
*Rethinking Executive Programs
in the Canadian Federal Public Service -*
Literature Review

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¹The views expressed in this document are those of the authors and do not necessarily reflect those of the Public Service Commission.

Introduction

The Public Service Commission on behalf of the Federal Government of Canada is studying the repositioning of its Executive Program. This supporting literature review integrates common trends in the fields of public administration and industrial and organizational psychology relating to the management of senior executives. Public sector executive selection practices in Canada and those of other major industrialized democracies are affected by trends in governance structures, by key administrative reforms affecting national strategies, and by the effects of globalization and technology on leadership requirements. Generally, it would appear that the selection of public executives may gradually evolve from the New Public Management (NPM) ethic introduced from the traditional private sector in Canada and comparable countries over the past two decades into one which incorporates accountability and values²(Alford, 1993; Austin et al., 1996; Ingraham, 1995; Metcalfe, 1993; Scott & Thynne, 1994; Stowe, 1994; Taylor, 1997; Wilson, 1996).

While there appears to be movement towards values-based selection in public sector executive staffing, the merit system is also undergoing a profound transformation as an integral part of broader changes to governance. In particular are the possible repercussions of renewed political support for a revitalized merit system, especially for senior civil services (Ingraham, 1995). While there are extensive commentaries on the background issues and changes about rethinking the management of senior civil services, there seems to be a limited amount of broadly-based empirical evaluation research (Armstrong, 1998; Ingraham, 1995). The present paper highlights the main issues in terms of international experiences in redesigning senior executive services in the public sector.

1. The Need to Rethink Executive Programs: Context

1.1 New Public Management (NPM)

New public management is variously described as either a philosophy or set of measures adopted worldwide to reform government processes (Pollit, 1995). NPM consists of eight elements, several of which impact directly on the selection and management of the senior executive cadre:

- cost cutting
- disaggregating traditional bureaucracies into agencies
- separating purchaser from provider of public services
- introducing market and quasi-market mechanisms
- decentralizing management authorities
- introducing performance management
- shifting personnel policies to term contracts and performance agreements
- increasing emphasis on service quality and customer responsiveness (Armstrong, 1998)

Rule-laden executive selection systems often work counter-productively in the effective

²See Section 21 for a more elaborative explanation of values-based selection approaches.

management of these eight elements (Ingraham, 1995). In an attempt to reestablish trust in the decision-making process, values-based approaches to executive selection are on the rise, encompassing such features as simplified accountability and governance mechanisms. However, they have been slow in replacing the more traditional rules and regulations approaches (Ingraham, 1995). Part of this slow progress might be attributable to the relative non-clarity of values-basing in selection and to the fact that most large organizations, both private and public, have only known and used rule-based systems. Moreover, we are in the early stages of a transition to new and largely unspecified ways of achieving consensus and effectiveness in large organizations (Mintzberg, 1996).

To attempt to understand large public organizations at a generic level in relation to NPM objectives, researchers in comparative political science have recently begun to assess issues such as partisanship risks and benefits. In particular, they have been looking at how they might affect national performance and the relationship between public and private sectors (see Schneider, 1993, for a five country study). These previously low-profile issues are expected to gain increasing salience within the executive selection process -- in part this rise is due to the US senior executive service model and recommendations made by Dror (1997) and Crispo (1979) and trends noted by such authors as Carroll(1996) and Metcalfe (1993).

The traditional Canadian pattern is under pressure from NPM to move towards departmentally-based executive career patterns incorporating significant field and external experiences more representative of the private sector (Swift, 1993; Varette & Zussman, 1996). Presently in Canada, considerable accommodation to NPM pressures may already have been achieved through an emphasis on economics and managerial training in the selection of Canadian executives at the ADM and DM levels (Carroll, 1997).

As the complex linkages between executive career patterns and national policy become clearer, it will be easier to legitimize and adjust the career management policies, performance monitoring criteria and ethics counselling for federal public executives (Carroll, 1996; Schneider, 1993). Any public sector executive program has to be cognizant of the propensity of public service executives to exit to the private sector (Schneider, 1993).

