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## In the Classroom

### In the Crucible: Trials Reveal Strengths of High-Potential Executives



Early in his career, Charles Schwab was an unremarkable lawyer. He did not appear to be a high-potential executive. Then he left law to create his discount brokerage business. "He decided to take a fresh look at the whole way finance and mutual funds were handled. He went from being mediocre to being high potential," says Nick Craig, president of the Authentic Leadership Institute, who teaches in Wharton's new program *High-Potential Leaders: Accelerating Your Impact*.

In research on executives, Craig and colleagues found that leaders who were average in one context demonstrated high potential in another. The implication of this is that there is no simple recipe for high-potential leaders. In fact, what makes them distinctive as individuals is what makes them successful as leaders.

"We think only certain people have high potential, but only certain people are able to find their 'true north,'" says Craig, who co-authored with Bill George the forthcoming book called *Finding Your True North: A Personal Guide*. "Everyone has that within them. The question is if you have identified it."

#### Crucible Stories

In his work with executives, Craig has found that this authentic leadership, or "true north," is revealed through what he calls "crucible stories." These are the stories that executives rarely tell, because they relate to an extreme test or crisis. Yet these stories of trials and triumphs reveal what is deepest about an individual.

"The power of the crucible experience is to take those hardship experiences and truly discover the undeniable truth of who you are. When you strip everything away, which values will come to your aid and get you through? That list ends up being your true north. What makes you a high-potential executive is going to be in that crucible story."

The stories can be from business or personal life. For example, Daniel Vasella, CEO of Novartis, told how having tuberculosis as a child shaped his career. He was sent away for treatment, separated from his family. Through a crucial conversation with a new physician, his experience of his treatment process was transformed. Because of that experience, he realized he wanted to be a doctor. "Through all of the work he needed to do on himself, he got clear about the fundamental truth of how he would make a difference in the world," Craig says.

Starbucks' founder Howard Schultz has been motivated by more than coffee. One of the key experiences that drove him was from his childhood. His father held a number of jobs, including delivering milk. When he broke his leg, he had no health coverage, so the family went through a very difficult time. Schultz swore that he would never allow that to happen to anyone who worked for him. Starbucks became one of the few companies to offer even part-time employees health coverage.

"The power of the crucible experience is to take those hardship experiences and truly discover the undeniable truth of who you are... Own the gift that you are, as opposed to the one you are chasing."

—Nick Craig, President, Authentic Leadership Institute

#### Seeing the Plot

Crucible stories are typically not proud successes. They usually don't appear in formal bios or résumés. They can be painful. But they are defining moments. Sharing them is a powerful experience, creating an instant connection among executives. And, surprising as it may seem, these stories of vulnerability and trials can galvanize others to follow. "Counterintuitively, you want to follow someone after hearing his or her crucible story," Craig says. "We look to follow people who are real — not people who are perfect."

Understanding their own crucible stories gives managers more control in using their strengths. "We have a series of crucibles in life, but there is one plot," Craig says. "When you can see this plot, you can become the director of the play as opposed to a character in it. The congruency that we are so hungry to see in people is what we experience in these stories. We are helping people unpack those stories, to transform them from a wound into the antidote."

#### Leading from the Head and Heart

Craig's session on "crucible stories" sets the stage for the profound and personal exploration of leadership talent during the five-day Wharton program. Leadership experts such as Ram Charan and Tal Ben-Shahar help participants build strategic business acumen, clarify leadership vision, design effective execution plans, and engage the hearts and minds of the people they lead. "To create the program, we worked backwards from what we believe and know about leaders — who powerful leaders are and why they are successful," says Dafna Eylon, academic director of the program. "For one thing, we recognized that really great leaders lead from the head and the heart, so the program focuses on both."

The program also balances a focus on the self with an exploration of the external environment. Faculty address specific knowledge in areas such as negotiations and global strategies. They help executives recognize patterns in the environment — what Intel's Andy Grove calls "strategic inflection points."

Coaches work with executives before and after the week to integrate the learning — about themselves and the business context — and apply it to their own work. "The goal is not just to have a wonderful weeklong program where people leave and say this is terrific," Eylon says. "We want them to leave and use what they've gained, starting from the day they go back. We want participants to change how people view them and their role as leaders."

While organizations identify "high-potential" executives — ones who can best succeed in the context of a specific organization — everyone has high potential. The key is to identify and find a way to use your strengths. "Everyone has strengths, but I don't think everyone is equally aware of these strengths or how to connect them to values that are important to them and areas of passion," Eylon says. "We all have at our core very valuable abilities and characteristics."

With this focus on individual stories, there is no cookie-cutter approach to developing high potential. The Wharton program helps leaders discover and use their own strengths — to put themselves in situations where their talents are valued and used. As Craig says, "Own the gift that you are, as opposed to the one you are chasing."