

The Fundamentals of Comprehensive Executive Assessment: Cambria's Executive Assessment Practice

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The most effective way to reduce the risks of executive failure or the promotion of people beyond their level of competence is a comprehensive, rigorous assessment of the person's characteristics, capabilities, preferences, aspirations, and behavior.

Depending on which articles or research papers you read, between 30% and 60% of new executives fail after being brought into the job.¹² Some of these failures are laid at the feet of the executive: poor communication skills, failure to fit with the current culture, relationship building, inability to develop followership, and "chemistry"; seldom has failure to do with experience or technical skills. Promotion success isn't much better³, but add the "Peter Principle" to the list of failure factors. Although some of these failures could be mitigated by proper executive onboarding and coaching for those newly hired or promoted⁴, it is our view that the most effective way to reduce the risks of "organ rejection" or the promotion of people beyond their level of competence is a comprehensive, rigorous assessment of the

characteristics, capabilities, preferences, aspirations, and leadership behavior of the individual or candidate in question.

The majority of executive selection and promotion decisions are currently made by the organization's sitting executives (including board members for CEO positions). Though these people know the business and are relatively good judges of "fit," they are frequently not very systematic or accurate in making judgments about other factors that predict success. Melvin Sorcher and James Brant⁵ state that certain skills or traits (e.g., team player, charisma) are overvalued and often unimportant, while other, more relevant skills or traits are largely ignored; furthermore, rumors, unconfirmed reports, and random observations also affect the final decisions. Their recommendation of a more systematic, team-based assessment approach is sound as far as it goes, but in our view, it is not a substitute for a rigorous and independent assessment of candidates, which can then be

1 Ram Charan and Geoffrey Colvin, "Why CEOs fail." *Fortune*, 1999, Vol. 39 (June), pp.69–78.

2 Valerie Sessa and Jodi Taylor, *Executive Selection: Strategies for Success*. Jossey-Bass/Wiley, 2000.

3 Dan Ciampa and Michael Watkins, *Right From the Start*. Harvard Business School Press, 1999.

4 Michael Watkins, *The First 90 Days*. Harvard Business School Press, 2003.

5 Melvin Sorcher and James Brant, "Are you picking the right leaders?" *Harvard Business Review*, 2002, 80/2.

added to the mix to inform decisions to hire, promote, or develop in place.

A Comprehensive Assessment Methodology

Cambria's executive assessment experience extends back over 30 years, beginning with the research of Harvard professor David McClelland on human motivation and the relationship between power and influence on senior management success^{6,7}. Cambria's research on over one thousand managers and executives in prominent private sector companies in a wide variety of industries, as well as government and the military, have honed our ability to distinguish the best performers from the average in a wide variety of circumstances, challenges, and organizational cultures. Our research has taught us that no single leadership model or set of competencies contains the secrets of success in a specific organization or role under all business conditions.

1. Defining the Position Requirements.

The position description, including the key responsibilities and qualifications, is the starting point for defining the necessary experience and qualifications, whether for a position to be filled from within or from the outside. In order to determine the most important position requirements, it is essential that we challenge the assumptions underlying each requirement and gather additional information:

- What are the critical strategic business challenges that the individual will need to address?
- Why is each knowledge and experience requirement essential (i.e., what can be

mastered on the job by the right candidate vs. what is needed to hit the ground running)?

- What makes the job especially challenging, i.e., obstacles, constraints, or most demanding goals that must be achieved?
- What are the dynamics and characteristics of the team the candidate will inherit? What will he/she need to do to work effectively with it or build a new team for moving forward?
- What other interdependencies exist with peers and other senior managers, and what additional requirements may surface as a result?
- What caused the previous incumbent to fail, or what is different about the position today that the previous incumbent might not have been prepared for?

From these discussions with the position owners and other stakeholders, including board members, customers, business partners, and regulatory agencies as appropriate, we identify the most critical requirements of the role and the knowledge, experiences, behavior, and personal characteristics that are essential for success.

Although the assessment is the focus, it is only one of three components of a complete executive assessment engagement. The other two are the position requirement discussion (the pre-assessment phase) and feedback and recommendations (the post-assessment phase).

