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Harvard Business Review



How to Spot Talent

(Hint: Experience Is Overrated)

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HBR.ORG JUNE 2014

SPOTLIGHT
**ARE INVESTORS
BAD FOR BUSINESS?**

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DOUBLE
ISSUE

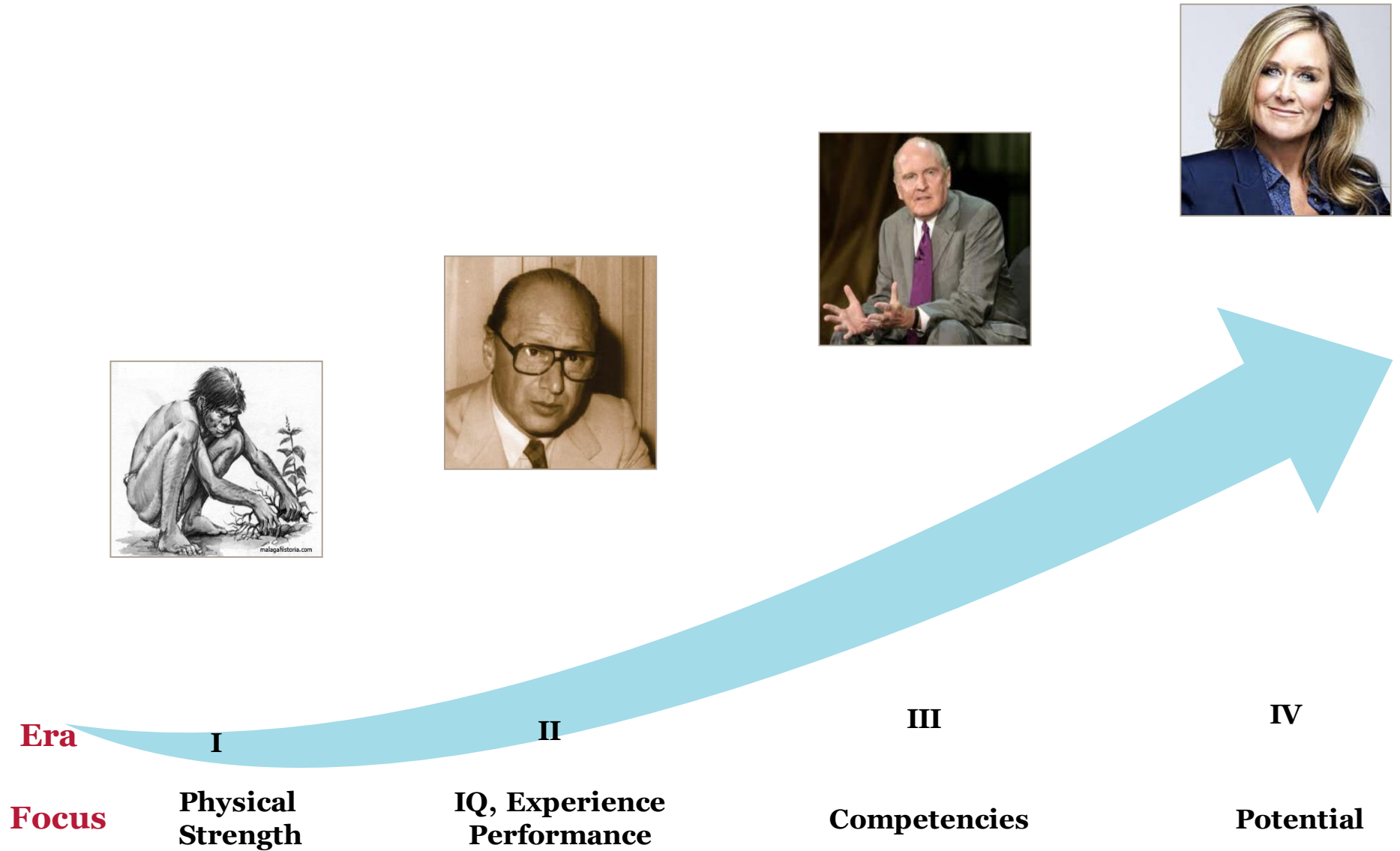
A photograph of a rocket launching into the sky, with a large plume of white smoke and fire trailing behind it. The rocket is positioned on the right side of the cover, pointing upwards.

