under the BONNET

research on
CAREERS and

CAREER DEVELOPMENT

in the Indian IT / ITES industry today

a benchmarking report by

totus consulting

March 2006

Contents

background

totus consulting brings out a research-based quarterly journal called Under the Bonnet, which is distributed to the community of Business Leaders, CEOs and HR professionals.

Under the Bonnet is our contribution to thought leadership and adding to the knowledge about people.

Almost all of the few publications in India that explore the subject of Human Resources look at HR from the dashboard, in terms of how things are supposed to be. What Business Leaders and practicing HR Managers are looking for is inputs and insights on why things don't work the way they are supposed to and why things go wrong. They really want to look "under the bonnet".

This is what we aspire to do with Under the Bonnet. We take one important issue or theme at a time and look at it in depth.

Over the last 4 years, we have explored a variety of topics including:

1. Equal Opportunity India

2. India's Performance Management Challenge

3. Employee Engagement - Easier said than done!

4. From Training & Development to Learning & Longevity - The huge change that's gone unnoticed!

5. Employee Relations - Shouldn't it live on?

6. Commitment to cause - The new avatar of Employee Loyalty

7. Rediscovering the forgotten art of Coaching

8. Nurturing entrepreneurial capabilities

9. Putting passion to work!

10. Staffing for startups

11. The 4 things that really ail Indian work culture & what to do about it

12. Combatting Layoffs

This issue of Under the Bonnet explores the topic of Career Development. During the pre-issue research, we surveyed leading organisations in IT, BPO and other emerging sectors to understand what careers mean to them and how career development is managed.

Survey Objectives

1. To provide an insight into industry trends that are practiced across organisations, in terms of specific actions taken by organisations for the career development of their employees

2. To provide an insight into best practices implemented by some organisations in career development

3. To provide an insight into some problem practices implemented by some organisations and their subsequent learnings if any

Research Methodology

The information presented in this report is based on inputs from the following sources:

⦿ Inputs from leading organisations in the ITES and IT space. The data was collected through one-on-one discussions with HR Heads and business leaders.

⦿ Relevant inputs from other organisation practices based on our consulting work

⦿ Insights from our ongoing research

Executive Summary

Many of the struggles faced in managing careers of employees are common to all the organisations surveyed.

At a basic level, employees today have different definitions for Career - Variety of assignments, Competency development, Money, Recognition, Level progression, Challenging assignments, Visibility to senior management, Knowledge of related functions and so on. Catering to these diverse expectations is quite a challenge.

Managing employee expectations is compounded in difficulty when attrition rates & resulting dependence on employees are so high, especially when young & inexperienced managers need to manage the situation.

Many organisations are unsure as to what should be the criteria for promotions. While they want to move away from time-bound promotions, it has proven difficult in reality.

Many of the issues in career development are industry-specific in that the jobs are itself perceived by employees and organisations as being "low-end" and "monotonous". There is therefore a more constant career development challenge in the BPO industry as compared to other industries.

There is also a challenge in creating talent at the middle management level in the BPO industry. This shortage has also forced organisations into early promotions for employees who are not yet ready.

Organisations are also struggling with managing career aspirations for technical specialists at the senior level.

There are various ways in which organisations are managing these challenges.

Some have become industry trends practiced by all or almost all organisations. There were nine industry trends we observed that have evolved over the last few years -

1. Employees, not organisations, responsible for career development.

Diverse Expectations of Employees

Recognition
Money
Visibility to senior management
Competency development
Knowledge of related functions
CAREER
Challenging assignments
Variety of assignments
Level progression

2. Career Development based on Competencies and not Time-based

3. A Competency Assessment process is essential - either through Assessment Centres or Manager assessment

4. Competency assessment if done by Managers is done at the same time as Performance appraisal

5. Pay increase along with Promotion

6. Pushing of Promotion Timelines

7. Movement not through Job Rotation but through Open Job Posting

8. Open Job Posting as rigorous as External Hiring

9. Creating Cross-Business Opportunities for people across the larger organisation

Some others are best practices which one, or a few, organisations have innovated and introduced. These provide us with ideas that can be replicated keeping in mind the contexts & critical success factors.

