

CASE 2.3

Recruiting for the Bank

Pat Nelson is the assistant director of human resources in charge of recruitment for Central Bank, a large, full-service banking institution. One of Pat's major responsibilities each spring is to visit as many college campuses as he can to interview graduating seniors for credit analyst positions in the commercial lending area at Central Bank. Although the number varies, he usually ends up hiring about 20 new people, most of whom come from the same schools, year after year.

Pat has been doing recruitment for the bank for more than 10 years, and he enjoys it very much. However, for the upcoming spring he is feeling increased pressure from management to be particularly discriminating about whom he recommends hiring. Management is concerned about the retention rate at the bank because in recent years as many as 25% of the new hires have left. Departures after the first year have meant lost training dollars and strain on the staff who remain. Although management understands that some new hires always leave, the executives are not comfortable with the present rate, and they have begun to question the recruitment and hiring procedures.

The bank wants to hire people who can be groomed for higher-level leadership positions. Although certain competencies are required of entry-level credit analysts, the bank is equally interested in skills that will allow individuals to advance to upper management positions as their careers progress.

In the recruitment process, Pat always looks for several characteristics. First, applicants need to have strong interpersonal skills, they need to be confident, and they need to show poise and initiative. Next, because banking involves fiduciary responsibilities, applicants need to have proper ethics, including a strong sense of the importance of confidentiality. In addition, to do the work in the bank, they need to have strong analytical and technical skills, and experience in working with computers. Last, applicants need to exhibit a good work ethic, and they need to show commitment and a willingness to do their job even in difficult circumstances.

Pat is fairly certain that he has been selecting the right people to be leaders at Central Bank, yet upper management is telling him to reassess his hiring criteria. Although he feels that he has been doing the right thing, he is starting to question himself and his recruitment practices.

Questions

1. Based on ideas described in the trait approach, do you think Pat is looking for the right characteristics in the people he hires?
2. Could it be that the retention problem raised by upper management is unrelated to Pat's recruitment criteria?
3. If you were Pat, would you change your approach to recruiting?

LEADERSHIP INSTRUMENT

Organizations use a wide variety of questionnaires to measure individuals' traits. In many organizations, it is common practice to use standard trait measures such as the Minnesota Multiphasic Personality Inventory or the Myers-Briggs Type Indicator®. These measures provide valuable information to the individual and the organization about the individual's unique attributes for leadership and where the individual could best serve the organization.

In this section, the Leadership Trait Questionnaire (LTQ) is provided as an example of a measure that can be used to assess your personal leadership characteristics. The LTQ quantifies the perceptions of the individual leader and selected observers, such as subordinates or peers. It measures an individual's traits and points the individual to the areas in which that individual may have special strengths or weaknesses.

By taking the LTQ, you can gain an understanding of how trait measures are used for leadership assessment. You can also assess your own leadership traits.

Leadership Trait Questionnaire (LTQ)

Instructions: The purpose of this questionnaire is to measure personal characteristics of leadership. The questionnaire should be completed by the leader and five people who are familiar with the leader.

Make five copies of this questionnaire. This questionnaire should be completed by you and five people you know (e.g., roommates, coworkers, relatives, friends). Using the following scale, have each individual indicate the degree to which he or she agrees or disagrees with each of the 14 statements below. Do not forget to complete one for yourself.

_____ (leader's name) is

Key: 1 = Strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = Strongly agree

1. **Articulate:** Communicates effectively with others 1 2 3 4 5
2. **Perceptive:** Is discerning and insightful 1 2 3 4 5
3. **Self-confident:** Believes in himself/herself and his/her ability 1 2 3 4 5
4. **Self-assured:** Is secure with self, free of doubts 1 2 3 4 5
5. **Persistent:** Stays fixed on the goals, despite interference 1 2 3 4 5
6. **Determined:** Takes a firm stand, acts with certainty 1 2 3 4 5
7. **Trustworthy:** Is authentic and inspires confidence 1 2 3 4 5
8. **Dependable:** Is consistent and reliable 1 2 3 4 5
9. **Friendly:** Shows kindness and warmth 1 2 3 4 5
10. **Outgoing:** Talks freely, gets along well with others 1 2 3 4 5
11. **Conscientious:** Is thorough, organized, and controlled 1 2 3 4 5
12. **Diligent:** Is persistent, hardworking 1 2 3 4 5
13. **Sensitive:** Shows tolerance, is tactful and sympathetic 1 2 3 4 5
14. **Empathic:** Understands others, identifies with others 1 2 3 4 5

Scoring

1. Enter the responses for Raters 1, 2, 3, 4, and 5 in the appropriate columns as shown in Example 2.1. The example provides hypothetical ratings to help explain how the questionnaire can be used.
2. For each of the 14 items, compute the average for the five raters and place that number in the "average rating" column.
3. Place your own scores in the "self-rating" column.

Example 2.1 Leadership Traits Questionnaire Ratings

	Rater 1	Rater 2	Rater 3	Rater 4	Rater 5	Average rating	Self-rating
1. Articulate	4	4	3	2	4	3.4	4
2. Perceptive	2	5	3	4	4	3.6	5
3. Self-confident	4	4	5	5	4	4.4	4
4. Self-assured	5	5	5	5	5	5	5
5. Persistent	4	4	3	3	3	3.4	3
6. Determined	4	4	4	4	4	4	4
7. Trustworthy	5	5	5	5	5	5	5
8. Dependable	4	5	4	5	4	4.4	4
9. Friendly	5	5	5	5	5	5	5
10. Outgoing	5	4	5	4	5	4.6	4
11. Conscientious	2	3	2	3	3	2.6	4
12. Diligent	3	3	3	3	3	3	4
13. Sensitive	4	4	5	5	5	4.6	3
14. Empathic	5	5	4	5	4	4.6	3

Scoring Interpretation

The scores you received on the LTQ provide information about how you see yourself and how others see you as a leader. The chart allows you to see where your perceptions are the same as those of others and where they differ.

The example ratings show how the leader self-rated higher than the observers did on the characteristic *articulate*. On the second characteristic, *perceptive*, the leader self-rated substantially higher than others. On the *self-confident* characteristic, the leader self-rated quite close to others' ratings but lower. There are no best ratings on this questionnaire. The purpose of the instrument is to give you a way to assess your strengths and weaknesses and to evaluate areas where your perceptions are congruent with those of others and where there are discrepancies.