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RESPONSE

Executive Selection — Response to Commentaries

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Abstract

My goal was to generate both heat and light in executive selection. Each of the commentaries adds some light to the context of executive selection as well as new issues, but none were very heated concerning my ''rights and wrongs.'' I was surprised that no one addressed the central issues of character (although Smith & Howard strike a glancing blow) or the many paths to success in executive jobs; but either of those could be articles in themselves. We have begun a discussion–let the games begin!

I began this *Perspectives* endeavor with some trepidation. Even late in our careers, we (well, most of us) don't want to make a fool of ourselves in full view of our professional colleagues. As one of my more honest colleagues (a former SIOP president by the way) wrote: ''I'd like to think I'm secure enough to do the same thing some day . . . but who knows!?'' Admittedly, I would not have been a *Perspectives* author earlier in my career. I also think I wouldn't have had the perspective.

The whole *Perspectives* process, I am pleased to report has been a delight, from the skillful gentle prodding and thoughtful questions of Editor Sackett to the commentaries appearing here. Those commentaries were, if anything, too accepting and too polite and were thoughtful and interesting. For the most part they were ''yes, and'' rather than ''yes, but'' notes, comments that I could only respond to by saying ''good point.'' However, I write this not to share my relief, but to allay any concerns other prospective authors may have in trying *Perspectives* themselves. And I am sure that our new editor, Cindy McCauley, will make your experience as good as mine.

Given that you have already read the commentaries, this rejoinder will avoid a point-by-point discussion of each of those. Instead, I'd like to identify some themes and give you my perspective.

Each of the commentaries in its own way reminds us that executive selection takes place in a broader context. Day (2009) points out that it ''is not a standalone decision but part of a comprehensive succession management process.'' Baughman, Dorsey, and Schalm (2009) emphasize that when we view executive selection as a ''static, one-time decision'' and fail to consider the contextual fit, we limit our effectiveness. Kraut (2009) reminds us that executive selection takes place in a highly political context and that our tools, however effective, may disturb the balance of power (by the way, I think with more transparency in organizations and tools like 360 feedback, things are better than they used to be). Bank, Crandall, Goff, Ramesh, and Sokol

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(2009) make the point that our concern must be executive success not just executive selection, also stressing the importance of fit. Smith and Howard (2009) too emphasize the contextual variables, notably the organization's strategy. Ones and Dilchert (2009) marshall an impressive array of data indicating that the contexts may have more commonalities than we acknowledge, especially in the realms of general ability and personality. And, Smalley (2009) takes the broadest perspective of all, suggesting that the world has changed so that executive roles as we know them are rapidly becoming obsolete, with the result that a narrow focus on improving executive selection is unlikely to be very useful in the long run.

To each of these perspectives I say, ''I agree.'' However, I would argue that recognizing the contexts of executive selection does not mitigate the need to research and refine executive selection per se. There are many talent management activities in the human resources flow, from recruiting, hiring, training and developing, appraising and compensating, to promotion, coaching, and onboarding, where we as industrial–organizational I–O psychologists can contribute and may even have expertise. However, executive selection, however done in whatever context, comes down to a decision to put a person in a job, albeit a whole person in a complex job in a range of organizations. I can't think of a better place to begin to understand the process than to start with that decision. The fact that the high rate of executive failure may or may not make the case for failure of the selection (see Baughman et al., 2009) does not diminish the importance of one of I–O's core competences, selection. There is, as they say, still a lot of ''meat on the bone'' in understanding and contributing to the selection decision.

Ones and Dilchert (2009) have highlighted a significant failure of our efforts to make the process work—the lack of normative standards. Although they argue for greater variability than assumed by Bank et al. (2009; they both may be right—think in the aggregate vs. a particular selection), they argue forcefully that especially where there are only a few candidates, comparison data are essential. The situation with respect to lack of normative data may be worse than they imply. For years, many consultants used a set of executive norms known informally as the ''ITT Norms'' for the Watson–Glaser and other tests that had been collected by the ITT Corporation in its individual assessments of hundreds of executives. The ITT Norms may or may not be a thing of the past; I would guess that large I–O consulting firms have the volume to create their own norms and consider these to be a competitive advantage. The individual practitioner may well be left to his or her own devices and the publishers' manual for making those decisions, or even the ITT norms!

Equally as critical is a lack of normative data for competences and competencies. Decision makers cry out for answers to ''How good is she?'' And the comparisons they seek are not just with other candidates but with other executives in general. I–O assessors are regularly asked by their clients ''How do our executives stack up with those in other companies?'' Too often the only judgment we can give is from our own limited experience. Some consultants may have developed their own competency norms, but those aren't usually available to anyone other than their clients. And, because we have almost as many competencies as companies, universal competencies norms may be an unrealistic undertaking.

