



#### **Executive Summary**

"Where my reason, imagination, or interest were not engaged,
I would not or could not learn."

-SIR WINSTON CHURCHILL

Employees want to grow. It's no longer a lifetime commitment to an employer, but if your people stay an extra year or two, everyone benefits. There is vested interest in career mobility that benefits both when done well.

We've long known that employee development is a key contributor to attracting, engaging, and retaining talent. Growing people and offering them more opportunities can no longer be a simple HR goal. It's table stakes for a new employee value proposition (EVP) which includes work-life balance, stability, respect, and, most importantly, growth.

The skills gap that you have read about is real and shows no signs of closing. In an uncertain talent environment where it's not always possible to find, hire, and keep the high-performing people, talent development offers a mechanism to create more stability. This practice not only improves existing employee retention but also

makes your organization a desirable destination for those actively seeking growth, success, and belonging. And with more companies than ever telling us that talent/HR issues are rising to the operational/executive level, this is the perfect time to make this a priority.

In our recent hiring study, we saw that more than 70% of workers are interested in learning about career growth opportunities during the hiring process. For frontline workers, in particular, the number one reason for ghosting employers is directly correlated to clarity around opportunities for advancement during the initial screening process.

But we know that creating a comprehensive, high-impact approach to career mobility is not as easy as flipping a switch and making it all work. It's composed of attention to the execution of three parallel efforts.



- Employees need the freedom, motivation, and skills to be ready to take on new challenges (belonging score)
- Managers are torn between meeting tight project deadlines and focusing on growing their people with the goal of taking other roles in the business (hoarding)
- Technology can actually hinder development efforts if it's not designed specifically to support career mobility and growth (effectivity)

In the 2023 Global Talent Mobility Study, Lighthouse Research & Advisory and the Cornerstone People Research Lab asked 1,060 employers and 1,000 employees across North America, EMEA, and APAC about how we can improve career mobility opportunities. The rest of this report is dedicated to translating some key themes from that data into actionable insights for you and your team.

Within this report, you can expect to find key insights such as:

- Quantification of the high level of interest in career growth and development for today's workforce, plus the simple difference that increases this desire.
- Key mechanisms to showcase employee career opportunities, and a common policy decision that limits success.
- What tools employers commonly use to support internal career mobility, and why some of them aren't up to the task.

Employers who want to remain competitive today, must be willing to lean into employee career mobility. It's more than increasing employee engagement (although it does). It's about creating a stable environment so organizations can continue operating effectively by building products, serving customers, and delivering value to their stakeholders.



#### Employee Career Growth: Interest, Enablers, and More

Think about the feeling you had when you last received a job offer. It's an incredibly validating feeling to be wanted, and when a company makes that clear with a job opportunity, it is thrilling.

That wave of excitement can ebb and flow over time, but imagine if we could recreate that feeling with our employees on a periodic basis. That's a part of the promise of career mobility: making that person feel desired all over again with opportunities to move and grow within the business.

In the study, 73% of employees indicated interest in learning about new roles inside their organizations. There are a variety of factors that we'll tease out in this report that can impact that number, but overall it's encouraging to think that three out of every four workers want to explore opportunities at their current company. They look to their employer first, which gives us an advantage that we often fail to recognize.

Traditionally this type of transaction began as a conversation between that person and their manager, but increasingly companies are using technology as an experience layer for workers to explore and understand other opportunities inside the organization.

However, that experience can vary widely depending on the company, culture, manager, and

tools available to the workforce.