2. Assessing the Candidate(s)

A truly comprehensive candidate assessment should include the following components:

- Objective assessment of intelligence (e.g., critical thinking and conceptual grasp)
- Selective assessments of personality, style, and preferences, as appropriate to the situation.

6 David McClelland and David Burnham, "Power is the great motivator." *Harvard Business Review*, 1976, 54/2, 11p.

7 George Klemp and David McClelland, "What constitutes intelligent functioning among senior managers?" in Robert Sternberg and Richard Wagner (Eds.), *Practical Intelligence*. Cambridge University Press, 1986, pp.31–50.

- Review of career trajectory, including major inflection points and career transitions.
- Thorough analysis and review of key accomplishments and challenges successfully encountered.
- Referencing for outside candidates and 360-degree interviews with peers, direct reports, and managers for internal promotions.

Cambria's Executive Assessment process combines in-depth competency based interviews, 360-degree interviews with peers and direct reports, and tests of mental ability, personality, managerial style, and conflict management. We evaluate executive performance and capability in the context of accomplishments that match future requirements in terms of scope and scale, reflecting the fact that the best predictor of how an executive will act and make decisions is how they acted and made key decisions in the past. Our interview methodology, based on decades of experience surfacing the subtle but most important leadership competencies, is distinctively more powerful than other approaches to behavioral interviewing.

In addition, our process incorporates our exclusive and proprietary assessment of Leadership Agility—the “master competency” needed to make wise decisions and take effective action amid complex and rapidly changing conditions. This assessment, based on the groundbreaking research by Bill Joiner and Steven Josephs⁸, evaluates a candidate's level of agility in leading organizational change, improving team performance, and engaging in productive business conversations. This research shows that, in today's turbulent economy, increased agility is the key to sustained effectiveness in all three of these key leadership arenas.

⁸ Bill Joiner and Steven Josephs, *Leadership Agility: Five Levels of Mastery for Anticipating and Initiating Change*. Jossey-Bass/Wiley, 2007.

3. Feedback and Recommendations

At the conclusion of the process, we create comprehensive and actionable assessment summaries, supported by an unmatched level of detail and precision. These reports provide clear conclusions about the fit of the candidate to the position and a comparative evaluation of candidates that highlights their relative strengths. By synthesizing different types of assessment—tests of ability; measures of personality and style; detailed self-reports of accomplishments, how they were achieved, and third-party validation; and assessment of Leadership Agility—we provide a fully-rounded assessment that reduces any uncertainties regarding the person and the position.

Our reports are also transparent, to the point, and don't require a degree in psychology to understand. Our assessments directly connect with the specific challenges that the executive is likely to face, highlighting the candidate's strengths, and in the case of internal candidates, where further development is indicated and what to communicate to those not selected for promotion. This is particularly important to those charged with making hiring and promotion decisions, and to executives who must be convinced of the assessment's legitimacy in order to act on our recommendations.

In addition to input to selection and promotion decisions, our Executive Assessments support talent management in other ways:

- Opening more productive discussions that consider next logical moves or expanded set of responsibilities beyond those originally envisioned.
- Sizing up the strengths and gaps of people on the team that a new executive may inherit.
- Examining the role requirements of people that surround the key position; considering how those roles may change with the arrival of the new executive.

- Gauging the strength of the talent in key enterprise positions, as input to succession and strategic workforce planning.
- Augmenting and integrating with existing leadership development initiatives for current senior managers and high-potential talent.

Looking to the Future

The key to the future is in the past—not, however, in past job experience or even past performance per se, but in the enduring characteristics of the individual and the meaning underlying their historical pattern of success. Cambria's Executive Assessment practice unlocks the evidence of potential for

greater levels of responsibility and achievement, and provides executive decision-makers with unmatched confidence in their talent decisions.

Companies seeking to improve the quality of their talent need to look beyond knowledge and experience, and the obvious personal characteristics. By assessing the candidate's intelligence, motivation, interpersonal insight, judgment, character, and leadership agility, and matching their unique competency fingerprint to the essential requirements of the role, Cambria's Executive Assessment adds extraordinary value to high-visibility selection and promotion decisions.

