

## CHAPTER 2

### MANAGEMENT CAREER DEVELOPMENT: LITERATURE REVIEW

*“If you want one year of prosperity – grow grain. If you want ten years of prosperity – grow trees. If you want hundred years of prosperity – grow people.”*

**Chinese Proverb**

#### 2.1 INTRODUCTION

At the dawning of the third millennium, Scarbrough, Swan and Preston (1999) noted changes such as advances in information and communication technology and the emergence of less hierarchical organisational structures. In the automotive industry, as employees grow and change, the types of work they want to do may also change. The globalisation of the automotive manufacturing industry and increased competition between organisations will almost certainly have several implications for the ways in which candidates are selected for particular jobs, for what knowledge, skills, abilities and other characteristics are most strongly related to performance, and for the manner in which individual careers themselves are defined.

Understanding and finding ways to enhance the careers of employees in an organisation is an integral part of HRM. Career development provides a future orientation for HRM activities. People and organisations change. Hence, organisational objectives and the blend of knowledge, skills, abilities and other characteristics required to reach those objectives also need to change in response to challenges from the environment in which organisations operate.

Work is significant in human lives, even if the meaningfulness of work differs from person to person. For some, it merely provides an income, for others, personal fulfilment. It may even form a key element of an all-embracing lifestyle. The more a person needs to improve his/her self-image, to achieve and to express his/her abilities,

the greater the meaningfulness of work to that individual. Bryman (1989) argue that career success can be classified as a variable. An individual may experience career success during different phases of his/her life. At any given period, he/she may question the success of his/her chosen career and his/her ability to meet the demands of this career. For this reason, careful career preparation and career planning should take place before an individual chooses a career. To make a career choice, an individual should know him/herself, his/her interests, skills, competencies and abilities. An awareness of these individual traits guides a person toward making the correct career choice. It enables a person to manage career decisions effectively in the search for or within an organisation that best suits his/her career needs. To a large degree, the choices we make about work determine our success, happiness and financial well-being.

Career development is such a broad field that it is beyond the scope of this research to discuss it fully. Instead, this study focuses on the MCD concepts and practices that top managers and HRM professionals can use to fulfil their role as developers of human resources strategies.

This chapter investigates theories relating to careers, to career management and to individual, organisational and external factors which may influence a career or career path. The human resources planning process as a central aspect of the career management process and the theoretical concepts of human resources planning are discussed. Individuals' career choices, self-development, growth and career planning (all of which form an integral part of an individual's career and life) are explored.

## **2.2 MANAGING AN EMPLOYEE'S CAREER**

As mentioned before, organisations worldwide are in a constant state of change in terms of their structure, labour composition, size and technological make-up. A global economy and the technological revolution are bringing about new international competition, which imposes new demands on organisations. Organisations are under pressure to do more with less, to be more flexible, efficient and effective. Organisations are adapting, amongst other things, by designing flatter structures, organising around processes rather than functions, using self-directed work teams and being more

knowledge-based (with less emphasis on command and control), and defining jobs narrowly, as stated by Hall and Mervis (1995). These forces and changes have far-reaching implications for people and their careers. The following trends are becoming increasingly apparent:

- Careers are moving in a way that is more cyclical and lateral, rather than vertical, and career moves involve becoming multi-skilled in the process of gaining broad knowledge about the organisation (Hall & Mervis, 1995:333).
- Individuals take ownership of their careers, while the organisation plays a supportive role (Hall & Mervis, 1995: 334).
- Continuous learning and development are essential in order to live up to the new expectations (Schein, 1993:54).
- New kinds of employment relationships are emerging as more and more people are becoming freelance providers of skills and services (Rousseau & Wade-Benzoni, 1995).
- Employability, rather than employment, becomes a source of security (Kanter, 1990: 332).
- Career development is becoming more holistic in its focus.

In the light of the above changes, individuals are expected to take control of their careers, while the organisation plays more of a supportive role in this self-management process. Two important processes the organisation can utilise to assist career planning are providing information about career opportunities in the organisation, and providing career planning techniques to facilitate the process (Schein, 1993:73).

Traditionally, many employees believed that if they joined an organisation, became competent, worked hard and stayed out of trouble, they would have a job as long as they would want it. For those who entered the workforce believing in and expecting this traditional form of employment relationship, the realisation that things have changed can be unsettling. The realisation that an organisation is not responsible for its employees' continued employability has created uncertainty and fear in many employees. A recent review of articles published on this topic (Roehling *et al.*, 2000)

has shown that there was widespread agreement that employees were increasingly expected

- to assume responsibility for developing and maintaining their own skills;
- to add demonstrable value to the organisation; and
- to understand the nature of their employer's business.

At the same time, there was strong agreement that under the new Employment Equity and Skills Development Act, employers' relationships with employees already within the organisation should provide

- opportunities for skills development, training and education; and
- employee involvement in decision-making, assistance with career management (for example, coaching and mentoring) and performance-based compensation.

### **2.3 A DEFINITION OF A "CAREER", "CAREER MANAGEMENT" AND "CAREER MOTIVATION"**

There are several definitions for the term "career". Schein (1978) argues that an individual must see his/her career as a process by means of which he/she can directly guide and influence the direction of his/her own working life. This career path will change in terms of the individual's development and life stages and can be seen as an intertwining of activities that are related to work and "non-work". Schein (1978) indicates that a career allows opportunities for a person to experience hope of leading a fulfilled life, but that it can also place limitations upon a person's life. A career offers opportunities to enhance both people's work and lives, and to gain experience of the consequences and events of these two separate worlds. Greenhaus, Gallahan and Godschalk (2000) state that a career is best described as "the pattern of work-related experiences that span the course of one's life. This definition includes both objective events, such as jobs, and subjective views of work, such as the person's attitudes, values and expectations (Greenhaus *et al.*, 2000:34). Therefore, both a person's work-related activities and his/her reactions to those activities form part of the person's career. This definition is consistent with the notion that careers develop over time, and that all persons have careers, regardless of their profession, their level of advancement or the stability of their work pattern.

Both the individual and the organisation have an interest in an individual's career, and both parties may take actions to influence that career. These related career initiatives are referred to as career planning and career management activities. Career planning is defined by Schein (1978) as

- a deliberate process of becoming aware of the self, opportunities, constraints, choices, and consequences;
- the identification of career-related goals; and
- a programming of work, educational and related developmental experiences to provide the direction, timing and sequence of steps required to attain a specific career goal.

Hence, career management can be defined as an ongoing process of preparing, implementing and monitoring career plans undertaken by the individual alone or in concert with the organisation's career system (Schein, 1978).

Career motivation (London, 1983) is a multi-dimensional concept consisting of individual and situational characteristics, reflected in the individual's career decisions and behaviour. It encompasses a person's motivation to do his/her present job and to meet expectations related to various managerial roles. It consists of three dimensions:

- career identity factors reflecting career decisions and behaviour;
- career insight (the extent to which the individual has realistic career perceptions);  
and
- career resilience (the ability to overcome career setbacks).

There are many different meanings related to the concept of a career. Geber (1992) has identified four distinct explanations for a career, namely a career as an advancement, a profession, a lifelong sequence of jobs, and a lifelong sequence of role-related experiences.

- **A career as an advancement**

A career can imply a vertical movement, in other words, upward mobility in an organisation. It means that a person moves onwards in this work life, by means of a promotion, a transfer or a new job in a similar position in another company. It may also involve a lateral move with more responsibilities. A career in this sense refers to basic advancement, for example, a sales representative who advances through the ranks of the sales department to become a sales manager defined by Geber (1992).

- **A career as a profession**

This concept refers to those careers where a person has to follow a certain route during his/her career path; in other words, there is a clear pattern of advancement. The legal profession is an example of such a career. In such a profession a person starts his/her career as a law student, becomes a clerk in a law firm once he/she has qualified, a lawyer once he/she has completed his/her articles, an associate and then a partner, once a sufficient level of experience or expertise has been achieved (Geber, 1992).

- **A career as a lifelong sequence of jobs**

This refers to a series of positions held during a person's work life. There is no mention of a specific profession or any mobility, but it refers purely to any jobs held by the individual during his/her working life.

- **A career as a lifelong sequence of role-related experiences**

This refers to the way an individual personally rotates his/her job functions and gains experience. It is more of a personal experience (satisfaction, changing aspirations and attitude changes).

From the above, it is clear that a career can be seen as a two-fold process consisting of individual factors (such as the individual's likes, identity, self-image and interests) and job factors (being part of an organisation, work relationships and work lifestyles).

Two factors regarding the idea of transitional role of management should be addressed before any career management programme can be effective:

- management must have a clear understanding of careers, career management, and career development programmes; and
- management must also be aware of its abilities and skills and understand its own career objectives in order to manage employees' careers.

## **2.4 CAREER MANAGEMENT AS AN ONGOING PROCESS**

Career management can be described as an “ongoing process” in which an “individual

- gathers relevant information about himself/herself and the world of work;
- develops an accurate picture of his/her talents, interests, values and preferred life-style, as well as alternative occupations, jobs and organisations;
- develops realistic career goals based on this information and picture;
- develops and implements a strategy designed to achieve the goals;
- obtains feedback regarding the effectiveness of the strategy and the relevance of the goals” (Greenhaus & Gallanan, 1994:7).

Career management may include activities that help individuals to develop and carry out career plans, but the focus is on taking actions that increase the chance that the organisation's anticipated HRM needs will be met.

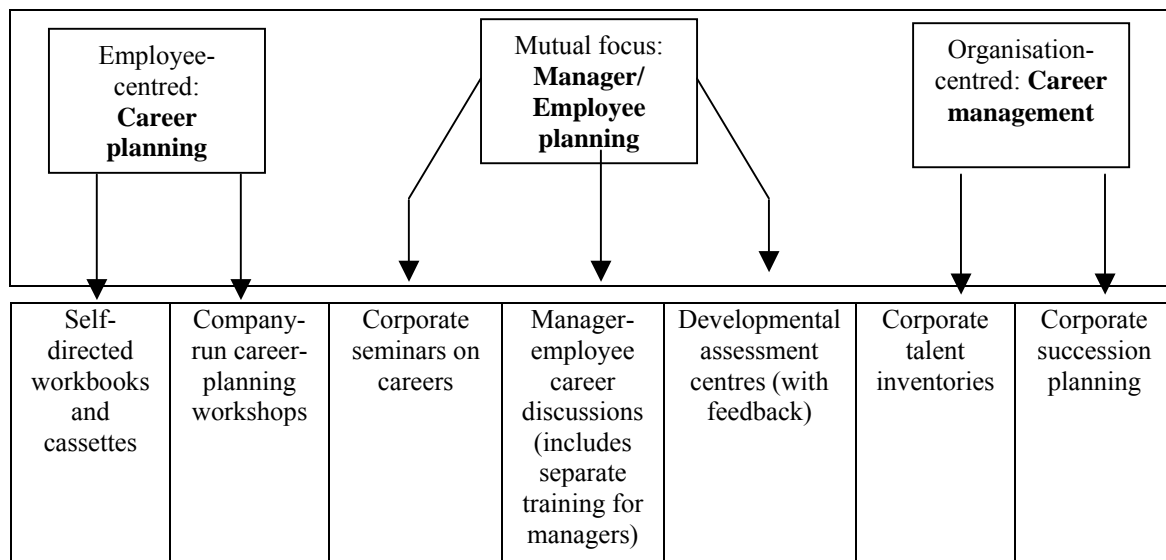
At its most extreme, career management is largely an activity carried out by the organisation. An example of such an activity is succession planning, which is typically carried out in secret by senior management to determine which employees can and should be prepared to replace people in positions of greater responsibility.

Career management and career planning activities can be complementary and can reinforce each other. For example, it is difficult to monitor the career plans of an individual who has not made specific plans to be monitored. A balance between the two (management and planning) can make for effective career development. The organisation can support actions at any point on the spectrum, assisting the employee

with career planning, as well as conducting career management activities, and thus play a role in effective career intervention (Desimone, Werner & Harris, 2002).

Figure 2.1 shows where various career development activities fit into the career planning and career management spectrum (Hall, 1986). These activities vary along this spectrum according to

- the amount of influence exerted by an individual;
- the amount of information provided to the individual;
- the amount of influence of the organisation; and
- the amount of information provided to the organisation.



**Figure 2.1: Spectrum of career development activities (Hall, 1986:116)**

#### 2.4.1 The scope of career-pathing and MCD

Career management consists of four essential components:

- the company's management competencies, needs and goals;
- MCD;
- a employee's career needs for life-long development; and
- succession planning.

These components are interdependent and no career management process can operate without all four.

“MCD” is a term used in a comprehensive sense to encompass the different ways in which managers improve their capabilities. It includes management education, management training. However, the common use of the term “career development” goes beyond the sum of these meanings, to include a wider process than the formal learning of knowledge and skills. It includes informal and experiential modes of human resources development in the organisation.

MCD is thus a multi-faceted process in which some aspects are easier to identify and measure than others. One way of putting these different dimensions into perspective is to try to compare their relative contribution to the performance and development plan outcomes for a good manager. They must also be seen in the context of a national policy for training and education more generally (Mumford, 1997). In this study, the term MCD is used in a comprehensive sense to encompass the different ways in which managers improve their capabilities.

## **2.5 THE IMPORTANCE OF CAREER DEVELOPMENT**

If an individual has a clear understanding of what a career is, it will assist him/her in identifying the importance of his/her career. Hall (1986) has identified the following reasons for the importance of careers:

### **2.5.1 Career as life**

People spend more time at work than at home; in other words, work basically represents a person's entire life. A career then “becomes a primary factor in determining the overall quality of life” (Hall, 1986:42). Many people become very frustrated when they reach retirement age, because they know that they have come to the end of their working lives. Often retirees take up another job and continue as consultants to the company from which they have retired.

### **2.5.2 Equality through careers**

Having a successful career places an individual in a better position to achieve social elevation and personal liberation of equality to organisational career-pathing and development. The affirmative action programmes implemented in most South African automotive companies are a good example of how equality to peers in the same business can be achieved through career-pathing for previously disadvantaged employees. DSGNS are appointed in key positions in companies and undergo extensive training in order to achieve equality with their counterparts. Women have also been drawn into careers and are in the process of transcending a history of inequality in the job market. Because job creation is such a key factor in the current South African political arena and has a vast impact on social change, companies are forced to pay more attention to career management to address these issues.

