



# 2025 POTENTIAL REPORT: *WEBINAR*

# HI! I'M MARC EFFRON



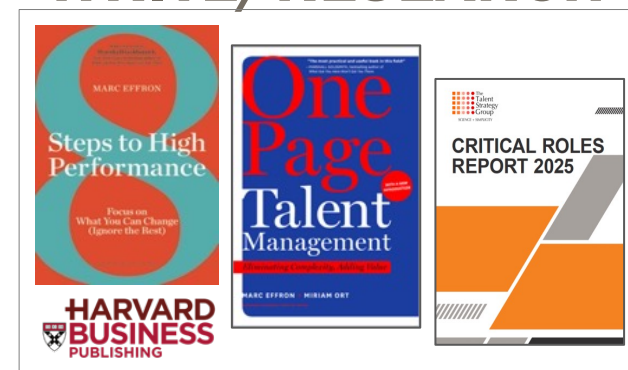
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# 2025 POTENTIAL REPORT



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- PRACTICAL INSIGHTS & TOOLS
- SCIENCE-BASED ADVICE
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TO BUILD BETTER TALENT FASTER



- SINGAPORE: OCT. 15 – 17
- DUBAI: DEC. 9 - 11



**GOAL: PROVIDE PRACTICAL INSIGHTS ABOUT HOW ORGANIZATIONS ASSESS, DEVELOP AND MANAGE POTENTIAL.**

**+ CRITICAL ROLES REPORT**

**+ HIGH PERFORMER/ POTENTIAL DEVELOPMENT REPORT**

**LARGEST EVER SURVEY ON HOW ORGANIZATIONS IDENTIFY AND MANAGE POTENTIAL**

- 374 VERIFIED ORGANIZATIONS**
- ABOUT 50% UNDER/50% OVER 10,000 EMPLOYEES**
- AMERICAS (60%), EUROPE (21%), APAC (15%)**

## KEY FINDINGS

1

Most organizations assess for potential and use science-based factors for that assessment

2

Classic tools like the 9-box still dominate; standardized assessments are little-used

3

Follow-through, transparency and perceived effectiveness are very weak

# LET'S REMEMBER TO THINK ABOUT POTENTIAL HOLISTICALLY

## The Person: 40% - 70%

### Not Controllable

Intelligence  
Personality Factors  
• Conscientiousness  
• Extraversion  
• Derailers  
Trait Motivation

### Controllable

Skills  
Experiences  
Effort  
Behaviors

## The Unpredictables: ?

Luck  
Biased Evaluations  
Personal Characteristics  
Quality of manager

## The Situation: 10% - 30%

State Motivation  
Fit with Job Challenges  
Fit with Team Needs  
Fit with Values  
Fit with Strategy  
Culture Fit

# LET'S REMEMBER TO THINK ABOUT POTENTIAL HOLISTICALLY

The Person: 40% - 70%

Not Controllable

Controllable

Intelligence  
Personality  
While the facts are clear,  
we don't apply them.

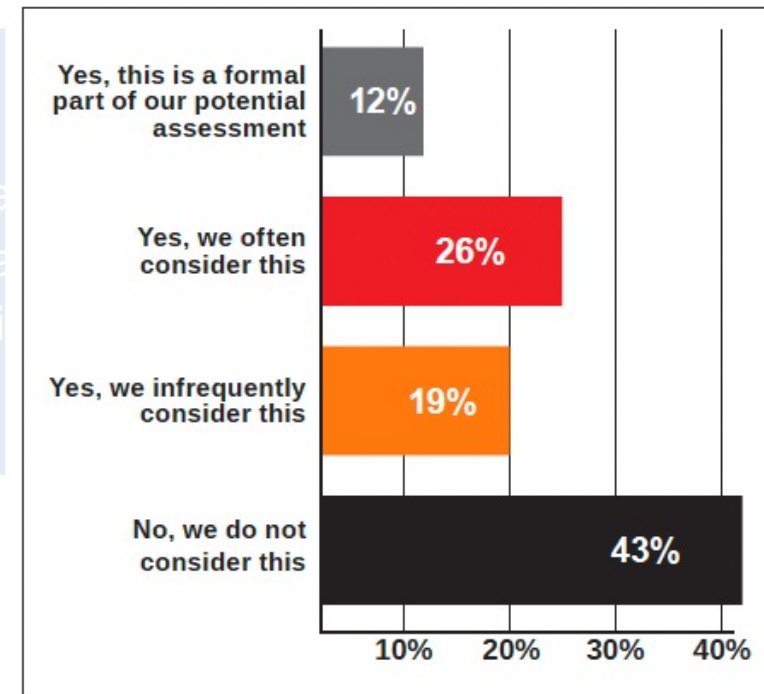
• Conscientiousness

Effort

• Extraversion  
• Dominance  
Trait

ONLY 38% EITHER FORMALLY  
OR OFTEN CONSIDER FUTURE  
STRATEGIC FIT.

DO YOU EVALUATE HOW AN INDIVIDUAL FITS WITH YOUR FUTURE BUSINESS STRATEGY TO HELP DETERMINE POTENTIAL?



