Ready-Now Leaders:
Meeting Tomorrow’s Leadership Challenges in Multinational Companies

Global Leadership Forecast 2014 | 2015
The Global Leadership Forecast 2014|2015 is the seventh report since Development Dimensions International (DDI) began this research in 1999. The current report—a joint effort of DDI and The Conference Board—including survey responses from 13,124 leaders; 1,528 global human resource executives; and 2,031 participating organizations. To ensure that no individual organization dominated the overall results, a random sample was taken from any organization whose leaders comprised more than 1 percent of the global sample. Leader demographics for the full sample are shown on page 29.

The record-breaking size of the participant pool gave us sufficient sample sizes so that we could look at our findings from many points of view. We were able to dissect findings based on diverse perspectives spanning leaders and HR professionals, four leader levels, gender, 48 countries across all regions, 32 major industry categories, and multinationals versus local corporations. Special topical reports and separate country reports are available at www.ddiworld.com/glf2014.

About This Report

As part of the Global Leadership Forecast 2014|2015 study, this report highlights findings on the current state of leadership and leadership practices in multinational companies (MNCs). The findings are based on responses from 2,972 leaders and 383 human resource executives in multinational organizations. To ensure the research addressed the challenges of organizations dealing with an appropriately broad span of global operations, we defined a multinational as a company for which the HR/Talent Management leader’s responsibilities spanned three or more countries.

We are confident that the results will offer you new insights into MNC leadership challenges and practices, and we hope that the report will stimulate your ideas about how to enhance your organization’s leadership capabilities.
Global Leadership Revisited

Globalization remains an inescapable backdrop to the boardroom agenda and colors every executive committee’s decision making. As organizations seek to unlock new and emerging markets, adapt to the changing needs of existing markets, and react to competitors’ threats and regulations, the internationalization of business is a relentless march that cannot be halted. But it can be embraced (Talent Beyond Borders, 2013)*. The most powerful key to unlock the potential of globalization is the effectiveness of leaders in multinational organizations.

Just as strong individual contributors don’t automatically become high-performing leaders, effective leaders do not automatically translate into successful leaders in MNCs. DDI’s research shows that 68 percent of organizations currently are planning to expand globally, but only 22 percent of leaders in MNCs feel very prepared to lead a global expansion. Only 41 percent believe they can lead effectively across countries and cultures. Strategy without the means to execute it is doomed to fail. How ready are your leaders to go global?

The number of articles, research reports, blogs, and TED talks that focus on the topic of global leadership in recent years has been overwhelming. Much has been written about the requirements to be a successful global leader, best practices in global leadership development, or the need for different leadership styles to accommodate cultural differences. Expert opinions and anecdotal evidence about global leadership dominate the current debate, while scientific research often limits itself to specific, narrowly defined questions. Consequently, advice for global leaders and HR practitioners tends to be either ideological slogans or academically interesting factoids with limited practical relevance. There is no question that academic research about this topic is necessary and valuable to increase our understanding of the future challenges and opportunities of global leadership. However, tying different practices, such as development approaches for global leaders, to specific business outcomes and metrics will need to move more into focus to better guide multinational organizations in their investment decisions for global leaders.

* It is important to differentiate between leaders in multinational companies in general and global leaders. Global leaders are defined as those leaders who live abroad or manage global businesses or functions within an MNC. This report focuses on both—leaders and leadership practices in MNCs and global leadership.
Why Should You Read This Report?

This MNC subreport from DDI’s Global Leadership Forecast 2014|2015 research approaches global leadership and leadership in MNCs from several angles and offers practical recommendations (‘Now What’). If you have asked yourself any of the following questions, this report will help you define leadership growth strategies that increase the return from your investments:

• What is the supply and demand of globally ready leaders in our organization to support a global expansion strategy?
• How can we address the unique requirements for MNC leaders and close global leader-readiness gaps?
• What is the right balance between corporate control and local autonomy for our global leadership initiatives and programs?
• How can we identify and minimize barriers to the success of our global leadership initiatives?
• How can we leverage technology and leadership analytics as enablers of global leadership growth?
• How do we maximize return from our global high-potential and expatriate programs?
• What might be implications for the structure of our global HR team?

This report takes an evidence-based approach to these questions and makes recommendations that are supported by data rather than ideological beliefs or the personal experiences of a select few. In addition to this research and for select topics related to global leadership in MNCs, we will conduct in-depth research in the future.

Who Should Read This Report?

Business executives managing a global business as well as HR practitioners in MNCs responsible for the growth of leaders in MNCs will find valuable insights and recommendations in this report.

Study Highlights

A study by the Centre for Economic Performance at the London School of Economics and Political Science, in conjunction with McKinsey and partners from Stanford and Harvard universities, concluded that MNCs have been the most productive companies, on average, no matter the country of origin or where they operate.* A key question becomes, is this productivity advantage reflected in the strength of leadership in multinational companies? Moreover, what can MNCs do to maximize this advantage over domestic companies from a leadership-quality perspective? Some key findings in our research related to these questions are as follows:

• While the realities of a VUCA (volatility, uncertainty, complexity, ambiguity) world are likely more taxing for multinationals, current MNC leaders are scarcely more prepared to master the VUCA challenges than their non-MNC counterparts. However, strengthening a small set of critical skills can significantly improve the preparedness of leaders to survive, even thrive, in a VUCA world.

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• Initiatives to develop leaders in MNCs, whether for global or local roles, face a number of barriers that can have a significant impact on the return of the often enormous investment needed. The two most substantial barriers to leadership success are grave inconsistencies of leadership development initiatives across the organization and the lack of skills and experience of the HR team to operate globally.

• In a related finding, the question of to what extent global leadership initiatives should be designed and controlled by corporate versus local operations suggests that for frontline and mid-level leadership development as well as succession management, a deliberate balance between corporate control and local autonomy results in better leadership-growth outcomes.

• The consistency of talent initiatives is also crucial for expatriate success. Expatriate programs are costly, and failure rates are reportedly high, a problem that is compounded in large MNCs with several hundred or even thousands of expatriates at any given time. In our research, we identified a set of talent practices and resulting leader experiences that maximize success of expatriate assignments.

This study also highlights the need for specific future research. One area we currently are investigating is what talent practices maximize the return of investment in global leaders, i.e., those leaders who live abroad or manage global businesses or functions. Another critical area, highlighted by one of the findings above, relates to the best strategies for increasing and accelerating the skill set of HR teams to operate globally. The needs to operate more globally, reduce inconsistencies in leadership initiatives, and create a balance between corporate and local control lead to this question: Do typical contemporary HR roles and structures in today’s MNCs facilitate or hinder achievement of these objectives?
Questions That Produce Insight

We approached the *Global Leadership Forecast 2014|2015* with a unique three-question framework leading to actionable insights.

# What Now describes a current situation. As an example, we now know that almost three-quarters of all high-potential programs are ineffective. This is where most survey research starts and stops.

