
Diagnostic Gold: Innovative Methods for Assessing the Effectiveness and Potential of Leaders

**New Jersey OD Annual Sharing Day
May 7, 2010**

**Steve Hrop, Ph.D.
Managing Director, Northeast Region
PRADCO
Ph: 973 917-9301
shrop@pradco.com
www.pradco.com
<http://www.linkedin.com/in/stevehrop>**



Workshop Objectives

- **Explore a range of models, concepts, and issues in leadership assessment**
- **Discuss several leadership assessment scenarios involving challenging tradeoffs**
- **Share some practical tools for use in your TM/OD/LD work**
- **Learn from each other**

What are Your Implicit Assumptions and Mental Models?

- Hipo vs High Pro
- Performance vs Potential
- Importance of Industry Experience
- Prior Experience at “Gold Standard” Companies
- Candidates “In Transition”
- Age

“Leadership concerns the capacity to build and maintain a high-performing team, and leadership effectiveness should be evaluated in terms of the performance of the team”

Robert Hogan



Iceberg Model of Assessment

“Can Do”

- Knowledge
- Experience
- Track Record

* Credentials

- * Charisma
- * Appearance

* Attitudes (e.g. assumptions and mental models)

* Values (“espoused” drivers)

“Will Do”

and “Fit”

* Traits and Derailers (cautious, resilient, EQ, etc.)

* Motives

(actual drivers: money, power, recognition, security)

“Differentiating” Competency (versus “Threshold” Competency)

- **“An underlying characteristic of a person that is causally related to effective and/or superior performance in a job or work-related situation”**
 - **Deep and enduring**
 - **Generalizes across situations**
 - **Distinguishes average from superior performers**

The Three-Legged Stool

STRENGTHS

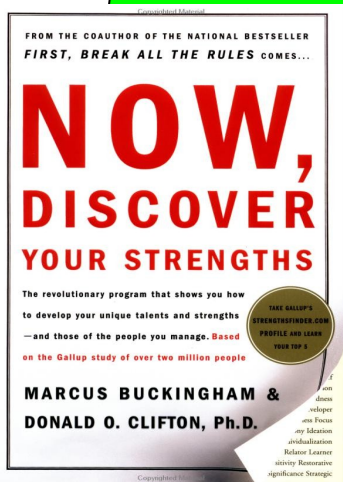
- Leverage Them

WEAKNESSES

- Fix Them
- Ignore Them
- Outsource (delegate) Them

DERAILERS

- Natural Tendencies
- Two Faced
- Manage (not fix) Them
- Situational “Triggers”



Examples of Executive Derailers

Hogan (“two-faced” derailers)

- Arrogant (Bold)
- Extremely Cautious - next decision may be his first
- Dutiful and Eager to Please – focused on “managing up”

Goldsmith (pure derailers)

- Need to win at all costs
- Desire to add my two cents to every discussion
- Needless sarcasm and cutting remarks that I think make me sound witty and wise

Derailer “Triggers”

- Stress
- Out of your “comfort zone”
- New job or company
- Major org changes
- Let down your guard
- Over-used strengths

3-Minute Table Discussion

Which of the following factors has the greatest impact on performance?

Which one has the greatest impact on career advancement?

1. Initiative
2. Resourcefulness
3. Versatility
4. Learning Agility
5. Drive for Results
6. Emotional Intelligence
7. Political Savvy

“Learning agility” is the most important predictor of career success and advancement potential (Center for Creative Leadership)

Core elements of learning agility:

- Seeks opportunities to learn
- Intensely inquisitive
- Seeks and uses feedback
- Learns from mistakes
- Open to contrary viewpoints
- Seeks broad business knowledge (versus “expertise” only)
- Embraces opportunities to step outside of his/her “comfort zone”

**Inquisitive versus Learning Approach
(Hogan Personality Inventory)**

Beyond “Derailers”: Three Types of Leadership Assessment Challenges

- Narcissistic Personality
- Psychopathic Personality
- Unethical Leaders

Narcissistic Personality Disorder

“Enough about me ... what do YOU think about me?”

- ❑ **Grandiose sense of self-importance (e.g., exaggerates achievements and talents; expects to be recognized as superior without commensurate achievements)**
- ❑ **Preoccupied with fantasies of success, power, and brilliance**
- ❑ **Believes he or she is “special” and unique**
- ❑ **Requires excessive admiration from others**
- ❑ **Has a sense of entitlement**
- ❑ **Interpersonally exploitative**
- ❑ **Lacks empathy**
- ❑ **Often envious of others or begrudges/berates others success**
- ❑ **Shows arrogant behaviors and attitudes**

The Challenge for Interviewers

Narcissistic people are often ...