Biased  
Personal  
Qualities

Motivation  
Job Challenges  
Team Needs  
Values  
Strategy  
Fit

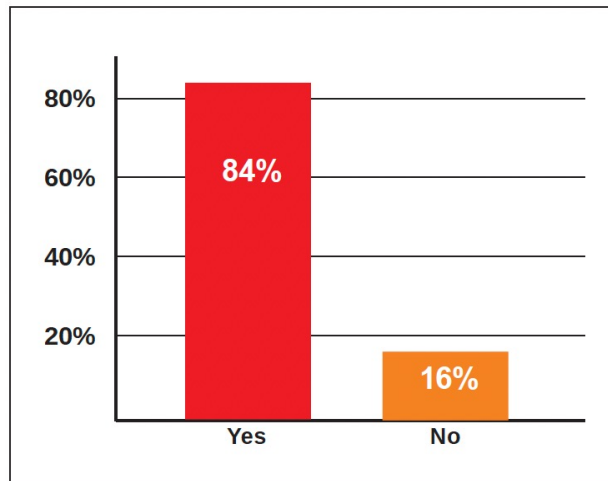


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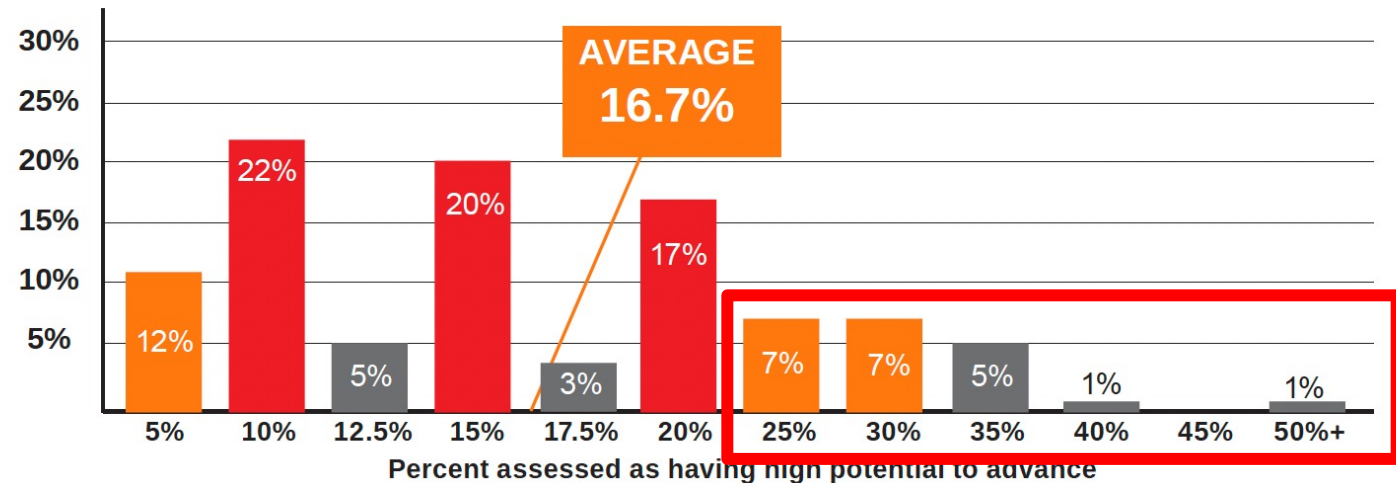
# ASSESSING POTENTIAL

**GOOD NEWS: IT HAPPENS. REGULARLY. A REASONABLE PERCENTAGE IS SELECTED.**

**DO YOU ASSESS POTENTIAL?**



**WHAT PERCENTAGE OF LEADERS IS TYPICALLY ASSESSED AS HAVING HIGH POTENTIAL TO ADVANCE?**



# POTENTIAL IS CONSISTENTLY DEFINED, BASED ON THOROUGH ACADEMIC RESEARCH

**The Person: 40% - 70%**

## **Not Controllable**

Intelligence

Personality Factors

- Conscientiousness
- Extraversion
- Derailers

Trait Motivation

## **Controllable**

Skills

Experiences

Effort

Behaviors

## **EVERY CONSULTING FIRM POTENTIAL MODEL MEASURES THE SAME THINGS**

- Cognitive capability
- Select personality factors
- Drive/motivation
- (+ occasionally an X factor)

## **OR, MORE SIMPLY**

- ABILITY
- LIKABILITY
- DRIVE

SOURCE: Tomas  
Chamorro-Premuzic

# 1 ASSESSING POTENTIAL

GOOD NEWS: YOUR POTENTIAL MODEL ELEMENTS GENERALLY ALIGN TO THE SCIENCE

ChatGPT  
summary of 71  
potential models  
submitted by  
survey  
participants

