# rapid Assessment Process—Leadership and Organization Capabilities

### Leadership Pipeline ®Report...reporting the findings

# Presented to: Perpetual Equity, LLC

May 4, 2019

Charles H. Bishop, Jr., PhD; Senior Partner
The Profitability Formula, LLC
570 Stonegate Terrace; Suite 102
Glencoe, IL 60022



Results of the Talent Audit (Examples of selective reports provided)

#### 1st:Do we have the right people on the plane?

- 1.1 Bench-Strength: What does the overall pipeline look like...what is the balance of Lift Vs. Drag?
- 1.2 Individual Profiles: Do we have leaders with the right skills who can drive change?
- 1.3 Leadership Coalition: Do we have the "coalition of leaders"... down two levels to drive change?
- 1.4 -- Strategic Deployment Matrix: Are we consistently staffing in line with our business needs?
- 1.5 **Execution Strength:** Do we have the functional leadership and depth required to be successful? a. Line-Operating units; b. Corporate Staff
- 1.6 Execution Capability Assessment Key unit or Function... Gap Analysis

#### 2<sup>nd</sup>:Do we have the wrong people getting off the plane?

- 2.1 Poor Performance Cost/Risk: What is the cost and are we stepping up to poor performance?
- 2.2 Leadership Talent Vulnerability: Are we at risk of losing our best talent?

### 3rd: Do we have the right people—right seats...doing the right things?

- 3-1 -Leader-Position 'fit' Are those in the core competencies truly driving profitability?
- 3-2—HR Systems Capability -Supporting Engagement
- 3-3 --Pivotal Positions...Do we have our best talent in the pivotal positions critical for our strategic success this year-are we at risk and if so, what are we doing to mitigate that risk?
- 3.4 Under-Leveraged Top Talent -what is the risk and what is our plan to mitigate the risk? people off the plane?

4th: What is our Plan to mitigate risks and assure we can successfully implement the strategic agenda?

4.1-Human Capital Action Plan

#### **Results-Table of Contents**

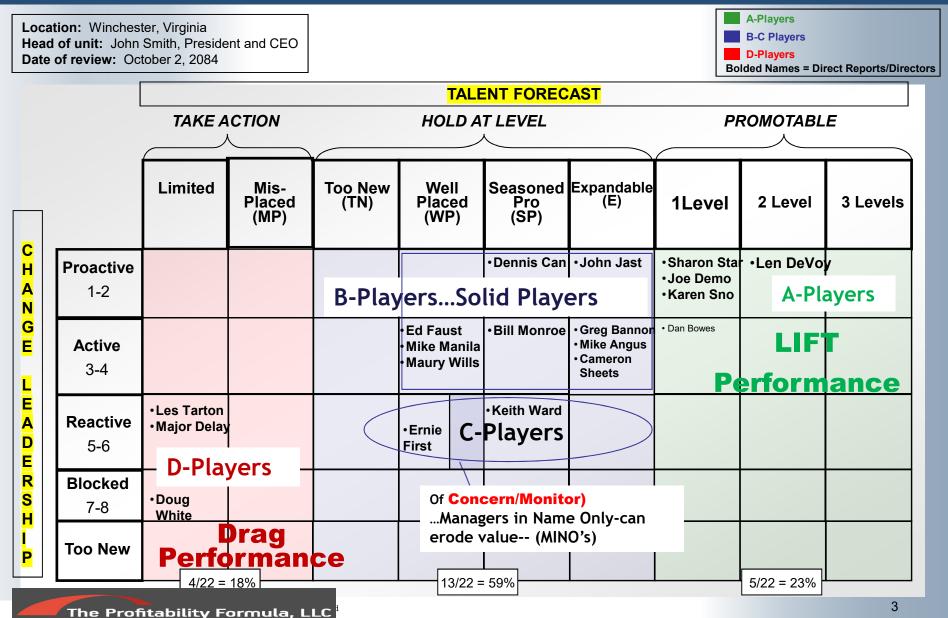
Note: Names of participants in this example have been changed for purposes of maintaining confidentiality.

#### Section One: Results of the Talent Review

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- 1.4 --- Strategic Deployment Matrix: Are we consistently staffing in line with our business needs?
- 1.5 **Strength to Execute:** Do we have the functional leadership and depth required?
  - a: Line-Operating Units; b. Corporate Staff
- 1.5 Execution Capability Assessment-with a strategically important unit... Can this unit execute well...where are there significant gaps...and, is the leadership team capable of quickly 'fixing things'?

### 1.1 — Bench-Strength Matrix...segmentation of the pipeline of talent

What does look like...what is the balance of lift vs. drag with the overall pipeline...are there risks and what are we doing to mitigate those risks?



