CAREER PATHS

Charting Courses to Success for
Organizations and Their Employees

GARY W. CARTER, KEVIN W. COOK, and DAVID W. DORSEY

WILEY-BLACKWELL

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Praise for *Career Paths*

"I like how Carter, Cook, and Dorsey have balanced the perspective and needs of the employee with the needs of the organization. They've provided a practical toolkit for practitioners, rooted in a strong conceptual model. I have looked at other sources on career paths in organizations, but this is the book I'd actually use to design a system."

Steven D. Ashworth, Ph.D, Manager – Human Resource Research & Analysis, Sempra Energy Utilities

"*Career Paths* is a straight-forward guide to strategic talent management, illustrating how to integrate recruitment/selection with training/development. It is highly recommended to human resource and employee development professionals who want to optimize their use of human resources."

Paul E. Spector, University of South Florida

"If you are, like me, a consultant who helps organizations develop and utilize their talent toward maximum performance; or a business leader trying to build a world-class organization with limited financial resources; or a Human Resources manager whose Generation Y employees are anxious to get ahead—you need to read this book. It clearly defines the 'why' and 'how' of using career path models as the foundation for a comprehensive talent management process. The ideas and methods defined in this book will help organizational leaders provide the structure to support employees' ambitions and will help employees understand exactly what they need to do to successfully manage their own careers. I am adding this book to my professional reference library."

Gena Cox, PhD, Managing Consultant, Human Capital Resource Center

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Career Paths

Charting Courses to Success for Organizations and Their Employees

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To Robin, William, Matthew and Evan. GWC
To Ann, Jason and Lindsay. KWC
To Diana and Emily. DWD

Series Editor's Preface

The *Talent Management Essentials* series presents state-of-the-art thinking on critical talent management topics ranging from global staffing, to career pathing, to engagement, to executive staffing, to performance management, to mentoring, to real-time leadership development. Authored by leading authorities and scholars on their respective topics, each volume offers state-of-the-art thinking and the epitome of evidence-based practice. These authors bring to their books an incredible wealth of experience working with small, large, public, and private organizations, as well as keen insights into the science and best practices associated with talent management.

Written succinctly and without superfluous "fluff," this series provides powerful and practical treatments of essential talent topics critical to maximizing individual and organizational health, well-being, and effectiveness. The books, taken together, provide a comprehensive and contemporary treatment of approaches, tools, and techniques associated with Talent Management. The goal of the series is to produce focused, prescriptive volumes that translate the data- and practice-based knowledge of organizational psychology, human resources management, and organizational behavior into practical, "how to" advice for dealing with cutting-edge organizational issues and problems.

Talent Management Essentials is a comprehensive, practitioner-oriented series of "best practices" for the busy solution-oriented manager, executive, HR leader, and consultant. And, in its application of evidence-based practice, this series will also appeal to professors, executive MBA students, and graduate students in Organizational Behavior, Human Resources Management, and I/O Psychology.

About the Series Editor

Steven G. Rogelberg Ph.D., is Professor and Director of Organizational Science a the University of North Carolina Charlotte. He is a prolific and nationally recognized scholar. Besides academic journals, his work has been featured in many popular press outlets (e.g., NPR, CBS News, *Chicago Tribune, LA Times, Wall Street Journal*). He is the current Editor of *Journal of Business and Psychology*. Besides his academic work, he founded and/or led three successful talent management consulting organizations/units.

Preface

The world has changed drastically, and these changes have had a profound impact on careers. Global competition, outsourcing, off-shoring, mergers, and acquisitions have impacted the employment relationship in fundamental ways, and societal and cultural changes have resulted in complex and highly varied career patterns.

Career paths have become increasingly varied, fluid, and emergent as people make career decisions within a highly dynamic organizational, societal, and global economic milieu. However, while career paths are increasingly complex and dynamic, they are by no means random, but rather can be understood and influenced. Indeed, this book demonstrates that in today's world, individuals and organizations *must* focus on career paths if they are to achieve their goals and maximize their success.

- Employees must assume increasing levels of responsibility for managing their careers, and organizations must offer meaningful career paths and flexible and alternative work arrangements to retain valued employees.
- The increasing need for an agile and ready workforce makes it important to attend more closely to the movement – and potential movement – of individuals within and among organizations and to the factors that make people suitable for jobs in diverse settings.
- It has become imperative for organizations to understand the capabilities of employees so that they can be optimally deployed, and to actively work with individuals to build their capabilities as they move through a series of roles.

The factors that have so dramatically changed career paths are the same factors that have made it imperative to focus on them. The well-worn paths of yesterday were easy

to follow. In today's world, you must chart your course to success.

In this book, we demonstrate that career paths are the centerpiece of effective talent management systems, and highly useful mechanisms for realizing organizations' strategic human capital visions in today's world. We illustrate how career paths can be used to bring together individual career development, education and training, recruitment, hiring, retention, workforce planning, and succession management in a manner that ensures that individual and organizational needs and goals are met, and that enhances the potential of individuals and their effectiveness within organizations.

We also show, step by step, how to construct career paths, how to integrate career paths into a variety of human capital tools and processes, and how to use those paths to maximize individual and organizational potential. Practical advice and examples are provided throughout the book. We translate principles and concepts into concrete and practical career path development and implementation steps that business leaders, human resource professionals, industry representatives, educators, and training and development professionals can apply to maximize the success of individual employees, organizations, and industries.