? So What addresses the consequences of the current situation continuing. In our example above, forecast data show that participating organizations with the best financial performance are over three times more likely to have high-potential programs in place. (Financial performance was determined by analyzing the link between survey responses and a composite of external financial metrics for publically-traded companies for which this information was available.)

! Now What Here we turn insight into action. Given that high-potential programs have a positive financial impact, what specific actions or practices drive program effectiveness? Look for Now What sections throughout the report for actions you can take.
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Working Within the VUCA Vortex

Leaders Need More Preparation to Face VUCA Challenges

Percent of HR professionals who report that leaders are incapable of meeting the challenges of...

- **MNC**
  - Volatility: 34%
  - Uncertainty: 25%
  - Complexity: 29%
  - Ambiguity: 24%

- **Domestic**
  - Volatility: 47%
  - Uncertainty: 38%
  - Complexity: 42%
  - Ambiguity: 36%

Competencies required for success in key leadership positions are clearly defined.
Leaders' performance expectations are linked to the organization's strategy.
Leadership competencies serve as the foundation for multiple leadership talent management systems.

Six Leadership Practices to Mitigate VUCA

- Leaders have high-quality, effective development plans.
- Leaders regularly review their development plan with their managers.
- Leaders practice and receive feedback on key skills with their managers.
Leading in a VUCA World

A VUCA world is one that is volatile, uncertain, complex, and ambiguous. First used by the United States military to discuss preparedness, the term later was popularized in the publications of Bob Johansen of the Institute for the Future.*

This study measured leader readiness in four key areas from which we created an overall VUCA index:

- Anticipating and reacting to the nature and speed of change.
- Acting decisively without always having clear direction and certainty.
- Navigating through complexity, chaos, and confusion.
- Maintaining effectiveness despite constant surprises and a lack of predictability.

Multinational corporations—and the leaders within them—are particularly vulnerable to the pressures of VUCA. Compared to domestic companies, MNCs are 2.5 times more likely to have grown aggressively over the past 3 years and, unsurprisingly, 8 times more likely to have rapid global-expansion plans.

Despite this heavier need, MNC leaders aren’t necessarily more capable in their ability to meet the four VUCA challenges. As illustrated at left, about 3 in 10 or more HR professionals within MNCs viewed their organization’s leaders as not capable of meeting the challenges of volatility (34 percent), uncertainty (25 percent), complexity (29 percent), and ambiguity (24 percent). At best, only about 23 percent identified their leaders as “very capable.”

This does not bode well for businesses and industries worldwide. Indeed, in The Conference Board CEO Challenge®, CEOs indicated that among their top pressing issues were these elements of the VUCA world in which they must navigate: economic depression in Europe, currency volatility, financial instability in China, labor relations, cybersecurity, volatility in energy markets, activist shareholders, and government regulations to address bribery and corruption.**

Our research found that MNCs whose leaders have high VUCA capability can immediately fill 16 percent more of their most critical positions with internal candidates than can MNCs whose leaders lack these skills. Also, VUCA capability links to financial results. Organizations with VUCA-capable leaders are three times more likely to be in the top 20 percent of organizations performing well financially.


Now What

A world that requires effective leaders is one with greater implications for sound decision making, high confidence, and adaptability. The illustration at left summarizes the talent management practices that—due to a prevalence in organizations ranked high compared to those ranked low in leaders’ VUCA readiness—consistently helped the leaders and organizations included in our research successfully navigate a VUCA world.

The impact of solid talent management choices will be further amplified by a focus on the right skill targets. Our research identified the top four skills that, when practiced effectively within MNCs, had the greatest impact on leader preparedness and confidence in addressing the challenges of VUCA (these also were the top skills for the global sample overall):

.01 Managing and introducing change. Unsurprisingly, this was the strongest predictor of a leader’s confidence in the face of VUCA.

.02 Building consensus and commitment. This skill is critical for eliminating discord and misunderstanding.

.03 Inspiring others toward a challenging future vision. To induce others to act, leaders first must be inspired themselves.

.04 Leading across generations. This skill is key to forging a shared purpose despite diverse employee viewpoints and motivations.

59% of critical roles within MNC organizations can be filled immediately by internal candidates when leaders are VUCA-capable, compared to only 43% when leaders are weak in VUCA.

3X Organizations whose leaders are VUCA-capable are three times more likely to have financial performance commensurate with the top 20 percent.
Global Program Implementation

Balancing Corporate vs. Local Control

Finding the Right Balance of Corporate vs. Local Control of Talent Management Programs

Most Effective when Corporate Controlled

Most Effective with Balanced Influence

Most Effective when Locally Controlled
Finding the Optimal Balance

Deliberate international expansion—reaching customers beyond a headquarters’ country and accessing foreign markets’ growth potential—is a prevailing business imperative for multinationals. In our research, 92 percent of these organizations indicated that they plan to add offices or facilities outside their home country. To grow talent along with operations globally, talent management functions in these organizations face a core challenge: when and how to incorporate both global and local perspectives into program design and implementation.

Three hundred and eighty-one HR professionals in MNC organizations evaluated the effectiveness of leader-focused programs. We also asked them to indicate the degree of corporate versus local influence. By comparing these, we diagnosed which forms of influence produce optimum effectiveness. Findings are summarized in the figure at left.

In the upper left portion are three programs that work best when corporate influence is heavier. For these programs, deviating too far from a uniform set of talent practices is linked to negative consequences. It’s important to note that even in these situations, local influence serves a vital role by reducing the risk of an outdated perspective on the regional context. However, effectiveness suffers when erratic and inconsistent standards are used to define expectations for performance, selection, and promotion, and when development of the organization’s senior-most leaders fails to adhere closely to a more centralized organizational vision. The costs of inconsistency are more severe for these programs than for others.

In the upper right portion are three programs optimized by a near-equal blend of corporate and local influence. For these programs, neither heavy corporate control nor heavy local control is most effective. For mid-level and frontline leaders, failing to consider local perspectives means ignoring or undervaluing cultural differences in learning styles and logistical parameters that field operations face (and which should inform program design). The positive impact of blended influence is similar for succession management, which, for most organizations, extends throughout the leadership pipeline rather than just in the executive ranks. For these programs, managed “inconsistency” is beneficial and essential.

None of the leadership-focused programs we looked at were most effective when controlled locally. This does not mean that local influence is irrelevant, but it shows that negative consequences are likely when accommodating local perspectives becomes abdication of responsibility and an absence of corporate support and alignment.


** For more information about implementation factors or implementation enablers, see the last section of this report (Realizing the MNC Opportunity: The Discipline of Getting Things Done).

Now What

.01 Have the balance conversation today. Proactively plan flex points in program implementation, agree on and communicate the scope of autonomy for local decision making, and conduct regular audits to confirm alignment.* These discussions should be a standing agenda item in the governance process.

