

The Talent Equation



Skills. Knowledge. Heart. Why Leaders Keep Solving the Wrong Problem.

Someone on your team is underperforming. You have noticed it, your peers have noticed it, and if you are being honest, it has been going on longer than you would like to admit.

The instinct is to act. Enroll them in a training program. Schedule more one-on-ones. Set a performance improvement plan in motion. These are all reasonable responses, but only if you have accurately identified what the actual problem is.

The issue is almost never as simple as "they can't do the job." More often, the problem lives in one of three distinct places: Skills, Knowledge, or Heart. Knowing which one you are dealing with changes everything about how you respond.

The Three-Part Talent Equation

SKILLS: CAN THEY DO THE WORK?

Skills are the practical capability to execute the responsibilities of a role. Can this person communicate clearly? Do they have the financial acumen, technical expertise, or strategic thinking the position requires? A skills gap is the most fixable talent problem. Skills can be built through training, mentoring, and deliberate practice.

The red flag: a leader who sees great attitude and assumes competence will follow. Attitude matters, but it does not replace competence. Both need to be present.

KNOWLEDGE: DO THEY UNDERSTAND THE WORK?

Knowledge is different from skill. Someone can have the skills to lead a team and still fail if they are not given the information they need to succeed in your specific organization. Knowledge includes industry expertise, organizational context, policies and procedures, and the business logic behind how decisions get made.

A capable person who has never been properly equipped is not a talent problem. It is a leadership and onboarding problem. This is where organizations with 50 to 200 employees often struggle most. Growth happens fast, people are promoted quickly, and institutional knowledge does not transfer the way it once did.

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HEART: DO THEY WANT TO DO THE WORK?

Heart is not about enthusiasm or likability. It is about ownership, integrity, accountability, coachability, and genuine alignment with the values of the organization. Heart shows up in the small things. Does this person take responsibility when something goes wrong, or do they redirect blame? Do they do what they say they will do?

The red flag is a leader who keeps trying to solve a heart issue with training. You can develop skills. You can provide knowledge. You cannot teach someone to care. Continuing to invest in development when the actual problem is commitment or integrity is one of the most common and costly mistakes in organizational leadership.

THE FRICTION POINT

The friction here is not about whether someone is a good person. It is about whether they are the right person, at the right level of ownership and alignment your organization needs right now. Leaders delay this diagnosis because it is uncomfortable. But avoiding it does not protect the team member. It protects the leader from a hard conversation.

DIAGNOSE BEFORE YOU DECIDE

ISSUE

Poor execution quality	Skills gap	Training, mentoring, coaching, practice
Inconsistent decisions	Knowledge gap	Education, context, clearer communication.
Low ownership, blame-shifting	Heart gap	Coaching, accountability, or role exit

According to Gallup's research on employee engagement, managers account for at least **70%** of the variance in team engagement scores. When a leader keeps investing in the wrong intervention, it signals to the rest of the team that the standard is negotiable. Over time, high performers begin to question whether the organization holds everyone to the same bar.

Before you conclude someone does not belong on the team, ask these four questions in sequence: Have they been trained for this role? Do they have the context they need to make sound decisions? Have expectations been communicated clearly? After all of that, are they still not meeting the standard?

If the answer to the last question is yes, you are likely facing a heart gap. And at that point, the question shifts from "How do we fix this person?" to "Is this the right role and the right organization for this person?" That is not a harsh conclusion. It is an honest one.

TWO MOVES TO MAKE THIS WEEK

01

Pick one person on your team whose performance has been a concern. Before your next conversation with them, work through the three lenses: Skills, Knowledge, Heart. Write down what evidence you have for each. Be specific. Do not skip to a conclusion before you have done the diagnostic work. The intervention you plan should match the category you honestly identify, not the one that feels easiest to address.

02

Think about the last time you addressed a performance problem. What solution did you apply? Now ask whether that solution matched the actual root cause. If someone was struggling with ownership and you sent them to a training program, that is worth acknowledging. It does not mean you failed. It means now you have a more precise framework. Use it going forward.

The friction is where growth lives.

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Ready to work through the friction → Schedule a Strategy Call

