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INTERNAL MOBILITY

CHALLENGES, STRATEGIES,
AND TECHNOLOGY

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Internal mobility is a strategic priority for any company looking to better recruit, engage, and retain talent. The pandemic, labor shortage, and “The Great Resignation” have forced companies to rethink how they empower their workforce. **According to Aptitude Research, 70% of companies have increased their investment in internal mobility compared to 58% of companies in 2020. And, one in two companies have increased the number of internal hires this year.**

The movement of talent into different positions is not new. Companies have been hyper-focused on internal mobility and career progression during various periods of uncertainty. When hiring slows down or turnover spikes, internal mobility becomes the go-to strategy. But today, companies have adjusted their responsibilities, strategies, and technology adoption. Internal mobility is no longer an isolated activity or a quick fix during a time of transition. It is a critical part of any talent strategy, and the intersection between talent acquisition and employee experience.

Unfortunately, many internal mobility programs are difficult to implement and often fail before they begin. Many companies rely on traditional methods of moving employees across their organization without providing a fair, equitable, and personalized experience. Companies tend to turn to technology without fixing process or cultural challenges. As a result, internal candidates are treated like strangers. According to Aptitude Research:



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personalize feedback and learning opportunities for internal candidates



of internal candidates go through the same interview process as external candidates



of companies personalize communication with internal candidates

Internal mobility is not a short-term fix for retention or recruitment challenges. Companies must transform their approach to talent and provide opportunities and personalized experiences for both internal and external candidates. This report is based on data collected in 2021 and 2022, and will look at the following:

How has investment in internal mobility changed over the past year?

What are the key drivers for investing in internal mobility?

What challenges do companies face today?

Who is responsible for internal mobility?

What role does technology play in improving internal mobility initiatives?

What strategies should companies consider?



Quantitative Research:

328 responses for TA and HR VP Level,
Recruiters/Sourcers/IT Professionals.

Company Sizes:

- 18% SMB (250-999ees)
- 22% Midmarket (1000-4999ees)
- 28% Mid-Market (5K-999K)
- 32% Enterprise (10,000ees+)

Qualitative Research:

Interviews with TA and HR leaders in
2021 and 2022



TOP TAKEAWAYS:

1 Technology Will Not Fix Internal Mobility:

Companies must do the work to better engage and support internal candidates. They should start with their processes, culture, and communication before investing in technology. With both core HR systems and best-of-breed talent acquisition providers offering advanced capabilities, it is tempting for companies to turn to technology before evaluating their own strategies. Nearly 50% of companies stated that their top challenge to internal mobility is the lack of manager support. This frustration is a cultural and process-driven challenge rather than a technology challenge.

2 Internal Candidates Are Treated Like Strangers:

Most companies are not personalizing the experience for internal talent. As a result, internal candidates are treated like strangers to their employer and often do not receive a response. Only 26% of companies personalize communication to internal candidates and 55% of internal candidates go through the same interview process as external candidates. Companies that do not provide a personalized experience for internal candidates risk losing them completely if they do not receive the job.

3 Companies Have Better Technology Options Today:

The technology landscape for internal mobility has become crowded and complex. Only one in two companies are satisfied with the technology they are using to support internal mobility. Fortunately, companies have better options to both engage internal talent and provide opportunities for growth. Companies looking at adopting a skills-based approach should consider providers with robust skill frameworks and AI capabilities that infer skills beyond what is found on a profile.

4 Ownership Is a Challenge:

One in four companies stated that talent acquisition does not want responsibility for internal mobility. It often feels like more work with less direction and reward. Companies must shift the narrative around internal mobility and empower TA leaders with the resources they need, while incentivizing recruiting teams to hire both internal and external talent.

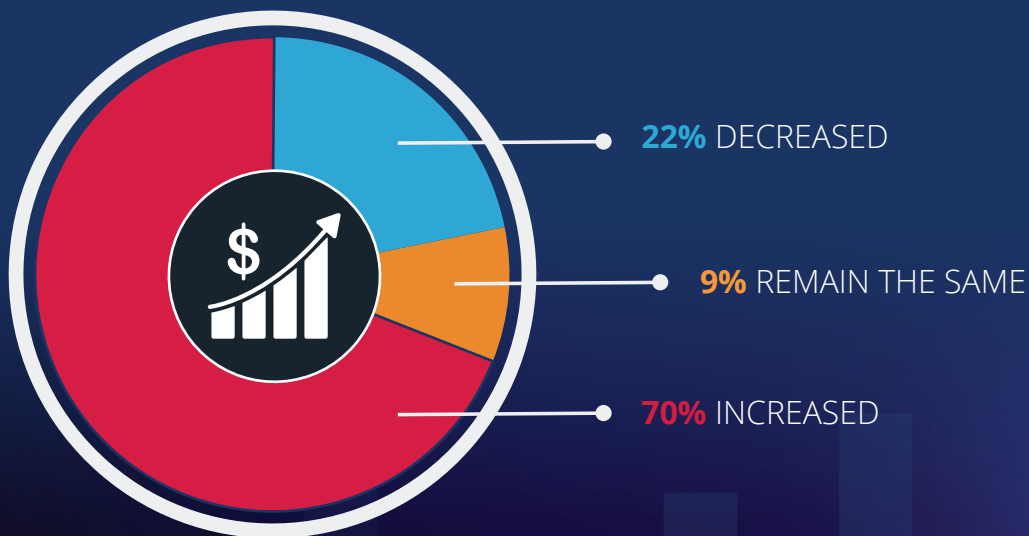
5 Diversity, Equity, and Inclusion (DEI):

Eighty-five percent (85%) of companies stated that DEI is impacted by internal mobility. Companies have an opportunity to provide fair and equitable experiences for all employees with a strategic internal mobility approach. Yet, for companies that do not have a diverse workforce, internal mobility is not enough. When internal mobility is incorporated in talent acquisition efforts, companies have greater visibility and control into DEI initiatives.

