

**STYBEL
PEABODY &
ASSOCIATES, INC.**



**WHY DO YOU HIRE SO MANY INCOMPETENT LEADERS
AND WHAT CAN YOU DO ABOUT IT?**

Maryanne Peabody & Larry Stybel
Stybel Peabody & Associates, Inc.

Admit it: You have hired more than one candidate whose greatest skill was the ability to convey confidence during job interviews.

That experience provided a painful lesson: there can be a gap between verbal “confidence” and behavioral “competence” in the job.

Did you learn your lesson?

Probably not.

The Predictive Validity of Employment Interviews:

When you conduct employment interviews you are making predictions:

Based on the performance I see in this interview today, here is my prediction about the candidate’s ability to be competent on the job in six months.

The technical term predictive validity.

In this report we will talk about ways you can improve the predictive validity of job interviews you conduct.

Look at the Data:

In his review of eight decades of research on the predictive validity of job interviews, Neil Anderson of the University of Nottingham (1992) concludes:

“Studies testified ad nauseam to the unacceptably low predictive validity of the interview.” Using supervisory ratings as the criterion measure, he reported a correlation of .19 based on 987 subjects analyzed.

To put this number in perspective, a correlation of 1.0 means a perfectly straight line between performance in the interview and later performance on the job. A correlation of 0.0 means a perfect random relationship between these variables. A correlation of .19 is far closer to zero than to 1.0.

To put it in non-technical terms: traditional job interviews are indeed better than not meeting the candidate but simply flipping a coin. But traditional interviews are not significantly better.

According to psychologist Tomas Chamorro-Premuzic of University College, London and Columbia University in the City of New York fewer than 20% of surveyed Board members are confident that their organizations have a grip on leadership issues.

Dr. Chamorro-Premuzic (2010) asks, “Why do we keep hiring/promoting awful leaders and what can we do to stop it?”

Why Did Argentina Decline?

Dr. Chamorro-Premuzic was born in Argentina. A century ago, Argentina was the land of opportunity. It had a GDP per capita higher than that of France and Germany. It was blessed with natural resources comparable to that of the United States.

Why has Argentina gone into a state of economic decline?

Dr. Chamorro-Premuzic points to poor leadership selection as a contributing factor:

“Smart and educated people (making) self-destructive leadership choices without learning the lessons from previous failures. How can rational people who have their own best interests at heart fall for charismatic con artists who promise them the impossible while pursuing harmful agendas and corrupt selfish interests?”

The author says, “when you get leadership selection right, you see enormous benefits to the organization and to its people:

“When you get it wrong, you get...Argentina.”

Confidence Versus Competence.

One critical issue in improving the predictive validity of job interviews is avoiding the assumption that there is a positive correlation between “confidence” and “competence.” A second critical issue is appreciating that men and women have different ways of expressing self-confidence.

Tennis champion Roger Federer was once asked by a BBC reporter for the secret of his success. Federer’s response:

“self-confidence.”

A fifteen-year-old boy might accept Federer’s response at face value.

What about you?

Most adults recognize that Federer’s response is a generous oversimplification. Having self-confidence is an asset.....if it is accompanied by genetic advantages, combined with unceasing practice.

Competence is how good you are at something. Confidence is how good you think you are at something.

The two are not the same.

They may not even be correlated.

Dr. Chamorro-Premuzic reports on a study involving 514 subjects' perceptions of their IQ versus their actual IQ scores. There was less than a 10% overlap between how smart people think they are and how smart they are on objective tests.

Students performing at the bottom 25th percentile of their class on a test of grammar rated themselves as above the 60th percentile.

The Problem with Unstructured Job Interviews.

Traditional unstructured job interviews allow candidate expressions of self-confidence to substitute for evidence of job competence. When we assume that there is a strong positive correlation, we make a mistake.

You want to measure competence on the job.

Both men and women are equally self-confident. But in verbal expressions of self-confidence, women tend to evaluate themselves more harshly than males. And since many people assume that there is a correlation between confidence and competence, women put themselves at a disadvantage.

For example:

One of the authors interviewed a former Vice Chair of an \$18 Billion global company. This person is also on the Board of a major public high-tech company. By any traditional

measure of business achievement, this woman has had a successful career.

In response to the question, “What do you do when you make mistakes?” this female business leader explained that she has made many mistakes in her career and continues to make mistakes. “I constantly beat myself up.”

Other than Warren Buffett, how many successful males would talk about themselves in this way in a public forum?