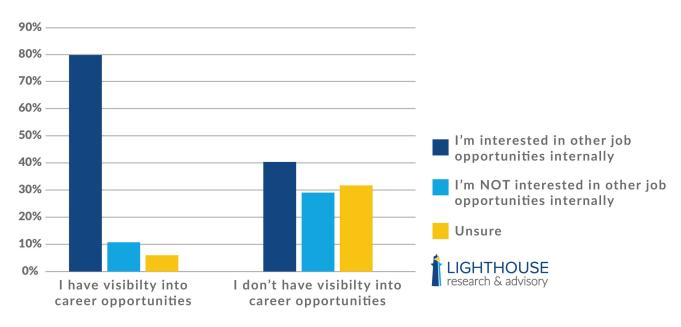
One in five employees in the study told us that despite their interest, they don't have visibility into career opportunities at their company, which creates inequities and disengagement. That's not a guess: our report found that employees who don't have visibility into internal career opportunities are nearly three times more likely to say they wouldn't be interested in other jobs at the company. Perhaps even more concerning, women were 50% more likely than men to say they do not have visibility into career opportunities inside their company.



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Figure 1: Workforce Interest in Internal Career Opportunities

### If there were additional job opportunities inside your company, would you be interested in exploring them?



Source: Lighthouse Research & Advisory 2023 Global Talent Mobility Study (n=1,000)

If someone doesn't have visibility into the opportunities within the business, they are definitely less likely to be interested, and they're also a lot more unsure how they feel about internal opportunities overall. Humans aren't afraid of change: we're afraid of the unknown. If we don't know what opportunities might exist for career advancement and growth, we're more likely to be uncertain and hesitant overall.

The good news is that interest isn't set in stone. Those employees who have visibility into career opportunities are much more likely to be interested in them, as we can see in the data.

## Balancing Employee Comfort with Accessibility for Career Exploration

In the research, we see that employees actually prefer using technology to explore career options more often than talking with a manager, at least to start. In fact, workers prefer a self-service technology option 80% more than they prefer a manager conversation when it comes to understanding what career opportunities exist.

Logically it makes sense, because that initial conversation is a potential tipping point in the relationship. Some managers would embrace that conversation and coach the individual through their options, while others would (consciously or unconsciously) begin withdrawing support from that employee because they expect them to leave.

An employee's sense of connectedness and belonging affects this, too. For example, an employee who scores highly on Workplace Belonging is twice as likely to say they can talk with their manager about career opportunities.

Technology that opens up career opportunities to employees in a self-service manner allows them to explore, compare, and select options that matter most to them. Then they can bring those options to their manager for a more targeted conversation. It's important to note that this strategy isn't about replacing the coaching and career development aspects of a leader. It's an effective way to make those interactions more streamlined and focused.

It can also reset an employee's connection with the organization and their leader in a positive way. For frontline employees in Europe who have an unsupportive manager, half of them say that situation could be turned around if their leader would just help them with career decisions and growth opportunities<sup>1</sup>.

One of our other studies validated the importance of a supportive manager. Our research on performance management practices for high-performing organizations found that one of the top ways those companies differentiate themselves is by using performance discussions to deliver career development guidance<sup>2</sup>.

Managers play a critical role here. High-performing companies with better revenue, employee retention, and employee engagement metrics have a higher ratio of leaders and managers who support people growth.

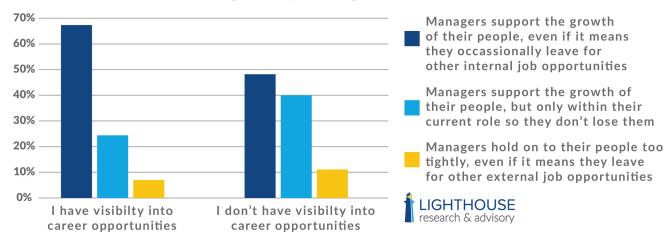
<sup>&</sup>lt;sup>2</sup> https://lhra.io/blog/how-high-performing-companies-manage-employee-performance-new-research/



<sup>&</sup>lt;sup>1</sup> https://lhra.io/blog/3-frontline-worker-trends-salary-shortage-and-support/

Figure 2: High-Performing Company Leaders Prioritize Employee Growth





Source: Lighthouse Research & Advisory 2023 Global Talent Mobility Study (n=1,060)

If it helps, think about this dynamic between managers and technology compared to how a customer support organization is deployed.

