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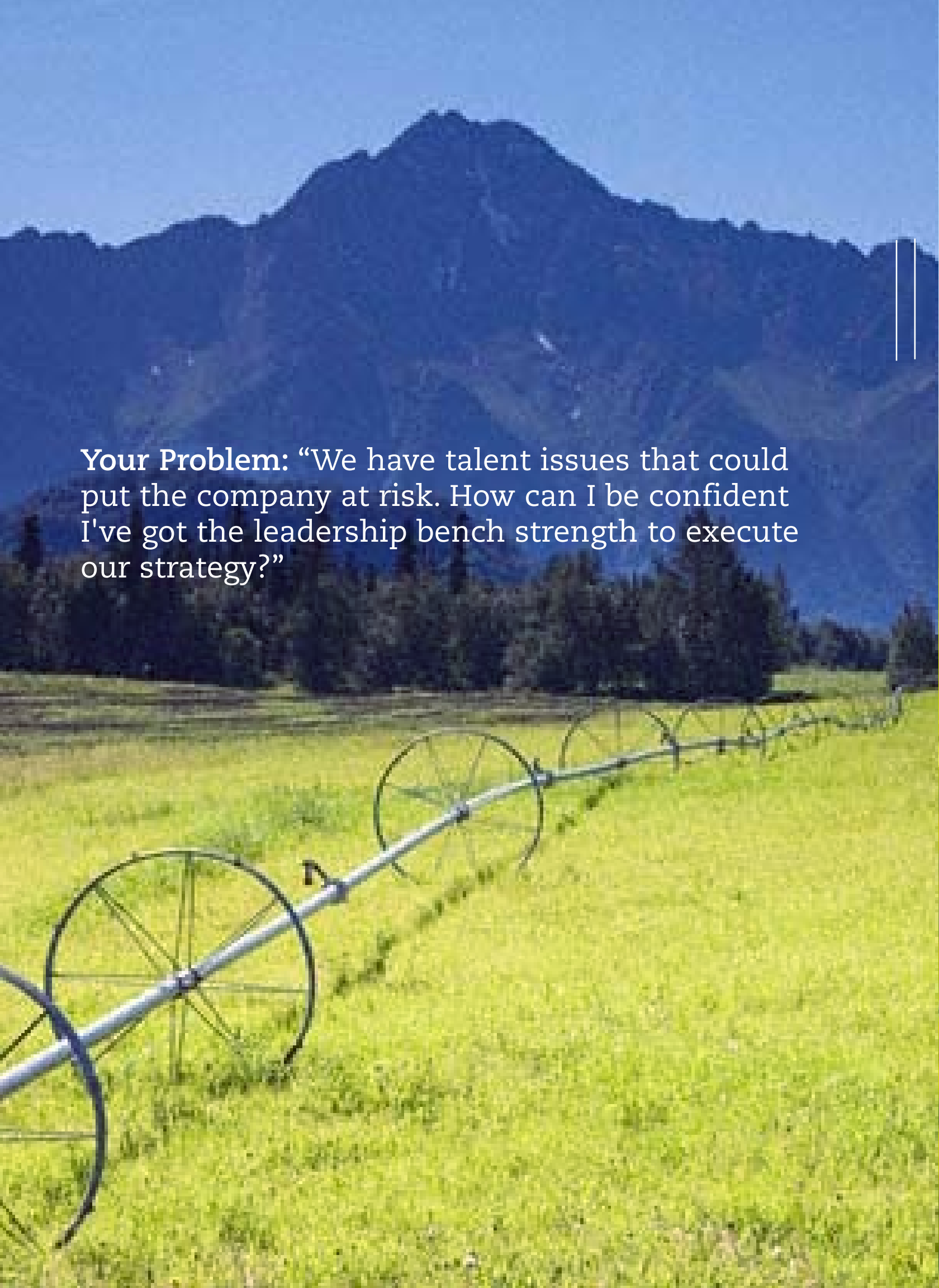
Delta Organization & Leadership

Building Executive Talent

Fueling Growth—Managing Risk



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Your Problem: “We have talent issues that could put the company at risk. How can I be confident I've got the leadership bench strength to execute our strategy?”



