



HiPo DRIVE

Hunting down high-potential
talent and future leaders



THE
PREDICTIVE
INDEX

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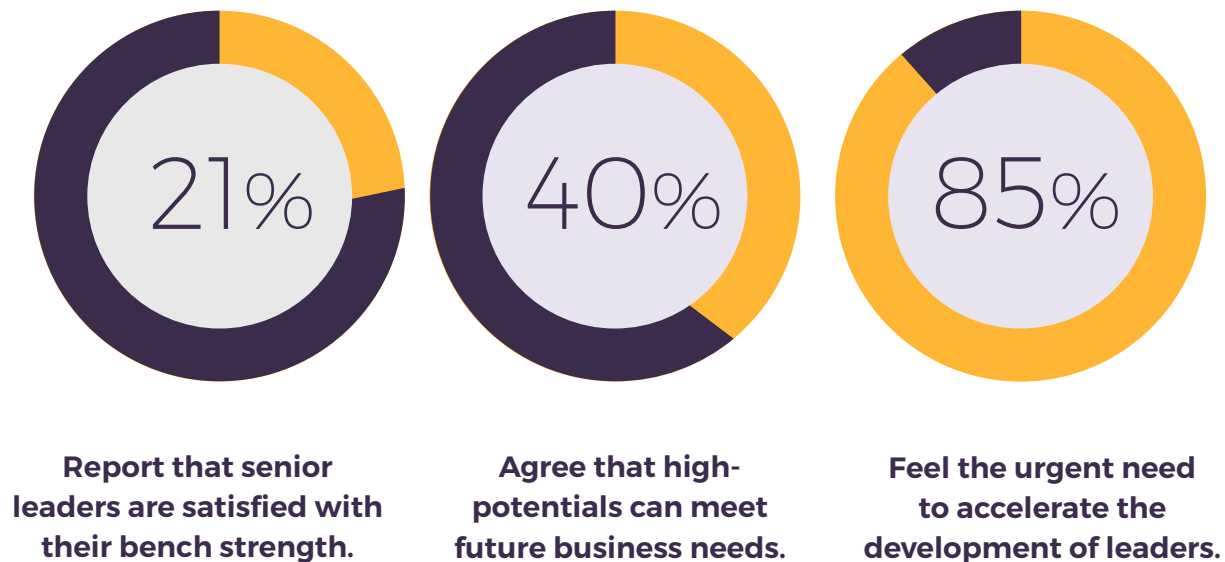
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THE BLEAK STATE OF LEADERSHIP

Leaders drive companies, create and deliver on a vision, and prepare for the future by empowering tomorrow's leaders. Without good leadership, companies rarely move forward. But the current state of leadership is bleak.

According to a study by the University of North Carolina's Kenan-Flager Business School, 85% of global companies report an urgent need for employees with leadership potential, aka high-potential (HiPo) talent. The problem is, only 40% say their current high-potentials can meet their future business needs and just 21% are satisfied with the bench strength of their future leaders.

More than 3/4 of today's companies aren't prepared for tomorrow.



THE SHORTAGE OF HIGH-POTENTIAL FUTURE LEADERS

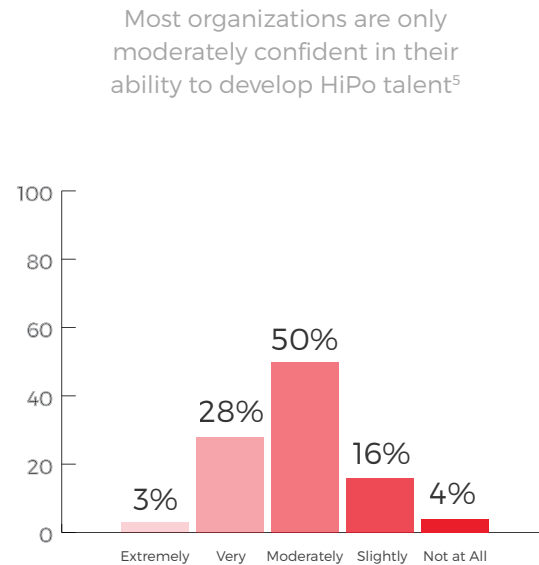
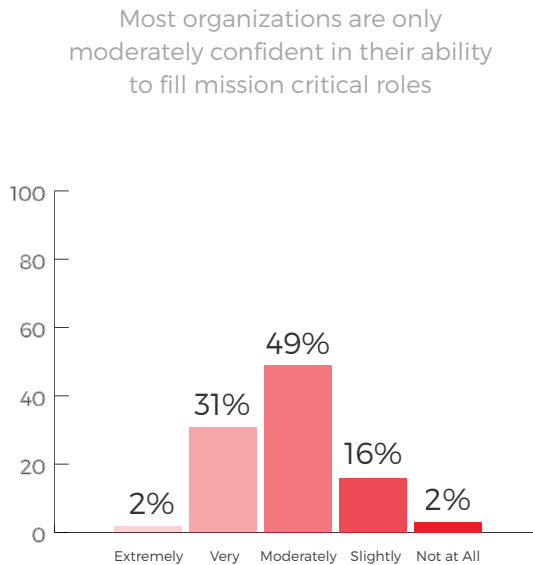
What's driving them down?

