the questions from the climate survey have been used for comparison purposes. Compilation from all of the data received is found in Table 2 with the top response or responses indicated for the questions.

Table 2. **Survey Responses**

Questions	AMCOM	CECOM/ APG	TACOM**	413th CSB (in Hawaii)	CECOM/ Belvoir	CECOM/ Other***
What will entice you away?	Money—41%	Money—44%	Money related —Bonuses, Pay, or Less Stress	Money related—45%; Retirement—45%	BRAC or relocation—50%	Money related
Biggest suggested improvements	Recruitment & Training—55%	Personnel related (e.g., manning & training)—44%	Ratings/ Process, Recruitment, or Part-time Employment	No item listed at greater than or equal to 20%	Recruitment & Training—67%	Better use of automation and interface of systems
What do you like the best?	People—26%; Independence —23%	Work related —56%; People—31%	XXX	People—64%; Work related—36%	People—50%	Meeting soldiers' needs
What satisfies & keeps you here?	Job & Mission —36%	People & Mission—75%	XXX	Job & Mission—82%	People & Mission—50%	Coworkers and support of soldiers
What motivates you to excel?	Self-satisfaction—38%	Personal Drive—60%	Pride in Work	Personal Drive/ Work Ethic—55%	Personal Pride —50%	Support of soldier

Note. **The TACOM climate survey had similar questions in three of the five questions as noted above. Due to the answer options being dissimilar from the stay survey construct, comparable statistical information could not be incorporated. ***Consisted of Huachuca and Monmouth—not enough statistical data to display percentages.

The results from this survey reveal interesting information. What is clear from the background information received is that each location has different factors impacting its workforce. Labor market, local community unemployment, the presence of organized labor, the number of competing federal contracting organizations, and how the specific organization recognizes and pays its employees (includes pay system(s)) all play a part in the retention issue.

The first data conclusion is that employees will leave their current organization for more money. That was the largest response across the board at the different locations. (The only deviation was at Ft. Belvoir where there were just six respondents, and BRAC and re-location has been a prominent factor as CECOM has recently had their headquarters move from Monmouth to Aberdeen Proving Ground.) Money in this context would extend to the extrinsic rewards of either a higher salary, promotion, or the hope of higher bonuses. That may be surprising to some, as it appears to differ with the perception of Herzberg's theory. However, these results are very similar to other data and information gained through this research. As stated earlier, the construct of the survey questions were designed to be open-ended so as to not lead the respondents in this somewhat controversial area, in particular. Having money-related factors being the leading answer with over 40% of respondents is very telling. It clearly shows that an organization absolutely has to include extrinsic rewards in its retention plan.

The second conclusion is that in the three continental United States ACC organizations, the personnel process is the biggest thing that should be improved. These percentages go from the mid-40th percentile up to 60%. Again, this is a very strong indicator for those organizations, and could very well be symbolic of the contemporary issues facing the ACC. These issues range from getting more experienced personnel on board, to getting appropriate mentoring and training programs in place for those who are new employees to the Army or to their respective organizations, to other suggestions related to the personnel process.

The 413th Combat Support Brigade (CSB) Regional Contracting Office (RCO) located in Hawaii was the lone surveyed activity in which personnel was not identified as the most needed improvement issue. As it turns out, they went through some rather dramatic organizational issues relating to 1102 personnel in the last couple of years. The journeyman grade structure was lower at the RCO than at other federal organizations in Hawaii. The RCO supported and instituted the increase of the journeyman level grade from the GS-11 level to GS-12, and Team Leaders were increased from GS-12 to the GS-13 level to be competitive with the other organizations in the area, and to be consistent with the complexity of work. Effort was also provided to increase the number of overhires to cover mission-required services. The purpose of this was to increase the time an employee could work on an action, and to cut the amount of overtime required by then current employees. This would have the effect of increasing the quality of each work product, and increasing the quality of life for the employees. An additional office was opened to better align operations with the customer base and reduce commute time for several of the employees. Further, there was an agreement forged across the multiple Services in the area regarding hiring personnel from another organization when promotions are not involved. This agreement turned the personnel environment into one of cooperation instead of one of competition. Overall, employee morale at the RCO went up as work quality went up.

A third important conclusion from the surveyed data is that employees are motivated very strongly by either personal pride or their work ethic. This percentage is again from approximately 40% to 60% of those who responded. This provides clear thinking about the concept of retention, motivation, and potential responses by the organization to the talent that they have in-house.

A fourth conclusion is that employees are satisfied on their job by their work and the people with whom they work. This was another strong indicator ranging from approximately

40% to 80%. Development of workplace culture and high-performing teams can contribute to this positive experience. As it is shown later in this paper, there are a number of things an organization can do to maximize a person's talents and keep them engaged and satisfied at the same time.

A fifth conclusion is that when asked what employees liked the best about their job, they replied that it was both the people, and their support of their mission, or current job. That range was from the mid-20th percentile to approximately 60%. The answers to this question are very similar to those of the prior two questions. That is a consistent finding as the questions are very close in construct. That was done to see if these open-ended questions would yield different or similar answers. What this means is that, again, organizations should make the employer-employee contract one where people enjoy their work. Part of this is job engagement; part of this is having adequate resources; and part pertains to integration of an employee into the corporate mission and culture.

The survey responses were very descriptive and are loaded with information that the home organizations will be able to follow up with action for improvement. However, for the purpose of this research paper, those complete details will not be revealed herein.

Of note, the TACOM Contracting Center benefited from a pool of available talent from the depressed auto industry. Their survey revealed that an overwhelming number of employees (94%) would not consider employment outside of the government. That is good news for the TACOM Center. Separately, the TACOM Center invests a significant amount of time in going over employee individual development plans (IDPs). Their process includes each IDP being briefed all the way to the senior management level at the Center. Additionally, employee selections get integrated into the IDP process. For example, if an employee is not selected for a position due to reasons associated with a weakness in ability or experience, this information flows to the employee's IDP for additional training, or a potential rotation in another part of the Center's operations. Because of this practice, each employee has a higher likelihood of being developed and having a job that provides them with challenges that match their skillset or development needs. This potentially opens up opportunities for the employee in the future. This is viewed as a best practice.

Hausknecht et al. (2009) found in an extensive study of over 24,000 respondents that "job satisfaction, extrinsic rewards, constituent attachments, organizational commitment, and organizational prestige" (p. 269) were listed as top reasons that employees in a non-related industry wanted to stay. Detailed and differentiating analyses were provided for hourly and non-hourly employees (Hausknecht et al., 2009).

Avey et al. (2009) cited an American Psychological Study from 2007 and determined that workplace stress is a major contributor in driving people to search for jobs in other organizations. Several of the contributing factors to stress included workload, poor supervisor and employee relationship, job security, and heavy travel requirements (Avey et al., 2009).

Lee, Gerhart, Weller, and Trevor (2008) found that not all voluntary separations were a result of dissatisfaction. In particular it was noted that unsolicited offers and family issues drove job changes for some employees, while not being reflective of dissatisfaction (Lee et al., 2008). It has been observed that many instances of interns from the AMCOM Contracting Center leaving for other organizations came from unsolicited offers.

The Partnership for Public Service and Grant Thornton (2010) conducted a study of 68 Chief Human Capital Officers (CHCOs) in the government and made several conclusions. First, they determined that there were seven major obstacles to having a strong workforce. Those seven items are listed in Table 3.