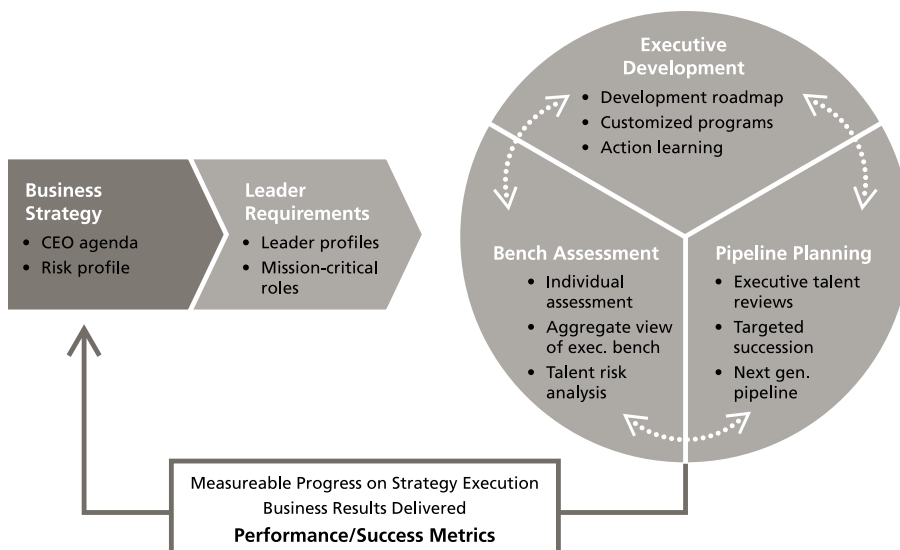
You've worked for months to analyze the current state of your industry, project how markets might evolve, and assess how well your organization is positioned to grow. You have your board and leadership team aligned on ambitious three-year targets and the path to get there. Now you're taking a hard look at the question, "What might prevent us from achieving these goals?" Of all the factors to consider, one rises to the top: The number one risk to your business strategy—above threats from global competition, failure to innovate, and sustaining financial performance—is lack of executive talent to execute.

In our work with Global 1000 companies, we regularly find leaders struggling to understand where they're at risk due to gaps in executive talent and to manage this risk appropriately. Boards of directors now pay more attention to the link between leadership and organizational performance, recognize the risk associated with poorly implemented (or non-existent) succession plans, and ask tough questions about business continuity. Regular analyses of a company's risk profile are beginning to include a serious look at "talent risk."

Chief executives are increasingly preoccupied with questions such as:

- I know in my gut the type of leadership that made us highly successful in the past isn't going to cut it in the future. **Exactly what skills and attitudes will be required to sustain and grow the company?**
- We're at risk of losing critical talent to the competition or retirement. **What can I do to keep my executives here and keep them motivated?**
- If even one or two leaders leave, it could dramatically slow us down and make us miss targets. **How do I make sure there are successors ready to step up to the challenge?**
- When I look at my bench of executive talent I see some stars, some who aren't pulling their weight, and lots of undeveloped potential. **How do I help people raise their game?**
- If I look below the executive level, I see a huge gap. **Where are the up-and-comers in the next generation?**
- I seem to be spending a lot of money on assessment and development. **How do I make sure I'm investing it in the right places to pay off for the business?**

Executive Talent Strategy Roadmap





Our Approach: Building Executive Talent

We advocate a systematic approach to building executive talent. Companies that are most successful in mitigating talent risk have a formal executive talent strategy that is tied to the CEO agenda, driven by business strategy, and based on accurate data. To develop an effective strategy, top leaders must:

- **Determine leadership requirements:** decide what type of leader is needed to successfully deliver the business strategy and identify mission-critical roles that will make or break the company.
- **Assess bench strength:** analyze your talent risk by creating an accurate and actionable view of gaps between what's available and what's required to execute strategy. It's important to consider both the individual level (gap between a leader's capabilities and the profile of a successful leader for that business) and the aggregate (how well the existing talent base matches up against role requirements dictated by the business strategy, especially the number of people available to fill mission-critical roles).
- **Manage pipeline process:** institute regular executive talent reviews with the CEO and board to consider assessment results and plan developmental moves. Sound pipeline management includes succession plans for mission-critical roles, targeted retention plans for key talent at risk of leaving the company, and accelerated development plans for next-generation leaders that are regularly discussed and fine-tuned.
- **Customize development:** create and implement a development roadmap to build on strengths and close gaps, featuring programs customized to the specific need and practical action learning.

Underpinning the strategy is a process to measure how well the system is working and the impact it's having on business results.

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How Oliver Wyman – Delta Organization & Leadership Can Help

We work regularly with boards and executives in Global 1000 companies. We know their world, what it takes to earn their confidence, and why they must own the executive talent agenda. With our solid understanding of business strategy and risk profiles, we collaborate with the top team to mitigate business risk through an executive talent strategy that delivers the type of leader you need to execute successfully. We have deep expertise in:

- Engaging and aligning the board, CEO, and leadership team on articulating requirements for leaders specific to your business strategy—and building leader profiles
- Identifying mission-critical roles (through our Key Role Identifier Tool), which demand detailed profiles, robust succession plans, and substantial investment in development
- Customizing a reliable, multi-faceted approach to assessment built on your leader profiles and drawing on our extensive executive assessment tools—then working with you to implement an assessment process that participants find on the mark and meaningful
- Creating pipeline planning processes that give the CEO and board confidence the right leaders will be in place to assure business continuity and success—including tested tools and processes for auditing your leadership pipeline and identifying next-generation leaders
- Ensuring that pipeline planning is informed by accurate and accessible talent data through our web-enabled Executive Talent Management Decision Support Tool
- Creating and delivering through our Executive Learning Center a customized development program—strong on action learning built around real-life challenges



As You Move Forward...

As you build your executive talent strategy, we encourage you to consider the following:

1. Off-the-shelf leadership models take you only as far as basic leadership competencies that could apply to any leader, anywhere, at any time. What it takes to drive success in a company focused on innovation is different from what's needed if you're striving for operational excellence, or global growth, or customer intimacy.
2. While some companies are hesitant to formally assess executives, we find the process is welcomed when it's done with participating leaders, not to them. A well-designed assessment gives executives an opportunity to reflect on their career accomplishments, share their aspirations, and raise their profile with the top team and board.
3. Executive talent strategies fail most often in the handoff between assessment and development. It's important to engage the executive in identifying the critical few development priorities, create focused plans, get the institutional support in place to implement, and demonstrate that the CEO is monitoring progress.
4. The best executive development focuses on forming "whole leaders" who can use their head to lead strategically and logically, demonstrate heart in their interactions with people, and act with guts—taking risks and being courageous.

About Oliver Wyman – Delta Organization & Leadership

Oliver Wyman is building the leading global management consultancy, combining deep industry knowledge with specialized expertise in strategy, operations, risk management, organizational transformation, and leadership development. Delta Organization & Leadership works collaboratively with CEOs and senior executives to meet the challenges of building talent, accelerating organizational performance, and driving business success. Our Executive Learning Center provides top-tier executive education around the world, designing and implementing customized programs that develop the leaders you need to compete and grow.

We bring deep expertise and a track record of high-impact solutions that minimize business risk by:

- Maximizing CEO and senior team effectiveness
- Making your strategy work
- Building an effective board
- Managing the business of change
- Redesigning your organization
- Developing a pipeline of the right leaders for your business
- Securing commitment through communication and engagement
- Bringing meaningful data to decision-making

To obtain further information about Oliver Wyman – Delta Organization & Leadership, please contact us at deltainfo@oliverwyman.com or the telephone numbers below.

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