

Employee Mobility and Retention Research Findings

Key Insights from Fortune/McKinsey Study

The Great Attrition Context

- Millions left jobs not due to lack of drive, but seeking better advancement opportunities
- Workers want higher pay AND better chances of advancement
- Change is a constant in the labor market

Skills Development and Career Growth

- Skills acquired on the job account for **50% of average person's lifetime earnings**
- People grow by varying work experience – by moving roles
- Average worker switches roles every **2–4 years**
- **80% of moves** involve changing employers (pre-pandemic data)

Internal Mobility Benefits

- Companies should become "academies" – learning organizations that teach new skills
- Internal opportunities lead to better career mobility for rest of careers
- Lateral moves can help people recharge, expand skills, find better fit
- Most organizations undervalue lateral movement or make it difficult

Strategic Recommendations

1. **Build reputation for career development** to attract top talent
2. **Create accurate inventory of current employees' skills** and capabilities
3. **Streamline bureaucracy** that prevents internal transfers
4. **Measure managers** on team member advancement, not just staying in place
5. **Celebrate people who move on** to bigger and better things
6. **View alumni as valued business partners** and potential future hires

Worker Mobility as Economic System

- Mobility is main mechanism for workers (especially non-college) to increase earnings
- Helps businesses quickly find new employees for growth opportunities
- Allows organizations to continuously renew with fresh energy and perspectives
- Workers increasingly move to companies offering fair terms AND future prospects

Corporate Challenges (2023–2024)

- Inflation pressure on employer/employee budgets
- Emergence of generative AI

- Geopolitical turmoil
- High-profile labor strikes
- Return-to-office mandate tensions
- Shifting DEI landscape
- Climate change impacts

Career Mobility Program Design (Guild/Fortune 500 Insights)

Key Statistics

- **63%** of workers who quit in 2021 cited "no opportunities for advancement" as reason for leaving
- **1 billion jobs** will be transformed by technology in next 10 years
- **78%** of employees feel they lack skills to advance their career
- **76%** feel unprepared for future of work
- **47%** of workers are concerned they've been held back by not having right experience, education, or training access

Core Career Mobility Programs

- Mentorship and Coaching Programs**
 - Pair employees with mentors for guidance and support
 - Dedicated coaching for program navigation and persistence
 - Critical for working adults juggling family, work, and education
- Skills Assessments and Talent Development Plans**
 - Assess current skill sets
 - Identify improvement areas
 - Craft tailored development strategies
 - Include targeted training, educational courses, experiential learning
- Job Rotations and Cross-Functional Projects**
 - Temporary assignments to different roles
 - Broadens skill sets and business understanding
 - Cross-functional collaboration enhances communication skills
- Internal Job Postings**
 - Transparent promotion mechanisms
 - Include information about courses/pathways to qualify
 - Celebrate managers who promote employees
- Networking and Professional Development**
 - Sponsor conference attendance
 - Industry-specific gatherings
 - Employee Resource Group engagement

Career Mobility Types

- **Vertical**: Traditional upward movement

- ****Lateral****: Sideways movement to gain new skills
- ****Hybrid****: Combination of vertical and lateral moves

Program Components

- Employee support services
- Career exploration guidance
- Demonstrated pathways
- Education, training, and skilling opportunities

Strategic Benefits

- Connects employer needs (new skills) with employee wants (better pay, stability, flexibility)
- Closes opportunity divide through skilling and career mobility investments
- Enriches personal and professional lives of employees