



State of the Career Report 2007

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Introduction

Employees come to work with their own agendas. So “career” is a very personal journey that employees will take with or without the organization. Why should organizations care?

Career development is about getting people to where they want to be *and where the organization needs them to be.*

The potential benefit goes beyond turning around low employee survey scores, reducing turnover, or ensuring high engagement. It's about *performance*. High-performance organizations require productivity, innovation, and the right skills in the right place at the right time. To be nimble in their markets, organizations must line up top talent to succeed in new roles with short or no learning curves.

By providing career development as part of their overall talent management strategy, organizations increase their chances that their workforce will be *willing, ready, and able* to move into the roles that the organizations need them to play.

This Report's Focus

Over the years, as traditional career ladders (shaped by organizations and climbed steadily by “company” men and women) disappeared, BlessingWhite's career research focused on the primary guideposts and influences that individuals use to redefine and navigate today's uncharted career landscape.

Our latest study, which involved nearly 1,000 executives and professionals worldwide, was designed to revisit those themes and also explore in more depth the career development programs offered by a range of organizations:

- What are organizations doing?
- How is it helping employees?
- What has been the business impact?

Our findings portray a rocky terrain for the most well-intentioned individuals and organizations. Increasingly elusive definitions of career, the growing need for just-in-time talent management to meet unpredictable market realities, and shifting expectations of the global workforce make it difficult, though not impossible, for organizations and individuals to align their journeys and accomplish their goals together.

You'll find 12 recommendations at the end of this report for ensuring the success of career development initiatives, plus a few suggestions for managing your own career.

Irony for Most?

career *intransitive verb*

To go at top speed especially in a headlong manner, e.g., a car careered off the road.

— Merriam-Webster Online

Why Worry About Employees' Careers?

Engagement and Retention

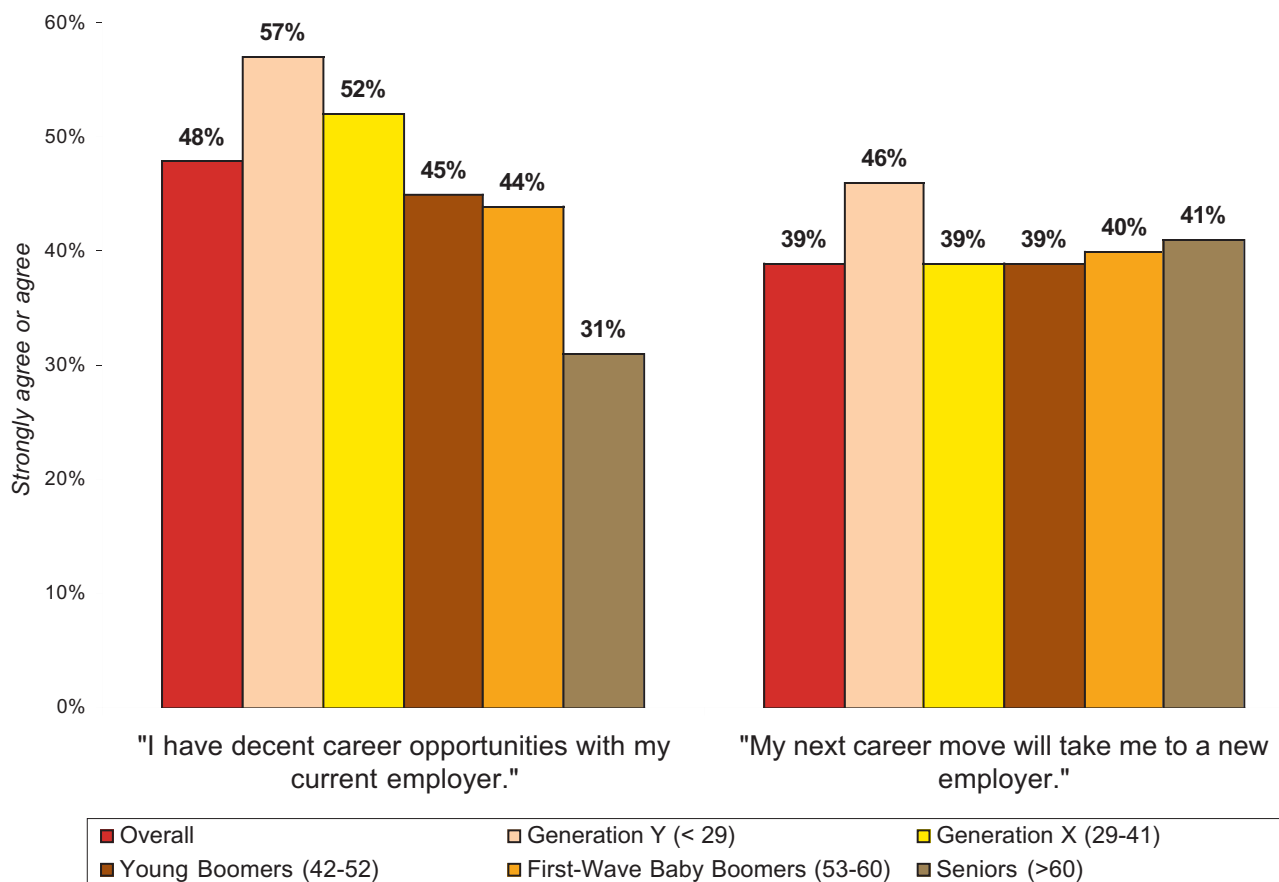
"Career development, and more specifically, the ability to navigate one's career here, came out in the top three drivers of employee engagement across all divisions."

– Career Services Director, regional U.S. healthcare insurer

Many of the HR and line executives we interviewed identified employee engagement and retention as their primary objectives in providing career development support to their employees. Our survey findings confirm these as critical goals. Only one in two respondents overall believe they have decent career opportunities with their current employer, and over a third expect their next career move will take them elsewhere.

Generation Y respondents, although more optimistic about their opportunities, appear more likely to move on.

Too Many at Risk?



“When we looked at the unacceptable turnover of our high-potentials, we found we had ‘renters’ not ‘owners’. We also discovered it was easier for them to leave than to negotiate a career internally.”

