

# The State of Internal Mobility, Succession, and Career Development 2022-23



Create career development, succession and mobility plans that are mutually beneficial for organizational and employee goals



November 2022

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## About the Survey

"The State of Internal Mobility, Career Development and Succession Management 2022" survey ran in September till November 2022. We gathered 349 usable complete and partial responses from HR professionals in virtually every industry vertical. Respondents were located all over the world, but most of them resided in North America, especially the United States.

The survey used two groups of survey panel participants. The first was based on HR.com's extensive list of HR professional members. The second was an external panel of HR professionals.

# Executive Summary

Internal mobility, career development and succession management are important to both employee and organizational goals. Each of these issues, while separate, strongly influence the others. When done well, they can have tremendous benefits, such as improved employee retention, increased engagement and the ability to bridge skills gaps. However, when even one of the elements are not done correctly it can lead to major challenges in the organization. For example, if a manager is resistant to internal movement, their employees may become less engaged resulting in them eventually quitting.

Further, if organizations lack metrics, it can cause bias and lack of awareness when it comes to the effectiveness of their internal mobility, career development and succession processes. It's crucial for organizations to understand the effectiveness of the programs to fix any issues before they become detrimental to the organization.

To get a better understanding of internal mobility, succession and career planning, this report will discuss:

- the effectiveness of internal mobility, succession management, and career development processes
- the barriers to success of these process
- what organizations can do to overcome these challenge
- the key differences between organizations with successful approaches to internal mobility, career development and succession management and their less successful counterparts
- recommendations that may lead your organization to talent mobility success

## Internal mobility

### Major Finding 1

**While most respondents say they have effective processes for managing internal mobility, organizations still suffer from a number of challenges.**

- Nearly two-thirds agree or strongly agree that their organization's process for managing internal mobility is effective.
- However, upon closer examination, we find that only:
  - ▶ forty-two percent of respondents say they look to internal candidates first when filling open positions
  - ▶ thirty-three percent say their culture supports job mobility
  - ▶ only 29% say that there is considerable mobility within their organization
  - ▶ and only 21% measure internal mobility on a regular basis
- The most widely cited obstacles to internal mobility are:
  - ▶ managers who are resistant to movement
  - ▶ employees are not provided with dedicated development time
  - ▶ lack of positions to move employees into

### Major Finding 2

**Compared with organizations with less effective internal mobility practices, those with effective mobility practices are:**

- over six times more likely to agree or strongly agree they have an effective process for managing succession
- three times more likely to say managers are incentivized for advancing employee careers
- almost three times more likely to say their procedures allow employees to communicate hidden talents
- less likely to say that managers don't encourage movement

## Succession planning

### Major Finding 1

**While most organizations have succession plans, there is much room for improvement.**

- While 91% of organizations have either a formal or informal succession plan, only 48% say their organization is effective or very effective at managing succession.
- Of those that have a succession plan, the most important outcomes for succession management are for:
  - ▶ increasing talent retention (40%)
  - ▶ increasing employee engagement (38%)
  - ▶ creating opportunities for career advancement (37%)
- The most common methods to identify candidates to fill key roles are:
  - ▶ using performance indicators
  - ▶ nomination by senior leaders
  - ▶ nomination by direct manager

### Major Finding 2

**Compared with organizations with less effective succession management practices, those with more effective ones are:**

- four times more likely to view the TA officer as being one of three parties most responsible for the succession management process
- over twice as likely to use a strategic workforce planning system
- about twice as likely to get input from a technology to fill key roles for their succession management
- more likely to engage in formal and informal succession management

## Career development

### Major Finding 1

**The time and financial resources dedicated to employee development has increased in many organizations over the past six months, but they still struggle to allocate development opportunities.**

- Half of respondents say the financial resources devoted to employee development have increased a little or a lot over the past six months, and 60% say the same about the amount of time.
- Nearly two-thirds (62%) agree or strongly agree that their organization has an effective process for managing career development.
- While 49% say managers are encouraged to help employees develop their careers, just 36% say managers have skills required to do so.
- Though a majority rate their career development technologies positively, only 14% say they are excellent.

### Major Finding 2

**Compared with organizations with less effective career development practices, those with more effective ones are:**

- over seven times more likely to have a formal career development process
- over five times more likely to say they have managers that have the skills required to help employees develop their careers.
- over four times more likely to rate their organization's use of technologies for career development as good or excellent
- over three times more likely to have to have a defined and formal process for career planning and development
- about two times more likely to have defined tools and/or technologies for career planning and development
- more likely to provide career development processes/programs to all workers



# The Current State of Talent Mobility and Development



Throughout this report we analyze the three major components of what we call talent mobility and development:

- internal mobility
- succession management
- career development

While these three areas often operate independently and have different priorities, they tend to work best when operating together in a cohesive way. We believe that success in one area can lead to success in another.



# A Look into the Successes and Challenges of Internal Mobility

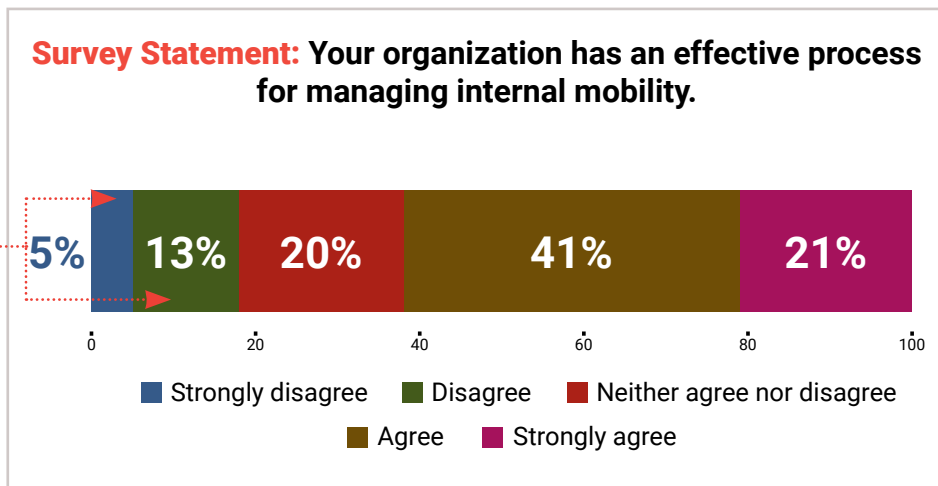


**Finding: Most say that their organization has an effective process for managing internal mobility, but there's still room for improvement**

We asked survey respondents whether their organization has an effective process for internal mobility. The majority agree (41%) or strongly agree (21%) with this statement. However, this is a decline from last year, where 42% agreed and 32% strongly agreed.<sup>1</sup>



**Eighteen percent actively disagree that their organization has an effective process for managing internal mobility**



<sup>1</sup> HR.com Research Institute (2021, November) *The State of Internal Mobility, Succession and Career Planning*, Retrieved from [https://www.hr.com/en/resources/free\\_research\\_white\\_papers/the-state-of-internal-mobility-succession-and-care\\_kw58jvd7.html?s=o1ekia24rK18q1bdIx](https://www.hr.com/en/resources/free_research_white_papers/the-state-of-internal-mobility-succession-and-care_kw58jvd7.html?s=o1ekia24rK18q1bdIx)





## Finding: Organizations may be overestimating the effectiveness of their internal mobility processes

While most organizations believe they have an effective process for managing internal mobility the chart below paints a different picture. Only a third of respondents say their organization's culture supports job mobility. Similarly, only 32% say lateral moves are encouraged in their organization. What's more, only about a fifth (21%) say their organization measures internal mobility on a regular basis. Even the most widely selected option, where organizations look to internal candidates first when filling open positions, was selected by a mere 42%.

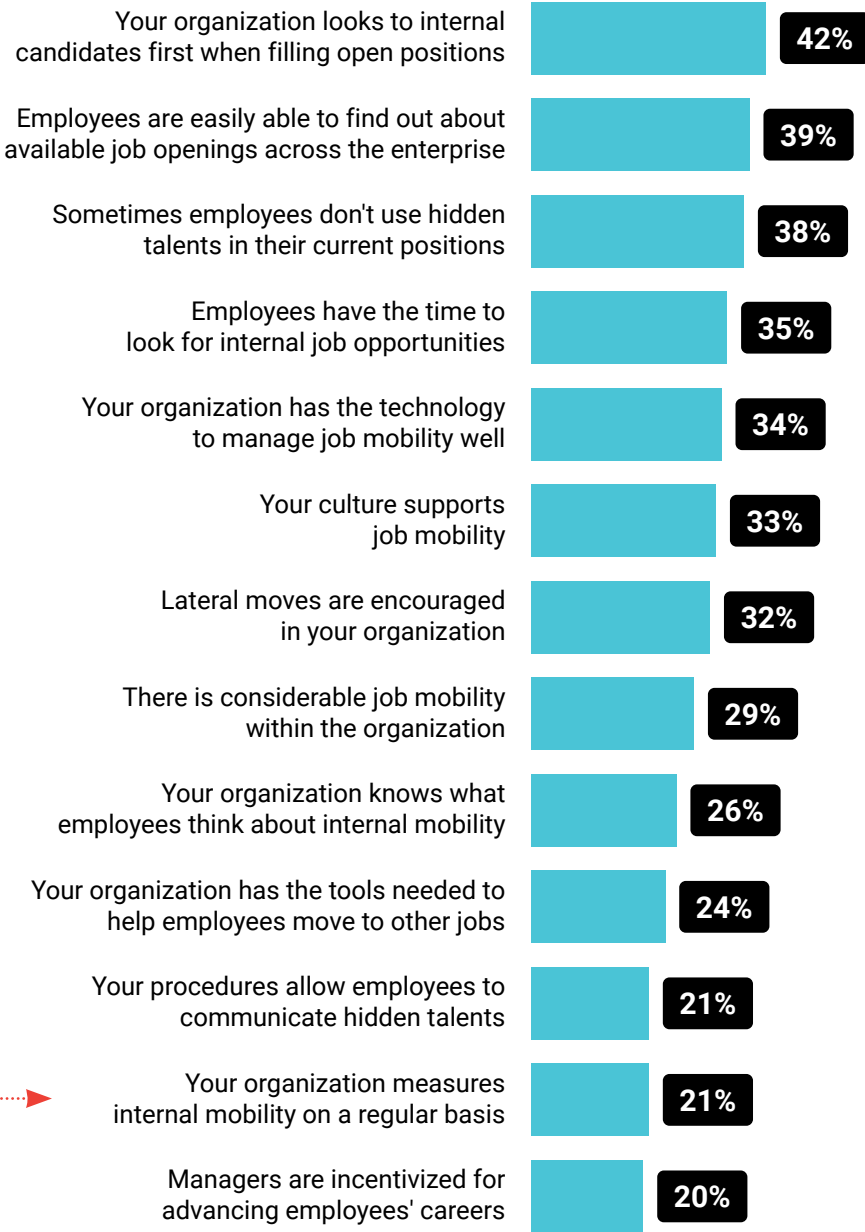
These findings suggest that respondents are not as aware of the effectiveness of their internal mobility process as they may believe. Based on the findings, organizations may want to increase the frequency of internal mobility measurement.



### Defining SMBs and Large Organizations

Throughout the report, we look at the findings based on company size. We deem organizations with 1-999 employees as "SMBs." And, those with 1,000 or more employees as "large."

**Survey Question: Which of the following statements are true in your organization? (select all that apply)**



**Just 21% say their organization measures internal mobility on a regular basis**

0 | 10 | 20 | 30 | 40 | 50



## Finding: The most cited hinderance to internal mobility is managers who do not encourage employee mobility

The three biggest obstacles to internal mobility are:

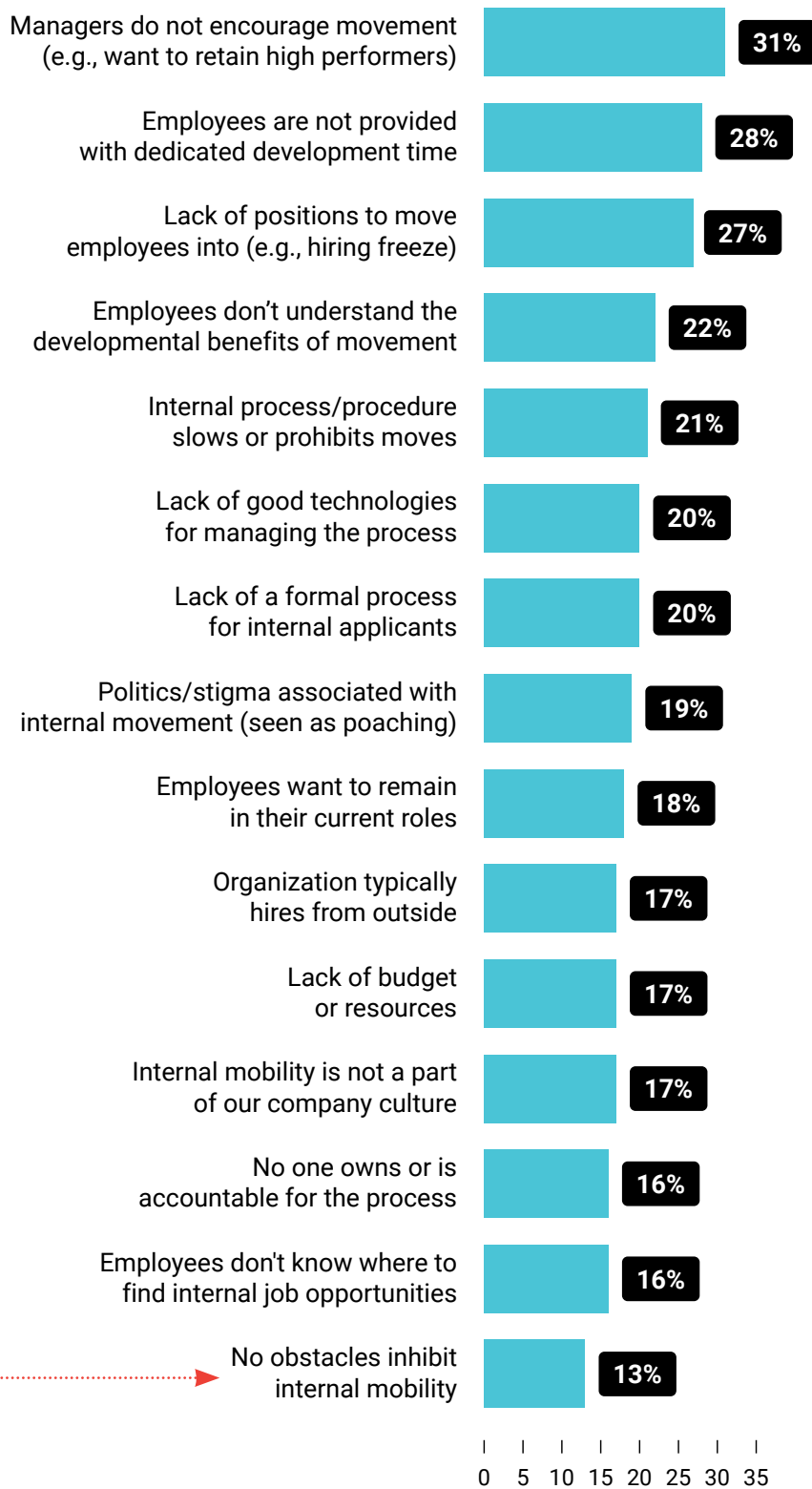
- managers who do not encourage movement (31%)
- employees are not provided with dedicated development time (28%)
- lack of positions to move employees into (27%)

Some managers may not encourage movement because they want to retain their top performers. This may benefit the team, but it will be at the cost of the employee who may want to learn new skills or have interests outside the role. Not only that but it could also eventually lead to more turnover if employees aren't feeling challenged or feel that they can't move to a position that better suits their interests. One of our internal mobility, succession and career development advisory board members said that the younger generation in the workforce has less loyalty to organizations than previous generations do. They also stated that a strategic focus on the people is crucial because employees increasingly want to do meaningful work. If employees don't find their work meaningful, they're less likely to stay.

