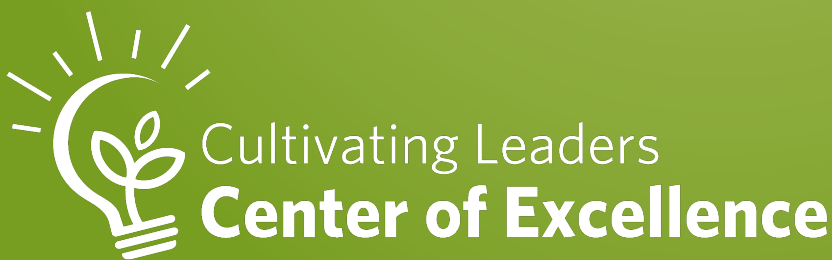


CULTIVATING LEADERS 2019 REPORT

5 truths and a lie

about high-potential leadership programs

by Richard Hodge and Jeannie Z. Taylor



Advantage



New in her position as senior director of talent management and development, Donna knows that “fixing” the leadership development program for high-potentials (HIPOs) at her global corporation will be a challenge. The current program has been floundering due to low participant engagement, attrition of some of the cohort, and the inability to show a return on the large investment made.

Donna is looking for fresh new ways to identify and develop HIPOs, but she’s not sure where to start. She knows the old way isn’t working, and she has lots of questions:

- What is the best way to identify the individuals with the highest potential?
- How can we keep them engaged when there may not be an opportunity for promotion when they are ready?
- What is the best way to measure the impact and effectiveness of our programs?
- How can we be sure that our HIPO development programs are aligned strategically with the business and deliver the results that matter most?

Donna also wonders whether the current program is missing large numbers of talented individuals who might not fit the traditional profile of a HIPO leader but who might be able to bring innovative, disruptive ideas to the organization, ideas that could push the organization to higher levels of success in a changing environment. And she is concerned that programs and processes that may have been adequate in the past are not keeping up with the organization’s need to bring more diversity into its leadership ranks and engage the emerging workforce.

Ultimately, Donna wants to know what successful organizations do to identify and develop their HIPO leaders. How do they ensure that top leaders and succession candidates are prepared and ready to move into areas of greater responsibility?

Donna reads every article she can on HIPO development, and she peppers her colleagues and peers with questions about what’s working and what’s not at their organizations. Overwhelmed with information, she’s finding it hard to determine fact from fiction, truth from lies.

As curious professionals who have spent much of our careers developing leaders, we recently embarked on a journey to help leaders like Donna find answers to their questions. We know that many of our colleagues and clients across the globe are facing dilemmas similar to Donna's when it comes to developing leaders. In fact, according to a 2018 report by DDI, while 65 percent of organizations have some type of HIPO leadership programs, 68 percent of those companies say the programs are not very effective. We set out to find out what the problems are and uncover the building blocks of successful HIPO leadership programs. In essence, what are the truths and what are the lies about HIPO development?

65% have HIPO leadership programs

68% of those are not very effective

Source: DDI

In our conversations with more than 40 senior leaders in HR and learning who are responsible for the development of tens of thousands of leaders across industries around the globe, and from holding discussions with leading researchers and thought leaders in assessment, measurement, and development, we quickly discovered diverse views and differences in the way organizations approach the identification and development of people they label as *HIPO*. Many organizations we talked to rely on traditional tools (such as the perennial favorite, the nine-box) and succession management processes in which one- or two-up managers nominate candidates with a history of strong performance for HIPO programs, send them to training programs focused on building business acumen and leadership skills, and then hold them in a queue until appropriate positions open up. Most of the people we talked to at these organizations shared with us

that they had mixed results and are looking for new ways to identify potential and build their benches.

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Alternatively, we found that some of the organizations we talked to have implemented assessments and metrics-driven identification and selection programs that are designed to uncover potential early. We also talked to organizations that have implemented HIPO programs that include strategically aligned workshops, projects, and assignments that provide ongoing opportunities for top candidates to stretch and grow while making significant contributions to the organization. In organizations such as these, we found strong pockets of innovation and improved business impact.

