**ABSTRACT**

Per latest research of Corporate Executive Board - Corporate Leadership Council organization (CLC) in *HiPo Program Operations and Outcomes Survey*, highpotential employees are defined as twice as valuable to an organization and three times more likely to succeed as future leaders. However, the number of high potentials has declined 48% over last 5-10 years.

Talent management (TM) represents organization’s effort to attract, develop and retain skilled and valuable employees. Its goal is to make sure that organization has all capabilities and commitment needed for current and future organization success. An organization’s talent pool, specifically management talent, is often referred to as leadership pipeline.

Leadership pipeline is managed with a help of various systems, processes and organization structure. The pipeline changes as the organization needs change and is influenced by many inside and outside influencers. The goal overall is to make sure that organization can identify who “is ready now” and who is “on track” for larger leaderships roles. Managing this identification and making sure talent pool is aligned with organization needs is in today’s economy the greatest challenge for talent management.

Employees within the leadership pipe – mangers and leaders need to be managed with strategy that measures employees’ performance and ability along with aspiration and engagement. TM needs to ensure that the criteria used to identify pipeline members are consistently applied across the workforce and clearly communicated with them about their status and associated responsibilities, as they are the pool of future organizational leaders.

Talent management strategy for high potentials often fails as organizations select the wrong criteria to identify leadership pipeline members. Confusing performance with potential, lack of due diligence, vague criteria and questionable accuracy are among many challenges that are present while building organization talent pool.