Acknowledgments

Chapter 1

Introduction

Everyone who participates in the world of work – including both paid and volunteer work – has a career path. In its simplest form, a career path is the sequence of work positions or roles that a person holds over the span of a lifetime.[1] Career paths can take as many different forms as there are people. They can be planned or unplanned. They can include a small number of positions or many positions. They can include upward, lateral, and downward moves (as defined by pay or status). They can be within a single organization (which is increasingly uncommon) or they can span several different organizations. They can be within a single industry or career field or they can span several related or unrelated industries or career fields.

Over the past three decades, career paths have become more varied and emergent as people make career decisions within an increasingly dynamic organizational, societal, and global economic environment. While individuals' career paths have always evolved over the course of their careers, the specific job movements of individuals have become more difficult to anticipate as the work environment has become increasingly complex and dynamic. This has led some to the conclusion that examining or specifying career paths is a futile exercise in today's world. This conclusion is dead wrong. In today's dynamic and complex economy, it is critical for the employees of your organization to have flexible career plans, to understand the factors – including the portfolios of skills – that will impact whether they achieve their career goals, and to pursue career

development opportunities within your organization to make their dreams a reality. And, in the face of increasing global competition and increasing competition for top talent, it is more important than ever for your organization to understand and influence the increasingly complex and dynamic patterns of movement of people within and across organizations.

While most organizations focus a lot of attention on placing people into jobs to maximize organizational effectiveness (through employee selection, promotion, etc.), until very recently they tended to focus on the career paths of only a small number of "high potential" employees. (Fortunately, this situation is starting to change and recently we have seen a substantial increase in interest among leading organizations in the construction of career paths and their implementation as part of talent management systems.) A lack of focus on career paths is a serious mistake that results in significant missed opportunities for organizations and employees. In today's highly competitive world, organizations must focus on career paths if they are to succeed.

Consider the following questions:

1. I am a software engineer with 11 years' experience. I have Bachelors and Masters degrees in engineering. Will an M.B.A. benefit me at age 37?

2. The top candidates we recruit for our technical jobs keep asking what they can expect their career trajectory to be like five or ten years out. I know the outlook is bright, but I can't predict the specifics ten weeks out, let alone ten years out. What can we tell them?

3. Our company seems to be losing about 20% of our sales force just as they hit the two-year tenure mark. What is going on?

4. Some of our most talented employees are in the Non-agency Loan Securitization Division, but our business in

that area has been decimated. Is there another place in our organization where we can utilize their skills?

Examining career paths will provide valuable information useful in answering these and many other questions that have important and direct implications for the success of your organization.

What Are Career Paths?

As noted earlier, in its simplest form a career path is the sequence of work positions or roles that a person holds over the span of a lifetime. However, a fully developed career path should include much more than a list of positions or roles, and when building career paths you should consider much more than which positions to include and in what order. While the specific content should be driven by the objectives of the organization (business, government agency, industry association, educational institution) for which they are being developed, career paths typically include five fundamental components:

1. A sequential list of positions or roles. These are typically displayed in a diagram, making it easy to visualize each position or role as a node in a path. Frequently, the sequence of positions is shown in a "boxes and arrows" format, but a variety of visual formats can be used. Typically, a brief description of each position or role is also provided.

2. Qualifications (education, training, experience, licensure, and certification requirements) required or recommended at each node or each career stage.

3. Critical developmental experiences associated with each node or each career stage along the path. These may include, for example, formal training courses or specific stretch assignments that prepare a person for the next node, and on-the-job experiences.

4. Information about the competencies that are accrued, strengthened, or required at each node, at each career stage, or through each critical developmental experience (CDE). Different competencies are important at different career stages, and different levels of the same competency are required at different career stages.

5. Information about the sponsoring organization's perspective on, and management of, career success factors that are viewed as being of key importance. This may include, for example, the importance of depth versus breadth of expertise to career success, the importance of international assignments, the level of mobility that is desirable for the individual in a specific career and for the organization, and the type and patterns of movement that tend to lead to long-term career success (e.g., whether horizontal moves tend to lead to more promotion opportunities in the long run). This information – in terms of both content and presentation – is highly variable across organizations. While it is desirable to address it explicitly, it is frequently implicit in the paths that are constructed.

Why Is It Important to Focus on Career Paths?

1. There is intense global competition in nearly every industry. Mergers and acquisitions have become increasingly common, and outsourcing and off-shoring are becoming more and more prevalent. As a result, the nature of the implicit employment contract has changed. Employees can no longer assume that their employer will have a place for them for many years, and organizations likewise cannot rely on a sense of loyalty to retain employees. Consequently, employees must assume increasing levels of responsibility for managing their careers, and organizations must offer meaningful career paths to retain talented employees.

2. With the changes in the economy, in organizations, and in the implicit employment contract, it has become increasingly important from individual, organizational, industry, and societal perspectives to have an agile, flexible, and mobile workforce that can thrive in a variety of situations, and that can be deployed to meet a variety of organizational needs. Thus, it is important to attend more closely to the movement – and