Chapter 3

Seventeen Reasons Acceleration Pools Work

“The best way to predict the future is to create it.”

—Peter Drucker, Professor, Author
Claremont Graduate School

Making Corporate Darwinism Fairer

Morgan McCall, a professor specializing in executive development at USC, and others have said that many organizations have relied upon a Darwinian approach to top-management development: identifying the best people and then giving them increasingly difficult challenges until they drop off the organizational ladder or reach the top (McCall, 1997). This is not the approach taken in an Acceleration Pool system. Pool members receive appropriate growth and stretch assignments in which they can succeed and are given support along the way to facilitate their success. Some people will still opt out of the pool, but most of the chance factors that so often unfairly affect people’s career progress have been eliminated. The organization keeps better track of how individuals are doing and what they are doing and learning in their job assignments so that both the behavior and the actual results can be evaluated. In contrast, in a Darwinian system, people in job assignments might hit a difficult economic period or run into unusual competition that can make them look bad; the opposite can also be true, with people’s poor performance looking seemingly good. We strongly advocate helping individuals learn from their experiences by providing accurate feedback regarding what they did well and what they could improve upon.

* denotes that information on this topic is available at the Grow Your Own Leaders web site (www.ddiworld.com/growyourownleaders).
The Acceleration Pool system gives pool members training and adequate preparation before they face a challenge so that they will use more of the right behaviors and be successful. Our approach is more analogous to an agricultural model, which is based on nurturing and cultivating the seeds of talent, rather than the “fittest” emerging from a series of tests and challenges. The balance of this chapter focuses on 17 specific reasons that Acceleration Pools offer a superior alternative to corporate Darwinism.

1. **Acceleration Pools are 21st century programs.**
   They are based on assumptions that differ significantly from those that have long underpinned traditional replacement-planning systems. We contrast these two sets of assumptions in Table 3-1.

2. **Pool members’ buy-in is built in.**
   In the past large organizations were able to freely move their people around the world without much consideration of their employees’ personal needs or desires. IBM was once known by the nickname “I’ve Been Moved.” J.C. Penney would tell a manager on Friday to report to a new assignment in another town on the following Monday—and expect that it would always happen. But today, it’s simply not appropriate—or realistic—to assume that people are going to accept assignments without question. More and more people want to match their work situations to their lifestyles, which makes them much more selective about new assignments.
   
   The Acceleration Pool approach acknowledges that reality: Nominees decide whether they want to be in the pool. Once they are in, pool members have a voice in determining what they do. Their career interests and views on their own development needs are collected as part of the diagnosis phase of the Acceleration Pool process. They are told about proposed assignments and why each is a learning opportunity—specifically what development gaps they will be able to fill in a given assignment. Then they can make intelligent decisions about taking on that task. People tend to agree to such assignments because they see how the experience will help them grow.

3. **Less paper, time, and bureaucracy.**
   A major benefit of the Acceleration Pool system is the drastic reduction of the overwhelming paperwork associated with traditional replacement-planning systems. Gone are the annual replacement plans
### Table 3-1: Contrasting Assumptions About Traditional Replacement-Planning Systems and Acceleration Pools

<table>
<thead>
<tr>
<th>Assumptions About Traditional Replacement-Planning Systems</th>
<th>Assumptions About the Acceleration Pool System</th>
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<tbody>
<tr>
<td>• Consistent business strategy.</td>
<td>• Frequent changes or flexibility in business strategy (e.g., new competitors, distribution channels, and alliance partners).</td>
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<tr>
<td>• Stable organizational structure.</td>
<td>• Fluid organizational structure (frequent changes).</td>
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<tr>
<td>• Fixed jobs.</td>
<td>• Fluid jobs (frequent changes in responsibilities and reporting arrangements).</td>
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<td>• People move vertically.</td>
<td>• People move vertically and horizontally.</td>
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<tr>
<td>• Upward movement is automatic, as long as people avoid making big mistakes.</td>
<td>• People must pass through an effective selection system for each job they take on.</td>
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<tr>
<td>• Jobs can be planned two or three positions ahead.</td>
<td>• Impossible to plan future jobs with any accuracy. Thus, the focus is on the next assignment—and the balance between organization needs and individual development needs.</td>
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<td>• Training is a “rite of passage” (e.g., university executive programs).</td>
<td>• Training is integrated with assignments to provide skills and knowledge that can be used immediately on the job. At higher levels, short one-on-one training experiences are used. University executive programs often are replaced by organizationally specific, action-learning programs.</td>
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<td>• People can be moved anywhere, anytime. If they said “no,” they were often considered “not active candidates” for future positions outside their current location.</td>
<td>• Family, working spouse, and other circumstances might make physical moves unacceptable.</td>
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and the bureaucracy associated with compiling and defending the plans. Gone too are the Individual Development Plans (IDPs) that individuals on their way up in an organization traditionally had to complete after an assessment center or 360° feedback. Acceleration Pools replace the IDPs with two short forms and replace the bureaucracy with a streamlined system.

