

Everybody Wins: Providing Career Leverage Support to Engage Organisational Talent and Enhance Reputation

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"I'm pretty clear on the immediate benefits of remaining at employer X over the next 2-3 years, but is there an 'opportunity cost' to my career if I stay with my current employer?"

Every career opportunity has a cost

Briefly, the 'opportunity cost' principle holds that for every beneficial opportunity or situation I experience, there could very well be a broad range of alternative opportunities or situations that I may be missing out on that may benefit me more greatly. The 'opportunity cost' is simply the difference between what I currently gain from the opportunities or situations I find myself in or create for myself, vs what I might gain by pursuing other reasonable opportunities, situations or courses of action. Ultimately, one's opportunity cost can be measured in terms of career progression, learning, financial wellbeing, lifestyle balance, self actualisation, etc.

From a career / lifestyle efficacy perspective, the implication of this way of thinking is clear. Very often this is the line of thinking which leads people to go out and get a second qualification in a different area to embark on a second very different career, which leads the successful investment banker to make a difficult but decisive break, and to become a farmer or entrepreneur or charity worker, which makes the successful entrepreneur take early retirement, which makes a plumber become a teacher, and a teacher become a plumber, and which makes talented people leave world-class organisations which offer fewer learning opportunities, for other world-class organisations which offer greater learning opportunities. The measure of opportunity cost will always be highly personal.

Importantly, some opportunity costs are reasonable to consider, and others are not. For example, a jaded mid 40s HR professional may wonder about what might have been had they opted to become an artist, a golf professional, a musician, a lawyer or a doctor in their early 20s, or had they opted to become a consultant or interim manager in their 30s, but it is not reasonable to consider opportunities missed in the past but rather more sensible to consider the existing range of options available between what I currently gain from the opportunities or situations I find myself in, vs what I might gain by pursuing other reasonable opportunities or situations.

Why should talented people care?

It's unusual however for most working people to consider their situations in terms of 'opportunity cost', as most would review their situation in terms of the direct and intangible rewards they receive, workplace recognition and status, their enjoyment at work, relationships with bosses and peers, expectations of organisational stability, opportunities for learning and reasonable promotion, engagement with the objectives of the organisation, and so on.

These elements are all descriptions of what is known and experienced, and, for the most part, an optimal balance against these criteria can be highly rewarding, and can sustain a successful career which does not require regular review and adjustment, as the benefits (if any) of shifting role, organisation, industry or sector are less material in cases, far more material in others, eg. the implications of an fmcg production line manager moving organisations may not necessarily be highly material career-wise, or the implications of the legal secretary leaving one law practice for another may equally not be material career-wise; but what about the talented fund manager leaving a well established global fund management company for a new upstart in the market, driven by the keenness to have greater autonomy to establish excellence within a green field enterprise?

What about the highly talented technologist weighing up her offer from Google vs the opportunity she has to develop a great new technology solution in her venture-backed start-up where she currently holds multiple roles and can essentially self-manage her future, albeit that her constraints are many and that much of her time is taken up by the typical transactional activities of start-up which do not tax her intellectually.

For the highly talented, and hence highly marketable; very often time in-post, or time within a specific team, organisation, industry or sector can have significant impact on relative levels of career and personal success. Giving up known and predictable success for a riskier venture, or vice versa, may be costly to the career, or highly rewarding if the timing's right. Either way there is a cost, and for the talented, the size of this cost is greater. So, talented people should care strongly about opportunity cost.

There are some of course who don't, and the stories of brilliant scientists, technologists, doctors and commercial managers who took the wrong turn into a dead-end are as frequent as the stories of those who made it.

Why should employers care?

Millions and millions of words have been written in recent years about the global talent pool, the 'war for talent' and about how best to attract, engage and retain organisational talent. Within organisations, millions of hours have been spent discussing and rolling out talent management strategies for managing top talent, high potentials, graduates and so on, and organisations spend millions implementing technology-led talent and career solutions with the likes of Taleo, Stepstone, Ceridian, Insala and so on.

'Talent' has our attention!

Very often though, where organisations are highly resourced, talent management inputs become grand, highly structured strategies, focused on broad objectives like talent pool development, graduate talent attraction, senior talent succession, future proofing and so on, but very often the individual career objectives and career opportunity costs of those talented people and groups identified are neglected in the interests of the bigger picture, delivery frameworks and (by definition) narrow talent objectives of the organisation around addressing existing or envisaged attraction, engagement and retention limitations to the organisations talent pipeline.

Very often, the implication is that, whilst HR and Talent Management teams busy themselves with talent strategy activities and component projects ranging from eg. e-recruitment, to RPO, to performance management, to succession planning, to promotional assessment and so on; the subject of their activities – the talent on the radar – very often have their personal career needs severely neglected, and there is often very little transparency for those marked as 'organisational talent' into the workings of the talent strategy.

What is often missing is one-to-one conversation.

Amid all of the talent management activity that may be going on, few questions are asked of talented people about the constraints they are currently experiencing career-wise within the organisation, even fewer are asked about the career options they have considered outside the organisation, and even fewer, the extent to which they have identified the size of the opportunity cost to staying in their current role.

Unless organisations show that they take an interest in individual needs, and have an awareness of individual expectations, they are very unlikely to engage organisational talent with the organisation's talent strategy.

What can employers do?

One-to-one coaching / support for identified talent pools

Few employers take the time to engage staff directly, one-to-one, about their personal career needs, aspirations and career opportunity costs, save those which are highly constrained and have little resources to inject into an effective talent strategy, or those, on the other hand who can afford to apply significant resources to supporting their top talent needs by providing them with dedicated talent manager resources who work with their 'top talent pool clients' on an ongoing basis to ensure that individual needs match organisation needs.

