

The Future of Careers

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Introduction

Few management issues are as cliché-bound as that of careers. According to some pundits, 'careers are dead'. Employment relationships are supposed to be more transactional and short-term, and careers more mobile. Flexible organisational structures and processes call for employees who are adaptable and open to continuous learning. 'Onwards and upwards' is to be replaced by lateral growth. The new career is 'protean' or 'self-managed' though carried out in partnership with the organisation. Employability, rather than job security, is the watchword.

How much do the clichés match the experience of people in work? In this article, I will focus on two of the findings from my recent survey on careers which forms part of our annual Roffey Park Management Agenda research. Now in its fourth year, the Agenda provides a 'fix' on attitudes and expectations of employees in a range of cross-sector organisations. Of course, careers can be looked at from both an individual and an organisational perspective – and the interests served may be different. The Agenda attempts to do both. It looks at what employees believe they want from their organisations, as well as what they experience in practice. In this article I am focusing on what people believe makes them employable and on what two organisations are doing to help employees develop their careers. I shall also venture into the realm of punditry and make a few predictions based on my research about how careers will evolve in the next few years.

As Peter Herriot (1998) has pointed out, there are many types of individual career. It is therefore surprising how much consensus exists about some key features of the new career. One area of general agreement is on the subject of employability. For years now people have been told that organisations cannot manage careers and that people should develop their skills if they wish to remain employable. For 'employable', people have been encouraged to read 'able to get a job elsewhere'. One of the most striking findings is the extent of confidence which people are expressing about their employability. A resounding 98% of our respondents believe that they have now developed their employability to the extent that if the worst should happen, they believe they could get a job elsewhere, particularly in sectors where there is a buoyant job market.

Employability – a double-edged sword

For most of the Roffey Park respondents, employability does indeed seem to imply the ability to be employed outside their current organisation, rather than within it. 25% of respondents are currently looking to develop their careers

in other organisations. This is hardly surprising since, as Charles Woodruffe (1999) points out, organisations which send messages that employees should develop their employability may come to regret it. 'Manage your own career' and 'develop your employability' may be understood by employees as a lack of commitment by the organisation to the individual in the longer term. Without this commitment from the organisation, many employees believe that their best interests are served by moving elsewhere.

A key element of employability therefore seems to be the market value and demand for an individual's skills. People report that becoming an expert makes them more employable, as long as that expertise is tempered by commercial acumen, effective interpersonal skills and pragmatism. Not all went as far as one person who described themselves as 'a key expert with rare skills – I can command my price'. Many people pointed out the transferable nature of their asset: 'IT skills- including IT management - tend to be transferable across industries'. Others spoke of their 'potential added value to other organisations'. While such mobility may be good news for individuals, the cost to organisations of losing key employees may be high.

Woodruffe suggests that the rhetoric of the new career will appeal more to people who see themselves as passing through the organisation than to those who stay. He argues that they are less worried by a half-hearted message of commitment to them, are more likely to have a transactional relationship with the current employer and to expect development opportunities. Ironically, perhaps the best development deals of all are enjoyed by people on various forms of short-term contract who negotiate what they expect from the contract up-front.

Of course, organisational careers are not independent of the broader technical, social and economic shifts affecting organisations themselves. Nor are careers merely matters to be negotiated between employers and employees. There are other interested stakeholders. Ironically, proposed

changes to the tax laws and pension arrangements in the UK may undercut the very job mobility and career self-management which the new career deal is supposed to deliver.

