Implicit assumptions in high potentials recruitment

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Abstract

Purpose – Professionals of human resources (HR) use different criteria in practice than they verbalize. Thus, the aim of this research was to identify the implicit criteria used for the selection of high-potential employees in recruitment and development settings in the pharmaceutical industry.

Design/methodology/approach – A semi-structured interview guide was developed and used to collect data from 15 European and US recruiters in the pharmaceutical sector. The interview guide included an embedded association test to identify potential differences between implicit assumptions about high potentials and verbalized criteria among participants.

Findings – These included differences and similarities between the criteria to define high potentials and the implicit assumptions HR professionals use in their initial selection of employees who are selected for further assessment and development programmes.

Research limitations/implications – Size of the sample is a limitation. Therefore, the conclusions drawn from this study should be treated with a degree of caution.

Practical implications – Learning how HR professionals use implicit assumptions about potential recruits should inform practitioners about selection, promotion and training strategies. Given the increasing application of automated search algorithms to identify and select high potentials for recruitment, development and promotion purposes, future studies should account for the differences between used and verbalized criteria underlying the development of these systems.

Originality/value – This study shows how the used implicit assumptions of HR professionals about high potentials differ from verbalized statements and guidelines.

Keywords High potential, Recruitment, Pharmaceutical industry, Segmentation, Human resource management, Targeting

Paper type Research paper

Introduction

Only flexible companies that proactively learn and adapt will sustain themselves in ever-changing environments (Collins, 2001). Accordingly, learning capability is a common and important element in talent definitions (Ready et al., 2010). Camps and Luna-Arocas (2012) found that the output of human resources (HR) management practices is related to the performance of a company through the organizational learning capability. The vital organizational capabilities to learn and adapt can be potentially achieved through:
• the retention of high competent employees;
• the development of these capabilities in employees; and
• the recruitment of new employees who possess these capabilities.

Although these three pathways are a key to deliver optimal results (Stahl et al., 2007), Ulrich and Brockbank (2005) believe that recruitment is the most important pathway because it drives the outcomes of other measures (e.g. training and incentives) of the high-potential management system.

The concepts of talent and talent management have been gaining popularity as strategic sources of achieving competitive advantage and organizational sustainability. Yet, these concepts and their intellectual boundaries have been discussed by various scholars (Vaiman et al., 2015). Different perspectives prevail among scholars. For example, Cappelli (2008) has viewed talent management from a human capital theory perspective, whereas others (Kim and Scullion, 2011; Farndale et al., 2010) view talent management as a set of practices closely linked to corporate strategy. Other scholars (Mellahi and Collings, 2010) view talent as the main source of corporate success. Guided by notion of the global “war for talent” (Beechler and Woodward, 2009), HR professionals need to implement strategies to ensure they hire the best existing talent as different employees make varying degrees of contribution to organizational performance, depending on their knowledge, skills and attitudes (Collins and Kehoe, 2009; Thom, 2007). Thus, high potentials are perceived as the main source of competitive advantage for organizations, and the management of this talent has become an increasingly essential competitive factor in complex and dynamic environments (McDonnell, 2011). However, researchers and practitioners remain vague when defining talent and talent management (Vaiman et al., 2015) and leave a grey area in practice for implicit and unspecified personal belief systems and the best talent needed for the organization. This ambiguity is unfortunate as a common frame of reference on leadership dimensions is important for the accuracy of leadership assessment (Guenole et al., 2013).

Previous research (Cole, 2007; Rynes et al., 2003) found that HR practitioners often do not use the criteria they verbalize; therefore, it is important to study which implicit assumptions they have while thinking about potential. Understanding the actual criteria used by HR professionals is especially important because HR practitioners are, in most companies, the gatekeepers to assessments with more validated tools to evaluate the potential of employees, such as those tools used in assessment centres. Thus, the purpose of this study is to identify the criteria used by HR professionals to identify high-potential employees. Learning about the best and most effective criteria to use in practice to identify high potentials will allow organizations to assign the most promising employees to learning and developmental activities (Fernández-Aráoz et al., 2011).

