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FOCAL ARTICLE

Executive Selection — What's Right . . . and What's Wrong

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Abstract

Although recent reviews of executive selection have catalogued much that we as industrial–organizational (I–O) psychologists are doing right in our research and practice, we are confronted with the facts that executive selection decisions are often, if not usually, wrong and that I–O psychologists seldom have a place at the table when these decisions are made. This article suggests that in our thinking we have failed to differentiate executive selection from selection at lower levels and that we have applied the wrong models. Our hope for the future lies not in job analyses, developing new tests, meta-analyses, or seeking psychometric validity, but in viewing executive selection as a judgment and decision-making problem. With the right focus, applying our considerable methodological skills should enable us to contribute toward making better judgments. When we have a better mousetrap, organizations (if not the world) will beat a path to our door.

Introduction

How we select executives is a hot topic not only in the popular press but also in industrial-organizational (I–O) psychology, which seems to have a resurgence of interest in employee selection as a whole and in executive selection in particular (see reviews of executive selection by Howard, 2001; Thornton, Hollenbeck, & Johnson, in press; and of employee selection in Farr & Tippins, in press; see Highhouse [2008] in the September 2008 issue of this journal for a discussion of related issues). This article is an attempt to place executive selection in the context of employee selection as a whole. It considers in passing the many things I–O psychology is doing well in the area but examines in more detail where we have failed and the implications of those failures, followed by suggestions to enhance our contributions.

Who is an executive? Silzer's (2002) definition follows; he includes general managers, corporate officers, and heads of major organizational functions and business units. ''High potentials'' are those deemed to have the potential to become executives. Our discussion focuses on executives rather than high potentials, although some of what we say will apply to high potential selection as well, especially ''what we are doing right.'' And, although there may be wide variations in the selection process depending on whether the candidates are from inside or outside an organization, and selecting CEOs has its particular issues, these differences will often be glossed over in the interest of brevity.

The flexible format of *Perspectives* allows a presentation more or less in the form of a ''last lecture''—reflections over a long career—based on the lessons of the literature, years of practice as an I–O psychologist and as an executive, and

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counsel with many wise colleagues. An effort will be made to forgo the use of citations in expressing ''the common wisdom,'' reserving those for references that might be useful as our younger and brighter colleagues pursue the questions raised.

Before listing our rights and wrongs, we need to make explicit some key assumptions, based perhaps more on philosophy and experience than on data:

- Executive performance matters—a lot. Some have argued that executive performance doesn't matter much in an organization's success or failure. I don't believe that—I believe that executives and executive selection are absolute keys to organization success. If you doubt that assumption, read Finkelstein (2003) or Akst's (2008) review of Carroll and Mui's *Billion-Dollar Lessons*.
- Executive success is predictable we hear voices saying that most (70%) of the variance in executive success is unpredictable. There is indeed a long and tenuous link between what an executive does and whether or not he or she ''succeeds,'' but in this article I hold to the notion that the world is not random, and that if we knew everything, our selections would be perfect. Everything is not knowable to us, of course, prior to hiring, despite our talent for identifying (with 20/20 hindsight) every cause of failure.
- People don't change—much. People grow, learn, and develop new repertoires of behavior, but there is a ''there there.'' After becoming adults, if not before, people have underlying characteristics that serve as bases for their behavior over the years. The Greeks knew this and called it *character*. True, sometimes small changes in behavior can make significant changes in results, but patterns emerge at several levels—other things being equal, extraverts remain extraverts, turnaround executives tend to stay that way. The implication, of course, is that selection is important. Most executives believe this; selection people believe this; most development people, not surprisingly, see the world from the other side!
- Past performance predicts future performance—sometimes. Again, nobody would argue that people can't get better or worse at what they do, but knowing what people have done in similar situations in the past gives us a window on what they are most likely to do in the future. Given dramatically different performance demands, predicting from past performance may get dicey, and we may need to predict from more fundamental perspectives.
- The people make the place. We can thank Ben Schneider for eloquently bringing to our attention in his 1985 SIOP Presidential Address the importance of the people in determining what an organization is like. Although many factors influence ''the place'' (e.g., industry, company, compensation structure), those of us who have worked in different organizations will attest to how different places can be—IBM is not Merrill Lynch; Merrill Lynch is not Fidelity Investments. And, executives are disproportionately important in what the organization is like, starting with the CEO. The old saying goes, ''The fish stinks from the head down.'' The implication again: executive selection is important.

Given that context, let's look first at the goods.

