

FOCAL ARTICLE

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# The Pearls and Perils of Identifying Potential

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## Abstract

Organizations today are increasingly focused on talent as a strategic asset and a competitive advantage for achieving business success. As a result, most major organizations have recognized the need for and outlined a formal process to identify and assess high-potential talent. There is, however, little agreement within or between organizations on the definition and components of the concept of potential. The existing definitions and models of potential are often narrowly focused on only a few select factors and give little attention to the broad spectrum of potential talent in an organization. This article introduces a new integrated model of potential that incorporates previous literature and current assessment practice regarding high potentials, provides a coherent structure of potential, and is reflective of a variety of different talent pools. The model provides a useful method for answering the key question—*Potential for what?* Three key components of potential are described by the model: (a) foundational dimensions, (b) growth dimensions, and (c) career dimensions. Implications for assisting organizations in more effectively managing their high potential talent for strategic business objectives are discussed.

Nothing is so frequent as to mistake an ordinary human gift for a special and extraordinary endowment.

—*Oliver Wendell Holmes*

## Introduction

*Ask yourself, what exactly is a high potential? Then ask yourself, what is that potential for?*

Having the right talent in the right roles at the right time is one of the most important

issues facing line executives and human resource professionals today. Ever since the “war for talent” was popularized by the 1997 McKinsey study and the book that followed (i.e., Michaels, Handfield-Jones, & Axelrod, 2001), the idea of identifying and managing high-potential talent has become increasingly important for organizations. At the very center of talent management, a practice area today that could one day become a field of its own (though some practitioners might differ on this assertion, e.g., Lewis & Heckman, 2006), the singular ability to define and identify that elusive variable known as potential in an individual or group of individuals is considered a competitive advantage in the marketplace (Silzer & Dowell, in press). Moreover, given the increasing emphasis on the changing

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nature of the workforce and on the soon-to-be retiring boomers as discussed at various professional conferences and in the business literature (e.g., Dychtwald, Erickson, & Morison, 2006; Hankin, 2005; Stack, Baier, & Fahlander, 2008; Zemke, Raines, & Filipczak, 2000), today there is significant pressure on organizations and their leadership teams to ensure they have well-validated and useful measures of potential.

### **Purpose of This Article**

The purpose of this article is to explore the construct of high potential and to delineate and then integrate many of the key components that different organizations, researchers, management gurus, and consulting firms have identified in their efforts in this area. First, the article will provide an overview of the concepts of talent and potential. Next, we will cover some of the uses and misuses of potential in organizations, many of which are the result of an absence of a clear definition of the construct. Then we will provide a review and synthesis of the key variables that have been used across the different fields of practice and research to identify potential in individuals. The article will close with a summary of key issues and research questions regarding the identification of potential talent.

Before moving into the body of the article, however, it is important to clarify some boundaries for our discussion. First, the approach we have taken here to identify high potential talent does not include individuals being assessed for an immediate next leadership role or executive selection for a specific job. Rather, we have focused on potential with a longer planning horizon in an organization (e.g., perhaps for general management roles in the future). In addition, although we will touch on leadership competencies as far as they are sometimes included as part of specific high-potential identification models, we are not focusing on the domain of leadership competencies in the broader context. There are other sources for that

discussion (see Hollenbeck, McCall, & Silzer, 2006; Zaccaro, 2007).

Similarly, it is not our intention to provide an exhaustive coverage and review of existing selection and assessment tools and inventories (that we will leave to an upcoming volume of the SIOF Professional Practice Series). Finally, the intent here is not to cover the wide range of approaches regarding high-potential programs, succession planning, or leadership development efforts in general, but rather include these practice areas only in the context of whether or not these methods can assist in the development of components of potential.

### **Defining Talent and Potential**

What's in a name?—*Shakespeare*

As part of the increasing strategic role of human resources in business, organizations are focusing on identifying and developing the talent that is needed to specifically achieve business strategies. One key component in this effort involves identifying the talent that already exists in the organization and the employees who have the *potential* to be effective in other future roles, usually with much broader responsibilities, and at higher levels in the hierarchy (and in some cases attempting to identify the C-suite candidates of the future). Currently, significant corporate resources (both time and money) are being devoted to helping people improve their current performance, identifying their broader strengths and development needs, and developing them for the next position in their career path. It was only a matter of time for this effort to extend from development for *current* performance to development for performance in their *next position*, to development for *long-term future* performance. This is a significant mind shift from short-term selection to long-term prediction, often over a 3 to 10 year period or more. The prediction process is not matching an individual to specific known positions and responsibilities but rather predicting how much potential an

individual has, with additional growth and development, to be a candidate in the future for a group of possible positions. Both the individual and the future positions are likely to change and evolve over the years before promotion into a specific role is considered.

In order to most effectively leverage organizational resources, there has been a growing interest in identifying those individuals who have the most potential to be effective in higher level organizational roles. Today, organizations are creating sophisticated systems and programs for identifying, assessing, and developing high potential talent (Church, 2006a; Parasher & McDaniel, 2008; Silzer, 2006; Silzer & Church, in press; Wells, 2009). The construct of *potential* or *talent potential*, as used by many organizations, refers to the possibility that individuals can become something more than what they currently are. It implies further growth and development to reach some desired end state.

Over the years there has been increasing interest in identifying high-potential individuals in organizations. The number of SIOOP conference sessions focused on high potential talent identification, assessment, and development has notably increased in the last several years (e.g., Church, 2006a; Lewis, 2008; Silzer, 2006; Silzer & Dowell, 2009a, b; Silzer & Kaiser, 2008; Wells, 2009), including a number of SIOOP pre-conference workshops (e.g., Parasher & McDaniel, 2008; Peterson & Erdahl, 2007; Yost & McCall, 2007) and the topic for the leading edge fall conference in 2006 (e.g., Church, 2006b; Drasgow, Dowell & McCauley, 2006). The number of organizations that report having a high-potential program is also increasing:

- Forty-two percent of the 21 major corporations surveyed in 1994 (Silzer, Slider, & Knight, 1994)
- Thirty-one percent of 71 small, medium, and large Canadian companies surveyed in 2004 (Slan & Hausdorf, 2004)

- Fifty-five percent of 100 companies surveyed in 2003 by Hewitt Associates (Hewitt, 2003; Wells, 2003)
- One hundred percent of the companies in the 2003 Hewitt survey that were in the top quartile (out of 100 companies) for total shareholder return (Hewitt, 2003; Wells, 2003)
- One hundred percent of 20 major corporations surveyed in 2008 (Silzer & Church, in press).

Our interest here is to understand the concepts of *talent* and *potential* and the components of potential.

#### *What is talent?*

The term *talent* dates back to ancient Greeks and Biblical times, starting out as a measure of weight, then becoming a unit of money, and later meaning a person's value or *natural abilities* (Michaels et al., 2001). We could make a distinction between individuals who have natural abilities in an area (whom some might call *gifted*) and those who have learned their skills and knowledge. Of course individuals are a mix of both natural abilities and learned skills. Their natural abilities typically expand and blossom by what individuals learn and when the abilities are given an opportunity to be expressed in the experiences of the individual.

The natural versus learned distinction is not commonly made in organizations, although there does seem to be an ongoing discourse about whether leadership is natural or learned. As with many psychological constructs (e.g., leadership), this ongoing debate has now also been applied to the idea of talent and potential.

According to Silzer & Dowell (in press), *talent* in organizations can refer to or be applied to three distinct aspects:

1. An individual's knowledge, skills, and abilities (i.e., *talents*), what the person has done and what the person is capable of doing or contributing to the organization in the future

2. A specific person (e.g., she is a *talent* or she is *talented*—usually implying she has specific knowledge, skills, and abilities in some area)
3. A group (e.g., *the level of talent in the marketing function*) in an organization.

In groups, *talent* can refer to a pool of employees who are exceptional in their knowledge, skills, and abilities either in a specific technical area (such as financial asset management), a specific competency (such as innovative thinking), or a more general area (such as general management or leadership potential talent). Moreover, in some organizations “the talent” might refer to the entire employee population, which is what the relatively new and somewhat vaguely defined HR subfunctional category of “talent management” has been aimed (e.g., Lewis & Heckman, 2006; Silzer & Dowell, in press). Many companies now have multiple talent pools, beyond their leadership high-potential pools (Byham, Smith, & Paese, 2002; Dowell, in press). Other versions have been called acceleration pools (Byham, Smith, & Paese, 2002) or pivotal talent pools (Boudreau & Ramstad, 2005). Each of these approaches is intended to guide organizational decisions about attracting, developing, deploying, and retaining talent.

Over the years, the nature of organizational talent has changed (Sears, 2003) from a focus on division of labor distinctions to an evaluation of strategic contributions to the organization. Sears suggests that “talent is knowledge” (i.e., as a competitive advantage) and that it is shaped by what customers value. In fact, the strategic basis of talent has been extended to the full range of talent management processes and systems. Silzer and Dowell (in press) propose that talent management “is an integrated set of processes, programs, and cultural norms in an organization designed and implemented to attract, develop, deploy, and retain talent to achieve strategic objectives and meet future business needs.”

For the purpose of this discussion, we will focus on talent as an individual’s knowledge skills, abilities, and characteristics.

### *What is potential?*

The term *potential* is familiar to many people. At one point or another during our educational experience, many of us were told that we were not working or achieving up to our *potential* at school. Although our *specific potential* was rarely defined (i.e., to what ultimate end that potential would be realized), the implication was that our perceived underlying abilities and skills were not being fully used or demonstrated in our current schoolwork, and there was an expectation that we could be and should be doing better. The discussion almost always focused on current performance. In other words, few were told, if you do not do well on this algebra exam you’ll never become the chief financial officer (CFO) of a *Fortune* 50 corporation.

In work environments, *potential* is rarely used in relation to current work performance but is typically used to suggest that an individual has the qualities (e.g., characteristics, motivation, skills, abilities, and experiences) to effectively perform and contribute in broader or different roles in the organization at some point in the future. Potential is associated with possibilities for the future rather than with problems in current performance. Business organizations now want to find the talent with the greatest potential to maximize future organizational success and rarely take action solely for the individual’s future success.

