

Is your success framework succeeding?

Or missing the multiplier effect of Connections and Context?

"Talent tacticians treat each talent decision as an isolated occurrence. Talent strategists consider each decision within an overall context."

Robert Barner, Bench Strength



A model of success

Daniel Kahneman¹ noted:

"The first formula for success = some talent + luck"

"The second formula for great success = some talent + a lot of luck"

He makes an important point, not least that we under-estimate the impact of luck within success².

Daniel Kahneman doesn't think there is any one formula for success. But seeing success through the lens of algebra is a useful discipline. It revisits our assumptions of success - its causes and consequences and the context in which it is optimised³ - to rethink the mix of leadership factors that can be expected to achieve positive business outcomes.

*All models are wrong.
But some are useful.*
George Box

A success framework - one that shapes proactive talent management practice in selection, development and succession - must go beyond a focus on the individual - and the **Four Cs**⁴ - to also identify:

The **Connections** that individuals can access. This is to shift our perspective from effectiveness as individual talent and motivation to see performance as increasingly the outcome of a collaborative enterprise. When we factor Connections into the success model, explanatory and predictive power improves.

The **Context** in which individuals have operated within and will operate in future. An insight into the dynamics of the past working environment will not only provide a more accurate analysis of previous leadership success, it will highlight how a shift in the working environment can optimise performance. Understanding context also helps manage risks in the forecasts of future performance.



The first 4 factors within a success model

The first four factors in a “success model” focus on the individual - and the personal inputs associated with success.

Credibility answers the question: *“does the individual look and sound like a leader?”* Credibility is important, because without it, there are no followers. And without followers, there is no leadership. Credibility typically incorporates a track record of relevant experience and past achievement, high levels of peer respect and interpersonal impact. Credibility (or a lack of it) can also however be shaped by irrelevant factors (e.g. appearance or accent).

Capability addresses the issue: *“can the individual tackle the challenges of the role?”* What expertise and skills can a leader draw on and deploy to overcome these challenges?

Here the mix of factors includes technical and professional expertise⁵ and breadth and depth of management competency.

Character is a response to the question: *“how will the individual operate in fulfilling their leadership obligations?”* Character is partly about resilience and courage. It also identifies the themes of integrity, ethical purpose, trust and authenticity.

Career Management answers: *“will the individual achieve their aspirations and ambitions?”* This looks at what motivates the individual. It also identifies the fit between career motivation and organisational culture. In addition Career Management includes self management tactics, political savvy and stakeholder management⁶ in navigating through organisational realities.

Most leadership programs have a critical weakness - they view leaders as sets of competencies, not individuals.

Professor Linda Ginzel

These four factors should not be seen as some kind of additive check-list. Instead there is a dynamic interplay across the four building blocks, where multiplication is at work. A “big zero”⁷ in one theme may cancel out any positives in other themes.

High Credibility, Capability, Character and Career Management should provide the best combination to optimise effectiveness and outcomes. But this combination is relatively rare and commands a market premium. Instead in resourcing and development decision making, trade-offs need to be made. Will a strength in one area out-trump any gaps or failings in another area? Or will the weakest link break the entire leadership chain?



The first 4 factors within a success model

The Four Cs answer different questions in identifying the causal factors of success and failure. Rolling up the four distinct questions to ask - *“is the individual competent?”* - misses important insights in understanding the reasons for any past success or predicting future success⁸.

High Capability and relatively low Credibility may identify that emerging leader of promise who needs exposure to key experiences to establish their reputation. Conversely, high Credibility but low Career Management describes that executive who is now living on their past and less motivated by the challenges of the future.

High levels of Capability and Credibility in conjunction with low Character are dangerous. What looks like confident competence may be accompanied by a willingness to take expedient short cuts.

With low levels of Career Management, high Capability is likely to be under-exploited. High levels of Career Management but low Capability may be the ambitious and politically motivated leader who is now out of their depth.

The key step in formulating a success model is to identify the dynamics of personal effectiveness.

Here the challenge for organisations is deciding the optimal level of detail in the breakdown of the specific elements that make up Credibility, Capability, Character and Career Management. Extensive detail comes at the price of complexity and a shorter shelf life in application. Insufficient detail fails to provide meaningful insight to inform, for example, talent reviews and development planning.

Trade-offs need to be made to create a framework with sufficient complexity to give precision vs. the simplicity that is usable across different talent management applications⁹.

Somebody once said that in looking for people to hire, you look for three qualities: integrity, intelligence, and energy. And if you don't have the first, the other two will kill you. If you hire somebody without integrity, you really want them to be dumb and lazy.

Warren Buffett

The 5th C of Connections

Understanding the interplay of Credibility, Capability, Character and Career Management provides important insights into the individual that help highlight the reasons for their success, failure or risk of derailment.

