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

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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 careers 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 whitepaper consists of two chapters. In the first chapter we describe five main principles in individual career development that evolved during the last decades, strongly impacting contemporary career perceptions and leaving the field of careers with a broad spectrum of individual needs and preferences. The second chapter addresses the consequences for organisational career management that come with these changes 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, careers equalled lifelong employment within one and the same 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. Nowadays, pursuing this kind of professional trajectory still happens but is less common than it used to be. **Job security has become of less importance** 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 also from a career value perspective, 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**, 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 replaced the former desire for job security by 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 clear career prospects that contribute to personal career ambitions[1]. In that sense, the concept of careers 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 societal and work values in general shifting towards self-direction, looking for personal purpose and striving for subjective success and wellbeing, abandoning the idea of the lifelong contract and the formerly passive role of the individual.

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 employees are intending to change employers all the time 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

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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).

frequently during their career[2] and the average seniority in Belgium is still 10.8 year, which is an increase compared to 10 years ago[3]. Also in the rest of Europe seniority remains relatively high: 10.4 year 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 perspective, hence keeping your employees committed to the company can only work out when enough learning and development opportunities are provided[6].

1.2.   From organisational climbing to boundaryless zigzagging

New organisational designs are contributing to the changing career mindset. Many organisations are replacing the traditional hierarchical pyramid by flatter structures, characterised by a lower level of centralisation, formalisation and standardisation, as well as the ability to fasten 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 consequent work models such as scrum, holacracy and sociocracy, all being very flexible, project- and team-based systems allowing organisations to respond quickly to changing customer needs. These work formats finding their way into the world of work clearly attack the idea of well-defined and vertical career paths and put in place collaborative and cross-functional role-thinking that enables organisations to adapt very fast and flexibly. From the perspective of career management, layering down a company comes with **fewer options for vertical career progression**. However, 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 in place in order to keep the workforce satisfied with their career path.

Embracing flexible **zig-zag career paths** allows companies to offer career perspective beyond vertical mobility. These trajectories build on the system of triple ladders, which still offers opportunities for vertical promotion, though to a limited extent in many agile environments. Vertical mobility can be made on the managerial ladder (for example promoting from team member to team lead), on the expert ladder (for example promoting from junior to senior level) or on the project ladder (for example promoting from project member to project lead). 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 ladder

[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

are eliminated which comes along with the opportunity to move across ladders horizontally or vertically. The dynamic nature and flexibility of the zig-zag career ensures a better fit with today's flatter and agile organisational structures, counters silo mentality and provides 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. More and more organisations even apply this principle to their whole 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 tremendously increases possible career steps. Moving across ladders of subsidiaries in different countries might be appealing, especially to millennial workers. Offering your employees the possibility to strive for a global career might compensate for a lack of vertical options. Also crossing the borders of the company whilst zigzagging adds to the spectrum of career options. From an employee perspective, zigzagging 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 their talent pool and might boost creativity and innovation. That's why companies are increasingly willing to rehire so called *boomerang employees*: people who quit their job, worked somewhere else for some time and decide to return to the original company afterwards. Also the practices of *slashing* (employees combining multiple part-time jobs) and *co-sourcing* (sharing talent resources over multiple organisations) are gaining popularity. Effectively sharing employees increases flexibility for both employee and organisation, but also comes with legal challenges and the need for very clear agreements between all parties.

1.3.   From salary employees to contingent workers

In today's economy 'the employee' still is a crucial player in the human capital strategy of an organisation. However, in the last decade we saw a vast growth in companies' use of more **flexible employment types** to add to their workforce. This trend is often referred to as the rise of alternative labour markets, like the gig- and freelance economy. In the gig economy workers generate income via *gigs*: single projects or tasks for which he or she is temporarily hired. 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.

In all sectors and industries, these forms of **contingent work** have gone global 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 a more flexible workforce planning and in their struggle to find the right talent on the 'regular labour market' to fill in key positions, companies seem to have found a solution in relying on these alternative forms of employment.

Simultaneously, many former employees found their way to **freelance or gig employment**, attracted by increased levels of autonomy, flexibility or the ability to do work that really builds on acquired knowledge and skills. Some of them combining 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: also the European Commission 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 millennials globally saying they are open to freelancing, gig work and project-based careers[8]. Technology-enabled talent platforms facilitate the process of combining projects and tasks, enabling contingent workers to craft their own career.