The term *potential* can be either a noun (*he has potential*) or an adjective (*he is a potential general manager*). As a noun it is defined as “something that can develop or become actual” (Merriam-Webster Inc., 2002). As an adjective it is defined as “existing in possibility, capable of development in actuality” (Merriam-Webster Inc., 2002). Both uses suggest that it can develop or is capable of development. This is an interesting linguistic observation as many leaders, managers, and HR

professionals view the concept of potential as an inherent individual capability (e.g., either one has or does not have potential), and some consulting firms have asserted that potential factors “are extremely difficult to develop” (Rogers & Smith, 2007).

Some organizations use the term generically—*he has potential* or *she is a high-potential individual*. In these cases, *potential* is not specifically defined, and all *potential* is put in one general category. This suggests that *potential* is used as an independent construct that can be identified and measured independently of the context or expected end state and might be immutable across situations, much like general intelligence. Perhaps, in these cases they may actually mean general intelligence or personality characteristics when they use the term *potential* broadly.

More sophisticated companies have multiple categories of potential in their organizations often labeled as talent pools (Dowell, in press) and ask *Potential for what?* They believe that it is critical to first answer this question before you can identify the individuals who have the *potential* or the *high-potential talent*. They might look for potential to be an effective general manager, a chief marketing officer, a CFO, or a chief human resources officer. They might argue that although there may be some common characteristics or abilities that predict potential in general for several different talent pools, there are also more unique abilities and characteristics that differentially predict potential for each talent pool and career path.

This raises the question of whether the purpose (e.g., potential for what) drives the definition of potential. Is potential context or career path specific or is it a general trait? The concept of potential, particularly learning potential, has been actively discussed and conceptualized in educational and development psychology (e.g., Feuerstein, Rand, Jensen, & Tzuriel, 1987; Frisby & Braden, 1992). For example, there has been a good deal of attention to whether we can identify and measure *learning potential* in an individual. Learning potential, based

on Feuerstein’s concept of learning (Feuerstein et al., 1987), can be defined as “the modifiability of unobservable structures that have not as yet become actual or exist in possibility” (Frisby & Braden, 1992).

Grigorenko and Sternberg (1998, p. 75), in focusing on the potential to learn as opposed to what people have already learned, suggest “Wouldn’t it be nice . . . to quantify someone’s potential rather than actualized abilities, soothing, developing and modifiable rather than something developed and perhaps even fixed. Wouldn’t it be nice . . . to test people’s ability to learn new things rather than just people’s ability to demonstrate the knowledge they already have acquired.” The interest in identifying and assessing the ability to learn has been gaining popularity and acceptance by industrial-organizational (I–O) practitioners and HR professionals in recent years as well (Lombardo & Eichinger, 2000; McCall, 2009; Spreitzer, McCall, & Mahoney, 1997; Watkins, 2003).

This raises the question of whether we can even measure potential for the future or do we need to focus solely on people’s current knowledge, skills, and so forth. The discussion in educational psychology focuses on both the existence of *learning potential* and how it can be best measured. Learning skills will be discussed later as a possible component of *potential* in organizations.

This causes us to raise several issues regarding potential:

- How do we identify, measure, or predict *potential* if it “exists in possibility” and is not yet actual?
- Is *potential* a singletary, immutable characteristic that is independent of the situation or is it more specific to the context or the underlying substance (potential for what)?
- Is potential something that a person just has, or can it be developed?
- Is potential a measure of an existing trajectory moving along a predictable future path to the future, or can an individual’s potential trajectory

actually be significantly changed in the future?

#### *How is potential defined in organizations?*

Organizations typically differ from each other in their definition of potential or high potential. For example, of the 13 major organizations reviewed by Karaevli and Hall (2003) including Boeing, Chase Manhattan, Dell, Eli Lilly, Hewlett Packard, Southwest Airlines, and Sun Microsystems, none had the same definition of potential. As noted earlier, the underlying definitional question for potential that is often asked is *potential for what?* The “*what*” usually suggests specifying the expected future long-term positions, responsibilities, or end state that the individual might be able to achieve. For our current discussion, we separate identifying longer term potential in individuals from the shorter term selection of individuals for a promotion into a specific job, usually at the next level up in an organization (which involves predicting effectiveness in a specific known position in the immediate future).

A recent corporate survey of 20 major corporations identified several different common definitions of high potential (Silzer & Church, in press):

- *By role*—the potential to effectively move into top/senior management roles (35% of companies).
- *By level*—the potential to move and effectively perform two positions/levels above the current role (25% of companies).
- *By breadth*—the capability to take on broader scope and leadership roles, and to develop long-term leadership potential (25% of companies).
- *By record*—a consistent track record of exceptional performance (10% of companies).

Other organizational definitions of high potential that we have observed include:

- *By strategic position*—key positions that may be at the core of the organization’s success (perhaps a subset of *by level* definitions but targeting specific positions).
- *By strategic area*—functions, business units, or geographic areas that are central to the organization’s strategic objectives.

All of these definitions (except for the *by record* definition, which focuses on the past) try to answer the *potential for what* question. In each case, there is an attempt to state the ultimate goal or criterion—whether it is to perform senior executive roles, handle general leadership roles, or contribute to specific strategic roles and capabilities in the organization (e.g., starting up a business, managing a product development group, leading a turn around, or heading up a cutting edge research group).

It is not uncommon for organizations to use one of the first four definitions above as a primary definition for the potential identification decisions and then also have additional potential groups or pools with different characteristics. For example, for general succession planning discussions, an organization might use a level definition for a general management talent pool (e.g., the potential to move two levels above current role) and then also have more narrowly defined pools of high-potential talent for primary strategic functions in the organization (i.e., operations, finance, sales, or marketing).

Our recent corporate survey (Silzer & Church, in press) found that 65% of the companies responding had more than one potential category and often clustered high-potential individuals based on job band (level) differences. A typical set of band-level categories of potential is:

- Global leaders/senior executive potential
- Mid-management, or technical/functional potential

- “High value” or “HiPro” performers (keep in role and develop for expanded responsibilities).

Another set of potential designations that some organizations use is:

- Top potential (senior-level potential)
- Turn potential or promotable potential (a term commonly used to refer to next level potential)
- Grow potential (stay at same level but expand, might also be called key contributors)
- Mastery potential (stay with same work at the same level, might also be called critical professionals or highly valued experts).

A common problem in many organizations is that different definitions of potential are used internally by different managers and executives. An executive may have used a particular definition for most of their career and is reluctant to give it up for a different one used by others or one that is introduced by HR. These variations are tolerated in some organizations where the immediate manager has significant influence over who gets designated as a high-potential individual. Often, there is little monitoring of the definition that gets used. In organizations with more centralized identification and assessment processes, an immediate manager's recommendation is only the first screening, often followed by a formal calibration process where several teams meet to review and discuss common talent identification categories (Church & Waclawski, in press; Gandossy & Efron, 2003; Hewitt, 2008). Later, corporate-level assessments and screening of high-potential candidates are likely to use a standardized definition, and a manager's idiosyncratic definition may conflict with the corporate standard.

Perhaps, the use of the word “potential” itself may be contributing to the definitional problem and some misuses of potential in organizations. Many companies use the label “high potential” to describe the degree of potential someone has for future

roles. Given the myriad of components in the construct of potential itself, as detailed in this article, and the fact that from a psychological perspective few individuals would want to accept the fact that they do not have any inherent *potential* (i.e., for anything vs. for a specific senior role), this might argue for moving away from using “high potential” as a label in practice and instead using other terms that do not have such personal and evaluative connotations. There has already been some movement in this direction in the field (although not all are directly referring to high potentials per se) with terms like learning agility (Lombardo & Eichinger, 2000), judgment (Tichy & Bennis, 2007), social intelligence (Albrecht, 2006), and executive intelligence (Menkes, 2005). Interestingly, from our perspective, *intelligence* as a term also has psychological baggage associated with it, and even legal implications from a selection standpoint, so this probably is not the solution to the terminology issue either.

### *The importance of potential*

If you want one year of prosperity,  
grow grain,

if you want ten years of prosperity,  
grow trees,

if you want a hundred years of prosperity,  
grow people.

—*Old Chinese proverb*

Although some authors such as Cappelli (2008) have argued that internal high-potential programs may not be the only (or perhaps even the primary) solution to talent demands today, many organizations, and particularly those whose stock is traded on Wall Street, have an enhanced focus on either creating internal high-potential identification programs or buying them from external vendors, hence the increase in consulting practice in this area. Moreover, in many publicly traded companies for example, the role of the board of directors has increased significantly in succession

planning activities over the past few years (Krupp, 2008). As a result, it has been suggested that this ability to accurately and consistently identify high potentials is arguably one of the holy grails of I–O psychology (Church & Waclawski, in press).

Many organizations, particularly those with well-established internal development programs and processes, have been exploring and experimenting with different approaches to identify potential for years in the hope of finding a “silver bullet.” More recently, consulting firms, as noted above, as well as headhunters or executive recruiting organizations have entered the marketplace with a host of tools, models, and frameworks for solving this current crisis of management. Given the increasing number of sessions at the annual SIOP conference over the past few years (e.g., Church, 2006a; Lewis, 2008; Silzer, 2006; Silzer & Dowell, 2009a,b; Silzer & Kaiser, 2008; Wells, 2009), as well as the number of firms selling tools in this area and the coverage of the topic in the HR literature and even popular management books, including an upcoming edition of SIOP’s professional practice series (Silzer & Dowell, in press), we felt it was time to embark on a critical examination of the construct of high potential in a more formal and informed manner.

### *A brief case example*

But why do we really need to understand the construct of high potential? Let’s begin with a brief business example. Imagine a chief executive officer who needs to identify the best candidate from an internal pool of leaders to become the future general manager for the organization. It is anticipated that an opening for a new general manager may occur in 3 to 5 years. Although there are no ready successors now, there are three internal highly valued leaders who are one or two experiences or levels short of the potential GM role but are considered to be high-potential talent in the organization. In order to prepare for the future GM role, the leader with the greatest

GM potential must first successfully run a high-profile business unit in an emerging market such as China. So, the CEO must make a choice in staffing a business-unit role now but also keep in mind building bench talent for the future GM role. Given that the business-unit role to be filled is both critical to the business and developmental by virtue of the experiences it will provide, the CEO is likely to be very focused in her criteria.