Another considerable obstacle is that employees are not provided with dedicated development time (28%). While it is important for employees to complete their regular work tasks in a timely fashion, it is also important for managers to allow time for employee development. Allowing employees to dedicate time to development will not only benefit the employee, but the organization will also reap the benefits. For example, according to a Gallup study, strength-based development creates a 9% to 15% increase in engaged employees.<sup>2</sup>

<sup>2</sup> Brim, B. J. (2022, September 22). *How a focus on people's strengths increases their work engagement*. Gallup. Retrieved from <https://www.gallup.com/workplace/242096/focus-people-strengths-increases-work-engagement.aspx>

**Survey Question: What are the top five biggest obstacles to internal mobility in your organization? (select up to five)**



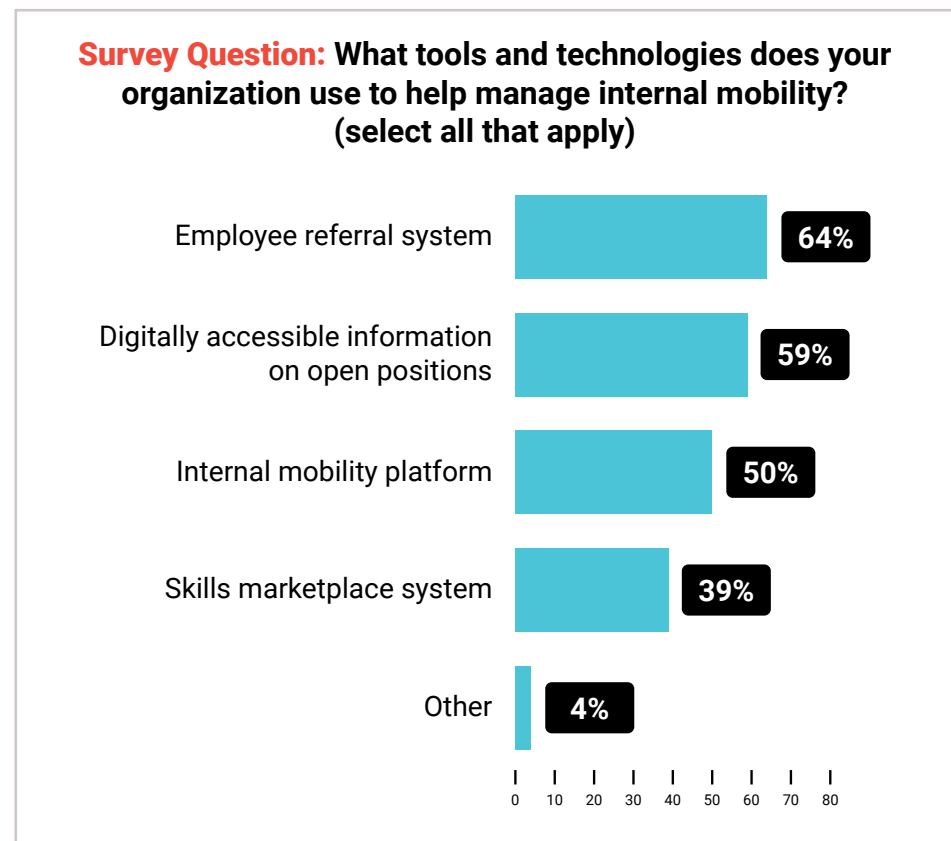
**Just 13% say no obstacles inhibit internal mobility**





## Finding: Organizations are most likely to use an employee referral system to help with internal mobility

About two-thirds of organizations (64%) use an employee referral system to manage internal mobility. Further, the majority (59%) also use digitally accessible information on open positions. These findings make sense, as an employee referral system can be a more cost-effective way to gain top talent in a role. Digitally accessible information allows employees to see if an internal move would be suited to their skills and interests.



# What Do Internal Mobility Leaders Do Differently?

## How We Define Internal Mobility Leaders

To take a closer at what differentiates organizations with effective internal mobility processes from those with less successful internal mobility processes, we separated our sample into two cohorts:

- **Internal mobility leaders:** respondents who strongly agree that their organization has an effective internal mobility process.
- **Internal mobility laggards:** respondents who disagree, strongly disagree, or neither agree nor disagree that their organization has an effective internal mobility process.

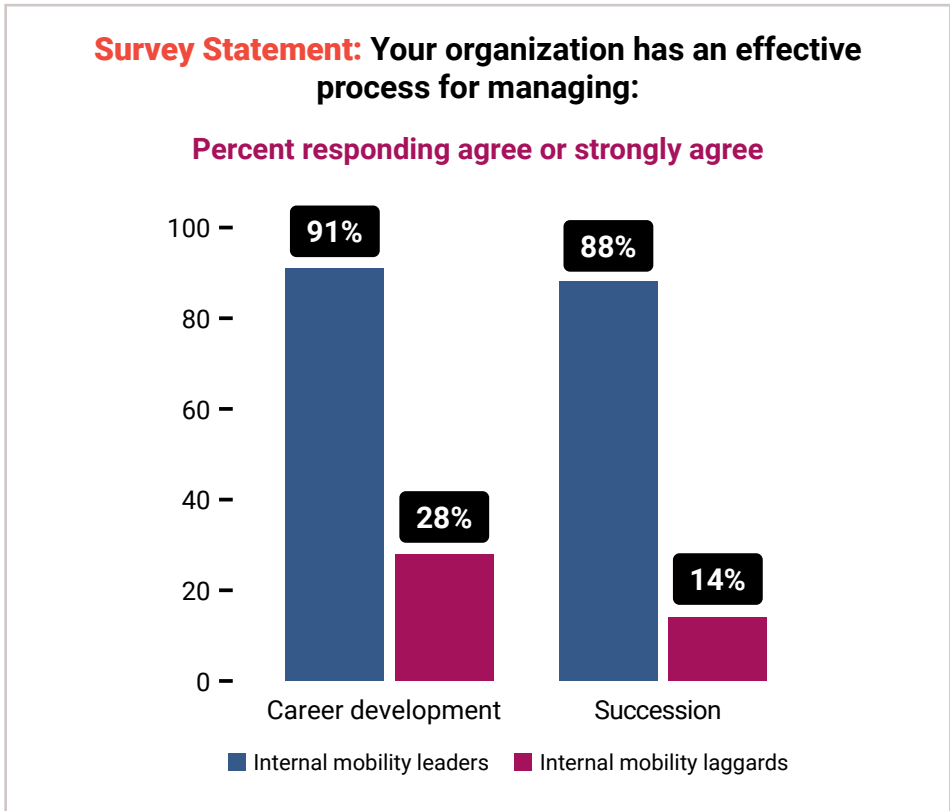
Correlation does not necessarily indicate causation, of course, but these relationships can provide clues about possible best practices related to internal mobility.



## Finding: Internal mobility leaders are also much more likely to agree they're effective at managing other areas of talent mobility

As mentioned earlier, each area of talent mobility affects the others, so internal mobility leaders are more likely than laggards to be good at managing other areas of internal mobility. More specifically, they are over six times more likely to agree or strongly agree they have an effective process for managing succession, and three times more likely to say the same about managing career development.







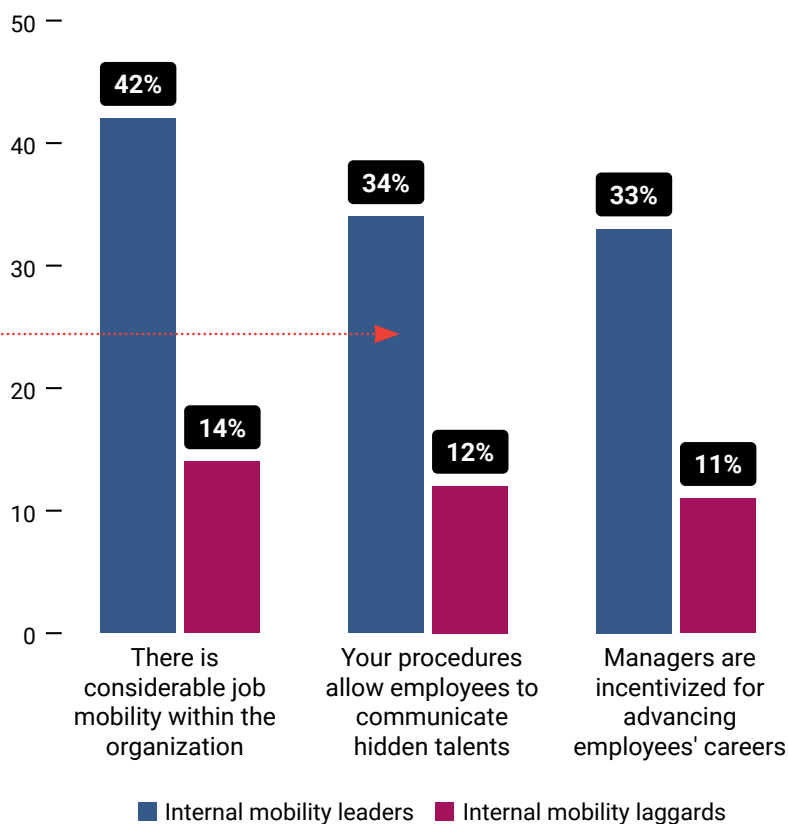
## Finding: Internal mobility leaders are much more likely to say there's considerable job mobility

Internal mobility leaders are three times more likely than laggards to say managers are incentivized for advancing employee careers. Similarly, they are also almost three times more likely to say their procedures allow employees to communicate hidden talents.



Internal mobility leaders are three times more likely to say their organization's procedures allow employees to communicate hidden talents

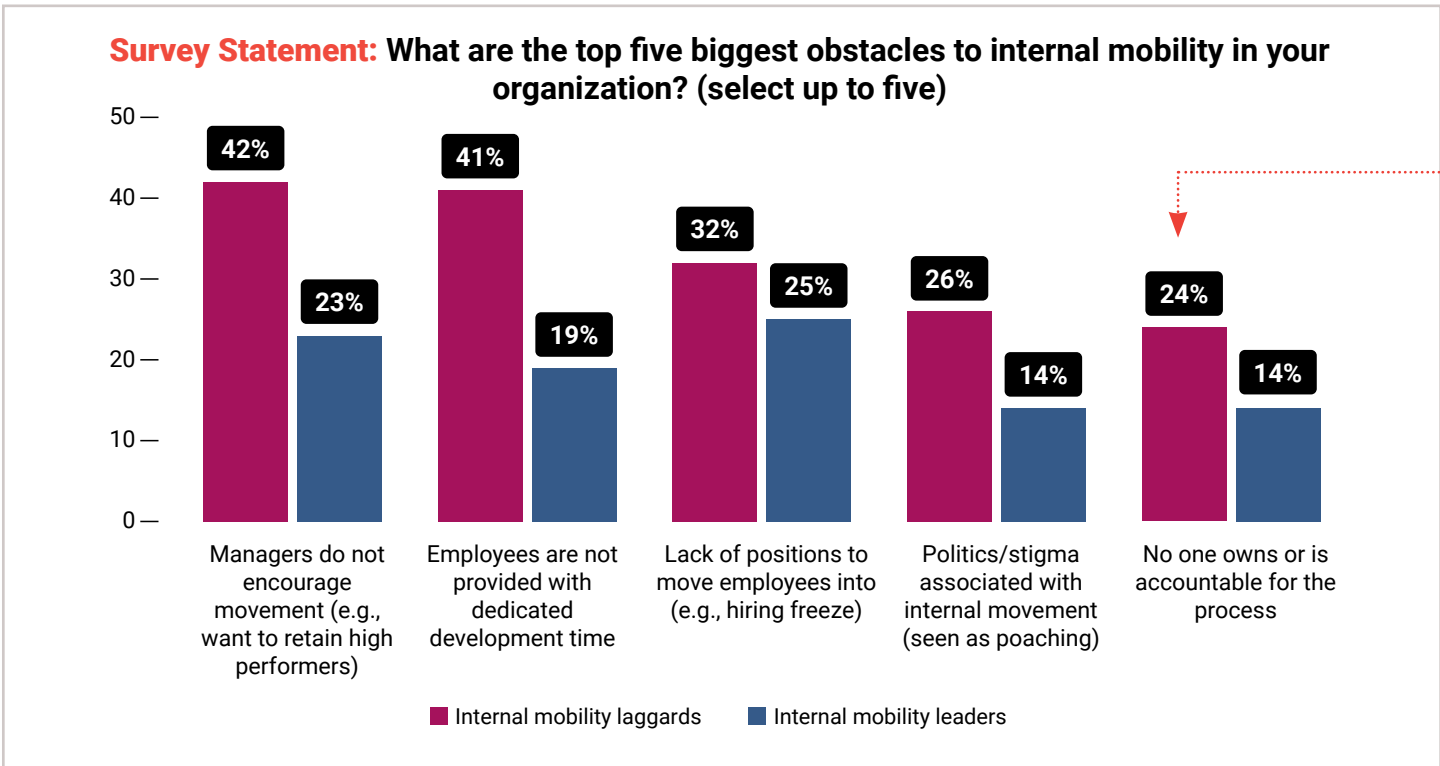
**Survey Question:** Which of the following statements are true in your organization? (select all that apply)





## Finding: Internal mobility laggards are more likely to have a variety of obstacles to internal mobility

Internal mobility laggards are over two times more likely than leaders to say their employees are not provided with dedicated development time. Further, laggards are much more likely to say that managers don't encourage movement (42% vs. 23%).



