2. The authors are the external consulting team at Rohm and Haas.

References

Bossidy, L., & Charan, R. (2002). *Execution: The Discipline of Getting Things Done.* New York: Crown Business.

Boyatzis, R.E. (1982). *The Competent Manager: A Model for Effective Performance.* New York: John Wiley and Sons.

Chen, W. & Jacobs, R. (1997). *Competence Study.* Boston, MA: Hay/McBer.

Cherniss, C. & Goleman, D. (2001). *The Emotionally Intelligent Workplace: How to Select for, Measure and Improve Emotional Intelligence in Individuals, Groups and Organizations.* San Francisco: Jossey-Bass.

Collins, J. (2001). *Good to Great.* New York: HarperCollins.

Goleman, D. (1995). *Emotional Intelligence.* New York: Bantam Books.

Goleman, D. (1998). *Working with Emotional Intelligence.* New York: Bantam Books.

Goleman, D. (2000). "Leadership that Gets Results." *Harvard Business Review* (March-April): 78-90.

Goleman, D., Boyatzis, R., & McKee, A. (2002). *Primal Leadership: Realizing the Power of Emotional Intelligence.* Cambridge, MA: Harvard Business School Press.

Rosier, R. (ed.). *The Competency Model Handbook,* Vols. 1-3 (Lexington: Linkage, 1994-1996).

Wasylyshyn, K.M. (2003). "Executive Coaching: An Outcome Study." *Consulting Psychology Journal: Practice and Research,* 55: 94-106.

Learning Agility as a Prime Indicator of Potential

Robert W. Eichinger, CEO, and Michael M. Lombardo, Director of Research, Lominger Limited, Inc.

In *The War for Talent* studies (Michaels, et al., 2001), only seven percent of respondents agreed their companies had enough talented managers, and only three percent agreed with the statement: "We develop people effectively." Other studies show first-time top-executive failure rates to be anywhere from 33 percent to 75 percent (Sessa & Campbell, 1997). During the last decade, one-third of the CEOs in the Fortune 500 have been replaced (Bennis & O'Toole, 2000; Charan & Colvin, 1999). Although the preceding results have many causes, one implication is that organizations have great difficulty in spotting and nurturing talent that has staying power once in key positions.

Previously (Lombardo & Eichinger, 2000), we demonstrated that a measure of learning agility (CHOICES®) was related to both current performance and longer-term potential. Our essential argument was that learning new job and technical knowledge is different from learning new personal behavior or ways of viewing events and problems. If people learn, grow, and change across time (and consequently develop new skills, not just enhancing what they already have), then comparing the competencies of a promising 25-year old to the competencies (success profile) of successful 50-year olds will not be totally informative. Promising 25-years olds are not just miniature versions of successful 50-year olds.

Selection, staffing, and succession planning should be a combination of looking at those characteristics that do not change much over time and can be detected early (such as intelligence) and those that flower across time as the person learns to deal with fresh situations.

For a summary of this initial research study, see the Appendix at the end of this writing.

After the initial validation of our instrument as a measure of personal adaptability, we turned to longer-term questions:

1. Would learning-agility scores predict later promotion?
2. Would people with higher scores perform better once promoted?
3. If so, whose ratings would most likely relate to this higher performance?
4. Would there be a difference in the type of promotion that high-learning-agile people received?
5. Is learning agility something unique or is it basically a variation of intelligence or personality variables?

Selection, staffing, and succession planning should be a combination of looking at those characteristics that do not change much over time and can be detected early (such as intelligence) and those that flower across time as the person learns to deal with fresh situations.

To examine the first four questions, we used a sample of 313 managers and individual contributors from three firms (two in insurance and one in electronics). Fifty percent (155) of these men and women were promoted during the one- to two-year period from collection of CHOICES® data until they had been in their new jobs long enough to receive a formal performance rating. Learning-agility ratings were not used as a factor in promotion, at least in any formal sense, although we cannot say no one involved in the promotion decision did not know of or consider the scores.

For data on the fifth question we are indebted to Connolly and Viswesvaran (2002), who compared CHOICES® to an IQ and a Big Five personality measure.

Learning Agility and Promotion

We hypothesized that learning-agility scores probably would not predict promotion. Many reasons for promotion have nothing to do with learning agility: doing more of the same kinds of jobs, few candidates available, candidates with high-learning-agility scores turn it down, a high-performer in a specific knowledge or technology area is promoted instead of a high potential, politics, managerial cloning, seniority, or just bad calls on talent. In a recent study (Sessa, et al., 1998), only 15 percent of executives were selected from the formal succession plan. For any and all of these reasons, we expected promotion would not necessarily be predicted by learning-agility ratings. This was the case. Learning-agility ratings were unrelated to who got promoted ($P>.44$ for the logistic regression equation).