- Tier-one support is for basic queries and is typically self service
- Tier-two support is for more advanced and specific discussions which are not resolved by tier-one interactions

In the same way, career mobility exploration can be split out:

• The first level of exploration is through an application or system that helps employees explore in a safe space, self-guided, and within their own timeframe



Employees who have access to a self-service technology for career mobility exploration are 50% less likely to have plans to quit their job compared to those with no visibility (and are 2.5X more likely to say their company is headed in a positive direction).

## • The next level of exploration is a targeted discussion with a manager who knows the employee's strengths and skills

It's not a question of either/or. It's and. Managers play a critical role in supporting employee job satisfaction across the board, including career development opportunities.

Not only that, but we found that employees who score low on Workplace Belonging are 6X more likely to say they don't know if their manager or employer tracks their skills. How can we expect employees to feel like they belong if they're not even sure their

direct leader knows what strengths and skills they have to offer?

Now that we have established that visibility and manager involvement are key foundation points for success, let's transition and explore the tools we can use to support that first tier of visibility into career growth opportunities.

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# Making Career Opportunities Visible and Actionable: What Options Exist

A talent executive from a 7,000-person health system recently told us that his team was running into a strange problem.

On multiple occasions, their HR team would be processing new hire paperwork and get an error from their HR system of record because the person's social security number would match that of an existing employee. Upon investigating the issue, the cause of the problem became apparent. It wasn't identity theft or fraud: it was a creative workaround to a company policy.

Current employees were looking at the external career site for other jobs within the health system. When they found one, they would apply on the

external career page using a variation of their name (John for Jonathan, Suze for Susan, etc.) This was all traced back to a common company policy: employees had to get manager approval before they could look for other jobs within the health system.

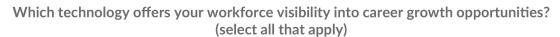
This story provides anecdotal evidence that the phenomena of "Talent Hoarding" is real. Managers are human too; "If I let my best person move on, what will happen to my team? Will I get a backfill? If I don't get a solid replacement, I won't hit my goals. If I don't hit my goals..." Such a policy reinforces that behavior.

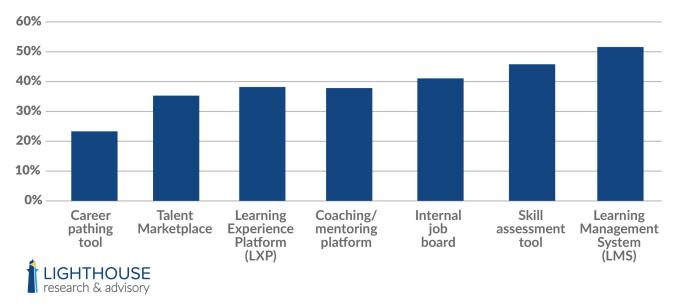
Humans are creative, so these employees came up with a workaround that met their personal needs and gave the company some very compelling reasons to reexamine how their existing policies were diminishing the interest from their workers to look at other jobs within the business.

This organization isn't alone. The data from the study indicates that more than half of employers require workers to check with their manager before pursuing an internal opportunity, which typically reduces the likelihood of someone exploring career mobility options.

The key element in this story and on a broader scale is that how employees learn about growth opportunities can vary widely from company to company. But manager support aside, even the technologies that employers use are diverse.

Figure 3: Technologies Used for Exposing Workforce Career Opportunities





Source: Lighthouse Research & Advisory 2023 Global Talent Mobility Study (n=1,060)

Despite these potential visibility tools, many of these systems were not deployed with matching employee skills and interests in mind.

