

# HIGH-POTENTIAL LEADERSHIP DEVELOPMENT

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The long-term sustainability of an organization often depends upon the strength of its high-potential leaders. High-potential leaders need to be developed so that they can succeed at their next level of challenge. For most, this means they need to further develop their strategic thinking capabilities, and expand their horizons from a departmental perspective to a more holistic organization-wide perspective.

High-potential leaders often have a limited scope of understanding of the broader organizational challenges. This limitation can lead to decisions with negative side effects for the organization. They may also complain when other areas receive (what they perceive to be) preferential treatment. It can also limit their candidacy for executive positions because they do not understand the interdependencies between various areas of the business.

A common strategy to address this learning need is to send high-potential leaders to external executive development programs. Although these programs can help them develop their strategic thinking capabilities, it is unlikely that it will help them comprehend their own organization-wide challenges.

An innovative approach is to use the internal strategic planning process to expand the perspectives of high-potential leaders. Unfortunately, many executives do not leverage strategic planning as a development process. They either believe that strategic planning is a secretive process including only a select few people, or the executives simply have not considered the idea.

This article explores three best practice examples of organizations that used strategic planning to broaden the perspectives of high-potential leaders with great success. The three examples are presented from the “most to least” implications for the traditional “executive only” strategic planning process.

## 1. INCLUDE HIGH-POTENTIALS IN STRATEGIC PLANNING TO GIVE GREATER “VOICE” TO THE CUSTOMER

An executive group was concerned about their strategic planning process because it focused more on internal challenges than on how they could deliver enhanced customer value and grow the business. Upon reflection, they realized the problem had to do with the functional and staff representation on the executive team. This executive team had eight members, and only three members on the executive (the President, Vice President Sales and Vice President Marketing) knew the “voice” of the customer.

They decided to expand the strategic planning team to include high-potential leaders from sales and marketing, to give the customer a greater “voice” in strategic planning. They also realized it would provide an excellent learning opportunity for these leaders. The strategic planning proceeded with a total of fourteen members (including six high-potential leaders). The result was a strategic plan that focused more on value to the customer and sustainable competitive advantage. Also, the high-potential leaders were delighted to be part of this process. It increased their understanding of the company-wide challenges and enhanced their readiness to be future leaders.

## 2. INVOLVE HIGH-POTENTIAL LEADERS AS SHADOW STRATEGIC PLANNERS

This executive team decided to introduce an innovative approach to their annual strategic planning process. Typically, the executives would attend three days of meetings during which time the various divisions of the company would present their current and future state analyses and recommended strategies. About four weeks later, the executives would attend a two-day off-site at which time they would develop the strategic plan for the next three years and the business plans for the next year.

USE THE INTERNAL STRATEGIC PLANNING PROCESS TO EXPAND THE PERSPECTIVES OF HIGH-POTENTIAL LEADERS



This year they decided to create a shadow strategic planning team. Seven high-potential leaders from across the company were selected to develop a “shadow” strategic plan. They also included a “sunset clause” which meant that after they made their presentation, the high-potential leaders’ role in this process was over. This “sunset clause” was a great relief for the high-potential leaders. Many had experienced situations in the past in which a temporary assignment became a permanent expectation above and beyond their full time job. The “sunset clause” removed that concern for them.

The seven high-potential leaders sat in a gallery and observed three days of presentations by each of the divisions on the current and future state of the business. They then spent the next three weeks together with a facilitator (the author) and developed their proposed “shadow” strategic plan for the company. They presented their proposed plan on the first morning of the executives’ two-day strategic planning session. After some discussion, the shadow strategic planners left the session.

The company executives saw great value in this process both in the precision of thought

for the strategy and in the engagement of its leaders. The high-potential leaders appreciated the opportunity to contribute their ideas to shape the future of the company and it helped them understand strategic challenges outside their own areas of expertise. Of note is that within two years, two members of the shadow strategic planning group were promoted to positions of greater responsibility and one person was promoted to the executive team.

### **3. SOLICIT HIGH-POTENTIAL LEADERS’ INPUT AND SHARE INFORMATION**

Another company decided to assign three high-potential leaders to each of the eight executives as part of strategic planning. Each executive contacted his or her list of high-potential leaders after each major meeting. With this process, the executive team essentially conducted a 24-person survey after each stage of its strategy development and simultaneously educated the leaders on the business strategy. When the strategy finally was deployed, the 24 high-potential leaders were the key communicators of the strategy and took the lead in the implementation of the new direction.

### **CONCLUSION**

Each case example yielded impressive results (perhaps in combination, the benefits would be even greater). However, each innovative approach does require a willingness by executives to be inclusive rather than exclusive as they develop strategy. The benefits are worth it. The high-potential leaders will develop their capabilities in strategic thinking and gain an organization-wide perspective; at the same time, the executives will be able to deploy a more thorough strategic plan with greater involvement and acceptance. ■

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