

Season 4 | Episode 13

How Career Pathing Can Help You Develop and Retain Employees



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Rob Parsons:

Welcome to season four of Paychex's PULSE, an HR Podcast, where HR professionals can find great insights on today's top issues and be inspired to build and lead effective teams in a healthier workplace.

Rob Parsons:

Hi everyone. Rob Parsons here. Welcome to another episode of the Paychex PULSE Podcast. My guest today is Elizabeth Watson, one of our very own Paychex HR Professionals. Elizabeth has worked in HR for 15 plus years. She has an MBA in Human Resources Development. She specializes in complex HR and employee relations matters, and she's passionate about ensuring HR has a hand in all strategic business decisions. Today we're going to talk about career pathing. Elizabeth, welcome to the podcast.

Elizabeth Watson:

Hi. Thank you for having me.

Rob Parsons:

It's great. So, I'd really like to just start at the beginning, and this is a relatively new term to me, but I'm sure it's been around in the HR business for a long time, but what exactly is career pathing?

Elizabeth Watson:

It's a good question. I'm not sure that it's a new phrase. I think it's gotten a glow up of late and we're really talking about it a whole lot more as we're talking about employee retention. So, when we think about career pathing, we're really thinking about an individual employee's trajectory within an organization from their very beginning all the way through their life cycle with the organization. So we say individual, it's for a specific person, not necessarily a specific position, and we want to make sure that we're coming up with something tailored to them, their knowledge, skills, and abilities, that takes them from their very beginning all the way through as they grow and develop and continue to work with the organization for hopefully an extended period of time.

Rob Parsons:

Got it. And we know it's important for retention. We conducted research with Future Workplace in August, and 63% of employees either strongly agreed, agreed with the statement, I would be more likely to stay at my organization if they provided me with better learning opportunities to enhance my skillset and advance my career. So, having that clear path is really important for retention, isn't it?

Elizabeth Watson:

It's so important. And it's funny you say 63% because I've heard that number as high as 80% depending on sort of the segment, the industry, the age demographic. There's all different numbers attributed to that, and it really ranges based upon full-time versus part-time, business sector versus more skilled labor sector. So it's a really interesting number that we're kind of looking at. That number ranges from 60% all the way to low 80%. So we're seeing that the overwhelming majority of people really want to feel like their organization is investing in them in the same way they're investing in the company. So we think to ourselves, well, we know retention is an issue, we know employers are reporting also overwhelmingly that recruiting talent and keeping talent is the number one operational hurdle that they experience right now. So how can we help organizations and how can organizations help themselves find good talent and keep it for a long period of time?

Elizabeth Watson:

I don't know if you're on TikTok, I'm not, but I've seen this sort of viral TikTok going around and it's targeted to Gen Z and Millennials and it says if you spend any longer than three years in a job you're doing it wrong. Because in order to continue to grow and develop, you need to change companies change job. And so it's really this rhetoric that if you're not leaving a job within every two or three years, you're stagnating. So how can companies do their part in helping individuals feel as though they're not stagnating, continue to build them up, continue to help them feel as solid contributors to the company and continue to make sure that they're getting top level skills. We really have to make sure that we're creating these career paths so people are buying in just as much as the organization is buying into their people. So, when we talk about that, we kind of separated out into career pathing, which is designed based upon the individual's passions and likes and strengths and how to develop them using that same information. So, it's a really interesting balancing act that organizations are facing.

Rob Parsons:

It really is, and I love that point you brought up because more so than ever before people are taking control of their careers. It's not a career at a company, it is Rob, it is my path. And the different companies are just steppingstones. I love how you brought out that dynamic. So how do I connect the dots? Because as a company I can't just give you everything you want to eventually move on. So how do I figure out what you want and how do I align that with what I need?

Elizabeth Watson:

That's a really tricky balance, as you say, because organizations have to continue to be looking ahead and it's oftentimes that our organizations are not zooming out to really look at the big picture of what their next steps are going to be or what their 10 next steps are going to be. And individuals, as you say, are more self-interested, not in a bad way. Certainly take control of your destiny, that's a good thing to do. But I do think that in order to make sure we have buy-in from employees, they should understand the big picture too. So we want to make sure that there's strategic thinking that's happening not only on behalf of the business planning, but on behalf of your planning for your labor force as well.

