Lexonis

Lexonis • White paper

Modern Career Pathway Playbook

Why traditional career pathways no longer work, and how to fix them to engage and retain your most important employees.



Introduction

Traditionally, an individual's career path in an organization was seen as a highly structured, hierarchical series of jobs an employee progresses through until they arrived at their target job.

The organization's job architecture reflected this hierarchical progression and success in lower-tiered roles was used as the primary qualifier for promotion to a higher tier. This approach is no longer effective for many organizations or employees. A more dynamic approach to career pathways is needed. This approach focuses on skills as the thread that connects one job to another as opposed to having worked in a similar, more junior role.

Employees still require and desire defined career paths. So how can we meet their need? Organizations need to implement career development solutions that truly foster engagement in today's workplace. To assist you in navigating the new world of work, we have created this eBook to guide you through the new realities of career pathways.

Part 1: The Argument for Career Pathways

Part 2: Why Career Pathways are Obsolete

Part 3: A Modern Career Pathway Playbook

Part 4: The Roles & Responsibilities for Modern Career Pathways

Part 5: Enabling Career Pathways with Technology



Figure 1: Traditional, structured hierarchical career progression.

Part 1: The Argument for Career Pathways

Effective career pathways are a win-win for both employees and employers. Establishing a clear career path for your employees can empower them to achieve their professional goals. Career pathing is also instrumental in helping you build a high-performing team.

Career Pathways Increase Employee Productivity and Morale

According to a PwC Canadian Workforce Survey, 67% of Canadian employees said that upskilling opportunities made them more productive and confident in their organization's leadership. Career development instills employees with a sense of ownership in the organization's success. It's a tangible link between the success of the business and the personal achievements of the employee.

Career Pathways Increase Engagement and Retention

Lack of career development and advancement is the top reason cited by 41% of employees in Guild's American Worker Survey Report, that causes employees to quit a previous job. Thirty nine percent of the same sample say they are unclear about career paths or plans with their current employer. The numbers tell us that by making sure employees have a clear sense of their future potential in the organization, we can reduce turnover and increase engagement. This makes career pathways an easy win for improving engagement and retention.

Career Pathways Help with Talent Planning and Cost Control

Internal recruitment is an often overlooked but highly beneficial practice. It takes less time and money to hire someone internally and the starting salary of an external hire is on average 7% to 20% more than that of internal candidates.

Perhaps more importantly, the time required to recruit, hire and onboard an external employee can have an economic impact, estimated to be well above the annual salary according to SHRM. As evidence, according to the Saratoga Workforce Index it takes 168 days to recruit an employee, then on average, another twelve months to reach productivity according to Gallup. By providing career pathways and upskilling your existing employees, it becomes much easier to maintain a robust internal talent pipeline.

Effective career pathways are a strategic imperative for both employee satisfaction and organizational success. They not only empower employees to achieve their professional goals but also drive productivity, morale, and a sense of ownership in the company's success. With clear career development opportunities, organizations can significantly enhance employee engagement and retention, addressing key reasons for turnover. Moreover, internal recruitment through well-defined career pathways offers substantial cost savings and efficiency gains, creating a more agile and high-performing workforce. Another advantage of recruiting and developing from within is that existing employees have already demonstrated their ability to adopt the organization's culture. By investing in career pathing, companies can build a resilient talent pipeline, ensuring long-term growth and stability.

Part 2: Why Traditional Career Pathways are Obsolete

What's Driving the Change?

The traditional view of a career as a linear climb up the corporate ladder doesn't reflect the complex challenges leaders face today. Emerging technologies, and economic shifts, have made career paths less straightforward than they used to be and employee needs and interests have changed and hierarchical career pathways don't take those into account. Here we take a close look at these issues:

Change Driver 1: Work Requires More Employees and More Specialized Skills

Technology, automation, and now AI have made work more complex. For example, in the auto industry, we've gone on a journey from Model T's that could be assembled on a line by a few hundred workers to computers on wheels, containing hundreds of globally sourced components pieced together by thousands of workers. Many of these workers fill roles that require highly specialized skills that can be difficult to recruit.

