FIVE EVOLUTIONS IN INDIVIDUAL CAREER DEVELOPMENT AND THEIR CONSEQUENCES FOR ORGANISATIONAL CAREER MANAGEMENT

WHITE PAPER DEVELOPED BY THE CENTRE FOR EXCELLENCE IN STRATEGIC TALENT MANAGEMENT (sTm)

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Careers in today's world

In a hybrid world, for many people work is a lot more than just a functional way of earning money. Professional careers have a strong symbolic function, providing us with a considerable part of our social identity and strongly influencing our self-esteem and overall happiness. Therefore, keeping employees engaged and committed by offering them challenging and rewarding careers is an important area of focus for many organisations and HR departments.

However, as a reaction to changing economies, ways of working and organisational designs, the concept of a 'career' has changed tremendously. Careers are no longer a sequence of hierarchically ordered jobs, but rather a continually evolving gathering of work-related experiences for which every employee carries individual responsibility. As a consequence, career success is a highly-subjective measure and can only be reached when self-set goals and career values are respected.

This white paper consists of two chapters. In the first chapter, we describe five main principles in individual career development that have evolved during the last couple of decades and that strongly impact contemporary career perceptions, leaving the field of careers with a broad spectrum of individual needs and preferences. The second chapter addresses the consequences of these changes for organisational career management and provides suggestions for Talent Managers on how to effectively respond to the evolving career landscape.

CHAPTER 1:
Five evolutions in individual career development

1.1.   From loyalty to the company to loyalty to one's career

Until a few decades ago, a career equalled lifelong employment within a single company, and relied on values like loyalty, security and reciprocity. Both employees and employers operated under an implicit contract that requested employees to be loyal and employers to offer job security and upward progress until retirement. Pursuing this kind of career trajectory still happens today, but it is less common than it used to be. **Job security is now less important** to many employees, as in today's tight and talent-centric labour market, losing or quitting a job often does not have drastic consequences in terms of income loss. But from a career value perspective as well, being loyal to a company has lost popularity in favour of a very different kind of loyalty: being loyal to oneself and one's career.

This evolution is in line with the **changing role and position of the individual employee**, who is being more encouraged to take on an agentic role and initiate directed acts of self-management to achieve self-set and ambitious career goals. The common belief that individuals are responsible for creating their own subjective career success has replaced the former desire for job security with new career expectations, like being able to continuously develop oneself via training opportunities and challenging projects, being able to conduct work that builds upon a person's skills, and being provided with clear career prospects that contribute to personal career ambitions[1]. In that sense, the concept of a career has changed from *a means of earning* to *a means of learning*. Meaning that changing employers in case of career dissatisfaction is not perceived as a lack of loyalty but rather an act of self-management that leads to new learning opportunities. This trend can be explained by the general shifting of societal and work values towards self-direction – looking for personal purpose and striving for subjective success and well-being, and abandoning the idea of the lifelong contract and the individual's former passive role.

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[1] Defever, E., Vandenbroucke, A., Dewettinck, K., & Buyens, D. (2017). *The career perspectives of graduates: Update 2017* (Study and Report by the Centre for Excellence in Strategic Talent Management).

As career outcomes are defined as **highly-individual and, hence, subjective constructs**, they can still take on many different forms. Building a lifelong career within one company, whether or not characterised by a sequence of hierarchical steps, can still be a desired pathway. In this case, being loyal to a company and oneself are perfectly aligned. Furthermore, striving for subjective career success does not mean that employees are intending to continuously change employers in order to reach personal work happiness. Studies show that *job hopping* is not at all the 'new normal' among younger workers: only 20% of millennial graduates are planning to change employers frequently during their career[2], and the average seniority in Belgium is still 10.8 years, which is an increase compared to 10 years ago[3]. Seniority remains relatively high in the rest of Europe too: 10.4 years across the 28 EU member states[4]. But this is not necessarily the case further away (for example: the average tenure in the US is only 4.2 years)[5]. However, when people do decide to pursue their career goals elsewhere, the most common reason is the lack of growth perspectives – therefore, keeping your employees committed to the company can work out only when sufficient learning and development opportunities are provided[6].