.02 Be cautious when scaling back central influence on programs involving selection, promotion, and performance management decisions. These programs lose effectiveness without a common and globally agreed-upon leader success profile.

.03 For leadership programs extending across the leader pipeline, local influence is particularly critical.

.04 Finally, several recent interviews with global HR executives revealed that, while the quality of the talent initiatives was critical, consideration of a host of implementation factors—scalability, technology, cultural adaptation, and development plans—was equally important. Consider these factors carefully as you plan for your global rollout.**
Barriers to MNC Program Success
Which Are Most Damaging?

Most Damaging Barriers to Leadership Development Success for MNCs

- Leadership development initiatives that are too diverse and inconsistent across the organization: 40%
- Lack of skills/experience with the HR/talent management leadership team to operate globally: 27%
- Leadership development initiatives that are too controlled by corporate: 13%
- Poor understanding of cultural differences in the implementation of global leadership development programs: 11%
- Poor understanding of cultural differences in the design of global leadership development programs: 9%
Navigating the Barriers

With only 18 percent of MNCs reporting a strong bench of capable leaders to fill critical leadership roles, leader skill growth to close the gap is a critical priority. Working toward that goal, HR must navigate a range of complex obstacles during the design and implementation of programs across their global operations. To gauge the prevalence and impact of these obstacles, we asked 370 MNC HR professionals to pick the single barrier that most damages the success of their organizations’ leadership development programs. Their responses, shown on the previous page, show the severe cost of variability. More than 40 percent identified global inconsistency as most damaging—more than three times as many as listed its counterpart, excessive corporate control.

The second most damaging barrier was a lack of skills and experience within the HR/talent management team to operate globally. We’ve seen corresponding trends in our data on executive scores from structured behavioral assessments: Senior leaders with their primary background in HR consistently exhibit weaker global acumen skills than any other major function. This raises the question of how HR can guide successful global implementations without a strong foundation in their cultural skills. By targeting skills related to global acumen—understanding the organization’s global strategy, including implications of international economic, social, technological, political and cultural aspects—within the talent management function, HR will be better equipped to spot and address cultural factors early enough to prevent them from becoming obstacles to program effectiveness.

The fourth and fifth most damaging barriers relate to poor understanding of cultural differences at the design and implementation stages of global leadership development programs. Though these barriers were faced at similar rates, their potential influences on leadership development program effectiveness were starkly different: For example, at the frontline level, companies were 5.7 times more likely to have low-effectiveness leadership development programs when their biggest barrier is cultural differences in design, compared with when it’s cultural differences in implementation.

This finding challenges the traditional assumption that implementation factors always trump design factors. Though this may be the case with talent programs in general, cultural factors are more likely to create deep-rooted problems for leadership development programs when they occur at the design phase—waiting until the implementation phase is too late to minimize these risks.

Finally, we asked which objective was more important for leadership development—driving a common framework (62 percent of MNCs) or driving a local framework (38 percent). Notably, while those focused on commonality had stronger current leader readiness for global expansion, those focusing on local frameworks demonstrated a higher level of overall talent management maturity, with stronger future bench strength and a more positive reputation as HR anticipators in the eyes of business partners.

Now What

.01 Address inconsistency in program deployment first—a lack of leadership development consistency is by far the most damaging barrier to program success.

.02 Once you’ve built consistency, establish a common leadership language and expectations.

.03 Only after these are in place, incorporate local influences and differences.

.04 Include the talent management team in cultural skill-building programs; these skills can improve success rates for global programs designed and implemented by HR.

.05 Prioritize an emphasis on cultural factors at the design phase of leadership development programs to substantially reduce the risk of failure.
Leadership Analytics

How MNCs Can Use Big Data to Provide Big Value

The Misguided Flow of Leadership Analytics

More Use, Weaker Financial Impact

- Gathering efficiency and reactions metrics about leadership programs: 34%
- Benchmarking leaders against their peers within the company: 31%

Less Use, Stronger Financial Impact

- Gathering results metrics about leadership programs: 24%
- Using data to forecast future leadership talent needs: 22%
- Gathering business impact metrics about leadership programs: 25%

What Percent of Organizations Are Doing Leadership Analytics Well?
Move Forward by Looking Ahead

Recent research by The Conference Board found that Big Data Analytics was the number one “hot button” issue for CEOs. However, Analytics was only number 19 (out of 22) in importance as a strategy to address the top CEO challenge, Human Capital.* This means that Big Data is hot and getting hotter as executives seek ways to monetize data. However, these executives are not recognizing the potential of analytics as applied to HR.

To better understand the gap between HR analytics practices and recognized value to the business, we focused on several forms of leadership analytics, ranging from basic to advanced. We wanted to find out how often each was being done, how well it was being done, and most importantly, which link to financial outcomes. These results show how well HR professionals within MNCs are responding to organizations’ need for value-added analytical insight.

We found that the struggles of HR analytics are rampant, varied, and illustrative—41 percent of MNCs don’t do any form of leadership analytics well, and only 6 in 100 do all forms well. A positive sign is that, compared to the full set of organizations in our research, MNCs were more likely to be trying and succeeding than to be trying and failing in their analytics efforts, likely due to a higher level of investment.

We found an even bigger issue: The specific types of analytics that MNCs are using rarely produce value for the business. The figure at left shows these distinctions. On the left of the figure are forms of analytics more often pursued; on the right, forms that are less common. Those on the right correlate significantly with financial performance (a composite of external financial metrics). Those on the left do not. Unfortunately for MNCs, the gap between focus (left side) and value (right side) is even larger than for organizations overall. That is, MNCs are doing more of what’s less valuable and about the same of what’s more valuable, meaning an even worse return on their analytics investment than for the typical organization.

This same concerning trend exists for leaders as models for data-driven decision making. Barely two-thirds, 69 percent, of HR professionals rate their company’s leaders as highly capable in data-based decision making, and only 66 percent of leaders are highly confident using data to make decisions. Given the more complex environment in which these leaders are working compared to their domestic peers, it is troubling that HR’s perception of capability is not translating to those who are the consumers of data.


Now What

.01 Recognize and inoculate against Big Data skepticism within the business community (both your own and in general). Although it is arriving long after other functions, HR has an opportunity to apply previously under-recognized structure, data qualification, and logic to analytics. Big Data doesn’t need more hype; rather, it needs more rigor and realism, and HR is ideally suited to provide these critical voices.

.02 Reevaluate your analytics focus. Is your perception of analytics the same as that of your business partners and senior executives? This doesn’t mean, for example, you shouldn’t gather reactions and efficiency metrics or benchmark internally. Simply don’t expect those to be true analytics in the eyes of the business. Prioritize accordingly.

