CAREER PATHING

HR TOOLKIT

Provided by Troy Benefits Consulting

Table of Contents

Introduction

Recruiting and retaining a talented workforce continues to be a struggle for many employers, especially as younger individuals enter the workforce. According to a study by Gallup, Generation Z and millennials are slightly more likely than more senior coworkers to be disengaged at work. Seventy-two percent of Gen Zers and 66% of millennials are contemplating a career change in the next 12 months compared to just 55% of Gen Xers and 30% of baby boomers, according to a LinkedIn report.

According to Gallup, disengaged employees cost organizations the equivalent of 18% of their annual salary and the U.S. economy approximately $500 billion per year due to lost productivity.

In addition, turnover can be extremely expensive for employers when lost productivity and replacement costs are taken into account. According to the Society for Human Resources Management, it costs, on average, six to nine months' salary to replace a salaried employee—highlighting the importance of retention.

Employees consistently rank career advancement opportunities as an important factor in accepting and keeping a job. One retention strategy that is gaining traction within the HR industry is the idea of career pathing. Career pathing is a comprehensive process offered by employers that asks employees to take an honest look at their career goals, skills, education, experience and personal characteristics. Employees are then asked to make a plan for achieving what is necessary in each of these areas in order for the employee to advance within the company.

This toolkit examines the benefits of career pathing and offers step-by-step instructions on how to implement this model at your organization. Career pathing resources will also be included at the end of the toolkit to help employers develop their own career pathing programs.

Why Is Career Pathing Important?

Traditional career ladders have been the norm for employers for years. Career ladders typically involve a progression of jobs within a certain field ranked from the highest to lowest based on the level of responsibility and pay. Career ladders tend to be hierarchical in nature, which can be a turnoff for younger generations. Millennials and Generation Z—those born between 1995 and 2010—tend to prefer companies will a less rigid corporate structure.

Career pathing offers employees greater flexibility and more room for advancement. While career pathing does include forms of traditional career ladders, it also offers employees dual career ladders and the opportunity to move horizontally within a company.

Dual career ladders, for instance, allow employees that may not be interested in a management role to move up in the company if they have a particular technical skill or education. Dual career ladders are more common in the scientific, information technology and engineering fields. Horizontal career movements, on the other hand, allow individuals to move between different departments at a company and broaden their skills.

Most business leaders recognize that talent development is essential. However, according to a study from Randstad, while 73% of employers note that fostering employee development is important, only 49% of employers say leadership is adhering to this principle—highlighting a significant area of improvement for many employers.

Benefits of Career Pathing

The following benefits can be achieved through a formal career pathing program:

- **Ability to recruit qualified candidates**—If you are struggling to recruit top talent, look at the practices of your competitors. If your competitors offer career pathing opportunities and you do not, you may be losing out on qualified candidates due to the allure of talent development programs at other companies.

- **Greater opportunities for advancement**—If your company offers few or no internal advancement opportunities, employees may feel stuck or bored in their current roles. As a result, employees who began in entry-level roles may look elsewhere for employment after they have gained a few years of experience. Career pathing provides employees with an ongoing mechanism to sharpen their skills, which can lead to mastery of their current jobs, promotions and transfers.

- **Higher employee engagement and lower turnover—** Today's workers are less committed to the companies they work for than employees were 20 years ago. According to a recent study from Multiple Generations at Work, 91% of millennials will stay at a job for less than three years—a pace that equates to 15-20 jobs over the course of their careers. Employees at organizations with

career pathing tend to be more engaged because they feel like their employer is concerned about their growth and long-term success. Engaged employees are less likely to look for a new job, which can help reduce turnover-related expenses.

- **More leadership diversity**—Diversity is key to bringing innovative ideas to your organization. By building your talent base and promoting internally, you can gain perspectives from employees who may have begun in entry-level positions and who bring various backgrounds and experiences to the table.

How to Implement a Career Pathing Program

Below are five main steps to consider when implementing a career pathing program.

