



RESEARCH ABSTRACT

What Characterizes High-Potential Leaders?

A recent study by Management Research Group® identifies the leadership practices and personal competencies that differentiate high potential leaders from others.

The race for talent is on, and organizations globally are working to fill their leadership pipelines, as senior executives move towards retirement. In this climate, organizations commit enormous amounts of time and money to identify those individuals most suited for promotion to senior ranks. The risks of selecting the wrong individuals are great for both the organizations and the people chosen in terms of lost time, effort, and money. MRG recently conducted an in-depth study of what makes a manager a high-potential, and a sampling of these results are summarized below.

THE STUDY

United States managers and department heads between the ages of 20 and 35 working in the functional areas of finance, customer service, administration, technical and engineering, and sales were sampled from a large international database of leadership information maintained by the Management Research Group. Two hundred eighty-seven individuals who rated as having "unlimited" future potential by their bosses were compared with 484 individuals who were rated below this category. Bosses had rated individuals in both groups on the Leadership Effectiveness AnalysisTM instrument which assesses 22 leadership practices and 26 competency areas. Median boss ratings of leadership practices for each group are provided in Figure 1.

High potential managers were rated significantly higher on:

- Strategic visioning and planning for the future
- Pushing themselves and others to achieve challenging goals
- A willingness to take charge and a desire to influence others
- A comfort with change, fast pace, and innovation
- A willingness to challenge the status quo and perceptions of those in authority

"In my experience, the theoretical foundation, the rich research database and the quality of the feedback reports ... make MRG instruments the best possible choice."

- James Dowd, *IMD* Switzerland

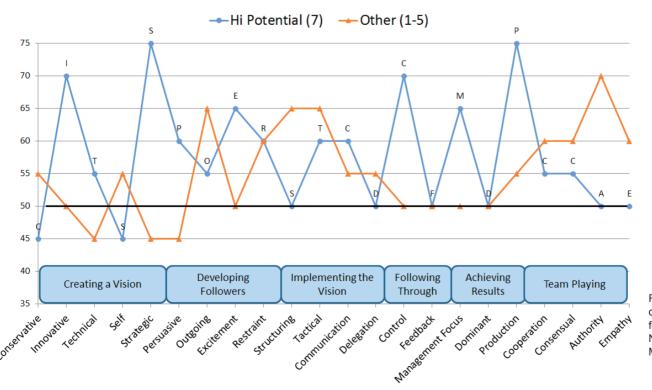


Figure 1. Boss ratings of Leadership Practices for High-Potential and Non-High-Potential Managers

Boss ratings of high potential and non-high potential managers is provided in Figure 2.

Likelihood that a Hi-Po is higher than a Non Hi-Po

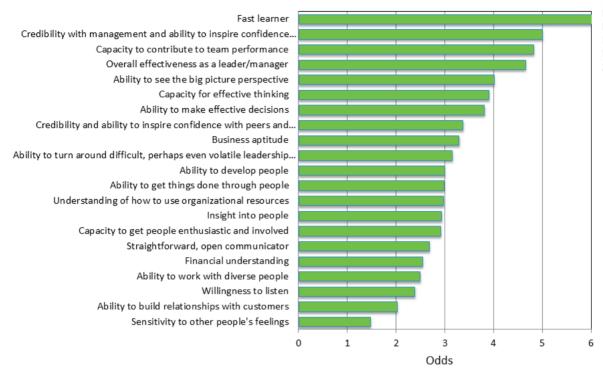


Figure 2. Likelihood that a High-Potential Manager is rated higher than a Non-High-Potential Manager on each of 26 competencies

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As can be seen from Figure 2, high-potentials were 6 times more likely to be seen as fast learners than non-high potential managers. They were between 4 and 5 times more likely to be seen as credible by superiors and having the capacity to contribute to team performance.

Applying the Research Insights

This research on High Potential leaders illustrates a suggested focus for developmental efforts for effective leaders who may not be viewed as having the highest future potential: the ability to be more innovative, more willing to challenge the status quo, daring enough to set stretch goals, and more ambitious learners.

Further, with what we know from MRG research about highly effective leaders, we can enhance the effectiveness of High Potential leaders by focusing their development on building strong relationships with others, taking time to gather input, understanding the value of constructively persuading others, and slowing down enough to bring others along with them.



Founded in 1983, Management Research Group is an international assessment firm specializing in Leadership Development, Personal Development and Motivation, and Sales Force Effectiveness. We honor the uniqueness of each individual. All of our assessments and services are designed and delivered to offer meaningful insight, inspire reflection, and make people feel valued, respected, and encouraged. We believe in the interrelated power of **Business, Science, and the Human Spirit.**

The MRG Difference:

- Our unique semi-ipsative questionnaire design significantly reduces rater biases, producing more accurate, valid and actionable feedback.
- We have one of the largest research databases in the world.
- We boast a network of 1500 consultants active in over 100 countries.
- MRG's assessments are available in 15 languages and are normed in 15 countries and 8 global regions.
- Our assessments are based on 40 years of research.