

Would your company benefit from a Career Leadership Incentive Plan?

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Before you can answer that question, you must first understand that your company's most valuable asset is its employees, particularly key employees – those you have cultivated and trusted, those who are critical members of your leadership team, key to the success of your business. Key employees are those who are also routinely recruited by other businesses, particularly your competition. It's very frustrating when a talented employee, in whom you've invested, leaves to go elsewhere; however, it happens frequently in the business world. As a business owner, you must be proactive in knowing how to retain key employees, because leadership and legacy go hand in hand.

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All businesses go through ups and downs, profitable and not-so-profitable periods. Employees come and go. For your company to remain prosperous and grow, it needs a leadership team committed to the company mission, now and down the road. Managing relationships with your key people is at the core of continuous

growth for your company, as well as the success of your legacy.

For many businesses, the leadership team is graying, and although they have successfully contributed to the company – possibly for decades – they are likely not the ones to take it to the next level. Companies are also recognizing the impact rapidly advancing technology is having on their continuous growth, and realize they need to embrace technology or face becoming irrelevant. A talented younger generation is what is required to take your company to the next level(s).

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They are also aware their competition may not be as interested in recruiting their senior-level employees – despite the fact that they are most knowledgeable about the company – because they are, perhaps, less able to adapt to a new environment. Rather, the competition has set its sights on the up-and-coming leaders before they become “settled” into a company and its ways of doing business.

Who will keep your company moving forward, and in the front of the very competitive pack?

In 1886, Italian economist Vilfredo Pareto identified the 80/20 rule, which became known as the Pareto Principle and is still valid today, more than 130 years later. For a successful company, this translates to 80

percent of its profits coming from 20 percent of its customers and 20 percent of staff time. And, for a sales organization, it means 80 percent of its sales come from 20 percent of its sales staff.

In other words, it is likely just 20 percent of your employee population is responsible for 80 percent of your company's results. Therefore, it makes sense that a company can dramatically improve its profitability by focusing on the most effective areas and people within the company, which requires being brutally honest about who are the top performers in your organization.

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The alternative may be that your competition will seek out your rising talent and create a very attractive incentive for them to leave your company – and join your competition.

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