The Incredible Shrinking Tenure

by Paul Pompeo

Churn, baby, churn: Employee tenure is shorter than ever, and the reasons have as much to do with employees as employers

My father was with one company for over 35 years and retired with that company. He was very proud of his long, successful tenure, as were his sons. But that was during a long-ago era that seems to have ended around the time of the new millennium.

Since then, there's been a clear and unmistakable trend in our industry toward shorter tenures. The job stay of 10 to 15 years with one company is not only getting much rarer, but for many employers it's in many ways a negative. A long tenure once conveyed stability, but to many hiring managers in today's rapidly changing business climate, a stay of 15 years with one company answers no questions about a candidate's ability to operate successfully in more than one environment. More often, it can evoke the impression of a candidate who may have difficulty with change and or may be set in his or her ways.

What are the reasons for shorter stays? Here are several:

1. ***Layoffs during the Great Recession.*** We saw more churning of the job force in the lighting arena during the "Great Recession" than we've seen during any time during my 20-plus years in executive search. While most of these layoffs were with some of the largest conglomerates and/or weaker companies in our industry, in other cases lighting professionals who may have only been with a company for a year or so and/or employees who had been hired at especially high salaries were some of the first to go in an effort to cut costs. While much of this was needed, and no doubt a lot of dead wood was cut, some companies continued to cut, perhaps overreacting in some cases. Indeed, a few very large manufacturers seemed to use layoffs as almost a cure-all, i.e., a way to placate investors when a forecast wasn't met. Also, the climate within some of these larger organizations' corporate offices sometimes got political. Layoffs and reorganizations seemed to become a tool to protect turf or were simply for the sake of reorganization itself, and, to the outside eye, had very little rhyme or reason.
2. ***New technologies.*** New lighting, LED, solar and energy-related products and technologies mean the sheer number of companies producing these products will rise. They also dictate that some will not find market acceptance, or at least not in time to please their investors. With this comes layoffs.
3. ***Start-ups and new companies funded by venture capital.*** While attending a couple of solid-state lighting product showcases over the past year, I was stunned by the number of badges of attendees that weren't the traditional "Exhibitor," "Rep," "Distributor" classifications, but were for people from venture capital firms, often from Silicon Valley. Start-ups can be attractive to lighting professionals because of the high reward aspect. Along with reward, however, comes risk, and when the capital spigot is turned off by a cautious or disappointed investor, layoffs follow.
4. ***The new mood of lighting professionals***. The seemingly endless wave of layoffs two-to-three years ago has forever changed the way employees view their employers. This has emboldened many to actively entertain better career situations. As staffers saw companies make

decisions "in the name of business" that resulted in job cuts in the blink of an eye, they decided to manage their careers more aggressively than in the past. As a result, tenure gets shorter as employees become less complacent and less trusting of employers (especially larger lighting manufacturers).

5. ***The new generation of lighting professionals***. Sometimes known as "Generation Y" or "Millennials," the new generation of workers who have come out of school in the last 10 years or so have a different set of values and perceptions than prior generations. Their bonds to one company may be weaker and their tenures tend to be shorter than those of the Baby Boomers or Generation X-ers who may have hired them. Says Sally Kane of About.com: "The fast-track has lost much of its appeal for Generation Y, who is willing to trade high pay for . . . flexible schedules and a better work/life balance. While older generations may view this attitude as narcissistic or lacking commitment, discipline and drive, Generation Y . . . professionals have a different vision of workplace expectations and prioritize family over work."

Next time we'll talk about ways in which a hiring manager or human resources professional can discern the difference between someone who truly is a job jumper and a candidate with short stays who may be of great value to an organization. Stay tuned.

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