

Talent Management: The case of High Potential Management of Graduates of a French Business School

Christine NASCHBERGER

Associate Professor at Audencia Nantes School of Management
AUDENCIA Nantes. Ecole de Management
8, route de la Jonelière - BP 31222
44312 NANTES Cedex 3 - FRANCE
cenaschberger@audencia.com

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Abstract:

Many French companies are facing a challenge called « The War for Talent ». How to attract and retain talented people are main issues and a priority for HR Directors according to a study published by the Baromètre CSC/Liaisons Sociales/ E&P in 2007. The management of high potentials (49%) and the management of key competences (55%) are top ranked according to this survey. Many studies have been undertaken to better understand the employer's side. In the past, not much attention had been drawn to the High Potentials' voices.

The aim of this article is to better understand the High Potentials' perception of High Potentials Management in the companies they are working for. Not much research had been done on that issue. After having developed a theoretical framework, a survey was carried out. In May 2007, an international online-survey has been undertaken among alumni of a French Business School. More than 50% of the respondents work in multinational companies with more than 2.000 employees and the sample contains High Potentials who do work in more than 57 different countries all over the world. The results suggest that High Potential Management is not always considered to be a priority within companies. Furthermore our results show positive impacts on High Potentials' motivation, loyalty and retention if managed carefully. An important area for future research relates to the gender specific question of High Potentials' Management.

Key words:

Talent Management – High Potential Management – Graduates of a Business School

Introduction

HR Decision makers in Anglo-Saxon countries as well as in many French firms are becoming aware of the forthcoming issue of the 21st century: “Talent Management” (Powell and Lubitsh, 2007; Boumrar and Gilson, 2004; Falcoz, 2003). Several reasons can explain this new strategic Human Resource Management Issue.

First, let us consider *individual reasons*. The so-called ‘psychological contract’ changed: the ‘old psychological contract’ and the employer-employee relationship were characterized above all by job security and stability (Argyris, 1960; Levinson, et al 1962; Schein, 1965 and Rousseau, 1989). This has changed a lot over the past decades. The ‘new psychological contract’ integrates movement, change, and mobility from the employee’s side. As a result, attrition rates are lower and the workforce is mobile. The employer change manifests itself in so-called boundaryless careers (Cadin, 2000; Arthur and Rousseau, 1996). Another issue is that employees’ expectations are changing. A “new paradigm” related to the psychological contract is work-life balance (Coussey, 2000). More and more employees claim a better reconciliation of professional and personal life (Glynn, 2000). To pick out a new employer can also be driven by this kind of criterion. To respond to the changing needs of employees, companies integrate work-life balance policies. For some authors it has emerged as a strategic issue in retaining talented people (Lewis and Copper, 1995; Cappelli, P. 2000).

Second, *environmental reasons* like the actual demographic evolution accelerate this trend. The retirement of the Baby-boomers has as a consequence the shortage of qualified labour force as a consequence. According to Powell “approximately 50% of European men aged between 55 and 64 have stopped working and by 2050, one in three will be retired.” (see also Powell, 2007). The number of individuals of this age group who are supposed to fill this gap is actually in decline in many European Countries. Companies are in competition to attract, recruit, and retain talented people. In order to stay competitive, the “war for talent” began (Michaels, Handfield-Jones and Axelrod, 2001)¹ and companies need to develop sound HR policies and strategies to keep talented employees.

Third, *organizational issues* like Human Resource needs can be top-ranked. In order to stay competitive, companies need to fulfil critical positions with the “right” persons. Recently adopted competency-based management approaches can facilitate the management of talent. Another important issue for companies is also to keep turnover costs under control.

1. Theoretical Framework

What is Talent Management? In the HR field, the term Talent Management (TM) appeared since the end of the 1990s. Talent Management refers to HR methods used by an organisation in order to acquire, develop, and keep talented employees. It ensures that the right people are available at the right time. Many different approaches of Talent Management co-exist

¹ In 1997, three business consultants of McKinsey and Company conducted field research involving 13.000 executives from more than 120 companies. Their main finding was that on average companies who were successful in managing talented people earned 22 percentage points higher return to shareholders. Their conclusion, published in “The War for Talent” book, was that the most important corporate resource over the next 20 years will be talent.

