# The Synergies between Career Pathways and Systemic HR<sup>™</sup>





Every company is facing significant skills shortages, from the critical nursing gap in healthcare organizations to the lack of digital talent in consumer banks. Al-powered transformation further exacerbates these issues—jobs are changing, and people need new skills and capabilities to thrive in this new world of work.

Developing career pathways is one of the most revolutionary solutions to skills shortages, with many companies using them to develop and transition people from less-needed jobs and skills to future-ready jobs and skills. However, to use career pathways effectively, the HR organization must work systemically, breaking down HR silos and partnering with other areas of the business. This report explores the important link between systemic HR<sup>™</sup> and career pathways, and how these two transformative concepts can create better business and innovation outcomes.

## In This Report

- Benefits of career pathways solutions
- Accelerating career pathways with systemic HR
- Applying the Four R Framework<sup>™</sup>
- Jumpstarting the journey to systemic HR

## Benefits of Career Pathways Solutions

As our Global Workforce Intelligence (GWI) research shows, every industry is experiencing significant talent shortages and skills mismatches. Career pathways are more than just straightforward linear career progressions; they are strategic, structured plans designed to help individuals move from their current roles to more in-demand, often higher-paying positions. This is achieved through a series of educational and skill-building steps, making career pathways essential for closing talent and skills gaps.

#### What Are Career Pathways?

A <u>career pathway</u> is a series of career steps designed through skills adjacencies that show an individual how to move to a more valued, in-demand career. This approach is distinct from traditional career paths, which typically involve linear progression within a job family or function. What makes a career pathway so transformative is that it's tailored to align with both the individual's career aspirations and the organization's strategic needs.<sup>1</sup> They have many benefits for employers and employees alike (see Figure 1):

To be truly transformative, career pathways must include education, experience, and exposure opportunities while providing targeted reskilling and development. This makes career pathways valuable but also complex, as it requires companies to work across different parts of the organization and seek support from specialized providers such as Guild, an education, skilling, and talent mobility solution provider.

#### Addressing Workforce Gaps and Skills Misalignment

"Pacesetter" organizations achieve significantly better outcomes than their counterparts. The following are some examples of how industry pacesetters are using career pathways to strategically address critical talent problems and close workforce skills gaps.<sup>2</sup>

#### 1 Career Pathways: Building Tomorrow's Workforce Today, Josh Bersin and Nehal Nangia/ The Josh Bersin Company, 2022.

#### Figure 1: The Benefits of Career Pathways

- Unlocking growth opportunities while building talent for critical future business needs
- Enabling individuals to thrive in their new roles and jobs, resulting in higher engagement, retention, and performance
- Enabling companies to attract talent in any market and any role
- Supporting equitable career growth and building more diverse talent
- Helping companies redesign their services very quickly and with scale, fostering organizational agility and reducing recruiting costs
- Bringing tuition benefits and other investments into business focus, accomplishing ROI on the investment
- Taking wasted L&D spend and reallocating it effectively for skill development

#### Source: The Josh Bersin Company, 2022

- The healthcare industry now faces a critical shortage of clinical professionals, with a projected gap of 2.1 million nurses in the next few years.<sup>3</sup> Career pathways in healthcare are vital for transitioning individuals from less-specialized roles into clinical positions, thereby alleviating staffing shortages. Bon Secours Mercy Health, AdventHealth, and NewYork-Presbyterian use career pathways to move employees from lower-skilled jobs such as receptionists or janitorial roles into high-demand clinical roles such as nursing.<sup>4</sup>
- The consumer banking industry uses career pathways to address the acute need for next-generation tech skills to enhance digital customer experiences.<sup>5</sup>
- The pharmaceutical industry requires a workforce that can adapt to the rapid pace of innovation and regulatory changes. Career pathways that include continuous learning and certification in new technologies and processes are essential.<sup>6</sup>

<sup>2</sup> The Seven Strategies of Pacesetter Organizations, Josh Bersin, Kathi Enderes, PhD, and Stella Ioannidou/The Josh Bersin Company, 2022.

<sup>3</sup> The Future of Careers in Healthcare, Josh Bersin and Kathi Enderes, PhD/The Josh Bersin Company, 2022.