Table 3. Seven Obstacles to a First-Class Federal Workforce

1. A cumbersome, complex hiring process
2. Antiquated pay and classification system and ineffective performance management
3. Uneven relationships between CHCOs and OPM
4. An HR workforce that too often lacks the competencies needed going forward
5. Manual processes and a lack of robust HR IT solutions
6. Insufficient leadership and workforce management skills among too many federal managers
7. Adversarial relationships between high-level management and employee unions

Note. This table has been adapted from Partnership for Public Service and Grant Thornton (2010).

Out of the seven barriers, a few of these are applicable to the retention issue. Looking at the first obstacle, it was shown that the CHCOs did not believe they had adequate hiring tools. They believed that provisions for student loan repayments and retention bonus provisions were inadequate. They further indicated that much of the flexibility desired emanated from the complexity of public law (Partnership for Public Service & Grant Thornton, 2010).

On the second obstacle, some CHCOs indicated that market pay would be a useful tool. However, they indicated that classification would provide a challenge. Also, the concept of pay for performance is an issue that has been a problem for organized labor; a solution for that has not been found yet (Partnership for Public Service & Grant Thornton, 2010).

Regarding the third obstacle, thoughts are captured from the CHCOs which reference the need to expand ways to compensate employees beyond the typical extrinsic rewards of salary and monetary awards. They point out that in their view, employees are not motivated by money and they want to serve the country with their service. The CHCOs further point out that government employees are motivated through other means such as recognition or by mission involvement, and other available tools such as alternate work schedules (Partnership for Public Service & Grant Thornton, 2010).

Skipping ahead to the final obstacle, it pertained to the chilly relationship that labor and management have had over the last several years. This is an issue that is discussed in another section herein (Communications—Labor). But it is noted that the CHCOs believe this is a relationship that can be very beneficial as a tool to pulse the feeling of the employees (Partnership for Public Service & Grant Thornton, 2010).

Pay

Pink (2009) writes that the “most important aspect of any compensation package is fairness” (p. 171). He further describes that fairness should be construed as similar compensation for similar work.

In the instant issue, would one believe that all GS-12s in the 1102 community have the same level of responsibility and work? What about GS-13s? What about GS-14s? What if an organization has a GS-13 who is a Contracting Officer and another GS-13 who is not a Contracting Officer? There is clearly a distinction in responsibilities between many employees at the same grade level. Issues of equity are sometimes brought up in this context. Pink also views this as an external issue as well as one inside just a single organization (2009). While Pink believes money is not a motivator, he believes it can be a de-motivator when fairness is not in play. A novel approach supported by Pink is that an organization should identify their top talent and pay them above the market average in order to stay ahead of the competition and keep talent from leaving (2009). It would completely dispose of the money issue.

Other Concerns

Impact of Losing Employees

There is considerable information available identifying costs associated with losing employees. When an organization loses employees, no matter the reason, there will be an impact to mission due to loss of expertise, and there will be an accompanying cost associated with the recruiting, hiring, and training of a new employee. Of note, loss of an employee could cost from 100% to 200% of their annual salary (Heathfield, n.d.). Heathfield also points out that "Employee retention is one of the primary measures of the health of your organization. If you are losing critical staff members, you can safely bet that other people in their departments are looking as well" (n.d., p. 1). Wayne Cascio, who has performed a significant amount of research and writing on the costing of human resources, led a team of authors in talking about the cost of the departure of an employee and replacement running from approximately 90% to 200%, depending on the skill responsibility level of the employee (Cascio et al., 1997). Therefore, based on independent sources, the cost of losing an employee could be double the departing employee's salary. This provides a significant degree of risk to an organization if market or other indicators foster employees to leave. The biggest risk associated with losing an employee, though, will be the degradation of the mission execution and the increased cost transferred to the customer (Farrior, 2003).

Cascio further explored the predictive nature of attitudes on subsequent behaviors. He determined that there may be some behaviors that are predictive in nature regarding subsequent activities such as leaving an organization (Cascio, 2000). Of interest, he used the example of a company employing a set of survey questions to assist in how they perceived employee attitudes. From the answers they gave, the company made adjustments in how management approached certain issues relating to the company or to the employees (Cascio, 2000). He further discusses that even though the company used 70 questions in its survey, it appeared there were only three questions that predicted "an employee's attitude about his or her job:

1. I like the kind of work I do.
2. I am proud to say I work at (the company).
3. How does the way you are treated by those who supervise you influence your overall attitude about your job? (Cascio, 2000, p. 153)

The Issue of Money

Hypothesis 1b: Given that there is proof that there is a civilian retention issue in the Army Contracting Command 1102 community, extrinsic rewards (i.e., salary and monetary awards) will not be a primary factor in addressing the issue.

The Herzberg Effect

Herzberg established himself as a pioneer in the study of motivation of an employee. He is best known for his two-factor theory of motivation and hygiene on job attitudes which was first captured in *The Motivation to Work* in 1959. His primary findings indicated that the differences in accounting for motivation and demotivation were distinct. His research surveys were also defined by their use of “semi-structured” (Herzberg, Mausner, & Snyderman , 1959, p. 16) questioning to ensure the data was not slanted or corrupted by biases.

In 1968, and republished in 2003, Herzberg looked at the subject of motivation again in a *Harvard Business Review* article. In it, he first tackled what he termed myths about motivation. A list and brief description of each myth follows in Table 4.

Table 4. Motivational Myths and Selected Herzberg Quotes

1. Reducing time spent at work—Motivated people seek more hours of work, not fewer.
2. Spiraling wages—Have these motivated people? Yes, to seek the next wage increase.
3. Fringe benefits—The costs of fringe benefits in this country has reached (new heights) and we still cry for motivation. These benefits are no longer rewards; they are rights.
4. Human relations training—Over 30 years of teaching and…practicing psychological approaches…have resulted in costly…programs and, …the same question: How do you motivate workers?
5. Sensitivity training—With the realization that there are only temporary gains from comfort and economic and interpersonal (kick in the pants), personnel managers concluded that the fault lay…in the employees’ failure to appreciate what they were doing.
6. Communications—The professor of communications was invited to…help in making employees understand what management was doing…. But no motivation resulted, and the…thought occurred that perhaps management was not hearing what the employees were saying.
7. Two-way communication
8. Job participation—…job participation often became a ‘give them a big picture’ approach…but still…no motivation.
9. Employee counseling—…it was found that the employees harbored irrational feelings that were interfering with the rational operation of the factory. …the counselors had forgotten their role of benevolent listeners and were attempting to do something about the problems they heard about.

Note. This table has been adapted from Herzberg (2003).

Herzberg said that each of these myths failed in succession, and as a result, led to the next of the nine myths for motivation in order (2003).

He then revisited the core issue of hygiene factors versus motivator factors which addressed job attitudes. Herzberg said that since his original study, there have been several studies from several countries, “making the original research one of the most replicated studies in the field of job attitudes” (1968, p. 5). He further allowed that the factors of satisfaction (motivator) and the factors of hygiene (dissatisfaction), while different according to the whole body of research, are not polar extremes. Hence, “the opposite of job satisfaction is not job dissatisfaction but, rather no job satisfaction” (1968, p. 5). He acknowledges how this is somewhat of a confusing concept from a written standpoint. He further defines the differences:

> Two different needs of human beings are involved here. One set of needs can be thought of as stemming from humankind’s animal nature—the built-in drive to avoid pain from the environment, plus all the learned drives that become conditioned to the basic biological needs. The other set of needs relates to that unique human characteristic, the ability to achieve and, through achievement, to experience psychological growth; in the industrial setting, they are the job

> content. Contrariwise, the stimuli inducing pain-avoidance behavior are found in the job environment. (Herzberg, 1968, p. 5)

Table 5 lists the motivator (intrinsic to job) and hygiene (extrinsic to job) factors.