What's Right

Our knowledge of and sophistication in the technology of selection in general has grown exponentially in the past half century. Although the basic process and principles may be the same (see Campbell, Dunnette, Lawler, & Weick, 1970; Dunnette, 1966; Guion, 1965), we have a much better

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understanding of many of the issues. Consider for example the following list, in no particular order and certainly not exhaustive. There are so many ''rights'' that each is given short shrift, largely citation free:

- Better interviews—if interviews are still the most widely used selection technique, they may also be the most studied technique. They may still be subject to many of the age-old criticisms, but our understanding of the process has in many cases been translated into more effective interview processes and interviewer training.
- Better tests—testing theory and technology have developed to the point where if a thing exists, we can measure it reliably, often in half a dozen or fewer well-chosen test items. Well-developed tests today exist for not just cognitive abilities but for personality, interest, derailment factors, and so on, not to mention the technology to test candidates around the world.
- Assessment centers—whether thought of as a testing technology or assessment methodology, assessment centers have been a major focus of I–O psychology and have stimulated a wealth of research, thinking, and applications.
- 360 feedback—although 360 feedback existed in a nascent form in the 1960s at Exxon and at IBM in the form of a ''Rate Your Manager'' process, 360 feedback has become standard practice for executive development and is widely used for measuring performance as well as executive potential, especially with internal candidates.
- Fit—seldom is an executive selection done today without consideration of the strategic fit of the executive and the position. Strategy had not ordinarily been the province of I–O psychologists when it hit our screen in the early 1980s, and it has become a regular feature of our efforts.
- Session Cs—wise practitioners have known for years that ''the conversation'' where executives discussed the capabilities and possibilities of other executives was more important than performance appraisals or recommendations. Honed to a fine art by General Electric as ''Session Cs,'' this roll up of executive selection information has become widespread in corporations, both large and small.
- Range of candidates—diversity, in all its forms, has become the order of the day in the executive suite, whether gender, geography, culture, age . . . you name it.
- Hiring strategies—talent management is another ''order of the day,'' and a big part of that is strategic hiring, not just for ''fit'' of individual executives but for optimizing the use of an organization's resources (e.g., where to seek ''acceptable'' and where to seek ''outstanding'' employees).
- Board involvement—CEOs once chose their own replacements. No longer. Boards of directors are not only involved in the selection of the CEO and other senior executives, good board practice now calls for a regular review of the executive talent pools throughout the organization.
- Behavioral competency models—a benchmarking study by the American Productivity and Quality Council in 2004 found that every one of their best practice organizations had developed a behavioral competency model, designed to guide their selection and development efforts. It is difficult to find any organization today that doesn't have its competency model.

In addition, other factors are being considered in the selection process. A look back at executive selection over the years is surprising in the narrow range of factors that were typically included in our models and even in the historical disdain for some of the variables routinely considered today:

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- Personality is back—after ignoring, if not denying the importance of personality variables, personality is an integral part of our thinking. At the top levels, the range in cognitive ability is often thought to be so narrow that much of the performance variation lies in these noncognitive factors.
- Leadership is in—in a world where the terms ''leader'' and ''executive'' are largely interchangeable, it may be hard to believe that ''leadership'' per se was not a dimension in the original AT & T Assessment Center. The 1970s and 1980s saw an emphasis on leadership to the point where we need not ask, ''Is leadership important?'' but instead, ''Is leadership the ONLY thing that is important?'' Assessing ''leadership'' is one of our major priorities in executive selection.
- Relationships. Whether called emotional intelligence, social intelligence, or simply interpersonal relationships, leadership and executive positions are today seen as relational. The inability to manage relationships and the ''top team'' is often seen as the primary cause of executive failure.
- Derailers—we seek not only ''success factors'' in our executives but are alert to derailment factors that may cause them to fail. Books are written, tests are available, and many companies develop their own lists of derailers.
- Global capabilities—the world may be ''flat'' or ''curved,'' but organizations have become global and many executives must perform on a global stage. Organizations include global success factors in their selection as well as development activities.

By any standard, this is an impressive list. My apologies for omissions; readers hopefully will add their own favorite ''rights.'' Clearly there is no right ''rights'' list! Even with an incomplete list, however, we must conclude that I–O psychology as a field is doing a great many things better. We have much to be proud of. There is, however, another side.

What's Wrong

Despite all we have learned and the progress made, we are faced with the following two very uncomfortable truths: (a) the results of executive selection are no better than ever—and that is dismal and (b) I–O psychologists—with few exceptions—don't have a place at the table when executive selections are made.

Executive failure is common. First, the consistently dismal results. To my knowledge there are few, if any, actual data on the rate of executive failure over the years. The case here is made from the events of the day and from the judgments of our distinguished colleagues.

