

Leadership

Hire Leaders for What They Can Do, Not What They Have Done

by Josh Bersin and Tomas Chamorro-Premuzic

August 27, 2019



cranach/Getty Images

Summary. The next time you are filling a leadership role, ask yourself three questions. First, does the candidate have the skills to be a high-performing contributor or the skills to be an effective leader? The performance level of individual contributors is measured largely... [**more**](#)

Fifty years have passed since the publication of *The Peter Principle*, but its rule still applies today. “In time, every post tends to be occupied by an employee who is incompetent to carry out its duties,” noted Laurence J. Peter, the educator behind this famous work. His theory postulates that most competent people are promoted until they reach a position that is above their skill level, at which point they cease to grow.

Academic studies show that promotions are still largely a reward for past performance, and that organizations continue to assume the attributes that have made someone successful so far will continue to make them successful in the future (even if their responsibilities change). This may explain why there are still a large number of incompetent leaders.

Organizations that wish to select the best people for leadership roles therefore need to change how they evaluate candidates. The next time you are filling a managerial position, ask yourself three questions:

1. Does the candidate have the skills to be a high-performing contributor or the skills to be an effective leader?

The performance level of individual contributors is measured largely through their ability, likability, and drive. Leadership, by contrast, demands a broader range of character traits, including high levels of integrity and low levels of dark-side behaviors born out of negative attributes like narcissism or psychopathy.

The difference between these two skill sets explains why great athletes often end up being mediocre coaches (and vice versa), and why high performers often fail to succeed in leadership positions.

We all know that the most successful salespeople, software developers, and stockbrokers have exceptional technical skills, domain knowledge, discipline, and abilities to self-manage. But can those same skills be used to get a group of people to ignore their selfish agendas and cooperate effectively as a team? Probably not. Leaders do need to obtain a certain level of technical competence to

establish their credibility, but too much expertise in a single area can be a handicap. Experts are often hindered by fixed mindsets and narrow views, which result from their years of experience. Great leaders, however, are able to remain open and to adapt, no matter how experienced they are. They succeed because they are able to continually learn.

This has been proved in many situations, particularly in the area of sales. A recent academic study of over 200 firms found that performance as a salesperson was negatively correlated with performance as a sales manager. If you promote your number one salesperson to management, you create two problems: You lose your top salesperson and you gain a poor manager.

2. Can I really trust this candidate's individual performance measures?

The most common indicator of someone's performance is a single subjective rating by a direct line manager. This makes measures of performance vulnerable to bias, politics, and an employee's ability to manage up. Although peer-based and network-oriented performance management is growing, it is still in its infancy. As a result, performance measures may not be as reliable as you think.

This is likely why women still tend to be promoted less than men, even when their performance is identical. Many organizations promote people into leadership positions because they "create the right impression," even if their actual contributions are minimal.

If you ask yourself the above question, and the answer is "no," take some time to think about what good leadership looks like at your company. Are you looking for leaders who can drive great results? Bring people together? Listen and develop others? Or are you looking for leaders who can connect, innovate, and help evolve the business? Every company needs different types of leaders at different times, and someone who performs well in their current role may not be the right person to help you reach your most immediate goals.

3. Am I looking forward or backward?

The secret to selecting great leaders is to predict the future, not to reward the past. Every organization faces the problem of how to identify the people who are most likely to lead your teams through growing complexity, uncertainty, and change. Such individuals may have a very different profile from those who have succeeded in the past, as well as from those who are succeeding in the present.

Avoid promoting entirely based on culture fit. Although you may have good intentions in doing it, it often results in a lack of diversity of thought and outdated leadership models. In today's ever-changing world, businesses are expected to grow as fast as the technologies surrounding them. Their models must be in constant transformation. What worked in the past and what is working in the present may not work at all in the future. Companies, then, need to get more comfortable thinking outside the box. This means taking "misfits" or "people who think differently" and placing them into leadership roles. Give them support and time to prove themselves. This is just one way to deepen your leadership pipeline.

You should also take an extra look at the people who "may not be ready," and analyze them on the basis of their ambition, reputation, and passion for your business. Often the youngest, most agile, and most confident people turn into incredible leaders, even though their track record may not be the best. Mark Zuckerberg, one of the most successful CEOs in decades by many measures, had almost no business experience before he started Facebook. Steve Jobs had not run a large company before Apple, yet he had the insights, connections, and drive to make it a household name.

It's time to rethink the notion of leadership. If you move beyond promoting those with the most competence and start thinking more about those who can get you where you want to go, your company will thrive. In other words, start considering those who have high potential, not just top performers.

Josh Bersin is founder of Bersin by Deloitte, and now the Josh Bersin Academy, the research and professional development academy for HR and business leaders. He is a global research analyst, public speaker, and writer on the topics of corporate human resources, talent management, recruiting, leadership, technology, and the intersection between work and life.

Tomas Chamorro-Premuzic is the Chief Talent Scientist at ManpowerGroup, a professor of business psychology at University College London and at Columbia University, and an associate at Harvard's Entrepreneurial Finance Lab. He is the author of *Why Do So Many Incompetent Men Become Leaders? (and How to Fix It)*, upon which his TEDx talk was based. Find him on Twitter: @drtcp or at www.drtomas.com.