What employability means may vary in different industries and types of role. However, if this really is the beginning of the Information Age, the kinds of employment opportunities and the skills required, regardless of sector, may be different from in the past. Allred et al. suggest that five key types of skill, knowledge or aptitude are likely to be critical to future career success. These are:

- *A knowledge-based technical specialism, including computer literacy since being able to turn information into practical use will create competitive advantage.* People management will not automatically become the means to career advancement. Indeed, people managers may well work remotely from the people they are managing, maintaining contact via computer systems which integrate the Internet, fax and telephone.
- *Cross-functional and international experience.* Managers will need to be effective project managers and sufficiently aware of other functions' way of operating that they can create multi-disciplinary teams.
- *Collaborative leadership.* Since projects will be both temporary and ongoing, people's ability to integrate quickly into new or existing teams will be critical to success.
- *Self-managing skills.* Since there is likely to be less hierarchical management of knowledge workers, people will need to exercise self-governance, including the willingness to act ethically. Continuous learning will be essential, as will the ability to manage for oneself an acceptable work/life balance.
- *Flexibility, including the ability to lead on one project, and to be a team member on another.*

For our respondents, employability seems to be a mix of experience, track record and key skills. These include flexibility, people management skills, creativity, change management skills, team-working skills and openness to continuous learning. Most have built their employability through training, networking and challenging work assignments and a few have been helped by a mentor.

So organisations may be caught on the horns of a dilemma of their own making. They may not be able to attract truly employable people without offering a development package. Yet retaining such people may be difficult since they will owe little allegiance to the employer, especially if the transaction, i.e. opportunities to build skills and experience, breaks down. Applying the 'manage your own career' message to talented individuals whom the organisation wants to retain may be unwise, especially if they are open to

staying and building a relationship. Training and development geared to building internal employability may be the best option.

The organisational side of the deal

So while employees in our survey generally acknowledge that they are responsible for their own career development, how much are organisations playing their part in the career partnership? The organisational side of the deal is about providing or brokering opportunities and resources to enable the employee to develop their employability and ability to adapt.

The Roffey Park survey suggests that the organisational side of the partnership is lagging behind employee willingness to change tack. According to Hall and Moss this is only to be expected since it appears to take approximately seven years for an organisation and its members to reach an understanding of the new relationship. On the whole, our respondents were slightly less optimistic about career opportunities within their current organisation (60%) than about those within the sector as a whole (67%). The main reasons given for this were lack of opportunities for lateral growth or clear career paths, 'dead men's shoes', unimaginative career practices and lack of management support.

One of the ironies in our findings is that though people seem to be adjusting to the idea that career development means sideways as well as up, with 59% believing that their career will follow a lateral path, opportunities for lateral development are noticeably rare. So keen are people to take on lateral moves, that 81% stated that they would accept a lateral move even without a salary increase. This suggests that people are not only willing to take some risks but also want to break out of potential career bottlenecks. Clearly, though it would be in many organisations' interests to support such internal career mobility, not enough is being done in practical terms to make this possible.

And for the future?

Careers are not simply a little local issue between employers and employees. While an individual's expectations and aspirations may vary according to a range of factors including age, gender, race, location, type of industry, organisational experience, etc. careers as a whole reflect broader thrusts within a given society. It is perhaps in the deeper social trends that some of the sharpest ironies are to be found with regard to changing career patterns. According to Judy Rosener, mobility and flexibility will benefit both employees and employers. There will be a shift away from benefits being tied to a particular organisation. In future, benefits will need to be portable, adjusting to the demands of changing career patterns and providing freedom to move. However, in the UK, tax law and other changes appear to work against such mobility. Self-employed contractors may

well find themselves becoming 'employees' for tax purposes and proposed pensions legislation may limit people's career mobility and the age at which they can embark on a new career.

Similarly, according to Rosener, people can expect three to five careers in a working lifetime. Women in particular appear to have the advantage since they are able to capitalise on their intuitive attributes and work well within a network economy. However, the level of attainment is still tilted against women, particularly for top management roles. Until mid-2000, many employers in high growth sectors were striving to develop excellent employee relations in their bid to become an employer of choice for knowledge workers. With the current turbulence in the worlds of investment banking and telephonic communications, there has been a reversion to old style large-scale job cuts, even though the economic downturn may be temporary. The cost to latent employee commitment may be severe.

