

Booz Allen Hamilton Puts People First (Mar 06)

One Firm, One Goal

By Joseph Kornik

It's been a long time coming for Booz Allen Hamilton.

Ever since *Training* began ranking the best of the best back in 2001, the McLean, Va.-based global strategy and technology consulting firm has been working its way up the list inching closer and closer to the top—No. 52 in 2002, No. 6 in 2003, No. 4 in 2004 and No. 2 last year. This year, Booz Allen Hamilton finally reached the pinnacle of Training Top 100.

The groundwork for the climb to the top was laid back in 1999, when Booz Allen formed the Center for Performance Learning. Back then, the center consisted of just 17 people. Today, the center has grown to 85 learning professionals, more than 100 adjunct instructors, 18 learning partners and six university partners, including Johns Hopkins University.

For the People, By the People

To say that Booz Allen is a firm committed to the training and development of its employees is an understatement. With a training budget representing 6.3 percent of payroll, the commitment to training at Booz Allen clearly starts at the top.

"At Booz Allen, we view professional development as an invaluable opportunity and as a shared responsibility between staff members and the firm," says Dr. Ralph Shrader, CEO of Booz Allen Hamilton.

"Our learning and development opportunities are designed to build professional competencies for staff members as they progress through their careers, and link directly to career models. Booz Allen provides an exceptional resource—one I hope all staff take full advantage of."

To help them take full advantage of the opportunities, Booz Allen prepays tuition expenses up to \$5,000 for each employee annually. It also pays the tuition for the second year of business school for any summer associate who agrees to join the firm after graduation.

Some 21 percent of employees took advantage of the tuition reimbursement plan last year at an expense of nearly \$10 million to Booz Allen. It's money well spent, as turnover for tuition recipients is almost 7 percent lower than for non-recipients, leading to a saving of more than \$18 million in enhanced retention, according to Aimee George-Leary, senior manager, employee development, for Booz Allen Hamilton.

In addition, nearly half of the firm's new hires last year came via the Employee Referral Program, and the company rewarded more than \$2 million in employee referral bonuses. And more than 15 percent of the staff was promoted in 2005, a statistic that's not lost on the Center for Performance Excellence. Last year, the center, which offers more than 800 learning courses, generated some 38,000 participant days of training serving 16,000 users.

"Through Booz Allen's professional development, all individuals achieve their personal best—and help the firm be the absolute best," Shrader says. "I urge staff to look at the professional development opportunities currently being offered—and choose those on their road to success."

And employees have a hand in creating that road by having a direct role in shaping decisions about the company's programs. One of the best examples is Booz Allen's People Strategy Survey. Every two years, Booz Allen conducts the survey, asking employees their opinions about career development, work-life balance and leadership.

The results were shared at something called People Day—a coordinated event where all Booz Allen offices present survey results and facilitate discussions with employees. As a result, five People Action Teams were created and developed to acquire new learning opportunities in five areas: work-life balance, work-life policies, effective feedback, administrative professional development and frontline leadership.

“Ideas and initiatives flow both ways at Booz Allen,” says Randy Carswell, director of marketing for the Center for Performance Learning. “Yes, initiatives come from the top down. But at Booz Allen, ideas also bubble up from the bottom. That’s one of the keys to the center’s success.”

And Booz Allen’s success is hard to deny. Consulting magazine ranked Booz Allen as one of the 10 best firms to work for in 2005, a ranking based on consultants who work for the firms. And it was ranked No. 72 on Fortune magazine’s 2005 “100 Best Companies to Work For” list. In addition, more than 80 percent of the firm’s work is repeat business.

One Firm Evolution

Booz Allen Hamilton is two types of businesses. It provides strategic and management consulting to private-sector corporations; it also provides technical consulting to the public sector, where the U.S. government is its primary contact.

This year, Booz Allen Hamilton embarked on a major change initiative called “One Firm Evolution.” The goal is to combine the two aspects to go to market as one firm. “We’re really looking for the Center for Performance Excellence to be the catalyst for that change,” George-Leary says.

“We’re in the process of combining the two aspects of our business into one, and we’re targeting training that spans across both aspects of the business. We need to equip our staff to work seamlessly regardless of the business market.”

One Firm Evolution will also transform the new employee orientation program across the business, and replace the existing ones with one firm-wide immersion and orientation program called “Discover Booz Allen.”

“Last year, we really focused on immersion and the idea that we were one firm and the importance of bringing everyone together,” George-Leary says. “As a result, we launched the Culture and Immersion Team to provide maximum service to new hires.”

In 2005, the firm hired more than 4,000 people. At Booz Allen, orientation begins during the recruiting process. Candidates receive information on the company’s culture, benefits and firm capabilities. New employees begin formal orientation on their first day of employment, and within the first month of employment, they attend an immersion program specific to their business sector.

“This is very targeted and really focuses on job-specific readiness,” George-Leary says. “We also share with them some of our client successes. It’s very important that new hires feel connected to Booz Allen from the start.”

The new hire program provides information on core values, competencies, procedures, standards and resources; it also prepares employees for client engagements with an introduction to Booz Allen’s consulting tools and methodologies.

With the baby boomers nearing retirement, Booz Allen has ratcheted up its leadership development initiatives.

A New Generation of Leaders

New leaders participate in a one-year immersion process on two fronts: The Peer Sponsor

program aimed at newly hired executives and senior associates to assist in their acclimation and new role; and the Executive Action Learning program, which consists of small learning teams that meet for six months. Participants work one-on-one with an executive coach in between learning sessions.

"We've evolved our leadership development to a more blended approach where we still focus on the formal training, but now we're supplementing it a lot more with smaller group activities," George-Leary says. "We've tried to break it down where leaders learn from other leaders through leadership circles and mentoring circles."

Those circles bring partners together in small groups under the guidance of a senior partner. They discuss and strategize individual development together to help each other advance, and the response has been very positive, George-Leary says.

Meanwhile, Booz Allen offers another outlet for leaders. Leaders can select community activities, such as board memberships, mapped directly to leadership competencies. This allows Booz Allen leaders to build skills and contribute to the community, George-Leary says.

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