

DISCUSSION QUESTIONS

1. Explain how internal selection decisions differ from external selection decisions.
2. What are the differences among peer ratings, peer nominations, and peer rankings?
3. Explain the theory behind assessment centers.
4. Describe the three different types of interview simulations.
5. Evaluate the effectiveness of seniority, assessment centers, and job knowledge as substantive internal selection procedures.
6. What steps should be taken by an organization that is committed to shattering the glass ceiling?

ETHICAL ISSUES

1. Given that seniority is not a particularly valid predictor of job performance, do you think it's unethical for a company to use it as a basis for promotion? Why or why not?
2. Vincent and Peter are sales associates and are up for promotion to sales manager. In the past five years, on a 1 = poor to 5 = excellent scale, Vincent's average performance rating was 4.7 and Peter's was 4.2. In an assessment center that was meant to simulate the job of sales manager, on a 1 = very poor to 10 = outstanding scale, Vincent's average score was 8.2 and Peter's was 9.2. Other things being equal, who should be promoted? Why?

APPLICATIONS

Changing a Promotion System

Bioglass, Inc. specializes in sales of a wide array of glass products. One area of the company, the commercial sales division (CSD), specializes in selling high-tech mirrors and microscope and photographic lenses. Sales associates in CSD are responsible for selling the glass products to corporate clients. CSD has four levels of sales associates, ranging in pay from \$28,000 to \$76,000 per year. There are also four levels of managerial positions; those positions range in pay from \$76,000 to \$110,000 per year (that's what the division president makes).

Tom Caldwell has been a very effective sales associate. He has consistently demonstrated good sales techniques in his 17 years with Bioglass and has a large and loyal client base. Over the years, Tom has risen from the lowest level of sales associate to the highest. He has proved himself successful at each stage. An entry-level management position in CSD opened up last year, and Tom was a natural candidate. Although several other candidates were considered, Tom was the clear choice for the position.

However, once in the position, Tom had a great deal of difficulty being a manager. He was not accustomed to delegating and rarely provided feedback or guidance to the people he supervised. Although he set goals for himself, he never set performance goals for his workers. Morale in Tom's group was low, and group performance suffered. The company felt that demoting Tom back to sales would be disastrous for him and present the wrong image to other employees; firing such a loyal employee was considered unacceptable. Therefore, Bioglass decided to keep Tom where he was but not consider him for future promotions. It was also considering enrolling Tom in some expensive managerial development programs to enhance his management skills.

Meanwhile, Tom's replacement, although successful at the lower three levels of sales associate positions, was having a great deal of difficulty with the large corporate contracts that the highest-level sales associates must service. Two of Tom's biggest clients had recently left Bioglass for a competitor. CSD was confused about how such a disastrous situation had developed when they seemed to make all the right decisions.

Based on this application and your reading of this chapter, answer the following questions:

1. What is the likely cause of CSD's problems?
2. How might CSD, and Bioglass more generally, make better promotion decisions in the future? Be specific.
3. In general, what role should performance appraisals play in internal selection decisions? Are there some cases in which they are more relevant than others? Explain.

Promotion From Within at Citrus Glen

Mandarine "Mandy" Pamplémousse is vice president of HR for Citrus Glen, a juice producer based in south Florida that supplies orange and grapefruit juice to grocery stores, convenience stores, restaurants, and food processors throughout the United States. Citrus Glen has been growing rapidly over the last few years, leading Mandy to worry about how to hire and promote enough qualified individuals to staff the ever-expanding array of positions within the company.

One of the ways Mandy has been able to staff positions internally is by contracting with Staffing Systems International (SSI), a management consulting firm based in Charlotte, North Carolina. When positions open up at Citrus Glen that are appropriate to staff internally, Mandy sends a group of candidates for the position up to SSI to participate in its assessment center. The candidates return from SSI three days later, and a few days after that, SSI sends Mandy the results of the assessment with a recommendation. Though Mandy has never formally evaluated the accuracy of the promotions, she feels that the process is pretty accurate. Of course, for \$5,500 per candidate, Mandy thought, it *should* be accurate.

A few days ago, Mandy was hosting Thanksgiving, and her brother-in-law, Vin Pomme, joined them. Vin is a doctoral student in industrial psychology at Ohio International University. After Thanksgiving dinner, while Mandy, Vin, and their family were relaxing on her lanai and enjoying the warm Florida sunshine, Mandy was talking to Vin about her difficulties in promoting from within and the cost of SSI's assessment process. Vin quickly realized that SSI was using an assessment center. He was also aware of research suggesting that once one takes an applicant's personality and cognitive ability into account, assessment center scores may contribute little additional validity. Given the high cost of assessment centers, he reasoned, one must wonder whether this "incremental" validity (the validity that assessment centers contribute beyond the validity provided by personality and cognitive ability tests) would prove cost effective. After Vin conveyed these impressions to Mandy, she felt that after the holidays she would reexamine Citrus Glen's internal selection processes.

Questions

1. Drawing from concepts presented in Chapter 7 ("Measurement"), how could Mandy more formally evaluate SSI's assessment process, as well as the alternative presented to her by Vin?
2. Construct a scenario in which you think Mandy should continue her business relationship with SSI. On the other hand, if Mandy decides on an alternative assessment process, what would that process be? How would she evaluate whether that process was effective?
3. Citrus Glen has considered expanding its operations into the Caribbean and Latin America. One of Mandy's concerns is how to staff such positions. If Citrus Glen does expand its operations to different cultures, how should Mandy go about staffing such positions? Be specific.

ENDNOTES

1. A. Howard and D. W. Bray, "Predictions of Managerial Success Over Long Periods of Time: Lessons From the Management Progress Study," in K. E. Clark and M. B. Clark (eds.), *Measures of Leadership* (West Orange, NJ: Leadership Library of America, 1990), pp. 113–130; C. J. Russell, "Selecting Top Corporate Leaders: An Example of Biographical Information," *Journal of Management*, 1990, 16, pp. 73–86; J. S. Schippman and E. P. Prien, "An Assessment of the Contributions of General Mental Ability and Personality Characteristics to Management Success," *Journal of Business and Psychology*, 1989, 3, pp. 423–437.
2. W. Gentry, D. C. Gilmore, M. L. Shuffler, and J. B. Leslie, "Political Skill as an Indicator of Promotability Among Multiple Rater Sources," *Journal of Organizational Behavior*, 2012, 33, pp. 89–104.
3. "Nearly Half of Newly-Promoted Executives Say Their Responsibilities Are Same," *IPMA-HR Bulletin*, Dec. 22, 2006, p. 1.