

Fulfilling Careers Instead Of Filling Jobs

How Successful Companies Are Winning
The Competition For Talent In The Human Age



Business & Talent. Aligned.®

OVERVIEW

Challenge

Companies today are hungry for talent. But what is talent hungry for? Increasingly, individuals with in-demand skills are rejecting traditional corporate pathways in favor of **managing their own careers on their own terms**. Although still drawn to good employer brands, top talent is not looking to a company to provide a “job for life” but rather a **“career for me.”** That is, how do my interests align with the organization’s goals and how can we work together to meet those shared objectives while deepening and broadening my skills and capabilities?

Right Management’s View

Careers used to be defined primarily within an organizational context. Today, career is seen more from a personal standpoint, as an individual’s journey to deepen and broaden his or her skills and capabilities. **An employer can participate in, influence, and gain value from this journey but cannot control it.**

Unless organizations recognize this new reality and are willing, prepared, and structured to prioritize career development for employees, they will find it difficult to attract and retain the talent they need to succeed.

Impact

In today’s dynamic market, **optimizing human potential** is the most critical determinant of future business success and growth. Individuals who take responsibility for managing their careers create value for themselves and the companies that employ them. Companies that embed career development into their people management systems significantly increase employee engagement and satisfaction, which translates to:

- **Higher revenue — 29% higher on average**
- **Greater customer loyalty**
- **Increased retention of key talent**
- **Reduced talent acquisition costs**

BOTTOM LINE: IN TODAY’S HUMAN AGE, THE ORGANIZATION SUCCEEDS BY HELPING THE INDIVIDUAL SUCCEED.



Why the right talent strategies matter, now more than ever

In the Human Age, talent has replaced capital as the competitive differentiator, but skilled employees are harder than ever to find. In a 2015 global survey, **38% of employers reported difficulty in filling key job openings** – the highest number since the recession began in 2008.¹ More than half of employers said talent shortages were impacting their ability to serve client needs.²

Employers are experiencing pressure on organizational talent strategies due to several factors:

1

Global talent mismatch Older, experienced workers are aging out of the workforce at an accelerating pace while many younger generation workers, although large in number, are under-skilled and unprepared to take their place. As a result, employers need strategic approaches to fill high-priority positions and accelerated developmental programs to support employees with widely varying skill levels and career expectations.

2

Multi-generational diversity Today's workforce is comprised by several distinct groups – most notably Baby Boomers, Generation X, Millennials, and soon, Generation Z – each with its own working style, communication preferences, and career expectations. This diversity requires a one-size-fits-one approach to talent management with customized approaches to learning, career development, scheduling, and other workplace issues in order to optimize workers' engagement and productivity.

Winning in the Human Age

The Stone Age. The Bronze Age. The Industrial Revolution. The Information Age. Previous eras were defined first by the raw materials that transformed them and later by domains conquered with ever-improving technology. Today, it is human potential itself that is the global driving force economically, politically and socially.

The Human Age signifies a new reality for business – one in which the ability to optimize human potential is the single most important determinant of organizational success and growth. Talent, not capital, is the meaningful economic differentiator and those with high-demand skills will be the scarcest “natural resource” in the years ahead. To ensure their companies are premier talent destinations, forward-thinking HR leaders are rethinking their workforce strategies to gain a competitive advantage in sourcing, managing, and developing talent.

3

Technological innovation The rapid advance of digital and collaborative technologies is creating a connected, borderless workplace in which traditional roles and ways of doing business are becoming obsolete. In this increasingly transparent and fluid labor market, individuals have far greater autonomy and control over their careers. Employers have to work harder than ever to attract, engage and maintain highly skilled individuals who have more employment options – literally at their fingertips – than ever before.

4

Faster innovation and skills cycles The dynamic nature of business today is driving the need for a more agile and flexible workforce with skills that can be scaled as competition and market forces demand.

5

Socialization, virtualization and dispersion of the workforce

Organizations have more ways than ever to manage how, when and where work gets done. They need workers who are comfortable with flatter organizational structures, have the skills to move up, down, and laterally as business dictates, and can function well in collaborative and transparent organizations in which communication is paramount and power flows in non-traditional ways.