Preparing for a New Kind of Organization

In its sweeping longitudinal study on Global Human Capital Trends, published in 2016, Deloitte reported that we are facing a major shift in organizational design across all industries and geographies. This new organization will continue the trend away from traditional hierarchical reporting structures to embrace what they call a "network of teams" model made up of "highly empowered teams, driven by a new model of management, and led by a breed of younger, more globally diverse leaders."

In light of this shift, it's critical for organizations to re-evaluate how they fill and develop their leadership pipelines. In an environment where more people are working on projects and teams, it is no longer

practical to look at our workforce through the lens of a job description and straightforward set of skills and behaviors. The traditional pyramid-shaped organization is flattening into a leaner, more fluid, and even ambiguous model. Given this rapid rate of change, it is difficult for an organization to even know what it will look like in five years, let alone know what skills its leaders will need to run it.

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The good news is that many of the dedicated professionals we talked to are embracing this ambiguity and looking for ways to redefine how they identify and develop the next generation of leaders. They shared their best practices and innovations as well as their frustrations with us in a spirit of collegiality and commitment to improvement.

5 Truths and a Lie

Through our conversations with these professionals, we identified five key “truths” (and one lie) about HIPO programs—both traditional and reimagined—that have been shown to drive measurable results and business impact.

truth 1 | **ORGANIZATIONS WITH SUCCESSFUL HIPO DEVELOPMENT PROGRAMS HAVE DEFINED CLEAR AND CONSISTENT MEASUREMENTS FOR DETERMINING POTENTIAL**

Most of the companies we talked to don’t use clear and consistent measurements for determining potential, which is not unusual. A 2016 study by the Corporate Research Forum found that 73 percent of top global companies rely primarily on nomination by a candidate’s one-up manager to fill their HIPO

development programs. Unfortunately, this popular method—driven by a subjective “I know it when I see it” assessment of potential—invites favoritism, inconsistency, and a lack of diversity into the nomination process. The rising leaders who get recognized most often are those who are working under stronger leaders, while those working for weaker leaders don’t get the same opportunities and recognition. This informal method also fails to take into account the company’s strategic vision and unique culture, both key considerations that companies should be assessing against when building a strong bench for succession in the future organization.

A subjective “I know it when I see it” assessment of potential invites favoritism, inconsistency, and a lack of diversity into the nomination process.

One of our outlier survey respondents—a vice president of talent and HR at an electronics company that has implemented a groundbreaking, data-driven talent identification program based on lean manufacturing principles and clear and consistent measurements of potential—told us about a time they allowed a hiring manager to go around the company’s established process to hire three leadership candidates from outside the

73%
of global companies identify HIPOs by subjective nomination

Source: Corporate Research Forum

company. The hiring manager had worked with all three before and considered them to be strong candidates based on his past experience with them at other companies. Once in their roles in the new organization, however, the individuals floundered, and at their six-month review, all three were rated

as performing below expectations. “Just because someone has been successful in the past,” the vice president told us, “that doesn’t necessarily mean they are going to be successful here.”

This failure to align talent with the organization’s culture, direction, and current reality, coupled with the subjective assessment of the candidates’ potential to meet the needs of their roles, illustrates the need for organizations to develop and adhere to customized criteria for identification and selection that aligns with both the organizational strategy and the specific roles future leaders are expected to play.

Any selection criteria should clearly distinguish between **performance** and **potential**. Performance is a lagging indicator, usually dependent on the individual’s current skills, expectations, responsibilities, environment, and organization, with outcomes often envisioned and driven by the people in leadership positions above them. An individual’s ability to perform in their current role is a critical

measure of their competence and should absolutely be considered when evaluating candidates. But, as investment firms like to tell us, past performance is not an indicator of future results.

