

Leadership Advisory

Leadership Consulting services

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02 ONBOARDING ACCELERATED TRANSITION

How high is the failure rate of your senior appointments?

It is difficult to imagine that appointing new executives, a vital process for companies, should fail in 40% of the cases. But it does and that failure leads to senior executives leaving your company, and many like yours, within the first 18-24 months of arrival.

ONBOARDING

ACCELERATED TRANSITION

How high is
the failure rate
of your senior
appointments?

Do you know what makes
these **executives fail** and
leave your company?

What is the **cost of
this failure** to your
organization, directly and
indirectly?

What plans do you have in
place to halt this **unwanted
attrition** and cost?

We at Heidrick & Struggles – the world’s first leadership advisory firm – are partnering with today’s top companies to minimise the leadership risks arising from failure to onboard and integrate senior appointments effectively.

It is widely recognised that up to 40% of newly appointed or promoted leaders abandon their new roles after just 18 months.¹ The more senior the roles, the more significant the potential cost of failure. The reality is stark: it is estimated that the direct costs represent between three and five times the annual compensation of these departing executives. What’s more, the cost for specialist roles can represent up to ten times the annual salary.

Many companies have recognised that in addition to following world-class search processes, they can manage their leadership risk by taking a fresh look at how they onboard and integrate their new senior appointments. Research by Professor Boris Groysberg of Harvard Business School supports the view that integration programs may have a significant impact on the performance and the failure rate of new leaders.²

With our clients we are addressing this risk and reducing the fallout rate, in many cases to as low as 15% through our systematic but hands-on service, **Accelerated Transition**. An approach designed to help today’s senior executives become tomorrow’s leaders.

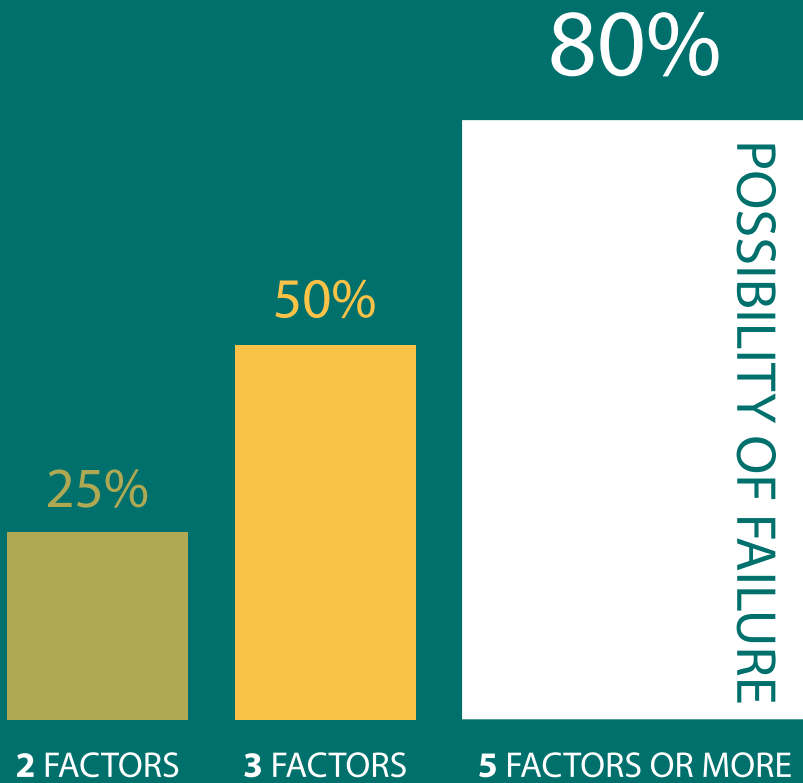
¹ Lucier, Chack/Schuyt, Rob/Spiegel, Eric: “CEO Succession 2002: Deliver or Depart”, RHR International Company: *Hitting the ground: accelerating executive integration*

² *Chasing Stars: The Myth of Talent and the Portability of Performance*, Boris Groysberg, 2010

You can easily calculate and reduce the risk of failure

Eight risk factors to consider when moving an executive into another role:

- 1** Company
- 2** Country
- 3** Level
- 4** Scope
- 5** Company type
- 6** Company culture
- 7** Category-industry
- 8** Function



If **three** of these factors differ from the previous position, the possibility for a **failure within the first 18 months is 50%**

If **five** factors differ, it **increases to 80%**

Our methodology

Integrating new executives with **Accelerated Transition**

Our experience tells us that there are two factors responsible for determining the success of newly appointed executives:

System understanding – The new executive gets a precise understanding of what is expected of them, in what timescale and the resources available.