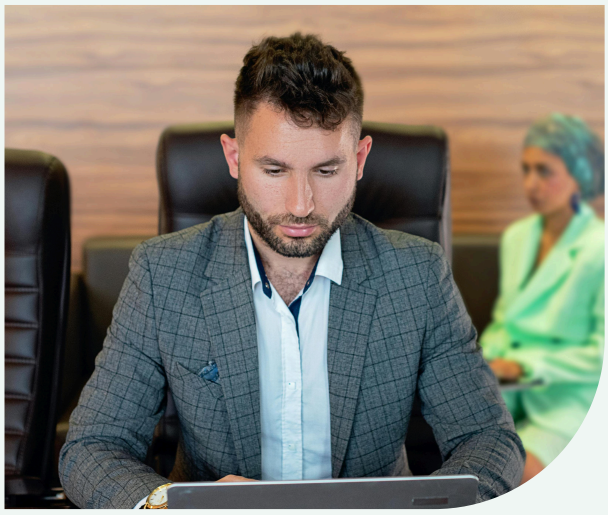
Change Driver 2: Organizations are Flatter

Organizations are becoming flatter. According to Gartner, the average manager's number of direct reports has increased by 2.8 times over the last six years. While climbing the corporate ladder was always an inverted funnel, today that funnel is narrower. Opportunities to advance a career are less likely to be through a traditional promotion into a managerial role.

Change Driver 3: Emergence of Project-Based Cultures

Project-based work is increasingly prevalent. Project-based work refers to organizing work around specific projects, with a defined scope, objectives, and deliverables. Unlike traditional work structures, project-based work is temporary, with a clear beginning and end. For organizations, project-based work offers numerous benefits. It allows for greater flexibility and adaptability, innovation and collaboration, as cross-functional teams come together to tackle complex challenges.

What does this mean for employees with regard to career pathways? If an employee moves from one team to another, they may not be following a traditional career ladder. Modern career pathways need to somehow account for these experiences and the skills that are developed while taking them on.



Change Driver 4: Employees Want to Grow

According to Betterworks three-quarters of employees prefer to stay and grow where they are versus moving to another company. Unfortunately, less than half see a clear career path. To close this gap, companies must focus on providing employees the tools to take control of their careers along with their long-term skill development.

Taken together, these changes create the need for modern career pathways that are more likely to include a lateral move than a promotion. Nowadays, career pathways need to support the ability to add new, adjacent skills, not just increase proficiency in existing ones; we need to be able to regularly update these career pathways to incorporate new skills and consider where there is a good fit for existing ones. In Part 2 of this eBook, we define a model for the modern career pathway.

Part 3: A Modern Career Pathway Playbook

As described in Part 2 of this white paper, the traditional approach to career pathways just doesn't work with the new normal. Jobs are constantly evolving, many are short-term and project-based, skill requirements continuously change, and employees aren't necessarily interested in pursuing hierarchical career ladders. Career pathways demand more flexibility, increased agency for employees and the ability to respond to the changing needs of an organization.

A modern career pathway is like a personal trainer who constantly updates your training plan based on what event you're preparing for, integrates the latest training practices and adjusts your personal plan based on how you're feeling. In this context, "career pathways" are replaced by a more dynamic ecosystem of solutions that are designed to help employees explore and prepare for different potential futures in the organization. These solutions have the following capabilities:

1. Understand My Capabilities

If your organization suffers from low engagement scores or increasing churn, a lack of employee development is likely a culprit. In a new survey from INTOO and Workplace Intelligence, 25% of employees say they'll likely quit within the next six months due to a lack of career development support from their company. But most executives know from experience that simply throwing more dollars at L&D will have little effect. What companies miss is that upskilling an employee is in effect a change process.

And like most change programs, leading with a series of top-down initiatives without first engaging and activating employees is more likely to fail than not. With this in mind, the first step to engage employees is to help them understand their starting point in a career plan. Employees need tools to recognize and quantify their existing skills.



2. Explore and Find Target Roles

Career pathways are increasingly non-linear, they involve either a lateral move, a move to an entirely new function, or are made up of a series of temporary roles. So, how do employees plan for such an uncertain future? Organizations need to manage roles as dynamically as the market is evolving. The old days of stagnant, out of date job descriptions no longer support the new normal. Organizations need up-to-date job descriptions for all existing roles, emerging roles and common temporary roles, if the company is using a “flex” model. Employees need to be able to browse and search roles by skills and matching experience. They should be able to target specific roles and prepare themselves to succeed in them.

