Martin Lewis Knowles

A GUIDE FOR CEOS, CFOS AND PEOPLE LEADERS

The EBITDA hidden in your people

How to see, grow, value and scale your talent, and show the board what it's worth.

See
TALENT VISIBILITY

Grow
TALENT DEVELOPMENT

Value
TALENT ENGAGEMENT

Scale
TALENT AUGMENTATION

Martin Lewis Knowles
30 years building talent functions, inside the business and alongside it.
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FOR THE CEO: ONE PAGE

Your people are your biggest cost. Most boards can't see what they're worth.

Payroll is on every board pack, line by line. What that money buys is not. Who is ready to step up. Who is growing. Who is about to leave. Who is ready to work alongside AI.

That gap is where the value hides. Not in a new system or a bigger learning budget, but in the people you already pay.

FOUR QUESTIONS YOUR BOARD SHOULD BE ABLE TO ANSWER

See	**If a critical leader resigned tomorrow, who is ready, and how do you know?**
Grow	**Is your development spend showing up in the numbers?**
Value	**Who are you about to lose, and would you know before they resign?**
Scale	**Where could AI free your people's time, and are your leaders ready to lead it?**

8%

EBITDA uplift, about £33m, attributed by the CEO. A 5,000-person business identified and developed talent on strengths, across all 500+ senior leaders. Senior leadership attrition fell from 16% to 6%.

That is not an HR metric. It is a business one.

> *The rest of this guide is for whoever leads people in your business. Pages 4 and 9 are the ones to bring to the board.*

WHY NOW

Three pressures are landing at once.

10%

of UK employees are engaged at work

Engagement is at a low.

Gallup's 2026 State of the Global Workplace puts UK engagement at 10%: one employee in ten. 83% are not engaged and 7% are actively disengaged. Globally, Gallup estimates low engagement costs about $10 trillion in lost productivity.

14%

more productive with AI, and 34% for the newest staff

AI is arriving faster than leaders are ready for it.

Customer support agents given an AI assistant resolved 14% more issues an hour, and the newest staff 34% more. But on a task beyond what the AI does well, consultants using it were 19% less likely to get the right answer. The gain depends on people who know where AI helps and where it doesn't.

31/100

average succession risk score on first assessment

Succession is thinner than it looks.

When I first assess an organisation's succession risk, the average score is 31 out of 100: high risk. That holds from a few hundred employees to FTSE 100 scale. Succession slides go to the board every quarter. Few of them would survive a critical leader resigning on a Monday.

Sources: Gallup, State of the Global Workplace 2026, gallup.com/workplace/349484. Brynjolfsson, Li and Raymond, "Generative AI at Work", Quarterly Journal of Economics 140(2), 2025 (5,179 agents). Dell'Acqua et al., "Navigating the Jagged Technological Frontier", Harvard Business School Working Paper 24-013 (758 consultants). Succession score: Martin Lewis Knowles, Total Talent Intelligence™ assessments.

WHERE THE MONEY HIDES

Four blind spots. Each one has a cost, and each one can be found.

AREA	THE BLIND SPOT	WHAT IT COSTS	WHAT CHANGED WHEN IT WAS FIXED
See Talent Visibility	Nobody can say who is ready for a critical role, or why	External search, empty seats, and successors who were never ready	**45%** rise in senior roles filled from inside MY RESULT
Grow Talent Development	Development spent on the few already on a list, or on courses nobody applies	Performance that never reaches the numbers	**8%** EBITDA uplift, CEO-attributed MY RESULT
Value Talent Engagement	Disengagement found out at the resignation	About £30k to replace a manager, plus 3 to 6 months to recruit and 6 to 12 months to full productivity	**3% vs 7%** manager attrition, in the programme against outside it: worth £1m in agency recruitment savings alone MY RESULT
Scale Talent Augmentation	AI rolled out to people who aren't ready to lead it	Capacity that is paid for and never freed	**14%** productivity gain per person with AI, 34% for the newest staff EXTERNAL RESEARCH, QJE 2025

None of these needs a new platform. Each starts from data you already hold.

SEE · TALENT VISIBILITY

Know who is ready, for what, and why you think so.

"We can't say who our talent is, what they're ready for, or why we think so."

TWO QUESTIONS FOR YOUR BOARD

- **If a critical leader resigned tomorrow, who is ready, and how do you know?**
- **Could you put one page on your talent in front of the board this week?**

WHAT GOOD LOOKS LIKE

- A board-ready view: who is ready now, ready later, and where there is no cover.
- Succession plans tested against an actual resignation, not filled in once a year.
- Readiness judged on evidence, not on who the room knows best.