**Respondents in internal mobility laggard organizations are more likely to say that no one owns the internal mobility process**

# What Do Succession Management Processes Look Like Today?



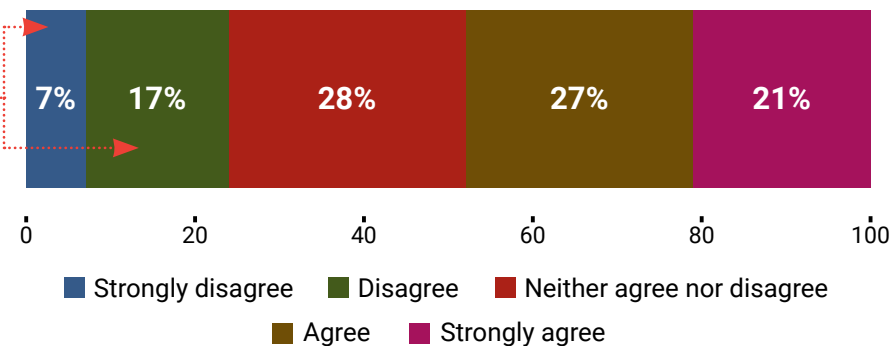
## Finding: Fewer than half say their organization has an effective process for managing succession

We asked survey respondents if their organization has an effective process for succession management and found that 48% agree or strongly agree that this is the case. However, just like internal mobility there is a downturn from last year, where 68% said their succession management process was effective.



About one-quarter (24%) actively disagree that their organization has an effective process for managing succession

**Survey Statement:** Your organization has an effective process for managing succession.





## Finding: Most organizations plan or otherwise manage succession, but large organizations are especially likely to do so

A majority (91%) of HR professionals say their organizations plan succession either formally, informally, or a mix of both. About twice as many plan formally than informally (39% vs. 21%) and another 31% say their programs are a mixture of both formal and informal.

One advisory board expert we spoke with expressed skepticism that if succession planning is done even partly informally, it can be more difficult to drive important goals, such as DEI. It can be challenging because informal succession planning isn't as fair or equitable as formal succession planning. For example, there may be skilled and experienced employees of color capable of senior roles, but senior leadership is all white due to affinity bias. This is an unconscious bias where individuals tend to favor those with similar attributes.<sup>3</sup>

Nine percent do not have any processes in place for proper succession. This can be problematic, as when senior managers leave, other individuals who do not have the right skills for the roles may be put in managerial positions just to fill the gap .

### Differences by company size

Larger organizations are more likely to have a formal succession plan in place (46%) than SMBs (29%). They are also more likely to have succession plans in place overall. Almost all (95%) of larger organizations have some form of plan in place (whether formal, informal or both) as opposed to 85% of SMBs.

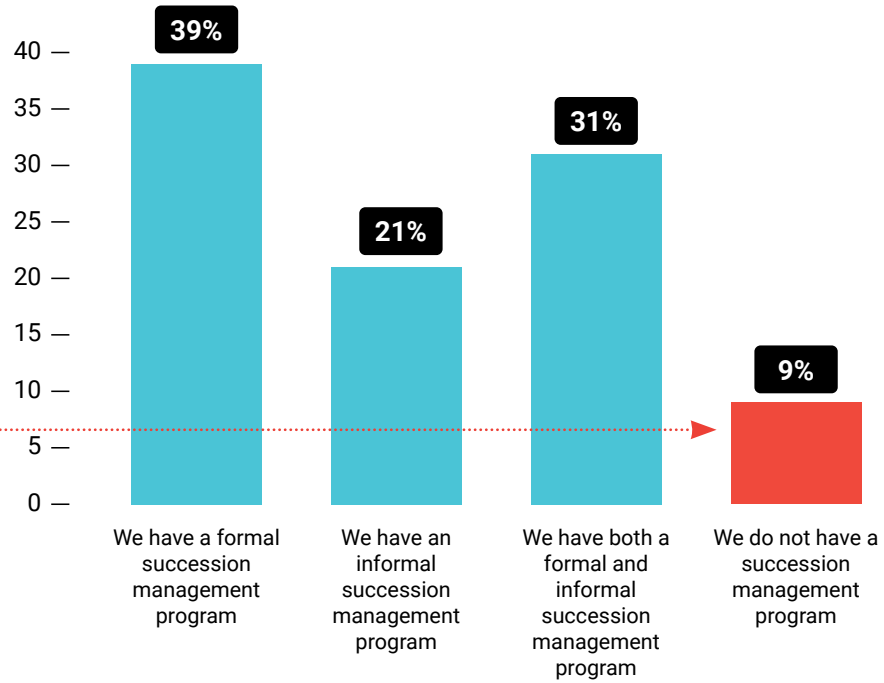
<sup>3</sup> The HR Source. (2020, November 17). *5 types of unconscious bias in the workplace*. The HR Source. Retrieved from <https://thehrsource.com/5-types-of-unconscious-bias-in-the-workplace/>





Just 9% of organizations do not have a succession management program

**Survey Question:** Which of the following best describes how your organization approaches succession management? (select the one that best applies)





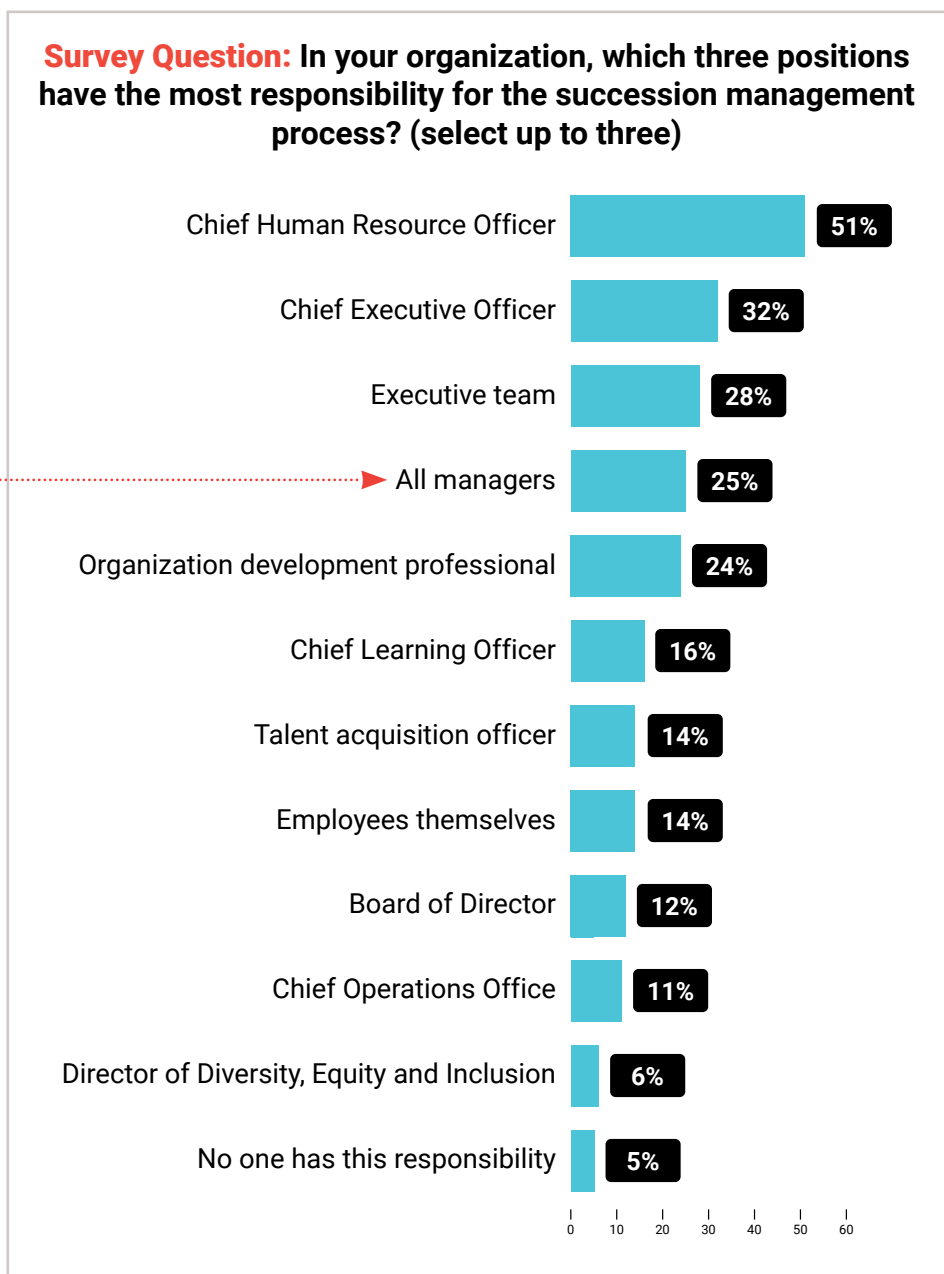


## Finding: the CHRO has primary responsibility for the succession management process by far

We asked respondents in organizations with succession plans to select the top three positions that have the primary responsibility for succession management. The Chief Human Resources Officer most commonly has the primary responsibility for succession management (51%). Chief Executive Officer is second at 32% followed by the Executive team at 28%.



One-quarter view all managers as responsible for the succession management process





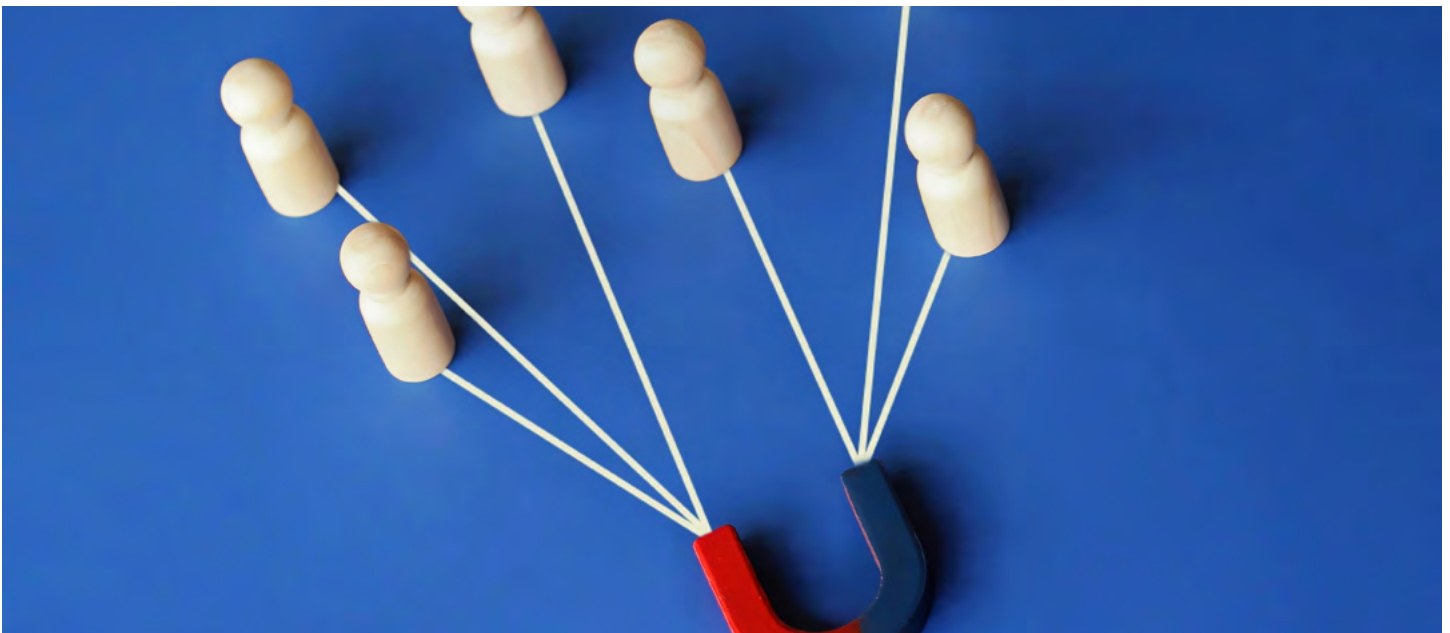
## Finding: Increasing talent retention is one of the top reasons for succession management

We asked respondents who have either a formal or informal succession plan to select the most important reasons for succession management. The top three are:

- increasing talent retention
- increasing employee engagement
- creating opportunities for career advancement

Our advisory board experts mentioned that there would be a much greater emphasis on talent retention this year. They also stated that employee expectations are much higher than in the past, so if organizations aren't meeting employee expectations they aren't going to stay. These statements are validated by our research where increasing talent retention is seen as the most important outcome of talent management (40%).

Thirty-eight percent say employee engagement is the most important outcome for succession management in their organization and 37% say creating opportunities for advancement are also important.



