

Business Case: Implementing Leadership Assessment Program

Scenario Overview:

Company Name: NovaTech Solutions

Industry: Technology & Software Development

Employees: 850 (with 70 in leadership roles)

Current Situation:

NovaTech has seen rapid growth in the past 3 years, expanding from a regional firm to a multinational operation. However, recent employee engagement surveys and project review metrics suggest gaps in team performance, decision-making speed, and cross-functional collaboration. Exit interviews and performance data indicate inconsistency in leadership effectiveness.

Problem Statement:

Despite having skilled professionals in leadership roles, the company lacks a structured method to evaluate leadership competencies and potential. There is no formal feedback mechanism for leaders, and development efforts are reactive, not strategic.

As a result:

- 24% drop in team engagement scores in two departments
- Increased turnover among mid-level managers
- Delays in product development cycles attributed to poor cross-team coordination
- Missed opportunities to promote high-potential employees due to lack of leadership visibility

Proposed Solution: Leadership Assessment Program

Implement a comprehensive **360° Leadership Assessment** across all leadership levels to:

- Evaluate leadership competencies aligned to business goals (e.g., strategic thinking, adaptability, communication, innovation, and empathy)
- Identify development needs and high-potential leaders
- Create personalized leadership development plans
- Establish a baseline for succession planning and leadership pipeline development

Implementation Plan:

- 1. Phase 1: Discovery & Design (Month 1)**

- Define leadership competency framework
- Select assessment platform (e.g., Insight 360, Korn Ferry, or a custom tool)

2. Phase 2: Pilot Assessment (Month 2)

- Conduct 360-degree feedback for 20 selected leaders
- Analyze results, refine process

3. Phase 3: Full Rollout (Months 3–5)

- Launch company-wide leadership assessments
- Provide individual feedback reports and development guides

4. Phase 4: Action Planning & Development (Month 6+)

- Pair leaders with mentors/coaches
- Integrate results into leadership development tracks and promotions

Expected Benefits:

- **Improved Leadership Effectiveness:** Clear feedback leads to targeted improvement
- **Higher Employee Engagement:** Better leaders foster more engaged teams
- **Succession Planning:** Identifies future leaders and reduces risk
- **Performance Growth:** Increases accountability and execution quality
- **Cultural Alignment:** Reinforces core leadership values across regions

Estimated Investment:

Cost Item	Amount (USD)
Assessment Tool Licensing	\$15,000
External Consulting (if needed)	\$10,000
Internal HR Training & Support	\$5,000
Total Investment (Year 1)	\$30,000

ROI & Success Metrics:

- 15% improvement in leadership competency scores within 12 months
- 10% increase in employee satisfaction scores under assessed leaders

- 20% improvement in internal promotion rates of high-potential talent
- Reduction in leadership-related turnover by at least 25%