Let us say for the sake of argument that she employs a consulting firm to help her assess the true potential of the three leaders; the three have already been identified by the standard internal talent management process in the organization as high-potential talent, and all have solid track records of performance. As it turns out, the consulting firm uses a potential assessment approach based primarily on leadership competencies (e.g., drive for results, empowering people, demonstrating integrity). They claim it is a valid and proven measure of leader success and have research across different industries and managerial groups to support this argument.

The result of the process is the identification of candidate A for the role because of her specific profile of leadership qualities. When the candidate is informed that she has been identified, however, she immediately declines the role for personal reasons at home (e.g., she is caring for elderly parents and cannot relocate for several years). Next on the list is candidate B who is highly mobile and willing to do anything for this promotion; so he is chosen next for the position. He moves to China for the new role and begins immediately. Unfortunately, after just a few months, he starts derailing in the role by letting his emotions out on his direct reports in very direct and emotionally charged ways. This is because of the stress of doing business in an emerging market without being able to speak the language and with limited experience in this area of the world. As it turns out, he has a limited ability to adapt to new situations, is unable or unwilling to be open to learning, and has trouble controlling his



reactions to stressful conditions. These factors, however, were never identified in the selection process. After just 1 year, candidate B is removed from the China role and the company. Candidate C, who was ranked lowest on the leadership profile, not having been chosen for the assignment, leaves the organization and becomes a high-potential talent yet again in another company based on a favorable personality and cognitive skills assessment.

This example was meant to illustrate just how complex, multifaceted, and challenging is the process of accurately identifying high-potential talent in an organizational setting. As we detail and hope to clarify in this article, there are a number of important factors that interact and need to be considered when making a determination of potential, including trait, state, and capability based variables. There are also contextual variables such as career stage, prior experiences, organization cultural fit, and other moderators, all of which make it difficult to answer the question, "What is a high potential talent?"

### *Is this anything new?*

Of course both applied and research-based efforts to identify potential talent are not new to the field of I–O psychology. Assessment centers, selection tools, succession planning efforts, and development programs all represent important areas of practice and research, and many were initiated back in the 1950s and 1960s at many large organizations such as AT&T and GE, and in some cases even earlier in the military (Bray & Grant, 1966; Cappelli, 2008; Jeanneret & Silzer, 1998; Office Strategic Services, 1948). Despite all the great work that has been done in these areas of I–O psychology, however, there are relatively few published empirical studies specifically on the construct or characteristics of high-potential individuals. In fact, in reviewing the literature in preparation for this article and querying colleagues in many large organizations regarding high-potential research, we made several observations.

First, although there was a plethora of research and theory on areas such as leadership and management skills, selecting and developing various types of managers, and taxonomies of critical competencies required for senior roles, the majority of the content regarding high-potential identification (and by this we mean models, frameworks, and measurement tools) primarily resided in three areas:

1. Trade press books from business school and/or management authors (and some "gurus"), which were mostly conceptual in nature;
2. Internal research (often proprietary in nature) from large organizations with formal talent management programs; and by far the most from
3. Institutions, consulting firms, and vendors selling assessment tools and services, and not surprisingly, many of them differing quite substantively from one another.

This finding alone was interesting to us, in that very few empirical studies have been published that comprehensively explore the underlying dimensions of high potential talent, yet this is exactly what organizations are looking for today. In fact, we believe this is one of the reasons why the model of high potentials developed by the Corporate Leadership Council (2005a, b) is one of the most widely cited models by corporations (in response to our queries and in a recent corporate survey, see Silzer & Church, in press). It uniquely combines both high-potential identification and employee engagement, another high priority and hot topic in organizations today (Macey & Schneider, 2008; Schippmann, in press).

Another observation is that much of the research that does exist is centered on validating a specific assessment tool or model (see Hay Group, 2008; Spreitzer et al., 1997) and not on providing a rigorous or comprehensive comparison of approaches to identifying high potentials. These realities are reflected in the source material references used for this article.

## Use and Misuse of Potential in Organizations

As already alluded to, potential as a construct has a number of important applications in organizational settings. These applications meet a series of different needs for different constituents. The primary users or constituents of potential consist of the individual, the manager, the HR function, and the senior leadership.

### *Uses of potential*

*For the individual.* Let us start with the individual. Having a clear understanding of an individual's potential to perform future roles of more significant scale and impact is critical for helping that employee manage his work experience. These considerations include current and future assignments, how performance is managed, development planning, and career guidance for that individual. It is also likely to influence the life choices and trade offs that the individual is willing to make (e.g., agreeing to move her husband and family to another country for a career building experience).

The more potential an individual is deemed to have in an organization the more likely she will be given additional resources and support by the leaders. This includes everything from additional coaching and mentoring, to selection into key development programs, to an enhanced review of current experiences being gained and those needed in future roles, to appearing on "meet and greet" lists for senior leaders, as is often recommended (e.g., Byham et al., 2002; Cohn, Khurana, & Reeves, 2005; Karaevli & Hall, 2003; McCall, 1998). Having more potential is also likely to result in a promotion sooner than others at the same level. It is essentially what the practice literature advocates for in the management of high potentials.

From an individual's perspective, this meets his needs for development and for focused attention on performance and career. Moreover, to the extent that having high ambition, or drive as it is called in some models (e.g., Rowe, 2007; although

in some cases these two concepts are defined entirely differently), is a key component of being identified as having high potential, this enhanced focus also meets the individual's needs for continued impact and career progression.

Of course, the less potential ones are deemed to have then the less likely they will be targeted for enhanced developmental experiences, leading to potential disengagement from the organization (which will be discussed further below). This is one of the reasons why many organizations fear total transparency in sharing the level of identified potential (i.e., telling people they are high potentials or not) with the individual employee (Silzer & Church, in press).

*For the manager.* Managers are another constituent who find utility in the concept of potential and in identifying potential within their team members. For this population, potential is a construct that helps them focus their development efforts on specific employees. It is a central component to most succession planning and talent management applications such as the "nine-box" model, also known as the performance–potential matrix (Corporate Leadership Council, 2005c; Dowell, in press), and in some organizations it is also a part of the formal performance management system. The concept of potential provides managers with the opportunity to identify key individuals for additional developmental opportunities, projects, coaching, and support. In addition, in some organizations the level of potential talent in a manager's team or the potential of those individuals exported or imported from a given manager's group is used as a metric for the performance management with that manager (although there are clearly issues inherent in this approach, see Church & Waclawski, in press).

*For human resources.* Similar to a manager's use of potential, the HR function also takes advantage of the construct of potential in its role of business partnering with the line leaders to build the talent bench for the organization. It is central to many core HR processes, including

talent management and development efforts (Avedon & Scholes, in press; Byham et al., 2002; Silzer & Dowell, in press). HR is often the gatekeeper and developer (or purchaser) of many core assessment and development processes and programs, and for HR how much potential one has matters at both the immediate client level and at the broader organizational assessment and diagnostic level.

At the client level, the analysis of potential often requires some action to be taken. For example, you have three high potential individuals in your team who need to get specific training or get moved to other developmental roles. At a broader level, the observations and actions are more systemic in nature: The finance function has a deep bench with many high potentials at all levels whereas the marketing function has far fewer high-potential leaders. This would likely lead to either a specific agenda to build the talent capability in marketing (e.g., through training efforts for existing employees) or to an upgrading of the function (i.e., through selective hiring for individuals with new skills).

Human resources also uses the construct of potential (as do hiring managers and leaders) when assessing new talent from outside the organization. Although it may not be formalized with a high-potential identification model or framework, and the criteria may change when reviewing external and internal candidates (e.g., cultural fit is often known for internal candidates), the concept is still used to assess whether the new hire will be a successful one in this organizational culture.

*For the senior leadership.* The fourth and final constituent using the construct of potential is the senior leaders of the organization. Their primary focus is the execution of the business strategy and meeting the needs of the organization, its shareholders, its customers, its consumers, and its employees. From a leadership perspective, the ability to identify potential serves as a proxy measure for the overall health of the organization and for the extent to which the organization will

remain a viable entity in the future. If the potential among the employee base is determined to be limited, it may result in the leadership initiating a very different talent strategy (e.g., implementing a forced ranking process to identify and remove the bottom performing percentage of people to make way for new hires) than if the level of potential among employees is considered to be strong (e.g., instituting talent retention measures or a broad overhaul of the development agenda). One of the first tasks that many new leaders do when entering an organization from the outside is to assess the current state of their talent bench, including the identification of the high-potential talent in the team and their current levels in the organization (Corporate Leadership Council, 2000).

Potential for senior leaders is also a construct used in succession planning, particularly regarding CEO succession. It is a key component of any assessment process aimed at identifying the next CEO of an organization and is particularly important when conducting talent reviews with the board of directors, which is becoming increasingly important (Cohn et al., 2005; Krupp, 2008; Paese, 2008).

### *Misuses of potential*

Next, we turn to some of the ways that the construct of potential and potential identification are misused in organizations. Perhaps, the first and most common issue with potential in organizations is that as a construct it is poorly defined. Recent surveys of organizations and reviews of the field (Corporate Leadership Council, 2003; Hewitt, 2008; Karaevli & Hall, 2003; Silzer & Church, in press) have demonstrated that many firms have their own internal definition of potential, most of which are quite different from each other and which may or may not be informed by either research or external consulting firm constructs. In fact, some organizations base their definition of potential solely on the perceived degree of potential for vertical movement to a specific level in the organization (Silzer &

Church, in press). In fact, a Corporate Leadership Council (2005a, b, c) survey of 252 organizations, for example, reported that 47% of organizations define high potentials based on their ability to advance two to four levels, and another 26% of the organizations planned to move in this direction soon. As Pearson (1987, p. 4), former president of PepsiCo, Inc., once wrote, “a single question asking how far each person can advance (measured by the number of job layers) will usually start a lively and productive discussion”. Although a lively discussion of talent in organizations is always helpful, the criteria itself is flawed if it is based on only movement. Clearly, this is not a well grounded use of potential, even if highly popular in organizations (e.g., Rothwell, 2001).