High profile executive failures are in the news with distressing regularity, from Enron's executive team to the rash of recent firings in financial services (e.g., O'Neal at Merrill Lynch, Prince at Citicorp, Mudd at Fannie Mae, Cayne at Bear Stearns). The finance industry may be the one most in today's news, but on the inside pages we find that no industry is immune (automobile, advertising, fashion, computer hardware and services, to name a few reported recently) nor is the phenomenon an ''American'' disease.

Are these very visible executive failures exceptions to the rule or is failure more widespread? Our esteemed colleagues think the problem is much broader. To quote a few over the years:

Drucker, writing 20+ years ago (1985), was quite critical of organizations' success at executive selection: ''their batting average is no better than. 333. At most one-third of such decisions turn out right; one third are minimally effective; and one-third are outright failures. In no other area of management would we put up with such miserable performance'' (p. 22). Sorcher (1985) writing about the same time reached a similar conclusion.

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Continuing the theme in the 1990s, Nadler and Nadler (1998) wrote: ''In their most introspective moments, most executives readily acknowledge that selecting the right people for the right jobs constitutes one of their most important responsibilities. Few decisions they make will have as direct an impact on every facet of the organization. Yet, few other decisions are made in such an illogical, slipshod manner'' (p. 229).

Hogan confidently proclaimed in 2003 ''we know for a fact . . . that perhaps two-thirds of the people currently in leadership positions in the Western world will fail; they will be fired, demoted, or kicked upstairs'' (p. xv).

More recently Hogan, Hogan, and Kaiser (in press) gathered a dozen of these estimates of executive failure and concluded ''published estimates of the base rate of managerial failure . . . range from 30 to 67 percent, with an average of about 50 percent. . . . Based on the data, we suggest that two thirds of existing managers are insufferable and that half will eventually fail'' (p. 3).

Executives themselves are perhaps more sanguine about their ability to select executives, but even the best of them confess to a less than perfect record. Jack and Suzy Welch (2007) recently wrote: ''Look, hiring great people is brutally hard. New managers are lucky to get it right half the time. And even executives with decades of experience will tell you that they make the right calls 75% of the time at best'' (p. 102).

Whether widespread executive failure is a ''fact'' or not may be debatable, but such is the widespread ''common wisdom.'' And, the high failure rate reflects selection failure. That argument is supported by my own experience that behind most business failures is a predictable executive failure as well as by the more extensive and systematic studies of business and executive failure (e.g., Finkelstein, 2003).

Arguable, perhaps, executive failures are NOT the result of bad selections but instead the inevitable workings of bad luck, inadequate development, conspiracies of organizational life, or ''black swan'' changes in the external environment. Highhouse (2008) even argues that the larger part of employee (and presumably executive) success is simply largely unpredictable and that to expect more is unrealistic. Others may hold that the high failure rate reflects the fact that executive jobs have become so complex that success is hardly an option. We would counter that had the right people been chosen, the executives and their organizations would not have failed.

I–O psychologists have limited involvement in executive selection. Our second uncomfortable truth is that when executive selections are made, I–O psychologists are largely absent from the table. Especially at the senior levels, the task of selecting executives is reserved for executive recruiters and more senior executives. This perhaps obvious conclusion was reached independently in two recent reviews (Howard, 2001; Thornton, et al., in press).

Individual psychological assessment is perhaps our largest inroad into the area, but we have always had an uncomfortable relationship with individual assessment (see the historical review by Highhouse, 2002), and assessments are used with only a small fraction of the executives selected. What many would consider our best assessment tool, the assessment center, is used even more sparingly and more often for development than selection, and more often at the high potential than the executive level. In general, assessment centers don't fit the realities of executive selection described by executive recruiters (Fernandez-Araoz, 2005).

Instead, executive search firms drive selection at senior levels and seem at least to write most of the books and articles (e.g., Fernandez-Araoz, 2007; Wackerle, 2001). Some search firms use assessment by psychologists as input to their search, but more typical is the view expressed by Fernandez-Araoz (2007), himself an executive of Egon Zehnder International, a large international search firm: ''after

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conducting my first comprehensive review of all the relevant research that was out there, I came to the reluctant conclusion that most academics were missing the point. They were falling into the trap of producing statistically significant but managerially irrelevant findings'' (p. 210).

We take as further evidence of our lack of influence that most books written by I–O psychologists that specifically address executive selection don't seem to gain traction. How many of us are aware of Sorcher (1985)? Hollenbeck (1994) quickly went out of print. Sessa and Taylor (2000), one of the few research studies of how executive selection takes place, was recently numbered 883,617 on Amazon.com's best seller list, with used copies selling for $.01! These last two were part of an effort by the Center for Creative Leadership (CCL) to study executive selection, but, other than a simulation used in the Leadership at the Peak program, the effort apparently did not survive the death of its author, Richard J. Campbell.