Theme	Description	Prevalence
<b>Performance / Track Record</b>	Sustained success in current or past roles; foundation for considering someone high potential.	Almost Universal
<b>Learning Agility</b>	Ability to learn quickly, adapt, be curious, and perform well in ambiguous or new situations.	Widespread
<b>Aspiration</b>	Desire or motivation to grow, lead, or take on more responsibility; includes willingness to relocate or stretch.	Very Common
<b>Ability / Capability</b>	Capacity to perform at a higher level or across broader scopes; includes leadership traits or cognitive ability.	Frequent
<b>Engagement / Drive / Commitment</b>	Emotional commitment to the organization and consistent motivation over time.	Moderately Common
<b>Derailers &amp; Cultural Fit</b>	Consideration of derailers such as low trust or cultural misalignment; includes values and behavioral checks.	Occasional

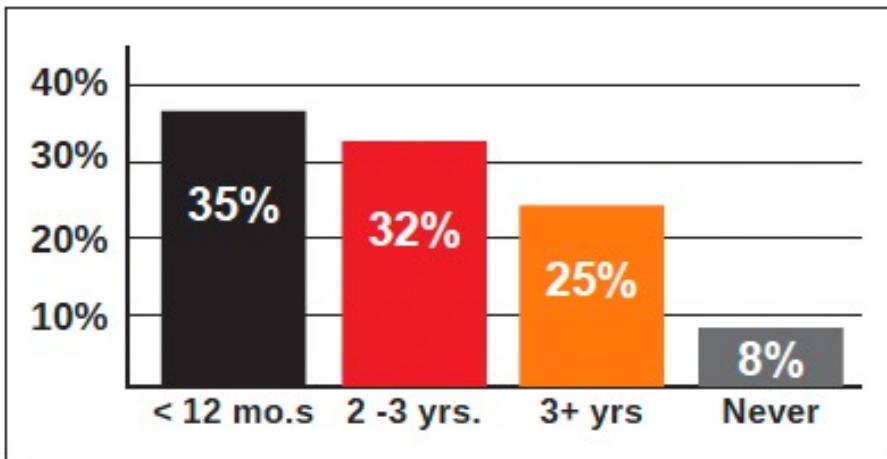
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# ASSESSING POTENTIAL

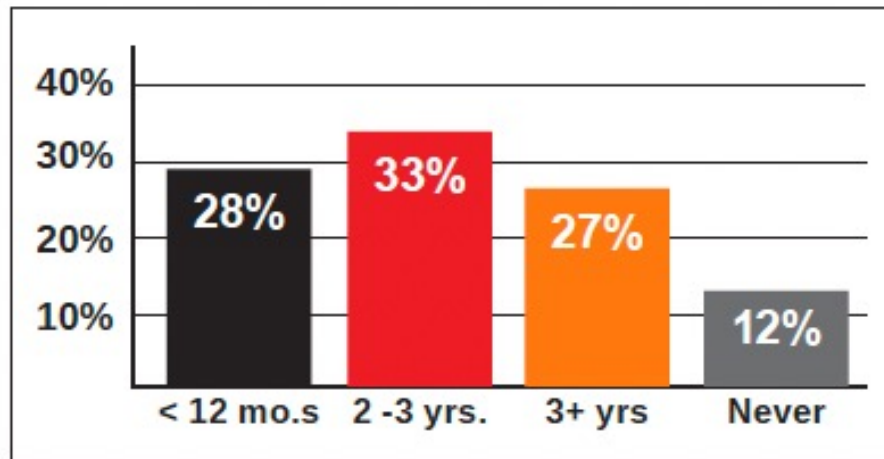
BUT YOU MAY STILL HAVE SOME DOUBTS . . . .

When did your organization last change its definition of potential or the potential tool it uses?

Potential Definition



Potential Tool



# QUESTIONS

1

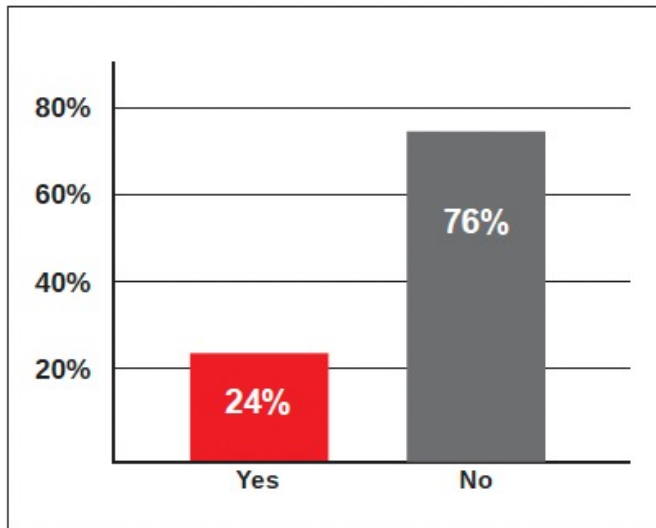
Most organizations assess for potential and use science-based factors for that assessment