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Potential, on the other hand, is a leading indicator, or predictor, of future success in an environment that will likely be different from the current one. Just as individual performance may fluctuate from year to year, so may potential. But the key drivers of potential—the personal traits, behaviors, and values that are often inherent in an individual—will likely remain. While most of our respondents agree that potential is often hard to pin down, a carefully crafted and tested program that includes assessments, defined criteria, and calibration can go a long way toward mitigating the slippery elements of potential.

Organizations that are the most successful at identification and selection of HIPO leaders use a holistic approach that includes the following:

- They explicitly discuss and clearly define what potential means to the organization.
- They view potential situationally—namely, they can answer the question, “Potential for what?”
- They establish specific but simplified leadership criteria, including a limited set of three to five highly relevant capabilities that are aligned with the organization’s strategy and desired culture and that will distinguish the next generation of leaders.
- They make use of customized or third-party assessments (including, but not limited to, a 360) to gain an understanding of each candidate’s business acumen, people acumen, alignment with the organization’s expectations, and self-awareness as well as the desire to take on a leadership role.
- They plot the potential versus the performance of each individual and understand the difference.
- They implement special projects, simulations, innovation labs, or cross-functional assignments designed to observe and assess a potential leader’s ability to grow and demonstrate agility and the ability to succeed in ambiguous situations.
- They hold annual or quarterly identification and calibration workshops, with senior leadership involvement, to gain alignment and consensus on the most qualified candidates for leadership development.

truth **2**

THE SUCCESS OF HIPO DEVELOPMENT PROGRAMS IS CORRELATED WITH THE LEVEL OF OWNERSHIP AND DIRECT PARTICIPATION OF SENIOR LEADERSHIP

Perhaps the clearest indicator of whether the organizations we surveyed would say their HIPO programs were successful was the level of senior leadership involvement in the programs. In fact, we found the level of executive sponsorship of, and participation in, HIPO programs to be one of the most critical success factors, no matter how well the programs were designed and delivered. If organizations don't get this aspect right, the rest is suboptimal.

It's not enough to have senior leaders come in and make presentations or give their blessing (or lavish budgets) to a HIPO development program. If a HIPO program feels like it's being driven by the organizational development or HR function, participants often think of it as "just another HR program."

In organizations with the highest levels of executive sponsorship and involvement, senior leaders are engaged in the HIPO identification and development process and the participants know it. Executives prioritize time in their schedules to work collaboratively with HR leaders to ensure that HIPO and other leadership development programs are aligned with the business strategy. They get to know the succession pipeline and other high-potential individuals in the organization and spend time building relationships with candidates. Executives make themselves available for authentic small-group or one-on-one conversations, participate in workshops, host round tables and informal social events, and, in one organization we talked to, lead

chats to discuss the latest business books and trends with HIPO cohorts—all great ways to provide context around how they show up as leaders as well as to make personal connections. In every one of the top organizations we talked to, senior leaders help identify the most critical projects and initiatives for HIPO cohorts to work on and provide guidance



and feedback throughout the project lifecycle. Their involvement is key to the value and effectiveness of action learning programs.

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A vice president of talent at a global pharmaceuticals organization told us that at her company, "The top of the organization is super engaged and looking at different ways we can deliver and develop our leaders. It's not just by coming down and being part of a class. It's also thinking about the different

experiences and exposures that we need to provide our HIPOs to get the skill set that they need to do the job effectively at the next level or as we increase their scope of responsibility.”

Those “experiences and exposures” are a key aspect of a successful HIPO program. In a 2017 *Deloitte Review* article on developing leaders titled “Better Pond, Bigger Fish,” the authors reported that, “Organizations that make the effort to offer opportunities for exposure as part of their leadership develop-

ment double their ability to innovate and anticipate change over those that offer formal programs only.”

When we asked one of our respondents the best way to get executives and other senior leaders involved in the development of high-potential individuals in the organization, she said that all she had to do was ask them, “Would you like to have a hand in the development of the next generation?” She and the leaders have been working together collaboratively and strategically ever since.