.03 Direct your organization’s efforts toward future-focused and business-centric analytics that generate foresight about talent gaps and drive talent alignment with strategic goals. Without question, these are more complex and resource-intensive, but they also will help HR connect with Big Data and Analytics as a cross-enterprise business imperative, converting talent data to financial impact.
The Toil of Technology
MNC Leaders Struggle More Than Most

MNC Leader Views on Technology

- 66% are highly confident using data to guide business decisions
- 60% feel technology makes it easier to develop as a leader
- 5 in 10
- 12% view self-study online learning as most effective
- 5% view mobile-based development as most effective
- 11% view social network-based development as most effective

Global Leadership Forecast 2014|2015
The Sobering State of Technology ROI Within MNCs

Multinational corporations see technology as a critical enabler for extending global connectivity and for generating operational scalability and efficiency. They have invested heavily in building or purchasing these systems, with talent management applications a key focus for these expenditures. Recent Towers Watson research spanning 1,048 companies found that HR technology spending is increasing for the first time since 2011, with 33 percent of respondents planning to spend more on HR technology in the next year and only 15 percent planning to decrease these investments.*

Despite the HR function placing a priority on technology adoption, questions remain about the true benefits of these tool sets for improving workforce effectiveness. Our research gauged the impact of technology on 2,509 MNC leaders as critical constituents for talent management systems. These leaders often are asked both to use technology for enhancing their proficiency as leaders and to drive adoption of new systems for their employees.

Technology is only as effective as the confidence of the leaders using it—on this, MNCs fall short based on a wide range of indicators, shown in the graphic on the previous page. Only 60 percent of MNC leaders are highly confident leveraging technology to improve their workforce. Technology as a mechanism for providing leaders with information to aid their decision making to channel and derive value from the surging volume, velocity, and variety of Big Data fares little better, with 66 percent of leaders highly confident using data to guide decisions.

Technology methods used specifically for leadership development are, at best, unproven, and, at worst, squandered. Only 1 in 20 of all MNC leaders selected mobile-accessible development as one of their top-three most effective learning methods, while social networking and self-study online learning were scarcely more effective at 11 percent and 12 percent, respectively. Even for the Millennial generation, often considered the target demographic for an increased technology investment, these numbers rise only slightly to 6 percent for mobile-accessible development, remain the same at 11 percent for social networking, and decrease to 10 percent for self-study online learning.

As a final indicator of technology’s failure to fulfill its ultimate promise, only half of all MNC leaders (and a mere 43 percent of Millennial MNC leaders) agree that, overall, technology makes it easier for them to develop as a leader.


Now What

If technology is more often a barrier than an enabler of leadership growth within MNCs, what steps can they take to improve the odds? Our research leads to four recommendations:

.01 View the roots of technological success as not only software and hardware access, but also usage skills, cultural tool adaptation, and generational acceptance of technology platforms.

.02 Include technology acumen and savvy in the success profile for leader roles and align tools to diagnose and develop these skills. Also, ensure that the HR team is technology-savvy, including gathering and interpreting talent analytics. (Also see the report section Leadership Analytics.)

.03 Incorporate information about local factors into global technology rollouts. MNCs that prioritize accommodation of cultural differences above global uniformity for talent programs are twice as likely to gain leader agreement that technology makes it easier for them to develop as leaders.

.04 Design new technologies, such as mobile and social, as extensions rather than replacements for developmental assignments and formal learning. Technology tools can be useful in filling the gap during the lulls or transitions between structured development activities.

.05 Establish clear competency models and integrate them across multiple talent systems as the foundation for applying technology to leadership development. MNCs that do so are 3.4 times more likely to elicit leader agreement that technology helps them become better leaders by producing higher clarity about what skills the learning technology is designed to enhance.
High Potentials, Higher Stakes
How MNCs Overextend and Underdeliver on Hi-Po Talent

Targeting the Right Size Pool to Maximize High-Potential Engagement and Retention

Engagement/Retention
35% Lower
HIGHEST
13% Lower

5%-10%
High Potentials
15%-30%
High Potentials
35%+
High Potentials
MNCs Successful with High Potentials That Stay...but Fewer Do

High-potential leaders are an organization’s fortunate few, tapped based on a combination of current performance and future potential. They are the focus of devoted energies and attention well beyond that of leaders not designated as high potentials. High-potential programs also are nearly universal for MNCs, 81 percent of which have these programs in place. For HR professionals in MNCs, high-potential programs make up a greater share of their portfolio of talent practices than for domestic companies, with more than one in three active talent initiatives focused specifically on high potentials, compared to only one in four for domestic companies.

Despite the prevalence and prominence of high-potential programs at MNCs, their results are mixed. Only one-third of MNCs consider these programs highly effective. Specific outcome metrics in the table to the right show MNCs have a larger percentage of high potentials than domestic companies and a higher success rate for high-potential leaders, but their turnover rate for these valued performers is 30 percent worse, generating high replacement costs and partially squandering the outsized investments MNCs make in high-potential identification and development.

The graphic on the previous page illustrates a key and often unrecognized effect of having either too many or too few high potentials, the latter a situation particularly susceptible for MNCs. Organizations with a larger pool of high potentials (35+ percent) have 13 percent lower levels of engagement and retention than those with a smaller pool (15–30 percent), likely because the additional resources focused on these leaders are spread too thin to provide the detailed one-on-one career guidance and mentoring high potentials find valuable. Due to their higher percentage of high potentials, MNCs are more likely to find themselves overextended and at risk for high-potential disengagement and turnover. MNCs are much less likely, however, to face the even more extreme disadvantages of having too few high potentials (5–10 percent) in the pool. For organizations with so few high potentials, engagement and retention drop 35 percent.

Although MNCs are at greater risk of losing their high potentials, many may not be aware of it. Few MNCs are taking steps to detect and mitigate these negative consequences; compared to MNC companies, domestic companies are 1.4 times more likely to measure the effectiveness of high-potential programs. That is, although MNC investments in high potentials are higher due to a larger proportion of leaders in these pools and a greater share of HR’s portfolio of talent practices, they are doing less to monitor the long-term return on these investments.

Now What

What steps can MNCs take to reduce their risk of poor outcomes from high-potential programs?

01 Revisit your process to identify high-potential leaders to ensure you have the right people—and the right quantity of people—in your pool. MNCs often have a larger proportion of such leaders, applying more pressure to follow through with ongoing support for all these individuals.

02 Initiate and reinforce mentoring programs to demonstrate sustained support. These programs are critical for driving high-potential retention in MNCs.

03 Regularly review retention risk and engagement with your high potentials to detect early indicators of dissatisfaction with their jobs and support they receive in high-potential programs.

04 Measure both lead and lag indicators of high-potential program success, including outcome metrics, and also the views of high potentials themselves. MNC high potentials who perceive weak support for development programs are 1.9 times more likely to harbor intentions to leave their organization within the next year than those who perceive strong support.