<sup>4</sup> Healthcare at a Crossroads: Solving the Urgent Clinical Talent Shortage, Josh Bersin and Kathi Enderes, PhD/The Josh Bersin Company, 2022.

<sup>5</sup> Consumer Banking under Siege: Addressing the Digital Capability Gap, Josh Bersin and Stella Ioannidou/The Josh Bersin Company, 2022.

<sup>6</sup> The Changing Face of Pharma: Innovate or Stagnate, Josh Bersin and Jordan Schmitting/ The Josh Bersin Company, 2023.

- The consumer packaged goods industry needs skills in digital marketing and supply chain management due to evolving consumer expectations and technological advancements. Career pathways can help pivot traditional roles toward these new skill areas.<sup>7</sup>
- All industries face AI skills shortages. Career pathways are a clear solution for developing the workforce of the future. Most companies can't attract key AI talent from the outside but have abundant skills in adjacent areas, such as marketing analytics, software engineering, finance, and data science. Training people in AI skills can change careers and close workforce gaps at the same time.

# Beyond Talent Gaps: The Impact on Business Outcomes

Implementing career pathways also has a direct impact on business and innovation outcomes. Organizations that adopt this approach experience improved employee engagement, higher retention rates, and workforce capabilities that are more effectively aligned with business goals. For instance, companies with robust career pathways report a significant reduction in skills gaps and are better positioned to innovate and capture new market opportunities.

In *The Definitive Guide to Corporate Learning*, we rank close to 100 learning and development (L&D) practices based on their impact on business outcomes (financial performance and customer satisfaction), people outcomes (employee attraction, engagement, and retention), and innovation outcomes. Career growth (specifically, career pathways) ranked among the highest-impact practices, with 5 of the 15 most impactful practices relating to this area.<sup>8</sup>

#### CASE IN POINT

**PNC** Increases Diversity and Mobility with Career Pathways

PNC, a major U.S. financial services institution, used its work on career pathways and upskilling to differentiate the organization as an employer of choice in an increasingly competitive labor market.

The American Opportunity Index, which measures how well large public companies invest in their talent to drive business performance and individual growth, ranked PNC number 4 out of 396 public companies overall and number 1 in both the financial services and banking categories in 2023.

That national recognition is the result of strategic work to enhance skill development and internal mobility for employees. Those efforts include an accessible education benefit to help employees gain skills that align with their career aspirations.

"We also recognize the importance and the value—on both a professional and personal level—of continuous learning and have taken steps to eliminate barriers to education for our employees," said CEO William S. Demchak in the company's 2023 annual report. He went on to say, "This includes our partnership with Guild, which provides tuition-free opportunities for employees to obtain college degrees and certificates in priority areas of focus, such as accounting and finance, cybersecurity, data analytics, and AI."

<sup>7</sup> A Perfect Storm in Consumer Packaged Goods: The Consumer Delight Imperative, Josh Bersin and Stella Ioannidou/The Josh Bersin Company, 2022.

<sup>8</sup> The Definitive Guide to Corporate Learning: Growth in the Flow of Work, Josh Bersin and Nehal Nangia/The Josh Bersin Company, 2022.

Eliminating barriers to formal learning has helped PNC expand its internal talent pipeline. "It's now much easier for employees to go back to school," explained Megan Schulenburg, L&D Senior Director, adding that the program focuses on providing accessible education and training opportunities, particularly targeting early-career and firstlevel employees, such as branch and operations staff.

In addition to removing access barriers, PNC's systemic HR approach is focused on enablement. Integrating L&D with total rewards and talent management ensures alignment with business needs and fosters a culture of continuous growth and opportunity.

The statistics show the initiative is working—both in terms of expanding participation and in terms of increasing internal mobility:

- 70% of employees participating in PNC learning programs come from diverse backgrounds.
- 20% of employees who have completed a degree or certification using their PNC education benefit have already experienced job movement or a promotion.

The program is structured to help employees transition into new roles through targeted training interventions and support from career advisors. These advisors assist employees in navigating career paths, obtaining necessary qualifications, and securing stretch assignments and mentorships.

