



# **Developing High-Potential Employees - A Medtronic Case Study Linking Company Strategy with Fast Tracking Emerging Talent**

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# Today's Objectives

- Uncover Facts About High Potentials
- Discover Why High Potential Programs are Unsuccessful
- Identify 6 Critical Elements of a Development Program
- Explore Medtronic's Leadership Acceleration Program

# What Does a High Potential Employee Look Like?

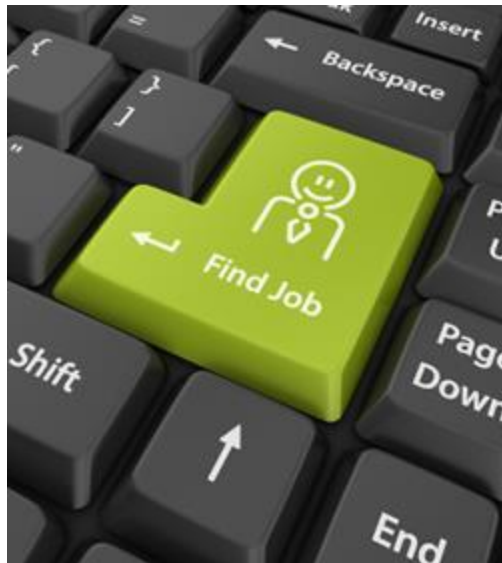
High potentials consistently and significantly **outperform their peer groups in a variety of settings and circumstances**. While achieving these superior levels of performance, they **exhibit behaviors that reflect their companies' culture and values in an exemplary manner**. Moreover, they show a strong capacity to grow and succeed throughout their careers within an organization—more quickly and effectively than their peer groups do.

Harvard Business Review

*High potentials represent the top 3 to 5% percent of a company's talent.*



# Facts About High Potentials



## Formal vs. Informal

Informally identified high potentials are more likely to be actively seeking other employment (33%) than are formally identified high potentials (14%). - CCL

# Facts About High Potentials

Half of large US companies consistently use a formal approach to identify high-potentials. Those that use a formal approach perform in the 75th percentile or higher for total shareholder return (TSR). Hewitt Associates



# Facts About High Potentials

High-potential survey participants overwhelmingly agree that they are committed to their organizations (95%) and motivated by their jobs (96%). - CCL



# Facts About High Potentials

Researchers asked young high potential managers how important the following items were, and how good their employers were at providing them. – Mentoring



# What Do They Want?

According SHL Talent Measurement research a staggering 55% drop out of HiPo programs.



# Question?



Why do you think that High Potentials drop out of HiPo programs?

# Program Design Gone Bad.....

# What Do They Want?

- More influence over their careers
- Opportunities to grow in the organization
- Chance to make an impact
- To be recognized for their contribution
- Exposure to senior leaders
- More challenging assignments
- Increased rewards, and they are willing to take risks

# Six Critical Elements of a Development Program

1. Engage their boss & senior leaders
2. Provide them with a coach
3. Give them “real world” action learning
4. Multiple learning modalities (classroom, virtual classroom, self study, business projects, etc.)
5. Provide them with regular feedback
6. Force them out of their comfort zone



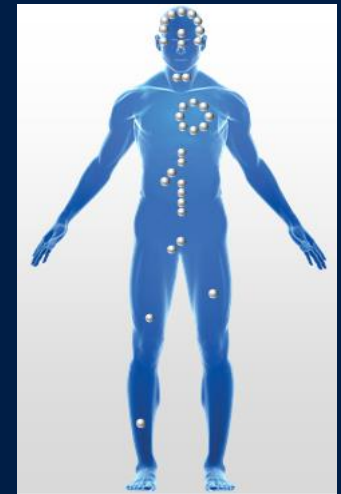
# Medtronic - a Global Leader in Medical Technology



Contributing to human welfare by the application of biomedical engineering to alleviate pain, restore health, and extend life.



**Medtronic**



# Serving Healthcare Systems Around the World



**160+**

Number of countries operating in

**85,000+**

Employees

**84** Manufacturing facilities

**56** Research centers

Medtronic is a multi-national company structured into four regions.