Metrics on High-Potential Talent: Comparing Domestic and MNC Organizations

<table>
<thead>
<tr>
<th>High-Potential Metric</th>
<th>Domestic</th>
<th>MNC</th>
<th>MNCs are</th>
</tr>
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<tbody>
<tr>
<td>% of Leaders who are Hi-Pos</td>
<td>23%</td>
<td>29%</td>
<td>26%</td>
</tr>
<tr>
<td>Success Rate for Hi-Po Leaders</td>
<td>51%</td>
<td>62%</td>
<td>22%</td>
</tr>
<tr>
<td>Turnover for Hi-Po Leaders</td>
<td>10%</td>
<td>13%</td>
<td>30%</td>
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</table>
Improving the Odds for Expatriates

How MNC Talent Practices Drive Assignment Success

Talent Practices and Leader Experiences That Drive Expatriate Success Rates

<table>
<thead>
<tr>
<th>Talent Practices</th>
<th>Leader Experiences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heavy focus on leading across countries and cultures</td>
<td>Active employee involvement in leader development</td>
</tr>
<tr>
<td>Integrating self into intercultural environments projected as a most critical skill within 3 years</td>
<td>Satisfaction with role as a leader</td>
</tr>
<tr>
<td>Use of coaching from external mentors</td>
<td>Engagement with role as a leader</td>
</tr>
<tr>
<td>Effective LD programs (all levels)</td>
<td>Confidence building consensus</td>
</tr>
<tr>
<td>Gathering reactions to leadership programs</td>
<td>Confidence inspiring others</td>
</tr>
<tr>
<td>Global consistency in leadership programs</td>
<td>Confidence integrating self into intercultural environments</td>
</tr>
<tr>
<td></td>
<td>Confidence identifying future talent</td>
</tr>
</tbody>
</table>
Talent Practices and Leader Experiences Linked to Expatriate Success

Expatriate programs are critical—and costly—for MNCs pursuing global growth. These programs involve placing leaders on assignment in foreign countries and giving them responsibility for initiating and growing a local operation. The risks of a failed expatriate assignment are substantial, often exceeding $500,000 for housing, relocation, schooling, and other costs in addition to compensation adjustment. These assignments also are common. In our research, approximately 40 percent of MNC leaders had completed at least one international assignment.

Despite the size of the investment, these assignments too often fail to live up to expectations. On average, organizations report an expatriate success rate of only 58 percent. For large corporations this can translate to thousands of failed assignments each year, leading to several hundred million dollars in squandered investment. Conservative cost estimates show that an average-sized MNC that improves its expatriate success rate even a single percentage point sees a gain of $6,000,000.*

Our research spanning 383 MNCs and 2,972 leaders identified six talent practices and seven leader experiences associated with higher expatriate success rates within MNCs. The talent practices, shown on the previous page, unsurprisingly include a heavy focus on leading across countries and cultures. Also important is a leader’s skill at integrating himself or herself into intercultural environments, within an overall context of high-quality leadership development programs across all levels of leadership. MNCs with higher expatriate success rates also have secured global consistency in their talent programs and introduce an external perspective by connecting leaders with mentors outside the organization. Finally, they are more likely to seek information about leader reactions to talent programs.

MNCs with more successful expatriate programs also differ notably in the experiences of their leaders. When leaders are satisfied with and engaged in their roles, expatriate success rates are higher. Leader confidence levels in several key and developable skills—consensus building, inspiring others, integrating self into intercultural environments, and identifying future talent—also are linked to higher success rates for expatriates. In addition, expatriate success is higher when leaders view employees as actively involved in their (the leader’s) growth.

* Based on a 30,000-person company with 3,000 leaders, 40 percent (1,200) of whom complete an expatriate assignment, and using a conservative estimate of $500,000 as the assignment cost.

Now What

.01 Recognize the role expatriates play as ambassadors of corporate culture and vision, vital to building global consistency in talent programs.

.02 Set expectations and learning objectives for two-way learning rather than one-way teaching during the assignment. Expatriates are more successful when employees are actively involved in their development as a leader.

.03 Prepare expatriate leaders to seek and foster in-region talent; MNCs with leaders confident in their skills to identify future talent have higher expatriate success rates.

.04 Provide a base of foundational leader skills, such as consensus building and inspiring others, that are adaptable to the distinct cultural environments expatriates will be placed within.

.05 Build a feedback loop from expatriates for leadership assessment and development programs in which they participate, modifying the programs based on their input. MNCs who gather reactions to their talent programs are 2.5 times more likely to have above-average expatriate success rates.

.06 Initiate or reinforce learning programs focused on integrating oneself into and leading across countries and cultures. MNCs that have leadership development programs with a current focus on either of these skills have expatriate success rates 5 percentage points higher, 63 percent compared to the overall average of 58 percent.
Interacting vs. Managing
A Tension Point for MNC Leaders

**MNC Leaders’ Balance of Time—Actual, Preferred, and Company Valued**

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Preferred</th>
<th>Company Valued</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managing</td>
<td>41%</td>
<td>22%</td>
<td>46%</td>
</tr>
<tr>
<td>Equal</td>
<td>36%</td>
<td>40%</td>
<td>34%</td>
</tr>
<tr>
<td>Interacting</td>
<td>23%</td>
<td>38%</td>
<td>20%</td>
</tr>
</tbody>
</table>

We found that leaders who spend more time interacting are more effective at these skills:

- Coaching and Developing Others
- Communicating and Interacting with Others
- Developing Strong Networks/Partnerships
- Fostering Employee Creativity and Innovation
- Identifying and Developing Future Talent
Where Should MNC Leaders Be Spending Their Time?

Many leaders ask themselves: What’s the difference between managing and interacting, and which is more important? We chose to reframe the issue by taking a closer look at managing and interacting. “Managing” is time spent planning, doing administrative tasks, scheduling, etc. “Interacting” is time spent in conversation with one’s employees. We hypothesize that interacting is far more critical to successful leadership in MNCs than is managing. In a McKinsey Quarterly article, the authors wrote that the quality of interactions has the potential to create durable, competitive advantage, and aptly label the ability of leaders to leverage conversations as relationship capital.*

We found that MNC leaders currently spend, on average, 41 percent of their time managing (see the figure to the left). In part, this is due to a perception among leaders that their organization’s senior leaders place more value on managing activities than on interpersonal relationships. MNC leaders face even more “manage or interact” tension than their peers in domestic companies. The gap between preference for and time spent managing is 14 percent larger for MNC compared to domestic leaders, while the gap they perceive between what their company values and their own preference is 28 percent larger.

There is a high cost to MNCs that neglect striving for a better balance in how leaders spend their time. A heavier focus on managing leads to less job satisfaction, higher turnover, and lower engagement among leaders. If organizations signaled that time spent interacting was as valuable as time spent managing, they likely would have a stronger leadership bench strength, which, in turn, would be closely linked to superior financial performance.

