IN 2006, SAP initiated a High Potential Fellowship Program. It has been notably successful in offering high potentials powerful real-world development opportunities. The fellowship program provides the opportunity for high potentials to step out of their roles for six months and work full time on strategic projects, usually in a different functional area or country. At the conclusion of a fellowship, the participant returns to his or her original role.

Initially, the concept was a hard sell. It went something like this: “We’d like to take away one of your most talented resources for six months. You will continue to pay his or her salary and bonus, and the individual will stay on your cost center. This person will continue to be counted as a headcount on your team, and you can’t replace the missing headcount. The individual will return after six months.” Despite this, six forward-thinking managers agreed to this development opportunity for individuals on their teams. Since then the program has grown steadily. As of October 2012, more than one thousand colleagues have served a fellowship.

The Process

Two six-month fellowship cycles are run each year—January through June and July through December. Several months before each cycle, managers are asked to identify fellowship
“seats” (that is, opportunities in their areas for a fellow). The guidelines for defining a fellowship include: (1) a fellow should be assigned responsibility for a key project or subproject appropriate in scope for a six-month timeframe, and (2) someone on the receiving team must commit to serve as a manager/mentor who will manage, coach, and support the fellow during the assignment (with respect to both the project deliverables and the fellow’s developmental goals).

The receiving team is given a job description template that helps it describe the mission, vision, and responsibilities of the sponsoring organization; the objectives and deliverables of the fellowship role; the background, skills, and experience a candidate should have; and the knowledge, skills, and competencies the fellowship assignment will help to build. For each fellowship position an HR contact is identified who will support the fellow and the manager/mentor.

A receiving team has several options for defining a fellowship. Some roles are defined as virtual; they can be performed by anyone from his or her home location. Other fellowship seats are based at a specific location and open only to candidates at that location. Certain fellowships are based at a specific location but open to global candidates. The receiving team determines whether they have the budget to fund relocating a fellow from another country. If they do, the receiving team assumes all costs associated with relocation: lodging, transportation, visa and work permits, per diems, and two trips home during the six months. Typically, 40 percent of the posted fellowships offer this option. The costs vary greatly depending on the home and host country combination. The range suggested to receiving teams is between $30,000 and $60,000 USD.

Fellowships are offered across all functional areas and cover a diverse range of projects. Exhibit 14.1 provides some examples.

Any manager has the option of defining a fellowship role. In the last cycle there were more than 450 fellowship opportunities posted. Some of the functional areas appoint a

---

**Exhibit 14.1. Examples of SAP Fellowships**

- Design and implement a plan to educate the field sales team on a key new product.
- Create an active community of executive thought leaders within the SAP customer base.
- Build mobile apps on different devices and tablets for the next generation of CRM application in the cloud.
- Work as part of the learning team and in partnership with the various SAP internal universities to insure there is a role-based curricula in place for all employees.
- Plan and run a competition to “bubble up” the creative demo ideas from all areas of SAP, identify the best, and promote them for re-use.
- Manage the projects and programs to execute the Middle East-North Africa regional growth plan strategy.
coordinator to screen all fellowship jobs to ensure they align with the functional area's strategic goals. Others opt to allow any manager to submit a job description directly to the fellowship program team. Fellowship job descriptions are collected by the program team and posted in SAP’s internal eRecruiting system, in a restricted area accessible only to high potentials.

Once all the job requisitions are created, the cycle is launched via an e-mail to all high potentials, announcing the launch of the fellowship application cycle. Any high potential, at any level, has the option of considering a fellowship opportunity. Interested high potentials talk to their direct managers to determine whether a fellowship supports their development goals and to discuss how their home responsibilities could be covered during a six-month absence.

Teams have identified a number of creative ways to cover a fellow's absence. In some cases, the work is divided among other team members. Consultants may begin a fellowship when a customer engagement concludes. Some teams that are “losing” a high potential will offer a fellowship seat to cover their fellow’s absence.

If the high potential and the direct manager agree that a fellowship opportunity aligns with the individual’s development goals, the high potential can apply. Manager/mentors at receiving teams accept online applications, determine whether to interview an applicant, conduct interviews, and then make offers to viable candidates. When a fellowship seat is filled, the job posting is withdrawn from the eRecruiting system.

As a fellowship cycle is about to begin, information is provided to help ensure success for fellows and receiving team manager/mentors. For example, fellows have live and recorded info-sessions; manager/mentors and fellows receive on-boarding guides; and there are kick-off lunches at sites with large fellow populations.

One tool that has proved particularly beneficial is an online fellowship community on SAP’s intranet. The community is open to past, present, and future fellows. Those who are beginning fellowships can ask questions to colleagues who have been through the experience. Fellows, both past and present, use the community to network, arrange lunch meetings, and share information and ideas. The fellowship-program team uses the site to get information to strengthen the program. For example, it has asked, “What makes an attractive (and an unattractive) fellowship?” The responses were used to create guidelines for managers who want to offer fellowship seats.

As a fellowship begins, the fellow and the receiving team manager clarify performance objectives for the fellowship and the learning and development goals for the fellow; a simple template is provided for this. At the year-end performance review, the receiving manager/mentor serves as an “additional appraiser” to ensure the individual’s contributions during the fellowship are taken into account.

At the conclusion of their assignments, fellows write reports summarizing their accomplishments and lessons learned. The reports are shared with the fellowship manager/mentor and home-team manager. Many fellows choose to share these reports with a broader
audience: the fellowship team, home team, and other fellows (via the online fellowship community).

