

Current Performance ≠ Future Potential

The Succession Mistake We Keep Making

Erin Wilson Burns & Leslie Ann Kawai

High performance is not the same as leadership potential.

When we are young, we often have very clear ideas about what good parenting looks like. From the outside, it seems straightforward. There are obvious right answers and obvious wrong ones — until you are the parent.

The reality of parenting is far more complex than a child can anticipate. What looks simple from one vantage point becomes nuanced, ambiguous, and situational when responsibility increases.

Succession planning operates the same way. From the outside, it appears logical: promote the strongest performers. But as leadership responsibility increases, the assumptions that once seemed obvious begin to break down. Performance does not automatically scale. Complexity does.

When we promote someone into a more senior role, we are not asking them to do more of the same. We are asking them to operate at a different level of cognitive, relational, and systemic demand. Future potential is not an extension of current output. It is a function of the level of complexity a leader can absorb and successfully operate in.

To evaluate potential more effectively, we look across five dimensions:

- 1. Ability:** Cognitive capability to build and operate with increasingly complex and abstract mental models.
- 2. Adaptability:** Personality attributes that enable successful learning and transition across roles.
- 3. Achievement:** Drive to excel and achieve results.
- 4. Ambition:** Motivation for influence rooted in advancing collective success.
- 5. Alignment:** Fit between a leader's developmental readiness, aspiration, and the timing of organizational need.

Ability: Cognitive capability

At the core of evaluating future potential is cognitive capability — a leader's capacity to build and operate with mental models at increasingly higher levels of complexity and abstraction.

Mental models are internal representations of how systems work. They shape how people interpret ambiguity, organize information, make meaning of the world around them, anticipate consequences, make decisions, and communicate with others. They are the foundations of judgment.

Research on executive decision-making consistently shows that high-level leaders do not simply “know more.” They use what they know to build more complex mental models that are more differentiated (they distinguish among more variables), more integrated (they connect those variables across systems), and more abstract (they operate across longer time frames and broader organizational contexts).

Leaders build mental models at different rates and to different ceilings. Over time, high-capability leaders use information and experience to develop more densely populated and interconnected mental models at progressively higher levels of abstraction.

The progression of this development depends on several factors:

- **General mental ability,** particularly fluid intelligence. General mental ability has been consistently linked to leadership performance and is widely considered a reliable predictor of future capability because it speeds up the process of building and enhancing mental models.
- **Breadth of experience.** The building blocks of mental models are both direct and indirect experience. The diversity of life experiences, educational



opportunities, and work experiences a leader engages in directly or has exposure to contributes to the development of mental models.

- **Personality factors.** Certain personality factors are strongly correlated with growth. For example, an individual who is curious about how their work influences business outcomes is much more likely, over the course of their career, to develop more complex mental models than an individual who is more heads-down.

Although cognitive power alone is insufficient to predict future leadership performance, it is an important input. Like horsepower in a car, cognitive power fuels the development of mental models. If two individuals are going “pedal to the metal,” those with more horsepower (more cognitive power) will typically build more complex models faster than others. But development is probabilistic, not deterministic. Capability must be exercised. Exposure, motivation, and willingness to stretch determine whether horsepower translates into growth.

Adaptability: Agility

While ability is a very important predictor of potential, it is not sufficient. Even extremely bright individuals may fail to thrive under the demands of senior leadership positions.

Learning agility literature consistently indicates that certain personality

preferences are correlated with behaviors associated with learning agility (curiosity, experimentation, learning from experience). And these behaviors correlate with career growth.

But adaptability is more than just learning agility. Strong personality preferences often derail leadership success while more moderate preferences enable it by expanding the range of behavioral responsiveness. More moderate preferences give leaders more flexibility in choosing the appropriate response for different scenarios (for example, a more balanced thinking-feeling orientation facilitates both trusted relationships and analytic decision-making).

This flexibility enables a broader range of personal leadership behaviors, greater adaptability to a wider range of roles, and easier transition into new roles. Leaders who can more easily adapt to new roles, cultures, and environments (internally and externally), manage change with less disruption and resistance.