A good example of the former is Christian Salvesen which is an established organisation operating in the constrained, low margin logistics sector. In Christian Salvesen, talent management activities are underscored by significant one-to-one coaching time with someone who cares about individual needs, aspirations and opportunity costs. This approach is a necessity, as budgets will not stretch to accommodate bells-and-whistles talent management resources. In this case, what starts out as necessity-under-constraint, provides significant value to the organisation because of its simplicity.

Good examples of the latter are found in the banking world, where resources applied to attracting, engaging and retaining senior talent have been significant in recent years. Citigroup and HSBC provide important benchmarks for this approach, where dedicated Talent Manager resources regularly engage talent pool clients on a one-to-one basis, to ensure that individual career leverage needs are met via international assignments, project assignments, etc., with a win-win in mind. In the current, tougher market, the likelihood is that objectives within these organisations will be modified, to support a shift away from individual needs in the first instance, to the bank's needs in the first instance, albeit still with a win-win in mind.

By definition though, this focus on identified talent pools is limited, whereas there are opportunities to engage the broader employee pool by taking the time to support broader organisational career aspirations on a one-to-one basis.

In-house careers advice centres

Recognising that much is to be gained from engaging all staff in honest career leverage conversations, in the interests of staff engagement at all levels, and the development of the employer brand; some organisations like Nationwide Building Society, Credit Suisse and Royal Mail have recognised the need to shift focus from quid pro quo top talent career engagement initiatives, to providing services to all staff via in-house careers advice centres.

This type of in-house careers advice service may include access to:

- one-to-one career coaching,
- group networking and facilitated career development events,
- assessment and 360 degree feedback tools, and
- online resources, including:
 - skill and knowledge profiling vs both organisational competencies and external benchmarks,
 - online information in the form of text, video, pod casts and webinars, covering a broad range of career development and career transition advice and knowledge.

Some of these are managed by internal HR/L&D/Talent Management resources, and others by professional career consultancies like HDA.

According to the Executive Grapevine (the Grapevine, June 2008), 'Structured and formalised career management can provide employees with the insight into their personal drivers and goals that will enable them to make more informed career decisions, benefiting them and ultimately the company they work for.'

The opportunity with this type of initiative must be for the employee to utilise the service provided by their employer to develop conscious personal career ownership; to identify personal strengths and weaknesses, to create personal accountability for specific career growth objectives, to develop an understanding of the opportunity costs of alternative routes of personal career development, and to identify internal career growth resources and constraints within the organisation. Ultimately, the aim should be the creation of an individual personal marketability inventory which may potentially be beneficial for the employee both inside and outside the organisation.

Developing a successful dialogue to drive these objectives requires real trust and professional commitment to confidentiality. Where confidentiality of a career advisory service is questioned, this will obviously limit the value of coaching outputs to employees. There is no win-win here.

HDA would always encourage organisations setting up an in-house career centre to opt to commit to a confidential advisory service for staff using the service – and this should be clearly communicated in FAQs and broader internal marketing communications. The positive implications for opening up with a professional career coach, in a frank, empowering and non-guarded dialogue are obvious.

One of our clients in this area – an investment bank – works on this basis: career advice is provided by HDA on the understanding that it is fully confidential, but the bank also makes it clear that it operates a meritocracy. For this reason, whilst it commits to supporting staff career development needs, and whilst it invests in providing them with external career guidance, it does not guarantee career or succession opportunities out of this process. Rather, the bank clearly communicates that internal career development success is dependent on the individual's performance record, experience and qualifications on the one hand, and how they proactively make use of the career advice provided by HDA, in terms of how they actively network within the organisation, how they seek opportunities for participation in key projects, how they prepare internal applications and so on. This creates a real transparent win-win, and has very measurable implications for key skills retention.

On the other hand, any organisation investing in staff career advice needs to measure its return on investment (ROI) and internal or third party specialists in this area should be challenged to prove the impact of their intervention on the engagement, retention and promotion of staff.

A 21st Century approach - providing career leverage for staff, for future success inside or outside the organisation

Any internal career advisory service should be underpinned by the realistic expectation that there will not always be a direct match between the organisation's need for talent, and the current availability of that talent. Redundancy is not a new thing, it affects an increasing number of people at some point, and it is often a valuable career development step. Setting expectations of long-term internal career development and succession is an increasingly out of touch activity from the perspective of the majority of people in most organisations.

For this reason, an open-cards approach, which recognises career development as a continuum, is the most mature and honest approach for any organisation to take.

Within this framework, HDA's approach is to provide career advice which provides access to:

- strong personal networking tools for both internal and external leverage, (eg. developing a *20 second CV* and *'elevator speech'*),
- practical coaching and guidance on creating a personal brand, (again for both internal and external leverage), and
- practical coaching and guidance on what success means in each participants' role, (eg. making an impact in current and next roles, making the most of the first 100 days in any new role, etc).

With this support in place, the building blocks of career self ownership are in place to underpin a successful outplacement process, in the event that staff receiving career advisory support ultimately lose their jobs.

For this reason, effective internal career advisory services can simultaneously support those who have ongoing roles and bright futures in the organisation, and those whose roles no longer fit the organisation, but who should nevertheless be supported into a 'new future'. This adds efficiency, removes the stigma of job loss, and improves employer reputation – an important employer branding consideration.

Simply put; organisations which improve the marketability and career prospects of their staff are likely to hold onto them longer, and when they release them, they do so with their reputation enhanced. Everybody wins.



For more information on any of the above or to understand how HDA can add value to your organisation
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