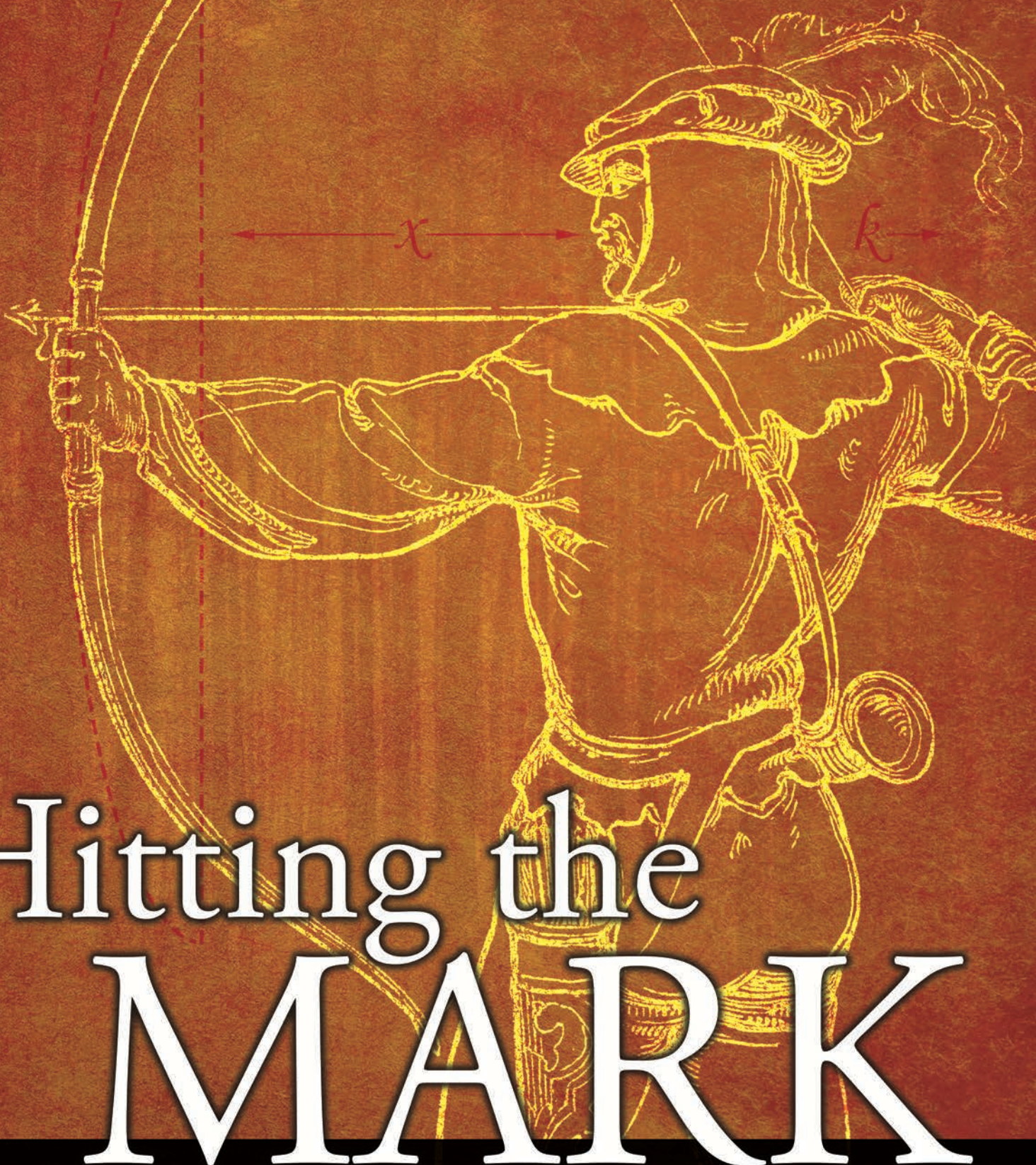


Profiles International
imagine great people®



Hitting the MARK

with High Potentials



contents

Introduction.....	1
What is Potential?	3
The Difference Between High Potential and High Performance.....	5
The Upside to Acknowledgement ... and the Downside	7
High-Potential Development Equals High-Performance Workplace	9
The 3 Best Ways to Identify High Potentials.....	11
The Arrow's Point.....	12

Characteristics *of* High Potentials

The Definition of a
High-Potential Employee

aspiration

The desire for the responsibilities,
challenges, and rewards entailed
by more senior roles.

ability

Combination of innate
characteristics and learned
skills

engagement


The employee's emotional and rational
commitment, discretionary
effort, and intent to stay

The infamous Robin Hood crouches out of sight in a tree.

