



# Korn Ferry **Assessment of Leadership Potential**

**Research guide and  
technical manual**





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Research guide and technical manual

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For the sake of linguistic simplicity in this product, where the masculine form is used, the feminine form should always be understood to be included.

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## Section I – Introduction to the Korn Ferry Assessment of Leadership Potential Research Guide and Technical Manual

The Korn Ferry Assessment of Leadership Potential (KFALP) is a comprehensive assessment for measuring leadership potential. The assessment measures an individual's Drivers, Experience, Awareness, Learning agility, Leadership traits, Capacity, and Derailment risks. Norms are applied to provide information relative to leaders who have advanced.

Leadership potential is about what could be at some point in the future, not what is currently. By focusing on measures related to what could be, the tool has been carefully conceived and empirically designed to provide critical data about people—data proven to differentiate those who have successfully advanced from those who have not advanced.

The KFALP is designed to provide data important for individuals and organizations to consider as they think about leadership potential. It is not designed for selection of individuals into particular jobs.

This manual is designed as a technical reference to help deepen your understanding of the research behind the KFALP.

You can refer to this manual for a variety of purposes:

- Build your knowledge regarding the research studies on high potential identification.
- Have a better understanding of the research on the seven signposts pointing to high-potential leaders.
- Build your knowledge regarding the research foundation of the KFALP.
- Review some key findings from the psychometric analyses and sub-group differences.
- Find answers to some frequently asked questions.



## Section II – Introduction to high potential identification

The 21st century brings a unique and unprecedented set of challenges and potential opportunities for organizations. The pace of market change, speed of innovation, global dynamics, and changing demographics generate many opportunities to both create and extract value, but it is often more difficult to locate those opportunities and act upon them. Thus, how do companies compete in this increasingly complex and volatile environment? One of the central differentiators for companies is a strong human capital foundation: the right leaders in the right places.

To succeed in driving business strategy, it is imperative for companies to have a future-focused talent strategy. Organizations need to develop and sustain a pipeline of the right leaders, with the right abilities, in the right roles, and at the right times to ensure a sustainable competitive advantage. The idea of identifying and managing high-potential talent has become increasingly essential for organizations.

Most organizations have recognized the need for and have implemented a formal process to identify and assess high-potential talent (Church & Rotolo, 2013; Silzer & Church, 2009). The construct of leadership potential, as used by many organizations, refers to the possibility that individuals have the qualities (e.g., motivation, skills, abilities, experiences, and characteristics) to effectively perform and advance in their careers. It implies further growth and development to reach some desired end state.

However, many companies appear to do a poor job at identifying which employees truly are high potentials, or even defining high potential. According to several studies, only about one-half of companies report having a high potential identification program (Howard, 2009; Slan-Jerusalim & Hausdorf, 2007; Wells, 2003). And those companies which do have programs frequently select individuals based on factors not necessarily related to potential, such as personal experience with the person, performance review ratings, and past performance results (Slan-Jerusalim & Hausdorf, 2007; Pepermans, Vloeberghs, & Perkisas, 2003). In addition, Martin and Schmidt (2010) indicated that based on their research on leadership transitions, nearly 40% of internal job moves made by people identified by their companies as “high potentials” end in failure.

One major cause of failure is failing to differentiate between performance and potential. Potential is about future possibilities, which is different from current performance. Current performance is directly visible, but future potential is a prediction about the future. Not all high performers are high potentials. Research suggests that only about 30% of high performers should be classified as high potentials (Corporate Leadership Council, 2005).

Several researchers have worked to identify individual attributes that are related to long-term potential (Corporate Leadership Council, 2005; Lombardo & Eichinger, 2000; McCall, Lombardo, & Morrison, 1988; Peterson & Erdahl, 2007; Silzer & Church, 2009). Silzer and Church (2009) developed a comprehensive recap of indicators of high potentials based on an extensive literature review of nine external high potential models from consulting firms and two corporate surveys. They identified seven characteristics that are commonly viewed as indicators of high-potential employees:

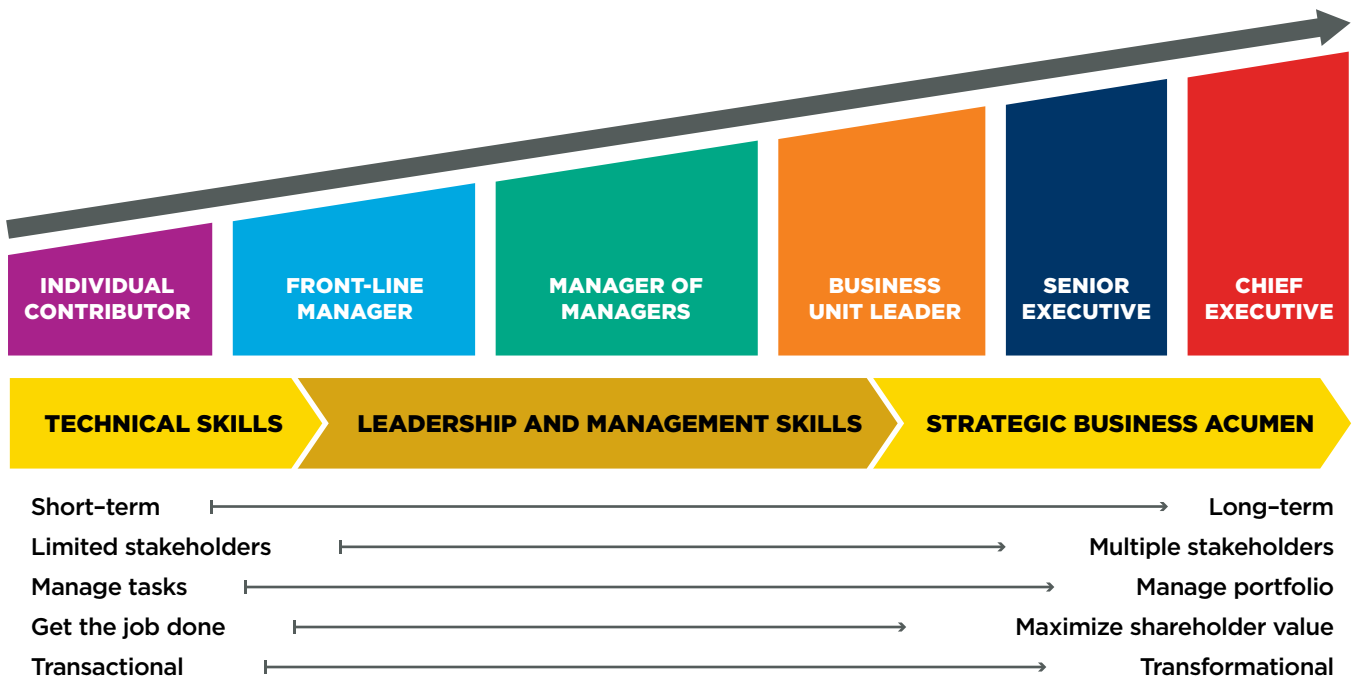
- Cognitive skills include conceptual or strategic thinking, breadth of thinking, cognitive ability, and dealing with ambiguity.
- Personality variables include interpersonal skills, dominance, stability, resilience, and maturity.
- Learning ability includes adaptability, learning orientation, learning agility, and openness to feedback.
- Leadership skills include developing others, leading and managing others, and influencing and inspiring.
- Motivation variables include energy, engagement, drive for advancement, career drive, interests, career aspirations, results orientation, and risk taking.
- Performance record includes leadership experiences and performance track record.
- Knowledge and values include cultural fit and technical/functional skills and knowledge.

## Seven signposts pointing to high-potential leaders

One key challenge of high potential and succession management is that the factors that enable success at one organizational level are different from what is required at the next level. Succession systems must follow a thorough road map for leadership development and know what experiences are necessary for developing the critical leadership skills for each level of management.

The Charan, Drotter, and Noel (2011) six-passage model is often used to describe the leadership requirements throughout the various organizational levels within a company. This “Pipeline Model of Leadership Development” defines the crucial skills for successful management transitions from the very bottom of an organization (managing oneself) to the very top (managing the enterprise). Each of the six management transitions in this model, illustrated in Figure 1, involves a major change in job requirements, demanding new skills, time applications, and work values.

**Figure 1.** The changing requirements of leadership.



When advancing to leadership positions of greater responsibility, leadership roles increase in their challenge, breadth, and complexity. As leaders advance, they must reallocate their focus so that they can help others to perform effectively. They must learn to value the work of leadership and believe that making time for others, planning, coordinating, and coaching are imperative in their new responsibility.

These leadership attributes do not simply spring into existence when a person is promoted into leadership; they manifest and grow over the course of a career. So how early can it be discerned who has what it takes to lead at the highest levels?

Based on decades of Korn Ferry research and extensive review of academic and business literature, Korn Ferry identified essential signposts that indicate the likelihood of future leadership advancement and success (Sevy, Swisher, & Orr, 2014). The Korn Ferry Assessment of Leadership Potential (KFALP) measures these facets, or signposts, that differentiate between leaders who achieve various levels of leadership (see Figure 2).

