

R e i n v e n t i n g

Career

Development

f o r t h e 2 1st c e n t u r y

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by Stephen Forrer and H. Daniel Lea

In a 1983 *Training and Development Journal* article, Leibowitz, Farren, and Kaye posed the question, "Will your organization be doing career development in the Year 2000?" They challenged human resource professionals to approach career development as a system to ensure its survival.

The year of accountability is fast approaching. Will organizational career development be marching into the 21st century or is it headed for extinction?

The answer is: It depends. It depends on whether organizations recognize that career development can be the key to business success. And that depends on whether career development strategies transform to fit changing 21st century challenges and opportunities.

State of the Practice: Where Are We Now?

Studies show that many organizations today don't take career development seriously. They do it, with a vague understanding that it supports their credo, "Our people are our most important asset." But they don't put much effort into defining desired outcomes and accountabilities, or in evaluating results.

Consider a 1993 survey of HR practitioners (Gutteridge, et al.). 70% reported having some form of career development program, but just 29% judged their programs as "somewhat" or "very effective." Another 29% rated them as "somewhat" or "very ineffective" and 42% rated their programs as "in between."

Still, in open-ended questions, respondents were positive about their career development practices. Most said they believed career development builds employee skills and

morale, and makes HR and strategic planning more efficient.

The results don't add up, largely because most organizations didn't conduct formal evaluations. 24% did no evaluations at all; 64% relied only on informal feedback.

So why aren't companies taking organizational career development more seriously? It's easy to blame senior management and supervisors; many haven't wholeheartedly embraced the concept. Their support is critical to the success of any organizational career development practice. But in this case their lack of support is not the problem; it's a symptom.

The problem is that, in its short history, organizational career development's methods have evolved, but its purposes and supporting rationales have not. So managers and employees have not seen clear evidence that organizational career development and business success are inextricably linked.

A closer look at the evolution of career development shows why.

The Evolution of Organizational Career Development

Stage 1: Development as Career Planning

The beginning of organizational career development roughly coincided with the advent of the human potential movement of the mid-to late sixties. As part of employee development initiatives, personnel departments began to offer career counseling and support services focused on individual employee needs. Expectations were simple: provide a service the employees requested and, for the fast trackers, a means of moving up in the organization.

Employees found the programs helpful, informative, and motivating. But they lacked the support they needed to carry out their goals. Managers, without a clear role in the process, were suspicious of the programs; employee goals seemed to focus on career mobility which threatened the stability of their workgroups. And there were no organizational processes to move plans into action.

The results were not enough career plans were implemented to have an impact on the organization.

Stage 2: Development with Manager Support

At this stage, career development remained a nice-to-have program with no strong links to business goals, strategies, and processes. Expectations of outcomes remained low. But support improved.

Computer-assisted career planning tools helped employees with their development plans. And managers got more involved in the process. Organizations asked managers to “coach” their employees’ career development.

Managers received training on *how* to be career coaches, but weren’t yet clear on the *why* behind development. They took part in career discussions where they had to give feedback and advice to help employees build realistic career plans. But often these discussions lacked time, clarity of purpose, and clear accountabilities. Discussion outcomes left much to be desired, followup and progress reviews rarely happened and career coaching moved low on managers’ priority lists.

As in Stage 1, most organizational career development programs became short-lived with little organizational impact.

Stage 3: Strategic Development

By the mid-nineties the idea of linking development to business needs slowly took hold in some state-of-the-art organizations. At this stage, organizational career

development evolved into *strategic* development. Trends, impacts, and challenges facing the organization began to drive the development process. The answer to *why do development* began to emerge.

Organizations began to look at changes in the business environment and the challenges those changes created. Career development became deliberately linked to organizational business strategy.

Employees began to set relevant goals and plans in the context of business realities rather than in a vacuum. They became future-ready participants in organizational success.

Managers began to move strategic development forward. They became liaisons to ensure that employee development was in line with organizational needs and goals. They needed teams that were flexible and responsive to changing business needs. They became effective coaches and active supporters of development of talent and potential as an integral part of doing business.

The result: Strategic development became a key to organizational competitive advantage and to individual and workgroup success.

Where Are We Now?

According to the 1993 survey (Gutteridge, et al.), there is still a vast gap between the state of the practice of career development and the state of the art, despite clear evidence that people are critical to organizational success (Pfeffer, 1998). Many organizations are still at Stage 1 or 2; some are moving toward the state of the art in Stage 3.

The evolution of organizational career development has been about methodology. Each stage has contributed new techniques for assessing employee skills, interests, and

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values. Each stage has contributed better tools for employee development planning. Career development's *why*, its purposes and drivers, have evolved much slower.

To close the gap between the state of the practice and the state of the art, organizations must build a bridge between business strategy and individual development. They must embrace strategic development and prepare to *move beyond it*.

The business environment today is in a constant state of flux and shows no signs of stabilizing. Now is the time to look at how strategic development can help organizations keep up with those changes. Now is the time to address career development's basic assumptions and transform them to meet 21st century realities.

Challenging Assumptions

Here are six assumptions that have guided the practice of organizational career development and the 21st century realities that challenge them.

Assumption 1: Career development focuses on job acquisition.

21st Century Reality: Career development must focus on the acquisition of competence.

Until now, career goals have been expressed as job aspirations. This works in stable business environments in which the jobs of the future can be predicted. In today's changing business environment, jobs fast become obsolete. Development must focus on identifying and acquiring competencies (skills, knowledge, and experience) relevant to current and future business challenges.