The net result is that a critical area of organization success proceeds largely without us. This conclusion, if not correct, is certainly arguable and should stimulate interest. It begs for the answers to the questions: What's wrong? Why do we have so little influence and get no respect?

Getting it backwards. What's wrong? What's wrong is that we are doing it wrong—we are using the wrong models. Before explaining that conclusion, here is a word on how we arrived at it.

Sometimes something not exactly ''on topic'' is the stimulus for crystallizing one's thoughts on a long-simmering issue. In this case, the stimulus turned out to be Jim Collins' *Good to Great* (2001). I had set out to explore ''Level V'' leadership, thinking that I might be the only person alive who had not read *Good to Great*—it turns out that I wasn't—in September 2008, 7 years after publication, *Good to Great* is #38 on Amazon.com's list of ''Best Sellers in Books,'' and #1 in their Strategy and Competition, Systems and Planning, and Leadership areas. For the uninitiated, Collins and his team selected on the basis of financial criteria companies who had made the transition from ''good'' to ''great.'' They matched those companies with those who had not made the transition, or who had made it but didn't sustain it. Then they sought what differentiated the sets. Level V leaders were some of the differentiators. If you are in the talent management world, I highly recommend the first three chapters of this book.

One of the findings that surprised Collins was that getting their strategies in place was NOT what good-to-great companies did first; FIRST, they got the right people. With the right people ''on the bus'' (to use Collins' metaphor), you can, if needed, change directions a mile down the road without changing people; with the right people, the issues of motivation, compensation, and so on, take care of themselves, and, if you have the wrong people your strategy won't matter—they can't get you there anyway. Collins' arguments are simple and convincing.

The question then becomes ''who are the right people?'' and ''what is 'right?' '' Collins answers it in this way: ''the good-to-great companies placed greater weight on character attributes than on specific educational background, practical skills, specialized knowledge, or work experience.'' It's not that these other attributes aren't important but that Level V leaders had recognized the key importance of placing character first.

It was at this point that my thoughts came together—eureka! We are doing it wrong! We are doing it backwards! Here is our well-accepted selection model; we base our selection, in order of importance, on:

1. Competencies . . . behaviors . . . what a person does.

2. Competence . . . results . . . what a person gets done.

3. Character . . . character-*istics* . . . who a person is.

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Here is what our model should be:

1. Character
2. Competence
3. Competencies.

These three Cs deserve some discussion.

Competencies have become the dominant HR model for selection and development systems; rare is the company that doesn't have a behavioral competency model, either unique to the company or a generic one.

Defining ''competencies'' is not so simple. If ever there was a Humpty Dumpty word, meaning exactly what one wants it to mean, it is ''competencies.'' *Wikipedia* defines competency as ''a standardized requirement for an individual to properly perform a specific job.'' But lest one thinks that settles the issue, the *Wikipedia* ''discussion'' begins with the comment ''This entry is totally off beam.''

A history of how we got where we are today in the world of competencies is outside the scope of this article. Clearly important influences were the 1960s trends toward behavioral objectives and dimensions as well as David McClelland's work on competency modeling (e.g., McClelland, 1973). Howard (2001) describes different competency modeling approaches: In addition to behavioral and clinical job-driven competency models and strategy-driven approaches, Howard describes ''a role-based approach . . . (that) provides more breadth than job-driven analyses without necessarily sacrificing rigor. . . . Each role links to *competencies that specify how to effectively enact that role*'' (italics ours).

For most in the I–O and human resources arena, the behavioral objectives movement won out over the clinical-driven or trait models. Our reading of the key elements of competencies today is that they are ''behavioral,'' objective, and that they serve as the basis for entire human resource systems, including selection from the shop floor to the executive suite. Thornton and Byham's (1982) definition of dimension seems to fit competencies as well: ''[W]e mean a cluster of behaviors that are specific, observable, and verifiable, and that can be reliably and logically classified together'' (p. 117).

Competence is quite simply what it says—what one can do, demonstrated by what one has done. It is exemplified by simple questions: ''Can she run a marketing organization?'' ''Can he handle a P and L?'' ''Can she motivate a sales force?'' Combined with character-*istics*, this is how executives are typically evaluated, judged, and selected by other executives. Executives answer these questions by examining, however ineffectively, what a person has done. Only after affirming that an executive actually gets done what needs to get done, do they ask ''How does she go about it?'' McCall and Hollenbeck (2007) give specific examples of the language and concepts that executives actually use from their observation of executives making these decisions and also contrast competence and competencies in detail.