Other companies rely almost exclusively on past performance in identifying potential, which is a clear problem because past performance is unlikely to accurately predict successful future behavior in significantly different situations. Still others base potential on certain leadership competencies or even on strategically needed functional knowledge, which is clearly better than the smoke-filled-room assessment practices of the past (McCall, 1998). Some authors have suggested that having a unique definition of potential is an acceptable practice from a business perspective as long as people are aligned to the single definition, and the organization has generally tied it to the nature of their own business context (Karaevli & Hall, 2003). Others have taken the idea of customizing the concept of potential even further, for example, as Rothwell (2001, p. 203) states in his succession planning text, “It is important to define the term in a way unique to each organization. In fact, each organization may have several definitions” of a high potential. This assumes that the individuals developing the definition have a sufficient understanding of the concept of potential in order to create a valid model.

Moreover, even when a formal definition is present in an organization, it will not be

effectively used if there is not a shared mindset regarding potential identification. There is always a tendency for managers and leaders to use the implicit model that they have in their mind, given that each of us has our own definition of a high potential (Sloan, 2001). For some executives, for example, raw ambition and drive to succeed are all that are really required. Similarly, the term derailleurs has become so commonly used in practice that managers now have their own definitions of what can derail someone in their career. Of course, it doesn't help that business authors, assessment vendors, and consulting firms also define derailleurs differently (e.g., Byham et. al., 2002; Dotlich & Cairo, 2003; Hay Group, 2006; Hogan Assessment Systems, 2009a). However well defined and documented a definition of potential, it is only useful if people consistently apply that definition.

Related to the issue of the definition of the construct, another misuse of potential identification is the tendency to confuse performance with potential. Although current and past performance is an important factor to consider when making talent related decisions, too often managers confuse an assessment of potential with an assessment of performance, as has been commonly documented (e.g., Corporate Leadership Council, 2005a; Hewitt, 2008; Rogers & Smith, 2007; Sloan, 2001). The Corporate Leadership Council's (2005a) research on potential, for example, reported that only 29% of current high performers across 59 organizations in 15 industries and 29 countries surveyed were also seen as high potentials. Although the popular use of the nine-box grid by practitioners and consulting firms (for a variation on this approach see Fulmer [2001] for the FOLIOMAP practice used at Johnson & Johnson) is an intentional effort to differentiate between performance and potential, the reality is that the lines are often blurred in practice. The perception of potential may be high one day but reduced the moment the performance of that individual declines.

A phenomenon that has been labeled the performance–potential paradox (Church &

Waclawski, in press) is an unfortunate and a real misuse of the concept of potential by linking these two components too closely. If they are seen as very similar, then it goes against the very idea of placing individuals in new strategically identified roles so that they may learn from experiences, which is an empirically researched and popular approach to individual development in organizations (e.g., Byham et al., 2002; Lombardo & Eichinger, 2000; McCall, 1998; Spreitzer et al., 1997).

Another misuse of potential concerns the systems and processes by which potential is used in an organization and the level of support (and from whom) given to the construct of potential. From a systems perspective, if a high-potential identification program is seen as a stand-alone effort and not integrated with the business strategy, with other ongoing programs such as internal staffing or succession planning, or with line leader accountability, then it is likely to have limited impact (Avedon & Scholes, in press; Byham et al., 2002; Cohn, et al., 2005; Krupp, 2008; Silzer & Dowell, in press). There is little point in differentiating talent by potential if that information is not going to be used independently for decision making. Yet some organizations continue to promote individuals based on performance rather than potential because it is easier to justify in the short term (Bunker, Kram & Ting, 2002). The problem is that sooner or later the lack of potential for broader roles, the limited learning orientation, or the derailers that could have been identified (of whatever variety) are likely to catch-up with those individuals.

This is why the identification of potential should be jointly owned by both the leadership of the organization and the HR function. Essentially, there is a continuum between full line-management ownership of potential and full HR accountability. Although historically HR (in organizations with less robust talent management practices) has been the keeper of the development processes that support the identification and engagement of potential talent, in the past 10–15 years there has been a

movement toward more shared accountability in corporations (Karaevli & Hall, 2003). Moreover, a recent best practices study (Krupp, 2008) suggests that the CEO needs to actually own and sponsor the potential identification process not just provide support for it.

The final misuse of potential and potential identification in organizations concerns the impact that the practice has on individuals and their relationship to the organization. Whether individuals who have been identified as high potentials are officially told their status or not is a separate debate (Silzer & Church, in press). The decisions made and the actions taken regarding high-potential talent (e.g., quicker to get promoted, assigned to new experiences, selected to attend special events, and asked to work on unique projects) can create a division between the potential haves and the have-nots (i.e., those determined to have lower potential). This division runs the risk of disengaging the non-high-potential individuals, which is arguably the majority of the employee population in most organizations. For example, DeLong and Vijayaraghavan (2003) estimate that only 10% of all employees are “A” players, with 80% “B”s and 10% “C”s. Similarly, a recent survey (Silzer & Church, in press) suggests that companies target between 5% and 20% of all employees as having high-potential talent, with 10% as the most common guide. So identifying high-potential talent could actually have a negative impact on roughly 80–90% of the population. Although some organizations, such as Avon, do share talent decisions with their employees (Krupp, 2008), for the majority of companies these decisions are still kept confidential (Silzer & Church, in press). Perhaps, this is part of the reason that some authors (DeLong & Vijayaraghavan, 2003) have suggested making greater use of the “B” players because they may be more stable and committed employees overall than “A” players who might be more likely to move to another company given their often higher career ambitions.

## The Identification of Potential

### *What are we trying to predict?*

High potential talent identification and development programs were introduced into organizations to build long term talent for the business (Silzer & Church, in press; Silzer & Dowell, in press). Companies wanted to get past the perennial problem of scrambling to fill leadership positions at the last minute as they became open. Replacement planning efforts were helpful in identifying a few individuals who might be candidates for the position but who often were not seen as strong enough or ready to be promoted when the position actually becomes open. The lack of strong candidates led organizations to create special programs to develop a deeper talent bench, first for known critical positions, such as general manager, and later for even broader executive leadership roles. Original approaches to talent identification focused on having replacements pre-identified to fill positions that were very likely to come open. Only recently (past 10–15 years) have companies started thinking about identifying and growing talent for long term needs. This has led to the addition of new identification programs and the search for definitions of high potential.

There are several common characteristics of high potential talent efforts in organizations:

- To identify individuals with the potential to be effective in *broader roles at least several career steps into the future*, beyond the next promotion
- To identify individuals *earlier in their career* (sometimes labeled as “diamonds in the rough”) who might have long term potential.

In discussing high-potential talent, the target roles were moved further into the future, and the identification period was moved to earlier career stages in an attempt to plan for and build talent further ahead of the time of when it is needed in the organization. It should be noted

that the challenge of identifying talent potential for long-term future roles is completely and distinctly different from matching an individual’s skills and abilities to the known requirements of a specific immediate position. Our interest is on identifying potential for roles further into the future. The complexity here is that these roles are often undefined or even unknown at the present time.

### *Potential for what?*

In some organizations potential is used generically as an independent concept. Some organizations have a single high-potential talent group and have little interest in distinguishing subgroups of potential with different characteristics. In other organizations that are typically larger and with more experience in managing high-potential talent, there is an awareness that several different high-potential talent pools are needed to address diverse organizational strategic needs, such as operations management high potentials, finance high potentials or marketing high potentials.

This raises the question of whether there are common components of potential across these specialized talent groups or whether they are very distinct. If there are some differences, then organizations need to ask *potential for what?* A similar discussion was raised in the past regarding leadership, and from our perspective the concept of potential is where the construct of leadership was 10–15 years ago. Can an effective leader be equally successful in all situations or are the required leadership skills specialized for different functions or business situations? Some leadership experts suggest that the leadership skills needed in various corporate functions are fairly similar, except for specialized technical/functional specific skills and knowledge. However, others have concluded that different leadership skills are needed for different business challenges (e.g., Gerstein & Reisman, 1983), such as starting up a business, growing an existing business, or restructuring a declining

business. Is potential a general concept like general intelligence or is it different for different business needs or situations?

It may be too early in our understanding of potential to reach specific conclusions yet. However, we are still left with one basic question:

- *Is potential made up of a standard set of components that are useful in all situations or do the components of potential vary for different long term roles or objectives?*

*What are the core components of potential?*

In recent years, there has been a noticeable increase in models of potential. These have typically been developed by external consulting firms, sometimes as part of a new product or service offering (Hay Group, 2008; Hogan, 2009b), sometimes as a research outcome (Church, 2006a; Spreitzer et al., 1997). Some organizations have started to develop their own model of potential, often based on the external models, in order to have a structured and standardized process in place for internal high-potential talent identification and development programs. As an example, Table 1 presents an overview of nine external models (Barnett, 2008; Corporate Leadership Council, 2005a; Hay Group, 2008; Hewitt, 2008; Hogan, 2009b; McCall, 1998; Peterson & Erdahl, 2007; Rogers & Smith, 2007; Rowe, 2007) and two corporate surveys that asked organizations to indicate the predictors that they use to identify high-potential talent (Silzer & Church, in press; Slan & Hausdorf, 2004). Some of these models are based on unpublished research or extensive literature reviews, whereas others are based on significant consulting experience. As part of the background for this article, we sent a broad request out to over 100 professionals in organizations and consulting firms who have written on, presented on, or been involved in high-potential programs. Table 1 is based on what was made available to us and what has been previously

published or presented at professional meetings (we apologize ahead of time for any reporting errors). After reviewing the models sent to us from this request, and upon reflection, there seemed to be several key categories among the components in the various models: cognitive skills, personality variables, learning variables, leadership skills, motivation variables, performance records, and other factors. These categories were used in Table 1 to compare the models of potential. An overview of each of the models is provided in appendix.

A review of Table 1 suggests some common themes across the various independent potential models and surveys.

*Cognitive skills.* The most frequent variables in this category (based on our own clustering) include:

- Conceptual or strategic thinking, breadth of thinking
- Intellect, cognitive ability
- Dealing with complexity/ambiguity.