LAUNCHING SUCCESSFUL LEADERS

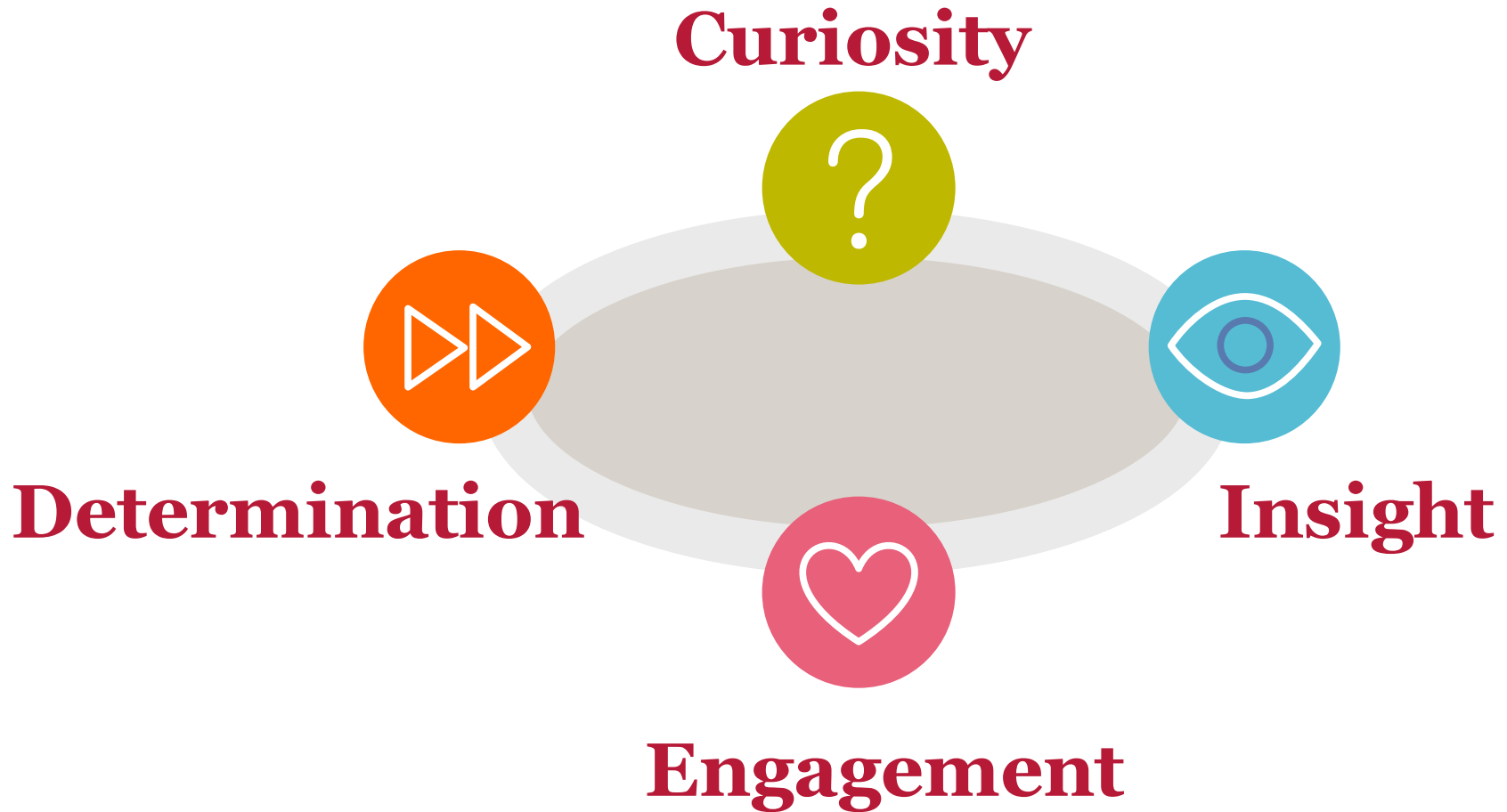
HOW TO MAKE SURE
YOUR MOST PROMISING
PEOPLE REACH THEIR