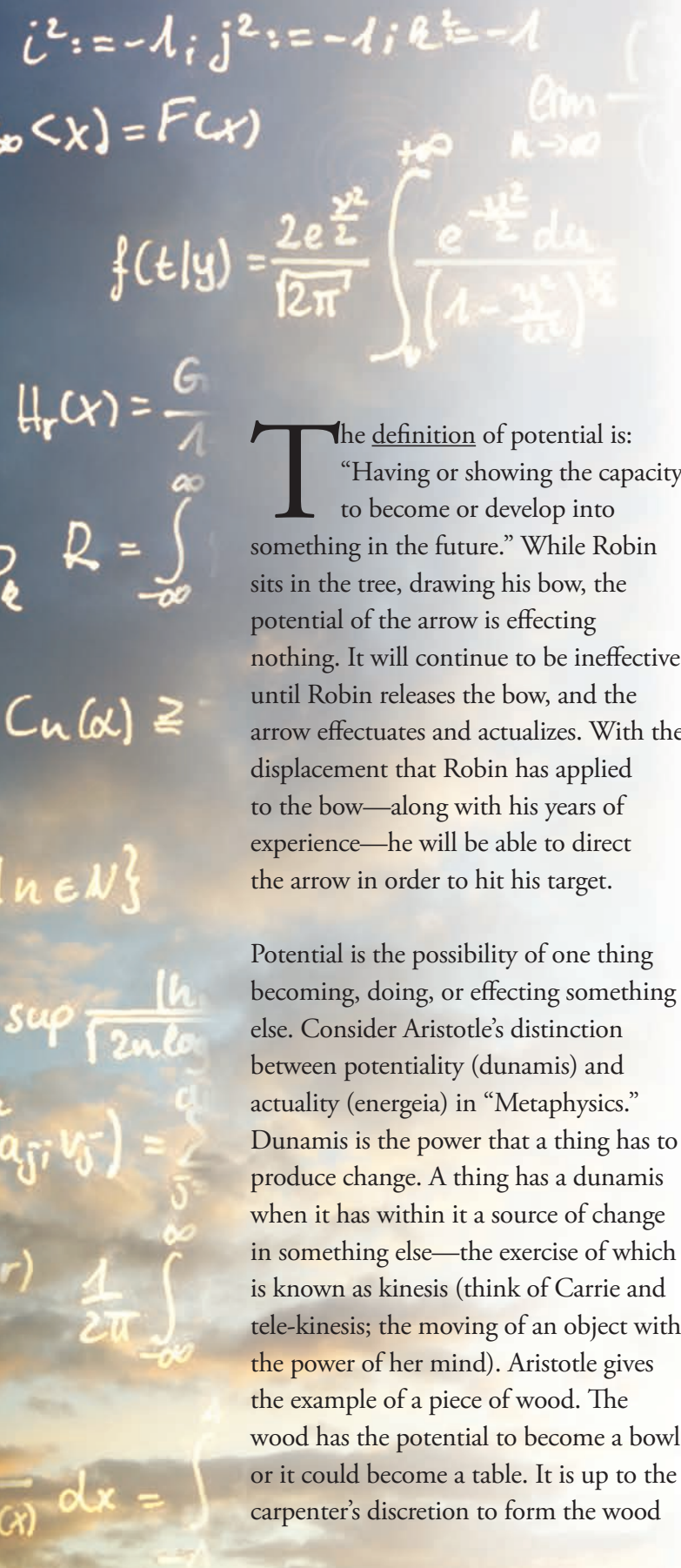
In the drawn and taut bowstring is notched the arrow, aimed down at the corrupt sheriff of Nottingham's hip; more specifically, at the belt from which dangle the keys to the dungeon (where Robin's band of merry men is currently being held). All Robin must do is launch the arrow, which will cut the thread that ties the keys to the sheriff's belt, and retrieve the keys without being caught. As everyone knows, Robin Hood is a master marksman—hitting the mark will be no trouble at all—but for now, neither Robin nor the arrow are doing anything. For now, Robin is waiting, and the arrow—drawn in the bowstring—is full of potential.

Until Robin lets the arrow loose, his company will remain stagnant in Prince John's prison.