(Marsal, 1996). For example, Blass defines TM as follows: “*Talent Management is the additional management processes and opportunities that are made available to people in the organisation who are considered to be ‘talent’.*” (Blass, 2007). According to Blass “*every organisation has a talent management system whether it recognises it or not*” and the definition of ‘talent’ can also vary from one organisation to another. Some may refer to specific HR practices (sourcing, attraction, selection, training & development, retention, promotion, career paths) for selected ‘talents’, others might refer to how talent is managed generally – based on the assumption that all people have talent which should be identified and developed. We can cite the example of Accenture to illustrate this approach: “*everyone in the consulting practice at Accenture is defined as talent. The label of ‘talented’ is seen as unhelpful in an environment where meritocracy is valued.*” (Blass, 2007). But even if organisations consider that everyone is talent, they may treat some their talent differently from others, the so called segmentation with the talent pool (Donahue, 2001).

Blass further suggests that according to her research ‘*most organisations define ‘talent’ through some reference to potential, in particular high potentials.*’ According to Webster’s potential means “*existing in possibility; capable of developing into actuality*” (Lombardo and Eichinger, 2000). Potential is operationally defined as “*the ability to move up into specific managerial positions to which the corporation attaches value*” (Derr, Jones and Toomey, 1988). A common definition of High Potential (HIPO) consists of a “right stuff” success profile listing several competencies that current executives have now or should have in the future (Lombardo and Eichinger, 2000). According to McCall “*High potentials are those people who at various points in their careers are perceived to be potential successors to those at higher organization levels.*” (McCall, 1998). Cope argues that each organization defines High Potential somewhat differently (Cope, 1998). Thus, a high potential in one company would not necessarily be a high potential in another.

The term Talent Management is usually associated with competency-based HRM practices including organisational, collective, and individual competencies. TM decisions are based on a set of organisational core competencies as well as position-specific competencies. The competency-set may include hard and soft skills like knowledge, skills, behaviours, personality traits, etc. The term Talent Management also includes notions of how companies drive performance at all levels, especially at an individual level. To summarize, performance management and competency-based management are associated with Talent Management.

The definition of “High Potential” used in this paper is as follows: “*A manager who has the ability and the potential to assume management responsibilities and to be part of the company’s top management in the near future.*”

Derr et al distinguish between different stages of high potential development (Derr, Jones and Toomey, 1988). Stage 1: The “feeder group”: these are High Performers based on 3 to 8 years experience within the company. They are 22 to 27 years old and they do have access to some general management skills programs. Next is Stage 2: The “comer group”: only 6% from the Feeder group will join the Comer group. They are 28 to 43 years old and they are developed through intensive on-the-job-development and tailor-made developmental experiences. Only 6% of comers advance to Stage 3: The “heir apparent group”: The selection of these mid-forties managers who occupy high-level positions is based on a careful grooming by senior executives. The members of this group are known by the board.

The size of the talent pool within firms is an interesting topic. Some may argue only 1% of employees are “high performers”, others suggest 10% “top achievers”. For example at Ford, the personnel development committee (PDC) applies a kind of a forced ranking method that compares individual’s performance relative to their peers. The top 10% are called “Top achievers”, next are 80% of “achievers” and the remaining 10% are identified as “improvement required” (Blass, 2007). Berger argues that only 3% to 5 % of the total workforce are “superkeepers” (Berger, 2004).

How to attract and retain talented people are main issues and a priority for French HR Directors according to a study published by the Baromètre CSC/Liaisons Sociales/ E&P in 2007 (Liaisons Sociales, 2007; Réale and Dufour, 2006).² The management of High Potentials (49%) and the management of key competences (55%) are top ranked according to this survey. The retention of talent is not a new concern for HR Directors. Roussillon states that since the end of the 1990ies, big international French companies do have a High Potential Management System (Roussillon, 1998).