System competence – They acquire the ability to influence their new company quickly and determine what levers they should pull to get the results they need.

The **Accelerated Transition** process consists of three interventions:

Information gathering

Before the candidate joins the company, the Heidrick & Struggles' **Accelerated Transition** consultant interviews a selected group of peers, the boss and team members in a 360° mode. The questions are related to their expectations and focus on discovering the style of operation, which forms part of the company's culture.

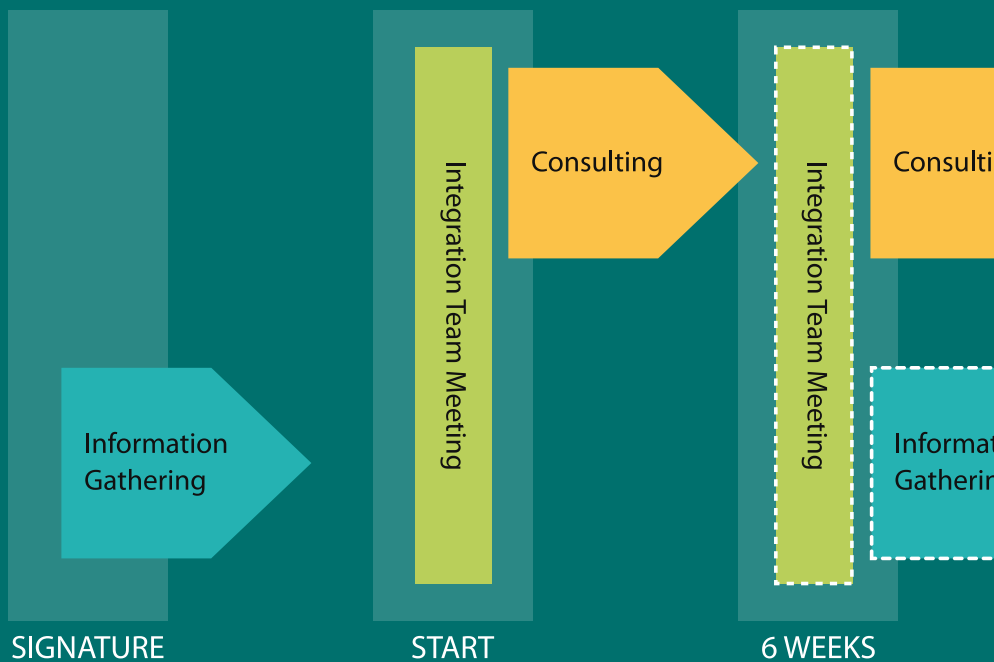
Integration team meeting

The integration team is responsible for the onboarding and integration of the new executive. It consists of the boss, the new executive, the HR manager and our **Accelerated Transition** consultant. The objective is to create an aligned and detailed understanding of each target with their priorities and how they can be achieved. Additionally, this team receives feedback from the information gathering phase to analyse perceptions, create new action plans and define behavioral changes.

Consulting

In a face-to-face confidential meeting between the new executive and the **Accelerated Transition** consultant they will discuss the perceived priorities revealed during the information gathering and integration team meetings. They will develop action plans and discuss potential limiting beliefs or comfort zones prohibiting the executive's success.

Typical phases of a Accelerated Transition



Information gathering

Set program goals, KPIs and allocate the resources required by the new executive to achieve their objectives.

Assess how the new executive is perceived by superiors, peers and subordinates.

Assess how far the new executive is from achieving their objectives.

Integration team

Involves

The boss, the new executive, a representative, the **Accelerated Transition** consultant.

