Influencing Employee Retention & Growth through Career Programs

Organisations that consistently perform well are continually seeking ways to increase value from their human assets – the people employed. They see these assets as a source of sustaining competitive advantage and optimising business performance. Executives view human capital as being of critical economic value.

But this human capital has a price on the labour market. Staff may leave and transfer their value to another employer, often a competitor. Those who stay contribute added value only to the degree of their willingness i.e. their level of engagement, to perform and deliver desired business goals. Both those who are contemplating resigning and those who are not will provide this added value only when each individual’s intrinsic motivating factors are met or on the way to being met. Intrinsic motivation is the psychological reward employees derive directly from the work itself. Extrinsic factors such as pay, benefits, status, bonuses, commissions, pension plans, expense budgets and so on can only go so far in providing motivation.

The psychological contract of intrinsic motivating factors is a key to an explanation when an employer seeks to find out why desired standards of efficiency are not being met and/ or people are resigning in disturbing numbers. Frequently the answer can be found in employees’ attitudes towards the degree of support that each perceives is being provided for the enrichment of their personal career satisfiers. Career satisfiers have considerable power to influence levels of employee engagement and their intention to stay employed with the organisation.

It is not sufficient to achieve return on the investment (ROI) to have a career development program in place unless it is focused on satisfying the intrinsic motivating factors of staff. These factors can differ from one person to another and from one occupational group to another.

Career Development Defined

Career development as an HR intervention program is not about promoting linear career progression upwards through a layered hierarchy of increasing responsibilities, financial rewards and more time spent at work. It is about helping employees to become change resilient, more secure in themselves and their future as the organisation adjusts to changing market situations. It is about increasing employability that broadens the range of potential job roles open to the individual and extends the value of their staying with this employer.
When employees feel more secure about managing their own careers, they cooperate and contribute better to the needs of their work unit. Career planning undertaken by employees is the management of surprise, i.e. their readiness to adjust to often rapid and unexpected organisational circumstances. Educating employees in career development can serve as the foundation of change management initiatives. Without it an initiative may founder.

Career development educates employees how to manage change by helping them to be more adaptable to unforeseen events that happen in their worklife. It moves employees towards self-help actions on their skills, knowledge and behavioural growth, providing they also meet the employer’s wants. It reflects the current transactional relationship between employer and employee.

Career development is about regarding employees as an investment whose value can be enhanced, not considering them only as a cost. Competitiveness in today’s economy depends on leveraging knowledge assets. An organisation’s people define its character, affect its capacity to perform and represent the knowledge base of the enterprise. Empowerment of employees in their own career development can often reveal talent previously hidden and allow it to blossom and flourish to the benefit of all.

The current generation of employees has a wider range of choices, now that a framework has evolved for many new ways of working. Career ladders and job titles are being replaced by options to develop competencies by planned moves – both lateral and vertical, or even downshifting – through a succession of work roles and participation in multi-task teams. Career change can occur where employees currently work and not, as in the past, only by moving to someone else’s employ. In fact, this wide range of career direction choices is often the source of much individual confusion.

Managerial skill demands are also changing. Employers need managers who are better at persuading than giving orders, who know how to career coach and build consensus, who add value by negotiating job assignments with people, not presiding over ‘parishes of power’ by directing who goes where without consultation.

What Works, What Doesn’t

Packaged approaches to career development programs rarely work. Each program has to be tailored to suit the nature of the employment environment and its culture. Human behaviour is the same; the context in which those behaviours function and respond differs from one employer to another and from one culture to another.

A systems approach to program design is necessary. A considered mix of delivery media is required for success, such as face-to-face consultations, print-form self-help materials and technology-driven eLearning, i.e.
Intranet/Internet. The more effective programs solicit voluntary participation from employees rather than make it compulsory.

**The Career Action Step Proposal**

A key focus of an employer’s career development support program is to motivate the employee to undertake sufficient self-review and exploration so that each can confidently complete a document about what the individual wants to accomplish in advancing their career.

The critical factor in the design of the document is that, as the employee conveys what they are seeking, they also specify what they are prepared to contribute towards its realisation. It is a statement of their commitment. A five-section design can work well.