CURRENT STATE OF INTERNAL MOBILITY

The past two years have accelerated the interest and investment in internal mobility. According to Aptitude Research, 70% of companies are increasing their investment in internal mobility and 22% of companies plan to continue with the same investment (see Figure 1). Investment in internal mobility includes changes to talent strategies, percentage of internal hires, ownership, and technology. As companies increase their interest and investment, 84% of these companies are incorporating internal mobility in their talent acquisition strategy.

Figure 1: *Investment in Internal Mobility*



WHAT IS INTERNAL MOBILITY?

Internal mobility is the movement of employees across the organization into various job roles. Companies of all sizes and across all industries are prioritizing internal mobility this year. At a basic level, internal mobility includes two main elements: the awareness of internal job opportunities and the development of employees into those opportunities. The awareness level is typically part of a talent acquisition process and includes recruitment marketing efforts and candidate communication. The development level is often a shared responsibility between talent acquisition, HR, and management and includes the promotion and progression of careers. Companies must consider a strategy that includes both elements.

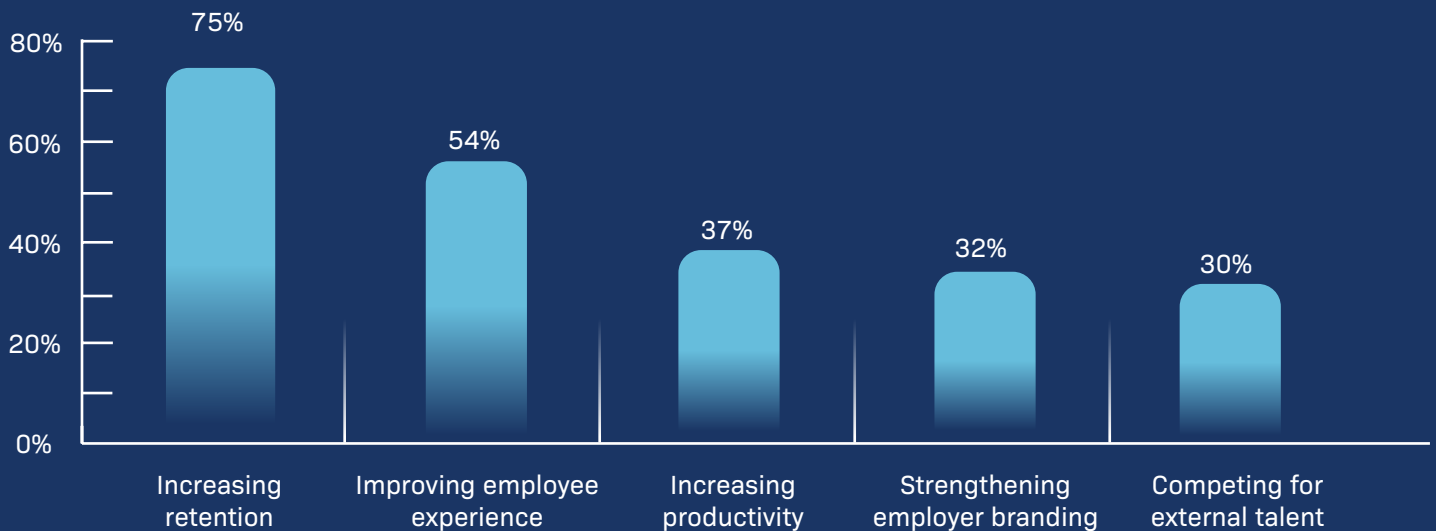
Figure 2: Top Talent Acquisition Priorities



WHAT IS DRIVING INTEREST IN INTERNAL MOBILITY?

In a labor market where companies are struggling to recruit and retain talent, internal mobility offers a way to address both. Internal mobility is not a new strategy, but over the past year companies have shifted their approach to moving talent. Companies are not simply filling a position with an internal candidate. They are offering more meaningful opportunities and deeper insights into talent while supporting broader talent acquisition goals. When asked what is driving this investment in internal mobility, companies stated improving retention, increasing employee engagement, improving productivity, strengthening employer branding, and competing for external talent (See Figure 3). These drivers indicate the importance of both recruitment and retention in internal mobility programs. And, as talent acquisition becomes more strategic, retention is a key performance indicator for TA leaders.

Figure 3: Key Drivers for Internal Mobility



Employees have greater demands, greater expectations, and a greater influence over their employers. And, even though most companies understand and recognize this shift, they still struggle to engage and retain talent. Aptitude Research found that:



Retention: One in two companies have higher turnover this year than last year. Turnover is not only experienced in high-volume or hourly industries, but in financial services, technology, and manufacturing. Employees have more options today and companies are feeling intense pressure to retain their workforce.



Employee Experience: Nearly 70% of companies believe that employee burnout has increased this year. Employees are overworked and often feel underappreciated. With labor shortages and the pandemic, employees are being tasked to do more with less.