HIGHEST POTENTIAL

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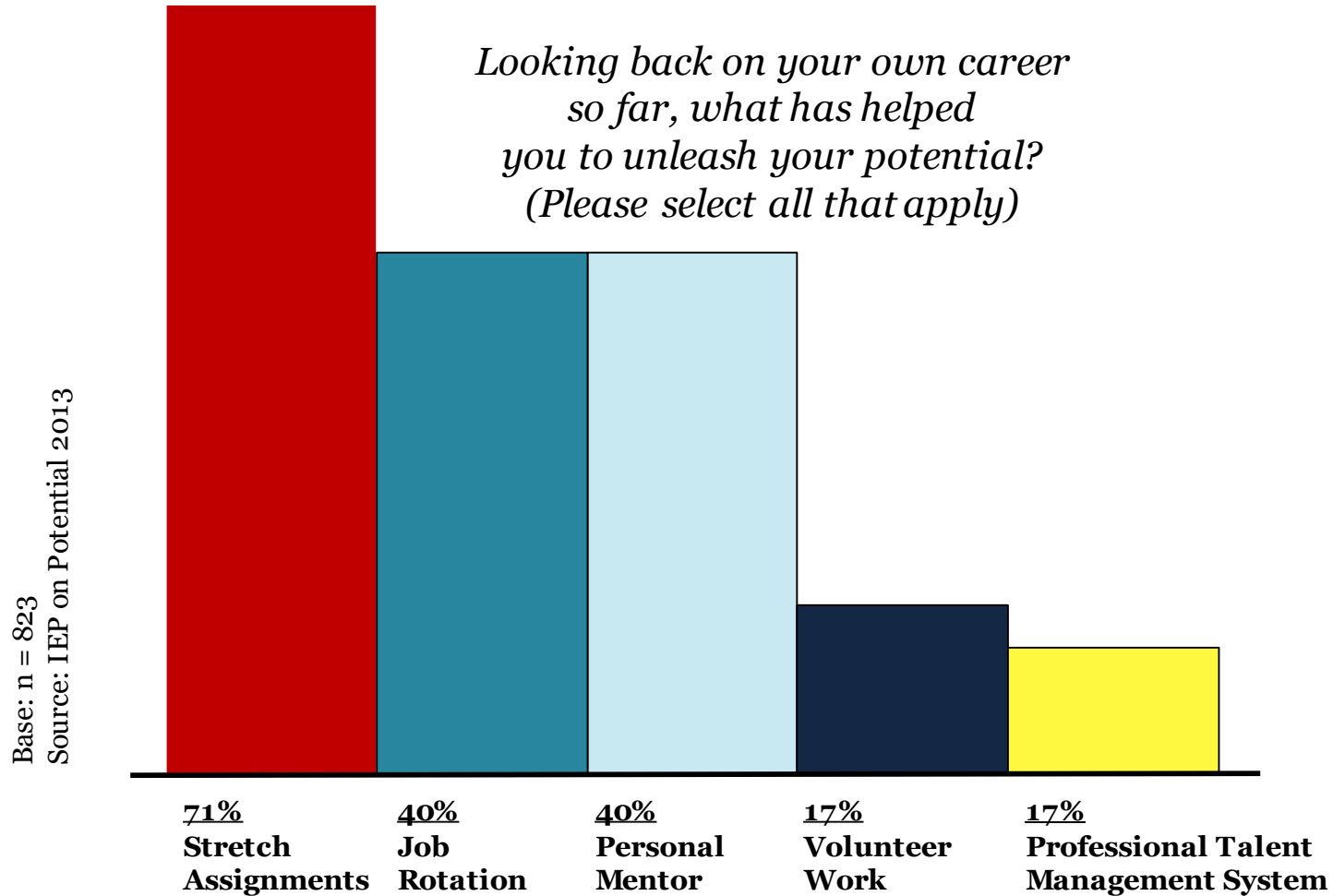
A New Era of Talent Spotting