– CLO, global investment bank

High Performance

Nearly all the HR executives we interviewed described career development as one critical piece in a more complex talent management strategy that often included succession planning, performance management, redeployment, and targeted development to make sure their organization performs as their market evolves.

“We know we need to forecast the areas of greatest need, identifying the critical work 2-, 3-, and 5-years out. That way we can promote these fields and develop people for new roles.”

– T&D Director, leading U.S. medical center

What Do Employees Expect?

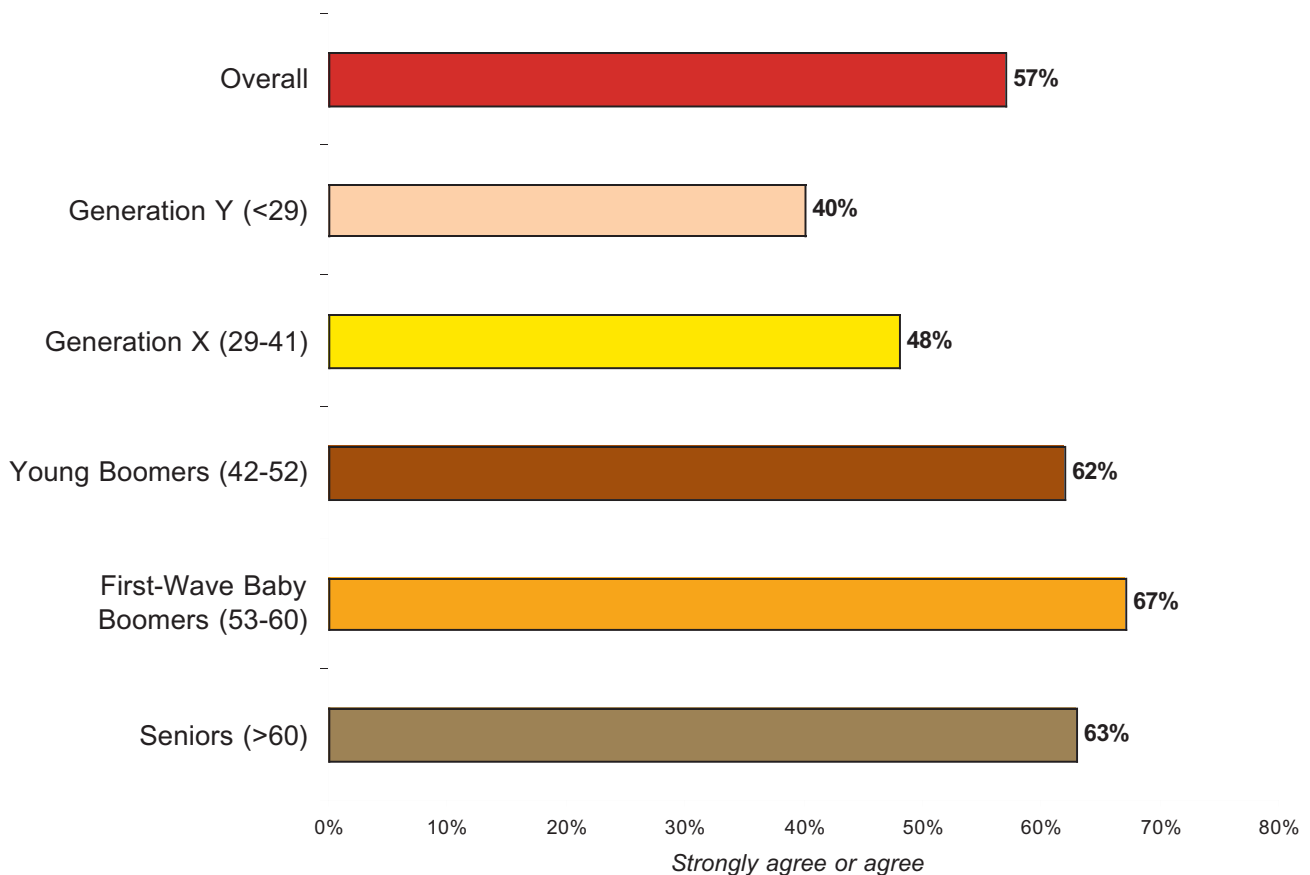
"It's your boat, so start rowing."

– Manager, U.S.-based financial services cooperative

The majority of survey respondents understand that they, not their employers, need to control their careers. 57% overall agreed or strongly agreed that they don't expect their employer to provide a clear career path for them, although only 49% of respondents from Asia-Pacific responded this way.

It also appears that the sense of career ownership increases with age.

"I don't expect my current employer to provide a clear career path for me."



Where Are Employees Going?