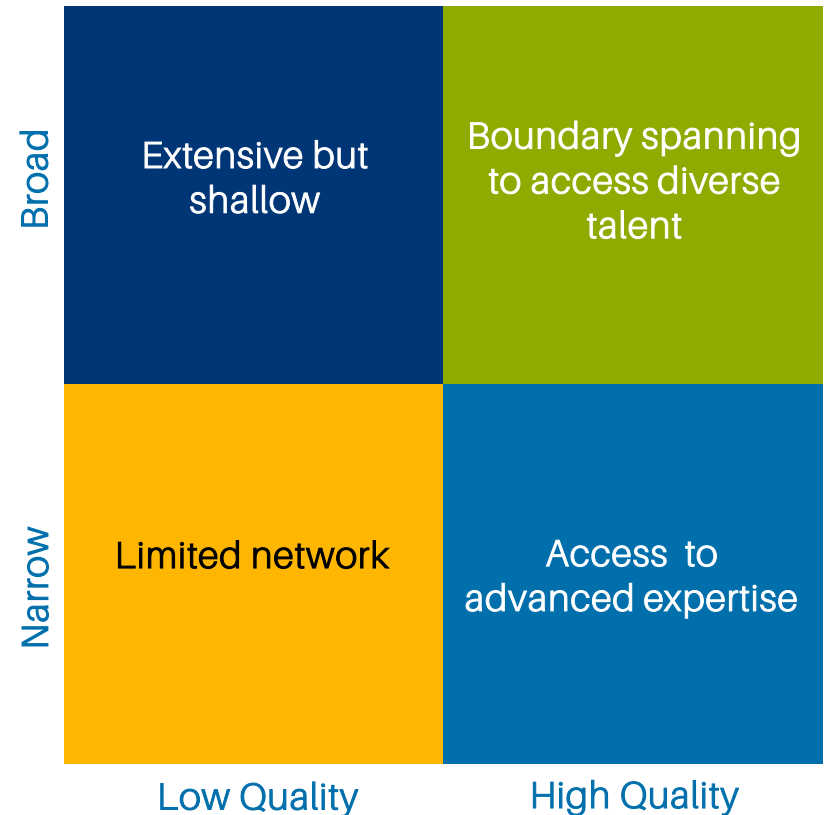
But no “individual is an island”. Individuals are connected to others, and some individuals have more and better connections than others, and through these connections can access additional experience, expertise and wisdom.

A success model therefore should factor in **Connections** and the extent to which individuals can access additional talent. Two themes are important:

Breadth of connections, and the extent to which individuals are connected to a range of people across different functional and professional disciplines, industries and sectors, and from different walks of life. Individuals whose connections are limited to like minded people from similar backgrounds are at a disadvantage in comparison to those with well developed networks that provide multiple perspectives and different skill sets¹⁰.

Quality of connections. Some individuals are networked to many different people, but the quality of these connections is low. Other individuals can call on advanced levels of knowledge and skill from those working within leading edge businesses that are driving creativity and innovation, and who in turn are themselves highly connected to more networks of high quality contacts.

Mapping Connections





The 5th C of Connections

The appeal to factor Connections within a success model is not to advocate the maintenance of the “old boy’s club.” The self-serving and self-perpetuating grouping which protects the career interests of like-minded individuals from similar social and cultural backgrounds has been a barrier to proactive talent management.

Instead, putting Connections into the mix reflects the reality that in an era of accelerating knowledge and expertise, there is a move from personal heroics to new forms of collaboration¹¹. Individuals who neglect this area will limit their effectiveness and impact, as well as constrain their opportunities for career development and progression.

Individuals with Credibility, Capability, Character and Career Management who can also access a breadth of high quality Connections gain the benefit of the multiplier effect. Here personal inputs are boosted through the contribution of those within their networks.

Identifying connections within the overall mix of success factors is not new. But if Connections can be expected to be an increasingly important component of success, its assessment will require more than a superficial review of social media networks (e.g. number of LinkedIn connections or Twitter followers). We anticipate greater usage of tools and techniques for social network analysis and mapping to help inform, for example, talent and succession reviews¹².

It's better to hang out with people better than you. Pick out associates whose behaviour is better than yours and you'll drift in that direction.

Warren Buffett



The 6th C of Context

An insight into personal Credibility, Capability, Character and Career Management is important. And Connections provide a significant multiplier of personal effectiveness.

But understanding success has to go beyond the individual and their connections to also factor in the impact of **Context**.

Seeing Context as a key factor in success is not remarkable¹³. But Context is a neglected dynamic in explaining past success, optimising current outcomes, and in predicting future success.

