

Global Leadership Forecast

Rethinking Leadership Potential: Making the Most of High-Potential Talent

December 2018

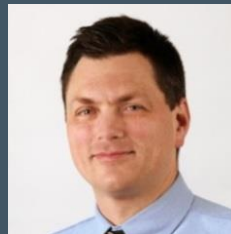


Rethinking Leadership Potential: Making the Most of High-Potential Talent

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Insights from today's webcast

- Identify the practices that matter most (and least) for boosting success rates for high-potential leaders.
- Learn how to leverage the critical power of diversity and inclusion when identifying high-potential talent.
- Avoid dangerous and costly mismatches between what high-potential leaders want and what they get to develop themselves as leaders.

Earn Credits

- Stay online for the entire webcast
- Credit available for participation in the live webcast only

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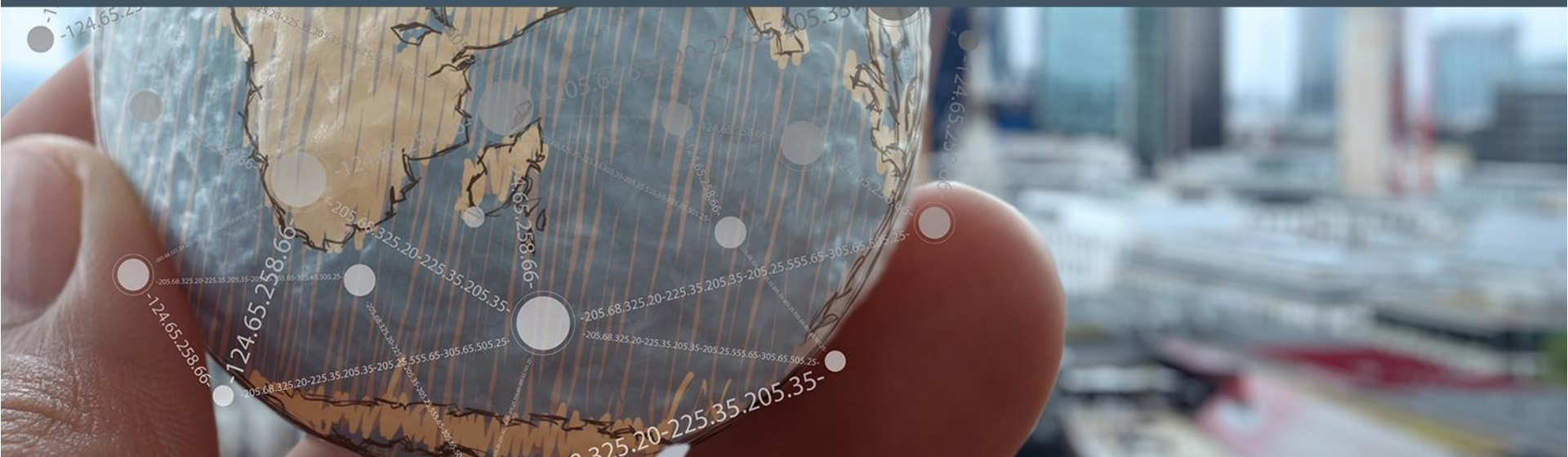
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Global Leadership Forecast 2018

