Success Rate for Leader Appointments 2021

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Evaluation of the predictive validity of the Mercuri Urval Assessment Method

Description of the Sample and Method

The follow-up study is made on individuals employed to leader positions (Executives and Managers) in 16 countries during 2021 after being assessed by Mercuri Urval (MU) Experts using the Mercuri Urval Assessment Methodology (Carlstedt, Hagafors, and Jonsson, 2020). The full sample consists of 659 individuals at Executive and Manager positions.

The follow-up is made through questionnaires being sent to hiring managers 6 months after employment start. This method is chosen since supervisor ratings are most used in research for evaluation of performance and success at work and data suggest that it is the most reliable kind of performance ratings (e.g., Alessandri, Borgogni, & Truxillo, 2015; Stokes, Schneider & Lyons, 2010; Viswesvaran, Ones, & Schmidt, 1996). Research into recruitment failure commonly cites a period less than 18 months after employee start date (e.g., Kiefer, Martin, & Hunt, 2022; Schmidt & Hunter, 1992).

Questionnaires have been sent to 659 individuals for Executive and Manager positions and responses have been received for 280 (42.5% response rate). 135 of the respondents were men and 77 were women. Data on gender was not received in 68 of the cases. An analysis of the response rate indicates no systematic pattern, and it is concluded that these are random and have no significant impact on the result of this study.

Validation

In the follow-up questionnaire, the hiring manager was asked to evaluate each leader´s overall performance so far (if still appointed). This evaluation is made as a rating on a three-step scale:

1. The individual does not meet expectations.
2. The individual meets expectations.
3. The individual exceeds expectations.

In addition to these response alternatives the hiring manger is asked to indicate if the appointed person still is employed.

The success-rate is analysed and presented in percentages (see table 1).

Results of Evaluation

In the table 1 and 2 the outcome of the follow-up of the results of appointments to Executive and Manager positions during 2021 based on Executive Search, Professional Recruitment and Selection assignments made by MU Experts.

Table 1. Rated success for Executives and Managers, percentages.

Has left before follow-up [a]	Does not meet expectations	Meets expectations	Exceeds expectations	Successful Appointments
3.9%	2.5%	68.2%	25.4%	**93.6%**

a) *included in the category "Not successful appointments"*

The ratings show that the appointments in general were evaluated as successful by the hiring managers. 93.6% of the evaluated individuals were rated as fulfilling or exceeding the demands on the position.

In table 2 the follow-up result is presented by gender.

Table 2. Follow-up results presented by gender.

	Has left before follow-up [a]	Do not meet expectations	Meet expectations	Exceeds expectations	Successful Appointments
Men	5.2%	3.0%	68.1%	23.7%	**91.9%**
Women	3.9%	2.6%	61.0%	32.5%	**93.5%**
No information on gender	1.5%	1.5%	76.5%	20.6%	**97.1%**

a) *included in the category "Not successful appointments"*

The difference between gender categories is not statistically significant.

Response rate
The response rate for digitally distributed questionnaires has in recent research been reported to be at the level presented in this report (see e.g., Ebert, Huibers, Christensen, & Christensen, 2018).

To cope with this methodological challenge, it is important both to make recurring follow-up studies and to investigate ways to increase the response rate.
During 2021 actions to increase response rate were taken. These actions led to an increased response rate for this study, 42.5%, compared to previously reported 38% (Jonsson, 2022).

Conclusions

The analysis of the evaluations of the performance of employed candidates at Executives or Manager positions show that 93.6% were fulfilling or exceeding expectations on achievement. This replicates previously reported results (Carlstedt, Hagafors, & Jonsson, 2020; Jonsson, 2022).

A strict evaluation of the effectiveness of the Mercuri Urval Assessment Methodology should take the expected base-rate-into consideration (i.e., the percentage of candidates that would succeed in the positions if all were appointed). We have not specifically included such estimations in this report but referring to the results from other studies on the success of executive appointments that indicate a success rate in the interval of 50-60% in appointments for this kind of positions (see e.g., Kiefer, Martin, & Hunt, 2022), we feel confident in concluding that MU Experts using the Mercuri Urval Assessment Methodology provide accurate recommendations and brings significant value for organisations.

References

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