**Figure 2.** Seven signposts of potential.



## Foundational research

Korn Ferry organizes the qualities that lead to success into four distinct categories: Drivers and Traits—which describe “who you are,” and Experiences and Competencies—which describe “what you do.” Each dimension plays a distinct role in performance, engagement, potential, and personal career development (see Figure 3).

We define potential as *the capacity and interest to develop the qualities required for effective performance in significantly more challenging leadership roles.*



**Figure 3.** Four Dimensions of Leadership and Talent.



Most characteristics related to potential are Traits and Drivers, with an additional contribution from the foundational Experiences typical of persons at a level of leadership.

### Drivers

Drivers are the “will do” aspect that creates engagement and energy for a task or role. To the extent that a person’s drivers are aligned with the role, they will be energized by it. People with leadership potential find the role of a leader interesting and the work of leading motivating, which is crucial to being effective. Leadership becomes progressively more difficult at every level, and the demands upon time and energy increase. If the work doesn’t align to what drives them, it is unlikely that any leader will have the energy and resilience needed to thrive or even to just survive. According to Silzer and Church (2010), 90% of organizations now use an individual’s career drive as one predictor to identify high potential.

High-potential leaders value the nature of leadership work, the opportunity to make a difference, having a positive impact on their coworkers and organization, and having greater responsibility. This is evident in the greater prevalence of goals and aspirations related to leadership at each career level.

Data collected over the past decade at Korn Ferry show that those who move up in leadership are marked by having higher career aspirations, more specific career goals, a desire to take on general management and C-suite positions, and are engaged by getting things done through others (see Table 1).

**Table 1.** Signals of leadership drive across management levels.

**Percent choosing in the top three motivators:**

	First level leader	Mid-level leader	Functional or business unit leader	Senior/top
<b>Influence on the direction of the organization.</b>	38%	52%	61%	72%
<b>Belief in the mission of the organization.</b>	41%	41%	47%	56%
<b>Responsibility for the performance of others and the results of the unit.</b>	30%	42%	48%	49%

Source: Over 17,000 leaders, Career History Questionnaire (Gerstner, Hazucha, & Davies, 2012).

## Experience

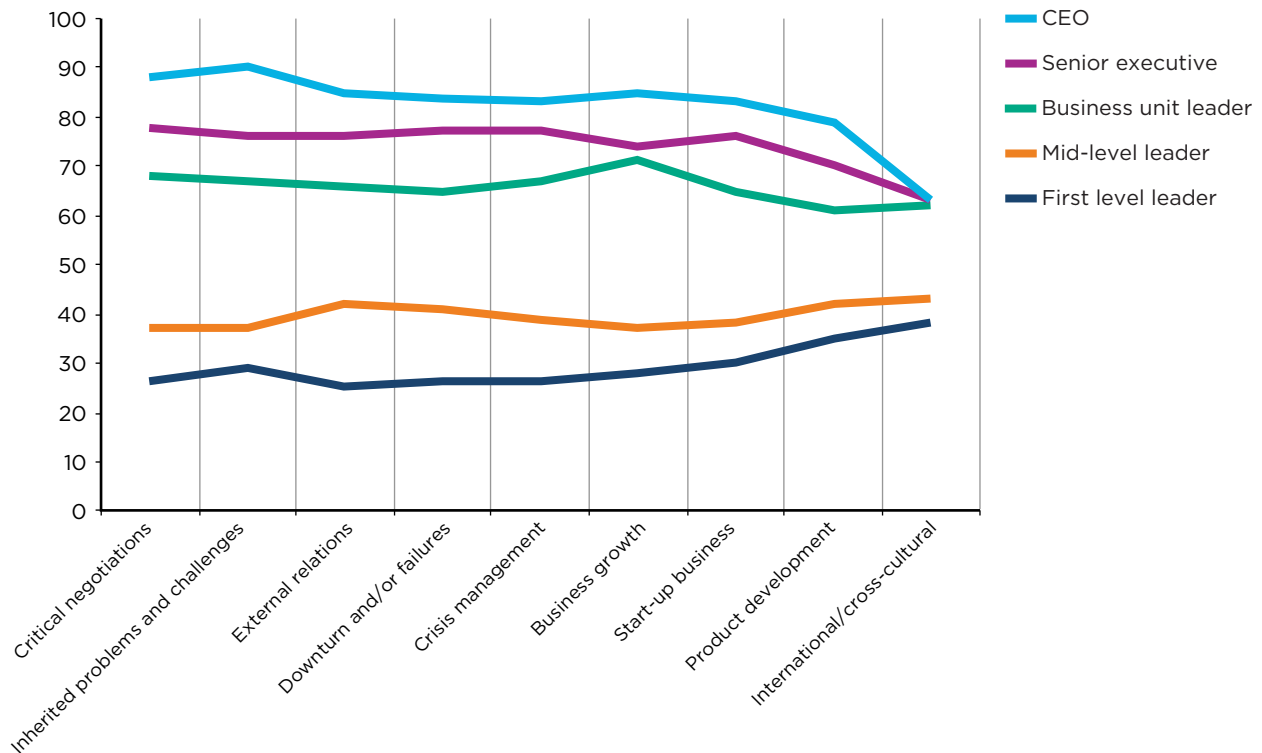
As leaders progress through their careers, they gain a series of experiences. Even though every leader’s career is unique, each leadership level is defined by the challenges and experiences it presents. These core experiences, perspective-building experiences, and key challenges gained form the foundation for moving to new, more challenging roles.

In a series of studies conducted by the Center for Creative Leadership, executives were interviewed and asked to describe key events in their careers that caused the most learning. The following two questions were probed: (1) what specifically happened on the job, and (2) what did they learn from the event. Researchers interviewed 191 executives from six major corporations. Descriptions of the 616 events and 1,547 corresponding lessons were tabulated. The analyses and results are summarized in the book aptly titled *The Lessons of Experience* (McCall et al., 1988). These researchers observed that the most developmental experiences are challenging, stretching, and difficult.

Korn Ferry research has identified key career experiences that differentiate leaders. The more of these key developmental experiences a leader accumulates, the greater the possibility that the leader will be successful after promotion to the next level. Working with research partners at well-known universities, Korn Ferry has also found that experience helps leaders develop their strategic thinking skills (Dragoni, Oh, VanKatwyk, & Tesluk, 2011). A leader who has honed skills through depth and breadth of experiences has much more bandwidth to learn everything else they must conquer to succeed when promoted to the next level. A leader who is behind the curve, who lacks one or more relevant experiences, will have to learn these lessons while they are also learning the job. This extra demand, at a time of rapid change, makes the transition risky and more likely to go awry.

Leadership Experience Inventory (LEI) data at Korn Ferry indicate that, on average, leaders at the highest levels are more likely to have had a wide range of key developmental, career-building experiences (see Figure 4). Note also that the largest jump is from Mid-level leader to Business unit leader.

**Figure 4.** Prevalence of key formative career experiences by management level.



## Traits

Traits play a large role in how people develop—what is more natural for them and what is more of an effort. They, along with Drivers, are the most enduring aspects of a person, changing the least over time. Traits are personality characteristics that exert a strong influence on behavior. Past research has investigated how personality traits correlated with job performance and the changing nature of performance across time (e.g., Thoresen, Bradley, Bliese, & Thoresen, 2004). According to Church and Rotolo (2013), 66% of the surveyed organizations used personality inventories to assess high potentials.

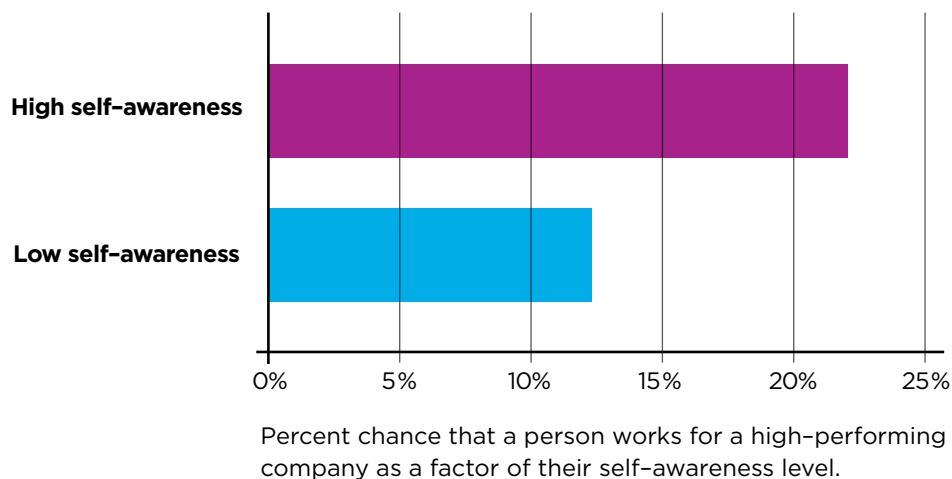
## Awareness

To achieve high performance, leaders must begin with a clear-eyed view of their existing strengths and their development needs. They need to know where they excel, when they can trust their instincts and abilities, and when they need to rely on the insights and abilities of others. They must also have keen awareness of their thoughts, feelings, and behaviors on a moment-to-moment basis, what is sometimes called “mindfulness.” This allows them to manage themselves and others more effectively.