In the Netherlands we see a reflection of this evolution in the rapidly growing number of so called *ZZP'ers* (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 there's still a considerable amount of independent workers being active on the Belgian labour market: 440 thousand in 2018[10]. For the Flemish region, about 135 thousand of them are freelancers, active in a variety of industries, but with business consultancy and the IT industry as their most popular work fields. Remarkable observation is the fact that the vast majority has the ambition to build a **long-term independent career** on a portfolio of temporary assignments, hence continue to work as a freelancer for the rest of their professional journey. Their satisfaction and long-term perspective can be explained by 64% of them being happy to very happy with their income, doing a far greater job 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 ZPP'ers was happy about their financial outcomes and from all people being active on the labour market whose income falls below the poverty threshold, ZPP'ers 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 fulltime contingent workers, a lot of people opt to combine independent work with other forms of work. People who choose to pursue a **portfolio career** are combining several streams of income, that often result 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 people are literally constructing 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

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9f838294c237/MillennialsPaper1_2020Vision_lo.pdf?MOD=AJPERES
[9] Centraal Bureau de Statistiek. (2019). *Is elders in de EU het aandeel zzp'ers zo hoog als in Nederland?* Retrieved from
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nederland-
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[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

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 needs for autonomy and competence being 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 letting go of 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]. Many reasons for these breaks can be put forward: childcare, parental care, volunteering or charity work, honeymoons, traveling, going back to fulltime education… For example, more people are traveling than ever before: many of them planning travel periods of at least one year to see the world, meanwhile working in local industries to pay for traveling costs. Some countries, like Australia, even developed a whole industry around this kind 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'. Parallelly, we see companies being more open to adapt 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 to offer customised and flexible conditions for employees taking on the role of caregiver: working according to a different schedule, working less hours, working from another location or remotely…

This trend embodies the idea that **career waves[17]** are 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…) that comes with the opportunity of acquiring new skills and knowledge. After catching a wave, people can decide to take some time to rest and paddle towards the next wave. Employers are expected to support their workforce along the way, also during times of professional inactivity.

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[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.

[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

It's expected that the popularity of **transitional careers will only gain popularity**. The retirement age is increasing worldwide, which means that careers are becoming longer. Working until people reach the official retirement age will only be possible if a healthy work-life balance is guaranteed, which means being able to temporary put a career on hold for private reasons. Also from the perspective of lifelong learning, the transitional career is interesting. Being able to flexibly make transitions from employment to education or internships is key in a knowledge economy where skills and knowledge decay at a very fast pace and technical innovations are advancing quickly.

1.5.   From working for money to working for purpose

We're currently witnessing changing business priorities: traditional (financial) KPI's like revenue growth, turnover and profit-making are no longer the only outcomes that matter for organisations. In response to individuals' growing awareness and **changing attitudes** regarding social themes like ecology, sustainability, and income inequality, companies' sense for social capital and corporate social responsibility (CSR) is rising with it, shifting the focus of enterprises from exclusively internally oriented towards an increased level of attention for external actors.

Likewise, the former psychological contract between employer and employee, which merely entailed the exchange of labour and money, has expired long time ago. In their search for meaning in life (and work), employees now expect **purposeful careers** for which they will give in return 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 employees on average 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 popularity. Meaning can be created in any company and industry, not only in NGOs or public charities. It refers to every enterprise that takes into account stakeholder interests in their 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 the permission of your lead to work on a personal project. In order to offer employees real meaning, career development must be looked at as a highly personal matter, allowing employees to make their own choices and stimulating them to be authentic and vulnerable from time to time.

[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

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 midlife work). 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 is at stake, the perception of the encore career merely as a career prolongation is becoming less appealing. Instead, organisations should proactively reshape their career models towards offering purposeful jobs that are open for all ages. The rule is very simple: if individuals do not get 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

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

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 driving seat of one's 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, 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 systems that should be focused on preparing every individual for lifelong employability instead of lifelong company employment. If employees are expected to take ownership of their career, they need the necessary coaching in order to develop the competences needed for it. Being your own career manager requires specific skills, like self-awareness, proactiveness, asking for feedback, networking… HR practitioners need to help people mastering these new career skills.