"These initiatives and many others have unlocked new career paths and growth opportunities for countless employees," Demchak continued in the 2023 annual report. "PNC's top placement in the American Opportunity Index reflects the many ways in which we show up for our employees—so that they, in turn, can show up for our customers, communities, and shareholders."

# Accelerating Career Pathways with Systemic HR

Despite the proven effectiveness, most companies struggle to leverage career pathways. According to our Corporate Learning research, only 1 in 10 companies provides effective career pathways, and only 1 in 12 has programs in place that support employees' transitions into high-priority roles.<sup>9</sup> What's going on?

#### The Question of Ownership

A key issue when building career pathways is determining ownership. Who should drive the program? Should it be the benefits department since it owns the tuition assistance budget? L&D since it's a learning activity? Workforce planning since it ensures the right people are in the right place at the right time? Talent management since it's about career mobility? Diversity, equity, and inclusion (DEI) because it opens up a more diverse talent pool? Talent acquisition (TA) since it supports internal hiring? Or perhaps the non-HR business since it owns the actual roles? Additionally, what role do HR business partners (HRBPs) play?

A cross-domain solution requires a unique way of working together within and outside HR, bringing together a crossfunctional team to solve talent gaps and skills shortages. We call this approach systemic HR.

#### Roles and Responsibilities in Career Pathways

Many different partners must work together to bring a career pathways program to life (see Figure 2 on the next page).

No one function or team can execute career pathways on its own. Instead, a systemic HR approach is needed to bring together different perspectives.

<sup>7</sup> The Definitive Guide to Corporate Learning: Growth in the Flow of Work, Josh Bersin and Nehal Nangia/The Josh Bersin Company, 2022.

#### Figure 2: Roles and Responsibilities in Career Pathways Programs

Role	Responsibility
Workforce planning	<ul> <li>Determine which roles are critical to the organization's future, and align career pathways to fill those roles.</li> <li>Map current and future skills requirements and align them with career pathways.</li> <li>Identify a robust talent pipeline by aligning workforce planning with career pathways to ensure a steady flow of qualified candidates into critical roles.</li> </ul>
Talent acquisition	<ul> <li>Leverage career pathways to attract and retain talent for key roles, providing more career opportunities.</li> <li>Introduce new hires to available career pathways and development opportunities.</li> <li>Promote internal mobility by simplifying the internal placement process for career pathways graduates, reducing the need for interviews.</li> </ul>
Total rewards	<ul> <li>Develop competitive compensation packages that align with career progression stages.</li> <li>Offer bonuses, stock options, and other financial incentives that reward career advancement.</li> <li>Clearly communicate the value of total rewards to employees to enhance engagement and retention.</li> </ul>
Benefits	<ul> <li>Provide tuition assistance, scholarships, and other educational benefits to support career development.</li> <li>Ensure benefits packages include wellbeing programs that support employees at different career stages.</li> <li>Adapt benefits offerings to meet the needs of employees as they progress in their careers.</li> </ul>
Learning and development	<ul> <li>Develop and deliver training programs that support the skills and competencies required for career progression.</li> <li>Support employees with stretch assignments, mentorships, and training opportunities for new careers.</li> <li>Create structured learning pathways that align with career pathways and support employee growth.</li> </ul>
Talent management	<ul> <li>Design and implement career development programs that support career pathways.</li> <li>Integrate career pathways into succession planning to ensure a smooth transition for key roles.</li> <li>Align performance management systems with career pathways to support career growth.</li> </ul>
Diversity, equity, inclusion	<ul> <li>Ensure career pathways are inclusive and accessible to all employees, regardless of their background.</li> <li>Identify and mitigate biases in career progression and development opportunities.</li> <li>Identify equity gaps in career pathways to ensure they are creating a more equitable workplace.</li> </ul>