**Medtronic**  
Further, Together

# The Business Need to Fast Track Leaders...

## Making Business Solutions – Human Solutions Medtronic's Key Strategic Priorities

**REQUIRES**



***Leadership-Ability***

***Ready Now***

***Ready soon***

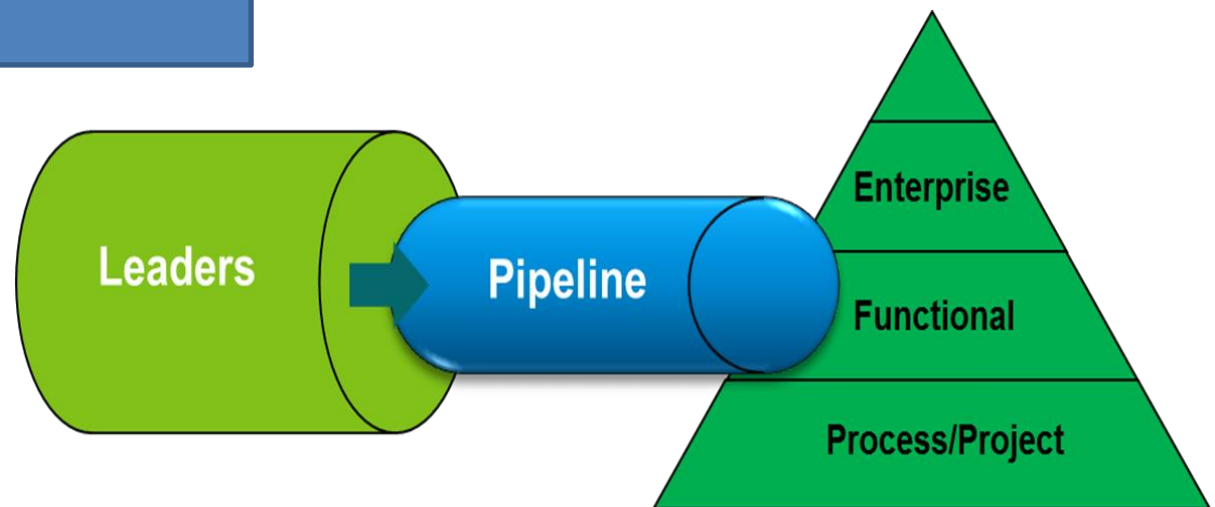
# The Leadership Acceleration Program

## Purpose:

- Raise Level of Talent and Distinctive Capabilities
- Improve Succession Bench and Leadership Retention
- Influence Capacity for Change and Culture Transformation
- Create Bold and Competitive Strategic Capability
- Create Followership and Drive Performance Excellence
- Leadership interdependency - *“No Look Pass”*

## Participants:

- People Managers
- Program Managers
- High-potentials
- Technical Leaders
- Individual Contributors