EXHIBIT 1

CHOICES® (Learning Agility) Scores and Later Performance

Mental Agility*	(N=63)	.54**	p<.0001
Personal Agility*	(N=63)	.50	p<.0001
Source Agility*	(N=63)	.32	p<.02
Change Agility*	(N=63)	.34	p<.01
Communication Agility*	(N=63)	.51	p<.0001
Overall CHOICES® score (only score available from one company)	(N=77)	.25	p<.03
Overall CHOICES® score (all companies)	(N=140)	.31	p<.0002
All factors	(N=63)	R-square = .33	p<.0003

*The first version of CHOICES® was used for this study. See Appendix for explanation.

**Pearson correlations are uncorrected for range restriction in the criterion.

Learning Agility and Later Performance

In contrast, we hypothesized that people with higher learning-agility scores would perform better once promoted, speculating they should be better able to meet the fresh challenges of new jobs. If a measure of learning agility indicates anything, it should indicate those who are more adaptable and more willing to confront what they do not know how to do. This hypothesis was borne out. When people with higher learning-agility scores were promoted, the net performance of the promoted people was significantly stronger (see Exhibit 1). Further analysis showed that the high performers averaged significantly higher learning-agility scores than both the low and the moderate performers.[1]

In one company, we were able to separate out boss ratings from those of others (mostly peers). Our hypothesis was that as other studies have shown (Atkins & Wood, 2002; Kaplan & Kaiser, 2003; Lombardo & Eichinger, 2003; Antonioni & Park, 2001), the boss would be the most accurate rater (i.e., boss ratings on learning agility would relate most highly to performance after promotion). This hypothesis was confirmed by the results. Boss ratings correlated .45 with performance ratings; other raters had a correlation of -.02. Boss ratings correlated significantly with the mental, change, and communication agility factors. None of the other rater results was significant.

Learning Agility and Challenging Promotions

Even if learning agility were not a factor in promotion, we hypothesized that it would be a factor in the more challenging assignments. We defined these as: first time for the person; little or no prior experience—new people, demands, functions to deal with; requires making a significant transition—such as professional to manager, manager of staff to manager of managers, functional head to general manager, manager of a unit to multiple units; different language; international assignments. Because we were only able to measure this in one firm, any results are suggestive. A regression equation indicated that those higher in Change Agility and lower in Source Agility (see Appendix for definitions) received the more challenging promotions. This finding is presented as a possibility given the low R-squared of .15. It makes intuitive sense that people seen as able to deal with change would get more significant promotions. For Source Agility, a factor that deals with information sources, people who rely on others a great deal may not be seen as independent enough. They need their network to perform, and the concern is that, without the networks, they will not do as well in a new situation. This finding may be particular to this company, as Source Agility scores are not related to performance once one is promoted for the most accurate rater group: boss. Lower scorers received more of the same promotions, such as moving up to take their boss's job.[2]

Learning agility was a much stronger predictor of performance and promotability compared with an IQ measure and a measure of the Big Five personality factors.

Learning Agility and IQ/Personality Variables

It is fair to question whether a measure of learning agility is just a surrogate for intelligence or personality variables. Although studies of another measure of street smarts or learning from experience (Sternberg, et al., 1995) found it to be unrelated to IQ, no similar study had been conducted with CHOICES®. A study by Connolly and Viswesvaran (2002) did in fact find that CHOICES® ratings were unrelated to IQ. Instead, according to the authors, it picks up on non-cognitive personal adaptability. Additionally, it was mostly unrelated to a personality measure of the Big Five personality factors. It was somewhat related to a personality measure of Openness to Experience, which is to be expected, but not related to any of the other personality factors.

When the measures were compared directly, learning agility

was a much stronger predictor of performance and promotability compared with an IQ measure and a measure of the Big Five personality factors.

All the significant relationships for job performance or ratings of promotability were between the learning-agility factors and the criterion measures. When introduced last into logistic regression equations, CHOICES® ratings accounted for more variance than did IQ or personality.