Lack of Career Development: Seventy-eight percent (78%) of companies have lost talent due to a lack of career development opportunities. As companies are reinventing themselves and trying to keep up with high-growth goals, employees want to be able to grow and advance their own careers.



Competition for Talent: According to the recent Aptitude Research report **Talent Acquisition Technology and the Modern Recruiter**, 80% of recruiters state that it is harder to find quality talent this year and 72% of recruiters have more jobs to fill this year than last. With the competition for talent and labor shortage, recruitment needs to focus on more than external candidates.

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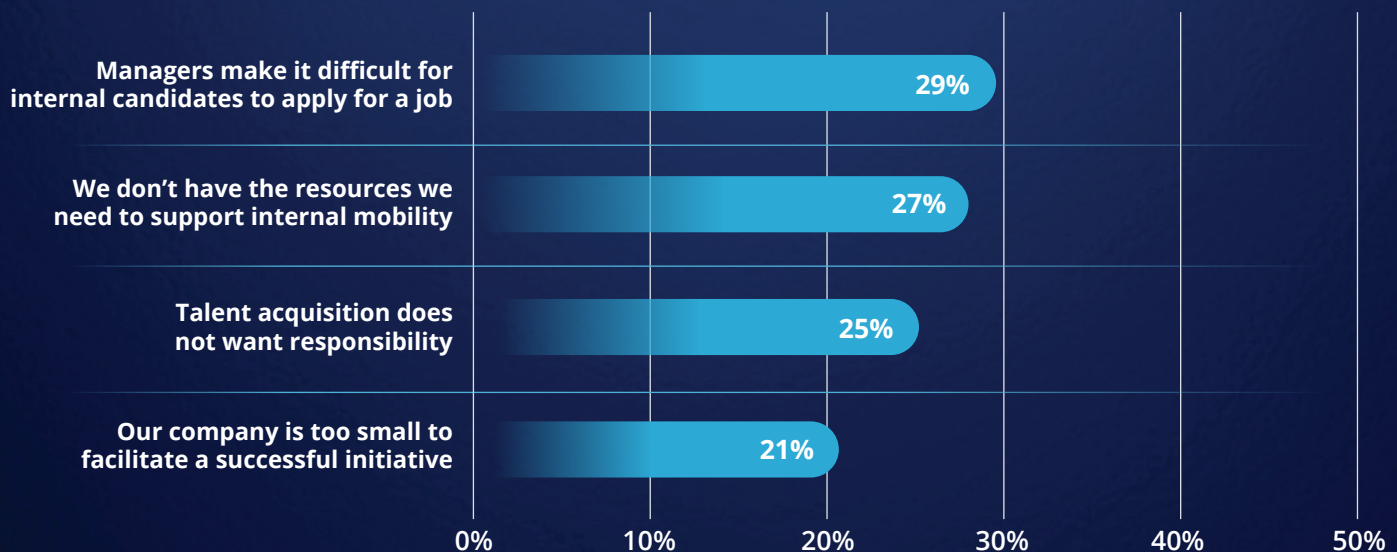
**Talent Acquisition Technology
and the Modern Recruiter**

WHAT ARE THE CHALLENGES WITH INTERNAL MOBILITY?

These key drivers are forcing companies to prioritize internal mobility as a core pillar in talent acquisition and a critical part of TA's responsibility. Eighty-one percent (81%) of companies stated that internal mobility is just as important or more important than other talent acquisition initiatives. But, for many TA leaders, internal mobility feels like more work with less reward. Aptitude Research found that one in four companies stated that internal mobility is not incorporated in talent acquisition because leaders do not want responsibility. As TA become more complex by the day, recruiters and leaders are looking for greater simplicity and do not always view internal mobility as a priority.