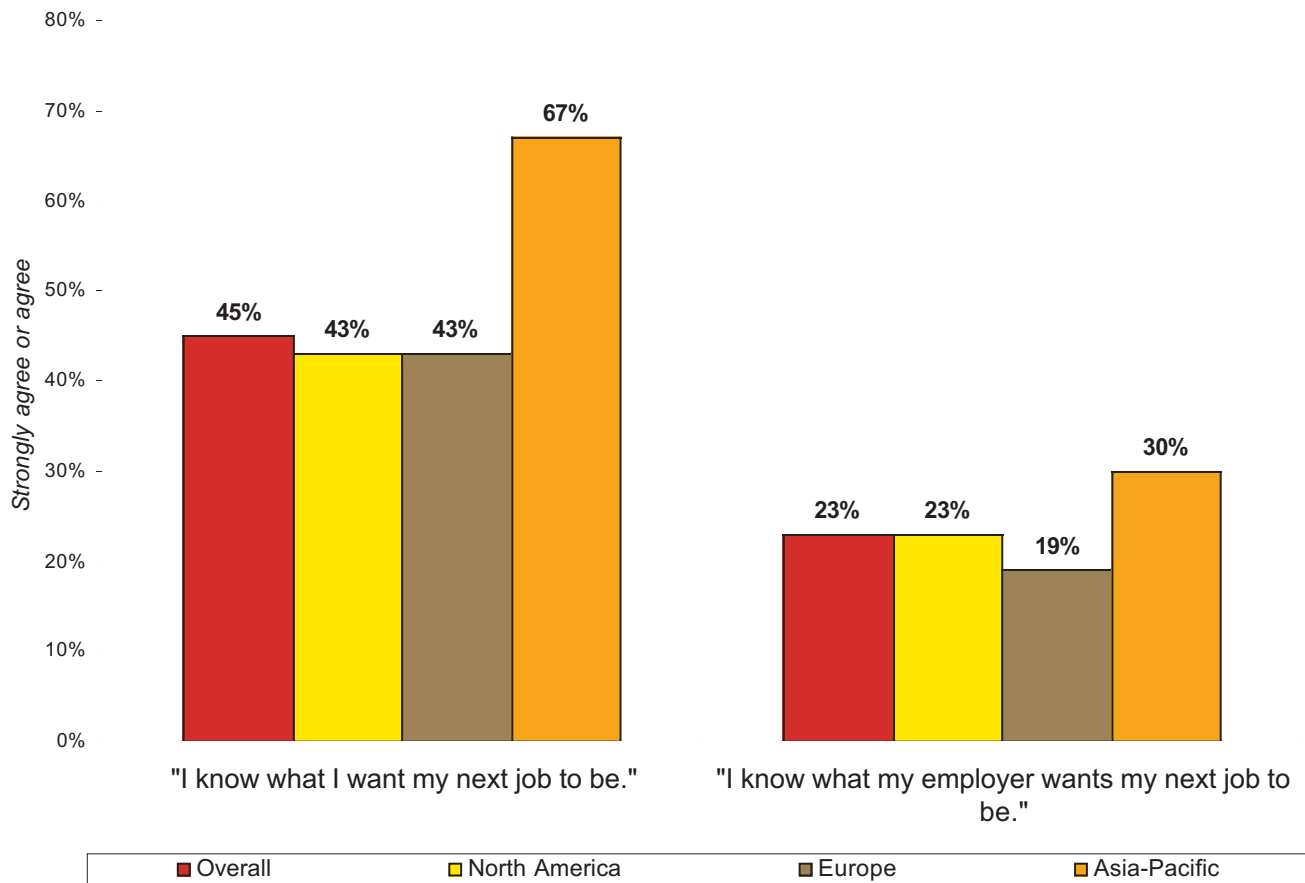
"Having a clear view of your direction is better than a clear view of your destination."

– UK-based OD Director, global travel agency

Although 51% of respondents overall indicated that they actively manage their career based on clear, personal career goals, less than half agree or strongly agree that they know what they want their next job to be.

Less than a quarter indicated that they know what their *employer* wants their next job to be.

What's Next?



"Having a career plan is valuable, but you should remain flexible. Use it as a reference."

– UK-based EVP, global bank

What Are Employees Looking For?

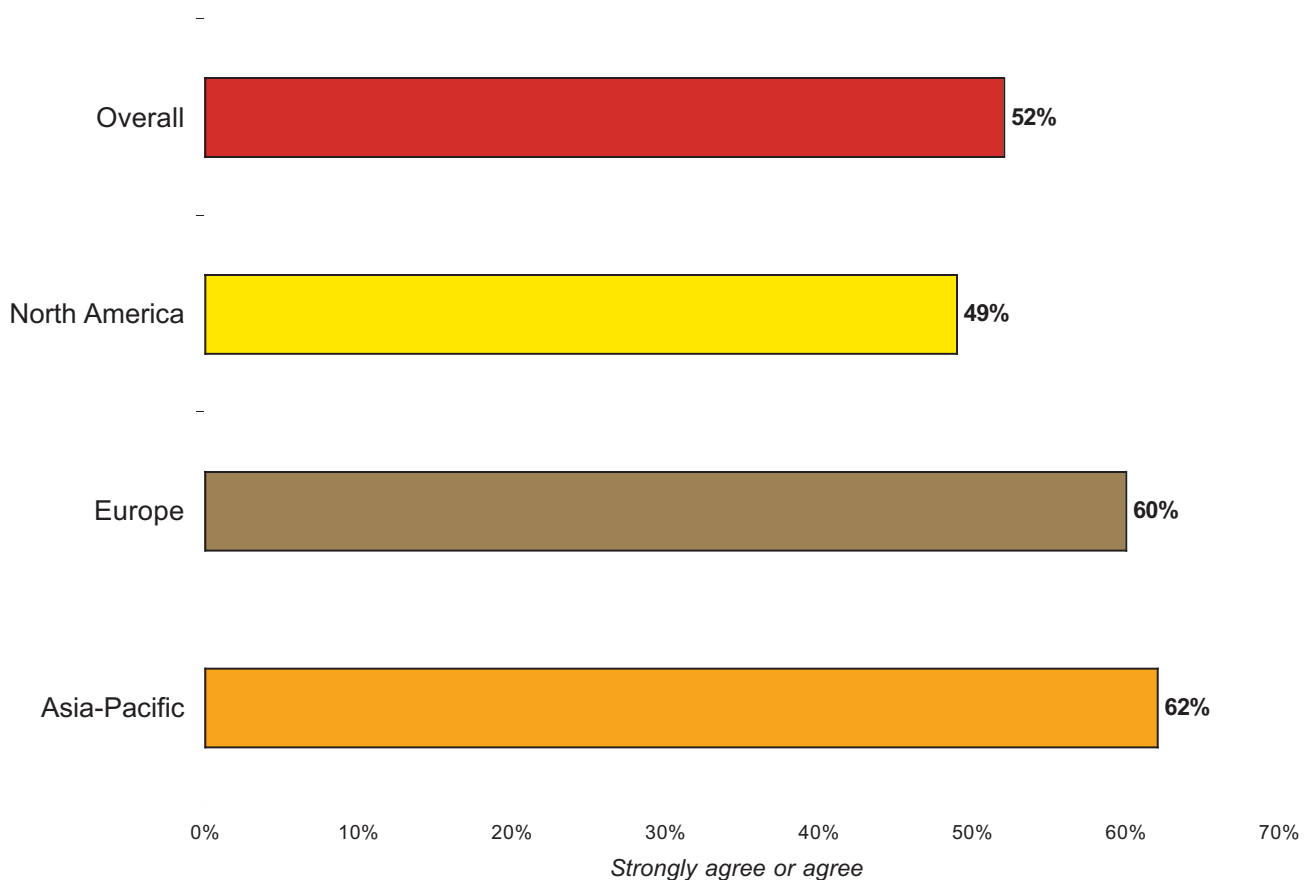
“There are two underlying factors to success – a passion for the area you are working in and the ability to grow beyond where you are to something new.”