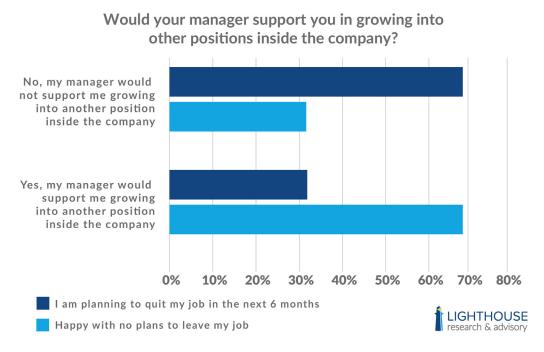
- The primary role for an LMS is delivering content to learners and tracking compliance and completion rates.
- An internal job board is just a list of openings, but it isn't targeted or tailored to the individual.
- Skill assessment tools may show you your gaps against other roles, but they aren't shaped by your goals or career preferences in most cases.

Talent marketplaces and career pathing systems are purpose-built to support employee career exploration and transition. We will explore them more fully in the next section, but first let's touch on the other important factors beyond the mechanics of making opportunities visible. There's a lot to be said about policies, governance, and culture when it comes to career mobility.

As mentioned above, many companies in the study told us they require employees to get manager permission or approval before exploring other internal opportunities. While there's logic to that, it's also a case study in the law of unintended consequences. Naturally when we create higher friction or discomfort in an interaction, it begins to happen less and less frequently.

Managers play a critical role in enabling or blocking success for career growth and development for their people, and this factor alone is highly correlated with their willingness to stay.

Figure 4: Manager Support for Career Growth Linked with Employee Retention



Source: Lighthouse Research & Advisory 2023 Global Talent Mobility Study (n=1,060)

While this research insight above is based on employee-manager interaction and personal support, even simply giving employees visibility into career opportunities via technology influences an employee's perception of manager support. Nine out of 10 employees say their manager supports their career growth if they work for a company that gives them a technology to explore career opportunities.

The employer perspective intersects this in an intriguing way. When given the choice, talent leaders were most likely to say that managers inside the organization were likely to support employee growth, even if it meant they ultimately moved on from their team. However, that doesn't apply equally in every workplace. High-performing organizations were 40% more likely to agree with that statement, while low performers were 50% more likely to say that managers hold onto their people too tightly from a

career advancement perspective.

One final note on managers and Talent Hoarding: employers that say they have a large number of talent hoarders as managers are 267% more likely to say employees don't have visibility into career opportunities. A culture that supports mobility, the presence of supportive managers, and the tools that we provide all fit together to support worker growth within the organization.

Workers who have opportunities to explore and act on career growth options are more satisfied and more likely to think the company is moving in a positive direction, and they're more likely to stick around as well. But we're going to go a step further and specifically examine the importance of a talent marketplace for both employee career satisfaction as well as organizational success.



## How Employee Belonging Intersects with Talent Development (and Manager Effectiveness)

If you want to go fast, go alone. If you want to go far, go together.

Humans want to belong. Whether it's a survival instinct or a social need, that truth remains. In our study, we measured an indicator of employee belonging and sorted the data by those who felt like they do belong (High Belonging Score) or don't (Low Belonging Score).

The results paint an interesting picture of how belonging connects with development and growth.



High Belonging employees are 190% more likely to say their manager would support their career growth



High Belonging employees are more interested in *every* kind of learning: for their current job, future job, or even personal interest that may have no job impact



Low Belonging employees are twice as likely to say they wouldn't consider other career opportunities inside the business

Career mobility, delivered through a supportive manager and set of exploratory tools, could be a critical path to reconnecting people and giving them opportunities to feel like they truly are valued and belong.





## An Opportunity Marketplace as a Career Development Strategy

About six years ago, a global financial services organization was in trouble. The firm was struggling financially and established a hiring freeze until other aspects of operations could be stabilized. But work still needed to get done, so the learning team established an internal database where managers could share project-based needs and workers could opt in and support those needs when they fit their skillset and availability. Workers got to develop their skills, leverage their strengths, and build some career capital at the same time. The interface wasn't pretty, but it was possibly the first time in history that a talent marketplace was offered to meet the needs of the business and the workforce at the same time.