Although these variables are likely to covary to some extent, they seem to have distinct differences. There has been growing interest in including strategic thinking skills and ability to deal with ambiguity/complexity. They seem to reflect some of the business challenges that executives often face in senior positions (e.g., thinking through and setting business strategy and making decisions under complex conditions without complete information). Basic intellect and cognitive skills are important at higher organizational levels, although they might show more limited variance among executives—possibly because executives usually survive a screening process as they move through their careers, and lower intellect individuals may be screened out along the way. Ones and Dilchert (2009) report only moderately reduced variability compared to the general population; however, their sample included both executives and executive candidates. Also, other variables such as leadership impact may become more important at differentiating

**Table 1.** *Current Models of Potential*

	Cognitive	Personality (Interpersonal)	Learning	Leadership	Motivation	Performance	Other
1. MDA Leadership Consulting (Barnett, 2008)	<ul style="list-style-type: none"> <li>• Cognitive ability</li> </ul>	<ul style="list-style-type: none"> <li>• Dominance</li> <li>• Sociability</li> <li>• Stability</li> </ul>	<ul style="list-style-type: none"> <li>• Learning orientation</li> <li>• Versatility</li> </ul>		<ul style="list-style-type: none"> <li>• Drive</li> <li>• Organizational commitment</li> </ul>		
2. Corporate Leadership Council (CLC, 2005)	<ul style="list-style-type: none"> <li>• Cognitive agility</li> </ul>	<ul style="list-style-type: none"> <li>• Interpersonal</li> <li>• Emotional intelligence</li> </ul>			<ul style="list-style-type: none"> <li>• Aspiration</li> <li>• Engagement</li> </ul>		<ul style="list-style-type: none"> <li>• Technical/functional skills</li> </ul>
3. Development Dimensions Rogers & Smith (2007)	<ul style="list-style-type: none"> <li>• Conceptual thinking</li> <li>• Navigates ambiguity</li> </ul>	<ul style="list-style-type: none"> <li>• Authentic</li> </ul>	<ul style="list-style-type: none"> <li>• Receptive to feedback</li> <li>• Learning agility</li> <li>• Adaptability</li> </ul>	<ul style="list-style-type: none"> <li>• Brings out best in people</li> </ul>	<ul style="list-style-type: none"> <li>• Propensity to lead</li> <li>• Passion for results</li> </ul>		<ul style="list-style-type: none"> <li>• Culture fit</li> </ul>
4. Personnel Decisions (Peterson & Erdahl, 2007)	<ul style="list-style-type: none"> <li>• Intelligence</li> <li>• Cognitive complexity</li> </ul>	<ul style="list-style-type: none"> <li>• Dominance</li> <li>• Optimism</li> </ul>	<ul style="list-style-type: none"> <li>• Adaptability</li> </ul>	<ul style="list-style-type: none"> <li>• Manage people</li> </ul>	<ul style="list-style-type: none"> <li>• Initiative</li> <li>• Responsibility</li> <li>• Energy</li> <li>• Risk taking</li> <li>• Drive for advancement</li> <li>• Power/control</li> <li>• Drive change</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership experiences</li> </ul>	<ul style="list-style-type: none"> <li>• Working with quantitative and financial information</li> </ul>



**Table 1.** *Continued*

	Cognitive	Personality (Interpersonal)	Learning	Leadership	Motivation	Performance	Other
5. Hay Group (Hay 2006, 2008)	<ul style="list-style-type: none"> <li>• Breadth of perspective</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding others</li> <li>• Personal maturity</li> </ul>	<ul style="list-style-type: none"> <li>• Eagerness to learn</li> </ul>				
6. Hewitt Associates (Hewitt, 2008)	<ul style="list-style-type: none"> <li>• Look beyond scope</li> </ul>		<ul style="list-style-type: none"> <li>• Psychologically adaptable</li> <li>• Flexible</li> <li>• Open to feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership qualities</li> <li>• Challenge status quo</li> </ul>	<ul style="list-style-type: none"> <li>• Upward motivation</li> </ul>	<ul style="list-style-type: none"> <li>• Performance</li> </ul>	<ul style="list-style-type: none"> <li>• Promotability</li> <li>• Highly regarded</li> <li>• Local norm</li> <li>• Position level</li> <li>• Career stage</li> <li>• Diversity</li> </ul>
7. YSC (UK) Rowe, 2007)	<ul style="list-style-type: none"> <li>• Intellect/Judgment</li> </ul>			<ul style="list-style-type: none"> <li>• Influencing</li> </ul>	<ul style="list-style-type: none"> <li>• Drive</li> </ul>		
8. Hogan Assessment Systems (Hogan, 2009b)	<ul style="list-style-type: none"> <li>• Strategic reasoning</li> <li>• Tactical problem solving</li> <li>• Judgment</li> </ul>	<ul style="list-style-type: none"> <li>• Respect for people</li> <li>• Collaboration</li> <li>• Strategic self-aware</li> </ul>		<ul style="list-style-type: none"> <li>• Talent development</li> </ul>	<ul style="list-style-type: none"> <li>• Operational excellence</li> <li>• Results orientation</li> <li>• Tenacity</li> </ul>		

Table 1. Continued

	Cognitive	Personality (Interpersonal)	Learning	Leadership	Motivation	Performance	Other
9. McCall (McCall, 1998)	<ul style="list-style-type: none"> <li>Insightful</li> </ul>	<ul style="list-style-type: none"> <li>Integrity</li> </ul>	<ul style="list-style-type: none"> <li>Seeks opportunities to learn</li> <li>Adapts to cultural differences</li> <li>Seeks feedback</li> <li>Learns from mistakes</li> <li>Is open to criticism</li> </ul>	<ul style="list-style-type: none"> <li>Brings out the best in people</li> </ul>	<ul style="list-style-type: none"> <li>Committed to impact</li> <li>Courage to take risks</li> </ul>		<ul style="list-style-type: none"> <li>Broad business knowledge</li> </ul>
10. Corporate survey—71 Canadian companies (Slan & Hausdorf, 2004)	<ul style="list-style-type: none"> <li>Decision making (36%)</li> <li>Strategic thinking (18%)</li> </ul>		<ul style="list-style-type: none"> <li>Adaptability (18%)</li> </ul>	<ul style="list-style-type: none"> <li>Leadership capabilities (36%)</li> <li>Teamwork (27%)</li> <li>Communication (27%)</li> <li>Inspire others (27%)</li> <li>Develop others (9%)</li> <li>Change management (9%)</li> </ul>	<ul style="list-style-type: none"> <li>Results orientation (50%)</li> </ul>	<ul style="list-style-type: none"> <li>Move up two levels (23%)</li> <li>Work different function (18%)</li> <li>Business acumen (9%)</li> </ul>	

**Table 1. Continued**

	Cognitive	Personality (Interpersonal)	Learning	Leadership	Motivation	Performance	Other
11. Corporate survey—20 companies (Silzer & Church, in press)	<ul style="list-style-type: none"> <li>• Intellect/cognitive skills (20%)</li> <li>• Handle ambiguity/complexity (10%)</li> </ul>	<ul style="list-style-type: none"> <li>• Personality variables (55%)</li> <li>• Interpersonal skills (25%)</li> </ul>	<ul style="list-style-type: none"> <li>• Adaptability/flexibility (75%)</li> <li>• Learning ability (65%)</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership competencies (100%)</li> </ul>	<ul style="list-style-type: none"> <li>• Career drive (90%)</li> <li>• Commitment to company (60%)</li> </ul>	<ul style="list-style-type: none"> <li>• Performance (100%)</li> <li>• Experience (70%)</li> </ul>	<ul style="list-style-type: none"> <li>• Mobility (80%)</li> <li>• Cultural fit (20%)</li> <li>• Specific abilities (45%)</li> <li>• Technical/business/functional expertise (30%)</li> <li>• Career growth potential (30%)</li> </ul>

high performing executives at higher organizational levels. However, when assessed early in someone's career, they might be a very useful way to differentiate high-potential talent from others. At earlier career stages, they may serve as entry variables to high potential status because they screen in those individuals with the intellectual abilities to learn, grow, and develop during their career.

*Personality variables (interpersonal).* The common themes here include:

- Interpersonal skills, sociability
- Dominance
- Maturity, stability, resilience.

These themes reflect the growing interest in selecting for and developing interpersonal skills in higher level executives, while still retaining a certain amount of interpersonal assertiveness. Dominance, when compared to other personality variables, can be fairly predictive of leadership effectiveness. The third theme here is emotional stability or maturity, and focuses on emotional self-control and resilience, particularly in stressful situations. The dominance and stability variables make sense because they have long-standing status as predictors of long term leadership success. What is interesting is that sociability and interpersonal skills are now also gaining support as desirable components. For example, in 2005 PepsiCo launched a study to predict high potentials and found that ambition and sociability were both predictive of high potential identification in that organization along with other variables (Church, 2006a; Church & Desrosiers, 2006).

*Learning variables.* Interest in learning variables has surged among I–O practitioners and HR professionals because of seminal articles by McCall and Lombardo (Lombardo & Eichinger, 2000; McCall, Lombardo, & Morrison, 1988; Spreitzer et al., 1997). The key themes here are:

- Adaptability, flexibility
- Learning orientation, interest in learning

- Openness to feedback.

Sixty-five percent of the companies in the Silzer and Church (in press) survey indicate they use some version of learning skills, although it may be called learning ability, learning motivation, or learning agility. Unfortunately, although many of these companies do not have good assessment measures in this area, they do have a great deal of interest in including it in their high-potential identification process.

Adaptability/flexibility has long been considered a useful variable by practitioners for predicting success in a range of immediate and long term roles and has also been found useful in a variety of work settings (Pulakos, Arad, Donovan, & Plamondon, 2000). It often includes a consideration of both a person's mental flexibility (e.g., ability to quickly understand and absorb new information) and behavioral flexibility (e.g., ability to modify one's own behavior and try out new behaviors). Openness to feedback is relatively new to the discussion of potential, although it has been known to influence performance (Kluger & DeNisi, 1996). It seems to intuitively relate to the need to continuously learn. Perhaps, the flood of multirater feedback surveys in the past 15–20 years in organizations has made this a more salient variable (Bracken, Timmreck, & Church, 2001).

These variables are often what others might call "meta skills" (Derry & Murphy, 1986; Ford, Smith, Weissbein, Gully, & Salas, 1998; Yost & Plunkett, in press), that is, they are central to learning and developing in other areas. They are the intervening variables for growth and development. In this regard they fall into a special category that we might label as a person's "developability."

*Leadership skills.* Some readers may be surprised that this area is not more central to predicting potential in our analysis. Probably 10–15 years ago this category might have dominated the list of potential predictors. Some leadership skill variables might be found in some of the other categories in Table 1 (e.g., drive and

interpersonal skills). The main themes in this category are:

- Leadership capabilities, managing and empowering people
- Developing others
- Influencing, inspiring, challenging the status quo, change management.