Our approach to understanding high potentials’ recruitment joins two main contributions to talent management and recruitment research. First, it responds to the call for further research (Dries et al., 2012) on the implicit assumptions used by HR professionals to identify potential. Second, it makes a contribution to the extant recruitment literature by demonstrating how HR professionals use their implicit assumptions as a strategy to recruit high-potential employees. There is limited evidence-based research on the ways organizations should implement talent
identification and evaluations (McDonnell, 2011) in applied organizational settings (Church, 2011). Such knowledge is essential because HR professionals manage access to later steps in the evaluation process, where more sophisticated instruments can be used to evaluate the potential of applicants (Silzer and Church, 2010).

We investigated the high-potential definitions used by professionals in the pharmaceutical industry because high potentials’ recruitment in this industry is critical and received growing recognition during the past decade (Collins and Kehoe, 2009). The pharmaceutical industry has grown more important in health-care systems because innovative clinical treatments have become more available and affordable, whereas the expansion of universal health coverage had created new specialty medicines more accessible for people requiring such medicines (Aitken et al., 2014). In addition, the pharmaceutical industry has been a significant contributor to the global economy, with global spending on medicines projected to reach more than $1.3 trillion by 2018 at a compound annual growth rate (CAGR) of 4 per cent to 7 per cent (Lyle et al., 2014). Thus, scientific talent in the pharmaceutical sector is both vital for the innovative potential of a pharmaceutical company (Deng et al., 1999) and considered valuable in turbulent times (Rigby et al., 2009).

**Definition and assessment of high potentials**

The identification of high potentials who can develop and grow in increasingly complex organizational roles has recently received much attention from scholars (Dries et al., 2012; Fernández-Aráoz, 2014; Ready et al., 2010), though there is no universal definition of “high potentials”. Models of high potentials vary in scope, and their characteristics range from general to comprehensive. Morton (2005) has defined the term high potential as synonymous with talent, whereas others (Kunz, 2004) regard high potentials as talents with additional features (Meyers et al., 2013). Descriptions of high potentials include components, such as special social competence (Cavallo and Brienza, 2006), learning and development capability in connection with a high level of career motivation (Kunz, 2004) or performance in current work role (Thom and Friedli, 2003). Robbins and Judge (2013) emphasize the need for companies to hire employees who can easily switch teams and tasks to respond rapidly to a dynamic and changing business environment. Ready et al. (2010, p. 80) believe that “high potentials consistently and significantly outperform peer groups in a variety of settings and circumstances”. While achieving superior levels of performance, high potentials exhibit behaviours that reflect the culture and values of their organizations in an exemplary manner. Moreover, they show a strong capacity to grow, develop and succeed throughout their careers within an organization – more quickly and effectively than their peers. Foster (2015, p. 15) recently has criticized these limited talent definitions with a focus on “homogenized competencies […] which provide the company with a competitive advantage” and offers a broader concept with various types of talent.

Proper potential assessment of current and prospective employees is considered important from a financial and a strategic perspective. Making mistakes can lead to “miscasting” – a situation in which a person is hired or promoted despite a “bad” fit for the job. The financial and organizational costs associated with such miscasting are significant and increase for higher organizational positions (Weuster, 2012). High potentials “have particularly rare and sought-after skills which gives them the capacity
Practitioners and researchers have adapted varied approaches to assess employee potential. In the past, many companies relied on the assessment of character through analysis of family background, extracurricular activities or character-rating scales. These assessments were rarely evidence-based, though, and “these efforts were leaps of faith based on assumptions that the criteria being measured were the important factors in leadership” (Cappelli, 2008, p. 192). Today, many organizations rely on present and past performance to assess the potential of current and future employees (Dries et al., 2012). Although theory about competency and desirable leadership dimensions has developed in the past decades (Boyatzis, 2007), most organizations still lack the necessary HR tools and a consistent language to identify, develop and position future leaders (D’Alesandro and Crandell, 2009).

Subjective assessment on high-potential management
In situations where internal promotion to the next hierarchical level requires a significant change in tasks from the current assignment, performance in the current job is less informative. Grabner and Moers (2013) found subjective assessment of employee ability vitally important. As HR professionals are involved directly (interviews) and indirectly (defining criteria) in the selection and promotion process, they were selected to analyse the non-verbalized, subjective criteria used in practice to identify high potentials.