I was surprised that none of the commentaries addressed or even acknowledged what I consider an essential feature of executive success—that many different types of executives and many different actions and behaviors can all be successful, the notion of equifinality. Smith and Howard (2009) indirectly reject this principle in their endorsement of the ''behavior to behavior'' paradigm. I have great respect for their experience, but their argument needs more than ''in our experience'' to be convincing.

Another surprise was that no one other than Smith and Howard chose to challenge

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what I viewed as a central insight—that character (our definition was inclusive, with both moral and nonmoral relatively permanent character-*istics* that mark the executive) is the first order of business, with competences and competencies to follow. In their challenge, they are articulate in their presentation of what many would consider I–O's current ''given wisdom''—start with the strategy, devise or identify off-the-shelf competencies, find behaviors that define those competencies, and assess them. But, their ''competency first'' approach is exactly what Collins (2001) argued against in *Good to Great: First,* get the right people on the bus, and the ''right people'' are defined first by character (not competencies). Collins goes on to examine why this ''character first'' approach is so important, but rather than go over those reasons again, I will add another chapter to the Smith and Howard example and then provide one real-life example.

Smith and Howard described how they would choose Charlie, rather than Arnold or Bruce, for CEO of Savoreez, based on their assessment of Charlie's ''ability to execute,'' a competency identified as important in Savoreez's strategy. The implication of their story is that Savoreez lived happily ever after. I want to add another chapter to the Chronicle of Charlie, illustrating why selecting for character-*istics* first is so important. Here, I continue where Smith and Howard left off:

> *''The Board of Savoreez was extremely pleased with Charlie's performance as CEO. As promised, Charlie was pragmatic, process oriented, and outstanding at driving execution. After 6 months, the Board rated Charlie's performance 'far exceeds requirements' and in the commentary wrote: 'Charlie has fulfilled his promise in creating efficiencies and taking operational control and driving execution.'*
>
> *Unfortunately, in the 7th month of Charlie's tenure there was a dramatic change in the external environment. Charlie's strength, driving execution, became a weakness in the new environment. The bus needed to change directions, and Charlie was not able to step back and create a new strategy; he had driven execution to the point of exhaustion and continued to drive it; the Board had no choice but to fire Charlie and seek a new CEO.''*

Business people realize intuitively that Collins is right, ''character first.'' That is, I think, one of the main reasons the book has been so popular with business people.

As I write this in early 2009, a real-life example is making the news, illustrating the perils of selecting for competencies at the expense of character. John Thain, enormously successful at the Smith and Howard competency of ''driving execution,'' resigned last week for character issues. Sent to Merrill Lynch to clean up the mess left by fired CEO Stan O'Neal, Thain by all accounts did an outstanding job of driving execution. However, the disclosure that Thain had spent $1.2 million to redecorate O'Neal's office, a project that included an $87,000 rug and a $35,000 ''antique commode,'' along with his lobbying to get himself a bonus in the tens of millions of dollars when others were being laid off, was too much for Bank of America to take. Admittedly there may be more to this story than meets the press; also, those selecting Thain may have had little choice—he may have been the only viable and available candidate for a job that had to be filled; and, remember the old proverb, ''an example is not an argument.'' Unfortunately, the examples are too many to ignore, and we haven't even gotten to the Bernie Madoffs.

Expressed or implied in several of the commentaries is the recommendation that we must contribute to executive selection in the language of the executives. I am neither so sanguine as Bank et al. that ''technical excellence is assumed'' nor as cynical that ''the most market and customer-oriented provider will win,'' but I agree that we must bring ''business relevant insights.'' Indeed,

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our excellence must be expressed in the language our clients or customers understand. Most of us, schooled in the academy, must learn that language on our own. As Smith and Howard say, we need to be ''bilingual,'' or as Day observes, we have limited expertise in succession management. I would add that simply knowing the language is not enough; we need deep understandings of the businesses we work with.

As I close this rejoinder, I have been trying to map out a multidimensional executive selection diagram that includes characteristics, competences, and competencies; how these are demonstrated; and how they are assessed. But of course, defining observing and assessing is only part of the process, the hardest part may be making the decision after all the data are in; so, we need another dimension on making the decision, what works and what doesn't. Then, of course, we need to add the situational factors and contexts.

It didn't take me long to realize that I will never get that diagram done, either for lack of character, competence, or competency. However, that is the direction we need to go—an integrated model for executive selection that includes what we know, what we need to know, what works, and what doesn't work, a view both broad and narrow that points the way to the future. As the old saying goes, ''what we see depends on where we stand, and where we stand depends on where we sit.'' We need to get beyond that. We need perspective.

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