

HOW TO HIT PEAK CAREER

A SPECIAL *PROFESSIONAL MANAGER* GUIDE TO MAXIMISING YOUR CAREER

POTENTIAL THROUGH QUALIFICATIONS AND PROFESSIONAL DEVELOPMENT

THERE'S AN INTENSIVE PHASE OF EVERY MANAGER'S CAREER DURING WHICH YOU SHOULD AIM TO MAXIMISE YOUR PERSONAL AND EARNINGS POTENTIAL. FORTUNATELY, THERE'S A TRIED-AND-TESTED WAY TO MAKE SURE YOU DO

WORDS *Matthew Rock*

UNTIL THE EARLY 1980s, there was an unspoken agreement between employer and employee that, as long as you kept your nose clean, you'd have a job for life and a decent final salary pension at the end of it, your reward for years of service.

That comfortable era came to a violent end in 1984. The miners' strike called time on the UK coal industry (as well as many mining communities), and shattered the old contract. "The old societal bargains have slipped from memory," says Professor Huw Morris, director of skills, higher education and lifelong learning in the Welsh government.

Certainties were never so certain for those entering the workforce after 1984. Today, most careers have a very different trajectory to that Beveridge-Keynesian world. Instead of a gradual ascent up the management ladder (with the reassurance of a comfortable conclusion), most of us will experience a rollercoaster ride, often in multiple workplaces. It'll be our job to accumulate capital and skills.

We will also experience a highly compressed period in which to hit our peak. Working with new data from XpertHR, *Professional Manager* has identified a 'peak career' period in which many managers enjoy their most senior job role, highest salary and bonus expectations, and most impressive performance ratings.

This, says David Dumeresque, partner at the executive search firm Tyzack, is the time when you should be "maximising your earning potential".

Many managers will instinctively understand the notion of an intensive peak career window, but the details and implications have not had much attention until now. This project aims to focus the minds of ambitious managers and business leaders on the importance of a considered, structured and dynamic career plan to help you to hit your career and financial goals. ▶

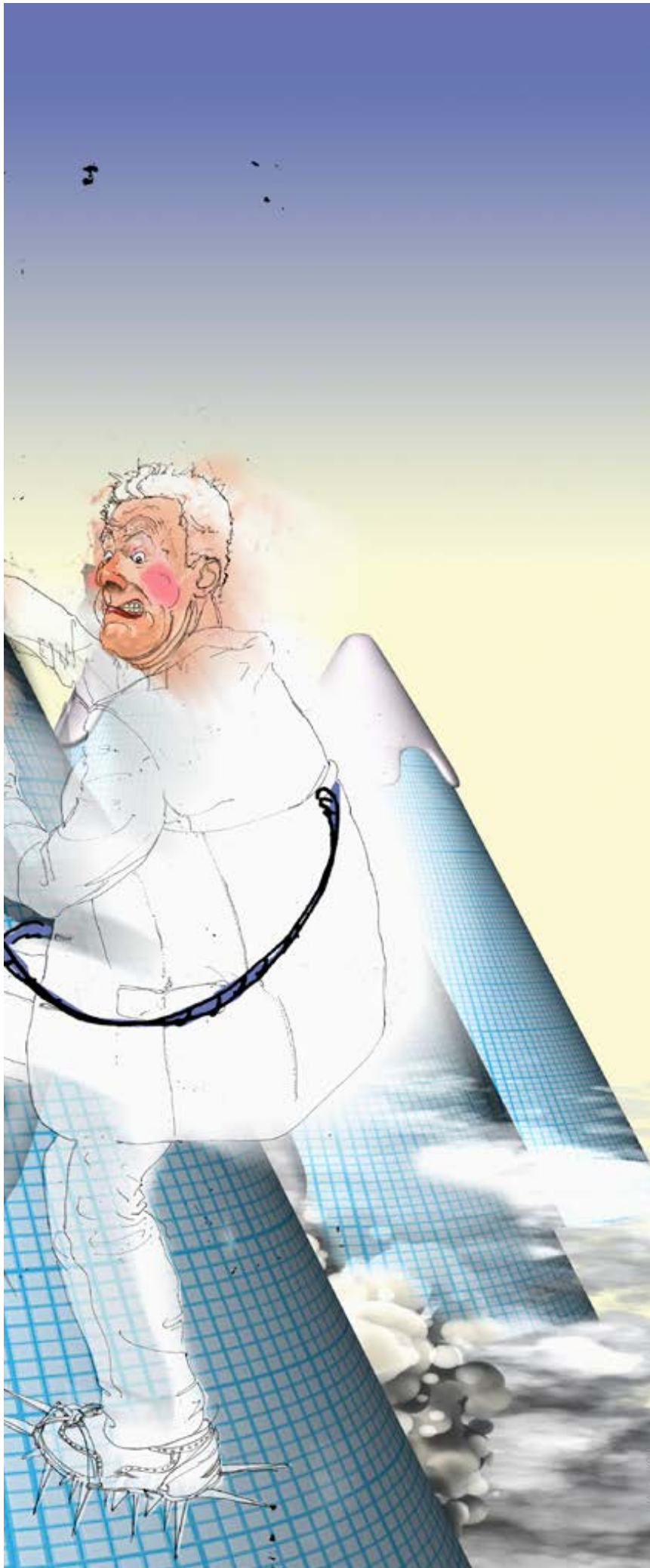
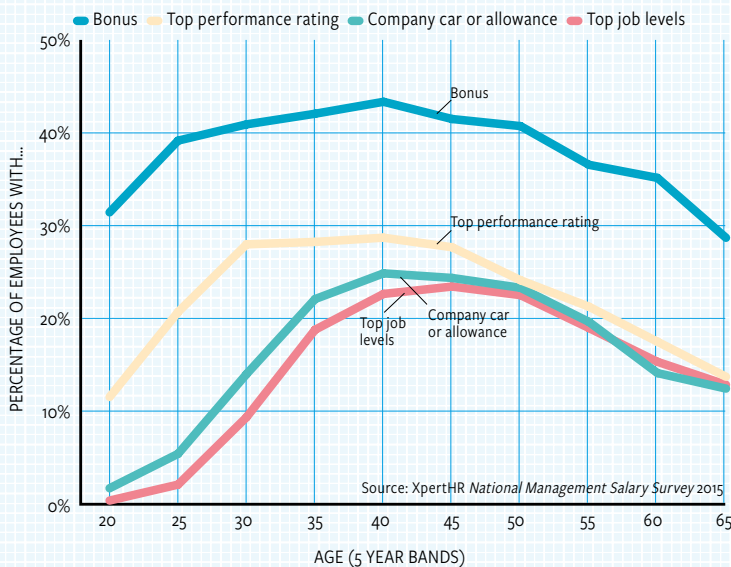