We observed the following best practices in career development -

1. An Articulated Employee Value Proposition

2. Multiple Career Ladders to cater to different expectations of people

3. The Career Counselor Role to facilitate career development

4. Tracking of Top Talent

5. Educational Opportunities made available for Employees

6. Functional Competency framework defined for key professions

7. Offering Competency-based Development Programs to employees

8. Qualifying Development Programs that are mandatory before Promotion

9. Parallel External Hiring and Internal Open Job Posting to create a competition & equal opportunity for talent

10. Career Fairs for Employees

11. Workforce Planning systems that drive career development from business needs

There are some other practices that organisations hoped would help, but have proved to create further issues. These "problem practices" provide us with some learnings.

Organisations shared some of their problem practices and their subsequent learnings, which include -

1. Relying only on Assessment Centres in lieu of Managers' judgment leading to Managers' perception of organisational lack of trust in their judgement

2. Highly aspirational development programs leading to morale issues & divisions in the organisation

3. Multi-layering to manage expectations leading to later disillusionment

4. Guidelines on Promotion Timelines leading to earlier time-based promotions

Survey Findings

A. Industry Trends

1. Employees, not organisations, responsible for career development

There is a clear shift from the earlier paternalistic 'push' strategy (whereby career development was the organisations' responsibility) to an employee driven 'pull' strategy where the individual takes responsibility for managing his/her career.

In today's external environment, all organisations do not think it is possible - and do not want to - offer a value proposition that includes lifetime career development in exchange for tenure loyalty. Organisations believe that the employee value proposition in the "new deal at work" gives transparent career development opportunities to those with potential and performance in exchange for the application of those skills as long as the employee is with the company.

So while the focus is on creating a self-development culture, the organisation has the responsibility to set expectations, create growth paths and communicate the framework to the employees.

Career management and development is hence seen as a partnership between the organisation and the individuals, and it is in both parties' interests to collaborate.

The organisation's responsibilities in this "new deal at work" are:

- ◉ To set the right expectations while hiring employees

- ◉ To adopt a participative approach to career development

- ◉ To develop a career development framework that provides career development opportunities for high potential high performance employees

- ◉ To articulate the competencies required for different roles so that employees can develop themselves for specific roles of their inclination

- ◉ To communicate and be transparent with career opportunities within the organisation

It is the responsibility of the individual employee to plan their careers keeping in mind possible opportunities that the organisation makes available.

The individuals' responsibilities are:

- ◉ To take onus of managing their own careers

- ◉ To take efforts to educate themselves on the competency framework and the career development framework

- ◉ To continuously assess & take efforts to consciously develop their competencies

- ◉ To use organisational initiatives for employee development to further develop themselves

- ◉ To plan their careers for the short term & long term keeping in mind possible opportunities that the organisation makes available

- ◉ To keep track of and make use of the career opportunities available within the organisation

By doing this, organisations are sending across a clear message to their employees that they are empowering and supporting them in their career development, but they are not responsible for their career development.

2. Career Development based on Competencies and not Time-based

There has been a significant shift of all organisations using competencies as the foundation for career development and moving away from time-based promotions.

To do this, organisations have had to define the competencies required at various levels and articulate them in terms of behavioural indicators.

The competency framework is not just the foundation for career progression but also ties in related aspects like the organisation's development initiatives.

The competency framework in most of the organisations surveyed was behavioural in nature.

Some smaller companies have however found it difficult to completely base career development decisions on competencies due to attrition and external forces. These organisations typically use a combination of competency, tenure and performance for career development.

3. A Competency Assessment process is essential - either through Assessment Centres or Manager assessment

All organisations have implemented some kind of process to assess employees on competencies. The competency assessment of employees is then tied to career progression. In other words, career progression happens on evidence of potential based on the competency assessment.

The assessment could be administered by the supervising manager of the employee or could be external. External assessment is carried out through Assessment Centres by trained assessors. This activity could be outsourced to consultants, or could be run by internally trained assessors.

Assessment Centres are believed to be objective since the assessors do not interact with the employee on a daily working basis. However, they are expensive to administer or institutionalise, and their validity has not been scientifically proven.