25 Research Insights to Fuel Your People Strategy

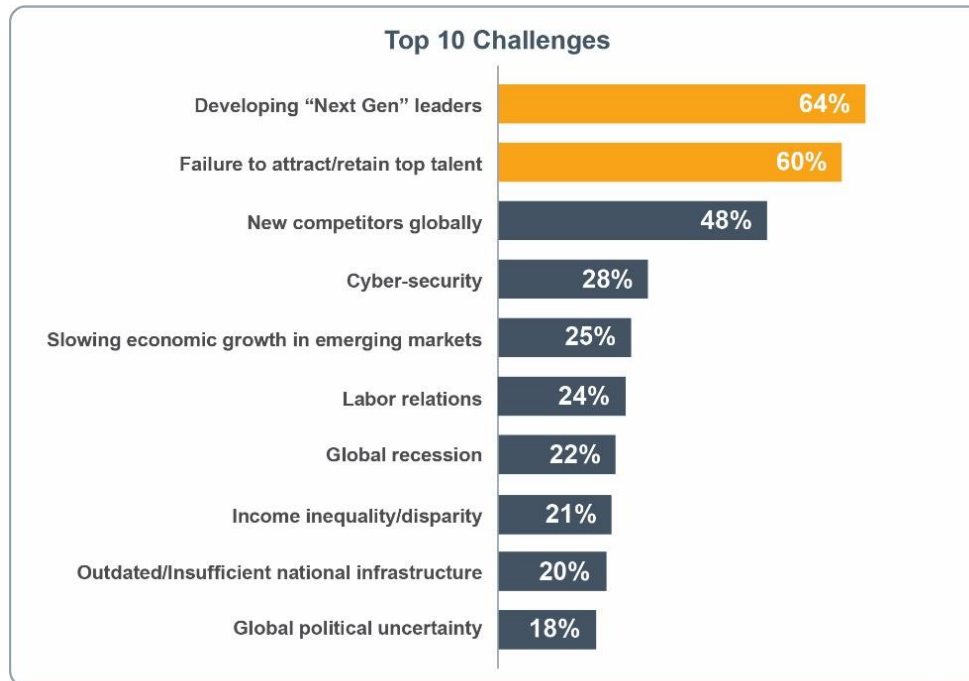


Global + Diverse Research



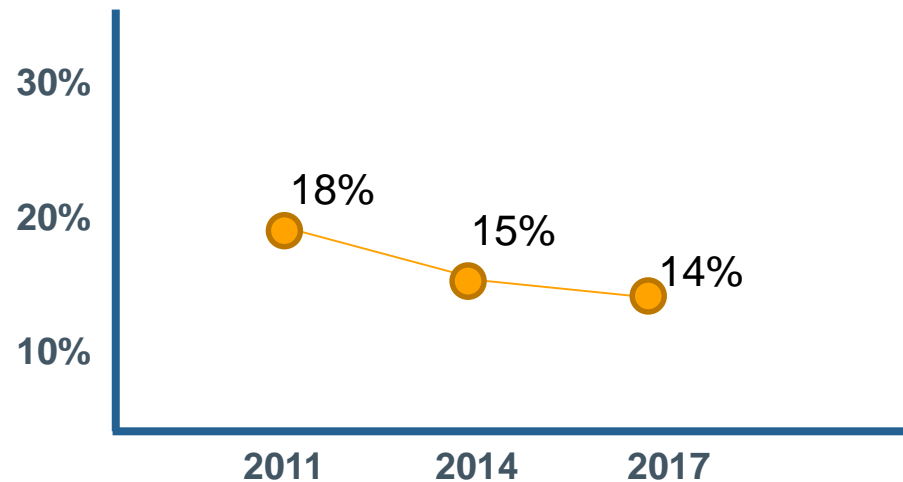
> For CEOs, It's Still About Developing Leaders

Strategy is Nothing Without Effective Leaders to Execute



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% of Organizations with Sufficient Bench Strength



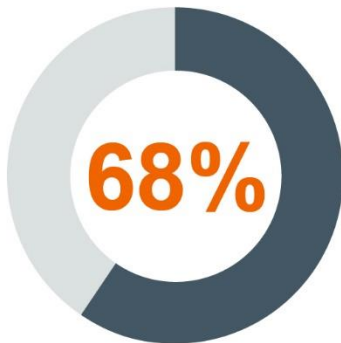
- Over the last decade, while investments in leadership development have been steadily increasing, **the rate of leadership readiness has been steadily decreasing.**



> The Potential Pool Swells to a Lake



of companies have high-potential leadership programs.



say they are not very effective.

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High Investments in High Potentials: Per Leader, Per Year Investments in Hours and Dollars



High Investments in High Potentials: Per Leader, Per Year Investments in Hours and Dollars