## 1.2--Individual Profiles...information that is gathered by discussion

\*\*In a normal day can review approximately 25 individuals...profiles presented in descending order; thus, going down two levels...documenting the picture of individuals

The focused. multi-rater discussion allows the to assess upwards of 25 individuals in one day -the process produces qualitative information that is valid, timely, differerentating and helpful to busy executives charged with making critical

> talent deployment

decisions

Sharon Star Service: Name: 5 years

Location: Title: Los Angeles, CA VP. Supply

Chain

Reports to: Division: Bill Alsostar

Position Code: Years in Job: 1.5 years

Change Leadership: Proactive

Talent Forecast: Promotable 1

#### Towering Strengths Key Development Needs

- leadership team Strategic Thinking sees patterns/looks for opportunities and continuous improvement
  - Execution Skills has a track record of results in tough situations
  - Leadership Skills attracts talent/solid in development of people

- Sizing Up People
- Strategic Agility Can overdo her strength

#### Key Questions/Challenges:

- Can Sharon provide leadership in a turnaround situation?
- Can Sharon <u>quickly</u> produce strong results with the new aggressive Quality. Improvement program in the Midwest Region ?

Future Scenario:		
Comments	Possible Jobs	% Ready
	General Mgmt	75%

### 1-4: Strategic Deployment Matrix:

Question: Are we consistently deploying talent appropriately as we implement our strategy?

....Of major concern: Are we deploying 'A Talent' against our most important—'A Business Challenges?"

	Most Valuable	Strategic- Mission Critical Positions	3				1
	<b></b>	Pivotal Positions	3				2
Positions/ Role:							
		Essential Positions					4
	Least Valuable	Non-Core Positions				5	5
			D-Players	C-Players		B-Players	A-Players
			Least Valuable			<b>•</b>	Most Valuable
					People /Talent:		

#### Examples of queries:

- Do we have our best talent deployed against our most important business issues?
- 2. Do we have A-Players in our pivotal positions that are essential for us this year?
- Do we have mission critical positions staffed with 'not our best'?
- 4. Have we 'gold-plated' a unit/function and essentially are wasting an A-Player?
- 5. Do we have valuable talent in units/functions that we are divesting...what are we doing?

### 1.6: Key Unit/Function ... Execution Capabilities Assessment

### **Organization-Talent Capability Assessment**

...Considering our strategy...what kind of shape (present view) are these functions/units in and where do they <u>need to be</u>, to be successful... and, do we have the leadership and depth we require in this area?

"Indicate if first two levels of leadership in that unit/function are absolutely pivotal\_to our success -next 12-18 months.

<u>Essential</u>	Present View	Must Be	Leadership -Bench-Strengthtoday
Store Operations **	С	В	C+
Franchise Operations **	C+	А	Not sure—more information required
Operations /Service	C-	В	B+
Very Important			
Innovation	В-	B- to A (in two years)	С
Marketing	В-	А	C- (#1 Focus)
International	C-	B (OK)	A
Financial Accounting	В	B+	В
Human Resources	В	B+	C+ (# 3 Focus)
• Legal	С	В	В
Supply Chain	B+	А	C(#2 Focus)
			,

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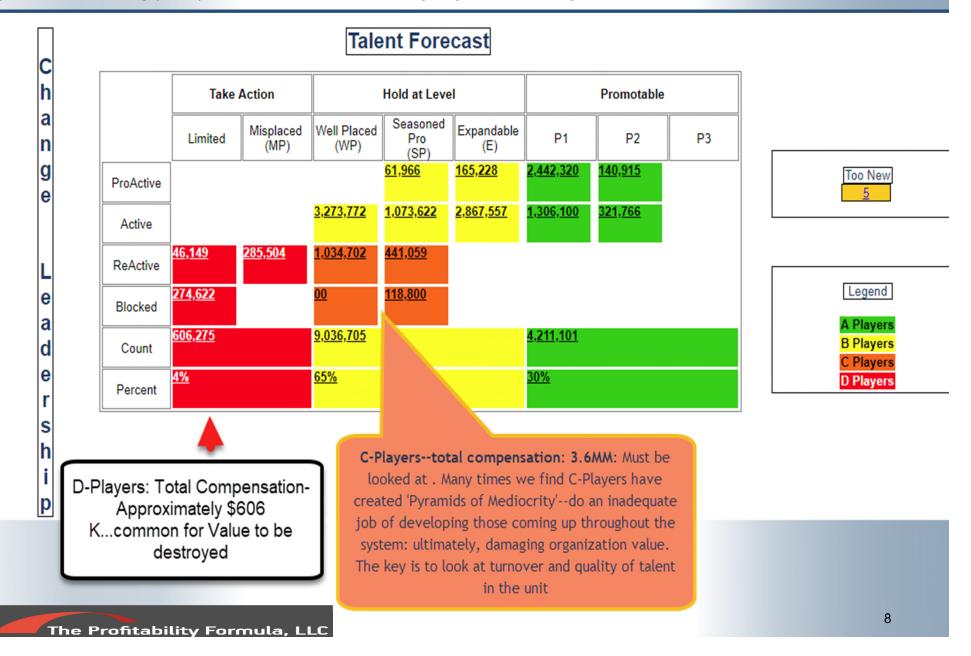
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  - **2.1 —Poor Performance**: What are the costs and, are we stepping up to poor performance?
  - 2.2 Leadership Talent Vulnerability: Are we taking undue risks with our best talent?
- 3. Do we have the right people in the right seats in the plane?
  - 3.1 Leader-Position "Fit": Are those in the pivotal seats truly driving profitability?
  - 3.2 HR Systems: Do we have our HR systems aligned and ready for the future?
  - 3-3 Performance Management: Is our Performance Management System set up to drive change
  - 3.4 *Communications*: Is our "Communications Machine" set up to help launch, drive and sustain our trip into tomorrow?