Table 5. Motivator and Hygiene Factors

Motivator Factors	*Hygiene Factors*
Achievement	Company Policy and Administration
Recognition for Achievement	Supervision
The Work Itself	Interpersonal Relationships
Responsibility	Working Conditions
Growth or Advancement	Salary
	Status
	Security

Note. This table has been adapted from Herzberg (2003).

Herzberg provides statistics from his research that show 81% of all events in his survey leading to "extreme satisfaction" come from motivator or intrinsic factors, while 69% of all events in his survey leading to "extreme dissatisfaction" come from hygiene factors (2003). Salary is not listed as either a significant cause or extreme satisfier or dissatisfier. However, since in his survey applications salary was found marginally greater as a dissatisfier than a satisfier (roughly 10% versus 8%), he considered it a dissatisfier—and the conclusion that it is not a motivator (Herzberg, 2003). Herzberg also went to lengths to compartmentalize the first five (by frequency) responses of first level effects as being related to "the job itself" (1959, p. 63). As listed in Table 5, several of those five factors also result in a salary increase or another extrinsic award. It is unclear how this supports decoupling salary from the motivator–concept as he posits. The original study which focused on companies within 30 miles of Pittsburgh, took into effect how an event or series of events caused attitudinal change. This would presumably translate to job performance change according to Herzberg's theories (1959). The short- and long-term effects of attitude and job performance change were also studied. As a component, salary was the sixth-highest rated event for long-term change, while it was the third highest for short-term change. Achievement was the top-rated long-term change and the second-rated short-term change, while recognition was the second-rated long-term change and the top-rated short-term change (Herzberg et al., 1959). Are attitudes in the workplace the same today as they were over 40 years ago, or even 20 years ago? Clearly the answer to that question is no; one would need to go no further than to look at the advances of women in the workplace over the same period of time and see how the entire fabric of the workplace has changed significantly. This is not observed to discount the work of Herzberg; however, the research must be kept in perspective, context, and the understanding of its statistical significance.

The third concept presented by Herzberg pertains to job enrichment. Therein he uses the motivator factors to construct a list based on an experiment he conducted. They are summarized at a high level in Table 6.

Table 6. Job Enrichment Factors

1. Removing controls while keeping accountability
2. Introduce new and more difficult tasks
3. Assign individuals specialized tasks, enabling a new level of experts
4. Making periodic reports direct to employees rather than filter through supervisors
5. Grant additional authority to employees; job freedom

Note. This table has been adapted from Herzberg (2003).

Follow-on research to job enrichment was conducted on five British companies shortly thereafter. While it supported performance improvements in workers in the studies, there was also a positive change in the managers involved even though they were not identified for study purposes. Apparently, there was success associated with the managers involved due to attitude changes: “supervisors now found that they had time available to do more important work…. The enrichment of lower-level jobs seems to set up a chain reaction resulting in the enrichment of supervisors’ jobs as well” (Paul, Robertson, & Herzberg, 1968, pp. 61–78).

Money (or) Nothing

Herzberg relied on his studies to make conclusions that many behavioral professionals still point to today for guidance in dealing with the workforce of today. Therefore, salary and extrinsic awards are discounted from being considered as an important component in retaining employees. Organizations conclude that they cannot motivate employees with money, so they put money at the bottom of the list for retention solutions. However, the apparent contrast from survey data from contemporary research to the Herzberg research is that several of the Herzberg hygiene and motivator factors are integrally intertwined and cannot be separated in distinct isolated vacuums as the Herzberg conclusions would seem to indicate.

What is the biggest way that a manager recognizes a person for accomplishing a good job, whether short-term in nature, or longer term such as a year’s performance? Verbally acknowledging and recognizing a person is great and should be more than a one-time event. However, if a manager tells a person he or she is doing a great job but the company’s actions do not match the words of the manager by giving the person a market’s increase to his or wage, or to promote him or her to a position with greater authority or responsibility—also with higher pay, the employee will not be happy, satisfied, or motivated. From a point of view, one could say—so, Herzberg is right. Salary is a dissatisfier. Well, he is partly correct. Stating it in a different way, a pat on the back without money will not make an employee have a long-term motivation, or longer-lasting motivation. It is a start. Further, if there is not an accompanying salary increase or bonus, or some other type of extrinsic award commensurate with the accomplishment being recognized, the employee will find satisfaction, motivation, and employment somewhere else. Similarly, actualization through advancement or growth is important to the satisfaction of the employee. However, if advancement or increased responsibility is not recognized appropriately—meaning, at a decent market rate, the employee will leave. If you compensate an employee and recognize him or her through an appropriate method where he or she is paid or recognized fairly in accordance with the current market, they will be motivated to perform for an organization, and stay. Let compensation fall below the market, and the employee will do what is in the best interest of his or her family unit. They will become a free agent.

An article which had a focus of showing how providing recognition and appreciation can go beyond the value of money to an employee, actually provides support for doing both, instead of providing communication at the expense of extrinsic rewards. If a company eliminates the monetary component of a company-employee relationship, the company does so with great risk. Laabs (1998) refers to studies that show money alone will not motivate employees to perform well, though money is required. It extends that “compensation is a critical element to employee commitment” (Laabs, 1998). Laabs also allows that salary and benefits should be comparable with the market, and that it is an expected right from the employee's perspective of an employment arrangement. A word of caution from the article is that employers should continually seek feedback from employees to see if what the organization is providing to the employee is working well enough to keep them from looking for work elsewhere (1998).

Factors in assessing whether or not an employee is going to leave are the environment, the economy, trends, and available survey data both within the organization and outside the organization. Clear Rock has stated that the satisfaction level of Americans in their jobs is at its lowest rate since the survey started roughly 22 years ago. This is an indicator that employees will look for other employers if the timing of a job changes, and the opportunity (economic and otherwise) is right. Clear Rock goes on to say that an employee should carefully weigh all the pros and cons of changing jobs—that it should not just be a dollars and cents move ("Stay or Change Jobs," 2010).

Towers Watson published very important results in their 2010 Global Talent Management and Rewards Study (2010). While noting that between 25% and 31% of U.S. companies have problems in retaining critical-skill, top-performing (defined as top 10% of performers), and high-potential employees, employers were unable to understand the extent to which job security is a factor in retention. The concern that employees have in determining their own future and retirement has also created an environment that has fostered employees jumping from organization to organization if the employees feel they can get a better compensation or benefits package, or better job security—even if it is only marginally better. According to the survey, employees listed the following six factors, in order, as the most important in influencing them to take an offer from a competing organization: increased compensation, availability of a better pension, greater job security, improved work/life balance, greater career advancement opportunity, and more flexible work hours. The range went from 94% of employees indicating increased compensation to 80% of employees indicating more flexible work hours (Towers Watson, 2010).

Another survey which was applied to a large company, using a random sample methodology, indicated that the number one reason that an employee would leave for another job was compensation. The second reason was for additional opportunity or job engagement (Ramlall, 2003).

The overwhelming evidence from the data compiled in this research and the research from others shows that employees have strong views about extrinsic rewards. The conclusion is that any proposed solution for retention issues must have some degree of extrinsic rewards as part of the solution set.

Potential Solutions

Do Nothing

This is always an option, no matter the issue. Default to what is taking place in the present is what this would result in. If an organization is satisfied with the status quo, no action is necessary. In this case, there is evidence that there is a market-driven problem that needs some type of solution set. Therefore, the option of doing nothing is quickly disposed of as being a viable option. At its worst, doing nothing jeopardizes the ability of an organization to successfully execute mission.