In some cases, HR Directors are worried about the development of two-fold HR practices, via practices for High Potentials and practices for the “others”. Within the development focusing on talented employees lays the risk to reinforce the disengagement of the other employees (Liaisons Sociales, 2007). Franchot, HR Director of Eramet states that *“High Potentials are crucial for a company because they only represent approximately 8% of the workforce. All the others do a job which can be seen as basic but which is nevertheless essential. Moreover, the fact to focus on elite can damage solidarity and social cohesion within a firm.”* Feelings of injustice, deception or betrayal among employees can be some negative consequences. Implications for employee trust, performance, and behaviour should be considered when implementing a TM approach. (Morrison and Robinson, 1997).

A big French Telecommunication company uses also a four fold selection process (Reverchon, Le Monde, 25/4/2006). 2.000 “High Potentials” are selected and developed to occupy a position in the pool of 400 “Corporate High Potentials”. These 400 “Corporate High Potentials” are developed to be one of the 200 “Top Potentials” and this pool is developed to get one of the 40 top positions in the five forthcoming years.

What about the talent pool within French companies? According to Falcoz, High Potentials represent less than 10% of the French “Cadres” (Executive Managers), e.g. within the Saint-Gobain Group only 1,17% High Potentials (220 Cadres) are detected (out of 19.000 Cadres). Within Carrefour Group the High Potential pool is larger: 340 Cadres out of 2.500 Cadres, which represents 13,6% (Website: JDN Management, 10/03/2005).

Falcoz states that in French companies High Potentials have seldom less than 30 years and seldom more than 45 years. 80% of High Potentials are men and they are highly internationally mobile e.g. an expatriation assignment is often offered to managers who are considered to be High Potentials. In the past, the most important selection criterion was the “Grandes Ecoles” diploma of High Potentials. According to Falcoz, this is changing although nowadays many High Potentials are graduates of the French “Grandes Ecoles” System. Many firms do have a list of High Potentials and in many cases managers do not know that they are part of this list.

² Results of a survey with a sample of 121 companies (78% do have more than 1.000 employees) run from March to June 2007.

Many studies confirm that High Potential Management is not a priority for many firms and only a few organizations manage their High potentials effectively (Snipes, 2005). A recent Corporate Leadership Council survey found that approximately three-quarters of companies worldwide are not confident in their ability to effectively staff leadership positions over the next five years. According to a Hewitt Associates study only a bit more than half of large US companies use a formal approach to identify High potentials. Another recent study reports that two-thirds of US companies are not doing any kind of workforce planning (Cappelli, 2008).

These previous results on High Potentials Management helps us to formulate our hypothesis: *H1: "In the eyes of High Potentials, High Potential Management is not a priority for the company they are working for".*

Concerning the size of the company (number of employees): *H2: "In big companies, High Potentials do have more easily access to Leadership Development Programs (LDP)."*

One important criterion of selection of High Potentials is based on work experience: *H3: "High Potentials who do have a work experience of more than 10 years do have more easily access to LDP."*

As stated already above, High Potentials are first of all male. *H4: "Male High potentials do have more easily access to LDP than female High potentials."*

2. Research Methodology

Many studies draw attention to how companies manage talent, but the voice of the talent itself is often neglected. That's why we want to focus within this research on the talent's perspective. To better understand Talent Management from an individual's perspective, we first carried out an online-survey. Second, we will complete our results with the employer's perspectives. Qualitative research will be therefore carried out in the forthcoming months.

The international survey highlights the High Potentials' perception of Leadership Development; it draws attention to who has been detected among alumni, how they have been detected, by whom they have been detected and what were the tools used to detect them. Later in this article, we will discuss what types of Leadership Development Programmes respondents benefited from, and how they estimate the importance of Leadership Development Programmes to retain talented employees. We will also address the issue if High Potentials are satisfied with the outcome of attending a Leadership Development Programme (LDP).