3. Identify and Quantify Gaps

Once an employee identifies target roles, their career pathway starts to take shape with these targets as potential milestones. The connective tissue between these milestones is development. This development is shaped by closing any gaps between an employee’s current skills and experiences and those required for a target role. Employees need the ability to identify these gaps and understand what activities will help them close the gap.

4. Access Learning and Development Resources to Close Gaps

Now that employees are setting targets and surfacing their personal skills and experience gaps, they need a way to close the gaps. This is where an organization can maximize the ROI of learning, mentoring, and developmental assignments. If your organization has a system in place, like Lexonis Talentscape, you’ll start to identify high-priority skills gaps through workforce analytics and can prioritize these gaps with your L&D resources.

5. Learn About Emerging Roles & Skills

Technology entrepreneur, Mark Cuban, spends about 3 hours reading every day and attributes his early career success in life to reading. He wants to learn more about a new industry he is researching and become great in it. Mark Cuban understands that industries constantly evolve and change and if you’re not changing with them, you probably won’t succeed. The same approach applies to managing a career. Companies need new skills to stay ahead. While some employees are “Mark Cubans”, most aren't. Employees need to be regularly informed about new roles and emerging skills. The good news is there is a constant stream of research and articles written on this topic along with software that tracks emerging skills. The more difficult challenge is a last mile challenge – how to get this information out to frontline employees? This usually requires a strong collaboration between HR business partners (HR BPs), who will track skills data, and managers who are responsible for communicating the data to employees and guiding them on any actions needed to develop the skills.



Clearly, the modern approach to career pathways must be dynamic and employee-centric, reflecting the constantly shifting job landscape. By providing tools for employees to understand their current capabilities, explore and identify target roles, quantify skill gaps, access tailored learning resources, and stay informed about emerging roles and skills, organizations can foster a more adaptable and engaged workforce. This ecosystem of support not only empowers employees to navigate their careers with greater flexibility and confidence but also ensures that organizations remain competitive and resilient in an ever-evolving market.

Part 4: Roles and Responsibilities for Modern Career Pathways

It's not always clear whose responsibility career pathways are in an organization. It is likely that you will receive a different answer depending on who you ask. In reality, implementing career pathways is analogous to a change program and takes the whole team to succeed.

However, most people agree that there are 3 key stakeholders involved in the traditional career pathing process, the employee, their direct manager, and the organization.

Employees

Employees play a pivotal role in their own career development by taking ownership of their career pathway, identifying opportunities and actively pursuing their personal growth and learning. They need to take the initiative to identify their strengths and areas for improvement, set personal and professional goals, and seek out resources to enhance their skills. This may involve pursuing outside education, participating in training programs, seeking mentorship, and staying current with industry trends. By taking ownership of their career pathways, employees not only enhance their own job satisfaction and career prospects but also contribute to the overall success and innovation of their organization. Actively engaging in career development helps employees adapt to changing job markets, increases their employability, and aligns their personal ambitions with the strategic goals of their employers.

Human Resources

Human Resources (HR) plays a critical role in career development by establishing the infrastructure for employees to understand their potential career paths. HR can also provide information on how to pursue career opportunities by creating and managing programs and initiatives that support employee growth and progression. HR BP's act as career guides to support both employees and their managers in planning and pursuing a career pathway. They also facilitate skills assessment and validations that help employees understand their strengths and areas for improvement. Additionally, HR is responsible for developing clear career paths and succession planning strategies to ensure that employees can envision and work towards future roles within the organization. Finally, HR helps to retain talent, boost employee engagement, and ensure that the organization remains competitive and capable of meeting its long-term goals. This includes actively maintaining skills profiles, identifying emerging skills and communicating these changes to the organization.

Managers

Managers play a crucial role in career development by directly influencing and supporting their employees' growth and progress. They act as mentors and coaches, providing regular feedback, guidance, and encouragement. Managers help employees set realistic and achievable career goals, and work with them to create actionable development plans. They identify opportunities for skill enhancement, such as on-the-job training, cross-functional projects, and attendance at industry conferences. By recognizing and leveraging each team member's strengths, managers can align individual career aspirations with organizational objectives. Effective managers also advocate for their employees' career advancement by providing visibility, recommending them for promotions or new roles, and supporting their participation in professional development programs. In fostering an environment where career development is a priority, managers help to build a motivated, skilled, and loyal workforce.