- **Budget cuts.** Many organizations are still recovering from the recession and still lack training resources. Only 23% of companies report that their budget is sufficient to meet their needs.²
- **Increased demand.** Keeping up with the recent economic growth has created an increased need for seasoned leaders, as much as 84%.³
- **Aging workforce.** Retiring baby boomers are leaving many strategic leadership jobs unfilled.
- **"Bad bosses."** Many business leaders aren't accountable and don't know how to empower their employees and develop the next generation of leaders.
- **Developing future leaders takes time.** On average it takes 20 months to develop mid-level managers and 38 months for senior leaders.⁴

Around the world, there's an immediate need to develop the next generation of leaders to fill mission-critical roles. But companies don't have a lot of confidence that they can do this today or tomorrow.

Why?

They are not only faced with balancing long-term and short-term business needs, they're grappling with budget restraints and the time commitment required to develop their leadership talent.



WITH SO MUCH UNCERTAINTY ABOUT THE LEADERSHIP PIPELINE, WHAT CAN COMPANIES DO?

Beyond things like executive coaching, face-time with senior leaders, and joining professional organizations, one of the most successful ways to prepare your future leaders is through both formal and informal mentoring.

In fact, UNC's research predicts that over the next 3-5 years, on-the-job mentoring will increase dramatically. Today fewer than 50% of companies offer formal mentoring, but by 2020, 80% of companies are expected to offer it.⁶

2015

<50%

of companies offer formal mentoring

2020

80%

of companies will offer it

Why the expected increase?

Not only is mentoring a cost-effective way to develop emerging leaders, but it keeps employees productive while they learn. But before you can mentor anyone, you first have to identify these high-potentials. And that's not as easy as it might seem.

What qualities should you be assessing? What traits make for a strong future leader? How can you look beyond skillsets to understand a candidate's leadership potential?

TOP COMPETENCIES NEEDED FROM FUTURE LEADERS

UNC's research indicates that changing times require different leadership skillsets than those thought necessary a decade ago. While the results varied slightly around the world, there was a lot of consistency across the board in terms of what competencies are needed from high-potentials.

TOP 5 HIGH-POTENTIAL COMPETENCIES



Strategic Thinking



Drive for Results



Collaborative Leadership



Building Effective Teams



Change Leadership

A drive for results is a highly desired competency and most high-potentials already demonstrate that in spades. But strategic thinking is the #1 skill deemed necessary for leaders. In addition, since organizations today are dealing with so much volatility, having high-potential leaders who understand transition and who can lead change initiatives is becoming more and more important. Interestingly, ethics and integrity were more important in the U.S. than elsewhere, and multi-cultural sensitivity was more important globally than it was in the U.S.

THE SECRET TO THEIR SUCCESS

A Gallup survey of 80,000 leaders⁸ found that, although there are advantages to people who have more education, seniority and experience, those traits alone do NOT ensure success.

Acute self-awareness is the common factor among super successful people.

People destined for leadership success know themselves – their strengths, their weaknesses and what they need to deliver. They know what skills they need to develop to get to the level they desire. Self-diagnosing people are also self-starters. They don't wait to be told what to do and they don't follow a manual. They are self-correctors. But they're also ambitious – not that they want to be the next CEO or even head up a department or team – but they want to grow as an individual.

These might be strong individual contributors who keep a low profile or superstar 20-somethings who are doing work far beyond their years.

Your challenge is to find these people and invest in them – onboard, train, coach & encourage them.

Because they are your future.

Organizations need to equip themselves and their people to help these high-potentials accelerate. What professional development training can you provide for them? Which mentors will help them get to the next level quickly?

