

BIG DATA

& ADVANCED ANALYTICS: MAKING SEARCH MORE PRECISE

In the past, matching an executive with a role in an organization required a mixture of experience, intuition and chance. A big Rolodex and an even bigger network of friends and acquaintances were the keys to success. Search firms grew as a result of the way they were able to build and manage their networks. It took human capital to recruit human capital, and the most important metrics of success were those that dealt with the search firm—its revenue, where it came from, its rate of growth. It was much more difficult to measure the success of a newly placed executive.

The ways most search firms did their jobs and measured success focused far less on the candidates than on the firm. At Korn Ferry, this traditional approach, despite having ongoing critical value, was increasingly deemed insufficient. When new analytical methods began to appear, the firm began investing in state-of-the-art techniques for augmenting the search process by taking into account candidate psychology, as well as the diversity of roles across levels, functions, industries and regions, as well as the influence of organizational culture on job fit.

The result of this effort—now called Korn Ferry's Four Dimensional Executive Assessment—has been to enable the firm to target the dimensions most critical to measuring fit and predicting success. KF4D is a precision tool that translates job and cultural analysis into best-in-class benchmarks focusing on four critical dimensions: Competencies, Experiences, Traits and Drivers.

Though there are some predictors of success with stable utility across executive job variables, we also recognize the nuances that make the difference between success and derailment in a particular role and in a unique organizational culture. KF4D draws from more than 2.5 million assessments, collected worldwide, to integrate the details of a role with universal predictors of top performance across levels, functions, industries and regions. This scalable model provides a consistent yardstick for measuring talent across the enterprise, while staying attuned to the unique aspects of any given role and culture.

The fact is, executive leadership roles are often similar. They typically involve making high-stakes

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decisions, having a large scope of responsibility and having high-profile accountability for company or business-unit outcomes. Yet high-level managerial roles also vary within and across organizations. Consider, for example, that some leaders are tasked with making broad organizational changes to improve efficiency or productivity, or to help guide organizations in ways that will facilitate growth and sustainability in the face of market or economic volatility. Moreover, some executive roles require higher levels of expertise than others, while some rely more heavily on social behavior for success. Some roles are characterized by clearly defined reporting relationships, while others are characterized by loosely defined or lateral relationships among co-workers, co-leaders and stakeholders. Some roles are more strategic. Some are more tactical. Some involve tackling quick-changing and multiple objectives,

while others focus on maintaining stability and making improvements toward accomplishing well-defined, stable or more-limited objectives. In short, despite all the similarities that may exist, executive leadership roles are often markedly diverse.

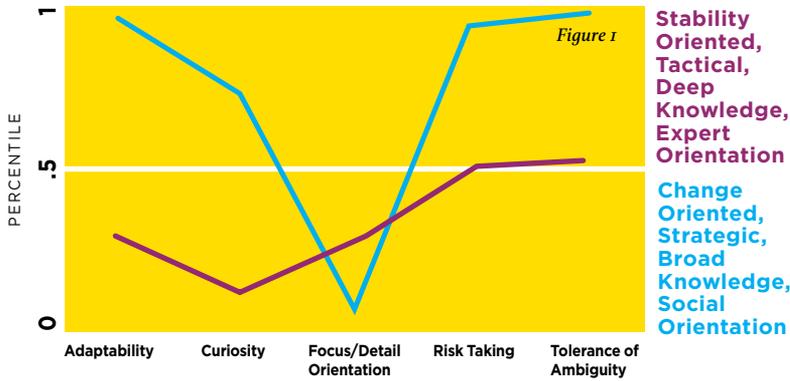
Organizational cultures in which executives are employed can also vary considerably. Some cultures emphasize internal outcomes, including the development, retention and well-being of organizational members. Others are more concerned with market-facing objectives and outcomes than internal ones. Some cultures are shaped by a need to closely adhere to internally or externally driven standards and policy, while others may operate with limited regulation. Some organizations are bureaucracies more than meritocracies, and some are the other way around.