Organizations that best exemplify the involvement of senior leaders in their HIPO programs have the following similarities:

- Senior leaders enjoy getting involved and spending time with the HIPO population, understanding that exposure to people in the highest leadership roles is key to their development.
- Talent review boards that include C-level and HR leaders and business partners meet quarterly or annually to discuss potential talent, usually through a robust calibration process.
- Top executives keep a watch list of people they need to keep on their radar in order to spend time with them, get to know them, and carve out moments to exchange thoughts and strategies with them.
- Senior leaders are willing to take risks and put people into challenging positions and situations in order to both evaluate how they handle themselves and to aid in their development.
- Senior leaders take their own development seriously and strive to demonstrate and develop the same leadership behaviors that they expect to be developed in the HIPO population.
- Senior leaders put the development of successors and other potential leaders into their own objectives and hold themselves accountable for measurable outcomes.
- Senior leaders don’t just sponsor HIPO teams and cohorts as they work on strategic projects. They take ownership and provide direction and feedback, understanding that the projects may lead to new innovations and solutions that will take the business forward.

truth **3** | **THE MOST SUCCESSFUL HIPO DEVELOPMENT PROGRAMS ARE INTEGRATED WITH THE BUSINESS STRATEGY, RESULTS, AND CULTURE**

Throughout our conversations with L&D and HR leaders, we heard loud and clear the validation of our own view that leadership development programs should not be thought of as time-limited learning “events.”

As one HR leader told us, the content of leadership development programs is far less important than the connections the program participants make between the learning and the behaviors and mindset they need as leaders to drive organizational results.

HIPO programs are most effective when they are designed to drive behaviors that lead to improved and measurable business performance and impact.

This impact can only be measured if the programs are created in alignment with the business strategy and goals in the first place.

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Some of the L&D and HR leaders we talked to shared their experiences with HIPO and other leadership programs that had been developed without any effort made to align the learning strategy with the company's strategic objectives or culture. Program participants left HIPO programs feeling unsupported and went back to jobs where there was often no expectation that they would practice or leverage new skills and knowledge. The HR professionals running these programs were concerned from year to year whether the programs would be funded or supported by the organization.

Significantly, those organizations could show no clear line of sight between program participation and business results. In describing a program she worked on two years ago, an executive director of HR told us, "We had to stop running a HIPO program because there were too many competing programs and priorities. The program wasn't supported by the participating leader and it was difficult to sustain the learning."

For organizations that develop HIPO programs in alignment with the company's strategy and desired results, there will not be competing programs. In fact, an aligned and well-designed program will itself be a driver of results for the organization.

Organizations will be most successful if they use a practical and pragmatic approach that draws a line of sight between the organization's financial, strategic, and cultural goals and the learning strategy. An organization's leaders need to ask, "What are

the behaviors we need to see in order to achieve the results we want to achieve as an organization?" and then build a learning strategy that develops those behaviors. According to Dr. Robert Brinkerhoff, our thought leader partner in learning effectiveness and evaluation, "It's all about behavior. If there is no behavior change, then your program is not going to have the intended business impact."

Brinkerhoff also stresses the importance of setting expectations for accountability and ownership from program participants. "Participants need to be able to articulate why they are in the program, why the company is spending money on them, and what the company expects from them in return. Otherwise, they won't understand the importance of using their new skills and behaviors back on the job. Without this understanding, the program may be seen as just an employee benefit, not a part of the business strategy."

Based on Brinkerhoff's research, fewer than 20 percent of a typical training program's participants will apply their learning back on the job or use it in ways that are likely to achieve business results that are aligned with their organization's strategy. However, programs that are integrated with the business strategy and considered by senior leadership to be critical to the success of the organization have a better chance of making an impact if

learners are expected to use what they learn in real-world, mission-critical projects and on-the-

job behaviors. Action learning projects, innovation labs, and cross-functional assignments that are initiated by senior leadership and aligned with the business strategy are effective ways to ensure that program participants have an opportunity to apply new skills and behaviors in a way that impacts business results.