Conclusion

This study demonstrates the usefulness of learning-agility measures and throws doubt on common arguments that learning agility is a surrogate for IQ or personality variables. CHOICES® appears to (1) measure a set of behaviors that adaptive people use in order to learn new behaviors and deal with change, and (2) predict the ability to perform well under first-time conditions. Learning agility is related to performing better once promoted. It may also relate to promotion into more challenging jobs. We propose that one way to improve the spotting and nurturing of talent is to consider learning agility as a predictor, an important factor in selecting people for promotion or for more challenging assignments.

Those who succeeded in making a behavioral or attitudinal change had specific learning strategies that they could articulate to varying degrees.

APPENDIX

Summary of Initial Research Study

Previously (Lombardo & Eichinger, 2000), we proposed that an important part of being a high potential was being a high learner (being high on learning agility). Our essential argument was that learning new job and technical knowledge is different from learning new personal behavior or ways of viewing events and problems. Street smarts, common sense, or simply learning from life experience is different from how intelligent a person is (as measured by IQ tests, grades in school, or accumulating technical knowledge). Research to that point (Sternberg, et al., 1995) has also shown this difference to make a difference. In the Sternberg studies, a measure of street smarts was far more predictive of level attained in organizations than was IQ.

One reason for this may be that many of us are more likely to rely on our successful habits from the past rather than going to the trouble of creating new ones. Under the pressure of change or first-time situations for us, we stick to our comfort zone, repeating what has worked before or switching to a different past solution, but not a new strategy. A second reason is that organizations ordinarily select for intelligence, but not for learning agility so there should be more variance in learning agility than intelligence.

Our initial article described the development of our learning-agility instrument known as CHOICES®. The initial item set was partially based on research done at the Center for Creative Leadership (McCall, et al., 1988; McCall & Lombardo, 1983) on learning, growth, and change among successful and derailed executives and middle managers. Through content analysis of interview and survey data of executives (Lindsey, et al., 1987), as well as a research intervention study with 55 managers, it became apparent that those who succeeded in making a behavioral or attitudinal change had specific learning strategies that they could articulate to varying degrees. Further review of relevant literature on learning strategies (such as studies of children who "spontaneously" learn to read—Pressley, et al., 1987) indicated there were common themes in learning something new. Items were written to tap constructs of learning agility that were hypothesized from prior studies and relevant literature. All items were either explicitly learning-oriented or required learning in order to perform under first-time conditions.

The initial research on the instrument yielded five factors. Using feedback from clients and after further review, a second version was tested. As a result of this second round of research, four factors that describe different aspects of learning agility were constructed.[3] They are:

1. *People Agility:* Describes people who know themselves well, learn from experience, treat others constructively, and are cool and resilient under the pressures of change.
2. *Results Agility:* Describes people who get results under tough conditions, inspire others to perform beyond normal, and exhibit the sort of presence that builds confidence in others.
3. *Mental Agility:* Describes people who think through problems from a fresh point of view and are comfortable with complexity, ambiguity, and explaining their thinking to others.
4. *Change Agility:* Describes people who are curious, have a passion for ideas, like to experiment with test cases, and engage in skill-building activities.

Each of these factors was significantly associated with consideration as a high potential, having good-to-high performance, and staying out of trouble. The four factors together correlated significantly with criterion measures (R-square = .30 for both). Each scale correlates significantly with criterion measures ($P<.0001$).

People high in learning agility and likely high potentials:

1. Seek and have more experiences to learn from;
2. Enjoy complex first-time problems and challenges associated with new experiences;
3. Get more out of these experiences because they have an interest in making sense of them; and
4. Perform better because they incorporate new skills into their repertoire.

The face they show to the outside world is:

1. Eager to learn about self, others, and ideas.
2. Showing genuine willingness to learn from feedback and experience and change their behavior and viewpoints as a result.
3. Interested in helping people think and experiment.
4. Resilient and philosophical about what happens to people who push change.
5. Uncompromising: While wide-open to diversity, multiple sources, and a range of views, once they incorporate these into their thinking, they are described as stalwart in pushing their notions. They rely on logic, well-thought-through ideas, cool communications, and perseverance to sell their points.

The learning-agility tool is intended to spot and nurture those with growth potential, to be used as an aid in selecting and developing people who will learn the most from their experiences and assignments. Our research also indicated that the significant relationships are accounted for by the learning scales, not group (gender, level, age, line/staff) or company membership. No group had a strong rating edge over another.

