Deloitte.

Mass Career Customization (MCC)

Flexibilitatea individuala generalizata



Privire de ansamblu

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^{*}U.S. patent pending

"They always say time changes things, but you actually have to change them yourself."

~ Andy Warhol

Converging Workforce Trends:
Why Nontraditional is the New Traditional

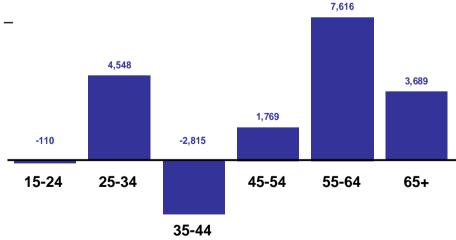
#1 Shrinking Pool of Skilled Labor

By 2012, there will be a 6 million person gap between the supply and demand of knowledge workers in the U.S.

- Domestic labor force will only grow at rate of 1%
- Retirement of baby boomers
- Low birth rates
- Increased competition for skilled workers around the world
- Stagnant college graduation rates
- Decline in competency in basic skills among high school and even college graduates
- Global pool of skilled workers is shrinking

Leadership pipeline severely impacted by lack of middle managers

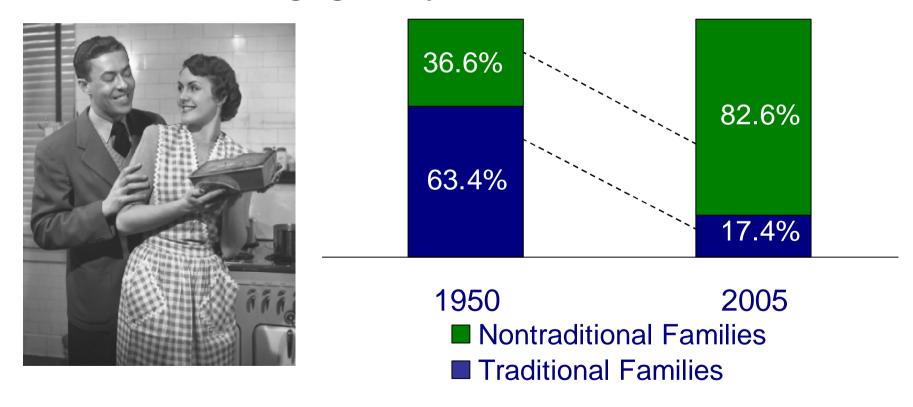
Change in Labor Force by Age, Projected 2004 – 2014 (in Thousands)



Source: U.S. Bureau of Labor Statistics, Labor Force, Occupational Outlook Quarterly 49, no. 4 (Washington, DC: GPO, Winter 2005/2006).

Only 17% of households now have a husband in the workforce and a wife who is not, down from 63% in 1950.

Changing Family Structure 1950-2005

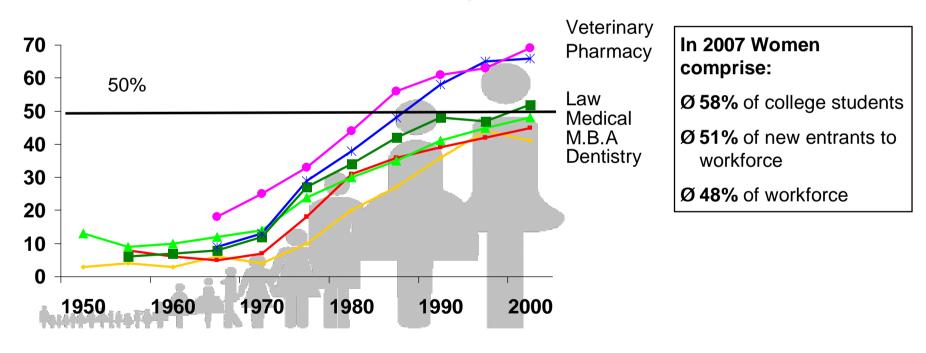


Source: 1. Catalyst, *Two Careers, One Marriage: Making it Work in the Workplace* (New York: Catalyst, 1998) With updated data fro 2005 from U.S. Bureau of Labor Statistics, *Annual Social and Economic Supplement, Current Population Survey* Washington, DC: GPO, 2005).