– Manager, Australia-based telecommunications firm

Personal growth is one factor that respondents consider in managing their careers. Four in five overall agreed or strongly agreed that they don't think there is anything wrong with staying in the same job if they can try new things or develop their skills. This sentiment was consistent across geographic regions and generations.

Satisfying work is the goal for more than half the respondents overall, with respondents from Europe and Asia-Pacific feeling most strongly (60% and 62% respectively).

“I don't think in terms of ‘career.’ When I make job changes, I look for ‘work’ that is satisfying.”



Intangible Career Drivers Top the List

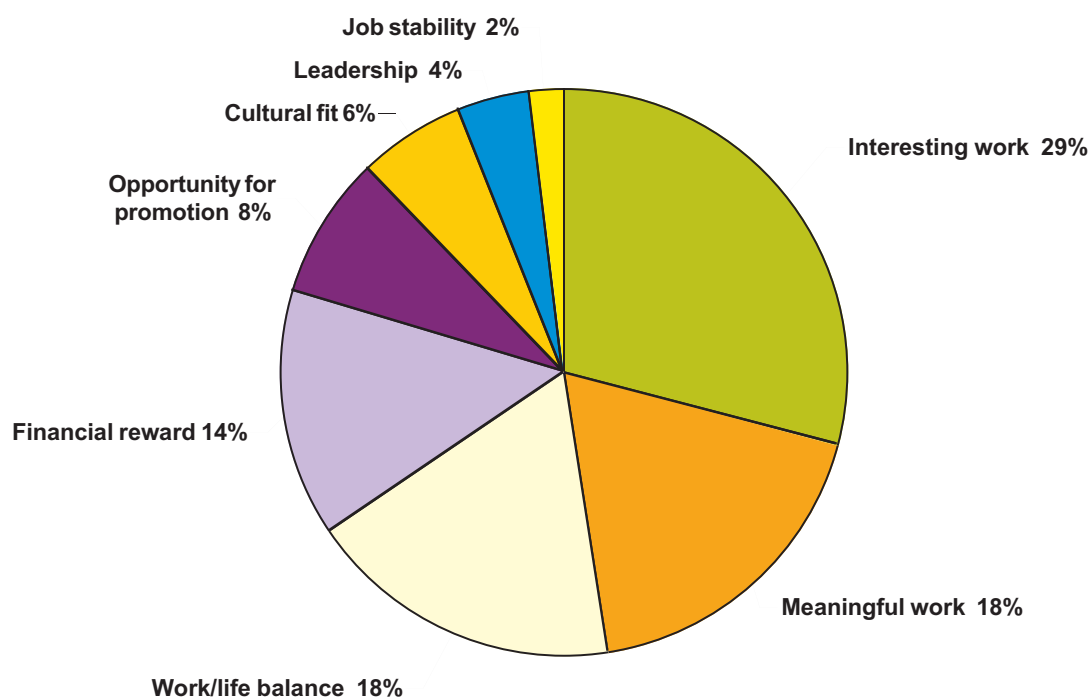
"I came to work for the federal government because of the rewarding nature of public service and the fact that it helped me balance the needs of home and work."

– IT specialist, U.S. federal agency

When asked to identify the most important criterion in choosing their next position, nearly one in three respondents overall selected interesting work, with meaningful work and work/life balance tying for second place at 18%.

Significantly more respondents in Europe and Asia-Pacific selected interesting work (38% and 37% respectively vs. 26% in North America).

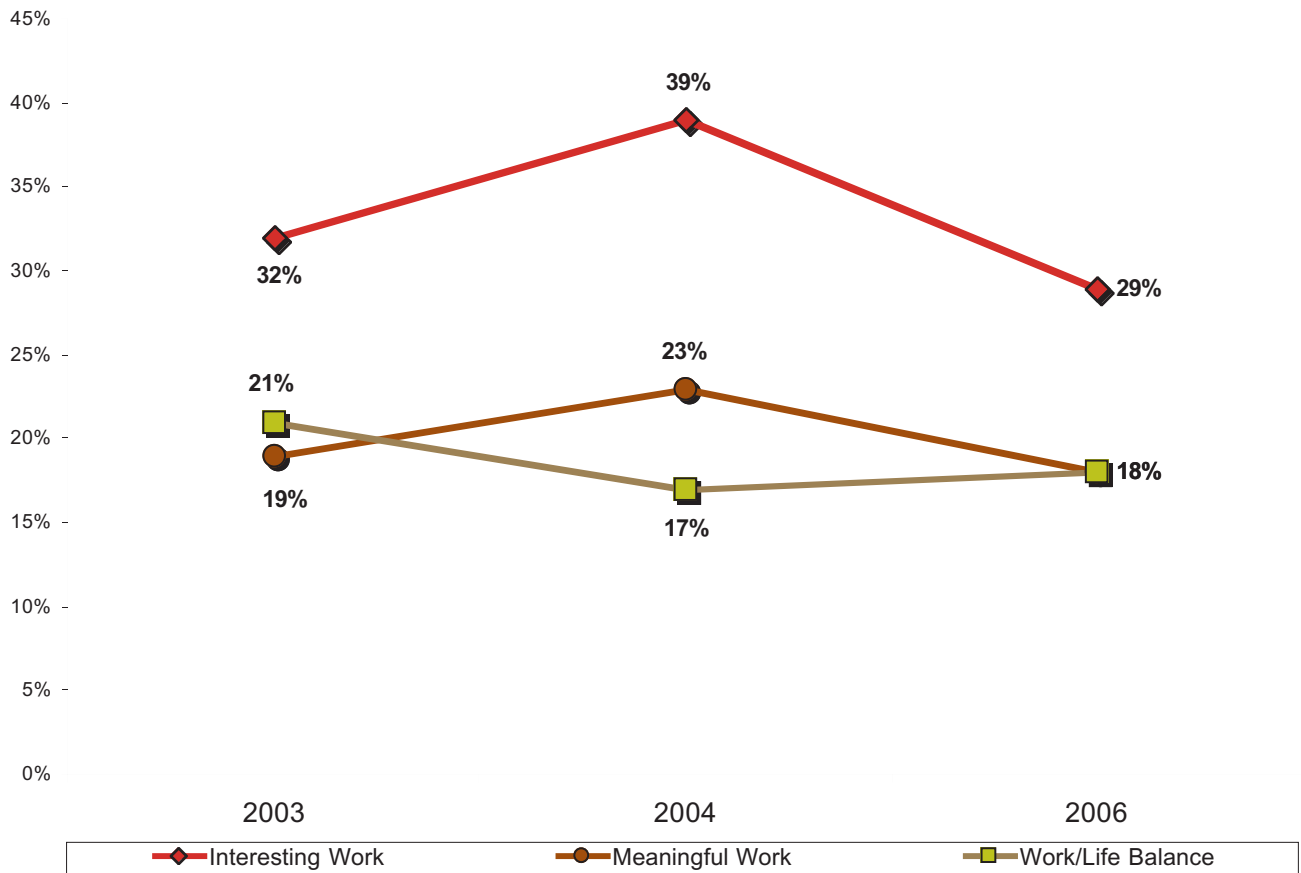
"Choose the phrase that best describes the *most important criterion* you will look for in your next position."