Character turns out to be a considerably larger can of worms, with a long history, a large literature, and a wide range of definitions. A recent book on character (Klann, 2007) states ''Traditionally character has been defined as 'the combination of emotional, intellectual, and moral qualities that distinguishes a person,' and that the word is derived from the Greek *Kharassein* meaning to engrave or inscribe.'' Guinness (1999), in discussing the origin of the word *character*, also makes the Greek reference—''a hall mark or distinguishing sign'' that distinguishes one person from another; the inner form that makes a person or thing what it is (pp. 12–13). Without giving an explicit definition, Collins goes on to write that Level V leaders use dimensions such as ''character, work ethic, basic intelligence, dedication to fulfilling commitments, and values (that) . . . are more ingrained.''

Collins was hardly the first to emphasize character in selecting leaders (we could go back to Plato). Much to our surprise, Thornton and Byham's (1982) description of the 1920–1930s German officer assessment

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process includes character as one of the characteristics assessed and defines it as ''integrity, selflessness, idealism'' (p. 24). And, Abraham Zaleznik (HBS Alumni Bulletin, 2008) describes his primary career contribution as emphasizing character in leadership: ''It's character that counts . . . I don't think it's useful for people to worry about the rules of leadership or command. I think the central concept is character . . .''. This is a theme echoed by Tichy and Bennis (2007) in the exercise of judgment that character means doing the right thing, putting the greater good first, honesty, integrity, having values, a moral compass . . . knowing what you will do and what you won't.

Definitions of character turn out to have both nonevaluative elements (e.g., judgment, work ethic) as well as moralistic ones. Guinness (1999) points out that the Greek usage focused on the ''stamped'' quality—as in stamping coins with their lasting value—and did not carry the ''moral'' connotation; the Hebrews added the moral element, the ''righteous'' tone. Today's usage almost always includes the moral element and sometimes the nonevaluative element.

As a point of interest, the psychoanalytically inclined seem to have been more comfortable with the notion of executive character, appearing at least to produce the lion's share of writing and thinking (e.g., see Levinson, 1994; Sperry, 1999). Sperry writes: ''My view is that character is the dimension of personality that describes how individuals conduct themselves in interpersonal and organizational situations. . . . Generally speaking an individual with a good character or reputation is considered to be responsible, trustworthy, respectful, fair, caring, and a good citizen, meaning being cooperative and playing by the rules''(p. 212).

For the purpose of this article, I will go with Collins' view that defines character as those more enduring (if not ingrained) qualities that enable a person to contribute to organizations. This view embraces both the nonmoral or Greek elements (judgment, work ethic, etc.) as well as the moral or Hebrew elements of honesty, integrity, sacrificing self interest for the greater good, and treating people with respect.

Many people writing and thinking about character are unlikely to jump on this particular definitional bandwagon, but we should be able to arrive at a working definition that will at least serve as a starting point. A review of character from this perspective would be a real contribution.

So, what's wrong with doing it backwards? Why doesn't it work? My quarrel here is not with competencies or with competences; they are obviously useful starting points for much training and development, and I do not advocate substituting character-*istics* for either of them. I argue with the importance we assign to them. However, as Collins quite eloquently makes the case, in selecting their executives, great companies start with ''who.''

Why doesn't starting with behavioral competencies work in selecting executives? Because executive jobs, especially the mega jobs of today in complex, global organizations, are very very different than jobs at the bottom of the hierarchy. And with those differences, we fail on two counts.

First, as we move up the hierarchy, we go from jobs in which behavior and results are tightly coupled to jobs where there is a very loose coupling between behavior and results. In lower level jobs, there often is a ''right way'' to do the job—scientific management worked, and it worked for a reason. There may well be a ''right'' way to operate the widget machine (and even a right way to land an airplane!). The ''right'' behaviors are closely tied to the results one gets.

At the top, however, and in complex organizations, we cannot ''*specify how to effectively enact that role*'' (to give Howard's definition of competency a different emphasis). The coupling changes, becoming increasingly loose, so that at the top levels executive job behaviors are very loosely coupled to results. *There is no prescription of behaviors that will succeed*

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or fail—there are as many combinations and nuances as there are people; successful executives come in all shapes and sizes and behave (within limits of tolerable deviance) in as many ways as there are people. This is what *equifinality* is about—the same result may come from many different behaviors. Executives (like golf swings) come in as many variations and do their work in as many ways as there are executives.

To make matters worse, there is also a loose coupling at the executive level between results and organization performance. This, by the way, makes itself felt in our much-discussed ''criterion problem'' and is a source of Highhouse's (2008) frustration that performance at any level (but, we might add, especially at the executive level) is difficult to predict.