Step 1—Identify Career Progression Needs

Before jumping into a career pathing program, it is important to assess your company's needs. Ask yourself what you hope to accomplish from a career pathing program. If turnover at your company is high, the goal might be to reduce turnover costs. If productivity and morale are low, your objective may be to increase employee engagement.

In order to identify your company's needs, consider creating a focus group that represents various levels and positions within your company to gauge what career development opportunities would resonate most with employees. You may also wish to sit down with supervisors or management to ask what they believe are the biggest hurdles in their departments regarding retention and engagement. Another cost-effective solution is to create a short, informal survey that asks employees how they view advancement opportunities at your company and what they would like to see improved.

Step 2—Build Framework

In order to develop a career pathing program, you must first have a "job family," or a collection of job descriptions that include competencies, education, experiences, credentials and necessary qualifications. Job descriptions should accurately reflect the duties and responsibilities of each position as well as list any minimum qualifications. Items within the job family should be easy to read since employees will reference these job descriptions when they map out their career paths.

Step 3—Evaluate Employees' Goals

HR should encourage managers to sit down with their employees to discuss their career goals and evaluate their current skills, experience and education. Managers should compare their current abilities and qualifications to their short- and long-term career paths in order to determine what skills or experience still needs to be acquired. Managers should be honest and transparent in their feedback because false hopes or expectations can cause employee dissatisfaction.

Step 4—Develop a Communication Plan

Communication is essential when rolling out a career pathing program. If employees do not know that career pathing exists or how it could benefit them, the program will not reach its full potential. In order to increase your return on investment (ROI), it is important to develop a robust communications plan. Using multiple communication platforms like email, intranet postings, meetings and presentations, can raise awareness of your program.

Not only should the initial implementation of the program be well advertised, but HR and management should continue to remind employees about opportunities for growth on a regular basis. For example, if your organization has a mentoring program, make sure that mentors are aware of their mentees' career goals and that they work with them to provide the skills mentees will need to succeed. Another option for continued reinforcement is during performance reviews. Whether these are done annually, quarterly or more frequently, make sure that managers ask employees about their career path progress and see if there is anything they can do to help employees reach their goals.

Step 5—Assess Program Results

After rolling out a career pathing program, it is important to evaluate its success. Gauging the program's ROI will depend on the goals of the program. For instance, if your goal was to reduce turnover, you can measure your organization's turnover rate. If it dropped, you can then add in cost savings from replacement costs, which include recruiting, orientation and lost productivity.

Remember that some metrics will be harder to quantify, like employee morale. In addition, remember that career pathing programs may take several years to achieve a significant ROI, as changing a company culture and employees' perceptions of an organization can take time. Surveying employees to identify areas for improvement can also be an effective tool to optimize your program.

Career Pathing Best Practices

In addition to taking the steps above, there are other strategies businesses can consider to maximize their career pathing programs, including data analytics and internal talent management systems.

Utilizing Data Analytics

Analyzing external and internal data can help you better understand the needs of your employees. By examining external benchmarking data on market salaries, competitors' benefit offerings and more, organizations can ensure that their compensation and benefits are competitive. Assessing external data is important because while employees will be appreciative of the opportunities that career pathing programs provide, if your compensation and benefits are significantly below that of your competitors, you may still experience high turnover.

It is also important to utilize internal data such as employee surveys, management feedback, exit interview results and more in order to fine-tune your career pathing initiative. In addition, employers may consider looking into data aggregation technologies that harness information about roles and skills within an organization so HR can more effectively map career paths across a company. For instance, the software may detect that individuals in "x" role typically have a certain set of skills, experiences or education, which can save HR staff administrative time when outlining career paths.

Leveraging Internal Talent Management Platforms

Despite the high costs associated with turnover, most organizations invest more in external recruitment than in internal career management platforms. While internal career management platforms require an initial investment (and perhaps ongoing administration costs), if run successfully, they can pay for themselves and more by reducing the amount of resources spent on recruiting and training new employees.