Provide Recognition to Employees

According to Crom (2010), some employees are not necessarily driven by the desire for money, but are satisfied with other recognition. This can be done in a variety of ways from both an individual and team standpoint (Crom, 2010).

Similarly, it is pointed out by Cosack et al., (2010) that there are unique ways to keep employees without allowing salary costs to soar, thereby staying budget-conscious. They suggest it is prudent not only to focus on your star performers but also to look for the employees who are critical for mission execution, but have not achieved star status. Not only would these performers have requisite skills but also discussion by the authors indicates that those employees could have other useful attributes such as work networks. Specifically they say nonfinancial incentives such as “praise from one’s manager, attention from leaders, frequent promotions, opportunities to lead projects, and chances to join fast-track management programs are often more effective than cash” (Cosack et al., 2010). To help in the identification of these critical but non-star players, they suggest two strategies. The first is to review the impact of the organization should an employee leave. The second is the likelihood of that employee’s departure.

In 2003, Klaff captured some top ideas for recognition when she was interviewing Bob Nelson regarding his theories of rewarding employees. They are listed in Table 7.

Table 7. Nelson’s Ten Commandments of Recognition (Summary)
(Klaff as cited in Nelson, 1994)

1.	Personally thank employees for doing a good job—early and often.
2.	Take the time to listen to employees—as much as they need or want.
3.	Provide specific feedback about performance of the employee and organization.
4.	Strive to create a work environment that is open, trusting, and fun.
5.	Provide information on how the organization operates, and how the person fits into the overall pla
6.	Involve employees in decisions, especially as those decisions affect them.
7.	Provide employees a sense of ownership in their work and environment.
8.	Recognize, reward, and promote people according to their performance; deal with low and marginal performers so that they either improve or leave.
9.	Give people a chance to grow and learn new skills.
10.	Celebrate successes of the individual. Take time for team and morale building.

Provide Flexibilities

To the extent possible, an organization should try to change or use their flexible work schedules and other flexible benefits to both attract and retain top talent (Charney, 2010). This could be the difference in successfully retaining your employees if everything else is relatively constant. This is further noted in another reference. While employees are very interested in things that do have costs—and must be considered (e.g., bonuses, health care, and 401k’s), flexibility in the area of telecommuting and flexible schedules are things which have an interest for employees across the entire age spectrum (O’Shei, 2010). Telework is an issue that has shown up in some of the survey data from the ACC organizations as part of this research.

Provide Challenging Responsibilities to Employees

Crom (2010) also indicated it would be a good idea if employees were brought in on special projects or challenging assignments to help foster ownership in the project. Once ownership is brought into the picture, employees would tend to be more creative and enthusiastic in solutions provided.

Martin and Schmidt (2010) provided insight into how most companies lose many high-end performers within a year due to under engagement. They state that approximately one in three “emerging stars reported feeling disengaged from his or her company” (2010). Based on significant research, they determined the main reason for employee dissatisfaction is that management does not know how to manage the top performers; they underutilize them. Also, management has the misguided assumption that these top performers are highly engaged. Conclusions from their study are as follows:

1. One in four intends to leave…within the year.
2. One in three admits to not putting all his effort into his (or her) job.
3. One in five believes (his or) her personal aspirations are quite different from what the organization has planned for (him or) her.
4. Four out of 10 have little confidence in their coworkers and even less confidence in the senior team. (Martin & Schmidt, 2010, p. 2)

The two reasons employees are leaving are “outsized expectations and lots of alternatives” (Martin & Schmidt, 2010, p. 2). These top performers have very high expectations of the company and will correspondingly work very hard. However, if they are underutilized, they will become disengaged and look elsewhere for work. They also have a lot of self-confidence in their work skills and their potential to find alternative employers; therefore, they are usually very aggressive in pursuing such alternative work (Martin & Schmidt, 2010).

Martin and Schmidt (2010) also list several other mistakes that organizations make in managing these star performers. First, management sometimes erroneously believes that current high performance will equal future potential. The point is to assimilate the entire data set of information on an employee and not let a single data point drive your decisions. Second, allowing the management of these top performers to be delegated down to the line or first level in an isolated vacuum without senior-level oversight would be problematic. This kind of employee needs higher level visibility to ensure they will get a broader perspective in their development. Third, it is a mistake to keep these stars of the future from having risky assignments. Often the approach here by management is to preclude failure at all costs. There can actually never be a bigger teacher than failure itself, though it is obviously not something to be repeated over and over. Fourth, expecting star performers to share financial pain with the company is not an accurate or reasonable expectation unless the company wants to lose them. The organization should determine a way to differentiate between average or below-average performers and those that excel at very high levels. For some organizations this is a challenge. However, it must be done should they choose to keep the star performers. Fifth, organizations fail to align their star performers with their strategic plan or planning (2010).

Communication

Employees

In a poor economic landscape, a company has to be creative with its employees. Communication has to be at the forefront from management to its employees. Savage (2009) offers several tips, such as talking with employees about potential training or developmental gaps that the company and the employee can identify and close. Additionally, more staff meetings with positive discussions are an absolute requisite.

Another focus for a company is that in tough times, they have to find a way to identify and implement plans for their top performers. Communication must flow to top performers and tell them the organization will do everything possible to create an innovative top-performing unit, and they, as top performers, are going to be a part of it (Greenberg & Sweeney, 2010). Another conclusion of Greenberg and Sweeney is that top performers want to be working with other top performers. This can be used when identifying team members for special projects or mission opportunities, or even having them spend time with a top-performing, more senior staff member who could serve as a mentor to them.

It has also been noted by Denton (2009) that trust is a large issue that employers must address. Lack of trust emanates from an environment where organizations have cut employees from payrolls, in many cases, without the diligent due process of performing analyses of all cost factors and associated impacts. Also, beginning in the 1990s, employers began to cut their pension liabilities for their workforce. The result was that employees had to begin looking out for their own welfare, knowing that employers were not going to do so (Denton, 2009). The impact on trust has been great. Even though federal government workers have been spared the problems associated with the retirement systems, this feeling of distrust has spread nationwide and has included the federal government. Additionally, office politics and favoritism have driven employees to mistrust management. It is noted in some survey data that management is quite surprised by these feelings of distrust. Denton further allows that individual managers may be honest and deal with their employees honestly; however, the news stories that are easily accessible to the U.S. population keep the seeds of distrust afloat. A specific recommendation that Denton (2009) provides to help battle this trust issue is management sharing information with employees and allowing access to information that has been previously guarded.

Allen, Bryant, and Vardaman (2010) address misconceptions about employee turnover and counter it with conclusions from their study. They conclude that management can be very proactive from the very first day the employee walks in the door—and even before. In particular, they suggest giving employees mission-related information before their first day on the job will go a long way in ensuring the new employees become acclimated to what the organization is all about, and to their culture. When they arrive on the job, strong efforts should be made to integrate the new employee into the culture of the new organization (Allen et al., 2010). This last observation relates to the process of “pre-hire embeddedness” found in the Mitigation Up Front section of this paper, in which the more a person is socially tied to people in the organization before they are hired, the greater the likelihood that they will stay (Barrick & Zimmerman, 2009). The social part of an employee is one that clearly will have to be addressed. Regarding the pay issue, Allen et al. (2010) conclude that while employees do leave for more money, their research shows it is not the leading driver.

