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A Financial Times Service

People Feature

'Stretch' Assignments Provide 'Career Insurance'

By Jill Gregorie February 13, 2017

Fund professionals who seize new challenges can gain the skills, experience and access to senior leaders that they may need to compete for promotions or stand out in a competitive job market, talent executives say.

In fact, Vanguard and KKR have both seen their employees and businesses benefit after workers “stretched” into new roles and assignments.

Employees may believe that they’re capable of a different or more advanced role, but many are unsure of how to demonstrate that potential, says Jo Miller, CEO of Women’s Leadership Coaching and editor of BeLeaderly.com. These workers often benefit from so-called “stretch assignments” — or projects that push them beyond their usual assignments.

“Raising your hand for a stretch assignment is an ideal way to show you’re capable of more than the role you’re in today,” she says.

Stretch assignments are ideal for companies facing disruption within their industries, because they can help employees “generate new ideas, challenge the status quo, and bring breakthrough ideas that can help a business transform,” says Karl Alleman, U.S. managing partner of **Egon Zehnder**, a Zurich-based talent management firm.

In addition, many asset managers now want to appoint senior leaders with a breadth of experience, as opposed to specialists who rise through the ranks by excelling in one area of the business, such as portfolio management or sales, says Arnaud Tesson, U.S. asset management practice leader at Egon Zehnder.

The product management function can provide an attractive option for investment or sales people seeking to stretch, Tesson says. These positions connect fund managers “to the needs of the market,” while helping distributors “understand product and manufacturing better,” he adds.

Vanguard is another firm known for cycling staffers through different roles and departments.

“We very much believe in the idea of rotations, on-the-job experiences and learning by doing,” says Lynda Risser, the company’s chief talent and inclusion officer. “Sometimes, that means allowing an individual to lead a project team whose deliverables potentially have a corporate-wide impact,” she says. In other cases, employees transfer to other departments or business units.

The Valley Forge, Pa.-based company believes these rotations give managers a multifaceted background, which “enables us to have a pool of talent that we can tap if we have an opening in a part of the organization where we need someone with strong leadership skills,” Risser says.

At KKR, the company aims to foster an "apprenticeship culture." Leaders at the New York-based firm work with employees to set ambitious goals and then guide them in achieving those objectives through feedback and coaching. The firm rolled out a "Leader as Coach" program to teach managers to be effective coaches, says Joan Lavin, chief talent officer and HR managing director at KKR.

Joan Lavin

The private equity specialist encourages staffers to rotate not only roles but also through its global network of offices, she adds.

"The employees return back to their 'home' territory with a broader and more of an enterprise-wide mindset and perspective on the firm," she says.

Egon Zehnder's Tesson recommends that investment professionals consider business areas that align with their personal interests. Employees who have a passion for digital technologies, for example, may want to consider marketing, whereas analytical employees working in a finance role may want to gain experience in product management or reporting.

Employees working at companies lacking formal programs should talk directly with a manager more senior than their direct supervisor to explore options. These leaders will likely have "greater visibility of new areas the business is moving into," Miller says. They may also know of projects that need to be staffed on short notice, she says.

Workers should also look at the company's business operations to determine whether there are any gaps in its product line or a potential client base that is being neglected, she adds. Making such suggestions can help prompt a dialogue about new opportunities, she says.

Staffers may also want to consider speaking with a manager outside of their business unit, Alleman says.

"Having a mentor who is not in your function or direct line of business helps with getting access to opportunities that may not otherwise make their way through to you," he says.

Sometimes stretch goals arrive at individuals' doorsteps without solicitation. To avoid becoming pulled too thin, employees can diplomatically decline by suggesting a colleague who may be a better fit for the role, says Miller, of Women's Leadership Coaching. In many cases, however, employees can strategically benefit from accepting the assignment, since it may lead to a project they covet, she says.

One tactic may be to lay out long-term goals upfront by saying, "I'm happy to help, as I understand this project is important to you, but next time you're thinking of me, here's what I'd like to do next," Miller adds.

Employees who see few immediate stretch opportunities can join industry committees that senior leaders sit on or participate in charitable organizations they support, Miller says. Volunteering or helping to coordinate an event can demonstrate professional skills and help employees "get a better idea of who could become a potential sponsor," she says.

Stretch assignments can also make individuals more competitive in the job market, especially if the skills and capabilities they picked up are sought by employers.

"It's like taking out a career insurance policy," Miller says.