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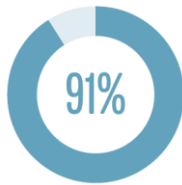
CAREER MANAGEMENT IN A
RAPIDLY TRANSFORMING WORLD:

Making it work for organisations and employees

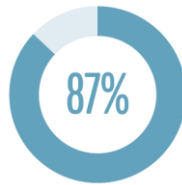


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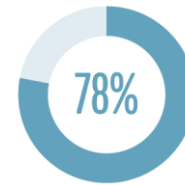
Career management - A business imperative to support talent acquisition, development and engagement



91% of high performers report that working for an employer that offers learning and development opportunities is important to them



87% of millennials say development is important in their jobs



78% of organisations who demonstrate a career-supportive culture report positive revenue growth and rank 21% ahead of organisations that do not

These statistics demonstrate why 83% of organisations expect the importance of offering career development opportunities to increase (LHH Talent Management Survey).


In response, HR leaders have worked hard to create and sell the concept of career path models and competency frameworks to their executive teams. Many have implemented these across their organisations in pursuit of the potential ROI they believe can be derived from the resulting improvements in employee engagement, retention and overall performance.

Only 23% of HR professionals agree that career management is effective in their organisation

A rapidly transforming world of work requires a different approach to career management

These statistics highlight the large discrepancy between the need for organisations to adopt effective career management strategies and the reality of what is happening in most organisations today. There are many complex reasons for the failures but the driving force behind this gap is clear; organisations are having to transform themselves and their workforce to survive in a landscape where they're buffeted by rapidly developing technology, changing demographics, and economic and political uncertainty. Effective workforce transformation requires a different approach to all aspects of talent acquisition, development and retention; career management is no exception.

In this paper, we identify five key trends which are driving the need for a different approach to career management and explore the practical steps that HR leaders can take to make sure career management is delivering the required results and benefits for both their organisation and their employees.



Trend 1: The impact of digitalization on jobs, skills and employment models


Everyone agrees that digitalization is having a profound impact on jobs, skills and careers. Some experts like MIT Professor, Erik Brynjolfsson, believe that "Millions of jobs are disappearing". Others like Professor C. Hirschi from St Gallen University, predict more jobs appearing as a result of new industries emerging.

By 2030, 375 million workers—14 % of the global workforce—may need to switch occupations due to digitization, automation, and advances in AI (McKinsey & Company).

What is not in dispute, is the impact on the workforce skills required. According to the World Economic Forum, 35% of the skills demanded for jobs across industries will change by 2020 (Closing the skills gap, WEF, 2017).

The required upskilling and reskilling of the workforce will see businesses struggling with talent scarcity especially for those new skills in high demand. Instead of fishing in the same talent pool and applying traditional employment models, organisations will need to focus on embedding creative talent sourcing and variable employment models, embracing the opportunities provided by global workforce access, as well as flexible and variable work contracts.

Focus areas for HR Leaders

- ✓ **Identify future skills.** Partner with the business early to identify emerging job skills in your business. Prioritise the most critical skills that enable transformation and future business success.
 - ✓ **Assess the current status.** Define the impact of these changes on your strategy to hire, retain and develop talent. Assess current skills and identify jobs and talent for re-skilling or transition talent with non-relevant skills.
 - ✓ **Adapt HR strategy and processes.** Adapt HR strategy and processes to address the impact created by the required changes. Ensure that HR processes and strategies follow the skills in demand, not the other way around. For example, if the skills you seek are concentrated in a different geography and possessed by a population who are looking for "gig" opportunities, ensure your talent acquisition and employment models are attractive to that population.
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Trend 2: Experiences continue to drive development

The approach to learning is changing; increasingly it's not about the jobs we have had, but about the specific experiences shaping the skills that we bring. So, how can organisations create the experiences needed to drive skills and workforce development? Not all of us are ready to apply Google's approach of allowing employees to spend 20% of their time on personal projects. But all can start by making a shift in this direction, allowing and encouraging the risks, experiments and learning needed to develop the necessary skills. For example, an organisation that we're partnering with is creating an environment where leaders can work on business challenges while acquiring the necessary experiences. This process is supported by a coach working with leaders to internalize that experience for faster learning. There should be an allowance on both sides, employer and employee to allow for risks, experiments and learning to develop the necessary skills.