These findings are consistent with BlessingWhite's past career research studies indicating that employees' hearts and minds shape the intangible terms (e.g., "interesting" and "meaningful") that define their unique relationship with their work.

The Reigning Three Over Time

("Choose the phrase that best describes the *most important criterion* you will look for in your next position.")



Although interesting work was the number one response across all categories of respondents, there were differences in how the other top responses ranked based on generation and gender.

Similar Yet Different	Overall	Gen Y (<29)	Female	Male
Interesting work (<i>work that challenges me, stimulates my intellect, or helps me broaden my knowledge or skills</i>)	1	1	1	1
Meaningful work (<i>work that satisfies my personal values or contributes to the larger community</i>)	2	3	3	2
Work/life balance (<i>a job that fits my lifestyle</i>)	3	4	2	4
Financial reward (<i>a higher base salary or larger bonus potential</i>)	4	2	4	3

What Are Organizations Doing?

“We found that employees understood they needed to take charge of their careers. Some, at our encouragement, took the initiative and tried to figure out the answers to ‘How do I do this?’ ‘Who do I talk to?’ ‘What are the unwritten rules?’ Unfortunately, they didn’t receive a lot of help from us, and they often got it wrong.”

– U.S.-based T&D Director, global pharmaceutical firm

The Basics

More than half of respondents overall indicated they have access to 11 of the 15 career tools listed in the survey, with no significant difference in availability across North America, Europe, and Asia-Pacific.

Most-to-least Common Career Resources

01. Job postings	83%
02. Training/workshops	81%
03. Descriptions of job levels/grades/responsibilities	80%
04. Criteria for advancement	77%
05. Assessments for development planning	71%
06. Online information	66%
07. Career coaching training for managers	62%
08. Mentoring programs	61%
09. Temporary assignments/secondments	61%
10. Published career paths or levels	59%
11. Brochures, printed guides/tips	56%
12. Online career planning tools	49%
13. Career coaches/consultants	49%
14. Online networking/communities	43%
15. Career centers	37%

Organization size, not surprisingly, appears to affect availability of resources. Respondents working at firms with fewer than 1,000 employees consistently indicated that they did not have access to the career resources listed. Larger organizations (with 10,000+ employees) appear to be significantly more likely to offer assessments (81%), online information (83%), mentoring programs (72%), and online career planning tools (63%).

Comprehensive Approaches

Our interviews with HR executives indicate that organizations use a unique blend of components, reflecting their industry, workforce population, organization culture, size, and most-pressing business issues. The most-ambitious initiatives are organization-wide and top-down, containing:

- Internal marketing strategies
- Competency models
- Training and tools for managers to coach employees on their careers
- Training and tools for employees at all levels
- Profiles of non-traditional career paths to fit changing business needs and workforce expectations
- Follow-up consultation or career centers for ongoing support
- Succession planning meetings by managers to address future needs

“We set up talent management meetings among business-unit leaders and sweetened the pot by providing their people with tools to drive actionable career development and engagement plans. We also provided coaching training and tools for the managers.”

– Human Capital & Development Consultant, U.S. municipal utility

A Missing Link?

Most executives interviewed described career development as a critical piece of a more complex talent management strategy. There is little evidence, however, that employees at large see any connection. Only 26% of respondents overall agreed or strongly agreed that employees’ career aspirations are supported with a talent management system or initiative.

This finding raises additional questions: What are organizations doing to communicate career development’s role in larger workforce initiatives? And does it actually matter whether employees are aware of the link?

What Do Employees Think?

Organizational commitment? Maybe.

Less than half (40%) of respondents overall believe that their organization is committed to helping employees achieve personal career goals, a finding consistent across organization size and employee tenure. The greatest degree of optimism is evident in Asia-Pacific (57%), in financial services organizations (55%), and among Generation Y respondents (55%).

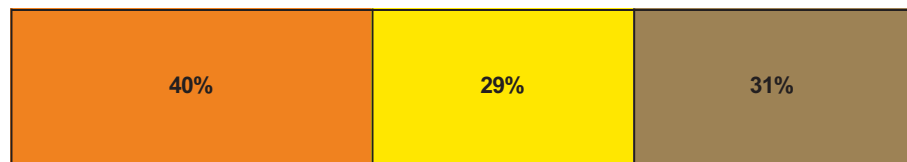
"Career advancement is one's own responsibility. If you're waiting for your firm to handle it, you may as well expect Christmas in July."