**Survey Question:** Which of the following are the most important outcomes of succession management in your organization? (select all that apply)



**Only 28% cite gaining greater DEI among leaders as one of the most important reasons for succession management**



## Finding: Most use performance indicators such as performance reviews to identify succession management candidates

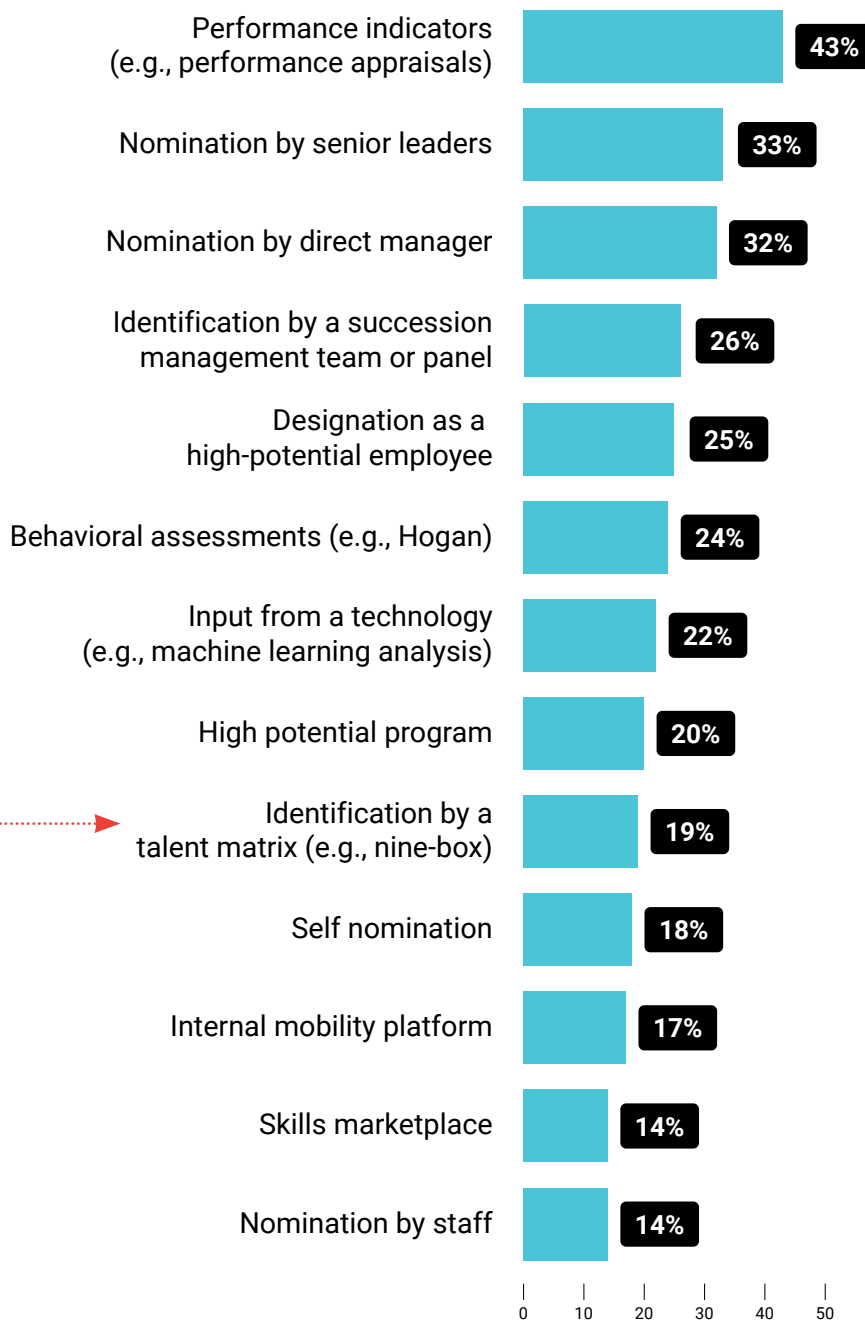
We asked respondents who have either a formal or informal succession plan to select the methods they use to identify internal candidates for succession management. We found that performance indicators (e.g., appraisals) top the list at 43%. Nominations are also a relatively common method of identifying candidates; a third use nominations by senior leaders, and similarly, 32% use nominations by direct managers.

The concern with these methods is that they are subjective. There are usually legitimate reasons for one employee getting a promotion over others. Yet, sometimes high performers are less likely to get promoted than less skilled performers, because they're less able to grasp the social aspect of office politics or factors not fully in their control, like their boss just doesn't like them.<sup>4</sup> To reduce subjectivity, organizations should ensure their succession management process has formal data to back up their decisions.



<sup>4</sup> Parham, T. (2022, April 26). *Passed up for a promotion? how to navigate office politics to get what you deserve!* LinkedIn. Retrieved from <https://www.linkedin.com/pulse/passed-up-promotion-how-navigate-office-politics-get-what-parham/>

**Survey Question:** Which of the following methods does your organization use to identify candidates to fill key roles for succession management? (select all that apply)



About one-fifth (19%) use a talent matrix, such as nine-box, to identify candidates for key roles



## What Is a Nine-box Performance Grid Approach?

A nine-box grid is one of the most popular types of talent matrices used in conjunction with succession planning. The idea is to determine the performance and well as the potential of individual employees and then place them somewhere within the nine-box grid. The employees with best mix of performance and potential can become succession planning candidates. They are often known as “high potentials” in organizations.

In the upper right of the grid are those employees who are high in both performance and future potential. They are considered the most viable candidates to fill critical positions in the future. These high potentials are often incorporated into succession plans.

However, there are several concerns with this approach. First, placement in the grid is too often based of subjective manager opinions rather than solid data. Performance assessments are only as good as the performance management systems in a given organization. Second, it can be difficult to accurately assess an employee’s potential. Third, there is the question of whether to keep the designations of high potentials confidential. Such labels can be demotivating to those who are not viewed as high potentials, and it can be difficult to keep such information confidential.

P O T E N T I A L	High potential	High potential Low performance	High potential Medium performance	High potential High performance
	Medium potential	Medium potential Low performance	Medium potential Medium performance	Medium potential High performance
	Low potential	Low potential Low performance	Low potential Medium performance	Low potential High performance
		Low Performance	Medium Performance	High Performance
		P E R F O R M A N C E		







## Finding: Organizations most commonly use Human Resource Information or Management System technologies to help manage succession

Human Resource Information/Management Systems are the most common type of technology used for managing succession (43%). Succession management modules may provide capabilities such as:

- identification of critical roles and high potentials (sometimes using a version of the nine-box matrix described above)
- competency tracking and skills gaps analyses
- documented and planned career paths along with learning activities
- analytics reports
- coaching and mentoring matching and management

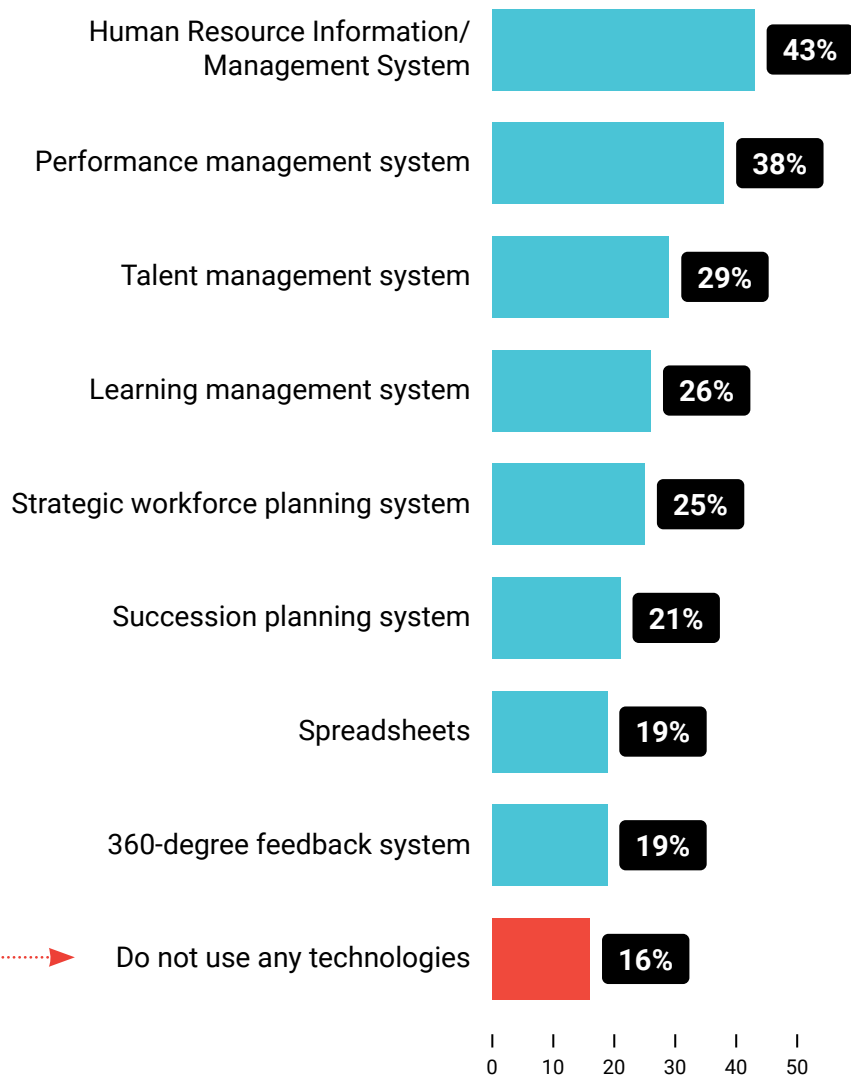
Respondents also say they use performance management systems (38%). However, these systems often have issues related to manager subjectivity and organizations often fail to train managers in how to engage in fair and accurate performance management practices.

While listed as the least popular technology at 19%, more organizations may want to investigate 360-degree feedback systems, as they give insights into employee performance from a variety of perspectives. This type of review can lead to a more balanced picture of employee performance.

### Differences by company size

SMBs are over three times more likely than larger organizations to not use any technologies for managing succession (26% vs. 8%). This may be because SMBs don't have the budget to spend on technologies, that larger organizations do, so they have to be more intentional with their purchases.

**Survey Question:** What types of technologies does your organization use to manage succession? (select all that apply)



Just under one-fifth (16%) say they don't use any technologies for managing succession

# What Do Succession Leaders Do Differently?

## How We Define Succession Leaders

To take a closer at what differentiates organizations with effective succession management processes from those with less successful succession management processes, we separated our sample into two cohorts:

- **Succession leaders:** respondents who strongly agree that their organization has an effective succession process.
- **Succession laggards:** respondents who disagree, strongly disagree, or neither agree nor disagree that their organization has an effective succession process.

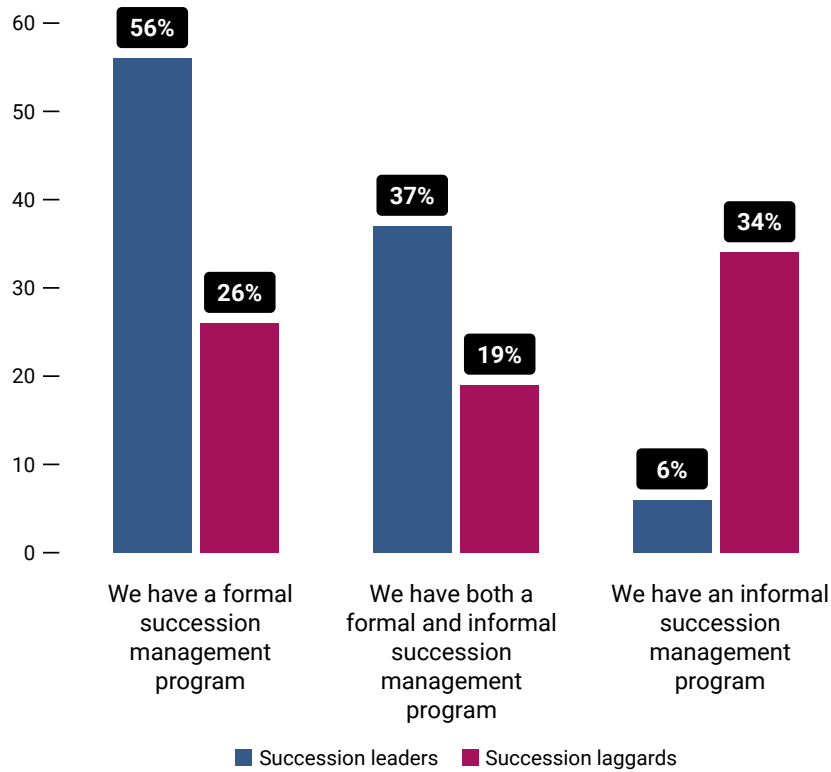
Correlation does not necessarily indicate causation, of course, but these relationships can provide clues about possible best practices related to succession management.



## Finding: Succession leaders are far more likely to engage in formal succession management

Compared with succession laggards, succession leaders are much more likely to have both formal and informal succession management initiatives. Laggards are also ten times more likely to say they do not have a succession management program. This shows the importance of putting in a succession management process.

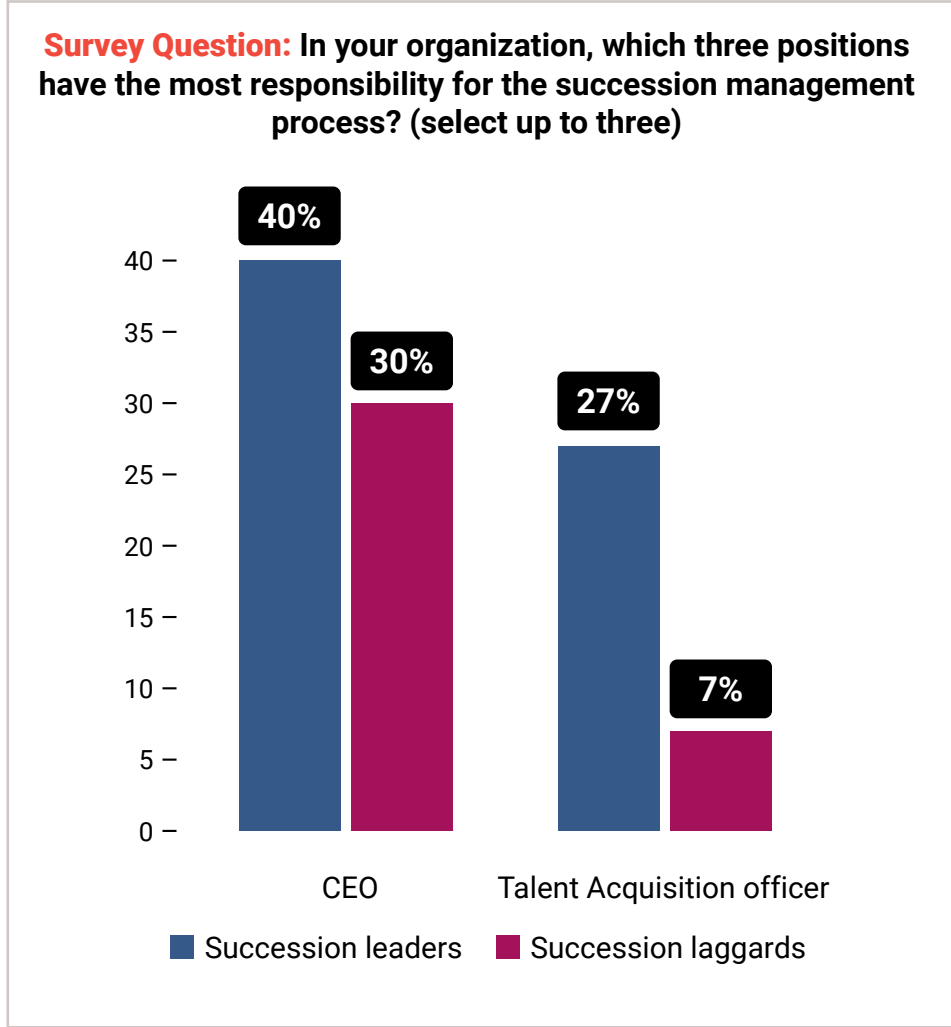
**Survey Question:** Which of the following best describes how your organization approaches succession management?





## Finding: Succession leaders give more responsibility to the Talent Acquisition officer when it comes to succession planning

Compared to their laggard counterparts, succession leaders are almost four times as likely to view the TA officer as being one of three parties most responsible for the succession management process. This finding suggests that organizations should consider giving more succession planning responsibility to their TA leaders.



