

## The Care and Feeding of High Potentials

A startling statistic is presented in the *2006 U.S. Job Retention Poll* released by the Society for Human Resource Management (SHRM) and The Wall Street Journal's CareerJournal.com (12/19/06). Their respondents, a combination of over 800 employees and HR professionals, believe that more than 75% of employees are looking for new jobs. If you're like me, your immediate reaction is "not my clients, not my company,--it must be those unenlightened guys in some of those businesses stuck in the dark ages."

Not so fast. Maybe you've implemented a broad-based retention strategy that's begun to yield results. Let's be generous and say maybe the figure is a little lower for your particular organization, industry or geography. Yet reduce the figure by a third, or even cut it in half and you still have a substantial problem if the employees entertaining moves are the wrong ones. What would it do to your organization's ability to deliver on today's commitments and execute on tomorrow's strategy if you lose too many of your high potentials? What if they just become less engaged while considering other career options? Here are some useful guidelines for inoculating your business by protecting those incredibly valuable assets:

### 1. Know your talent

- Be clear on what constitutes high potential in your organization. What are the skills and traits the future leaders of your business will need to deliver outstanding results down the road? **Hint:** the highest performers do not always equal the highest potentials; some of the highest performers are in fact "high professionals," functional experts with neither the desire nor the capability to take on a broader role. This distinction is a good thing, in that these "high professionals" represent the backbone of many organizations.
- Once the criteria are established, use a structured data-based method to assess people against them, thereby identifying your pool of high potentials. Next, determine the individual development gaps and put in place a comprehensive development action plan for each person. Since it is well established that most real development happens on the job, the best plans are heavily skewed toward new assignments with supporting coaching, mentoring and carefully timed, thoughtfully chosen formal training.

- Don't leave yourself open to the scenario where a former employee goes on to set the world on fire elsewhere, leaving you scratching your head because you had no idea s/he was so capable. That's a true risk of not knowing the talent.
2. Differentiate your talent, taking particular care to nurture the talent you can't afford to lose
- Conduct regular Retention and Career Discussions with high potentials and high professionals. Ask about career aspirations and "care abouts" on the job. Find out what would cause the person to seriously consider a call from a recruiter. While you certainly can't promise that the organization can deliver what the person wants when s/he wants it, having the information is a whole lot better than managing blindly. What you learn may surprise you; there's nothing worse than grooming an individual for a big job s/he doesn't want. In addition, the very act of asking serves as a deposit in your "goodwill bank."
  - Use training opportunities and assignments to send signals about potential. GE is one organization who does this very effectively. It is widely understood that being invited to attend certain courses at the famous Crotonville executive training facility is a gateway to higher level positions.
  - Seriously differentiate with both monetary rewards and assignments and consider some type of deferred rewards to drive retention.
3. Decide to "tell" or "not to tell"
- This is the age-old debate about whether organizations should actually tell people they are considered high potential. I personally come down on the side of stopping short of using the term, but advocate going right up to the line. I'm in favor of telling people that while there can be no guarantees, with continued strong performance we can envision a lot more "runway" in their careers. Then let your actions speak for themselves.

- While telling is riskier because it can be interpreted as a commitment and because some people will inevitably disappoint over time, it can certainly be done effectively. It simply takes more careful management, and a culture where leaders have the courage to tell people when they are no longer considered high potential.
- Whether it makes more sense to tell or not to tell in your culture, the most important thing is consistency. Make sure that the leadership team has the discussion and makes a conscious decision about which way to go. Skipping this step can lead to some messy situations which could have been avoided.

#### 4. Keep a laser-sharp focus on the right talent

- Even the best organizations have limited resources to devote to developing and retaining talent, so they apply those resources disproportionately where they will produce the highest return.
- The good news is that not all of the most effective retention and development strategies are expensive. A good example is the practice of regular Retention and Career Discussions described above. Exposure to senior management is another relatively low-cost technique. Be sure that the entire executive leadership team knows who the up and comers are in every market, and that they take the time to get to know them in the course of regular business travel. Whether my organization is one that “tells” or not, I know that I’m well thought of when every SVP who comes to town seems to take time to grab coffee or dinner with me.
- Put your money where your mouth is by incentivizing managers for retaining and developing high potentials and high professionals and penalizing them when they don’t.

Whether the 75% statistic cited in this poll is representative or not, it should serve as a wake-up call for many organizations. How well do you know your talent? Do you know who’s a flight risk and who isn’t? Some turnover is inevitable, and what’s more, some is healthy, but shame on those who lose the wrong talent. It’s honestly not that hard to prevent.

*Need help, have more questions, don’t know where to start? We’re just a phone call away.*