For now, $0 = U = k\Delta x^2$ (where U =potential, k =string constant, and x =displacement—“delta” signifies ‘a change in’). What this means is, for now, while Robin Hood sits crouched in the tree drawing the string—until a change is made—the potential of the arrow equals nothing. However, when Robin lets go, all the potential energy that has been building up—the potential that the arrow has—will be realized, converting to kinetic energy, and the stress that has been applied all this time will propel the arrow to actualization.



*When Robin lets go...
the potential that the
arrow has... will be
realized, converting
into kinetic energy...*



Potential is the possibility of one thing becoming, doing, or effecting something else.

The definition of potential is: “Having or showing the capacity to become or develop into something in the future.” While Robin sits in the tree, drawing his bow, the potential of the arrow is effecting nothing. It will continue to be ineffective until Robin releases the bow, and the arrow effectuates and actualizes. With the displacement that Robin has applied to the bow—along with his years of experience—he will be able to direct the arrow in order to hit his target.

Potential is the possibility of one thing becoming, doing, or effecting something else. Consider Aristotle’s distinction between potentiality (dunamis) and actuality (energeia) in “Metaphysics.” Dunamis is the power that a thing has to produce change. A thing has a dunamis when it has within it a source of change in something else—the exercise of which is known as kinesis (think of Carrie and tele-kinesis; the moving of an object with the power of her mind). Aristotle gives the example of a piece of wood. The wood has the potential to become a bowl, or it could become a table. It is up to the carpenter’s discretion to form the wood

into either a table or a bowl. Of course, a carpenter can see the potential the wood has of becoming something more purposeful, and won’t let it simply sit there to rot. Let’s say he decides to fashion it into a bowl. The bowl is still the same piece of wood it was before the carpenter carved it, but now it serves a higher function; it has been shaped.

The purpose of these examples is this: potential doesn’t mean anything. That is the paradox of the high-potential—while they may be a company’s greatest asset, their productivity may not be actualizing. It is imperative that a leader identify, assess, and develop high-potential employees. A leader must apply work (force, displacement, like Robin Hood’s bow) and see potential in an unrefined employee to cast them as a high-performer.

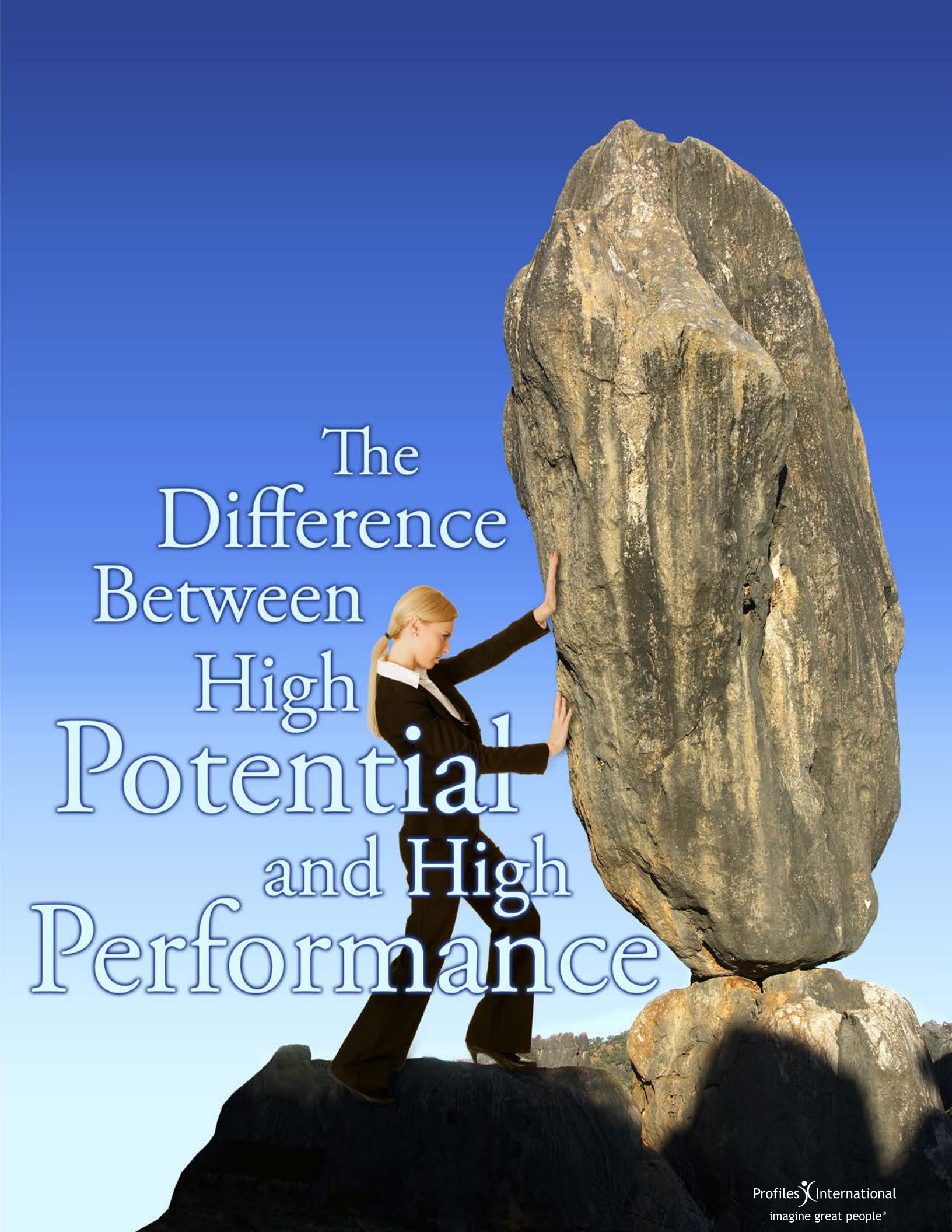
Performance does not necessarily mean potential. A high-performer will typically give an immediate return on investment, often averaging from more than 50% additional value to the venture, and as much as 100% increase in productivity over average performers. However, the high-potential (or HiPo) typically demonstrates high-level contributions, organizational values, potential to move up to a higher position within a given timeframe, and potential to assume greater responsibility. Often times a high-potential employee will demonstrate high productivity, but it does not work the other way around. When looking to identify a high-potential, keep in mind that performance does not mean potential. Of course, a high-performer stands out in your organization—and for good reason—but it may be a costly mistake to promote them to a leadership position. That is why it is important to evaluate an individual's potential, performance, output, etc.