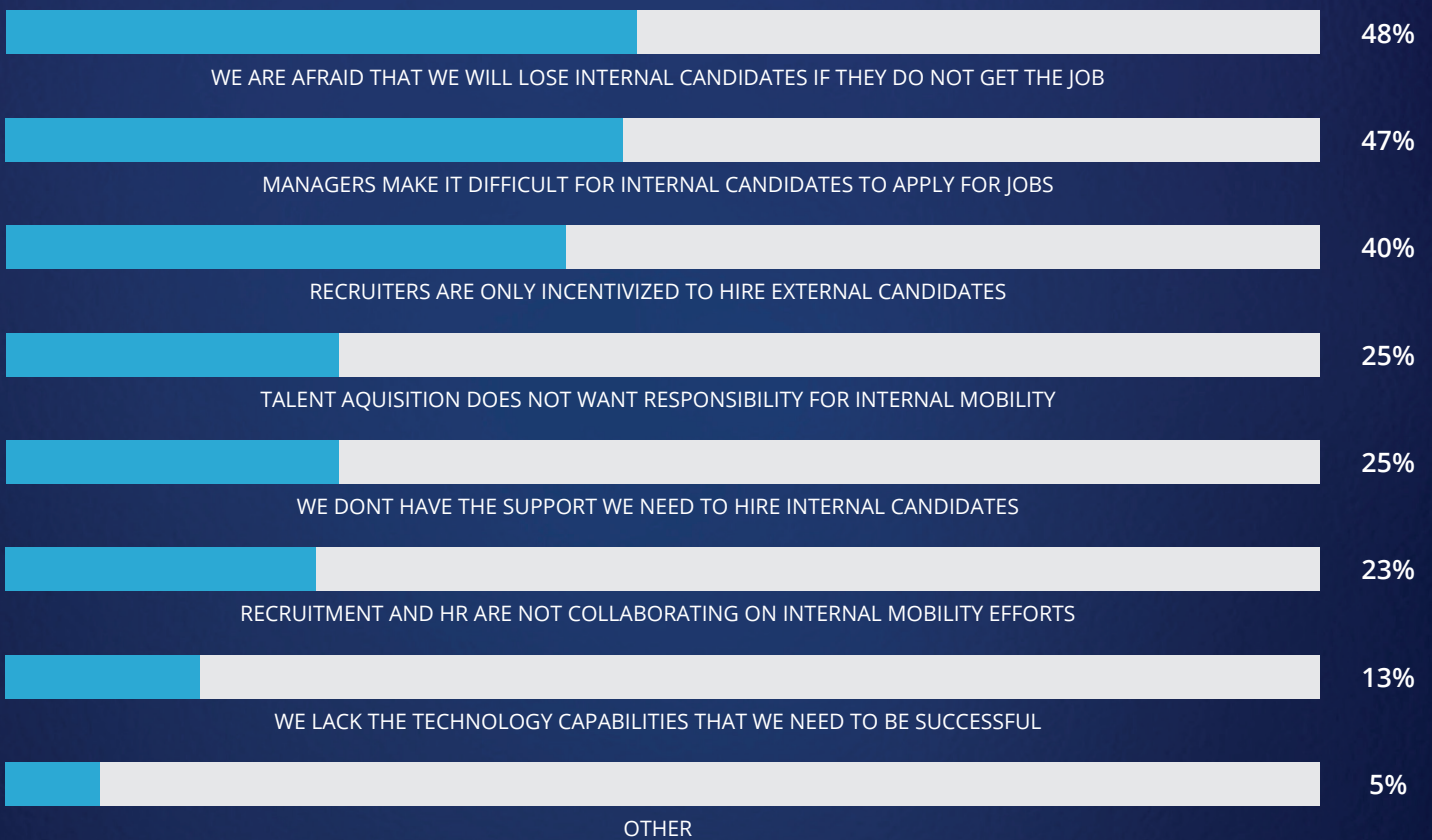
When asked why companies are not incorporating internal mobility into their talent acquisition strategies, nearly 30% stated that managers make it difficult for internal candidates to apply for a job and 27% stated that they do not have the support they need to hire internal candidates (see Figure 4). Twenty-one percent (21%) of companies cited that their company is too small for these initiatives. But internal mobility is not a luxury that only enterprise organizations benefit from. Companies of all sizes benefit from better engaging their workforce and supporting and empowering employees with opportunities for growth.

Figure 4: Roadblocks for Investing in Internal Mobility



It is no surprise that a common frustration with internal mobility is managers discouraging movement. Some managers are fearful of talent and do not want to encourage change. Technology plays a role in helping companies provide opportunities and reaching internal candidates without going through a manager first. Recruitment marketing campaigns can help engage and communicate opportunities to internal candidates, while skills development and learning opportunities can empower employees to own their career path. Companies with internal mobility programs incorporated into talent acquisition also cited manager frustrations as their greatest challenges (See Figure 5).

Figure 5: Challenges with Internal Mobility



Additional challenges include:

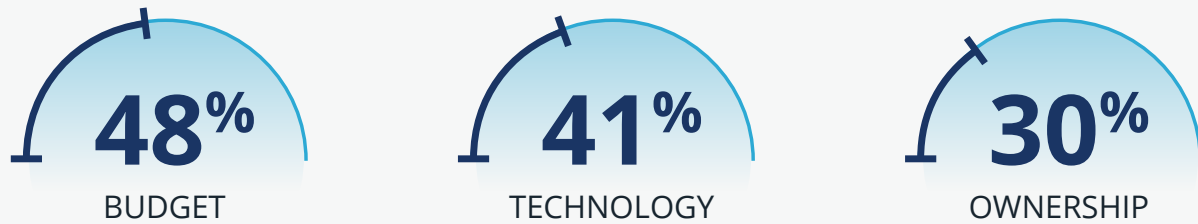
- Fear That Internal Candidates Will Leave:** The reality for many companies is that if internal candidates do not get the offer, they will leave. During an interview, one enterprise company shared that 68% of internal candidates that do not get the job will leave. These employees may have been happy with the company, but had a negative candidate experience. Companies must carefully consider not only how to promote and share internal jobs, but also how to support employees even if they are not the right fit for a role.
- Recruiters Are Not Incentivized for Internal Candidates:** Recruiters today are overworked and underappreciated. They are being tasked to do more with less. Giving them responsibility for internal mobility needs to support their goals. Unfortunately, most companies are not incentivizing or motivating recruiters to support internal mobility. The result is that one in four companies are not searching for internal candidates until after a job is posted and one in two post internally before externally.

Companies must shift the narrative around internal mobility and stop viewing it as a quick fix or a short-term solution. It needs to be a critical part of a talent strategy that drives value to both the employer and employee. The next section of this report will look at the future state of internal mobility including people, process, and technology.

FUTURE STATE: WHAT'S NEXT?

As companies prepare for the future, they are shifting their approach to internal mobility. They are reevaluating budgets, ownership, technology, and leadership support (see Figure 6).