4. A better use of time—no additional top-management time required for making job or development assignments.

Nearly all the midsize and large organizations we deal with have an annual or semiannual human resource review of some kind. Larger organizations conduct the review by SBUs or functions. Midsize companies might review promotions and people development for the whole organization at the same time. The Acceleration Pool system

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**A Former Executive Describes a Now-Discarded Replacement-Planning Process at Xerox**

Chris Turner, former Xerox executive and now a consultant, writer, and speaker, described her former company’s promotion process in *Fast Company* magazine (1999) as follows:

> Xerox had a horrible process for promotion. Each year, everyone in the organization had to fill out reams of paperwork about what they wanted to be when they grew up. You had to list your one-year, three-year, and five-year goals. And you had to name specific positions that you were shooting for. Well, whose life ever unfolds according to a five-year plan—or even a one-year plan? That practice was absurd—but one that we all completed like mules.

> Finally, I said, “I’m not going to do this anymore. This process perpetuates the type of organization that I don’t want to work for.” So, for a few years, my boss, a good corporate soldier, filled out the paperwork for me. Other people soon caught on to the absurdity, and eventually everyone on my team quit doing it. Then I got a call from someone in HR who admitted that only 35 percent of all employees complied with the process. When that HR person asked me to start filling out the paperwork again, I told him that everyone knew that being promoted at Xerox had nothing to do with all that paper. To make a long story short, Xerox bagged the process (Muoio, 1999, p. 96).
does not increase the number of talent reviews or hours devoted to them, but it provides additional data, structure, and focus to ensure that pool members get the best available development opportunities.

5. **Acceleration Centers improve the accuracy of the development needs diagnosis and are perceived as fair.**

Modern-day assessment centers, which we call Acceleration Centers to convey that they are different in several ways from traditional assessment centers, play an important role in Acceleration Pool systems because they help provide an accurate diagnosis of people’s development needs. Acceleration Centers force pool members to deal with issues and situations that are typical of general manager and executive positions while professional assessors observe them as they work through the simulations.

A truism of industrial/organizational psychology is that when multiple job-related methodologies are used for evaluation, and when multiple trained people involved in different parts of the evaluation systematically pool their insights to develop a “holistic” picture of an individual, more accurate predictions result. This is how an Acceleration Center operates. Different assessors observe the behavior or the individuals as they go through parts of a set of integrated simulations. The simulations are designed to mirror various challenges or issues appropriate for the target job level. In addition to very realistic, contemporary executive simulations, Acceleration Centers also use paper-and-pencil instruments and behavior-based interviews to round out the diagnosis of individual needs.

In essence, the Acceleration Center lets the pool member “try on” a senior role in a relatively risk-free, simulated environment. Before coming to the Acceleration Center, the pool member visits the Center’s web site to find out how the Center will operate and to get information on the hypothetical organization he or she will be joining. A great deal of information about the simulated company and the job to be assumed—perhaps that of a key vice president—is provided. Also, on the Web the pool member provides background information about him or herself and takes some personality questionnaires.

On a convenient day, the pool member arrives at the Acceleration Center facility, is given a desk, and is shown how to use the hypothetical company’s e-mail and voice mail systems. As a “vice president,” the pool member must prepare for a presentation about a
new strategic plan to be given at the end of the day. And, in the meantime, numerous memos, e-mails, and voice mails demand attention, forcing the individual to prioritize tasks, organize work time, and make multiple decisions.

Throughout the day, the vice president is involved in meetings with individuals such as:

- Two executives who are not cooperating with each other, thereby putting an important new system in peril.
- The head of the Brazilian operation, whose sales goals are not being met.
- A colleague at a working lunch to begin creating the strategic plan presentation.
- An executive from another firm that could be a profitable strategic partner but that actually wants to buy the company’s technology outright.
- An irate major customer who’s ready to jump ship.
- A local TV reporter who’s heard rumors that the company’s product might be linked to pollution problems.