CHART 1: WHEN MOST MANAGERS HIT THEIR PEAK



“Peak career’ means you should be pushing yourself hard from an early age,” says Mark Crail, content director at XpertHR. “If someone offers you a team leader role when you’ve only been in the job for six months, take it! Because when you’re older and have a family, you probably won’t have the time.” For more experienced managers, peak career means regularly reviewing your career progress and skills and, if necessary, reinventing yourself. “Think of your career as a relay race,” advises Huw Morris. “You’re going to run several legs in your career.”

There’s one ingredient that managers will need, perhaps above all else, to optimise this peak career period: evidence that you’re continually investing in your professional skills and qualifications. Why is this so important? Because it’ll demonstrate that you’re committed to improving yourself; that you’re keeping your skills fresh for your role; and that, in a society where ageism is on the rise, you’re determined to extend your relevance.

What is your peak career?

In the pre-internet world, career development was all about knowledge: gaining access to the market knowledge and financial information you’d need to operate at the next level; and accumulating the technical skills that would separate you from your peers and be your passport to promotion.

Today, most information in organisations has been liberated and is widely accessible: salespeople have data from massive CRM systems at their fingertips; customer service teams can track market trends on constantly updated leaderboards; finance teams have real-time management numbers; social media teams have a minute-by-minute picture of customer feedback and brand reputation.

Most of the time, this transparency has an empowering effect, but it also means that

organisations put a premium on employees who can handle and act on that information. Technological capability underpins everything. In the digital economy, data handling, modelling and architecting are among the most in-demand skills. The geeks – and generally these geeks are under 40 – truly are inheriting the earth.

When you will hit peak career

This phenomenon is, unsurprisingly, most evident in the technology sector where, according to XpertHR research into 40,000 IT staff*, pay increases and promotions actually peak at the beginning of people’s careers. After the age of 40, performance ratings tail off for IT professionals; by the time you hit 50, only 7% of IT staff get an annual promotion.

Okay, so technology represents the extreme end of the peak career syndrome, but these same forces are in play in the wider economy.

Our new ‘Peak Career’ research**, extracted from the 2015 *National Management Salary Survey* by XpertHR, brings additional insight into the period in which managers can expect to hit their peak – in terms of job seniority, top performance

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rating, likelihood of receiving a bonus and company car or allowances. We’ve identified a narrow age band – between 40 and 45 years of age – when most managers’ career stars are aligned (see chart 1); and a slightly wider band, generally between 30 and 50, when you should be running on full revs.