A full understanding of Context requires a detailed map of the permutation of strategic, structural and cultural forces at play within an organisation. We adopt a simple approach based on two overall dimensions:

- how **favourable** the environment has been
- the **breadth** of the challenges that have been faced

Adding Context within a success model provides key insights into:

- the **past** and the range and nature of the challenges that individuals have faced
- the **present** and the situational factors that are helping or hindering the achievement of positive outcomes
- the **future** and how similar or different the challenges will be to the current situation.

Those who swim with the current feel they are good swimmers. Those who swim against the current may never realise they were good swimmers.

Warren Buffett



Context: a favourable or unfavourable past?

FAVOURABLE

For those individuals who have:

- worked for well-established and successful firms with a positive reputation
- experienced business success with relatively easy access to abundant resource
- worked in an environment with supportive and highly talented colleagues
- operated within a structure of clear accountabilities and efficient processes
- worked within a culture of decency and civility that is respectful and honest

Life has been favourable. A combination of success and support has established a solid career platform providing these individuals with the opportunity to achieve and advance.

At best, this past experience shapes the humility that recognises the impact of contextual factors in shaping career progression.

For leaders who have benefited from a favourable past, there is the recognition that success has been achieved not simply through their personal talents and motivations but also through a combination of good luck and the contribution of others. These are the leaders who downplay their own personal contribution and ensure that others are given credit for success. This is generous leadership that others find engaging and authentic.

Alternatively - for some - a successful past is less a reflection of good fortune but more a sign of their personal brilliance. These are the lucky individuals who now benefit from the glow of the halo effect based on their association with success attained through external factors¹⁴.



Context: a favourable or unfavourable past?

UNFAVOURABLE

For those who have:


- worked for poorly performing organisations facing significant business challenge
- operated on a shoe-string budget in scenarios of business decline or turn around
- had to work with unpleasant and difficult people or under-performing colleagues
- operated within a confusing tangle of responsibilities and relationships, and inefficient systems
- worked within a badly behaved culture and a climate that is politically charged or emotionally stressful

Life has been unfavourable. This is a career history marked by adversity and challenge. The success that has been achieved has been success achieved the hard way.

These are the individuals whose success has been achieved despite the Context in which they have operated - not because of it. As such, these are the leaders for whom good luck has played a relatively smaller role in attaining positive outcomes.

At best, these are the leaders who have emerged from an unfavourable past, having overcome the tough challenges that build Character and Capability. These are the individuals who recognise how difficult business life can be, and know how to tackle the organisational barriers and constraints to achieve high levels of performance.

But there is a fine line between character building and soul destroying. At worst, prolonged exposure to an unfavourable working environment can be a difficult experience that undermines motivation.



Context: breadth or narrowness of experience?

NARROW

For those who have:

- had exposure to only one function or professional discipline
- operated only within one industry
- experience limited to only one economic phase
- worked only within one geographic region
- operated within situations of low cultural diversity

Experience has been restricted. For some individuals this may not be an issue. Their focus - within one sector, function and geography - may have provided in-depth experience allowing them to perform at advanced levels of proficiency within their specific domain.

Alternatively, this narrow experience may leave some individuals exposed during a period of business change when the organisational agenda shifts. This is the “fragile” leader who may lack the resilience and versatility to adapt to a new set of challenges.

BROAD

For those who have:

- had exposure to many different functions and professional disciplines
- operated across a range of different industry sectors
- experienced several economic cycles
- global experience that has worked in several geographic regions
- had exposure to a range of different cultural groups

These individuals have developed a breadth of experience that builds the resourcefulness and flexibility to respond to new challenges. This - at best - is the versatile leader equipped to tackle a variety of organisational problems.

Using Context to understand past outcomes

Mapping the Context in which individuals have operated within highlights four overall career patterns.

For the grouping of **“Easiest Success”**, the career achievements of these individuals reflect a favourable past within a relatively narrow domain. This identifies the impressive “expert” who is highly skilled in tackling well established and familiar problems. *Alternatively this might be the highly lucky individual who has coasted within a comfort zone.*

For **“Easy Success”**, these individuals have operated across a range of domains, their career advancement helped by a tail wind at their backs to deliver positive outcomes. This is the confident and versatile player who brings a range of skills to different problems when circumstances play to their strengths. *This grouping may also identify the career savvy individual who has job-hopped to avoid the difficult challenges and navigate to the easy.*

“Hard Success” describes that grouping of individuals who have achieved within a relatively narrow field of endeavour in the face of adversity. This is the well seasoned individual who knows how to overcome challenge to get things done. *Or it may identify the “one thing” battle-hardened pragmatist who draws on a limited repertoire of experience.*



Types of Success Outcomes



Using Context to understand past outcomes

“Hardest Success” highlights the adept problem solvers, those individuals who have faced multiple difficult challenges¹⁵ in the course of their careers. Their achievements have not come easily and indicate an impressive array of personal qualities with versatility to take on a range of new problems.

Gaining an informed insight into the career past is critical to understand the relative balance of the good fortune of the situation vis a vis the personal effectiveness of the individual.

