



THE PITFALLS OF INTERNAL CAREER SYSTEMS AND THE INSIGHTS TO AVOID THEM

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DISAPPOINTMENT WITH INTERNAL CAREER SYSTEMS

Internal career mobility and career pathing are supposed to be winners for all involved - the proverbial slam dunk. Organisations are able to promote or internally recruit people that they know well, mitigating risk and saving recruiting costs. Employees that desire or require different job experiences or need a change in role for other reasons have a means to do so in an environment that they are familiar with - and keep their treasured service time to boot!

Virtually all employee survey providers indicate that satisfaction with career opportunities is a key driver of engagement and most studies of succession indicate that, in general, internal promotion is more successful than external hiring. While it's true that every internal move creates a vacancy somewhere (hopefully in lower level roles), internal mobility should still trump a system that depends on heavy external recruiting at all levels.

Given the win-win of internal mobility, many organisations make valiant attempts to strengthen their mobility muscle. But it doesn't seem to be working. Surveys indicate that satisfaction with career opportunities hasn't improved. And leaders continually cite chronic skills shortages and anxiety about where the talent for the future will come from as key challenges. For medium to large organisations that have the scale to design internal mobility systems with appropriate training and learning support, this shouldn't be a problem.

WHAT'S GOING ON HERE AND WHAT CAN WE DO ABOUT IT?

We have found that organisations appear to be pursuing well-intended but ineffectual career interventions that are one size fits all and fail to account for the complexity of structures in the "demand" side of the supply/demand equation of career mobility. Like many HR initiatives around engagement, rewards, and work/life balance, earnest efforts are made but plans sit on the shelf, tools are unused, and very little changes. We're stuck.

HORSES FOR COURSES

At Maximus we are working with clients to get unstuck with a model to help understand the context for internal career moves on a spectrum from relatively closed systems to relatively open systems. Closed systems are what you picture when you think of traditional structures – defined job families in a clear hierarchy. Open systems are what firms aspire to when they describe moves across disciplines, moves across locations, and even backwards or lateral moves adding up to a sensible career path.

CLOSED AND OPEN SYSTEMS

The primary dimensions that distinguish open and closed career systems are the porousness and stability of the systems. Porousness is the actual level of flow in and out of the job families and depends on whether the skills required are prohibitively specific and difficult to acquire. Stability relates to how often the roles and structures are re-organised. The impact of these dimensions is profound and largely underestimated.

The good news? Solutions that account for the differences in closed and open systems tend to get more traction. The bad news? Virtually every organisation is a combination of variously closed and open systems and therefore multiple solutions are required.

In closed systems, paths are structured and stable. We see that career systems built with the rigorous use of the tools of HR - job analysis, competency models, and skills/experiences matrices, can add significant value. In these cases, the approach has been right but the implementation is wrong. Many of the programs created to support careers in closed systems are built with good HR tools but fail due to HR speak. Too much reading required. Too much jargon. Too many tables. It all looks scary. The trick with closed system career tools is to make it engaging and capture the interest of an employee to do the things required to take a step up. For example, Maximus is working with a retail client to develop graphically engaging tools that equip boutique specialists to understand what it takes to progress up the retail management ladder and to develop toward the desirable boutique manager position.

THE ALTERNATIVE

On the other end of the spectrum, we see organisations or large components of organisations where the traditional career solutions don't work well. The potential moves in the organisation are too numerous. The factors that guide moves too many. On this end, we are designing what we call "market-based" solutions. These solutions provide employees and managers - the buyers and sellers of talent within a company - with the components of a good market including quality information, thick participation and fair rules of engagement. For example, a media organisation we are working with is exploring a suite of simple solutions that will enable employees to casually, confidently, and confidentially get the information they need to explore a variety of internal career moves. Employees may get additional career counselling from objective outsiders and opportunities to shadow employees in teams they are interested in learning more about. Teams that are growing and need talent will be given opportunities to show their wares and increase interest through speaker sessions and informal mixers with team members.

The ultimate old-fashioned revival of the market-based approach is the career fair. The trick with open system career tools is to get people talking to each other. Why not simply do it all online? Our recent work suggests that people do in fact have a strong desire to do their shopping within their company in person - the information is simply richer.

Whichever solutions are created, these interventions reflect an internal version of LinkedIn's mission: To connect the world's professionals to make them more productive and successful. When you join LinkedIn, you get access to people, jobs, news, updates, and insights that help you to be great at what you do. Perhaps well designed career systems that take account of differences in the nature of roles can help capture a bit of the magic of LinkedIn's powerful mission within the four walls of your company.

ABOUT MAXIMUS INTERNATIONAL

We are for leaders with ambitious agendas. We exist to move minds, transform businesses, and leave a legacy of proven value. For over 15 years we have worked with a variety of organisations which give us insights into approaches to employee development and organisational structures in which employees are developed.

ABOUT THE AUTHOR

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Ryan Dixon is a Principal Consultant at Maximus International. He has 15 years' experience working with a range of top-tier client across sectors, both nationally and internationally. At Maximus, Ryan works with a number of leading Australian firms. Prior to joining Maximus, Ryan helped launch the organisational effectiveness consulting practice at Hay Group in the United States. He then joined the Hay Group business in Australia to expand the business solutions practice. Holding a Master of Business Administration from Yale and a Bachelor of Science in Management, Ryan advises clients on a range of issues including organisation design and change, talent management, leadership development, employee engagement and motivation, and remuneration program design.



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