Labor

There has been a running debate since 1978 about the inclusion of organized labor into affairs of government organizations. Under Title VII of the Civil Service Reform Act of 1978, labor unions were afforded some rights in dealing with management, but those rights were not clear. The one thing that was apparent was that there were certain issues in which management and labor could negotiate if a bargaining unit was present. One of those issues pertains to conditions of employment. If an employee is represented by a labor organization, changes in conditions of employment are negotiable. The definition of conditions of employment could vary from site to site and organization to organization, and would be still dependent on whether there is a formal labor management agreement in place. Moreover, one of the clearly defined rights of management is to retain employees (5 U.S.C. § 71, 1979).

It has been noted over the last ten years that the National Security Personnel System (NSPS) has caused a very prominent and observable rift between labor and management of federal organizations across the DoD. While most of the labor-represented workforce was outside of the NSPS, labor was successful in convincing the executive and legislative branches that it was not a good system, and it was recently repealed. Most of the problems over the issue originated with the nature in which the NSPS was implemented. It appears it was implemented without labor being given a significant opportunity to shape the system. While there were very specific concerns brought up by labor, the root of the problem appears to be the lack of communication between management (in this case the DoD) and labor.

Recently the President created labor-management forums to improve delivery of government services. Therein, "pilot programs would test bargaining over permissive subjects in a small group of agencies. The council would evaluate the programs" (Parker, 2009). It also required agencies to provide to labor pre-decisional information to allow for more communication on workplace issues (Parker, 2009). However, in October 2010, labor indicated they were not satisfied with progress on the labor-management forums and requested more involvement in pre-decisional issues (Swanson, 2010). Further, Swanson reports of new troubles between labor and management in November 2010. This time, the issue is telework; this is something that has been debated for several years. Debating is in stark contrast with discussing the issue.

One can only conclude that if you do not legitimately discuss issues with labor, that contentiousness will result. It does not mean that labor and management have to agree on every issue. That is not a realistic objective. However, discussion and trying to understand the perspective of the other side is good business, whether it is a contract negotiation, a supervisor and employee relationship, or a labor management issue. This is not a section added to this body of work to promote labor management councils. However, if an organization is looking to incorporate some type of novel solution for retention, would it not make sense to have buy-in with employees you have on board? Whether they are represented by labor or not is not the real issue. Gaining employee buy-in is the real issue. It is a fact of life that in many cases employees will be part of a bargaining unit, and by definition represented by labor.

Employee Development

Clear Rock, which is an executive outplacement firm in Boston, has provided information indicating coaching and mentoring are key factors in retaining personnel. However, they additionally note that better compensation and benefits are rated in the top five factors in retaining high-potential and front-line employees ("Employers Using Coaching," 2007; "Despite Recession," 2009).

Butler indicates succession planning should be a key objective for many companies in positioning themselves for when the economy picks up and employees start leaving wholesale for greener and potentially more lucrative pastures. A recent Employee Benefits Trends Study has shown that succession planning is again near the top of the list for employers when they were naming their top benefits objectives. It slipped to number two behind controlling health benefit costs; this was the first time since 2006 it was not number one. Nevertheless, the article talks about how investing in key employees in development for succession planning will give those top employees more of a vested interest and make them much less likely to leave the company for competing offers (Butler, 2010).

Increase Leave

The Government Accountability Office (GAO) was the beneficiary of the GAO Human Capital Reform Act of 2004, Public Law 108-271. It was enacted in order to provide the GAO with additional flexibilities to assist them with challenging human resource issues. Of note, Section 6, of the Public Law, allowed “Certain key employees with less than 3 years’ service for purposes of leave accrual may be treated as if they had 3 years of federal service. Therefore, they would earn 160 hours on an annual basis instead of 104 hours” (GAO, 2010). There were several sections in this act. However, there is only one that is being singled out here. Of note, the Conclusion of the report indicated that the contents of the act, Section 6 included, were a success in assisting in both recruiting and retention (GAO, 2010). This is an area where consideration should be extended. In particular, authority should be sought for crediting the1102 employees within ACC five hours of AL per pay period (PP) after one year of service, and six hours of AL per PP after two years of service. Should the employee leave the ACC prior to the end of the three years, leave accrual rate would revert back to four hours per PP. This could gain traction with new ACC employees, much like it has for GAO employees.

Mitigation Up Front

This paper has looked at the time from when an employee is brought on board to an organization, to the time when they leave for another job, with efforts and strategies put forth to try to reduce the chance that an employee leaves. However, there may also be a way to review employees before they are ever selected for employment that could benefit the organization.

Goldsmith states, “one of the defining traits of habitual winners [is] they stack the deck in their favor…. They hire the best candidates for a job rather than settle for an almost-the-best type. They do this when they pay whatever it takes to retain a valuable employee rather than lose him or her to the competition….You’ll discover that their stories are not so much about overcoming enormous obstacles…but rather about avoiding high-risk, low-reward situations and doing everything in their power to increase the odds in their favor” (2007, pp. 180, 181) Krzyzewski (2004), head coach of the Duke men’s basketball team, talks about making sure that the right players get on the train for the long journey in *Leading with the Heart*. Collins (2001) stated his surprise in his similar conclusion:

> We expected that good-to-great leaders would begin by setting a new vision and strategy. We found instead that they first got the right people on the bus, the wrong people off the bus, and the right people in the right seats—and then they figured out where to drive it.... People are not your most important asset. The right people are. (p. 13)

It seems to be a thread of consistency that having the right people on your staff will be a difference maker. More time invested up front on selecting the person with the best skillset can make a difference in both retention and organizational performance.

Sullivan takes it a step further by listing several key factors in recruiting that may be of assistance in improving retention. The focus of this paper is not to look at the recruitment part of the total employee process. By extension, the Sullivan factors will not be discussed in any detail herein, but further research into this area can be fertile grounds for retention improvements.

Table 8. Hiring-Related Factors or Indicators Impacting Future Retention

1. Hiring candidates who are focused on money
2. The source where you found the candidate
3. Their average tenure in other jobs
4. On-boarding and orientation
5. Recruiter involvement after the hire
6. The lack of diversity orientation and retention
7. Manager rewards for great retention
8. Being aware of the most common causes of turnover

Note. This table has been adapted from Sullivan (2007).

Recruitment itself has very significant pressures due to the increasing workload over the years. As reported in the *Government Executive,* the issue began mounting in the decade of the 1990s when the Cold War ended and military drawdowns ensued. When the War on Terror began in the new millennium, staffing was inadequate (Peters, 2010). There is hope that new hiring reforms will address the retention issue. Long (2010) cites the use of new assessment tools which will assist in the review of candidate qualifications. Ensuring the best person gets selected will contribute, to some undetermined degree, to those candidates staying longer in the job due to job enrichment. The reason for that is because there will be a better match of skillset to job requirements (Long, 2010).

Barrick and Zimmerman (2009) show that there are predictive characteristics that can show a strong correlation on whether or not someone is going to voluntarily leave an organization within six months. The testing and data go into some detail, but the "results indicate that [data] measures that assess [deficiencies in] pre-hire embeddedness [personnel connections] in the organization and habitual commitment and pre-hire attitude scales that measure employment motivation, personal confidence, and the traits of conscientiousness and emotional stability" (Barrick & Zimmerman, 2009, p. 200) were predictors of someone leaving the organization within the first six months of work.

Increase Pay

Proficiency Pay (ProPay)

This is a concept that is used in some cases within the DoD to provide additional pay for military members with unique qualifications. Certain health professionals, others with unique foreign language skillsets, some nuclear officers, and other understaffed professionals required skills could have additional pay running from $450/month to $1,000/month or more.