1.2 Private and Public Sector Differences

Recent research in Australia suggests that public sector environments are characterized by complexity, rather than by private sector dynamism (Dunk & Lysons, 1997). The current Canadian public sector reform movement is based on a widespread perception that the private sector is inherently more efficient and responsive than the public sector, which is often distrusted and portrayed as over-extended (Mintzberg, 1996; Scott & Thynne, 1994). While public sector responsiveness may be a problem needing attention, the question for this paper is the impact of systems of executive selection driven by values. Austin et al. (1996) recently questioned the capacity of public sector organizations to adequately deal with the complexity of implementing of such selection systems.

Greater decentralization and increased autonomy for public sector managers also are seen as necessary market-oriented innovations to be transferred from the private sector to improve the quality of public management. As the public sector's policy and implementation functions are increasingly separated from each other under NPM, there are questions about the relative importance of the two functions (Scott & Thynne, 1994). When NPM governance structures are seen as technical, business-like solutions to managerial problems, they may inadvertently overlook the unique nature of policy work and create structures in the name of public administration effectiveness that potentially undervalue policy work.

2. Theoretical and Conceptual Trends in Evaluating and Predicting Executive Performance: Skills and Their Measurement

2.1 Values-Based Approaches to Assessment for Executive Selection

What is a values-based approach to executive selection? Simply stated it is a selection system that focusses on accepted corporate values in deciding executive entrance and career progression rather than focussing on specific selection rules which may have little applied relevance to an organization's over-arching values and culture.³ Interestingly, the values-based approach to executive assessment has already begun to influence private sector CEO leadership styles even though the early research dealt mainly with public sector organizations (Hart & Quinn, 1993).

2.2 Person-Job Fit

Following extensive studies of leadership in public organizations during the past forty years, several eminent researchers conclude that leadership effectiveness is a complex interaction between the leader and his/her social, organizational, and task environments (Fiedler, 1996; Suedfeld, 1992; Tetlock, 1992). Therefore, the identification and measurement of skills can be conceived of as an ongoing process undertaken at a micro, rather than a macro level. For example, Fiedler (1996) has found that cognitive ability and experience affect performance differently under different conditions of stress. Moreover, he claims that a person-organization fit analysis coupled with managerial training is better than traditional and generic "one size fits

³One must remember that in any values-based application discrepancies between the corporate and individual values will always exist. The success of any values-based approach can be measured by the harmonious meshing of the corporate and individual values.

all" approaches to executive selection. ^{4,5}

2.3 True Executives vs Non-Executives: Managers of Strategy

Increasingly, senior, generalist executives are being more clearly distinguished from both operationally-oriented general managers and policy-oriented scientists/specialists. "True" public sector executives, in this distinction, have responsibility for staff and especially for planning and implementing new strategic directions supportive of organizational and inter-organizational change. In contrast, private sector executives handle change primarily with a view to achieving economic returns and stability (Bartlett & Ghoshal, 1997; Metcalfe, 1993; Taylor, 1997).

General managers, however, tend to operate more as performance coaches within a given strategic direction. Their roles are rapidly becoming more collegial and entrepreneurial as a result of re-engineering and downsizing of the public service (Bartlett & Ghoshal, 1997; Tamas, 1995). Similarly, policy experts and scientists tend to operate at very high levels in the organization without responsibility for staff, operations, or implementation of strategy. In short, the concept of a generic and vertically integrated set of skills applicable to all managers, executives, and other senior staff may no longer be appropriate. ^{6,7}

2.4 Executives as a Corporate Resource: Strategic Staffing

In large organizations, top level executives are increasingly seen as a corporate resource and selected for both what they can do in the future and throughout the organization. Specifically, the ability to think and act strategically and to adapt to a variety of future roles and circumstances is becoming critical to organizational survival. This ability is often operationalized in

⁴Over the past decade several complementary lines of research have called into question executive selection based on assessment centres and poorly validated generic competency dimensions. This research suggests that executive selection utilize clinically-based, standardized recruitment, assessment, and development processes that emphasize person-job fit contingencies (DeVries, 1993; Gaugler et al., 1987; Robertson & Iles, 1988; Russell & Kuhnert, 1992; Ryan & Sackett, 1992; Spychalski et al., 1997).