Purpose

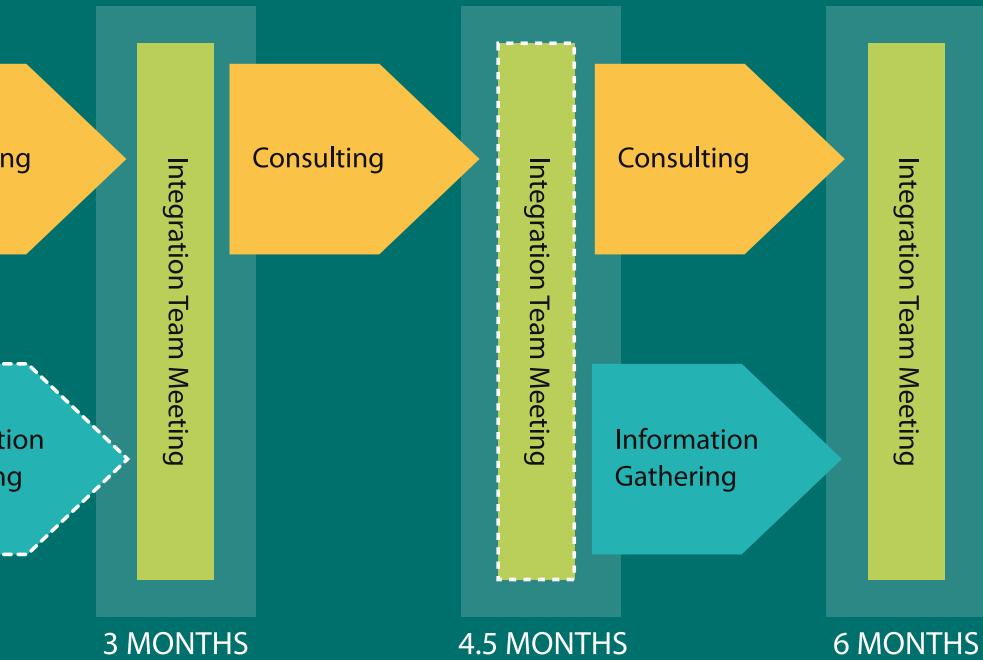
Build consensus and align the new executive with regards to the program.

Clearly define responsibilities and work schedule.

Coordinate actions and resources.

Provide back-up resources where needed.

n tion approach



meeting

Executive, the HR
Accelerated

platform for the new
to their objectives.
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Consulting

Conduct one-to-one conversations with the new executive to:

- Understand the level of achievement to date.
- Critically appraise their own capabilities and experience.
- Define limitations and develop strategies to bridge development gaps.

Partnering with you

We can help you build an integration process of optimum transparency designed to foster and secure an immediate business impact in the first six months and beyond. We:

- Engage in open and challenging discussions on expectations and obstacles.
- Improve both the performance and the speed of integration.
- Drive long-term career and personal development.
- Set reasonable expectations – ensuring they are met.
- Avoid disillusionment and reduce burnout within the talent pool.
- Follow an independent, tried and tested methodology.
- Provide you with feedback, highlighting areas of leadership risk.

We also customize our onboarding programs to complement the integration efforts you are already undertaking. For example, for first time board members or for CEOs we tailor a program that applies to their specific leadership requirements.

As a leadership advisory firm, we provide a dedicated team of leadership and executive search consultants to partner with you to reduce your leadership risk and help new appointments and promotions succeed in their new roles. Our clients tell us that as a result these individuals, build networks, speak the language of the organization, develop teams, and perform more quickly.

Reduce your failure rate and create the conditions that breed success.

We at Heidrick & Struggles can help to make that happen.

for further information about our **Onboarding: Accelerated Transition** or other Leadership Advisory services, contact us at:

leadershipsolutions@heidrick.com

or to find a local consultant in your region visit:

www.heidrick.com/leadershipconsulting

Leadership Advisory

Leadership Consulting services

Other services from Leadership Advisory include:

- Executive Search
- Leadership Assessment and Development
- Talent Management
- CEO Succession and Transition
- Top Team Performance
- Board Effectiveness

if you would like further information on these services please contact us on:

leadershipsolutions@heidrick.com

HEIDRICK & STRUGGLES

Heidrick & Struggles is the leadership advisory firm providing senior-level executive search and leadership consulting services. For almost 60 years, we have focused on quality service and built strong leadership teams through our relationships with clients and individuals worldwide. Today, Heidrick & Struggles' leadership experts operate from principal business centers in North America, Latin America, Asia Pacific and Europe, Middle East & Africa.

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