### **2.5.3 Career mobility**

Career mobility refers to the movement by an individual to advance his/her own career. In South Africa, job reservation based on race and gender has been a problem that has affected the mobility of now designated groups. The Black Economic Empowerment Commission (2002) argues that employment equity policies are designed to fail, because the policies fails to address the core problem, namely a lack of career opportunities for DSGNS and a shortage of skills, properly. Job mobility can also be affected by personal factors, for example, employees are more aware today of their work's location, quality of life, recreation and family when they choose a job, or accept a promotion or a transfer.

## **2.6 UNDERSTANDING HOW MANAGERIAL CAREER ADVANCEMENT OCCURS**

It is important to understand how employees advance to managerial positions. There is a need to advance (as managers) those who are most effective, especially from among previously disadvantaged groups. A lack of performance or good performance by organisational leaders has been shown to contribute to organisational failure (Levinson, 1996) and profitability (Erwee, 1988). Sadly, the proportion of effective managers is thought to be less than 50 per cent globally (Kotter, 1999). It is also critical to understand why women and previously disadvantaged majorities continue to be underrepresented in management (Kelly, 1994).

Ways to advance to high positions in contemporary organisations differ from those two decades ago (Kotter, 1996). Then, there was a strong reliance on career paths based on job ladders, seniority and tenure. Currently, managerial positions are fewer; and organisations are flatter and more decentralised and many have downsized. This necessitates a changed view of how advancement occurs.

There have also been changes in HRM practices regarding the selection and promotion of managers. Selection practices for management positions are now more structured and less subjective than a decade ago; equal employment opportunity/affirmative action has been introduced; and applicant pools for managerial positions are increasingly diverse, contain more women, more older applicants and applicants from more ethnic groups and races (Kotter, 1998).

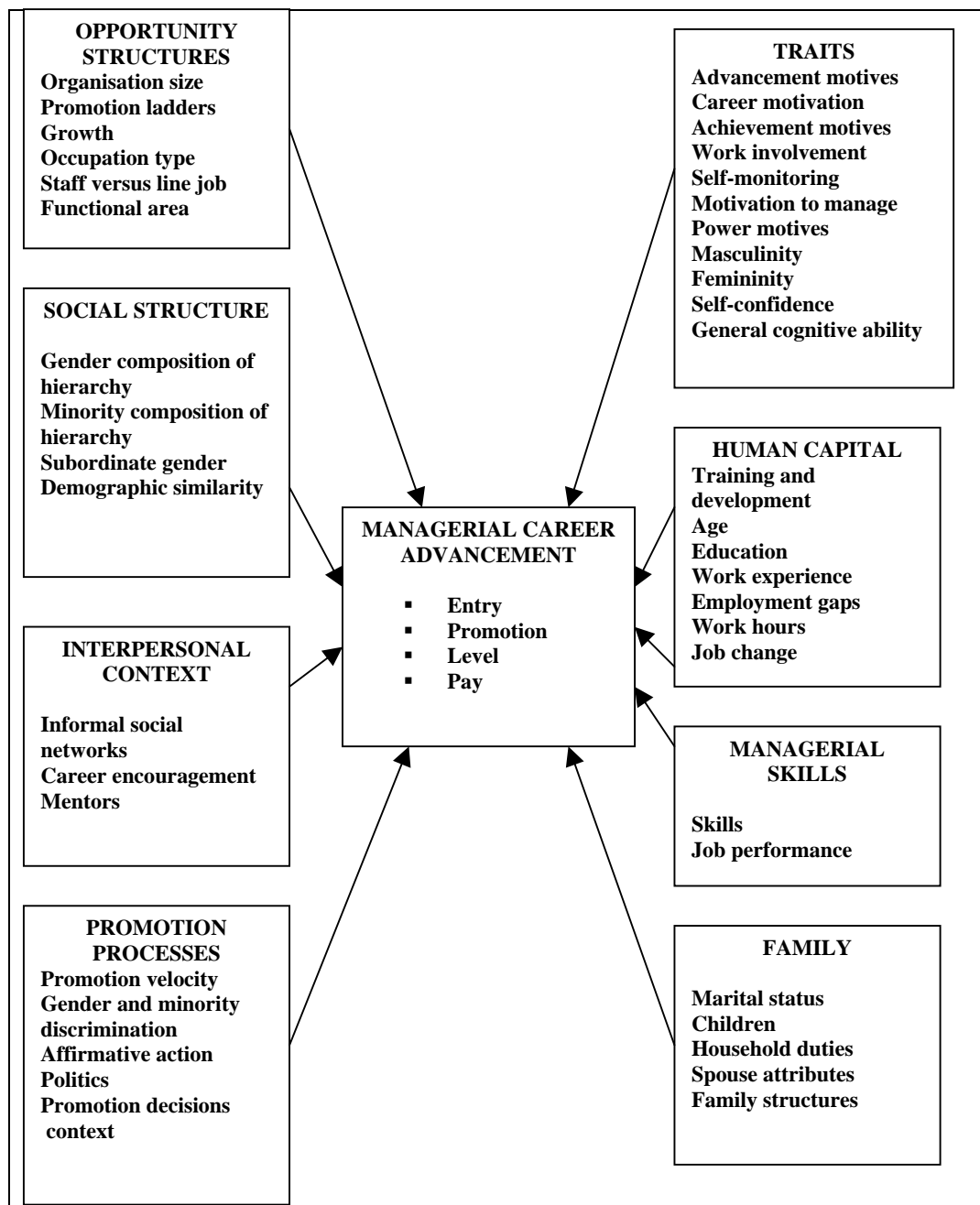
Managerial career advancement is often defined in terms of promotion within managerial ranks, the level of management ultimately reached and the level of pay received. Managerial promotions signify upward movement in the managerial hierarchy, and managers' levels of pay signify managerial achievement and success.

### **2.6.1 MCD theory models**

The studies reviewed examine organisational and individual causes of managerial career advancement consistent with past reviews by the researcher, for example, those by McCalman and Paton (1990) and Simon and Burstein (1985). The studies published since 1990 cover several categories of variables (as shown in Figure 2.2). In the organisational context, opportunity structures, social structures, interpersonal contexts and promotion processes have been examined. With regard to individual factors, traits, human capital, managerial skills and family have been looked at.

## ORANISATIONAL VARIABLES

## INDIVIDUAL VARIABLES



**Figure 2.2: Categories of variables of managerial career advancement based on previous studies** (Adapted from McCalman & Paton, 1990:29)

Upon entering an organisation, individuals are faced with opportunity structures (McCalman & Paton, 1990). They enter jobs that vary in promotion ladders. They start on the bottom rung of the ladder in a closed internal labour market, or could start on higher rungs in a more open internal labour market. Promotion is achieved by moves between levels on the ladder. Ladders need to be long with many levels, and need to lead to higher level jobs for promotions to occur and vacancies to arise. Occupations

and job types and functions are also components of internal labour markets that vary in their capacity to allow individuals to move into or advance in management. Primary jobs and “organisation” jobs provide more promotion opportunities than secondary jobs and “occupation” jobs (McCalman & Paton, 1990).

The studies that were reviewed were multivariate. They primarily had cross-sectional designs and they assessed opportunity structures (measured either by self-report, little-validated measures at individual level, or by more objective means using company and industry records at the organisational level). Most studies of opportunity structures did not assess their direct effects on advancement through intervening structures or other factors, and comparative studies on the importance of opportunity structures relative to individual factors or to other factors have not been done to a sufficient extent.

## **2.7 A ROAD MAP FOR PLANNING AND DEVELOPING MANAGEMENT CAREER-PATHING**

There is a growing awareness among major automotive manufacturing corporations that future MCD and organisational development activities must be deployed in conjunction with company strategy and other human resources programmes. This section outlines the emerging role of management/leadership development in the strategic management process and develops a preliminary model for integrating MCD into organisational strategic leadership development. One of the main challenges faced by HRD professionals is aligning MCD objectives more closely with strategic and organisational objectives. This sounds logical and easy, but is very difficult to do.

Greenhaus *et al.* (2000) did a systems dynamics analysis of management/leadership career-pathing development in which a number of implications of MCD objectives were highlighted. It appears that a company’s investment in MCD is doomed to repeat a cyclical pattern of expansion, followed by contraction, unless the company

- places management/leadership career-pathing development initiatives on the strategic agenda of the company;

- partners itself with service providers/tertiary educational institutes to help the organisation to become a learning organisation rather than merely increases its knowledge base through career-pathing development efforts; and
- measures the impact of management/leadership career-pathing development efforts and initiatives on organisational success (Mabey & Thomson, 2000).

If these challenges are met, this can help HRM to attain its organisational management/leadership career-pathing objectives effectively, and to reach goals that will create the leverage needed to sustain a positive growth pattern.

A research report published by the International Consortium for Executive Development Research (Fulmer, 2001) has observed the following points, which comprise a fundamental redefinition of the purpose of the field of MCD:

- Fulmer (2001) highlights management career-pathing and educational development activities as vital components in the strategic development of a company, especially with regard to the recognised need for continuous improvement and learning.
- Organisations are focusing more on organisational development efforts than on individual MCD, as they seek to enhance their ability to adapt to the global competitive environment.
- In order to leverage their investments in learning, organisations are using fewer external development opportunities and are focusing instead on development activities specific to the organisation and more tightly linked to the realities of the workplace.
- Organisations are planning ahead to increase their level of activity in management/leadership and organisational development efforts to help to facilitate change and revitalisation.

These observations suggest that, as strategic leadership development has matured over the past decade, it has assumed a much more crucial role in organisations. Once it was an activity offered only to a select few individuals identified as having high potential to reach future senior management positions, but now, MCD has become an important tool for revitalising companies and building learning-oriented competitiveness. For example, in response to a business environment which is changing dramatically, much attention is being given to identifying the competencies and characteristics of “the twenty-first-

century manager”. This search for managers/the leaders of the future has been a dominant theme in the redefinition of MCD and development practices and techniques.

To develop a systems perspective, organisations must endeavour to understand which MCD processes are most effective. These processes will have to function under a variety of changing circumstances and for different levels or target groups in order to maximise the organisation’s ability to promote both individual and organisational learning.

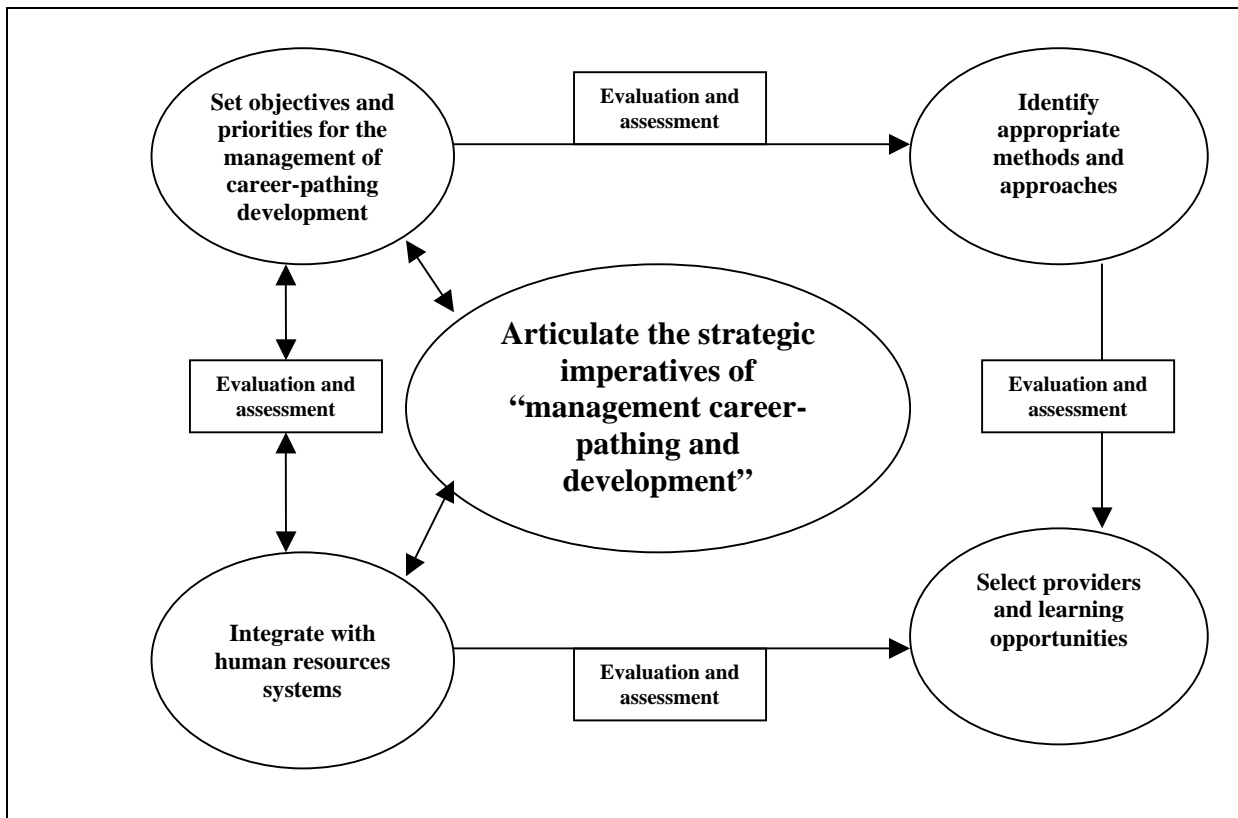
## 2.8 FORMULATING AN INTEGRATED SYSTEMS FRAMEWORK

Management career-pathing education and training is only one small component of a much more complicated set of choices that companies must make as they strive to identify and develop the critical human resources that will create their company's superior ability to learn (Thomson *et al.*, 2001).

