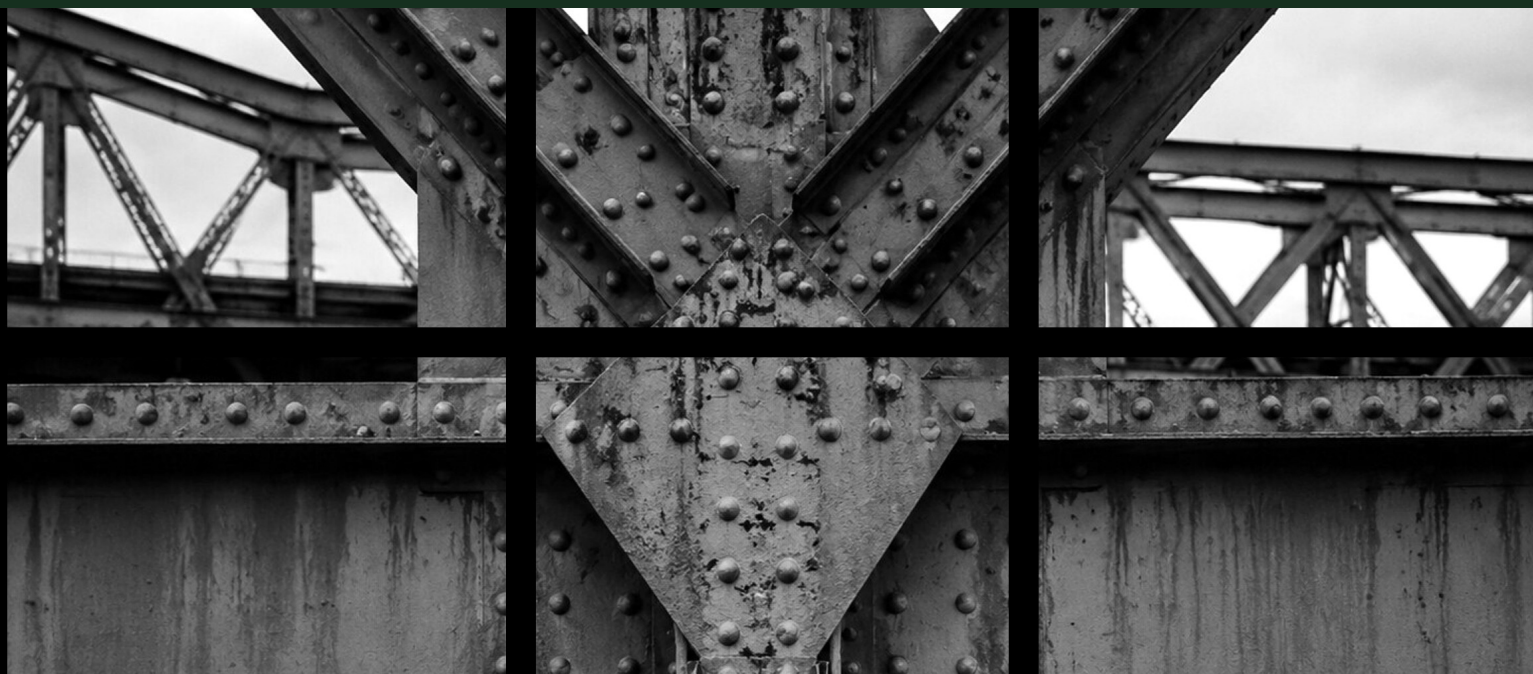


BEYOND THE RETENTION PACKAGE

The Talent Exodus — Why Crisis Programmes Lose Their Best People First and What It Costs Them

A Practitioner's Perspective on Retention and Capability During Transformation Under Pressure



Giovanni Leonardi

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“The people who leave first are not the ones who cannot cope with uncertainty — they are the ones who have the least reason to.”

1. Executive Summary

Every programme leader knows that people are their most critical resource. In stable times, this is a platitude — repeated in steering committee presentations, acknowledged in resource plans, and largely taken for granted. In crisis times, it becomes an operational reality with devastating consequences.

The pattern playing out across organisations over the past year is consistent and deeply damaging: when crisis hits, the most capable people in transformation programmes leave first. Not the underperformers, not the disengaged, not the people the organisation could afford to lose — but the programme managers, architects, and senior analysts whose skills, relationships, and institutional knowledge are irreplaceable. They leave because they can: their skills are transferable, their networks are strong, and they have options that their less capable colleagues do not.