With Critical Positions Unfillable, The Risk is Real

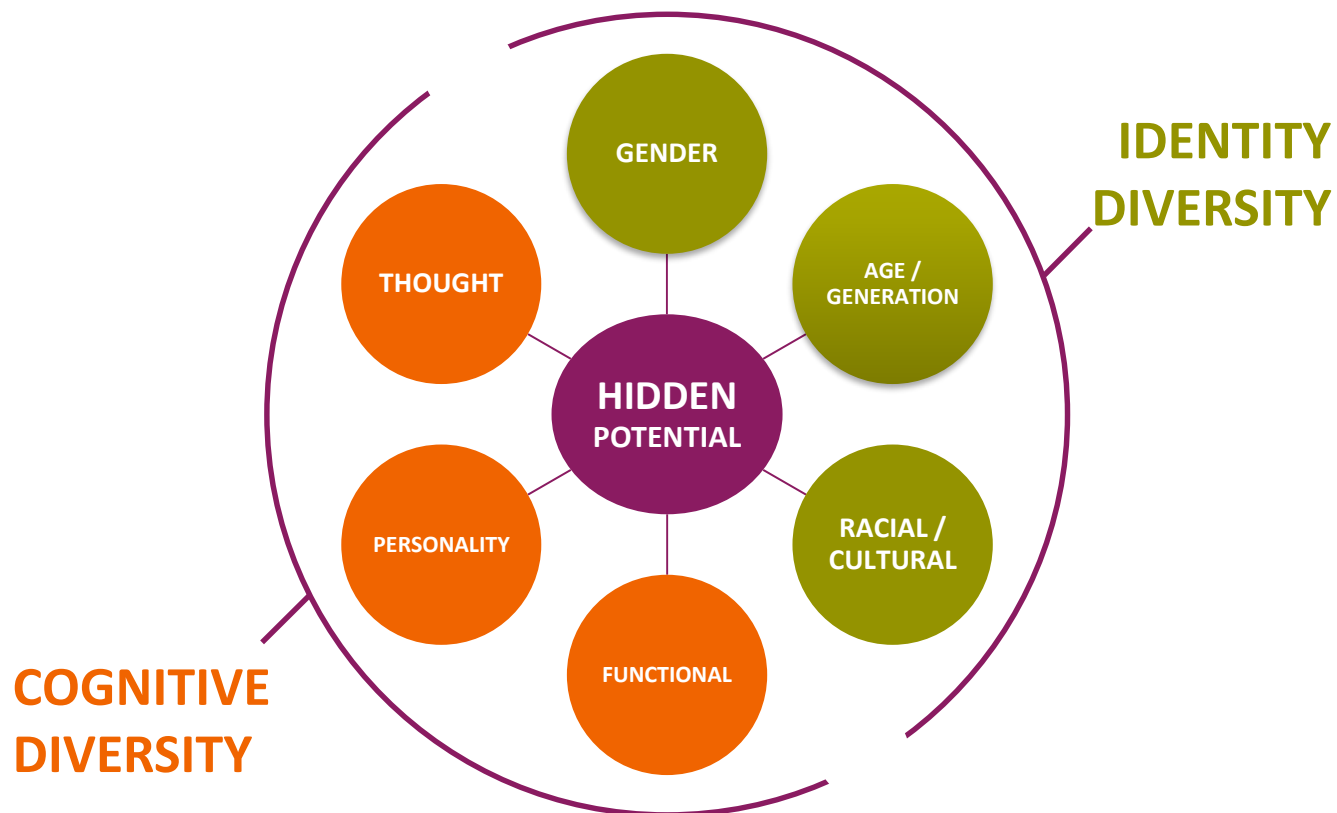


> Only **43%** of Critical Positions Can be Immediately Filled by Internal Candidates