Company Leadership

Company leadership plays a critical role in career pathways by articulating it as an integral part of the organization’s strategy and supporting a culture that makes room for it. Leaders can do this by:

1. Setting clear goals

Leaders can create and communicate a vision for employees at the company and set goals for internal promotions, training hours, and other related metrics.

2. Creating a supportive environment

Leaders can encourage employees to develop their potential by celebrating success stories, sharing progression toward goals and wrapping development into their personal narrative. This can lead to a culture that embraces career development and empowers employees to take agency over their future

3. Having career development discussions with their direct report

Career development isn’t only for front-line employees, it’s critical for all employees and aligns closely with succession planning. Leaders can set an example by helping their direct reports understand the organization's needs and identify gaps in their skill sets. They can also communicate these gaps and offer guidance on how to close them.

In summary, modern career pathways require collaboration among employees, managers, HR, and company leadership, resembling a change program. Employees must take ownership of their career development by identifying opportunities, setting goals, and seeking out resources for growth. HR provides the infrastructure, programs, and support needed for career development, including skills assessment and succession planning. Managers play a key role by mentoring, providing feedback, and helping employees set and achieve career goals, as well as identifying skill enhancement opportunities. Company leadership supports career pathways by setting clear goals, creating a supportive environment, and engaging in career development discussions with direct reports. Together, these stakeholders ensure a dynamic, effective career development system that aligns personal and organizational goals.

Part 5: Enabling Career Pathways with Technology

The Visibility Challenge

At Lexonis, one of the common concerns that we hear is from organizations that engage in employee surveys who often receive employee feedback that there is no visibility of career development opportunities within the organization. This is not to say that there aren't any, just that they are not made readily available and visible so that an employee can peruse their opportunity to fulfill their potential for their current employer. This often leads to frustration and potential retention as well as attraction issues. It is critical to make career development opportunities transparent and to make this information easy to access and understand. A dynamic and visual representation of this information is ideal.

A skills-based approach and the technology to support it can offer several ways to represent this information. Why skills? For the reasons already described in this white paper, skills enable the organization to plot and deliver career development journeys beyond the traditional career steps that just using job titles offers. Using a skills-based approach enables lateral career moves – across job families and job grades – and truly supports talent mobility. Rich job and skills data require appropriate technology to support such an approach.

Career Pathway Views: Organizational vs. Personal

In the first instance, consider two potential career pathway views that we can make available:

- Organizational Career Pathways (see Figure 2)
- Personal Career Development Views (see Figure 4)

Organizational Career Pathways

This is a snapshot of a view from the Lexonis platform, other systems may provide something similar. This view represents what an organization-wide career pathway may look like for an Information Security Specialist, in this instance.

