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*Organizational Career Development,
Alternative Career Ladders*

**HOW DO YOU REWARD AND PROMOTE
HIGH-PERFORMING EMPLOYEES WHO AREN'T ON THE MANAGEMENT TRACK?
YOU DESIGN A REWARD SYSTEM THAT PARALLELS
YOUR MANAGEMENT PROGRAM.**

Designing a Dual Career-Track System

BY ROBERT TUCKER, MILAN MORAVEC, AND KEN IDEUS

Hunkered down in a conference room, clothing loosened and brows furrowed, a team earnestly debates a role requirement process. It's a small but varied group: men and women who are managers and individual contributors from varied regions of the world. They're part of a monumental project: transforming the culture of the Exploration Division of British Petroleum, the third largest oil company in the world.

Like many companies today, BPX is in the throes of flattening its structure and replacing bureaucracy with teamwork. In the process, BPX intends to become a more attractive place to work. BPX wants to have a global identity, empowered employees, and more interesting and challenging work roles.

Central to this effort is a strategic redesign of BPX's career-path structure. BPX's original system for career

progression was typical for large companies: beginning as individual contributors, people progressed up the hierarchy to become managers, regardless of whether they wanted to be or had the aptitude to be managers. Management was the only route to the higher echelons of the company.

Management can be an attractive prospect for many employees, but it's not for everyone. A brilliant engineer may come up with scores of innovative ideas and may have the entrepreneurial zeal to follow through with design, but would not necessarily be equally brilliant in a supervisory position. A legal scholar whose breadth of knowledge and experience make him or her an invaluable part of an international legal team may not relish the idea of managing other attorneys.

Research has shown that such employees may not be motivated by

the same things that motivate managers. In his book, *Career Dynamics: Matching Individual and Organizational Needs*, Edgar H. Schein says that technical and managerial employees have distinct functional career anchors. Most corporate career-path programs force high performers to hoist their technical anchors and move into uncharted managerial waters.

Talented nonmanagerial contributors who have reached the apex of their individual paths have three choices: derail into management roles that fail to make use of their real skills; depart for greener pastures in other organizations or in consulting; or stagnate in their current roles, where they may receive changes in title but no real change in job challenges, responsibilities, and influence.

Almost every large company in the world has encountered this dilemma. Some have ignored it. Some have tried, generally with little success, to turn the unwilling into managers.

Other companies have tried dual career paths, an approach that is rapidly gaining favor in private and public circles. Under this approach, companies have one track for managers and another path that is equally rewarding for individual contributors. In theory, the two paths stay parallel all the way to the top.

Organizations have been experimenting for 15 years with parallel-path solutions. But not all of these experiments have been successful. Too often, the dual paths have not been truly parallel in terms of competence, responsibility, rewards, and influence. Or they have not reflected accurately the complex mix of technical and nontechnical work necessary to accomplish business goals.

In some cases, implementation has been blocked by managers who focus on increased costs rather than increased productivity, or by employees who are not convinced of the systems' value. In other cases, the individual track has become a "dumping ground" for unsuccessful managers.

BPX set out to develop a dual-track system that would avoid these traps and that would tap the talents

and enthusiasm of employees on both tracks. The effort has required the commitment and participation of employees at all levels, from all over the world.

Changing the corporate mindset

Thinking about the company's entire advancement and reward system as it related to its mission and values was the first step toward change at BPX. That meant reconsidering the current management track as well as designing a new one for nonmanagers. Each track includes several possible career paths.

The two types of career paths, BPX determined, should be based not on how things were currently being done, but on how they ought to be done. The paths needed to be truly comparable, but BPX concluded that "comparable" was not the same as "identical."

For example, a position on one path does not need a comparable position, at exactly the same level, on another. Some paths can have more levels than others, depending on the nature and complexity of the work.

Managerial levels are often distinguished by the number of people managed. But how can individual contributor levels be distinguished? Although individual contributors do not manage increasing numbers of people, they can (like managers) apply their expertise to tasks of greater complexity and impact. For example, they can make recommendations in a wider range of business areas, participate in higher-level decisions, and act as mentors to other employees.

BPX also concluded that flexibility is essential. An employee who selects the individual-contributor track should be able to switch to the management track and back again, as business requirements demand and as the employee's accomplishments, qualifications, and career needs mature. Today's employees, who emphasize self-development, have far more fluid personal and career aspirations than yesterday's, and they can be energized by the power to make choices. Any career-path program should embrace these facts.

