

Governance

Failure For Hire?

Matthew Kirdahy, 05.30.08, 1:20 PM ET

There's a good chance that new guy--who might just be your boss--isn't going to last.

According to a new study, almost one in three senior-level executives who come aboard to new companies fail to perform well enough to keep their jobs even after two years. The same applies to one in five of these corporate leaders who are promoted from within the company.

Scott Saslow, executive director at the Institute of Executive Development, said these leaders can be helped.

"There are solutions that work," he said. "However, the main hurdle is the lack of a thoughtful approach and consistency on the part of the organization."

Leadership development specialists the Institute of Executive Development and Alexcel Group conducted the study, which includes more than 150 executives and talent professionals across a variety of companies and industries. These participants--Deloitte & Touche, Hewlett-Packard, Johnson & Johnson, Wachovia and Wells Fargo, among them--took an online survey consisting of 18 multiple choice questions.

The study, titled "Executive Transitions," showed it could take these external hires for leadership roles between six and nine months to "ramp up" or perform the job as expected. Meanwhile, 26% of respondents say it takes longer than nine months. This executive transitioning process is called "onboarding."

Forty-seven percent of respondents said it takes three to six months for the onboarding process, while 25% said it takes longer than six months.

There are two common practices in the onboarding process, which affect both external and internal hires. The new kid on the block will most likely participate in an orientation program, while the executive who has put in his time on the way up will get a mentor.

The study showed that orientation programs are among the most popular activities for external hires. That doesn't mean they're working. Of those executives surveyed, 45% said their companies use orientation programs, but only 19% said the programs were effective.

For informal transfers, mentoring and informal buddy networks are common (48% report using these), but only 29% of respondents rated them as effective. Coaching, on the other hand, occurs in 32% of the cases, but is highly effective, according to 42% of respondents.

There's a way to make it better. The study recommends a host of practices. Revisiting the hiring process is one of them. When screening job candidates, companies should include personal style and social interaction, along with the expected technical and business skills.

Corporate coach and author_Mike Robbins_said this is where companies should hire "based more on EQ, not IQ."

"Make sure they are the right fit emotionally and mentally for the job," said Robbins, who's worked with people in the public and private sectors and members of academia to help them in the onboarding process. Through coaching, Robbins observed that fear is always on the minds of these new hires or newly promoted employees.

According to the data collected in this study, that unease comes with workplace changes and an employer's unrealistic expectations on the job. It's the employer's responsibility to paint a clear picture of what the job entails, as it may get clouded in the interview process.

It could be just as easy as an employer taking notice, as Alexcel Group Managing Director Patricia Wheeler said. "Our results suggest that a relatively small amount of time, if invested correctly, will help senior executives assimilate in their new roles and may prevent the loss of hundreds of thousands of dollars."