In the recent Silzer and Church survey, 100% of the companies looked at leadership competencies in general. This is usually based on the companies' leadership model (e.g., they all seem to have one that is internally designed or purchased from a vendor) and on the multirater survey ratings (which are regularly collected around the leadership model). It is not clear that they are focused on specific leadership dimensions, such as motivating, developing, or managing people, or just summarizing all the dimension ratings. Multirater surveys are now widely used tools that have been accepted in most organizations as a way of giving performance feedback (Bracken et al., 2001). The other two themes here—developing others and influencing others—have gained a good deal of visibility and importance in recent years as both talent development and change management have become critical concerns for many organizations and line-management accountabilities.

It could be argued that leadership skills may primarily be a component of potential for those individuals who are interested in pursuing executive leadership careers. It may be less relevant for individuals who have the potential to be leading edge researchers for a pharmaceutical company or chief software design engineers for video game development. So it may be specific to some groups of potential talent and not to others.

*Motivation variables.* Almost all the models (eight out of nine) have a component in this category. This is consistent with other approaches to growth, development, and skill acquisition (Kanfer & Ackerman, 1989). Across Table 1 the key themes here are:

- Drive, energy, engagement, tenacity
- Aspiration, drive for advancement, ambition, career drive, organizational commitment, interests
- Results orientation, risk taking.

Based on our years of experience working with organizational executives and senior professionals, we are continually impressed with the high level of motivation and commitment they bring to their responsibilities. So the first theme is no surprise. Similarly, both a strong results orientation and risk taking are consistent with the pressures placed on senior executives and professionals to take calculated risks and to produce tangible results, whether it is quarterly earnings or a medical research breakthrough.

What is probably more recent is the emergence of personal ambition and career choice as a core component. Since the 1980s, employees have more career choices available to them both inside and outside an organization. There is also greater freedom now to pursue more balance between a person's work life and their nonwork life. So now it is important to find out a person's career ambitions in order to determine if he really wants to be considered for high-potential status and to understand the impact the achievement of that career will have on his life. In the Silzer and Church (in press) survey, 90% of the companies now consider a person's career drive in determining whether the person is identified as a high potential.

*Performance record.* As discussed earlier, there is a significant difference between current or past performance and potential for future roles. There are two possible variables in this category:

- Performance track record
- Leadership experiences.

Although it is now widely understood that a person's past performance record may not be a good predictor of how well the person would handle higher level, more complex positions with much broader responsibilities, it is still widely used as

a screening variable. In the Silzer and Church (in press) survey, 100% of the companies considered performance record when identifying high potential talent. That is, a person might need to demonstrate that he has been able to successfully perform a range of responsibilities in diverse roles. The nature of those needed roles and responsibilities will vary depending on which potential group and career path you are discussing. For example, having certain leadership experiences may be a requirement for having leadership potential, such as a division general manager, but not for having a lead scientist potential. Many companies check to see that the person did not have any serious problems in past positions and often was able to excel in most of their prior jobs. But past performance likely fills a gatekeeper role for someone to even be considered a candidate to be a high potential. Having a consistent and strong performance record may be a necessary but not sufficient qualification.

*Other variables.* In this category are specialized predictors and qualifiers—either pre- or postidentification as a high potential. The key themes here are:

- Technical/functional skills, business knowledge
- Qualifiers—that is, mobility or possibly age
- Cultural fit.

The technical/functional skills and business knowledge are likely to vary depending on what predicts potential in a particular career path. Although having a facility with financial data may be a predictor of potential to be a senior corporate leader or a CFO, it may not be predictive of potential to be a head brewmaster in a beer brewing operation or a chief technology officer.

Many companies also list qualifiers that may prevent a person from becoming or staying in a high-potential group. In the Silzer and Church (in press) survey, 80% of the companies listed *mobility* as an important consideration. This is now the focus of active discussion in companies—whether

someone needs to be willing to move to one or more new geographical locations in order to continue to be in the high-potential group. Organizations may need to alter their screening for mobility as younger generations are more resistant to making frequent moves (Zemke et al., 2000). In addition, as some authors have noted (e.g., Nalbantian & Guzzo, 2009), there are also significant costs associated with an overemphasis on mobility, and organizations need to have a formal articulated strategy around the construct before applying it as a formal screening (or high-potential identification) measure.

Some companies also examine the aggregate age of their talent pool as a consideration for high potential identification and long term succession planning. Although organizations fully support the laws associated with antidiscrimination practices, given some board of directors' requirements for CEO selection, there is a legitimate issue associated with getting high-potential leadership talent lower in the organization ready in time for the senior-most jobs. For example, it is unlikely that someone who is 55 years old but still 3–4 levels away from a CEO successor position will be identified as a CEO successor (i.e., it might take 15 years to prepare that individual for the role, assuming he is still motivated, active, stays in the workforce, and does not retire). These are delicate issues that must be managed with the utmost of integrity and legality yet they still remain as future planning issues.

Cultural fit is an emerging issue as organizations focus on identifying and selecting individuals who fit the company's values and norms (Ostroff & Judge, 2007). There is a great deal of effort today being placed on fit considerations in selection and identification decisions. But this strikes us as a double-edged sword. By screening out people who do not fit the company's specific norms, is the company inadvertently also screening out new ideas and approaches and leaving the organization full of individuals who want to hold on to the status quo and resist change? Moreover, does this go

against the idea of diversity and inclusion, which is a key question regarding many talent management strategies today?

A summary of these themes across the models and surveys can be found in Table 2.

### **A New Structure of Potential**

There may be other ways of organizing these variables into a more cohesive model for potential. Although the summary themes outlined above and in Table 2 seem to look like a laundry list of components of potential, it has been given a good deal of thought by the leading professionals in this area. The specific models have anywhere from 3 to 15 variables. Our summary list of 20 themes is probably fairly comprehensive but perhaps not practical for organizational use. We think there is a better way of organizing them into a more useful structure.

Some components of potential are relatively stable and hard to change across a person's career whereas other components are more easily learned and developed. These two types of components have been discussed in other selection issues—what do you select for and what can later be developed. There are yet other components that impact learning and act as intervening variables that facilitate or inhibit a person's learning and development. They can influence whether a person actually develops in other areas.

We think there are three types of *potential dimensions*:

1. Foundational dimensions
2. Growth dimensions
3. Career dimensions.

#### *Foundational dimensions*

Our view is that these dimensions are consistent and hard to change; in adulthood they are relatively stable across situations, experiences, and time. They are unlikely to develop or change much without extraordinary intervention and support

from others. Consequently, they are likely to measure at same level or near the same level throughout a person's adult career. Typical examples are cognitive abilities and many personality variables, including interpersonal characteristics. There is some evidence that personality may be moderately stable in early adulthood and increasingly stable and consistent with increasing maturity (e.g., individual differences in personality change seem to be related to life experiences; see Edmonds, Jackson, Fayard, & Roberts, 2008). They are typically included in most individual management and executive assessments as fairly stable characteristics.

#### *Growth dimensions*

These components can facilitate or hinder a person's growth and development. They are intervening variables to learning and can be good indicators of whether a person will develop further and learn other skills. They probably are fairly consistent and stable across situations but might be more manifest and even strengthen when a person has strong personal interests in an area, has an opportunity to learn more in those areas of interest, and has a supportive encouraging environment. Self-aware individuals can proactively engage and leverage them to learn new things. Typical examples are adaptability and learning orientation.

#### *Career dimensions*

These dimensions of potential are early indicators of later end-state skills needed in specific careers. For example, supervisory skill is likely to be an early indicator of potential for an organizational leadership role, or project management skill might be an early indicator of potential for a construction site manager role. The specific dimensions of potential may depend on the specific career path being considered and on the answer to the question *potential for what?* Often these dimensions can be learned and developed provided the person has some of the growth dimensions that can be leveraged and is in a work environment

**Table 2.** Key Themes Across Current Models of Potential

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Cognitive abilities	<ul style="list-style-type: none"> <li>● Conceptual or strategic thinking, breadth of thinking</li> <li>● Intellect, cognitive ability</li> <li>● Dealing with complexity/ambiguity</li> </ul>
Personality variables	<ul style="list-style-type: none"> <li>● Interpersonal skills, sociability</li> <li>● Dominance</li> <li>● Maturity, stability, resilience</li> </ul>
Learning variables	<ul style="list-style-type: none"> <li>● Adaptability, flexibility</li> <li>● Learning orientation, interest in learning</li> <li>● Openness to feedback</li> </ul>
Leadership skills	<ul style="list-style-type: none"> <li>● Leadership capabilities, managing and empowering people</li> <li>● Developing others</li> <li>● Influencing, inspiring, challenging the status quo, change management</li> </ul>
Motivation variables	<ul style="list-style-type: none"> <li>● Drive, energy, engagement, tenacity</li> <li>● Aspiration, drive for advancement, ambition, career drive, organizational commitment</li> <li>● Results orientation, risk taking</li> </ul>
Performance record	<ul style="list-style-type: none"> <li>● Performance track record</li> <li>● Leadership experiences</li> </ul>
Other variables	<ul style="list-style-type: none"> <li>● Technical/functional skills, business knowledge</li> <li>● Qualifiers—mobility, diversity</li> <li>● Cultural fit</li> </ul>

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that provides the right experience to develop them.

The summary themes from the current models are sorted into these three types of *potential* dimensions in Table 3. Based on our review of these nine models of potential and two corporate surveys, this represents what we found. Most of the models have been carefully developed and provide good insights into the construct of potential. Some models emphasize personality variables whereas others focus more on learning variables. Table 3 captures the broad structure underlying the models.

It seems feasible that both cognitive abilities and some personality variables, both fairly stable and consistent across situations, are foundational dimensions. Measures of them are likely to be stable across a person's career and life. Both the learning and motivation components are

likely to have a major impact on whether a person learns, grows, and develops, and are more broadly growth dimensions. The motivation component is often an entry gate to further learning and can quickly differentiate a person's potential to learn. The career dimensions are typically career path specific. Different career experiences and skills would be relevant for a leadership career versus a research career. The choice of the specific career dimensions usually addresses the *potential for what* question.