This challenge has become all the more difficult as leadership development has become a more professional field, with its own language, specialty and specialists. There is clearly a danger that, as subspecialties grow within the field, the prospects for strategic integration could become even more remote than it is at present. The model depicted in Figure 2.3 is an attempt to illustrate the necessary linkages between various elements to leverage MCD as a force in organisational learning and competitiveness (Ready, Vicere & White, 1992).

The catalyst for this systems perspective is a focus on the organisation's strategic imperatives, the core drivers of its competitive thrust. Based on these imperatives, an organisation must define its priority objectives for MCD, as well as target "clients" for development activities. Once these second-level objectives and priorities have been identified, the organisation must determine appropriate methods for achieving the target objectives and select potential providers of those opportunities. Throughout the process, evaluation and assessment must be conducted at critical points to ensure that focus and integrity are maintained and that the expected results are generated. The evolving MCD model/process is thus fully integrated into the strategic and HRM systems of an organisation. This last step helps maintain a consistent focus on the strategic imperatives and priority objectives for MCD.

In this systems framework, all elements of the management/leadership development system are linked together to focus on the most essential outcomes of the process: the development of a sustainable focus on organisational learning and, ultimately, competitiveness.



**Figure 2.3: Revised MCD planning: an integrated approach** (Ready *et al.*, 1992:85)

### 2.8.1 MCD visibility and value-adding

To solve management performance problems through training, an organisation must perceive that MCD programmes are beneficial and address the highest payoff areas. Those who do not participate in MCD need to see the benefits that career pathing and development has provided for organisations that have implemented MCD and the added value that MCD has produced in these organisations. That will go a long way toward establishing a successful career training and development function in South Africa. A visible communication centre needs to be set up, with a value-adding “internal focus team/committee” to address employee-training needs. The following examples used by Whiteley and Hessian (1996) illustrate the actions needed:

- implement a help-line to support new training initiatives or new materials;
- offer a coaching/mentoring service or conduct workshops on consulting skills for other providers of internal services;
- facilitate team meetings and demonstrate new technical skills;

- offer confidential counselling (one-on-one) to senior managers, who might resist attending group events;
- create an MCD resource library;
- develop customer satisfaction surveys for departments;
- hold periodic “open houses” and invite the entire organisation so that members can
  - talk to the training and development team;
  - view training material;
  - sample course activities;
  - explore training video and book resources;
  - talk to others who have benefited from particular development initiatives; and
  - have one-on-one discussions or make appointments to discuss their particular needs;
- use information technology (e-mail, intranet) to issue “Topic Career Briefings” that cover subjects of interest;
- assemble representative groups of stakeholders to
  - periodically review training output and effectiveness;
  - determine success levels to be measured in proposed training and development programmes; and
  - give feedback on training facilities, resources, publicity, etc.;
- identify areas where what you are doing is superior to what your counterparts in competitor organisations are doing;
- get involved in or sponsor research from professional bodies (the NRF, DACTS, the CSIR and educational tertiary institutions); and
- set up special interest or cross-functional groups to discuss key human resources development (HRD) issues of the day, perhaps as a kind of professional body or club to promote life-long learning and to build self-ownership in career development interest.

There is probably no end to ideas on how MCD functions can stay visible while adding organisational value and promoting what this technique can achieve (Machin, 1998).

## **2.9 EXAMPLES OF STRATEGIC MCD APPROACHES**

One of the best examples to illustrate the power of this model (as summarised in Figure 2.4, overleaf) is strategic MCD, which is known for its commitment to various career development frameworks to enhance management, executive activity and leadership (Fulmer, 2001). The development of a new MCD framework as part of a company's strategy can be re-examined at and is revitalized by each step of the process.

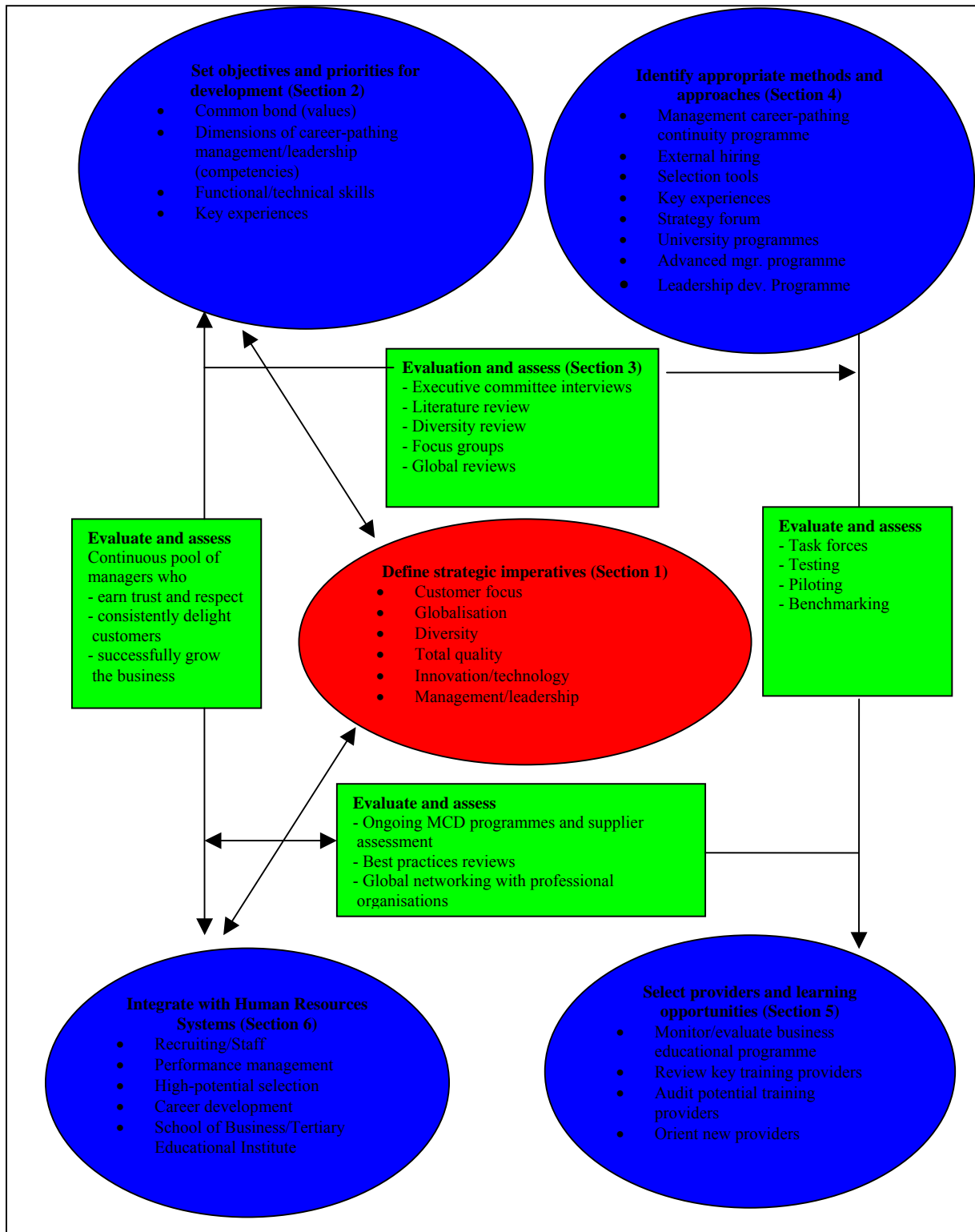


Figure 2.4: Revised MCD Planning (adapted from Stewart, 1992:87)

### 2.9.1 Section 1: Defining strategic imperatives

Vicere and Fulmer (1998) recognise that dramatic shifts have occurred in the global business environment. These require changes in a company's strategy, operations and skills. This has become one of the top challenges for MCD in an automotive organisation. Building depth and breadth of expertise, as well as an understanding of how to integrate both business and technical perspectives and capabilities, is deemed essential for MCD. These values enable managers to deliver on competencies that have become the key strategic initiatives for the transformation of human resources MCD talent.

As with any newly emerging topic area, studies investigating issues in strategic MCD have, for the most part, been relatively limited in scale and scope and have been conducted largely on an exploratory basis. There are, however, encouraging signs that research in this topic is entering a new phase. Thus MCD for DSGNS becomes one of the top challenges. In an assessments of strategic HRM in organisations that wish to accelerate management development, as referred to in the findings reported by the consulting company DTZ Pineda (DfEE, 1998), the types of impact of MCD most often mentioned by respondents were the following:

- direct impacts:
  - improved morale of staff;
  - an improved response and greater flexibility shown by managers; and
  - improvements in quality leading to greater customer loyalty/new business; and
- indirect impacts:
  - an improved management style;
  - better tracking of projects and evaluation of their worth to the firm;
  - a greater understanding of the value of training and human resources development in general; and
  - a quantitative measurement of the impact of MCD for firms.

It is important to note that there are a number of problems for firms in assessing the impact of MCD at strategic assessment levels in “respect for individuals, high standards of integrity, dedication for helping customers, innovation and teamwork” (Fulmer,

2001: 56). MCD aspires to move the strategic management forum beyond its traditional role of being the body who “knows all and decides”, to being the body which has a knack for awakening knowledge and competence in others for “leadership talent transformation” initiatives (Farren and Kaye, 1998).

### **2.9.2 Section 2: Objectives and priorities for development**

Vicere and Fulmer (1998) recognise that “Common Bond Values” and the strategic imperative for key talent transformation in management have become the foundations for a process of setting objectives and priorities for MCD. Goodwin, Fulmer and Ready (1995) listed the following set of management competencies, which from a starting point for a discussion of what may become a transformational management framework outlining the following categories:

- specific functional and technical skills and behaviours associated with the new management focus;
- the articulation by each business unit of specific expectations within its area; and
- the setting of a key experience that helps managers to master the new leadership skills.

### **2.9.3 Section 3: Evaluation and assessment**

Between each of the steps in the model, evaluation and assessment are essential. The first step in the evaluation process consists of becoming familiar with current wisdom and practice in MCD. The team tests the “strategic transformational leadership framework” with focus groups of managers for multiple business units/divisions and business functions. These focus groups validate the “strategic transformational leadership framework” for effective and ineffective management behaviours for use in the development of measurement tools to accompany the framework. The customised set of competencies that reflect MCD must support the successful execution of its new strategic imperatives (Avolio, 2001).

#### **2.9.4 Section 4: Identifying appropriate methods and approaches to MCD programmes**

Companies have a rich tradition of utilising varied approaches to MCD and organisational development. To ensure alignment, these approaches must be carefully co-ordinated to reinforce new strategic imperatives. Some of the transformational management co-ordination initiative efforts operate in the following areas:

- MCD continuity programmes;
- key experiences definition;
- internal development programmes, including a strategy forum, an internal advanced management programme (senior management), and a leadership development programme (middle management);
- active use of external (tertiary educational institute-based) executive programmes;
- extensive use of 360-degree feedback;
- external hiring; and
- selection tools.

These methods and approaches have been being refined and validated in terms of “best practices”, as well as their fit with a company’s strategic HRD framework (Mabey and Thomson, 2000).

#### **2.9.5 Section 5: Selecting providers and learning about MCD opportunities**

A systems perspective is essential for automotive and other industries to choose their investments in MCD. Companies interested in building an integrated leadership development system (like that in Figure 2.4) need to engage in an orchestrated effort to do the following:

- *Define and articulate the strategic imperatives.* These are the priorities, competencies and capabilities considered by top management to be the basis for the company’s future competitive advantage and to be target areas for MCD.
- *Clarify core objectives for career development based on the strategic imperatives.* This should include efforts to define critical competencies and capabilities, to engender a market focus throughout the company, to build networks to influence

competencies and capabilities, to enhance communication and teamwork, to change the organisational culture, and to implement competitive strategies. In addition, the company must prioritise “clients” for development by defining which levels, functions, regions and competency areas are the most important targets for career development management initiatives.

- *Select methods and approaches to be used for career development.* This must ensure consistency with strategic imperatives and overall learning/MCD objectives. This could include team or task force assignments, action learning projects, rotational assignments, classroom education, competency identification and career development.
- *Build strategic partnerships.* These are built up with select groups of MCD service providers to help gain leverage and round out internal resources and to re-assess those relationships periodically to ensure that they are actually achieving the objectives initially outlined.
- *Link career development processes with human resources practices.* To enhance the impact of MCD efforts, a company must maintain tight links to its HRM infrastructure, including monitoring its performance on career management and the effectiveness of its reward systems, recruitment and selection procedures, and its succession and management resources planning processes. The final MCD ensures that a learning orientation becomes ingrained in the organisation’s culture and that the organisation operates on a career-pathing management philosophy (Goodwin *et al.*, 1995).

### **2.9.6 Section 6: Integrating HRM and MCD systems**

- The growth of an organisation is closely related to the development of its human resources. If employees fail to grow and develop in their work, a stagnant organisation will most probably be the result. A strong employee development programme does not guarantee organisational success, but such programmes are generally found in successful, expanding organisations. HRM managers need to pay increasing attention to processes and activities that enhance advancement and solve the problems that managers encounter along their career paths. Research by Walker (1990:34) has revealed that future challenges and directions in human resources will require organisations “to find ways to assist HRM staff development in strategic

MCD partnership capabilities”. These research findings by Walker (1990) highlighted the major concerns of the respondents to the strategic implementation of human resources management for career development activities:

- training HRM personnel to bridge the gap between business and MCD;
- defining the new requirements of HRM professionals and building the breadth necessary to link HRM and business issues; and
- understanding the relative impact of different development activities on HRM staff.

On the issue of job mobility and managing the human resources function, some respondents raised the following HRM concerns:

- How can one best rotate high-potential line managers (who are) bound for senior responsibility through MCD roles?
- What is the best way to position HRM to become more strategically focused? How does one build a business-driven mentality clarifying the role of the function into the HRM function?
- How should a “world class” HRM function be organised and managed?

Walker’s (1990) findings indicate that organisations need to manage change. In the South African context, this should extend to strategic human resource activities, with a particular focus on the career-pathing and development of future DSGNS to meet the needs of business in South Africa.