One comparator organisation uses Assessment Centres for assessment of potential which is used for promotion to the next level. It also uses Assessment Centres for the purpose of succession planning.

Career progression happens on evidence of potential based on a competency assessment.

This organisation uses certain criteria based on which employees can be recommended for the Assessment Centre. These are minimum experience levels and the current Band of the employee.

There are also some organisations that use performance ratings of employees as a criterion for nomination.

Some organisations also use peer assessment or 360-degree feedback to corroborate Assessment Centre results.

4. Competency assessment if done by Managers is done at the same time as Performance appraisal

Among those organisations that use their people managers to assess employees, the competency assessment is integrated into the performance management system.

For example, one comparator organisation's Performance Management System focuses on three things:

i.   Goals and objectives

ii. Job skills - the functional and technical skills that one requires to carry out their role

iii. Leadership competencies - the behaviours that are required for the future

The organisation uses the performance appraisal discussion to help reach an assessment on these three areas, and to help the employee and the manager to understand what experiences the employee needs to go through in the defined functional areas in order to grow and build a career.

The advantage of this integration is that assessment of performance & competency is finished at one time. However, there are two potential cautions with merging the competency assessment and performance appraisal processes.

Firstly, the linkage or perceived linkage with rewards makes self-assessment by the employee and objectivity tougher.

Secondly, the parameters of assessment for the purposes of development and progression could vary - a development objective would require assessment of competencies applicable to the current level, while a progression objective would require assessment of competencies applicable to the next level. Some companies resolve this issue by assessing employees on additional competencies either through an Assessment Centre or in a separate discussion with the manager.

5. Pay increase along with Promotion

Most organisations feel that it is necessary to link pay and career progression to suit the expectations of today's workforce, which associates promotions with salary hikes as well as a change in role & designation.

At one IT company surveyed, there is a 10-15% salary increase along with a promotion. Meanwhile, the annual salary review is done keeping promotions in the last 12 months in mind.

6. Pushing of Promotion Timelines

When the BPO industry was new, there was an urgent need for people at different levels and especially in the entry people management / mid-managerial level. Employees in their early 20's with just 2½ years of experience were seen as "veterans" in the industry and were quickly promoted and given people management responsibilities.

As the industry has matured and stabilised, BPO organisations have pushed promotion timelines and increased the time-gap between promotions.

In all the organisations surveyed, vertical movement from the lowest individual contributor level to the next level of individual contribution now happens after a minimum of 1½ years and an average of 2 years.

Employees are able to reach the Team Lead level from the Analyst or equivalent level in a minimum of 4 years and an average of 5 years. This means that a person would be at the Senior Analyst or equivalent level for a minimum of 2½ years and an average of 3 years.

A critical success factor in implementing an open job posting system is the positioning of lateral career movement as a favourable movement.

The progression from Team Lead to Manager takes a minimum of 3 years and an average of 4 years.

7. Movement not through Job Rotation but through Open Job Posting

All the organisations surveyed follow the system of Open Job Posting and do not follow a Job Rotation system.

The key difference in the way the processes work is that in Job Rotation, the employees need to give their choice of role, while in the Open Job Posting system, every open job in the organisation is published and employees are required to apply.

The communication is most often made through the Intranet and emails to all employees. Employees are free to apply for these positions as long as they fall into the criteria specified: typically regarding years of experience in their current role.

The Manager needs to be informed, but his / her permission is not required to apply for the position. In organisations where the Open Job Posting system has matured, Managers understand the advantages that this system offers to the employee & the business and proactively counsel their employees to apply for positions. The Open Job Posting process is also facilitated by Career Counselors in some organisations, and by skip-level Managers & Senior Management in others. HR also plays a facilitative role in this process by educating the employee about the role, advantages & disadvantages, criteria, competencies required in the new role and so on.

Employees are encouraged to choose positions that best match their career aspirations and their existing competencies.

The positions a person can apply to could be at the same level (with a change in responsibilities) or could be one at the next level (with a change also in designation and pay).

A critical success factor in implementing an Open Job Posting system is the positioning of lateral career movement as a favourable movement. This could either be done through a systemic intervention or through effective and regular communication.

