

Boeing and employee retention

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When Boeing relocated its headquarters from Seattle to Chicago, its employees were faced with the decision of whether to leave or stay put. Aside from that, they likewise had to deal with a looming change in responsibility after the management informed them of the many changes that would take place after the move to Chicago. Eventually, half of its 400 to 500 employees decided to stay (HR. BLR. com, n. d.).

As a retention measure, the management of Boeing offered several inducements to the employees which includes: a nine day house scouting trip, payment of expenses that will be incurred for transferring household items and a couple of cars, temporary residence, and support in house transactions in Seattle as well as Chicago, inclusive of closing costs and other possible expenses (HR. BLR. com, n. d.). Boeing Company Mired In A Court Case In 2000, Boeing was involved in a legal battle as 17, 690 of its female employees initiated a class suit due to gender discrimination.

The company reached a court settlement amounting to about \$72. 5 million which will entitle the members of the class suit to payment that range from \$500 to \$26, 000 (HR. BLR. com, 2005). The lawsuit allegedly reported discriminative patterns in Boeing's Seattle plant. This was proven by documents which reflected a \$1, 000 to \$2, 000 difference in the salary of women and men even though they held similar positions. While acceding to the settlement, the management claimed their innocence but nevertheless consented to changing its selection, salary, promotion, and complaint investigation techniques (HR. BLR. com, 2005). Boeing's Retention Procedures

Boeing Company is committed to providing its employees with learning opportunities that will help them apply their latent skills inside or outside the company. According to Lori Jensen, who is the Manager for Diversity, Recruiting, and Advertising for Boeing, they shoulder the cost of the training of their employees. For example, if Employee A wants to take up further studies in being a pediatrician, then the company shoulders the cost for doing so (HR Magazine, 1998). In addition, Boeing involves their new employees in various programs that would help them find their “comfort zone” as well as wise utilization of flexible time.

In 1998, the ethnic minority rate of Boeing was at a steady 18 percent. Aside from that, 23 percent of management positions are held by minority groups. Since 1995, there was a 4 percent increase in management positions occupied by ethnic minorities (HR Magazine, 1998). Another major move made by Boeing Company to increase its employee retention rate is to improve its ethics program. They even retained former Sen. Warren Rudman in 2003 in order to evaluate their procedures for managing sensitive competitor data and the overall composition of its ethics program (Reeder & Hickey, 2005).

Aside from that, they put up the Office of Internal Governance which contains advisors who will constantly update and ensure that its ethics programs comply with government policies. In addition, its law department handles all disqualification concerns. All offer letters must be reviewed by the department before such is issued to the concerned employee (Reeder & Hickey, 2005). In preparation for the retirement of 2/3 of its labor force

within the next decade, Boeing has now initiated plans on how it will utilize its headquarters as a medium for retaining its current batch of employees.

Boeing calls this Future of Work, which aims to ensure that employees will take advantage of the facilities they are planning to put up in increasing their productivity (Madsen, 2006). Once Future of Work reaches full gear, this project will see to it that current as well as incoming employees will remain loyal to the company. Likewise, the program aims to foster a stronger relationship between the company, community, and employees (Madsen, 2006). One of the fruits of this Future of Work project is the Virtual Office Program. This project is important because it has provided employees with new methods of working.

Essentially, the program aims to motivate and excite its workers without jeopardizing its desire for more savings and less expenses (Madsen, 2006). Moreover, the aim of Future of Work is to make things easier for Boeing employees. Under this project, various facilities such as dry-cleaner, coffee shop, daycare center, and movie house will be established with the help of outside firms (Madsen, 2006). Other plans that will significantly change the working condition in Boeing include the setting up of research facilities, sciencecamps, play laboratory for the children, among others.

These additional infrastructures would strengthen the bond between Boeing and its community (Madsen, 2006). However, Boeing realized that immediate implementation of Future of Work in its 85 million square feet headquarters is impractical, there will be levels of implementation. The names of these levels are quite unique with the biggest implementation

called “ universe” and the smallest “ zip code. ” (Madsen, 2006) Presently, some Future of Work products are already in place.

For instance, the 4-81 building located in Renton, WA, site of the final assembly of the next-generation 737 jets provides engineers and manufacturing staff a venue for renting DVDs, developing photos, avail of banking services, or have their clothes dry-cleaned (Madsen, 2006). This ambitious project will stretch over several years. Funding for Future of Work has already been allocated. According to Dick Stewart, project leader of Future of Work, this is much better rather than renovating an older building or purchasing a new facility. With this project, Boeing Company is looking forward to becoming the best work place in America.

In the Triton Towers 3 building, where the shared services group hold their office, there is a high-quality coffee shop as well as a virtual office where the work-at-home employees can easily drop by when they need to work (Madsen, 2006). Conclusion From its small roots in Seattle, Boeing Company has grown to become one of the largest and most successful companies in the United States. The company has experienced turbulent years during its existence, but nevertheless, it has survived and is now gearing up to transform itself as the most attractive company to work in with its Future of Work project.

References

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