Veldsman (1996:31) concurs with Walker’s (1990) findings when he states that “the true challenge facing the leadership of organisations is to shape, innovatively and proactively, the destinies of their organisations by ensuring sustained competencies and capacity in a radically redefined world”. According to Veldsman (1996), people are the key resource in the process of the future creation and actualisation of strategic decisions. Watson (1996) offers a similar view when she refers to career management strategies as “drivers” of the process of integrating human resources with business strategies.

In the search for a transformed people career management philosophy, Veldsman (1996:53) suggests that organisations should understand and accept change in order to create new futures built by means of a “psychosocial contract” which needs to be compatible with people’s career management philosophy. He adds that establishing a

partnership contract “demands an intensive process of engagement within and outside the organisation, aimed at redefining the very foundation of the organisation, which paves the way to influence future organisational success”.

Cook, Adonisi and Viedge (1994) refer to learning partnerships for mentoring relationships built on the concept of empowerment in competence and skills for the MCD of DSGNS. Veldsman (1996) argues for a new emerging people management philosophy, which should be compatible with a partnership career-pathing timeframe contract, and focuses on how people should be treated.

## **2.10 SOME MCD TECHNIQUES**

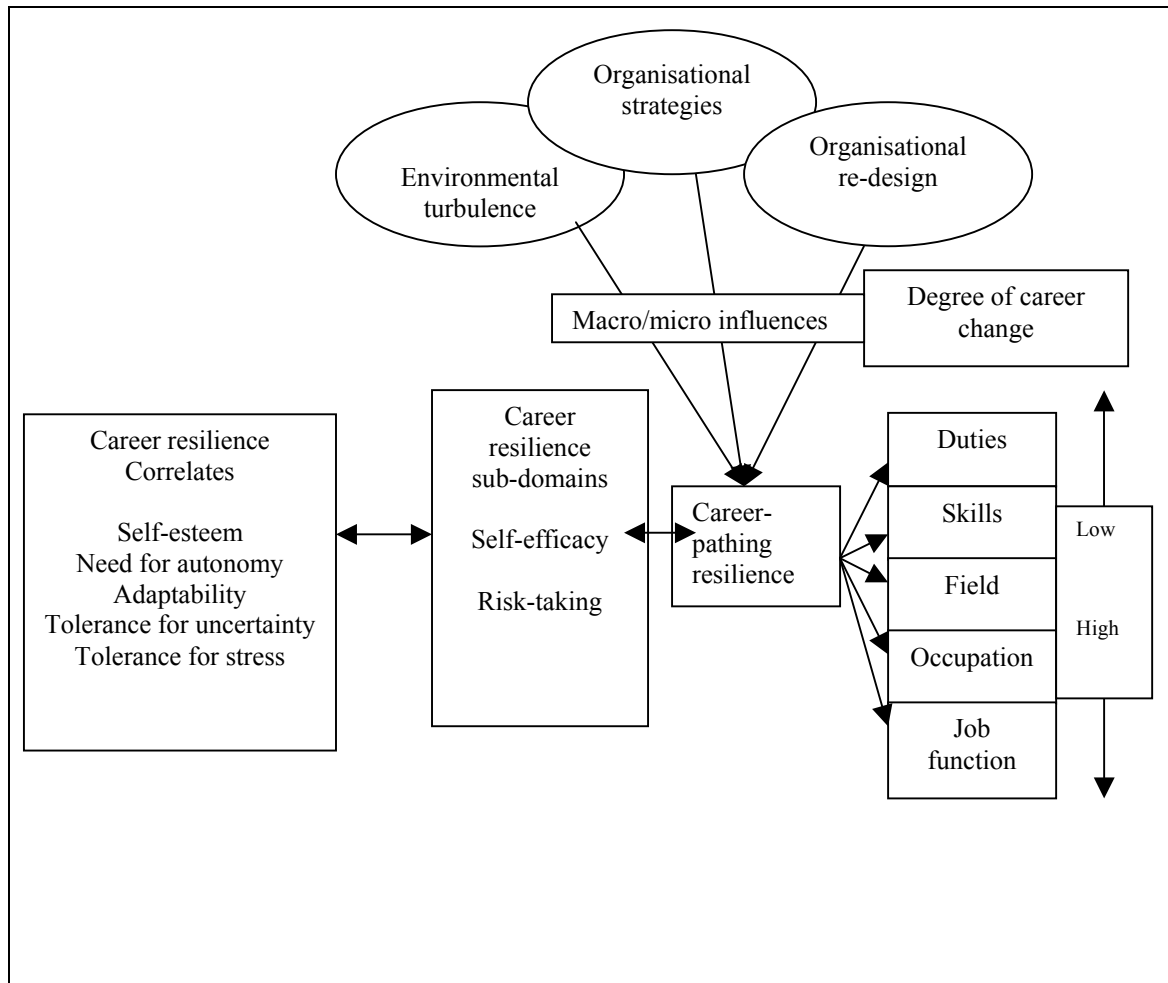
The following MCD techniques have been identified by Kemske (1998:29):

- establish a process of natural learning in the workplace like a “career-pathing manager mentorship/protégé relationship or coaching models”;
- formulate an empowerment programme model for previously disadvantaged managers that supports and stimulates decision-makers up the corporate ladder;
- formulate and recognise management traineeship programmes and establish an assumed career ladder in which internal promotion is the expected mode of upward progress (management advancement);
- determine appropriate factors which will influence the training and development of potential previously disadvantaged managers and their future appointment to management positions;
- determine the impact of policies and a procedural framework by reflecting on the MCD programmes (from the top/down approach to commitment at all strategic levels) and by focusing on evaluation, monitoring and adaptation processes to cope with changing circumstances;
- focus efforts to select an appropriate training incentive scheme under the new guidelines of the National Skills Development Strategy (NSDS) supportive programme plans;
- examine the role of tertiary providers of education in MCD for future DSGNS;
- ascertain the perceptions of top management on establishing internal and external monitoring bodies to evaluate MCD and development progress (an HRD forum or Technical Action Group);

- seek follow-up from appraisal reviews, constructing an individual development plan (IDP) and taking ownership of MCD adjustments;
- acquire innovative and novel approaches to gather, synthesise, and communicate information;
- demonstrate solid listening and communication skills; and
- demonstrate success on multi-functional business teams by converting strategy to tactical execution (high-powered teamwork).

## **2.11 CAREER-PATHING AND SOME NEW PERSPECTIVES ON DEVELOPMENT MODELS**

The results of a study conducted by Bryman (1989) reveal that it is necessary to operationalise career change to find a measure for career-pathing engagement. One would expect to find that those who manifest stronger career resilience are more likely to engage in career change environment turbulence and to begin to drive the process of making career-pathing transition decisions. The definition of career-pathing change includes dissimilarities between future and former work. This can be expressed in the form of differences in various job facets such as duties, skills, functions, occupation and field (Latack, 1990). A model of career-pathing change based on career resilience can be constructed as shown in Figure 2.5.



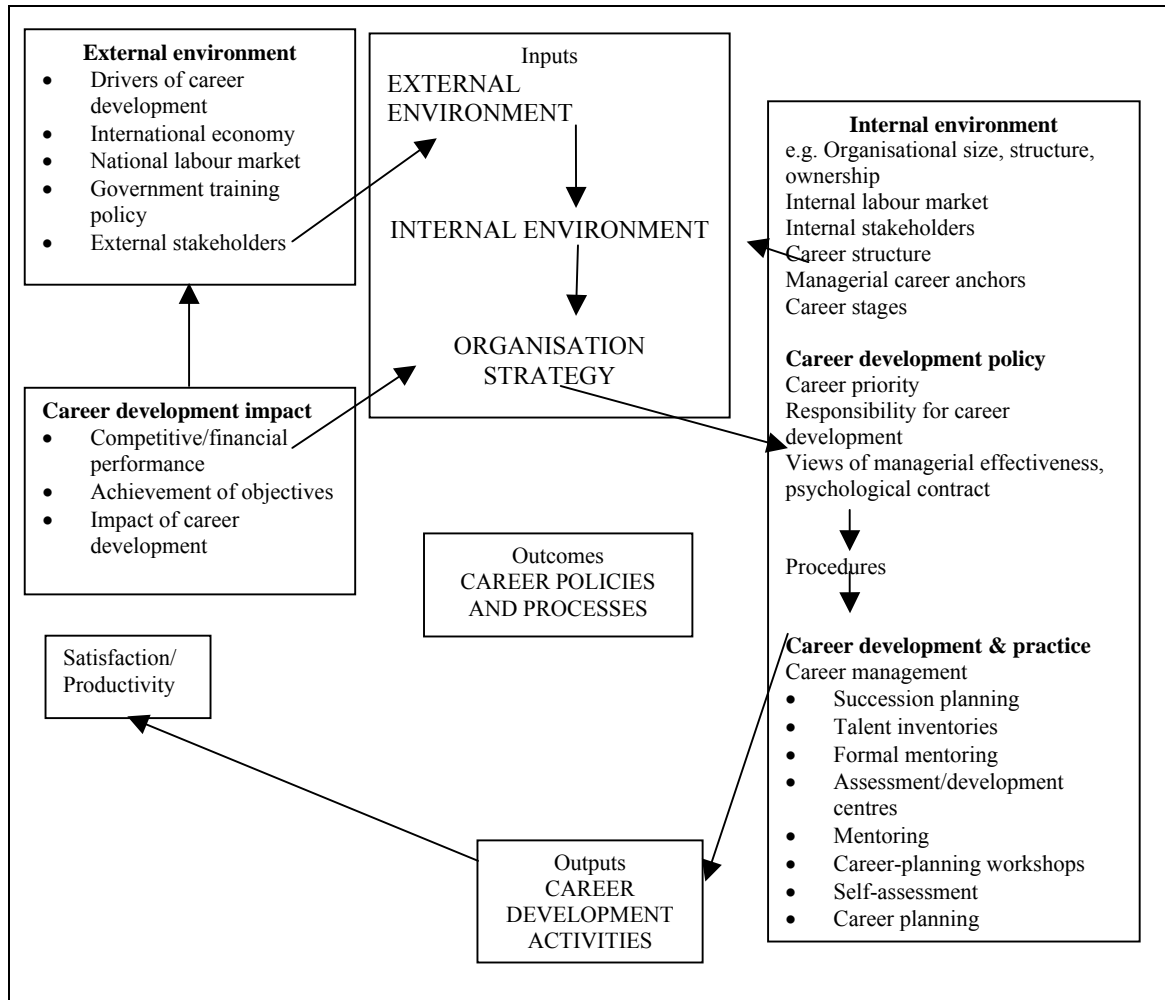
**Figure 2.5: A career development model in job function change (Latack, 1990:91)**

These new organisational structures have formed in response to turbulent organisational environments and have led new MCD patterns to emerge. A career motivation approach provides a framework for an analysis of these patterns and offers organisations a rationale for refocusing their MCD efforts to produce a more flexible core of managers whose career resilience contributes both to the organisation's success and to the individuals' career development success.

## **2.12 POLICIES AND PROCESSES THAT AFFECT ORGANISATIONAL MCD**

A model for MCD proposed by Allred, Snow and Miles (1996) is set out in Figure 2.6. It illustrates that an MCD policy model can be influenced by input from both the internal and the external environments. Building on earlier MCD analyses, strategic HRM is seen as being influenced by corporate strategy (for example, the decision to

prospect, analyse, defend and/or react). Careers in network organisations require management across flat, multi-company partnerships, rather than long climbs up steep corporate hierarchy ladders. Careers in the 21<sup>st</sup> century many no longer involve hierarchies, but may include cellular service organisations.



**Figure 2.6: An MCD model** (Allred *et al.*, 1996:195)

It is an important distinction between organisations that develop a “strong” policy and ones that develop a “weak” policy. A strong policy promotes and develops from the internal labour market and does active planning for MCD programmes. Weak policy development hires expertise as needed from the external labour market and this may result in a lack of proper career planning due to an inconsistent focus on HRM strategy in the business (Allred *et al.*, 1996).

The extension of the organisational analysis includes career issues and purpose so that a “strong policy” may include the offer of more contracts and internal labour market and career management opportunities (probably emphasizing basic, formal and active planning activities). Strong policies seem to be associated with defenders and analysers, through analysers may use a hybrid “partnership” model with greater use of active management activities (talent inventories, career-pathing workshops, mentorship and assessment career development centres) (Arnold, 1997).

By contrast, organisations with “weak” policies may be reactors, or prospectors, making heavy use of the external labour market, offering transactional contracts, and encouraging employees to engage in individual career-planning with less support in the way of career management (except perhaps from “multidirectional” activities such as 360-degree feedback and peer appraisal).

### **2.13 MCD PROCESSES AND RESPONSIBILITIES IN ORGANISATIONS**

This section examines how larger firms organise MCD processes, manage and monitor managers’ performance and the effects of their MCD activities. HRD categories in respect of monitoring managers’ career performance and the setting of MCD objectives include MCD assessment criteria and the allocations of responsibilities in introducing MCD policy. MCD assessment criteria (Thomson *et al.*, 2001) include:

- setting individual performance targets;
- appointing managers for specific jobs;
- assessing managers on performance; and
- assessing managers’ career needs.

The responsibility for initiating MCD policy belongs to:

- the Chief Executive Officer or Managing Director;
- members of the Board;
- the Director or business partners; and

- a specific manager.

It is clear that the above career assessment criteria are fulfilled and policy responsibility division is present to the degree to which management performance is monitored and managed according to MCD principles. Firms with explicit MCD policies generally have a stronger focus on meeting the development needs of both the organisation (a strategic business plan) and individual managers (a personnel development plan). The roles of CEOs or Managing Directors should have a higher priority in the process of setting and implementing an MCD policy. This policy can be interpreted in two ways – either as evidence of top management commitment (recommended by Fulmer (2001) the company's strategic HRD focus) or as a reflection of a top-down autocratic or paternalistic management style.

There is growing evidence that competency-based approaches to managerial assessment and development are gaining ground, as more successful integration of MCD with HR policies is reported (Mabey & Iles, 1993), positive links are made between MCD and business performance (Shackleton, 1992), and competencies are used to articulate and even modify company cultures (Martin, 1995). Greater clarity about which observable criteria differentiate the excellent from the average performer is a valuable step forward towards strategic MCD planning. Gratton (1996), in her study of European multinationals, notes that managers saw MCD as the cultural glue of their organisations, bonding the otherwise loose and separate business entities of which the organisations were comprised.