Figure 6: Shifts in Internal Mobility



Before companies can make a shift, they must define their goals and objectives and consider their strategies. Companies must take the time to rethink their processes and carefully consider the following:

- Discovery:** Understanding and supporting organizations where they are in comparison to the industry and other organizations competing for talent. Companies in this study stated that they would like 45% of hires to be internal candidates in the future.
- Business Outcomes:** The impact of internal mobility on both the business and talent objectives. When talent acquisition has responsibility for internal mobility, companies identified improvements in time to fill, quality of hire, candidate experience, and cost per hire.

Figure 7: Impact When TA is Responsible for Internal Mobility



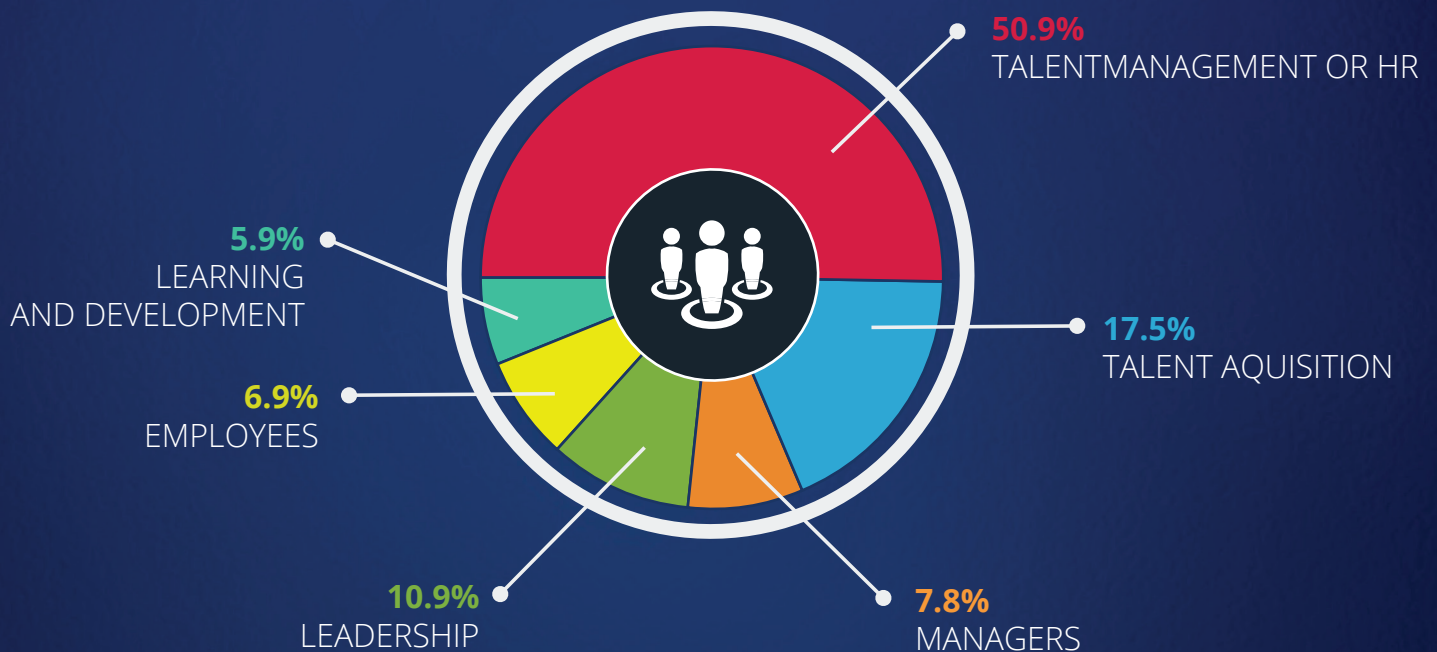
- **Execution:** The roadmap and timeframe for investing in internal mobility. Every company is at a different stage in their talent journey and companies should consider what would make internal mobility successful at their organization and what may need to change.

Aptitude Research found that these shifts in internal mobility are impacting collaboration, strategies, and technology options.

WHO IS RESPONSIBLE FOR INTERNAL MOBILITY?

In the past, talent management or HR had primary responsibility for internal mobility. Today, companies are shifting ownership to talent acquisition. One in five companies stated that talent acquisition has primary responsibility for internal mobility compared to 50% of companies that stated HR has ownership. Internal mobility is a collaborative effort that includes multiple stakeholders. Companies often struggle with the question of ownership and placing responsibility either on talent acquisition, talent management, or learning and development functions. Some companies have multiple contributors who share responsibility for internal mobility efforts. Companies must shift the narrative so that talent acquisition does not feel that internal mobility is an extra task. Rather, it should be viewed as an opportunity to support a company-wide initiative.

Figure 8



WHAT ARE THE KEY STRATEGIES FOR INTERNAL MOBILITY?

Internal mobility helps companies better engage talent, fill critical skills gaps, and prepare for their future workforce and talent needs. Companies can significantly impact both recruitment and retention goals by leveraging internal mobility. The challenge that companies face is that internal candidates are often put through the same process as external candidates.

In the past, internal mobility has involved the following:

- **Post a Job Internally:** Companies post a job internally on an internal career site or shared site for employees to see.
- **Wait for an Employee to Find that Job:** Managers are not informed of job opportunities and employees must find opportunities on their own. Companies wait for employees to learn about opportunities before they provide any engagement.
- **Employee Does Not Get the Job:** Employees go through the same recruitment process as external talent and may never receive a job offer.
- **Employee Leaves Company:** Companies do not personalize the communication or rejection to internal candidates, and so they are unclear as to why they did not get an offer. Resentment builds up and employees begin to look for new opportunities.

