

increasing proportion of the workforce is approaching retirement. There is a very strong concern among career development specialists that the mass retirement of baby boomers will lead to a loss of organizational memory and knowledge built up with experience. Having strong succession planning techniques that will enable the more recently hired workforce to acquire knowledge from its experienced coworkers before moving into managerial positions is one way to minimize the impact of mass retirements. For example, Bristol-Myers Squibb developed a talent management program that provides employees with feedback on how to learn from great managers and leaders, and widely announces internal promotions with descriptions of the demonstrated leadership skills that led to the promotion being granted.¹² Many large, successful corporations lack clear succession plans. The problem may be even more severe in Asia, where many large conglomerates and family-owned businesses are run by aging chief executives without a clear succession plan in place.¹³

The key to avoiding potential fiascoes is to have a succession plan for CEOs. However, according to a poll of 518 organizations conducted by the National Association of Corporate Directors, only 42% of responding organizations have a formal succession plan in place. A succession plan should begin with a thorough job analysis and a listing of the characteristics and behaviors of a successful CEO.¹⁴ The organization should not leave it to the CEO to identify a successor. CEOs are typically not trained or experienced in staffing, and they may have selfish motives in appointing a successor. Alternatively, they may avoid appointing a successor altogether, thus keeping themselves in the job. Therefore, the board must be deeply involved in the selection process. Boards also need to realize that the succession process should begin well before the CEO departs; in fact, it should be a continuous process.

Career Development Centers

To facilitate internal transfers, many organizations have an internal office of career development that helps employees explore career options available within the organization.¹⁵ Career development centers provide employees with opportunities to take interest inventories, assess their personal career goals, and interview with representatives across the organization. The goal of career development centers is twofold. First, employees learn about themselves and have a chance to think about what they really want to achieve in their careers. Second, employers have a chance to explain the career options within the organization and develop methods to structure internal career paths that match the interests of their employees. Surveys conducted in numerous organizations consistently demonstrate that employees are more satisfied when their employers provide them with ample communication and opportunities for internal advancement—an interactive career development center can do both.¹⁶

The interest inventories provided in career development centers often take the form of multiple-choice questionnaires that ask employees to indicate their preferred