## **2.14 A THEORETICAL APPROACH TO MCD PROGRAMMES**

In this section, MCD activities are examined, including mentoring programmes, coaching, job rotation, in-house HRD programmes, external workshops and seminars, tuition assistance and reimbursement plans. These career activities provide employees with opportunities to learn new ideas and skills, thus preparing them for future positions and introducing new challenges.

### **2.14.1 Mentoring**

The concept of mentoring has been around since ancient times. The term is derived from Homer's classical Greek epic *The Odyssey*, in which Mentor, a friend and counsellor of Odysseus, was entrusted with the education of Odysseus's son Telemachus in the absence of the boy's father when Odysseus went off to the Trojan War (Cohen, 2000). Trusted advisors have influenced the aspirations and advancement of their protégés (the ones being guided) for a long time. A mentor was responsible for guidance in all facets of life, including physical, intellectual, spiritual, social and administrative development (Crockett & Elias, 1984). The mentoring process has been used in different forms, whether formal or informal, and includes relationships between a CEO and a vice-president, a faculty and a student, one faculty and another, one student and another, or one CEO and another.

The history of mentoring in the professional arenas of business and academia has been cyclical, and mentoring currently appears to be making a powerful comeback (Michael, 1993). It lies at the heart of success in graduate education (Leigh, 1998). Many researchers have developed definitions to assist in an understanding of the mentoring process for practical use in various professional arenas.

Mentoring has been defined as a process which involves an integrated approach to advising, coaching and nurturing, focused on creating a viable relationship to enhance individual careers, personal and professional growth and development (Adams, 1998). Carrell, Jennings and Hearin (1997) define mentoring in an administrative context which involves a person who is active, dynamic, visionary, knowledgeable and skilled

with a committed philosophy that keeps the teaching and learning of students in focus. This person guides other leaders to be similarly active and dynamic. A mentor is a person who is skilled, knowledgeable, visionary, dynamic and committed to the process of improving a protégé's skills. A mentor guides, coaches, nurtures, teaches and models – all behaviours aimed at advancing the protégé. The common words “guiding”, “nurturing”, “caring” and “experience” identify some of the characteristics of the mentor.

According to Kogler-Hill *et al.* (as cited in Leigh, 1998), mentoring can be defined in terms of the nature of the activity when an older, more experienced member dons a guiding role with a less experienced protégé. Another definition of mentoring, offered by Anderson and Shannon (as cited in Colwell, 1998), is that it is a nurturing process in which a more skilled or more experienced person serves as a role model, teaches, sponsors, encourages, counsels and befriends a less skilled or less experienced person for the purpose of promoting the latter's professional and/or personal development. The functions of the mentoring process are carried out within the context of an ongoing caring relationship between the mentor and protégé.

Whether mentoring success is based on particular activities or the process itself, mentoring can potentially assist a person in professional growth after he/she has entered the work place. It has been found that individuals with a mentor tend to advance further and faster, and experience fewer adjustment problems than those without mentors. However, the process is not successful for all persons (Adams, 1998).

Kanter (1990) suggests that the mentoring activity is a critical element in building effective careers. By assisting a protégé's career, a mentor can build his/her own power and support base within the organisation. He also suggests that this power base in turn helps the protégés, since mentors can then stand up for previously disadvantaged managers and promote them for future opportunities. Mentors can help protégés bypass the normal hierarchy when necessary.

Some studies on mentoring indicate that, for females and members of previously disadvantaged groups entering management, the chances for career success improve

when these individuals have access to mentoring. Conversely, it appears that if they are highly motivated to high achievement but receive no mentoring, they might be seen as overly aggressive. Those who both receive mentoring and exhibit high levels of achievement and motivation are the ones most likely to succeed (Cohen, 2000).

### **2.14.2 Coaching**

There is no single agreed-upon definition of coaching. Some authors define it narrowly as a performance improvement technique. So, for example, Fournies (1978) defines coaching as a face-to-face discussion between a manager and a subordinate to get the subordinate to stop performing an undesirable behaviour and to begin performing desirable behaviours. Similarly, Kinlaw (1989) defines coaching as a “mutual conversation between a manager and an employee that follows a predictable process and leads to superior performance, commitment to sustained improvement, and positive relationships”. In Kinlaw’s view, effective coaching can be achieved by learning how to conduct the coaching discussion.

Other authors see coaching in broader terms and draw upon similarities between organisational managers and athletic coaches. So, for example, Kirkpatrick and Zemke (1996) argue that sports coaches and managers have similar responsibilities (such as gathering data, providing feedback, recruiting, motivating, ensuring results, working with individuals and the team) and work under similar conditions (such as limited resources, time constraints). Riley (1994) also suggests that many of the characteristics of an effective athletic coach should be present in an effective manager-coach. These characteristics include optimism, a strong sense of moral values, honesty, humility, warmth, self-confidence and trustworthiness.

Coaching is believed to be one of the most important functions a manager can perform. A manager can be a superb planner, organiser and decision-maker, but without the effective employee performance that coaching provides, objectives may be difficult to achieve (Geber, 1992).

Organisations are beginning to recognise that they should search for internal coaching skills and expertise to pass on to the next generation, and that they need not rely on a huge external consultancy firm for competency providers. A survey carried out in the United States recently showed that 90% of the employees polled felt that they had good ideas about the running of their organisations (Parsloe & Wray, 2000). However, only 38% of them had actually volunteered their ideas. The majority stated that they felt their employers would not be interested in hearing their ideas. Tapping into employees' existing knowledge and encouraging them to share this knowledge to advance themselves and the company is a very effective way of ensuring survival and growth as well as building employees' self-esteem and sense of empowerment. This strategy is formally known as "knowledge management".

In instances where organisations require a continual updating of skills, but also have to contend with the logistical problems of diverse geographical locations and varied working patterns, it is not always viable or appropriate to address all these learning needs through large group training sessions. A coaching session can offer an alternative learning environment and can be significantly easier to organise than a large group training day, particularly if the coach is taking advantage of some of the modern forms of communication open to him/her. This can reduce the need for classroom contact between tutors and learners. In this sense, coaching has the advantage of being more flexible than group training sessions.

Another advantage of coaching is that a new employee can be helped to understand the unwritten rules of the company, the "way we really do things around here". As with mentoring, coaching as a learning methodology might not suit everyone or every situation. As with any other learning method, one has to consider such elements as the pervasive organisational and social culture, the aims and objectives of the individual, the learner's personality type, level of experience and preferred learning style (Cook, 1999) in order to obtain the maximum benefit from the coaching process.

### **2.14.3 Job rotation**

Job rotation involves assigning an employee to a series of jobs in different functional areas of the organisation. These assignments typically involve lateral rather than vertical

moves, and can involve serving on task forces or moving from a line to a staff position. Job rotation is a good way to introduce variety into an employee's career, particularly if the employee has become bored with the current work assignment, as may be the case for mid-career employees. In addition, it provides employees with a chance to learn and use new skills and to learn to understand better how different organisational functions work. It can also serve to help an employee to build up networks within the organisation, and be better prepared for future promotion opportunities when they become available. In implementing job rotation, care should be taken to ensure that the job assignments used in job rotation offer developmental opportunities, rather than just a chance to do something different (White, 1992).

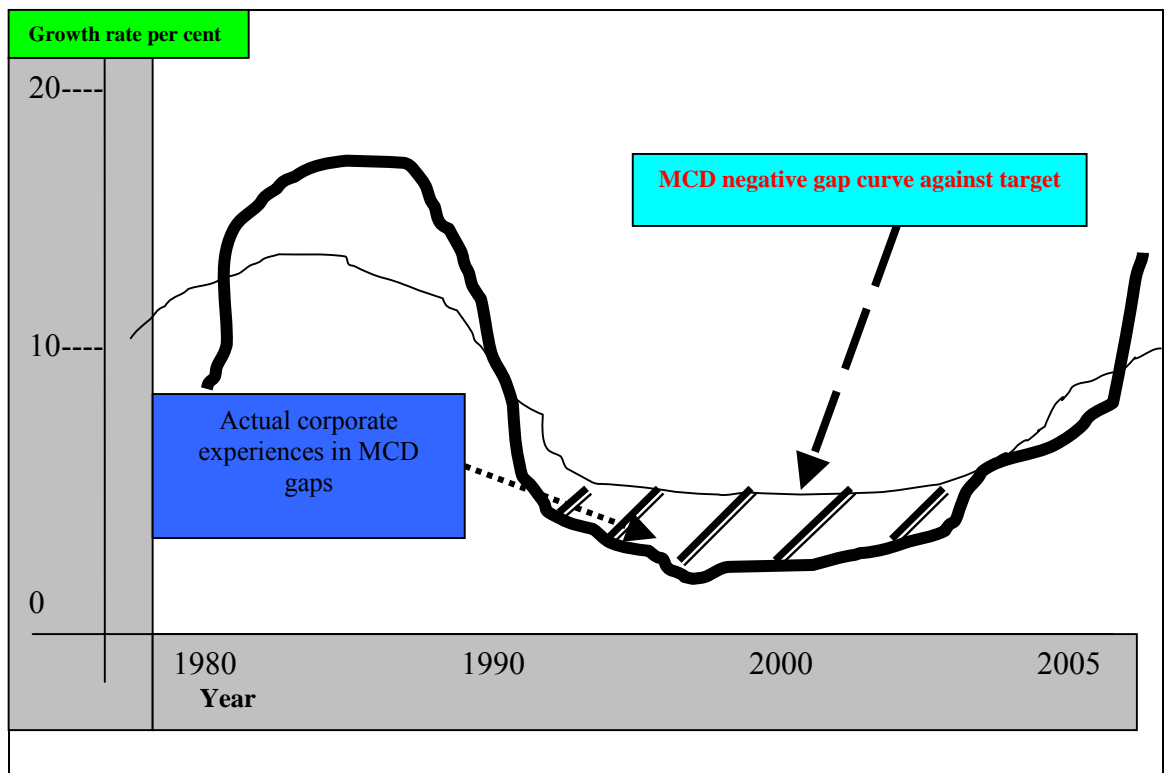
## **2.15 STRATEGIC GUIDELINES FOR DESIGNING A PROPER INTERNAL MCD PROGRAMME AND THEIR BENEFITS**

Ronen (1989) has identified the following reasons for why it is important to design proper internal MCD programmes strategically:

- a good MCD programme can change the managers' patterns of behaviour in attaining excellent business standards (it can increase managers' new initiative knowledge and leadership);
- MCD programmes lead to new growth patterns in terms of new product development, customer service, an efficient supply chain and quality excellence;
- such programmes meet the need for offering competitive services;
- individuals' management functions may appeal to all stakeholders; and
- MCD increases the management competency pool to help close the huge gap with regard to potential DSGNS (by meeting the need for continuous improvement and learning).

The fact that South Africa's competitiveness rating is one of the lowest in the world is a reflection of poor leadership and poor management (Köpke, 2000). It is essential for this country to upgrade its competitive standards to achieve excellence and this will require a combined effort by businesses and employees.

This fundamental analysis suggests that the principal factor driving the demand for MCD could be called the “corporate MCD gap”. This gap is a function of the two factors presented in Figure 2.7: the perceived need for MCD, which one could call the MCD “gap level” targets, and the perceived value of the current programmes delivered. This gap represents the principal force driving growth in the field (Fulmer, 2001). As MCD is delivered, the current “gap level” will increase until it exceeds the perceived need, in other words, the gap will become negative (see Figure 2.7). At this time, less MCD activity will take place.



**Figure 2.7: MCD gap growth pattern** (adapted from Goodwin *et al.*, 1995:31)

The wide gap factors driving the rate of MCD growth tends to decline when the initiatives delivered exceed the perceived need for designated MCD competency pools. The perceived need may be exceeded when consumers (corporate clients) begin to feel they have mastered the solutions to the current need for increased knowledge or when the quality of the initiatives is perceived as not meeting needs or expectations. This problem is particularly acute when there is no overarching strategic reason for participation in various MCD initiatives (Fulmer, 2001). This process may delay MCD and shorten the delivery cycle of services, leading to future corporate casualties and

further management skill shortages in South African multinational industries such as the automotive industry.

The following discussion points (Sections 2.15.1 to 2.15.8 below) on organisational behavioural elements are challenges that must be dealt with to reinforce MCD programmes successfully.

### **2.15.1 Employee dissatisfaction**

Two-thirds of South African employees say they are unhappy in their current jobs, as revealed by research carried out by Access Point (2002), a Johannesburg-based company focusing on team development in various companies, between September 2001 and February 2002 (*Business Times Careers*, 2002b). An astounding 69% of the respondents do not trust their colleagues. Mistrust and fear of rejection hamper the creativity and performance of teams. This qualitative research should not be taken as hard, scientific evidence but as an indicator of what is happening in some companies. Trust is a vital part of building creative and effective teams. Of the respondents, 60% said they are seldom or never able to express their full creativity at work, more than 40% say they are often depressed because of the nature of either their job or the organisation they work for. People fear failure (65%) and rejection (63%), self-confidence takes a beating, and it seems as if employees need a strong dose of passion and creativity (*Business Times Careers*, 2002b).

Where companies manage their workers strategically, employees understand that their opportunities within the company depend on the success of the business as a whole. However, if employees believe that, despite the apparent success of an organisation, few opportunities for promotion exist (due to the absence of a proper internal management programme), they may become bored with their jobs. Also, if staff are frequently confronted by lay-offs, they may lose confidence in their employer and consequently work less diligently (Mullins, 1996).

Managers should thus at all times strive to assist employees to perform effectively by creating an environment within which personal growth and satisfaction are possible.

This desirable situation can only be achieved by putting in place a properly designed and satisfactory internal staffing programme (Oliver, 1997).