The KF4D was designed to respond to increasing assertions by psychologists and leadership profes-

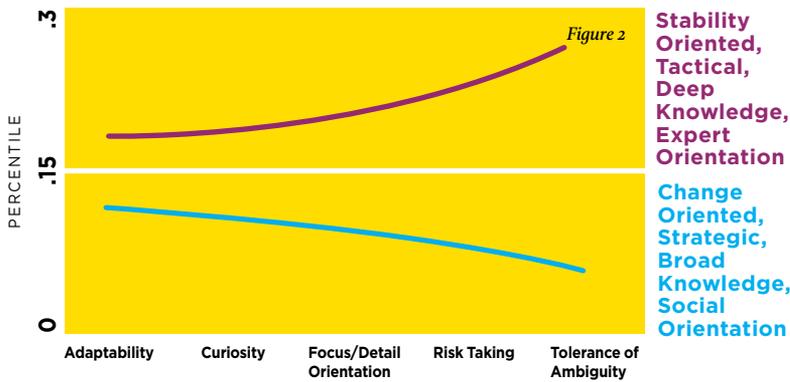
sionals that understanding executive traits and motives adds considerable value to the process of answering these questions. However, given the variable nature of leadership roles and contexts, the answer concerning “fit” can vary in considerable ways.

Our own analysis of data on 2,000-plus upper-management personnel underscores the notion that one size does *not* fit all. As shown in *Figure 1*, among C-level executives whose roles involve making significant organizational changes, providing strategic vision and relying heavily on social skills for success, the best performers typically have a high degree of risk propensity and ambiguity tolerance. They also tend to be highly adaptable and curious, and they eschew detail orientation. Yet in another category—C-level executives whose roles involve maintaining organizational stability, being tactical and relying on expertise and deep knowledge—those who

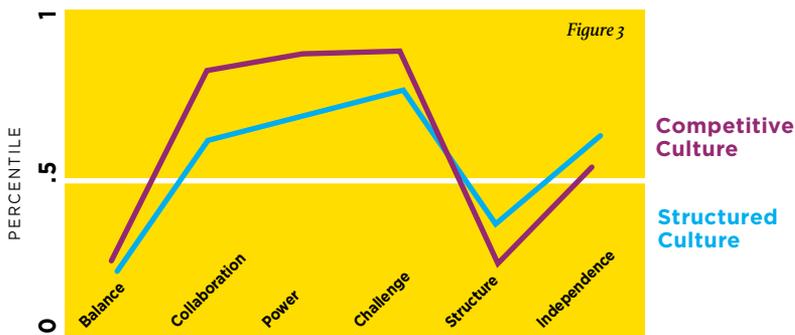
Typical scores for high-success and high-engagement C-level executives across job characteristics.



Relationship between focus/detail orientation and engagement/career success across C-level job characteristics.



Typical drivers/motives scores for high-success and high-engagement C-level executives across job characteristics.



are most successful and engaged have notably different profiles. They are more detail-oriented. They embrace risk and ambiguity at levels closer to the average for high-level managers. They are also far less adaptable and have less propensity for novelty-seeking and curiosity.

Moreover, the *relationship* between success and trait variables can also vary across job roles and contexts. While detail orientation among the most successful

and engaged C-level executives is generally lower than average for both job types, the relationship between detail orientation and success is different for each type. More specifically, for the role that emphasizes change management, strategy making and a reliance on social skills, detail-orientation trends downward as success rises. For the other role type, however, the opposite is true.

Psychologists delving into the

“person-environment” fit literature often identify individual values, motives and drivers as key components of optimal matching of company cultures and potential managers. We find in our own data that, indeed, company cultures vary considerably, and they impact the extent to which individuals are optimally matched to their jobs. In *Figure 3*, for example, we find that highly successful and engaged executives working in cultures characterized by the need for accountability, efficiency and adherence to regulations have notably different motive/driver profiles than those high-success executives working in cultures more primarily characterized by a focus on profitability, earnings, revenue, growth and market share. The latter executives are markedly more driven by a preference for collaboration and interdependence, by being challenged by their roles and by a greater interest in acquiring “power,” status, influence and high compensation. High-success C-level executives in the structured culture place similar relative emphasis on these drivers but score generally lower. They also clearly prefer roles that are characterized by greater structure, meaning jobs having more work-related stability and roles that more often require depth and specialized knowledge and skills relevant to known problems and best practices.

Overall it seems important to understand the nuances of company culture and nature of executive jobs in order to zero in on the right fit. Though executives share many characteristics, there is more diversity than perhaps meets the eye, and the process of matching the right person to the right role will remain a complex undertaking. However, understanding these differences, both across seasoned leaders and across organizations, can go a long way toward ensuring leadership success. ▀