Designing the dual paths

BPX set about developing parallel career paths, one functional area at a time. The task was to develop a common set of dual paths within each area on a global basis, viewing BPX as one organization. In other words, drillers in Aberdeen would have the same paths as those in Alaska.

The process of designing the dual paths modeled the open thinking, empowering, and networking culture that BPX was seeking. Teams of participants were organized to explore solutions to dual-path issues. Each team was diverse in terms of multi-level involvement, representation across the organization, and experience. Senior management sponsors in each functional area selected the other participants, making sure to pick people who were not committed to the status quo.

To minimize time requirements and maintain objectivity, consultants were used to collect and analyze existing job data; come up with lists of nontechnical skills required in all areas; make sure everyone was clear on objectives, roles, and direction; and facilitate the sessions.

Requirements and levels

At the first team meeting, some of the participants refined the list of skill factors that the consultants had produced. Because the objective was to design truly comparable paths, each group selected only those factors that applied to its own management and individual contributor paths. The factors did not have to be in the same order of importance for both paths.

Next, in focus groups, all participants described levels for each of the selected factors. These levels had to reflect the work needed to get the group missions accomplished. Each group began with the lowest entry level, then assessed the highest, and finally attempted to determine the minimum number of levels in between. The objective was to make the levels truly distinguishable and to push responsibilities down to the lowest levels possible.

In the process, each participant made a personal decision about the levels and descriptions and then explained it to the group. Discussion

continued until the group reached a decision. The focus groups then created career-path matrices with factors running along the horizontal axes and levels running along the vertical axes.

The next step was to determine, for each box in the matrix, the competencies required for the factor at each level. The competencies included descriptions of core skills that result in effective performance. In other words, they describe how effective people are in achieving business and technological success. The competency descriptions provide an objective way for employees and their supervisors to assess how people are tackling their work.

To bridge the gap between existing skills and the skills the business needed, development guidelines were added. These were designed to stimulate each individual's thinking about how his or her skills might be developed through a variety of approaches, such as coaching, formal training, on-the-job experimentation, and self-study.

Beyond the design process

The final product (the career-path matrices, competencies, and development ideas) was a major undertaking. But it was only the beginning of the change process.

When an organization is going through restructuring, broad and effective communication is the key to success. BPX launched a comprehensive communication program that provided employees with the information they needed to progress upward or laterally.

The matrices were another key to success. They enabled employees to take charge of their own development, and provided support for other human resource initiatives.

For example, the skills and development matrices were linked to a new personal-development planning system that employees use for professional growth and for self-marketing within the company. Employees who have clear pictures of their current skills and skill gaps can set specific plans for development. If they need additional help, they can turn to the development matrices for ideas on how to develop needed skills.

The benefits from these efforts are

easy to see: The employees develop according to their own needs, and are building skills BPX needs for ensuring a strong future.

Overcoming resistance

Any major change is likely to spark some resistance. BPX senior managers were prepared for it. They minimized resistance by communicating with

employees and by involving employees in the design of the career paths. In most cases, employees had input into designing their bosses' jobs, since those jobs guide their own work.

But building the program is only half the battle. Implementation can be just as difficult. BPX, like many other companies, traditionally has "trained" new systems into the organization.

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This time, BPX decided to try something different. Instead of tying up more resources with massive training exercises and risking the erosion of employee ownership of the program, the company empowered the line functions with their own skills matrix experts. Small teams of local line and HR staff were trained and sent back to coach their colleagues and help their organizations adopt the process. As a result, ownership of the process grew as the program continued.

BPX expects that the payoffs will far outweigh the tradeoffs. The organization is more agile and responsive. When individual contributions are recognized to the same extent as management contributions, employees tend to choose the paths in which they think they can make the most valuable contributions. And when they have that choice, along with complete information, they also assume responsibility for achieving the expected levels of skills and performance.

In environments in which self-development flourishes and diverse contributions are valued, innovation blooms and commitment is strengthened. Recruiting and retaining scarce talent becomes easier as a company demonstrates that it offers opportunities to match any employee's career interests. BPX is committed to the belief that it will be most effective when organizational and personal goals are in harmony.

BPX is now reviewing its performance appraisal and reward programs to make sure they are integrated with the dual career-track system. Only when all human resource programs work together as a seamless whole, reflecting the company's values and vision, can the benefits of restructuring and the power of human resource development be unleashed. •

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