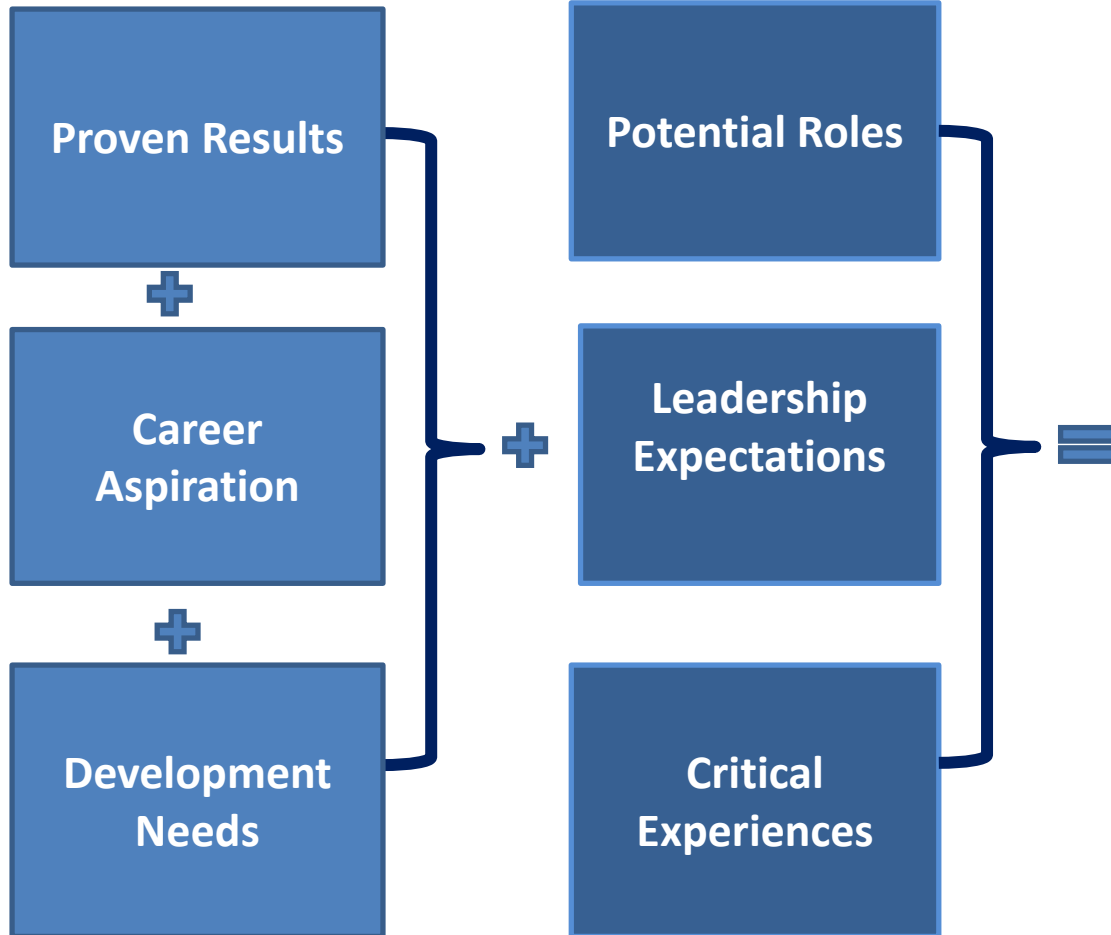
Program Length: 7 Months

# How Are High Potentials Selected

Individual

Organizational

Approach



- Determination of leader roles & timing *based on Business & Organization priorities*
- Leaders review talent at all levels – *for leadership-ability*
- Immediate boss nominates participant *and self*
- Candidate completes an application & interview process – *self commitment*
- Executive leaders & boss communicates - *surrounds them*

MEDTRONIC LEADERSHIP EXPECTATIONS  
HOW LEADERSHIP BRINGS US TOGETHER

# Components of the LAP Program



## Leadership Involvement

- Selection based on talent management process
- Investment with participants and program
- Prioritized development and experiences
- Change own behavior to support “two levels up”

## Team Project

- Business critical and strategic outcome
- Aimed “Two levels up”
- Cohort must figure out how to move forward

## Coaching Framework

- External Coach @ 2 sessions per month
- Executive Sponsor, Career Mentor
- Cohort Coaching
- Assessments (EQ 2.0, Medtronic 360, iConnect)

## Curriculum

- Classes 1 /mo. - eLearning - Self study
- Geared to cohort and project execution
- Sponsoring leaders show-up

## Pit-stops

- Once a month pause
- Critical peer feedback
- Classroom/Project input

## Capstone

- Simulated experience
- Exciting and memorable
- Cement learning

# 6

## Critical Elements of a Development Plan

1. Engage their boss & senior leaders
2. Provide them with a coach
3. Give them “real world” action learning
4. Multiple learning modalities (classroom, virtual classroom, self study, business projects, etc.)
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# Past Projects



- Device and infrastructure to address heart failure in China
- Wearable sensor – non implantable device
- Portable surgical navigation device
- Proposal to reorganize repeat research initiatives to addressing the same problem

# LAP Curriculum

## Workshops:

Connecting With  
People  
Inspiring Trust &  
Confidence  
Strategic Thinking  
Influencing  
Delegation  
EQ & Leadership Style  
Presentation Skills