Research suggests that derailed managers and executives share a common attribute—a lack of self-awareness (Quast, Wohkittel, Chung, Vue, Center, & Phillips, 2013; Sala, 2003). Leaders who lack self-awareness perceive themselves differently than other people perceive them. They tend to perceive themselves more positively than others, which in turn makes them less aware of the weaknesses that put them at odds with the demands of the organization (Atwater, Waldman, Ostroff, Robie, & Johnson, 2005). This lack of self-awareness can result in many destructive behaviors, which may lead to derailment (Lombardo & McCauley, 1988; McCall et al., 1988).

Evidence suggests that highly self-aware leaders have a positive impact on company performance; prevalence of high self-awareness correlates with high rate of return. Korn Ferry’s Zes and Landis (2013) analyzed 6,977 self-assessments from professionals at 486 publicly traded companies and found that those with high self-awareness tend to be concentrated in companies with a robust rate of return, suggesting that they might contribute to greater business outcomes (see Figure 5).

**Figure 5.** Stock performance and self-awareness scores.



## Learning agility

Learning and skill development play an important role in an individual’s long-term effectiveness and career success (Silzer & Church, 2009; Tannenbaum, 1997).

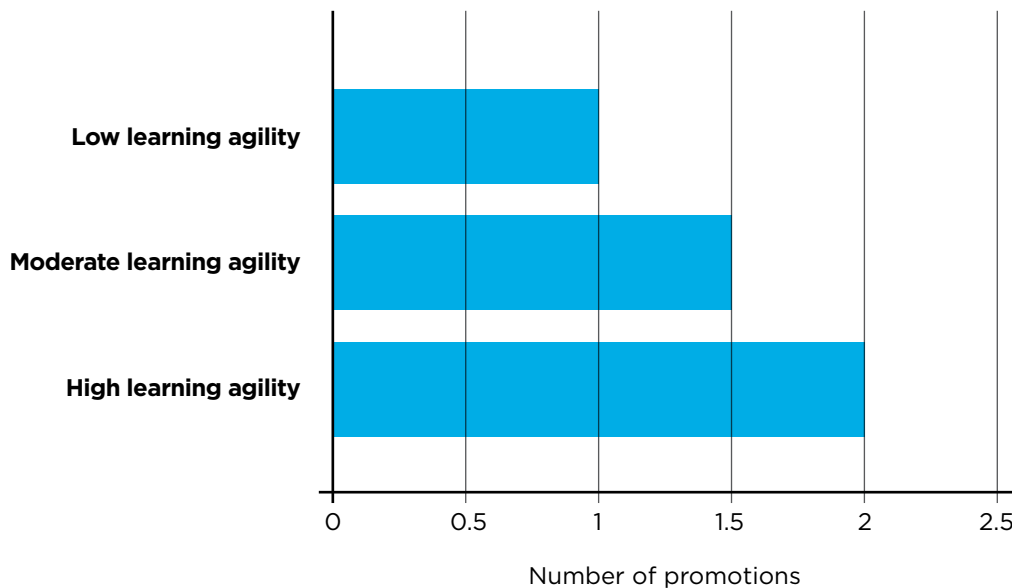
The most effective way to assess a person’s potential to learn from experience is by measuring learning agility. Learning agility is defined as *the willingness and ability to learn from experience, and subsequently apply that learning to perform successfully under new or first-time conditions* (Lombardo & Eichinger, 2000). Learning agile individuals are nimble and adaptable in changing environments; they are key players who fill the leadership bench. Their ability to learn from experiences and take on novel challenges sets them apart as high potentials, as evidenced by their speedy career ascent (Dai, Tang, & Feil, 2014; Dai, De Meuse, & Tang, 2013). Nearly 25% of the Fortune 100 assess learning agility as one component of potential.

Learning agility is especially crucial during job transitions—such as a promotion—when an individual invariably faces new and unfamiliar situations. Instead of automatically defaulting to favorite past solutions or problem-solving tactics, learning agile leaders apply fresh and varied approaches, ideas, solutions, and techniques to solve those new, tough problems. In short, learning agile leaders find new ways to successfully navigate unknown and unforeseen challenges.

The ROI for organizations and leaders is clear. Research shows that learning agile leaders are rated more competent, recognized as having the most potential for advancement, get promoted faster and more often than their peers, and outperform their peers after a promotion (Dai et al., 2013; Dragoni, Tesluk, & Oh, 2009; Dries, Vantilborgh, & Pepermans, 2012; Lombardo & Eichinger, 2000).

Korn Ferry has the most extensive research for describing and measuring learning agility. This includes observable competencies and a set of related traits. Korn Ferry research found that highly learning agile people earn promotion much more quickly (Dai et al., 2014; Dai et al., 2013). After grouping individuals by low, moderate, and high learning agility scores, our analysis found that managers with high learning agility received twice as many promotions over the 10-year period as those with low learning agility (see Figure 6).

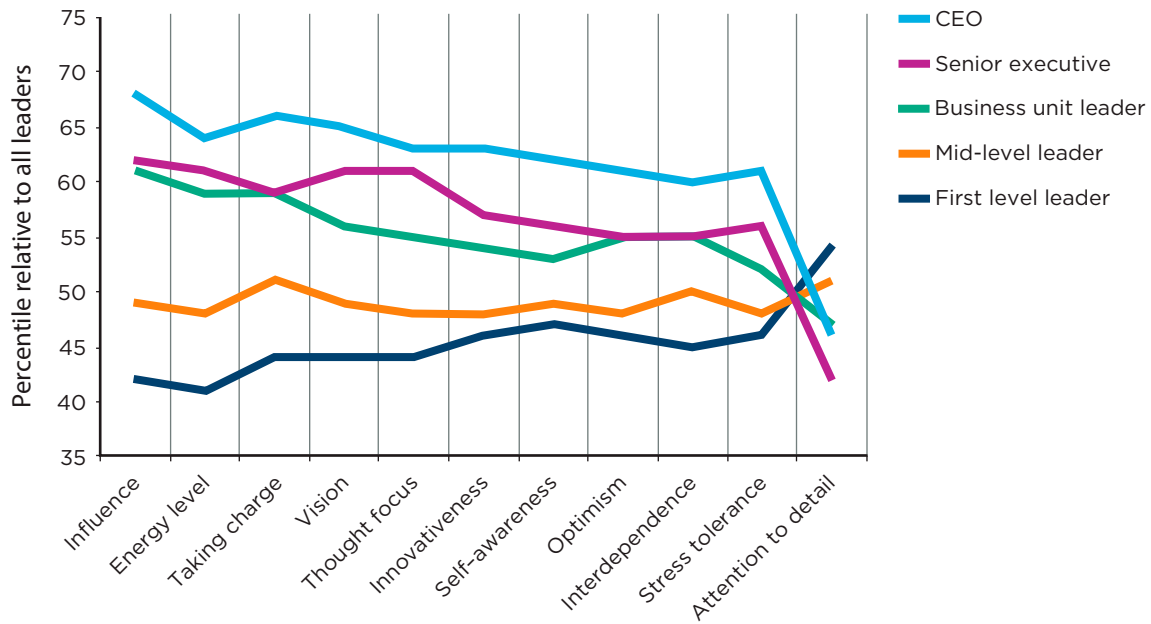
**Figure 6.** Number of promotions managers were likely to receive over 10 years.



## Leadership traits

The more an individual's traits align with the traits that are characteristic of successful leaders, the greater the potential for future success at higher organizational levels. Traits factor heavily into questions of leadership potential because personality profiles look substantially different at each progressive level of management (Crandell, Hazucha, & Orr, 2014).

Korn Ferry research demonstrates that traits most prevalent at top leadership levels include things like taking charge, having a vision, and being innovative (see Figure 7). Attention to detail may contribute to early career success, but inhibit or even derail a top executive. This shift accounts, in part, for the paradox of a merely satisfactory new manager who simultaneously has the potential to be a superior-performing executive. And it explains, in part, why some leaders plateau despite early success. Having the right level—not too much, not too little—of these traits is one indicator of future high performance as a leader.

**Figure 7.** Traits of leaders across management levels.

## Capacity

Capacity refers to logic and reasoning, or cognitive ability. Research has shown that cognitive ability influences virtually every aspect of job performance and potential (Ones, Dilchert, Viswesvaran, & Salgado, 2010). High-performing leaders are effective analytical and conceptual thinkers. They are astute at spotting patterns or trends in data that others miss. And they solve problems with aplomb—at first individually, and then as leaders—by marshaling and focusing resources on the right challenges. But there is a subtle trap here as one moves up in leadership: a person’s role changes from being the primary problem solver to ensuring that the problem gets solved. Leaders who cannot shift out of individual problem-solving mode and into the job of coaching and mentoring others to analyze problems will struggle beyond mid-level leadership roles.

Likewise, organizations that rely on individual problem solving as their sole or even primary indicator of high leadership potential risk flooding their pipeline with people who will peak in mid-level roles because they revert to solving complex problems themselves. For this reason, it’s risky to assess pure cognitive ability without simultaneously considering how this cognitive ability is imparted in a leadership role.

## Derailment risks

Derailment is the failure to achieve one’s potential. The outcomes associated with leadership derailment can be very costly on many dimensions.