Is a compelling career resume a reflection of personal brilliance? Or simply an account of the individual’s good luck to be in the right place at the right time?

Conversely, a less impressive career history might disguise the impact of the circumstances in which individuals have operated within, circumstances which have helped build high levels of Capability and Character.

There are of course no easy answers in leadership assessment. But when assessment overlooks the past - the Context in which any success has been achieved - it misses an important insight into the casual factors of career outcomes.



Types of Success Outcomes



Changing Context to optimise current performance

We also optimise the outcomes of success when we shift the dynamics of Context to make it easier for leaders to perform. When organisations:

- remove the strategic, structural and cultural disablers to shift to a more favourable working environment¹⁶
- make the challenge more manageable by limiting the scope of the challenge

the odds shift in favour of high performance.

There is leadership success the hard way and leadership success the easy way. When the strategy is misguided, the structure is broken, and the culture toxic we shouldn't expect even the most highly talented leaders to make much of an impact. Here organisational development has to take precedence over any specific talent management interventions.

Conversely, for organisations with a coherent well differentiated strategy, a structure that reinforces accountability and a supportive culture, relatively modest levels of leadership talent can drive significant outcomes.

Effective leaders of course understand the impact of Context¹⁷. They evaluate the factors that are helping or hindering them personally as well as for the team they manage. And they are proactive in shaping this Context to optimise the positive forces and minimise the effect of any negative forces.



Shifting the Context To Optimise Success



Understanding Context for prediction and risk management

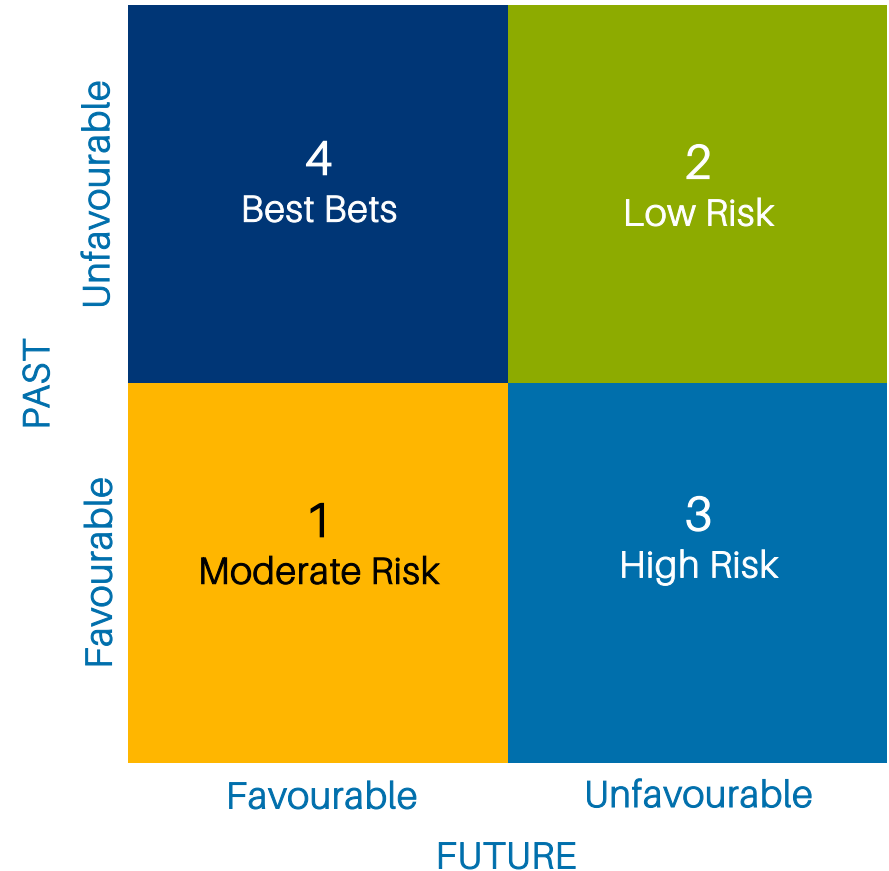
The challenge in leadership assessment is to improve predictive accuracy¹⁸. The aim is to optimise the assessment mix to draw on a range of methods with most predictive power¹⁹. What is also key is recognising the nature of the predictive challenge.

Prediction is not simply a forecast of who will be more or less successful in future. Prediction is also an exercise in risk management. This is prediction as a bet on the future. Like any bet, the issue in placing a stake is not simply probability (the odds) but the consequences of winning or losing (the pay off).

In leadership assessment, some predictions incorporate greater risk than others. And risk - and the confidence with which predictions are made - is understood when we compare and contrast the past Context in which individuals have operated vis a vis the environment they can be expected to face in future.

