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APRIL 10-11, VANCOUVER WA
2024 SPRING CONFERENCE

Career Paths that Attract and Retain Talent

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A Little Background...

- Author, Speaker, and Consultant
- 30+ year career in business and personal development
- 25+ year career as a business consultant
- In my 21st year in my own firm, Ottum Enterprises, LLC
- Assisting those in the construction industry for over 15 years
- Education...
 - Bachelor's in secondary education...
 - Master's in Organizational Management...
- Author of "Live from Strength" and "Lead from Strength"
- *Lead from Strength*™: A unique approach to extraordinary success as a business and leader
- Developed *The Business Growth Challenge*™ to guide business owners to achieve that success!



What You Will Learn Today...

- The Why...
 - Why Developing a Career Path is Needed to Attract and Retain Top Talent...
 - Why and when you need a Career Path...
- The What...
 - What is a Career Path...
 - What are the basic components of an effective Career Path...
 - Career Paths; a component of a Career and Professional Development Process...
- The How...
 - How to develop an effective career and professional development process...
 - How to integrate career paths into this process...





Your Takeaways...

- Access to tools and a checklist process to help you design and build effective career paths...
- Practical tips to help you maintain your developed career paths...

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The Why... “And The Survey Says...”

It is easy to find studies, statistics, and data to support the case for career development...

The following represents the “highlight” statistics and reasons why career paths are important.



Career Paths Attract and Retain Top Talent

- 76% of employees are looking for opportunities to expand their careers.
- 86% of employees say they'd switch jobs for one with more growth opportunities.
- Retention is 34% higher among employees who have opportunities for professional development.
- If a company invests in employees' careers, 94% said they would stay at the company longer.
- 37% of employees left their organization due to a lack of career growth.

(From ClearCompany Report, August 2023)

Career Paths Improve Staff Engagement

Study after study indicates the **Key Factor in Staff Retention** is their level of **engagement!**

- “(1) career growth has a positive impact on knowledge workers’ organizational engagement;
- (2) career goal progress and professional ability development promote job engagement;
- (3) career growth has a positive effect on affective commitment, which in turn influences employee engagement...”

(Study from *Frontiers in Psychology*, March 2022).

Career Paths Improve Staff Performance

“A positive relationship exists between employee career development and job performance. The impact can become more substantial when the process of career development becomes the **joint responsibility of employee and firm.**”

(Human Resource Management International 2024 Data Review)



The Why...

Top Talent Have Options

8.9 million job openings

But Employers?

Only 0.7 unemployed persons/job opening

(January 2024 per BLS.gov)



The Why...

Career Paths and Career Development are
necessary to become...

An Employer of Choice



The What... Some Definitions

Career Development

(Or Professional Development or Staff Development)

The **process** through which individuals go through professional training or other learning opportunities to *enhance their abilities, increase their knowledge, and gain experience* to advance their *careers* with the help of their company.

Career Paths

The **tool** for defining and guiding career development and advancement.

Organizational Career Development

A company's **comprehensive approach** (plan, process, tools, methods, defined ownership, etc.) to developing staff (abilities, knowledge, and experience) and guiding them through the career path.

Career / Professional Growth vs. Career Advancement

- Career or Professional Growth is the ***act of gaining*** skills (competencies), knowledge, and experience.
- Career Advancement is ***being promoted*** up the Career Path as one obtains skills, knowledge, and experience.
- *Career or Professional Growth **does not** automatically imply promotion!*

The What...

- It isn't just about creating a Career Paths document...
- It is about creating a comprehensive career development plan aligned to career paths that are also aligned to the performance needs of the organization.
- It is about a **shared accountability** for growth and development!

The Basic Components of Career Paths

- **Technical/Job Skills:** Demonstrated Job/Career-Related Competencies.
- **Soft Skills:** Personal, behavioral, and social attitude competencies.
- **Culture (Behavioral/Values) Alignment:** Demonstrated alignment to and belief in organizational values and cultural behaviors.
- **Experience:** Years in field/role (having demonstrated competencies).
- **Education:** Required or desired degrees, certifications, or other course work.
- **Role/Job Alignment:** The above aligned to specific roles/jobs (i.e., how one is promoted).
- **Compensation:** Salary/Bonus structure aligned to roles and career progression.