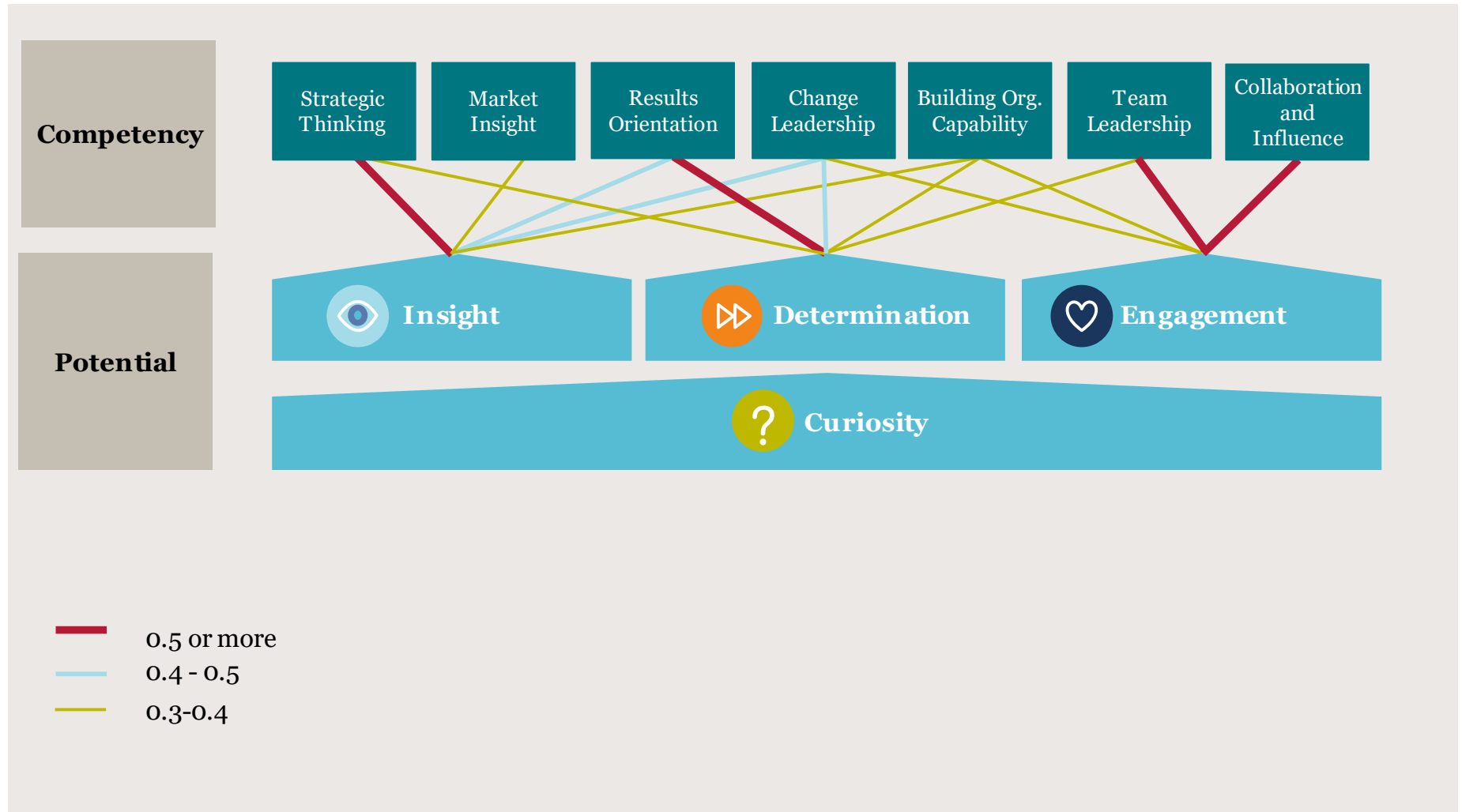
Elements of Executive Potential



Importance of Stretch Assignments



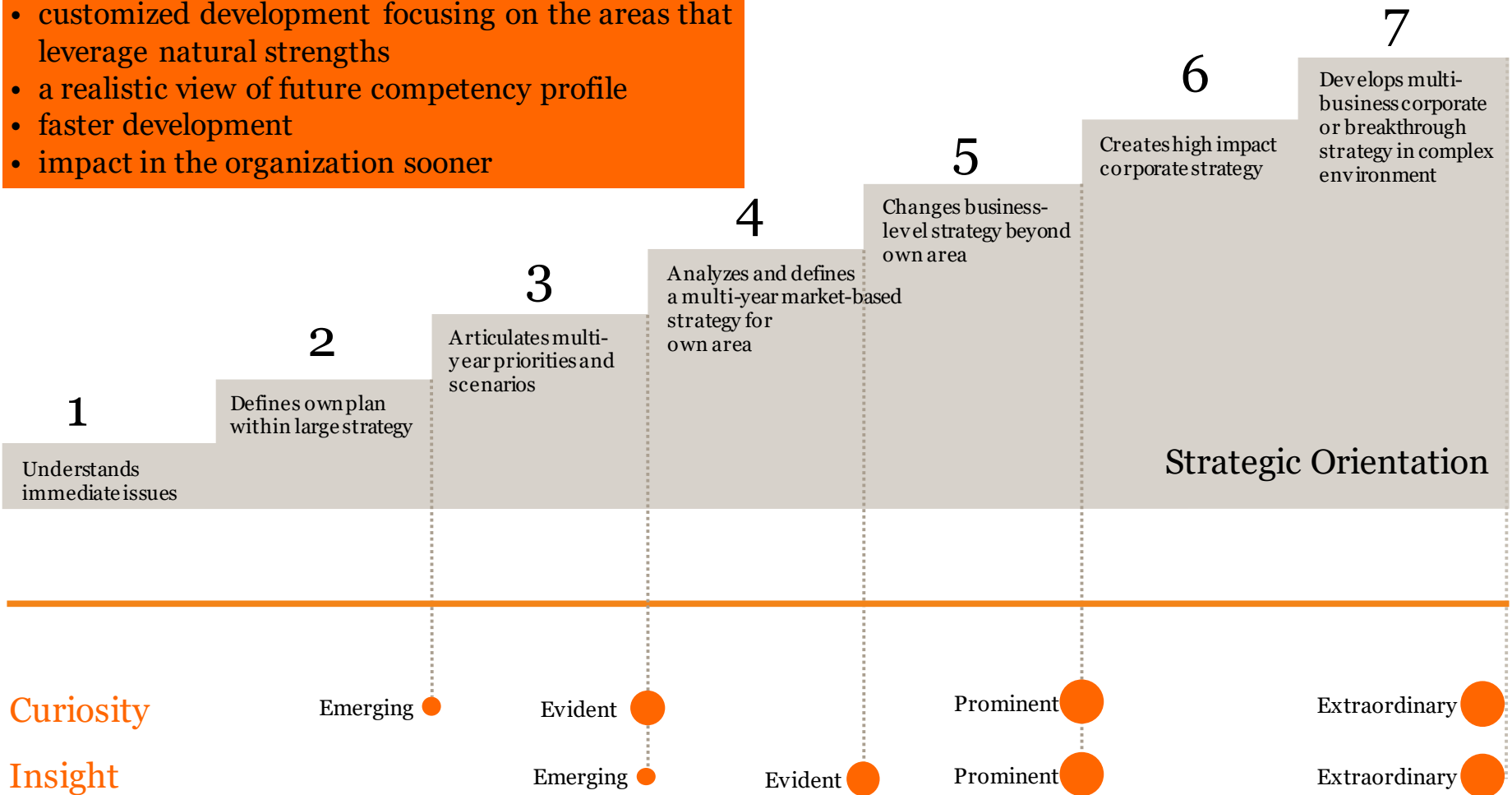
The Missing Link from Potential to Competence



Example of Potential to Competence Link

Knowing one's potential element levels allows for:

- customized development focusing on the areas that leverage natural strengths
- a realistic view of future competency profile
- faster development
- impact in the organization sooner



Deciding a Promotion

○ Target current role
● Target next role

Ms M
Title

Stated aspiration

Wants to learn and have an impact.

Summary

Ms M has consistently exceeded expected results and has been given the opportunity to experience a variety of functions and countries. With this experience, she has a strong understanding of the business drivers and can see the full impact of decisions. Ms M enjoys asking questions that allow her and others to think differently about the business.

She is driven to ensure profitability while building as much market share as possible. With fresh ideas grounded in data, she drives the business to achieve better results.

Inclusive and caring each team member states Ms M is the best boss they have ever had. They feel she sees the best in them and can bring it out for results that often surprising them.

She enjoys open debate and collective decision making. While she is a quick thinker she is equally gifted in teaching others. With her intellect it would be easy to be arrogant but her innate curiosity keeps this from being the case. Others feel they learn from her regularly.