1. For individuals who have operated in favourable conditions and the future can be expected to be equally favourable, prediction is a **moderate risk**. Circumstances of course can change and a relatively positive situation can become one of turbulent difficulty. Nonetheless when the anticipated future is more of the past, predictions can be made with greater confidence.

The Past and Future: Risk in Prediction



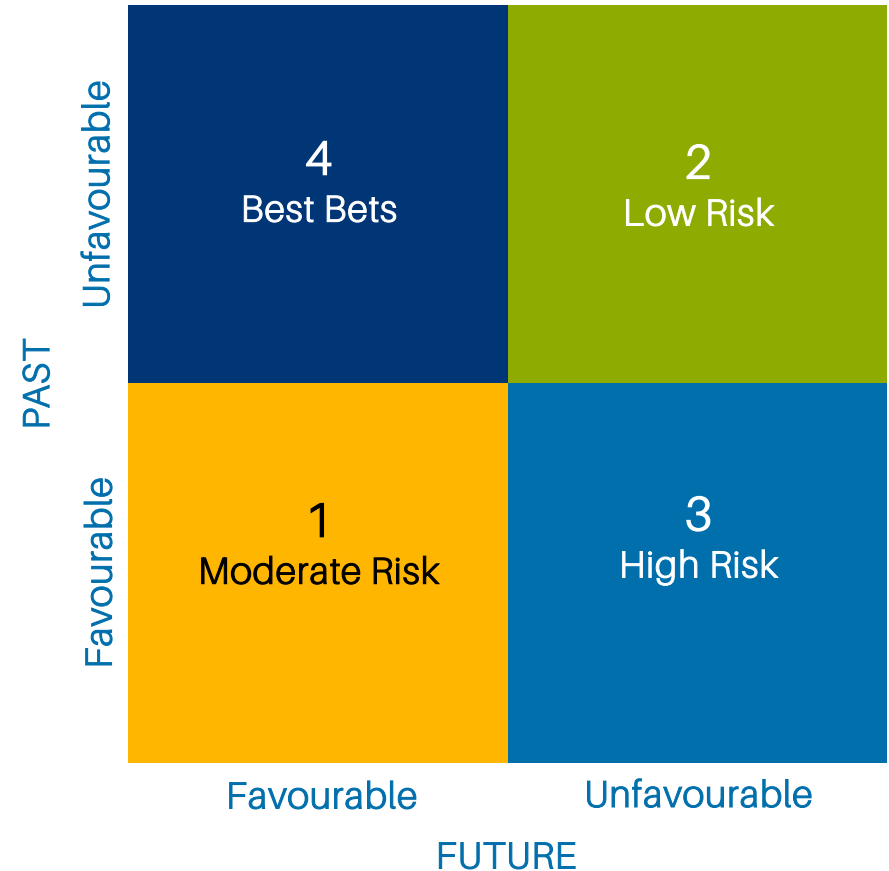
Understanding Context for prediction and risk management

2. In assessment, looking at individuals who have faced an unfavourable past and can be expected to deal with a difficult future, prediction is a **relatively low risk**. These are the executives who have experienced adversity, and built personal strategies and skills to overcome difficulty. This positions them well to tackle future challenges. The risk to manage is when the battle hardened executives remain in defensive mode. When circumstances shift to a more benign environment, strategic opportunities may be missed.

3. The **highest risk** in prediction is with the grouping of individuals who have operated in favourable conditions in the past but will be required to face significant difficulty in future. It may be these new challenges provide a crucible to test leadership effectiveness and build new skills. Alternatively these are individuals who become exposed when confronted by a more demanding situation.

4. The **best bet**, paradoxically, may be those individuals who have had an unfavourable past but will operate in a favourable future. These are the executives whose success has been hard won, overcoming any number of obstacles and barriers. The likelihood is that their personal skills and operating approach can now be optimised in a more supportive environment for exceptional impact.

The Past and Future: Risk in Prediction



The dynamics of exceptional SUCCESS

A thought experiment. Imagine a scenario in which we have a data set of 100 plus leaders.