Sloan et al. (2003) argue that senior line managers and their HR business partners should align their high-potential management practices to ensure internal consistency. However, alignment is only possible if the stakeholders are clear and transparent about the criteria. For example, HR professionals often use implicit criteria when making actual judgments about potential candidates: “recruiters often espouse or endorse ordering of criteria as important or essential in the abstract but then utilize an alternative ordering when making actual judgments” (Cole et al., 2007, p. 337). Additionally, Rynes et al. (2003) found that people skills and background on a résumé correlate little, if any, with employability, though recruiters mention the importance of these criteria. Nevertheless, several high-potential definitions used in talent management systems and recruitment are currently based on survey results of HR professionals (Ready et al., 2010). Therefore, they do not reflect those implicit criteria in the selection process that are difficult to verbalize but essential to the decision-making process.

Method
We investigated and analysed the implementation of marketing instruments to recruit high potentials in the pharmaceutical industry using the grounded theory method (GTM). GTM is a collection of approaches that are grounded in data (Corbin and Strauss, 2008). Our study uses LaRossa’s (2005) approach, which offers a comprehensive guide for pursuing grounded research. The coding process began after the first interview, memoranda were written and conceptual models, describing the factors that influence the implementation of marketing instruments in this field, were designed to keep track of the evolving concepts and the relationships between them.
This article focused on the implicit assumptions about high potentials used by HR professionals. Interviewees were directly and indirectly asked about their definitions of high potentials. First, they were asked to define high potential. Second, to make the implicit criteria the recruiters used for a high-potential definition tangible, a projection technique (association test) was used to help the interviewees verbalize their definitions of high-potential employees. The results reported in this article compare the answers on the direct questions and the association test. According to Boddy (2005, p. 239), projection techniques have often been used in research when participants were unable “to expose their thoughts and feelings via more straightforward questioning techniques”. Participants were first asked to visualize the high-potential employee as a single animal, and then they were asked to describe specifically the key characteristics of high potentials.

Semi-structured interview schedules were developed and used to collect data on the current practices, processes and belief systems to determine the influence of environmental factors and business strategy on the practices, processes and beliefs of recruiters. All 15 interviews were conducted one-on-one; three interviews (20 per cent) were conducted face to face, and the other 12 (80 per cent) were completed by telephone. Child’s (1972) strategic choice model describes the dimensions within the contingency approach that formed the basis for the development of the initial interview guide. This model, with marketing substituted for organizational structure (Kleiner, 2009), lists dimensions, such as environmental conditions, the strategic choice made by the dominant group within the organization, the marketing strategy, and segmentation and targeting. Table I presents how the dimensions from Child’s strategic choice model were translated into topics for the questionnaire.

The purpose of the interview guide was to develop an elementary structure for the interview based on these research topics. This list of topics was used to operationalize the research questions into specific objectives to guide the development of the interview guide. An external researcher with more than 20 years of experience in human resource management (HRM) reviewed the interview guide, which was then revised based on his feedback and further developed based on the findings from the other interviews. The geographical focus of this study was on Europe and the USA. These two regions were selected because they share a similar business culture. A country-by-country comparison between European countries and the USA show relatively small differences in culture (e.g. Switzerland vs USA shows a difference only on the long term orientation dimension),

<table>
<thead>
<tr>
<th>Key dimensions</th>
<th>Topics addressed in the interview guide</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental conditions</td>
<td>Environmental factors that influence strategy and technology from the literature research: size of the company, employee (high-potential) characteristics, technology, volatility of environment</td>
</tr>
<tr>
<td>Strategic choice by dominant coalition</td>
<td>Management perceptions, implicit theories, preferences, values, interests and power (Donaldson, 1996)</td>
</tr>
<tr>
<td>HR marketing strategy</td>
<td>Differentiated versus undifferentiated strategies</td>
</tr>
<tr>
<td>Segmentation and targeting</td>
<td>Horizontal and vertical fit with business strategy</td>
</tr>
</tbody>
</table>

Table I. Key dimensions of the interview guide
compared to other regions (Hofstede, 2001), and it has been found that recruitment of high potentials from other countries (e.g. China) face different issues (Stahl et al., 2007).