1.2. From organisational climbing to boundaryless zig-zagging

New organisational designs are contributing to the changing career mindset. Many organisations are replacing the traditional hierarchical pyramid with flatter structures, characterised by less centralisation, formalisation and standardisation, as well as by the ability to accelerate decision-making, improve knowledge-sharing and cut overhead costs. In the last decade, this trend gained momentum with the introduction of the concept of *agility* and its associated work models such as scrum, holacracy and sociocracy – all of which are very flexible, project- and team-based systems that allow organisations to respond quickly to changing customer needs. As these work formats find their way into the world of work, they are replacing the idea of well-defined and vertical career paths with collaborative and cross-functional role-thinking, which enables organisations to adapt very quickly and flexibly. From the perspective of career

[2] Defever, E., Vandenbroucke, A., Dewettinck, K., & Buyens, D. (2017). *The career perspectives of graduates: Update 2017* (Study and Report by the Centre for Excellence in Strategic Talent Management).
[3] Acerta. (2020). *Werkgever en werknemer blijven elkaar 10 maanden langer trouw dan 10 jaar geleden.* Retrieved from https://www.acerta.be/nl/over-acerta/in-de-pers/werkgever-en-werknemer-blijven-elkaar-10-maanden-langer-trouw-dan-10-jaar-geleden
[4] OECD. (2019). *Employment by job tenure intervals – average tenure*. Retrieved from: https://stats.oecd.org/Index.aspx?DataSetCode=TENURE_AVE
[5] U.S. Bureau of Labor Statistics. (2018). *Employee tenure summary*. Retrieved from: https://www.bls.gov/news.release/tenure.nr0.htm
[6] Page Personnel. (2019). *Job Confidence Index*. Retrieved from https://www.pagepersonnel.be/nl/nieuws-inzichten/wereldwijde-onderzoeken/job-confidence-index

management, flattening a company's structure provides **fewer options for vertical career progression**. And yet, we see that the need for advancement in terms of career progression remains an important driver for employees. This means that alternative ways of growth must be put in place in order to keep the workforce satisfied with their career path.

Embracing flexible **zig-zag career paths** allows companies to offer career perspectives beyond vertical mobility. These trajectories build on the system of triple ladders, which still offers opportunities for vertical promotion, although to a limited extent in many agile environments. Vertical mobility can be achieved on the managerial ladder (for example, promotion from team member to team leader), on the expert ladder (for example, promotion from junior to senior level), or on the project ladder (for example, promotion from project member to project leader). Next to vertical promotion, zig-zag careers offer concrete lateral (cross-functional) or even diagonal career moves, stimulating knowledge-sharing and co-creating between disciplines, departments and business units. Furthermore, the boundaries between the management, expert and project ladders are eliminated, which introduces the opportunity to move across ladders horizontally or vertically. The dynamic nature and flexibility of the zig-zag career ensure a better fit with today's flatter and more agile organisational structures, counter silo mentality, and provide the internal workforce with a rich and flexible skill set. Many organisations nowadays expect their high potentials or future leaders (identified in succession planning exercises) to take on roles and gain experience on the three ladders to prepare them for successful top management positions. More and more organisations are even applying this principle to their entire workforce, stimulating employees to switch regularly between ladders to increase their value.

Adding an extra **international and extra-organisational dimension** to the zig-zag career path increases possible career steps tremendously. Moving across the ladders of subsidiaries in different countries can be appealing, especially to millennial workers. Offering your employees the opportunity to strive for a global career might compensate for a lack of vertical options. In addition, crossing the borders of the company whilst zig-zagging adds to the spectrum of career options. From an employee perspective, zig-zagging over different organisational contexts provides ample new learning opportunities. From an organisational perspective, employees who carry knowledge and skills with them, acquired in multiple business environments, increase the value of the organisation's talent pool and can boost creativity and innovation. That's why companies are increasingly willing to re-hire so-called *boomerang employees*: people who quit their job, work somewhere else for a time, and then decide to return to the original company. The practices of *slashing* (employees combining multiple part-time jobs) and *co-sourcing*

(sharing talent resources over multiple organisations) are also gaining popularity. Effectively sharing employees increases flexibility for both employee and organisation, but the practice also entails legal challenges and the need for very clear agreements between all parties.

1.3. From salaried employees to contingent workers

In today's economy, 'the employee' is still a crucial player in an organisation's human capital strategy. However, in the last decade we saw tremendous growth in the use of more **flexible employment types** to add to a company's workforce. This trend is often referred to as 'the rise of alternative labour markets', like the gig and freelance economies. In the gig economy, workers generate income via *gigs*: single projects or tasks for which the worker is hired temporarily. The freelance economy is populated by independent and self-employed workers, hired to conduct project work or take on a certain role within a company. Likewise, the use of temporary and interim workers is booming.