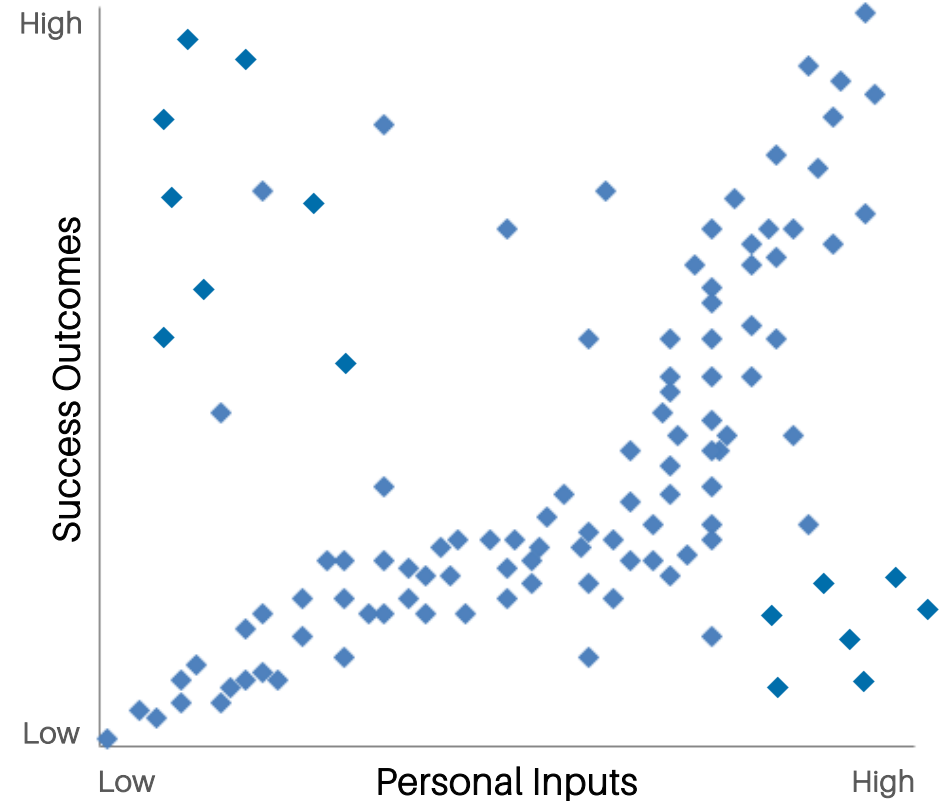
For each individual in our sample, we have two data points:

A metric of **Personal Inputs**. This could include any mix of personal attributes, competencies and skills. In this thought experiment, the working assumption is that the measure is a composite index of the factors seen as providing the highest predictive validity.

A measure of **Success Outcomes**. Identifying and measuring success is problematic. Which criteria provide the most accurate insight into organisational impact? And, over which time scale is success measured? For this thought experiment, the assumption is that our metric of success outcomes provides a meaningful insight into sustained business value.

The scores are then plotted for each of the leaders.

There is a relationship between inputs and outputs; the Four Cs do matter in success. But there is no neat incremental plot. Some low asset individuals (top left) do remarkably well, and some high asset individuals (bottom right) achieve much less. This reflects a combination of luck and circumstance.



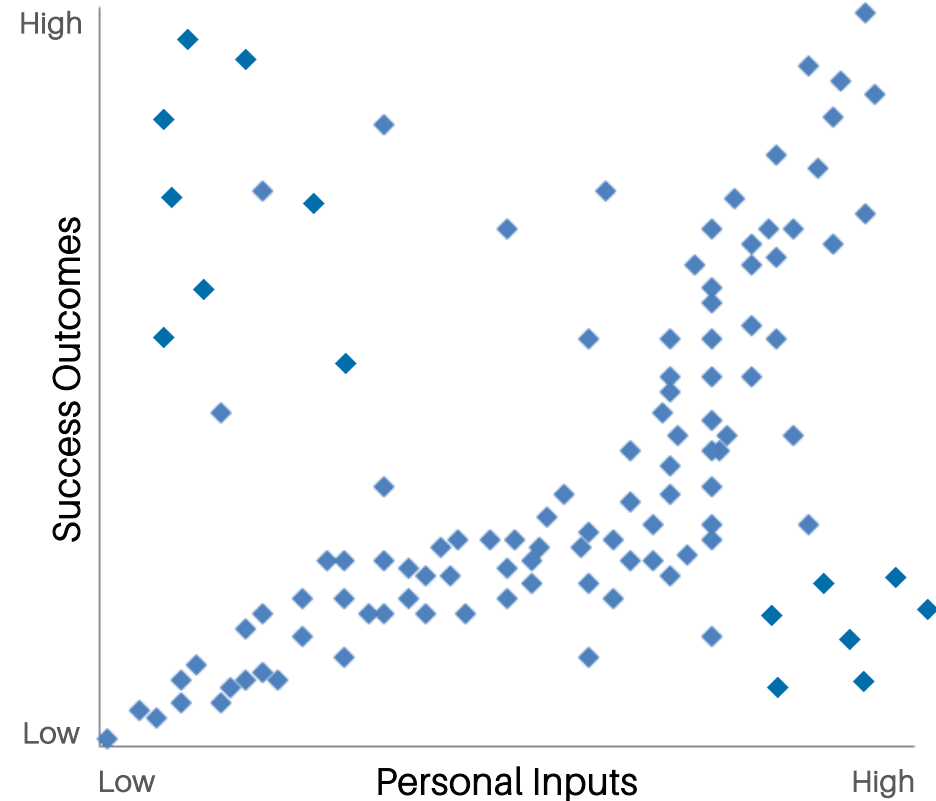
The dynamics of exceptional success

The key theme from this pattern is that success isn't a simple map in which more input = more outcome. It is true there is a cluster of individuals in the bottom left in which low inputs are associated with little output. It is also true that as personal inputs increase there is a gain in success outcomes. But not by much. The reality is a plateau effect in which more input is not associated with much improvement in outcomes.