2

# TOOLS & ASSESSMENTS FOR MEASURING AND REPORT POTENTIAL

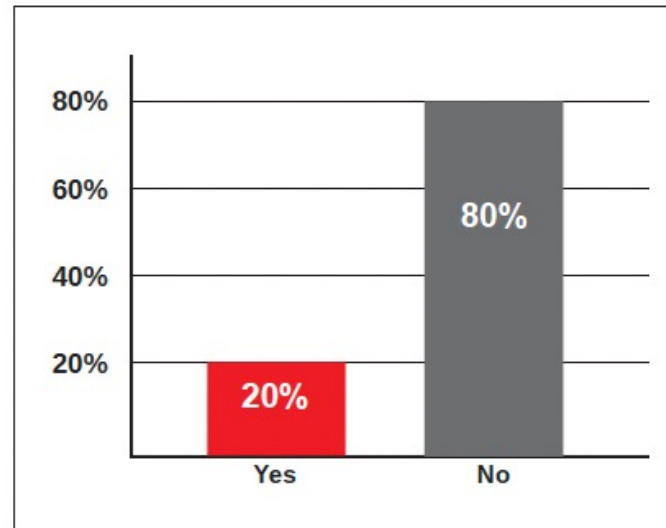
USING ASSESSMENT CENTERS AND ASSESSMENTS TO HELP ASSESS POTENTIAL OF INTERNAL LEADERS IS RELATIVELY UNCOMMON

ASSESSMENT CENTERS TO IDENTIFY POTENTIAL OF INTERNAL LEADERS

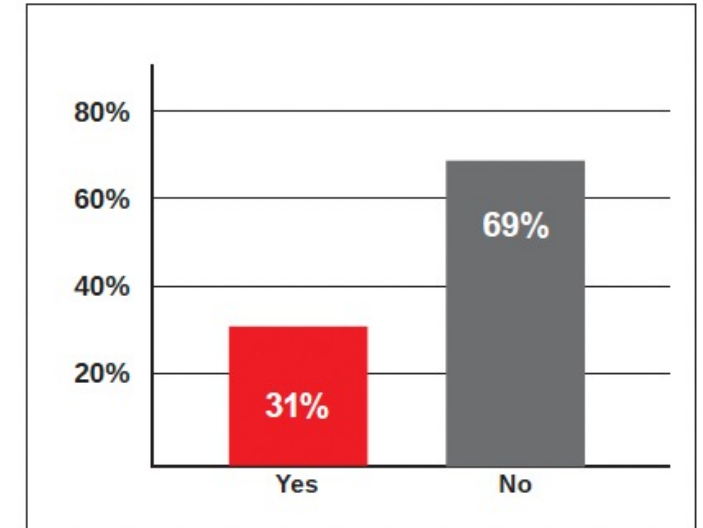


*\*28% OUTSIDE OF US*

COGNITIVE ASSESSMENTS



PERSONALITY ASSESSMENTS

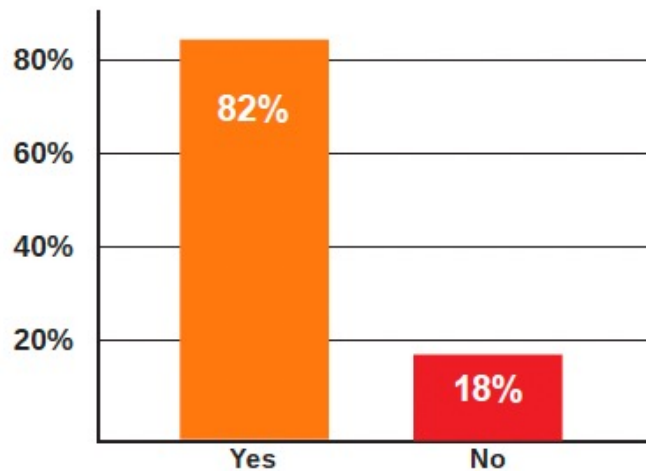


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## TOOLS & ASSESSMENTS FOR MEASURING AND REPORT POTENTIAL

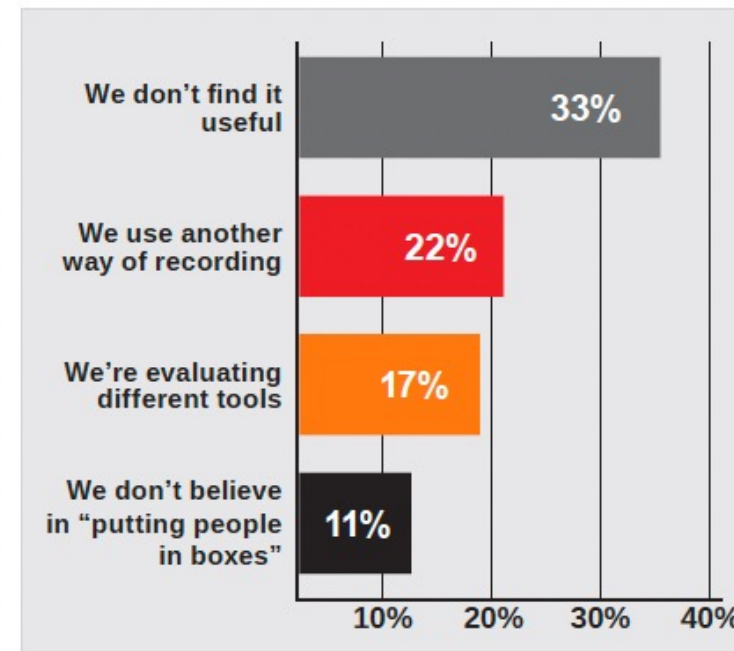
NEARLY EVERY ORGANIZATION USES A MATRIX; VARIED REASONS WHEN NOT USING

Do you use a matrix tool (9-box, etc.) to record your potential assessment?