⁵Data currently available to EPB could be analyzed to identify underlying patterns of EX characteristics, experience, and organizational fit which may provide alternatives to the "one size fits all" approach (Bartlett & Ghoshal, 1997; Caldwell & O'Reilly, 1990; Van de Ven & Ferry, 1980). For example, several Canadian researchers have advanced correlation techniques to simplify a large number of disparate variables, even for small sample sizes with large sampling error (Jelinek, 1995; Williams, 1990). Williams' (1990) study was conducted in the public sector and identified two separate profiles of successful managerial budgeting behaviours. This kind of research on PSC data could provide a benchmark for the assessment of best practices from other sectors and countries (Dunk & Lysons, 1997; Metcalfe, 1993).

⁶Competency-based approaches to HRM, providing they are both rigorous and strategically linked, may be useful in delineating some of the role disparity that is emerging among executives, managers, and individual contributors.

⁷This is somewhat analogous, but at a higher level, to distinctions in the policy community among policy managers, individual contributors who are either specialists or generalists.

competency terms which are particular to the current and anticipated challenges facing the organization. The decision to fill senior roles with subject matter specialists automatically reduces the pool of jobs available to broadly-trained generalists. It also reduces the capacity for organizations to grow and develop such generalists to meet emerging needs for business expansion, to replace other generalist executives, and to contribute to the collective effort of strategic planning and implementation.

A recent study of the private sector indicated that the corporate citizenship of aspiring executives is assessed on their ability to assume and be successful in a wide variety of roles, and on their willingness to take an active interest in all aspects of corporate activities. Increasingly, the competitive position and strategy formation of firms and institutions is based on a broad skill base of their human resources, including a cadre of broadly skilled and experienced executives with the ability to lead a learning organization (Corporate Leadership Council, 1998).

This widely adaptive and future oriented profile does not necessarily suggest a “one size fits all” for these leaders. Adaptability may be function of a diverse cadre of leaders whose collective capacities are enhanced by a lack of uniformity, in skills and approaches to complex issues.

The winnowing and incubation of future executives may be more effective and rapid in matrix and project-based organizations than in traditional functional or product-based organizations (Corporate Leadership Council, 1998). Organizations which adopt more enriched and challenging organizational forms may realize side benefits for managerial learning, and possibly for organizational learning as well. Put another way, it may be that traditional hierarchical organizations are, as a result of their structure, culture, and systems, less able to recognize, select for, and value future-oriented, generalist executives.

2.5 NPM Implications:⁸ Global Management and Inter-governmental Relations Skills

Stowe (1994) suggests that the transitional pressures of administrative reform and good governance are resolved in the relationships between Ministers and the senior civil service. Using the Canadian example in a wider Westminster context, Stowe states that the job of the senior civil service is to press data, analysis, and policy options on Ministers; to listen empathically to political perceptions of issues; and to develop a pan-Canadian perspective on all issues in their responsibility (Stowe, 1994). Several of these attributes, such as empathy and breadth of perspective, are also discussed by other researchers concerned about leadership of

⁸Some observers suggest that NPM subordinates political considerations to managerial ones, and local considerations to international (Thynne, 1994). To the extent that a full transition to pure NPM-type leadership is desirable and realized it may be appropriate to use models of international business management in executive selection in the federal public service.

public organizations in the post-cold war era⁹ (Dror, 1997; Jervis, 1994).

3. Developments in Public Sector Resourcing in Other Countries and Sectors: Examples

3.1 USA

A recent working draft document from the Office of Personnel Management (OPM, 1998) outlines the US Government's current proposal for improving management and performance of its Senior Executive Service (SES). This effort focuses on four key areas:

- SES structure
- Staffing flexibility and incentives
- Performance management
- Development and continual learning

If implemented, a mix of legislative and administrative changes will be required.