Those experiences will not always come in the shape of career advancement, and sometimes will take place outside of the organisation. For millennial workers, non-linear experience-rich career moves seem natural but the majority of the current workforce is still looking at the traditional vertical promotion as the means of job advancement and recognition. The key to securing employees' buy-in for non-linear career paths is showing them how it improves their value and their employability.

Focus areas for HR Leaders

- ✓ **Prioritize specific on-the-job development programmes.** Ensure that learning and development programmes in your organisation largely consist of the specific experiences needed for development, especially for newly emerging jobs. Continuously measure the impact and effectiveness of those experiences on developing a required skill or competency.
- ✓ **Adapt the talent acquisition strategy.** Focus on strong and relevant experiences by having less of a chronological approach to interviews, e.g. focus on the experiences (including negative ones) candidates have gained and the outcomes they have achieved rather than the years in the role. Focus more on potential and less on current skills matching current requirements.
- ✓ **Enable leaders to focus on employability.** Equip your leaders with the skills to conduct career management conversations based on employability rather than the traditional way of looking at careers.

Trend 3: Increased emphasis on the individual

In spite, or almost because of, the escalation of automation and the digital shift we're experiencing, having the spotlight on individuals with their unique personalities, skills and aspirations is becoming more important. Dennis Pennel in his recent book goes as far as calling this development "ego revolution at work". So how many organisations have really managed to embed the attention to the individual into their culture? In my experience, it's very few. Putting individuals at the core of the organisation can be a simple principle, but one that is very hard to live by when client demands, targets and tight deadlines can easily take precedence.

Focus areas for HR Leaders

- ✓ **Identify the drivers of employee engagement.** Review the employee engagement survey results, exit interviews and Glassdoor comments to identify the priority areas which could positively impact the engagement of talent in your business.
- ✓ **Embed the attention to individuals into everyday work.** Start with simple and achievable targets, like ensuring leaders have a 30-minute monthly discussion focused on motivation and development with their teams.
- ✓ **Bring in tools to support behaviour change.** Provide both leaders and employees with the training and tools they need such as career focused assessments.
- ✓ **Anchor the changes.** Measure the positive shifts in behaviour and performance as a result of this focus on the individual. Communicate positive changes and scale the effort.

Trend 4: Employees, employers and governments investing in employability

Historically, employers have valued academic qualifications above experience, particularly for entry-level leadership roles. Nowadays the conversion rate of expensive academic programmes into great jobs is in decline, and varied life and work experiences are rising in importance. In addition, traits like curiosity, agility, passion and purpose, are not just defining the high potential pool, but largely determining the employability of the workforce.

Successful companies are finding ways to address their business needs by reshaping their workforce in a way that also fosters career and development agility, thus employability. Some governments are also joining the employability drive; the Dutch government has introduced a financial incentive for organisations to invest in the employability of their staff. France is currently looking at introducing a government-funded individual "learning account". The UK has introduced financial incentives for organisations to support skill development with the apprenticeship levy, and the EU have provided similar guidance for their member countries to implement.

Focus areas for HR Leaders

- ✓ **Adapt career paths.** Review career paths and define transferrable experiences which can come from vertical and lateral moves across different functions and roles. Identify universal transferrable skills between career paths.
- ✓ **Invest in programmes to drive employability.** Identify short and long-term employability interventions and programmes which will be beneficial both for your workforce and the organisation.
- ✓ **Partner with governments and institutions.** Get acquainted and partner with relevant local government bodies and institutions that can help accelerate employability efforts in your organisation.