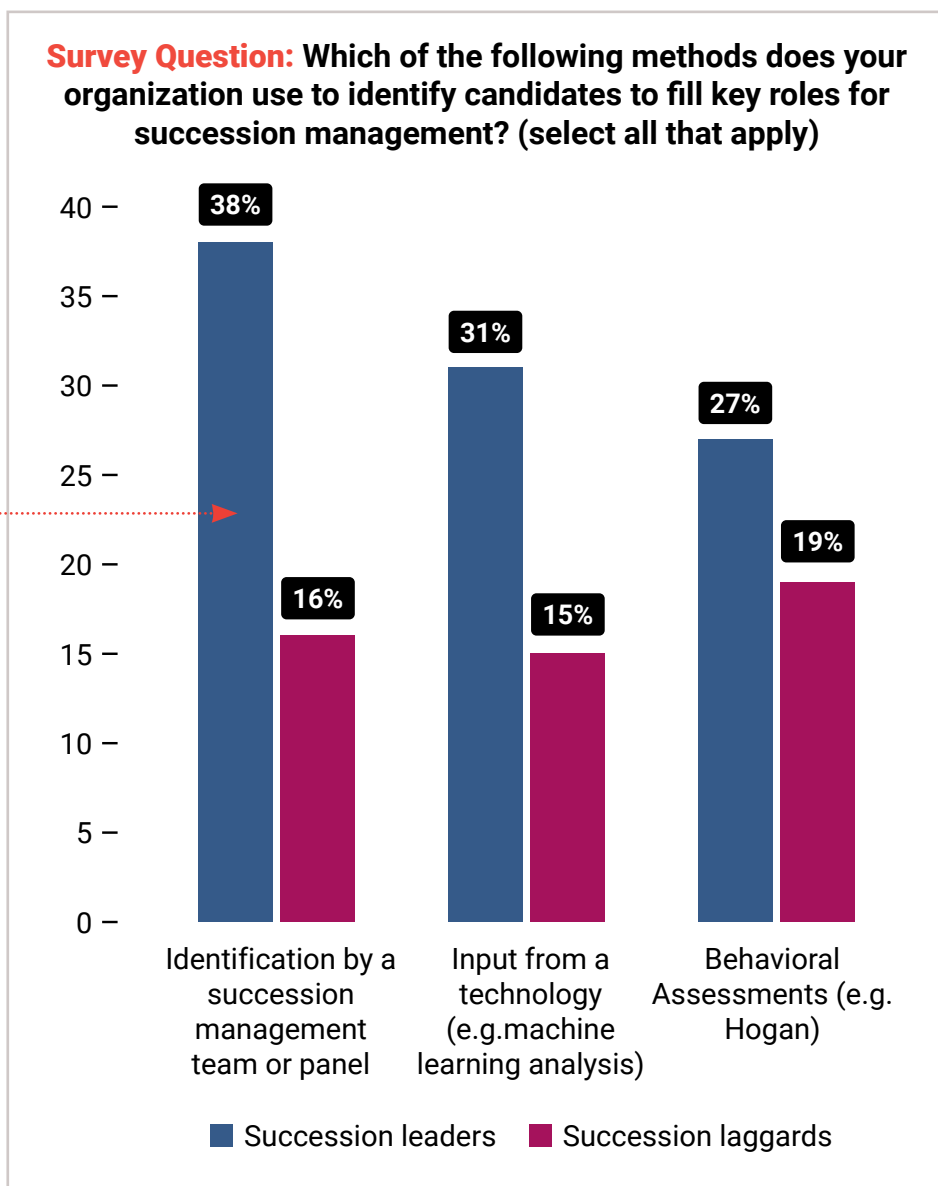


## Finding: Succession leaders use technology more often to identify talent and fill key roles

Succession leaders are more likely to use input from a technology source to identify candidates and fill key roles for succession planning. For example, succession leaders are about twice as likely to get input from a technology to fill key roles for their succession management (31% vs. 15%).



Succession leader organizations are more than twice as likely to use a team or panel to identify candidates to fill key roles



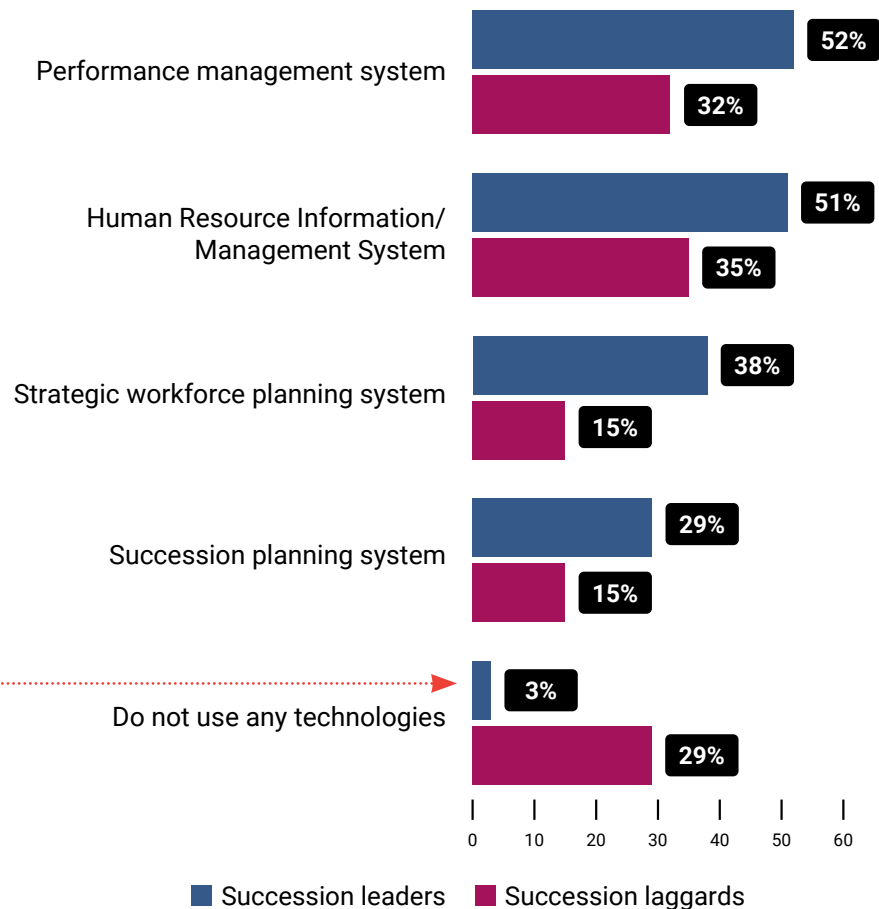




## Finding: Succession leaders are more likely to use a variety of technologies to manage succession

Succession leaders are much more likely to take advantage of technology to manage succession. For example, they are over twice as likely than laggards to use a strategic workforce planning system. Similarly, they are almost twice as likely to use a succession planning system. Further they are over nine times less likely to say they do not use any technologies.

**Survey Question:** What types of technologies does your organization use to manage succession? (select all that apply)



Only 3% of leaders do not use any technologies to manage succession

# The Increasing Importance of Employee Development

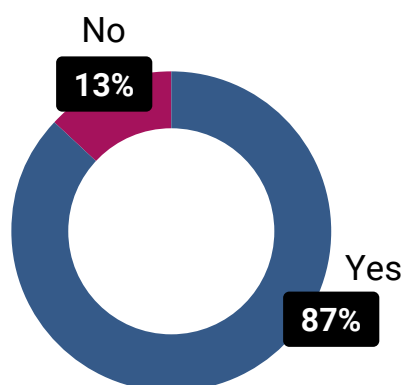


## Finding: Eighty-seven percent of responding organizations have a career development process or program

It can be hypothesized that organizations are more invested in the benefits of an employee development program than in the past. For example, last year, three-quarters of respondents said their organization has a career development process and/or program. And now 87% of organizations provide career development processes to all workers.

According to a 2022 study by Lorman, 87% of millennials believe learning and development in the workplace is important, and 74% of surveyed employees feel they aren't reaching full potential at work due to lack of development opportunities.<sup>5</sup> These finding shows the benefits of investing in L&D.

### Survey Question: Does your organization provide career development processes/programs to all workers?



<sup>5</sup> 39 statistics that prove the value of employee training. LORMAN Education Services. (2021, September 1). Retrieved from <https://www.lorman.com/blog/post/39-statistics-that-prove-the-value-of-employee-training>



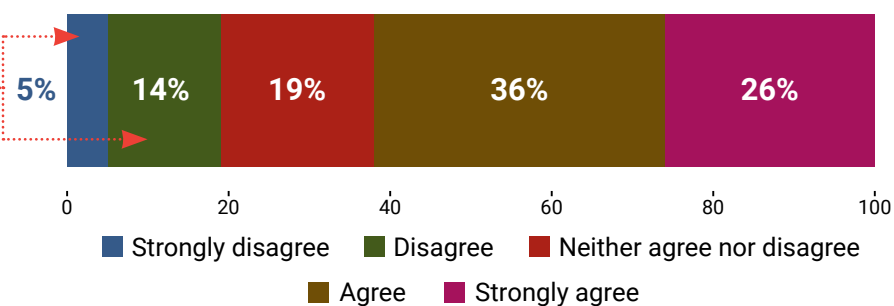
## Finding: About two-thirds agree or strongly agree that their organization has an effective process for managing career development

The majority of respondents (62%) agree or strongly agree that their organization has an effective process for managing career development. Only 19% actively disagree.



Just 19% actively disagree that their organization has an effective process for managing career development

**Survey Statement:** Your organization has an effective process for managing career development.

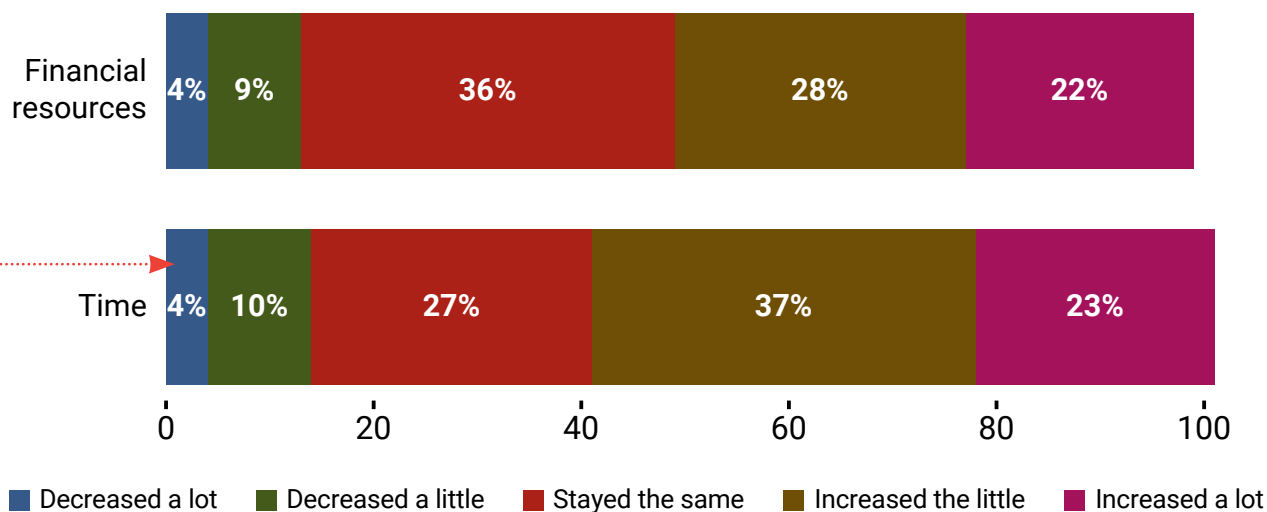




## Finding: Half or more of respondents say the time and financial resources devoted to employee development has increased in their organizations

Organizations are over four times more likely to say the amount of time and financial resources devoted to employee development has increased rather than decreased in the last six months. In fact, 50% say financial resources devoted to employee development have *increased* a little or a lot over the past six months, and 60% say the same about the amount of time.

**Survey Question:** Over the last six months, have the time and financial resources devoted to employee development increased or decreased in your organization? (please provide your best guess)



**Just 4% say the amount of time devoted to employee development has decreased a lot**

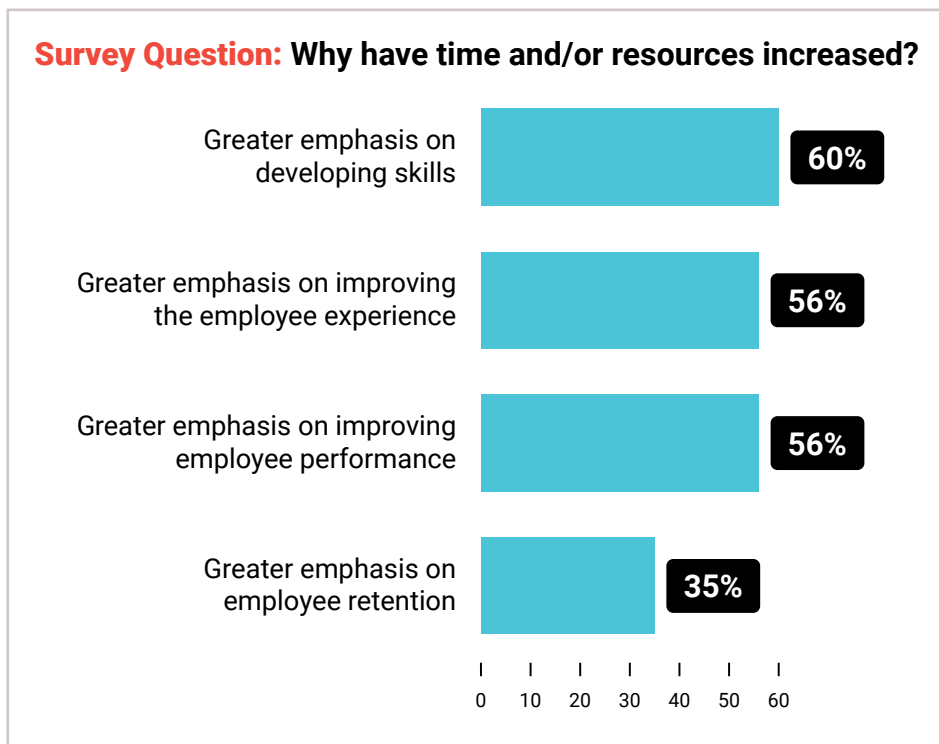




## Finding: Of those organizations that have increased time/resources, most put greater emphasis on developing skills

We asked respondents who said they have increased time and/or resources in employee development why they had done so. More than half of respondents say their organization increased time and/or resources to place greater emphasis on:

- developing skills (60%)
- improving the employee experience (56%)
- improving employee performance (56%)





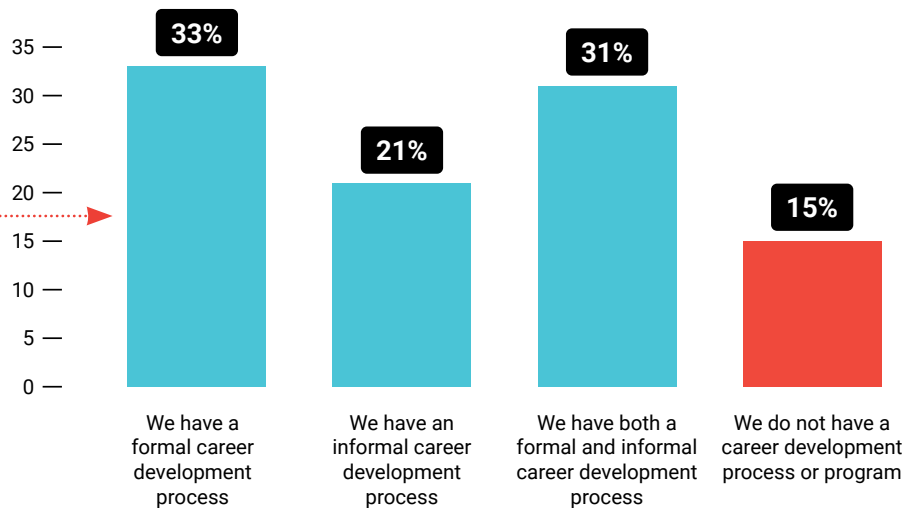
## Finding: Most organizations have some form of a career development process

Our data shows that the vast majority of organizations (85%) have some sort of career development process. When we take a closer look, 64% have at least a partially formal process and 21% have an informal process. While having any sort of process is better than no process, as we'll see later, a formal process is more likely to be beneficial.