The results presented here are based on the online survey mentioned above, which ran for two weeks in May 2007. The online questionnaire was sent out to 6.140 alumni of the Audencia Nantes School of Management. The graduates' database includes 7.681 graduates, and we eliminated graduates who retired already. After closing the survey, we received 1.133 filled-out questionnaires which indicates a response rate of 18.45%. This response rate shows the interest and the loyalty of Audencia Alumni and it reflects also the importance and relevance of the Leadership Development topic. 1.123 questionnaires were selected for data analysis; the remaining 10 responses were incomplete and, therefore, were disregarded. Our international study is based on graduates who work in 57 different countries all over the world.

3. Sample Description

We can consider our sample representative with regard to the basis of our research: the population of Audencia's alumni.

What about the *age* distribution of our sample? The majority age range was 25-30 (52%), followed by 31-35 (23%). 12% of our respondents are in their forties (36 to 40) and 7% is between 41 and 45 years. Only 6% of our sample does have more than 46 years.

Next we wanted to know 'how many years of *work experience* do our alumni have.' The results are as follows: 44% of alumni do have work experience of less than 5 years, 25% between 6 and 10 years and 31% is working since more than 10 years. Our sample is quite balanced. We have to take into account that since 10 years our alumni group has grown significantly in comparison to the years before, e.g. 30% graduated from 2000 to 2004 compared to 15% who graduated from 1990 to 1994. What are the results of the Chi Square Test concerning the variable work experience: those who have more than 10 years of work experience, do have more easily access to Leadership Development Programmes (LDP) or they have had access to LDP. Therefore we can confirm H3. The Chi Square Test also confirms the length of work experience for the same company. Our results show that those who have shown their loyalty to the company have more easily access to LDP. We found significant results for those who stayed for more than 6 years in the same company.

Concerning the question "how many years do you work in your *current position*?" we found that the majority, which means 89% of our respondents, has been at least 5 years in the same position, 8% between 6 and 10 years and only 2% more than 10 years.

If it comes to *gender*, we can observe that 61% of our respondents is male and 39% is female. If we compare these figures with our population of 7.681 graduates, we find that in our initial alumni database, 55% are men and 45% are women. Historically, more men than women attended our business school, but since a couple of years this is changing, as more women (55%) than men (45%) are joining nowadays Audencia. Concerning the gender of High potentials (Chi Square Test): men do have more easily access to LDP than women. The percentage of men who attended a LDP is significantly higher the percentage of women. Therefore we can confirm H4.

Next we discuss the results concerning the *size of the company*: The majority of our former students (more than 56%) does work in big multinational companies with more than 2.000 employees. Some company names are given to illustrate this fact: JPMorganChase, Goldman Sachs, HSBC France, BNP Paribas, PricewaterhouseCoopers, Ernst & Young, Deloitte, Accenture, Manpower, Hays, Mercuri Urval, Michael Page International, Schneider Electric, Procter & Gamble, Saint-Gobain, PSA Peugeot-Citroën, Renault, Nestlé, Novartis Pharma A.G., L'Oréal, Unilever, Glaxo Smith Kline Laboratory, T-Mobile Germany, Air France-KLM, Total, etc. 12% of the respondents work in companies from 500 to 1.999 employees, 33% work in Small and Medium-Sized Enterprises (SME). Concerning the size of the company (Chi Square Test): in very small enterprises (up to 49 employees) the notion of LD does not exist; the Chi Square test confirm that alumni working in big multinational companies do have access more easily to LD. Therefore we can confirm H2.

The next question concerns the *industry* our alumni are working in. 13% of the respondents is working in the "Finance, Insurance and Banking Sector" and 6.3% in the "Consultancy

Industry” and 6.1% in the “Chemical, Pharmaceutical, Cosmetics Industry”. 5% is working in the “Audit, Accounting Industry”. We find the results to be quite heterogeneous and our alumni do work in a wide range of industries. In the following eight sectors we find that investment in LD is significantly higher than in other sectors (Chi Square Test): Agro alimentary industry; Chemical, pharmaceutical, cosmetic industry; Real estate; Trade, distribution; Finance, banking, insurance; Audit, accounting industry; Consultancy industry and Information technologies (service) including data-processing engineering.

In which *countries* do our graduates primarily work in? The large majority of our respondents are working in France (73%), followed by the US (4%) and the UK (4%). The results show that the vast majority of our alumni are working within Europe: e.g. in France, in the UK, in Germany (3%) or in Spain (1%). Our international study is based on graduates who do work in 57 different countries.

