

Unlocked POTENTIAL

The Falling of a Star

The following case study illustrates how the talent trap is costing more and more top companies their best performers.

Tom is a star performer at XYZ Corporation. He came to the company straight from an Ivy League MBA program. Now in his late thirties, Tom has worked his way up from assistant product manager to head of product development. Along the way, he oversaw product development for the hottest new product in the industry. Senior managers view him as an extraordinarily creative and dedicated employee with an enviable track record of success. In fact, he has the drive and ambition to rise higher in the company.

Today, Tom is eyeing a promotion to general manager of Canadian operations, a \$300 million business unit. The promotion would put him on the executive committee, and if he were to be passed over for the job, he'd view it as a crushing failure. Tom wants the status, of course, but he also longs for the next challenge. He feels the company owes it to him.

Meanwhile, Tom's bosses have doubts about promoting him. His executive assessment confirmed what his bosses suspect. Although he possesses the competencies that lead to success at the functional level—marketing acumen, high intelligence, creativity, and drive—Tom is a successful individual contributor who struggles with the transition to generalist.

A survey of Tom's department showed that other top performers weren't happy working for him. They respected him because he was smart and successful, but the best of them wanted to learn what they could from him and quickly move on. "Tom is always solving everyone's problems for them," one budding star said. "It never occurs to him that I'm a pretty smart guy, and what I really want is for him to give me some advice and then let me solve the problem myself and get credit for it."

Tom's bosses face a dilemma. Do they encourage him to take on a new functional role, or do they promote him to GM of Canada?

Choice 1: Deny Tom's promotion.

Tom is furious and is not tempted by the offer of another functional role with a higher salary. His view is, "Been there, done that." He floats his resume and soon signs on with a competitor.

Choice 2: Promote Tom.

Tom becomes general manager of Canada and sits on the executive committee with people who have very different backgrounds: financial executives, manufacturing directors, R&D experts, and so on. With little experience outside product development, he can't read the behavior of his peers in the group. Meanwhile, Tom is energized by the problems facing the Canadian operation. He rolls up his sleeves to solve them himself, which alienates his key reports. At executive committee meetings, Tom feels isolated. He gets no feedback, positive or negative. After a year, out of the blue, Tom is fired. He's told that members of the executive team feel he has a silo mentality. He "got" marketing, but he never understood his role as a generalist.

Why was Tom's case a lose-lose scenario? Was Tom's departure inevitable because he aspired to the wrong sort of position? No. Had XYZ Corporation been operating under an effective talent management plan for years, "Tom's failure could have been avoided and other options would have been apparent. Tom would have understood years earlier where he needed to bolster his capabilities. Either he would have worked to close the skill gaps, or he would have modified his career goals.