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From HIPOs to HICOs - A new evolved approach

The High-Potential (HIPO) approach has become inadequate in this digital world and there is a need to evolve and embrace High-Commitment (HICO) approach for employees

High-Potential (HIPO) employees have been the mainstay of many Talent Management systems within progressive organizations to bolster Succession Planning initiatives. Their 'elevated' status from the general workforce is often seen as an affirmation of the qualities needed to fill critical leadership positions in the organizational

hierarchy. However, such 'talent segmentation' is quite often the source of deep misgivings within the peer population and is widely seen as a latent way of rewarding 'conformist' behaviors, which hinder the 'dissentient' nature required to boost innovation for staying relevant in a digital world. The term 'Potential' itself signifies a penchant for risk, gamble and uncertainty on predominantly 'lagging'

performance indicators. It also projects a more refined version of the dreaded 'Normal Distribution Curve', which has been used to weed out the lowest performers within the talent pipelines, and that has been frequently attributed to sapping the morale of diligent employees and incentivizing 'cannibalization' of 'Peer Careers' to secure sanctuaries in the 'safer' zones of the respective talent mapping techniques. Such divisive measures inevitably create negative energy within a workplace that is manifested in a number of ways, e.g., abrasive friction among peers, profound distrust of leaders, 'faked' engagement in organizational initiatives, hyperactive grapevine in corporate corridors, corrosive politics seamed within the organizational fabric, escalating attrition among disillusioned employees, damaged psychological contracts reflecting crumbling aspirations, marginalization of 'inspiration' triggers, etc.

Proponents of the HIPO approach are quick to point out several advantages that have ensured its place within the Talent Management initiatives. Let's do a brief analysis of the more common attributes propagated in the defense of having HIPO programs.

Talent segmentation is the source of deep misgivings within the peer population and it inevitably creates a negative energy within a workplace



Propounded Benefits of HIPO Programs and their drawbacks

The table enlists some of the most common attributes propagated in the defense of having HIPO programs and also showcases their drawbacks

Propounded Benefits	Lurking Drawbacks
Increases motivation to maintain excellence	<ul style="list-style-type: none"> • Notable achievements often entice opportunistic competitors to engage in ‘Talent Poaching’ • Motivation is a complex combination of several intrinsic and extrinsic factors that are dynamic in nature and prone to a negative spiral if key drivers get disturbed unexpectedly • Exposure to ‘high profile’ opportunities to remain in the ‘spotlight’ may not be judiciously accessible to all the ‘contenders’ for key leadership positions
Confirms a visible career path	<ul style="list-style-type: none"> • Commonly ‘neutralized’ due to ‘Talent Glut’ for key positions • Tendency of senior executives to ‘overstay’ in their current positions leading to ‘backlog’ of promotable talent • Susceptible to change as the organization adapts to growth imperatives/precarious business conditions/restructuring initiatives
Acts as a buffer against attrition	<ul style="list-style-type: none"> • Shrewd competitors can come up with offers that are ‘too good’ to refuse • No guarantee of assured progression due to ‘HIPO’ status since it can be downgraded which may accelerate attrition due to ‘loss of face’ phenomenon • New interests may emerge for HIPOs during the ‘waiting time’ that can increase the lure of finding ‘greener pastures’ elsewhere as an attractive option
Cements the psychological contract through increased engagement	<ul style="list-style-type: none"> • Psychological contracts are notoriously hard to discern and routinely vulnerable to ‘mixed signals’ from the senior management • Extrinsic motivation is not the primary driver for ‘voluntary’ engagement since that is the bedrock of intrinsic motivation • The ‘commoditization’ of engagement nullifies any distinguishing incentive of being a HIPO
Optimized use of development resources	<ul style="list-style-type: none"> • Development budgets are often wholly sacrificed/dramatically reduced in precarious business situations • Gives rise to simmering misgivings in the employee ranks due to the prevalence of ‘being neglected’ perception • Hard to vividly define and consistently apply ‘optimization’ of development resources among HIPOs spread over multiple locations, especially, for global organizations
Reinforces self-confidence	<ul style="list-style-type: none"> • Difference between ‘confidence’ and ‘arrogance’ gets dangerously blurred • Increased sense of entitlement for Rewards & Recognition • Rise of ‘failure’ incidences due to ‘bravado’ initiatives without proper risk management
Reduces anxiety of career progression	<ul style="list-style-type: none"> • Increased prospect of ‘class warfare’ with peers • Inducement of ‘complacency’ upon reaching the ‘elite’ status • Tacit affirmation of negative personality traits as being ‘acceptable’ in addition to the positive ones
Boosts the ‘felt fairness’ element and a sense of organizational justice	<ul style="list-style-type: none"> • Perceptions can easily change if actions don’t measure up to words • Applicable only for the identified and selected HIPOs • Power brokers and influential functions can create a ‘mirage’ of organizational justice while ensuring the fulfillment of their own agendas
Provides transparency in Diversity & Inclusion practices	<ul style="list-style-type: none"> • Dependent upon the implicit/explicit directions of the senior leadership • Employees may just be ‘marketing props’ for nagging issues with the employer brand • Prospect of uneven application by global organizations, i.e., more in locations with strict presence and enforcement of employment laws than other places
Clients value premier service by top talent	<ul style="list-style-type: none"> • May undermine the role of team members and add to ‘Peer Dissonance’ • ‘Talent Hoarding’ by supervisors for assuring higher functional performance • Increased risk of ‘Client Poaching’ by HIPOs moving to the competitors