Today, the tools have come a long way, but they still focus on that intersection of employee desire and employer need. To further define them, talent —or opportunity—marketplaces are destinations for employers to shareshort term gigs, skill-based assignments, and other internal opportunities including mentorship programs. Workers can explore these opportunities and decide where they have the interest and ability to participate, building on existing skills (or developing new ones) along the way.

We found in a prior study that two out of every three workers have quit a job because of a lack of career development options at their company. However, 90% of them said they would have stayed to consider those options if they were made visible/available.

Perhaps most importantly though, that study indicated that employees who have quit a job because of a lack of growth place a higher burden of ownership on themselves, their managers, and the HR/learning team at their next employer, possibly because they don't want to go through that experience again. But even the most driven, career-minded worker can't navigate if there's no map, no guideposts, and no one to show them the way.

This is something employers intuitively understand. When given the option for how to drive internal mobility for workers, employers rated "employee visibility into internal career opportunities through an opportunity marketplace" coupled with personalized learning as most effective.

Speaking of personalized learning, several of our other research reports consistently show that the number one way people want to learn new skills at work is through experiences. They want to try, test, and do. Specifically, two-thirds of employees in the APAC and North American regions say that the best way their company can support their skill development is by giving them opportunities to stretch and grow, about 16% more often than those employees working in Europe.

Opportunity marketplaces help to fill that critical demand by giving workers an opportunity to hone

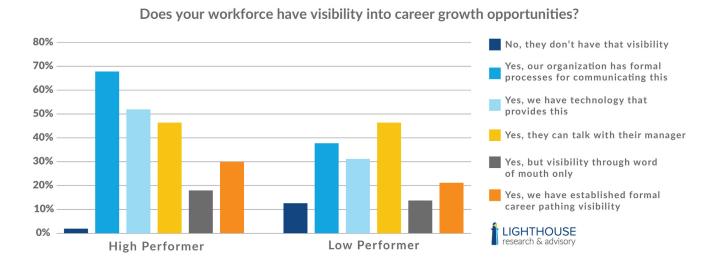
existing skills and develop new ones while "doing."

In the end, this isn't just about making your people happy or giving them a fancier version of a career ladder to explore. This new research shows high-performing companies with better revenue, retention, and employee engagement scores do a few things differently. While both high and low performers are

both equally likely to say managers are a key part of their strategy, high-performing companies stand out by having additional focus areas as well:

- 1. A formal communication process and approach
- 2. A technology-enabled strategy
- 3. A set of formal, established career paths

Figure 5: Workforce Visibility into Growth Opportunities



Source: Lighthouse Research & Advisory 2023 Global Talent Mobility Study (n=1,060)

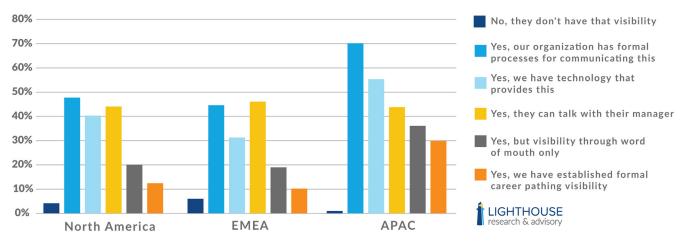
We also see that employee retention is tied to this. In a world of work where instability seems to be the recurring theme, retention helps to create stability and predictability for critical operational priorities. In addition, using these techniques give both the employer depth, and the employee options in very

targeted ways.

On a global level, there is a significant variation in how Asian organizations prioritize career visibility when compared to North American and European firms.

Figure 6: Global Comparison of Workforce Career Opportunity Visibility

Does your workforce have visibility into career growth opportunities?



Source: Lighthouse Research & Advisory 2023 Global Talent Mobility Study (n=1,060)

Companies in the APAC region are much more likely to prioritize these areas, which matches the workforce demand for career growth in that area of the world. Specifically, organizations in this region have a greater focus on the formal aspects, including communicating opportunities and establishing career

paths. However, they also lean in when it comes to leveraging technology.