Trend 5: The role of leaders in career management continues to increase

Historically employees have tended to be the main instigator of career and development conversations. While employee's initiative remains important, especially with the growth of the gig economy, the accelerated speed of organisational change and the high stakes nature of having the right people with the right skills in the right roles means leaders must now play a more proactive role in career management. Leaders need to project the talent requirements for their business and actively engage and help their teams to navigate their career in the organisation and beyond.

57% of organisations report that managers aren't conducting regular career conversations.

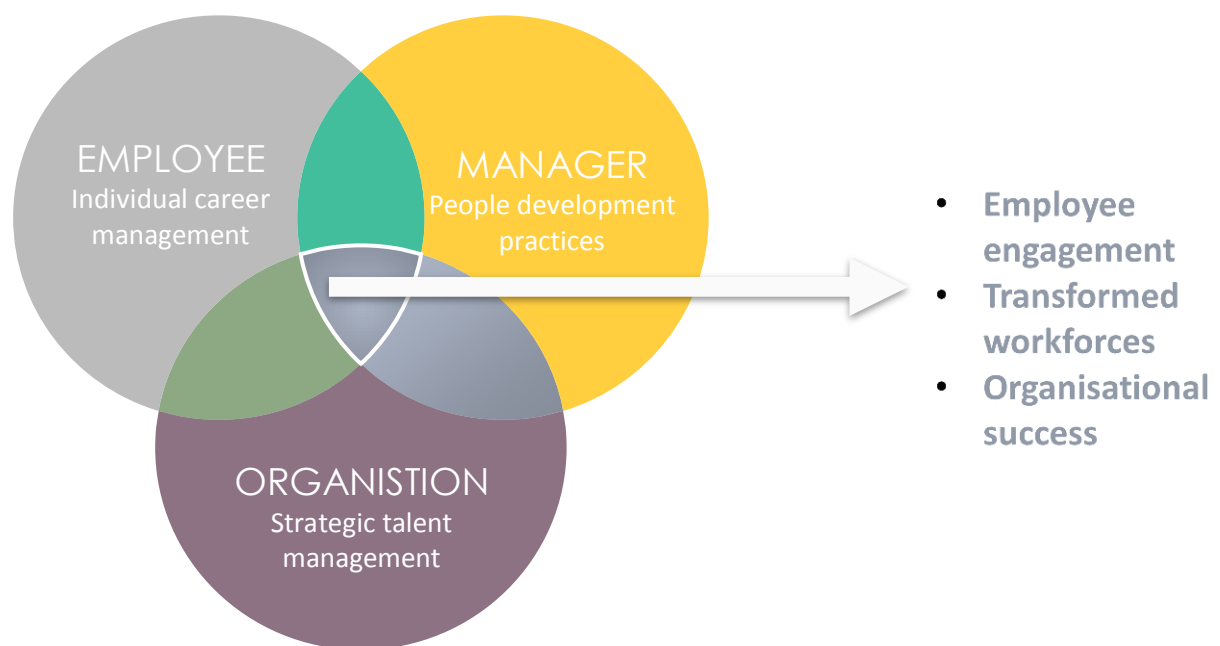
Telling leaders to do so by communicating HR processes is not going to increase the number. Helping leaders to keep it simple, start small and measure the progress is essential.

Focus areas for HR Leaders

- ✓ **Review processes to support career development.** Ensure talent and performance management processes are simple enough and support training so that it empowers managers to conduct impactful career conversations. Encourage continuous on-the-job coaching.
- ✓ **Enable leaders and employees to navigate career choices.** Ensure leaders and employees have access to a pool of mentors, internal and external networks, assessment tools and training to help them navigate organisation-wide careers.
- ✓ **Coach executive team members to act as role models.** Work with your executive teams so that they encourage, role-model and reward leaders who prioritize the career development of their teams.

The time for transforming career management is now

It's clear there is a real need for organisations to reframe and transform career management. By adopting the principles outlined in this paper, organisations can take the first steps in creating and developing career management strategies that work for employees, managers and organisations. The result? Engaged employees, transformed workforces and successful organisations fit for the future.



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