The next question concerns the *country of origin* and the *nationality* of our graduates. The majority of the persons replying to our questionnaire were French (93%), followed by Dutch (1%), Germans (1%) and Spanish (0.6%). Some other countries of origin: England, Chile, Slovenia, Morocco, Martinique, Switzerland, Luxembourg, Saudi Arabia, Gabon, China, Argentina; Canada, Vietnam, Nigeria, Ireland, India, Norway, Madagascar, Poland, Tunisia, Mauritius, Bosnia Herzegovina, Austria or Lebanon.

Further, we wanted to know which *programme* our alumni attended at our business school. The large majority, 84% of our sample attended the Audencia Master in Management in the “Grande Ecole” Programme, 4.3% the Euro*MBA, followed by specialised French Masters like the Management of International Competencies (MCI) or Sports Management (MOS) with 4.2%. The remaining 7.5% are distributed amongst the Audencia International MBA (Full-time), Audencia Executive MBA (Part-time), Audencia Corporate MBA, European Management Programme (EMP), International Master in Management (IMM) and Executive Education Courses. The results of the Chi Square Test confirm the significance of MBA programs in LD. Concerning the variable the programme our alumni attended in our business school: the MBA programs show significant results (especially alumni of the Exec MBA programme and the Euro*MBA programme). Alumni of these programmes, especially MBA classes, are supposed to be High Potentials.

4. Results and Discussion

Identification and Recognition of High Potentials

One of the first questions was to find out if the company identified our alumni as High Potential. Our survey results suggest that 38% had been officially identified by the company and 62% had never been identified or not yet been identified as High Potential. The survey results revealed that the percentage of our alumni, who already had been detected, can be considered as high: 38% of 777 graduates who answered this question (346 graduates did not answer this question). But of course, these figures must be interpreted carefully because alumni may have given a “desirable” answer. In France, graduates from a “Grande Ecole” are considered to be High Potential so this can influence the perception of them being High Potential. If we compare the mentioned figure of 38% with the Audencia alumni database which contains for our purpose 6.140 graduates, 12,65% of our Alumni are already detected as High Potentials.

The gender breakdown is as follows:

- Yes (38% all, 44% male, 27% female)
- No (62% all, 56% male, 73% female)

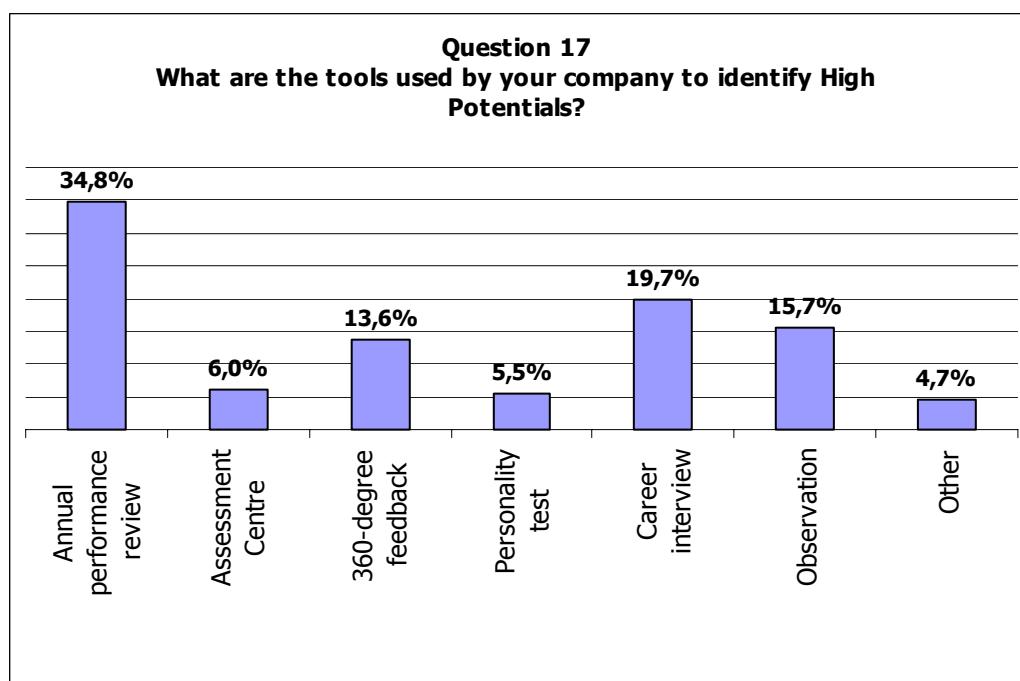
When we compare our results with other studies, we do have in our sample slightly more women that had been detected as HP (27% women versus 20% in other studies as cited above). This result can be a consequence of our database because the percentage of women attending higher education is steadily growing.