Regarding the 1102 field, there is a shortage of Army civilian Contracting Officers, though the shortage is more pronounced in some localities than others. Army civilian Contracting Officers who are Level III certified should be paid an additional monthly amount as professional or proficiency service pay. This could be either applied as a percentage of salary or a specified amount. This would provide an incentive to those in the contracting professional career field to stay at the Contracting Centers rather than jumping to other organizations such as PEOs for the same or better pay, and less responsibility. There has been some information provided indicating that qualified contracting professionals have either transferred or promoted away from the Contracting Centers to obtain a position in which they did not require a Contracting Officer's warrant. The ACC desperately needs for those who are qualified and have requisite business acumen to use their skills as Contracting Officers.

Additionally, there is a big push within the DoD to build up the pricing corps. Those consist of contract professionals who prefer joining pricing teams within the Contracting profession at the Contracting Centers or Contracting organizations within the ACC. The initiative behind this is to build up the skillset for 1102s to provide cost and price analysis to support contract negotiations. For those 1102s who choose this particular track within the ACC, ProPay is a method or tool that should be used for 1102s who become Pricers within the ACC.

A clarification needs to be provided for discussion purposes. Non-ACC or Contracting Center organizations would be prohibited from having 1102 positions. In great part, this has occurred. However, there are some isolated cases where 1102 positions are found outside the ACC and Contracting Center organizations.

Retention Authorities

5 U.S.C. § 5379 (2010) and 5 Code of Federal Regulations (C.F.R.) § 537 (2010) establish the statutory and regulatory authority for the use of student loan repayment for recruitment and retention purposes. The two conditions associated with this authority call for a federal organization to make a determination based on the qualifications of the employee or the special need of the employee's services by the activity, and an assessment that, in the absence of the loan repayment, the employee would likely leave federal service. This will help a federal organization, which has intense competition from "non-federal" organizations. However, it is not helpful at all if the competition is coming from within the federal government. A written service agreement is a requirement for any employee who takes this benefit; the maximum benefit for an employee is $10,000 per year, or a maximum of $60,000 (5 U.S.C. § 5379, 2010; 5 C.F.R. § 537, 2010).

For the retention incentive program, 5 U.S.C. § 5754 (2010) and 5 C.F.R. § 575 (2010) are the authorities. These incentives are offered to individuals or groups based on the same two conditions listed in the above paragraph. Also, the incentives are offered to individuals or groups based on the organization having a special need for the employee's services due to the organization's mission and the employee's competencies that make it essential to retain the employee in his or her current job during a time before the closure or relocation of the employee's job, and the likelihood the employee would be to leave for a different position in the federal service. For the group, the determination would have to be extended to a narrowly defined group, and the determination would be slightly different based on the specifics of the authority. However, the impact would be the same. These incentives may be up to 25% of the employee's base pay, again based on specifics and guidance on the incentives (5 U.S.C. § 5754, 2010; 5 C.F.R. § 575, 2010).

It is recommended that in both of these previous examples, efforts be applied to have authorities modified to be available for use by an organization, if appropriately justified as to mission requirement and specialization of skillset, to an employee who is likely to leave their job for other federal service, as evidenced by an offer documented in writing. This would be a critical tool that the ACC or other federal organization would have at their disposal.

Job Classification

Additionally, authorities exist to allow for upgrading certain positions based on classification authorities and job complexities. Flexibilities are present to allow for supporting personnel activities to assist in this classification effort. In some cases, this will help an organization accomplish increasing complexities for assigned missions.

Recommendations

Understanding the Entire Problem by Formula

RE = ($*(MD/MS)) + (C + r + J)

Table 9. Retention Formula Translation

Retention Equilibrium = ((Salary and Awards)*(Market Demand of 1102s/Market Supply of 1102s)) + (Corporate Communication to Employees + Recognition of Employees + Job Engagement)

The formula has two parts. Each has an equilibrium point, and there is an overall equilibrium point. The first part contains the drivers of the supply and market of 1102s, which are balanced by extrinsic awards. Simply stated, if MD is greater than MS, an organization will face retention challenges and workforce risk. That is because market demand is outstripping the supply of contracting professionals. An organization should first calculate the scope of the problem that they face. The way to calculate this is by the number of spaces in the market divided by the number of available 1102s in market (e.g., 1000/800 = 1.25). In this example, $ would be represented as the quantum being paid compared to the market rate. If an organization is paying the market rate, the value is represented as 1.0. If the organization is paying less than market rate, the value for "$" is decremented to 0. An organization must proactively bring the extrinsic rewards part of the formula (i.e., $) to equal or greater than 1.0 (greater than 1.0 gives you a higher chance of success) to have traction with retention in a time when MD is greater than MS. In every market this number will change depending on the significance of the demand. The main takeaway on the first part of the formula is getting to 1.0 or greater than 1.0 in $, or extrinsic rewards, when MD is greater than MS will be beneficial to your organization. This is considered equilibrium, and the problem has been mitigated. The preciseness of the increase will also depend on the retention incentives or labor system to which an organization uses for their employees.

The second part of the formula deals with three unique and independent components. Corporate communication to employees, recognition of employees, and job engagement are each calculated on a .33 scale (based on results of a survey). A top score on these three components will result in a score of 1.0. This is considered equilibrium (e.g., .33 + .33 + .33 = 1.0). If the second part of the formula is less than 1.0, it goes out of equilibrium. In this scenario, voluntary departures are minimal.

To reach perfect equilibrium, both parts must equal 1.0, and there can be no part of the formula amiss. Therefore, to reach a perfect equilibrium score for the retention formula, the calculation would be 2.0 (i.e., (1.0 * (1.0/1.0)) + (.33 + .33 + .33) = 2.0).

Continuing with the same example, if the first part, or left side, does not equal 1.0, meaning that there is either a problem with the demand to supply and/or there is a problem in pay, then the right side must be checked and adjusted to ensure that all values are maximized to equal 1.0 to mitigate the risk. It should be noted that, if at any time, the corporate communication, recognition, or job engagement goes below .33 each, that it will serve as a cautionary signal indicating the risk of employees leaving your organization has increased. Therefore, mitigating efforts will have to be used with all factors to bring the workforce retention issue back in balance.

Using the same example as before with demand for 1,000 spaces with only 800 available in the market, add the right side into the mix to show potential improvement areas for the company. 0 * 1000/800 (assumption here is salary and awards are only 95% of the market rate and this triggers 0) + (.20 +.20 + .30) (assumption is the corporate communication, recognition, and engagement are all underutilized). Calculated we see (0 * 1.25) + .70, or 0 + .70 = .70. Neither side is in equilibrium; therefore, retention equilibrium is not reached.

To solve the problem, further analyses is required. An organization can possibly affect the market supply; however, in a large market the organization may not be able to influence it significantly. Therefore, we will keep 1.25 for the market and supply calculation constant. Bringing the salary and awards of the organization in line with the market would be a score of 1.0 for that component. That would yield a score of 1.25 for the first part of the formula. That is the minimum equilibrium score for the organization facing this challenge. As described earlier in the research, there is some evidence that in a very competitive market, having extrinsic awards exceeding to some degree that market, will improve your likelihood of retaining employees. However, it must not be below the market when there are these types of competitive forces in play. Additional efforts to corporate communications, recognition, and engagement will maximize scores for this example. Therefore, the resulting calculation would be (1.0 * 1.25) + (.33 + .33 + 33) = 1.25 + 1.0. For this set of circumstances, this results in an equilibrium of 2.25, though it is not perfect equilibrium. This is called imperfect equilibrium. The fact that imperfect equilibrium totals 2.25 in this case is an indicator that one of the main factors affecting retention needs constant monitoring. The formula is designed to not come into perfect balance or equilibrium if any of the main factors have challenge or risk indicators.