These forms of **contingent work** have gone global in all sectors and industries at a very fast pace. Well-known platform companies such as Uber, Deliveroo and Airbnb embody this trend, but they are not alone: in their search for more flexible workforce planning, and in their struggle to find the right talent in the 'regular labour market' to fill key positions, companies seem to have found a solution by relying on these alternative forms of employment.

Simultaneously, many former employees have found their way to **freelance or gig employment**, attracted by greater autonomy and flexibility, or the ability to do work that really builds on acquired knowledge and skills. Some of them combine a part-time job with gigs or freelancing, while others rely exclusively on freelance jobs to make their living. And this is not only the case in the US: the European Commission also reports an increase in non-standard forms of employment, whether or not combined with part-time traditional employment[7]. This observation is in line with over half of the world's millennials saying that they are open to freelancing, gig work and project-based careers[8]. Technology-enabled talent platforms facilitate the process of combining projects and tasks and enable contingent workers to craft their own careers.

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[7] European Commission. (2019). *Non-standard forms of employment on the rise*. Retrieved from
https://ec.europa.eu/knowledge4policy/foresight/topic/changing-nature-work/non-standard-forms-of-employment-on-rise_en
[8] ManpowerGroup. (2016). *Millennial careers: 2020 vision*. Retrieved from
https://www.manpowergroup.com/wps/wcm/connect/660ebf65-144c-489e-975c-
9f838294c237/MillennialsPaper1_2020Vision_lo.pdf?MOD=AJPERES

In the Netherlands, we see a reflection of this evolution in the rapidly growing number of so-called *ZZPers* (independent professionals without staff): 1.1 million in 2018, which is about 12% of the Dutch workforce.[9] This trend is less pronounced in Belgium; however, a considerable number of independent workers are active on the Belgian labour market: 440,000 in 2018[10]. For the Flemish region, about 135,000 of them are freelancers, active in a variety of industries, but with business consultancy and the IT industry as their most popular work fields. A remarkable observation is the fact that the vast majority have the ambition to build a **long-term independent career** on a portfolio of temporary assignments – thus, they plan to continue to work as a freelancer for the rest of their professional journey. Their satisfaction and long-term perspective can be explained by the fact that 64% of them are 'happy to very happy' with their income, which is a much greater percentage than their colleagues in neighbouring countries[11].Statistics from the Netherlands tell us that starting your own business doesn't always turn out as planned: in 2019, only half of all ZPPers were happy about their financial outcomes; and, of all people active on the labour market whose income falls below the poverty threshold, ZPPers are by far the most-represented group[12][13]. Nevertheless, perceived financial benefits and tax optimisations seem to keep luring a lot of people into alternative forms of work.

Next to full-time contingent workers, a lot of people opt to combine independent work with other forms of work. People who choose to pursue a **portfolio career** combine several streams of income, often from a mix of employment types: regular full- or part-time employment, interim work, flexi-jobs, freelancing, or gig work. Self-management is at the core of the portfolio career, as the people literally construct their own career: they decide what kind of work they do, how they work, where they work, when they work, whom they work for, whom they work with, and how much their work is worth. This huge amount of freedom and flexibility is convincing more and more people to (partly) quit their regular corporate job and build their own portfolio of jobs, tasks and roles. From the perspective of the self-determination theory (SDT)[14], which predicts intrinsic motivation in function of three psychological needs – autonomy, competence and relatedness – the motivation to become a gig worker can be explained by the fact that the needs for

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[9] Centraal Bureau voor de Statistiek. (2019). *Is elders in de EU het aandeel zzp'ers zo hoog als in Nederland?* Retrieved from https://www.cbs.nl/nl-nl/dossier/dossier-zzp/hoofdcategorieen/is-elders-in-de-eu-het-aandeel-zzp-ers-zo-hoog-als-in-nederland-

[10] Eurostat. (2019). *Self-employment by sex, age and educational attainment level* (Data sheet survey results). Retrieved form https://bit.ly/2TFIch7

[11] Unizo. (2019). *Freelancer focus 2019*. Retrieved from: https://www.unizo.be/sites/default/files/freelancerfocus2019.pdf?utm_source=flexmail&utm_medium=e-mail&utm_campaign=nat20191010persberichtfreelancerfocus&utm_content=freelancerfocus2019

[12] Centraal Bureau voor de Statistiek. (2019). *Meer ZZP'ers positief over financiële positie in bedrijf*. Retrieved from: https://www.cbs.nl/nl-nl/nieuws/2019/49/meer-zzp-ers-positief-over-financiele-positie-bedrijf

[13] Centraal Bureau voor de Statistiek. (2019). *Van werkenden loopt ZZP'er meeste risico op armoede*. Retrieved from: https://www.cbs.nl/nl-nl/nieuws/2019/10/van-werkenden-loopt-zzp-er-meeste-risico-op-armoede

[14] Deci, E., & Ryan, R. (2000). Self-determination theory and the facilitation of intrinsic motivation, social development, and well-being. *American Psychologist*, 55, 68-78.

autonomy and competence are met when people start working on an independent basis. This could partly explain why many employees, formerly experiencing the feeling of so-called *corporate fatigue*, start releasing their frustrations the moment they stop working for a monthly salary and let go of their corporate titles.

