



Backing Up Your Talent: 4 Reasons Bench Strength Matters

Ask any successful business owner whether he or she prioritizes the backup of company data, and an emphatic yes is all but guaranteed. Just last May, Barkly surveyed IT professionals from over 300 organizations, and found that “nearly 100 percent of respondents” were actively backing up their data. The reason is simple: loss of data has the potential to cause mass chaos and disruption within an organization, which could result in significant losses in profitability.

But what about backing up talent? Similar to data loss, the loss of key leadership can certainly disrupt business operations and cause significant damage to the bottom line when companies are caught unprepared. So why is it that many business leaders are far less proactive in making the investment to back up key team members?

While bench strength may not always be top of mind when developing a talent strategy, here are 4 ways that making the investment now can set your company up for success down the road:

It Reduces the Cost of Turnover

It's an all too common business scenario: one critical individual leaves unexpectedly, and it sets off a dangerous domino effect within the organization. Key accounts experience a leadership gap, teammates overwork themselves to fill the void, and management is left scrambling for solutions. For companies lacking bench strength, backfilling positions from scratch means steeper learning curves, more time spent onboarding, and greater losses of productivity and profitability. With the median tenure of the American worker at just 4.6 years, and even most CEOs turning over their posts every ten, it's no longer a question of whether turnover will affect your organization, but rather how prepared you are for the inevitable.

It Challenges Your Current Leaders to Grow

Many complex challenges faced by companies today don't have a single silver-bullet solution. That's why even the most talented business leaders can benefit from having one or more well-informed backups who deeply understand the issues at hand and can provide secondary (or tertiary) perspectives. Rather than make decisions based solely on their own instincts, companies whose leaders are open to having their thoughts and

ideas challenged are not only poised to become more evolved in their own thinking, but are also more likely to develop innovative solutions that will give their businesses a competitive advantage in the marketplace.

It Better Prepares Your High Potential Leaders

While the majority of business leaders agree it's risky not to have a succession plan in place for key employees, a survey of nearly 1,100 senior managers and executives from AMA Enterprise reveals that roughly a quarter of companies have done no succession planning at all, and only about 8 percent have a "comprehensive development program that is part of the business plan." To ensure continuity of leadership, organizations need to be thinking multiple steps ahead, not only continuing to develop their current executives, but also working diligently to identify and hire their next wave of leaders so they can be fully prepared to seamlessly transition into vital roles when needed.

It Alleviates Pressure from Top Performers

In the professional sports world, it's the teams with the strongest benches who are consistently able to overcome challenges and achieve wins late in the season. Whether an injury sidelines a key player, a star burns out due to too much time on the field, or disenchantment or disengagement strikes at a critical time, business leaders know these same challenges can affect their top performers as well. If an organization wants to go the distance, key players must be given the support needed to manage growing workloads, maintain motivation, and avoid burn out. The last thing any business owner wants is to be forced to sideline an all-star, or worse yet—drive them away to another team.

So what does this all mean?

To ensure the long-term stability of your business, it's just as critical to focus on the future as the present. When it comes to talent management, surprises are rarely—if ever—a good thing, making preparation key to an organization's sustainable success. As your company continues to evolve, be sure to ask if your talent pipeline aligns with your long-term business strategy, and continually assess whether your future leaders exist in house and can be nurtured, or need to be hired from the outside. At the end of the day, the more proactive you can be in your approach to finding and developing strong leaders now, the more stable your organization will be over time.

Does your organization have the "bench strength" necessary to maintain strong, consistent leadership over time? At RRG, we help our clients' organizations and their key leaders plan for long-term success through a variety of services tailored to their unique needs. To learn more, give us a call today at #708-738-5040, or visit our website at RRGExec.com