#### *Common or specific dimensions of potential*

The dimension structure outlined in Table 3 suggests that *potential* may have both common general components that apply in most situations and specific components for specific career paths:



**Table 3.** *Integrated Model of Potential*

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**Foundational dimensions**—consistent and stable, unlikely to develop or change

*Cognitive*

- Conceptual or strategic thinking
- Cognitive abilities
- Dealing with complexity

*Personality*

- Interpersonal skills, sociability
- Dominance
- Emotional stability, resilience

**Growth dimensions**—facilitate or hinder growth and development in other areas

*Learning*

- Adaptability
- Learning orientation
- Open to feedback

*Motivation*

- Drive, energy, achievement orientation
- Career ambition
- Risk taking, results orientation

**Career dimensions**—early indicators of later career skills

*Leadership*

- Leadership capabilities, managing people (general)
- Developing others
- Influencing, challenging status quo, change management

*Performance*

- Performance record—career relevant
- Career experiences

*Knowledge, values*

- Technical/functional skills and knowledge
  - Cultural fit—career relevant values and norms
- 
- 

- Common components of potential
  - Foundational dimensions—cognitive and personality
  - Growth dimensions—learning and motivation.
- Career specific components of potential
  - Career dimensions—leadership, performance, technical/functional.

This division in the dimensions of potential suggests that both the foundational dimensions and the growth dimensions may be useful predictors of potential for a wide range of careers and talent pools, irrespective of the career path. Of course you could make the case that the level of the *foundational dimensions*—cognitive skills and personality characteristics—needed for various career paths could vary depending

on the long term roles in that career path. However, if we consider that these *potential* dimensions would be primarily used to identify individuals with the potential for higher level organizational roles, then it probably would be fairly likely that at least some minimum level of both cognitive abilities and personality characteristics would be desirable for most career paths.

Similarly the *growth dimensions* seem essential to future learning and development in any career path. Further development and growth, including self-awareness, is a basic underlying assumption of the concept of potential. Therefore, whenever there is an effort to identify individuals with potential, it inherently suggests that the person does not currently have the end-state skills and needs to further develop to obtain

them. The learning dimensions are the gatekeepers to learning those end-state skills. Without them little development or growth will occur, for any career path.

The *career dimensions*, such as leadership skills and functional skills, are important if they are relevant to the end-state skills and abilities you will need in your career path. For example, if a company needs to expand its product offerings, then the company may need to build the long-term organizational capability in this area. This may involve identifying high-potential individuals who have the early indicators of being future scientists, perhaps by looking for early research skills or product development.

If you are focused on executive leadership roles or leadership potential, then success in early leadership experiences are relevant to identifying potential. But they might not be relevant for technical or research career paths.

So in fact the concept of potential may have two parts, a general part that applies in almost all situations and a career specific part that is relevant to only certain career paths. The answer to the question *potential for what* would be more relevant to the second part than the first.

### Strategies for the Identification of Potential

Once we have a clear understanding of the relevant predictors of potential for a specific situation, the next step is to decide when to assess them (we will leave the discussion of the assessment and development of potential to future writing, for example see Silzer & Davis, in press). Many organizations are pushing to identify high potential individuals earlier and earlier in their career. One key question we have is how early can you accurately predict long term potential—10 years, 20 years, 30 years? Some organizations are trying to identify future senior executives while interviewing and recruiting on college campuses. This raises a second key question, what components of

potential would you look for when assessing a 22-year-old college student versus a 42-year-old general manager with a proven track record?

Jaques has been advocating that conceptual thinking skills can be evaluated early in life and that they are very predictive of long term success in organizations (Jaques & Clement, 1991). One reason that this makes some sense is that conceptual thinking skills and cognitive capabilities are relatively stable and unchanging. So a valid assessment tool for these abilities might provide a good indicator of an individual's long term future success.

One might make a similar argument for other cognitive abilities and many personality characteristics as well. Other professionals in this field have stated that their predictors of potential are very stable over time and hard to develop, which makes sense if their model consists solely of cognitive and personality characteristics. The larger point is that the *foundational dimensions*—cognitive abilities and personality characteristics—are very stable and are likely to measure at the same level at various career stages.

The *career dimensions*—leadership skills, performance, technical, and so forth—can be developed over time as individuals develop progressively higher levels of the career skills and knowledge. They are amenable to learning and development. So how you assess them will likely depend on the career stage of the individual. You would expect an individual to have more rudimentary skills early in a career and more sophisticated advanced skills later in a career. As the person gains knowledge and experiences over time, you would hold them to a higher standard on the career dimension. For example, at an early leadership career stage you might look for team work and collaboration with others. At a mid-leadership career stage you might look for supervisory and influencing skills. At a later leadership career stage you might look for success in leading a large cross-functional team. Or the focus might be on

different types of skills at different career points.

The PepsiCo career growth model, for example, focuses on building function competence early in one’s career followed by a greater emphasis on leadership skills at later stages (Church & Waclawski, in press). Either way, the potential dimensions might be focused on evaluating how well the person is learning career stage relevant lessons and skills.

Many organizations are building behavioral models of the skills, knowledge, and lessons that need to be learned and demonstrated in various experiences and at various stages of specific career paths, similar to the leadership pipeline or transitions concept (Charan, Drotter & Noel, 2001). Although the *growth dimensions* are fairly stable as well, they may often be latent because of the context and situation. The individual may not be in the right career path or role, their boss may discourage pursuing specific career interests, and the company may offer few relevant developmental experiences or programs. So the identification of these dimensions may depend on putting the person in the right situation and context. Others have determined that development, or at least skills acquisition (Kanfer & Ackerman, 1989), is dependent on ability, motivation, and opportunity. The opportunity may depend on the person’s career stage.

Some of the *growth dimensions* are likely to be fairly stable—adaptability, energy level, achievement orientation, risk taking. These might be considered personality variables. Whereas others, such as learning orientation and career ambition, may be more influenced by the situation, other people, and the content or lesson being learned. An individual in a role that is a poor fit for him or with a nonsupportive boss may show little ambition, energy, and drive. But often, moving the individual to a different job situation with more interesting and challenging responsibilities and a supportive boss may allow the person’s latent drive and ambition to begin to demonstrate

themselves. So the timing and approach to identifying potential for each of these three categories of potential (i.e., foundational, growth, and career) may be different. Figure 1 presents a possible approach to this dilemma.

In Figure 1 the foundational dimensions are represented by the solid horizontal arrows. Because these dimensions do not change much, the differences between individuals are likely to remain the same throughout different career stages. So these can be identified at any career stage, with a goal of identifying the individuals who score high or at least in the moderate range in these areas.

The *career dimensions*, represented by the dotted arrows, evolve over the career stages as individuals develop and improve in career relevant skills and knowledge. So the metric used to identify them must also change and be relevant to what should be expected at that career stage. For example, it may be important to identify collaboration skills at an early career stage, supervisory skills at mid-career stage, and cross-functional team leadership skills at later career stages for a senior leadership career path. Essentially, this approach looks at the expected evolution of specific

**Dimension level**

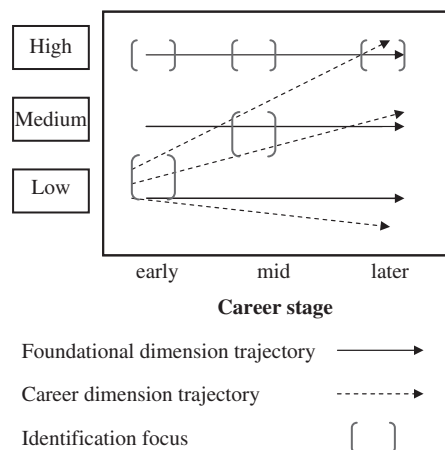


Figure 1. Strategies for the identification of potential.

competencies at various career stages or levels. Some companies break their existing leadership competencies, such as collaboration, to the behaviors expected at different career stages or levels (e.g., Desrosiers, Oliver & Church, 2009). So the behavioral metric for collaboration would be different for individuals at different stages or levels.

The *growth dimensions* may be the most challenging to identify. For some individuals who have a strong potential in these areas and are in roles or situations where they can demonstrate these potential components, identification and measurement should be relatively straightforward. Other individuals, who are not demonstrating these *growth dimensions*, may need to be moved to a different role, boss, or experience to see if these dimensions emerge, particularly if they score high on the *foundational dimensions*. This move should be purposefully done to allow the person to have an opportunity to show the learning and motivation components. Often, demonstrating these components may be situationally dependent. In our opinion, this is an explicitly different strategy from a talent management perspective to moving an individual who has demonstrated the *growth dimensions* to a new work assignment in order to gain additional experience (e.g., Lombardo & Eichinger, 2000; McCall, 1998). This is "assignmentology" for demonstrating existing growth components of potential versus for gaining a new experience for learning and developmental purposes.

To summarize:

- Foundation dimensions
  - Are stable and can be identified with similar metrics at all career stages.
- Growth dimensions
  - Likely can use similar metrics at different career stages for some dimensions (i.e., adaptability, achievement orientation)

- Some components may be situationally dependent (i.e., career ambition, learning orientation); may need to give the individual a new experience so that she can show latent motivation and learning orientation
- May need different metrics for learning in different experiences

- Career dimensions

- Need different metrics at different stages depending on the expectations for what behavior, skills, or knowledge is expected at that stage

The identification approach is essentially the same approach for different career stages:

1. Identify *foundational dimensions*
2. Identify the stable *growth dimensions* (adaptability, energy, etc.) and determine if the situation provides an opportunity to identify other situation dependent *growth dimensions* (learning orientation, ambition, etc.)
3. Identify stage appropriate *career dimensions*

At any career stage, it makes sense to build an identification process that proceeds through these three steps. There are standardized assessment tools available to measure cognitive abilities and personality characteristics. These are often straightforward and efficient ways to assess people in these areas. Because people are unlikely to change in these areas over time, they are the most stable components of potential.

The second step is to identify potential on the growth dimensions because they are the gatekeepers to other development and learning. Differentiating people on the *growth dimension* will be an effective way of deciding where to place development resources, experiences, and investments. If a person is high on foundational dimensions but is low on the growth dimensions (even after being given several different work opportunities to demonstrate them), then

the individual is less likely to learn the career specific career dimensions as well. This would likely limit their long term potential to achieve the end-state skills and abilities that will be needed in future roles. This also might suggest that they are not a strong high potential candidate, although they may fit a specific unique future niche for the company (and therefore be identified as a different category of (talent such as a key contributor or HiPro).