**Sampling and procedure**

This study used purposive and convenience sampling techniques (Morse, 2006; Richards and Morse, 2007). Fifteen participants were interviewed – 11 corporate HR professionals and four professional executive recruiters from the European and US pharmaceutical industry. The sample size and the profiles of the participants emerged as a result of the interview process per GTM recommendation (Corbin and Strauss, 2008). Criteria for both groups of participants included a minimum of at least five years of professional experience in HRM. The 11 corporate HR professional participants worked in different organizations, and the four professional recruiters worked for several companies represented by the HR professionals (the professional recruiters worked for life science professional recruiters or headhunting companies, which work with most of the larger pharmaceutical companies). Tables II and III present the profiles of the organizations represented by the participating corporate HR professionals and the professional executive recruiters, respectively.

Table II presents the participants’ roles, which included HR generalist, corporate recruiter and professional executive recruiter. They represented organizations that ranged in size from 350 to 120,000 employees with a median of 3,500 employees. The five-year average percentage sales CAGR ranged from not available to greater than 50 per cent; five organizations had a CAGR of less than 10 per cent, and three organizations had a CAGR between 10 and 20 per cent. Five organizations were located in the USA, and six were located in Europe.

Table III presents the participating professional executive recruiters’ positions in their organizations and the sizes, types and locations of those organizations. Two organizations were located in the USA and two in Europe, and the professional executive recruiters come from companies with varying sizes and scope. However, all companies had a strong focus on life science industry recruitment.

<table>
<thead>
<tr>
<th>Participant’s role</th>
<th>Organization size (Employees)</th>
<th>Five-year average % sales compound annual growth rate (CAGR) (%)</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR generalist</td>
<td>3,500</td>
<td>10-20</td>
<td>USA</td>
</tr>
<tr>
<td>HR generalist</td>
<td>1,700</td>
<td>&gt; 50</td>
<td>USA</td>
</tr>
<tr>
<td>HR generalist</td>
<td>4,000</td>
<td>10-20</td>
<td>USA</td>
</tr>
<tr>
<td>HR generalist</td>
<td>550</td>
<td>10-20</td>
<td>USA</td>
</tr>
<tr>
<td>HR generalist</td>
<td>120,000</td>
<td>&lt; 10</td>
<td>Europe</td>
</tr>
<tr>
<td>HR generalist</td>
<td>350</td>
<td>NA&lt;sup&gt;a&lt;/sup&gt;</td>
<td>Europe</td>
</tr>
<tr>
<td>HR generalist</td>
<td>2,500</td>
<td>&lt; 10</td>
<td>Europe</td>
</tr>
<tr>
<td>HR marketing/ recruiter</td>
<td>82,000</td>
<td>&lt; 10</td>
<td>Europe</td>
</tr>
<tr>
<td>Recruiter</td>
<td>90,000</td>
<td>10-20</td>
<td>USA</td>
</tr>
<tr>
<td>Recruiter</td>
<td>1,850</td>
<td>NA&lt;sup&gt;b&lt;/sup&gt;</td>
<td>Europe</td>
</tr>
<tr>
<td>Recruiter</td>
<td>5,400</td>
<td>10-20</td>
<td>Europe</td>
</tr>
</tbody>
</table>

Notes: <sup>a</sup>Less than five years of sales; <sup>b</sup>pharmaceutical division of conglomerate
Results
This study revealed the difficulty HR professionals had describing the key characteristics of high potentials. In response to the direct request to “describe a high-potential employee”, four respondents cited promotability (“at least two levels”), and two respondents deferred to the line managers who defined the potential of employees. However, all interviewees used the term high potential when answering other questions, which suggests that each had an implicit concept of the characteristics of a high potential in mind regardless of a formal definition. Most of the companies in this study used performance as an indicator for potential of an employee, a finding similar to Silzer and Church (2010).

In the four pharmaceutical companies whose representatives defined a high potential as “an employee who can be promoted at least two levels”, the HR department failed to provide any important attributes for their ability to be promoted. The representatives of the other five pharmaceutical companies did not give a formal definition, but instead provided a rather loose framework of assumptions regarding their definitions of a high potential. Two of these five interviewees explicitly rejected the definition of high potential based just on the ability to be promoted. Three of the 11 corporate respondents mentioned the lack of resources within HR combined with the daily workload, as a reason of why they had not established a high-potential definition.