Elizabeth Watson:

So, we're chatting with our employees to find out what skills do they think they need to bulk up to be successful in their current position, but also what skills do they need to make sure that they're successful within our organization, perhaps not in their current position, but within this organization in a year or three years or five years. And then how can we as an organization make that very strategic and well thought out investment, but an investment nonetheless, in our people.

Elizabeth Watson:

One of the top line items for any organization is payroll. So we should be investing in that specific huge cost, but also huge asset that we have in a way that aligns. And I think sometimes people look at that as purely just a cost, and we really need to look at that as an investment and an asset in the way we would anything else.

Rob Parsons:

I had a great guest on who really pointed out that human capital is the only asset we have that can actually appreciate, it actually becomes more valuable, but you've got to invest in it and develop it. You are really hitting a key point there, this idea that I don't always just have to hire the right people, I can grow my workforce. I can get people and move them to where I need them to be. I've got to be patient, and maybe that's not always easy. From the employee side, how do I figure out what they want, what they're looking for, and how do I make sure I'm not just once again falling into the trap of using them for my purposes only, which will only lead them to leave?

Elizabeth Watson:

That's a great question, and I think it's a nuanced question, more of a nuanced question than it comes off at first because how do we invest in our line item of payroll, this cost that we have this, cost center, in a way that will benefit the business and benefit the employees? And so we have to understand by talking to our employees and by having the sort of alignment... We have to have a Venn diagram. Where does my employees' wants, needs, skills, passions, sort of mash and overlay with my organization's needs and my organization's development opportunities and sort of my organization trajectory? And that can look like a couple of things. It can look like hard skill development. It can look like soft skill development. We're having sort of these conversations about what are we going to put our dollars into or our time, which is soft dollars, our time into to make sure that we are providing them with training? Is it an in-person seminar that we're sending our employees to? Is it an online certification course that we're asking them to spend time during the day working on? Is it a meeting, are we talking about people we want to be representing the organization in the world positively? So we start a Toastmasters' chapter in our organization, what does that look like?

Elizabeth Watson:

And I think that those Venn diagram circles have to overlap to make sure that we're spending those dollars, minutes, et cetera in a way that is mutually beneficial because ultimately as we up-skill our workforce, our work product will get better, our work speed will get faster. All of these productivity metrics that you can actually use to determine whether a training or a development opportunity has been successful will show a positive return.

Rob Parsons:

It reminds me of a football team or a baseball team. The better each of my individual players are, the more they're bought in, the more they're all working together better and getting better at their own skills, even though they have different roles, the better the organization's going to do.

Elizabeth Watson:

Right. And you can even take that almost a step further, Rob, and think about it in terms of you don't have to have every player do a pitching clinic because not everybody wants to be a pitcher or would be good at that. So it would make no sense to have everyone do that exercise. So, we're going to target the group of people that we're going to have do our pitching clinic or our Six Sigma Green Belt certification, whatever analogy you want to use. And then we're going to target a different group of people to do a totally different training or a totally different exercise. And that's how we can make sure that our organization is benefiting and up-skilling in a way that's really continuable and scalable that you can do across all segments of your organization. And that's going to give you the best sort of bang for your buck, for lack of a better explanation. We want to make sure that we're investing in something that's going to have a real impact on the organization. If you have everybody do the same training the impact kind of reaches a plateau at a certain point.

Rob Parsons:

It sounds like this can get pretty complicated. If I'm an HR department of one at a company with just 80 people, how in the world am I going to manage, with all the other things I'm doing, really customizing and tailoring this? It feels like a big ask.

Elizabeth Watson:

It's a huge ask to an extent and to another extent it's not. So we can talk about ways that we can sort of automate and streamline using a learning management system or a performance management system, and we can really get that knowledge that our managers had and have and leverage it well to make sure that we're transferring knowledge in a way that's quick, sustainable to our workforce when it applies. And our managers really should be having conversations with employees to understand their knowledge, skills, and abilities in current state, what their goals and aspirations are and where their opportunities for growth lie and work on that career pathing. What does that individual's trajectory within the organization look like? It doesn't have to be a trajectory straight up either. It can be laterally, do they want to sort of expand their skillset and understand different facets of the organization? That's still a path, that's a career path. It doesn't have to be like a rocket ship to the moon. It can be understanding different organizations, different silos within a company.

