

What capabilities do your future leaders need?

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Companies have always had a need to identify and develop the next generation of leaders and nurture key talent to protect and grow future business.

Rapid changes in the business and technology landscape are driving the need for new (leadership) skills. As a result, companies are refreshing their talent strategies and leadership profiles.

High-potentials, those with the “ability, organizational commitment, and motivation to rise to and succeed in more senior positions”¹ who can “handle responsibilities of greater scale and scope (breadth and complexity)”² are highly sought after. But how do you identify these talented individuals and what (new) capabilities should they expect to develop?

To answer these questions, you first need to define what you are looking for from your future leaders – i.e. establish a clear set of specifications around the leadership skills and behaviors required to grow and build your *future* firm.

It can be helpful to look at this requirement from two perspectives:

- Intrinsic factors – motivators and behaviors that come from within and hence are largely “self-driven”
- Extrinsic factors – leadership capabilities that future leaders will need to possess and further develop to deliver a firm’s strategic intent

Intrinsic factors:

According to Blais (2013) and the research of Global executive firm Egon Zehnder International, “Executive potential can be gauged by assessing the degree to which an individual possesses five traits: Curiosity, Insight, Engagement (of others), Determination and Motivation.”³

While these traits can be developed, they often reflect the DNA of an individual and should be observable on a regular basis, regardless of industry, function or business climate. Individual’s motives “predict consistent patterns of behavior over time. They are usually not conscious, and are highly related to what people enjoy and get energized or engaged by”⁴.

I tend to notice people who regularly say “yes” to taking on new responsibilities and challenges. Those who seem keen to help their organization progress and who demonstrate that in their enthusiasm, energy and willingness to learn - maintaining a positive, yet realistic outlook in difficult circumstances.

¹ Campbell, Michael. and Smith, Roland. (2014). “High-potential Talent. A View from Inside the Leadership Pipeline”. Center for Creative Leadership.

² Fernández-Aráoz, Claudio., Groysberg, Boris. and Nohria, Nitin. (2011). “How to Hang On to Your High Potentials”. Harvard Business Review.

³ Blais, Lisa.G. (2013). “Look Past Performance to See Potential”. Diversity Executive.

⁴ Fernández-Aráoz, Claudio., Groysberg, Boris. and Nohria, Nitin. (2011). “How to Hang On to Your High Potentials”. Harvard Business Review.

Extrinsic factors:

Extrinsic factors are the leadership capabilities a firm needs to develop and excel at to be successful in the marketplace. While there is some commonality across organizations each firm will have its own sense of priority as to the specific capabilities its' leaders need depending its mission, values and future strategy.

Traditional leadership capabilities have included:

- Ability to drive business growth
- Strength in transformation and change
- Excellence in customer relationships and satisfaction
- Developer of people and talent
- Self-awareness
- Learning agility (increasingly critical and combines capability and behavior)

In a rapidly changing business and technical landscape, required capabilities have extended to other areas, including:

- Global business partner and collaborator
- Calculated risk-taker
- Embracer of high technology
- Business pioneer and innovator.

Each of these capabilities and behaviors can be described in more detail and high potentials then measured against them. One can also capture the level of capability maturity expected at different ranks, to help in assessment and development planning.

When building a picture of what a leader should look like, it can also be helpful to identify role models, and distill what capabilities they have and the behaviors they consistently exhibit.

No individual is expected to excel at everything and each will leader will bring his/her own strengths. However, by clearly defining and prioritizing the capabilities and behaviors you are seeking from future leaders, the task of identifying them - working through a consistent and managed process - becomes a lot easier.

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