



## **Factsheet - Career Development is good for my business**

Career development is the process of managing a person's life, learning and work.

According to a 2010 survey by Hewitt Associates, 77 percent of human resources professionals at large employers say that career development is more important to them now than it was 5 years ago. However, most survey respondents admitted that the career development programs offered to their employees do not effectively meet the needs of either the company or employees.

Hewitt's 2010 Survey Key Findings:

- 89% report career opportunities as one of the most important drivers of engagement and retention
- 77% of respondents report that career development is much more (or more) important than it was 5 years ago
- 55 % of survey participants report that career development and pay are equally important to employees as a rewards strategy
- 65% ranked managers ability to coach" as one of the top three process improvement areas in their organisation.

The Survey concluded that companies should work on linking career development opportunities with performance management.

Focusing on career development is a low-cost option that can have an enormous impact on workers' engagement and retention.

According to Wikipedia the definition of career development in organisational development is:

- how individuals manage their careers within and between organisations, and
- how organisations structure the career progress of their employees and is also tied to succession planning within some organisations

and may be known as talent management or organisational development.

Career development is of increasing importance to most government and business organisations in terms of its potential to deliver economic, social and individual benefits. While these are difficult to quantify it makes sense that employees who are skilled, who continue to learn and who possess certain personal qualities are attractive to employers.

Yet the irony is, if companies kept their best people longer, less money would be needed for sourcing top candidates. It's a chicken and egg scenario.

When employees ask for **career opportunities**, they may be looking for more challenge, more meaning, more balance, more development and more recognition - all of which may be achieved without more cost.

Research shows higher productivity, low levels of staff turnover and economic growth are just some of the benefits associated with instilling a career development culture in the workplace.

Employee development is not a cost - if people are the organisation's biggest asset, doesn't it make sense to nurture and grow this asset?

### **The Return on Investment of Career Development**

According to Edwin Trevor-Roberts of Trevor Roberts Associates an effective Career Development strategy is no longer a 'nice-to-have' initiative.

1. The higher the level of satisfaction that employees have in their jobs, the higher their professional development and productivity
2. Career development programs that provide career coaching (eg help employees realise their potential, improve job performance, achieve work/life balance etc) have a greater impact on the quality of working life, job satisfaction, professional development and productivity than task-related career development activities.

Other positive, flow-on effects of a good career development program may include:

- more successful retention of valued staff, which means retention of priceless corporate and product knowledge, and better customer relationships
- greater awareness of your employee's personal and career aspirations and therefore better utilisation of talent
- confident employees with skills to manage their own careers
- resilient employees who can better handle organisational change
- improved job satisfaction
- a higher skilled workforce
- a more productive and engaged workforce with improved morale
- better communication between managers and employees on all business issues.

### **What does the career development process involve?**

Many organisations will have established systems to develop their people: mentoring, personal development plans, feedback and performance appraisal, corporate responsibility programs and so on. All of these contribute to the career development of individuals as well as the effectiveness of organisations.

Career Development is, in essence, about individuals actively managing their careers - their life, their learning and their work. The skills they need to do this are expressed in the Australian Blueprint for Career Development ([www.blueprint.edu.au](http://www.blueprint.edu.au))

Your role, as an employer might be to:

- identify the needs of the staff, by talking to all levels of the organisation
- encourage staff to discuss, identify and strive for career and life goals
- provide or be supportive of training and development opportunities for staff
- actively support activities or policies that lead to better staff engagement and satisfaction
- be willing to support flexible arrangements for employees
- incorporate career development into organisational policies and goals.

You might expect your staff to:

- identify personal, career and life goals during performance management sessions
- be prepared to discuss their needs with their employer and be flexible to change
- actively engage in career development program/s within the organisation
- participate in opportunities outside work that increase their employability and satisfy their personal career goals
- take responsibility for their career by planning ways to meet their goals, and actively pursuing them within your organisation.

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