It is important to make the distinction between high potential and high performance; confusing the two may be costly. For example, say you have a top-selling sales rep. You promote him to manager, and he ultimately fails; because, while he had the performance skills, he had neither the aptitude nor desire to lead. He did not have the initial potential. What's worse, the high-potential employee that you overlooked feels snubbed, and leaves the company, looking for better growth opportunities elsewhere.

High-performers consistently exceed expectations, and are usually the ones called upon to get a big job done, because they have a track record of success. High-potentials, on the other hand, show great aptitude, and will thus potentially do great things for the organization. However, they may need guidance from a seasoned mentor, or pairing with previously established high-performers. Just like the arrow and the piece of wood, the high-potential employee will not hit the mark or become more purposeful without guidance. A recent study shows that more than two-thirds of companies are misidentifying their high-potential employees, thus jeopardizing long-term corporate performance. This failure motivates true high-potential employees to pursue positions with more competitive organizations willing to invest in their development. In order to retain top talent and maximize bottom-line results, companies must re-evaluate their HiPo programs.

The following is a list of things to look for in identifying a high-potential (this list was compiled by Inc.com, but these traits seem to be universal):

1. They know the business.
2. Others respect them.
3. They are ambitious.
4. They work well with others.
5. They are willing to take risks.

A woman in a black business suit stands on a dark rock formation. She is reaching out with both hands to touch a large, tall, and precariously balanced rock formation that stands on a smaller base. The background is a clear, bright blue sky. The text is overlaid on the left side of the image.

The
Difference
Between
High
Potential
and High
Performance

the Upside *to* Acknowledgement

High-potentials need to know that they are appreciated, which can be one of the biggest obstacles for employers. HiPo's know they have the ability, so they can be flighty if they feel they are underappreciated. Giving them encouragement and challenging assignments are good ways to both maintain high-potentials, and simultaneously test and season their abilities. Remember, Robin Hood's arrow wouldn't go as far, and the carpenter's wood wouldn't take shape, if a great amount of force—attention, stress, testing—wasn't applied.

(The Paradox)

On one hand, in order to retain a high-potential employee, you must groom them, meaning you must first designate them as a HiPo, thus running the risk of alienation. On the other hand, HiPo's may become restless and leave. You could argue that it is best (and [studies confirm this](#)) that transparency is the preference for identifying, maintaining, and grooming high-potentials. The good outweighs the bad. Identifying high-potentials will ultimately lead to a high-performance workplace.