#3 Increasing Number of Women

The proportion of degrees awarded to women vs. men has risen sharply since the 1970s.

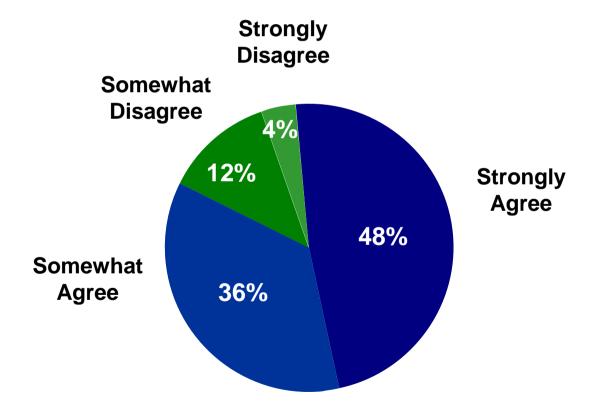
% Share of Professionals Degrees Awarded To Women



Source: W. Michael Cox & Richard Alms, "Scientists Are Made, Not Born" New York Times, 28 Feb, 2005; US Department of Education; US Department of Labor

Men today are less likely to sacrifice family and personal time for work.

Male Executives Who Want to Realize Professional Aspirations While Having More Personal Time



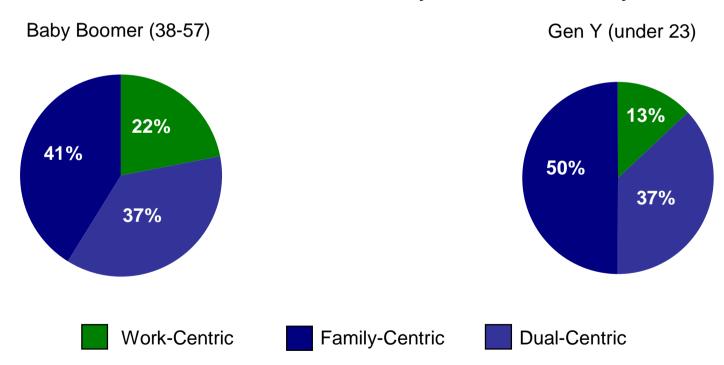
Source: Jody Miller, "Get a Life!" Fortune, 28 November, 2005; Catalyst, Women and Men in US Corporate Leadership: Same Workplace, Different Realities, (New York: Catalyst 2004)

#5 Emerging Expectations Generations X and Y

"We recognize that changes in work structures come with an economic cost, and we are willing to be paid less in exchange for a better working life."

- Stanford Law students Andrew Canter and Craig Segall

Members of Generation Y are more Family-centric than the Baby Boomers



Source: Families and Work Institute, Generation & Gender in the Workplace (New York: American Business Collaboration, 2004)

#6 Increasing Impact of Technologies

As technology continues to advance, new models for how, where, and when work gets done open up new possibilities.

- ; Explosive growth in broadband
- ¡ Cellular phones are commonplace
- ¡ Virtual private networks (VPNs) enable secure access to corporate applications from outside the office
- ¡ Virtual workplaces are being designed and adopted

The Convergence of Key Trends is Dramatically Changing the Workforce



The workforce has changed, but the workplace has not.

Q: What is today's response to this misalignment?

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A: Flexible Work Arrangements (FWAs)

Flextime	Reduced Hours/ Part-Time	Compressed Work Week	Banking of Hours
Leaves/ Sabbaticals	Job Sharing	Telework/ Telecommuting	Gradual Retirement

FWAs Are Not the Solution to the Structural Shift in the Workforce

FWAs are...