One-third have a formal career development process

**Survey Question:** Which of the following best describes how your organization approaches career development? (select the one that best applies)



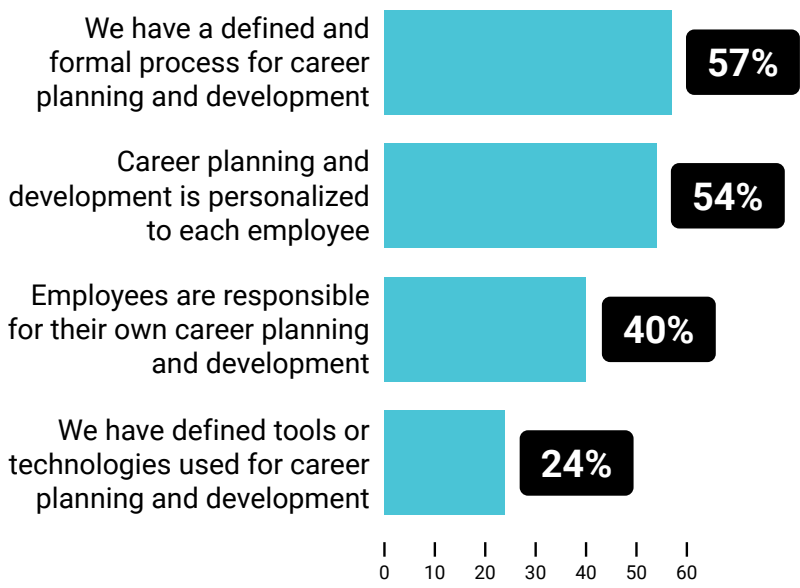


## Finding: Only 54% of those that offer career planning and employee development say career planning and development is personalized to each employee

We asked respondents with a career development process (either formal or informal) about how career planning and employee development occurs in their organizations. We found that only 57% say they have a defined and formal process and 54% say it is personalized to each employee. Moreover, 40% say employees are responsible for their own career planning and development, and just 24% have defined tools or technologies used for career planning and development.

The bottom line is that many organizations seem to foist the responsibility for career development onto employees without providing the necessary tools or technologies. We view this as troubling, and it makes us wonder if some respondents are overestimating the effectiveness of their processes in this area.

**Survey Question: Which of the following best describes your organization's approach to career development? (select all that apply)**



**Just 24% have defined tools or technologies used for career planning and development**





## Finding: Nearly half use a learning management or experience system

We asked respondents to indicate which development-friendly tools and technologies their organization uses. The top tool is learning management system (48%). With the increasing emphasis on career development an LMS or LXP can be beneficial to facilitate learning in an engaging manner.

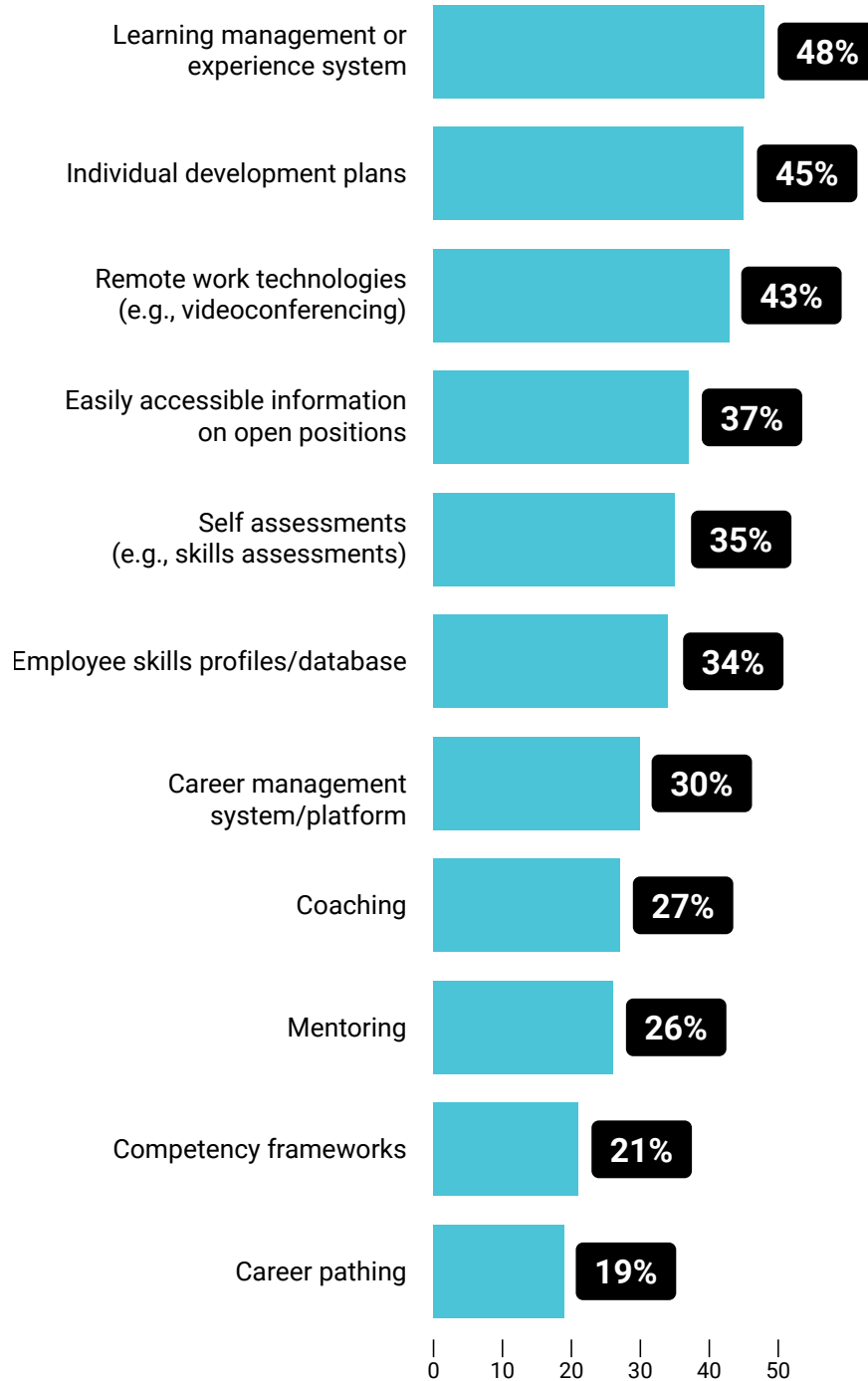
However, two other responses were also selected by more than two-fifths of respondents:

- individual development plans
- remote work technologies

An individual development plan (45%), can of course, allow employees to see their strengths and weaknesses but it also allows them to create a plan to reach their career goals. Managers may even want to empower employees to have input in their development plan. Remote working technologies (43%) have been widely used since the pandemic and they don't seem to be losing traction as many organizations remain at least partly remote. Further, this tech is crucial to keep communication flowing in a remote environment.



**Survey Statement:** Which of the following development-friendly tools and technologies does your organization use? (select all that apply)





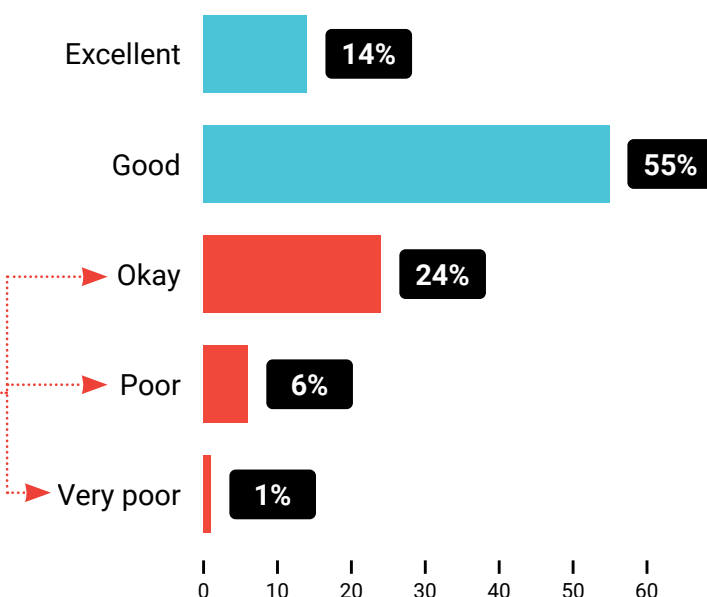
## Finding: While a majority rate their career development technologies positively, only 14% say they are excellent

Of those who say they have technologies to help employees develop careers, just 14% say those technologies are excellent. The good news, however, is a further 55% say that they are good.



About one-third rate the technologies their organization uses to help career development as just okay or worse

**Survey Question:** Overall, how would you rate the technologies that your organization uses to help with career development?





## Finding: About half say managers are encouraged to help employees develop careers, but only 36% say managers have the skills to do so

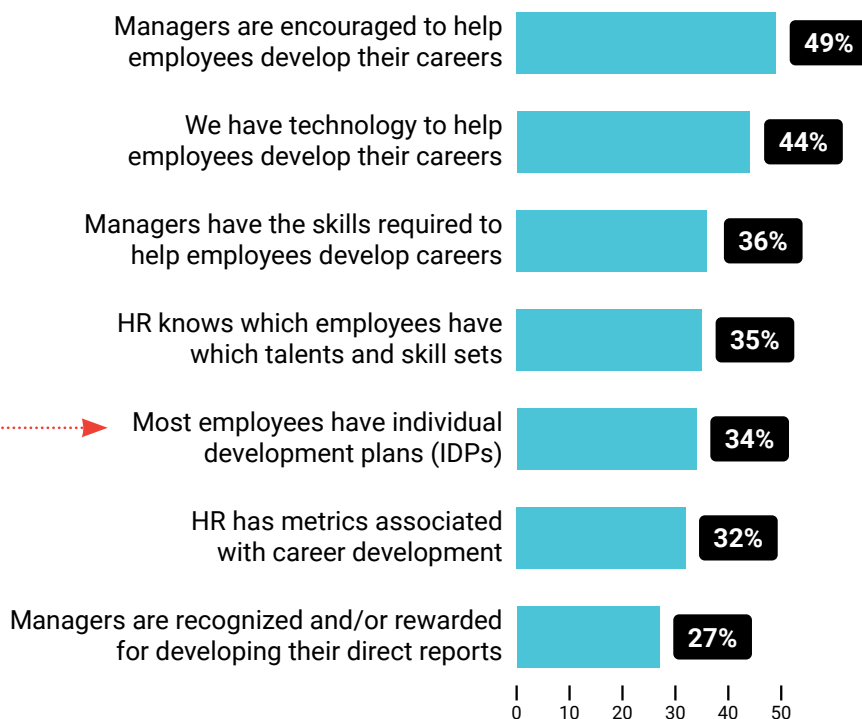
We asked respondents to select which statements are true when it comes to career development in their organizations. Only 36% say managers have the skills required to help employees develop their careers even though nearly half (49%) say managers are encouraged to help employees develop their careers. We believe that upskilling managers in these areas could have positive long-term effects and lead to better employee engagement overall.

Only about a third (32%) say HR has metrics associated with career development. This indicates that half of organizations are *not* measuring if their development approaches are successful. This is quite a large decrease from last year, so HR should investigate tools that can provide metrics.



**Only 34% say their organization has individual development plans for most employees**

### Survey Question: Which of the following statements are true in your organization? (select all that apply)

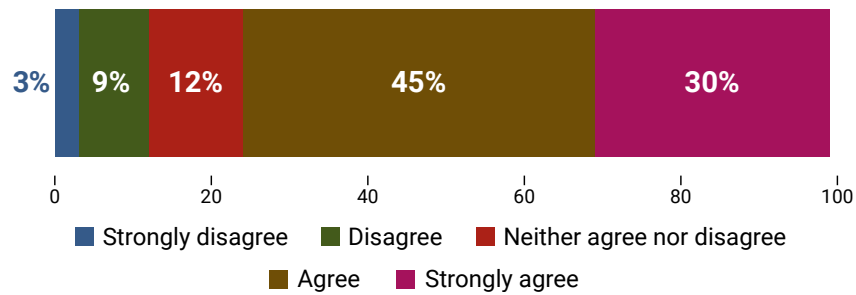




## Finding: Most respondents believe their organization has enough career development opportunities to keep up with employee demand

The majority of HR professionals agree or strongly agree that their organization has enough career development opportunities to keep up with demand (75%). Only 12% actively disagree.