HR managers should consider upgrading to a cloud-based system with powerful functionality that gives employees online access to their career progress. While systems will vary based on organizational needs, consider online portals or internal websites that allow employees to monitor their training plans, individual and team goals, performance reviews and more. This site can also be an area where employees can maintain online resumes highlighting their accomplishments and roles within your organization. That way, when a new position opens, HR can easily search the existing talent base to see if any current employees match position requirements.

Within this system, consider allowing employees to list their career preferences, including what they would like their next career moves to be and any long-term goals. Managers and HR can then review employee profiles to ensure that they are providing the resources and support to encourage ongoing career development.

Position Your Company for Success

By using the strategies mentioned above, you can build a career pathing program that is right for your business. By providing employees with career development opportunities, you can increase engagement, improve employee morale and reduce turnover costs—all of which can boost your company's bottom line.

For more information on developing a career pathing program or for insight into retention strategies, contact Troy Benefits Consulting today.

Career Pathing Resources

The final section of this toolkit includes employee career pathing resources. Instructions for the resources are outlined below.

Career Pathing Tool

Found on Page 13, this tool provides employees with an overview of all the positions available at your company. The tool divides positions into five levels: VP/executive, director, manager, supervisor and entry-level. Each position within these levels should then link to a job description at your company.

To link positions within your career pathing tool to a job description, follow the steps below:

1. Highlight the title of the position and right click. Select the "hyperlink" option.

2. Once the hyperlink box appears on your screen, click the "place in this document" button in the left-hand column.

3. Then select the job description you would like the position to link to within the document. For instance, right now you will see the options "Sample Job Description #1," "Sample Job Description #2" and "Sample Job Description #3." Once you have customized the job description part of this toolkit, you will see your own job description titles as hyperlink possibilities.

4. Click the "OK" button on the bottom, right-hand corner of the box and the link will appear.

Job Descriptions

Found on Page 14, job descriptions should link to the career pathing tool mentioned above, so employees can easily view what qualifications, skills, experience and education is required for the positions they are interested in. Job descriptions should be updated regularly so they reflect current job duties and necessary skills.

Continue to create job descriptions until all positions in the career pathing tool are linked to a corresponding job description. This section of the toolkit will require extensive customization based on the positions available at your organization.

Career Pathing Evaluation Form

The career pathing evaluation form found on Page 16 can be given to employees to encourage them to think about their short- and long-term career goals. Within this form, employees are asked to outline their current position, one- to three-year target, three- to five-year target and end goal. In addition, this

resource asks employees to complete a personal SWOT analysis, which stands for strengths, weaknesses, opportunities and threats.

Career Development Survey

The final resource in this toolkit is a career development survey, which can be found on Page 17. This survey asks employees how they view advancement opportunities at your company and what they would like to see improved. Information from this survey can then be used to develop or fine-tune career pathing at your organization.

Remember that the resources in this toolkit are only samples and that customization is required. Please reach out to Troy Benefits Consulting with any questions you may have about these tools and how they can be used at your company.

Career Pathing Introduction Letter

Dear ABC Company employees:

ABC Company is always looking for new ways to grow, and we want our employees to do the same. We value you as an employee, and we want to do everything we can to help you succeed and advance in your career.

Please look at the following materials to learn more about career development opportunities at ABC Company. In addition, filling out the survey below will help us better understand where we can further improve our efforts.

If you have any questions, please reach out to HR.

Thank you for your time,

[Insert name]
[Insert title]

Career Pathing Tool

VP/Executive

Director

[Insert director position #1]   [Insert director position #2]   [Insert director position #3]   [Insert director position #4]

Manager

[Insert manager position #1]   [Insert manager position #2]   [Insert manager position #3]   [Insert manager position #4]

Senior

[Insert senior position #1]   [Insert senior position #2]   [Insert senior position #3]   [Insert senior position #4]

Intermediate

[Insert intermediate position #1]   [Insert intermediate position #2]   [Insert intermediate position #3]   [Insert intermediate position #4]

Entry-level

[Insert entry-level position #1]   [Insert entry-level position #2]   [Insert entry-level position #3]   [Insert entry-level position #4]

Job Descriptions

Job Description #1

- [Insert position title]

- Location: [Insert location if you have multiple business sites]