1.4. From linear careers to transitional careers

Also appealing to many people is the idea of intertwining professional activity with periods of rest, considering career breaks or sabbaticals as just another section of one's career portfolio. Thinking of careers in terms of a sequence of transitory states between paid work and non-labour market activities is also referred to as **transitional career** thinking[15]. A recent survey reports that 84% of millennials globally say they foresee significant breaks along the way[16]. There are many reasons for these breaks: childcare, parental care, volunteering or charity work, honeymoons, traveling, going back to full-time education, and so on. For example, more people are traveling than ever before: many of them plan travel periods of at least one year to see the world, while working in local industries to pay for traveling costs. Some countries, like Australia, have even developed a whole industry around these kinds of working travellers and backpackers. Looking at this evolution from a transitional point of view, these experiences clearly contribute to one's professional career path and are not at all 'irrelevant breaks'. In parallel, we see companies being more open to adapting to this, being willing to discuss the possibility for employees to temporarily pause their career and come back to the company after an agreed period of time. Or offering customised and flexible conditions for employees taking on the role of caregiver: working according to a different schedule, working fewer hours, working from another location or remotely, etc.

This trend is creating the concept of **career waves**[17] replacing the traditional career ladder: people can look at their career as a series of waves from graduation to retirement. Each wave represents a new adventure (a new responsibility, task, job, training, team, …), which provides the opportunity to acquire new skills and knowledge. After catching a wave, people can decide to take some time to rest and paddle towards

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[15] Schmid, G. (1998). *Transitional labour markets: a new European employment strategy.* (Discussion Papers /Wissenschaftszentrum Berlin für Sozialforschung, Forschungsschwerpunkt Arbeitsmarkt und Beschäftigung, AbteilungArbeitsmarktpolitik und Beschäftigung, 98-206). Berlin: Wissenschaftszentrum Berlin für Sozialforschung gGmbH. Retrieved from: https://nbn-resolving.org/urn:nbn:de:0168-ssoar-128858
[16] ManpowerGroup. (2016). *Millennial careers: 2020 vision*. Retrieved from https://www.manpowergroup.com/wps/wcm/connect/660ebf65-144c-489e-975c 9f838294c237/MillennialsPaper1_2020Vision_lo.pdf?MOD=AJPERES
[17] Bersin, J. (2017). *Catch the wave: The 21st-century career* (Deloitte Review). Retrieved from https://www2.deloitte.com/content/dam/insights/us/articles/3943_Catch-the-wave/DUP_Catch-the-wave-reprint.pdf

the next wave. Employers are expected to support their workforce along the way, during times of professional inactivity as well.

It's expected that **transitional careers will only gain in popularity**. The retirement age is rising worldwide, which means that careers are becoming longer. Working until the official retirement age will only be possible when a healthy work-life balance is maintained – which means the opportunity to put a career on hold temporarily for personal reasons. The transitional career is attractive from the perspective of lifelong learning too. Being able to flexibly make transitions from employment to education or internships is key in a knowledge economy, in which skills and knowledge are outmoded very rapidly, and technical innovations advance quickly.

1.5. From working for money to working for purpose

We're currently witnessing changing business priorities: traditional (financial) KPIs (like revenue growth, turnover and profit) are no longer the only outcomes that matter for organisations. In response to **changing employee attitudes** regarding social themes like ecology, sustainability, and income inequality, companies' awareness of social capital and corporate social responsibility (CSR) is growing, and enterprises are shifting their focus from an exclusively internal orientation towards increased attention to external factors.

Likewise, the former psychological contract between employer and employee, which merely entailed the exchange of labour and money, has expired a long time ago. In their search for meaning in life (and work), employees now expect **purposeful careers**, in return for which they will give full dedication, 'going the extra mile' to contribute to the organisation's objectives. We see that people are increasingly motivated to lower their salary expectations when they're offered a real sense of meaning in their work lives[18]. American research shows that, on average, employees are willing to sacrifice 23% of their entire future lifetime earnings in order to have a meaningful job until the end of their career[19].

