THE APPRAISAL OF EXECUTIVE PERFORMANCE*

I. GENERAL DISCUSSION AND THE DEVELOPMENT OF APPRAISAL TESTS


Most comprehensive study of the methods used to determine executive ability. The authors emphasize the systematic rating and measurement of the executive by means of objective and psychological tests.


The author suggests clinical-type interviews with a psychologist or psychiatrist as well as psychological tests in order to determine whether a particular man is suited for a high-level executive position. Emphasis is placed on matching the demands of a particular job with the tested qualifications of the executive.


Argues that an appraisal program is valuable as a basis for promotions, discovering and correcting individual weaknesses, and developing incentive. Criteria to be used in appraisal, personnel to be appraised, personnel performing appraisal, and problems of appraisal are discussed. A table of potential replacements is recommended. Psychological tests (of intelligence, proficiency, aptitude, interest, and personality) are recommended, but with caution against mechanical or exclusive dependence on them.

Mahler, Walter R. and Guyot Frazier. "Appraisal of executive performance, the 'Achilles Heel' of management development." *Per-

*Items from this list should be ordered directly from the publisher. Addresses are given in connection with each reference.

Formulates a three-stage approach for an effective appraisal process. First, appraise against a responsibility check-list derived from the job description. Second, appraise against a statement of responsibility and evidence to document the accomplishments of the executive. This statement is not a standard of performance, but merely indicates what evidence will be considered. Third, add limits and ranges to the statement of evidence to determine an acceptable standard, and appraise against this standard of performance. Examples are given of each stage and the advantages and disadvantages of this method are discussed.


Reports a new study based on the analysis of 3000 executives. Promotable executives must satisfy specified standards of eight “universal” characteristics (position performance, drive, intellectual ability, leadership, administrative ability, initiative, motivation, and creativeness), as well as the standards of certain distinguishing characteristics correlated with their particular functional area and level in the organization. An additional value of this research project is that it points out qualities which fail to distinguish the promotable from the inadequate executive.


Among the questions discussed are: “1. How completely do you examine your organization in selecting men for advancement? What methods do you use and how effective do you consider them to be? 2. Who is responsible for the evaluation? To what extent are objective measures, such as tests, rating schemes, and other devices used? What is your evaluation of these methods?” The problem of what characterizes good executive performance is also explored.


Mr. Schleh explains a system of weighting the percent effect of important components of any particular job in relation to over-all performance. The “realism” of this method consists in emphasizing performance of those factors which mean the most to the position in question.
United States Naval Institute. *Personnel administration at the executive level*. Annapolis, Md. 1948. 45 pp. $2.75.

This Navy study of industry practices clearly illustrates the objectives, methods, and processes of executive evaluation. A basic conclusion is that executive inventory control based upon evaluation is vital to the survival of our industry and to the executive strength of the federal government.

II. COMPANY EXPERIENCE WITH VARIOUS APPRAISAL PLANS.


American Telephone and Telegraph, Sharp and Dohme, Standard Oil of New Jersey, and United Parcel Service are some of the companies adopting the Army-developed, "forced-choice technique" for personnel appraisal. Emphasis is placed on the further development of the executive in his present assignment and on estimating his potentialities for other posts in the organization.


Realizing that the major purpose of an appraisal is development and not grading, Frederick & Nelson instituted a performance review designed to outline those areas in which the executive needs improvement. Instead of using an established standard, the executives are rated "discuss" or "completely satisfactory." "Discuss" indicates a chance to review their progress with their superiors. Twenty-six areas may be rated, including planning and organization, cooperation with divisions, ability to get along with people, and level of performance as a manager in comparison with previous years.


One of the key features of General Electric Aircraft Gas Turbine Division's personnel development program is a periodic appraisal of the performance of the engineering and management personnel. Supervisors are requested to consider the relative strengths and weaknesses of each subordinate and to measure the effectiveness of his performance in relation to his assigned responsibilities. The relevant evaluation forms are given as well as examples of "responsibility summaries." An attitude survey revealed that ninety-one per cent of the management personnel approved the plan and the accompanying discussions.

Thoroughgoing study of the entire management group of the Orange Crush Company of Chicago designed to identify and introduce changes which would increase the operating effectiveness of the group. Not only were the personality, work habits, and job effectiveness (including an estimate of potentialities for higher-level responsibilities) of the executives tested, but also their relationship to each other and to the group, and the effects of these factors on the organization as a whole. Assessment was based largely upon the results obtained from the Worthington Personal History Forms and the Thematic Apperception Test.


As part of the executive development program, Johnson and Johnson undertook the study of executive evaluation. Outlined here are practical suggestions on “how to counsel” following the evaluation. Particular attention is directed to the structuring of the interview.

Rowland, Virgil K. “Executive ratings.” *Personnel Service* (National Retail Dry Goods Association, Personnel Group, 100 West 31st Street, New York 1.), November-December, 1951, pp. 4-15. $2.50 per year.

The creation of an inventory of the management personnel in the Accounting Departments at the Detroit Edison Company begins with an appraisal of each member of the management team by at least four persons acquainted with the individual under consideration. These four people discuss, in a conversational manner, the results, methods, and personal qualifications of the ratee. Their unanimous judgment is then edited and used as the basis for further judgment by a review board composed of the highest management persons in the organizational unit. Finally, an appraisal interview is scheduled with the employee, to be followed by a development program if necessary.


In order to fill key vacancies with maximum efficiency, Standard Oil has outlined its program of taking a “management inventory.” Included here are actual samples of a flow chart of the program, a personal experience form, a coding system, a completed appraisal and development guide, and finally a forward planning and replacement schedule. This is particularly helpful for companies instituting an appraisal program.