What remains is a programme that has lost its intellectual core. The people who understood the dependencies, who knew where the risks were buried, who could navigate the politics — they are gone. Their replacements, however competent, face a learning curve measured in months at precisely the moment the programme can least afford it.

This essay examines why this pattern persists, what it actually costs, and what programme leaders can do about it — not through the lens of HR policy, but through the lens of programme delivery.

2. The Mechanics of the Exodus

The talent exodus in crisis programmes follows a predictable sequence that most organisations recognise only in retrospect.

2.1 Phase one: the signal

The exodus begins not with departures but with signals. Budget cuts are announced. Restructuring is rumoured. The language in leadership communications shifts from growth to survival. For programme staff, these signals carry a specific meaning: the programme's future is uncertain, and by extension so is theirs.

The critical insight is that different people read these signals differently. The most capable staff — those with the strongest external networks, the most marketable skills, and the clearest view of the organisation's trajectory — read them earliest and most accurately. They do not panic; they assess. And their assessment is informed by something their less

connected colleagues lack: real-time information about the external market.

2.2 Phase two: the quiet search

What follows is not a wave of resignations but a quiet, invisible shift in behaviour. The best people begin taking calls from recruiters they had previously ignored. They update their professional profiles. They accept coffee meetings with former colleagues at competitor organisations. None of this is visible to the programme manager, and none of it shows up in any risk register or programme report.

This phase is the most dangerous because it is the most reversible — but only if the organisation acts. A direct conversation, a clear commitment to the individual's future, an honest assessment of the programme's prospects — any of these can interrupt the search. The problem is that most programme leaders are too consumed with the immediate crisis to have these conversations, and most HR functions are too focused on the restructuring to notice that the retention risk is in the programme, not the business unit.

2.3 Phase three: the departures

When the departures begin, they arrive in clusters. One senior programme manager accepts an offer, and within weeks two or three of their closest colleagues follow. This clustering is not coincidence; it reflects the network effects that characterise high-performing programme teams. These people know each other, trust each other, and often follow each other between organisations. When one moves, the others reassess.

The clustering effect means that the damage is not proportional to the number of departures. Losing three people from a twenty-person programme team is a fifteen per cent reduction in headcount but can represent a fifty per cent reduction in capability — because the three who leave are disproportionately the ones who held the programme together.

The people who leave first are not the ones who cannot cope with uncertainty — they are the ones who have the least reason to. They have options, and they exercise them.

3. The True Cost of Talent Loss

Organisations consistently underestimate the cost of losing key programme staff, because they measure the wrong things. The visible cost — recruitment fees, salary inflation to attract replacements, the onboarding overhead — is significant but manageable. The invisible cost is where the real damage lies.

3.1 Knowledge that walks out the door

Large transformation programmes accumulate a body of tacit knowledge that is never fully documented and cannot be transferred through handover notes. Why was this design decision made? What was the political context behind that governance structure? Which stakeholder will block progress unless approached in a specific way? Where are the technical dependencies that the architecture diagrams do not show?

This knowledge exists in people's heads, in their relationships, and in the shared understanding that develops within a team over months and years. When those people

leave, the knowledge leaves with them. Their replacements must rediscover it through trial, error, and the kind of expensive mistakes that the departed staff would have prevented.

3.2 The decision-making vacuum

Senior programme staff do not just execute; they make judgement calls. They decide what to escalate and what to absorb. They interpret ambiguous requirements. They navigate the gap between what the governance structure prescribes and what the organisation actually needs. These judgement calls are invisible when they are being made well — the programme simply runs. Their absence becomes visible only when replacements, lacking the context and relationships of their predecessors, make different calls. Decisions that were previously absorbed at programme level begin escalating to steering committees. Issues that were previously resolved through informal conversations require formal governance. The programme slows, not because the work has changed but because the people doing it lack the tacit authority and organisational knowledge to keep it moving.

3.3 The morale cascade

Talent departure creates a morale effect that extends well beyond the individuals who leave. For the remaining team, each departure carries a message: the best people think this programme has no future. This interpretation may be wrong — people leave for many reasons — but in a crisis environment, the narrative of decline is compelling. The remaining staff begin to wonder whether they should be looking too, and the quiet search of phase two spreads from the top performers to the middle tier.

This cascade effect means that talent loss is self-reinforcing. Each departure increases the probability of the next, and each subsequent departure further degrades the programme's capability and morale. Without deliberate intervention, the cycle continues until the programme has lost not just its best people but its identity as a place where capable people want to work.

4. Why Standard Retention Approaches Fail

Most organisations respond to talent flight with standard retention tools: retention bonuses, accelerated promotion, enhanced benefits. These interventions are well-intentioned but frequently miss the mark, for reasons that are structural rather than financial.