Our study suggests that there are different high-potential profiles HR professionals seek, though the types of characteristics of high potentials may occur in different combinations. The projection technique produced a wide variety of animals, varying from female lions and jaguars to racing horses. However, the main characteristics interviewees identified in these animals and the reasons why they chose these animals to describe a high potential overlapped.

As presented in Figure 1, the four main characteristics HR sought in high potentials were:

1. intelligence and agility;
2. engagement;
3. readiness to step into various environments; and
4. ability to manage one’s energy/self.

<table>
<thead>
<tr>
<th>Participant’s position in the organization</th>
<th>Organization size (No. of employees)</th>
<th>Organization type</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior partner</td>
<td>10</td>
<td>Life sciences executive search and recruitment</td>
<td>USA</td>
</tr>
<tr>
<td>Head life sciences business unit</td>
<td>&lt;10</td>
<td>Life sciences industry recruitment</td>
<td>Europe</td>
</tr>
<tr>
<td>VP commercial operations</td>
<td>10-20</td>
<td>Talent recruitment and management consultancy</td>
<td>Europe</td>
</tr>
<tr>
<td>Managing partner</td>
<td>&gt;20</td>
<td>Executive search for life sciences and health-care industries</td>
<td>USA</td>
</tr>
</tbody>
</table>
Almost half of those interviewed (7 or 47 per cent) mentioned intelligence. The interviewees’ responses included:

It probably has to do with speed and its agility. Intellectual agility we assume coming in the door. Intelligent, agile, and fast would be probably the three criteria that would be most important.

[He or she is] both driven and intelligent, and nimble, and can collaborate.

Smart, clever, and not running around all the time like crazy, but when necessary, it’s possible.

[He or she is] a very fast intelligent [person].

[They are] the ultimate hunter […]. They are self-reliant […] they challenge ideas, they push back, they are happy to challenge the status quo; there is an analytical rigor about them to spot things earlier than most people.

[He or she is] very talented, very highly skilled, very adaptable, very eager to learn; [he or she] can excel and has superior qualities to other people in the same environment.

A second group (five interviewees/33 per cent) focused on the importance of engagement:

I think that what we look for is people who have a drive; I regret to say that, but they really [have] got to have the drive and the desire to manage or lead people.

A high potential is always hungry for new projects and developments. They are never lazy, and they have their quiet phases during the day, but they want to be Number 1.

[A high potential is] someone who moves forward, who is aggressive, but in a good sense.
Although these interviewees used different definitions of engagement, they had several common elements: energy, enthusiasm and focused efforts, as well as behavioural and psychological aspects (Macey et al., 2009). Employee engagement has been associated with better retention rates and with higher individual, financial and company performance (Gruman and Saks, 2011). The five interviewees also mentioned employee engagement in connection with the willingness to learn and used phrases, such as “thrive and hunger for development”, “wants to develop” and “wants to grow”. In this context, engagement was not necessarily a focus on the short-term project, but instead it was more closely aligned with the trait of perseverance.

A third group (five interviewees/33 per cent) emphasized the ability to be ready and function in various environments and situation in describing a high potential. Two of the five interviewees added the ability to lead a group and/or to keep a group together in different situations. They described people with this ability:

[He or she is] the right arm; if something happens, this is the person who would come in and step in for that person […]. [He or she] is not quite there, but [is] ready to take over when needed.

You have to know your environment […] you have to know how to hunt, but you have to take care of your group; you have to be flexible, you have to adapt to situations; if a situation is […] different, you have to move, you have to regroup.

It takes resilience, perseverance, strength, energy, hard work, flexibility, and versatility […]. [He or she is] going to be the one that can truly survive under ever-changing circumstances […]. [He or she has] the sensors and catalytic learning and energy around working; a kind of flexibility and versatility.

[He or she is] quite adaptable to the environment.

Four interviewees (27 per cent; two HR professionals from the largest companies, one corporate recruiter from a small company and one professional recruiter) mentioned the ability to manage working energy effectively as an important characteristic of high potentials. For them, high potentials “know when to come up for air”, are “efficient/fast […] very observing, knowing when to make the right move without thinking about it for ages […] and kind of efficient, once they do what they do” and are skilled in “energy management, because if you work like crazy and crash down at some point, that’s not necessarily an indicator for high potential”.