The goal of the OPM's proposed executive restructuring is to "re-frame the highest echelon of Government into a Senior Civil Service" (OPM, 1998). The Senior Civil Service will formally recognize that some current SES positions are not *truly* executive positions (i.e., responsible for all five core executive functions, rather than only one of the five), nor do all positions at grade GS 15 and above require the full range of executive competencies. The current SES (GS 15 and above) will be split into two streams - Senior Executive Corps (SEC) - true executives and a Senior Professional Corps (SPC) - technical and professional experts. Existing Senior Level (SL) and Senior Scientific and Professional (ST) groups will be merged into the new Senior Professional Corps. The intention is to value and remunerate both streams equally.

OPM will continue to maintain control over allocation of Senior Executive and Senior Professional position allocations and, in the interest of impartiality, will preserve limits on non-career (political) appointments and strengthen the criteria for determining which positions are reserved for career public servants.

Increased staffing flexibility will be available to agencies in staffing SEC positions -- OPM will continue to establish executive qualifications criteria and operate Qualifications Review Boards. Agencies will have independent responsibility for staffing SPC positions (OPM will set broad executive qualifications). Redefinition of non-competitive limited appointments for executives (within the current 5% limit and not to exceed 3 years) will be undertaken to allow appointments to both general and career reserved positions and a new competitive term appointment (5 year term based on merit and QRB certification) will be created.

⁹The "Prospector" is an example of an organization learning approach to instrument design that might have relevance to a number of public sector jobs involving cross-cultural, international and inter-provincial relations. This instrument assesses executives for international work on the basis of their ability to seek and exploit opportunities to learn, their cross-cultural adventurousness, and their ability to change as a result of both positive and negative experiences (Spreitzer et al., 1997).

The US federal government (OPM, 1998) plans to extend the executive probationary period to 2 years while enhancing annual leave benefits (up to 720 hours per annum) and use this feature as a recruiting incentive. The overall intent is to strengthen systems for holding executives accountable for producing results, for rewarding those who are successful, and for removing those who are not. Requirements may be introduced for all senior executives regardless of appointment type to serve under a performance agreement. Executive pay will be enhanced by de-linking it from the current pay schedule and make more of base pay contingent on performance. Bonuses will become truly contingent on exceptional performance and bonus limits will be increased and agencies allowed to determine how much will be available.

New measures are being sought to foster development of Senior Executive candidates and continual learning of Senior Executive appointees to broaden perspectives and bring new insight to agency programs. For example, revisions are expected to the Federal Executive Institute curriculum to emphasize new executive core qualifications and new training facilities will be opened. There are attempts to make mobility a requirement and to establish a central clearing house of developmental opportunities.

3.2 New Zealand

New Zealand is the purest experiment to date in the implementation of NPM principles regarding executives. During the period from 1984 to 1983, New Zealand undertook a radical and rapid reform of its economic and political structures along NPM lines, including a restructuring of the Senior Executive Service (SES), and its departmental chief executives (CE) - formerly known as permanent heads (Boston et al., 1996; Goldfinch, 1998). An attempt was made to make the CE appointment system more open to facilitate appointments from outside the public service, especially from the private sector and from among women and the Maori. A ministerial and Cabinet over-ride was provided in the appointment process. Ministers had more ability to monitor and remove a departmental executive not performing to standard, despite the responsibility of the CE to act independently in order to preserve the non-partisan nature of the public service and to prevent favouritism, cronyism and nepotism in personnel and financial matters (Boston et al., 1996). As the US experience with patronage has shown, it may take the passage of time and special judicial efforts to assess and control the risks of possible political interference in the executive appointment process in New Zealand (Freedman, 1994).

To improve the political responsiveness, managerial ability, and demographic representativeness of chief executives, vacancies are widely advertised (including overseas), private sector consultants are used to screen applications, and interview panels include a member from outside the public service. As a result of these staffing reforms, 80% the CE community was replaced over a seven year period, resulting in the appointment of more women, younger executives, people with more outside and interdepartmental experience -- although most with outside experience have not come from private sector careers, contrary to initial expectations for the reforms.