Some organisations surveyed had a Job Rotation system in the past, which they have subsequently changed to an Open Job Posting process. The disadvantages they observed with a Job Rotation system include -

1. Not benefiting the organisation directly since it does not fill up existing vacancies

2. Placing too much onus on the business in terms of creating opportunities for employees. Sometimes, opportunities cannot be created for applicants leading to the employee blaming the business.

3. Leading to the employee perception that job rotation has hidden business objectives at the cost of their development

On the other hand, an Open Job Posting system encourages people within the organisation who have the required skills and competencies to apply for vacant positions. This benefits the organisation in several ways:

1. It is perceived by employees as an opportunity for career development.

2. It directly links with business by filling up critical vacant positions.

3. It is in line with the philosophy followed by today's organisations that the opportunities would be provided by the organisation but the onus needs to rest with the employee.

4. It saves the cost of external hiring.

5. It derisks the possibility of a culture fitment issue as compared to an external hire.

6. It is an easier and faster process than external hiring since employee data & access to the employee is readily available.

7. It is seen as a contributing factor in reducing attrition. Most organisations observed that employees value a role change or a role expansion even if not accompanied by a level change. In fact, they observed that it was more often a lack of change in role for a long time that triggered employees to leave.

8. Open Job Posting as rigorous as External Hiring

Although the Open Job Posting is meant to give employees a chance at vacancies, the process of selection is as rigorous. Often, it is more rigorous since employee performance data and detailed reference checks data are available.

The selection process for the Open Job Posting is quite similar to that of the external recruitment process and involves multiple rounds of interviews.

If selected, the employee needs to serve a notice period in their current role before they move into the new role, so that the Manager can find a replacement.

9. Creating Cross - Business Opportunities for people across the larger organisation

In all organisations which were parts of larger organisations / groups, jobs are published not only within the organisation but across the larger organisation. For example, the employees of one Indian BPO surveyed are free to move across various businesses including the software services business through the open job posting system.

The ability of creating technical specialists and experts is seen by many organisations as an important building block towards securing future competitive advantage.

B. Best Practices

1. An Articulated Employee Value Proposition

An Employee Value Proposition simply stated, is the organisation's compelling answer to the question: "Why would a talented person choose to work for this organisation?" In other words, the Employee Value Proposition is what a company offers employees that allow them to attract and retain talent. For this to successfully happen, it needs to be differentiated from other organisations in the market.

One organisation has articulated its Employee Value Proposition as "adding vitality to life". All the communication efforts at every stage emphasises this message. All their initiatives, including Career Development, are aligned to this proposition.

The organisation has found that through consistent communication, employees have been able to understand what their employer brand stands for, who the organisation is as an employer, what the organisation stands for in terms of its values and vision and how careers are linked to this bigger picture.

2. Multiple Career Ladders

While the majority of employees perceive that the only way to progress is by taking on people management responsibilities, there are some who value technical specialisation. The approach of multiple career ladders caters to these people.

Multiple career ladders are alternative ladders to the people-management ladder. Depending on the business, these ladders could be technical in nature, functional / domain-related, support to core operations or support.

Multiple career ladders send a clear message that the organisation is committed to create different distinct value-added roles for employees based on their aspirations.

One comparator organisation that has multiple career ladders believes that it emphasises the value of functional competencies to all employees, while encouraging specialists to develop their skills.

This ability of creating technical specialists and experts is seen by many organisations as an important building block towards securing future competitive advantage.

For example, one organisation has created the following technical ladders:

1. The Quality ladder wherein specialists work on process quality improvement. The roles in this ladder are Quality Analyst, Six Sigma Black Belt and Master Black Belt.

2. The Transition Planning ladder wherein specialists work on planning the transition of processes, implementing the transition and resource management.

3. The Training ladder wherein specialists train employees at different levels on functional competencies.

Another BPO organisation surveyed promotes employees to also get into support functions, like Recruitment and Employee Relations. This is especially useful to employees who have done their MBA specialising in Human Resources, but have subsequently joined the call centre in the Operations department. In some organisations that have a Career Counselor role, this is also a good option for employees.