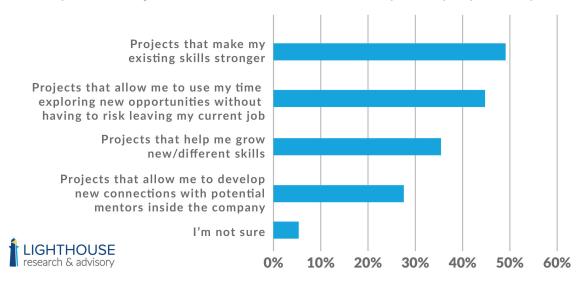
One of the newest and most relevant technologies for meeting this need is an opportunity marketplace. From a workforce perspective, there's a lot of interest in what an opportunity marketplace has to offer.



Employers offering an opportunity marketplace are 27% less likely to say their internal leaders are "talent hoarders" when compared to those using only an LMS for career mobility support.

Figure 7: Employee Interest in Opportunity Marketplace

If you had a way to explore short term projects within your company without having to leave your current job, which of these would be most helpful for you personally?



Source: Lighthouse Research & Advisory 2023 Global Talent Mobility Study (n=1,060)

The primary reason employees would use the project and gig functions of an opportunity marketplace is to make their existing skills stronger, but there's an interesting caveat. If the employee is thinking about leaving their job, their number one value point is exploring new opportunities without risking their current job. If employees have no plans to leave their role, they're primarily interested in growing their skills to perform better in their current position.

Demographically, there were some interesting breakdowns here:

- Women were about 33% more likely than men to say they would like to explore projects that help them grow new or different skills.
- Employees under age 45 were about 50% more likely than those over age 45 to say they

would like to explore projects that develop new connections and mentors.

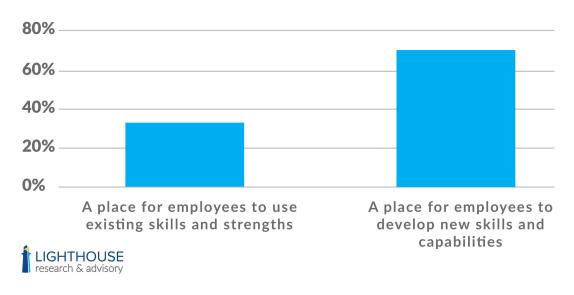
• Employees in larger companies (1,000+ employees) start to shift from projects that make existing skills stronger as their number one priority to projects that let them explore other opportunities without risking their current job.

These systems can offer clear lines of sight between current and potential future career options and can give insight into skill gaps that may exist, but they also can help employees nurture new or needed skills or sharpen existing ones.

From the employer perspective, the choice between honing existing skills versus developing new ones has a clear winner. The employers in our survey leaned more heavily in one direction when it comes to purposes for the opportunity marketplace.

Figure 8: Employer Views of Opportunity Marketplace Purpose

#### Which of the following best describes your view of an employee talent marketplace?



 $Source: Lighthouse \ Research \ \& \ Advisory \ 2023 \ Global \ Talent \ Mobility \ Study \ (n=1,060)$ 

What's encouraging is that these two options aren't mutually exclusive. Learners can develop new skills, capabilities, and relationships through these experiences, but they can also utilize their existing strengths in a way that benefits the employer.

It's our hope that this set of findings from the research has painted a clearer picture of what value internal talent mobility as a whole and opportunity marketplaces more specifically can deliver. As workplace dynamics and the talent landscape continue to shift, employers need every edge to attract and retain the right people. Internal career mobility and exploration is a critical way to meet evolving organizational needs, and the career growth expectations of your people.