Intriguingly, this intuitively obvious fact was as evident in the 1960s as it is today. In a world that we suspect was much less loosely coupled, Campbell et al. (1970) wrote ''The means for accomplishing managerial job objectives are rarely specified in detail. A particular manager may change the way a job is done in order to capitalize on his own propensities, strengths, weaknesses, and stylized patterns of behaving'' (p. 13). Despite their at least beginning awareness of the individuality of executive jobs, Campbell et al. continued to seek ''those kinds of job behaviors resulting in effective managing.''

Perhaps, the nail in the coffin of equifinality was the classic paper by Wernimont and Campbell (1968). Beautifully written and argued, the paper's point is that our selections will be more successful if we use behaviors, rather than traits, to predict behaviors. Of course, they were right at lower levels; however, at the executive levels, we are trying to predict behaviors only after character and competence, and, even if we put behaviors first, the practicalities of executive selection preclude much behavior-to-behavior prediction that may be best accomplished through simulation.

As an afternote, in our increasingly knowledge-based workforce, this loose/tight coupling distinction between executive/managerial and lower level jobs is diminishing, arguing for a who/what/how throughout the organization.

And using the same old model. In addition to doing it backwards, our field has stuck with our classical personnel selection model, seeking to correlate predictors with criteria, hoping for large samples. We do this even though it continues to disappoint us in terms of research, results, or respect. Our model is so thoroughly ingrained in all of us that we keep hoping that the right set of predictors and criteria and a large enough *N* will (finally) produce the results we seek.

Intriguingly, here also it wasn't supposed to be that way. Campbell et al. (1970) wrote: ''much research and many company practices imply the stripping away of managerial individuality . . . statistical equations are being used for 'managers in general.' In contrast, decisions about managers and managers, jobs are *individual decisions.* . . . All this points to the need for a truly individualized approach to the task of managing managerial effectiveness'' (pp. 3–4, italics theirs).

Going on to declare that this individualized approach is ''our fundamental point of view,'' they then proceed to write the classic reference in manager/executive selection using our traditional psychometric, statistical, large sample point of view. Their hope seemed to be that the future would define individuals, organizations, and environments so thoroughly that statistical predictions for individuals would be possible. In fact, their solution to the problem that managerial jobs differ so much from each other is to include a larger range of jobs in our job analysis!

This ''by-and-by-we-will-understand'' optimism must be understood in the context of the times. Many of us in graduate school in the 1950s and 1960s can recall when psychology was one field, American Psychological Association (APA) had one conference, and professors professed that someday there would be a unifying theory

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of human behavior bringing together everything from eye-blink conditioning to tests and measurements.

Guion (1965) in his classic *Personnel Testing*, written about the same time, recognized the same issues, even though his solution was slightly different and his was a longer-term optimism: ''Statistical validations of test batteries for higher managerial personnel will, because of the uniqueness of managerial jobs, have to use a system of synthetic validities. Such a system will not be available until (1) job situation variables, (2) organizational variables, and (3) performance variables are clearly identified and measurable'' (p. 474). Little did Guion know how right he was when he went on to say that solutions to these research problems were ''decades away.''

The point is that historically I–O has been well aware that our standard psychometric models won't serve us in making individual executive selection decisions. And yet, we persist in criticizing the only individualized approaches available (Highhouse, 2002).

Is one model enough? We have proceeded as if ''executive selection'' is a single process, one set of principles, applied to a like sample of candidates. Although the argument here took as its starting point Collins' notion of good-to-great, obviously every organization could not and should not aspire to greatness. Many executive selections won't follow the Character/Competence/Competencies model. After all, one of the things we are doing right is attending to a variety of hiring strategies—different organization demands will require different approaches.

Organizations may have different hiring strategies as they progress through different stages and also in different parts of the organization. Fidelity Investments, for example, historically selected for character in its core competence—mutual fund management; it hired at the entry level with a rigorous program of selection followed by learning to ''run money.'' For its other executive positions, Fidelity was well known to select for competence (what a person could do in the short run), paying whatever it took to get the right person; it managed with a philosophy of ''churn 'em and burn 'em,'' keeping the few who turned out to have Fidelity defined ''character'' as proven in what one recruiter described as a ''Darwinian'' culture. Fidelity, as a result, has excelled at producing fund managers but from all appearances has never been able to develop a corps of outstanding executives (the *who* rather than the *what*) to carry it past its patriarch Ned Johnson's not so distant (at age 78 years) retirement.

Companies such as J&J, General Electric (GE), and Procter & Gamble almost never hire executives from outside. As good-to-great organizations, their selections at every level place heavy emphasis on character, with an increasing emphasis upon competence and competencies as executives mature. Organizations focused on short-term turnarounds with intense immediate pressures for results are likely, and rightfully so, to focus on competence—can the executive do the job required now. Character can wait until later.