Unfortunately, this reactive approach to internal mobility does not improve recruitment or retention strategies. Companies have the unique opportunity to rethink their approach and provide more meaningful experiences to employees that will result in improved retention and recruiter efficiency.

Below are several strategies that companies should consider for internal mobility:



Skills-Based Approach:

How can companies build a deeper understanding of talent needs through a skills-based approach?



Personalized Communication:

How can companies personalize communication with internal talent?



DEI:


How does internal mobility impact DEI?



SKILLS-BASED APPROACH

Skills are becoming the new currency for talent development. Companies can provide a fairer hiring process and make smarter talent decisions to enrich upskilling and internal mobility. Companies can also identify skills gaps across the organization to plan and prepare for the future. Aptitude Research found that 95% of companies stated that skills are more important than job titles when promoting employees.

When asked to identify the top capabilities in internal mobility, companies stated upskilling and reskilling the workforce, followed by helping employees find the right opportunities and connecting internal talent with learning opportunities. A skills-based approach to internal mobility supports each of these capabilities.

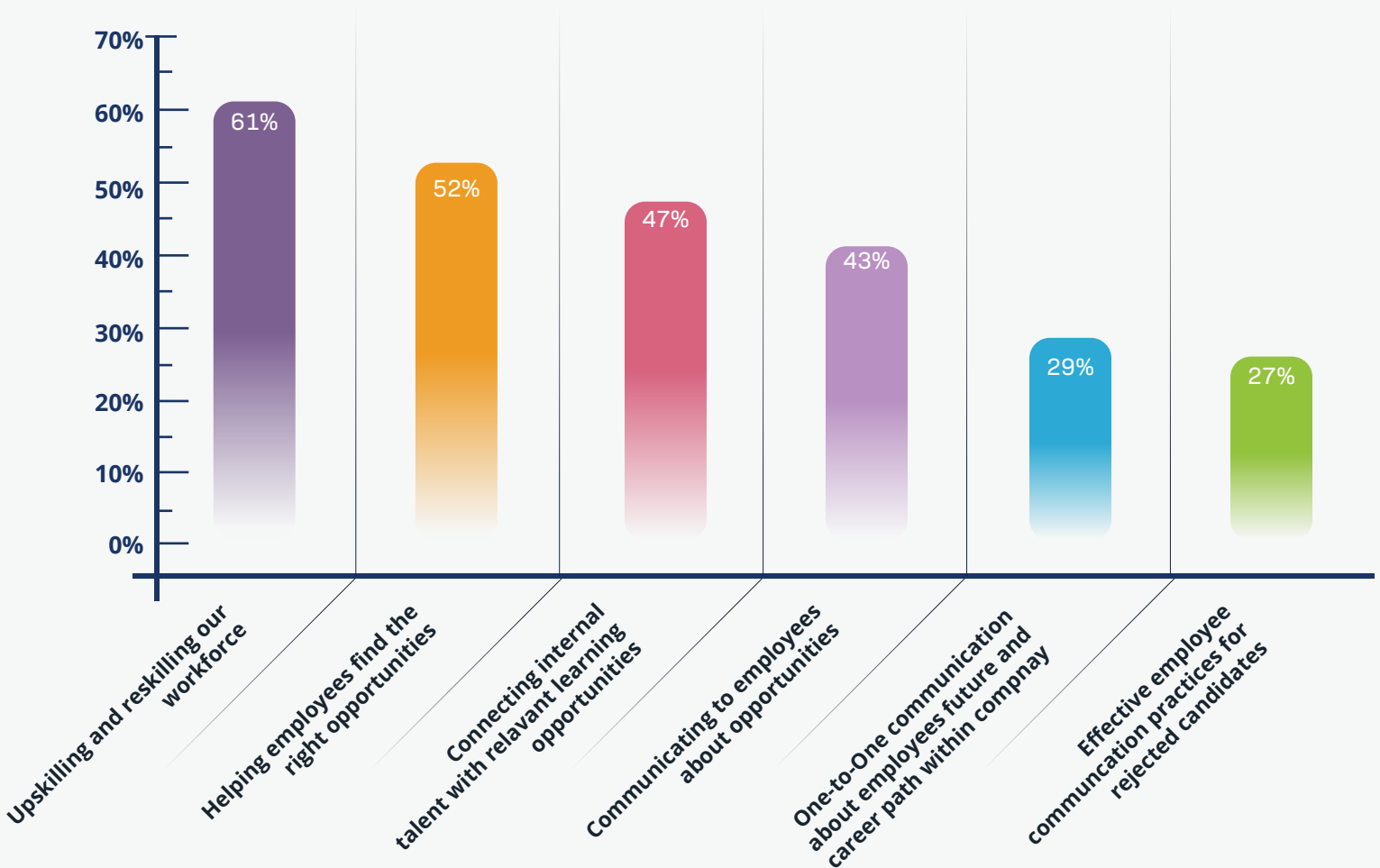


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Figure 9: Top Capabilities for Internal Mobility

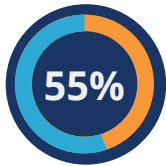


Companies must carefully consider the stakeholders involved in building a skills-based approach, the process to deliver results, and the technology enablers. A skills-based approach can improve the employee experience by giving employees opportunities for growth and own their career.