In addition to the millions of dollars of direct and indirect financial costs, derailed managers can engender a negative impact at the individual, team, and organizational levels. Such leaders don’t build cohesive teams, dwindle the morale of coworkers, damage customer relationships, and fail to meet business objectives (Bunker, Kram, & Ting, 2002; Hughes, Ginnett, & Curphy, 2008).

The risks related to derailment go up at higher job levels: expectations are higher and consequences of failure are higher (Hogan & Hogan, 2001; Tang, Dai, & De Meuse, 2013). At the same time, there are some behaviors that don’t become a career risk until a leader reaches a higher-level position. Leaders at risk of derailing may be perceived as overcontrolling, as micromanagers. They may come across as more mercurial or volatile. Or perhaps people experience them as being more closed or defensive. Careful assessment of an individual’s derailment risk is crucial before moving them into a mission-critical role.

Clearly, there is little tolerance for derailment behaviors in business leadership. Organizations are infamous for tolerating “quirky” but high-producing sales representatives or “eccentric” but brilliant individuals in professional/technical roles. But those roles depend almost entirely on individual performance. Success as a leader stems from the energy and commitment of the people being led. Derailers undermine trust in and willingness to follow a leader and are, therefore, considerably more damaging. For these reasons, it is imperative that both organizations and high-potential leaders be aware of and manage the risks associated with derailleurs.

Rated likelihood of derailment as rated by others increases with level: (1) the strengths that propel leaders to the top often have corollary weaknesses; and (2) increased demands and higher expectations yield more focused scrutiny. In fact, some estimate that 30% to 50% of high-potential managers and executives derail (Lombardo & Eichinger, 1989). The potential for derailment is rated significantly higher for upper management than lower and middle management (Tang & Dai, 2013). (See Table 2.)

**Table 2.** Derailment risk ratings across management levels.

<b>Derailment factor</b>	<b>Individual contributor N = 1,256</b>	<b>First level leader N = 3,957</b>	<b>Mid-level leader N = 3,307</b>	<b>Senior executive N = 1,005</b>
Insensitive to others	1.34	1.51	1.60	1.62
Overmanaging	1.54	1.67	1.73	1.77
Unable to adapt to differences	1.42	1.54	1.54	1.55



## Section III - The Korn Ferry Assessment of Leadership Potential

The Korn Ferry Assessment of Leadership Potential (KFALP) helps organizations assess and identify talent who have the characteristics needed to develop the competencies and gain the experience to succeed in leadership roles.

- It gives a complete view of a person's leadership potential, no matter where they are in the organization.
- It accurately identifies high potentials with seven key signposts of leadership potential proven by research.
- It helps organizations invest in the right talent and target the right areas for development.

The KFALP was built by leveraging expertise from the combined decades of knowledge and the hundreds of thousands of leadership assessments Korn Ferry has amassed. The framework was developed based on rigorous analysis using a combination of quantitative, qualitative, and market-based data, sourcing from both Korn Ferry's own extensive data stores and external literature review:

- Research analyses based on a variety of Korn Ferry intellectual property, such as Leadership Experience Inventory (LEI) and Korn Ferry Assessment Trait Scale Bank, TalentView® of Leadership Transitions, and viaEDGE®.
- Extensive review of the scientific literature on high potential identification and leadership pipeline.
- Expert input.
- Customer input.

As a measure of potential, the seven signpost characteristics measured within the Korn Ferry Four Dimensions of Leadership and Talent focus heavily on Traits and Drivers—who the person is and may become in general, rather than what the person has done or can do today. The focus is potential to develop for the future, rather than readiness or fit for a specific job today.



**Figure 8.** Four Dimensions of Leadership and Talent.



## Model of the Korn Ferry Assessment of Leadership Potential

The KFALP measures several sub-dimensions of each signpost. All are related to advancement in the leadership pipeline.

**Table 3.** Model of the Korn Ferry Assessment of Leadership Potential.

### Drivers

The Drivers signpost includes three sub-dimensions:

**Advancement drive:** drive to advance through collaboration, ambition, challenge.

**Career planning:** how narrowly or broadly focused are the participant's career goals and how specific is his/her career plan.

**Role preferences:** preference for the work of roles requiring versatility and achievement through others vs. professional mastery and expertise.

### Experience

The Experience signpost includes three sub-dimensions:

**Core experience:** what a leader has learned in the course of his/her day-to-day leadership career.

**Perspective:** the diversity of a leader's experience across organizations, industries, functional areas, and countries.

**Key challenges:** a leader's experience with a number of seminal developmental challenges.

### Awareness

The Awareness signpost includes two sub-dimensions:

**Self-awareness:** the extent to which the leader is aware of his/her strengths and development needs.

**Situational self-awareness:** the extent to which the leader monitors and is aware of how events impact his/her performance.



## Learning agility

The Learning agility signpost includes four sub-dimensions:

- Mental agility:** a leader's tendency to be inquisitive and mentally quick.
- People agility:** a leader's skill in reading others and applying the insights gained in people-related matters.
- Change agility:** a leader's tendency to promote new possibilities and to take ideas from vision to reality.
- Results agility:** a leader's propensity to deliver outstanding results in new and tough situations.

## Leadership traits

The Leadership traits signpost includes five sub-dimensions:

- Focus:** the balance between attending to details and keeping an eye on the big picture.
- Persistence:** the passionate pursuit of personally valued long-term goals.
- Tolerance of ambiguity:** a leader's capacity to deal effectively with uncertainty or confusing situations.
- Assertiveness:** the willingness to assume a leader role and comfort with leadership.
- Optimism:** a leader's tendency to have a positive outlook.

## Capacity

The Capacity signpost includes one sub-dimension:

- Problem solving:** the ability to spot trends and patterns and draw correct conclusions from confusing or ambiguous data.

## Derailment risks

The Derailment risks signpost includes three sub-dimensions:

- Volatile:** a risk toward being mercurial, erratic, or unpredictable.
- Micromanaging:** a risk toward controlling the work of direct reports.
- Closed:** a risk toward being closed to alternative perspectives and opportunities.

## Intended uses of the Korn Ferry Assessment of Leadership Potential

At Korn Ferry, we are committed to offering science-based and experience-tested assessments that support the success of our clients. The KFALP is designed to provide data important for individuals and organizations to consider as they think broadly about the leadership potential of their internal talent. It is intended to evaluate long-term potential of individuals and leadership talent pools.

- It provides organizations with the ability to objectively and accurately identify people with high leadership potential.
- It gives a complete view of a person's leadership potential, no matter where they are in the organization.
- It accurately identifies high potentials in seven key facets, or signposts, proven by research to be related to advancement in leadership roles.

The KFALP does not measure readiness to perform in a specific new job *today* nor does it measure fit with a particular role.

The KFALP is designed to answer the question, "Who has the potential to take on higher-level, bigger leadership roles in the future?" KFALP can be used only as a *supplement* to other measures for selection of persons into specific jobs. Target roles are assumed to be feeder roles for a leadership career progression where persons selected are expected, within a reasonable time, to advance to higher leadership roles of greater responsibility. Use of the KFALP assumes that selection is for Professional/Individual contributor, First level leader, or Mid-level leader roles. It is not designed to supplement Senior level leader selection, except for post-selection development insight and onboarding support.

Separate Best Practices and Job Characteristics Questionnaires are available to assist in gaining maximum value from the KFALP in selection contexts.

The KFALP is best used in conjunction with all other data and information clients may have relevant to the potential of talent pools (education, specific domain knowledge, etc.).

## Unique features of the Korn Ferry Assessment of Leadership Potential

One of the challenges in the measurement of the characteristics of potential by self-assessment is controlling intentional response distortion—faking. To the extent possible, it is very important to capture data that reflects a participant's true standing on characteristics related to advancement. Often, respondents have a desire to present themselves in a positive light and attempt to consciously inflate their scores.

To manage this, the KFALP uses all new measurement technology for nearly all of the assessment. Forced-Choice Item Response Theory (Brown, 2014 [in press]; Brown & Maydeu-Olivares, 2011) provides a methodology with the following advantages:

- Removes response styles and scale anchor issues by eliminating the Likert rating scale.
- Thwarts faking by eliminating the transparency of the Likert rating scale.
- Frees interpretation from specific scale content by estimating true trait level.
- Provides superior true score estimates of error.
- Takes item content into consideration when estimating true score, thus improving fidelity of the score to the trait construct.

This methodology, using Forced-Choice Item Response Theory (FC-IRT) measurement technology rather than Likert-scale Classical Test Theory (CTT), is applied to the Traits signposts and to part of the Drivers signposts. This state-of-the-art technology allows true normative comparison of individuals while effectively controlling error resulting from idiosyncratic use of a response scale or from intentional faking (Brown & Maydeu-Olivares, 2011; Drasgow, Chernyshenko, & Stark, 2010).

## Measures and general interpretations

### Drivers

Drivers are measured in three facets:

- Advancement drive (core motivations that support advancement) is measured using an IRT-based ranking of items sets. Items represent the aspects of leadership drive shown to differentiate leaders who have advanced from those who have not.
- Career planning (narrow or broad career focus and specific career goals) is the only descriptive, non-normed measure in the instrument, and reflects back participant responses in a fairly straightforward fashion. Higher scores indicate a higher focus on career planning and greater specificity of career plans.
- Role preferences is measured using items based on several years of research on work preferences conducted along with Korn Ferry's ongoing research on learning agility. The measure differentiates people working in roles requiring breadth from those working in roles requiring depth.