In summary, using the formula will provide you a toolkit for retention. The formula gives you a tool to show that any time it becomes out of perfect equilibrium, you have an indication of a problem. A company should strive for perfect equilibrium and balance or for imperfect equilibrium if that is all that the market will allow. Each of the areas is isolated, but each is also related. By the nature of the research and the discussion surrounding the formula, each part of the formula is very important. If either side of the formula is initially out of balance (i.e., one or both does not equal 1.0), you have a retention issue that needs attention or mitigation. If an organization neglects any of the components, they do so at their own peril. Instead, this should be included in an organization's dashboard metrics—a quick glance will tell you if you are green, or if there are issues that will cause you trouble down the road. It can also provide you the tool to drill into the retention issue to isolate the underlying issue or issues.

Components of the Formula

Recognition

Klum (1994) believes that recognition and gratitude should be provided to employees for a job well done early and often. He also suggests that it is critical for managers to listen to employees; as such, he says to spend as much time as necessary. Crom (2010) states that recognition can be done with a variety of techniques, both from an individual standpoint and that of the team.

Cosack et al., (2010) believe that a strategy should include the ability to focus on star performers, as well as identifying those who are mission critical but who have not achieved star status yet. They further provide that praise, discussions with leaders and mentors, special projects, and opportunities to take special leadership development tracks provide useful tools to allow for recognition (Cosack et al., 2010). Formalized special recognition or award programs support this type of effort; however, it will not take the place of quality time spent with key employees by management or by mentors. The adoption and formalization of a mentoring program for new employees and for organizational employees as they continue to develop is a proven process, and is recommended.

Training for Basic Job Competencies. How does an organization develop its leaders for tomorrow? Currently there are requirements for Defense Acquisition workers to take 40 continuous learning points (equivalent to an hour each) each year. There are few within the workforce who believe that this is all the training that is necessary. However, there is a counterpoint to that. There are many who do not want to pull away from their job requirements to go to training, because they are pressed by so many urgent requirements. Within the DoD, statistics exist showing the workload increasing while the employee number for the contracting workforce has declined (Peters, 2010). This increase in workload has resulted in more pressure on completing more mission products with less time to do it. Continuing, there is also a need to be able to do things smarter; that is where more training comes in. No matter how hot the project, supervisors and managers must show leadership and ensure that their employees have training development plans, and they must have training opportunities planned for their employees' development.

Additionally, various boot camps, or training forums, are currently being employed by the Contracting Centers within the ACC. Both the AMCOM and TACOM Contracting Centers have strong boot camps for training. Recommendation is to continue usage and comparison of the best practices of each for application to each considering the unique missions of the Centers, respectively.

Development for Leadership Skills. Leadership training is different from required training for job competencies. Job competency training for an acquisition professional would be to ensure that an acquisition professional attains the appropriate certification level as required by the Defense Acquisition Workforce Improvement Act (e.g., Contracting Level III). It would also include any specific job-related training necessary to perform the job. Leadership training or development would encompass the leadership skills or experiences necessary to lead a group of people or employees within an organization. It could include leading down (more formal), leading across (with peers), and leading up (to superiors). Clear Rock indicated in two recent studies that coaching and mentoring are key factors in retaining personnel ("Employers Using Coaching," 2007; "Despite Recession," 2009). Those are key components of leadership development. It is critical that leadership development integrate into future plans for each employee. They should be tailored to each employee through use of employee IDPs.

Succession Planning. Additionally, it has been shown in a recent Employee Benefits Trends Study that succession planning was near the top for employees when they were naming top benefits objectives. The theory is that in a time of little or no salary growth, investing in key employees in development for succession planning gives those employees more of a vested interest in the organization, and makes them less likely to leave (Butler, 2010). This relates to leadership development. Should a star performer be identified as executive material, their leadership development plan should be augmented to include development or developmental activities for future leadership opportunities.

Communicate

Communication to employees is a key. Without it, you lose employees. There is no substitute.

However, there should also be a structured corporate component to the communication, as well. Greenberg and Sweeney (2010) talk about how this communication must reach the employees and let them know that they are part of the plan for the future. This can be done in several ways.

Allen et al. (2010) relay that corporate communication should start before the new employee walks in the door. Effort should be made to provide useful information, including that about the organization's mission and what the employee will be doing. It would also include any information about their first six months of work and what type of specific training will be provided. Once on board, a mentor should be assigned to them. For someone new to the organization, effort should be made to find someone who recently (within the last two years) walked in their shoes as a new employee. As an employee gains more experience (1–2 years), they should then be assigned a mentor who is a mid-level to senior-level mentor. This will allow them to gain a broader perspective of the organization's operations.

Greenberg and Sweeney (2010) also provide that they have found in their research that top performers also like to work with others who are top performers. This can open up another train of thought as to how teams are formulated. These top performers, or even high potential performers, tend to feed off the energy that each other exudes. Understanding this need can be identified by communication with your key employees.

Build Relationships. Additionally, trust is a component of communication. Federal workers have a certain level of distrust for the government as a whole and of management. Some of this is not directly attributable to management; however, it is still a fact, and part of the blame can be assigned to management (Denton, 2009). Denton further allows that management sharing information with employees and allowing access to information that has been previously guarded will help foster trust (Denton, 2009).

Much of the communication to an employee comes from the first line supervisor. Moreover, how the supervisor communicates or treats the employee is a major indicator of whether the person stays (Cascio, 2000). Management should continuously discuss this with first line supervisors, and it should be included in the evaluation of first line supervisors for reinforcement. The first line supervisors are a critical part of the retention solution.

A barrier to effective relationships is one of perception on behalf of management. Management generally believes that they know what the employee is thinking. That is especially erroneous when top performers are concerned. Martin and Schmidt (2010) say that this critical communication breakdown often leads to job underengagement which ultimately leads an employee to seek other opportunities or challenges elsewhere. Extra time and effort needed to communicate with employees about their personal work needs is vital.

Internal Newsletter/Magazine (market Your Organization to Your Employees). An organizational news resource must be provided to the employees. Some of the options for this could be anything from a monthly or weekly email from the front office to a periodic electronic enewsletter to a quarterly hardcopy news sheet. Include successes that have recently occurred. Include pictures of those on high-performing teams. Have firsthand stories about interactions with customers on a test or fielding. Also, the information provided to the workforce should be employee driven. Allow it to be a tool to communicate to the employees, but have employees who have invested in the mission successes and who understand the issues write it. Effectively this provides more job integration with the organization's employees.

Pay

Pay of any employee at the same grade should be at least at the same level of the market. It is even seen in one body of work how the pay is brought to above the level of the market as a recommended practice (Pink, 2009). The question is how to do that if you are limited by personnel system. Currently, there are multiple personnel systems in the DoD (e.g., NSPS, Acquisition Demo, Lab Demo, GS, etc.) While NSPS is ending or transitioning, there still are multiple systems. The different systems which are employed are showing up in the same labor workforce due to the tightly woven and complex fabric of multiple federal organizations within a single metropolitan statistical area such as Washington, DC or Huntsville, AL. This brings rise to organizations with differing missions and goals competing for a defined group of contracting professionals.