4.1 The timing problem

Retention packages are typically deployed after departures have begun — as a reaction to resignations rather than a prevention of them. By this point, the damage is already significant, and the signal the packages send is ambiguous: they tell remaining staff that the organisation values them, but they also confirm that the departure risk is real and that the organisation is worried. For staff who were not yet considering leaving, a retention package can actually trigger the reassessment it was designed to prevent.

4.2 The specificity problem

Retention packages are usually designed by HR functions that understand compensation but not programme delivery. They are applied uniformly — everyone at a certain grade

level receives the same package — rather than targeted at the specific individuals whose loss would most damage the programme. A blanket retention bonus treats all departures as equally costly, which they are not. The departure of a competent but replaceable analyst is a nuisance. The departure of the programme architect who designed the integration approach and holds the relationships with three critical vendor organisations is a potential programme failure.

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4.3 The motivation problem

The most capable programme staff are not primarily motivated by money. They are motivated by the quality of the work, the calibre of the team, and the belief that what they are doing matters. A retention bonus does nothing to address the real reasons they are considering leaving: that the programme's future is uncertain, that the team is fragmenting, that the organisation's commitment to the transformation appears to be weakening. Paying people more to stay in a situation they find professionally unsatisfying is a temporary fix at best.

5. What Programme Leaders Can Do

The organisations that have retained their best programme talent through this crisis have not relied on HR-designed retention schemes. They have done something harder and more personal: their programme leaders have fought for their people, individually and specifically.

5.1 Radical honesty about the programme's future

The most effective retention tool I have observed is not a bonus but a conversation — a direct, honest assessment of the programme's future, delivered by the programme leader to each key individual. Not the sanitised version that appears in steering committee presentations, but the real assessment: what is likely to be funded, what is at risk, what the programme leader is doing to protect the programme, and — crucially — what the individual's role would be in each scenario.

This honesty is counterintuitive. The instinct is to project confidence, to reassure, to minimise uncertainty. But the best people are not fooled by false confidence; they have their own sources of information and their own assessment of the situation. What they value is a leader who respects them enough to tell the truth, and who has a credible plan for navigating the uncertainty — even if that plan is imperfect.

5.2 Targeted, personal retention

Effective retention in a crisis is not a programme-wide initiative; it is a series of individual conversations between the programme leader and the ten or fifteen people whose departure would most damage delivery. Each conversation is different because each

person's motivations, concerns, and alternatives are different. For one person, the critical factor may be role progression; for another, it may be the quality of the team; for a third, it may be the flexibility to work on the most technically challenging aspects of the programme. The programme leader who knows their people well enough to have these conversations — and who has the organisational authority to follow through on the commitments they make — has a genuine chance of retaining their core team.

5.3 Rebuilding the narrative

Crisis programmes lose their narrative. The original vision — the strategic transformation, the new operating model, the competitive advantage — feels irrelevant when the organisation is fighting for survival. Without a compelling narrative, the programme becomes just another cost centre, and talented people see no reason to stay on a sinking ship.

The programme leaders who retain their teams rebuild the narrative for crisis conditions. They reframe the programme's purpose in terms that resonate with the current environment: not "we are transforming the business" but "we are the team that will get this organisation through the crisis and position it for recovery." This is not spin; it is a genuine reframing of the programme's value proposition, and when delivered with conviction by a credible leader, it provides the sense of purpose that retention bonuses cannot.

6. The Structural Problem

Beneath the immediate crisis of talent retention lies a structural problem that organisations will need to address once conditions stabilise. The programme management profession has built a delivery model that is extraordinarily dependent on individual knowledge and relationships, and extraordinarily bad at institutionalising either.

Programme knowledge lives in people's heads. Stakeholder relationships are personal, not organisational. The ability to navigate complexity and make sound judgement calls is developed through experience and mentoring, not through process or documentation. This model works well in stable conditions, where teams stay together long enough to build and maintain this tacit capability. It fails catastrophically in crisis conditions, where the people who carry the capability can and do leave.

Addressing this structural vulnerability is not a short-term priority — organisations in the middle of a crisis have more immediate concerns. But it is a lesson that should be captured and acted upon when the crisis passes. The programme management discipline needs to find ways of making critical knowledge more transferable, stakeholder relationships more institutional, and the judgement that distinguishes good programme leadership from adequate programme management more systematically developed.

Until it does, every future crisis will produce the same pattern: the best people will leave first, and the programmes that need them most will suffer the most from their departure.