> Down from **46%** 3 Years Ago

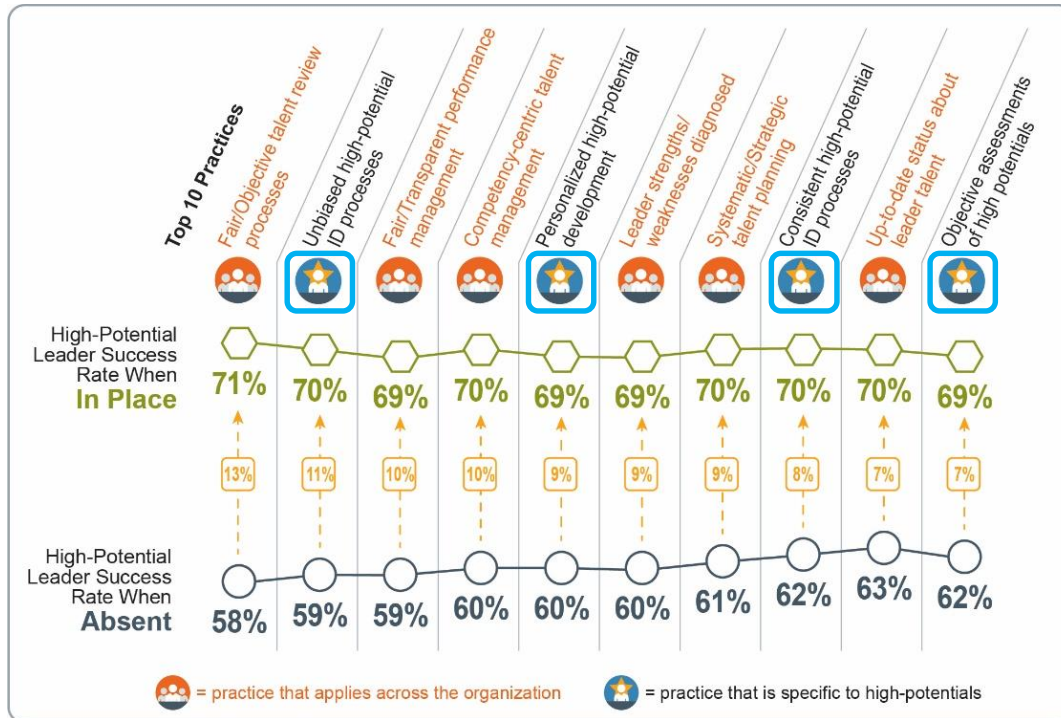
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Hidden Potential Takes Many Forms



> Rethinking Leadership Potential

Why Broader Is Better



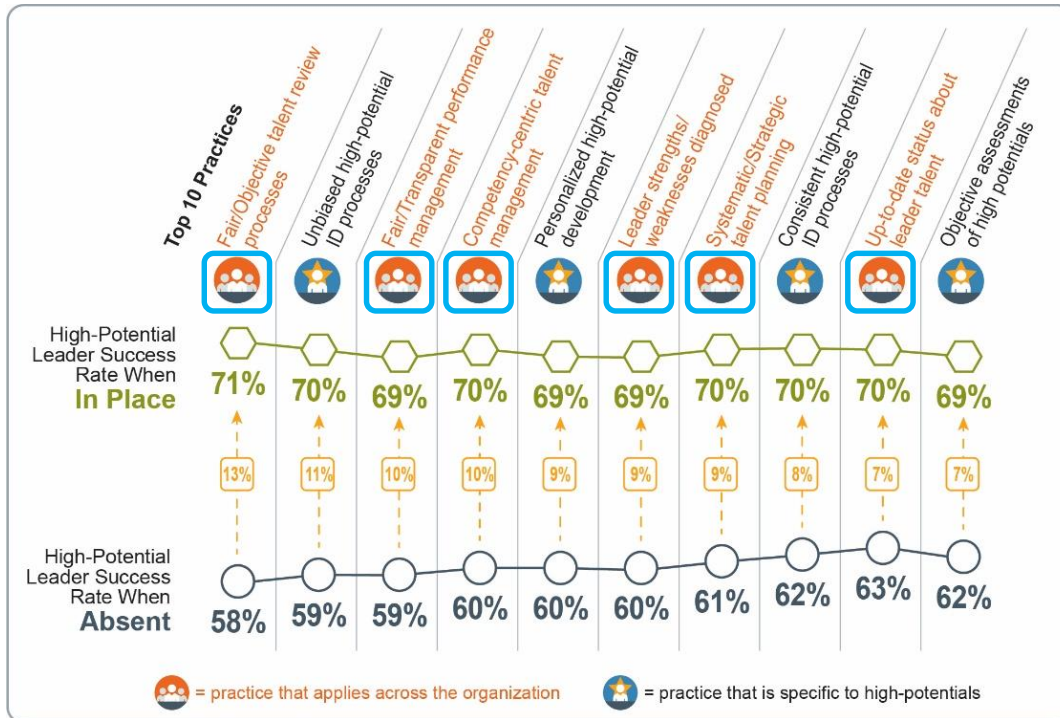
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4 Practices Specific to Managing High-Potentials

1. Unbiased HiPo identification
2. Personalized HiPo development
3. Consistent HiPo identification
4. Objective assessments of HiPo capabilities, readiness

> Rethinking Leadership Potential

Why Broader Is Better



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6 Practices Spanning All Leaders

1. Fair/objective talent review
2. Fair/transparent performance management
3. Competency-centric talent management
4. Leader strengths/weaknesses diagnosed
5. Systematic/strategic talent planning
6. Up-to-date talent status