**Survey Statement:** Your organization has enough career development opportunities to keep up with employee demand.



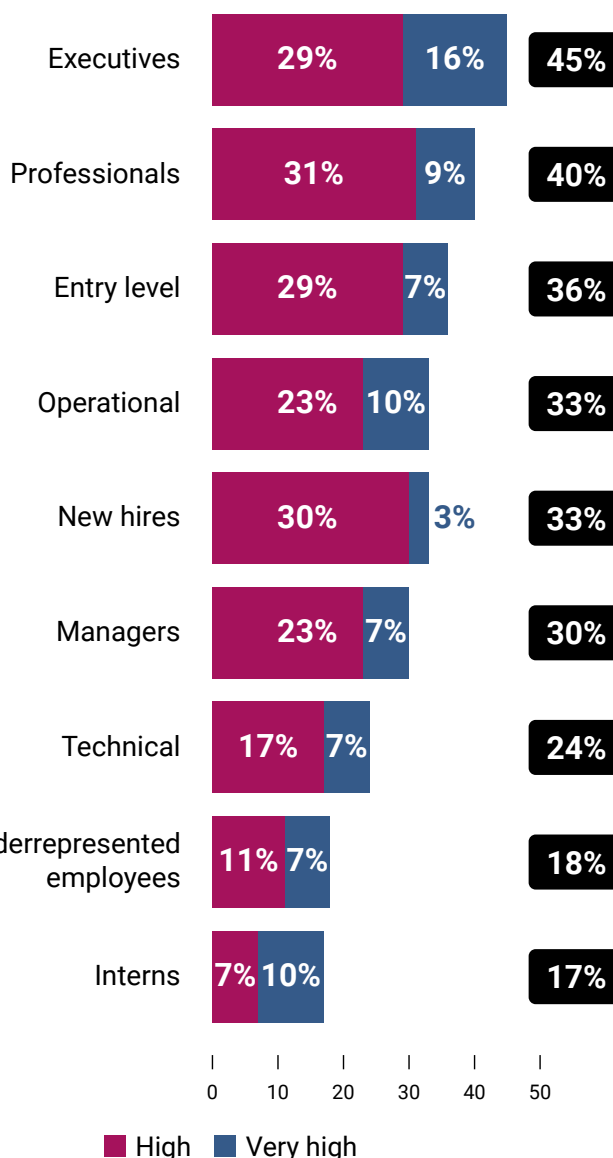




## Finding: Career development opportunities most commonly go to top level employees

When we take a closer look at the data, career development opportunities most commonly go to executives. However, even then, only 45% of executives get career development opportunities to a high or very high degree. Just 36% offer these opportunities to entry level employees to the same extent.

**Survey Question:** To what degree does your organization provide career development opportunities to the following groups of employees?



Just 18% provide career development opportunities to underrepresent employees to a high or very high degree



## Finding: About half say skills and knowledge to achieve goals are part of career development

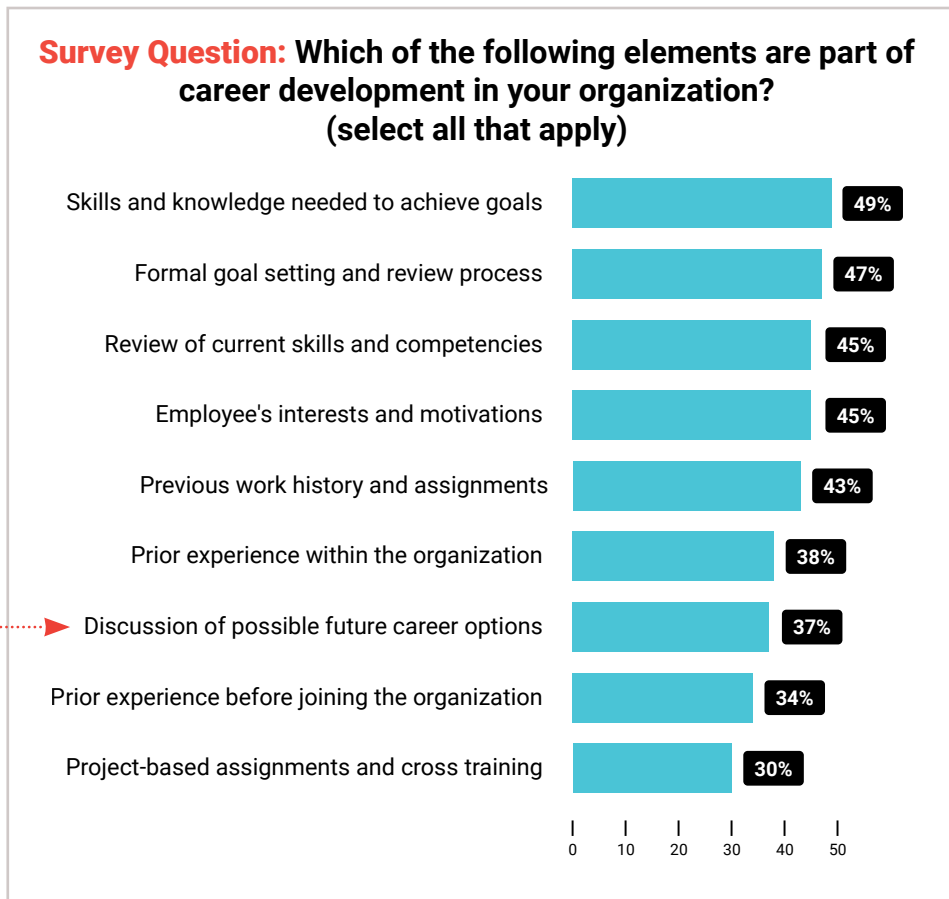
We asked those who say their organization has a career development process what elements are included in those processes. The top two responses are separated by only two percentage points:

- skills and knowledge needed to achieve goals (49%)
- formal goal setting and review process (47%)

While it is encouraging that employees' interests and motivations are taken into consideration, just 37% have discussions about future career options and even fewer (30%) use project-based assignments and cross training. We believe that cross training can be a great way to upskill employees as some employees may have knowledge that can help other employees perform better.



**Thirty-seven percent discuss possible future career options as part of their career development process**





# What Do Career Development Leaders Do Differently?

## How We Define Career Development Leaders

To take a closer at what differentiates organizations with effective career development processes from those with less successful career development processes, we separated our sample into two cohorts:

- **Career development leaders:** respondents who strongly agree that their organization has an effective career development process.
- **Career development laggards:** respondents who disagree or strongly disagree, neither agree nor disagree that their organization has an effective career development process.

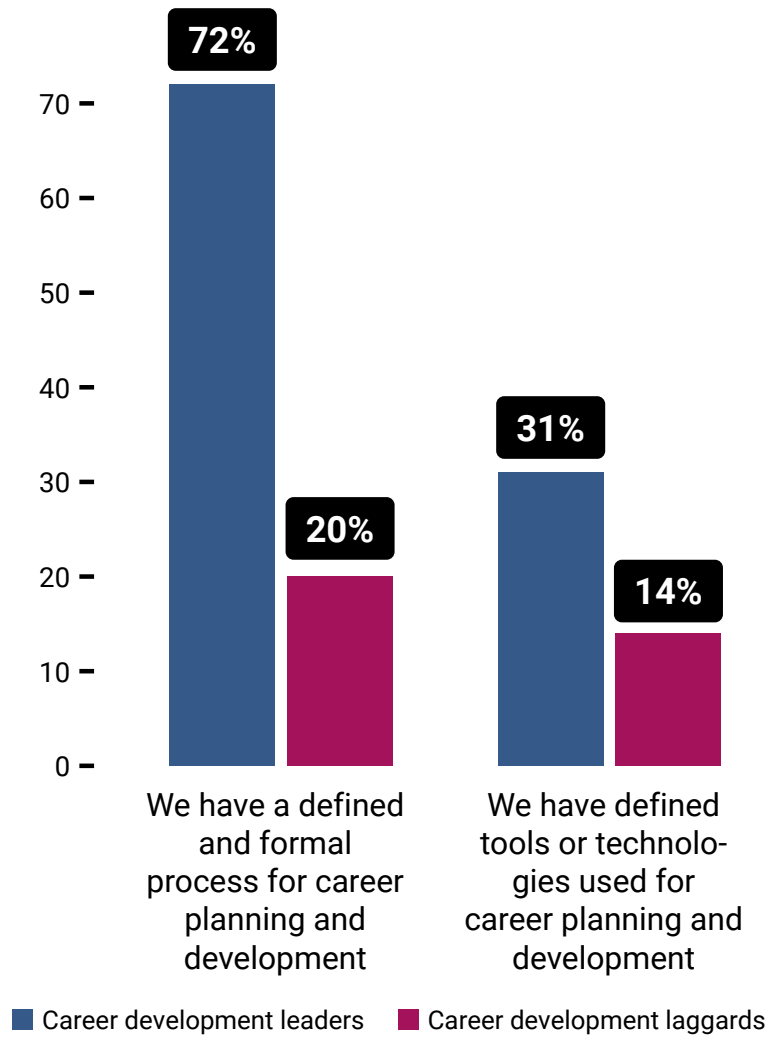
Correlation does not necessarily indicate causation, of course, but these relationships may provide clues about possible best practices related to career development.



## Finding: Career development leaders are over three times more likely to have a defined and formal process for career planning and development

Career development leaders are three times more likely to have to have a defined and formal process for career planning and development. Compared with laggards, leaders are also about two times more likely to have defined tools and/or technologies for career planning and development than laggards (31% vs. 14%). That said, both leaders and laggards could invest more in technologies to aid career development.

**Survey Question:** Which of the following best describes your organization's approach to career development?

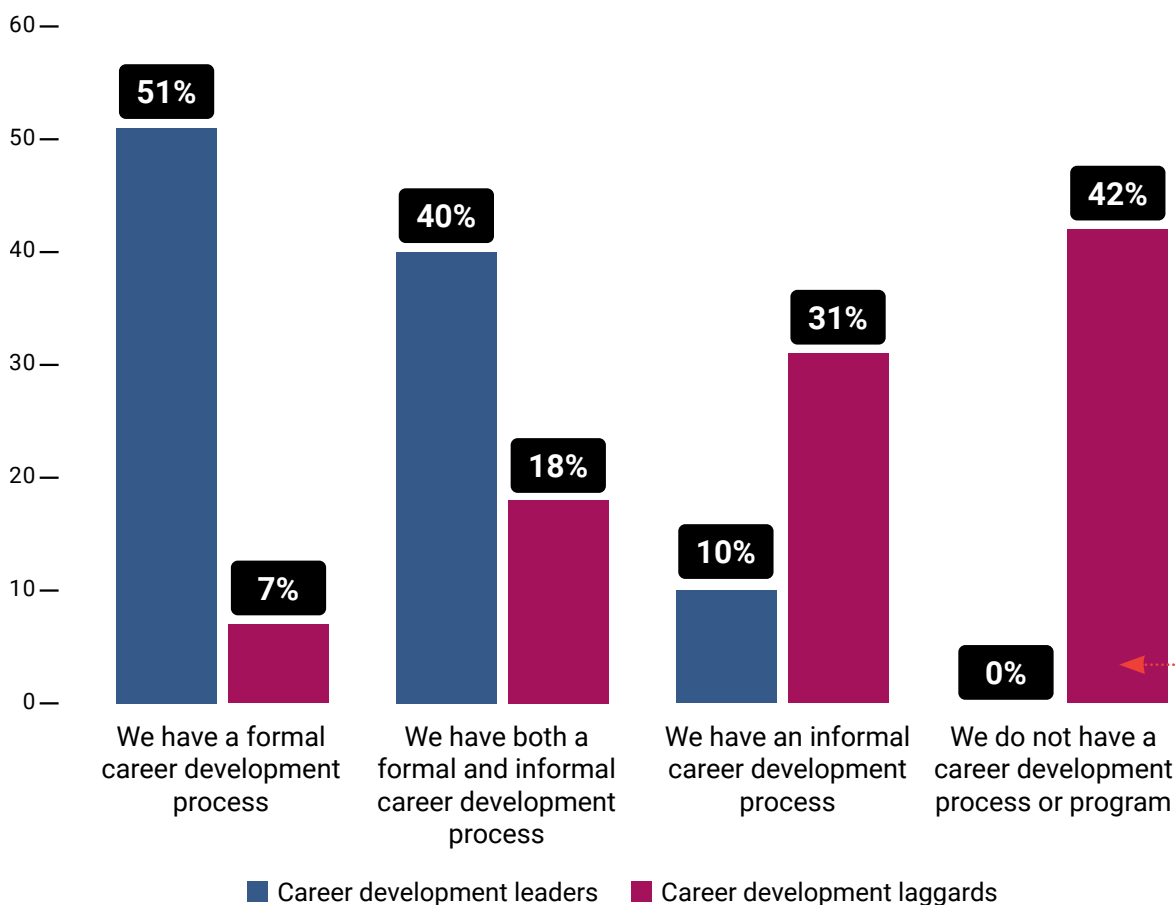




## Finding: Career development leaders are far more likely to have formal programs

Career development leaders are over seven times more likely than laggards to have a formal process. They are also over two times more likely to have both a formal and informal process.