### Experience

Experience is complex, unique to individuals, and far from universal in its nature and value. In the KFALP, we capture a snapshot of the kinds of experiences often encountered by leaders as they advance. These are captured in a short, structured career walk-through that contains verifiable questions about what an individual has done to date. These are then reflected back as core experiences, perspective-building experiences, and key challenges. This is an area where we have chosen to be brief to meet the client's need for brevity and to allow more robust measurement in other areas. Experience is normed against the participant's current level.

The three sub-dimensions of Experience are:

- Core experience can be considered “vertical experience.” It is captured by counting the number of leadership levels in which an individual has spent two-plus years working, relative to where the person is today. Each level brings unique, day-to-day experience in leadership, collaboration, and leading both up and down.

- Perspective can be considered “horizontal experience.” It represents the leadership “variations” the participant has gained from working in different organizations, industries, roles, countries, etc. Perspective helps leaders move beyond “the way we do things here” thinking to encompass the lessons and experiences of alternative or diverse ways of approaching the role, gained through variety of perspective.
- Key challenges captures the participant’s experience across 10 key leadership challenges that have been found to be particularly developmental. Not every leader will face each challenge during their career. Key challenges also reflects the leader’s role in the challenge—e.g., participant, leader, or sponsor.

## Traits

The Awareness, Learning agility, Leadership traits, and Derailment risks signposts include trait-based measures using FC-IRT measurement technology rather than Likert-scale CTT. Persons further along the leadership pipeline tend to score higher (or lower on derailers) than persons earlier in their leadership career. Each scale is reported relative to normative data appropriate to the target role of the assessment.

## Awareness

- Self-awareness is awareness of strengths and freedom from blind spots. It is known to be related to leadership success and inoculate, to some degree, against derailment. Self-awareness is a process of continuous reassessment of self-knowledge and refinement of true self-awareness.
- Situational self-awareness is the capability of being aware of present experience in a non-judgmental way, paying attention to the importance of a variety of demands, being more aware of one’s expert intuitions, and more able to improvise in a dynamic environment.

## Learning agility

- Mental agility is a broad curiosity about the complex issues, challenges, and novel situations that leaders face daily, and sets the stage for effective problem solving. This curiosity about issues and problems helps spot patterns, trends, and relationships.
- People agility is understanding the value of getting work done with and through people, being attuned to individuals’ needs and motivations, and typically skilled at reading people with an effective influencing style.
- Change agility is embracing change and taking well-reasoned risks even in the face of that change. It includes openness and acceptance of change and willingness to balance the risks and trade-offs vs. waiting.
- Results agility is being energized by new, tough assignments and overcoming obstacles to achieve stretch work objectives. It includes the enjoyment of being judged against external standards of achievement.

## Leadership traits

- Focus is the willingness to let go of personal attention to all details and seek a bigger-picture perspective rather than the pursuit of minutiae at the expense of the big picture.
- Persistence is having and pursuing closely held and personally valued long-term goals despite obstacles and distraction. This focus helps sustain leaders through difficulties and detours. This is different from focusing on near-term goal attainment or on goals set by others.
- Tolerance of ambiguity is the capability to thrive in a volatile, uncertain, complex, and ambiguous (VUCA) world. Some leaders find energy in these situations and can work productively despite a lack of a clear view of the future, while others are more comfortable with conditions providing clarity and certainty.
- Assertiveness is the willingness to take the lead if a clear leader is not apparent and to do so with little hesitation. Successful leaders are comfortable taking charge, and they find leading the way to feel natural and expect good outcomes when they do.
- Optimism is the degree to which people tend to disregard disappointment, are satisfied with who they are, and expect the future to be bright. Successful leadership requires a steady healthy optimism and good expectations for the future.

## Capacity

- Problem solving is skill at detecting patterns and trends even in ambiguous, contradictory, or otherwise “noisy” environments. Problem solving is measured with the Raven’s Progressive Matrices (NCS Pearson, 2007).

## Derailment risks

Derailment risks measures use profiles or configurations of other scores to indicate propensity to be volatile, closed, or micromanaging. These profiles place people at risk for, but by no means guarantee, derailing behaviors that need to be managed.

- Volatile is behaving in unexpected or detrimental ways. Effective leaders tend to be steady, even-tempered, and composed. Leaders who behave in a volatile way find it more difficult to build trust and confidence among their people.
- Micromanaging is staying involved in too many decisions rather than passing on responsibility, doing detailed work rather than delegating it, and staying too involved with direct reports. Effective leaders allow their people to succeed through their own efforts and skills.
- Closed is being dismissive of differing perspectives. Being closed makes it more difficult to respond to the need for change or to cultivate new ideas that can improve performance of the leader or team. Effective leaders are open to the perspectives and ideas of others.

## Timing

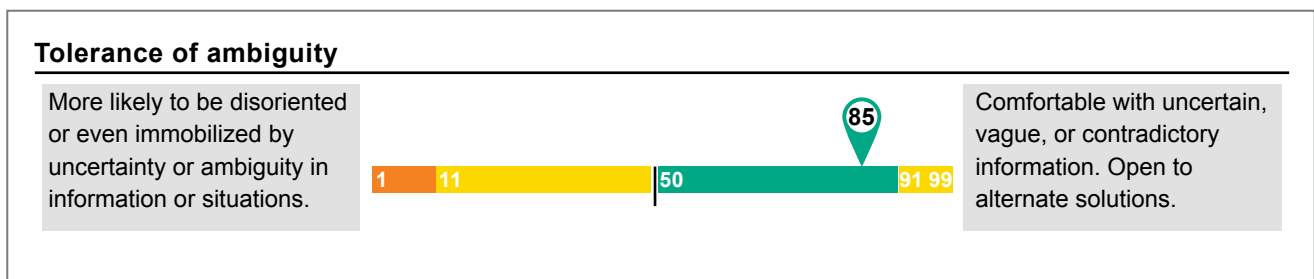
The KFALP takes 35–40 minutes to complete, exclusive of Raven’s Progressive Matrices, which adds up to 40 minutes. There are a number of branching items, and several items require multiple responses. The total number of responses will be approximately 240–280 for most participants.

## Scoring

With the exceptions of Career planning (part of Drivers) and Experience, raw scores are normed against the target role level and reported as percentiles on a scale such as the one in Figure 9. (As noted above, Career planning is not normed; however, higher scores indicate increasing focus of career planning and greater specificity of career plans. Experience is normed against current level.)

Persons reaching or exceeding the 50th percentile are scored as “green” for that sub-dimension. Individual Reports contain specific feedback for scores at the very top of the range (yellow at the top of the range in Figure 9), suggesting cautions regarding possible overuse of or dependence on a strong trait. These are still positive scores.

**Figure 9.** Individual Report scale.



Signposts are scored “green” based on counts of sub-dimensions on which an individual has reached a green threshold:

- Drivers – any two of three sub-dimensions.
- Experience – any two of three sub-dimensions.

- Awareness – both sub-dimensions.
- Learning agility – any three of four sub-dimensions.
- Leadership traits – any four of five sub-dimensions.
- Capacity – one (of one) sub-dimension.
- Derailment risks – none of the three Derailment risks factors.

## Reporting

Two report formats are available:

- **Individual Report** – shows individual participants their results in each sub-dimension of each of the seven signposts against the chosen target level. The report provides insights to help map individual development strategies based on the individual's pattern of responses. Based on the results, three specific development priorities with suggestions are provided.
- **Talent Grid Report** – provides an “at a glance” view of groups of individuals and how they compare with others within the organization, arming leadership with the ability to segment talent and make talent plans based on the pattern of results.

## Technical qualities

### Trait measurement and factor structure

The scales underlying the Awareness, Learning agility, Leadership traits, and Derailment risks were chosen from among the scales of the Korn Ferry Trait Scale Bank (KFTSB). This trait bank was developed as a new measure of the Five-Factor Personality Model. There are twenty-one total scales.

The foundation of the KFTSB is the well-established personality science of the Big Five. The Big Five framework is an extension of the lexical tradition, which assumes the important descriptors differentiating persons will be represented in natural language. This framework is a hierarchical, descriptive conceptualization of personality as opposed to a psycho-dynamic conceptualization. Modern Big Five research is exploring linkages to neural substrates and self-regulatory processes in the brain (DeYoung, 2010; DeYoung, Hirsh, Shane, Papademetris, Rajeevan, & Gray, 2010). The Big Five has demonstrated global applicability (Schmitt, Allik, McCrae, & Benet-Martinez, 2007). Moreover, this model is clearly established as the premier descriptive framework for personality science (John, Naumann, & Soto, 2008).

The KFTSB is a state-of-the-art personality instrument designed to capture individual differences on those aspects of personality most related to on-the-job performance and organizational fit. The KFTSB is grounded firmly in the most current science of personality psychology, while placing that science into the context of organizational performance.