Career Path Example

Job Title	Job Level	Job Overview	Education	Experience	Certificates or Licenses	Salary Range	
						Start	Maximum
Production Manager	M	The Production Manager at Company Design Build Remodel reports to the General Manager and produces and maintains a qualified team of craftspeople that meet the revenue goals of the company at a pre-determined gross profit. This includes; producing all projects on time, on budget, and to the client's satisfaction.	Bachelors in Construction Management preferred.	5 years management experience and 10 years residential construction experience.	Construction Management degree preferred.	\$ 65,000.00	\$ 100,000.00
<i>Critical Competencies and Experiences from Warranty/Project Manager to Production Manager</i>		3 or more years as a Project or Warranty Manager consistently running projects on-time and on-budget; Clear understanding of the financial controls of construction projects; Continuing education in construction management with a degree preferred; Continued development of communication and human resource management skills.					
Home Services/Warranty Manager	M	The Home Service/Warranty Manager at Company Design Build Remodel reports to the Production Manager and is to input project warranty information into necessary system, check in with clients post project, continually obtain referrals and project feedback, and appropriately and successfully handle warranty issues and concerns.	Some post secondary education in construction management or construction project management.	3 years management experience and 5 years residential construction experience.	Construction Project Management Certificate (or degree) preferred.	\$ 23.00	\$ 28.00
<i>Critical Competencies and Experiences from Project Manager to Production Manager</i>		3 or more years as a Project Manager consistently running projects on-time and on-budget; Clear understanding of the financial controls of construction projects; Continuing education in construction management with a degree preferred; Continued development of communication and human resource management skills.					
Project Manager	M	The Project Manager at Company Design Build Remodel reports to the Production Manager and produces projects on time, on budget, and to the client's satisfaction to generate referrals and earn company profit while maintaining a safe work environment.	Some post secondary education in construction management or construction project management.	3 years management experience and 5 years residential construction experience.	Construction Project Management Certificate (or degree) preferred.	\$ 28.00	\$ 32.00
<i>Critical Competencies and Experiences from Lead Carpenter to Project Manager</i>		2 or more years as a Lead Carpenter; Demonstrated ability to effectively lead others on job sites and manage schedule and cost controls to produce work on-time and on-budget with a satisfied client; Continuing education in construction management; Demonstrated ability to communicate effectively with clients, staff and management. Demonstrates ability to effectively manage multiple projects while delegating all build activities to others while maintaining all time, quality, and profit benchmarks.					
Lead Carpenter	M	The Lead Carpenter at Company Design Build Remodel reports to the Project Manager and is responsible for performing basic to advanced carpenter tasks and directing the day-to-day work of staff and subcontractors at Company remodeling projects and is highly skilled or certified in specific aspects of carpentry. They have the ability to independently assess a project to develop an effective and profitable daily activity plan for team members and trades. Maintain a safe work environment and ensure all team members on site are producing quality work efficiently and profitably.	Some post secondary education in construction management or construction project management.	3 years management experience and 5 years residential construction experience.	Construction Project Management Certificate (or degree) preferred.	\$ 25.00	\$ 30.00

A Note on Compensation

- What is compensation, wages, or pay?
- It is an exchange of VALUE...
- For a given wage, the staff member provides an equal or defined level of value (service).
- Thus, more pay = increased value!
- The increase in value comes from career growth and/or the value of the service in the market.



A comprehensive and effective career development plan has 5 major components...

1. Is based on a solid Organizational Foundation.
2. Has intentionally designed and built Processes and Tools.
3. Has defined ownership for its execution and maintenance (organization, management, individual).
4. Has trained Leadership to execute and maintain the plan.
5. Is continually updated and maintained.

Component 1: The Organizational Foundation

- **Strategy:** Vision, Mission, Values and Performance Standards.
- **Process:** How the major work is done effectively (The Value Chain Process).
- **Structure:** Defined Roles and Management Structure that perform the work.
- **Tools:** The tools and resources needed to do the work effectively (well).
- **People:** The right people with the right strengths in the right roles.
- **Culture:** “How things are done around here.”



The Foundation: Vision

“If you don’t know where you’re going, any road will take you there.”

George Harrison

“If you don’t know where you’re going, you will wind up somewhere else!”