Overall, some results of this reform have been questioned. On occasion the appointment of a chief executive has become a political issue played out in the media (“Helmsley Affair,” Department of Defence), as has the non-removal of an executive for alleged liability for departmental negligence (“Cave Creek Affair,” Department of Conservation) (Boston et al., 1996; Gregory, 1998). According to Boston (1996), the current CE contractual process has serious disadvantages of uncertainty, especially near the end of a contract. However, Boston suggests that these and other disadvantages currently appear to be no more serious than the disadvantages of other appointment systems (e.g., closed career service). A hybrid system has been suggested whereby a CE whose contract is terminated for reasons other than poor performance, misconduct, or ill health would be guaranteed a further two year assignment elsewhere in the public service at an equivalent salary. At the same time, there is an increasing recognition of the need for CE selection to require experience in government work, and there no longer appears to be a strong desire to make CE jobs attractive to applicants with experience mainly in the private sector (Boston, 1996).

A limited term contract is set for three to five years with the CE responsible for “outputs” which contribute to ministerial “outcomes” -- constituting a clearer but possibly arbitrary bifurcation of accountability for administration (management) and policy (political) (Gregory, 1998). While performance agreements are used to manage strategic and program aspects of this interface, they have had some disadvantages:

- they are cumbersome and expensive to administer;
- they do not assist in linking performance to compensation; and
- they do not increase the desirable level of trust between the minister and CE. (Boston, 1996)

At this point, the New Zealand government is placing more emphasis on the intrinsic rewards of CE work, rather than on extrinsic rewards, thus returning to some differentiation of work and careers of public executives from their counterparts in the private sector.

Boston (1996) also notes that New Zealand had also created a small Senior Executive Service (SES), for those positions immediately below the CE, whose members are hired by the CE on five year contracts subject to some conditions negotiated with the central agency responsible for managing the CE talent pool. Chief Executives have been broadly supportive of the changes to the management of senior resources. However there are some indications that inter-departmental coordination has been reduced in priority, that training and development of executives has not improved and that the role of the central agency remains problematic – as evidenced by open confrontations between Ministers and the Services Commissioner (“Helmsley Affair,” Department of Defence) – despite extensive delegation to departmental chief executives. In addition, expected improvements to the remuneration packages are still required, and Maori have not made the same career progress as women under the new recruitment and appointment regimes (Boston, 1996). For these and other reasons, the original contracting regime was unworkable, and New Zealand has abandoned its commitment to SES and now negotiates contracts with its executives on a case by case basis. Apparently, the primary remaining vehicle for the pro-active collective management of the senior civil service is the management

development practices within the talent pools for the senior executive service.

3.3 Australia

The Australian Public Service (AS) has implemented a number of initiatives and changes over the last fifteen years with respect to managing its executive cadre. As a result of the 1983 white paper on reforming the Australian Public Service, the Senior Executive Service (SES) was created and efforts have been made to develop a cohesive executive capable of tackling horizontal public service issues (PSMPC, 1998). The Public Service and Merit Protection Commission (PSMPC) plays a key role in the management of the AS executive. The PSMPC Commissioner has responsibility for approving all appointments and promotions in to and within the executive ranks. The PSMPC is also responsible for executive training and development. Since the initial creation of the SES a number of evaluations have been made and reforms have taken place.

The 1992 report of the Joint Committee of Public Accounts (JCPA) produced a comprehensive review of human resource management in the AS -- of particular note was the reference to the SES and that reforms to date, particularly a focus on economic efficiency as a key performance indicator, had resulted in adverse impact on service delivery, equity, staff morale, and professional values and ethics.

A key recommendation of this report was that measures must be put in place to broaden recruitment sources for executives to include applicants with more diverse backgrounds and experience and measures to increase executive mobility between departments and agencies. Despite adopting these recommendations in a policy to advertise all executive vacancies externally, the AS still suffers from poor external recruitment and insufficient interdepartmental mobility problems. The Kakabadse report (1996) revealed that when benchmarked against other public and private sector organizations, the AS executives were more divided in terms of mission, vision, and strategy, and rated poorly in exhibiting and communicating a cohesive vision of the public service. Additionally, according to 1998 data, 80.8% of departmental vacancies were filled by departmental candidates.