- ❑ Articulate**
- ❑ Charming**
- ❑ Master of the “first impression”**
- ❑ Intelligent**
- ❑ Quick-witted**
- ❑ Physically attractive**

Psychopathic Personality

- Lacks a sense of conscience; “cold blooded”
- Incapable of empathy
- Able to lie with a straight face
- Master of manipulation, intimidation, and coercion
- Lacks remorse or feelings of guilt
- Doesn't accept responsibility
- Impulsive and irresponsible
- Is a “social chameleon”
- Master of “impression management”
- Able to turn his/her charm on or off like a switch
- Brilliant at “managing up”
- Very articulate and persuasive
- Master of “reading people” and sizing them up
- Other people are objects, targets, and obstacles

We analyzed the succession plans for a few hundred executives and noted that the similarities between the developmental issues for some managers identified as “high potentials” and psychopathic-like features were startling.

[Snakes In Suits: When Psychopaths Go To Work - Babiak & Hare]

Indicators of Potential Lapses in Integrity

- Lacks inquisitiveness and is low in "learning agility" (e.g., believes he/she "has nothing to learn")
- Does not seek or welcome feedback ("Here are 10 reasons why my 360 feedback results are WRONG")
- Unable to acknowledge and learn from mistakes (e.g., makes excuses or becomes defensive)
- Not open to viewpoints that differ from his/her own (e.g., ignores the input or "shoots the messenger")
- Seems to be angry about a lot of things (e.g., is often sarcastic, cynical, and derogatory)
- Quick to blame others when problems arise (seems more interested in pointing the finger than in helping others find a solution)
- Lacks empathy (e.g., is often cold or indifferent to how people are feeling)
- Often breaks promises and commitments
- Responds with pat "sound bite" answers to concerns or problems brought to his/her attention
- Too competitive; has an excessive need to "win" at all costs
- Has an adversarial "us versus them" mentality (e.g., Says during a staff meeting: "Here's another silly policy from the idiots in corporate")
- Has an excessive sense of urgency to get things done by "yesterday" that leads to cutting corners
- Has not engaged in any professional development in recent years
- Can point to few if any "corporate citizenship" contributions he/she has made ("It's all about ME")
- Comes across as extremely self-confident to the point of arrogance - is "always right and never in doubt"

Track Record of Superior Performance versus “High Potential”

“The sobering truth is that only about 30% of today’s high performers are, in fact, high potentials.”

Source: How to Keep Your Top Talent; Harvard Business Review; May 2010

- What Would You Say to the CEO? – 7 minutes
 - What’s the difference between the two?
 - What are the 3-5 most important factors in determining if someone is “high potential”?
- Debrief – 7 minutes

Core Elements of “High Potential”

- Learning Agility
- Resourcefulness
- Is a “Deep Generalist”
- Emotional Intelligence
- Ability to Handle Complexity and Ambiguity
- Capacity for Extended “Time Horizon”
- “Reserve Capacity”

Too often, the following factors get people promoted:

- Knows how to “manage up” (“destructive achiever”)
- “Who you know” (has the “right” sponsor)
- Talks a good game (shines in meetings and presentations)
- Looks the part (“I’m not a REAL doctor, but I play one on television”)

The “Deep Generalist”

- **Core functional expertise AND key “generalist” skills (e.g., project management, presentation skills, etc.)**
- **Knowledge AND Perspective (systems thinking)**

“Hipo” versus “High Pro”

- **Position: VP, Global Talent Management**
- **Publishing Company with \$1 Billion in revenue (85% US) and 2,400 Employees**
- **HR Head (hiring manager) plans to retire in about 2 years**

The Hipo:

- ❑ 47 years old
- ❑ Currently the #2 HR Executive at a \$1 Billion company
- ❑ 18 years of HR Generalist experience; 2 years in a TM role (7 years ago)
- ❑ Viewed as having potential to succeed the HR Head in 2 years

The High Pro:

- ❑ 52 years old
- ❑ Currently the #2 Talent Management executive at a \$1 billion company
- ❑ 22 years of specialist TM and LD experience; 2 years as an HR Generalist (7 years ago)
- ❑ Not a potential successor to the HR Head

Table Discussion

Which of the following two recommendations would you give to the hiring manager? What are the potential pitfalls of your recommendation?

