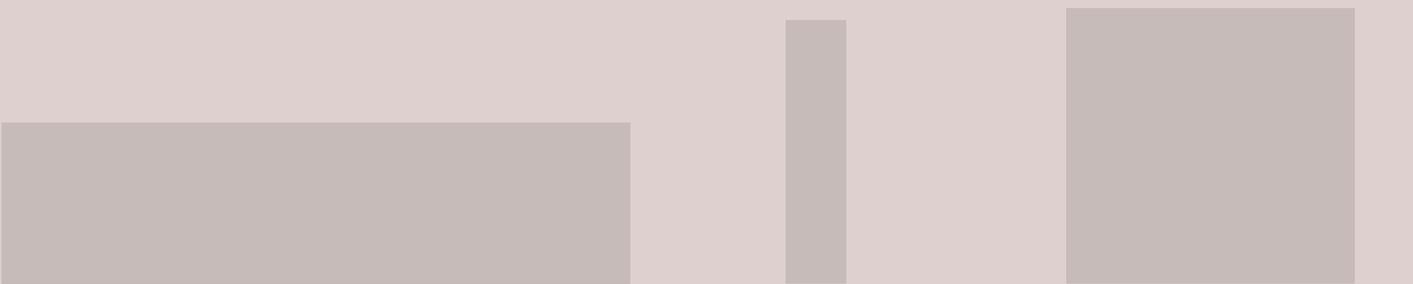


Perspectives



The career marketplace: what the future of work looks like

One-size-fits-all career management programs are becoming obsolete in a global workplace where more employees seek personalized work experiences and organizations need to keep pace with ever-shifting talent requirements. The marketplace model offers an agile, dynamic alternative to traditional career management approaches. It connects employees with development opportunities best suited to their needs while offering employers access to a broad pool of critical talent.



Companies are finding more options for getting work done outside the traditional full-time-employee (FTE) model. Advances in technology make it possible to deconstruct jobs into tasks that can be dispersed both inside and outside the organization so that work can be done in the most efficient and effective way anywhere in the world. More work is being done through nontraditional employment relationships such as those involving contingent workers assigned to short-term projects, often doing the same or adjacent tasks as other team members who are traditional employees (*Figure 1*).

Our research shows that career advancement opportunities are the second-most frequently cited driver of attraction, behind only base pay. Moreover, as the use of nonemployee talent is increasing, so, too, is the demand for career development opportunities critical to advancement and marketability. As employers compete for FTE and non-FTE talent, they find themselves having to provide development opportunities to workers in both traditional and nontraditional employment relationships. What does this mean for current approaches to career management?

Employees' changing expectations

Employees give career management low marks. Fewer than half of employees believe their employers provide useful career planning tools (44%) or opportunities to advance (43%). What's more, even a significant percentage (45%) of employees formally identified as high performers say they would need to leave their organizations to advance their careers, which puts companies at risk of losing some of their best talent.

Figure 1. The use of nonemployee talent is on the rise



As the use of nonemployee talent is increasing, so, too, is the demand for career development opportunities critical to advancement and marketability.

At the same time, expectations regarding what employees want out of their careers are changing. Employees are not necessarily looking to follow a narrowly defined linear career path through a series of positions up the ladder. Nor are most of them looking for lifetime employment with one employer.

Employees are looking for more than a job – they expect a personalized work experience aligned with their values and preferences. In addition, they place a premium on development opportunities that will allow them to build new skills, enabling them to remain marketable in today's unpredictable work environment, where relevant skills provide a more modern version of job security.

Yet while employers have made improvements in providing some of the traditional aspects of career management, such as traditional career paths, internal job boards and on-the-job growth experiences, more progress is needed in order to provide the elements required for a successful and

modern career experience. Consider that only 37% of employers provide lateral career paths to expand skills. A mere 35% integrate information on career opportunities in their HR systems and software applications such as HRIS and employee portals. And only 33% of employers provide beyond-the-job growth experiences such as job shadowing and rotational assignments.

It's critical for employers to bridge this gap and recognize what it means in today's work environment to build and manage a career – the accumulation of work experiences that facilitate capability building and enable a dynamic professional life, whether that occurs within a company or through alternate work relationships. As careers are being redefined in the new world of work, it becomes imperative for employees to know their strengths, what skills they will need, and how their interests align with their organization's changing needs or with the needs of other organizations in the marketplace.

A new notion of a career management program

In this new world of work, the notion of a career management program is shifting from that of an HR-owned, one-size-fits-all program where each individual is matched to a position, to one of a business-focused and talent-led initiative that pairs required tasks with available talent sources and delivers a more personalized work experience in the process (Figure 2).

With the growing focus on tasks and capabilities, and the communities of internal and external talent available to accomplish the tasks, HR needs to create the opportunities via developmental and work experiences to help workers identify and build out desired and marketable capabilities. This requires a flexible foundation to support the work performed by internal talent in traditional roles as well as by external talent such as contingent workers. HR must create a work architecture that includes and expands on its job architecture and job leveling platform to encompass a knowledge

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architecture consisting of a curated list of skills and domains that can be tagged to work and that employees can tag to their profiles.

