DDI Summit : 2016
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Leadership through a new lens.
InSight.

DDI Summit: 2016

Reframing the Talent Review

Matt Paese, Ph.D.
The Problem

- Lack of bench strength
- Need to look deeper, sooner, at larger audiences
- Talent reviews are complex and fraught with politics
- Traditional approaches used for senior management (9-box) don’t scale:
  - Too labor intensive
  - Senior management lacks insight into those being evaluated
Talent Review Approaches

**Organizational Review**

Aimed at reviewing the organization’s entire talent picture in order to gauge enterprise-level readiness to take on current and emerging business challenges.

**Acceleration Review**

Aimed at identifying individuals with leadership potential, and agreeing on actions that will accelerate their development, and prepared them for advanced leadership roles more rapidly.
# Talent Review Objectives

## Organizational Talent Reviews

<table>
<thead>
<tr>
<th>Review Organizational Capability</th>
<th>Review Key Talent Capability</th>
<th>Identify Leadership Potential</th>
<th>Evaluate Leadership Readiness</th>
<th>Make Development Assignments</th>
<th>Evaluate Development Progress</th>
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</thead>
</table>

## Acceleration Reviews
"I didn’t learning anything new."

-- CEO, Chemicals Corporation
Let’s remember…

Why review talent?

To GROW it.

Faster.
A memory test...

... think back to the time in your career when you were learning more rapidly than any other time.
Acceleration is Energy

Fear
Risk
Excitement
Exhilaration
Terror
Thrill
Possibility
Anxiety
Experimentation
How the great ones do it

“We teach our leaders to be shrewd and accurate in reviewing talent and identifying potential.”

- Optimize the talent review to build momentum for Acceleration.
- Quickly and accurately identify potential.
- Know the organization’s talent, cold.
INCREASE ACCURACY through consistent, observable, criteria.

CREATE A definition FOR HIGH POTENTIAL.
FIND HIDDEN TALENT

EDUCATE ON WHAT high potential LOOKS LIKE & CREATE talent scouts EVERYWHERE.
Potential ≠ Readiness
DDI Leadership Potential Factors

SUSTAINED PERFORMANCE

Leadership Promise
- Propensity to Lead
- Brings Out the Best in People
  - Authenticity
- Culture Fit
- Passion for Results

Personal Development Orientation
- Receptivity to Feedback
  - Learning Agility
- Adaptability
  - Conceptual Thinking
  - Navigates Ambiguity

Balance of Values and Results

Mastery of Complexity

GROWTH INTO LEADERSHIP ROLES
The Leadership Potential Inventory

- Launched in 2002
- 100+ clients and 10,000+ leaders evaluated
- Multi-rater behavioral questionnaire (50 items) with dynamic 9-box technology for use in management integration discussions

LPI factors

- prediction of job performance:
  - Leadership Promise $r = .33^{**} - .43^{**}$
  - Development Orientation $r = .23^{**} - .27^{**}$
  - Balance of Values & Results $r = .35^{**} - .45^{**}$
  - Mastery of Complexity $r = .22^{**} - 27^{**}$

- prediction of assessment center performance - strongest relationships:
  - Decision Making (36% higher among those identified as high potential)
  - Strategic Planning (20% higher)
  - Driving Execution (300% higher)
  - Leading Change (160% higher)

- More efficiency + more discovery of previously-unknown talent
Assessing Potential Across the Pipeline

- Who has the potential to lead?
- Who has the potential to lead at the executive level?
- Who has the potential to lead the entire organization?

**Mitigating Risk (Screening)**
**Finding Possibility (Growth)**

**Comprehensive Assessment**
**Multi-rater + Management Integration**
**Inventory-driven Self-Assessment**

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Leadership Potential—Early Identifier

For Management:
• More scalable alternative to traditional 9-box
• Accurate insight into individuals with leadership potential
• Earlier identification of potential

For Individual Leaders:
• Unique and provocative developmental insight
• High trust in the organization and the purpose of the process
• Support and guidance in development
Conclusions

• Talent review objectives must be clear and adopted.

• If accelerated growth is a goal, the talent review must identify leadership potential.

• The word “potential” is dangerous in the hallways.

• Instead of naming people, name the experience they will have:
  • Specialized learning vs. High potential leader

• The self-assessment of potential should not replace management’s assessment, but it is useful for early-identification:
  • Avoid the implication of “self-nomination”
  • Focus on growth and development with self-assessment
  • Be transparent about how data will be used, and consider opt-in/opt-out

• Resist pressure to apply assessments of potential as assessments of readiness

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Thanks!