- ; One-off point solutions that do not scale
- ; Generally negotiated in a state of crisis
- ; Not integrated into nor supported by Talent management processes and procedures
- ; Too often focused exclusively on hours and work location at a specific point in time
- ¡ Not designed to address how careers unfold over time nor address other aspects of a career including pace of progression, assignments, and role
- ¡ Viewed as exceptions or accommodations to a seemingly accepted standard

_____ The Mass Career Customization _____
Framework and Process

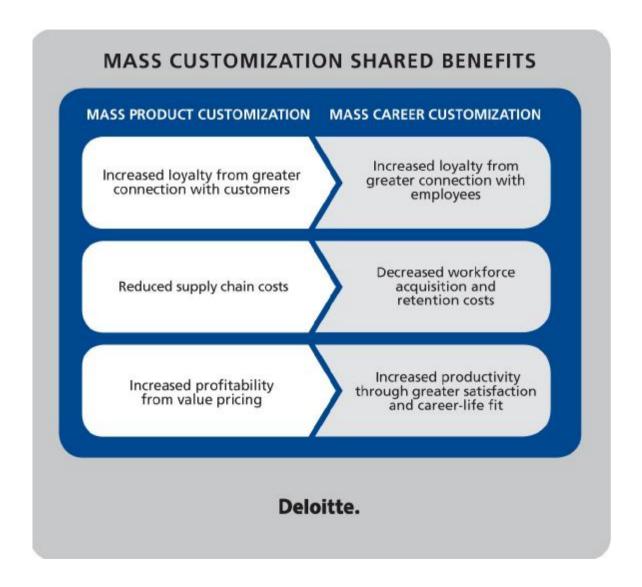
Mass *Product* Customization is a Significant Part of Today's Consumer Marketplace



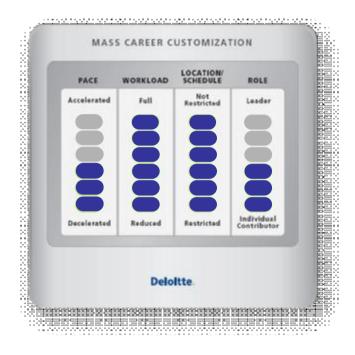
If you can customize your coffee, car and sneakers, why not your career?



Mass Career Customization Delivers Similar Benefits as Mass Product Customization

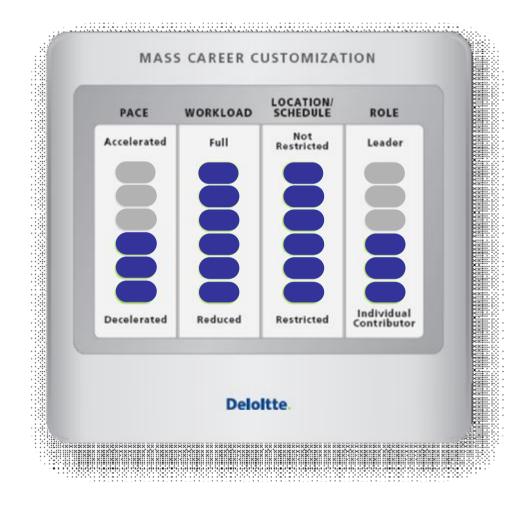


Basic Tenets of Mass Career Customization



- Ø Recognizes that careers ebb and flow over time
- Ø Is more dynamic and adaptable to both individual and organizational needs
- Ø Enables choices
- Ø Makes trade-offs more explicit
- Ø Provides greater transparency and therefore trust with employees
- Ø Institutionalizes framework/process
- Ø Extends the bounds and consistency of what's acceptable

The MCC Profile Dimensions Make It Possible to Depict Career-Life Choices and Associated Trade-Offs



The Four Dimensions—and Interrelationships of—MCC

Pace

Options relating to the rate of career progression

Workload

Choices relating to the quantity of work output

Location/Schedule

Options for when and where work is performed

Role

Choices in position and responsibilities

MCC Recognizes that an Individual's Career Engagement Changes over Time...Creating a Sine Wave of Sorts

Career years: 4-7
Changed industries

Career years: 8-14
Growing family

Career years: 15+
Mid-Career

Mass Career customization

Mass Career customization

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Mass Career years: 15+
Mid-Career

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Q: Is MCC a radical departure from what we do today?

