Success Rate for Leader Appointments 2020-2021

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Evaluation of the predictive validity of the Mercuri Urval Assessment Method

Aggregation of follow-up data studies on appointments to Executive and Management positions based on assessments from 2020 and 2021.

Introduction

The success-rate of appointments made based on Mercuri Urval Assessments is regularly followed up and analysed. Success is rated by Hiring Managers in questionnaires sent to them from Mercuri Urval six months after employment.

The data in this report is an aggregation from two separate follow-up studies made on appointments based on Mercuri Urval assessments 2020 (Jonsson, 2022) and 2021 (Jonsson, 2023).

Method

The follow-up is made through questionnaires being sent to hiring managers 6 months after employment start. This method is chosen since supervisor ratings are most used in research for evaluation of performance and success at work and data suggest that it is the most reliable kind of performance ratings (e.g., Alessandri, Borgogni, & Truxillo, 2015; Stokes, Schneider & Lyons, 2010; Viswesvaran, Ones, & Schmidt, 1996). Research into recruitment failure commonly cites a period less than 18 months after employee start date (e.g., Kiefer, Martin, & Hunt, 2022; Schmidt & Hunter, 1992).

In the follow-up questionnaire, the hiring manager was asked to evaluate each leader´s overall performance so far (if still appointed). This evaluation is made as a rating on a three-step scale:

1. The individual does not meet expectations.
2. The individual meets expectations.
3. The individual exceeds expectations.

In addition to these response alternatives the hiring manger is asked to indicate if the appointed person still is employed.

The aggregated number of appointments to Executive and Manager positions based on assessments made 2020 and 2021 is 1,380. Follow-up data has been received for 551 of these. That means a 40% response rate. 265 of the respondents were men and 152 were women. Data on gender was not received in 134 of the cases.

An analysis of the response rate indicates no systematic pattern, and it is concluded that these are random and have no significant impact on the result of this study.

Summary of data from the follow-up studies

In the tables below the data from the two separate follow-up studies regarding appointments to Executive and Management positions based on assessments made by Mercuri Urval Experts 2020 and 2021, respectively.

Table 1. Aggregated result of follow-ups on ratings of success for appointments of Executives and Managers based on assessments 2020 and 2021.

Have left before follow-up[a]	Do not meet expectations	Meet expectations	Exceeds expectations	Successful Appointments
2.0%	4.2%	69.3%	24.5%	**93.8%**

a) Option added 2021. Is included in the category "Not successful appointments"

In total 93,8 % of the appointments made based on assessments 2020 and 2021 were evaluated as successful by the Hiring Managers.

There is no statistical difference in success rate between data in the two follow-up studies.

Table 2. Aggregated follow-up result presented by gender.

	Have left before follow-up [a]	Do not meet expectations	Meet expectations	Exceeds expectations	Successful Appointments
Men	2.6%	5.7%	67.2%	24.5%	**91.7%**
Women	2.0%	2.0%	67.1%	28.9%	**96.1%**
No information on gender	0.7%	3.7%	76.1%	19.4%	**95.5%**

a)   *Option added 2021. Is included in the category "Not successful appointments"*

The Success-rate of appointments made based on assessments 2020 and 2021 as evaluated a by the Hiring Managers is similar for all gender categories. The data suggests that appointment of women are more successful than the appointment of men. The reported difference between gender categories is however not statistically significant.

Conclusion
The follow-up data made regarding 1,380 appointments made to Executive and Management positions are based on an aggregation of data from studies on appointments based on assessments made 2020 and 2021 (Jonsson, 2022, 2023). Total response rate for the two studies taken together is 40%. The response rate for digitally distributed questionnaires has in recent research been reported to be at the level presented in this report (see e.g., Ebert, Huibers, Christensen, & Christensen, 2018).

The aggregated data show a high Success-rate: (93,8%). The analysis is based on an aggregation of two separate studies, both reporting very high success rates (> 90%) A strict evaluation of the effectiveness of the Mercuri Urval Assessment Methodology should take the expected base-rate-into consideration (i.e., the percentage of candidates that would succeed in the positions if all were appointed). We have not specifically included such estimations in this report but referring to the results from other studies on the success of executive appointments that indicate a success rate in the interval of 50-60% in appointments for this kind of positions (see e.g., Kiefer, Martin, & Hunt, 2022), we feel confident in concluding that MU Experts using the Mercuri Urval Assessment Methodology provide accurate recommendations and brings significant value for organisations.

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