Mara Swan,

Executive Vice President
Global Strategy and Talent, ManpowerGroup

“In the Human Age, individuals rightly view their ideas, skills, experiences and social networks as contributing to their value — to successfully attract and retain top talent, organizations will have to help individuals increase their value, or they will go elsewhere.”



From “job for life” to “career for me”



In the past, workers were more than willing to trade autonomy for job stability. Staying with one company for life and building skills while progressing through the ranks was the dream – capped off with the proverbial gold watch after 50 years of loyal service. Then came the economic uncertainties of the 1980s, followed by three decades of corporate downsizing and salary/benefits erosion. Employees felt a rising sense of expendability and, not surprisingly, loyalty levels declined.

Today, the career mindset for those with in-demand job skills has taken a 180 degree turn from the “job for life” days. **The focus is on a “career for me.”** Talented individuals still aspire to work for strong employer brands as previous generations did, but look for employment security within themselves, not the organization. In fact, 47 percent of respondents in a recent Right Management survey said they expect to work at two to five companies during their careers. Another 20 percent indicated six to nine organizations.³

They will move, and move again, not only for more money and improved work/life balance, but also for growth and advancement opportunities that enable them to increase their value to future employers.

In the Human Age, a career is viewed as an ongoing journey to develop new capabilities and experiences regardless of company affiliation. **The individual contributes to the company but measures career success in ways that are decoupled from organizational outcomes.** This brings a greater sense of personal security, knowing that one’s skills will retain value in the job market, no matter what the future holds for the company.

It’s critical for organizations to recognize the new reality of “career for me” and make the shift – strategically and operationally – from **being job providers to being career enablers.** This commitment has to go beyond mission statements and hiring promises. To attract and retain the talent they need to succeed, companies must abandon the hierarchical and often paternalistic people management structures of the past. They need to **redefine their relationship with employees as a mutually beneficial partnership** and build a culture that encourages personal and professional growth.

Not your mother's or THE EVOLUTION IN

YESTERDAY



The **organization** controlled their career



Your Resume Mattered - the historical document of past performance was the **key evaluation tool for new hires**



Employees **climbed career ladders** — time served, “be patient and wait your turn”



Effort was measured by long hours — first in and last to leave, presenteeism, coat on back of chair

Focus of career development

was driven by organizational needs



#1 Core competency

mastery of a single skill or task



Most prized...

experience and reliability



How was progress measured? By gains in responsibilities, salary, titles



What was rewarded/encouraged? Increasing skill specialization; narrowing of focus; value to the company

Managers

- » **Ability to manage** was the most critical leadership skill
- » Their role... **Retention of employees**, no matter what
- » **How did they relate to direct reports...** Periodic performance evaluations – one size fits all; reactive corrections to ensure fit to mold

your father's career:

CAREER MANAGEMENT

TODAY

In The Human Age



The **individual** controls their career



Aptitude and skills assessments; evaluating potential and organizational fit **are the key evaluation tools for new hires**



Employees **advance on a career lattice** — challenging projects and promotions given to those who demonstrate faster time to value



Effort is measured by outcomes and results, independent of time spent



Focus of career development



The intersection of individual needs/goals with the needs of the organization — they have to benefit both

#1 Core competency



Ability to learn and develop new capabilities

Most prized...



Ability to contribute, regardless of age, experience; faster time to value (agility)



How is progress measured? Employee sets their own agenda and collaborates with employer to develop meaningful metrics



What is rewarded/encouraged? Continuous gains in breadth and depth of skills; flexibility/agility; relevance to the market, not just the employer

Managers

- » **Collaboration** is the most critical leadership skill
- » Their role... Encourage growth and **coach talented employees**
- » **How do they relate to direct reports...** Ongoing, personal career discussions – one size fits one; proactive guidance to encourage systemic growth



How to embed career development into your culture

To attract and engage the best and **brightest talent**, an essential factor for organizational success is to create a culture that encourages individual career development. While meaningful work connects employees to an organization, **empowering them to manage their own future fosters deep engagement.**

How can the organization create such a culture? It's more than just making training programs available to employees. The **career development philosophy affects every aspect of the workplace**, from who is hired to how they are developed and managed.