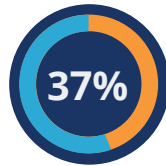


PERSONALIZED COMMUNICATION

One of the biggest opportunities to improve internal mobility is for companies to create personalized communication and engagement throughout the entire process. According to Aptitude Research, most internal candidates are treated like strangers:



of companies state that internal and external candidates go through the same interview process

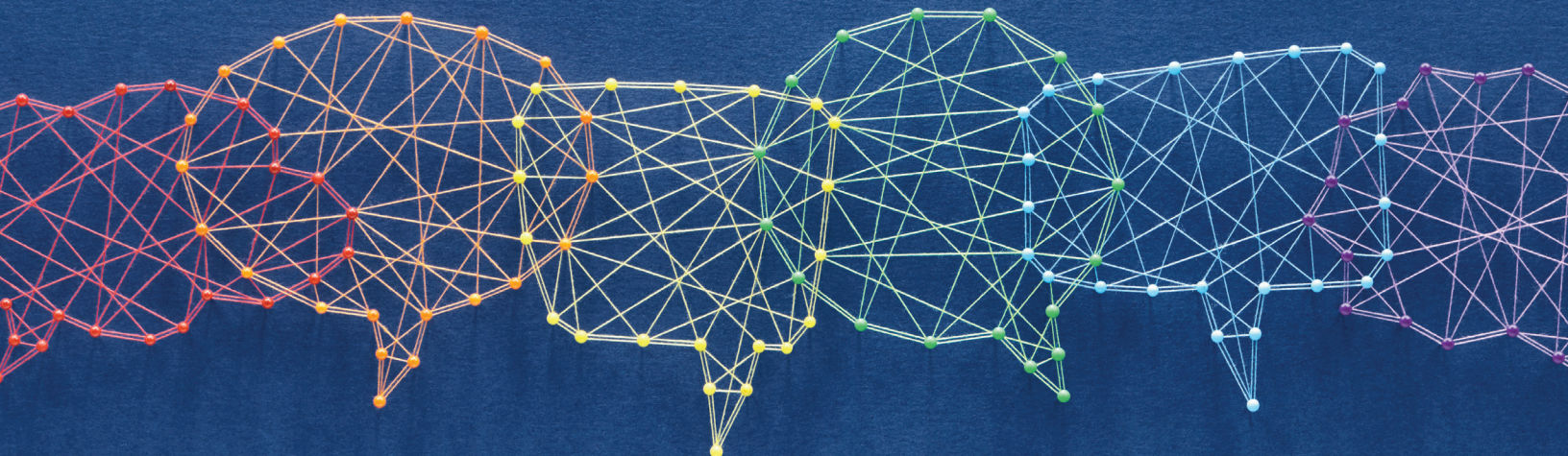


state that internal and external candidates have the same apply process



of companies personalize feedback and learning opportunities for internal candidates and only 26% personalize communication

Companies must personalize the experience and offer internal candidates more relevant and meaningful engagements. Companies can include internal candidates in recruitment marketing campaigns, provide more feedback during the interview, and offer a shorter apply process.





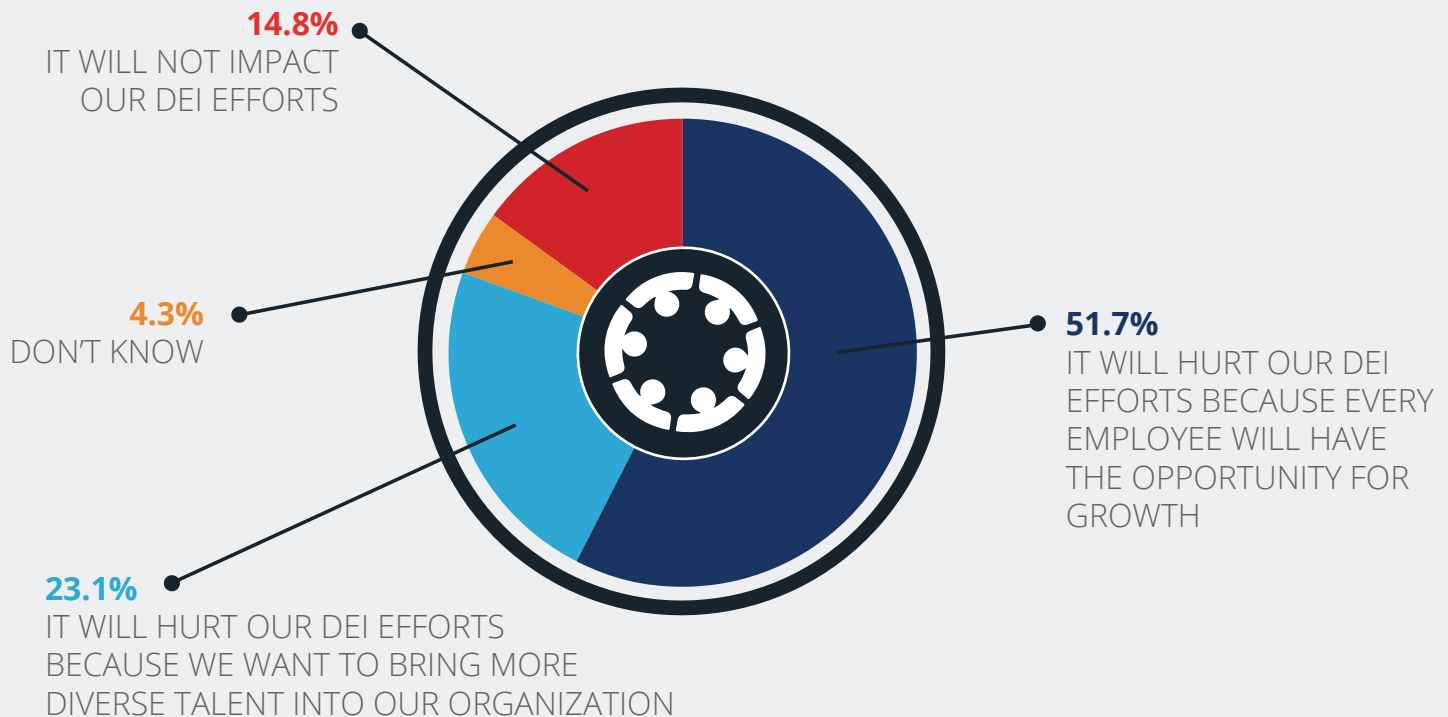
DIVERSITY, EQUITY, AND INCLUSION:

Companies have different views on the impact of internal mobility programs on DEI initiatives. On one hand, if a company does not have a diverse workforce, external candidates can add more value. On the other hand, a strategic approach to internal mobility can provide fair and equal opportunities to every employee. Aptitude Research found that 23% of companies believe that internal mobility efforts may hurt DEI initiatives because their organization lacks diverse talent, while 58% of companies believe it will strengthen DEI initiatives. Only 15% of companies believe that it will have no impact on DEI initiatives.



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Figure 10: *Impact of Internal Mobility on DEI*





TECHNOLOGY:

Companies are increasing their investment in internal mobility technology, but the market is fragmented. Every provider seems to be offering some internal mobility capabilities. It is challenging to determine what drives value, what solutions support employee experience, and what will be adopted. Companies are considering talent acquisition technology to help support internal mobility, including internal career sites, ATS, CRM, dynamic skills profiles, career development, and talent marketplaces.

Figure 11:
Technology for Internal Mobility



Talent Marketplaces: Talent marketplaces connect all talent with potential opportunities, including internal talent, external talent, gig workers, and contractors. Individuals can manage their career paths and development opportunities. Aptitude Research found that 63% of companies stated they would be interested in talent marketplace when given this definition.



ATS: Recruitment technology has improved over the past year to address internal mobility. Companies can post jobs internally, provide targeted messaging to internal candidates, and track their efforts.



Skills Profiles: Dynamic skills profiles are updated continuously and do not require employees to manually update their profiles. They are continuously enhanced to adapt to changes in the company or individual.



Learning and Development Solutions: Learning technology can help connect internal talent with the skills needed for current or future opportunities. Internal talent can also connect with other employees to build stronger skills and relationships.

Internal Career Sites: Companies can post jobs to internal career sites and personalize messaging and communication.



Conversational AI: Chatbots and conversational AI solutions can provide employees with immediate communication on career opportunities and learning programs that they might need to advance their careers. Employees can ask questions through chat that they may not feel comfortable asking their manager.



CRM: Candidate Relationship Management solutions can help engage with internal talent even before they apply for a job. It can target internal candidates, send campaigns, and increase communications.



ERP/HRMS: ERP and HRMS providers have developed robust skill frameworks to help support internal mobility efforts.



Career Development: These solutions are designed for the individual, and encourage employees to manage and own their careers.

Most companies are leveraging internal career sites and learning and development solutions. These solutions can help promote job opportunities or connect employees with a future career path. However, if used alone, they only solve for one area of internal mobility and fail to connect the company goals with the individual goals. This study found that one in two companies are not satisfied with their technology providers.

Technology includes two layers that align with the strategies discussed earlier: promotion and development. The promotion layer includes internal career sites, ATS capabilities, and recruitment technology. The development layer of internal mobility is deeper and includes skills profiles, talent marketplaces, and learning and development.

AI plays a role in helping companies with their skills-based approach to internal mobility. Through AI inference, companies are using data that is not available on employee profiles. It uses context to gain a deeper understanding of candidates and their relationship to an organization.

CONCLUSION

Internal mobility helps companies better engage talent, fill critical skills gaps, and prepare for their future workforce and talent needs. It is the connection between talent acquisition and employee experience and it provides opportunities for employers and individuals. While technology plays a critical role in improving internal mobility efforts, it is not a quick fix. Companies must think through their processes and culture for advancing and promoting employees. Companies that take a strategic approach to internal mobility are more likely to impact both business and organizational results.

ABOUT US



Aptitude Research is a leading human capital management (HCM) research and advisory firm. Our in-depth research and vendor assessments help HR leaders develop a deep understanding of the HCM technology landscape, including talent acquisition and engagement, to ultimately make better purchase decisions.

Our flagship research, The Aptitude Index Report: Talent Acquisition Systems (2021), delivers a comprehensive look at talent acquisition trends and technology. This knowledge, combined with our consulting and advisory services, enables companies to save time, money and improve the recruiting, hiring and workforce management experience.

Founded by leading analyst Madeline Laurano and based in the Boston area, Aptitude Research provides a wealth of HCM expertise to companies, vendors and investors. View our recent and upcoming research at [AptitudeResearch.com](https://www.AptitudeResearch.com) or connect with us on [Twitter](#) or [LinkedIn](#).



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