Source: The Josh Bersin Company, 2024

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Role	Responsibility
HR business partners	<ul> <li>Align career pathways with business strategies and goals.</li> <li>Act as consultants to business leaders, helping them understand and implement career pathways.</li> <li>Advocate for employees' career development needs, and ensure they have access to necessary resources and opportunities.</li> </ul>
HR technology	<ul> <li>Review systems implications of career pathways and how to track them, identifying connected systems (e.g., LMS, ATS, talent intelligence, HCM, talent management, and more).</li> <li>Use technology to track, inventory, and measure skills to support identification of skills gaps.</li> <li>Ensure career pathways programs are easily accessible and user-friendly, accounting for the diverse needs of deskless workers and their managers.</li> </ul>
People analytics	<ul> <li>Use data to identify and quantify skills gaps, career progression trends, and the effectiveness of career pathways.</li> <li>Implement predictive analytics to forecast future talent needs and career progression patterns.</li> <li>Track the impact career pathways have on employee engagement; retention; performance; diversity, equity, and inclusion; and business outcomes.</li> </ul>
Employee experience	<ul> <li>Collect and analyze employee feedback to continuously improve career pathways and ensure they meet employee needs and expectations.</li> <li>Develop strategies to enhance employee engagement and retention through well-designed career pathways that align with employees' personal and professional goals.</li> <li>Foster a culture of trust and transparency, ensuring employees feel valued and supported throughout their career journey.</li> </ul>
Employee communication	<ul> <li>Develop and implement communication strategies to inform employees about career pathways, opportunities, and resources.</li> <li>Create engagement campaigns to promote career development programs and success stories.</li> <li>Establish channels for employees to provide feedback on career pathways and development programs.</li> </ul>
Change management	<ul> <li>Develop and implement change management strategies to support the adoption of career pathways.</li> <li>Engage with stakeholders (leaders, HR, managers, finance) to ensure buy-in and support for career development initiatives.</li> <li>Provide training and support to employees and managers to facilitate the transition to new career pathways.</li> </ul>
CHRO	<ul> <li>Provide strategic leadership and vision for career pathways initiatives, ensuring alignment with organizational goals.</li> <li>Allocate resources, including budget and personnel, to support career pathways programs.</li> <li>Develop and implement policies that support career development and internal mobility.</li> </ul>

ATS (applicant tracking system), HCM (human capital management), LMS (learning management system) Source: The Josh Bersin Company, 2024

#### Figure 2: Roles and Responsibilities in Career Pathways Programs (continued)

Role	Responsibility
Finance	<ul> <li>Allocate and manage budgets for career pathways programs and initiatives.</li> <li>Conduct cost-benefit analyses to evaluate the financial impact career pathways have on the organization.</li> <li>Provide financial reports and insights to support decision-making related to career development investments.</li> </ul>
Business operations	<ul> <li>Provide strong leadership support for career pathways initiatives.</li> <li>Allocate resources, including budget and time, to support career development programs.</li> <li>Engage with HR and employees to understand career development needs and provide feedback on the operational impact of career pathways.</li> </ul>

Source: The Josh Bersin Company, 2024

#### CASE IN POINT

#### **Bon Secours Mercy Health** Creates Career Pathways Using a Systemic Approach

Bon Secours Mercy Health, a large U.S. healthcare organization, has a multifaceted yet user-friendly career pathways program (in partnership with Guild), enabling the organization to build strategic pathways into priority areas such as nursing, imaging, or medical assisting. The HR team provides structured support for the career pathways program through a systemic approach, with the following key strategies:

- Leadership and vision. The initiative was driven by the organization's CHRO, Joe Gage, who laid the groundwork for shifting to a more strategic workforce planning and internal pipeline capability. This vision was not a top-down directive but rather an organic development facilitated by a focus on strategic workforce planning to drive collaboration across different HR functions. "The significant gap between supply and demand across our clinical roles created the need for working together in new ways," as Allan Calonge, Chief People Officer, Core Operations, put it.
- Cross-functional alignment. The program involves multiple HR teams working together, including benefits; internal mobility; talent acquisition (TA);

diversity, equity, and inclusion; and compensation. This cross-functional collaboration ensures that the career pathways program is embedded into various aspects of HR and organizational strategy.

- Workforce planning and a data-driven approach. A dedicated workforce planning team facilitates framing the career pathways program. The team uses data to forecast labor supply and demand, identify priority roles, and design pathways accordingly. This data-driven approach helps make informed decisions and aligns the program with organizational needs while securing operational leaders as champions for their future talent needs—based on data projections rather than anecdotes.
- Integration with TA and internal mobility. The TA team leverages the career pathways program for both external recruitment and internal mobility. This integration helps address talent shortages and promotes internal career growth, making the program a key part of the overall talent strategy.
- Support from people insights and analytics. A dedicated people insights and analytics team provides critical data and insights that inform the design and implementation of the career pathways program. This team, which includes experts

from consumer insights backgrounds, helps in understanding associate sentiment and driving datadriven decisions.