She has not yet used her full potential and could be an even stronger business and people leader. Currently it appears she focuses solely on her own area without thinking about the entire enterprise. She doesn't attempt to influence or pull others beyond her team into collaborate. For this reason she doesn't personally have a finger on the pulse of the market or the customer. Similarly it has held her back in developing her strategic capability. Coming to an understanding whether this is a personal identity issue or a cultural fit issue will be important for development. She has all the raw capability to be successful not only in her current role but also in the next role and possibly at the very top of the organization.

Past

Long term track record

Essential experience



Exceeds expectations consistently. Brings appropriate experience but has some essential areas remaining. Ms M has a good foundation on which to take on even larger roles.

Present

Strategic Orientation

Market Understanding

Change Leadership

Customer Impact

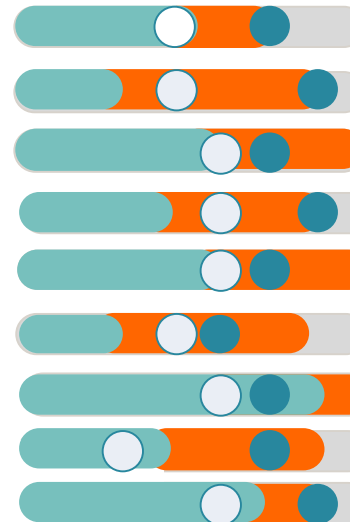
Results Orientation

Collaboration & Influence

Team Leadership

Building Organizational Capabilities

Commercial Orientation



Future

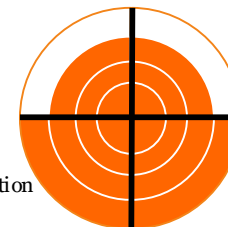
Individual potential

Curiosity

Insight

Determination

Engages



Significant stretch left. She has not fully used any of her potential. All of her leadership competencies could easily be developed further.

For development we need to focus on her view of herself as a leader and the expectations of the role as well as how she fits into the culture.