The traits and abilities of high potentials build an informal framework for high-potential assessment in practice and reflect the variety of high-potential definitions. Different HR professionals in this study use different frames of reference to fill the gaps. However, based on our results, it is not clear that these assumptions are related to different types of companies and business strategies. The used frames are not transparent, similar to the criteria currently used in automated search algorithms for recruitment (Hafen, 2016). This lack of transparency and arbitrariness is problematic from an ethical and potential legal perspective because it can lead to discriminatory behaviour, although such discrimination claims are rarely made during or following a recruitment process (Broughton et al., 2010). Selection bias can occur when HR professionals select high potentials who are similar to themselves or who share a common interest (Smith and Kidder, 2010).
Discussion

We offer a different definitional perspective of high potentials. Current research on definitions of high potentials has been based on observations of performance and/or career progression of high potentials or interviews using direct questions (Ready et al., 2010). Instead we focused on the implicit assumptions HR professionals have about high-potential employees, thus adding a new perspective on high-potential recruitment and management to the literature on high-potential management. Previous research has focused on the dimensions of high potentials and leadership, which can be evaluated through more formal assessment procedures. Our study is the first that focuses on the initial informal selection stage. As such, it frames high potentials’ recruitment and development based on HR professionals’ perceptions and considerations when selecting talent in the recruitment and development process. This approach is important because several information technology (IT) platforms (e.g. Gild & Sutro) offer algorithms to search for “optimal” candidates without revealing the criteria these algorithms use. Moreover, some companies (e.g. Google) have been increasingly using algorithms to search for new candidates (Hafen, 2016). However, such algorithms could potentially lead to a more equitable recruitment process, but only when the algorithm search characteristics applied are evidence-based and transparent.

A significant finding of this study was the different categories of high-potential characteristics HR professionals implicitly used when considering high potentials. The HR professionals in our study sought varying combinations of characteristics in four groups when seeking high potentials in the marketplace:

1. intelligence and agility;
2. engagement;
3. readiness to step in into various environments; and
4. ability to manage one’s energy/self (Figure 1).

Some key elements of high potentials that were found in the interviews mirrored Ready et al.’s (2010) findings. Specifically, the engagement identified in our study echoes two of “X factors”:

1. the drive to excel; and
2. an enterprising spirit (Ready et al., 2010).

Two other categories of high potentials characteristics: intelligence and the ability to perform in various environments in our study also are consistent with Ready et al.’s (2010) learning capability and dynamic sensors X factors.

Contemporary definitions of high potentials do not include the ability to manage energy levels effectively. However, the group of HR professionals’ observation that this characteristic was important fits with the research on high-performance management systems and emotional intelligence about the importance of self-reflection and self-awareness (Cook and Cripps, 2005). This ability to manage energy levels effectively may be an important characteristic for the long-term performance and lifetime value of an employee, thus merging contemporary high potential definitions described in the literature with elements from EI research, such as emotional cognitive competency (Boyatzis, 2007).
Most interviewees believed that matching values between candidates and companies was essential. However, they did not include this view directly in the definition of a high potential. One possible reason for this may be because of the research method in the study, as projecting matching values to an animal might be difficult. It could also suggest though that matching values is not perceived important in practice. However, the importance of matching values was indirectly used in the category “readiness and ability to function in various environments”. It was evident from the interviews that a key requirement to accomplish this was the perceived ability to connect as a leader with the group. The difference between implicitly used definitions and reported definitions is potentially one reason why the findings of research that attempt to link high-potential management practices, for example, high-performance work systems (HWPS) with an increased company output have been inconsistent (Beckstead and Gellatly, 2004; Guthridge et al., 2008; Rigby et al., 2009).

Conclusion
Our study responds to the call for research to investigate the implementation of talent identification (McDonnell, 2011). We found that research using direct interview techniques should be balanced with research using observation and/or indirect interview techniques. Applying appropriate and transparent identification practices of high potentials and talent in an organization is a common and key element of classical talent literature (Ready et al., 2010) and in recently developed talent models, such as “boundary-less model of an organization” (Foster, 2015). Thus, by giving a new perspective on how HR professionals initially identify and select high potentials for further evaluation, our study complements existing empirical findings about talent definition for several talent models.