Some of the biggest frustrations were expressed by survey respondents who are in specialist roles. This is rather ironic since these are likely to represent the much heralded 'knowledge workers' whom organisations are said to be keen to attract and retain. On the whole scope for conventional career development through technical or professional roles appears limited. If people stay in specialist roles they are often squeezed out of promotion opportunities by generalists because the only promotion route available is through management. In many organisations, career paths are currently confused, making serious career choices difficult.

However, change does appear to be under way. One of the main shifts is that some organisations which recognise the value of these specialist knowledge workers are now attempting to retain and motivate them by offering a range of ways in which people can develop their careers without having to pursue a management route.

Looking ahead, the results of Roffey Park and other research suggest the following trends from which I hazard a few predictions:

- Most employees still hang on to the idea that career progression means promotion even if they are actively developing their skills and have given up the idea of job security with their current employer. Many still crave security and employers may find benefit in enabling employees to have some 'certainties' in so far as these are possible. Some organisations are already aiming to offer a degree of job security as a means of attracting and retaining the best. Organisations such as Hewlett Packard which respond to economic gloom by offering imaginative alternatives to redundancy may be the employers who win out when the economic climate improves.
- Since employees are becoming more confident about their employability, they are more likely to consider job moves now that the bonds of loyalty have considerably lessened. Increasing job movement and negotiation of career packages are probable.
- Highly employable people seem to now be looking for roles which appeal to their personal values, and money may not be the main consideration. More cross-sectoral job moves may be likely, including moves in and out of the voluntary and public sectors. People may increasingly choose to take career breaks or work flexibly in order to have more of what they consider important. Employers in the knowledge economy (especially those in the e-economy) are already recognising the need to attract skilled employees by having a well-articulated set of values which really work in practice.
- Work/life balance is becoming a major issue for many employees and is becoming a factor in people leaving organisations and looking for alternatives, including self-employment. People are less likely to be amenable to ongoing demands for long working hours and the implementation of work/life balance policies will become a business priority in organisations and professions experiencing skills shortages, such as the consultancies, nursing and construction.
- Employers are likely to have to develop 'revolving door' policies for departing employees whose skills are in demand and be prepared to negotiate appropriate deals to attract talent back into the organisation. This may be more expensive than having good development possibilities in place to start with.
- Flatter structures are likely to remain a dominant idea though 'knee-jerk' relayerings will be in evidence – however these are unlikely to last.
- Many organisations are regretting parting with more experienced/older employees and are now making early departures more difficult. The challenge will be to keep 'tired' employees motivated when they are unlikely to be attracted by another step on the ladder.
- The so-called 'post-corporate career' is really starting to happen and will become a more clear-cut trend as people's confidence increases. Career resilience is likely to be the key determinant of successful career self-management, linked with the ongoing quest for learning and new skills.
- The role of managers is changing and a variety of roles are now emerging. It is likely that generalist managers will become an endangered breed unless they are managing large and complex projects. It is probable that

generalists will need to develop some expertise of their own, if only in leadership, if they are to add value. Similarly, with regard to management styles, the old split between 'command and control' and participative management styles is blurring as there is increasing recognition that the role of managers needs to reflect current business conditions rather than popular fashion. However, a longer-term shift appears to have taken place with even traditionalists now recognising the need to motivate employees and to engage in teambuilding.

- Managers are in the front line of career matters and typically receive little practical help to enable them to make a good job of this. It is likely that wide spans of control will shrink to enable managers to really carry out the development sides of their role.
- Leadership will continue to be a key issue across all sectors- much craved by employees and generally perceived to be lacking in UK organisations. The e-commerce model of entrepreneurial leadership is likely to become a dominant fashion for a while.
- Organisations will continue to cast around for solutions to long term succession planning. Relatively conventional fast track schemes appear to be on the increase but it is questionable whether these will prove effective. Though people still aspire to onwards and upwards, they are often not prepared to make the longer-term commitment to the organisation that such schemes often require. Where fast track schemes exist they are often subject to a high 'churn' rate.
- High level technological skills will become a 'taken for granted' amongst younger employees. Older employees who have not kept pace with technological advances will become expendable.