Consequently, career models that empower employees to gather purposeful experiences, explore new roles, and continually develop themselves are gaining in popularity. Meaning

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[18] Hu, J., & Hirsh, J.B. (2017). Accepting lower salaries for meaningful work. *Frontiers in Psychology*, *8*: 1649. doi: 10.3389/fpsyg.2017.01649

[19] Achor, S., Reece, A., Kellerman, G.R., & Robichaux, A. (2018). *9 Out of 10 people are willing to earn less money to do more-meaningful work*. Retrieved from: https://hbr.org/2018/11/9-out-of-10-people-are-willing-to-earn-less-money-to-do-more-meaningful-work

can be created in any company and industry, not only in NGOs or public charities: this happens when the enterprise takes stakeholder interests into account in its everyday and strategic decision-making. **Purposeful experiences can take on many different forms**: new encounters, learning a new skill, discovering a new talent, being able to make a difference in a client's or colleague's life, creating stakeholder value, or having your manager's permission to work on a personal project. In order to offer employees real meaning, career development must be viewed as a highly personal matter, allowing employees to make their own choices and stimulating them to be authentic and vulnerable from time to time.

Another trend we see is people going for an *encore career*. This refers to individuals pursuing purpose-driven work that has a social impact, often in the second half of life (after mid-life). In the encore career, classic income streams are combined with other paid jobs that have a greater personal meaning. These jobs can be found in many fields of public interest, such as education, health, and the environment. Many non-profit organisations rely on early retirees to perform volunteer or part-time work to keep their core activities running. However, as retiring ages continue to increase and traditional retirement loses its appeal, the perception of the encore career merely as a career prolongation becomes less appealing. Instead, organisations should proactively reshape their career models to offer purposeful jobs that are open to all ages. The rule is very simple: if individuals do not have the opportunities they need to pursue their dreams and to stay true to themselves, they will leave their current company and create their own opportunities elsewhere.

CHAPTER 2:
Five consequences for organisational career management

Organisational career management is also evolving, driven by these five changing career principles. In order to respond to the developments playing in the field of individual career development, Talent Managers have to revise current policies. A one-size-fits-all career model will no longer suffice to engage people in the long-term – and so it should be replaced by a personalised one-size-fits-one concept that allows employees to craft their own career experiences. Below we provide suggestions for how career management practices can be modernised in order to capture the evolutions we have described in this white paper.

2.1. Encouraging loyalty to the company to loyalty to one's career

In the new world of work, career management is shifting form a merely HR-owned activity to an individually-led process, putting the employee in the driver's seat of his/her career. **HR's role is becoming a facilitating and supportive one**, providing a stimulating work environment that triggers acts of self-management and offers enough challenges to discover new things. In order to encourage the internal workforce to take control of their career path and continuously reinvent themselves, Talent Management departments must provide resources and tools that allow them to take action accordingly. This emphasises the importance of strategic investment in learning and development practices and in systems that focus on preparing every individual for lifelong employability instead of lifelong company employment. If employees are expected to take ownership of their career, they need specific coaching to develop the necessary competences. Being your own career manager requires specific skills, like self-awareness, proactivity, asking for feedback, networking, … And HR practitioners need to help people master these new career skills.

We argued that employee loyalty still exists, but it is undergoing a shift from being loyal to a company to being loyal to one's career. This evolution entails a change in motivational drivers influencing career decisions. For Talent Managers, this means that communication about existing career opportunities should appeal to these new motivations. Therefore, **framing messages** towards customised reasons why certain career steps might be beneficial for one's career path should be an important activity for HR departments with a career advisory role. In order to activate acts driven by career loyalty, Talent Managers' messages should explain why career mobility is in the individual's, instead of the company's, interests. Communication emphasising what one needs to increase one's market value is more effective than one-size-fits-all messages written from the company's point of view. Knowing the highly-individual criteria employees use to define career success is a crucial starting point for framing career messages effectively. To gather this essential information, career advisers, HR and line management should engage in a **continuous dialogue** with each employee individually. This equips Talent Management with a new and valid understanding of their current and potential talent pipeline, which should serve as the basis for personalised career management that builds upon the principles of self-management.

Another way to customise employees' work and career is to install **_development I-deals_** (idiosyncratic deals): personal agreements between an individual and a company

about his/her developmental plan or career path. I-deals can refer to extra training opportunities or attending a conference abroad, but they can also concern deviating career steps. Although, in general, both companies and employees experience positive effects by implementing I-deals, boundary conditions such as open communication, transparency on how I-deals are distributed, and internal fairness must be met in order to make these personal treatments a success.