- **Hire the High Pro for the TM role and recruit for a seasoned Head of HR about six months before you retire**
- **Hire the HIPO for the TM role and groom this person to succeed you when you retire**

Appendix:

Assessment Tools and Templates

Learning Agility Assessment Questions

- Describe a time when you were given a work assignment without any structure/direction. What did you do?
- Sometimes accepting "constructive feedback" isn't easy. Tell me about a time when you were given "constructive feedback" on your work. What was the situation?
- Describe for me a time when you had to ask for help on a project or assignment you were working on.
- Tell me about a "lesson learned" that you have used in your job. Please describe the specific situation.
- Tell me about a time you took on a very challenging assignment. What was the situation? What action did you take and what was the result?

Examples of "Smoke Detector" Metrics for Assessing Ethical Climate

Metric	Rationale
1. Exit Interviews (customized ethics questions)	Greater likelihood of candor from ex-employees
2. Number of Job Postings to Other Units	Is a potential "red flag" about workunit climate and morale
3. Survey Participation Rate (Trend Over Time and Cross-Unit Comparisons)	Is a measure of employee engagement
4. Survey "% Favorable" Results (Trend Over Time and Cross-Unit Comparisons)	Is a measure of employee satisfaction
5. % of managers who debrief survey results with their team and develop survey action plans	indicates a commitment to foster an engaged work environment
6. Voluntary Turnover Rate	An indirect measure of employee engagement
19. Absenteeism Rate	Indirect measure of employee engagement
7. Disability Rate	An indirect measure of employee engagement
8. % of employees who received a written performance review	A key measure of managers' investment in their people
9. Quality of written performance reviews (via audit by HR Generalists)	A key measure of managers' investment in their people
10. % of employees who meet with their boss to discuss the performance review	A key measure of managers' investment in their people
11. % of employees with a written Individual Development Plan	A key measure of managers' investment in their people
12. Grievance Rate	A direct measure of workunit health
13. % of employees who complete a "voluntary" ethics quiz	Reflects workunit interest and commitment in ethics
14. Progress on Diversity Objectives	Reflects a manager's commitment to a diverse workforce
15. Utilization Rate of Earned Vacation Days	Under utilization of earned days off may indicate excessive workloads, overly demanding supervisors who don't believe in work/life balance, or other ER issues
16. # Training Days Per Employee	Low attendance may indicate excessive workloads, overly demanding supervisors, or other ER issues
17. Quarterly "Pulse Surveys"	Can provide "early warning" data on ethical issues
18. % calls to ethics hot line from those seeking advice/guidance on ethics and ER issues	Measures the level of trust in official ethics channels
19. % of employees referring outside candidates to the company	Measure of employee commitment and engagement
20. 360 Degree Feedback Data e.g., ■ Keeps his/her promises and commitments ■ Open to suggestions and viewpoints that differ from his/her own ■ Sets a good example of ethical conduct	Provides data on individual leaders
21. % of executives who have attended a professional development program (e.g., workshop or course) in the past two years	Executives who believe they have "nothing to learn" are more susceptible to committing ethical violations
22. % of executives who have a current Individual Development Plan	Executives who believe they have "nothing to learn" are more susceptible to committing ethical violations
23. % of executives who engage in visible "corporate citizenship" behaviors (e.g., % of VPs who serve as a mentor for someone outside of their unit)	Executives who engage in voluntary "corporate citizenship" behaviors are less likely to cross-the-line ethically

Working Relationship Team Assessment

Harding Jones 5	Jones Davis 2	Davis Williams 5	Williams Doe 4	Brown Doe 4	Brown Smith 5	Harding Smith 3
Harding Davis 5	Jones Williams 4	Davis Doe 3	Williams Brown 5	Doe Smith 2	Jones Smith 5	Harding Doe 1
Harding Williams 5	Jones Doe 2	Davis Brown 5	Williams Smith 5	Jones Brown 5	Davis Smith 3	Harding Brown 3

Scale: 1= Poor; 2=Fair; 3=Satisfactory; 4= Very Good; 5=Exceptional

Results for: Harding

Relationship Pair		Ratings From Rest of Team				
A	B	C	D	E	F	G
Harding	Jones	5	5	4	4	4
Harding	Davis	4	3	3	2	2
Harding	Williams	4	3	4	4	3
Harding	Doe	3	3	3	3	5
Harding	Brown	3	4	3	3	3
Harding	Smith	3	3	4	2	1

Pair	
A	B
2	3
2	2
4	4
4	3
4	3
1	2

Mutual Expectations Worksheet

1. ***Be My Valentine***

Briefly describe something positive about this person based on your personal perspective (i.e., something this person does well, what you respect about him/her, etc.)