Fewer than
20%
of training participants
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Source: Dr. Robert Brinkerhoff

Organizations that are most successful at aligning HIPO development programs with the business strategy, results, and culture have the following similarities:

- Their C-suite and other executives, including HR and learning leaders, hold annual strategy mapping sessions to identify the leadership competencies and behaviors needed to implement the strategy.
- They assess the organization's capability against the goals, strategy, and initiatives to determine the behavioral gaps that need to be addressed.
- They align the development strategy with the business strategy and identified gaps.
- They determine a strategically aligned but limited set of leadership capabilities on which to focus development over a two- to three-year period.
- They ensure that talent and potential are defined in the same way across the organization.
- They include an individual's one-up manager in the development journey, ensuring that the manager has the tools and knowledge needed to set the stage for the journey and how it will impact performance as well as sustain the learning long past the conclusion of any training program.
- They create success profiles for key roles that will need to be filled in the future organization.
- They involve senior leadership in the identification of action learning and innovation projects in order to ensure that participants have a platform for using new skills and behaviors on projects that are aligned with the business strategy and needs.
- They measure the efficacy and impact of training and development programs against business metrics and results criteria including monthly, quarterly, and annual performance goals, retention, time to promotion, and ROI or business impact by function.

truth **4**

ORGANIZATIONS WITH SUCCESSFUL HIPO DEVELOPMENT PROGRAMS HAVE IMPLEMENTED PROCESSES TO IDENTIFY AND ENGAGE TALENT EARLY IN THEIR TENURE WITH THE ORGANIZATION

In all of our interviews, there was a sense of urgency, and many learning and HR professionals expressed a growing focus on business impact. Some of the organizations we talked to called out the early identification and development of potential as not only an important lever they can pull, but as critical to their success.

Due to fast growth and rapid change, many less-seasoned employees will be required to jump into leadership roles sooner. The days of

requiring someone to pay their dues in a role for two or three years before they can be considered for a promotion are behind us. The best employees will leave if they are not challenged and don't feel their work is valued right away. In today's marketplace, opportunities abound. Consequently, companies can't afford to focus their leadership development dollars on the top of the heap with only well-proven employees.

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As companies are becoming more connected and diverse, many are shifting their talent strategies to appeal to a multi-generational workforce. Attracting and retaining top talent, building leadership bench strength, and keeping employees engaged are challenges at the forefront of their minds. Ultimately, organizations are looking for ways to identify talent and accelerate performance earlier.

One leader from an innovative and data-driven global consulting company shared his organization's approach to identifying potential early. The company starts immediately by assessing potential during the hiring process and looking for evidence of leadership ability from all parts of a candidate's background. They look for early indicators of leadership potential, such as whether candidates had been singled out by their elementary school teachers as hall monitors or AV aides. They feel that if you can spot the indicators of potential early, not only can you accelerate the individual's performance from day one, but the individual's presence on the team ups everyone's game. They are certain that such an up-front investment has immediate payback.

In another example, the outlier electronics company we mentioned earlier is focused not only on hiring for potential, but on accelerating potential immediately. The company hires 50 percent of those it considers high potential straight out of college and puts them directly into an early career development program. The program includes clear and consistent measurements of performance combined with results-aligned goal setting. When participants are not where they should be, root cause counter measures help get them back on track. One young woman who entered the program straight out of college worked her way up within eight years to become general manager of the company's cyber security business. At the age of 29, she's the youngest GM in the company's history. With the help of the program, she has been able to deliver results throughout her tenure.

Of course, there are concerns about the newest generation of employees entering leadership roles that are beyond the scope of this paper, but many organizations see nothing but opportunity in the energy, creativity, and collaborative spirit of mil-

lennials. A VP of talent management at a global pharmaceutical conglomerate told us, “Those who are entering the workforce now want to be a vice president tomorrow, which doesn’t work well for business. But getting creative about presenting experiences and other opportunities is important.” She is focused on ensuring that the younger generations are taken seriously. “Leadership happens at every level of the company,” she told us, and her organization is taking advantage of it by identifying and developing talent early.