Yogi Berra

- A view of your business at some point in the future (3-5 years)...
- Sets your strategic DIRECTION...
- Defines SUCCESS, in multiple factors of your business...
- Defines the REASON for being!
- Is the emotional DRIVER for that success that attracts and retains talent...
- It is what gets you and your staff up in the morning!

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The Foundation: Mission

“A small body of determined spirits fired by an unquenchable faith in their mission can alter the course of history.”

Mohandas Gandhi

“That business purpose and business mission are so rarely given adequate thought is perhaps the most important cause of business frustration and failure.”

Peter F. Drucker

- Sets the “Higher Purpose” staff need for engagement.
- Sets the FOCUS for your day-to-day productivity.
- Defines:
 - What you do (products and services)
 - For whom you do it (your target market)
 - What value you provide (unique value proposition)

The Foundation: Values / Culture

"It's not hard to make decisions when you know what your values are."

Roy Disney

"The ability to subordinate an impulse to a value is the essence of the proactive person. Reactive people are driven by feelings, by circumstances, by conditions, by their environment. Proactive people are driven by values - carefully thought about, selected and internalized values."

Stephen Covey

- Values are the foundation of your organizational CULTURE...
- They define who you are AUTHENTICALLY...
- They define how you make DECISIONS...
- They provide your ETHICAL framework...
- They provide the baseline for Soft Skill competencies...

The Foundation: Performance Stds

“In business, words are words;
explanations are explanations, promises
are promises,
but only performance is reality.”

Harold S. Geneen
President - ITT

“Tell me how you measure me, and I will
tell you how I will behave.”

Eliyahu M. Goldratt
Author of “The Goal”

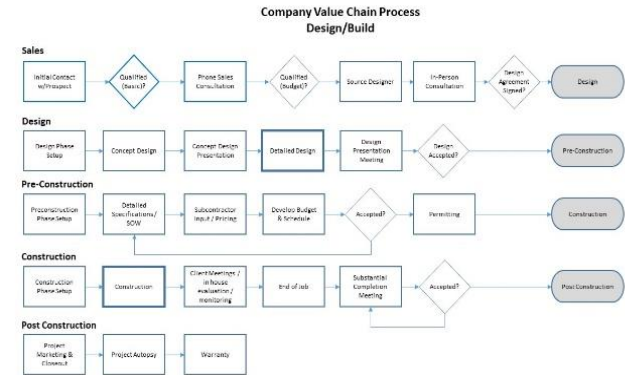
- Performance Standards are the high-level measures of organizational performance.
- They are aligned to the value chain process.
- They create the foundation for function (team) and role (individual) performance.
- They provide the baseline for Hard Skill competencies.

Example Organizational Performance Standards

- **Financial Standards:**
 - **Standard:** Annual Gross Profit of 10% or greater.
 - **Standard:** Net Profit of \$200K or greater.
 - **Standard:** Company expenses managed to annual budget.
- **Marketing Standards:**
 - **Standard:** Average Total Leads Per Month of 15.
 - **Standard:** Cost per qualified lead of \$400 or less.
- **Sales Standards:**
 - **Standard:** Qualified Lead to Design Agreement Close Ratio: 20%
 - **Standard:** Design Agreement to Construction Agreement Close Ratio: 90%
- **Design Standards:**
 - **Standard:** Design completed on time according to Design Project Plan.
 - **Standard:** Design completed to Design Budget/Estimate.
 - **Standard:** Design Customer Satisfaction Rating of 95% or higher based on GuildQuality Survey results.
- **Production Standards:**
 - **Standard:** Production completed on time according to Design Project Plan, plus/minus Change Orders.
 - **Standard:** Production completed to Production Budget, plus/minus Change Orders.
 - **Standard:** Production Customer Satisfaction Rating of 95% or higher based on GuildQuality Survey results.
- **Warranty Standards:**
 - **Standard:** Warranty work completed on time according to Warranty Project Plan.
 - **Standard:** Warranty work completed to Warranty Budget.
 - **Standard:** Warranty work completed to client satisfaction.
 - **Standard:** Warranty vs. Change Order/Handyman Services appropriately scoped and presented.
- **Organizational Standards:**
 - **Standard:** Employee Engagement of 90% or higher on annual surveys.
 - **Standard:** Annual employee performance review and career development plan completed on schedule.