One general explanation lies within the timing of the selection process. Many companies select their High Potentials between 30 and 35 years - a period which generally coincides with maternity cycles of women. Some authors suggest that companies should take into consideration these constraints and adapt their selection process to diversify their High Potentials. Falcoz claims the detection of female High Potentials would be best from 40 to 45 years.

Another explanation could also be the cognitive self-selection process of women, which means that men define themselves more easily as High Potential as women and men "stand up more easily for their rights". According to different Gender studies, women's attitude and behaviour concerning career choices is different from men's attitude and behaviour. If we further consider that according to main literature on Leadership Development, access to Leadership Development Programmes is mainly possible for men, the gender breakdown of our sample is not a surprising result.

Our survey shows that the three main tools used by companies to identify High Potentials are first the 'Annual Performance Review' (35%), followed second by a 'Career Interview' (20%). (see Figure 1). The third mentioned tool is 'Observation' with 16% (*Multiple answers were possible*).

Figure 1: Tools used to identify High Potentials in our Survey



14% had been detected with the help of ‘360 Degree Feedback’ and 6% with the evaluation tool named ‘Assessment Centre (AC)’.

Who identified our respondents as High Potentials? The “Line Manager” identified 33% of our respondents, 23% were identified by their “CEO”, 13% by the “HR Director”, followed by 12% who mentioned the “HR Manager”. From these results we can see that the HR Department (25%) plays a strategic role in detecting High Potentials.

The results highlight the role of the Line or General Manager in detecting High Potentials. Top management’s role (CEO/CFO) is also crucial when it comes to detect High Potentials, and as just mentioned before the HR Department plays a strategic role. Friedman corroborates the critical role that CEOs plays in managing High potentials (Friedman, 1986). Board members are becoming increasingly involved in top-management succession (Cowherd, 1986). Dalton and Thompson point out that developing future leadership is one of the key functions of top management (Dalton and Thompson, 1986).

What type of Leadership Development initiative or programme did alumni benefit from? Audencia alumni benefited from Coaching (22%), from Standardised Leadership Development Modules (16%) and from an Expatriation Assignment (13%). The results reflect the “young” sample of our alumni because 10% benefited from a Graduate Training Programme (GTP). Graduate Training Programmes are tailored entry programmes for graduates and they are considered to boost the career of those who benefit from such a programme. According to previous research done on Leadership Development, our results confirm also that MBA Programmes and Expatriation Assignments can be considered as career boosters. Fast-track programmes vary with regard to stage of career, duration, content, purpose and participants (Harris and Feild, 1991).

In North America, only 3% of women were sent on global assignments in the 80ies (Adler, 1993 and 1994). Recent estimates show that 10 to 15% of expatriates are women. (Caligiuri and Cascio, 1998). These results reveal that companies need to pay attention to the selection of international managers.

With the next question we wanted to know if the respondents had been officially identified as High Potential, but were not offered a Leadership Development Programme by their company: did they take their own initiative to attend one? The answers are as follows: 28% took an initiative and 72% responded that they did not take the initiative to attend one. The results show that 1/3 of our alumni was acting pro-actively. We may argue that talented stuff might have lost faith in their employer’s ability to provide career and development opportunities. So, instead of relying on the company, High potentials are tending to become self-reliant in managing their careers and therefore they are looking for opportunities and taking action. (See also the results of Harris and Dickmann, 2005.)