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Christine DiDonato, one of our thought-leader partners and founder of Career Revolution Inc.,

considers millennials to be the “most at-risk population.” She says it’s time for organizations to “democratize” their leadership development programs. “Most companies don’t have the luxury of identifying the top 10 percent of employees and waiting to see if they prove worthy of investment. Instead of only investing a significant amount of money in a small percentage of employees, spread that budget more evenly across your organization to employees of all ages and experience. You’ll be able to spot talented future leaders more quickly and cultivate their skills before they quit.”

This makes sense and it resonates with us. And, from our research, we have found that many of the more innovative leaders we interviewed have begun to think this way. We are seeing budgets get reallocated and, in some cases, even the removal of “HIPO” from their language. Companies have been exploring development as a “journey” rather than a “program.”

Organizations that are reaping the benefits of identifying and engaging HIPO talent early have the following similarities:

- They include an assessment of potential during the hiring process and use the same criteria to measure against throughout an individual’s career.
- They start development on hiring, rather than waiting for employees to gain tenure or complete a probationary period.
- They understand the learning styles of all employees, including the younger generations, and provide learning and development through a variety of technologies, methodologies, platforms, and tools to address all styles.
- They ensure that individuals are not just involved in setting the direction of their careers, but that they take ownership of their own career development.
- They find ways to support the leadership ambitions of their employees by providing opportunities to lead apart from formal promotions and job descriptions.
- They set up career paths that include lateral moves and cross-functional responsibilities.
- They consider development as an integral part of the company culture and something that is ongoing throughout an individual’s career rather than through events, classes, or programs.
- They work on aligning the expectations of the emerging workforce with the needs of the organization.

truth **5**

**THE MOST SUCCESSFUL HIPO
DEVELOPMENT PROGRAMS HELP
PEOPLE SEE HOW THEY SHOW UP
AS LEADERS**

Throughout our conversations with talent professionals, we heard a consensus of opinion that HIPO development programs work best when they help people understand how they show up as leaders. One organization's global director of talent said, "As a leader, if you don't show up as your authentic self, employees over time will have less trust and faith in you. Our leaders are expected to be authentic and live the identified behaviors. This is part of our overall vision."

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Many of the organizations we talked to have put programs in place to help HIPO participants develop qualities like "executive presence" and "authentic leadership." When you get down to their essence, these skills and qualities are simply indicators of emotional intelligence (EQ)—the self-awareness and maturity needed to successfully lead people, build teams, and engender trust while continuing to improve personal and professional performance.

Most of the HR and learning leaders we talked to would agree that self-awareness and EQ are critical to leadership success.

However, only a handful of the organizations we interviewed explicitly use data about an individual's EQ to guide development. In our experience with organizations that have used them thoughtfully and strategically, EQ assessments can become a critical driver of a leader's journey, providing focus areas and checkpoints along the way.

While only some of the organizations we talked to currently use EQ assessments as part of their HIPO development programs, most organizations integrate some type of 360 assessment into their evaluation and development of HIPO candidates. Those who do it most effectively use a customized 360 in conjunction with guidance on leadership moments and styles to help leaders understand how their performance and behaviors impact their teams and their results. Like with EQ assessments, it's important to reassess periodically and adjust development as needed.

Whether using EQ assessments, the results of 360s, or both, it's important to start with the data as a means to explore how people show up as leaders and build individual development plans from there. It's also critical to ensure that



HIPO participants are fully aware of why they are being developed, what skills they will need for future roles in the organization, and how they will be held accountable. Organizations must take responsibility for transparency and clarity in their intentions and communications regarding HIPO development. At the same time, ensuring that HIPO participants are accountable for their own development is a key best practice for both building self-awareness and ensuring that they will be engaged with the process.

It's critical to ensure that HIPO participants are fully aware of why they are being developed, what skills they will need for future roles in the organization, and how they will be held accountable.