Once a person shows potential in both the foundational and learning dimensions, then an organization can provide them with career path specific development experiences. The company then has some level of assurance that the individual has both the foundational skills and the learning skills that are needed to fully develop in the career path.

### Key Issues and Research Questions

The understanding of *potential* in organizations is still evolving. In reviewing the literature, both academic and applied, the current practice in organizations and the existing models of potential across all three of our dimensions (i.e., foundational, growth, and career), a number of questions for future research and practice have emerged for us. Some of these are more conceptual in nature whereas others are perhaps more tactical.

They are listed below in a few clusters: dimensions of *potential*, prediction challenges, and assessment, development, and process issues.

Here are 14 important issues.

#### *Dimensions of Potential*

1. What is or what should be the mix of foundational, growth, and career dimensions in identifying a high potential talent pool, and does that mix vary by function, industry, ethnicity, or gender?
2. Is there a minimum standard for foundational dimensions of potential that should be identified as a gatekeeper to

being labeled as having high potential in organizations?

3. How do the dimensions vary with career stages or development stages? What is the maturation process for each of the core dimensions of potential?
4. How can we build a comprehensive model of high potential that can be used across country cultures?

#### *Long-Term Prediction Challenges*

5. Can we identify clear outcome or end-state criteria for different potential groups or career paths?
6. Can a consistent set of career dimensions for potential be generated for assessment purposes, or does this factor need to vary by industry, function, and role?
7. How early in a career and life can you identify potential in an individual?
8. How do work situations, specific experiences, or organizational culture affect potential?
9. How do a person's motivations and career ambitions affect the expression or existence of potential?

#### *Assessment, Development, and Process Issues*

10. Can the growth dimensions of potential be effectively assessed via measurement tools, or is observation in a specific work role (or in assessment centers or simulations) the primary mode of assessment?
11. Can we develop potential in a person? If so what abilities or characteristics need to be already present and to what extent?
12. What is the role of the self-fulfilling prophecy concept (Merton, 1968) relative to high-potential identification? Does sharing high-potential indicators (or profiles) with employees lead to greater demonstration of those indicators?

13. What is the impact on individuals of first being told they were high potentials and then later told they no longer were high potential? Do they become disengaged and exit the organization, or do they work harder to prove their merits?
14. What is the actual impact on the organization and other employees of telling select employees about their high potential status?

Given the attention organizations are giving to high potential talent, we anticipate that others share our interests in researching these issues and identifying effective solutions.

## Conclusion

Don't judge each day by the harvest you reap but by the seeds you plant.

—Wilbur

Many organizations are spending a good deal of time and resources on identifying and developing the talent that is needed to achieve business strategies. Talent is gaining in status, almost equal to financial resources, as a critical foundation for business success. Because of increased attention and looming shortages, talent is in great demand and has become a competitive advantage for many companies. Organizations now have formal talent strategies (Sears, 2003; Silzer & Dowell, in press) that help them compete successfully for the best talent. They are looking for seeds to plant for future business needs. Of course they want to invest wisely and plant those seeds that have the greatest likelihood of growing into the most productive plants and trees.

As a result, talent planning has been pushed to make earlier decisions on individuals about their potential for roles farther into the future. This is the basic challenge in identifying high potential talent. What do we look for in individuals earlier in their career that indicates they have what it takes to be successful in future roles that are often unspecified and in some cases that may not even exist? It pushes

us to focus on a different set of individual variables and an ambiguous criterion.

We have summarized the current state of models of potential and provided a broad integration for understanding the components of potential. The three categories of *foundational dimensions*, *growth dimensions*, and *career dimensions* help us understand the overall structure of potential and how it can be identified in individuals. Perhaps, potential is made up of different types of components:

- Stable, consistent components that can be measured similarly at different career stages (mostly foundational components)
- Latent components that need the right context and support to express themselves (mostly growth components)
- Intervening components that influence the degree an individual can grow and develop in other areas (mostly growth components)
- Evolving components that an individual acquires through career experiences (mostly career components).

Our field has long considered the stable components (e.g., cognitive skills, personality characteristics) and the career skills and knowledge that can be developed during the course of a career. Recently, there has been increased attention in learning variables with a focus on how experiences and moves to new assignments can provide the person with opportunities to learn the evolving career skills.

What is new is that the growth components (e.g., adaptability, learning orientation, openness to feedback, drive, energy, achievement orientation, career ambition, risk taking, results orientation) not only act as intervening variables to learn other career skills but may be latent in some work environments. That is, an individual's adaptability, learning orientation, and risk taking may be significantly stifled by the current work context and people around him. A person not showing these components may actually have them but they are latent because of

situational pressures and demands. So moving the person to a new assignment may allow these latent components to express themselves. New assignments may be useful not just for learning new skills and knowledge but for expressing and demonstrating latent behavior and skills that already exist.

The future use of potential to meet business needs is promising. But we need to continue to improve our understanding of the construct and how best to identify it in employees. We hope that this article will stimulate both researchers and practitioners to reconsider what they think about high-potential talent and generate new research and organizational processes that advance our understanding and use of this construct.

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## Appendix

### 1. *MDA leadership consulting Barnett (2008)*

#### Effective personality

- Dominance (impact and influence)
- Sociability (likes to be with and work with others)
- Drive (achievement)
- Stability (adjustment, confidence)
- Versatility (flexibility, openness)

#### Successful intelligence

- Cognitive ability

#### Motives and values

- Organizational commitment
- Learning orientation (makes most of experience)

### 2. *Corporate leadership council (2005a)*.

- Ability—"A combination of innate characteristics (mental/cognitive agility and emotional intelligence), and learned skills (technical/functional skills and interpersonal skills) that an employee uses to carry out his/her day to day work."
- Engagement—"Consists of four elements: emotional commitment, rational commitment, discretionary effort, and intent to stay."
- Aspiration—"The extent to which an employee wants or desires: prestige and recognition in the organization, advancement and influence, financial rewards, work-life balance, and overall job enjoyment."

### 3. *Development Dimensions (Rogers & Smith, 2007)*

#### Leadership promise

- Propensity to lead
- Brings out best in people
- Authenticity

#### Personal development orientation

- Receptivity to feedback
- Learning agility

#### Mastery of complexity

- Adaptability
- Conceptual thinking
- Navigates ambiguity

#### Balance of values and results

- Culture fit
- Passion for results

### 4. *Personnel Decisions (Peterson & Erdahl, 2007)*

#### Foundations/capacity—cognitive

- Intelligence
- Cognitive complexity

#### Foundations/capacity—personality and motivators

- Dominance
- Responsibility
- Initiative
- Optimism
- Risk taking
- Energy level
- Adaptability

#### Accelerators—career goals and preferences

- Interest and drive to pursue leadership advancement
- Power and control
- Working with quantitative and financial information
- Driving change
- Managing people

#### Accelerators—career leadership experiences

- Leadership experiences (that differentiate leaders at various levels)

### 5. *Hay Group (2006, 2008)*.

#### Eagerness to learn

- Willingness to take risk to learn something new

- Curiosity

Breadth of perspective

- Thinking beyond boundaries, take broad view
- Conceptual ability, raw computing power or IQ

Understanding others

- Capacity to accurately understand other's perspective and experiences
- Motivation and ability to listen

Personal maturity

- Ability to experience feedback as a chance to learn and grow
- Maintain emotional balance, resilience, and realistic optimism

6. Hewitt Associates (2008)

Performance

- Performance record
- Record of making decisions, taking action, and getting things done
- Core capabilities to do current job
- Work outputs

Potential

- Promotability—succeed one or two levels beyond current job
- Leadership qualities

Character

- Upward motivation
- Psychological adaptability
- Flexible
- Open and receptive to feedback, utilizes feedback
- Highly regarded by peers and others
- Tendency and capability to challenge the status quo
- Inclined to ask questions and raise issues that are one to two levels beyond current scope

Other factors

- Location—local market versus region or global high potential
- Position/level
- Career stage (early vs. late)
- Diversity measures (gender, ethnicity, age)

7. YSC (UK) Rowe (2007)

Researched UK companies

Intellect/judgment

- Style of thinking
- Analytical rigor, balanced approach to decision making, successfully spotting key issues

Individuality

- Drive to make a distinct impact, relentless almost obsessive quality
- Initiative
- Self-assurance to enable them to operate with optimism about their ability to overcome problems
- Aspiration

Shaping the environment

- Influencing
- Adapt to situations

8. Hogan Assessment Systems (2009b).

Business domain

- Strategic reasoning
- Tactical problem solving
- Operational excellence

Leadership domain

- Results orientation
- Talent development

Interpersonal domain—relationships

- Respect for people
- Collaboration

Interpersonal domain—work challenges

- Strategic self-awareness
- Tenacity
- Judgment

9. *McCall (1998)*

## Early identification of global executives

- Seeks opportunities to learn
- Acts with integrity
- Adapts to cultural differences
- Is committed to making a difference
- Seeks broad business knowledge
- Brings out the best in people
- Is insightful, see things from new angles
- Has the courage to take risks
- Seeks and uses feedback
- Learns from mistakes
- Is open to criticism

10. *Survey of 71 Canadian companies (Slan & Hausdorf, 2004)*

- Results orientation (50%)
- Decision making (36%)
- Leadership capabilities (36%)
- Teamwork (27%)
- Communication (27%)
- Inspire others (27%)
- Move up two levels (23%)
- Strategic thinking (18%)
- Adaptability (18%)
- Work in different functions (18%)
- Develop others (9%)
- Change management (9%)
- Business acumen (9%)

11. *Corporate survey of 20 companies (Silzer & Church, in press)*

- Leadership competencies (100%)
- Performance record (100%)
- Career drive/motivation to advance (90%)
- Mobility (80%)
- Adaptability/flexibility (75%)
- Specific experience/tenure (70%)
- Learning ability (65%)
- Commitment to company (60%)
- Personality variables (55%)
  - Interpersonal skills—25% go beyond competency model
  - Cultural fit—20% match behavior to organizational, cultural and team fit/values
  - Others mention trust, integrity, respect, relationship skills, humility, positive attitude, self-awareness
- Specific abilities—45%
- Technical/business/functional expertise—30%
- Intellect/cognitive skills—20%
- Ability to handle ambiguity or complexity—10%
- Career growth potential—30%