


Analyzing A Leadership Candidate's Strengths



It is well understood that self-awareness is one of the most important attributes of leadership – the need for honest self knowledge about one's motives, personality, capacities and values. Going in the opposite direction, it should be recognized that the higher you go in any organization the less candid feedback you will receive and the less likely other people are to tell you about those personal characteristics and behaviors that you exhibit (that you may not even recognize), that can seriously get in your way.

Feedback and introspection alone may not meaningfully enhance a leader's self-awareness; rather such awareness requires performance-based feedback derived from structured assessment. It is not unreasonable then to suggest that leadership candidates could benefit from psychometric testing, simply to better gage their strengths and vulnerabilities. There are psychometric tests that test for personality traits, competencies, values and intelligence. Armed with this information, leaders can devise plans to expand their capabilities (add new skills), expand their capacity (improve existing skills), or compensate for shortcomings.

Interestingly, it wasn't until the 1950s that psychometric tests began to be used in the workplace – which was when companies outside of the armed services began to use them. Today, in the corporate world, psychometric tests are widely used when companies engage in selecting leaders. Headhunters such as Heidrick & Struggles, Egon Zehnder and Korn/Ferry all provide talent-measurement as well as consultancies such as Deloitte and Bain. Companies like to use psychometric testing because it is relatively inexpensive and allows you to assess your shortlist of candidates with minimal effort.

Personality and behavioral style psychometric tests require minimal preparation

on the candidate's part. Rather, these tests tend to measure an individual's relatively stable behavioral tendencies and preferences within an occupational context. The behavioral basis of personality tests are primarily due to indirect and complex nature of personality.

Let's consider the situation where a psychometric profile of an excellent candidate indicates insufficient 'forceful' leadership. This partner has difficulty being appropriately assertive, setting clear expectations and holding professional staff accountable for their performance. The Nominating Committee fears that this highly talented partner may derail if he cannot find a balance between enabling and forceful leadership. In this instance a professional coach may be prescribed to help design a program of role-playing, behavioral rehearsal and guidance to help this partner become more appropriately assertive. The use of a psychometric profile has become a tool to help assess this candidate's strengths and better prepare them for taking on the leadership role.

That all said, those psychologists and consultants that dispense the tests would tell us that while psychometric testing plays a role in giving an organization valuable data, you should also use caution in recognizing that it does not replace intuition. The general feeling among psychologists is that good practice for selecting leadership candidates means you don't just use psychometric tests, but in addition you should involve candidates in a series of intensive interviews. They proffer that the best interviews consist of a case study or real-life work scenario such as a difficult task or problem that the leader will face in the job and that would test the leadership candidate's ability to be strategic in their thinking.

While the most common psychometric tests, when it comes to assessing potential leadership candidates, usually measuring aptitude, when you examine how any firm leader might fail, it is rarely the result of aptitude or insufficient intelligence. Generally, the failure occurs when some firm leader acts in an illogical, idiosyncratic or irrational way.

Indeed, an analysis of some of the largest failures in the profession will reveal that some firm leader made decisions regarding partner compensation guarantees, risky lateral recruitment, ill-fitting mergers, firm overspending, and so forth. Many of these leaders sabotaged themselves, albeit unconsciously. They had the intellect, skills and often years of firm leadership experience to navigate their firms through whatever challenges they encountered – yet for some reason they failed to do so. Something disrupted their plans, their trajectory and their leadership careers. Something that was integral to who they were and how they operated and something that existed below their conscious awareness.

For that reason the one psychometric test that I have long favored is the one developed by Robert Hogan, an industrial psychologist and professor who has done some groundbreaking research on how leaders' "dark sides" can cause negative consequences to their firms. Hogan's assessment provides a lens through which leaders are able to see and understand how certain strengths they possess can become weaknesses when they are under tremendous pressure or stress – the natural state of most firm leader's jobs. Partnering with Hogan Assessments I have put his model into practice in testing and counseling well over 150 firm and practice group leaders in an effort to help them

prevent any potential self-destruction.

So should your one consensus leadership candidate or all of them undergo psychometric testing?