Team Member #1:	Team Member #2:
Team Member #3:	Team Member #4:
Team Member #5:	Team Member #6:

Mutual Expectations Worksheet (continued)

2. *Bug Repellant*

What does this person do (or fail to do) that bugs you?

Team Member #1:	Team Member #2:
Team Member #3:	Team Member #4:
Team Member #5:	Team Member #6:

Mutual Expectations Worksheet (continued)

3. *Bugs "R" Us*

What do you think you do (or fail to do) that might bug the other person?

Team Member #1:	Team Member #2:
Team Member #3:	Team Member #4:
Team Member #5:	Team Member #6:

Mutual Expectations Worksheet (continued)

4. "What I want/need from you in order for us to work effectively together is ..."

Team Member #1:	Team Member #2:
Team Member #3:	Team Member #4:
Team Member #5:	Team Member #6:

Mutual Expectations Worksheet (continued)

5. "What I can do to meet your wants/needs in order for us to work effectively together is ..."

Team Member #1:	Team Member #2:
Team Member #3:	Team Member #4:
Team Member #5:	Team Member #6:

Multi-Perspective Leader Assessment

1. Preliminary Meeting with the Participant's Boss

The objectives of this one hour meeting are to:

- provide an opportunity for the boss and coach to begin establishing the rapport and trust needed for the overall success of the coaching intervention
- review the ground rules for the process and achieve closure on any issues of concern prior to the first coaching session
- continue the 360-degree needs assessment process by getting the supervisor's perspective on:
 - The role requirements faced by the participant (e.g., key deliverables, operating priorities, critical success factors, and any other contextual factors that the coach should know about);
 - The person's effectiveness in managing downwards, laterally, and upward;
 - Feedback on the person's strengths and developmental needs

Leader Assessment (continued)

2. Meeting with the Participant's Direct Reports

This meeting consists of two segments:

A. Workunit Snapshot

This segment focuses on the overall ecology of the work unit that is led by the coaching participant: the unit's deliverables and operating priorities; its processes for making decisions, assigning work, and resolving conflicts; how people are rewarded and recognized for good performance; key interfaces and interdependencies with other units inside the company, etc. The purpose of this segment is to obtain a snapshot of the unit's culture and climate that:

- yields essential contextual background for the coaching process,
- identifies opportunities for the leader to build employee goodwill by acting on issues and suggestions provided by the team, and
- provides a safe warm-up activity before getting feedback about the leadership development needs of the team's leader.

Leader Assessment (continued)

B. Feedback on the Workunit Leader

This segment focuses specifically on the leader:

- the team's perception of his/her leadership and management style;
- his/her effectiveness in influencing and partnering with peers in other units and in representing the needs of the unit to his/her boss and to others "higher up";
- what they'd like to see "more of" and "less of";
- how the person's style and effectiveness as a leader have evolved over the past six months, and
- their perception of the leader's 2-3 key developmental opportunities.

Preventing “Iceberg Hypothermia” via “Dual Perspective” Interview Questions

- Think of a “bum rap” that someone said about you. What aspect of the rap was most off base? Conversely, what aspect contained a grain of truth?
- In what way do people’s first impression of you differ from the way you really are?
- Describe a situation that caused you to grow in a new or unexpected direction.
- What is one thing about yourself you’d like to change that would benefit you professionally?
- Compare the work environment at _____ with that of _____. Which was more satisfying?
- At work, how do you strive to be seen? What image do you attempt to project? Are you aware of any discrepancies between the image you want to project and how others actually see you?
- Describe a personal attribute or strength that your current job does not give you enough opportunity to express. What outlets do you use to express it?
- What is the last significant lesson you learned that changed the way you operate at work or how you relate to others? What is a lesson learned that you’ve had difficulty acting on?

Some Suggested Readings

Personality and the Fate of Organizations – Robert Hogan

Snakes In Suits: When Psychopaths Go To Work – Paul Babiak & Robert Hare

In Search of Bill Clinton: A Psychological Biography – John Gartner

The Bush Tragedy – Jacob Weisberg

Topgrading – Bradford Smart

The Anatomy of a Great Executive – John Wareham

What Got You Here Won't Get You There – Marshall Goldsmith