Harsh self-description is often interpreted by men as lack of self-confidence.

Dr. Chamorro-Premuzic argues that it is merely a different way of expressing confidence:

“I am confident enough about my competence to discuss my mistakes.”

Beware the Overconfident Leader.

We want our leaders to be con<iframe src="//www.googletagmanager.com/ns.html?id=GTM-NW5PKS" height="0" width="0" style="display:none;visibility:hidden"></iframe>

Beware the Overconfident Leader.

We want our leaders to be confident, but overconfidence carries a risk: inability to tolerate disconfirming feedback. There are many historical examples: Napoleon’s march on Moscow, John F. Kennedy’s Bay of Pigs Invasion, Lyndon Johnson’s expansion of the Vietnam War, etc.

In his classic book on leadership, Jim Collins noted that the best leaders are unusually self-critical and humble (2001). And humble leadership is rare.

Stybel Peabody Recommendations

Below are some suggestions we use when we conduct retained searches for corporate clients.

Use Structured Interviews Instead of Unstructured Interviews.

The typical job interview tends to start with "tell me about yourself" and pings from there. The highly confidence male job candidate is in his element with such unstructured interviews. He can weave in powerful success stories.

We use structured job interview where all candidates get the same questions in the same order. And the focus is on job competence.

In an earlier post, we suggested one type of structured employment interview called The Argyris Technique. (Stybel Peabody, 2013). This technique helps separate what the candidate values versus what the candidate would do when confronted with a business dilemma.

Use Appropriately Designed Personality Tests to Augment Job Interviews.

Scores on such tests should never be THE deciding factor. It can be one useful piece of evidence in screening out candidates whose confidence exceed capabilities.

Certain tests can also flag sociopaths and people suffering from a narcissistic personality disorder. They know how to perform well in job interviews but can destroy your corporate culture.

In selecting personality tests, use the services of licensed psychologists. They can select instruments that fit your needs.

A licensed psychologist can also provide you with data that the selected instruments have statistical validity and reliability. Validity is a technical term meaning that the variable the test claims to examine is indeed the variable. Reliability means that test results do not fluctuate greatly unless there is an adequate explanation for the difference.

One of the most popular personality tests used in business lacks strong empirical evidence of reliability or validity. No licensed psychologist would

recommend it, which is why it is sold directly to Directors of Training in Human Resources.

When in doubt, get an online report about a test's validity and reliability from Buros Mental Measurements Yearbook.

If the suggested instrument is not listed, find out why the publishers have not submitted impartial research evidence to Buros.

<https://buros.org/mental-measurements-yearbook>

Web Scraping.

Candidates' digital footprints reveal clues. For example:

Beware of the highly confident leader whose LinkedIn profile shows no genuine references given or received.

We define "genuine" as specific endorsements focusing on specific events such as "Our best client threatened to withdraw all of our business. Jane interrupted her family vacation, got on the plane, worked to solve the problem, and kept the business for the firm."

A less than genuine endorsement would be vague such as, "Jane is hard working and loyal."

Can you get access to the person's Twitter or Facebook postings? Are the messages all about how great he is or how angry he is at other people for harming him? How many postings express appreciation for the work of others?

Avoid Group Interviews.

Beware of group job interviews, so common in nonprofit organizations. The positive value of including people in the decision-making process must be counterbalanced by the fact the overconfident candidate is apt to shine in the group spotlight.

A more competent female candidate might be as less impressive in group settings.

Conclusions

You probably have hired people whose greatest job-related skill was that they knew how to strike confident poses during job interviews.

There are ways to improve the predictive validity of job interviews.

References

Anderson, J.R. "Eight Decades of Employment Interview Research: a retrospective meta-review and prospective commentary." (1992). EUROPEAN WORK AND ORGANIZATIONAL PSYCHOLOGIST 2(1) 1-32.

Chamorro-Premuzic, T. WHY DO SO MANY INCOMPETENT MEN BECOME LEADERS? (and how to fix it). (2019). Boston: Harvard Business Review Press.

Collins, J. FROM GOOD TO GREAT. (2001). New York: HarperCollins.

Stybel, L. & Peabody, M. "Use the Argyris Technique to Make Better Hiring Decisions." 2013. PSYCHOLOGYTODAY.COM
<https://www.psychologytoday.com/us/blog/platform-success/201311/use-the-argyris-technique-make-better-hiring-decisions>

##

For more information contact peabody@stybelpeabody.com or visit us at stybelpeabody.com and boardoptions.com