Elizabeth Watson:

We really want to make sure though that we're leveraging technology to the extent that we can. We're bringing in learning from outside to the extent that we can. And then the information that can be widely disseminated we're doing so using something like learning management systems, performance management systems, et cetera. I also have mentioned a couple times talking to your employees. One of the most important things that often gets overlooked, I think, just in busy day to day is having a conversation face to face or screen to screen, looking at somebody's eyeballs to say, what are you interested in? What do you see yourself doing? Because a manager can think all day about where they see an employee's strengths lying, but that doesn't mean it aligns with that employee's goals or that employee's aspirations or interests or passions or anything like that. So how are we aligning those two things is really important.

Elizabeth Watson:

We also have to really think about from a big picture standpoint, what comes next for the company and how can we help our employees buy in and feel invested in that vision as well? So making sure that there's no stagnation with stagnation of organizations come some not so good side effects. So how are we helping our employees help the organization continue this upward momentum and to continue to do better?

Rob Parsons:

I so love that, this idea that, yes, we're investing in you, you're investing in yourself, but we're all pulling the oars together. We're all trying to move somewhere. And if you stay with us, you're going to get somewhere, we're going to get somewhere and everybody's going to win. I really love that angle you took.

Rob Parsons:

I want to circle back to something you mentioned earlier about Toastmasters, and I think we tend to focus so much on hard skills. Oh, I need to learn this program to move into this role or I need to learn this skill to move into this role. But there's some soft skills that come into play in my career too that are really important, aren't there?

Elizabeth Watson:

Soft skills and hard skills are a very interesting juxtaposition. So we have the hard skill development that's really easy to identify. Someone needs help with Excel, somebody needs help with the software that we work in often. When we talk about soft skill development, it's much more nuanced, it's harder to self-diagnose almost where your soft skills are lacking. And we also have more generations in a workplace than we've ever had. So we talk to different generations and they identify their soft skills as needing an increase or a facelift, a little juggle in different areas. So we talk about some of these generations that have been in the workforce for a longer period of time. They're looking for help with things like data use, and they're looking for how to work with technology a little bit more streamlined. And then we talked to our younger generations, I think there was an identification that Gen Z says they need help with decision making and decision making is a really important skill that we're faced with every day from big to small. And those are totally different soft skills that are equally important to develop.

Elizabeth Watson:

So when we are identifying soft skills, we're talking to people about what soft skills they need developed, but we're also understanding that that gamut will be pretty large and how can we help people with interpersonal communication or emotional intelligence, decision making, effective communication. Your communication style has to morph and change throughout your day, not even depending upon your customer audience, depending on the person that you're interacting with in that moment. And it's a really nuanced skill that's important to understand.

Elizabeth Watson:

So making sure that as we're thinking about where our opportunities for investment in our employees' lives, it doesn't have to be specifically in certifications or in going to buy new equipment that they'll be excited about. It's going to be potentially in these soft skills that are transferable to really every aspect of someone's life. And how could your employees not feel excited if they get to go home and use their interpersonal communication skills to have a smoother bedtime with their family? It's a really transferable, exciting opportunity to help better our employees' lives, careers, day-to-day interactions in the office. I think that we really underestimate and undervalue the soft skill development. So I really like that distinction that you've made.

Rob Parsons:

I like how you played that out, and it really speaks to how important, you'd mentioned earlier, I could pull an outside resources. I don't have to do it all myself. I can lean on someone like you if I have access to an HR professional, I can work with them to figure out how to attack these problems. We're up against time, but, Elizabeth, this was just a great conversation. I've learned so much about career pathing, so thank you so much.

Elizabeth Watson:

Thank you so much for having me, Rob.

Rob Parsons:

It was great. And thank you to our listeners for joining. I feel like we may want to do another episode with Elizabeth and dig into this in some other areas of this because there's a lot here and I think it's so important not just to retain, but to really develop a workforce that will help your company succeed. So thank you again for joining.

Elizabeth Watson:

Thank you.

Rob Parsons:

And as always, please stay happy and healthy.

Rob Parsons:

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Speaker 3:

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