In the development of the trait bank, work proceeded using a Classical Test Theory (CTT) approach and was followed by a Forced-Choice Item Response Theory (FC-IRT) approach. Items were written by a global team to represent each trait. Items were refined using traditional item analysis through multiple waves of data collection focusing on factor structure and internal consistency of scales. Retained items were then tested using FC-IRT.

Factor structure was tested using exploratory factor analysis and confirmatory factor analysis (CFA) for both the CTT and IRT versions of the scales. The final item set resulted in scales with primary loadings on the intended factor for all scales. To test whether the structure would hold at the latent trait level—that is, on the IRT trait scores—we conducted a CFA. Using the Goodness of Fit (GFI) and Standardized Root Mean Square Residual (SRMSR) fit indices, we found that the intended *a priori* structure adequately described the underlying structure of the IRT trait scores. Specifically, we found that the GFI = .904 and the SRMSR = .064, both within the range of acceptable model fit as discussed in the psychometric literature (see Hu & Bentler, 1999).

From among these trait scales, appropriate scales and composites were chosen to form the core of the KFALP, with a focus on scales that differentiate across levels of leadership.

## Reliability

Reliability is an estimate of the proportion of true score variance included in a measure. In Classical Test Theory (CTT), a single measure indicator of reliability is used to characterize the reliability of a test. In Item Response Theory (IRT), reliability is estimated as the proportion of true score contained in scores across the full range of scores. We have computed an “average” reliability for each trait scale. These averages were computed by estimating the IRT score and error variances. The IRT score variance was estimated by computing the variance of computed IRT scores; the error variance was estimated by averaging the squared Standard Error of Measurement across the trait range. With an estimate of the IRT score and error variance in hand, the reliability is estimated as the ratio of true score variance (IRT score variance minus error variance) to total score variance (IRT score variance). Typically, in CTT terms, a value of .70 or higher is considered good in personality testing (Nunnally & Bernstein, 1994). Most of the reliabilities for KFALP far exceed this and are in the .8s or even .9s. Note that the Experience scales and Career planning are not included. This is because these measures do not involve estimates of a latent trait, but directly reflect back in summary form the participant’s experiences and planning reported in the career walk-through.

**Table 4.** Reliability estimates.

	<b>Reliability All N &gt; 500</b>
<b>Drivers</b>	
Advancement drive	.92
Role preferences	.63
<b>Awareness</b>	
Self-awareness	.67
Situational self-awareness	.72
<b>Learning agility</b>	
Mental agility	.81
People agility	.89
Change agility	.91
Results agility	.81
<b>Leadership traits</b>	
Focus	.80
Persistence	.84
Tolerance of ambiguity	.85
Assertiveness	.88
Optimism	.84
<b>Capacity</b>	
Raven’s APM Version 2	.87
<b>Derailment risks</b>	
Volatile	.89
Micromanaging	.91
Closed	.91

Note. Raven’s APM Version 2 estimates are taken from *Raven’s Advanced Progressive Matrices (APM): Evidence of Reliability and Validity* (NCS Pearson, 2007).

## Validity

### Relationship with advancement

Validity is evidence for the relationship of a measure to desired outcomes. Table 5 displays *effect sizes* for the differences in score for Individual contributors against each higher organizational level. An effect size is a quantitative measure of the strength of a phenomenon. An effect size can be interpreted as small, medium, or large depending on its context. A commonly used interpretation is as follows: an effect size of 0.2 is considered a small effect, 0.5 a medium effect, and 0.8 and up a large effect (Cohen, 1988).

As shown in Table 5, **bold** indicates a statistically significant difference. The results show that there were progressively higher average scores for persons who have advanced to the next level for most scales, and, as expected, progressively lower scores for Focus and Derailment risks scales. Most measures have a medium to large effect size.

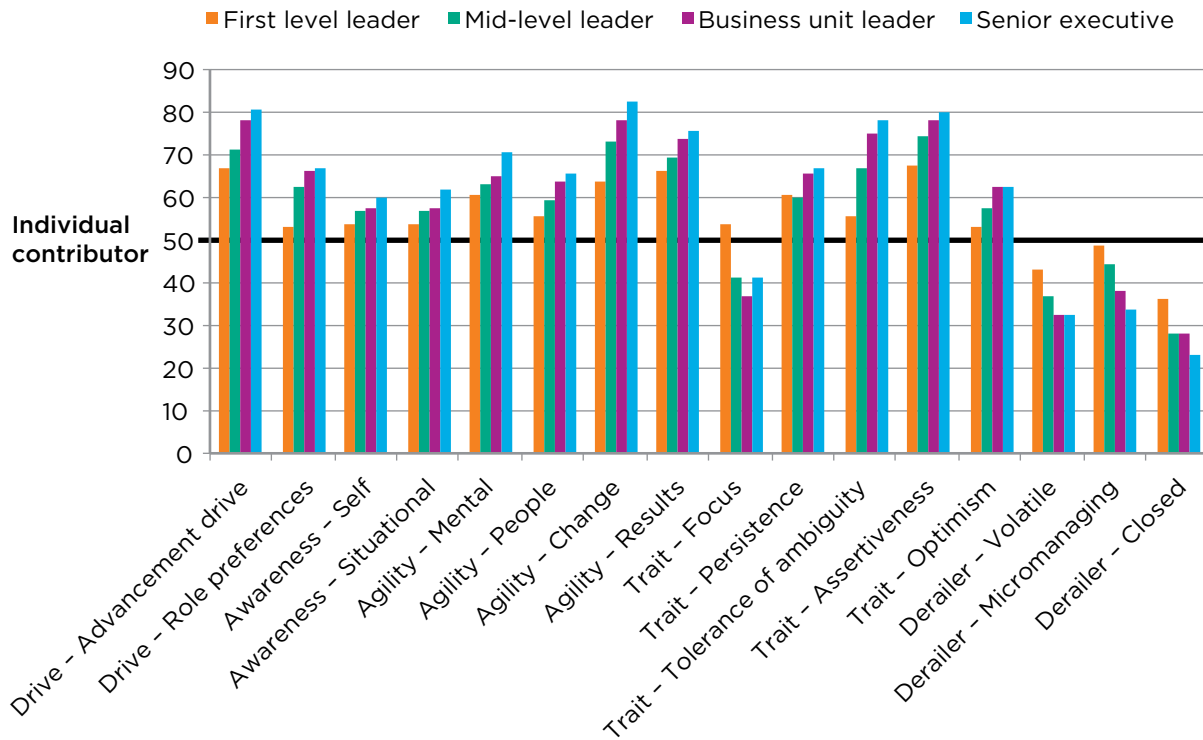
**Table 5.** Effect sizes for different position levels.

(Individual contributor *N* = 236 to 1,934)

	Individual contributor to First level leader (FLL <i>N</i> = 420 to 4,796)	Individual contributor to Mid-level leader (MLL <i>N</i> = 350 to 5,833)	Individual contributor to Business unit leader (BUL <i>N</i> = 280 to 4,724)	Individual contributor to Senior executive (SE <i>N</i> = 215 to 3,146)
<b>Drivers</b>				
Advancement drive	<b>.46</b>	<b>.56</b>	<b>.80</b>	<b>.89</b>
Role preferences	.07	<b>.30</b>	<b>.40</b>	<b>.43</b>
<b>Awareness</b>				
Self-awareness	.09	<b>.18</b>	<b>.20</b>	<b>.27</b>
Situational self-awareness	.10	<b>.19</b>	<b>.20</b>	<b>.32</b>
<b>Learning agility</b>				
Mental agility	<b>.28</b>	<b>.36</b>	<b>.43</b>	<b>.60</b>
People agility	.15	<b>.26</b>	<b>.37</b>	<b>.44</b>
Change agility	<b>.37</b>	<b>.64</b>	<b>.84</b>	<b>1.03</b>
Results agility	<b>.42</b>	<b>.50</b>	<b>.63</b>	<b>.73</b>
<b>Leadership traits</b>				
Focus	-.11	<b>-.23</b>	<b>-.34</b>	<b>-.22</b>
Persistence	<b>.28</b>	<b>.27</b>	<b>.45</b>	<b>.51</b>
Tolerance of ambiguity	.16	<b>.44</b>	<b>.68</b>	<b>.81</b>
Assertiveness	<b>.51</b>	<b>.76</b>	<b>.95</b>	<b>.98</b>
Optimism	.08	<b>.20</b>	<b>.34</b>	<b>.35</b>
<b>Derailment risks</b>				
Volatile	-.17	<b>-.34</b>	<b>-.50</b>	<b>-.51</b>
Micromanaging	-.04	<b>-.16</b>	<b>-.32</b>	<b>-.43</b>
Closed	<b>-.36</b>	<b>-.63</b>	<b>-.65</b>	<b>-.78</b>

The progression of score changes by level can be seen clearly in percentile terms in Figure 10. Individual contributor is the baseline and is represented at the 50th percentile.

**Figure 10.** Sub-dimension scores by level.



### Prediction of work engagement of leaders

Work engagement, the amount of discretionary effort a respondent is willing to expend toward their work, is a critical component of leadership performance. Many of the trait scales included predict work engagement for leaders, an important indicator of commitment. This indicates that, in addition to differentiating by organizational level, the scales also differentiate those who are likely to be higher performers because they are more engaged in their work.