These percentages held across company size and geography.

If you don't use a tool, why not?





2

# TOOLS & ASSESSMENTS FOR MEASURING AND REPORT POTENTIAL

“A BAD CARPENTER BLAMES HIS TOOLS”

HOW MANY BOXES OR CATEGORIES DO YOU USE?



WHAT ARE THE LABELS ON THE AXES?

Label	% Using
Performance	95%
Potential	94%
Behaviors	3%
Values	3%
Others	3%



# QUESTIONS

2

Classic tools like the 9-box still dominate;  
standardized assessments are little-used

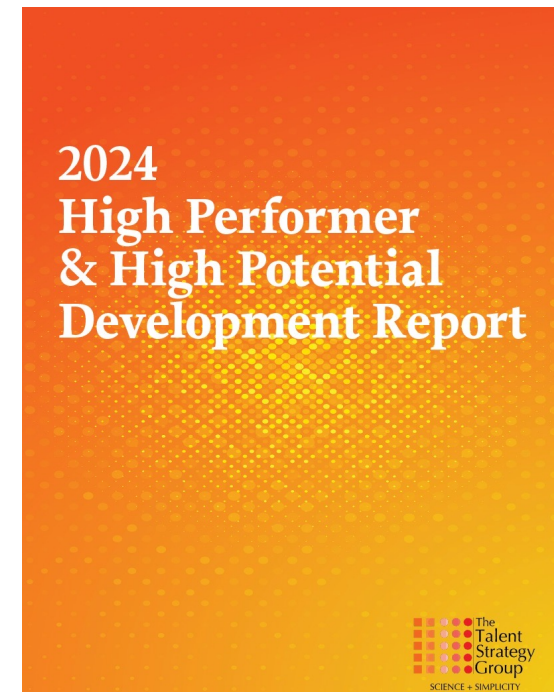
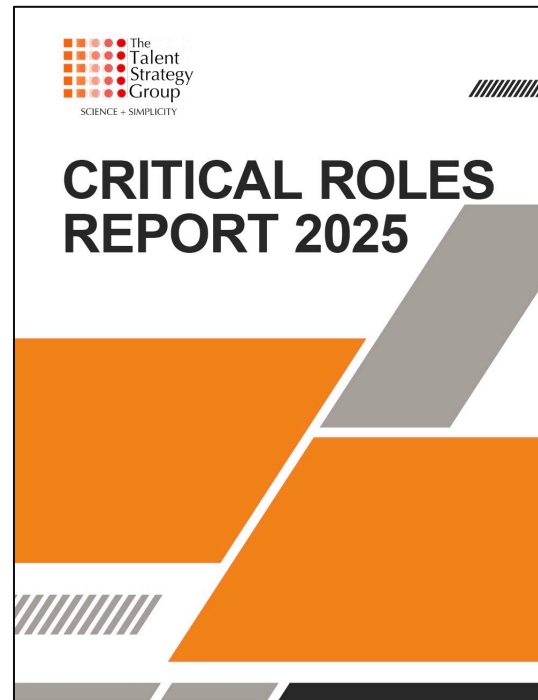
**HERE'S WHERE THINGS BEGIN TO GO DOWNHILL . . .**

3

## FOLLOW-THROUGH, TRANSPARENCY AND EFFECTIVENESS

**A CLEAR TREND APPEARS ACROSS OUR RECENT RESEARCH.**

WE BUILD PROCESSES WELL. WHAT'S MISSING IS THE FOLLOW-THROUGH THAT  
ENABLES RESULTS.

