

Job rotations give future leaders the depth they need

BY JUDY ORR

As HR professionals, we hear a persistent message that employee loyalty is over and the workforce is increasingly mobile. While this is the case for many, a significant portion of employees still want to build large portions of their careers with employers that engage them. HR needs to remember this as it builds talent management systems and responds to looming demographic realities.

With each passing day, a time bomb ticks away in Canadian business. In 2006, the oldest of Canada's approximately 9.8 million baby boomers will turn 60. Retirement is on the horizon for a significant portion of the workforce if it hasn't already arrived.

Couple this with multiple studies telling us that employees are disenchanted with their work environment. A primary reason is a lack of engaging cultures offering opportunities to learn and grow.

This dual-fused bomb should disturb HR professionals. As many of those expected to retire hold leadership positions, a scarcity of leader-

Organizational understanding, career development, employee loyalty all improve

ship talent is a particular concern. And many of those who could be groomed as replacements are contemplating jumping ship. What can proactive organizations do to address this challenge?

Formalized, strategic talent management systems must be put in place now to ensure an adequate pool of qualified candidates is available when the inevitable talent crunch occurs. Qualifications for anticipated vacancies will not necessarily be the same as for current incumbents. As business becomes more global, connected and fast paced, levels of complexity are increasing. It's no longer the case that the most seasoned technical person with depth of knowledge in one organizational function assumes a top position. While technical knowledge remains important, criteria for success in many senior positions are becoming broader. The ability to respond effectively to challenges yet unknown without

large amounts of knowledge and experience in a particular technical area is becoming a priority.

One method of building breadth of experience and key leadership competencies, including the ability to set direction, influence and inspire those more technically competent than oneself, is to use job rotation as a leadership development strategy.

What exactly is job rotation?

Job rotation is a systematic process of moving selected internal candidates into targeted positions, to increase their breadth of knowledge about an organization and how it operates, and to strengthen their leadership capabilities. Examples include assignment to a special project that exposes an employee to the larger workings of the organization, secondment into a specific position in a different function or rotations through multiple functions tailored to the specific devel-

opmental needs of a high potential individual.

Traditionally, this type of increased exposure has occurred in an ad hoc way when an opportunity has simply presented itself. Too often, job rotation has involved line managers or executives spending short stints in staff functions such as marketing, finance or even HR, while remaining within a single business unit. Or it involves leaders in staff functions moving into various business units while remaining within their areas of specialty.

These types of moves are considered low-risk and are relatively easy to facilitate. They give the illusion of building organizational leadership capability, and incrementally they do. But significant leaps in growth do not occur as the challenges faced mirror the past and too often are simply more of the same. Returns on investment from such endeavours are often small.

A more strategic approach places selected high-potential staff into positions providing real stretch experiences that build specific leadership com-

See Next Page

■ EMPLOYEE CAREER DEVELOPMENT

Job rotations assist promotion of women

Continued From Previous Page

petencies and prepares them for anticipated challenges in more senior roles.

There needs to be a clear purpose to invest in such potentially riskier moves. That purpose needs to be connected to where the business is heading and the value of the experiences to the specific candidate's development. How will the assignment help candidates to better contribute to strategy achievement? What challenges will they face in the role that will help them and the organization long term? How can they be supported so that they both grow and succeed?

Steps HR can take to increase the success of job rotations

There are measures HR can take to increase the success of job rotation. Build the case for selected, strategic use of job rotations and get management committee support and buy-in. Then, communicate to the organization how job rotations will be used. The message to management needs to make it clear that rotations, used selectively, are part of the organization's development philosophy and breadth of experience must be fostered to sustain the enterprise.

Managers should not block their high potential people from these opportunities. However, these moves need to be well-timed so as not to disrupt the operation of a business unit. Additionally, the search for suitable

candidates should extend across functions; continually going back to one business unit depletes critical resources.

From an employee standpoint, opportunities that are available to only selected individuals may be viewed as inequitable. HR needs to make clear that job rotations are a component of a larger leadership development strategy linked to a corporate succession plan. Candidates will be appointed based on their individual development needs. By being straightforward about the policy and rationale, there is less likelihood of discontent.

Select candidates based on their developmental needs and long-term potential and align these with where the organization is heading. Match positions carefully based on their ability to provide the experiences that will address those developmental needs. If the company anticipates future merger or acquisition activity, participation on a task force to examine the breadth of issues that need to be addressed to ensure a smooth integration may be beneficial to an individual who, to date, has only been exposed to a specific area of specialty.

A strong results-oriented manager with a very hands-on leadership style may benefit from leading a function where she has little technical background and must learn to collaborate with experts to achieve success.

Ensure that the executive responsible for the position is supportive of the move and

willing to go the distance with the candidate. This includes the executive acting as a coach and mentor to the individual, particularly in the early months of the stretch assignment.

Establish clear objectives at the beginning of the assignment. Then ensure the candidate stays in the position long enough to measure tangible outcomes. This could mean the individual stays in the role through several annual performance cycles.

Be flexible with reward systems throughout the course of the assignment. It's quite possible that the performance of a high potential person will slip, at least initially, because of the move into a new area. This individual should not be penalized through the compensation system. Cushioning the transition by, for example, ensuring the individual receives an increase at least equal to her last one is appropriate. However, such terms need to be conveyed to the candidate as temporary. The employee will go back into the corporate system on completion of the assignment.

Avoid overuse of rotations with one candidate. It is possible to move someone so often that he develops only superficial knowledge of a lot of areas.

Think about the candidate's next move at the beginning of the rotation, not at its conclusion. Too often candidates have ended up in limbo without plans to place them at the conclusion of a rotation. The result is a valuable employee becoming demotivated,

which can make the organization vulnerable to losing the individual and the investment made in him.

When managed strategically and selectively, job rotation can reap benefits for both the organization and the employee. It can increase the pool of internal candidates who have the right experience and breadth of exposure required when inevitable vacancies occur.

It can be particularly useful in developing female talent pools which must occur to both effectively combat future talent shortages and achieve gender equity.

Job rotation can also help break down silo-thinking and develop networks, fostering the cross-functional generation of ideas and solutions. As leaders learn about other parts of the organization, their strategic orientation increases.

Finally, when managed well, participants in job rotation should feel valued through the investment in their growth and development. Employees who feel valued due to the opportunities they have had to learn and grow are more engaged. They are less likely to respond positively the next time an executive recruiter calls.

Judy Orr is principal of Change Journeys, Coaching & Consulting in Toronto and a member of the Association of Career Professionals International, Toronto Chapter. She can be reached at judy@changejourneys.com or visit www.changejourneys.com.