- Cultural and teamwork focus. The HR function at Bon Secours Mercy Health emphasizes a strong culture of teamwork and trust. This foundation, built over years with intentional hiring and development, supports the collaborative efforts required for the success of the career pathways program.
- Strategic partnerships. The program is supported by strategic partnerships, such as with Guild, which helps in designing and implementing educational programs and tuition assistance aligned with career pathways.

By integrating these elements, Bon Secours Mercy Health has created a robust support system for its career pathways program, enabling the organization to address talent challenges and promote career growth.

## Applying the Four R Framework™

One key to operationalizing systemic HR is the Four R Framework, which addresses talent, skills, and organizational transformation. Reading from left to right and bottom to top, the framework (see Figure 3) and its four integrated elements—recruit, retain, reskill, and redesign—help HR and business leaders strategically manage talent and organizational change, moving beyond the traditional "hire to grow" mindset.

Each of the four Rs falls into one key area with different time horizons and impact levels and plays plays a crucial role in creating a dynamic and adaptable workforce and solving talent gaps and labor shortages.

 Recruit focuses on strategic sourcing, diverse hiring, candidate experience, employment branding, and university relationships. It aims to fill immediate talent gaps and build a pipeline for future needs.

Figure 3: The Four R Framework <sup>™</sup>			
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Source: The Josh Bersin Company, 2023

- Retain emphasizes employee experience (EX), benefits, childcare, flexibility, pay equity, and human-centered leadership. The goal is to create an irresistible workplace that retains top talent.
- Reskill involves career pathways, skills taxonomy, skills programs, adjacent roles, and talent mobility. It aims to develop the existing workforce to meet future demands.
- Redesign includes work analysis, job design, employment models, gig and contract work, outsourcing, and automation. It focuses on optimizing work processes and structures to enhance productivity and innovation.

To develop effective career pathways programs, different roles within the organization need to collaborate around the four Rs. This collaboration ensures career pathways are not just theoretical constructs but practical, actionable strategies that align with the organization's goals and employee aspirations.

#### Recruiting with Career Pathways: Internal Mobility and Talent Attraction

TA is responsible for the Recruit component of the Four R Framework. It involves strategic sourcing, diverse hiring, and enhancing the candidate experience. For career pathways, it's important to build internal mobility and simplify internal placement so that employees who complete a career pathway program can start a new job when they are ready.

"It's like the deli counter: you get a number and then wait your turn to get placed. No more interviews because we vetted you before. Why would we dedicate scarce recruiting resources to internal candidates we already know?" Joe Gage, CHRO of Bon Secours Mercy Health, explained.

Using career pathways can also enhance candidate attraction. At Bon Secours Mercy Health, 52% of new hires cited the career pathways program as a reason for joining the company.

#### Retaining with Career Pathways: Flexibility and Working Student Support

Total rewards, including compensation, benefits, and recognition programs, are essential to the Retain component of the Four R Framework. The total rewards team needs to work closely with HR and business leaders to design specific targeted yet equitable rewards programs for critical target roles of career pathways. For example, NewYork-Presbyterian provides onsite childcare for busy nurses who need to bring their children to work and creates flexibility for employees to balance their jobs with pursuing educational opportunities.

EX focuses on creating a positive and engaging work environment, another key area in the Retain component of the Four R Framework. Lack of career and growth opportunities consistently ranks as the leading reason for employee turnover.

#### **Reskilling with Career Pathways: Career Coaching and Growth Opportunities**

L&D plays a crucial role in the Reskill component of the Four R Framework. It involves designing and implementing skills programs, career pathways, and talent mobility initiatives.

At Bon Secours Mercy Health, the L&D team collaborates with business leaders, the workforce planning team, and educational partners to create career pathways for nondegreed workers. The team brings together training, education, and clinical rotations to support employee careers from lower skilled roles such as environmental services or reception to nursing roles or imaging/radiology and provides career coaching to support employees in their journey.