Rethinking Leadership Potential

Where to Start

- **Broaden the potential pool** – it's financially irresponsible to limit this view to the top level
- **Target gender diversity, not just numbers** in hi-po pools
- Don't invite more without building **data-driven objectivity and transparency**
- Use **scalable tools for diagnosis** deeper into the pipeline



Rethinking Leadership Potential



How to Excel + Differentiate

- Prioritize **hours over dollars**: hours spent on hi-po development have a stronger link to outcomes than money
- Prioritize **immersive, personalized learning** to boost hi-po success rates
- Strengthen your **analytics backbone**: hi-po success rates rise accordingly
- **Track return on the potential investment** – few currently do

> Making the Most of High-Potential Talent

Avoiding a Mismatch Between What They Want and Get

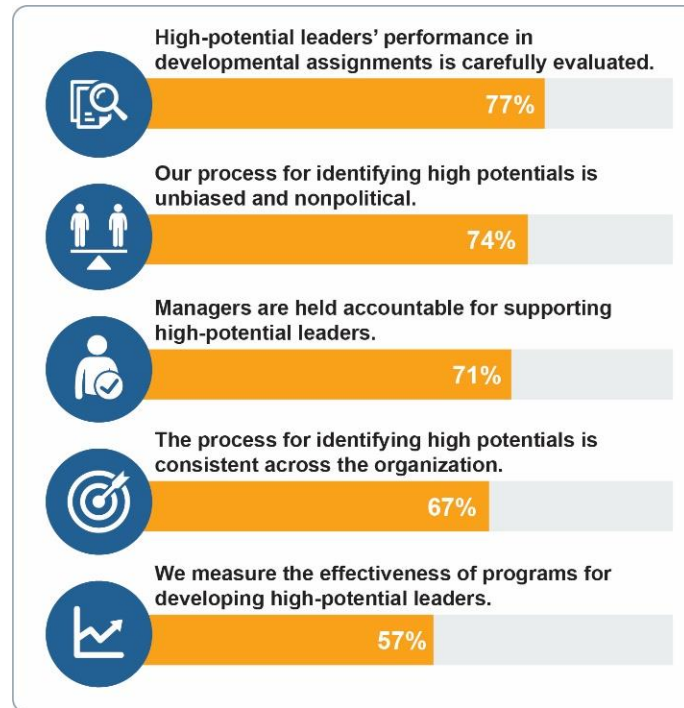


> **Mismatch Between Leadership Development Learning and What High-Potential Leaders Desire**

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> Making the Most of High-Potential Talent

Avoiding a Mismatch Between What They Want and Get



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Making the Most of High-Potential Talent



Where to Start

- Consistently identify hi-pos via clear criteria for competencies and expectations
- Monitor hi-po reactions to confirm development programs to meet learners' needs
- Evaluate selection and promotion processes for bias and consistency



How to Excel + Differentiate

- Give hi-pos the tailored learning experiences they crave: external coaching, short-term and special projects, and rotational placements
- Provide simulations of major events or decisions to practice reacting to realistic scenarios

> The Bottom Line

Hi-Po Programs are not having the desired impact. High Potential Programs **remain relevant** but companies need to address the barriers to success.



Businesses and demands on leaders have changed—but our approach to potential hasn't
Given the new business landscape High Potential Pools are **no longer sufficient**. Companies need to adopt approaches that unleash leadership potential right across the organization.

Enhance Approach



Expand Approach

> The Payoffs



Less effective when focus is on replacements for senior leader and executive roles



More effective when focus is on the full pipeline—from front line to executive

4.2x
\$



Focusing on a Few Should Not Blind You to the Potential of Many

‘Bet on everyone. There are tremendous benefits to saying, ‘let’s invest in everyone, but we will differentiate the amount of resources we invest in people.’

Bernard Banks

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Questions



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January 8, 2019, 10AM EST

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June 06 - 07, 2019 (San Diego, CA)
- **15th Annual Women's Leadership Conference**
April 30 - May 01, 2019 (New York, NY)
- **23rd Annual Diversity and Inclusion Conference**
June 04 - 05, 2019 (Brooklyn, NY)

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Feedback? Suggestions? How Can We Help You?

Thanks for being with us; be sure to tell your colleagues about next month's webcast

Do you have suggestions for future topics? Please feel free to contact Rebecca Ray at: Rebecca.Ray@conference-board.org

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