Choosing the best successor

Targets as CEO
 ○ Minimum
 ● Fully qualified

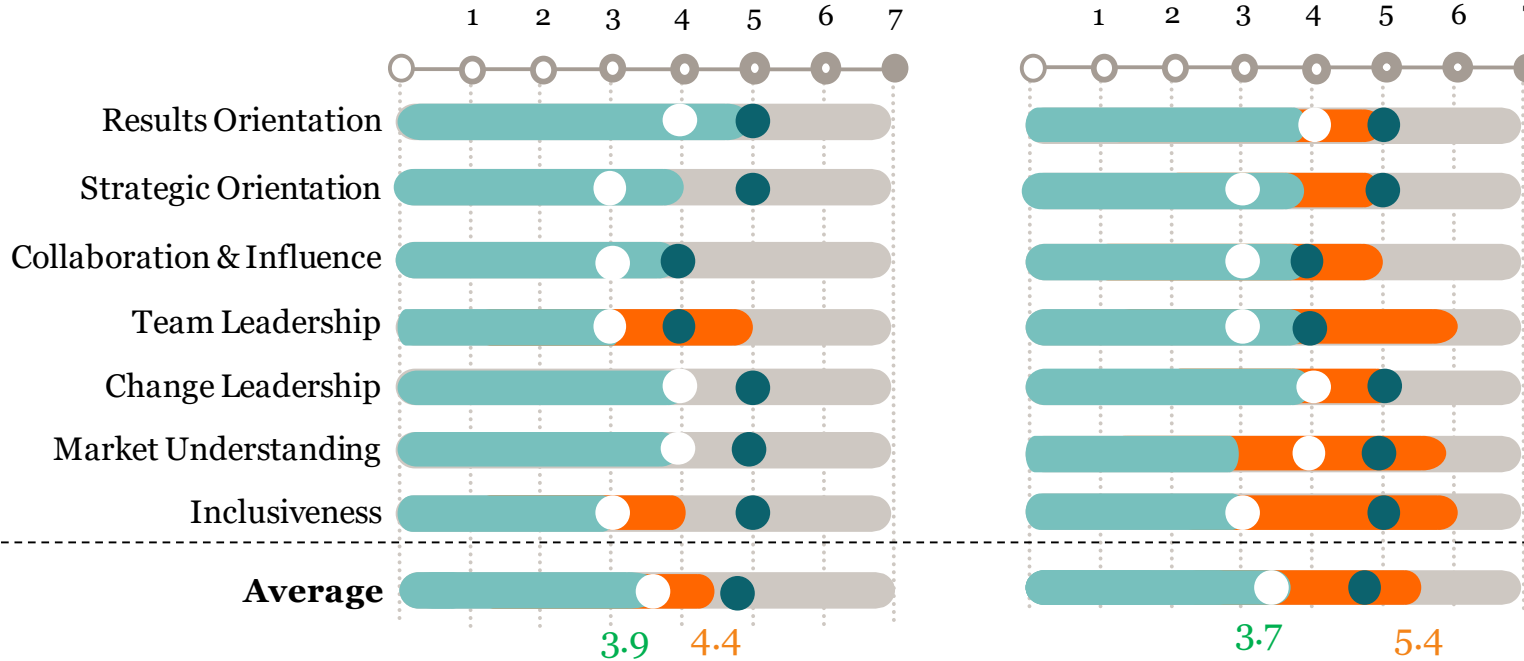
Present Competencies



Mr. X

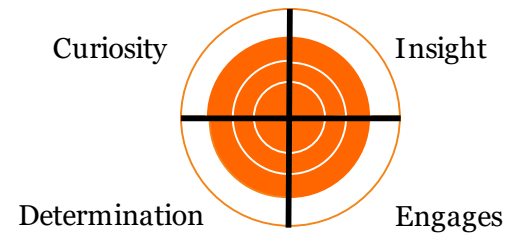


Mr. Y



Future Potential

Potential

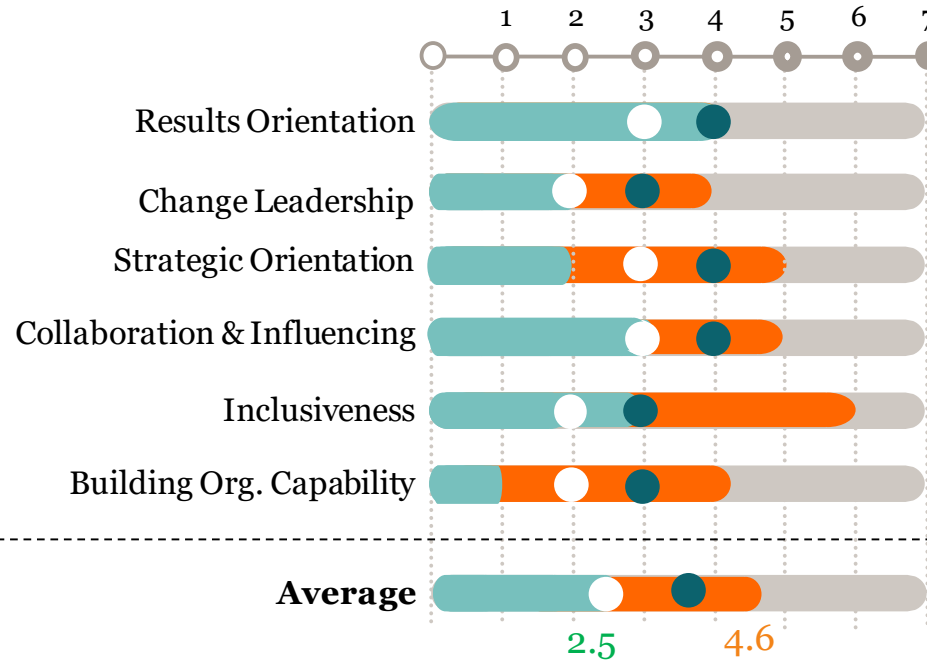


Fostering diversity

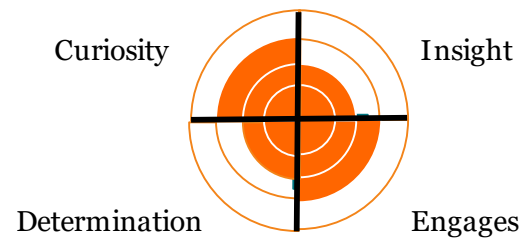
Present Competencies



Ms. Z



Future Potential



So Why Do We Waste So Much Talent?

- Ignorance
- Apathy
- Perverse Incentives