Employees being in charge of their own careers also entails the ability to decide when they're ready to make a certain move. Nowadays, opportunities to make an internal move are often limited to one or two moments a year, typically linked to the annual appraisal talks. However, career models that really want to encourage self-directed behaviour should be **free of rigid restrictions in terms of the timing**: employees should continually have the opportunity to discuss future career steps and act accordingly.

2.2. [Facilitating organisational climbing to boundaryless zig-zagging](#)

In order to offer employees new challenges throughout their career in the context of flat organisational structures, internal career tracks must go in any possible direction, including vertical, horizontal and diagonal steps. Moving across management, expert and project ladders must be possible in an easy and transparent way. The main benefit of implementing a **zig-zag structure based on three ladders** is its ability to provide employees with growth opportunities in the absence of numerous management functions in the company. But there are pitfalls. We often see that companies are installing a triple ladder career system without adapting other HR processes, like remuneration. In this case, moves on certain ladders (most often the managerial ladder) are being rewarded more than others. However, to maintain its motivating power, moves on each ladder should be appreciated and rewarded equally. If this is not the case, not every ladder will satisfy the employees' need for advancement to the same extent. Of course, not every step should come with a big financial reward, but consistency across different ladders is important – and if horizontal moves must substitute for, and partly replace, vertical ones, companies must at least think about how they can remunerate them fairly. Furthermore, the assignment of benefits, perks and status symbols should be based on an employee's role and its value to the company, regardless of the ladder one is moving on.

It's important for Talent Managers to bear in mind that internal **mobility exists in many forms and gradations**. In order to offer your employees a meaningful career evolution,

permanent changes or a formal change in title is not always necessary. Especially in flat companies, mobility can be much more than that. More emphasis on the internal labour market – dynamising and activating the company's workforce to initiate self-directed behaviour at work – can partly substitute for official vertical promotions. Therefore, a career model must encourage employees to learn continuously and informally and should contain opportunities for temporary mobility via short project-based assignments, job rotation, reversible steps and, preferably, some options for going abroad.

Organising work in terms of roles, projects and tasks makes it easier for employees to zig-zag their way through different departments, functional domains and organisational layers. This kind of functional classification makes it possible to easily rotate jobs, try out new roles or switch ladders, without going through a rigid process, while it also allows the organisation to choose the best talent for every project. Some organisations formally install internal gig platforms to facilitate project-based work. These systems allow employees to consult and apply for every project in the company.

To capture this complex and dynamic web of career possibilities, effective and efficient **HR systems** are needed to improve the visibility of opportunities, to stress critical skills and skill gaps for each move, and to ensure smooth transitions. One way to map careers flexibly is by using HR analytics to predict matches between certain roles within the organisation and employee skill sets.

2.3.   Managing salaried employees to contingent workers

In light of the growing freelance and gig economies, companies must be openminded to **include alternative steps** in their employees' career trajectories: for example, by allowing – or even stimulating – employees to reduce contractual working hours to pursue a second career path elsewhere (either working for another employer or starting one's own business). Employees enriching their career with independent projects are not necessarily a loss for the company. On the contrary, even when employees work fewer company hours, they can increase their value for the organisation by introducing new external insights and strengthening their skills set and project management capabilities.

In order to stay competitive, companies and HR professionals will have to broaden their career and talent management mindset: moving from internal career management to managing a broader career marketplace that not only consists of the internal workforce, but also covers online marketplaces, contractors, gig workers, temporary workers and

other forms of non-traditional workers. HR must provide **full talent portfolio management** and be able to support management in determining the type of talent required for a certain role, task or project within the company. In a fast-moving environment, a workforce consisting of full-time salaried workers will no longer be able to respond effectively to highly-specific and very volatile skill demands. Gig, freelance and temporary workers are excellent talent sources for filling these temporary knowledge gaps.

From a strategy perspective, managing a comprehensive talent portfolio often comes back to strategic 'make-or-buy' decisions. Deciding between keeping an activity in-house, outsourcing it, or opting for a hybrid solution is a highly company- and industry-specific matter, but the decision is typically based on dimensions like the operational and strategic importance of the activity involved. However, from a talent perspective, talent portfolio management is rather about ensuring the capacity needed to perform business operations, regardless of the talent source (employees in the internal labour market, freelancers and gig workers in the external labour market, suppliers, …). Furthermore, a comprehensive talent portfolio not only contains human talent sources, but should also include new technologies, robots and algorithms that work together with humans in a complementary and symbiotic way. From this talent point of view, a company's long-term success depends not only on decisions about which talent source to use for which activity – even more important is deciding how to shape the ideal conditions to let each of these talent sources flourish inside or outside the company.