## Readings & Debriefs:

What Makes a Leader  
The Design of Business  
Building Your Personal Leadership  
Brand  
From Managing to Leading  
Five Dysfunctions of a Team  
The Speed of Trust  
Thinking Strategically  
The Power to Persuade  
Are You Delegating So It Sticks?  
Leadership That Get's Results  
Lead With a Story

# Capstone Event



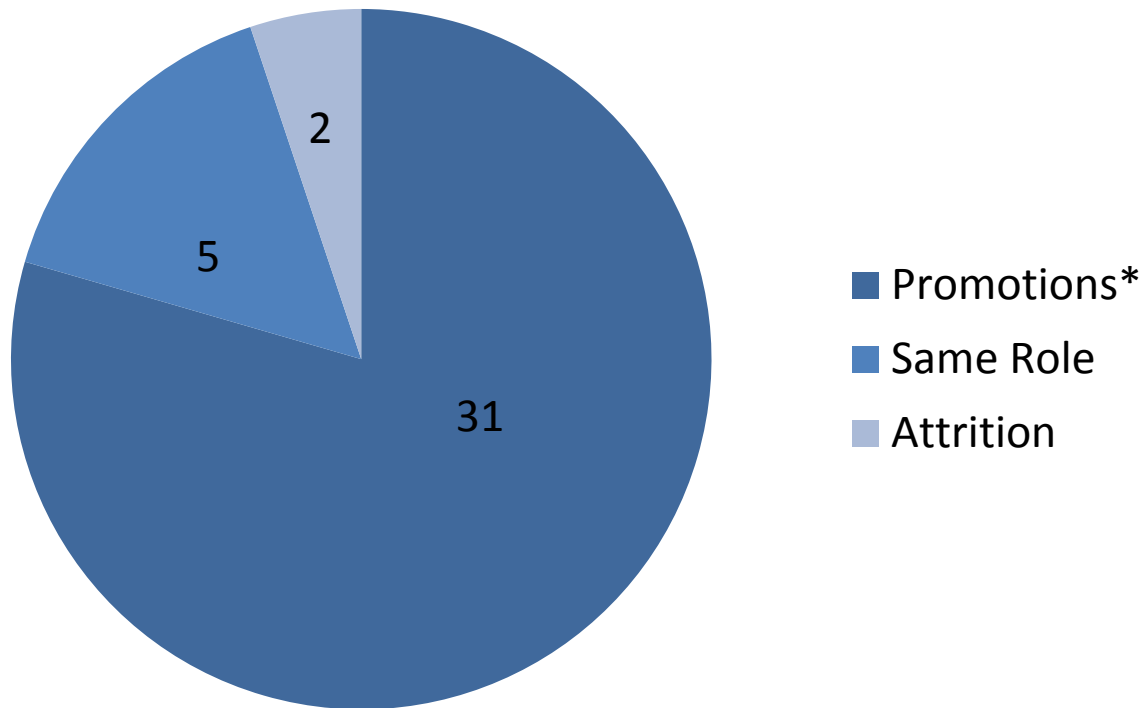
# Business & Program Outcomes

- Less than 3% attrition over 5 years
  - High engagement & retention
- Over 70% of High Potentials have been promoted to more significant role
- 5 LAP graduates are now on the VP staff in 3-5 years
- Shift from thinking like managers to thinking like senior leaders
- Increased self-confidence and humility



# Where Are They Now

**Participants FY13-FY15**



\*Promotions or new development roles

# What Former Participants Say

“Gained knowledge of stakeholders’ communication patterns which has given me a **fresh perspective** and set the stage for improved relationships”

“The ongoing coaching partnerships and personal branding exercises **have developed my self-awareness**”



“Has helped me be **more productive** with my teams”

“Out of necessity, learned to **balance our workloads and commitments**”

“I now have a close **network of leaders** who I wouldn’t have known without this opportunity”

“I now have a much **better appreciation for PRC pre-meetings**”

“A Mind Once Stretched by New Ideas Never Regains Its Original Dimensions”

Oliver Wendell Holmes



# Take Action



What are  
your big  
takeaways  
from today's  
discussion?

# For Additional Questions

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