



Monthly Strategies

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Why Run High Potential Programs for Employees?

Turnover can cost companies a lot of money. Businesses in the U.S. lose about \$1 trillion every year, according to Gallup. Not only is it costly, but it also affects organizations in many other ways.

We should engage high potential employees in the organization to increase retention. One of the best ways to make them more productive is by offering mentoring opportunities. Gartner's research shows that employees who receive support from leaders work 21% harder than their colleagues.

Organizations that run high potential (HiPo) programs are more likely to engage their employees than organizations without one. According to Gallup's research, employee engagement is one of the two most important factors that contribute to their performance. Employee engagement improves the retention rate by 59%.

In a survey, 63% of the 600 U.S. businesses claimed employee retention is more challenging than hiring new ones. But your company can't make headway with wet-behind-the-ears new hires every few months. So, companies need to find ways to retain their HiPos. High potential programs bring the best out of your high potential employees and motivate other employees to be like them.

High potential development programs create a culture of high performance in the organization. When an organization has the right behaviors and norms, it will succeed in financial and non-financial respects. Non-financial results include:

- Customer satisfaction
- Employee retention rates
- Competitiveness in the marketplace
- Innovation for new products or services

How Can Mentorship Help HiPos?

Well let's put ourselves in their shoes. What is more reassuring than having someone guide you through various stages of your career based on experience level? The right guiding hand builds self-esteem, which leads directly to successful performance. Here are why HiPos need mentorship:

- **Career pathing:** Mentorship can help high potential employees forge career paths by providing guidance and expertise. HiPos are often seen as people who can or should figure things out because of their potential, which is not always true. They also need guidance and direction.
- **Challenges and accountability:** For HiPos to truly achieve their latent potential, they need mentors to unleash it. Through mentorship, high potential employees work with mentors who analyze their strengths and weaknesses, then give them challenges to help them become a better version of themselves. Successful organizations don't assume HiPos are perfect people who will just get on with their work.
- **Performance feedback:** 96% of employees want frequent feedback. Additionally, 65% of employees say they aren't receiving enough feedback and want more. Feedback is a three-way street; it benefits the giver, the receiver, and the organization. For HiPos to be successful, they need candid feedback that helps them reflect on their strengths and weaknesses.
- **Networking opportunities:** Mentoring circles are a good way HiPos can learn, grow professionally, and make connections across all levels within their company or industry.

Five Strategies for Developing High Potential Programs

When building out your high-potential leadership program, the first step is identifying your HiPo employees and determining what you want them to do for the organization. Once you recognize them and their strengths, you can consider how to best support them so they can achieve your (and their) goals. Here are five best practices to consider:

- **Assess their existing skills** - An important strategy for developing employees with high leadership potential is to fully assess their existing skills. Look at the different skills they currently have and use. Then consider new skills they want to learn and that will aid in their future development.
 - Put plans in motion to help them develop these skills. Assign them new tasks, introduce them to different projects, or set them up with a relevant course.
 - To keep this task manageable, consider matching them with a mentor who can spend some time learning their individual skills, goals, and talents. Their mentor can guide their career path and help them develop into an effective leader.
 - **Enroll them in personalized learning programs** - Investing in high-potential employees means investing in their future and the company's future. Keep in mind that internal recruitment comes at a lower cost than external recruitment. So, this investment means the stakes are higher, but the risk is lower. In other words, you're fighting to keep an amazing employee, but you've got more time to help them build confidence and grow as a leader.
 - Set them up in learning and development programs and provide access to supporting resources. A mentor can help here, too, by keeping L&D focused on their personal goals and ambitions.
- **Offer job shadowing with your most effective leaders** - As part of your HiPo leadership program, allow top talent to shadow your top managers and most effective leaders.
 - When possible, have them attend conferences and operational business meetings. Have management make them part of planning discussions, invite them to lunch and social events or anywhere important information is discussed at the senior or executive level.
 - This isn't just beneficial from a learning perspective but also in terms of networking. Networking is vital in terms of progression. And for high-potential employees, it is an opportunity to show who they are, how they are driven, and why they deserve to be seen as an integral part of the company.
 - **Pair high-potential employees with mentors** - Developing high-potential employees means giving them more responsibility so you can see how they perform. One way to do this is to pair them with mentors who can witness their achievements firsthand.
 - Meanwhile, your previous crop of HiPos become mentors who can train your newest standout employees, challenge them, and provide actionable feedback.
 - **Recognize and reward HiPos** - Top performers want positive feedback, good pay rates, and desirable benefits, but it's not enough to haphazardly throw these rewards around when an employee threatens to leave. It's time to formalize how you'll reward the talent you've worked so hard to cultivate.

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