When tapping into the external marketplace to perform certain tasks or projects, decisions have to be made on how to **inclusively approach all segments of the workforce**. Today, in many companies, there is a sharp distinction between managing payroll employees versus independent contractors. HR processes are in place that only apply to the core workforce and often neglect the existence of a growing percentage of non-employees. Consequently, contingent workers are often excluded from onboarding processes, learning and development programmes and teambuilding activities, and are treated merely as a flexible resource. As a result, concerns about decaying company cultures are rising, together with questions on how to keep this category of workers engaged and committed. Bearing in mind the rapidly growing gig economy, we find it dangerous to maintain this kind of dichotomy. In order to avoid these kinds of scenarios, HR departments must demonstrate the change readiness needed to adapt current processes and build inclusive alternatives for recruiting, onboarding, appraising performance and managing careers. Talent Managers are facing many challenges concerning legal and other affairs. Just to name a few: should companies take over certain aspects of social security for those who are not covered by employee insurances;

how to secure business continuity when relying on free agents; how to maintain internal equity for people working via different contracts and employment statuses; how to build cohesive teams consisting of employees, contractors and algorithms; and more? HR professionals should be aware of these complexities and think about how to manage them consistently, in line with the company's values and long-term strategy.

Furthermore, **transparent communication and close collaboration** between HR, procurement (often negotiating contracts with independent workers), line management and interim agencies is crucial to successfully and inclusively managing an organisation's talent portfolio. But facilitating collaboration between employees and contingent workers is also crucial. In order to create and maintain an inclusive and strong company culture, gig workers, freelancers and temporary workers should be involved as much as possible in informal moments between colleagues. Small acts can make a huge difference in how people interact with one another. Some concrete examples: explicitly state the expectation that employees and independent workers have lunch together as one team; organise team-building activities and company events for everyone; remember your alternative workforce when handing out company gifts; and so on.

Flawless **expectation management** is a final success factor for talent portfolio management. Negative feelings or distrust can arise when roles and responsibilities are not crystal clear for all parties involved. Therefore, it's extremely important to explicitly clarify expectations for both employees and contingent workers and to stress where one's responsibility starts and ends. Listing clear deliverables can help reduce role unclarity and confusion. Reporting lines must be very well explained as well.

2.4. Restructuring linear careers to transitional careers

To respond to employees' wishes to flexibly intertwine professional activity with sabbaticals or career breaks, Talent Management departments must think about incorporating options for taking breaks without repercussions, making it possible for employees to come back after a certain period of inactivity. A clear **career break policy** is a must to ensure this process is fair and efficient. Policies should optimally use legal systems that facilitate temporary transitions to non-work-related activities, which should be supplemented with transparent rules for relying on unpaid leave to take some time off. Eligibility requirements, procedures for applying, and terms and conditions that will apply during the inactivity must be well described – for example: will someone who takes some months off to look after a sick family member still be allowed to use the company car to which he or she is entitled? The terms of an employee's return must be defined

too: is a return to the employees' current role guaranteed or not; what pay and conditions will apply; …?

Obviously, **open communication** concerning departures and returns is crucial: there must be no surprises about people temporarily leaving the company. In addition, profound **preparation for an employee's leave** is essential to ensure a smooth transition. Direct colleagues mustn't be left in the dark about the effect on their tasks and workload. Line management, supported by HR, should directly involve team members to make joint and clear decisions on who will temporarily take over which responsibilities. Depending on the duration of the absence, the workload and the size of the remaining team, certain tasks must be delegated to other departments, or a new person should be hired to ensure continuation of daily operations. Belgian research[20] shows that employers still have a way to go when it comes to respecting these boundary conditions: 41% of surveyed companies admit to never looking for replacements for temporary absences, and 60% acknowledge increased workload and stress levels for direct colleagues. HR professionals play an important role in convincing upper management to invest in limiting negative consequences for remaining team members.

Giving your employees the chance to balance their work and personal lives by the use of career breaks is of course an act of human-centric HR. But there are benefits for the organisation as well. By **allowing employees to build upon newly acquired skills** after their return, and stimulating them to share gained experiences and learnings, transitional career paths enrich the company's human capital. Employees who went abroad might have increased their intercultural competencies, people who took on the role of caregiver might have gained new interpersonal skills, and travellers might have learned a new language or became more independent and decisive. Depending on the reason for the break and individual preferences, employers might **consider a phased return** to work. This might soften the contrast for employees between their time off and coming back to work.

