

requirements, workforce characteristics, organizational culture, and labor market characteristics. Mobility paths are of two types: hierarchical and alternative. Types determine who is eligible for a new job in the organization.

**Hierarchical Mobility Paths.** Examples of hierarchical mobility paths are shown in Exhibit 6.1. As can be seen, the emphasis is primarily on upward mobility in the organization. Due to their upward nature, hierarchical mobility paths are often labeled promotion ladders. This label implies that each job is a step toward the top of the organization. Employees often see upward promotions as prizes because of the organization's desirable characteristics. Employees receive these prizes as a reward for competing against one another for job vacancies. For example, a promotion may lead to a higher rate of pay, and a transfer may result in a move to a better work location. There has been a great deal of research on these types of "tournament" promotions for higher pay and promotions, with evidence clearly suggesting that individuals increase their effort when faced with the prospect of a large payoff. However, this same research suggests that competition can lead to counterproductive behavior, like sabotaging other employees or turnover among those who do not receive promotions.

An exception to the primarily upward mobility in the promotion ladders is lateral moves that sometimes occur for the staff members. Exhibit 6.1 shows the lateral moves that sometimes occur for the staff members who have both generalist and specialist experience as well as corporate and divisional

**EXHIBIT 6.1 Hierarchical Mobility Paths**