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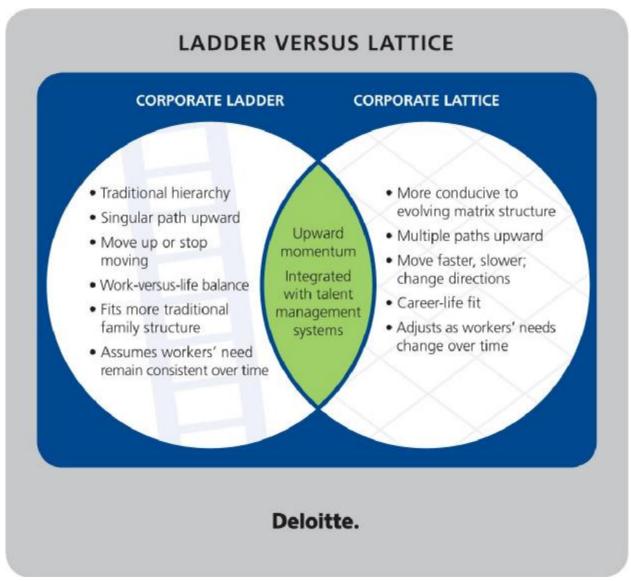
A: No. MCC is already going on

MCC organizes, structures, and institutionalizes the best of what already works today. Custom careers become "business as usual"—just more consistently and equitably.

Q: Stepping back, what's really going on?

Q: Stepping back, what's really going on?

A: The corporate ladder is morphing into a corporate lattice[™] model. MCC enables a lattice organization.



Benefits of MCC

MCC Value Proposition

Successful implementation of MCC provides the individual and organization with long term benefits.

Individual

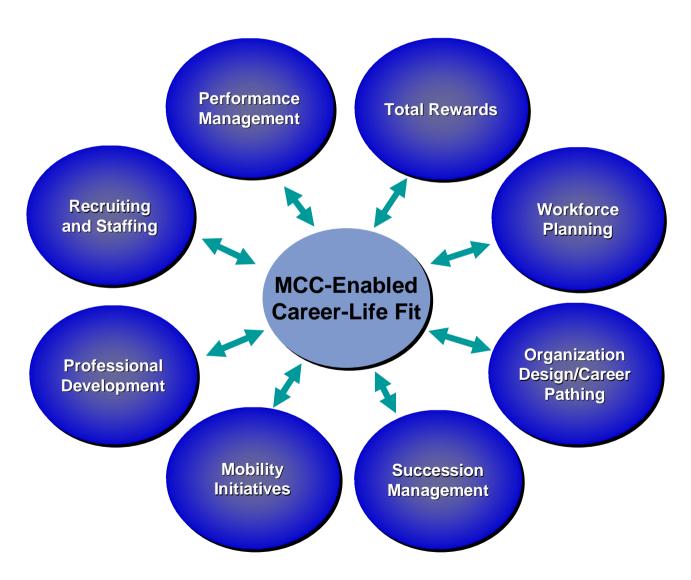
- Provides option value for life's "what ifs"
 - Much like a financial option, MCC provides an "insurance" value to individuals
 - Engenders loyalty to employer as a result
- Leads to better decisions for the individual due to greater transparency around career choices
 - Honesty regarding trade-offs for MCC choices leads to better calibrated expectations

Organization

- Differentiates your organization's employment brand
- Develops strategic advantage
- Provides insight for improved succession planning and performance management
- Provides framework for more accurate and complete HR planning and forecasting
- Supports managers by providing consistency and transparency

MCC Provides A Strong Linkage With Key HR and Strategic Initiatives

MCC should be integrated with other HR initiatives to create a holistic talent management program.



Is Mass Career Customization Right for Your Organization?