How do you capture the opportunity?

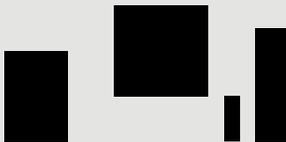
It's time to move from managing an internal career management program to building and leveraging a broader career marketplace. The key is to determine the required capabilities necessary to complete the work demanded of the organization and the optimal type of employment relationship to execute each component of that work, and to find the candidates that best match those requirements. For example, an employer may have a short-term project consisting of developing a new application. The ideal candidate would be an employee, alum or contractor

who has the required technical skills and a preference for time-defined assignments.

In this way, both parties – the employer and the candidates/workers – are making the most of the marketplace. The employer has a just-in-time pipeline of critical talent capabilities along with a culture that is capable of supporting a motivated, self-directed talent pool. The focus on development opportunities can help improve the retention and performance of current employees as well as the overall employee value proposition of the employer, enabling the company to attract the best talent. The workers, for their part, are able to build a portfolio of experiences allowing them to increase their productivity and compensation as well as to remain relevant, marketable and up to date. And the marketplace gives employees more control over their growth.

Figure 2. The notion of a career management program is changing

From	To
HR owned	Business and talent led
One size fits all	Personalized experience
Employee at the center	Optimizing organization and individual needs
Job-focused	Capability-focused
Your workforce	Communities of talent
Linear, fixed hierarchical jobs	Diverse array of experience
Positions and organizational management	Work-driven network management



- ✓ Business and talent led
- ✓ Innovative
- ✓ Solution-focused
- ✓ Customer-centric

IBM is an example of a company that has embraced this marketplace approach. Its Open Talent Marketplace allows managers to deconstruct work into assignments and create solutions using a range of means, including employees who choose to work on short-term projects and contingent workers such as developers on talent platforms, partner organizations as well as Watson, its on-demand artificial intelligence system. This approach has allowed IBM to become much more agile and nimble in meeting the needs of its customers.

Figure 3. **The career marketplace**



Getting started: Where do employers need to focus?

The following steps will help employers begin to build their career marketplace (Figure 3):

- **Establish the foundation for the marketplace.** Start a conversation with leaders to identify business priorities. Next, develop a strategy that addresses access to and governance of the marketplace. Ensure leaders will help shape the workplace culture needed for marketplace success (e.g., managers regularly share opportunities, departments coordinate talent needs across functions and business units).

- **Translate capabilities into opportunities.** Build a platform enabling managers to identify business opportunities such as special projects, jobs or temporary assignments, and the associated requirements to be advertised on the marketplace. Then determine the “currency” (e.g., number of hours over the course of a year, days per month) workers have available to invest in their development.
- **Optimize the marketplace.** Advertise the opportunities. Leverage existing talent pools that have evolved through talent reviews, career platforms and development

discussions, or consider leveraging alternate talent platforms to ensure a just-in-time pipeline of critical capabilities. Ensure the right tools (e.g., apps, websites) are available to allow leaders to easily assess a pool of qualified candidates and for workers to have visibility into the opportunities.

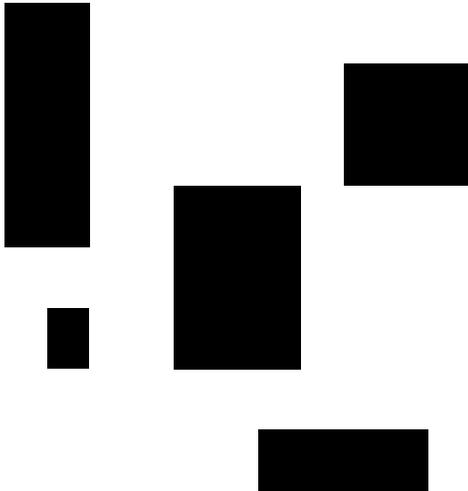
- **Align opportunity with development.** Use the marketplace not just to connect talent to opportunities but to connect talent to the development solutions they need to enhance their skills for the next opportunity.

▪ **Remove the institutional obstacles and incentives for talent hoarding.**

Managers must play an active role in helping employees uncover the right career development and advancement opportunities. This starts with having effective career development discussions and ensuring the needs of the organization and its workers take priority over the narrower interests of an individual manager. This means giving employees the opportunity to gain greater visibility within the organization and to understand emerging opportunities for growth.

It's also essential to reward managers who share or export talent from their own team to others where these employees can make greater contributions to organizational success, even at the expense of their former unit. In addition, senior leadership must support a culture that encourages talent mobility and values the marketplace approach as a means of better serving clients and customers. This will help avoid the all too common scenario where employees say it's easier to find a job with a competitor than within their own company.

These levers will help employers broaden their perspective beyond the traditional one-to-one relationship between a position and a person, and embrace the many-to-many relationship between multiple tasks and multiple talent sources, which is an essential characteristic of a marketplace.



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