### **2.15.2 Equal employment issues and affirmative action**

In South Africa the role of women and other previously disadvantaged groups, for example various ethnic groups and handicapped people, continues to be a matter of social concern. For instance, women have done considerably worse than their male counterparts in obtaining promotion to higher levels of employment. Only 36.8% of women active in the South African labour market (married as well as unmarried) practise in traditional male occupations such as the scientific, medical, legal and agricultural professions (De Villiers, 1994). As indicated in Chapter 1, affirmative action is a social, moral and legal requirement in South Africa. According to Albertyn (1993), it must be understood as part of a wider programme of employment equity which seeks to remove barriers of discrimination holding back disadvantaged groups in the workplace. However, South Africa still has a backlog in this area (Ndlovu, 1993).

For the implementation of affirmative action policies in the workplace to be successful, various stakeholders have to become actively involved. The most obvious of these are managers, employees, trade unions and political groups (Hofmeyr, 1993). The problem of obtaining equal employment opportunities for disadvantaged groups, including women, in South Africa is in some ways even more pressing in terms of internal staffing than external selection. Addressing this issue requires a sound internal staffing programme that can be of assistance in implementing the measures for employment equity proposed in the *Green Paper for Policy Proposals for New Employment and Occupational Equity Statute* (Republic of South Africa, 1996).

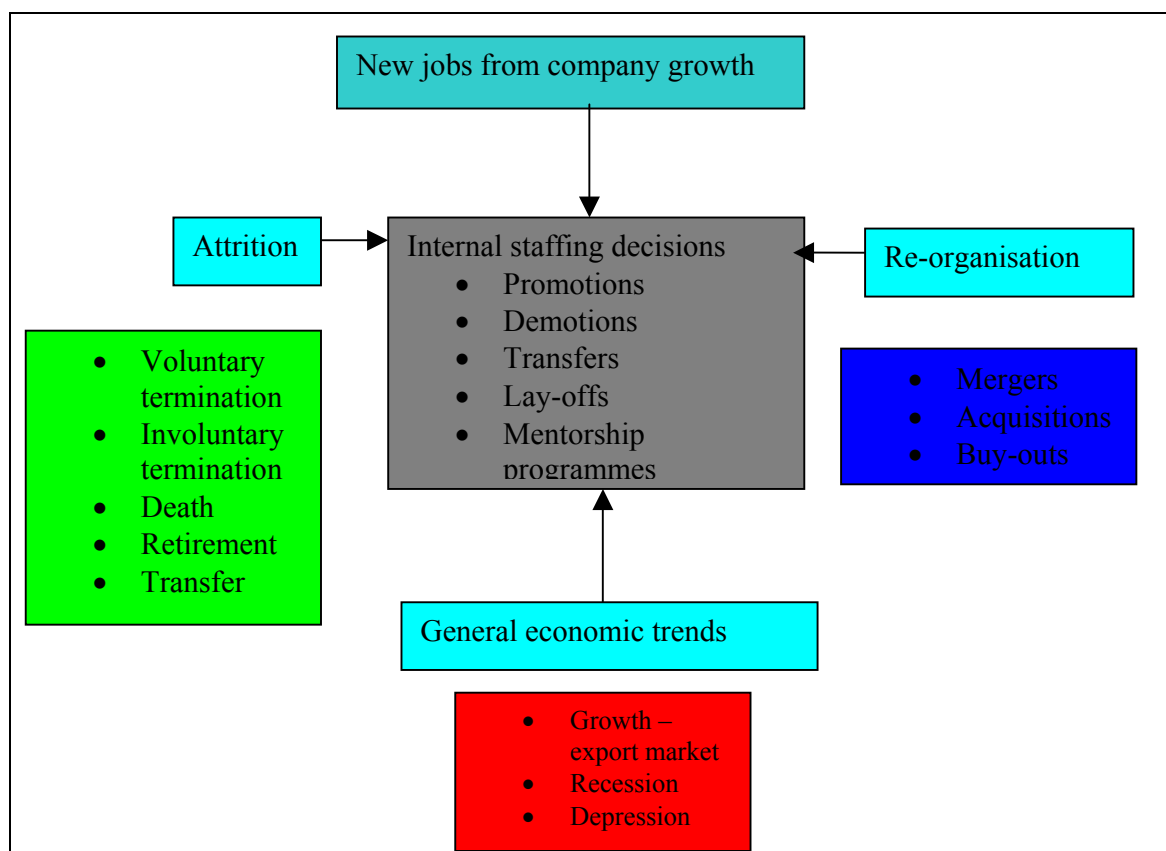
### **2.15.3 Labour union presence**

With the increasing presence of labour unions in various industries in South Africa, internal staffing and development procedures have inevitably been affected in a number of ways. In particular, the role of workplace forums is significant in view of affirmative action programmes in terms of the promotional and training opportunities available to

members of disadvantaged groups. A second aspect is that, where there is a labour union, employees are more likely to be explicitly notified of internal vacancies and given opportunities to bid for them. Both these aspects require an internal staffing programme that can be made available to the labour unions.

#### 2.15.4 Factors influencing staffing decisions

Figure 2.8 illustrates the factors that influence internal staffing decisions.



**Figure 2.8: Factors influencing internal staffing decisions** (Carrell & Elbert, 1998)

##### 2.15.4.1 Organisational growth

Business or government expansion generally results in the filling of new positions, usually by promoting existing employees. By contrast, increases in the number of new positions are common in companies in growth industries.

#### 2.15.4.2 *Mergers and reorganisation*

Major restructuring of an organisation tends to result in various types of personnel actions. During the 1980s and 1990s, mergers and re-organisation became popular in South Africa. The purchase or sale of a company or a merger with another company influences a wide range of human resources components, including job design, compensation, benefits, labour relations and early-retirement programmes. A management philosophy of operating with a flatter structure also has a wide range of effects on staffing.

#### 2.15.4.3 *General economic trends*

One consequence of major economic downturns is that a significant number of workers may temporarily or permanently lose their jobs. Companies that manufacture durable goods, such as automobiles and home appliances, are particularly vulnerable to fluctuations in the business cycle. (Some companies which provide services such as health care, or non-durable items are sometimes said to be “recession-proof”.) The bottom line is that most employers are adversely affected by a recession. The slow economic growth experienced during the past few years in South Africa has led to little, if any, real expansion in the full-time labour force. Economic cycles are clearly an important variable in changes in internal and external staffing.

#### 2.15.4.4 *Attrition*

Employee reductions that result from termination, resignation, retirement, the acceptance of voluntary packages, transfers out of a business unit and deaths are collectively referred to as attrition. Early retirement programmes in particular tend to increase during downsizing and they have been more frequent due to the recent economic sluggishness, as employers are under pressure to trim excess human resources.

### **2.15.5 Advantages of internal staffing**

Internal staffing for non-entry-level positions can bring about a number of potential advantages (Ronen, 1989):

- from an efficiency perspective, employers can maintain better control over the skills and work habits acquired by their existing employees;
- by developing logical career paths, employers can gradually prepare previously disadvantaged groups to fill complicated or critical positions without overburdening their capacity to learn at any given step;
- when vacancies are filled through internal sources, employers do not have to spend time orienting the new incumbents to the business environment or standardising operating procedures;
- in choosing internal candidates for complex or high level positions, employers have more detailed information about the abilities, aptitudes and work habits of employees;
- an emphasis on internal staffing presents potential advantages from the point of view of employee satisfaction and commitment;
- it enables organisations to fulfil hiring goals and meet the timetables specified in affirmative action programmes, which is important in South Africa;
- employees can be placed in the best interests of both the organisation and the individual; and
- it can contribute to the organisation's bottom line.

### **2.15.6 Requirements for effective staffing for future management positions**

A number of requirements must be met if a programme of internal staffing is to be implemented successfully. Where an employer emphasises internal staffing, the first step is to identify current employee skill levels and development needs. This is especially appropriate in the South African economy, where organisations must develop the flexibility they need to respond quickly and effectively to change. Employees must also be flexible to be able to move easily within the organisation and thus be better utilised. A process known as mentoring and multi-skilling, which entails the broadening

of employees' skills beyond the bounds of their current jobs, must be available (Woodall & Winstanley, 1998).

Employers must also ensure that there is internal equity in matters such as compensation, promotion and access to training. If this is not the case, it will be difficult to move employees around reasonably freely and this will lead to great dissatisfaction. Lastly, if an internal staffing programme is to succeed, irrespective of the presence of all the foregoing requirements, involvement by top-level managers as well as line managers and central managers is essential. Human resources development managers must recognise both the formal and informal power structures within their organisations and they must also overcome the desire of people to maintain the *status quo* (which may lead employees to resist change).

#### **2.15.7 Organisations' career management efforts for MCD programme success**

Four factors determine the success of an organisation's career management efforts. Firstly, career management must be planned: haphazard or ill-conceived attempts to manage careers will fail (Beach, 1980). Line managers and human resources administrators who share the responsibility for effective career management must work together to ensure that line and staff efforts are co-ordinated.

Secondly, top management must support career management. Such support implies a climate that encourages promotion from within, the development of employee skills and the use of valid performance criteria for promotion decisions.

Thirdly, administrators must not omit or neglect any of an organisation's many career management programmes and processes. These include organisational career planning, individual career planning, integrating organisational and individual plans and the implementation of performance appraisals (in other words 360-degree evaluation).

A fourth factor, career match, has been found to be the most critical factor in career management programmes (Gosselin, Werner and Hallé, 1997). The programme must seek to find a career match between the employer's plans for the employee and the employee's personal aspirations. Career programmes that simply explain the

organisation's career plans for employees to them, but do not assist them in clarifying their own goals and developing a match between their aims and the organisation's, are likely to fail. The employee and the employer should negotiate a mutually acceptable outcome. If the employer addresses employees' expectations early in their careers, employees may willingly modify their expectations. However, if differences are ignored, the employee may develop career plans that are incompatible with the organisation's plans, which could cause undesired and undesirable turnover (McCall, Lombardo & Morrison, 1988).

### **2.15.8 Organisational career planning**

According to a recent Wall Street Journal study in the United States, many employers have now developed two career ladders. One is the traditional managerial ladder and the other a professional ladder (Ferdinand, 1988). The professional ladder allows employees who have never taken a formal managerial assignment to move up (what is left of) the corporate ladder. For example, to become the department head in customer service, the traditional ladder included three steps up in technical jobs (Service Representative I, II, III), then three steps in management (Supervisor, Manager I and II). The professional ladder may now allow three steps of additional technical or professional jobs (Service Analyst, Service Consultant I and II) to substitute for the steps in management. The main reasons given for using this dual ladder approach are the following (Ferdinand, 1988):

- to retain the best professional/technical people;
- to create a career path for those not interested in a career in management, especially from among disadvantaged groups;
- to increase the morale of technical staff; and
- to create a more equitable non-management compensation structure (Ferdinand, 1988).

## **2.16 HUMAN RESOURCES MANAGEMENT PLANNING**

In this section, the MCD planning process is discussed as part of HRM, as described by Carrel and Elbert (1998) from the organisational point of view. Planning is part of everyday life. So, for example, people plan their holidays or plan to go to university and

when to start a career. Likewise, strategic planning is one of most important functions within an organisation. Determining long/short-term goals is essential for both organisational growth and survival. It is apparent that HRM planning forms an integral part of the organisation's strategic planning process, growth and survival. HRM planning must be seen as a tool that management can use to make better management decisions. It should be used as an integral part of a manager's job in order to help him/her to make the organisation more effective.

The ultimate goal of HRM planning should be to compare current staffing and skills levels with the future staffing and skills required by a company and to initiate plans to address anticipated shortfalls. Deficiencies in the present staffing and skills levels in terms of future needs can be addressed by developing people from within the company or acquiring people from outside the company. By using anticipated staffing and skills requirements and working towards meeting them, organisations can optimise their organisational structures.

Failure to meet the future staffing and skills requirements of a company can greatly reduce the chances that a company will achieve its strategic goals. The following reasons further underpin the need for effective HRM planning (Maseke, 2000):

- **The Employment Equity Act** (Republic of South Africa, 1998a) requires effective human resources planning in order to ensure that tokenism is avoided, that designated group placement increases and that employees are effective in their appointed positions or careers.
- **Affirmative action goals and equal opportunities** – the human resources planning system can be used to determine an organisation's affirmative action plan. When dealing with an affirmative action or equal opportunity plan, issues such as developmental programmes and the creation of career opportunities must be addressed. Companies may consider appointing affirmative action trainees to undergo an intensive training programme to prepare themselves for appointment. The training programme may take place over a period of six to 24 months, depending on the availability of positions within the company. Human resources planning is essential in order to ensure the successful implementation of such affirmative action plans.

- **Succession planning** involves “defining the requirements of future positions and determining the availability of candidates and their readiness to move into various jobs” (Simon & Burstein, 1985:31). For the purposes of human resources planning, placement charts can be formulated to earmark positions and possible candidates for fast track succession advancement. Organisations have a vested interest in ensuring that they have individuals available who are ready to fill key positions when positions become vacant. To this end, many organisations evaluate the potential, or promotability of managerial, professional and technical employees. Those judged to be high potential employees can then be “groomed” for particular positions. Three ways that potential assessment can be done are potential ratings, assessment centres, and succession planning (Eurich, 1990). One disadvantage of succession planning is that it is formulated by management, with little or no input from subordinates.
- **Employee development** must be addressed in the human resources planning phases, providing basic life skills and literacy programmes, as well as more advanced skills training.
- **Human resources planning is a prerequisite for career management programmes.** Without an effective human resources plan, the process of career management will be ineffective. Career management and succession planning depend on the successful formulation and implementation of human resources plans. A well-designed human resources plan can be used to identify employees whose career can be accelerated for further career development.
- **Avoiding layoffs** requires effective human resources planning to take active cognisance of changes in the internal and external environment. Strategic planning is then needed to incorporate these changes in the company’s human resources plan. Pro-active planning will lead to a reduction in layoffs and/or retrenchments.

### 2.16.1 Definition of HRM planning

It is important to understand the concept of human resources planning and its precise meaning. The process has been defined by various authors. Novrt (1979:21), for instance, describes it as a two-part process: “One is the analysis for determining the quantitative needs of the organisation – how many employees will be needed in the future under specified conditions of growth, stagnation or even decline. The other part is a qualitative analysis to determine what the people should be like – what qualities and

characteristics will be needed, assuming some idea of the organisation's future direction.”

