

Detecting Derailers: Korn Ferry Institute Study Shows How to Find Warning Signs before High Potentials Go Off Track

LOS ANGELES--(BUSINESS WIRE)-- Research by Korn Ferry (NYSE:KFY), the preeminent authority on leadership and talent, identifies key risks for derailment - an unexpected—and involuntary—stall during a leader's career ascent.

The research shows that a significant number of high-potential leaders are at high risk to derail. More than a quarter of leaders (26 percent) who were rated by their bosses as having high potential also were seen by their bosses as having high risk of career derailment. In addition, the research showed that those who greatly overstate their abilities are 6.2 times more likely to be rated as a derailment risk by their bosses than those with accurate self-awareness.

"Because there is such a high risk that rising stars may derail at some point in their careers, accurately identifying high-potential leaders is not enough," said Stu Crandell, Korn Ferry senior vice president, Korn Ferry Institute. "Organizations must diagnose and treat derailment risks to keep their leadership bench strong."

The Korn Ferry research analyzed derailment risks in several dimensions of leadership, including competencies, traits and drivers.

Competencies

Competencies are the basic skills or abilities a leader needs to succeed, such as strategic mindset and decision quality. When Korn Ferry researchers analyzed results of 360° assessments, they found that high scores on negative stallers and stoppers are more predictive of derailment than simply low scores on needed competencies.

Those stallers and stoppers included: key skill deficiencies, failure to staff effectively, being non-strategic, failure to build a team, and overdependence on a single skill.

Traits

Traits are personality characteristics that could be considered "hard wired" such as social astuteness and general cognitive capacity. While leaders can strengthen desired traits, it is much more difficult than developing competencies.

Korn Ferry has identified several traits that are associated with derailment including volatility, micromanagement and being "closed" which often means being unable to take advantage of different perspectives and being resistant to change.

"Traits also can contribute to derailment when their presence is too strong or too weak," said Crandell. "For example, *trust, optimism,* and *social affiliation* seem positive, but too much of

these traits may make leaders excessively hands-off. On the flip side, insufficient doses of *humility, composure* and *self-awareness* can come across to others as entitlement or volatility."

Drivers

What personally motivates and drives leaders is directly connected to how engaged they are on the job, and low engagement is a key indicator of derailment.

Often, the lack of engagement is due to poor cultural fit—a mismatch between the leader's motivators and what gets rewarded in the culture of the organization. For example, one very potent driver is *power*—the motivation to attain work-related status, visibility, responsibility, and influence. Those who work in a competitive environment and have this driver would excel. Conversely, those engaged in a collaborative culture may flounder.

Overcoming the obstacles

According to Crandell, assessment, intervention and development are key to helping leaders overcome potential hurdles in their careers. "It's important to assess for the good *and* the bad, and to create a development culture where leaders become more self-aware of possible shortcomings and how to overcome them with the help of their organization."

About the research

Korn Ferry researchers analyzed nearly 40,000 360-degree surveys and more than 9,000 self-assessments of leaders across the globe and compiled the results in December 2014.

About Korn Ferry

Korn Ferry is the preeminent authority on leadership and talent. For nearly half a century, clients have trusted us to recruit world-class leaders. Today, we are their partner in designing organizational strategy and developing their people to achieve unimaginable success. For more information, visit www.kornferry.com.

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Korn Ferry
Tracy Kurschner, 612.309.3957
<u>Tracy.kurschner@kornferry.com</u>

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