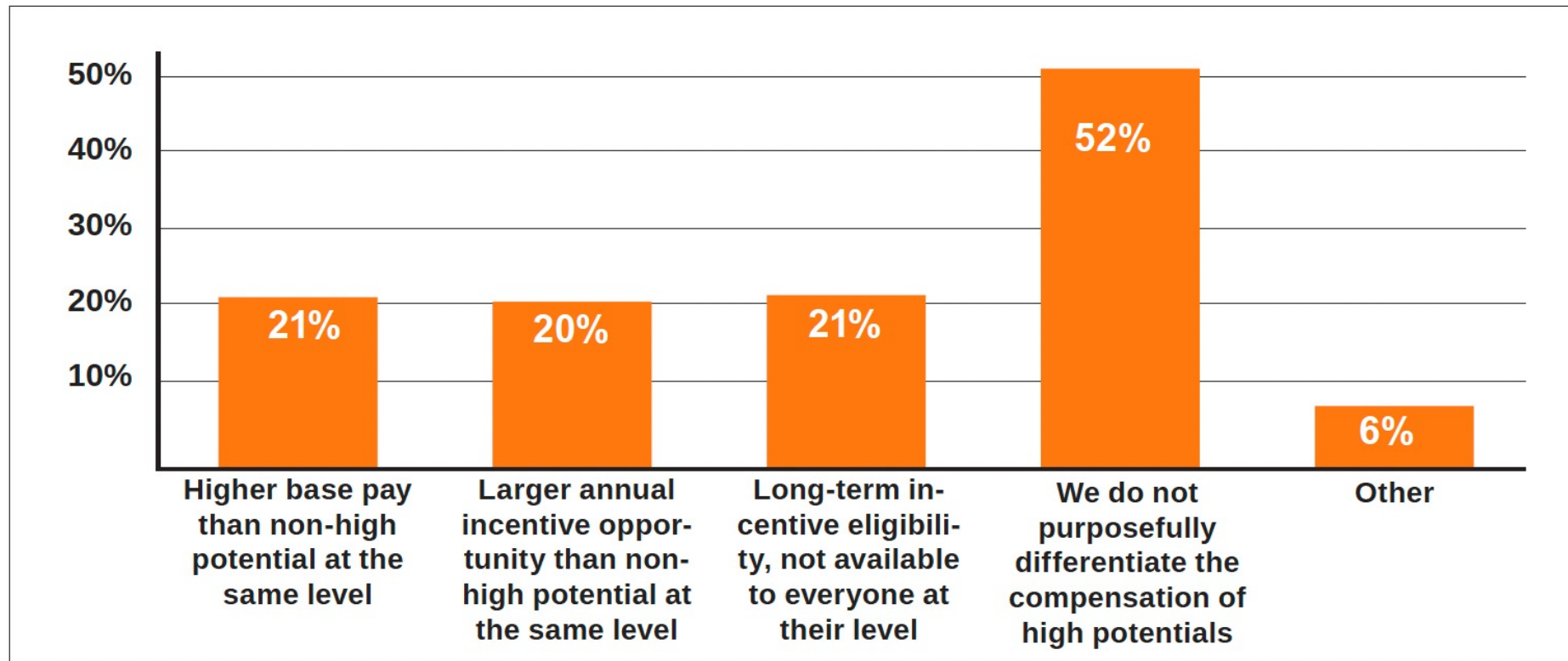


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## FOLLOW-THROUGH, TRANSPARENCY AND EFFECTIVENESS

### ORGANIZATIONS GENERALLY DON'T DIFFERENTIATE HI PO COMPENSATION

DOES YOUR ORGANIZATION DIFFERENTIATE THE COMPENSATION OF HIGH POTENTIALS?

