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Creating the environment for career alignment

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In my ongoing researches into succession planning, one of the recurrent themes is the difficulty companies have in aligning the evolving ambitions and aspirations of employees with the evolving needs of the organisation. In my next book (subtitled *If succession planning works, how come the wrong people so often get to the top?*), I make the case for increased attention to dialogue between employees – both individually and collectively – and the organisation. One of the aspects I am currently writing upon is what practical steps HR can take to build an environment, where honest, well-informed and continuous conversations about career opportunities can take place. Here are some of the ideas that are emerging:

- Make it the norm to take risks with people, by giving them opportunities and encouragement to take on roles and projects, for which they may not be obvious candidate. When taking a risk on a new technology or new products, a typical process is to:
 - Assess the potential benefits (in this case, to both the organisation and the individual)
 - Articulate and assess the risks
 - Provide support mechanisms to ameliorate risks and help the individual succeed
 - Have a back-up plan, if things go wrong

If you want to promote innovation, outlier employees – people who don't necessarily fit the competency spec drawn up to reflect the existing or previous incumbents – have great potential to introduce new perspectives and ways of tackling old problems. Sure, some of these risky appointments will not work out. Then much depends on whether this is seen as a personal failure (on the part of the employee and, perhaps also of the manager, who appointed them) or as a learning opportunity for both the employee and the organisation.

- Try to build into organisational structures and processes a greater balance between:
 - Authority of expertise and authority of position. Sometimes the best person to lead an initiative may be relatively junior. The more hung up people are on positional power, the less opportunities for those more junior to demonstrate their abilities and establish more innovative solutions to business problems. The less emphasis on hierarchy, the more encouragement for talented people seize opportunities to lead – either as individuals or collective as an informal team. The potential for networks of people with a common interest to lead change in organisations is often untapped – or worse, ignored and disparaged by senior managers protective of their authority. For example, when working some 20 years ago with a large wholesaler, the biggest block on innovation and ideas from below, was the head of operations and his staff, who believed that initiatives from other people should be discouraged, as innovation was their responsibility. The company's quality programme only really got off the ground when this manager was fired!



- Reward for contribution and reward for seniority. HR's love affair with pay grading systems has won it few friends. The rationale for paying people more on the basis of the size of office they occupy, and for the sometimes eye-watering differentials between pay at the top and pay at the bottom, is that basic salary should be based on the size and scope of the responsibility people hold. Bonuses should, of course, be based on contribution to the business, but inevitably, the two issues get confused – for example, by tying bonuses to percentage of salary. Focusing reward on what people contribute beyond their job description (and assuming that they achieve at least acceptable performance in their core role), encourages innovation, delegation, networking and developing people around you to support challenging initiatives. It also means that genuine talent (people who can make things happen) has a greater chance of shining through amongst those people, who just tick the boxes. In contrast, here's an example of what happens so often in large companies. Peter (not his real name) is a rising star in a retail company. Although nominally a junior manager, he is constantly acting up, being given problem departments to turn around. Last year, one of these departments went from very poor performance to contributing 10% of the company's profits. While Peter gets a lot of praise and non-monetary recognition from above, his salary is limited by pay bands that seem arbitrary to him and his bonus by a formula that limits it to no more than 15% of salary. The company has a limited time period to prevent Peter walking – in this time, it must either find a way to promote him into senior management, at a time when there is pressure to reduce headcount at that level; or it must drive a coach and horses through the pay, grading and reward systems; or both. The worst thing it can do is nothing. Top management have maintained a constant dialogue with Peter and been as honest as they can, but the "worth" dimension of the psychological contract is severely strained. It's a classic example, of how HR structures and systems undermine key people objectives, such as retention and development of talent.
- Recognition for your contribution and performance with regard to all the teams, of which you are a member, rather than just the one you lead. Agile organisations can't afford for people to work in silos. It's important for people to engage with multiple teams simultaneously, both for organisational cohesion and for developing personal capabilities and experience. In working with bright, young employees, I find that a common complaint they voice is that, having mastered most of their current role, they lose motivation because they are insufficiently challenged. As a mentor, I help them both to look for new challenges in the current role and for opportunities to become involved with other teams and projects, which will allow them to demonstrate or acquire new capabilities. However, "what gets rewarded, gets done" and if rewards and recognition are focused firmly on the current role, people will tend to avoid challenges outside their main job role – especially if they are under time pressure. If the core role has relatively few opportunities to demonstrate their talent, then the organisation's view of them (and often their own view of themselves) is likely to be much narrower and less holistic than if they are encouraged to link with and support other parts of the organisation. For the organisation, the risk of basing recognition and performance appraisal on behaviour in one role is that it rewards people, who are particularly competent in a narrow context, more than those who are more widely capable.



A handful of organisations have tried to formalise this principle by giving their talent waves both a core job and a secondary role, usually chosen to allow them to demonstrate and/or develop a different set of competencies. Both are considered in appraisals. This not only develops the employee more rapidly; it also provides a broader view of them and establishes whether there is consistency in their performance and behaviour in the two roles. If there is inconsistency, this initiates a dialogue around whether there is a skills deficiency or whether contextual factors in one role may be more constraining on their performance than in others.

- Develop the expectation of constant and honest exchange and forums, where it can happen. Companies, which are investing in internal social networks, have found that these provide practical platforms, where employees can share career-related information. What's lacking, for the most part, is for similar openness and sharing by HR and business leaders about organisational plans and strategies.
- Invest in information, for example, by:
 - Making personal development plans (PDPs) much more dynamic documents than is usually the case. Put them on-line, make them transparent, and encourage people to both blog about their developmental experiences and make comments to help colleagues put their PDPs into action
 - Creating an employee business plan at both corporate and business unit levels (and lower, if practical). These documents, pioneered by British Aerospace some 20 years ago, offer detailed descriptions of business strategy and its implications. Initial fears that this would give competitors dangerous insights proved unfounded – it is at the product and technology level that the risk of giving away competitive advantage is greatest. This kind of easily available, annually updated information can be an invaluable resource in discussions about career options and direction.
 - Transparency of information from working parties, such as change teams. Given that the greatest problems in implementing change come from people issues, rather than from technology, openness here can be intensely useful in exploring appetite for change. The talent wave can offer valid and insightful opinions. In return, they gain an understanding of the change team's thinking, which they can use in their own career planning.
 - Encouraging talented employees to investigate areas that interest them and to share their learning. A few companies, such as Google, give employees a percentage of their time to follow their noses on ideas they choose. Although there is no empirical evidence about the impact on their core role, anecdotal evidence suggests that there is no negative impact on their performance, in terms of either quality or quantity of output, and that there may be indeed an increase in performance, stimulated by the level of creativity that transfers from their time pursuing their own ideas into the time they spend on the “day job”.



- Actively investigate the career alignment process itself. In what circumstances is alignment between the employee's ambitions and those of the organisation high and low? What barriers most commonly prevent people having in-depth, frequent and informed career conversations? On-going research (for example, through focus groups) can provide significant insights. Discussing those insights with the talent wave and their managers can provide practical solutions for overcoming barriers and an additional motivation for people to engage more fully and more often in alignment conversations.

As with so many aspects of people management, HR can't realistically expect to conduct regular, frequent, informed career conversations with the entire talent wave, let alone with all employees. What they can do is enable employees and managers to have the confidence and information to have those conversations. But that won't happen without a radical rethink of both HR's role and the impact of other HR processes on succession planning and career conversations.