Section Two: Prediction of Change Capability



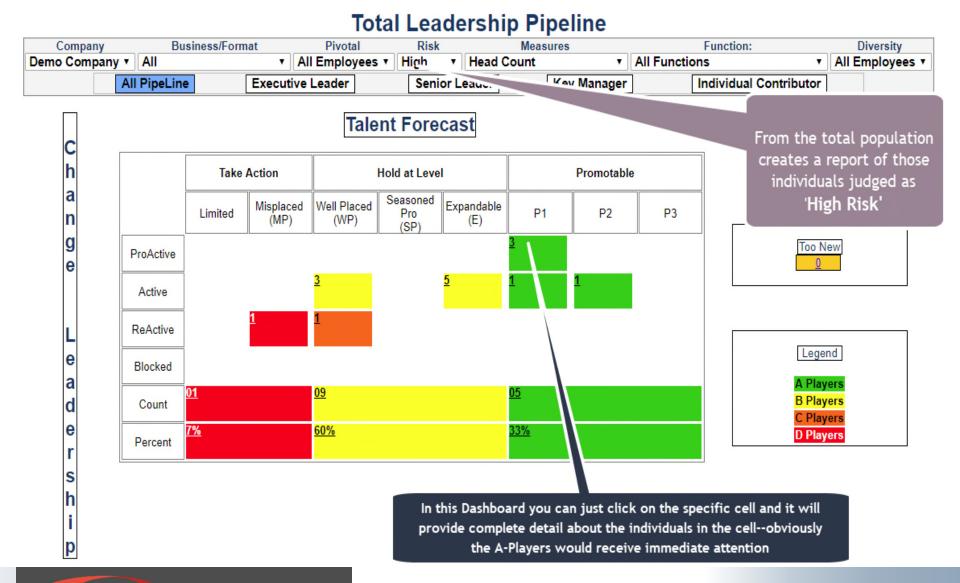
### 2.1 — Poor Performance...Costs across the Organization

**Question:** Are we stepping up to poor performance? What is the cost/risk—are we keeping poor performers in position- *tolerating poor performance...* what are we going to do to mitigate that risk?



## 2.2 — Leadership Talent Vulnerability

**Question:** Are we taking undue risks with our best talent...Risk--if we lose them, it could effect organizational performance/profitability—What is our plan to mitigate the risk?



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  - 3.2 HR Systems: Are our HR systems aligned and supporting engagement?
  - 3-3 Pivotal Positions—Do we have talented individuals in our pivotal positions?
  - **3.4 Underleveraged Top Talent**—Do we have emerging leaders reporting to a leader that might stifle their growth?

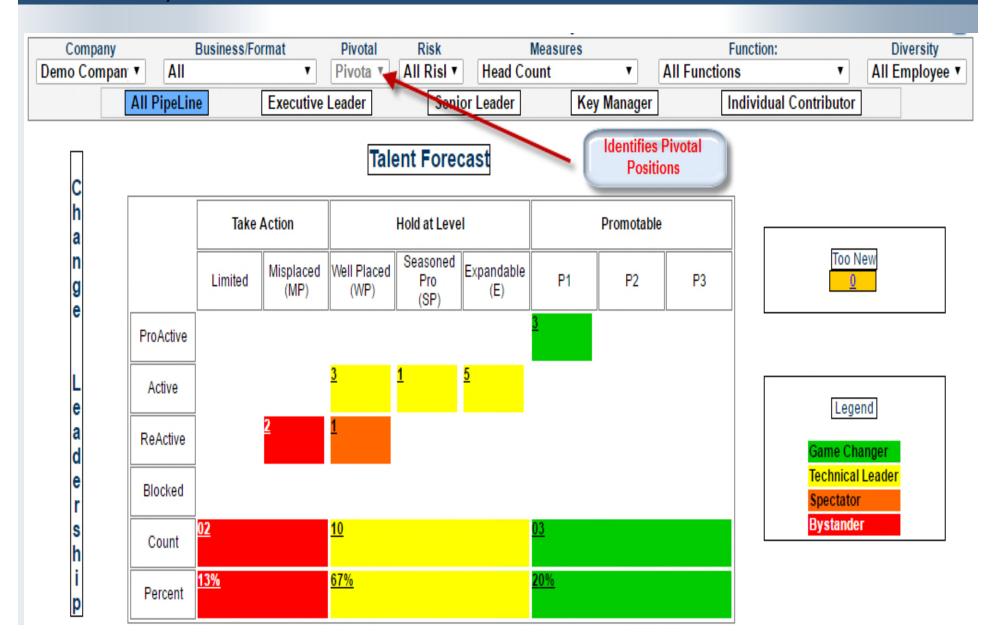
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### 3.3 — Pivotal Positions...