Assumption 2: Career development is about career paths.

21st Century Reality: Career development must be about continuous learning and improvement.

Traditionally, movement along a career path has defined career success. In today's

changing business environment, as the TQM movement and the concept of the learning organization have taught (Senge, 1990), the true success indicators are continuous learning and improvement. Jobs are a means to that end.

Assumption 3: Career development focuses on individual development.

21st Century Reality: Career development must focus on continuous learning and improvement—for individuals, organizations, and workgroups alike.

Too often, individual career planning has been about the individual alone. The development of organizational core competence and capability is bigger than individual development (Hamel and Prahalad, 1994; Ulrich and Lake, 1990). That is, successful individual development happens in the context of the organization and the workgroup. Individual development will have business relevance only if it contributes to the development of organizational and workgroup competence.

Assumption 4: Career development is a Human Resource function.

21st Century Reality: Development of people is not a function, it is an integral part of business strategy.

Until now, human resource development processes have been about "fitting" the right person to the right job. Strategic development pinpoints, assesses, and develops competencies needed to carry out business strategy by fully developing, utilizing and leveraging the capabilities and potential of the individuals in the workforce. This new, larger purpose of human resource development is to design and implement strategic development systems that reflect and support business strategy.

Assumption 5: Career development is a process.

21st Century Reality: Strategic development is part of an integrated system.

The 21st century calls for an integrated systems approach to development (Gubman, 1998). The focus is on deploying, developing, and leveraging competence within the workforce (Hamel and Prahalad, 1994). *Deploying* means getting the right competencies to the right place at the right time. *Developing* means continuously learning, building, and acquiring new competencies. *Leveraging* means using the competencies in ways that get the best results. In an integrated system, the line between deploying, developing, and leveraging is transparent.

Assumption 6: Employees are responsible for their own career development.

21st Century Reality: Strategic development is a collaborative effort.

If strategic development is an integral part of business strategy, it's everyone's responsibility. Employees need to assume more responsibility for their development than they have in the past. They must understand the organization's priorities—what's driving them, what competencies support them, and what resources are available for developing them. Managers must play key roles in building processes and cultures to support strategic development. Strategic thinking and dialogues at all levels become a way of life in a strategic development culture.

21st Century Evolution: The Strategic Development System

With these realities in focus, organizational career development can evolve to a new stage that establishes a strong link between development of people and business strategy. The evolution of strategic development systems is that stage. A strategic development system is an integrated set of processes to help all levels of an organization understand, translate, personalize, and apply business

Strategic Development System



strategy. A conceptual model of the components of a strategic development system is displayed to the left.

A strategic development system is a set of integrated processes that uses business strategy to drive learning. These processes get focus from the 4 Cs: Context, Competencies, Collaboration, and Commitment.

The system starts with processes that define the *business context*. This is where strategic thinking and dialogue begin among the organization, workgroups and individuals. The focus is on what business challenges, opportunities and strategy mean for each part of the business and what will be expected from its people.

The second set of processes in the system looks at *human resource requirements*—the *competencies* needed to meet business challenges, exploit business opportunities, and implement business strategy. Competencies fall into three categories: organizational, workgroup, and individual.

The next set of processes in the system focuses on *collaboration*. It includes ways to bring workgroups together to set, plan, and commit to team and individual development goals. It's group collaboration that creates a shared mindset and personal ownership of the results—prerequisites to commitment.

Ways to demonstrate *ownership and commitment* is the fourth set of processes in the system. Here competencies are developed and applied, and commitment is confirmed. Deploying, developing and leveraging competence come together. The shared learning that occurs cycles back to support continuous learning and improvement of the system.

Model for the 21st Century

The Strategic Development System Model creates many 21st century opportunities for organizations.

- ③ *It forms business partnerships.* The system gives managers, employees, and human resource professionals the chance to become business partners in applying business strategy.
- ③ *It builds commitment.* When the organization, workteams, and employees collaborate, personal commitment increases. This is essential to successfully apply competencies.
- ③ *It focuses on people.* The strategic development system puts the focus where it needs to be: away from jobs and onto people.
- ③ *It provides a strategic role for HR professionals.* Human resource professionals become the architects of strategic thinking, dialogue, and structures. When people come together to think and talk strategically, business strategy comes to life and takes root throughout the organization.

To make the most of the strategic development system, further investigation and understanding of three areas are needed.

First, **competency modeling and assessment**. Competencies are “the language of development.” Competencies translate business strategy to behavioral terms. Unfortunately, the time and money it takes to identify and assess competencies puts their use at risk. More time-efficient, cost-effective tools need to be developed.

Second, **technology**. The potential of technology in supporting strategic development needs further exploration. For example, technology makes time and distance less of an obstacle to having strategic dialogues. Intranet based technology can put the tools for development on the desktop, right at people's fingertips. Technology has been accused of taking the touch out of business; ironically, it may be the solution that puts the touch back in!

Third, **benchmarking best practices**. Undoubtedly there are organizations currently using strategic development. But

there's not yet a systematic way to identify them and learn which practices work and which ones don't. The authors welcome any feedback about experiences with implementing strategic development processes.

Organizational Career Development: Dinosaur or New Species?

Will organizational career development become extinct? We think not. With strategic thinking and dialogue, with attention to context, competencies, collaboration, and commitment, with strong links to business strategy, organizational career development will march into the 21st century, a new species well adapted to its environment.

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