After the pool member delivers the strategic plan presentation to a group of other “vice presidents,” a background interview is conducted and the pool member is asked about the reasons why various actions were taken.

All this activity is packed into a demanding, long day. In that time the pool member has developed a strategic direction, tested his or her strategic vision, and addressed vendor problems, personnel matters, diversity issues, and professional jealousies.

Acceleration Pool members who participate in this integrated set of simulations receive feedback from the assessors’ observations of the behavior and decisions in the simulations, as well as from psychological inventories and interviews completed as part of the process. This wealth of feedback gives Acceleration Pool members a clear insight into their strengths and weaknesses relative to the target level. This insight is enhanced even further when 360° data based on the same competencies and derailers are also made available to the pool member.
6. Development, job, and organizational success are linked.

The most common characteristic of development plans that actually result in measurable changes is that they (creatively) frame pool members’ development priorities in the context of the strategic business results for which the person is accountable. While development plans with no tangential relationship to the pool member’s business objectives might be appealing in concept, the likely reality is that such plans, well intentioned as they might be, will fall to the bottom of the priority list given the many demands on the pool member’s time.
At the start of each job or task force assignment, the manager and mentor ensure that the pool member clearly understands the business results to be achieved and their importance. This is the first topic of discussion in the development planning meeting so that most development activities can be set up to reinforce the performance objectives—not substitute for them. This is a far cry from some traditional high-potential programs, in which people served time in assignments with little pressure for performance.

7. Equal emphasis on selection, diagnosis, and development.

The problem with many succession management systems is that they emphasize identifying talent and diagnosing strengths to leverage and development needs rather than achieving development goals. Many organizations mistakenly believe that selecting people with potential and giving them feedback about their strengths and development needs are all that is necessary. They expect those receiving the feedback to take over from there. Our experience and research do not bear this out. Diagnosis without explicit development actions seldom pays off.

8. Development planning is done at the optimal time.

In traditional replacement-planning programs, high potentials are asked to fill out an Individual Development Plan immediately after completing a diagnostic assessment. At that point, however, they might or might not know what their next job or special assignment will be, much less what development opportunities will be offered. To make matters worse, the high potentials have no idea of what help to expect from their future manager. Most important, people get little help in thinking through possibilities because they have no one to challenge their reasoning or make alternative suggestions. As a result, many completed IDPs tend to be unfocused, vague, and simplistic, such as, “I’ll work harder on that” or “I’ll take a course that covers that.”

In an Acceleration Pool, members formulate their development plans for specific targets suggested by the Executive Resource Board as well as additional targets that they choose for themselves. They do this at the start of each new job or special assignment—when they have a clear understanding of the opportunities and challenges it entails. Because managers and mentors know the assignment, they can offer guidance in making creative, yet realistic plans and are in a position to commit to a certain level of assistance.
9. **Acceleration Pools build skills and confidence.**

At best, many standard training programs produce minimal skills and confidence. To truly imbed skills into their behavioral repertoire, pool members must apply them immediately and get the appropriate coaching before and after the application. In many organizations the development focus is erroneously placed on completing training programs instead of effectively applying the learning. In an Acceleration Pool, skill application is planned in conjunction with the selection of development activities. That way, skills can be applied immediately.

10. **Pool members understand what to learn or accomplish in each event.**

In traditional programs we’ve seen people assigned to a job to learn specific leadership skills from their new manager—but for one reason or another, no one bothered to explain this goal. As a result, these people tend to concentrate on other, relatively unimportant aspects of the assignment. Similarly, people might be assigned to cross-organizational or cross-functional task forces to broaden their knowledge in a specific area. But because they don’t know about that goal, they tend to concentrate on the areas in which they are already proficient (the marketer on marketing, the manufacturer on manufacturing, etc.) and let other team members take responsibility for the target learning area. And in training programs people commonly arrive with no idea of why they are there or how they can use the learning on the job.

The use of the Acceleration Pool process eliminates that kind of “assignment ignorance.” Acceleration Pool members know precisely what they are to learn from every development event and how they can use the new learning or skill on the job.