1. **My Goal is: What? Where? When?** The employees’ responses under this section provide information about their career aspirations. This data can be used as input information for *succession planning* by both HR and Line Managers. Most succession planning conjectures at the career direction preferences of individuals. These assumptions are often discovered to be wrong only when the time comes to act on job succession moves or to select project teams. By motivating employees to decide on and communicate their career direction aspirations, the organisation substantially reduces the hazards of succession planning and internal mobility.

2. **My Performance Improvement**: The responses documented in this section are particularly useful when they form part of the discussions between manager and employee during a performance appraisal review.

3. **My Training Plan**: Here the recorded information can be extrapolated and, when collated, contributes to defining what and where training can be provided most pertinently.

4. **My Self-Development Plan** and 5. **My Job Enrichment Plan**: These concluding sections, when completed intelligently, increase the employee’s *employability*. In other words, the employee’s stated commitments enhance their value for their continuing employment by the company.

**Program Elements**

Career development program components can be far ranging and their scope and selection need to be linked to other human capital strategies already in operation or planned for implementation, e.g. mentoring programs, leadership development, key staff retention, assistance to minority groups, work and life balance, etc. Regard the following as a smorgasbord of choice but remember that the career program design should include a combination of the three delivery media.
Face-to-face: Confidential access by staff to a coaching facility – either manager, HR staff, non-HR staff, mentors selected and trained in career coaching, or outsourced to an external career service of repute. ‘Brown bag’ lunch time seminars on career topics. Also career action planning workshops should be considered, although demand for these work-time consuming learning events is reducing in favour of the following.

Printed resources: Employee career self-help library; structured learning workbooks customised for the employment culture of the organisation; career self-management educational booklets; directories of occupational information; competency self-audit resources; non-psychometric self-assessment instruments.

Technology-driven eHR: A self-service environment is introduced using an Intranet or Internet site for staff to access eLearning on-line training programs, preferably with downloadable worksheet facilities and on-screen self-assessment instruments. For an example see: http://www.careermastery.com or http://www.insala.com.

Employees will willingly determine their own career direction, providing they are helped with the right tools and can have access to supportive coaches, if desired, during the process.

The Route to ROI

An organisation wanting to revitalise or extend an existing range of career services, or to initiate them, needs to be prepared to educate first, provide employee self-help resources second, and finally delineate clear corporate expectations so that the effort and cost can be measured, i.e. the success rating factors. The latter need to be linked to operational issues of current concern to the effective management of the business, whether for-profit or not-for-profit.

One employer defined their human capital concerns as: an aging workforce; insufficient numbers of people with pivotal business and information technology skills; and a need for negotiation and partnership skills among all employees in the field. The career development program introduced here was custom designed to focus on these issues.

Whether career development support is delivered to employees via print or electronic media, it is critical to provide voluntary access to skilled helpers other than their manager for discussions. These skilled helpers are usually termed ‘career coaches’. The workload of HR staff sometimes inhibits their availability to fulfil this role.
Custom design essential

The growth of in-company career development programs has been matched with the growth in commercial offerings of career systems and materials. A caution here, as many suppliers offer quick-fix solutions which rarely include an educational component or a sound underpinning methodology. The outcomes from employees’ use of these may not be sustainable in real-life situations at work and jeopardise the critical ROI.

Career development programs should be designed, implemented and assessed by how well the components are contributing to the achievement of the employer's strategic objectives and pursuit of its mission. Career development is then working within a strategic human capital context.

HR practitioners are often criticised for failing to operate in a strategic way or are infrequently valued for doing so. Skilful career development program design and management is a way for this image to be corrected. By shaking off the administrative image of HR and focusing on value-adding strategies, such as career development, a new rationale for the HR function’s role emerges – not as a cost centre but as an asset developer for enhancing and protecting the organisation’s human capital.

By using career development delivery systems skilfully, Human Resources can, in partnership with managers, tap into the reservoir of latent potential for superior performance deep within the organisation’s human capital and be rewarded by handsome dividends in productivity, profitability and retention of talent within the organisation.