



**The TOP TALENT
CHALLENGE**



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The Top Talent Challenge

Why companies fail at identifying, nurturing and retaining their top talent – and what to do about it.

By Tony Monaghan, CEO Skillbiz

A graduate joined a major bank. After four years in lending, he switched to Human Resources, in line with his psychology degree, and was immediately spotted as top talent. Psychometric testing placed him in the 99th percentile in verbal, numerical and abstract reasoning, and 90th percentile for critical thinking. Temperament and workstyle metrics were favourable, with nothing to predict his impending failure. He joined the top talent program and was promoted to head office. Over the next 18 months, he failed to deliver, then eventually left the company.

Is this rare or commonplace? The data suggests it is too common:

- 1. 37% of succession-planning candidates fail**
- 2. Only 50% of all organisations have a process in place to identify high potential leaders**
- 3. Less than 2 in 5 companies have a program to accelerate their development.¹**

So, in summary, 1 in 3 hand-picked, new leaders fail. This is an appalling statistic. What other commercial process tolerates this?

What goes wrong? It could be a range of things – your Top Talent (TT) are named, but get bypassed for appointments and become impatient, then leave. Or the wrong people get spotted, then fail. Or they do not get the development they need. Perhaps companies try a workshop here, some e-learning there – cheap, convenient, tailored to meet budget but not tailored to meet actual need.



Whatever you do – don't treat your Top Talent like this. Of any one group, this group is the most high value, over time likely to fill the top jobs, leading your company. Don't skimp. **Do a great job with them.**

Why? There are too many older, complacent, emotionally-tired corporate executives prioritising share price and defending self-interest, with not much else to offer. Just looking at the faces of many of them shows that the life has already left them. Who wants to become that mediocre survivor, hanging on until retirement? And who wants to create one through their Top Talent program? How can we have community-minded leaders with diverse interests leading and inspiring our companies?

Perhaps that's why, as that top talent graduate mentioned above, I failed – by my own standards let alone others'. I would not commence strategy meetings at 7pm with my new baby at home. I would not compromise my Sydney 1st Grade cricket career by missing practice. And if I get off my moral high-horse, anxiety at addressing this constructively got in my way as well, and performance suffered. Back then, Top Talent was either / or – focussing solely on promotion, looking up. Diminish your personal life, become one-dimensional, and be judged accordingly.

The fundamentals of this experience remain – an intelligent, capable, aspirational employee was wasted. What does this mean for the needs of Top Talent in your organisation? All managers have potential 'derailers' – overplayed strengths and blind spots that may undermine performance, and they can be addressed. With support, I could have learnt about handling anxiety under pressure, planned a constructive work/life balance to suit all parties, developed stronger coaching and team relationships.

As a psychologist, I dedicate myself to working with Top Talent and their employers. I help companies develop inspiring performers, manage derailers, polish the rough diamonds, and keep the people they can't afford to lose.

My goal is to build great, principled leaders; to help companies be profitable and community-minded.

My way to change the world is to groom the future leaders who will.



The process of grooming new leaders

Every manager has the task of grooming their replacement. Most companies impose this collectively through formal succession planning (SP) processes which serve two purposes – maintenance and growth. SP limits disruption when turnover happens and stimulates rejuvenation. It can also identify the future stars – a smaller Top Talent group who can go beyond the next move, a goal only 25% of companies consider?

However, execution of the practice varies widely. Like any process, companies can fail or misfire with their top talent at any of several steps:

- **Step 1: Defining purpose.** Get clear with your own Executive Team about why you need to do this. What problems are you trying to solve when sourcing leaders and installing culture? How aligned to strategy are your leaders? What internal, sustainable leadership depth is available? What are the external recruitment costs? Which strategy is more efficient and effective?
- **Step 2: Identifying top talent.** Get clear on your formula – state it explicitly. Past performance alone eventually fails. The Peter Principle (promoting people until they fail) is reactive. What other factors beyond past performance should be included – potential, aspiration, drive? What attributes predict elite performance? How do you spot them?
- **Step 3: Choosing development approaches.** Develop tailored plans for your Top Talent that have them ready in time for when you need them. Address current skill gaps, potential derailers, and prepare them for targeted roles. Then plan ‘how’ – what multiple learning styles will be used for long term change? Self-selected, buffet-style training menus are too random. Readiness means learning what is needed, and knowing how long development takes.
- **Step 4: Appointing your Top Talent.** Ensure your succession planning delivers. Are they ready in time? Evaluate if your Top Talent actually rise to the top – and if not, why not (e.g. slow growth, wrong candidate, politics)? Support them when appointed with transition coaching.



Many will be familiar with this quote in the text box. It implies talented people are at fault for their failure. And some will waste their opportunity. But many also wither on the vine through lack of support, lack of systems alignment, lack of focus, and superficial ideas about how people function.

"...nothing is more common than unsuccessful people with talent... unrewarded genius is almost a proverb..."

Calvin Coolidge

Here is your procedural purpose: To build alignment with your business strategy, manage expected turnover, discover TT and bind them to your company. Capitalise on strengths and build your desired culture.

And your community purpose? Not just better employees, better people. Great families, great hearts. Physically healthy, mentally healthy, commercially profitable, socially responsible.

Conduct your own audit of your strategies. **Where's your pain?** Is it in starting a program? Picking the right members for that group? Developing them? Or having them fulfil their promise on time?

Call me, or email me – what have you read so far that captures your interest?



Are you getting the value from your TT that you would expect? How many are thriving, how many surviving, and how many drowning?

If you would like to review or redesign any aspect of your Top Talent strategy, no obligation, I'd be happy to support you.