Career coaching at NewYork-Presbyterian provides muchneeded guidance to employees who are busy with studies while also working full-time and determining career options.

At Rocket Central, a U.S.-based professional services company, the internal placement rate for program graduates is an astounding 95%, demonstrating how many people can find new jobs after reskilling.<sup>10</sup>

#### Redesigning with Career Pathways: New Work Models and Productivity

Organizational development focuses on optimizing work processes and structures and redesigning jobs and work, all critical to the Redesign component of the Four R Framework. The organizational development team collaborates with HR,

<sup>10</sup> Career Pathways: Building Tomorrow's Workforce Today, Josh Bersin and Nehal Nangia/ The Josh Bersin Company, 2022.

business leaders, and L&D to implement changes that enhance productivity and innovation.

For example, Bon Secours Mercy Health's organizational development team works with the business to implement internal gig work structures to make it easier for people to go back to school to pursue new career opportunities.<sup>11</sup>

#### Across the Four Rs with Career Pathways: DEI, People Analytics, and Workforce Planning

DEI is integral to all four elements of the Four R Framework, ensuring that the organization's talent strategies are inclusive and equitable. The DEI team collaborates with HR, L&D, and TA to embed DEI principles into recruitment, retention, reskilling, and redesign efforts. For example, the PNC team set out to make education more accessible, and today 70% of its career pathways participants are diverse employees.

People analytics provides data-driven insights to support the Four R Framework. The team collaborates with HR, talent management, and business leaders to analyze workforce trends and identify areas for improvement.

Strategic workforce planning involves understanding current and future talent and skills needs, understanding skills gaps, and defining career pathways. It requires collaboration among HR, business leaders, and talent intelligence teams.

#### We collaborate fiercely internally so we can compete fiercely externally.

Megan Schulenburg, Senior Director, Learning and Talent Development, PNC

#### CASE IN POINT

**PNC** Collaborates around the Four R Framework for Career Pathways

At PNC, collaboration around the Four R Framework involves multiple roles working together to create career pathways. The talent intelligence team identifies critical skills gaps, the L&D team designs skills programs, the TA team recruits diverse candidates, and the total rewards team ensures competitive compensation. This collaborative approach ensures that career pathways are aligned with the organization's strategic goals and employee aspirations. Individuals, teams, and even employees involved in Employee Business Resource Groups (EBRGs)—with independently formed study groups—are working together on development.

The CEO and CHRO together recorded a video about career pathways, showing the strategic importance of the initiative for the business. PartnerUp, a collaboration with other employers to prepare high school students for a rewarding career following graduation, was founded by the CEO and has now expanded to other cities to address the impending talent gap.

# Jumpstarting the Journey to Systemic HR

Many companies aim to evolve their HR operating model toward systemic HR but struggle with how to get started. Career pathways is one of the most transformative strategies to jumpstart systemic HR. Setting up effective career pathways programs forces HR organizations to work together across domains, reinvent HR roles, review HR organization structures, and create a more integrated operating model (see Figure 4 on the next page).<sup>12</sup>

<sup>11</sup> Mercy "Uberizes" Nursing for the Future of Work, Josh Bersin and Kathi Enderes, PhD/The Josh Bersin Company, 2022.

<sup>12</sup> The Definitive Guide to Human Resources: Systemic HR™, Josh Bersin and Kathi Enderes, PhD/The Josh Bersin Company, 2023.

#### Figure 4: Career Pathways Programs Jumpstart Systemic HR

Systemic HR Characteristic	Career Pathways Program Contribution	
HR product offerings	May introduce the role of career pathways product manager	
Focus on adding high value vs. cost reduction	Closes business-critical talent gaps	
Integrated cross-functional teams	Breaks silos to make career pathways work effectively	
HRBPs as consultants	Enables HRBPs to translate strategy to talent priorities	
HR staff trained as full-stack professionals	Teaches HR experts about other HR domains	
Data and intelligence drive demand for HR support	Utilizes skills insights to design career pathways	

Source: The Josh Bersin Company, 2024

#### **HR Product Offerings**

The implementation of career pathways can lead to the reinvention of HR roles, requiring HR professionals to become more strategic and consultative, moving beyond transactional tasks to focus on long-term talent development. Companies may also institute a product manager role for the career pathways program, like Walmart does with its LiveBetterU program.<sup>13</sup> These roles are a hallmark of systemic HR organizations.