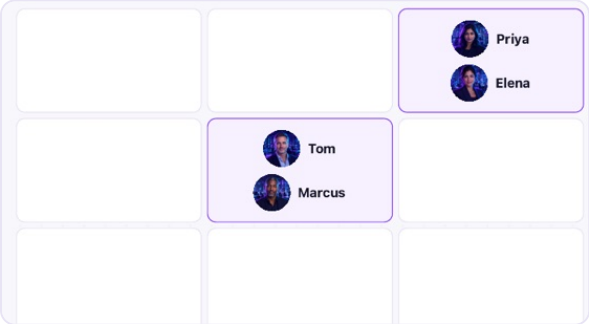
HOW IT WORKS

1 ASSESS
Where you are, from the data you already hold

2 INSIGHT
A one-page Board-Ready Talent View

3 ACT
A Succession Stress Test, or a full Succession Risk Audit

4 EMBED
A talent map leaders agree on and keep current



A talent map: every leader in scope placed on evidence, with an action for each. The thing your board is missing is usually one page like this, kept current.

DONE BEFORE

In a 10,000-person business across 30 countries, this built **85% bench-strength cover** for 300+ critical roles and a **45% rise** in senior appointments made from inside.

START HERE, FREE

Succession Risk Self-Check

Five minutes, instant result.

Method: Total Talent Intelligence™

GROW · TALENT DEVELOPMENT

Grow the business through the people you already have.

"We don't know how to grow the business through our talent."

TWO QUESTIONS FOR YOUR BOARD

- **Can your leaders agree what potential means here?**
- **Is your development built on experience, or on a course list?**

WHAT GOOD LOOKS LIKE

- Potential defined in your own terms, and spotted beyond the usual names.
- Development built on experiences chosen on purpose, with a sponsor and evidence of what someone can now do.
- People's strengths used, not just their gaps worked on.

8%

A myth to drop.

Most talent programmes assume everyone wants their boss's job. When I asked 500+ senior leaders, only 8% did. Build development around one ladder and you miss most of the potential you have.

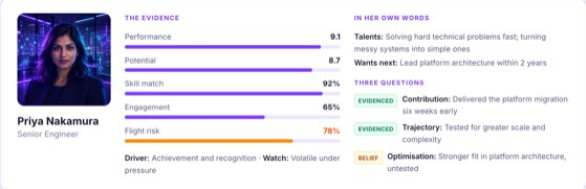
HOW IT WORKS

1 ASSESS
PQ for potential, XPQ for experience

2 INSIGHT
Talent Identification across the organisation

3 ACT
The Talent Growth Cycle, 6 to 12 months built on experience

4 EMBED
Talent Cards, so who carries what stays visible



A Talent Card: what someone does best, what they want next and the evidence behind it, written by them and tested by others.

DONE BEFORE

Strengths-based talent identification across 500+ senior leaders delivered an **8% EBITDA uplift, about £33m**, attributed by the CEO.

START HERE, FREE

PQ Potential Quotient

A self-assessment of potential, with a written result.

Method: the talent factory™

VALUE · TALENT ENGAGEMENT

Show your best people they're valued, before they resign.

"Our good people are quietly checking out, and we find out when they resign."

TWO QUESTIONS FOR YOUR BOARD

- **Who are you about to lose, and why?**
- **When someone good resigns, do you check the talent map, or reach for money?**

WHAT GOOD LOOKS LIKE

- The people you can't afford to lose are named, with the cost of losing each one.
- Managers who listen. People want to be heard, noticed and valued.
- Conversation before counter-offer.

FIVE STEPS BEFORE ANYONE RESIGNS

1. **Define critical outcomes, not critical roles.** The revenue, clients and know-how you can't afford to lose.
2. **Map who carries them.** Often not the person with the biggest title.
3. **Name your regretted-loss population.** The 10 to 15% whose exit would hurt.
4. **Put a cost on losing them.** Time to fill, fees, time to productivity. Compare it with the cost to develop.
5. **Design two or three retention moves per person.** Projects, sponsorship, a career route. Not generic perks.

HOW IT WORKS

1 ASSESS
GQ, and the engagement survey you already pay for

2 INSIGHT
A Retention Risk Review: who is drifting and why

3 ACT
Stay Conversations for managers, Be Investable for their people

4 EMBED
A Regretted Loss Routine

DONE BEFORE

Manager attrition of **3% inside the programme against 7% outside it**, worth £1m in agency recruitment savings alone. One manager who had resigned came back after a day and went on to run a £15m contract.

START HERE, FREE

GQ Growth Quotient

How actively someone is growing, and whether it's happening here.

Method: the talent factory™

SCALE · TALENT AUGMENTATION

People and AI, working together. AI drafts, people decide.

"Our leaders and teams aren't ready for AI."

TWO QUESTIONS FOR YOUR BOARD

- **Where does your leaders' AI capability top out?**
- **In each team, what does AI do, and what do people decide?**

WHAT GOOD LOOKS LIKE

- Leaders who know where AI helps their team and where it doesn't.
- Repeated work moved to AI, with people still making the decisions.
- Teams designed around capacity, skills and stretch, not job titles.

14%
more issues resolved an hour by support agents with an AI assistant

34%
for the newest and least experienced staff, the biggest gain of all

19%
less likely to be right when consultants used AI on a task beyond it

The difference was knowing which was which. That is a leadership capability, and most organisations haven't measured it.