Human resources planning has also been described “as a strategy for the acquisition, utilisation, improvement and preservation of a company's human resources” (Miller, Roome & Stande, 1985:23).

### **2.16.2 Factors influencing HRM planning**

Unless an organisation is able to incorporate environmental changes successfully, it may be faced with various problems and possibly extinction. Companies that are unable to keep up with their competitors and economic changes are unable to survive in a rapidly changing economy. An awareness of these HRM environmental factors requires a workforce capable of adapting to these changes and the new conditions, as set out by Walker (1992).

- **External environment**

This is the most important aspect to be considered in any organisation. Organisations depend on external factors for growth and survival. Factors such as politics, economics, social and technological changes influence the strategic plan of organisations. For effective strategic planning, an organisation should identify the most important factors that may influence its growth and survival over a given period. Based on this information, a strategic plan can be formalised. Political factors are a good example: South Africa has recently embarked on a drive towards affirmative and correctional action. To keep up with these political demands, an organisation has to adopt a strategic plan for affirmative action. This strategic plan stipulates ways to ensure that management adheres to affirmative action plans, as well as ways of measuring and evaluating the process (Horwitz & Franklin, 1996).

- **The company**

A company needs direction to focus its operations in the future. Most companies develop a vision statement. A vision statement can be used to describe the company's overall strategy to maintain maximum effectiveness. A mission statement should automatically follow from the vision statement. A mission statement can be described as a description of the specific areas on which the

company wishes to focus. It is normally used as a starting point in the formulation of a company's business strategies. Business strategies should in turn be aligned with external factors that may have an influence on the organisation. From the business strategy, it is easy to derive the company's objectives. These objectives serve as focus points for improved operational effectiveness, performance and productivity. A clear business strategy leads to effective organisational structures and hierarchies, based on the available information regarding future needs and the profiles required. With a focus on external factors, the impact of external changes can be identified, the organisation can be re-evaluated and changes can be incorporated into strategic plans where necessary (Veldsman, 1996).

- **Effectiveness of various management styles**

A **dictatorial management style** refers to the leader's capacity to coerce or punish followers. Sources of coercive behaviour also can be broken down into personal and positional components. Leaders personally possess coercive power to the extent that followers experience criticism or a lack of recognition from their leader(s) as unpleasant (for example, such leaders have the authority to enforce demotions or a lack of rewards and they can carry through the threat of job losses). This kind of leadership may elicit from the employee a lack of accelerated career learning, it may lead to the de-motivation of staff and a lack of expertise and knowledge in job functions on the part of subordinates.

**Open and sharing management** refers to the legitimate and expert power that a leader possesses as a result of his/her knowledge and expertise regarding the task performed by subordinates. Subordinates are more likely to respond positively to such a leader's attempts to influence behaviour.

A **participative management style** refers to the relevant power a leader possesses and the extent to which subordinates identify with and look up to him/her. The more subordinates admire and identify with the leader, the greater the leader's referent power over subordinates. Referent power, like expert power, is dependent upon the personal characteristics of the leader to successfully influence subordinates to participate in and do things the leader would like them to do. A theoretical framework by Ashour (1982) deals with the situation fit for leadership effectiveness (the discussion falls beyond the scope of this dissertation).

- **The individual**

The individual brings to the organisation certain skills, expectations, capabilities and knowledge. An organisation should take into account the effect of these factors on overall organisational business strategy. It is important that a company has the right type and number of people at the right time. For this specific reason the individual should be an implicit part of the human resources plan.

### **2.16.3 Organisational and individual planning strategies**

Schein (1978) argues that neither organisational effectiveness nor individual growth can be obtained unless there is some matching process. Both the individual and the organisation are dynamic entities that are affected by changing environments. The organisation must keep up with external factors and internal changes, both in the individual and in the environment. Factors such as age, family, expectations and values can affect an individual's career. Human resources planning and development must be seen as part of the total organisational system.

Schein (1978) has identified strategies that both the individual and the organisation can embark on to make career management more effective:

- move the focus on employment security towards employability security; and
- reduce the importance of job hierarchies, descriptions and matrices (boundary-less career planning creates new opportunities, such as project consultancy, self-employment and contract work).

When they can develop personal flexibility in their jobs and careers in return for challenging work, have development opportunities and experience career-planning support, employees can move quickly to keep pace with change, are dedicated to continuous learning and take ownership of their own career management – they stay committed to life-long learning and also their interest in the organisation (Waterman *et al.*, 1994).

#### 2.16.4 The MCD focus as the development of future designated managers

Business organisations are making some effort to develop designated managers for managerial positions. However, previous studies and research have revealed barriers to the entry of designated managers into management ranks (Motlanthe, 1986; Hofmeyr, 1982; Morobe & Raubenheimer, 1994):

- Efforts are neither systematic nor consistent – greater emphasis is placed on aspects that have little impact on managerial development.
- Only a small number of designated people are actually appointed to managerial positions.
- The educational system in the past was designed to prepare blacks to continue as loyal and subservient servants instead of functioning as aggressive initiators and entrepreneurs.
- Discrimination in the political, social and work environment, as well as limited black career advancement opportunities have not prepared DSGNS for effective management roles.
- Segregated residential areas accentuate the black and white cultural divide and hence non-uniform work values.
- Companies play no active role in drafting and implementing affirmation action and employment government legislation, resulting in job insecurity for DSGNS.
- Many DSGNS have had no exposure to the kind of performance management, education and training that will ensure job relevance.

Strategic choices interact as stimulants and leverage mechanisms for organisational change. These include, *inter alia*, organisational resizing; a redefinition of roles and reward systems; and selection, succession planning and training geared to effective managerial capacity building. Career development is therefore a precondition for corporate growth and its focus should be strategic HRM development.

Mckenna and Beech (1995) have noted a number of constraints on successful career development programmes. They cite the findings of the Confederation of British Industry (CBI, 1994), which highlighted the following factors contributing to the failure of career development programmes:

- Management fails to consider seriously the existing and future skills needed by the organisation.
- Management relies too heavily on local or national labour markets to satisfy the needs of the organisation in terms of relevant skills at all levels.
- Too often a response to skills shortages is to poach key employees from other employers, even if such actions lead to wage inflation.

In MCD studies relating to the development of designated managers in South Africa, automotive companies have received inadequate attention. However, research undertaken by Hofmeyr (1982), Watts (1985) and Macdonald (1993) provides valuable insight into identified training needs which impact on MCD in South African organisations in general. Schutte (1982) and Lear (1988) investigated MCD for designated managers for progressive advancement in organisations. Schutte (1982) sets out the research findings by the School of Business Leadership (SBL) at UNISA from a survey of 300 managers in South Africa. The survey findings revealed a distinct profile for the black manager component and showed significant differences between the profiles of non-designated English/Afrikaans speaking managers. With regard to the black manager profile, Schutte (1982) summarises the findings as follows:

- Black managers are more likely than white managers to be sensitive to the need for adequate and meaningful relationships in the work situation.
- Black managers demand feedback and access to superiors and thrive on satisfactory communication. They are more likely to thrive in a relationship with a supportive and committed immediate superior, and to be demotivated by overtones of racism or poor communication in their relationships with colleagues.
- Black managers are extremely positive about their own self-image and are more likely than white managers to feel that their potential has been achieved.
- Black managers need to know where they stand, to be shown respect and to be appreciated and encouraged.

Schutte (1982) concedes that such differences should be viewed as strategic challenges for business and argues that, hence, organisations should be better equipped to identify focused development and re-training initiatives linked to MCD programmes. These perceptual differences should be acted upon, for instance by linking MCD initiatives, to alleviate a shortage of black personnel at the lower and middle management levels

(Schutte, 1982). Lear (1988) attempts to find solutions to problems afflicting designated management advancement in South Africa's automotive sector. Her paper echoes Schutte's (1982) findings. She asserts that organisations which intend to promote blacks to managerial positions should conduct research within the MCD domain. They should

- devise effective adult education programmes which can give black employees the skills required to give them confidence in the job;
- identify correct career development needs; and
- devise accurate and correct performance appraisals which black employees consider to be fair.

One of the strongest themes in the 21<sup>st</sup> century is "choosing strategies for designated management career development" to respond to environmental change (Kotter, 2002:6). Kotter (2002:23) comments: "It follows that an acceleration in the rate of change will result in an increasing need for reorganization. Reorganization is usually feared, because it means disturbance of the *status quo*, a threat to people's vested interests in their jobs, and an upset to establish ways of doing things. For these reasons, needed reorganization is often deferred, with a resulting loss in effectiveness and an increase in costs."

Subsequent events have confirmed the importance of this concern about organisational strategic HRM change. Today, more and more top managers must deal with new government labour regulations, new products, growth, increased competition, technological skills developments and a changing management work force. In response, most companies or divisions of major organisations find that they must undertake moderate strategic HRM changes at least once a year and major changes every four or five years.

#### 2.16.4.1 *Strategic MCD*

This study attempts to determine the level of commitment by the automotive sector's strategic designated MCD, and the MCD activity to support such commitment. Dowling, Schuler and Welch (1994:33) observe that linking strategy and structure is essential to maintaining growth and profitability, emphasising "the need to become more flexible and resilient in dealing with unexpected political, economic and

competitive challenges and opportunities”. An analysis of environmental elements which affect the macro variable ratings can provide management with important market signals to enable future planning of career developmental activities aligned with an organisation’s mission and strategic objectives.

Cascio (1995) maintains that career development needs to be integrated with a business’s strategic plan and objectives linked to bottom-line results, and that there needs to be a commitment to invest the necessary resources to provide sufficient time and money for effective designated MCD. Anthony, Perrewe and Kacmar (1996) state that strategic HRM planning is the key link between a company’s strategic business plan and its overall management functions. To sustain a competitive advantage, organisations need to position themselves strategically for MCD (in other words, for increasing globalisation, intensified competition, shorter product life-cycles and new forms of inter-company and multi-national automotive sector co-operation). The future-oriented dimension of MCD is clearly suggested.

#### 2.16.4.2 *MCD – a futuristic perspective*

According to Mumford (1997:12), the aim of MCD is to ensure that designated managers are “developed or recruited and trained in sufficient numbers to meet the top management requirements of a group in the short and the long term”. Scarpello and Ledvinka (1998) state that MCD is aimed at imparting supervisory, managerial and executive skills. Mumford (1997) regards MCD as an attempt to improve managerial effectiveness through a learning process and believes it is not planned or deliberate. According to Armstrong (1993:45), MCD is “about learning: the learning required to do the present job better and the learning needed to tackle more responsible or demanding jobs successfully”. French (1994) asserts that MCD programmes represent efforts to increase an organisation’s present and future ability to meet its objectives.

This effort should be underpinned by the provision of educational and developmental experiences for designated managers beyond the immediate technical requirements for their functions. The focus is on future needs, where the inclusion of educational and developmental experiences translates to competence in employees’ own areas of specialisation. Future designated managers should be prepared to handle new

assignments and meet the complex demands of future challenges brought about by changes in the external environment. French (1994) sees MCD as a process through which the manager's value to the organisation increases, based on the acquisition of new behaviours, skills, knowledge, attitudes and motives. French (1994) further notes that it is future-oriented, which "assumes a long-term relationship between the organisation and the individual".

Cunnington (1985:43) argues that most of the problems associated with the process of management development stems from a lack of top management involvement and the low level priority given to designated MCD – "as a result managers are promoted in a hit or miss manner with little attention being paid to specific skills or experience". Cunnington (1985:112) further notes that "the emphasis of most management career development education is upon remembering a set body of academic knowledge, opinion and fact rather than acquiring demonstrable skills or competencies". The argument is valid, as organisations should base their holistic development strategies on the integration of job content with the management skills needed at the different occupational levels.

#### 2.16.4.3 *Key assumptions influencing the study*

Ronan (1994) argues that the career development of designated managers in terms of management skills is crucial for economic progress. He adds that "paradoxically, the management skills areas of development tend to be very much neglected in Africa" (Ronan, 1994:34). He contends further that a "learner-centred approach" may be one of the alternative ways of developing designated managers, where the "learner" takes on the responsibility for learning:

- MCD initiatives should be linked with management education and developmental modes of acquiring knowledge.
- Designated MCD is oriented towards future business.
- Management development, training and education are concerned with those who are employed (in other words, with post-employment positions within the corporate hierarchy).
- MCD is an HRM strategy linked to the overall mission and organisational business plan strategy.

- MCD models and programmes need to be reviewed and aligned in relation to socio-political and automotive multi-national imperatives.
- The non-commitment attitude of top management needs to be MCD-focused to accept the realities of changing workplace and political demographics, the call for organisational transformation and affirmative action interventions. More importantly, there is a need for top management commitment to the career development of future potential designated managers in a multicultural society.

According to Goseteli (1997), strategic HRM should contribute to the successful designated MCD functioning of their organisations to meet the challenges of the future:

- A change will have to take place in the attitude and behaviour of all top management and designated managers to eliminate artificial obstacles in the decision-making processes in organisations, and to institute affirmative action.
- The career development of effective managers and the improvement of leadership best practices will have to be expedited. Strategic HRM should also actively cooperate in developing the potential of subordinates.
- Communication and career development should be improved. Communication from the top down involves transmitting the organisation's mission, culture, strategies, results and information on its environment. Communication from the bottom up should focus on new ideas, suggestions and innovations.

Human (1992:20) states that people development in general, and MCD in particular, if left to the goodwill of organisations, is unlikely to succeed in achieving any real impetus. Therefore, top management commitment to and support for designated managers' advancement is vital to translate MCD plans into action-oriented results.

Mbatha (1992) sees designated managers' advancement as implying black empowerment. This argument is based on the premise that designated managers' advancement, in terms of its definition, already alludes to upward mobility. On the other hand, empowerment implies a devolution of power, an enabling environment and a process leading to a greater legitimacy of the participation and meaningful decision-making by designated managers. Organisations should not embark upon a designated management advancement strategy without empowering employees to cope with the demands of such MCD programmes.