#### Focus on Adding High Value versus Cost Reduction

Systemic HR organizations add notable value to the company, solving genuine business problems rather than just handling HR transactions. Career pathways programs constantly need to be reassessed and realigned based on the business strategy and associated skills trends. This ensures they are one of the highest-value solutions for the business.

#### **Integrated Cross-Functional Teams**

Career pathways necessitate collaboration across various HR functions and with business, breaking down silos and fostering a more integrated approach to HR. The cross-functional teams created to collaborate on career pathways extend their focus to other problems as well, eventually resulting in systemic HR.

#### **HRBPs as Consultants**

The HRBP role in career pathways is critically important. In their new role as business consultants, they serve as the critical interface between the business and HR, translating business problems into solutions. Bon Secours Mercy Health's program, for example, is always evolving based on the needs of the business and where talent gaps are expected.

#### HR Staff Trained as Full-Stack HR Professionals

Career pathways programs create broader HR capabilities by fostering a deeper understanding of the organization's talent needs and the skills required for future success. For example, by mapping out career pathways, HR can identify critical skills gaps and design targeted reskilling programs to address them. Working on career pathways programs helps create the fullstack HR capabilities needed for the future.<sup>14</sup>

#### Data and Intelligence Drive Demand for HR Support

Talent intelligence—insights on skills, roles, and career pathways within and outside the company—is indispensable for career pathways that solve talent problems. The talent intelligence "muscle" built for career pathways can also be applied to other challenges, putting the company on the path to systemic HR.

<sup>13</sup> Walmart Paves the Way from Jobs to Life-Long Careers, Josh Bersin and Nehal Nangia/ The Josh Bersin Company, 2022.

<sup>14</sup> The Definitive Guide to Human Resources: Systemic HR™, Josh Bersin and Kathi Enderes, PhD/The Josh Bersin Company, 2023.

#### CASE IN POINT

#### Bon Secours Mercy Health Becomes Systemic through Career Pathways

In addition to leveraging systemic HR to accelerate career pathways, Bon Secours Mercy Health also uses career pathways to become more systemic. The workforce pipelines team works with business leaders and educational partners to create career pathways for nondegreed workers. The DEI team ensures these pathways are accessible to all employees, and the internal mobility and talent management teams design development programs to help employees progress to high-skill roles. This collaborative approach ensures that career pathways are practical and aligned with the organization's needs.

"Nothing happens by accident. Our cross-functional alignment is organic and was designed to break silos," explained Allan Calonge, Chief People Officer, Core Operations. The career pathways program was born out of a business problem: "Operations used to 'press the recruit button' to staff up, but a few years ago, nothing happened because the talent pools were fished dry. We needed a different approach," Calonge added.

One example is the strategic workforce planning function. Previously a decentralized part of the HRBP role, it is now a center of excellence (COE) under Calonge, together with TA and the HRBPs. The centralization was triggered by the career pathways program, which the team designed using fact-based insights. "It started with naming the math problem," said Levi Loverkamp, Chief Workforce Planning Officer, referring to quantifying the talent gap.

Loverkamp's role was created specifically to design and inform career pathways with skills and talent data, modeling supply and demand and determining likely gaps. Data from strategic workforce planning now informs needed program redesigns.

The HR function itself is now flatter and more cohesive. "It's about the culture, too, and we have a culture of teamwork and relationships in HR. We work really well together," Calonge explained.

The HR leadership team is comprised of six direct reports to the CHRO: Calonge (who leads TA, strategic workforce planning, and the HRBP team); a benefits leader; a compensation leader; a leader for DEI and associate relations (which is centralized); a leader for talent, culture, and learning; and a leader over HR services, including HR technology and people analytics.

Another new function within HR is people insights and analytics. A few years earlier, the HR team established this function, hiring consumer insights specialists from a large retailer to drive a consumer-like experience for employees. "It's the death of the anecdote," according to Gage. Rather than guessing, the HR team now bases every decision on data and insights.