DDI has evaluated thousands of leaders using a highly valid assessment center process. In simulated leadership environments, we assess a wide range of competencies but also focus on key interaction skills:

• Maintains or enhances self-esteem.
• Listens and responds with empathy.
• Asks for help and encourages involvement. (to enhance collaboration)
• Shares thoughts, feelings, and rationale. (to build trust)
• Provides support without removing responsibility. (to build ownership)
• Facilitates discussions.

Leader performance on these interaction skills is sorely lacking, with fewer than one in three displaying high proficiency.** Not surprisingly, senior managers perform as poorly as new frontline leaders.

Now What

.01 MNCs need to hold all levels of managers accountable, in equal proportions, for their interpersonal skills and the results they accomplish. Measurement of employee engagement has come a long way in providing leaders with feedback (which can be used as benchmarks) on how others perceive them.

.02 Ensure that your selection and promotion systems include a valid measure of interaction skills. A bias remains to select or promote leaders based on their technical skills rather than their general or intercultural leadership skills.

.03 Building positive interaction skills is not easy. In our experience in training thousands of leaders, coupling years of practice with a heavy dose of self-insight, leaders can be trained and developed to interact better with others.


Realizing the MNC Opportunity
The Discipline of Getting Things Done

According to research by the Corporate Leadership Council*, two-thirds of the success of talent initiatives depends on the effectiveness of the implementation versus one-third on the design or content. This rate is likely higher for global initiatives. We believe that effective and sustainable global talent initiatives can be achieved through an execution approach that is as thoroughly planned and monitored as the design and content. We emphasize this because we have seen many initiatives fail that focused on elaborate designs that were difficult to deploy on a global scale and ultimately failed to generate expected returns on investment.

For MNCs to realize the many opportunities open to them—access to the global marketplace, tapping into emerging economies, or productivity advantages over domestic companies—they have to develop discipline in the way they are managing leadership across the world.

From MNC Barriers to Enablers

DDI research has revealed six critical talent priorities that MNC organizations predominately focus on. Global Leadership Development and Succession Management, among others, are currently the most common talent priorities of multinational organizations, which aligns with recent findings about Human Capital priorities by the Conference Board.** The same research identifies seven barriers that can stand in the way of successful talent initiative outcomes if they are not anticipated and managed properly. The barriers are Execution, Process, and Deployment; Language; Cultural Alignment; Business Strategy Connection and Governance; Legal Considerations; Procurement and Funding; and Technology. These barriers can be turned into enablers of initiative outcomes through a disciplined approach of identification, evaluation, and planning as part of the global implementation strategy. The grid on pages 26–27 indicates which elements of this report will help MNCs understand and leverage these enablers to achieve successful leadership outcomes. Please contact us for more detail regarding MNC enablers to successful global implementation.

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.01 Same, but Different  Domestic organizations and MNCs alike are facing unprecedented levels of volatility, uncertainty, complexity, and ambiguity. One could easily assume that the challenges in driving growth, productivity, profitability, and market share are merely at different points along the VUCA continuum for domestic and multinational companies. However, this research shows significant qualitative differences for leaders in MNCs. These differences range from uniquely different leader experiences to different skills required for MNC leaders to the success rate for MNC high-potential leaders. The notion that talent challenges in MNCs are just more complex than in domestic companies is misleading and can result in ineffective leadership practices and approaches. Knowing about these differences and designing a talent strategy and objectives with them in mind will result in talent initiatives with higher rates of return.

.02 Upping the HR Game  The requirements for HR professionals have increased dramatically for any organization competing in today’s hypercompetitive markets. Given the unique demands and requirements of leaders in MNCs, the complexity of managing global talent initiatives, and the need to leverage contemporary technology and talent analytics to maximize talent outcomes, global HR teams in MNCs need to play at the top of their game. This involves understanding and anticipating business requirements and associated talent gaps and trends (HR Anticipator role). Unfortunately, many MNC organizations report a significant gap in the global capabilities of their HR teams. Therefore, hiring business- and technology-savvy global talent managers with a global mind-set and making these areas primary development targets for your global HR teams becomes a must-have strategy.

.03 The Discipline of Global Execution  Compounding evidence shows the importance of disciplined implementation strategies for global talent initiatives that consider corporate as well as local interests, objectives, and requirements. Equipping the organization, the global HR team, and leaders in MNC organizations to leverage implementation enablers appropriately manages risks and drives more successful and sustainable leadership and business outcomes.
<table>
<thead>
<tr>
<th>Leadership Development</th>
<th>Language</th>
<th>Cultural Alignment</th>
<th>Business Strategy Connection and Governance</th>
<th>Legal Considerations</th>
<th>Procurement and Funding</th>
<th>Technology</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Working Within the VUCA Vortex</td>
<td>Barriers to MNC Program Success</td>
<td>Global Program Implementation</td>
<td>Working Within the VUCA Vortex</td>
<td>Improving the Odds for Expatriates</td>
<td>Global Program Implementation</td>
</tr>
<tr>
<td></td>
<td>Global Program Implementation</td>
<td>Barriers to MNC Program Success</td>
<td>Global Program Implementation</td>
<td>Leadership Analytics</td>
<td>Improving the Odds for Expatriates</td>
<td>Global Program Implementation</td>
</tr>
<tr>
<td></td>
<td>High Potentials, Higher Stakes</td>
<td>Leadership Analytics</td>
<td>Global Program Implementation</td>
<td>Leadership Analytics</td>
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<td>Global Program Implementation</td>
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<td>Global Program Implementation</td>
<td>Leadership Analytics</td>
<td>Leadership Analytics</td>
<td>Improving the Odds for Expatriates</td>
<td>Global Program Implementation</td>
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</table>

Global Leadership Forecast 2014-2015
<table>
<thead>
<tr>
<th>Execution, Process, and Deployment</th>
<th>Language</th>
<th>Cultural Alignment</th>
<th>Business Strategy Connection and Governance</th>
<th>Legal Considerations</th>
<th>Procurement and Funding</th>
<th>Technology</th>
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<td>Leadership Analytics</td>
<td>Global Program Implementation</td>
<td>The Toll of Technology Leadership Analytics</td>
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<td></td>
<td></td>
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<tr>
<td>Barriers to MNC Program Success</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Improving the Odds for Expatriates</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Leadership Analytics</td>
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<table>
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<th>Global Program Implementation</th>
<th>Barriers to MNC Program Success</th>
<th>Global Program Implementation</th>
<th>Global Program Implementation</th>
<th>The Toll of Technology Leadership Analytics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Program Implementation</td>
<td>The Toll of Technology Leadership Analytics</td>
<td>Leadership Analytics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Toll of Technology Leadership Analytics</td>
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<th>Barriers to MNC Program Success</th>
<th>Global Program Implementation</th>
<th>Leadership Analytics</th>
<th>Global Program Implementation</th>
<th>The Toll of Technology Leadership Analytics</th>
</tr>
</thead>
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<td>The Toll of Technology Leadership Analytics</td>
<td>Leadership Analytics</td>
<td></td>
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<td>The Toll of Technology Leadership Analytics</td>
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<th>Barriers to MNC Program Success</th>
<th>Global Program Implementation</th>
<th>Leadership Analytics</th>
<th>Global Program Implementation</th>
<th>The Toll of Technology Leadership Analytics</th>
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</thead>
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<td>The Toll of Technology Leadership Analytics</td>
<td>Leadership Analytics</td>
<td></td>
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<tr>
<td>The Toll of Technology Leadership Analytics</td>
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# Appendix  Demographics