Delivering the career partnership

'In those organisations where it has worked best, the new career contract does not represent a discontinuous corporate trauma. Rather it is simply an intelligent response to a turbulent and unforgiving economic climate. In this environment, 'success' comes disguised as an ongoing and difficult struggle, but one with a clear sense of values and vision, an appreciation of the crucial role of employees in achieving that vision, and a lifelong process of continuous learning'.

Hall and Moss, 1998

Since some of the major drivers of the changing career will continue unabated, organisations need to deliver their side of the career bargain if they want to attract and retain the best.

This is in everybody's interest because few people appear to contemplate a portfolio career and many employees still want to grow their career in the same organisation. If those people

have both the skills and knowledge the organisation needs, maintaining an active career partnership makes sense. Similarly, attracting new employees who are increasingly discriminating about career choice means that organisations could lose out on the best potential employees unless they get their house in order with regard to their proposition for employees.

What do employees want from this partnership? Some of our respondents want greater flexibility; most want the chance of a better work/life balance, more reasonable workloads, a chance to grow on the job, and a challenge. The individual side of the career partnership has to include an intelligent assessment of respective needs, goals and opportunities and a willingness to learn continuously. Some employees may be willing to shift away from aspirations for 'onwards and upwards' if the organisation can supply the right degree of support for a different kind of career.

Most of all they still want to have a sense of future directions, both in terms of organisational strategy and career paths so that they can better develop their career to their satisfaction. Though Hall says that career planning does not really fit the new career paradigm, but job planning does, in practice our research suggests that people do want to know what routes are available to them so that they can start to navigate their way through the career jungle.

The key organisational players in delivering the organisational partnership are Human Resources (HR) professionals and line managers, including top management. Rather than fighting against the rising tide of mobility, HR professionals can help by developing relationships and joint ventures with various parties engaged in the mobile workforce. These include employable workers themselves, contractors, interim managers, consultants and employment agencies.

Creating meaningful career tracks, development workshops, innovative learning opportunities, enabling mechanisms such as competencies, job profiling, open job posting are only some of the possible aspects of an effective career strategy. Managing career management interventions may mean doing a few things well, rather than dispersing effort in a myriad of initiatives. A key challenge for HR managers will be to seize the opportunity to transfer the valuable skills and learning of incoming employees so that they become part of the organisation's culture and strategy. This change of focus from retaining the people who bring the knowledge, to the knowledge which they bring, makes Parker and Inkson raise the question: Should the HR manager become, or be replaced by, a KR manager (Knowledge Resource manager)?

Line managers need to be trained up to play their part in the career partnership. This is largely about coaching and being prepared to engage with employees' career concerns, focusing on helping people achieve their self-determined

career aspirations, not simply the organisation's interests. Line managers may need incentives and practical support - such as smaller spans of control - to enable them to help people with their development as well as performance.

Senior managers in particular need to take an active lead in developing new career processes. They should look for talented people of whatever age wherever they are based in their organisation. They should have a vested interest in doing this; after all, these people may be their future successors. Hurley et al. suggest that human resources practices should be changed to reward tenure. That way individuals with potential to reach the top can develop the core skills, flexibility and breadth of experience relevant to the organisation. Keeping people moving around the organisation should create both vertical and horizontal openings. Horizontal moves will keep employees learning and interested even when there are no openings for them at higher levels.

Looking ahead, organisations and careers must remain mutually supportive. Allred et al (1998) describe enterprises in the future in which individual work patterns will drive organisational form rather than following it. The 'post-corporate' career is a stage on from the current adaptations to evolving organisational structures. The employee's contribution is not dependent on the organisation, but mutually interdependent with it. The new dynamic creates constantly evolving networks and partnerships. Mutual trust and commitment will need constant enrichment. This means viewing employees and contractors as partners in a joint venture, rather than as human resources to be managed. For all concerned, the new career should be recognised as a do-it-yourself phenomenon. However, the smartest organisations are likely to be those which operate a real and meaningful long-term career partnership with talented individuals.

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