Hiring practices

With such keen competition for talent **one-third of employers are having difficulty filling key positions**, it's critical for organizations to re-think their hiring strategies and employment brand. **Demonstrating that the organization is committed to investing in careers** can be a powerful way to position the organization as a talent destination and attract people with the right skills and aptitudes for growth.



CASE STUDY

Developing careers and engagement – from headquarters to the field



In designing a career development program for a leading utilities company, Right Management created separate delivery streams to meet the unique needs of office-based employees as well as those working in power stations in the field.

- Engagement scores rose by **40%** for one business unit within two years
- Engagement scores, overall, improved by **46%** – vaulting the company into the “Best Employer Zone”

People management practices

With **two-thirds of individual performance drivers tied to career conversations⁴**, it's clear that the number one thing employers can do to engage talent and improve performance is take a bolder, more proactive approach to creating and facilitating career journeys.

Enable Employees

Help employees manage their own careers in ways that increase their engagement and drive value for the organization

Career Conversations

Train managers how to have meaningful career conversations with employees and make it a requirement

Individual Career Maps

Create individual career advancement plans for key talent based on the alignment between the organization's strategic goals and the employee's career aspirations

Peer to Peer Coaching

Engage everyone in the shared goal of career development using tools such as peer to peer coaching

ARE YOU PREPARED FOR THE SHIFT TO “CAREER FOR ME”?

Career development is the top driver of employee engagement, retention, and productivity. These questions can help your organization evaluate its readiness to create and sustain a culture that will nurture talent focused on a “career for me.”

- What are the assumptions behind our current talent management practices? Are they still relevant to the diversity of our workforce and our goals?
- What new practices will we need in order to attract, develop and retain the talent?
- Are our managers prepared to have career conversation with team members, and help them develop career plans?
- Are we providing learning opportunities for all employees to accelerate growth at all skill levels?
- Are we building a workplace culture of trust, transparency, and opportunity so that our company becomes a talent destination?

What is talent hungry for?

Employees need access to learning and development opportunities and encouragement to develop new skills and behaviors that build on their experiences. Organizations **benefit from the improved engagement and increased productivity** that follows when employees are equipped to take on new challenges and opportunities.



CASE STUDY

Instead of buying talent, build it



Right Management helped a global hotel chain redesign its talent management structure to focus more attention and resources on career development, including the creation of latticed career paths and self-directed career growth.

- **Improved retention** of high performers
- **32%** of all vacancies are now filled in-house
- **33%** of staff cite potential for career growth as reason to stay

+ Higher engagement, higher revenue, greater success

In the **Human Age**, the organization succeeds by helping the individual succeed. Studies show companies that **focus on career and development** will significantly increase employee engagement and satisfaction, which translates to:

- Higher revenue — 29% higher on average⁵
- Increased likelihood of above-average profits⁶
- Greater customer loyalty
- Increased retention of key talent
- Reduced talent acquisition costs by increasing ability to promote from within

Right Management believes that **improving employee engagement forms the foundation for greater competitiveness**. It requires businesses to recognize talent as the currency of the Human Age and create agility in the development, management and deployment of a talent strategy throughout the organization. In this way, organizations can partner with each employee to gauge the full scope of their knowledge, skills, abilities, experiences, training and interests and then **define a career that drives value for both the organization and the individual**.

¹ 2015 Talent Shortage Survey, Manpower Group

³ 2014 Career Aspirations Study, Right Management

⁵ Australia Employee Engagement Study, 2012

² 2015 Talent Shortage Survey, Manpower Group

⁴ Australia Career Study, 2012

⁶ Australia Employee Engagement Study, 2012

About Right Management


Right Management is the global career and talent development expert within ManpowerGroup®. We help organizations become more agile, attractive and innovative by creating a culture of career management and learning that nurtures future talent, motivates and engages people, and provides individuals with opportunities to increase their value throughout their careers. We improve time to value through our expertise in organizational effectiveness, career management and individual development. Our approach is centered on the fact that organizations thrive when individuals are successful in their careers. We've spent the last 35+ years identifying workforce challenges and developing innovative solutions, enabling our globally informed methods to be time-tested across more than 50 countries.



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