**Call me on 0412 994 718
or at tony@skillbiz.com.au**

Tony Monaghan is an organisational psychologist with the professional depth to work with corporate competencies as well as with deeper personal change. He is experienced across Asia Pacific and across industrial, mining, pharmaceuticals, retail, finance and insurance industries.





In more detail:

Identifying Top Talent

So how do we predict those who will succeed – what factors facilitate potential? High performance as a factor on its own is historical – it involves looking back. Potential is speculative – it involves looking forward. Potential embraces the more personal characteristics that are consistent with high achievers, and can include testing for:

- 1. Ability:** using psychometric testing: IQ and EQ
- 2. Personality:** learning styles, adaptability, traits and career aspirations
- 3. Career dimensions:** background and qualifications, manager recommendation, business results

People who fulfil these criteria could be any age, gender or race. They are likely to make associations others don't make, ask great questions no-one else is asking, achieve targets no-one thought possible. They take risks or cause trouble but are proven right in hindsight. These are the ones you nurture and protect, expose to the elements and vigorously debrief, push them to the edge, but keep them happy. They learn in their own way but also need good role models to learn from.

Identification can fail because the actual top talent are not spotted, for several reasons: flawed selection process, nepotism, politics, weak performance data and feedback.

Identification can be done well, your cream can rise to the top. It is definitely a discussion worth having. And that discussion extends beyond identification alone.

If you can see that you would appreciate support here, [email me](#)



Development

Our goal is to develop your Top Talent by the time you need them. 75% of employers said that increasing leadership ‘bench strength’ was a priority. 64% said that accelerating development of high potential employees was a high priority for their organisations³

Why bother with identifying TT only to treat them like everyone else?

It’s a contradiction, but top talent can often receive both the most and the least assessment. Once identification is made, ongoing assessment on-the-job can be spasmodic and shallow. Sink or swim for your top talent is a huge risk.

- 62% of the multinational executives described their preparation for their global roles as fair or poor.
- 47% of the executives described both the quality of the content and effectiveness of the execution of their global executive development programs as low or very low.⁴

So what can you do?

Use 70/20/10 – (70% learning on the job, 20% coaching and feedback, and 10% formal training) – and integrate it. Not random menu items, but a planned, coordinated schedule over a year, that addresses the needs of your Top Talent. 17% of those on succession planning lists receive no coaching; of those who do, 43 per cent say it is “not as much as I want.”⁵

And what are their needs? We know big personalities have big lessons to learn, and over-used strengths can become weaknesses. The attributes that help people achieve dominance, can also get in the way. We also know that work life balance and mental health, resilience to depression (it is suffered by one in five women and one in eight men, at sometime in their lifetime) and anxiety (one in four people, sometime in their lifetime) promote well-being and achievement.



*Break the 'get ahead' cycle,
and build the 'healthy' cycle.*

What they will thank you for is making their lives better. Offering an environment to grow in, not just training them to make money for the company. Caring about them and how they grow, and how they raise their families. This builds loyalty.

Loyalty is about devotion and connection. It helps people understand who they are and what they stand for.

Turnover is a fact of life – our challenge is to keep the ones we can't afford to lose.

If you feel that you would appreciate support here, [email me](#)



Appointment

Here is where your assessment and development systems hit the road. What is your plan to make sure that all that has happened so far comes to fruition? For many Top Talent, its sink or swim – right at this moment. So remember the basics. It's a new job, new environment, new stakeholders, new clients, new team, new boss, new technology, new anxiety, new expectations.



Over-confidence may be as damaging as stagefright. Provide transition coaching for those first 100 days to give them the best springboard possible. The line manager can provide the business coaching, and a transition coach for the personal re-assurance.

If this sounds right for you, [email me](#)



Solutions

Introducing Skillbiz.

Tony Monaghan (BA Psych; Grad Dip HRM; Grad Dip Applied Sport Psych) has 20 years experience of facilitating and coaching and can play the role of your virtual talent manager for your Top Talent. He can be the consistent anchor for your program, and will get to know your company and be a recognisable and trusted influence.

He works deeply with a select handful of clients for a minimum period of 10 months. The support you need may include:

1. creating your succession planning purpose and structure,
2. planning and executing the process of identifying your top talent, say your top ten.
3. planning and delivering an intense program of personal and professional development that covers (according to need) Negotiation and Influencing, Leadership, Driving your Corporate Strategy; Emotional Intelligence, Personality, Life and Career Goals, Motivation and Personal Drivers, Personal Vision and Purpose, Handling Stress and Anxiety, Managing Change Effectively, Leadership and Coaching, Effective Teamwork.
4. monitoring effectiveness by end results.

I believe that managers who find their inner conviction – know who they are and what they stand for – will present as better and more inspiring leaders.

The Top Talent program consists of monthly workshops, monthly personal coaching for each of your top talent to personally guide and support them as they apply new skills to their work, as well as regular reinforcement emails and access to online tools.

Skillbiz executive coaching can then assist with the transition into that first, testing appointment. With an established, effective relationship, your Top Talent can receive immediate performance support, settle in more quickly, achieve quick wins, and reduce the risk of failure.



Take Action:

Through consultation, let's review your talent strategies together, and work out what you need: Clearer purpose and alignment? Identification? Development? Embedding?

For your leaders to advance at the rate you need and in time for future appointments, you will require a specific strategy. **Skillbiz can help you with that strategy.**

*Give me your best 10
We can deliver your best, at their best.*

**For more detailed information on the Skillbiz Top Talent program,
contact: Tony Monaghan**

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