As our data shows, at around 40 years of age, 42% of managers will be receiving a bonus; 28% achieve their highest performance rating; and 24% will have a company car or car allowance. At 45, 22.6% of managers will have hit their most senior job level.

Across the four measures of success – seniority, top performance rating, bonus and company car ownership – a high proportion of managers commence their peak career phase in their early to mid 30s, and this then runs through to their mid to late 40s. In the greater scheme of things, it’s a relatively short period of time in which to hit your peak performance levels and maximise your career potential.

According to our research, women and men enjoy different career trajectories, with the

* *Computer Staff Salary Survey*, June 2015. 195 employers provided data on 67,560 IT professionals, 40,000 of which had compensation history and demographic information
** ‘Peak career’ research, October 2015





largest proportion of female managers scoring their top performance ratings at 30 or at 40 (see chart 2). For men, the comparative age is 35. Too many women's career prospects are suffering when they have to leave the workplace in their thirties to have and raise a family.

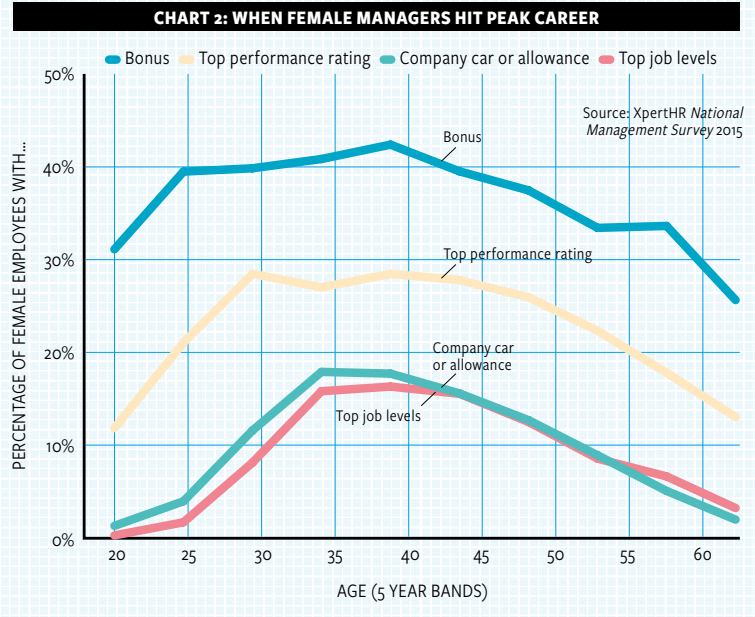
Peak career for women

What's striking about the female manager numbers is how long it can then take many women to secure their most senior position and get a bonus and additional benefits. For the largest proportion of female managers, these only arrive when they hit 50; the comparable age for men is 35 to 40.

When you'll hit your peak career will depend a lot on which industry you work in. In manufacturing, the highest number of managers get their highest performance ratings at 25, but it's not until they're 40 that they tend to get a bonus. In the non-manufacturing service sector, the age at which the most managers receive a bonus is 55. In the public sector and not-for-profit organisations, you're least likely to experience an intensive peak career period; indeed, many public-sector managers can still be hitting new career heights at 60.

As the 2015 *National Management Salary Survey**** shows (see chart 3), the pay differentials between levels of management can be significant.

Take the move from a professional level 4 position (typically, an HR manager, area sales manager or senior accountant with limited management responsibility) to a section manager (able to make medium-term decisions for a single department). This jump can mean a sizeable remuneration increase – from £45,000 to £56,000. At the top end of the ladder, there's an almost 50% rise in the value of the total basic-and-bonus package (and that doesn't include other likely benefits).



However – and this is point is crucial – look at how few people reach these more senior echelons: almost half (47%) of managers at professional level 4 do not make it to section manager level (4,333 v 8,194). Only the select few make it through.

How do you make sure you're one of them?

Making the leap to the next level

There will be many factors in continuing your progress to the next level during your peak career period – whether you're in a growth industry, the quality of your professional network, your technical skills and your work ethic. Luck, too, will play a part.

But, experts believe, it'll increasingly be about your commitment to your own professional development, and how effectively you take control of your own career journey.

“Around the age of 40, you'll have been in the workforce for about 20 years and should know what you're doing,” says Dumeresque. “However, this isn't the time to start coasting. To maintain, and then extend your relevance through to 60 or 65, this is the time to be focusing on your professional and personal development.”