## Organization Characteristics

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<tr>
<th>Industry</th>
<th>%</th>
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<tbody>
<tr>
<td>Business Services</td>
<td>6%</td>
</tr>
<tr>
<td>Construction</td>
<td>2%</td>
</tr>
<tr>
<td>Energy &amp; Resources</td>
<td>6%</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>9%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>6%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>25%</td>
</tr>
<tr>
<td>Other</td>
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</tr>
<tr>
<td>Pharmaceuticals</td>
<td>2%</td>
</tr>
<tr>
<td>Retail &amp; Consumer Business</td>
<td>5%</td>
</tr>
<tr>
<td>Technology &amp; Telecommunications</td>
<td>23%</td>
</tr>
<tr>
<td>Transportation</td>
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<table>
<thead>
<tr>
<th>Number of Employees</th>
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<tr>
<td>1–200</td>
<td>8%</td>
</tr>
<tr>
<td>201–500</td>
<td>13%</td>
</tr>
<tr>
<td>501–1,000</td>
<td>9%</td>
</tr>
<tr>
<td>1,001–5,000</td>
<td>22%</td>
</tr>
<tr>
<td>5,001–10,000</td>
<td>14%</td>
</tr>
<tr>
<td>10,001–20,000</td>
<td>9%</td>
</tr>
<tr>
<td>20,001–50,000</td>
<td>12%</td>
</tr>
<tr>
<td>50,001 or more</td>
<td>13%</td>
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</tbody>
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## Leader Characteristics

<table>
<thead>
<tr>
<th>Leader Level</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>First-level leader</td>
<td>32%</td>
</tr>
<tr>
<td>Mid-level leader</td>
<td>33%</td>
</tr>
<tr>
<td>Senior or Higher-level</td>
<td>29%</td>
</tr>
<tr>
<td>Executive or Senior-level</td>
<td>6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>77%</td>
</tr>
<tr>
<td>Female</td>
<td>23%</td>
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<table>
<thead>
<tr>
<th>Generation</th>
<th>%</th>
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<tbody>
<tr>
<td>Millennials</td>
<td>6%</td>
</tr>
<tr>
<td>Generation X</td>
<td>77%</td>
</tr>
<tr>
<td>Baby Boomers</td>
<td>17%</td>
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<table>
<thead>
<tr>
<th>Age</th>
<th>%</th>
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<tbody>
<tr>
<td>Less than 25</td>
<td>1%</td>
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<tr>
<td>26–35</td>
<td>16%</td>
</tr>
<tr>
<td>36–45</td>
<td>44%</td>
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<td>46–55</td>
<td>31%</td>
</tr>
<tr>
<td>56–60</td>
<td>6%</td>
</tr>
<tr>
<td>Over 60</td>
<td>2%</td>
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<table>
<thead>
<tr>
<th>Organizational Tenure</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>5%</td>
</tr>
<tr>
<td>1–5 years</td>
<td>24%</td>
</tr>
<tr>
<td>6–10 years</td>
<td>28%</td>
</tr>
<tr>
<td>11–15 years</td>
<td>16%</td>
</tr>
<tr>
<td>More than 15 years</td>
<td>27%</td>
</tr>
</tbody>
</table>
2,972 Leaders
383 Organizations
48 Countries
About DDI’s Center for Analytics and Behavioral Research

The Global Leadership Forecast 2014|2015 is part of the continuing series of trend research conducted by DDI’s Center for Analytics and Behavioral Research (CABER). CABER’s publications are designed to produce actionable, evidence-based insights to advance knowledge of current and emerging talent management topics such as leadership development, succession management, and talent acquisition.

CABER also conducts, coordinates, and champions analytical research with DDI’s clients to benchmark, evaluate, forecast the effects of, and optimize their talent management practices toward the goal of prescriptively aligning talent readiness with business objectives. CABER’s research, including this report, is available at www.ddiworld.com.

About Development Dimensions International (DDI)

Who We Are. Development Dimensions International (DDI) is the world’s premier talent management consultancy. Forty-five years ago, we pioneered the field; today we remain its chief innovator.

What We Do. We help companies transform the way they hire, promote, and develop their leaders and workforce. The outcome? People ready to instigate, understand, and execute business strategy and address challenges head-on.

How We Do It. If you have ever had a leader you revered or marveled at how quickly a new hire came up to speed, you might very well be experiencing DDI at work. Often, we are behind the scenes, creating custom training or assessments that clients can roll out on their own. Other times, we are more visible, helping clients drive big changes in their organization. Always, we use the latest methods, based on science and the test of time.

Who We Do It With. Our clients are some of the most successful companies on earth. They’re Fortune 500s and multinationals, doing business across a vast array of industries, from Berlin to Bangalore and everywhere in between. We serve clients from 42 DDI-owned or closely affiliated offices.

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The Conference Board is a global, independent business membership and research association working in the public interest. Our mission is unique: To provide the world’s leading organizations with the practical knowledge they need to improve their performance and better serve society.

Founded in 1916, The Conference Board is an objective, independent source of economic and business knowledge with one agenda: to help our member companies understand and deal with the most critical issues of our time.

We conduct research and convene business leaders in forums large and small, public and private. The insights captured through our extensive network feed directly back into our research and meeting agendas, ensuring that our activities remain sharply focused on the key issues of the day.

The Conference Board works within and across three main subject areas—Corporate Leadership, Economy & Business Environment, and Human Capital—to create a unique, enterprise-wide perspective that helps business leaders respond today, anticipate tomorrow, and make the right strategic decisions every day.
About the Industry Authors

**Elmar Kronz** is a vice president at DDI. He is responsible for defining and executing DDI’s strategy for supporting multinational companies in achieving their global talent objectives. Elmar and his team of global experts can provide thought leadership, advice, and implementation support to ensure global talent initiatives in DDI’s MNC client organizations are successful and achieve long-lasting business impact. Prior to taking this position, Elmar held regional leadership roles as vice president for DDI Europe, based in London, and vice president Asia, based in Shanghai, with overall responsibility for the consulting, business development, and operational strategy. He also previously held the position of managing director of DDI Germany and Southern Europe operations.