**Table 6.** Correlation with work engagement.

<b><i>r, n = 1,022</i></b>	
<b>Drivers</b>	
Advancement drive	<b>.22</b>
Role preferences	na
<b>Awareness</b>	
Self-awareness	na
Situational self-awareness	.02
<b>Learning agility</b>	
Mental agility	<b>.14</b>
People agility	<b>.15</b>
Change agility	<b>.26</b>
Results agility	<b>.45</b>
<b>Leadership traits</b>	
Focus	<b>.07</b>
Persistence	<b>.25</b>
Tolerance of ambiguity	<b>.24</b>
Assertiveness	<b>.18</b>
Optimism	na
<b>Derailment risks</b>	
Volatile	na
Micromanaging	na
Closed	na

## Sub-group differences

An important question to examine is how various sub-groups score on assessment tools. This helps to anticipate the expected effect of using the tools on the demographics of the workforce.

Fairness of assessments is an important objective of Korn Ferry, and assessments are designed not to disadvantage any group. Adverse impact occurs when employee selection procedures used in making employment decisions have the effect of selecting persons belonging to a historically disadvantaged group at a rate that is substantially lower than that of the group with the higher selection rate. Adverse impact may occur due to the characteristics of an assessment tool or other components included in the selection process, or, due to characteristics of the labor pool, recruitment practices, or other process factors.

Korn Ferry has carefully evaluated the trait-based scales in the KFALP for the potential of adverse impact using the score thresholds included in the report. A typical way of describing the potential for adverse impact is in terms of effect size comparing individuals from historically disadvantaged groups with the majority group. An effect size can be interpreted as a small, medium, or large difference in average score. A commonly used interpretation is as follows: an effect size of 0.2 is considered a small effect, 0.5 a medium effect, and 0.8 and up a large effect (Cohen, 1988). In general, in typical and reasonable uses of assessments, effect sizes of .25 or less are unlikely to provide either substantial advantage or disadvantage for any group.

**Gender analysis**

Gender results are reported in Table 7 for each target level. Positive values indicate that in these samples, women score higher than men; negative values indicate higher scores for men (note that for Derailment risks, lower scores are desired). None meets the threshold for a “medium” effect size, and only five exceed the threshold for a “small” effect size.

**Table 7.** Gender differences.**(Male N = 1,222 to 14,929)**

<b>Gender</b>	<b>F/M First level leader (N = 231 to 3,056)</b>	<b>F/M Mid-level leader (N = 242 to 1,725)</b>	<b>F/M Business unit leader (N = 250 to 1,242)</b>	<b>F/M Senior executive (N = 60 to 637)</b>
<b>Drivers</b>				
Advancement drive	-.09	.22	.05	.06
Role preferences	.00	-.02	-.05	-.08
<b>Awareness</b>				
Self-awareness	.05	-.02	-.02	.25
Situational self-awareness	.10	.03	-.02	.02
<b>Learning agility</b>				
Mental agility	-.13	.02	-.05	.07
People agility	.40	.15	-.06	.06
Change agility	-.11	-.05	-.07	-.14
Results agility	-.08	.10	.14	-.05
<b>Leadership traits</b>				
Focus	.29	-.11	-.26	-.15
Persistence	-.01	.08	.01	-.05
Tolerance of ambiguity	-.15	-.17	-.15	-.20
Assertiveness	-.06	.04	.08	-.13
Optimism	-.09	-.13	-.12	-.11
<b>Derailment risks</b>				
Volatile	.06	.13	.13	.07
Micromanaging	-.06	.09	.05	.05
Closed	-.09	-.09	-.16	-.09
<b>Capacity</b>				
Raven's APM Version 2	-.10	-.08	-.16	-.22

Note. Positive effect size = women score higher; negative effect size = men score higher.

**Ethnicity analysis**

Due to the current limited sample sizes, target levels are collapsed for impact analysis for ethnicity. Positive values indicate historically disadvantaged groups score higher than the majority group (note that for Derailment risks, lower scores are desired). Ten are in the “small” effect size range, and only one passes the threshold for “medium.”

**Table 8.** Ethnicity differences.**(White N = 1,699 to 5,816)**

<b>Ethnicity</b>	<b>African-American / White (N = 60 to 355)</b>	<b>Asian-Pacific Islander / White (N = 102 to 387)</b>	<b>Hispanic / White (N = 58 to 349)</b>
<b>Drivers</b>			
Advancement drive	-.04	-.12	-.09
Role preferences	-.25	-.19	.03
<b>Awareness</b>			
Self-awareness	.03	-.07	-.08
Situational self-awareness	.11	.01	.10
<b>Learning agility</b>			
Mental agility	.18	-.06	.11
People agility	.13	-.03	.10
Change agility	.31	-.15	-.01
Results agility	.17	-.03	.03
<b>Leadership traits</b>			
Focus	.04	-.28	-.27
Persistence	.19	-.09	.07
Tolerance of ambiguity	.29	-.14	-.05
Assertiveness	.11	-.29	.08
Optimism	.13	-.32	-.03
<b>Derailment risks</b>			
Volatile	-.36	.01	-.13
Micromanaging	-.23	.15	-.07
Closed	-.23	.08	-.04
<b>Capacity</b>			
Raven's APM Version 2	-.53	.06	-.04

Overall, when used as intended, the KFALP is a fair assessment with little likelihood of differential results based on gender or ethnicity.

**A note regarding Capacity:** The Raven's APM Version 2 (NCS Pearson, 2007) was chosen because it is the only effectively language-free test available, a feature important to global clients. As is true of *all* tests of cognitive ability, the Raven's APM Version 2 carries with it an elevated possibility of adverse impact against traditionally disadvantaged ethnic groups. It also has a modest negative correlation with age. This is why Raven's scores go down with level, rather than up, as shown in Table 9.

While reaching a minimum threshold for raw reasoning ability relative to other leaders is considered desirable for leadership success, and the Raven's test can provide information in that area, including it in the KFALP is optional, and it is each client's decision whether or not to do so.

**Table 9.** Raven's APM Version 2 scores by position level.

	First level leader to Mid-level leader	First level leader to Business unit leader	First level leader to Senior executive
<b>Capacity</b>			
Raven's APM Version 2	<b>-.08</b>	<b>-.22</b>	<b>-.35</b>

## Use of norms

At this time, because the Korn Ferry Assessment of Leadership Potential (KFALP) measures are all new and state-of-the-art, initial norms are currently limited to four organizational levels. We may have norms for more levels and target roles over time.

Clients should carefully choose a target role, typically two to three levels up from the current level. The goal is to provide differentiation of talent which requires a relatively "high bar."

The KFALP is not useful for evaluating potential at the top officer levels. This is because the goal is to evaluate potential for developing, over time, the skills and experiences required in roles of significantly greater breadth, complexity, and responsibility. Once a leader has attained an executive role, evaluating their potential for advancement to the C-suite requires a more individualized level of granularity than is provided by the KFALP. In addition, at this level, talent reviews seek to include a view of both potential and readiness for the target role.

Individual contributors are not leaders, so no Individual contributor norm is available. For most leaders and experienced Professional/Individual contributors, the Team lead and First level leader norms are probably not appropriate. However, where Entry level individual contributors are the population, those norms may be appropriate.

**Table 10.** Current alignment for target role and norm.

Current level	Target role	Norm
Business unit leader	Top business or organizational group executive	Senior executive
Business unit leader	Senior/top functional leader	Senior executive
Mid-level leader	Business or organizational unit/division leader	Business unit leader
Professional/Individual contributor, First level leader, or Team lead	Functional leader	Mid-level leader
Professional/Individual contributor, First level leader, or Team lead	Mid-level leader	Mid-level leader
Entry level individual contributor	First level leader	First level leader
Entry level individual contributor	Team lead	First level leader

*Note.* Currently the norms are North America only and will expand geographically over time.

Norm descriptions are found in Appendix B.

## Appendix A. Frequently asked questions

### 1. **Why was the new Korn Ferry Assessment of Leadership Potential created? Why not combine both TalentView® of Leadership Transitions (TLT) and viaEDGE®?**

The Korn Ferry Assessment of Leadership Potential (KFALP) is a more comprehensive assessment for measuring leadership potential. It measures seven facets on an individual's Drivers, Experience, Awareness, Learning agility, Leadership traits, Capacity, and Derailment risks. In addition, the Forced-Choice Item Response Theory (FC-IRT) technology allows true normative comparison of individuals while effectively controlling much error resulting from idiosyncratic use of a response scale or from intentional faking. The new tool also takes less time to administer than TLT plus viaEDGE®, and it produces an integrated report, which is easier for the individual and organizational clients to interpret and apply.

### 2. **What is the research behind Item Response Theory (IRT)?**

It is a complex technology. In Classical Test Theory (CTT), for self-report personality assessment, it is typical to use Likert ratings (responding on an item or question on a 1-to-5 or 1-to-7 ordered scale, e.g., Strongly agree to Strongly disagree) despite a number of limitations:

- Response styles (e.g., acquiescence bias, social desirability bias, preferring the center of the scale vs. the extremes of the scale).
- Scale anchors may be interpreted differently by respondents.
- Intentional faking in an effort to “game” cannot be controlled.
- Interpretation of scores is dependent on a particular norm and on the specific scale content.
- The estimated reliability and true score estimate error are the same for all participants.
- Item difficulty is not taken into account in scoring.