Notes

1. NOVA on Performance Rating by Rater Category: We divided CHOICES® scores into top quarter, bottom quarter, and middle 50 percent, then did an analysis of variance using this three-category grouping as the independent variable and the performance rating as the dependent variable. The F value was significant (4.31; $p<.02$). Further analysis using Tukey's studentized range showed that the high scorers had significantly higher performance than those in the moderate or low groups. The means were:

Low group	3.18
Moderate group	3.26
High group	3.59

   The performance rating was range-restricted, as is true with many organizational performance ratings; therefore, we also ran a Chi-square on the grouping and the performance rating. The X-square value was significant (21.32; $p<.002$). This confirmed the finding that high scorers perform better after promotion.
2. Running a regression using the factor scores to predict significance of promotion produced a significant result ($N=70$; R-square=.15; $p<.05$). Two of the factors were significant: change agility ($p<.01$) and source agility ($p<.03$).
3. The first edition of CHOICES® included mental, personal, source, change, and communication agility. Additional research served as the foundation for changes made to Choices Architect® Second Edition. The second edition includes mental, people, and change agility; communication agility was incorporated into people agility and source agility was split: knowledge/ reading sources are now in mental agility and people sources are in people agility. All concepts from the first edition are covered in the second. In all cases, weaker items were eliminated rather than concept coverage. A results agility factor was added to the second edition.

References

Antonioni, D. & Park, H. (2001). "The Relationship Between Rater Affect and Three Sources of 360 Feedback Ratings." *Journal of Management,* 27(4): 479-495.

Atkins, P.W., & Wood, R.E. (2002). "Self Versus Other Ratings as Predictors of Assessment Center Ratings." *Personnel Psychology,* 55: 871-904.

Bennis, W. & O'Toole, J. (2000). "Don't Hire the Wrong CEO." *Harvard Business Review* (May/June).

Charan, R., & Colvin, G. (1999, June 21). "Why CEOs fail." *Fortune,* 139(12).

Connolly, J.A., & Viswesvaran, C. (2002). "Assessing the Construct Validity of a Measure of Learning Agility." A Presentation at the Seventeenth Annual Conference of the Society for Industrial and Organizational Psychology, Toronto, Canada (April).

Kaplan, R.E., & Kaiser, R.B. (2003). "Rethinking a Classic Distinction in Leadership: Implications for the Assessment and Development of Executives." *Consulting Psychology Journal: Research and Practice,* 55: 15-25.

Lindsey, E.H., Homes, V., & McCall, M.W. (1987). *Key Events in Executives' Lives.* Greensboro, N.C.: Center for Creative Leadership.

Lombardo, M., & Eichinger, R. (2003). *The Leadership Architect Norms and Validity Report.* Minneapolis: Lominger Limited, Inc.

Lombardo, M.M. & Eichinger, R.W. (2000). "High Potentials as High Learners." *Human Resource Management,* 39(4): 321-330.

McCall, M., Lombardo, M. & Morrison, A. (1988). *The Lessons of Experience.* Lexington, Mass.: Lexington Books.

McCall, M. & Lombardo, M. (1983). "What Makes a Top Executive?" *Psychology Today,* 17(2): 26-31.

Michaels, E., Handfield-Jones, H., & Axelrod, B. (2001). *The War for Talent.* Boston: Harvard Business School.

Pressley, M., Borkowski, J.G., & Schneider, W. (1987). "Cognitive Strategies: Good Strategy Users Coordinate Metacognition and Knowledge." *Annals of Child Development,* 4: 89-129.

Sessa, V.I., & Campbell, R. (1997). *Selection at the Top.* Greensboro, NC: Center for Creative Leadership.

Sessa, V.I., Kaiser, R., Taylor, J.K., & Campbell, R.J. (1998). *Executive Selection: A Research Report on What Works and What Doesn't.* Greensboro NC: Center for Creative Leadership.

Sternberg, R.J., Wagner, R.K., Williams, W.M., & Horvath, J.A. (1995). "Testing Common Sense." *American Psychologist,*

Talent Wars: Out of Mind, Out of Practice

Robert Gandossy and Tina Kao, Hewitt Associates

When it comes to talent, complacency is rampant in too many companies. Gone are the scenes from the late 1990s, when the economy was booming, stocks were soaring, and companies were pulling out all the stops just to get warm bodies in the door. Instead of searching for and developing top talent, many companies have been immersed the last few years in downsizing and other cost-cutting measures. Budgets for training and talent development are at a stalemate, and HR perquisites designed as incentives for top talent are no longer considered a must-have for many organizations.

Economic conditions certainly help explain how the tide turned so quickly. In the late 1990s, the U.S. unemployment