It is interesting to observe that in the corporate world now, the traditional method of recruiting – building relationships with top universities in order to entice the best talent – is now seen as a quaint, rather old-school approach. For example, when software company, SAP, started looking recently for candidates to join their sales academy, they decided to rely on technology to filter the applicants.

Candidates needed to first take a corporate culture test to determine whether they would be a good fit. If they passed that test, they then needed to complete a "situational judgment" assessment – a test that measures the candidates' ability to handle situations they could be faced with in their working environment. Candidates who passed both could expect a call from a human recruiter to arrange a day-long assessment.

All candidates found out quickly, if not instantly, whether they got to keep going. The process was likely a better experience for many job seekers, who often wait for what can seem like an eternity for a recruiter or hiring manager to call back. According to SAP, this screening method allowed them to process 50,000 applicants globally, leading to 500 new hires.

Data analytics is playing an increasing role in expediting and, in some cases, choosing who gets the job. That's not only the case when hiring for entry-level roles; executive recruiters, Korn Ferry have introduced technology that allows them to better determine who will succeed in C-Suite

roles. The Company has introduced a new system, called KF4D, to help them place more informed bets on selecting talent at the CEO level.

Meanwhile, the vetting process in some law firms has also become more intense and my investigations have determined that more

also use some tests to assist with leadership development, rather than selection of leaders. The experience with these has been reasonably good with a number of people finding them helpful in working out what to leverage and what to work to improve their individual effectiveness. Of course all these tests and tools don't make decisions or guarantee perfect leaders - they can enable improvement.

And from Fredrick Lautz the Managing Partner at 450-lawyer Quarles & Brady, I was told:

During my term as managing partner, we have had two

instances of which I am aware where we used psychometric testing. Several years back we put a cohort of younger partners who we thought had leadership potential (roughly 30 attorneys) through a multi-day leadership training program with coaching follow-up. And then two years ago, in the course of considering more regular leadership training for our current and pipeline leaders, we engaged a psychologist to conduct psychometric testing on a pilot group of current firm leaders, including attorney leaders and staff leaders. In evaluating the attributes and qualities of our pipeline leaders and looking at the current stages of their careers (most of them have fairly long careers ahead of them and are not in a position to give up their current practices to run the firm), we decided we needed to reshape our leadership structure to design roles with responsibilities, expectations and levels of commitment which better fit those who we would expect to succeed to the leadership roles.

Finally, from William Henderson, Professor of Law at Indiana University I received an incredulous query –

WHY is a law firm wating until election to leadership to use psychometric assessment?

I have a lot of experience using these types of tools, both as an educator and doing projects for law firms. Their primary value is in lawyer / leadership development. Firms ought to be developing their leadership (and their lawyers generally) through psychometric tools that map onto an overall talent model. That said, when it comes time to make a selection decision, there is nothing better than past performance data based on clearly delineated standards. Apply those standards to past performance data and the promotion decision becomes both obvious and accurate. Cravath understood this in the 1920s. McKinsey then copied the model in the 1930s from first-tier law firms. The short-term focus on revenue generation has obscured this logic. Yet the logic pays enormous long-term dividends.

I firmly believe that if the role of your Nominating Committee and Board is to assist these candidates in building their self-awareness to be the best firm leader they can be, it is a very valuable exercise. Your next firm leader's self-awareness builds from honest self-appraisal about emotional strengths and vulnerabilities; values and attitudes, personality traits and unresolved conflicts. You best candidate is a total person, not just a set of skills performing a role.

This article was excerpted from my latest work: *The Changing Of The Guard: Selecting Your Next Firm Leader*, released by Ark Publishing in 2015.

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firms are beginning to believe that the use of certain analytics and psychometric testing is proving useful. For example, in the selection of one new Firm Chair for an Am-Law 100 firm, five finalists were shortlisted from an original 11. They were then all subjected to six hours of psychometric testing, including a battery of online questions and an interview with a consultant.

Mark Rigotti, Chief Executive Officer at Herbert Smith Freehills reported to me:

We have used testing as part of the selection of the most senior leaders, via an external provider. This included two psychometric tests and in depth interviews intended to identify capabilities, preferences and potential for the role ahead. As someone who went through these I found them very helpful in thinking about first, how I would go about my role and secondly, about the people needed on the Executive team to have a diverse balanced set of skills. We