In 1990, the Australian SES was restructured, splitting the category in to two streams - Senior Executive Generalist and Senior Executive Specialist (similar in nature and intent to the OPM proposal outlined above). These two groups have distinct core selection criteria, with the focus of the generalist group being strategic leadership, and the specialist group being technical and professional expertise.

Australia is in the process of introducing a more rigorous performance management regime which, in the end result, will utilize performance agreements and contracts which will be reviewed on an annual basis and allow for performance based pay, identification of development needs and, if necessary, removal of underperforming executives.

3.4 CEO Accountability, Performance and Directors' Liability in Large Private Sector Organizations

Recent legislative reform and shareholder and stakeholder activism in the private sector has attempted to increase the fairness and predictability of directors' liability, including their liability for exercising due diligence in evaluating the performance of the Chief Executive Officer (Mackenzie, 1995; Vennat, 1995). This pressure, in turn, has changed the way in which boards evaluate, select and terminate CEOs and the top management team. Corporate values are articulated to guide board and management decisions on the balancing of competing stakeholder interests and the corporation's community and social responsibilities (Hebb, 1996).

Empirical research at the University of Michigan shows that those CEOs who can play multiple competing roles (in values terms) produce the best firm performance in growth, innovation, and stakeholder effectiveness (Hart & Quinn, 1993). It is interesting to note that the original work on values and leadership effectiveness used in this research noted above was undertaken at the Institute for Government and Policy Studies at the State University of New York at Albany (Quinn & McGrath, 1982; Quinn & Rohrbaugh, 1983).

3.5 External Recruitment in the Private Sector

Aggressive recruiting techniques, including Internet recruitment and inciting the self-identification of disillusioned employees of competitors, are being used to strengthen the traditional executive search model. To defend against this raiding and poaching approach, exit interview data are being used to identify and intervene with key employees who are vulnerable to poaching. In addition, internal executive search units are used to protect the proprietary nature of recruitment data and to gain independent, lower cost access to potential candidates (Corporate Leadership Council, 1998).

4. Possibilities Suggested by Key HR Trends and Best Practices in Executive Resourcing: Process

4.1 Enhanced Executive Selection and Assessment (Personality and Cognitive Ability)

Traditional semi-structured interview panel processes are gradually being replaced by structured interviews and systematic clinical assessments of job-related personality profiles and practical intelligence. While their substantive results are similar, executive search specialists and personnel selection specialists continue to debate the value of these two types of assessment for enhancing executive selection,¹⁰ primarily because of the limited accountability and transparency

¹⁰Russell (1990) suggests replacing assessment centres with structured interview analysis of prior life learning events organized by competencies. Compiled lists of many competencies have been shown to be of dubious value for underpinning executive assessment and selection; shorter lists of validated competencies are emerging as more effective (Russell, 1990; OPM, 1998).

of the interview panels.

This process question may become more pressing as demand builds to use less subjective approaches to assessment and as the psychological measures are shown to be valid predictors of executive performance. Improved models of personality assessment are now readily available and new models for the assessment of intellectual abilities predictive of leadership success (practical intelligence and creativity) have undergone further refinement and validation to replace traditional IQ-based models of executive assessment (Suedfeld, 1992; Suedfeld & Coren, 1992).

Personality assessment of senior executives in both the public and private sectors in countries, such as the United Kingdom, is becoming legitimized, accepted, and transparent, thus establishing the availability of a new tool for executive selection. Increased acceptance of personality testing has resulted in part from more accurate job analysis, from the development of an industry standard for measuring job-relevant aspects of personality, and from increasing publication of validation studies (Bartlett & Ghoshal, 1997; Bartram, 1992; Schaubroeck & Williams, 1993).

The explicit assessment of personality and cognitive abilities is sensitive. Concerns may be managed by referring to similar assessments done for political leaders and for sensitive subordinate positions (e.g. law enforcement, military, nuclear power), and by using validated instruments, professional feedback, and credible strategic job analysis.

