



COMPETITIVE ADVANTAGE. REALIZED.

Optimizing Talent

Presented by:

Jim Kauffman
Development Dimensions
International



Risks of not managing talent

When there is no succession management system in place, half (49%) of those who are promoted to top management jobs fail.

- Leadership Forecast Study, DDI, 2003



Supply & Demand

78% of organizations continue to have difficulty finding qualified leader candidates.

- Leadership Forecast Study, DDI, 2003



Identifying Potential

System Components	Top 20	Overall group (240)
Formal process for early identification	91%	61%
Communicate to those identified of status	Nearly all	< 50%

CEO Magazine and Hewitt Associates, June 2002



Identifying Potential

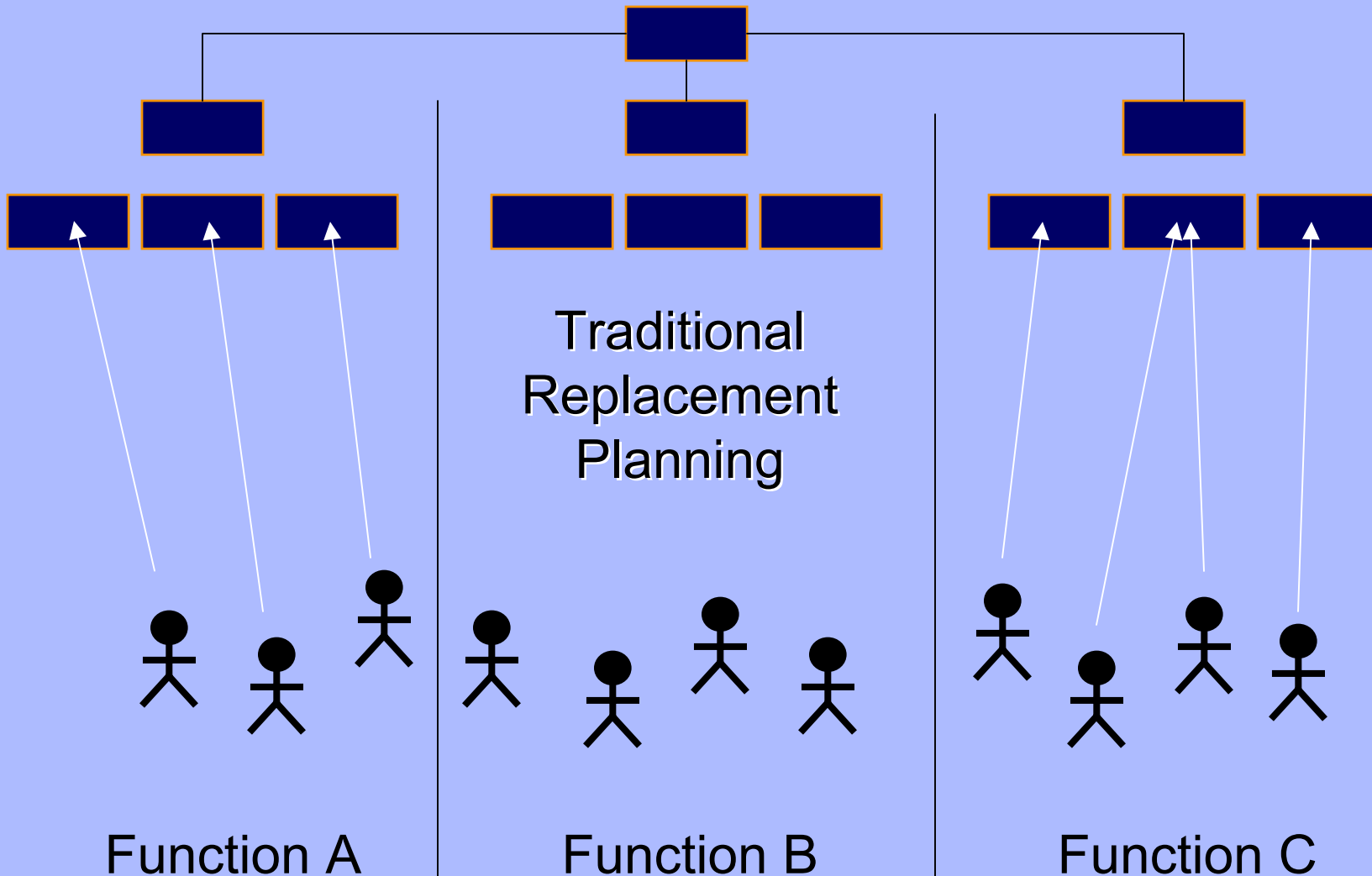
Objective:

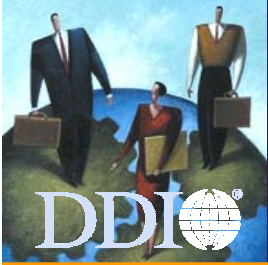
Accurately identify those individuals, whose sustained track record, personal characteristics, motivations, and leaderships skills:

- Predict they will take advantage of and benefit from special growth
- Reflect desired vision of future strategic leaders
- Offer the highest likely ROI from development