11. **Support is available.**

Pool members often need help understanding the scope and constraints of their new assignments. They also need doors opened, resources and money to apply or practice new skills, and, especially, time to attend training and implement projects. Because pool members meet with their manager to craft their Development Action Forms, they more likely will get the support they need. Either the manager commits to his or her responsibilities relative to the
development plan, or the plan is changed. The system prevents pool members from making unrealistic plans. Usually the pool member’s mentor also attends this meeting. The mentor provides additional insights and, most of all, applies subtle pressure on the manager to make any sacrifices that are necessary for the pool member’s development (e.g., time off for training, special responsibilities, etc.).

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**Succession Management and Stock Prices**

An Asia-Pacific telecommunications company was facing an uncertain future of converging technology, a deregulated marketplace, increased global competition, and increasing customer demands. Although it had a reputation for technical excellence, the company was considered to be highly bureaucratic, unresponsive to customers, and out of touch with the realities of modern telecommunications. In fact, the financial press was often critical of the company’s performance and leadership and openly doubted that anyone in the organization had the capacity to take over when the current CEO retired. There was also a real threat that new competitors would very quickly erode market share and take the lead in the most profitable market segments. This would have put the company at the distinct competitive disadvantage of having to maintain a costly telecommunications infrastructure with high-cost/low-profit revenue streams.

Recognizing this very real threat to its future, the organization took a number of steps to improve its position by increasing its focus on regional expansion, improving customer service, and increasing its investment in emerging technologies. The senior team also recognized that the culture needed to change if the company was to cope with a more uncertain and turbulent marketplace. The company would have to improve the public’s perception (especially the stock market perception) of its leaders’ ability to drive the kind of sweeping change that was needed and the organization’s ability to proactively tackle the issues facing it.

As part of their overall improvement strategy, the senior management team adopted a more strategic approach to developing executive bench strength. They contracted DDI to develop and manage an assessment program for middle and senior managers that reflected the corporate capabilities needed to succeed in the future marketplace they envisioned. The aim was to identify managers who could:

- Thrive in this ambiguous and uncertain business environment.
Help others cope more effectively with change.

See the opportunities in the issues facing them and drive the business’s future success.

DDI assessed 600 individuals and then provided feedback on participants’ key strengths and development needs to participants and their managers. Participants then met with their manager and/or coach to construct development plans and review career/placement strategies. In addition, DDI presented group trend data and met with senior management to identify group development needs and implications for business performance.

For the high-potential managers, individual and group development strategies were then initiated to address development gaps, and then they were moved into key positions. Development strategies included traditional training and executive education, plus executive coaching and mentoring, targeted assignments within the company and other organizations (e.g., executives would be exchanged for a period of one to three years), action learning (e.g., a group of high-potential managers would take the role of the top team and be asked to address specific strategic issues), and project work aimed to stretch the individuals’ experience and skill development.

Four years after starting the program, the results were visible on many fronts:

- Despite greater global and regional competition, the organization was steadily growing in both revenue and profit.
- The company became an early adapter of emerging telecommunication technology and, as result, was able to establish early market presence in a number of these areas (e.g., the Internet).
- The company greatly improved its image within the marketplace. The financial press was more positive about the organization’s performance and prospects, and the stock market remains very bullish about the company’s future.
- Perceptions of customer service levels, while still not where the company ideally would have wanted them, improved significantly. Despite heavy advertising campaigns, competitors’ penetration into the company’s traditional base was limited. Most important, the organization retained its share of the most profitable business segments.
- When the CEO retired, the share price did not falter, which reflected both market and media confidence in the CEO’s replacement.
12. Emphasis is on changing behavior—and proving it.

Behavior change seldom comes about from a single intervention, such as attending a training program or having a good coach. Multiple input is usually needed. This is exactly what an Acceleration Pool provides. An individual working on a competency might build skills in a training program, be assigned to a job or task force to use the skills, get coaching and support from a concerned manager, and perhaps receive additional practice opportunities from a short-term experience.

Pool members use the Development Action Form to plan how they will apply the target skills, knowledge, and behavior as well as how they will document their application achievements (e.g., a project’s results, changes in 360° ratings, etc.). This emphasis on documentation helps to ensure that development focuses on behavior change and is bottom-line oriented. While the emphasis is—and should be—on enhancing skills and behavior, pool members need to feel that they are afforded a safe opportunity for making mistakes. The purpose of documentation is to ensure accountability and credit for achievements—not to make pool members feel as though they are under extreme evaluation scrutiny.