**Evan Sinar, Ph.D.,** is DDI’s chief scientist and director of its Center for Analytics and Behavioral Research (CABER). Evan and his team conduct comprehensive analytical evaluations of talent management programs to gauge their impact and to forecast opportunities to better align with business strategy. They also produce contemporary, prescriptive thought leadership about talent management practices. Evan serves as a thought leader for DDI on topics such as leadership development, talent management analytics, data visualization, generational differences, social media, and preemployment assessment. He is a member of the Society for Industrial and Organizational Psychology’s executive board and a frequent presenter at professional conferences. Evan’s work has been featured in *Chief Learning Officer,* the *Journal of Applied Psychology,* *Personnel Psychology,* and numerous other publications.

**Simon Mitchell** is general manager of DDI UK and has responsibility for designing DDI’s global marketing strategy for multinational companies, which are a key pillar in DDI’s overall business strategy. He also leads the European marketing team and is a member of the DDI European Leadership team. Before joining DDI in 2006, Simon held various marketing, sales, and P&L roles for organizations, including the industrial, manufacturing, and business services group Pickerings; the asset management organization Microlease plc; and the health care and medical device group Whatman plc, part of GE Healthcare. In his career Simon has led culture change/business reengineering programs, set corporate vision, mission, and values, and formulated long-term strategic direction. Simon is a prime commentator in the European business and HR media and has been quoted on BBC Radio 4, the BBC, BBC World Service, and Voice of America as well as in *The Times,* *the Financial Times,* *Business Review Europe,* and *Management Today.*
About the Global Authors

**Evan Sinar, Ph.D.** is DDI’s chief scientist and director of its Center for Analytics and Behavioral Research (CABER). Evan and his team conduct comprehensive analytical evaluations of talent management programs to gauge their impact and to forecast opportunities to better align with business strategy. They also produce contemporary, prescriptive thought leadership about talent management practices. Evan serves as a thought leader for DDI on topics such as leadership development, talent management analytics, data visualization, generational differences, social media, and preemployment assessment. He is a member of the Society for Industrial and Organizational Psychology’s executive board and a frequent presenter at professional conferences. Evan’s work has been featured in *Chief Learning Officer*, the *Journal of Applied Psychology*, *Personnel Psychology*, and numerous other publications.

**Richard S. Wellins, Ph.D.** is senior vice president at DDI. He is responsible for launching DDI’s new products and services, leading DDI’s Center for Analytics and Behavioral Research and its major research projects, and developing and executing DDI’s global marketing strategy. An expert on leadership development, employee engagement, and talent management, Rich has written for more than 40 publications and published six books, including *Empowered Teams, Inside Teams*, and *Reengineering’s Missing Ingredient*. He has made more than 100 presentations at professional conferences worldwide and is a judge for CNBC’s Asia Business Leaders Award. His research and insight have been featured in *The Wall Street Journal*, *BusinessWeek*, *Forbes.com*, *USA Today*, and numerous international publications and on National Public Radio.

**Rebecca Ray, Ph.D.** is executive vice president, Knowledge Organization and Human Capital Practice Lead for The Conference Board. She oversees the research planning and dissemination process for three practice areas (Corporate Leadership, Economics and Business Development, and Human Capital); she is responsible for defining the research agenda that also drives The Conference Board’s business planning process. She is responsible for overall quality and the continuing integration of The Conference Board’s research and engagement efforts. Rebecca is author of numerous articles and books, including her coauthored work, *Measuring Leadership Development* (McGraw-Hill), and *Measuring Employee Engagement* (ATD—expected Fall 2014 release).

**Amy Lui Abel, Ph.D.** is managing director of Human Capital at The Conference Board. She leads research efforts focusing on human capital analytics, leadership development, labor markets, strategic workforce planning, talent management, diversity and inclusion, human resources, and employee engagement. Amy was recently published in *People & Strategy Journal, The SAGE Handbook of Workplace Learning, Human Resource Development Quarterly*, and ATD’s *T+D* (Training and Development) magazine.

**Stephanie Neal, M.A.** is a research associate in DDI’s Center for Analytics and Behavioral Research. She conducts evaluation studies and research on leadership and human talent in the workplace. Stephanie also has worked with clients from a wide variety of industries to design and execute analytics initiatives that demonstrate the impact of assessment and development programs on individual-level behavior change and organizational-level business objectives.
Global Sponsors

Association for Talent Development

The Association for Talent Development (ATD), formerly ASTD, is the world’s largest association dedicated to those who develop talent in organizations. These professionals take the knowledge, skills, and abilities of others and help them achieve their full potential. ATD’s members come from more than 120 countries and work in public and private organizations in every industry sector. ATD supports the work of professionals locally in more than 125 chapters, international strategic partners, and global member networks. Visit www.astd.org.

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Gutemberg Consultores considers human resources as human, rather than simple resources. Gutemberg Consultores provides its clients with tailor-made services through a multidisciplinary team consisting of consultants with solid credentials, fluent in English and Spanish, and proven professional experience in Brazil and elsewhere. See more at www.gutemberg.com.br.

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HR.com is the largest online community where human resource professionals can showcase their talent, share their expertise, learn from industry experts, and network with more than 240,000 HR professionals to take advantage of invaluable resources. HR.com offers unlimited e-learning credits for certification and recertification, a guaranteed pass PHR/SPHR exam preparation course, personal excellence app for your organization, online monthly excellence essentials publications, and global leadership programs. Learn more at www.HR.com.

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HRroot is a leading human resources media and Internet company in China, with brands and services such as www.HRroot.com, Human Capital Management magazine, Overclass, Society for HR Executives, and more. More than 20,000 people have attended HRroot’s off-line events each year, while its publications have a readership of 30,000. It serves over 20,000 customers now, including more than 95 percent of the Fortune 500 companies in China. Visit www.HRroot.com.

Institute of Executive Development

The mission of the Institute of Executive Development (IED) is to drive innovation in executive development. IED supports business executives, boards, and talent management professionals to benchmark their practices, design their strategies, and create high-impact executive development services. More information is at www.execsight.com.

Mexican Association for Human Resources Direction

The Mexican Association for Human Resources Direction (AMEDIRH) was founded in 1947, and from its inception achieved significant growth in membership as well as in services and alliances with organizations in the United States and Canada. The association partners with more than 12,500 human resources executives from its member organizations. AMEDIRH’s mission is to promote the development of these executives and help them achieve their growth objectives. For more information, visit www.amedirh.com.mx.

People Matters

People Matters is a leading human resources knowledge and media platform in India. People Matters’ print, online, digital, and events platforms provide thousands of HR and business stakeholders with information, best practices, trends, and industry news. In a short span of four years, it has emerged as India’s single point of reference for knowledge in the HR industry. Visit www.peoplematters.in.

The Next Step

The Next Step is a specialist consulting practice in the human resource market within Australia since 1998. Its activities cover all areas of human resource recruitment, including search, advertised selection, human resource contracting, and interim human resource management. For more, see www.thenextstep.com.au.
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