– Australia-based Team Leader, global pharmaceutical firm

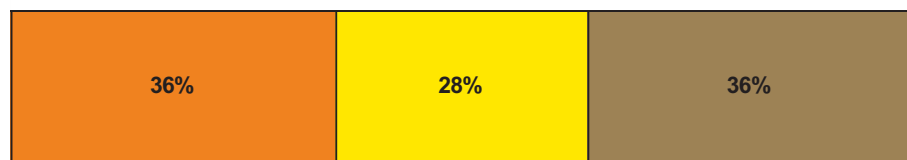
Respondents across the globe were also sharply divided as to whether talk of career development is merely PR or actually helps employees.

Mixed Reviews?

"My employer is committed to helping employees achieve personal career goals."



"In this organization talk of career development is internal PR. Few employees actually benefit."



0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

■ Agree or Strongly Agree ■ Neither Agree/Disagree ■ Disagree or Strongly Disagree

"People development is seen as increasingly important – in fact as a strategic imperative. However, a lot of this relates only to the top commercial people in the company, and I see it as lip-service only for most functional employees."

– UK-based HR Director, global business services firm

These findings raise questions: Is it possible to demonstrate commitment to employees' careers *and* send the message that employees must own their careers? Are employee perceptions influenced by poor communications? Ineffective execution? Factors outside the organization's career development initiatives?

Helpful approach? Not for me.

"You must take ownership of your career. Do not allow yourself to become a 'victim' of your company's misguided or ineffective structures."

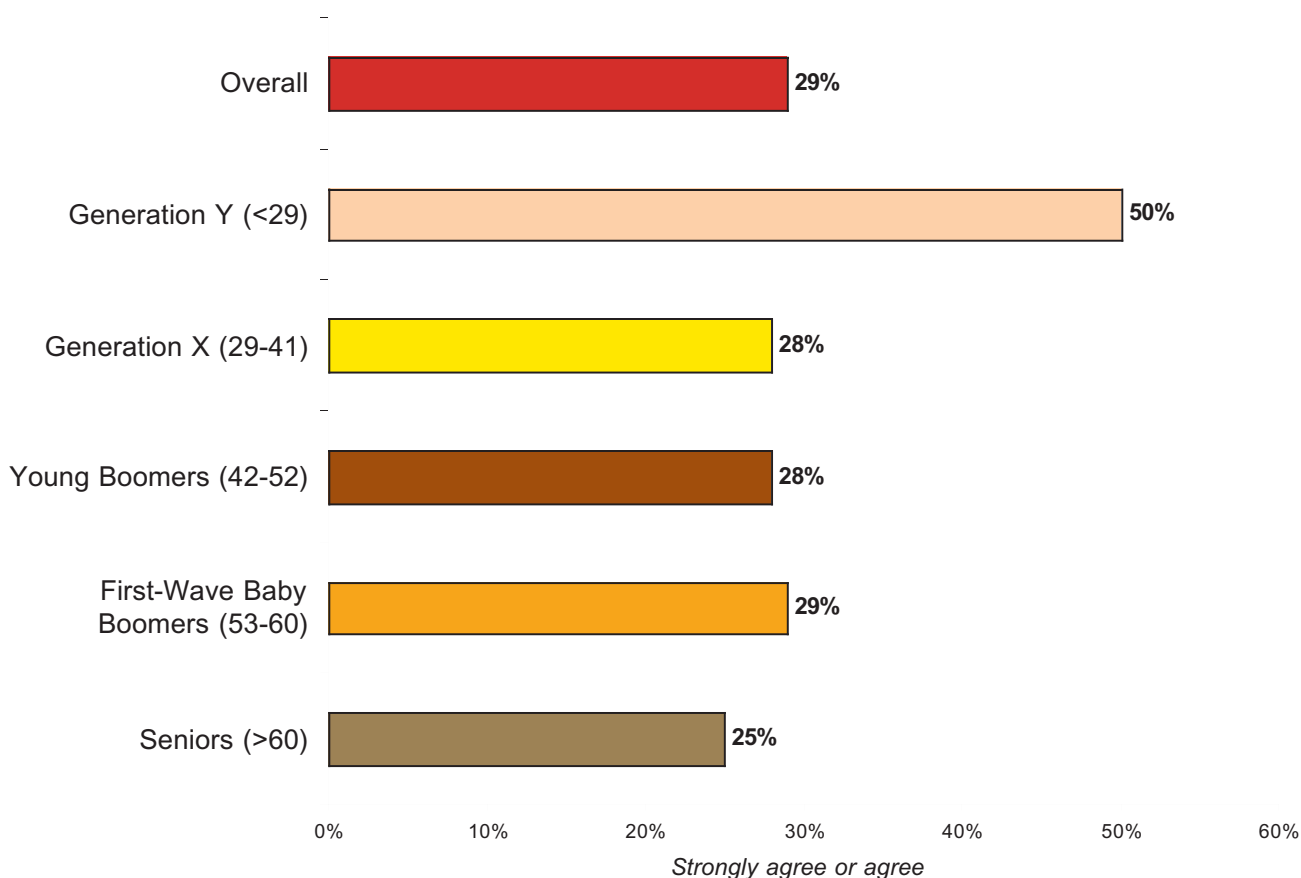
– Manager, U.S.-based IT consultancy

Shedding light on the debate about whether career development is merely PR, fewer than one in three respondents overall, across organization size and employee tenure, agreed or strongly agreed that their employer's approach to career development meets their personal needs.

Respondents in Asia-Pacific were more positive (40%) than those in North America (28%) and Europe (30%). (This response appears to be in line with Asia-Pacific respondents' more positive perspective on the organization's commitment, their higher expectations around career paths, and their greater clarity on next steps.)

The youngest members of the workforce, who are often participants in special programs for recent graduates and may still be sizing up the career landscape, are significantly more satisfied than the rest.

"My employer's approach to career development meets my personal needs."



Specifically...

"I am being pushed toward a career path I am not happy with and would like to re-direct it."

– UK-based IT specialist, global pharmaceutical firm

Respondents gave low marks overall when asked to rate the helpfulness of the career resources to which they have access. Three of the five most commonly available resources, however, also appear to provide the most value – see the three bold-type "Most Helpful" items below.