Regarding the volume of the Leadership Development Programme, we can observe that the attendance of short programmes is significant, but also the attendance of longer programmes cannot be neglected. The question ‘can the volume of the Leadership Development Programme you attended, be counted in days or months (on a full-time basis)?’ showed the following response pattern:

- Less than two weeks (36 % all, 68% male, 32% female)
- 2 to 4 weeks (24 % all, 76% male, 24% female)
- 1 month to 2 months (8% all, 81% male, 19% female)
- 2 to 6 months (12% all, 77% male, 23% female)
- 6 months to 1 year (8% all, 69% male, 31% female)

- More than one year (12% all, 61% male, 39% female)

The next question revealed the outcome of attending a Leadership Development Programme. The three main outcomes according to our survey are: “more responsibility” (119 respondents or 25%), “higher salary” (96 respondents or 20%) and “personal satisfaction” (95 respondents or 20%). The results highlight that career possibilities of our alumni are the most important outcome, followed by financial incentives and individual satisfaction. These results are in line with the expectations of alumni. It seems that the HR Department more often uses a financial incentive as reward (20%) and this financial reward is often less expected by our alumni (15%). To avoid a gap between the expectations of High Potentials and the outcome of attending a LDP, we can conclude the HR Department has to assess the needs of each individual High Potential to respond to them accordingly and appropriately. Meeting the expectations of High Potentials can have positive impacts on employees’ commitment and motivation.

To find out if the expectations met the outcome we asked if alumni are satisfied with the outcome.

The results are as follows:

- Yes (75 % all, 73% male, 27% female)
- No (10 % all, 80% male, 20% female)
- Expectations did not meet the outcome (13 % all, 76% male, 24% female)
- The outcome was higher than expected (3% all, 50% male, 50% female)

Three quarters of the respondents stated that “they were satisfied with the outcome”. 10% was “not satisfied” and 13% claimed that “their expectations did not meet the outcome.” For 3% of the respondents was “the outcome higher than expected”.

The next question addressed the importance of LDP to a career progression: ‘how important is a Leadership Development Programme to your career progression?’

1. = not important (15 % all, 65% male, 35% female)
2. = important (44 % all, 69% male, 31% female)
3. = very important (31 % all, 81% male, 19% female)
4. = indispensable (10 % all, 52% male, 48% female)

From the results we can see that Leadership Development is a very important issue: The large majority, viz. 85% claimed that Leadership Development is important to indispensable to their career progression: 10% of the respondents said that it is “indispensable”, 31% stated “very important” and for 44% LD is “important”. Only 15% of our alumni meant that Leadership Development is “not important” to their career progression.

Is career progression built into a formal development plan by the HR department? The findings report that for the majority of our alumni (55%) career progression is **not** build in a formal development plan within the company. The remaining 45% responded with “yes”. The results reveal that out of every two companies, more than one does not base its HR policies on strategic development plans for identifying talents to become Senior Executive Managers.

The top three reasons (in descending order) why companies invest in Leadership Development Programmes are:

1. To optimize performance: 16%
2. To motivate employees: 16%
3. To retain employees: 14%

The ranking of the rest of the answers is as follows:

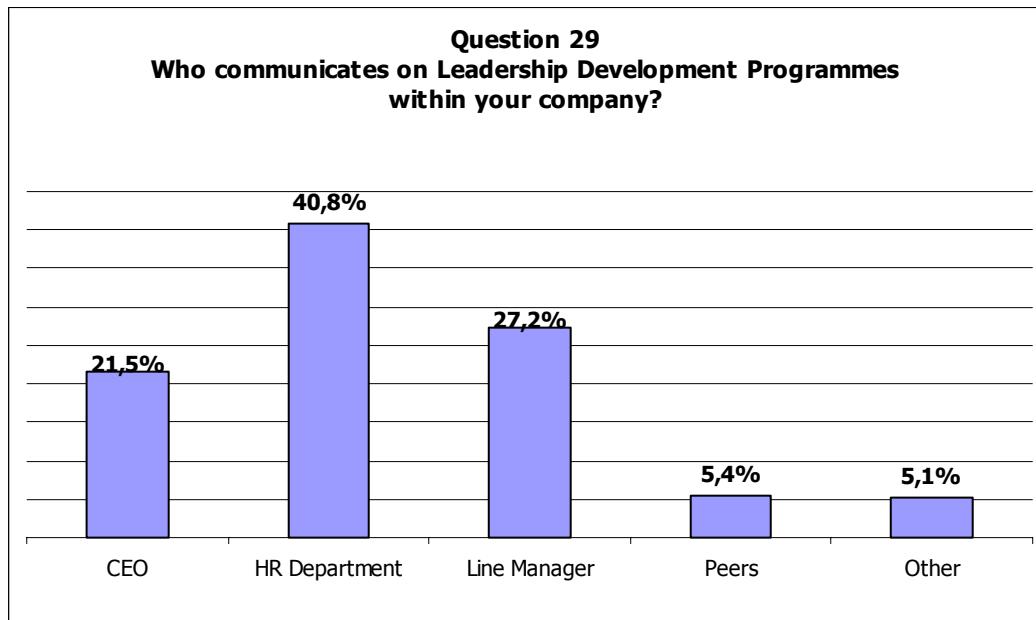
- Employee Development is part of the company culture: 11%
- Employee Development is part of strategic HR policies: 8%
- To stay competitive: 8%
- Emphasis on internal career progression: 7%
- For organizational development: 7%
- To reward employees: 5%
- To attract employees: 5%

Our findings show that performance, motivation and retention issues are top-ranked (46%) and employee reward and employee attraction (10%) are less important in the opinion of our alumni.

Who communicates on Leadership Development Programmes within your company? (see Figure 2). The results show the major role of the HR function.

- CEO: 22%
- HR Department: 41%
- Peers: 5%
- Line Manager: 27%

Figure 2: Who communicates on LDP within your company?



The results show the role of the HR Department (41%), the Line Manager (27%), and the CEO (22%) in communicating on Leadership Development Activities within organisations. The results also reveal that different stakeholders are concerned with communication on Leadership Development Programmes: starting from the top of the company the CEO, Top Management, the HR Department, and Line Managers. Different actors are responsible for communicating on Leadership Development Practices.

With the next question we wanted to find out if Leadership Development is a priority for the HR Department. The answers are as follows: 52% of our alumni answered with "no" and 48%

with “yes”. These results can be considered as alarming because one out of two alumni considers Leadership Development is not a priority for the HR Department. These results confirm our H1 that in the eyes of the High Potential, High Potential Management is not a priority within the company they are working in.

Did attending a Leadership Development Programme reinforce the loyalty to a company? The answers concerning this question are very clear. 63% responded with “yes” and 36% with “no”. We can see from the results that attending a Leadership Development Programme reinforces loyalty for 2 out of 3 alumni; that is a result which should encourage companies to invest in Leadership Development. Employees’ retention can be influenced positively when investing in High Potentials.

The answers concerning the next question “would you consider leaving a company because of refused access to a Leadership Development Programme?” are as follows: 46% answered with “yes” and 54% gave the answer “no”. One out of two alumni is considering leaving the company he/she is working in because of refused access to Leadership Development Programmes. It is important to note that nearly one out of two alumni would consider to leave the company.

Conclusion and Directions for Further Research

The results of our international survey show that from the High Potentials viewpoint companies do not take care of the Leadership Development in a very systematic way. Improvements in that area should be a priority to develop tomorrow’s leaders. Unfortunately, it seems that the HR Department and top management are not always aware of the benefits of investment in High Potentials. Our results show positive impacts on High Potentials’ motivation, loyalty and retention.

An important area for future research relates to the gender specific question of High Potentials Management. Companies cannot afford to ignore this question anymore. According to Falcoz, companies need to integrate women and experienced managers in their HP programmes (Website: JDN Management, 10/03/2005). Since more than 20 years, American companies manage their diverse workforce, which means the gender specific High Potential Management is discussed and managed, which is not the case in many European countries.

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