An organization must be proactive when there is a strong demand and limited supply of 1102s. This would apply to the recruitment process as well. Several recommendations include increasing the intern program grade levels at graduation to the extent possible. There are instances where DoD organizations will prey on sister DoD organizations for bright talent who were recruited into intern programs. The DoD organizations which had either a different personnel system or deeper budgets were able to lure that bright talent away after the minimum intern period (usually two years) was invested. That was a double loss for the losing organizations. Not only did they lose the bright assets they had trained, but they also lost the time invested in the training and the time it will take to hire new talent. Recently the Administration has ended the Federal Career Intern Program, effective March 1, 2011. It is being replaced by a “Pathways Program.” The purpose of the change is to make the intern program “streamlined, transparent, and more uniform”(Brodsky, 2010). There are many details in the program that are yet to be unveiled at this writing. Therefore, the best alternative at this juncture is to watch for developments and eagerly seek any venues to engage as this program policy unfolds. Research concludes, though, that additional time in the intern program will also allow your organization to get the intern invested in your organization and to integrate the new employee into the culture of the organization (Allen et al., 2010). That translates into more time for job engagement.

The introduction and use of ProPay is a critical element and tool of pay. It has shown to be useful in the DoD when applied in targeted fields where shortages exist. This would require coordination within the Department of Army and the office of the Director of the Defense Procurement and Acquisition Policy to get regulatory authority for this. Potential for further coordination beyond this is possible. It is recommended that this be extended to 1102s within the ACC who are Level III certified in Contracting, and either possess a Contracting Officer’s Warrant or work in a position for certified Cost or Pricing Analytical support. By extension, the recommendation is made that Army 1102s can only be within ACC, an Army Contracting Center or Organization, or Army Corps of Engineers for better consistency of trained professionals and application of pay procedures.

For retention incentives, we recommend that the incentives be modified to be available for use by an organization, if appropriately justified as to mission requirement and specialization of skillset, to an employee who is likely to leave their job for other federal service, as evidenced by an offer documented in writing. In return, the employee will be required to sign an agreement guaranteeing their service within the DoD (consistent with current law) for a minimum of three years. This will require coordination with DA and DoD officials, as this will need a change in Public Law.

This next item is not a pay element per se; however, the impact of this would be very big for new employees who have just come onboard. As demonstrated in several places in the paper, new employees are at great risk in their first two or three years. As previously discussed, the GAO found a way to coordinate with legislative members to have certain key employees earn six hours of annual leave per pay period prior to those employees attaining three years of federal service (GAO, 2010). After an employee has three years of service, they start accruing six hours of leave per pay period instead of four, which is the amount accrued for an employee during their first three years of service. It is recommended that Series 1102 employees in the Army Contracting Command be granted 5 hours of annual leave per pay period after one year of service, and 6 hours of annual leave per pay period after two years of service. Should they leave the Army Contracting Command before the three year period ends, their leave accrual rate would revert back to four hours per pay period.

Labor Market

A labor market will have a defined number of positions required for mission accomplishment. In the case of the contracting professional community, the same is true. Similarly, there are a defined number of contracting professionals to work those required positions. When the demand exceeds the supply of contracting professionals, the competition increases and the cost for them increases. Conversely, when the supply exceeds the demand, the competition decreases and the cost decreases. That is just basic economic theory. Much to the surprise of many, this applies in today's workforce for the Federal Government or in industry. If there is a shortage of workers, employees for the most part will go where the money is, notwithstanding there are other important tools for retention. Having other federal organizations which can and do pay more than others only exacerbates the issue for those who cannot match their pay. This appears to be especially hard on organizations that use the GS pay system, with their competitors using some type of paybanded personnel system.

Job Engagement

Employees look for work that is meaningful and work that is tied into the success of the organization. That is more so the case for top performers. They have significant drive and expect to be utilized and developed. Organizations should align all assignments of their employees with their strategic initiatives (Martin & Schmidt, 2010). Also they should be identified for work on special projects where they can easily see how the accomplishment of such is tied closely into the mission of the organization (Crom, 2010).

Don't Forget About Labor

An organization needs to embrace the positives that organized labor can bring. Management is bound to stay neutral in affairs dealing with labor as prescribed by Public Law (i.e., if there is a petition to start a labor with a vote, management cannot have a position). However, if there is a bargaining unit represented by labor it would be a good idea to talk to them as much as practicable about issues your organization is currently trying to solve and make them part of the solution. In reference to prior discussion of this point, the DoD may not be experiencing the problems with the different personnel pay systems if the labor unions were brought in as partners up front when NSPS was first being discussed. There is no question that the multitude of pay systems is causing challenges to organizational retention practices. Specifically, those with GS systems are at a disadvantage. Moving forward, labor should be viewed as a partner, and initiatives should be discussed. This dialogue can only enhance the development of solutions pertaining to the area of human resources.

Conclusion/What's Next

A summary of the top 15 recommendations from this research is presented in Table 10.

Table 10. 15 Retention Recommendations for ACC

Can Execute Now

1. Employ formula … RE = ($*(MD/MS)) + (C + r +J)
2. Formalize Mentoring program (include all supervisory personnel at minimum).
3. Culturally integrate communication into manager/supervisor/employee relationships.
    - Training
    - Leadership experiences/development
    - Mission/strategic alignment
    - 2-way discussions on expectations
    - Reinforced
4. Corporate communication to employees either initiated or modified to include:
    - Latest Mission news
    - Latest Organizational successes
    - Team Successes
    - Individual Successes
    - Employee driven news product
    - Management will be available to provide information/support
    - News of Mission or Organization changes
    - Customer focus integrated
    - Separate conveyances from Director/Executive Director
5. Begin utilization of stay surveys.
6. Forge understanding with other federal organizations that compete with you (area specific) for 1102s.
7. Establish dialogue and partnership with labor at highest possible levels to gain support for initiatives, both current and prospective.
8. Ensure each IDP of employees is reviewed by senior management.
9. Implement onboarding and recruiter follow-up with new employees.
10. Invest in Succession Planning Development for Key Employees.
11. Continue support of best practices in areas of training (including boot camps) and award programs.

Need Additional Stakeholder Involvement

12. Initiate or expand intern program to the extent possible.
13. Introduction of Proficiency Pay (ProPay) for 1102s in ACC who are Level III certified in Contracting, and either possess a Contracting Officer's Warrant as a job function or work in a position for Cost or Pricing Analysis. By extension, recommendation that Army 1102s can be positioned only within the ACC, a Contracting Center or Organization, or the Corps of Engineers.
14. Modify retention incentive authority to be available for use by an organization, if appropriately justified as to mission requirement and specialization of skillset, to an employee who is likely to leave their job for other federal service, as evidenced by an offer documented in writing.
15. Credit 1102 employees within ACC with 5 hours of AL per pay period (PP) after 1 year of service, and 6 hours of AL per PP after two years of service. Should the employee leave the ACC prior to the end of the three years, leave accrual rate would revert back to four hours per PP.

Several of the listed items will take further coordination between the ACC, the DA, and the DoD. For instance, items 12 through 15 will take coordination, stakeholder involvement, and potentially Congressional action. Items 1 through 11 are ready to execute now. Precedent has been set on most of these issues. These specific recommendations, though, are tailored for the ACC. These recommendations, however, could be applied to other DA or even DoD organizations, for the most part.

The goal of this research has been to take a holistic look at the civilian retention issue. In some cases, there are actions related to hiring that impact the retention of the employee. Accordingly, recruitment was reviewed briefly.

Additionally, there were issues in research and theory that have led management practitioners to conclude some narrow theories as fact. Viewing the issue of retaining an employee or a group of employees requires a macro view of the process due to complexity. Factors such as market demand and personnel authorities impact the retention issue and have to be considered in this analysis. There is no one issue that can be ignored when dealing with retention; by extension, there is no one issue that can receive the sole attention of an organization as a cure for retention issues. To do either extreme will be at the organization's peril and expense. The goal of any organization toward its employees should be the commitment, motivation, and retention of its talent base.

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