

Retaining top talent

Reward your best and brightest

Top performers produce significantly more than their counterparts yet often receive less attention by management. Why?

When asked, the president of a U.S.-based wealth management corporation told me that his top performers outperformed his lower performers by at least three to four times. And, he added, it was easier to double his top performers' \$1 million business than a lower performer's \$400,000 business. Yet managers spend a disproportionate amount of time with the lower performers because they feel that they "need them more."

While it may be true that lower performers need more help growing their businesses, time invested with top performers provides a quicker and greater payoff, and not doing so is significant. According to a recent study by the Corporate Executive Board, 25 percent of top performers plan to change jobs within the next 12 months. By comparison, that number was 10 percent in 2008.

What's contributing to this growing discontent? First, top performers believe they don't receive the level of developmental support that they feel they've earned. The same study cites 64 percent of high potentials were unhappy with their development activities and felt they had earned a personalized development plan, rather than the one-size-fits-all approach. This isn't surprising considering high performers, regardless of the economy, continually strive to achieve better results.

Second, top performers have experienced a significant disruption to their business compliments of the economic downturn. They've been forced to do more with less while making the same or less money.

We all know that losing a top performer doesn't happen overnight. It takes a lot of courage and deliberation to decide to leave a company when you are at the top of your game.

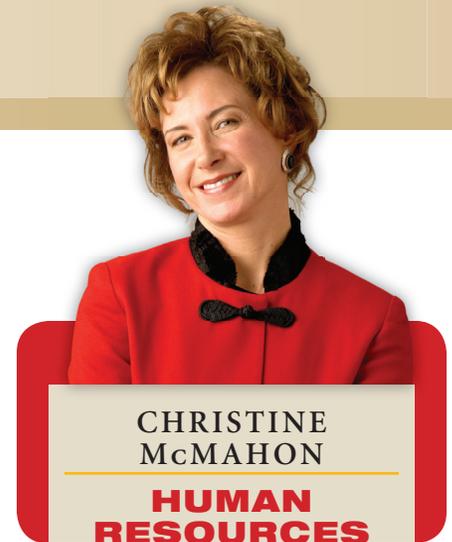
For a company, the impact of losing a top performer can be significant when measured by disruptions with or loss of current business, evaporating growth opportunities, and demoralized employees (because the company "let" an esteemed employee go). Losing top talent costs an employer up to 3.5 times that employee's annual compensation, considering replacement costs and contributive costs such as business relationships.

What steps can you take to engage, inspire and retain your top performers?

1. Clearly communicate performance expectations.

Top talent thrives on success. They play to win and want to know what's required to be the best. As such, they want clear expectations and a system for tracking their own success. Subjective evaluation, especially tied to compensation, dampens inspiration. Top performers want to be in control of their own destiny.

Begin by setting realistic expectations. I recall a client who shared his performance assessment tracking sheet – it had 33 different objectives (Are you kidding?!). He said, "Each month I dedicate a full day to update this information. It's discouraging. I know what's really important and that's what I focus on – everything else, well, I just do what I can." Over-measurement can deflate a high performer's enthusiasm as it makes them feel like they've been set up for failure, not success.



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Be sure Individual Development Plan (IDP) objectives are meaningful (tied to the right business results), achievable and measurable.

2. Provide regular feedback.

Everyone has strengths as well as blind spots. When you observe an employee doing a great job, stop and provide that person with content-rich feedback. "Nice job" doesn't communicate what behavior should be replicated. Consider feedback that contextualizes what the person did well so it can be replicated, such as: "Your presentation opening was risky. But you decided to trust your instincts and in doing so, completely captured the group's attention. They knew right away that you understood what it was like to be in their shoes and engaged. It wasn't easy delivering such a difficult message but I believe that you earned their trust. Super job!"

Deliver critical feedback within 48 hours. Feedback delivered a month later is virtually meaningless as details get lost over time.

Feedback must be timely, specific and delivered with kind intention for it to make an impact.

3. Keep the team updated on priorities and strategies.

During times of rapid change, business priorities can shift on a daily basis. Clear direction gives team members clarity about what is expected of them. Having some level of predictability in an un-

certain world is reassuring. When people know what needs to get done and by whom, they can invest their energy and effort to achieve results – even baby-steps – as positive momentum feels good when the future is unclear.

Top performers are results-oriented, “make it happen” people. They thrive on making a difference so helping them understand what’s important and giving them feedback that they are doing the right things absolutely matters.

4. Ask for their input.

Top performers see potentiality. They love to learn, always looking for new ways to be more efficient and productive. They like a challenge and appreciate when their expertise and insights are valued. Call upon top performers when looking for opportunities to grow your business or to work through a difficult situation. Be sure to communicate expectations up front about how the final decision will be made thereby eliminating the risk of offend-

ing them when you make a decision that doesn’t align with their input.

Since top performers know what it takes to be successful, they’re willing to make personal sacrifices to achieve that higher level of success. Leverage their keen insight, expertise and creativity to overcome roadblocks and expand your business.

5. Support tools and service.

Top performers understand that it takes a total team to support and delight a customer. They want it done right the first time because their reputation and credibility are on the line. Top performers develop relationships that create successful businesses, not the other way around.

When simple transactions become high maintenance projects requiring multiple follow-up touch points, the energy drain can become intolerable.

Evaluate the rework imposed on your top performers resulting from others not doing their job, or where systems/technologies are inadequate to support busi-

ness demands. High performers energetically burn out when tasked with tactical activities. What time-stealing activities can you eliminate or automate?

6. Learn from exit interviews.

Exiting employees feel less inhibited about sharing feedback and constructive ideas with an independent party about the company culture and work environment.

What are they telling you that you don’t want to hear, but need to act on in order to attract and retain top performers?

Top performers may represent less than 10 percent of all workers yet they contribute 60 to 75 percent of a company’s output and revenue. Developing and keeping the organization’s talent management strategy center-stage should be a top priority of every leadership team. ■

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