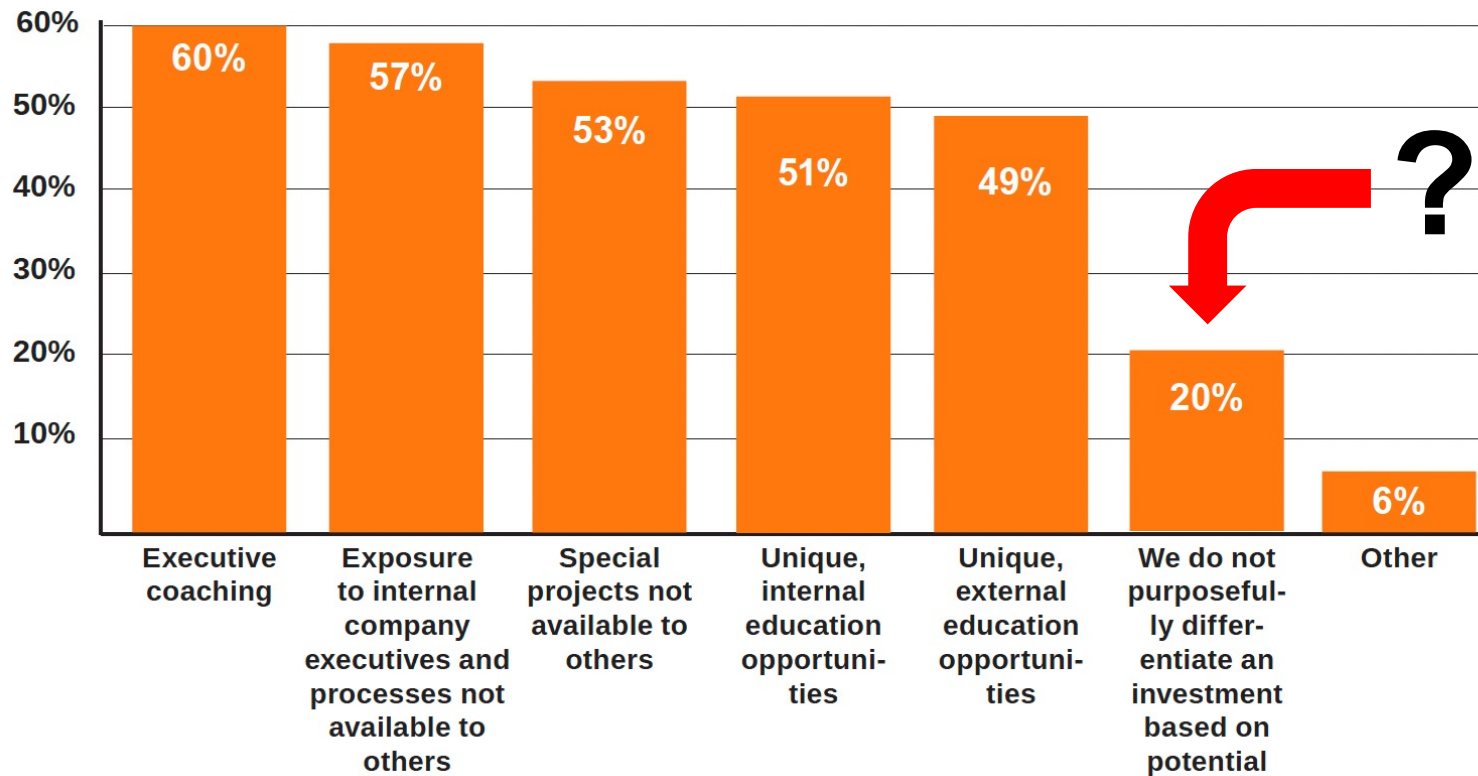


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## FOLLOW-THROUGH, TRANSPARENCY AND EFFECTIVENESS

### ORGANIZATIONS OFTEN DIFFERENTIATE HI PO DEVELOPMENT INVESTMENTS

DOES YOUR ORGANIZATION DIFFERENTIATE THE INVESTMENT THEY  
MAKE IN HIGH POTENTIALS (NOT INCLUDING COMPENSATION)?



3

# FOLLOW-THROUGH, TRANSPARENCY AND EFFECTIVENESS

THE MAJORITY OF OUR BEST TALENT DOES NOT HAVE A PLAN FOR THEIR DEVELOPMENT

WHAT PERCENT OF HIGH POTENTIALS HAVE A HIGH QUALITY, WRITTEN DEVELOPMENT PLAN?

Plans in Place	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	0%
% of organizations	8%	3%	8%	3%	5%	13%	4%	11%	14%	17%	15%

Avg.  
37%

3

## FOLLOW-THROUGH, TRANSPARENCY AND EFFECTIVENESS

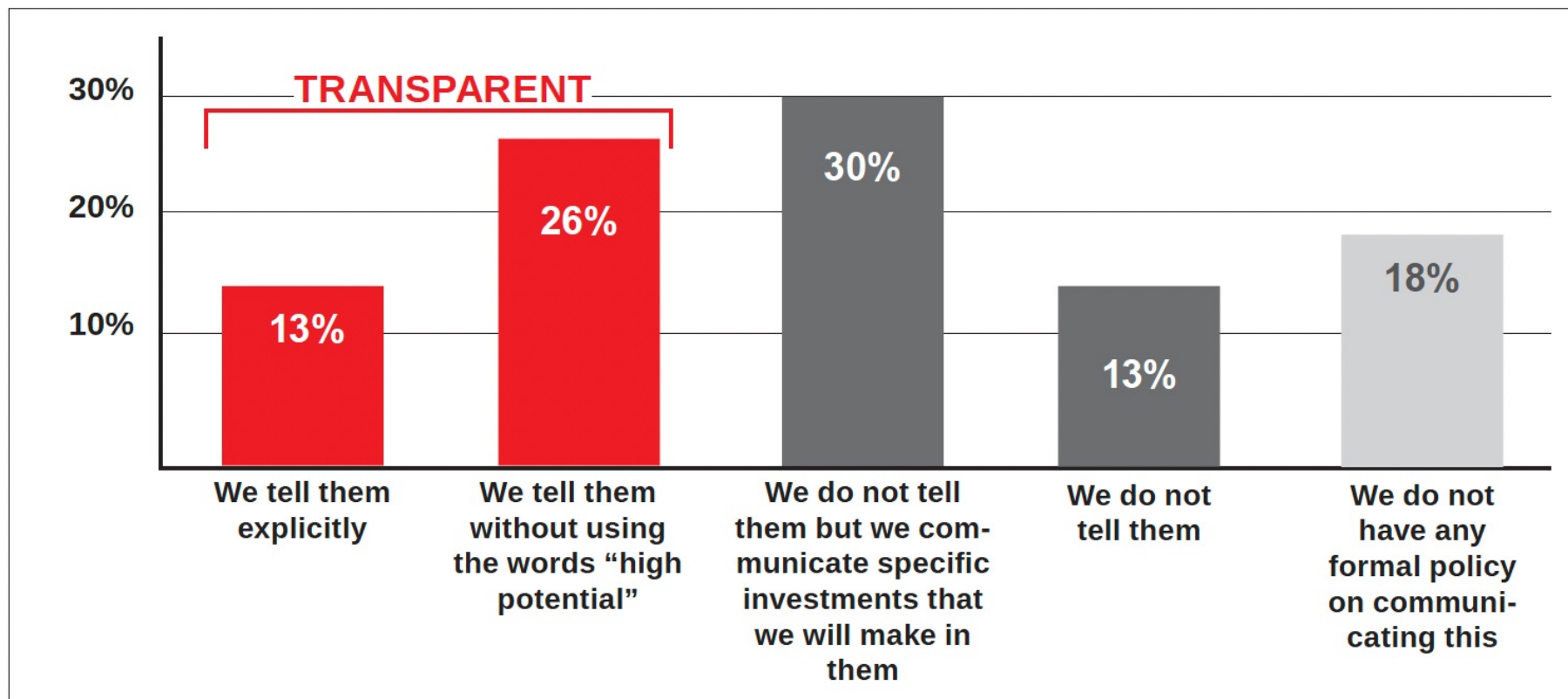
**ANY FORM OF ACCOUNTABILITY INCREASES HOW MANY HIGH POTENTIALS HAVE DEVELOPMENT PLANS**