A significant gain in outcomes is only achieved when individuals move into the zone of extremely high inputs. At this "tipping point", there is a substantial increase in success outcomes.

What is it that triggers this shift, the move from "good to great" that produces this kind of disproportionate impact²⁰?

It is unlikely to be any "one thing". Instead it is likely to emerge from a complex interplay of multiple factors. The argument here is that it is **the interaction of the Four Cs, boosted by the multiplier effect of Connections, within a Context that is supportive of performance, that delivers exceptional outcomes.**



Conclusions

The most popular approach to the design of a success model has been a listing of a set of competencies. Despite the criticisms²¹ competency frameworks continue to provide the blue print for much leadership assessment, development and succession management.

There are three problems however with the standard competency listing approach.

1. They **neglect the inter-play of the different factors** that underpin exceptional levels of performance. Competency models often assume an additive model in which more competency combines for more input for better outcomes. The reality is that personal effectiveness calls on a complex set of interactions. Understanding these interactions and permutations of leadership “types” is key to explaining and predicting success.

2. Competency frameworks **under-state the importance of collaboration** and the extent to which an individual’s Connections generate the multiplier effect. When talent management activity focuses on the individual as an individual it overlooks an important reality. Success is not simply the combination of an individual’s personal qualities. Success increasingly requires a collective effort in which access to others’ energies and talents becomes a key driver of exceptional levels of performance.

3. Competency frameworks **down play the impact of Context**. When we neglect the **past Context** in which success has been achieved we may be overly impressed by the lucky who have benefited from a favourable environment and under-estimate the talents of those who have achieved their success in less favourable conditions.

When we fail to identify the **current Context** - the factors that are helping or hindering performance - we look for the personal heroics of the “super-leader”. No doubt, extraordinarily talented individuals can overcome barriers to achieve successful outcomes. But a talent management game plan that relies on these individuals is a potentially hazardous strategy.

When we under-estimate the predictive task, and the challenge of making forecasts of future effectiveness and impact we mismanage risk. When we identify how similar or different the **future** is to the past we can minimise risk.

Formulating a definitive leadership equation²², despite the promise of Big Data and predictive analytics, is unlikely. However when we go beyond the competencies of the individual to understand the range and quality of Connections and the Context within which individuals operate, we move to a better explanation of past and current success and improve our forecasts of future success.

About AM Azure

Established in 1994, we work with a broad portfolio of clients - in the UK and internationally - in the design and implementation of services in management assessment, development and career management; online leadership tool kits, 360° feedback; performance management and talent and succession management.

If you are interested in our approach to talent management, our consulting expertise, assessment tools and on line systems:

call us: 44 (0) 1608 654007

email: officesupport@amazureconsulting.com



We:

- summarise complexity to provide solutions that are pragmatic and build and maintain momentum for our clients.
- help trouble-shoot the messy organisational problems to see the key issues, identify options and put in place actionable plans that make progress.
- cut to the chase to focus on the distinctive challenges of our clients. We enjoy the innovation that results from our clients with ideas and we help translate them into practical applications.
- draw on an extensive research base, library of resource and range of tool kits, and up-to-date thinking to help design and implement practical solutions quickly.

Any approach that tries to reduce the complexities of leadership to a series of standard boxes to be ticked or traits to be emulated will have little enduring impact.

Eric McNulty

Notes

1. Success equations. More leadership equations for success

<https://thewire-cableonebiz.com/5-leadership-equations-for-success/>

Chip Conley; <http://emotionalequations.com/>

And in "Manager and machine: The new leadership equation" McKinsey argue that we now need to include AI in these types of equations.

<https://www.mckinsey.com/global-themes/leadership/manager-and-machine>

2. Michael Mauboussin in "The Success Equation" makes the point that "Great success combines skill with a lot of luck. You can't get there by relying on either skill or luck alone. You need both".

The Facts Of Luck; <https://www.fastcompany.com/3002729/facts-luck>

3. A good "theory" of success addresses three elements:

The consequences of success (which outcomes matter?)

The interplay of the causes of success (which factors are necessary vs sufficient?)

The context of success (in which circumstances does the "theory" work?)