Questions to consider:

Aligning business strategy and talent programs

- Does your business strategy drive your talent strategy and its related activities?
- Has your organization increased its investment in HR programs without fully realizing expected improvements in talent retention? Is your organization at risk for spending on retention initiatives without addressing root cause issues?

Identifying impact of workforce trends

- Which workforce trends are affecting your business most significantly? What is the impact to your organization and your business?
- is your talent strategy addressing workforce trends separately or maximizing investments by defining and addressing the common elements?
- 1 Does your organization have high rates of retirement eligibility, especially among hard to replace managers, leaders, and specialists? Does your organization have a strategy in place to manage future retirement waves and corresponding loss of knowledge and experience?
- ¡ Are Generation X and Y workers an important workforce segment for your organization? Is your organization ready to attract, retain and develop this workforce segment in different ways than it has approached earlier generations?
- ; Are women an important workforce segment for your organization? Is your organization positioned to attract, retain and develop women effectively?

Understanding critical talent needs

- ¡ How scarce is critical talent in your company and what are your projections for how scarce it will be in the future?
- ; Are you losing your high performers or rising-star performers? Why?

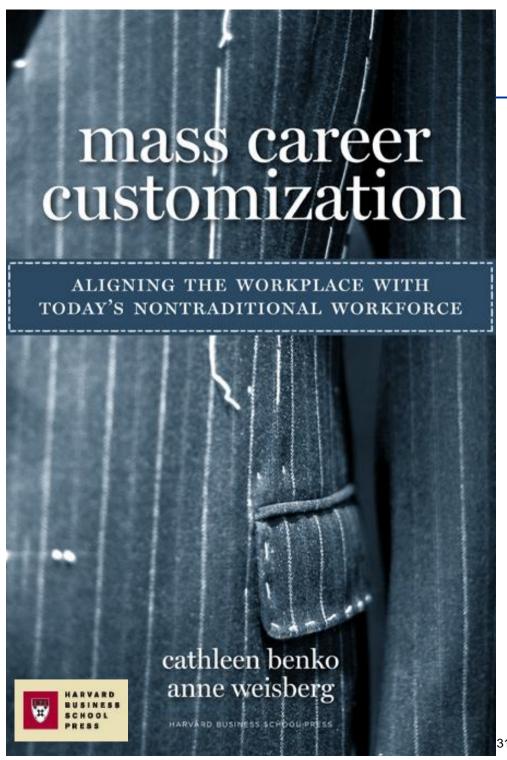
Identifying push and pull factors

- Why are people leaving your organization? Limited further opportunities? Demands of the job don't mesh with personal situation? Others?
- What is your employment brand? What will persuade the best talent to leave their organization and accept employment with your organization?
- is your organization experiencing rising talent acquisition costs, enhancing the mandate to improve retention of top talent?

Identifying opportunities in current talent strategy

- ; Are your current talent programs meeting your workforce needs?
- Does your organization lack connectivity between processes and programs, undermining their overall value? (For example, are work-life programs integrated with career development and performance management?)





"Mass Career Customization provides an innovative solution for a pressing workplace issue – and just in time, as the laws of labor scarcity begin to take their toll. A must-read for anyone managing talent in today's marketplace."

Matthew Burkley
Chief Strategy Officer
Thomson Financial

"From the space industry to the private sector, organizations everywhere increasingly depend on knowledge workers. *Mass Career Customization* will have a profound and positive impact on how we manage this talent pool, evolving the workplace to fit the needs of the people who are fueling our global economy."

Dr. Sally Ride
 Former NASA Astronaut
 President & CEO, Sally Ride Science

"Finally, a book recognizing that the needs of today's knowledge workers are far from a women-only issue. *Mass Career Customization* provides an incisive analysis of what's really happening on the talent front and a comprehensive approach of what to do about it."

Shelly Lazarus
 Chairman and CEO
 Ogilvy & Mather Worldwide

www.masscareercustomization.com

The Mass Career Customization book is now available and explores these ideas more fully





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