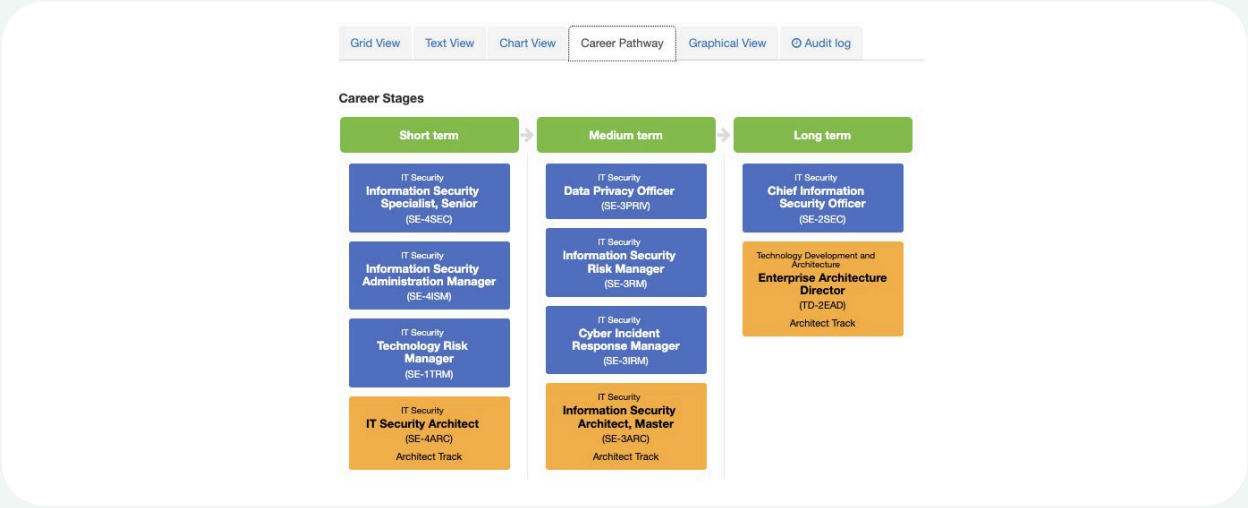


Figure 2: Example Lexonis career pathway representation.

On the Lexonis platform, this view is flexible and may include more career stages (Short, Medium and Long Term), different labels and layers of potential jobs for consideration. Currently, someone who is an Information Security Specialist, may consider the Information Security Specialist, Senior role or the Information Security Administration Manager role, in the short term, and then contemplate their next career step beyond that, for instance, the Data Privacy Officer role in the medium term and into the future, the Chief Information Security Office role. On the Lexonis platform, each job has an associated skills-based job profile that articulates the skills and levels of proficiency required for success in that job. An individual employee can download and review each profile to understand the skills that they will need to develop for each stage of their career development. Note the color coding to denote different career tracks for the same job, this is useful for an organization endeavoring to provide opportunities for 'knowledge workers' alongside managerial/leadership career paths. Such career pathway views can be built manually or automatically inferred by the Lexonis platform based on matching skills, job bands/grades or other criteria defined by the organization.

The Lexonis system also provides for additional information to be included in each job profile (or potentially job posting) that the organization may want to include to inform the employee on further career growth opportunities within their current role:



Figure 3: Visual career guidance information for managerial track.

Personal Career Development Views

As the name denotes, personal career development views personalize the career journey for the individual. These views require some form of assessment of the individual's skills so that logic is used to identify which jobs they may be suited to based on their existing skills. Note Figure 4 and one view of this information provided by the Lexonis platform.

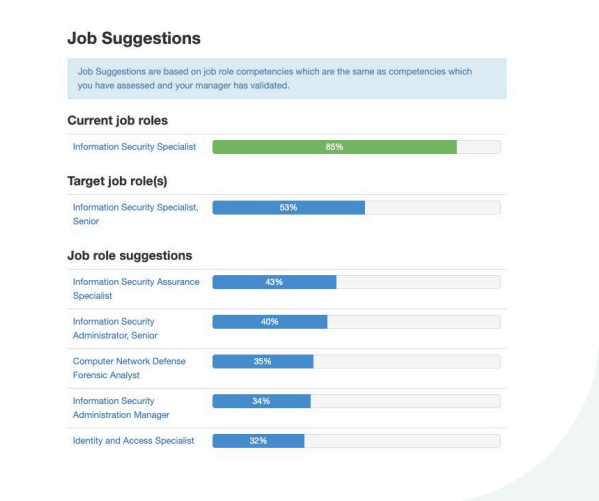


Figure 4: Suggested target jobs based on matching skills.

In this view, the employee (who is currently an Information Security Specialist) can quickly see a top 5 'hit list' of other jobs they may be suited to for career development purposes, based on their existing skills. In this instance, they have targeted the Information Security Specialist, Senior role and added this to their development plan. The jobs suggested are not restricted by job family; it happens that the closest matching jobs are in the same domain of expertise but they do not necessarily have to be so if there are other jobs in the organization that are a good match for the employee's current skill set. This approach is excellent in breaking down job silos and providing mobility in the organization. Note too, that the matching logic can be configured in the Lexonis platform to match the organization's preferred criteria for driving career development.

In Figure 5, an employee has clear visibility of the skills that they have (shown as stars), against those that they require and the level at which they require them (shown as colored boxes) so that they can target the skills that they need to develop further for their career development. Further functionality enables each employee to build their Personal Development Plan (PDP) to support the development of their career in the direction that they would like to take.