13. Growth and bottom-line achievement are documented.

To remain motivated, pool members must feel that their efforts are paying off, and they must be able to prove it to others. The second part of the Development Action Form helps them measure and track their progress toward their development goals and document their application of target skills or knowledge for each development activity. This documentation underscores that they are learning and growing—which is increasingly critical to retaining top performers.

14. Managers’ and mentors’ roles and responsibilities are clear.

In traditional replacement-planning systems, the roles of managers and mentors are often vague. Frequently, both the mentor/manager and the individual being developed wait for the other to initiate meetings or wait for a form or memo telling them to do so from those running the succession management program. When they finally do meet, goals for the meeting are often not spelled out, which means that the success of the relationship cannot be measured. As a result of all this uncertainty, few of the people involved are likely to be enthusiastic about taking time out of their busy schedules to participate. Soon the frequency of meetings declines, or they cease entirely.
Managers and mentors in an Acceleration Pool are equipped to support assigned pool members. They are oriented to the expectations and accountabilities associated with their roles and are provided with easy access to support resources, such as online guidance relative to training and development options. Preparing managers and mentors with coaching tools and processes is accomplished through streamlined orientations, one-on-one sessions with HR or more experienced executives, and for some managers short, formal training programs.

15. Retention is a focus of the system.
Many a manager has been shocked to learn that a key employee is leaving the organization for better opportunities elsewhere. In an exit interview the manager then hears how the individual just didn’t see a future in the organization—although the manager had seen this person as a high-potential “keeper.” The problem was communication—no one ever bothered to tell that employee that he or she was a highly valued contributor facing a bright future with the company.

That scenario does not happen in the Acceleration Pool system because members are aware of the benefits and responsibilities of being in the pool and have been invited to choose whether or not to participate. They know that they are, by definition, seen as high potential. They understand that they are getting special attention from senior management. And they see that they are getting the tools and opportunities to realize that potential, be involved in setting their own goals, and shape their own future.

We strongly believe that the key to retaining people is to make significant learning and training experiences available. Today people want to feel that they are learning and growing—indeed, one of the most common reasons that departing managers give for leaving is “lack of personal growth.” People in an Acceleration Pool have tremendous (and obvious) learning and promotional opportunities, which provide a powerful motivation to stay with the company.

16. Top management (finally) has accurate, timely information for key appointments.
A common source of frustration for senior managers is the lack of credible and comprehensive information on candidates for leadership positions. Acceleration Pool members keep an online portfolio of their
development needs and accomplishments. The online Career Development Portfolio is accessible only to the individual pool members and members of the Executive Resource Board. DDI believes this portfolio will soon become part of most Acceleration Pool members’ personal web pages on their organization’s intranet.

This approach solves what historically has been one of the great human resource problems of large organizations: the inability to closely monitor employees’ changing skills and knowledge. Most companies simply don’t know when their people develop new skills, learn a new language, or experience new challenges. Usually, they ask their employees to complete periodic surveys to update their database, but that’s a fairly hopeless task in an increasingly fast-paced world. In the Acceleration Pool system, on the other hand, pool members know they are responsible for the currency and accuracy of such data. And, they know that top management will review these data at least every six months, which gives them a powerful motivation to keep the data current.

17. The pool is solely line-management driven and not at risk of being seen as another “HR program.”

Senior management is actively involved in ways that maximize the impact of their time. HR supports, advises, facilitates, and does many other important things to make the Acceleration Pool system work, but they don’t own the system.

**Acceleration Pool System Advantages**

Overall, we believe that the Acceleration Pool approach is more effective than traditional replacement-management systems and that it provides a wide range of advantages by comparison. These advantages can be summed up as:

- Faster and simpler.
- Less paper.
- More accurate.
- More focused on development.
- Higher level of involvement and buy-in from pool members and managers/mentors alike.
SEVENTEEN REASONS ACCELERATION POOLS WORK

- Greater integrity and fairness (more open approach, less “old-boy network”).
- More flexible—the system takes the individual’s needs into account.
- More focused on retaining people, as opposed to simply placing them.
- Linked to business plans and strategies.

This chapter has outlined the Acceleration Pool approach—how and why it works. But there are many variations and nuances that need to be understood to transfer the concept to a specific organization. The rest of this book explores Acceleration Pools in greater detail.