



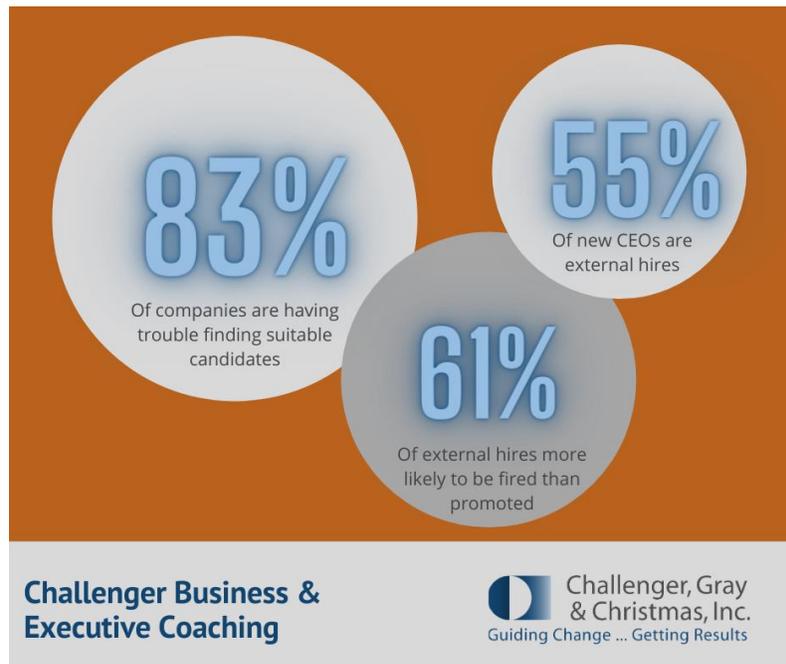
Business Leadership: What Matters Most in 2021

Leveraging Leadership Trends and Opportunities

Looking ahead to 2021, Challenger Research has identified three important success factors in identifying the strongest business leaders:

1. Trends favor talent development and promotion from within.
2. Leader must be able to build and leverage teams and talent as never before.
3. There is a continued demand for greater diversity, ushering in a new year of leadership opportunity at companies around the globe.

Over the course of 2020, Challenger Business & Executive Coaching has been closely monitoring trends in business leadership. It is evident that companies have accelerated plans to cultivate broader and more diverse leaders. Women make up 23% of new CEOs, the highest percentage ever. Many organizations have strongly recommitted to developing internal talent in order to fill the succession pipeline. The demand aligns closely with current labor market changes. The premium on hiring and retaining exceptional talent has never been higher.



In the current job market, limited by the prolonged pandemic, it is all the more challenging to bring in senior talent successfully. According to a 2019 research report from SHRM, 83% of human resources leaders had trouble finding a suitable candidate in the last 12 months.

According to HR Daily Advisor, 61% of new hires are more likely to be fired than promoted. And for those that do succeed, 57% of external executives reported that it took 6 months to begin making an

impact in their new roles, according to Egon Zehnder. The toll of a “bad” hire or failed leader on the organization is estimated three to five times that individual’s salary, while the cost of preparing an internal candidate is significantly less. The advantage of promoting internal leaders is that they come equipped with organizational intelligence and are often ready to hit the ground running.



“The best companies are increasingly focused on leveraging the talent they have and developing their future leaders from within.”

John Challenger, CEO
Challenger, Gray & Christmas, Inc.

Certainly the impact of the prolonged pandemic has given many business strong reason for pause. Change prompted by reorganization exacerbated by current uncertainty, has raised immediate and important questions regarding the right talent to lead the business forward. The first and probably best option is an ongoing and concerted effort to cultivate potential from within. This isn’t new but has increasingly been happening over recent years in the U.S., and for the Global 1000.

Over the past three years, our Executive and Leadership Development business has doubled in the area of Onboarding: pre- and post-promotion, as well as assuring the success of new hires. Into 2021, we anticipate a stronger emphasis on broadening the scope of leadership to include and enhance diversity at second- and third-tier levels of leadership across the organization. As the talent imperative is high, companies are continuously cultivating multiple levels of leadership through individual and team initiatives within.

Within our practice and our team of exceptional Executive and Leadership Development Coaches, Challenger Business & Executive Coaching has the process and proven expertise in the development of valued talent in and beyond the C-Suite. We want to help you further a culture of performance where the best, most promising future leaders stay because they know they are a vital part of your company’s future success.