4. Rethinking Leadership Realities; <http://www.amazureconsulting.com/wp-content/uploads/2016/07/RethinkingLeadershipRealities.pdf>

5. For example, "Expert Leaders in a Fast-Moving Environment";

<http://ftp.iza.org/dp6715.pdf>

6. The impact of Career Tactics; <http://www.amazureconsulting.com/wp-content/uploads/2017/08/CareerTactics-Overview-Research-Findings.pdf>

7. Multiplier effects; <https://www.farnamstreetblog.com/2016/08/mental-model-multiplicative-systems/>

8. Confusing competency and character;

https://sites.lsa.umich.edu/waltersowden/wp-content/uploads/sites/186/2014/10/doty_sowden_2009_competencyvscharacter_mr_.pdf

9. In our talent profiling projects, typically we identify between 20 and 30 discrete themes.

10. The No. 1 Predictor of Career Success According to Network Science;

<https://www.forbes.com/sites/michaelsimmons/2015/01/15/this-is-the-1-predictor-of-career-success-according-to-network-science/#25a97343e829>

11. The importance of collaboration;

<https://insight.kellogg.northwestern.edu/article/the-science-behind-the-growing-importance-of-collaboration>

12. B. Hoppe, C. Reinelt (2010), Social network analysis and the evaluation of leadership networks, The Leadership Quarterly 21

Rob Cross & Laurence Prusak (2002), The People Who Make Organisations Go - Or Stop, HBR

Social Networks for Talent Identification: Is the 9-Box Dead?

<http://www.managementexchange.com/story/social-networks-talent-identification-9-box-dead>

13. Context is not new.

Are Great Men and Women a Product of Circumstance?

<https://www.farnamstreetblog.com/2017/01/durant-character/>

Kurt Lewin in the 1930s proposed $B = f(P, S)$, where Behaviour (B) is a function between a person (P) and a situation (S).

Situational leadership, for example, argued that: 1. Leadership is most effective when personal skills and styles are matched to the specific demands of the situation; 2. Effective leaders are proactive in managing the dynamics of the situation to optimise their impact.

Notes

Despite the initial appeal of situational leadership and a respectable evidence base, trait-based (competency) models that promised “all-singing-all-dancing” leaders, competent across a range of situations prevailed. There are however signs of a re-emergence of the situational perspective;

<http://www.innovationforgrowth.co.uk/Blog/leadership-developments-epic-fail/>

14. There is also a subset of individuals whose past “success” has been achieved through coasting on others’ efforts in an “easy” environment. These leaders operate with a sense of entitlement, with the kind of arrogance that represents a derailment risk.

15. For example, adversity and resilience; M Seery (2010), “Whatever Does Not Kill Us, Cumulative Lifetime Adversity, Vulnerability and Resilience, Journal of Personality & Social Psychology, 99

16. McBassi, for example, find that “the elimination of barriers to effective work” is one of the most consistent drivers of financial performance and employee engagement;

<http://mcbassi.com/wp/resources/documents/NextGenerationMetrics.pdf>

17. 360 feedback and incorporating an insight into context;

<http://www.azureconsulting.com/wp-content/uploads/2017/02/For-leaders-who-want-to-Thrive.pdf>

18. Polishing the Crystal Ball; Super Forecasting to Overcome 7 Challenges in Talent Assessment; <http://www.azureconsulting.com/wp-content/uploads/2016/07/PolishingCrystalBall-Superforecasting-7-challenges-Talent-Assessment.pdf>

19. In 2016, Frank Schmidt provided the latest overview in “The Validity and Utility of Selection Methods in Personnel Psychology: Practical and Theoretical Implications of 100 Years of Research Findings”;

https://www.researchgate.net/publication/309203898_The_VValidity_and_Utility_of_Selection_Methods_in_Personnel_Psychology_Practical_and_Theoretical_Implications_of_100_Years_of_Research_Findings

The validity of General Mental Ability, integrity tests and the interview hold up well, but some newer predictors and assessment methods have disappointed.

20. This is what Charlie Munger calls the Lollapalooza Effect;

<https://25iq.com/2015/12/05/what-does-charlie-munger-mean-when-he-says-that-something-is-a-lollapalooza/>

21. Jonathan Gosling & Richard Bolden, Leadership Competencies: Time to Change the Tune?

https://www.researchgate.net/publication/257813174_Leadership_Competencies_Time_to_Change_the_Tune

22. Big Data promises to crunch the numbers and identify a pattern that becomes the basis for a success formula. It’s an approach that works well in some domains. But they only work when key assumptions can be made:

- there is a well defined and objective criterion of success
- there is an established relationship between inputs and outputs that can be expected to hold over time
- future success outcomes look much like the past outcomes of success

In this scenario, complex algorithms perform well. For many leadership roles these assumptions are highly questionable. Gerd Gigerenzer makes the point that: “In general, if you are in an uncertain world, make it simple. If you are in a world that’s highly predictable, make it complex....Predictive analytics are probably going to work best on things that are already pretty predictable.”

<https://hbr.org/2014/06/instinct-can-beat-analytical-thinking>