Companies in the IT industry typically have three strong ladders - the managerial ladder, the technical ladder and the functional ladder. The technical ladder comprises software horizontals, like Mainframes, Embedded Systems, Security & Encryption and so on. The functional ladder comprises industry verticals, like Aerospace, Manufacturing, Banking, Healthcare, Aviation and so on.

3. The Career Counselor Role

Some organisations have institutionalised career enabler roles, typically designated Career Counselors, who interface between the Manager, the employee, HR and other stakeholders to ensure that career development processes are administered effectively.

The intention of the Career Counselor role is to complement discussions between managers & employees, and is not meant to replace it.

Two BPOs that were surveyed have institutionalised Career Counselor roles. A software services company surveyed also has a part-time Career Counselor role for each function. Employees who aspire to move to a particular role can first discuss with their Career Counselor to get a holistic view of the role and understand the pros and the cons of the role movement as well as the competencies required to perform the role. This enables employees to make a well-informed choice.

Career Counselors also network with managers and other career counselors in different parts of the business so that they can put individuals in touch with the right people with whom they can have informal discussions about possible roles, competencies required and career opportunities.

Individuals who perform the role of Career Counselor are often selected from within the business. In some cases, the

Career Counselor role is a part-time role played by an employee along with their other responsibilities.

The intention of the Career Counselor role is to complement discussions between managers & employees, and is not meant to replace it.

4. Tracking of Top Talent

Some organisations believe that while they have the responsibility to offer career development opportunities to all their employees, they also need to focus on their key talent pool and develop career strategies that will help develop & retain this group of employees.

This is the thinking behind the top talent management practiced by some organisations.

The process that one software services company follows is given below.

First, the talent pool is identified on a year-on-year basis. Each work unit level first internally discusses and identifies their top talent & potential. These people could be put through an assessment process for validation. The talent pool is finally aggregated at the organisation level. HR typically plays a facilitative role in this annual talent identification exercise.

Once the talent pool is identified, top talent management processes are used to develop the top talent. These could include projects, leadership development inputs, assessment opportunities and lateral movement opportunities.

The idea is to provide an increased challenge, feedback, recognition and personal growth to the top talent pool thus resulting in increased performance and commitment of key resources to the organisation.

One BPO that has implemented a Top Talent Management System presents a slightly different philosophy to Top Talent Management.

The best talent in the organisation is placed in the top tier (Tier 1). The organisation believes that Tier 1 employees are those in the fast-track who do not require a robust talent management system to manage their career. These employees truly take the onus of managing their own careers - they make use of the opportunities available within the organisation, they are familiar with the competencies required for their

current role as well as those required in their desired role, and they make a conscious effort to develop these competencies to ensure rapid growth.

The organisation therefore believes that the Top Talent Management System should cater to the next tier of employees. It closely tracks and monitors the careers of employees in Tier 2 and makes sure that they are given enough opportunities to develop.

5. Educational Opportunities for Employees

The BPO industry has created a large number of jobs for people who enter the labour market immediately after their graduation. Through exit interviews and attrition analysis, it has been found that many of these people leave for higher education. This analysis suggests that young graduates consider higher qualifications in related areas to be of great value by:

- Enabling them with new skills and knowledge and helping them in the future to take on new roles

- Enabling them to shift to a new area or specialise further in the area of responsibility they currently hold

- Improving their marketability & compensation in the job market through the brand of the institute & course

The Employment 2010 research project conducted by totus, which predicts mega-trends in the future of employment, brought to light trends in the area of education and employment. This research also predicts that people would be under increasing pressure to enter the labour market early and would get back to education for higher skills later on. The boundary between education and employment would thus become porous.

Workforce planning ensures that career development happens in the context of business needs.

Some organisations have responded to this need by providing education opportunities to their employees by partnering with an educational institution.

For example, one BPO has incorporated education as part of its career development policy by offering to employees an 18-month MBA certification program in affiliation with a premier management institute.

The criteria for the course include a minimum tenure in the company of 8 months and an entrance test that has to be cleared. Performance is not a criterion for taking up the course.

The program is meant to fulfill the aspirations of employees wanting to attain a higher qualification and is not an input for career progression decisions.

Employees are not required to sign a bond for taking up the course to ensure a non-threatening learning environment.