SUSSING OUT FUTURE LEADERS

There are common qualities that future leaders share regardless of occupation such as strategic thinking, collaboration, team building, a drive for results and an ability to navigate change. If you know what those traits are, you can begin to identify the employees who have them.

These high-potential individuals are not immediately obvious. They can get bogged down with day-to-day tasks, or simply, “doing stuff.” As they move up the career ladder, they tend to fall back into the “doing stuff” space because that's where they are most comfortable and competent.

But if you look closely, these people are role models for others and attract people like them. They tend to be exploratory, visionary and determined. When you identify these high-potential people and give them an opportunity, something magical happens. Rather than just “doing stuff,” they begin to lead.

Your next challenge is a matter of time.

On average it takes a year and a half to develop mid-level managers, and more than three years for senior-level managers. That's a lot of upfront investment without a lot of immediate pay-off.

How do you get your high-potential leaders to become leaders more quickly? How do you consolidate the ramp-up time?

Your ability to identify these future leaders, engage them and accelerate their growth is critical to the future of your organization.



ADDRESSING THE LEADERSHIP GAP

Hiring the right people, identifying high-potentials within your organization, decreasing the time from detecting leadership potential to having fully functioning leaders, and supporting them in their ongoing development is a massive undertaking.

But with the right tools you can look at your current and prospective employees and actually identify key leadership characteristics, predict people's probabilities of success and help them evolve more quickly from "doing" to leading.

Quantitative and qualitative data can help you make informed coaching decisions that drive amazing results.

Below we've identified five workplace behaviors that most directly impact performance. These are the behaviors you'll want to develop in your future leaders.

FIVE MOST COMMON WORKPLACE BEHAVIORS THAT IMPACT PERFORMANCE



1. Communication

Does the individual tend to connect quickly or not as quickly with others?



2. Decision-Making

What is the individual's comfort level with risk?



3. Team Participation

Does the individual tend to be more task-oriented or people-oriented?



4. Taking Action

Is the individual more proactive or responsive when it comes to taking action?



5. Delegation

Does the individual prefer to delegate or be delegated to in a formal or informal manner?

THE POWER OF UNDERSTANDING BEHAVIOR

Behavioral assessments, such as that offered by The Predictive Index® (PI®), can help you determine the leadership characteristics specific to your organization and then quickly identify the people who possess them.

When you add data to the equation using behavioral assessments, there's no more guessing - you get an objective layer to help you identify high-potentials. They also help you determine how to motivate your leaders and how to tap into their competencies to take their performance to the next level.



In a nutshell, data from behavioral assessments:

Allows you to quantify the gap and scientifically predict performance of your leaders.

Gives high potentials the ability to quantify their own gaps and the opportunity to self-correct.

Enables you to build a stronger leadership bench around the competencies that are important in your specific organization or to drive a specific initiative.

By using data to assess employee readiness, you can create a development plan to make your current senior leaders accountable for their direct employees' skill development, preparing your next generation of leaders sooner.

WHAT'S STANDING IN YOUR WAY?

Are your ambitious high-potentials blocked by a lack of vision by their director or manager? Are they suffering from frozen ceiling syndrome—when their boss is incredibly competent at “doing stuff” and gets promoted to frontline or second-line leadership, but continues to just do stuff and blocks others who have true leadership potential?

When high-potentials begin to diagnose, self-start and self-correct, they accelerate their own growth, but also the growth of their team. High-potentials who self-diagnose can often loop around that frozen ceiling.

Help high-potentials become more self-aware so they can accelerate their own development.

Behavioral data helps employees begin to understand why they're wired for work the way they are and their specific communication styles. Similarly, they begin to see their co-workers' differences in a much more objective way.

Once that begins, people naturally become more skillful at navigating the differences in workplace behaviors because they are looking at those differences objectively, based on scientific evidence. And, they develop strategies for how to get the most out of other folks by recognizing their natural abilities and how to make the most of them.

It takes time to develop strong leaders. Applying the right data, processes, and alignment drives retention, engagement and results, giving your organization a competitive advantage.

To see how behavioral data helps managers identify and understand their own management and leadership styles, read the Johnsonville Sausage story, “[Developing Leadership to Manage Growth.](#)”

SOURCES

¹ University of North Carolina's Kenan-Flager Business School Study, 2014

² IBID

³ IBID

⁴ IBID

⁵ IBID

⁶ IBID

⁷ IBID