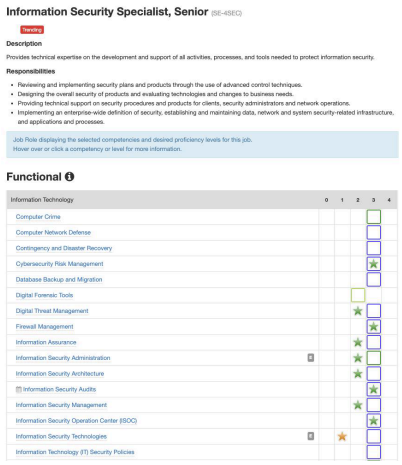


Figure 5: Individual skill gap analysis for target job.

Aside from the organizational and personal views already described, it is also possible to take a far broader take on career development by providing the HR team with a view of potential candidates based on their matching skills. Note Figure 6, which displays potential cross-organizational candidates for the Information Security Specialist, Senior role.

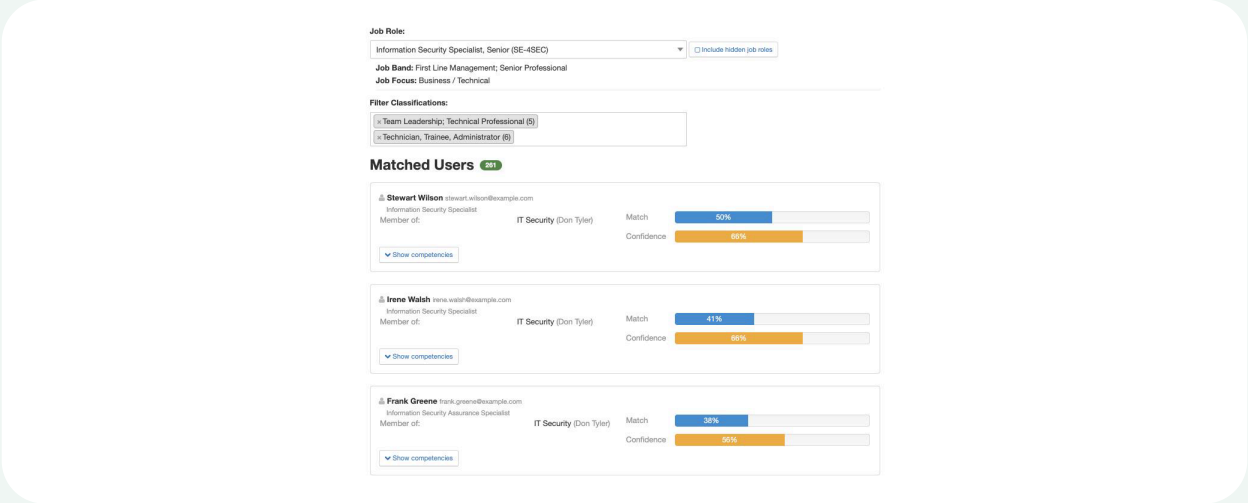


Figure 6: Candidate analysis based on matching skills.

In this case, clicking the Show Competencies button provides a detailed view of which skills/competencies the person currently has in relation to those required for successful performance in the job. The added benefits of taking a skills-based approach once again means that job silos are broken down and it enables HR to take an objective and inclusive view of employees who are good fit for career growth into a new or vacant role, based on them having the necessary skills, not just their job title or job location.

Clearly, when made available, all these skills-based views address the issue of career development transparency and opportunity!

Conclusion

All the evidence in today's rapidly evolving job market, points to traditional career pathways no longer being sufficient to meet the needs of the workforce or an organization’s strategy. The modern approach to career development requires flexibility, continuous learning, and a focus on skills over hierarchical progression. Employees, managers, HR professionals, and company leaders must work collaboratively to create dynamic career pathways that align personal ambitions with organizational goals.

By investing in tools and technologies that support skill assessment, targeted learning, and career exploration, organizations can empower their workforce to navigate diverse career trajectories. This not only enhances employee satisfaction and retention but also ensures the organization remains competitive and resilient. Ultimately, fostering a culture of continuous career development benefits both employees and employers, driving sustained growth and success.

Are you ready to take the next step in your skills initiative? Let’s talk.

Get in touch

UK and Rest of World

info@lexonis.com

Innovation Centre,
99 Park Drive, Milton Park
Oxfordshire, OX14 4RY

+44 (0)208 089 6899