MOST Helpful	"Extremely" or "Very" Helpful
1. Career coaches/consultants	30%
2. Career coaching training for managers	29%
3. Training/Workshops	29%
4. Temporary assignments/secondments	29%
5. Job postings	27%
6. Assessments for development planning	27%

LEAST Helpful	"Somewhat" or "Not at all" Helpful
1. Brochures, printed guides/tips	64%
2. Online networking/communities	60%
3. Career Centers	60%
4. Published career paths or levels	57%
5. Online information	55%
6. Online career planning tools	53%

The interviews we conducted with employees illuminate the survey findings. *Advice* and *insights*, not mere information, were recurring themes when people mentioned important career influences. A number of individuals described the impact of "mentors" – either former bosses or higher-level executives who showed them the ropes and provided career coaching.

"I had one such manager. She was not limited to 'the obvious' or to what immediately impacted my job. She helped create opportunities and contact with other execs. She also coached me on the best way to approach this."

– UK-based HR Director, global business services firm

Growth assignments and special projects were often mentioned as ways to acquire new skill sets and develop a broad network of colleagues who could provide help in the current job and support in future career moves.

"Temporary stints are very valuable. They help you broaden your skill set, and you make a lot of lasting contacts."

– IT specialist, U.S. federal agency

Lateral moves? An uphill climb.

“I spent a lot of time trying to create job opportunities for an employee who reported to me, but company policies thwarted me.”

– Manager, U.S.-based defense contractor

Although all the HR executives we interviewed stressed the importance of mobility across functions, less than half of survey respondents overall (40%) agreed or strongly agreed that their employer makes it easy to pursue lateral career moves, not just promotions. The exceptions: Respondents from Asia-Pacific (57%) and those working in financial institutions (60%) indicated a smoother ride.

Our findings are consistent with other recent studies indicating that silos make it difficult for managers to identify talent and challenging for employees to find opportunities or even identify executives with whom they’d like to work.

“We asked high performers ‘What was your path?’ and found that they often held a series of jobs but did not follow the same path. So we included these examples to emphasize that there is no one route. We wanted to send the message that thoughtful ‘bouncing’ is not only okay; there is evidence that the high performers have moved the most.”

– U.S.-based Learning & Development Director, global pharmaceutical firm

Implications for Organizations

It's good news that the majority of employees don't expect organizations to provide clear career paths. As organizations morph to keep up with the demands of today's global economy, most routes are likely to be redrawn as fast as they're mapped out.

At the same time, less than a quarter of employees know what their organizations want them to do next. This means much of today's workforce is drifting, not driven. While this lack of clarity might suit some employees who enjoy the work they now do, it's not a formula for long-term organizational success.

Meanwhile, as organizations invest significantly in career development initiatives, many employees are skeptical of their employers' commitment to their personal success. More troubling are the findings that:

- The vast majority believe they have not personally benefited from the career resources their organizations have provided.
- More than a third indicated their next career move would take them to a new employer.

Our interviews, however, provide promising accounts of career development programs that meet the needs of employees and organizations. We offer the following recommendations for ensuring that these initiatives positively impact employee engagement, retention, and the bottom line.

Recommendations for Organizations

Establish three cornerstones of career development success

Individuals must own their careers, be clear about what they're looking for, and be committed to taking action.

"Résumé updating and logging-on to a career website are the ways people generally start thinking about their next move. The bulk of the work, however, needs to be done beforehand – within them."

– Manager, UK-based business services firm

Individuals cannot succeed on their own, however, nor should they manage their careers in a vacuum of free agency. Therefore, the **organization** must have a point of view about career development and provide tools and a structure to enable employees to develop their careers in the context of what the organization needs.

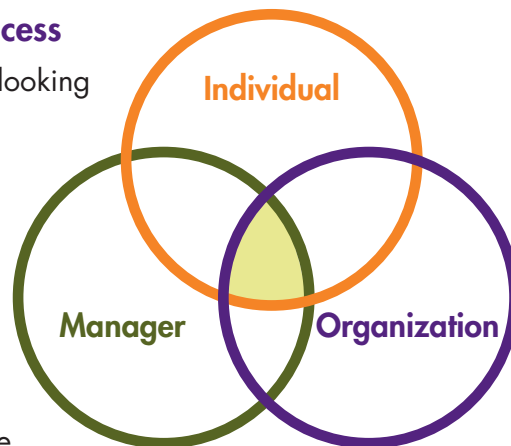
Managers stand at the crossroads where their team members' capabilities and goals meet the organization's priorities. They need to understand and buy in to the organization's career development point of view. They also must be competent and confident in supporting (not directing) employees' career journeys.

Link career development and business priorities

Employees must understand the organization's long-term strategy and what's required of the workforce to execute it. The more employees know and care about the organization's direction and business priorities, the more willing and able they'll be to satisfy their career aspirations *and* apply the necessary skills when the organization needs them.

Take a multi-faceted approach

According to the executives we interviewed, no one tool or resource will scratch every employee's itch and drive the organization's performance. They approach career development as part of a strategic talent management strategy, with a blend of information, high-tech tools, coaching, development, and HR processes. Evidence that their efforts are paying off includes: A nearly 50% reduction in turnover, a significant increase in lateral moves, more effective employee-manager partnerships, positive employee feedback, and smoother succession planning sessions.



Put conversation above information

Employees don't find online resources, printed brochures, and other information sources particularly valuable. When they talk about major career influences, they mention career coaches, former managers or mentors, networks of colleagues, even training sessions – where they have exchanged ideas and gotten advice.

Capitalize on the position that managers hold since they should already be having performance and development conversations with their teams. Encourage them to add career to the mix. They don't need to have all the answers. Provide guidance on what you expect them to do or not do.

Online or printed information (such as alternative career paths, profiles of successful career navigators, or tips on interviewing) best play a role as support resources, not the primary component of successful career development initiatives.

Beware the “career” word

The next time employees express dissatisfaction about career opportunities, take the time to discover the need behind the need. It may not be a clear path, raise, new title, or their boss's job. It may be new challenges, flexibility, or skill development.

Since individuals' perceptions of career vary, define the term for your organization. What does “career” look like in this organization? What's your organization's career philosophy? Who plays what roles? What different paths have individuals taken to achieve their goals?