Tests based on IRT can overcome these issues by:

- Removing response styles and scale anchor issues by eliminating the rating scale.
- Thwarting faking by eliminating the transparency of the Likert rating scale.
- Freeing interpretation from specific scale content by estimating true trait level.
- Providing true score estimates of error at the individual level.
- Taking item content into consideration when estimating true score, thus improving fidelity of the score to the trait construct.

Methodologies developed at the University of Barcelona by Brown and Maydeu-Olivares (2011) have opened up an IRT methodology for forced-choice items formats using a Thurstonian paired-comparison measurement model. This model presents personality items in multi-item blocks (2, 3, or 4) and asks respondents to endorse one as “Most like me” and one as “Least like me” or to rank the items. Traditionally, such response formats in CTT produced results that were ipsative (items dependent on one another) with some accompanying detrimental effects. The state-of-the-art FC-IRT overcomes these issues.

Korn Ferry scientists completed extensive simulations and pilots to:

- Test the underlying assumptions of the model and methods.
- Ensure that the new model did indeed overcome the prior psychometric insufficiencies of forced-choice methods.
- Develop extensions of the model to test the effects of intra- and inter-block “item cross talk” to better understand when item parameters may not be robust.
- Ensure that error estimates are meaningful.

The results from these statistical simulations and from live pilot data affirmed that the FC-IRT methodology is a superior technology in the ways described above.

### **3. Do the Key challenges remain the same in the instrument regardless of the target level selected by the client?**

Yes, the Key challenges remain the same. It is the amount and depth of participation in such challenges that vary with level.

### **4. Why are scores on viaEDGE® and KFALP different for Learning agility?**

By any standard, though different technologies, the two versions of Learning agility are quality measures of the same traits, and they share a very large majority of their items.

There are several possible causes of observed differences that may apply to a specific circumstance:



- 1) Though both measures are quite solid measures of Learning agility, different response scales are used in viaEDGE® (Likert) and KFALP (IRT)—they are different technologies. In large samples, Likert and IRT scores are correlated very highly (> .75)—as highly as can be expected by the reliabilities of the two measures. Still, since they are not perfectly correlated, a noticeable number of scores will not align. Even with this high correlation, approximately 10% of persons in the top quartile will drop to the bottom half of scores, and vice versa. This is normal, even for first-class measures such as these.
- 2) Normal error of measurement. Normal error of measurement comes into play when comparing scores on two similar assessments, or on repeated use of the exact same assessment—even top-notch assessments like viaEDGE® and KFALP. You can expect to see:
  - Exactly the same score is extraordinarily rare.
  - Scores just a few points apart will actually be rare as well.
  - In any large-sample administrations of the two instruments, *a large majority of scores will be similar, that is, within about a fourth of the full range of raw scores from each other.* This is all that can be expected from even state-of-the-art assessments.
  - A smaller number will naturally vary to a degree greater than that.
  - A few will be wildly different, just due to measurement error. This is a normal part of using assessments.
- 3) Percentiles can mislead by exaggerating the difference in raw score differences. Percentiles are very desirable to explain what an individual score means to the person (70 means you scored better than 70% of the people in the norm). However, the dark side of percentiles is that they very much exaggerate or stretch the raw score differences, *especially toward the middle of the natural normal distribution*—where most persons’ raw scores are. Percentiles are intended to help understanding of single scale scores for individuals, and it accomplishes that objective. However, it is a source of misunderstanding when comparing two or more scores.
- 4) Different norms are used in viaEDGE® (single norm) and KFALP (level-specific norms). These norm groups have not been equated beyond self-nomination into levels using our standard demographics.

The bottom line is that each score is an estimate of true score that contains error. No one can determine which one is more “right” for any individual; however, reliability of KFALP scales is higher than the viaEDGE® scales. That is one reason we are switching to that technology.

**5. Can client organizations choose to opt out Capacity while using the KFALP?**

Yes. Thus, only six signposts will be reported in the reports, rather than seven.

**6. Why do participants report their own current level vs. having the organization select that level for them in the administration process?**

We know that a participant is the better judge of level looking up and down their organization using our standard demographic. Experience tells us that client organizations are less attentive to the level and tend to group people based on their titles, which are notoriously inaccurate. In addition, current level judgments are part of scoring, so it must come from the person scored. The organization selects the target level.

**7. What does the participant's reported current level affect?**

Current level affects Experience scores, which are normed against current level. It affects no other scores.

**8. Can the current level be amended after launching the process?**

No.

**9. What signposts are likely to stay constant over time for an individual? What are the biggest areas to see the most change?**

None are constant, as all can change over time, but at different rates.

Experience is the most directly malleable through proactively seeking broader experiences.

Capacity, on the other hand, is probably the one that is least malleable. The Raven's APM measures the raw core of reasoning. However, as people move through their careers, they rely less and less on narrow raw reasoning and more and more on domain knowledge and learned heuristics for judgment and success. Also, the people we assess are already in the top third to top half of the cognitive ability distribution.

Drivers can change with career and life stage as leaders, for example, decide to pursue more or less challenge or try a new path and discover a new passion.

The Awareness, Learning agility, Leadership traits, and Derailment risks signposts are trait-based. Traits change within an individual as they mature, faster than Capacity, but perhaps more slowly than Experience or Drivers. It is important to remember that personality is not fixed and does not directly determine behavior. It has a big influence on behavior, as does work situation, learned self-regulation skills, fatigue, and other state factors.







## Appendix B. Norm descriptions

General norm description for the Korn Ferry Assessment of Leadership Potential.

### First level leader *N* = 420.

All participants working in organizations greater than \$1B revenue, with approximately 66% working in organizations with greater than \$10B revenue.

36.9% Female, 63.1% Male

Age: Mean = 45.43, SD = 11.65

#### Industry:

Advanced Technology	9.5%
Consumer Goods	2.9%
Distribution Services	3.6%
Education & Training	5.0%
Energy & Utilities	8.1%
Financial Services	8.3%
Government & Nonprofit	7.1%
Healthcare & Biological Sciences	8.8%
Industrial & Manufacturing	11.7%
Media & Entertainment	1.9%
Multi-Industry Holding Companies	.7%
Professional & Business Services	6.4%
Real Estate & Property Management	2.4%
Research & Development	1.2%
Retail	11.0%
Telecommunications	4.8%
Travel, Hospitality, & Leisure	6.7%



General norm description for the Korn Ferry Assessment of Leadership Potential.

**Mid-level leader N = 1,204.**

All participants working in organizations greater than \$1B revenue, with approximately 61% working in organizations with greater than \$10B revenue.

34% Female, 66% Male

Age: Mean = 49.72, SD = 9.7

**Industry:**

Advanced Technology	7.7%
Consumer Goods	5.2%
Distribution Services	3.2%
Education & Training	2.5%
Energy & Utilities	3.9%
Financial Services	13.5%
Government & Nonprofit	2.2%
Healthcare & Biological Sciences	8.0%
Industrial & Manufacturing	17.5%
Media & Entertainment	2.2%
Multi-Industry Holding Companies	1.2%
Professional & Business Services	8.4%
Real Estate & Property Management	1.0%
Research & Development	1.7%
Retail	12.3%
Telecommunications	5.1%
Travel, Hospitality, & Leisure	4.3%



General norm description for the Korn Ferry Assessment of Leadership Potential.

**Business unit leader N = 1,118.**

All participants working in organizations greater than \$1B revenue, with approximately 52% working in organizations with greater than \$10B revenue.

31.8% Female, 68.2% Male

Age: Mean = 51.31, SD = 9.43

**Industry:**

Advanced Technology	8.7%
Consumer Goods	5.1%
Distribution Services	4.1%
Education & Training	2.7%
Energy & Utilities	5.1%
Financial Services	15.2%
Government & Nonprofit	1.9%
Healthcare & Biological Sciences	10.1%
Industrial & Manufacturing	16.1%
Media & Entertainment	2.1%
Multi-Industry Holding Companies	1.5%
Professional & Business Services	10.0%
Real Estate & Property Management	.9%
Research & Development	1.8%
Retail	7.0%
Telecommunications	3.8%
Travel, Hospitality, & Leisure	3.9%



General norm description for the Korn Ferry Assessment of Leadership Potential.

**Senior executive N = 749.**

All participants working in organizations greater than \$1B revenue, with approximately 41% working in organizations with greater than \$10B revenue.

31.8% Female, 68.2% Male

Age: Mean = 50.93, SD = 10.92

**Industry:**

Advanced Technology	7.5%
Consumer Goods	5.5%
Distribution Services	3.9%
Education & Training	3.6%
Energy & Utilities	3.1%
Financial Services	21.1%
Government & Nonprofit	2.3%
Healthcare & Biological Sciences	9.6%
Industrial & Manufacturing	14.8%
Media & Entertainment	2.8%
Multi-Industry Holding Companies	1.5%
Professional & Business Services	8.5%
Real Estate & Property Management	2.3%
Research & Development	.9%
Retail	6.9%
Telecommunications	2.3%
Travel, Hospitality, & Leisure	3.5%



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