Foundation: Value Chain Process

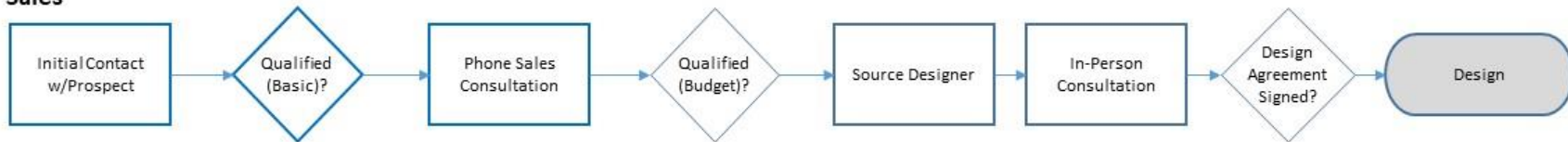
- The process, from initial prospect contact, through the phases of work, to completion of the project/service, and beyond, that delivers an organization's stated unique value proposition.
- Each "step" is defined with..
 - **Purpose:** A description of the desired result of this step.
 - **Owner:** Role with overall accountability (not necessarily responsibility) for the step.
 - **Actions:** The list of action items that must be completed in this step.
 - **Deliverables:** The list of physical items to be created and delivered in this step.
 - **Accountabilities and Authorities:** Performance measures and decision-making authority for step and each action and deliverable.
- Creates a clear understanding of the work, skills, and behaviors needed for each function and role that aligns to the needs of the business.