The Public Service Commission of Quebec uses an industrial relations approach in introducing personality testing as a selection tool to the Quebec public service (Thibault, personal communication, 1998; Thibault, 1998). This approach follows the work of Austin (1996) for engaging key stakeholders on a tripartite basis (management, staff, selection psychologists) in optimizing the micro-level reform of selection practices in public sector organizations.

In the area of leadership, values-based approaches generally assess the senior executive's ability to reason using competing or conflicting values. For example, one values-based approach to political leadership assessment has extended downward to assess senior levels of a provincial government involved in mediating an environmental dispute (Suedfeld, Tetlock & Streufert, 1992; Lavallee & Suedfeld, 1997).¹¹ This approach might provide a basis for selecting senior executives who can provide effective support for innovation in typically complex public sector settings (Dunk & Lysons, 1997; Jervis, 1994; West & Anderson, 1996; Williams et al., 1990).

4.2 Accountability and Performance Management

¹¹At present, the Federal government is assessing the intellectual abilities of senior executives in the Federal government using Eliot Jaques' techniques. The validated method of "Content Analysis Assessment" of values issues cognitive complexity, which is in the public domain, might ultimately replace the Jaqueian approach and result a more valid and reliable measure of executive cognitive functioning.

In these times of rapid change, increasingly negative perceptions of public sector managers (Mintzberg, 1996), low organizational slack, and competitive labour markets, managerial incompetence must be identified and dealt with expeditiously (Corporate Leadership Council, 1998). Moreover, stakeholders are insisting that executives be removed from their responsibilities when they have clearly failed to carry them out. This accountability is achieved with varying degrees of success through administrative mechanisms such as performance contracts, performance-based pay, performance coaching, termination agreements, and fixed term contracts. Few of these accountability mechanisms have demonstrated unequivocal results and the legitimacy of terminating executive employment is not yet broadly accepted in practice, even in the private sector. Relationships between stakeholders and executives are in a state of change as due diligence legislation in the private sector is implemented for directors' liabilities to shareholders, and as parliamentary committees and ministers place greater onus on officials to account for issues previously considered to be exclusively reserved for ministers and governments.

Under-performing and partisan public sector executives are a concern in several countries, including the United States and the United Kingdom, where new initiatives attempt to identify, counsel, and remove such individuals before they can do damage to the organization and its mandate. New approaches to the definition of managerial performance and cooperative orientation of public executives provide an improved basis for assessment of both group and individual performance, through program evaluation and peer review of organizational and inter-organizational outcomes (Metcalf, 1993).

As some countries, such as New Zealand, implement short-term performance contracts for their public executives, expectations of indeterminate job tenure (as opposed to appointment to level employment guarantees) may gradually decline, even among career civil servants.

New approaches are still needed for outcome evaluation and performance appraisal, as are more accurate and detailed measures of how executives perform differentially, especially in relation to conspicuous program failures (Levinson, 1994; Metcalf, 1993; Schaubroeck & Williams, 1993). This measurement problem is of course broader than the issue of individual performance. It is recognized as a major challenge in the implementation of new accountability regimes, including Canada's (Bourgault & Dion, 1993). Most governance reforms have yet to be fully tested and the complexity of accountability issues raises real questions of how executives can be meaningfully evaluated. Institutional reforms have created multiple accountabilities of various partners in programs, services, and policy formulation. They can lead to the specification of outcomes that require significant trade offs among competing corporate values within and between partner organizations that need to be addressed. Researchers routinely warn that trade-offs are required in the design of performance measurement systems between process and results-oriented values, the values of primary users of performance information, the values of agencies or organizational units which will use the system, and the benefits of the system to citizens, clients, and other stakeholders versus the risk that some performance measurement approaches may actually reduce performance (Halachmi & Bouckaert, 1996).