There is a lot of mobility within HR: for example, Calonge used to lead total rewards, while Loverkamp was an HRBP.

## **Next Steps**

As companies leverage systemic HR for career pathways and use them as a springboard for systemic HR, there are several next steps to consider:

- Embrace career pathways. Encourage your organization to adopt career pathways as a strategic tool to enhance agility and responsiveness to market changes. Career pathways can help in quickly reskilling and upskilling employees to meet evolving business demands.
- Break down HR silos. Foster a culture of collaboration across different HR functions. Use career pathways as a means to break down silos, clearly defining how each group contributes to common enterprise goals.

- Collaborate with the business. Career pathways have to be business-owned and HR-supported. Involving business leaders and managers directly in program design and execution ensures that the programs address business problems.
- Use data and analytics to identify career pathways. Bringing inside data skills and capabilities together with external market trends and labor market topics highlights rising and declining skills, skills gaps, and adjacencies, building data-informed career pathways.
- Focus on continuous improvement. Regularly review and update career pathways to reflect changes in the business environment and employee feedback. This ensures that the pathways remain relevant and effective.

## **Key Takeaways**

- Career pathways are essential for addressing workforce gaps and skills shortages sustainably and equitably, providing a structured approach to developing the skills needed for future success.
- Implementing career pathways requires a systemic HR approach: integrating various HR domains and ensuring that all activities are aligned with the organization's strategic goals.
- The Four R Framework is a useful tool to break down silos within HR, enabling career pathway success, clarifying roles and responsibilities, aligning necessary resources, and focusing on measurable results.
- Effective career pathways work enables HR to be more systemic, fostering collaboration across HR functions, creating a more agile and dynamic workforce, and ultimately creating better business outcomes.

#### **About the Authors**



#### Josh Bersin

Josh founded Bersin & Associates in 2001 to provide research and advisory services focused on corporate learning. He expanded the company's coverage to encompass HR, talent management, talent acquisition, and leadership and became a recognized expert in the talent market. Josh sold the company to Deloitte in 2012 and was a partner in Bersin by Deloitte up until 2018.

In 2019, Josh founded the Josh Bersin Academy, a professional development academy that has become the "home for HR." In 2020, he put together a team of analysts and advisors who are now working with him to support and guide HR organizations from around the world under the umbrella of The Josh Bersin Company. He is frequently featured in publications such as *Forbes, Harvard Business Review, HR Executive, The Wall Street Journal*, and *CLO Magazine*. He is a popular blogger and has more than 800,000 followers on LinkedIn.



#### Kathi Enderes, PhD

Kathi is the senior vice president research and global industry analyst at The Josh Bersin Company, supporting clients and the market with evidence-based insights on all areas of HR, learning, talent, and HR technology. Kathi has more than 20 years of global experience from management consulting with IBM, PwC, and EY, and as a talent leader at McKesson and Kaiser Permanente. Most recently, Kathi led talent and workforce research at Deloitte. She is a frequent keynote speaker, author, and thought leader. Her passion is to make work better and more meaningful.

Originally from Austria, Kathi has worked in Vienna, London, San Francisco, and Spain and now lives in Palo Alto, California. Kathi holds a doctoral degree in mathematics and a master's degree in mathematics from the University of Vienna, Austria.

#### The Josh Bersin Company Membership

The Josh Bersin Company provides a wide range of research, tools, and advisory services to help HR leaders and professionals address the ever-evolving needs and challenges of today's workforce. We cover all topics in HR, HR technology, talent, and corporate learning with a special focus on the professional development of HR teams.

Our corporate membership program provides HR leaders and teams with the skills, strategies, benchmarks, and insights to build cutting-edge HR and people strategies through research, assessments, professional development, exclusive events, and community. Corporate membership also includes access to Galileo<sup>™</sup>, the world's first AI-powered expert assistant specifically developed for HR. Trained on 25 years of The Josh Bersin Company's research, insights, and expertise, and enriched by carefully curated material from our trusted content partners, Galileo unlocks information from over 50,000 verified assets to answer any HR-related question with timely and meaningful answers.

For more details, contact us at info@bersinpartners.com.

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