- Type: [Insert if position is part- or full-time]

- Position summary: [Insert a brief paragraph that summarizes main job responsibilities]

- Job duties: [Insert all applicable job responsibilities in a bulleted list]

- Education: [Insert required or preferred educational requirements]

- Experience: [Insert required experience]

- Proficiencies/Certifications: [Insert any required proficiencies or certifications that the position will require]

- Salary: [Insert any salary or benefit information]

Job Description #2

- [Insert position title]

- Location: [Insert location if you have multiple business sites]

- Type: [Insert if position is part- or full-time]

- Position summary: [Insert a brief paragraph that summarizes main job responsibilities]

- Job duties: [Insert all applicable job responsibilities in a bulleted list]

- Education: [Insert required or preferred educational requirements]

- Experience: [Insert required experience]

- Proficiencies/Certifications: [Insert any required proficiencies or certifications that the position will require]

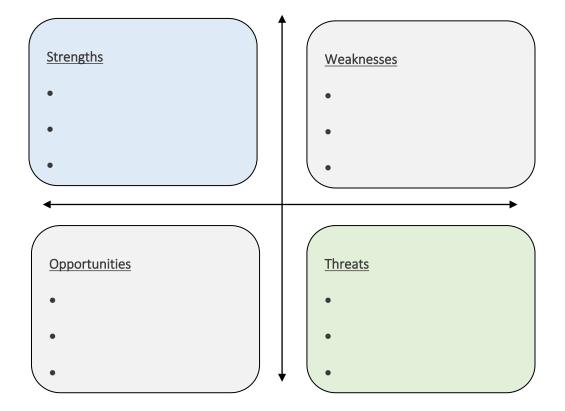- Salary: [Insert any salary or benefit information]

Job Description #3

- [Insert position title]

- Location: [Insert location if you have multiple business sites]

- Type: [Insert if position is part- or full-time]

- Position summary: [Insert a brief paragraph that summarizes main job responsibilities]

- Job duties: [Insert all applicable job responsibilities in a bulleted list]

- Education: [Insert required or preferred educational requirements]

- Experience: [Insert required experience]

- Proficiencies/Certifications: [Insert any required proficiencies or certifications that the position will require]

- Salary: [Insert any salary or benefit information]

Career Pathing Evaluation Form

Current Position	1-3 Year Target	3-5 Year Target	End Goal

Personal SWOT Analysis

Strengths

-
-
-

Weaknesses

-
-
-

Opportunities

-
-
-

Threats

-
-
-

Career Development Survey

We are interested in gathering feedback about career development opportunities at ABC Company. This survey shouldn't take more than five minutes and is completely voluntary. Your answers will remain anonymous.

Thank you for your participation!

Survey Questions

1. There are opportunities available to me to develop new skills at ABC Company.

☐ Strongly disagree

☐ Somewhat disagree

☐ Neutral

☐ Somewhat agree

☐ Strongly agree

2. There are opportunities available to me to cross-train in different roles and departments at ABC Company.

☐ Strongly disagree

☐ Somewhat disagree

☐ Neutral

☐ Somewhat agree

☐ Strongly agree

3. I feel like I have an opportunity for career development at ABC Company.

☐ Strongly disagree

☐ Somewhat disagree

☐ Neutral

☐ Somewhat agree

☐ Strongly agree

4. I feel like I know a lot about the career opportunities available to me at ABC Company.

☐ Strongly disagree

☐ Somewhat disagree

☐ Neutral

☐ Somewhat agree

☐ Strongly agree

4. My manager or supervisor encourages me to develop new skills and provides me with the resources to grow professionally.

☐ Strongly disagree

☐ Somewhat disagree

☐ Neutral

☐ Somewhat agree

☐ Strongly agree

5. Overall, how satisfied are you with career development and advancement opportunities at ABC Company?

☐ Very dissatisfied

☐ Somewhat dissatisfied

☐ Undecided

☐ Somewhat satisfied

☐ Very satisfied

6. What suggestions do you have on how we could improve career development at ABC Company?

_____

_____

_____

_____

Thank you for your time!