4.3 Succession Planning

It is widely acknowledged that there is a global shortage of executive talent due in part to demographic features of managerial career structures since the Second World War, the rapid rate of technological and social change, and the increasing internationalization of executive careers (Corporate Leadership Council, 1998). Past approaches to succession planning, which relied on long-term investment and pay-off strategies for substantial pools of internally and externally recruited high fliers, are being replaced by small scale, short term, high intensity development programs which support specific corporate strategies with a shorter time frame for pay offs (about five years). High intensity programs for high fliers include privileged on-going contacts with the organizations' shareholders and stakeholders as well as other significant learning opportunities with high strategic content. Increasingly emphasis is put on the motivating value of the work and associated learning opportunities, and individual autonomy of executive action is increasingly valued as a developmental goal.

While external recruitment and "raiding" of executives is done in the private sector, these practices are seen to have counterproductive results, and new measures are being developed to improve the retention of executives (e.g., non-pay benefits, strategic responsibilities, learning opportunities, etc.). Development programs for executives increasingly rely on thorough and explicit clinical assessment of potential executives in order to tailor development activities to real identified, personal and organizational needs rather than perceived or "felt" needs, and to monitor progress in a meaningful and transparent way (Levinson, 1994). As well, assessment centres are being adapted or expanded in an attempt to serve these developmental purposes.

4.4 Executive Search vs Personnel Selection Approaches: Cultivating New Recruitment Sources

Overall, participants in a recent study rated the executive search model as having a success rate of only 50% in finding and placing the right person for a specific executive job (Corporate Leadership Council, 1998; DeVries, 1993). The proprietary consulting model used by "headhunters" provides for rapid response to finding and presenting candidates for filling vacancies, but does so at the expense of evaluative rigour and transparency in predicting the likely relative success of candidates. Thus, organizations which recruit executives externally via executive search firms, have had to implement intensive executive orientation programs to try and reduce the derailment rate. As well, organizations, which rely on external search firms, experience difficulty in improving their selection practices due in part to inadequate historical records and the lack of experience transfer back to the organization from the search firms. Some argue that in its current form, the executive search model has probably reached the limits of its performance range (DeVries, 1993). Following the organizational model that has evolved in the aggressive competition for scarce human resources in the high-tech sector, internal executive search units may become more prevalent (Corporate Leadership Council, 1998). A ten year old independent, international review of managerial selection practices suggested that the most cost-effective method of executive recruitment probably involves regionally knowledgeable and

accessible staffing psychologists in support of internal executive search units (Robertson & Iles, 1988).

4.5 Career Counselling and Management Development

Based on what the private sector has experienced, extensive mid-career entry into the EX level in the public sector as recommended by Strong (1998) would require intensive orientation programs. Likewise, the internal pool of high potential candidates who experience accelerated development opportunities in order to move them to the EX level in five years or less instead of the traditional 15 years, may also require support and mentoring. To accelerate executive development and derive the greatest timely benefit from evaluative information available through the selection process, most executive selection models now attempt to incorporate substantive post-interview developmental feedback for all candidates. Since this is a relatively new activity as a formally sanctioned and valued organizational responsibility, the psychological processes unique to executive oriented life experience requires further study. The need for more research on career motivation and experiences is especially in the public sector, both to better guide the selection of executives and to improve their access to learning experiences which might be demonstrated empirically to be associated with future high performance in alternative career paths (Levinson, 1994; Russell, 1990).

Training designs for public sector executives, in general, also lack empirical validation. For example, understanding organizational complexity may be amenable to training (Goodwin & Zeigler, 1998; Suedfeld, 1992). We therefore may be able to train managers to adapt their career choices and situation variables to better use their cognitive abilities and experience (Fiedler, 1996).

4.6 Organizational Needs More Broadly Defined

Much of this review is predicated on the assumption that executives are always oriented towards promotions. Research on career clusters among women managers in the US public service suggest that some lower profile executive roles can be relatively self-actualizing and rewarding for some executives (Rogers et al., 1994). These same roles may also provide the organizational slack and bench strength required for quality assurance, strategic innovation and responsiveness to discontinuities in government policies, all of which may be underestimated in their importance to public sector effectiveness (Boston, 1996; Metcalfe, 1993).

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