

The Importance of Career-pathing and Mentoring in 2015

2014 came to a strong close, with U.S. employment reaching a 12-month average of 246,000 new jobs and unemployment dropping to 5.6 percent. Confidence is growing in the labor market and as a result, many companies plan to hire throughout 2015. With all of this positive news on the job front, employees might have expected to see upward movement on salaries and wages. However, most recent surveys and reports indicate employers are planning modest pay increases, comparable to what was awarded in 2014. In light of this, how will companies retain their best talent, when below-market salaries are one of the top reasons employees decide to leave?

According to Towers Watson commentary regarding their 2014 compensation survey, the projected 3 percent pay raise in 2015 is a bit disappointing as the average employee is barely keeping ahead of inflation. However, we realize that many companies are being conservative with pay, because they are still concerned about the stability of the economy and the labor market.

Despite this reality, the [most recent MRINetwork Recruiter Sentiment Study](#), found that although improved compensation and benefits are a leading factor for candidates considering changing jobs, the top reason that candidates leave is because of clear advancement opportunities elsewhere.

So what does this mean for employers?

Companies may be at greater risk of losing their top performers, but the wage issue can be averted by focusing on career tracking, mentoring and training programs. After all, advancement to a more senior role not only connotes greater responsibility, but also higher pay, or at least the long-term potential to earn more.

“The days of requiring employees to take on the workload of people who either resigned or were laid off, without additional pay, are behind us,” says Nancy Halverson, vice president of global operations for MRINetwork. “Today’s workers want recognition for their contributions, and they expect to see a clear path for how added responsibilities will enable them to advance within the company.”

Ultimately the salary discussion has more to do with an employer’s culture of coaching, mentoring, training, recognition and evidence of upward mobility, in addition to how well the organization communicates and sells these attributes, both internally and externally. “The goal should be more about creating a ‘best place to work’ environment that is highly desired by candidates in the marketplace,” adds Halverson. “This is really what the future of recruitment and retention is all about.”

Advancement opportunities and career-pathing will additionally become more important as Baby Boomers retire

and Millennials become the majority in the workplace. This generation is especially focused on gaining experience that can be leveraged to make the next career step, which is why job changes after 2-3 years are more common. Companies that provide the mentoring and training that Millennials crave are not only working toward retention of their brightest talent, they are grooming the future leaders of the organization.



Halverson provides the following tips for establishing and promoting career-pathing and mentorship programs:

- Brainstorm how your organization can develop these programs, if they don’t already exist. Consider how they can be leveraged to support various groups within your workforce including minorities, women and junior to mid-level management candidates.
- Begin discussing internal mobility programs during the interviewing and onboarding process.
- Promote the programs through multiple internal and external channels to create stories about employee advancement within the company.

Although career growth is what’s most important to candidates, it doesn’t mean that companies can make wage increases a last thought. Salaries are going to have to come up to attract top performers. “However, no amount of money will make them stay in a role that appears to have no future,” concludes Halverson. “That’s where the power of career-pathing kicks in.”