If you're in a professional role such as finance, the next steps will probably be obvious – from financial controller to finance manager to divisional FD to CFO – though even here there can be a turning point when people “break out of the professional chimney”, says Professor Morris.

Progression is not, however, so linear in general management or operations, and conditions are complicated further by volatile markets and rapid industry change. Restructuring and change programmes are now part and parcel of corporate life. Post-financial crisis, thousands of managers from the financial services sector found themselves out of work, and having to redefine themselves to find roles in other industries. The successful

NINE QUALITIES OF A PEAK CAREER PERFORMER

1. Ambition
2. A clear sense of career direction
3. Awareness of your peak career period
4. Regular investment in your professional development and qualifications
5. Transferable skills
6. Recognition that five years is a decent period to remain in a job
7. Commitment to constant learning
8. Openness to change
9. Mobility

*** National Management Salary Survey 2015, XpertHR

CHART 3: MANAGEMENT PAY DIFFERENTIALS

	AVERAGE BASIC + BONUS	AVERAGE BASIC SALARY	NUMBER OF INDIVIDUALS
Director (12)	158,572	134,320	761
Senior function head (13)	108,765	96,647	854
Function head (14)	86,525	79,231	1551
Department manager (15)	67,891	63,786	2883
Section manager (16)	56,279	53,369	4333
Professional level 4 (20)	45,357	44,120	8149
Professional level 3 (21)	36,933	36,246	11013
Professional level 2 (22)	28,915	28,491	14153
Professional level 1 (23)	22,549	22,138	15648
Entry level 1 (24)	18,361	18,121	12726

Source: XpertHR National Management Salary Survey 2015

ones achieved this by having an obvious set of transferable, professional capabilities.

The role of middle managers

“Ask yourself: what is the skill base I’ll need to secure my ultimate role?” advises Dumeresque, who has identified and placed hundreds of senior executives during his career.

Technology is giving birth to new roles, says Sue O’Brien, partner at the leadership advisory firm Ridgeway Partners. Pre-2010 and the launch of the iPad, for example, few large companies would have thought to recruit a head of multi-channel digital strategy; today, most organisations will have one, as well as other undreamt-of roles, such as director of cyber-security.

As these are new positions, no one will have done them before, so instead organisations will look to recruit capable, progressive, career-minded managers. They are most likely, again, to turn to those who have clearly invested in their professional development.

Eileen Burbidge, founder of Passion Capital and serial tech investor, believes that high-quality middle managers are the “unsung heroes” of start-ups as they can turn visionary ideas into effective, functioning companies. Recalling the impact she herself made when she arrived as product development director at the early-stage Skype, she told the *Financial Times*: “It helped that somebody had a playbook in mind, to map how we should grow.”



Define the skills you need to progress your career, advises David Dumeresque

Formal management qualifications are particularly valuable, says Professor Morris, because “they combine competence with knowledge and understanding. A lot of success in business today is about how we relate to other people and transfer that into meaningful action. It’s not just about learning to write reports.”

Making the next step

Morris, and others, believe that five years is the optimal timespan to do a job these days. After that, especially if you feel you’re not still learning, you can become “a prisoner to the decisions you took earlier in your tenure,” he says. The best way to prepare for the next “leg” in your career, he suggests, is through professional qualifications. Acquire transferable skills that “suit your career, not just your company”, Morris advises.

More and more experts are recommending “mid-career reviews”. With hundreds of thousands, maybe millions of people seriously under-pensioned, there will come a time when they need to redefine themselves in order to move into a new sphere and extend their usefulness in the workforce. NIACE, the National Voice for Lifelong Learning, has made compelling arguments in this area.

So you’re an ambitious manager with a clear sense of direction; you’ve identified that your career will have a peak period in which you must deliver your peak performance and maximize your potential. You’ve invested regularly and thoughtfully in your professional development and transferable qualifications. You recognise that there’s probably an optimal five-year period to remain in a job. You’re committed to constant learning and open to change.

No one can claim there isn’t enough choice out there. Leaders can do campus-based, distance learning, elearning, short courses, refresher courses, sector-specific development programmes – or a combination of all of them.

But there’s one final ingredient you’ll need to be a successful 21st century business leader, says Morris. You’ll need to be geographically mobile. “Most organisations are small, and there’s no guarantee they’ll be based near where you live.”

A modern career in management will almost certainly require you, at some point, to up sticks and relocate to a new area or even a new country. Whether you’re prepared to do that is, ultimately, up to you... □

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