The problem is, giving recognition where recognition is due is a lot harder than you might think. As a rule, managers don't want to differentiate between employees; it can cause animosity within the group, among other hassles. The overall benefits have been proven to develop high-potentials, and increase productivity across the board, but being too open and encouraging to high-potentials can have negative consequences. Research claims that there are several reasons why openly identifying a high-potential employee may be a bad idea, which include:

- The probability of poaching increases.
- Increased frustration and turnover if opportunities don't follow.
- Employees may not take development efforts seriously.
- Confusion over where to improve.
- Reduced effort after being acknowledged.
- Ego issues.
- Increased expectation of promotions, exposure, and financial compensation.
- Career micromanagement may create dependence.
- There may be sabotage from co-workers and class warfare.
- A HiPo designation may be permanent.
- Managers may not accurately identify high-potentials.
- Frustration among those not designated.
- Others may treat them differently.

... and the Downside

High-
Potential
Development
High-
Performance
Workplace



Once high-potential employees reach their full actualization, performance in the company will improve overall. When performance improves, morale improves. When morale improves, everybody (for the most part) is happy. And when everybody is happy, the problems that may arise from a HiPo recognition program will take care of themselves. In research for her book, “The Custom Fit Workplace: Choose When, Where, and How to Work and Boost Your Bottom Line” (Wiley Publication), Joan Blades visited a Dr. Pepper manufacturing plant in Texas, which has a high-performance workplace. She writes that one of the managers she spoke with made this analogy: “Lots of people look like limestone and get treated like limestone, tossed aside. Traditional management styles overlook the diamond inside the limestone. [A high performance workplace] recognizes the diamonds.” Blade went on to write that high-performance workplaces benefit from valuing workers’ goodwill and life experiences. Structuring work to empower the 95% who are the best workers is a good idea (the 5% who aren’t doing the optimal work simply don’t belong there, and are responsibly counseled out).

Be More Effective

There are four things companies need to do to more effectively start

identifying and actualizing their high-potential employees.

1. **Redefine “potential” by adopting a clearer** definition that accounts for the key attributes employees need to have in order to advance in the company. This includes the aspiration to advance, the ability to manage and lead others effectively, and the commitment to realize their career goals with their current employer.
2. **Measure potential objectively rather than** relying on the subjective nominations or evaluations of management—by assuming a systematic process for identifying high-potential talent through talent assessment and evaluation.
3. **Ask for commitment in return for career** opportunities. Companies can evaluate engagement and act to mitigate flight risk among high-potential employees by evaluating their present engagement as well as their long-term commitment to the organization.
4. **Create differentiated development** experiences. Most high-potential programs (equipping your most promising people to handle the challenges associated with moving into a new leadership role) provide opportunities for incremental skill building but fail to prepare high-potential employees for realistic future roles. The best organizations help HiPo’s learn new skills, but also apply existing skills in different roles by exposing them to high-impact development experiences.

The 3 Best Ways to Identify High Potentials

Using assessments is always the optimal—and most objective—way to identify high-potential employees in an organization, because it helps eliminate the finger-pointing inherent in the “good-ol’-boy” system. Criteria—set measurements and data—are essential. A lack of consistency in language (i.e. criteria) from which to make decisions results in an inconsistent process of talent identification. This is one of the biggest complications in identifying HiPos, when the decision-makers base their judgment on personal perceptions. When that happens, identification falls back into the dangerous “buddy system,” which can cause animosity. Proven assessments standardize the platform from which potential is measured, eradicating the possibility of

problematic opinion. Managers who want to recognize high-potentials need to do three things to effectively identify HiPo behavior when implementing an assessment.

- Define the criteria.
- Make the criteria measurable.
- Create or implement tools to measure the high-potential criteria. There are several assessments available to help managers identify and promote high-potential employees.

A reliable and validated assessment will accommodate all three of these needs, and Profiles International offers several such assessments, including the ProfileXT® and Profiles Performance Indicator™.

Proven assessments standardize the platform from which potential is measured, eradicating the possibility of problematic opinion.



The Arrow's Point

Robin Hood can sit up in the tree all day long, but nothing is going to happen until he pulls the bowstring as far as it will stretch, and releases the arrow notched and drawn. A piece of driftwood can float down a lazy river, but until the carpenter picks it up and

fashions it into a bowl, it's nothing but a piece of debris. A high-potential employee will remain nothing but a high-potential employee until they are identified for what they are, and helped to become what they can actually be.



Hitting the Mark with High Potentials. Copyright 2014 by Profiles International. Produced in the United States of America. All rights reserved. No part may be reproduced in any form or by any electronic or mechanical means including information storage and retrieval systems without written permission from the publisher.

Profiles  International
imagine great people®