## 2.17 THE QUESTIONNAIRE THEORY OF CAREER-DIMENSION SYSTEMS

A survey by Farren and Kaye (1998) suggests that there are five distinct factors that enable an organisation to build a successful career-development process. Each of these factors is essential to the design. In their survey, the managers' perceived magnitude of the career-pathing dimensions contained twenty items that were rated within organisational or divisional levels. Ratings started from one ("not true") to five ("very true"). According to Farren and Kaye (1998), the questionnaire used in the survey identified five key areas, namely **future perspective, organisational systems and practices, work design, managerial support** and **individual career-management concerns**.

Organisations are aware of the fact that career-development issues have a strong impact on motivation, satisfaction, productivity and the competitive edge activated by a company. Employees' career goals should be aligned with organisational goals. An organisation that is examining its career-development systems can use the Career-Dimension Survey to discover what key areas need to be improved (Farren & Kaye, 1998).

In today's rapidly changing workplace, people are concerned and often confused about their careers. An effective career-development system unites employees' aspirations with the strategic direction of the organisation. It helps to ensure that the work force possesses the competence necessary for the organisation to fulfil its mission.

### 2.17.1 Future perspective

The view of the future held by the people who work in an organisation plays a significant role in determining their actions. People who understand the strategic direction of the organisation and see a prospect of a desirable future for themselves will commit themselves to making that future a reality. The following are indicators of the future perspective of a workforce (Farren & Kaye, 1998):

- **Organisational mission and strategy**

Employees need to understand and endorse the fundamental purpose of the organisation. Without a clear strategic direction, employees can only surmise which of their actions are mere routine and which are vital for the future. People will go to extraordinary lengths to produce strategically important results, but first they must understand the relationship between present action and future opportunity.

- **Future prospects**

People need to believe that the organisation has a future that holds a place for them. If an organisation is retrenching, or the industry is striking, employees may be unwilling to exert themselves on behalf of vague future prospects. People who doubt whether their organisation's future holds a place for them tend to reserve their commitment and make defensive, short-sighted decisions.

- **Support for long-range planning and results**

When organisations initiate career-development programmes, the hoped-for benefit is usually a partnership, with employees linking their personal aspirations to the organisation's strategic goals. This form of partnership can occur only in an organisational culture that values long-term results.

- **Core processes and competencies**

Every organisation has core processes without which it could not accomplish its fundamental purpose. Each of these processes requires the efforts of people with special competencies. People in an organisation must recognise its core processes and know which competencies are essential for achieving the organisation's mission, both now and in the future.

- **Preparedness for technological change**

Falling behind the technological curve can have drastic consequences, for organisations and individuals alike. The organisation must identify the new technologies that it must master to meet the changing expectations of its customers. It must tell employees when their current skills are in danger of becoming obsolete and help them prepare for the transition to a new way of working.

- **Preparedness for organisational change**

People cannot plan intelligently for the future if the playing field is continually changing and the goal posts are shifted without notice. The result of repeated reorganisation can be confusion, resistance and a perceived loss of control over the direction of one's work life. Employees need to understand why the organisation is

introducing structural changes. They should have an opportunity to contribute to or comment on planned changes before they are implemented.

### **2.17.2 Organisational systems and practices**

Career development programmes cannot succeed in a vacuum. They must be integrated with an organisation's other human resources practices. It is not necessary to map out all the connections between these systems before introducing a career development programme, but it is important to review them as part of the planning process. The following practices are likely either to reinforce or to undercut an organisation's career-development "message" (Farren & Kaye, 1998):

- **Job posting**

People in an organisation need to believe that the job-posting system is relevant to the way in which people are actually hired. In many organisations the prevailing assumption is that most positions are "wired" for pre-selected individuals and are posted only to forestall grievances. In the same vein, job posting is sometimes criticised because the listings do not describe accurately the competencies necessary for the positions. If job postings are seen as incomplete, employees do not take them seriously as career-development resources.

- **Career information**

People in an organisation should know where and how to get information about career opportunities within the organisation. This is an area in which organisations can take the initiative by preparing easy-to-use informational resources. Unfortunately, information of this type is often relegated to a dusty back shelf in a supervisor's office, leaving most employees unaware of its existence.

- **Mentoring**

Good mentors are scarce. Few senior-level people possess both the time and inclination to groom potential successors. For this reason, some organisations have initiated formal mentoring programmes that pair junior or intermediate-level employees with more experienced colleagues. Other organisations have had success with group mentoring programmes, in which a senior's "savvy" can be spread to two or three junior people rather than just one. People in an organisation should know how to locate a mentor. The organisation should know who the best mentors are and how to prepare others for the role.

- **Compensation**

Compensation can take many forms, the most prominent of which is money. Other types of compensation that affect career decisions include flexible scheduling, opportunities to attend professional conferences, and personal recognition of one's efforts. People want to consider themselves fairly compensated for their work. Employees should be rewarded equitably for accepting temporary assignments and for expanding their contributions to the organisation even if they stay in the same positions.

- **Training and development**

People in an organisation want to have access to the continuing education and training they need to maintain or upgrade their marketable skills. Organisations can offer developmental activities such as apprenticeships, on-the-job training and professional development sabbaticals. Managers can recommend training courses as well as different forms of hands-on work experience.

- **Developmental assignments**

People in an organisation can be assigned to special projects or to other units of the organisation in order to help them develop new competencies. This powerful learning method is often underutilised, because no one wants to undertake the necessary negotiations and paperwork. It is a good sign when people in an organisation feel free to request developmental assignments (Farren & Kaye, 1998:28).

### 2.17.3 Work design

A third career-development factor to consider is the nature of people's work. We are all affected by the inherent characteristics of the work we do. Most people are prepared to tolerate difficult working conditions if they find their own work satisfying. However, if people consider their work unrewarding, the organisation can offer few inducements that will sustain a high degree of motivated effort. Redesigning work to incorporate the following factors can have a substantial effect on people's career plans (Farren & Kaye, 1998:9):

- **Participation** - People in an organisation want to be consulted about changes that affect their work directly. They want to participate in making decisions as well in

implementing them. Work that affords ample scope for participation is generally regarded as more attractive. There is also evidence that suggests that people are more productive when they believe that their views regarding the best way to get a job done are valued.

- **Empowerment** – People like to be encouraged to make necessary decisions about their work on their own initiative. Most people can determine their own work procedures within the standards of responsible practice. Not everybody craves autonomy, but, for many people, the chance to “call their own shots” is the pivotal difference between satisfying work and career dissatisfaction.
  
- **Meaning**  
People want to believe that their work is worthwhile. Work can be a cornerstone of personal growth and identity. Its rewards range from the gradual development of mastery in a craft to the satisfactions of accomplishment and service. When one’s work seems trivial and dull, it can be a wearisome burden. People who experience little pride or meaning in their work give it correspondingly little commitment.
  
- **Teamwork**  
Effective teams can produce results that exceed the previous levels of performance of their individual members. Of course, some people work better as individual contributors rather than as members of a team. But work structured by and for teams has a widespread appeal for employees who prefer not to labour in isolation. Participation in self-directed work teams is an increasingly popular career move in many organisations and is well-suited to fast-paced business conditions.
  
- **Feedback from customers**  
People like to see the results of their work. In complex organisations, actions are often divorced from their eventual consequences. People in these organisations may not receive reliable information about whether their daily efforts make any difference. Built-in feedback from internal and external customers enables people to gauge the effectiveness of their work. This practice pays off in improved service quality and better customer relations as well as increased career satisfaction.

### 2.17.4 Managerial support

Discussions between managers and employees are natural forums for career planning. Managers are ideally situated to communicate the direction of the organisation to employees and to convey the career interests of employees to the larger organisation. A managers' boundary-spanning role enables him/her to open doors for employees in the wider organisation. Aspects of managerial support that affect career development include the following (Farren & Kaye, 1998:28):

- **Feedback and career discussions**

Effective career management is directly related to the frequency and quality of career discussions. The manager is in a position to suggest steps that will enable the employee to bring him/herself in line with the desired goals. Managers should hold frequent career-oriented discussions with the people in their work units.

- **Visibility opportunities**

One practical form of managerial support consists of assigning people to tasks or projects that take them outside their customary work areas. These special assignments are opportunities for them to make their abilities and potential known in the organisation at large. Wise managers help employees develop their own reputations for excellent performance; both the manager and the employee benefit from the impression of strength added to strength.

- **Stretch assignments**

Adults learn most effectively through direct experience. Assignments that require people to acquire and use new abilities to produce actual results are invaluable. At the same time, these assignments build up the "bench strength" of the work unit, with experienced employees helping to develop their successors in order to increase their own career mobility.

- **Advice on career options**

Managers, by virtue of their positions, usually have a broader perspective of the organisation than is available to the people in their work units. This enables them to offer advice on career options, the roles within the organisation that are suited to a

particular individual's abilities and aspirations, and what a person needs to do to be considered a candidate. This advice comes from a thorough knowledge of both the present realities and the strategic aims of the organisation.

- **Rewards for developing people**

Managers should be held accountable for developing the people who work with them. The organisation's best "people developers" should be recognised and rewarded for this contribution. There should be consequences if a manager fails to develop people or holds people back. Managers who are trying to earn reputations as good career coaches benefit everyone: the organisation, the employees and themselves (Farren & Kaye, 1998:28).

### **2.17.5 Individual career management concerns**

An important career-development issue is the extent to which people can identify and move between various career options in their organisation. Limitations on such movement serve as barriers to setting or attaining personal goals. For the organisation, their presence may indicate larger structural deficiencies. Career-management concerns are as diverse as the situations and perceptions of individuals. The following are among the most significant career patterns for planning purposes (Farren & Kaye, 1998:31).

- **Control**

Some organisations expect people to build their own futures or bide their time. Those who consider themselves the principal architects of their own careers tend to actively seek out or create opportunities to achieve their goals. Those who believe that other people control their careers tend to adopt more passive or apathetic attitudes.

- **Plateauing**

Many people feel trapped in their present roles. For some individuals this feeling occurs because they do not see where else in the organisation they can go from their present jobs. For others, this concern results from a lack of stimulation in their current roles. People who believe that they are in dead-end jobs are likely to leave

the organisation, either in fact or in spirit, unless they can be shown how to invent fresh career opportunities.

- **Mobility**

Mobility means that people can move easily from one part of the organisation to another. In small organisations, this is less of a problem, because everyone must step in wherever a need arises. Large organisations, which must track the movement of masses of people, sometimes impose unintended barriers to career mobility in their zeal for order. In “flatter” organisations, fewer people can expect to move up through a multi-tiered management hierarchy. An increase in the degree of lateral movement is important to prevent people from feeling stuck.

- **Variety of options**

Some organisations offer many different career options; some offer just a few. People want to know how to find out what options are available to them. Job enrichment can be a career-development option. Temporary assignments to special projects or other business units are career options that do not require formal job changes. It is important that people view the career-development possibilities in an organisation as open and expandable rather than as cramped and restricted.

- **Career progression**

People need to understand how careers are built in an organisation and what one must do to become a serious candidate for a desired opportunity. They need to know which competencies will help them to achieve their goals and whether it is more beneficial to have a wide range of experiences or to become an expert in a specialised discipline. They need to know whether certain positions or work experiences are necessary prerequisites.

Career development systems address the common ground between the individual and the organisation. Both have resources to offer and aims to achieve. Accurate needs assessment, careful targeting of pilot groups for intervention, and clear objectives are essential for a successful career-development system. Otherwise the limited resources available for this purpose may be misapplied. When one asks the right questions, the appropriate starting point becomes evident. The new career paradigm is that of an

alliance or partnership, with the organisation positioned as a community of compatible interests, realised through a common purpose. Paying attention to key career development factors can help an organisation to ensure that this community of interests remains strong and creative.

## **2.18 SUMMARY**

From the above discussion it is clear that a career is a pattern of work-related experiences that span the course of a person's life. While the individual is ultimately responsible for his/her own career, which includes developing a clear understanding of the self and the environment in order to establish career goals and plans, organisations can help individuals by providing information, opportunities and other assistance. By doing so, the organisation can enhance its internal labour market and be more effective in recruiting and motivating employees (both in contingencies and in the long-term). In turn, the individual faces challenges and gains opportunities for enhanced employability.

Organisations use a variety of tools and techniques to manage employees' careers. These include self-assessment tools and activities, such as computer programmes, individual career counselling, organisational potential assessment and development programmes such as job rotation, coaching and mentoring. These activities and practices help employees to gather information to develop their career awareness, formulate career plans and offer opportunities to implement these plans. The most effective method to achieve this is through the use of an HRM planning system. The HRM planning system assists management in establishing various policies and procedures, such as affirmative action, succession planning, employee development and training. Management must also be aware of the various factors that can influence the human resources plan. Political, economic, social and technological factors must be monitored frequently to determine when or where the company will have to adapt its policies and procedures to keep up with changes. Various MCD planning strategies should be used to increase both organisational and individual self-insight and self-awareness.

Designing an MCD programme involves steps similar to those for developing any HRM intervention: conducting a needs analysis, identifying the goals and components of the programme, and evaluating its effectiveness. Because MCD programmes affect the HRM function in an organisation, developers and deliverers of such programmes must be aware of issues in HRM planning, equal employment opportunities and affirmative action and labour relations. It is critical that MCD's objective(s) evolve from a joint process involving both the employee and organisational HRM interventions.

Investment in MCD strategic planning, assessment and monitoring activities that have an impact on identified benefits (over the relatively medium to long term) such as career learning, measured against financial and MCD programme plans, should be considered an investment in designated managers' career development (Carrell & Elbert, 1998). Some of the MCD advancement models discussed under strategic assessment will improve the DSGNS' morale and response time and will allow greater flexibility. That will in turn lead to new and greater customer and business quality. This will influence a firm's ability to meet its employment equity targets. It will enhance its capacity for advancing potential DSGNS in the future and produce tangible results for identified business competency requirements.

An integrated MCD model for designated managers' career advancement should exhibit high levels of value-adding achievements, re-defining the roles of the strategic MCD imperatives that support the evaluation and assessment functions. A job change function model will focus on career-pathing; mentoring/coaching and job rotation activities. A model that meets the requirements for such an integrated MCD strategy is discussed in the next chapter.