Organizations that are best at helping HIPO individuals understand how they show up as leaders and guide their own development do the following well:

- They value emotional intelligence as critical to the execution of their business strategy, and they integrate assessments and ongoing development of EQ as a key component of HIPO and leadership development programs.
- They use customized 360s before programs begin to determine the behaviors that the participants want or need to work on, and the same 360s at intervals after the program to measure demonstration of the desired behaviors and provide for continuous improvement and growth.
- They spend time having one-on-one discussions with participants about their goals and needs and build a concrete plan to address them.
- They use EQ assessments in conjunction with a simulation experience to give coaches a chance to see people in action and provide feedback on how the participants show up as leaders.
- They let candidates know explicitly that they are being selected for a HIPO development program while being honest and realistic about what that means in terms of possible promotion, movement, commitment (both theirs and the organization's), and long- and short-term expectations.
- They enlist graduates from HIPO and other leadership programs to become mentors for new cohorts, which both helps the new cohorts grow and sustains and enhances the graduates' own learning.
- They provide participants with accountability partners or mentors who can help sustain the learning and provide follow-up and feedback on new behaviors.
- When warranted, they invest in executive or other outside coaches to help leaders focus on their unique areas for improvement and development.
- They put in safeguards to ensure that the participants own and are accountable for their ongoing development.

the lie



ORGANIZATIONS GET THE MOST BANG FOR THEIR BUCK BY SPENDING A SIGNIFICANT PROPORTION OF THEIR DEVELOPMENT DOLLARS ON HIPOS AND SENIOR LEADERS

Many of the organizations we talked to tend to spend a significant portion of their development budget on senior leadership and director-and-above HIPO development programs. This finding falls in line with Brandon Hall Group's 2016



Training Benchmarking Study, which reports that most organizations use a “trickle down approach” to leveraging their training dollars. The study found a significant disparity between the amount of money spent on senior leaders and high-potentials versus mid- and front-line managers and individual contributors. While many of the leaders we talked to believe this is how they should be allocating their money, not one of these organizations could tell us the ROI or business results they received for their investment beyond anecdotal stories of individual success and talent-related data.

One of the companies we talked to had an explicit internal philosophy that it was important to spend the largest chunk of their development dollars

on the top 10 percent of the people in the company, but they did not track data related to their expensive HIPO program beyond retention (they lost some people) and anecdotes about employee satisfaction with the experience.

We learned of another organization that has put more than 300 HIPOs through a 12-month, \$40,000-per-person program that has produced very little in the way of quantifiable results. Program participants spent two weeks at top international business schools, and they were assigned personal coaches from a third. They took trips around the world and attended lectures given by thought leaders and gurus. When asked what they got out of the program and why the company was spending so much money on them, most participants responded that it was a benefit they earned for their years of success at the company. Not a single participant could articulate how what they learned would benefit

them in their current role or provide results for the organization. However, many participants said that it would look good on their resumes.

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In their 2012 *Leadership Development Factbook*, Bersin & Associates reported that more money was being spent by companies at all leader levels, but

“disproportionally on high-potential leaders” with mixed results. According to Bersin’s Andrea Derler, “We can find data everywhere that point to alarming turnover and attrition rates as well as deficits in leader’s skills. This substantiates the need for organizations to commit to development of all leaders, not just high-potentials.”

Based on our discussions with leaders and our own research, we agree. But we would stretch that

statement even further to say that organizations should expand their focus to the development and maximization of all potential within the organization, at all levels of leadership and in individual contributors as well (a recommendation that we plan to explore further in future publications). Why leave talent on the table when you have an opportunity to unleash the full power of your organization’s potential?



Cultivating Leaders Center of Excellence

Established in 2018 under the leadership of Advantage Performance Group, the Cultivating Leaders Center of Excellence is an independent organization of researchers, developers, and practitioners who have joined together to test new ideas, develop new insights, and leverage new technologies, methods, and practices in an effort to cultivate the next generation of leaders across industries and continents. This white paper represents our findings and point of view from our first significant research effort on high-potential development programs. Between us we have in excess of 200 years of industry experience in leadership and talent development, strategic execution, assessment, and measurement.

We'd love to share more about our research, practical experience, and possible ideas to help you create a more powerful and impactful high-potential leadership development program in your organization:
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