**Question:** Do we have 'A-Players' in the pivotal positions critical for our strategic success this year?



### 3.4 - Under-Leveraged Top Talent

**Question:** Do we have emerging talent in our Pipeline... <u>all</u> reporting to solid leaders who will develop and deploy them? Are there situations where we are at risk with our 'best?—if so, how are we mitigating that risk?

### **Underleveraged Top Talent**



#### Promotable

Expandables

Promotables

Promotable							
	<u>Employee</u>	<u>Job Title</u>	Job Years	<u>Pivotal</u>	Reports To	Rationale for Concern Boss is	
•	Belatrix, Sharon	Manager, Continuous Improvement	13.67	NO	Moss, Tom	Well Placed	
•	Dee, Crystal	Sr. Manager, Distribution	11.42	NO	Caruso, Lili	Seasoned Pro Solid Res	erach-
•	Duffy, Pat	Director, Packaging Engineering	11.75	YES	Capuano, Anthony	Well Placed Highly pred	
•	Goodway, Davis	Manager, Inventory Control	13.50	NO	Bobbey, Tom	Mell Flaced	that well-placed managers typically
•	Haden, Jason	Manager, Area Sales	10.83	NO	Caruso, Lili	Seasoned Pro are not go	od with
•	Hamilton, Todd	Sr. Director, Shanghai Distribution	15.75	NO	Renolds, Angela	Well Placed rishing taler will man	
•	Lincoln, Jaime	Country Director, South East Asia	21.42	NO	Bamberger, Chris	Well Placed 'pyramic	ds of
•	Miscow, John	Manager, Third Party Logistics	9.75	NO	Welch, Ronald	Seasoned Pro medioc	mediocrity'
•	Pless, Robert	Manager, Third Party Logistics	12.92	NO	Bobbey, Tom	Well Placed	

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#### 4. Next Steps

4.1-Human Capital Action Plan

# Human Capital 'Action Plan'... will be developed at end of meeting-

...after reviewing the findings...the question is ...'to assure success... what are we going to do as we move forward?

Business Issue	Whatsteps to be taken	Who is accountable	(By) When	
1. Opening new market in	Overall 'people' plan for entry needs to	HR: John Day	Jan 1, 2016	
Eastern Europe-Oct, 2016	be developedhuman assets and	Mktng: Nancy Moore		
	physical resources	Regional G-M: Jack New		
	Assess talent in region/identify 'gaps'	Regional G-M: Jack New	Jan 15/2016	
	and potential talent available	HR OD staffFred Patton		
	Present plan to EVP/team	Jack New/John Day	Feb 1/2016	
	Identify potential HR sourcing partners	CHRO-Fred Patton	Feb 1/2016	
	in Hungary/Poland			
2. Lack of senior technical	Prepare a complete analysispresent	Fred Patton	Feb 1, 2016	
leadership in Pipeline	to Senior Management Teaam	Two G-M's to be assigned		
	Situationcause and fix;	John Dailey-SVP-Technical		
	1st priority: Manufacturing	Services		
	Engineering and Fiber Optics Leaders			
	2nd priority: Marketingacross total	Fred Patton	Feb 10, 2016	
	organization	Nancy Moore		
3. Lack of 'Engagement	Overall plan to substantially upgrade	Fred Patton-CHRO/HR	Jan 15th,2016	
Essentials' need significant	present state in these areas:-	staff meets with COO and		
attention and upgrading-this is	Plan	G-M'spresent case to 'fix'		
affecting our customer reputation	Resources	and upgrade.		
and ability to recruit and retain top	What does C-Level team need			
talent	to domore of/less			
-Status of On-Boardingoverall	of/stop/start			
-Lack of Development with top talent;	oi/stop/start			
-Retention 'hot spots'western and				
southern regions are biggest concerns				
		1		