60% of the course fee is paid by the organisation, while the rest of the fee has to be paid by the individual. This ensures a greater level of ownership and seriousness from the employee.

On leaving the company, the employee cannot continue with the MBA program.

The company has found that, along with the opportunity to pursue higher studies, employees value this initiative because it shows the organisation's commitment towards:

- Giving the employee time to study

- Extending financial support

- Ensuring moral support from the supervising manager

- Providing an opportunity to apply learnings

6. Functional Competency framework for key professions

Two global organisations surveyed have defined functional competencies for their key professions, in both cases Sales. They use these functional competencies as well as the behavioural competencies for assessment and career development.

One company has what they call a Job Skills Framework which defines functional competencies at four proficiency levels:

- Basic awareness

- Working knowledge

- Fully operational

- Leading edge

One BPO organisation that has not defined functional competencies believes that while functional competencies are important, care needs to be taken to identify, communicate & highlight common competencies across processes. Otherwise, stand-alone functional competencies for each process/function might not promote career development but only lead to silo functioning. By identifying common functional competencies at the organisation level, employees can move across functions or processes which are normally perceived to be unrelated.

7. Competency-based Development Programs

Some organisations, including one global company, have implemented learning programs meant to develop specific competencies. This has been seen as being highly effective, since the content & process of the programs focus on developing the behaviour associated with the competency. This is in contrast to general programs that are not tied together through the Competency Framework, and while useful do not promote the critical behaviour that the organisation expects.

While most of these organisations run the programs for all people moving to a particular level, a few organisations have chosen to make them more aspirational in nature. In the latter cases, the participants are decided based on a combination of assessment, performance ratings and nominations by Managers. The assessment could be through an external or internal Assessment Centre, or psychometric testing or 360 degree feedback.

8. Qualifying Development Programs before Promotion

Some organisations have structured learning programs that are essential for a person to graduate from before career progression. For example, one organisation surveyed has a front-line leadership program that all promotees to the Team Lead level need to go through. The person cannot become a Team Lead till he/she graduates from the program.

These programs typically cover the competencies that are additional to the current level of the promotees. For example, for the Team Lead Development Program, competencies relating to people management, planning, customer management and so on would be covered.

9. Parallel External Hiring and Internal Open Job Posting

Two organisations surveyed (one software services company and one BPO) parallely processes external candidates and internal candidates for their vacancies. The external candidates are through the recruitment process, while the internal candidates are through the Open Job Posting process.

This ensures that there is a competitive benchmark for the role and that the candidate with the required competencies gets the role, irrespective of whether the candidate is a current employee or not.

It also emphasises to the employee that the onus for career development is on the employee, and that the Open Job Posting process does not favour an employee over someone displaying greater potential.

10. Career Fairs for Employees

One organisation conducts career fairs or workshops that enable individuals to find out about future career options. These workshops provide a forum where individuals can stand back and review their career options, as well as identify people who can help them think through their decisions.

By identifying common functional competencies at the organisation level, employees can move across functions or processes which are normally perceived to be unrelated.

During the workshop there are presentations from different parts of the business on the type of work and range of customers they work with.

11. Workforce Planning

One organisation has a robust system of workforce planning that ensures that career development happens in the context of business needs. Planning how many people are needed in the next year, by level, department & competency, enables the organisation to work towards getting those people through the career development process.

The organisation has functional Resources Committees for all key functions. These committees lead discussions to identify the new requirements, vacancies and opportunities in their respective functions. This then gets fed into the career development system and the top talent management system.

The Open Job Posting system is also integrated into the workforce planning. Since the Open Job Posting system depends on vacancies that processes have, a workforce

planning system helps the organisation estimate the likely number of vacancies keeping in mind business growth, estimated attrition within the process and estimated career development through and out of the process.

The organisation believes that the workforce planning is a critical success factor to the Open Job Posting system.

C. Problem Practices

1. Relying only on Assessment Centres in lieu of Managers' judgment

One organisation surveyed relies only on Assessment Centres for career progression, without considering the Manager's assessment. This is done to ensure objectivity in the process.

However, this has led to multiple issues:

- The organisation has unintentionally sent out a message that it does not trust managers' judgment on employees. The performance management system and competency system have thus been undermined.