A Highly Selective Process

The recruiting process is highly selective on the part of both the applicants and the receiving team managers. In each cycle quite a few positions do not receive a single application, while others receive dozens. In each cycle the jobs that generate high interest and those that generate no interest are monitored. This information is communicated to all managers at the start of the subsequent cycle in order to give guidance for crafting interesting positions. For example, fellows were asked what they looked for when considering a fellowship opportunity. Their responses included the following: (1) responsibility for a key project or subproject; (2) a role that extends one’s understanding of SAP; (3) the chance to work in a different country or culture; (4) wide business exposure (across a region, management, and teams); (5) a manager/mentor who spends time coaching and helping one to succeed; (6) the ability to exercise and refine existing skills, and to add new ones as well; (7) a position that offers the potential for a new job opportunity; (8) a high-visibility project in terms of strategic impact, and the opportunity to work directly with a senior leader; (9) the chance for intensive networking, with customers, partners, SAP colleagues, and locals; and (10) a deep exposure to a different functional area.

Fellows also were quite clear about positions that were less appealing. They didn’t want a position that has all the tasks that other members of the team don’t like; a position that is too broad, covering a lot of activities with no clear strategic impact; a role that sounds like being somebody’s helper at a desk for six months rather than being a driver and making new things happen; and a role with a manager who does not spend any time with the fellow and provides little guidance or direction. In the last cycle, 25 percent of the 450 posted positions had no applications.

The process is also selective in terms of the choices that receiving team manager/mentors make. Receiving manager/mentors have very high standards and expectations when it comes to candidates. Out of the 338 jobs that received applications, only 179 offers were made, and 157 of those offers were accepted by candidates. Based on the experience with the past few cycles, I would expect SAP to fill about 160 fellowships each cycle.

Benefits and Return on Investment

A fellowship can provide multiple benefits. The fellow gains breadth of knowledge and builds new skills by working in a substantially different arena, focusing on key strategic topics. The assignments stretch fellows. They often describe the experience as challenging and very powerful, and use adjectives such as amazing, incredible, fantastic, extraordinary, energizing, and life-changing.
The receiving team benefits from a talented resource that often brings new approaches and ideas and makes a strong contribution toward strategy execution. Receiving manager/mentors often cite the refreshing perspective, passion, and eye-opening ideas a fellow can bring.

The sending manager gives up a key resource for six months, but a returning fellow brings new knowledge and connections back to the home team, which often has a strong payoff. As one manager put it, “The fellow returned with new skills, knowledge, confidence, and connections that have paid off for our organization countless times.”

From an organizational perspective, the fellowship program helps break down silos and provides high potentials with a broader perspective of the global organization. For some it is their first time working outside their native country. Others experience life outside their usual functional worldview; a developer may experience things from the sales perspective, benefiting from the chance to work with external customers extensively. A fellowship can provide a valuable experience for someone on a general manager development track.

In a recent survey, fellows were asked what happened in terms of their career following their fellowship assignment. See Table 14.1 for their responses.

## Continued Experimentation

SAP is experimenting with fellowship projects outside of the organization. In conjunction with our Corporate Social Responsibility department, three fellows were sent to support Ghanaian farmers producing shea butter, primarily women, with mobile technology delivered in the cloud, to provide a more secure income. Shorter-term “social sabbaticals” have also been piloted. Recently, nine high potentials were sent to Belo Horizonte, Brazil, where

<table>
<thead>
<tr>
<th>Relative to the role you had before your Fellowship, where are you now?</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>I returned to my previous job and I am currently in that role.</td>
<td>20 percent</td>
</tr>
<tr>
<td>I returned to my previous position but have taken on significant additional responsibilities.</td>
<td>17 percent</td>
</tr>
<tr>
<td>I was promoted to a higher-level position in my home organization or line of business.</td>
<td>14 percent</td>
</tr>
<tr>
<td>I moved to an additional role in my original line of business.</td>
<td>11 percent</td>
</tr>
<tr>
<td>I moved to a different role in a different line of business (but not connected to my fellowship).</td>
<td>20 percent</td>
</tr>
<tr>
<td>I have accepted an offer from my fellowship team and have joined that organization.</td>
<td>17 percent</td>
</tr>
</tbody>
</table>
they worked in teams with three NGOs—an association of garbage collectors, an organization that empowers people with disabilities, and an institution that supports artisans by exporting their products internationally. Finally, SAP sponsored a high potential fellowship exchange with a customer, sending one of its high potentials to work for six months in the customer’s organization, and offering a six-month assignment within SAP to one of the customer’s high potentials.

**Keys to Success**

I would offer the following advice to any organization considering a similar program:

- Start small, assess results, and improve things each cycle.
- Carefully plan the communication required for all stakeholders: candidates, the managers of candidates, receiving team manager/mentors, HR business partners who will support each fellowship team, and global-mobility specialists who will support the relocation for fellows.
- Define the roles and clarify the expectations for all players.
- Investigate and communicate the benefits realized. This helps market the initiative.
- Work to build executive sponsorship for the initiative. Many managers will welcome the opportunity to create a fellowship role and benefit from a talented resource for six months; fewer managers initially will be willing to give up their best players while continuing to pay their salaries. Emphasize that this is a developmental opportunity for someone flagged as having the capacity for bigger and broader leadership. Enlist the executive sponsorship to emphasize the long-term value of the short-term cost.
- Connect past fellows with current fellows. Having lived through the experience, the former provide the best answers and advice for the latter.