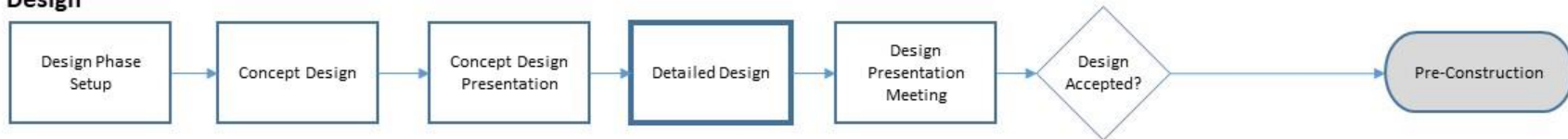
Company Value Chain Process

Design/Build

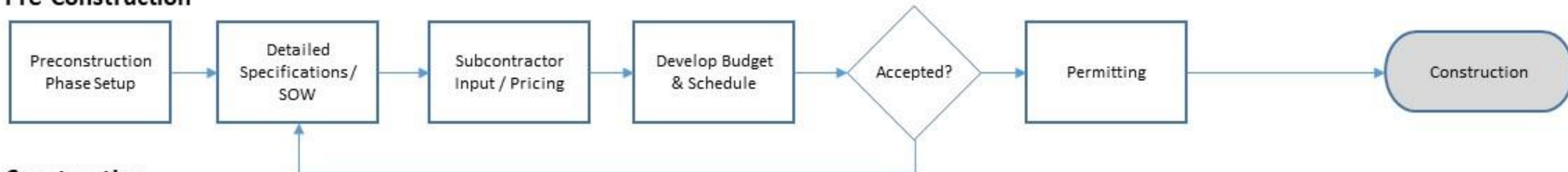
Sales



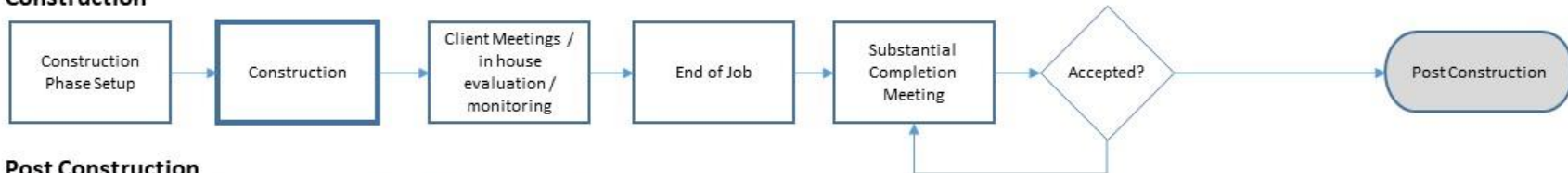
Design



Pre-Construction



Construction

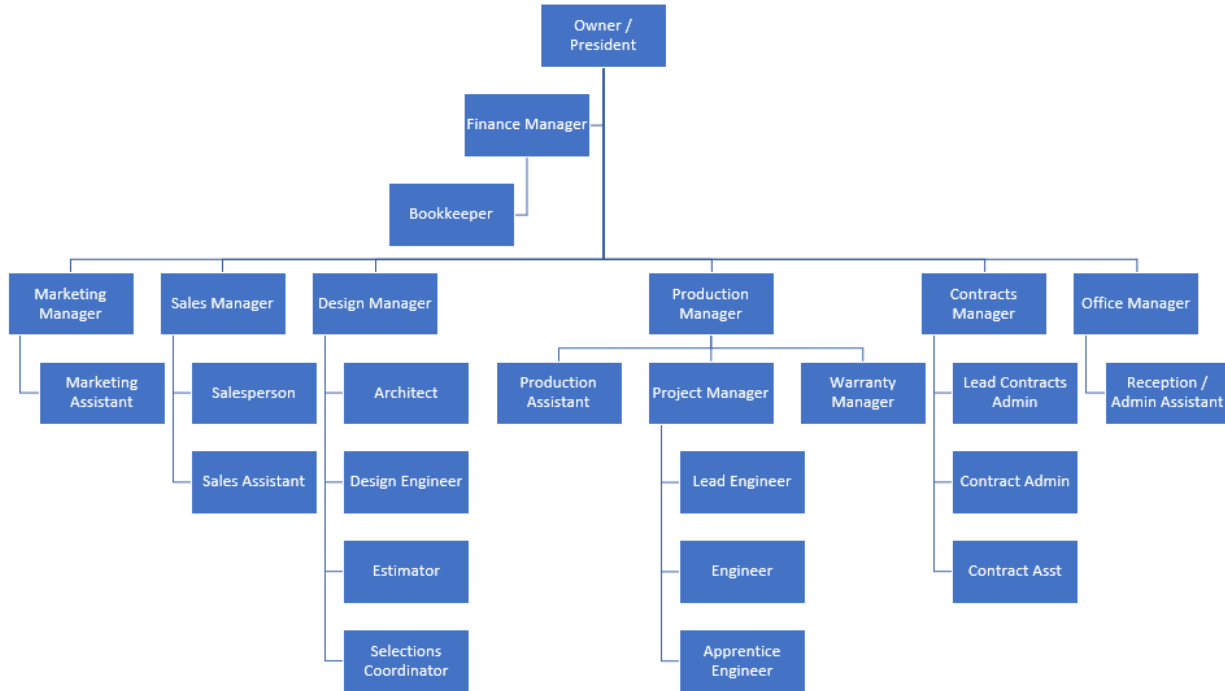


Post Construction



Foundation: Structure

Basic Structure for Mature/Large Firm



Effectively Defined Roles Clarify...

- **Responsibility:** The functions of the role (what one does) defined using an action verb.
- **Accountability:** The measures of performance in terms of Quality, Quantity, Timeliness, or Cost Effectiveness.
- **Authority:** The decisions the role may or may not make.
- **Knowledge, Skills and Experience:** The knowledge (courses, degrees, certifications, etc.), skills and experience for *minimum* qualification for the role.