Identify the “work” required to drive organizational success

Our findings suggest that most employees care about the work itself – how it challenges them, provides meaning, and fits into their personal lives. The goal, then, is to help employees find the work they want to do *and* make sure it's the very work that will move your organization forward.

“50-70% of our people may retire in the next five years. We aren't necessarily looking to replace skills 'in kind.' Technology is changing. We need to determine new skills and help our workforce gain experience and develop accordingly.”

– Human Capital Consultant, U.S. municipal utility

Help employees clarify what they want

If employees don't know what they want, they won't know when they've got it. That's not the organization's problem – unless the organization is trying to align employee interests and skills with its business strategy. The more you can help employees become clear on their personal values and goals, the greater the chance that they can pair their aspirations with your requirements.

“We wanted to provide a process to help individuals identify their interests, determine their strengths and development areas, and make better decisions about their options.”

– U.S.-based Learning & Development Director, global pharmaceutical firm

Encourage cross-functional education and networking

Organizations promote lateral moves, but they aren't easy to pull off. To smooth the way, successful organizations use temporary assignments, cross-functional development initiatives, and employee affinity/networking groups. More than one organization promotes lateral career moves in employee newsletters to counter negative perceptions ("she didn't get along with her boss" or "he wasn't qualified to be promoted"). Online networking works well in one financial institution – but it was instituted after employees established strong personal relationships face-to-face in a high-potential training session.

Build managers' buy-in and skills

Whereas managers should not drive career development initiatives, they can certainly derail them if they're not part of the process. The executives we interviewed described managers as skeptical, sometimes fearful, and even prone to "disinheriting their staff" if they did not have an active role or have the chance to buy-in to career development efforts from the start. Don't exclude them.

"We wanted to make sure we didn't create a monster, where the managers' capabilities did not equal the enthusiasm of associates and of the organization. After all, they never had this type of support themselves, and helping others find their own answers is very different from their day jobs."

– UK-based Director of Learning & Development, leading global law firm

Consider internal or external career coaches

Our interviews and survey data underscore the usefulness of solid career advice. One bank opted for senior-level mentors because HR wasn't well-positioned to make important introductions to line executives; other organizations look to HR to play the role of career coaches. Some are experimenting with external consultants. Why not rely exclusively on managers, who are often in the best position to coach? Availability, skill level, even perceptions. One respondent from the UK explained: *"My manager also needs to look after his own interests, and the two [his career and mine] may sometimes conflict."*

Don't forget skill development

Realistically, employees can't successfully navigate their careers *and* meet your organization's evolving needs without expanding their skill sets. Sometimes those goals can be reached without a change in jobs.

"We stressed the notion that staying in the current job and continuing to contribute and build on key skills can be a successful career strategy."

– Career Services Director, regional U.S. healthcare insurer

Take a reality check

Nearly three-quarters of our survey respondents indicated that their organization's career resources aren't helpful. What about yours?

Ask your employees about their careers – and the tools you provide. What are they looking for? What resources are most valuable? What barriers exist to pursue their goals within your organization?

What About *Your* Career Development?

“If you don’t continue to reinvent yourself you’ll be on the outside looking in.”

– Training officer, U.S. federal agency

Toss out your preconceived notions of what a career should be. Keep in mind the following points as you navigate today’s ever-changing career landscape.

Know Your self strengths options

Know yourself. When you clearly understand your values and interests, you are better able to define what success means to you. If you use someone else’s definition of success as a guide, you may end up in a situation that impresses others but makes you miserable.

Know your strengths. When you understand your talents and limitations, you are better prepared to align your unique skills with what an employer needs. This self-awareness also helps you strategically shape your learning and development to support your career interests and the evolving talent marketplace.

Know your options. Where is the market for your knowledge, enthusiasm, and skills? How best can you get there? Through a promotion or a lateral move? A special project or reshaping of your current job? Talk with your manager. Take a colleague or two out to lunch to learn more about what they do. Check out your organization’s career development resources. Most important, think broadly about “work.” No doubt your organization has plenty of work that needs to be done.

Bottom line: If you understand what matters to you, what you offer, and where you can make a difference for your employer, you’ll be better able to make the right choices – and also position yourself as the right person to get the work done.

“Don’t underestimate the interpersonal aspects of managing your career. The trend is to add skill sets or qualifications. The be-all, end-all for me was relationships. I could always pick up the phone for help or to network.”

– SVP, U.S. financial services firm

Background: Survey Methodology

A link to our online survey of 31 multiple-choice questions was emailed in December 2006 to individuals representing a cross-section of job functions, job titles, and industries. Visitors to the BlessingWhite website were also invited to participate.

To expand on the quantitative responses, we compiled respondents' write-in comments, interviewed clients and interested survey respondents, and had informal exchanges with a range of individuals on both sides of the issue. Insights from 20 HR executives and business professionals are reflected in this report.

Survey Respondent Profile

Here's an overall view of the 976 respondents:

- Over half (61%) are female.
- Respondents from 33 countries are represented, with 76% residing in North America, 16% in Europe, and 8% in Asia-Pacific. More than half the respondents in Asia-Pacific reside in Australia.
- 41% are employed in organizations of fewer than 1,000 employees, 30% are employed by organizations of more than 10,000 employees, with the rest in between.
- All workforce generations are represented: 6% Generation Y (<29), 34% Generation X (29-41), 39% Young Boomers (42-52), 18% First-Wave Boomers (53-60), and 3% Seniors (>60).
- 13% work in Financial Services, 11% in High-Tech, 10% in Health Care, Pharmaceuticals and Biotech, 10% in Manufacturing, and the rest are scattered across a wide variety of industries, not-for-profits, and the public sector.
- 37% have worked for their employer for more than 7 years, 13% for less than a year, and the remaining 50% split pretty evenly between tenures of 1-3 years and 4-7 years.
- Their job functions include Human Resources, Sales, Marketing, IT, Customer Service, Finance, R&D, and Manufacturing/Production. Not surprisingly, given BlessingWhite's expertise and client base, more than a third (40%) work in Human Resources.



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