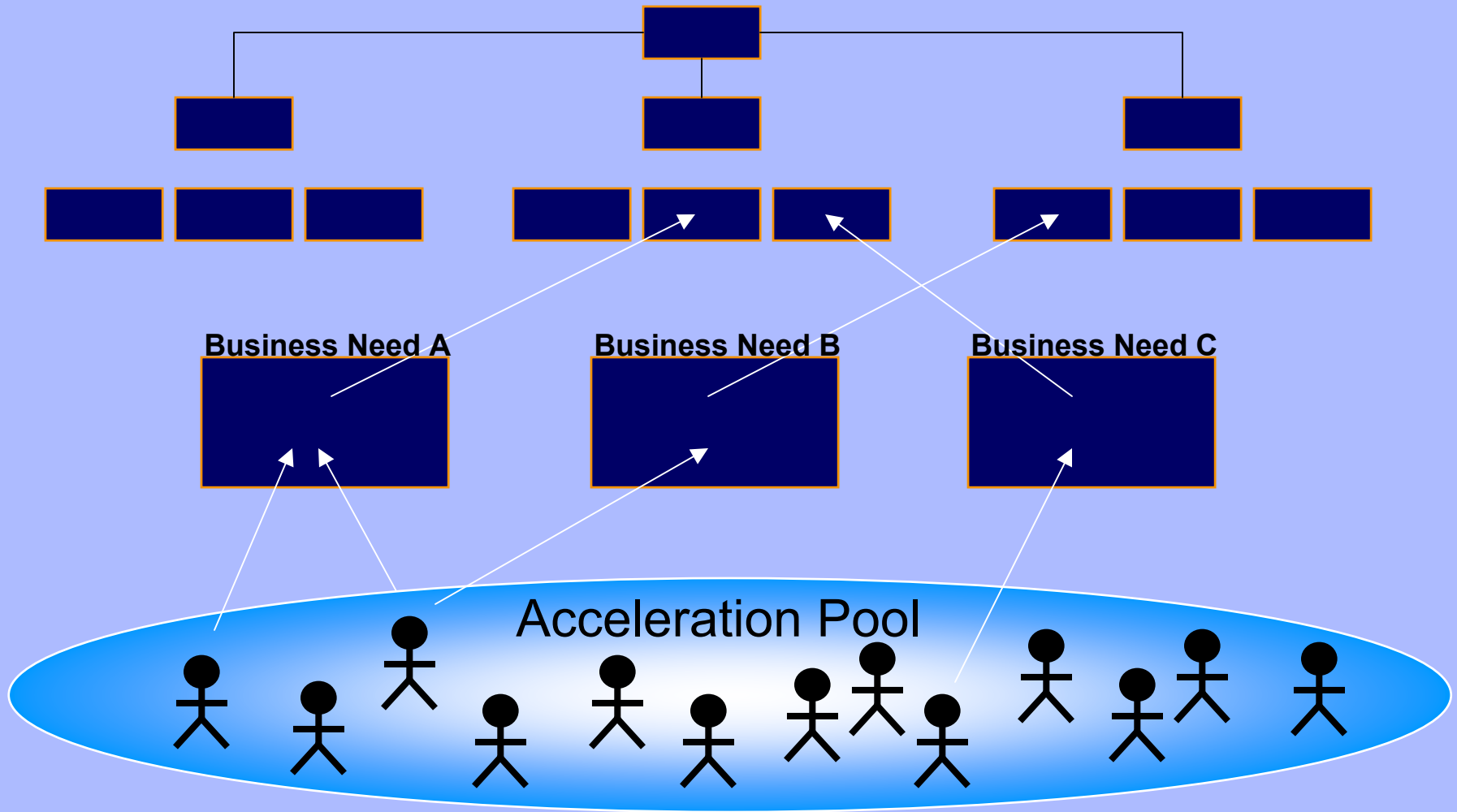


Traditional approach to succession





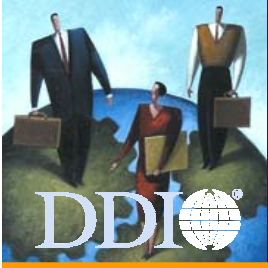
Acceleration Pool Approach





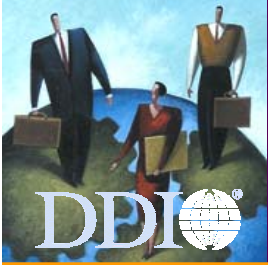
Identification of Potential vs. Assessment of Readiness

	IDENTIFY POTENTIAL	ASSESS READINESS
Goal:	Find Individuals with Greatest Promise for Growth	Determine Development Needs
Who:	Wide Net	Already a “Hi-Po”
Assumed Factors:	“Hard to Acquire” “Enabling” Traits, Skills, and Abilities	Holistic Individual Evaluation, Stretch - <i>Competencies</i> - <i>Personal Attributes</i> - <i>Experience</i> - <i>Knowledge</i>
Outcomes:	Selection Into Acceleration Pool	Stronger Talent Pool and Increased Readiness
Evaluators:	Organizational Observers	Professional Assessors and Organizational Observers



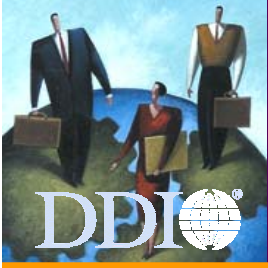
Identifying Potential Mistakes

- Focus on current performance
- Inconsistent criteria
- No common vision of future leadership needs
- Unchallenged perspectives and opinions
- Provincialism: “Promote your own” strategies
- Singular focus on strengths (no consideration of leadership derailers)
- Identification without subsequent diagnosis



General Nomination Criteria

- A **history of job success**, as evidenced by measures of revenue growth, process improvements, or innovation.
- **Proven leadership.**
- **Motivation for top management** and demonstrated actions to get there.
- Displayed **business acumen/** entrepreneurial ability.
- Evidence of **strategic thinking.**
- Modeling **organizational values.**
- **Development** of self and others.



Workshop Interaction Topics

- Before the Nomination Meeting
- Mechanics of the Nomination Meeting
- After the Nomination Meeting