We argued that employee loyalty still exists, but knows a shift from being loyal to a company to being loyal to one's career. This evolution refers to 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 careers steps might be beneficial for one's career path should be an important activity for HR departments with a career advisory role. Talent Managers' messages should explain why career mobility is in the interest of the individual instead of in the interest of the company in order to activate acts driven by career loyalty. Communication emphasising what one needs in order 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 to effectively frame career messages. 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 installing ***development I-deals*** (idiosyncratic deals): personal agreements between an individual and a company about their developmental plan or career path. I-deals can refer to extra training opportunities or attending a conference abroad, but can also concern deviating career steps. Although both companies and employees generally experience positive effects of installing 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 career 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 yearly 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 zigzagging

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 without having a lot of 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 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 at least must think about how they can fairly remunerate them. Also the assignment of benefits, perks and status symbols should happen based on an employee's role and its value to the company, regardless of the ladder one's 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 of temporary mobility via short project-based assignments, job rotation, reversible steps and preferably some options to go abroad.

Organising work in terms of roles, projects and tasks makes it easier for employees to zigzag their way through different departments, functional domains and layers of the organisation. 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 and 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 visibility of opportunities, to stress critical skills and skills gaps for each move and to ensure smooth transitions. One way of flexible career mapping is by the use of HR analytics, predicting matches between certain roles within the organisation and skills sets of employees.

2.3. <u>Including salary employees to contingent workers</u>

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

Companies and HR professionals will have to broaden their mindset of career and talent management in order to stay competitive. 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 in **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 salary workers will no longer suffice to respond to highly-specific and very volatile skill demands. Gig-, freelance- and temporary workers are excellent talent sources to fill in this 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 typically happens 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 on the internal labour market, freelancers and gig workers on 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 not only depends on decisions about which talent source to use for which activity. Even more important is decision-making on how to shape the ideal conditions to let each of these talent sources flourish in- 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**. Nowadays, in many companies there is a sharp distinction between managing payroll employees versus independent contractors. Having HR processes in place that only apply to the core workforce and often neglect the existence of a growing portion of non-employees. Consequently, contingent workers are often excluded from onboarding processes, learning and development programs and teambuilding activities and are treated merely as a flexible resource. As a result, concerns of 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 have to demonstrate the change readiness needed to adapt current processes and build inclusive alternatives for recruiting, onboarding, appraising performance and career management. Many challenges arise for Talent Managers concerning legal and other affairs. Just to name a few: should companies take over certain aspects of social security for those who're not covered by employee insurances, how to secure business continuity 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…? HR professionals should be aware of these complexities and think about how to consistently manage them, 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 manage an organisation's talent portfolio. But also facilitating collaboration between employees and contingent workers is 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 are interacting with one another. Some concrete examples: explicitly state the expectation that employees and independent workers have lunch together as one team, foresee team building activities and company events for everyone, don't forget your alternative workforce when handing out company gifts…

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 takes an end. Listing clear deliverables can help to reduce role unclarity and confusion. Also reporting lines must be very well explained.

2.4.   Managing linear careers to transitional careers

In order 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? Also terms of an employee's return must be defined: is a return to the employees' current role guaranteed or not, what pay and conditions will apply,…

Obviously, **open communication** on departures and comebacks are crucial: there may be no surprises about people temporarily leaving the company. In addition, profound **preparation of an employee's leave** is essential to ensure a smooth transition. Direct colleagues can'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, workload and 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 admits never to look for replacement for temporary absences and 60% acknowledges increased workload and stress levels for direct colleagues. HR professionals play an important role in convincing higher 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 certain roles more than others. In today's world, boundaries between work and life are increasingly blurring: people come to work for many other reasons than just getting paid because they extract meaning and identity out of the work they're doing. Providing your employees with a clear purpose starts with **making it very explicit what your company stands for**. 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

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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

lack of inspiration anyway. As an HR professional this means translating the company's vision to all HR processes in place, also in terms of career management, which should be a reflection of it. Above all, career and mobility policies must be set up in such a way they create rich experiences via highly tailorable and employee-led career paths.

Aligning people and work is crucial to ensure every individual is assigned work in line with one's 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. Talent Management departments can stimulate individual reflection on which higher purpose is steering their day-to-day actions by offering individual career counselling. Counselling can help employees to 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 to 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. Especially the latter can influence the perceived meaningfulness of work. Job crafting is always initiated by an individual, but 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. Important stakeholder to focus on is line management: managers should be coached to install a leadership style that inspires people and focuses on achieving goals without rigidly formalising the 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 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 to find a perfect balance between different roles and jobs will result in a truly satisfied and purpose-driven workforce.

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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.

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. This brings new opportunities for Talent Management, managing a more comprehensive portfolio of talent sources, but also comes with extra complexities. And there are still many challenges ahead of us since it's clear that careers are dynamic constructs that will keep evolving, led by economic and societal influences. 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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