#### **Key** Takeaways



73% of workers today want to know about career opportunities within the organization. Employers that aren't giving them access and visibility are missing a chance to build deeper connections and maintain relationships with high-performing workers. Of all the employees who can quit and find another job, the high-performing ones have the most options, so naturally offering a career mobility strategy will give these individuals a supportive track to meet their career growth needs. Workers who do not have visibility into internal career opportunities are 61% more likely to have plans to quit their job.

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Employees are 80% more likely to prefer technology over a manager conversation as their first option for exploring internal career opportunities. While companies are offering visibility into career options through a variety of tools, the majority of them are not specifically intended for that purpose and may not fully meet the needs of the workforce when it comes time to explore. Having a dedicated and purpose-built technology platform to expose these opportunities to the workforce is the best way to ensure that each person sees personalized, target options that matter most to them.



More than half of employees say that having the opportunity to explore other career opportunities internally would make them more likely to stay in the job, and 47% would be more satisfied in their work. Opportunity marketplace technologies are still new, but they are already meeting the combined needs of businesses and the workforce. Employers get a self-developing workforce that is more likely to stay with the business and continue performing well, and employees get the chance to nurture their skills, explore new assignments, projects and career options in a safe environment, without the initial risk of a major career move.





# About the Study

For the 2023 Global Talent Mobility Study, Lighthouse Research & Advisory and the Cornerstone People Research Lab gathered responses from 1,060 global employers (across North America, Europe, Asia) and 1,000 global learners in Q3 2022.

#### Company sizes distribution:

- 1-250 employees: 9%
- 251–500 employees: 12%
- 501–1,000 employees: 20%
- 1,001-2,500 employees: 14%
- 2,501-5,000 employees: 16%
- 5,001-10,000 employees: 14%
- 10,000+ employees: 15%

#### **Learner stats**

- 48% male | 52% female
- Ages 18-54+
- Currently employed

**Statement of Ethics:** as an independent analyst firm, our research and reporting provide unbiased, neutral views of the HR trends and technologies impacting work today. While this specific research was vendor-funded, it does not impact how we share the data with employers and practitioners. If you have any questions, please contact us.





#### **About** Cornerstone

Cornerstone powers the future-ready workforce with a next-generation talent experience platform designed to unite technology, data and content and inspire a work environment of growth, agility and success for all. With an Al-powered, skills-forward, experiential platform, built on an open architecture designed for neutrality and scale, we help organizations modernize their learning and development experience, deliver the most relevant content from anywhere, accelerate talent and career mobility and establish skills as the universal language of growth and success across their business. Cornerstone serves over 7,000 customers and 100 million users and is available in 180 countries and 50 languages.





#### About Lighthouse Research & Advisory



Lighthouse Research & Advisory is a modern analyst firm dedicated to setting the standard for excellence in talent, learning, and HR. By providing compelling research and actionable insights for business leaders, our team's mission is to navigate the rapidly changing field of human capital management to support today's talent and learning functions.

Our advisory, research, content, events, HR Awards Program, and other offerings serve tens of thousands of employers across the globe every year.

Put simply: our goal is to chart a new course for talent. We do this with compelling research, innovative ideas, and a strong grasp of the current state of talent and technology at work. We have supported hundreds of organizations with our research, advisory, and insights since our beginning in 2016. In addition, our data also inform key product and strategy decisions at the industry's leading technology and service providers.

Ben Eubanks is the Chief Research Officer at Lighthouse, providing trusted advice for today's modern talent leaders. Prior to joining Lighthouse, Ben worked as a research analyst and an executive practitioner. His analyst work focused on learning, talent acquisition, and talent management. During his career, he has published more than 100 pieces of research and provided advisory services to executives from some of the largest and most respected organizations in the world.

Unlike most analysts, he also has hands-on experience working as an HR executive, leading both strategic and tactical talent practices. Ben is the host of We're Only Human, a podcast focused on the intersection of people, technology, and the workplace. In addition, he runs upstartHR.com, a website serving HR leaders that has reached more than 1,000,000 readers since its inception.