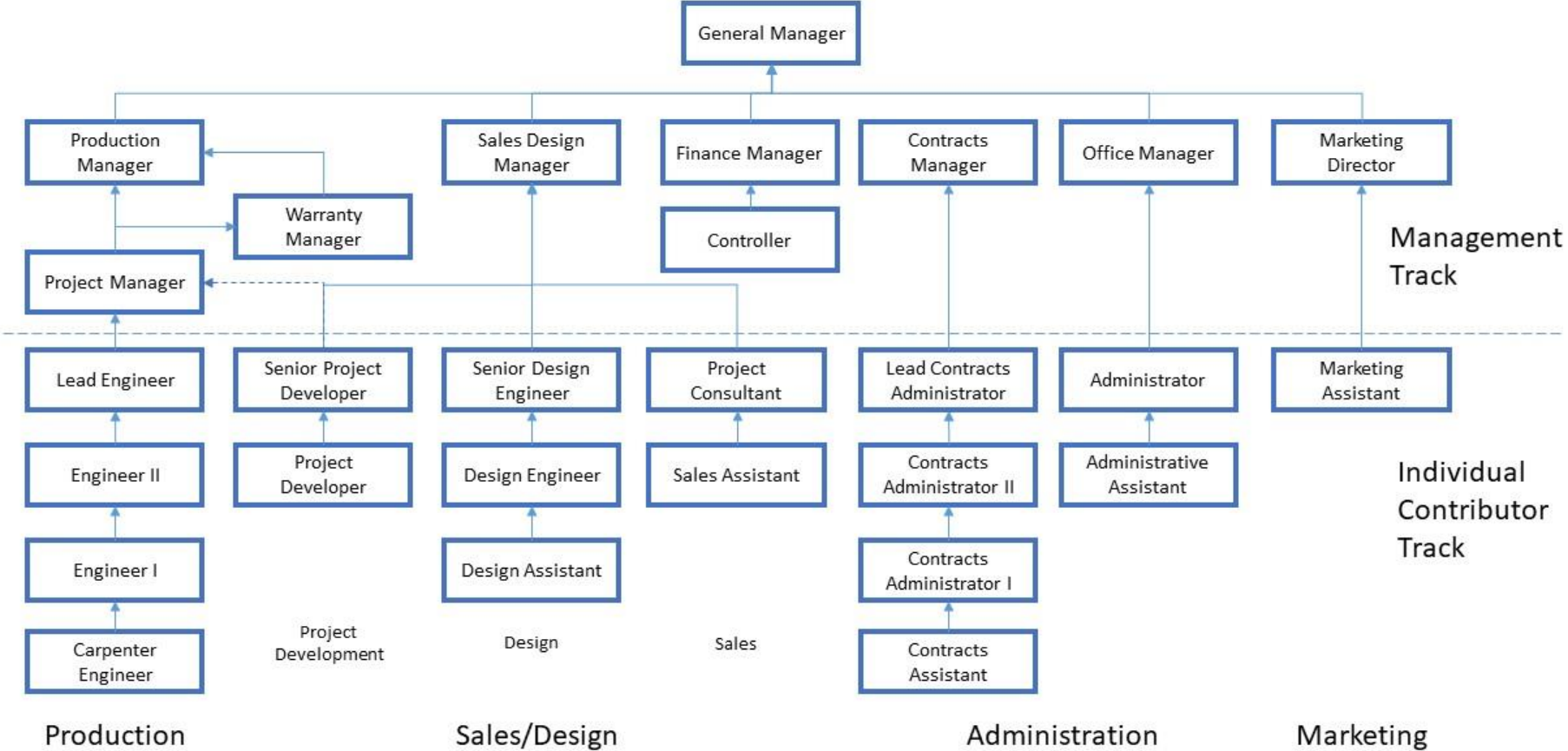
The How... The Foundation

- Career Paths need a solid foundation of...
 - Clarity of Direction (Vision)
 - Clarity of Purpose (Mission)
 - Clarity of Behavior (Values and Culture)
 - A Definition of the Work of the Organization (Value Chain Process)
 - A Structure and Roles Aligned to the above

This drives engagement which attracts and retains top talent!



Example Career Tracks Aligned to Structure



Component 2: Design & Build Checklist

- ❑ Select Functions and Roles for Career Paths
- ❑ Design and Develop the Processes
 - Overall Performance Management Process
 - Overall Career Development Process
- ❑ Design and Develop Career Path Tools
 - Competencies
 - Soft Skills
 - Experience
 - Education
 - Cultural Expectations
 - Develop “ladder” from Learning to Mastery for Each
 - Apply levels to roles (determine promotion criteria and break points)
- ❑ Develop Other Tools
 - Meeting Templates/Agendas
 - Performance Assessment and Feedback Tools
 - Career Assessment and Feedback Tools
- ❑ Engage staff for review and feedback
- ❑ Apply Employment law for your state
- ❑ Apply compensation to roles based on current market



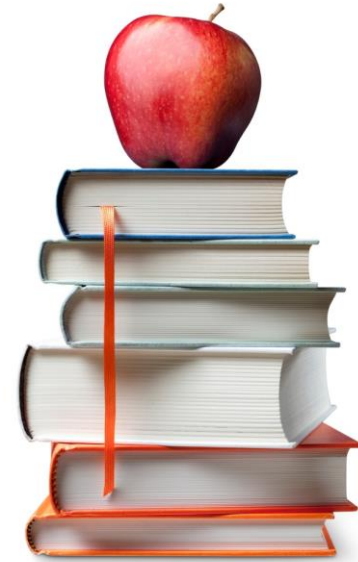
Component 3: Defined Ownership

Three Levels of Ownership

- Overall Ownership of Performance and Career Development Processes:
 - Execution
 - Review and Updates
- Defined Accountabilities (Metrics) and Authorities of Leaders and Managers:
 - Performance and Career Development Process Execution (Activity)
 - Effectiveness of Performance Management (Results)
 - Staff Development and Readiness (Results)
- Accountabilities of Staff (for their own growth and career management) in terms of activity and results.