**Survey Question:** Which of the following best describes how your organization approaches career development? (select the one that best applies)

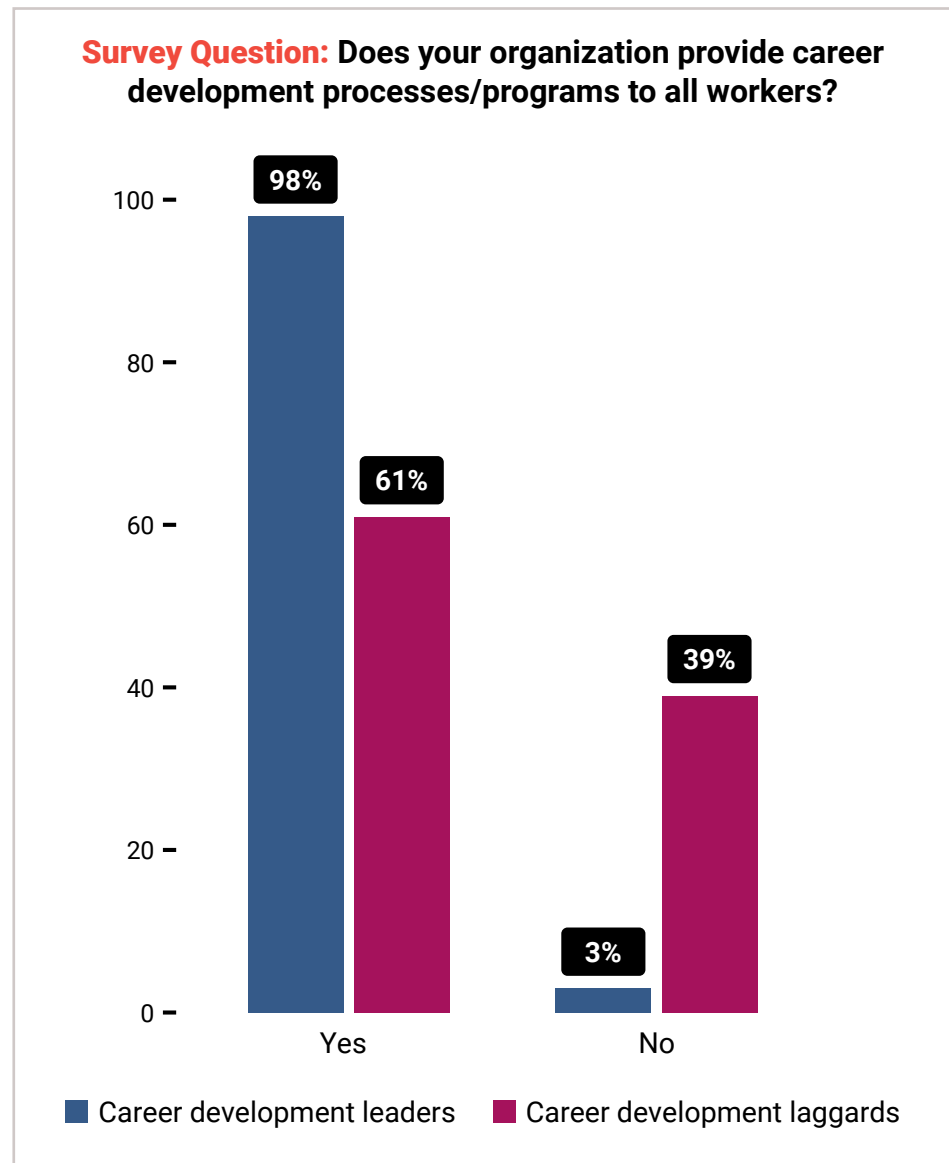


**Two-fifths of career development laggards do not have a career development process or program**



## Finding: Almost all of career development leaders say their organization provides career development processes/programs to all employees

The findings indicate that career development leader organizations are much more likely than laggards to provide processes/programs to all workers (98% vs. 61%).

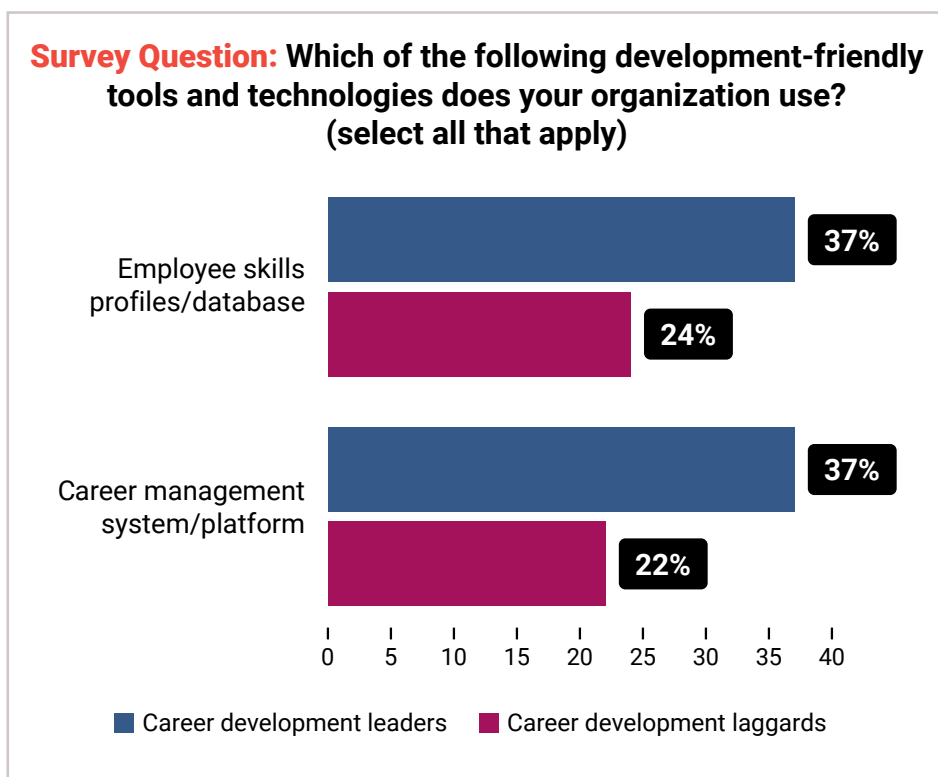


Editor's note: Numbers do not add up to 100% due to rounding.



## Finding: Career development leaders are considerably more likely to use a career management system or platform

When looking at tools and technologies, career development leaders are more likely than laggards to use a career management system or platform (37% vs. 22%). Similarly, they are also more likely to use an employee skills profile or database (37% vs. 24%).





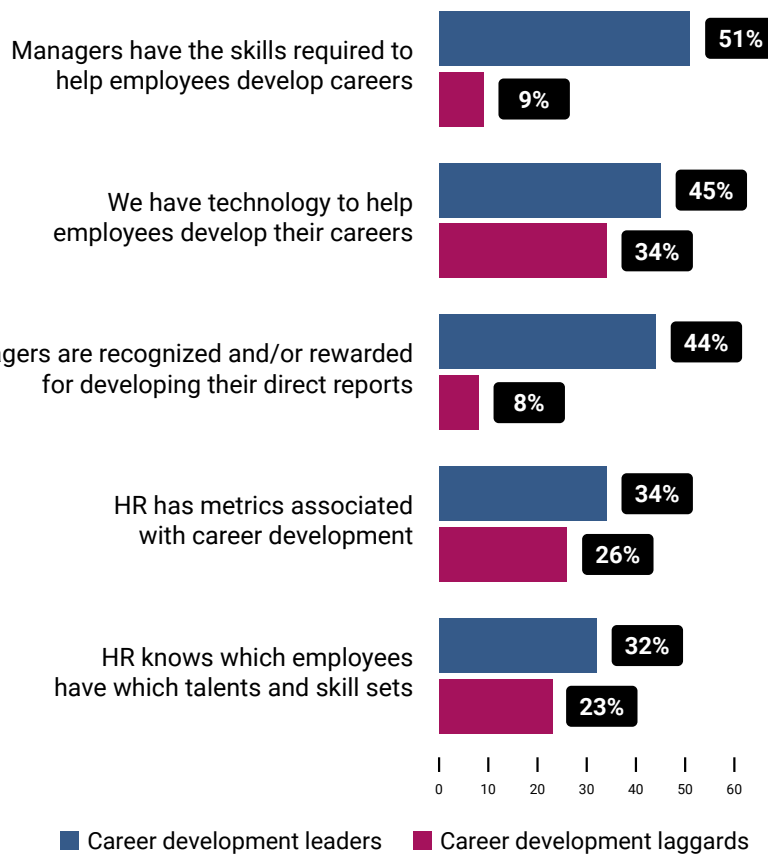
## Finding: Career development leaders are far more likely to have managers with the skills required to help employees develop their career

Managers with proper training will likely have a large positive impact on employee development. In fact, career development leaders are over five times more likely than laggards to say they have managers that have the skills required to help employees develop their careers. Further, leaders are also over five times more likely to say managers are recognized and/or rewarded for developing their direct reports.



**Career development leaders are more than five times more likely to say managers are recognized and/or rewarded for developing their direct reports**

### Survey Question: Which of the following statements are true in your organization? (select all that apply)

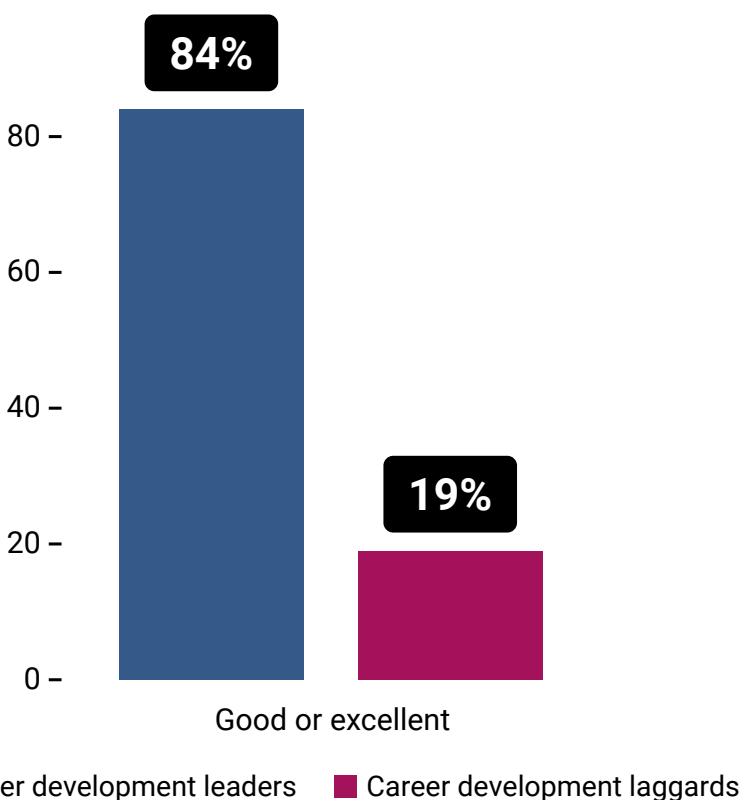




## Finding: Career development leaders are far more likely to rate their organizations' use of technology for career development as good or excellent

When compared with their laggard counterparts, career development leaders are much happier with their organization's career-development technologies. Indeed, they are over four times more likely to rate their organizations' use of technologies for career development as good or excellent (84% vs. 19%).

**Survey Question:** Overall, how would you rate the technologies that your organization uses to help with career development?







## Key Takeaways and Recommendations

### Key Takeaway 1

**Ensure your talent mobility practices are truly effective.** This involves crafting a multidimensional approach that includes the following tactics:

- For positions where it makes sense, look first to internal candidates when filling available job openings
- Provide employees with information about internal openings and give them enough time to evaluate and apply to internal jobs
- Provide the tools and technologies needed to facilitate and track internal mobility
- Incentivize managers to help their direct reports move to new positions if it is beneficial for the employees and the organization; discourage “talent hoarding”
- Accurately measure internal mobility
- Gauge whether your corporate culture encourages internal mobility
- Create a formal but not overly bureaucratic process and refine it until it is working in an optimal way
- Make someone responsible for the internal mobility process and hold them accountable for its success

### Key Takeaway 2

**Educate managers on the benefits of internal mobility.** As seen earlier in the report, one of the biggest obstacles to internal mobility are managers who discourage movement. While it is understandable that managers want to keep their top performers as it benefits their team in the short term, it can be at the detriment of the organization in the long term. This is because said top performer may eventually feel their career growth is stagnated and quit if a better opportunity at another organization opens up. By allowing employees to grow their careers it can lead to greater employee retention. A new hire or an internal move can also help managers in that the new team member can fill skill gaps and potentially teach the team new skills through cross-training. This can improve the team’s performance as a whole.

### Key Takeaway 3

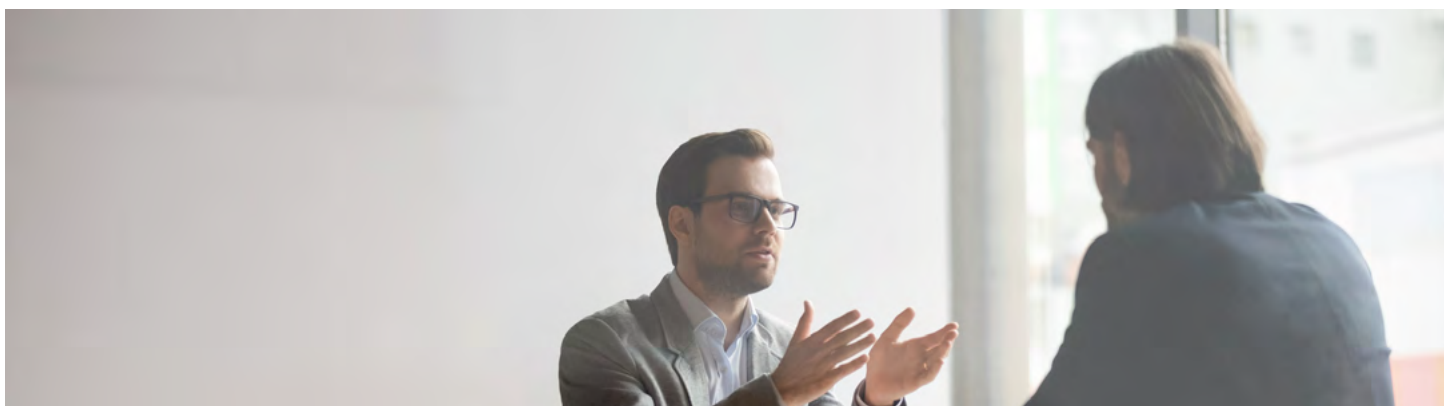
**Consider lateral moves if there aren't currently opportunities for upward movement.** Not all organizations are able to give promotions as frequently as they would like. A solution to this is lateral career moves. Organizations can find out what employee interests are through surveys and one-on-ones with managers. Further, managers can encourage employees to create career development plans. By doing so, employees can make lateral moves that are good for their development, align with organizational goals and could potentially set them up for a promotion in the future.

### Key Takeaway 4

**Create a formal succession management process.** While an informal succession management process is better than no succession management process, organizations must recognize the value in a formal process. A formal process can help reduce bias. For example, employees may feel like they don't belong because of their gender, race, or religion. This is especially relevant in today's day and age with the emphasis on diversity, equity and inclusion. Having diverse employees at only lower levels of an organization is not good enough; it is crucial to have a diverse leadership team to show a true commitment to DEI. A formal succession process can potentially reduce the risk of skilled employees getting passed over for a promotion due to bias.

### Key Takeaway 5

**Ensure all workers have career development discussions and opportunities.** Career development discussions and opportunities are beneficial for both the organization and the employee. This is because, as seen earlier in the report, employees want to develop their careers. In fact, if they're able to spend more time on career development, they are more likely to be engaged. Consider making career development opportunities available for all employees and not just higher level leadership. Further, personalize where possible.



## Key Takeaway 6

**Create individualized career development programs.** It's no secret that each employee has unique interests and goals, which is why it's crucial to have individualized career development plans. But some employees may not just have a single career interest. In this case, managers can help employees create multiple plans and discuss with the employee which one best fits their skills and interests.

## Key Takeaway 7

**Forge connections between internal mobility, succession and career development processes.** These three areas can be synergistic. For example, internal mobility relies on having "ready-now" talent available that is enabled by effective career development. Similarly, promoting people into leadership positions relies heavily on an effective approach to succession planning and making the kinds of lateral moves and promotions that provide high potentials with critical skill sets.





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