Type of Accountability	Frequency of High Potential Development Plans
Talent development is measured in our leadership model	46%
People leaders have a specific talent development goal in performance management	49%
There are strong culture expectations that leaders will do this	53%
Development plan creation is tracked	59%
<i>There is no clear accountability</i>	23%

3

## FOLLOW-THROUGH, TRANSPARENCY AND EFFECTIVENESS

**TRANSPARENCY IS LOW AND UNCHANGED OVER 20 YEARS OF TRACKING.  
WHAT'S YOUR EXECUTIVE TEAM'S TALENT PHILOSOPHY ON TRANSPARENCY?**





3

## FOLLOW-THROUGH, TRANSPARENCY AND EFFECTIVENESS

**AND NEARLY NO ONE TELLS PEOPLE WHEN THEY ARE NO LONGER  
CONSIDERED TO BE HIGH POTENTIAL!**

Yes,  
we tell them  
explicitly

**13%**

No, we do not  
communicate

**46%**

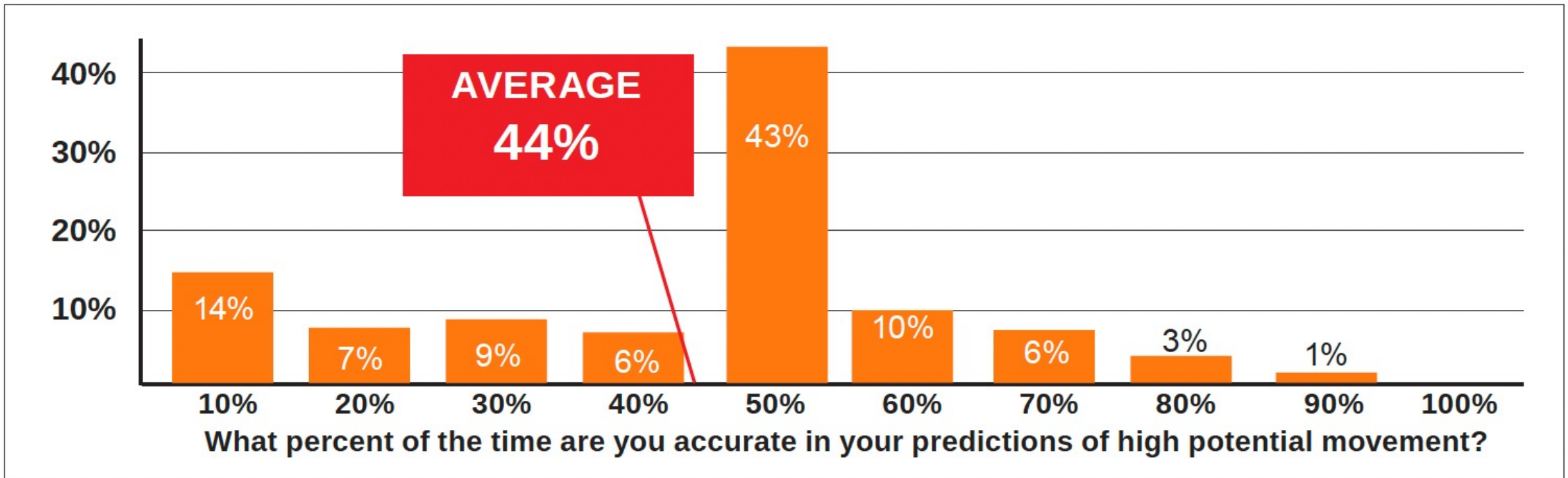
We do not have  
any formal policy  
on communicating  
this

**41%**

3

## FOLLOW-THROUGH, TRANSPARENCY AND EFFECTIVENESS

SO, IT MIGHT NOT BE SURPRISING THAT OUR POTENTIAL PREDICTIONS ARE NOT ACCURATE 56% OF THE TIME.



# QUESTIONS

1

Most organizations assess for potential and use science-based factors for that assessment

2

Classic tools like the 9-box still dominate; standardized assessments are little-used

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Follow-through, transparency and perceived effectiveness are very weak