These examples illustrate that no single approach to executive selection is universally appropriate, and they invite us to explore different solutions for different situations. My argument is that our adherence to doing it backwards (competencies/competency/character) has kept us on the sidelines and prevented our learning from what we need to learn to be Tier I players.

Not having a place at the table, perhaps it is not surprising that I–O as a field is woefully uninformed about how executive selection actually takes place. Certainly, there are those few colleagues who are very well informed and participate in the process, but they are few and far between. With so little knowledge about how selections actually take place, although maintaining that our statistical validation models apply, it is again not surprising that we do not make the contribution we feel we deserve. Fernandez-Araoz (2005), cited previously, offers a very realistic and very readable

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description by a clearly knowledgeable insider of the constraints surrounding executive selections.

''So Now What?''? Getting Back in the Game

That we get no respect and don't have a seat at the table are symptoms, not the cause of our problems. Nobody is buying because we don't have much to sell. This is not a marketing problem; our traditional psychometric, selection model has led us down the wrong paths.

Can we get back on the right track? I brim with optimism—the analytic ability and problem focus of I–O psychologists make us very desirable commodities in both industry and academia. Here are some roads to relevance:

1. *Change our mindset. We must view selecting executives not as a selection problem but as a problem in decision making and judgment.* This is our client's point of view, let's adopt it. Taking this view takes us out of our old thinking boxes and frees us to examine the extensive literature on how judgments are made, to examine that in ourselves, and to find what we can offer to executives who make those judgments. Cronbach and Gleser (1957) started us in that direction 50 years ago, but somehow we abandoned their line. Colarelli and Thompson (2008) hint at that view in suggesting why we continue to use our intuition in the face of constant criticism. As they point out, we don't use our selection models for making decisions that are important to us personally—why should executives?

Tichy and Bennis (2007), neither notable for their published work in selection, have begun exploring judgment as the foundation of good leadership, dividing judgment into people judgments, strategy judgments, and crisis judgments. Their discussion of ''how to'' and ''how do'' executives make people judgments (yes, based on character and competence) may raise as many questions as it answers, but it is a start toward what we need to do.

2. *Reframing the problem from selection to judgment leads us in very different directions.* We begin to ask ''what do we need to know to make this judgment and how should we make it?'' Here are some of the questions:

> What do we need to know about the job?
>
> What do we need to know about the organization? The external environment?
>
> What do we need to know about the person?
>
> How can we find out what we need to know?
>
> How do we arrive at a decision, once we have the information?

When viewed from the decision maker's point of view, we begin to ask also ''what does the executive making this judgment want to know?'' (This in itself would be an interesting study. I was tempted to contact a few executives for an answer but decided that fell outside the scope of this article.)

Given the importance assigned to *character*, assessing it deserves at least some consideration. I have taken a wide angle approach to character, defining it to include both the nonevaluative and evaluative (moral) aspects. Viewed this way, character is a market basket of relatively stable abilities and characteristics. Some of these we should be able to assess using already available tools; some may require new tools or sharpening the ones we have.

Our problem may be more that our focus has been in the wrong order and on the wrong things rather than that I–O is bereft of useful tools. Mahler and Wrightnour (1973) provided a systematic alternative (a descendant of which is now used at GE) to the interview self-narrative for assessing competence that could equally as well be used for character. Sorcher (1985) provided a framework for finding and using what an organization knows about an executive candidate that is useful in all the three Cs. Tichy and Bennis advocate examining an executive's past judgments as windows on

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character without offering specific tools. An underlying theme in each of these is searching a candidate's background for telltale events that provide the evidence required to make judgments.

Our task is almost certainly easier for internal than external candidates, but a form of this background analysis (references) is a primary tool of search professionals, whether done poorly or well. We have a history in biodata and in using work inventories for selection, but especially at the executive level we haven't begun to refine the techniques. On the process side, Sessa and Taylor (2000) observe that teams, if constituted properly, make better judgments than individuals.

At the high potential level, we may have more latitude in the tools that can be used and that in fact companies are already using. High potentials are usually internal, at lower levels and eager to demonstrate their talents however possible via tests, simulations, assessment centers, whatever. We may have greater opportunities (and greater success) free from organization constraints at the high-potential level, but that does not mean we should despair at the executive level.

We may indeed know more than we think we know and have more tools than we think.

3. *Begin to address the topic.* Some might say ''readdress'' the topic, but at least from a research and analysis standpoint, we have ignored executive selection. Thornton et al. (in press) lament the lack of available research to review. In their recent *Annual Review* chapter on personnel selection, Sackett and Lievens (2008) do not even include the topic. When queried about this, Sackett (personal communication) replied ''Our assigned task was to select and cite the best of the empirical literature since the last *Annual Review* chapter. There's nothing on executive selection because we weren't aware of any recent empirical work on the topic to cite.''

