**Health Services Industry Success Story**

**Situation**

“We’re doing very well today. How can we sustain this success for our future?” the CEO asked his senior leadership team after reviewing their 2010 biennial culture and engagement survey. One of the questions worrying the CEO was whether they were at risk of losing their best people for the future. The company, a major leader in the health services field, had been named one of the top 100 companies to work for six years in a row. Yet, the data facing the senior leadership team was sobering. The data suggested that the organization was at risk of losing their high performing and high potential employees. This subgroup’s engagement scores were at the bottom of the scores throughout the organization.

“We needed a way to increase the engagement of our high potentials, increase our retention of these key individuals, and ensure we had a good succession plan”, noted the program sponsor. “Our strategic goal is to have two people ready for any position that comes open and available within the organization. We need to ensure that the key skills we need to achieve our organizational goals are being filled and our bench is best prepared to continue to move our organization forward to help our clients.”

“In the past, we used an off the shelf leadership development program that was good at doing the baseline management and leadership skills, but was canned and not customized for their needs. Participant reaction reflected boredom and disengagement, amplifying the problem. After reviewing the engagement survey and the results of the current high potential leadership program the CHRO essentially told the chief talent officer, “It’s not working. You need to blow this up and start over. We have to do something completely different.”

**The Approach**

“Our strategy’s foundation is to ‘prepare our people’. We have and pride ourselves on having a strategic approach to how we hire and retain people with the appropriate skills at the right time, in the right place, and at the best value”, noted the program’s sponsor. “Our culture emphasizes employees who care, collaborate, are committed, and are creative.

“We chose NCSU’s Poole College of Management (PCOM) because we were overwhelmed by the versatility they brought to the engagements. We wanted academic experts with deep subject matter expertise who would challenge the participants to view the issues from a different lens than we are used to seeing, rather than simply a facilitator to speak in front of the room. We were blown away by the willingness of the PCOM team to bring in and partner with us to co-create a program design that we can deliver for the same cohort over several years. One that would be very different from year to year”
“We engaged NC State's Poole College of Management specifically because they bring the customization element, the deep industry knowledge, the breadth of different points of view with the scientific and technical communities, while providing a terrific value for the engagement fee we spend with them. The team at PCOM is creative, comes up with new ways to challenge and inspire these high potentials. We've completed year one and we have year two already planned and sequenced out to ensure that our high potentials get an integrated and enduring leadership development program.”

Results

Internally, the organization defines one success metric as the number of high potentials who are promoted, who stay with them each year (retention), and how many get transferred to lateral roles for career broadening. They take special note of the number of females who get promoted. “This year, we had 15 people in the Accelerated Leadership Program, noted the program sponsor. “Six of those fifteen were promoted in the past year. 83% of those promotions went to females. We want to ensure that we have a diverse mid level talent pool from which to draw for our senior leadership team. This is part of our pipeline. We've retained 100% of our high potentials within the organization.”

Several studies bear out the bottom line effect of retaining an organization's top talent. It costs between two and three times the amount of money to hire someone from the outside than it does to promote from the inside. The organization also get accelerated productivity and effectiveness out of the new leader because that person already understands the culture and inner workings of the organization. That’s important from a financial strength standpoint as well as from a employee culture and engagement standpoint. “We view a strong culture and engagement survey as crucial because we view increased engagement leading to increased personal and voluntary productivity toward our goals and that gives us a much better chance of meeting our goals”, explained the program sponsor.

“We've been running the Accelerated Leadership Program for the past 2 years. This past year (2012), we showed a 15-20% point advantage across all 12 of the culture engagement indices. What we’re most proud of is that our engagement score of the key groups we need to keep is at the top of the benchmark. What is most remarkable about this is that 18 months ago, this segment was one of the lowest scoring segments of our organization.”