HOW IT WORKS

1 ASSESS
AQ™ Self, and AQ™ across your leadership population

2 INSIGHT
A Talent Capability Review: what your team can cover

3 ACT
The AI-Ready Team Sprint and the Augmented Leadership workshop

4 EMBED
The Augmented Teams 2030 model



The Augmented Teams 2030 model: work flows to a team that matches capacity, skills and stretch, with shared AI agents doing the repeated work and people deciding.

DONE BEFORE

In a business that doubled its headcount, learning completions grew from **1,500 to 30,000 a year**, on skills academies run by subject experts. Scale comes from the system, not more trainers.

START HERE, FREE

AQ™ Self-Assessment

Where your own AI capability sits today.

Method: AQ™ Augmented Leadership

Sources: Brynjolfsson, Li and Raymond, Quarterly Journal of Economics, 2025. Dell'Acqua et al., Harvard Business School Working Paper 24-013.

SHOWING THE BOARD WHAT IT'S WORTH

Put a number on each area. Use your own figures.

AREA	WHAT TO COUNT	THE SUM
See	Senior roles filled from outside that could have been filled from inside	Roles × (search fee + ramp-up time + risk of a failed hire)
Grow	The gap between your best and average performers in critical roles	People moved × value of the gap
Value	Regretted leavers each year	Leavers × (replacement cost + months of lost productivity)
Scale	Hours spent on repeated work that AI could draft	Hours freed × cost per hour, reinvested where it counts

Worked example: ACME Ltd

Fictional business, illustrative figures

1,000 people. Average salary £45k. Payroll £45m.

See — £120k

8 senior roles filled a year. Fill 3 more from inside, saving about £40k each in fees and ramp-up.

Grow — £90k

100 managers. Lift each one's output by 2% of their salary cost.

Value — £270k

12% attrition is 120 leavers; 18 are regretted. Keep half at £30k each, before lost productivity.

Scale — £450k

200 people with repeated work. Free 5% of their time, about 10 people's capacity.

Total, about 2% of payroll, before a single hire you didn't need to make **£930k a year**

> *These are deliberately modest. The Scale line assumes 5% of time freed, well under the 14% in the research. The point is not the total. It is that each line uses figures a finance director already has.*

THREE CASES

What this looks like when it works.

ENGINEERING AND UTILITIES · 5,000 PEOPLE

A strengths-based programme that showed up in EBITDA

No talent function, no succession data, and 16% senior leadership attrition. We built a leadership pathway and strengths-based talent identification with all 500+ senior leaders.

8%

EBITDA uplift, about £33m, attributed by the CEO. Senior leadership attrition down from 16% to 6%.

GLOBAL IGAMING AND TECHNOLOGY · 10,000 PEOPLE · 30 COUNTRIES

A succession pipeline the board could believe

Expansion was board-sponsored, but nobody could see the leaders who would deliver it. We built talent intelligence across 300+ critical roles, without buying a new platform.

85%

bench-strength cover, and a 45% rise in senior roles filled from inside.

FACILITIES MANAGEMENT · 700+ MANAGERS

The manager who came back

A strong manager resigned to join a competitor. A talent conversation, not a counter-offer, brought them back after a day. They went on to run a £15m contract.

3% vs 7%

manager attrition, in the programme against outside it: worth £1m in agency recruitment savings alone.

> **Talent is a unique value added. Not using it costs more than using it.**
>
> Martin Lewis Knowles

WHERE TO START

Pick the one that sounds most like you.

IF THIS SOUNDS LIKE YOU	START WITH (FREE)	THEN
"We can't say who is ready, or why."	Succession Risk Self-Check	**See: Talent Visibility**
"Development isn't showing up in the numbers."	PQ Potential Quotient	**Grow: Talent Development**
"Good people are quietly checking out."	GQ Growth Quotient	**Value: Talent Engagement**
"Our leaders and teams aren't ready for AI."	AQ™ Self-Assessment	**Scale: Talent Augmentation**

All free assessments: martinlewisknowles.com/solutions/assessments

IN THE FORMAT THAT FITS

60 MINUTES
Briefing
For an executive team or a management population.

1 DAY
Workshop
One problem, worked through with the people who own it.

2 DAYS
Deep workshop
For senior leaders, with time to practise and plan.

2 WEEKS
Talent Sprint
One problem, with your team. Your team keeps the tools.

6 TO 12 MONTHS
Talent Growth Cycle
Development that keeps going after the workshop.

> **Identify properly. Utilise appropriately. Retain indefinitely.**
>
> Martin Lewis Knowles, on the talent factory™

A 20-minute Diagnostic Call.

Tell me which of the four sounds most like you. I'll tell you how I'd start, what it would take, and what you could expect to see. If it isn't a fit, I'll say so.

Book at martinlewisknowles.com

Newsletter: Talent Intelligence, monthly on LinkedIn

LinkedIn: Martin Lewis Knowles

About Martin

I've spent 30 years building talent functions: academies, succession pipelines, talent analytics and leadership programmes, across 30 countries. I've done it inside the business, answering to the board, and alongside it as an adviser. I design it and build it with your team, so it keeps working after I've gone.

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