Component 4: Leadership Learning Objectives

- Understands and can effectively communicate the organizational foundation.
- Understands and can effectively operate the performance and career management systems.
- Understands and effectively applies the available tools for performance management and career development, for example:
 - Feedback templates
 - Meeting templates
 - Available training for each applicable role
 - Available work/experience opportunities
- Understands and effectively communicates relationships between organizational foundation and performance and career development.
- Able to provide timely and effective performance feedback.
- Able to provide timely and effective career guidance.
- Able to fairly and equitably apply the processes and tools.



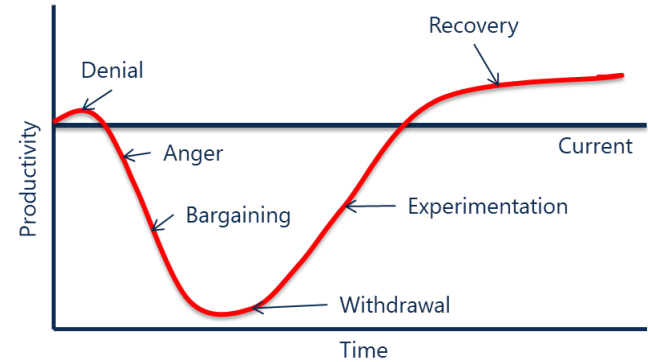
Component 5: Maintenance

- Annual Compensation Review / Adjustment
- Adjust for...
 - New or deleted services, markets, and competencies
 - Any “pivot” to mission
 - Major organizational change (i.e., downsizing, rapid growth, acquisition, etc.)
 - Changes in employment law



A Note on Change

- Organizations and Individuals *Naturally* and *Normally* Resist Change - even positive change.
- What Leadership can do to facilitate change:
 - Anticipate the resistance.
 - Accept and respect the feelings of staff and managers.
 - Involve, engage, and communicate to reduce and overcome the resistance.
 - Guide them through the change process.



Summary – Why Career Paths?

- They improve staff attraction and retention.
- They improve engagement and performance.
- They are an effective tool for becoming an **employer of choice.**

Summary – Definitions

- Career Development – Is the **PROCESS**.
- Career Paths – Are the **TOOL**.
- Organizational Career Development – The company's comprehensive **APPROACH**.
- Career Growth and Promotions are **Related** but **Separate**.

Career Paths that Attract and Retain Talent...

- Are Based on a Clear Organizational Foundation
- Are Intentionally Designed and Built
- Have Defined Ownership for Execution and Maintenance
- Are Executed and Maintained by Trained Leaders
- Are Continually Updated and Maintained

What's Next...

- **Fill out the Feedback Form**
- **Select the box to get the Career Path Tools:**
 - Career Development Checklist
 - Organizational Foundation Assessment
- **Ask About our Other Services:**
 - No Obligation Consultation
 - Organizational Alignment Assessment
 - Leadership Development
 - Business Planning Services
 - Performance Management Services
- **You can also use this link:**
<https://forms.office.com/r/bJHEBN4Qn1>

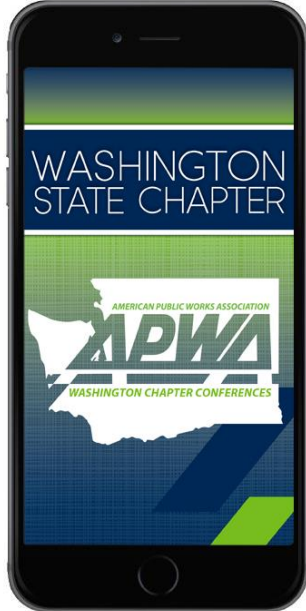
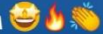
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Thank you!



Thank You

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Use the QR Code to get the
Career Path Tools.