2.5. Understanding working for salary to working for purpose

'Purpose' in the context of career management refers to a general overarching drive behind the career decisions employees make. It's all about *why* people aspire to certain

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[20] Partena Professional. (2019). Loopbaanonderbreking is een positieve zaak volgens werkgevers, maar er zijn niettemin pijnpunten. Retrieved from: https://www.partena-professional.be/nl/nieuws/loopbaanonderbreking-een-positieve-zaak-volgens-werkgevers-maar-er-zijn-niettemin-pijnpunten

roles more than others. In today's world, boundaries between work and life are increasingly blurring: people come to work for many reasons other than just getting paid, because they extract meaning and identity from the work they're doing. Providing your employees with a clear purpose starts with **making what your company stands for very explicit**. Employees can decide whether or not they feel personally inspired by the company's purpose, but if it's not clear in the first place, there will be a lack of inspiration anyway. For an HR professional, this means translating the company's vision into all of the HR processes in place – including career management, which should be a reflection of the vision. Above all, career and mobility policies must be set up in such a way that they create rich experiences via highly tailorable and employee-led career paths.

Aligning people and work is crucial to ensuring that every individual is assigned work in line with his/her talents, values and interests. This meticulous work planning boosts intrinsic motivation and makes people feel fulfilled after a day in the office. Developing a sense of purpose at work starts with self-knowledge and self-awareness. By offering individual career counselling, Talent Management departments can stimulate individual reflection on which higher purpose steers their day-to-day actions. Counselling can help employees discover their personal purpose and translate it into concrete actions, to be executed in their current professional role or in new ones. Many coaching tools are available that can help employees find their inner drivers at work.

Creating opportunities for **job crafting** might help employees create their own purpose. Job crafting refers to all self-initiated behaviours displayed by employees to increase the fit with their job. Individuals can rely on four crafting techniques[21][22]: task, relational, contextual and cognitive crafting. Task crafting involves adding or dropping tasks, changing the amount of time allocated to various tasks, and altering the nature of tasks. Relational crafting refers to employees changing how, how much, and with whom they interact at work. Contextual crafting is about changing the work environment – for example, by changing the physical environment or working from another location. Cognitive crafting involves employees changing the way they perceive the tasks and relationships that make up their jobs. This latter crafting, in particular, can influence the perceived meaningfulness of work. Job crafting is always initiated by an individual, but it can also be applied at the team level, which is especially the case when tasks are interdependent. As an HR professional, one can stimulate acts of job crafting by investing in a culture that encourages employees to be proactive. Line management is an important stakeholder to focus on: managers should be coached to apply a leadership style that inspires people and focuses on achieving goals without rigidly formalising the

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[21] Wrzesniewski, A. and Dutton, J.E. (2001). Crafting a Job: Revisioning Employees as Active Crafters of Their Work. *Academy of Management Review*, *25*, 179-201.
[22] Vuuren, M. van & Dorenbosch, L. (2011). *Mooi werk: naar een beter baan zonder weg te gaan*. Amsterdam: Uitgeverij Boom.

ways to do so. Furthermore, in order to stimulate cognitive crafting, it must be clear how every task contributes to overarching company goals and stakeholder interests.

Finally, companies shouldn't be afraid of employees looking for **meaningful experience outside the organisation**. In their search for personal purpose or an encore career, many individuals want to add a new role to their curriculum that can't always be found within the company. For some people, combining multiple jobs is the only way to derive true purpose and work happiness. Being open with your workforce to discuss options for voluntary or part-time work elsewhere – sending a strong signal that you're genuinely willing to listen to their individual needs – benefits the long-term relationship with your employees. Maintaining strong connections with local social enterprises, and helping employees find a perfect balance between different roles and jobs, will result in a truly satisfied and purpose-driven workforce.

Closing remarks

These are exciting times for HR professionals, coaching individuals throughout their professional journey. Recent developments in the field of career development have clear implications for career management and the role of HR, which is changing towards facilitating and encouraging employees' self-initiated career behaviours. One can no longer speak of 'the career', as it has become an umbrella term that refers to a broad spectrum of possible pathways. Managing a more comprehensive portfolio of talent sources brings new opportunities for Talent Management, but entails extra complexities too. And there are still many challenges ahead of us, since it's clear that careers are dynamic constructs, led by economic and societal influences, that will keep evolving. HR departments will have to demonstrate the change readiness needed to adapt current career policies to capture ongoing change and keep all segments of the workforce satisfied and engaged.

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