The aforementioned analysis clearly shows that the HIPO approach, despite its ‘trumpeted’ advantages, is profoundly inadequate to galvanize an effective Talent

Management System for the digital world. Consequently, the term ‘HICO (High-Commitment)’ is proposed that is primarily premised on ‘genuine’ commitment being

the prime driver of all intentions and actions of a conscientious professional who is routinely tasked to overcome difficult challenges in a precarious work

environment. It focuses on all the key features that are crucial to an individual's ability to effectively utilize his/her talent in the most beneficial way while providing 'wholesome' enrichment in the respective context. It goes beyond the assigned role(s) and incorporates other key factors with a significant influence on work and inculcates their influence in formulating a suitable portfolio of a strong succession candidate to core leadership positions.

Key focus areas of HICOs

Let's take a brief look at the six key focus areas of HICOs:

Personal well-being

This refers to being highly devoted to all aspects of one's own well-being while pursuing professional goals and objectives. Quite often, highly talented people tend to marginalize health concerns, hobbies & interests, family & friends etc., as they focus on career aspirations. However, such 'transient' bonds cannot substitute the time-tested relationships that are generally needed in precarious situations to provide strong and reliable support for a balanced approach to life and profound self-reflection to recalibrate priorities in accordance with the 'true' passions.

Performance obligations (KRAs/KPIs)

This reflects high emphasis on achieving excellence in the fulfillment of job responsibilities by consistently meeting/exceeding the defined Key Result Areas (KRAs)/Key Performance Indicators (KPIs). An enviable record in the respective context is generally used as a barometer for assessing an employee's suitability as a potential successor to key leadership positions. However, KRAs/KPIs are predominantly 'lagging' indicators of success and not a reflection of how a person might do as a leader, e.g., prominent doctors/renowned academicians/accomplished engineers/technical wizards don't necessarily make great leaders.

Functional research & growth

This refers to being highly keen on advancing the field of professional interest. It includes active participation in peer forums/conferences/seminars, research projects and contributing articles on innovative viewpoints/techniques/approaches to facilitate the progressive development of the adopted discipline. This enables cross-fertilization of ideas and strengthens the innovative mindset to overcome multivariate challenges in the workplace. It also liberates the thought processes and helps to engage in an honest self-assessment of professional prowess.



HICOs provide a more wholesome application of a truly effective Talent Management System

Corporate social responsibility

This entails possessing high levels of ardor for actively participating in the initiatives pertaining to an organization's promise on being a punctilious member of society. It requires a penchant for service that goes beyond the professional demands of the assigned function and opens horizons for permeation of altruistic thought and meaningful contributions to the wider goal of ensuring a harmonious existence within the global community. Such engagement prepares 'potential' leaders to be mindful of the 'citizenry' aspect of the organization, which is essential for taking proactive actions in mitigating/eliminating the chance of a misstep that might jeopardize the organization's future in an increasingly 'sensitized' and 'connected' world.

Organizational imperatives

This refers to being highly dedicated to the strategic priorities of the organization. It calls for the alignment of personal goals with the overall organizational objectives. Such congruence requires unflinching determination to ensure organizational success in a cohesive culture based upon 'progressive' and 'robust' shared values. It demands profound understanding of the key organizational challenges and unwavering confidence in the senior leadership, and is facilitated by providing the 'temporary' benefit of loosening the 'stringent' expectations of the 'psychological contract' with the condition

that the element of trustworthiness will not be egregiously violated by the top executives.

Career development & progression

This alludes to being highly geared towards gaining a clear understanding of the available career path and engaging in appropriate activities/approaches that ensure a steady rise through the corporate ranks. It includes timely realization of the changing landscape within the chosen professional discipline and getting the necessary training and development coupled with relevant professional experience and pertinent academic credentials to present a strong candidature for progression. It also recognizes the need for astute networking and 'jostling' for exposure in front of key decision-makers. An important determinant for recognition in the respective context is the firm grasp of skills that foster innovation which has become the hallmark of the Digital world. This HICO aspect is also shared with HIPOs, who generally consider and expect it as an integral element of Reward and Recognition, in addition to conventional compensation, for notable achievements.

Conclusion

HIPO employees have become a divisive status symbol and attractive poaching targets for ravenous competitors; and this has complicated the organizational development issues within business entities trying to thrive in a digital world. HICO provides considerable relief in the respective context by providing a more 'wholesome', 'inclusive' and 'risk-mitigated' application of a 'truly effective' Talent Management System. However, it remains to be seen whether progressive organizations can extricate themselves from the complacency of continuing with 'herd-mentality' practices or will they muster the courage to adopt a more concrete way to assure a healthy stock of 'capable' and 'reliable' succession candidates for key leadership vacancies in the future. I am betting that High-Commitment (HICO) will always trump High-Potential (HIPO)... 

ABOUT THE AUTHOR

MURAD SALMAN MIRZA is an innovative thinker and an astute practitioner of areas within and associated with the fields of Organizational Development, Talent Management and Business Transformation

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