Thus, flexible personality attributes also enhance cognitive development — the probability and ease of success in a diversity of roles and environments facilitates the opportunities required to build more encompassing mental models.

Achievement: Drive

While some argue that performance is a gatekeeper, not an indicator of potential,

we believe a track record of successful performance is a relevant component of a definition of potential. Past performance matters not because it guarantees future success, but because it provides evidence of how motivated and capable a leader is to applying cognitive and adaptive capacity.

A track record of successful performance is evidence that, at least within the context an individual has so far encountered, he or she has been motivated to do the work required to adapt and expand their technical knowledge and leadership style to succeed in different scenarios — either through different roles or different projects over time.

High-achievement people know what high performance is and when they haven't delivered. If they aren't seen as a high performer in the organization, they want to know why. They want to stand apart from others, not necessarily to compete with others but against themselves and their internal standards. This motivation to succeed and willingness to do the work is an important signal of potential.

Ambition: Motivation

In our framework, ambition is defined as motivation for power and influence. It is about identifying what drives the need for high achievement and the attainment of power.

Leadership often requires sacrifices that not everyone is willing to make: frequent moves, longer hours, the discomfort of getting up-to-speed in a new role, etc. At the highest levels, these discomforts are compounded by increased isolation, a lack of privacy, and other challenges. The motivation to pay the price hinges on continuing calculations about whether the reward is worthwhile.

Individuals who find leadership intrinsically rewarding will be more likely to see the sacrifices leadership requires as an investment in future gains or ideals they value. The question that concerns us in evaluating potential is based on what return an individual is anticipating that leads them to aspire to positions of power and influence.

Developmental research suggests that individuals orient toward power differently. Some seek influence for personal gain. Others seek influence to advance collective outcomes or values-based agendas. Leaders who seek influence to enable group success are more likely to create sustainable value. Ambition rooted primarily in self-enhancement almost always becomes corrosive at scale. Ambition rooted in collective advancement becomes generative. High-potential leaders seek “power for” rather than “power over.”

While the motivation to lead may never be totally selfless, high-potential leaders are seen as creating value for the group that reflects a greater good not just value to the individual themselves.

Alignment: Timing and Trajectory

Effective succession management requires ongoing alignment between individual aspiration, developmental trajectory, and organizational need.

Readiness depends on exposure to stretch assignments that test and refine Ability, Adaptability, Achievement, and Ambition. But development investments carry business, resource, and retention risk and the most capable leaders often have the most external options.

Gauging potential, then, requires open and reoccurring discussion between senior management, HR, and these candidates to ensure they have the right level of engagement and satisfaction with their current challenges and that their career outlooks still match the intentions of the organization.

Alignment is not static.

It is managed over time.

Conclusion: The Distinction That Matters

Succession planning is not a performance ranking exercise. It is an assessment of future potential. High performance demonstrates competence within defined boundaries. Future potential indicates:

- **Ability** to build and operate with more complex mental models
- **Adaptability** to learn and grow
- **Achievement** orientation that reflects a drive to achieve results

- **Ambition** oriented toward advancing collective outcomes
- **Alignment** between developmental readiness and organizational timing

Organizations that mistake today's performance for tomorrow's potential will consistently over-promote. Organizations that differentiate the two significantly increase their odds of getting succession decisions right.

The question is not, “How well has this leader performed?”

It is, “Does this leader have what it takes to operate at the level the next role requires?”

That distinction shapes whether succession decisions compound capability — or constrain it.

About the Authors

Erin Wilson Burns is a Principal Consultant and Senior Researcher at The RBL Group whose work focuses on leadership, succession, and organizational capability. She is a Master Trainer in RBL's Leadership Code 360 and MENTOR®, and has contributed extensively to leadership research, assessment, and applied executive development.

Leslie Ann Kawai is a Principal Consultant and Senior Researcher at The RBL Group, specializing in leadership capability, succession, and organizational effectiveness. Her work emphasizes role complexity, evidence-based assessment, and the design of integrated leadership systems that align capability requirements with evolving business demands.

Visit our insights page to find more information related to the content of this paper.

» www.rbl.net/lcri
» www.rbl.net/insights

Send us your thoughts or questions regarding the content of this paper.



leadership@rbl.net