The ability to identify high-potential company employees could also be useful when measuring the output of a HPWS. Inter-company differences in the high-potential definitions found in our study may explain why research about the link between high-potential management practices and an increased organizational output has yielded mixed findings (Effron et al., 2005; Guest et al., 2003; Guthridge et al., 2008). Thus, our research findings provide important guidance for the design of future recruitment research that aims to measure organizational output as a dependent variable of high-potential management.

From a professional perspective, our findings make several important contributions. HR professionals’ implicit assumptions about high potentials influence the selection of potential employees for future recruitment stages, about certain development decisions and about employee promotion decisions. However, the influence of HR and recruitment professionals’ high-potential definition on recruitment and high-potential management policies is not transparent. Although Ready et al. (2010) emphasize the importance of this consistency in developing talent and the need for clarity about core characteristics and behaviours of such employees and Guenole et al. (2013) found a common frame of reference as an important factor for accurate leadership development, it does not seem to be a priority in actual HR practice. This confirms Silzer and Church’s (2010) findings that the parallel use of several definitions of high potential is common in an organization, and it potentially jeopardizes the successful outcome of the “valuing your talent” project (Chartered Institute of Personnel and Development, 2014; Taylor, 2010),
which sought to provide “a model for talent valuation as an intangible asset on the organizational balance sheet” (Foster, 2015, p. 15.)

Our study suggests that companies could potentially benefit from an internal discussion about the ideal profile(s) of high-potential candidates or employees, especially as HR professionals often act as gatekeepers to validated assessment programmes which help determine and support decisions regarding development of future company leaders. Potential biases in the initial assessment of (potential) employees may lead to direct and indirect costs as recruitment drives the outcomes of development programmes (Ulrich and Brockband, 2005). Alignment between management and HR functionaries remains a prerequisite for a functioning high-potential management system, influencing potentially all aspects from recruitment to training to retention. The misalignment between various stakeholders potentially leads to misunderstanding and ineffective policy implementation. Clear internal alignment on the high-potential definition used would allow a company to target its messages to the appropriate potential applicants and current employees, thus increasing the probability of a more accurate response. In addition, transparent definitions of high-potential traits could also build the basis for the further development of search algorithms to support the recruitment process. Such algorithms are normally more accurate in predicting future outcomes in low-validity situations than subjective professional assessment (Deng et al., 1999). However, algorithms lack transparency about the criteria needed to assess potential candidates (Hafen, 2016).

Limitations and recommendations for future research
The conclusions drawn from our study should be treated with a degree of caution, as there may be some questions about its generalizability to a wider audience because of the sample size. Although geographical differences between the labour markets for high potentials have been reported (Shohet, 2013), our sample size prevented us from analysing such differences. Another limitation to the study was the selection of participants from the pharmaceutical industry in the USA and Europe. Future research should explore differences between regions and countries. Furthermore, the transferability of our findings to other populations may be a concern because the sample was drawn from a single organizational group of HR professionals, and the potential influence of variables specific to this organizational group may be a factor. Finally, the interviewing method required a substantial investment in time and effort may have influenced the sample selection of HR professionals who agreed to participate in the study.

Our study clearly demonstrates the need to further explore the key characteristics of high potentials and how these characteristics are related to their future performance, given the importance of recruitment of key people (Peters and Waterman, 1982). Researchers (Boddy, 2005; Gruman and Saks, 2011; Macey et al., 2009) have emphasized the importance of better understanding various aspects of high-potential management and recruitment processes. The developing awareness of the importance of selecting the best employees for the success of a company, the increasing competition between companies and a better understanding of the criteria in the design and development of emerging automated search algorithms can inform responsible HR professionals about the recruitment and management of high potentials.
We suggest that researchers further explore how HR professionals define high potentials and how the recruitment and management of high potentials is practiced in other industries. It would also be quite interesting to analyse intracompany (e.g. between senior management and HR) and intercompany differences in using high-potential definitions. For example, to what degree do HR professionals in successful companies use different (implicit) assumptions regarding high potentials at different organizational levels within the company? Finally, another possible comparative analysis could focus on the approaches of less successful and successful companies. Research on such questions would yield important findings for the academic and HR practitioner community.

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Further reading


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