- The managers do not have adequate opportunities to practice their assessment & feedback skills. This has only led to greater leadership challenges.

- While an Assessment Centre might seem more objective to the organisation, some employees continue to think the results are biased if they are not as expected.

- The Assessment Centre only simulates a work environment and is not the same as observing work place behaviour. There are therefore limitations to the methodology, which reduces the conviction that employees and managers have in basing decisions purely on Assessment Centre results.

2. Highly aspirational development programs

Some organisations have created extremely selective development programs where Managers are selected based on a battery of assessments and tests.

While the positioning and stringent criteria of these programs make them highly aspirational, there have also been some unintended consequences.

There are motivation issues among those not selected for the program.

More importantly, attrition among the participants is normally high!

A highly aspirational & branded development program comes with its own set of risks, which need to be managed well so that the organisation does not face a backlash.

3. Multi-layering to manage expectations

Most BPO organisations surveyed have created multiple levels with no distinction in role, but that give an opportunity to satisfy the compensation and designation aspirations of employees.

For example, one organisation has 3 levels (Level 1, Level 2 and Level 3) within the lowest Band of individual contributors. These three levels do not differ in terms of the role being performed.

Career progression at this level therefore relates to vertical movement within these 3 levels. A salary increase accompanies the change in level and is meant to retain employees.

However, this level of multi-layering is not seen as healthy in the long-term. Attrition often follows after the employee gets disillusioned by the lack of enhancement in role on promotion. While this short-term retention strategy worked in the early stages of the industry, going forward a more long-term approach would be required.

Attrition often follows after the employee gets disillusioned by the lack of enhancement in role on promotion.

4. Guidelines on Promotion Timelines

Some organisations surveyed have defined guidelines on promotion timelines. These are typically the minimum tenures for promotion.

However, in the face of attrition & resultant pressure on Managers, the Managers inevitably try to promote most of their people at the minimum timeline. After the organisation has institutionalised a guideline with promotion timelines, it is difficult to enforce the discipline of being competency-based in career progression.

about totus

We are a strategic HR consulting firm that partners with organisations by designing HR solutions that meet their business needs.

Using our expertise in conceptualising, designing and implementing end-to-end HR solutions in a variety of business contexts, we help organisations harness their potential and manage their growth. Thought Leadership and Implementation Excellence are the two pillars on which we build our solutions.

HR@work

This core end-to-end offering from totus addresses the needs of the following clearly defined customer groups:

◇ **Interim support for start-ups:**
totus has the expertise in providing interim HR support to start-ups of any size and complexity.

◇ **Institutionalisation support for SMEs, Professional Entrepreneurs and Family Businesses:**
totus has been working closely with CEOs of SMEs, entrepreneurs & business owners to provide them strategic and operational solutions meant to help institutionalise their HR and organisation building processes.

◇ **Improvement support for all Organisations:**
totus has been working with the CEOs of a wide variety and size of organisations to assist them in their organisational restructuring, change management and performance improvement efforts.

An HR@work engagement would typically last from three to twelve months depending on the complexity involved and the maturity of existing systems. The scope is highly customized to meet the Organisation's needs and covers a wide spectrum of human resource initiatives including:

Organisation Design	Workforce Management	360-Degree Feedback Systems
Job Design & Capabilities	Career Development Systems	Employee Satisfaction & Sensing Surveys
Performance Management	HR Function Development	
Compensation & Benefits	Change Management	Coaching
Staffing		Service Quality

Learning@work

Learning@work is totus consulting's learning solution. totus specialises in designing industry specific learning systems to facilitate multi-location distributed learning. Run as branded programs, they institutionalise learning and put the organisation - and the learner - in charge.

The specific Learning@work offerings include:

◇ Top management workshops for consensus building
◇ Customized leadership development program
◇ Coaching programs
◇ Training trainers and facilitators
◇ Developing systems for assessment and certification
◇ 360 degree feedback systems
◇ Change management workshops
◇ Career development programs
◇ Design of training modules
◇ Capability framework development
◇ Assessment Centres
◇ Assessment of learning impact on the individual & the organisation