Clearly, there is much to be done, whether or not it would meet ''A-level'' publication criteria. Fifteen or so years ago, the CCL sponsored a conference on executive selection as a kickoff to an executive selection research program. Given CCL's mission as a development organization, perhaps it is not surprising that selection as an area of research did not survive that effort. In addition to Sessa and Taylor's (2000) book, one of the products that did survive was an executive selection simulation that has been used in its Leadership at the Peak program. Although CCL's data from that simulation are available to researchers, the very carefully developed simulation could offer a ready-made research tool for exploring the range of executive selection questions addressed here.

One study that begs to be done would address why executive selections fail. Interestingly enough, studies of why *executives* have failed abound, but only one study surfaced that examined why *the selection* failed; that study by an executive search consultant, Fernandez-Araoz (2007) looked internally at their search firm results and did not, to my mind, provide the breadth or rigor that we need. The causes of executive failure are no doubt many, but studying the *selection* failure would be more fruitful than one more study of why executives fail. If nothing else, we will learn a great deal about what works and doesn't work and gain a perspective on the magnitude of our task and promising directions for research. A recent example illustrates these possibilities.

Wackerle's (2001) book on executive selection is an excellent resource from the viewpoint of an executive search professional as to how executive selection should be done and the issues involved. In Chapter 3, Wackerle describes his ''blue chip search'' (pp. 23–40) in which everything went right—the right person was chosen by the right people at the right time, as he puts it. The person chosen to be CEO of MassMutual was Bob O'Connell, then at AIG. Reading this book in 2008, I was curious as to how O'Connell had fared as the CEO at MassMutual. Googling ''MassMutual'' produced this June 23,

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2005, press release: ''Massachusetts Mutual Life Insurance Terminates Employment of Robert O'Connell for Cause.'' The press release reports a list of ''engaging in a systematic and pervasive pattern of willful abuse of authority, violations of the Company's code of conduct, and other acts of willful gross misconduct.'' Intriguingly, all the seven specifics listed were actions taken by O'Connell to enhance his personal finances or to hide his actions. (Definitely a character issue here!) And intriguingly, the selection also apparently did involve an I–O psychologist.

Other than Wackerle's book and the press release, I have no knowledge of the MassMutual selection, but these facts cry out for an answer to the question, ''How did they miss this?'' The recent bailout of AIG and a passing knowledge of the AIG executive culture both suggest that O'Connell was an executive failure and a *selection* failure.

Can research find out where selection failures go wrong? Certainly there are obstacles to this research: There won't always be clear lines between executive failure and selection failure; the succession process, especially at the CEO level, is fraught with secrecy and political issues. Vancil (1987) with his remarkable access to executive suites found that in any CEO selection there is an elephant problem—there are as many views as there are viewers. However, after action reviews of selection failures should be less subject to organizational pressures than entire succession process, and if not, the different viewpoints would be informative.

4. *Critically examine the executive job.* Every company and every consulting firm has its competencies, but there is surprisingly little integrative research about executive jobs today. ''Research'' for I–O should be a big tent, from qualitative analyses to quantitative ones, from analyses such as political scientists have done on leadership, to the meta-analyses of job analyses. One such qualitative study is Renshon's (1998) study of how the job of President of the United States has changed and the attendant changes in the requirements of the job, and the needs for assessment is the type of analysis we need of executive jobs in general. Renshon's psychoanalytic approach to assessing candidates may not be our cup of tea, but his approach is insightful.

Other unanswered questions include the following: How indeed do jobs change as we ascend the organization ladder? At what point do results become more person dependent than job dependent? At what point do our models lose their validity? Are executive jobs more alike or more different and at what levels? Can we indeed develop the data to inform judgments with synthetic validity? These are some of the questions we might address.

5. *Develop an integrative explanatory and predictive model of the executive.* Many if not most of us in I–O would be uncomfortable using the psychoanalytic model as our primary model of the executive. However, as Renshon's study illustrates, that model does explain the relationship among variables and supports predictions and judgments. It is time that we started putting together a model of the executive that brings together all we learn and enables us to make judgments and predictions across a wide range of situations. Admittedly we may be decades away from a useful approach, but we have many reasons to be optimists that it can be done.

Carrying out these suggestions faces many obstacles. For practitioners familiar with executive jobs (and we have many), there may be few rewards for researching the topic or for publishing integrative thinking. For academics, many may know little about executives and some work in an environment that does not reward highly applied research. Despite the obstacles, so important an area for organization success will not go long without attention. There is indeed cause for optimism. I–O psychology has the character, competence, and competencies to contribute.

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