



Leadership and talent consultants

# Assessment practices for the demands of today



Assessment practices study  
December 2019

## A certain something – assessing leadership for uncertain times



It is now a truism to say that organisations can no longer rely on any “steady state” realities. We are in an era of unprecedented change with multiple disruptive forces colliding at an ever increasing pace creating a level of complexity that is quite simply outstripping organisations' and leaders' ability to keep up.

We see organisations increasingly facing challenges that are very different to the complicated, technical ones of the past. They now need to respond at pace to knotty issues with imprecise data and a recognition that there is no one, right direction.

Unsurprisingly many successful leaders are finding it hard to keep stepping up. Leaders we engage with are saying that they don't have all the answers, can't set the direction as they used to and are feeling 'in over their heads', resulting in overload and overwhelm. Being super smart, experienced and hardworking just is not enough anymore. The demands of the job are outstripping their capacity to keep up.

So how can organisations identify and equip leaders to lead in this context? Our belief is that traditional

approaches to leadership assessment and development rely on an imagined certainty and depend on looking for and improving the same old leadership skills and competencies, maybe badged somewhat differently from time to time. We do not believe this is going to meet the challenge leaders face and hold the view that something different is needed.

To enrich our understanding and bring more texture to what this means right now for organisations and leaders, we spent time with HR leaders who are right at the sharp end of this change and disruption.

I hope you enjoy reading what emerged from our dialogue.

**Mike Vessey**

Managing Partner, MDV Consulting

## Focus of our study



As organisations are challenged to identify and develop leaders who can navigate increasingly complex and uncertain environments, an associated challenge is faced by the leadership assessment methods they rely on.

Recent experience, and insights from our community tells us that more is needed from practices intended to inform talent decisions and shape leadership development for an increasingly unpredictable world.

To explore this, MDV undertook a qualitative and quantitative study with talent and learning leaders and professionals from leading organisations. Areas of inquiry included:

- Are “steady state” realities a distant memory? What are the predominant disruptive forces that organisations are experiencing and are these newly emerging or have they always been there? Does this differ a lot between organisations?
- What is the impact on leadership? Are all leaders at all levels and in all parts of the organisation affected? Or are impacts more localised and targeted?
- Do organisations and leaders themselves see a need for different practices?
- What are the implications for organisational talent and development practices? How are organisations working out how to help leaders thrive in these complex times?

- What is the role of assessment? Is it still important and relevant? What is being assessed? Are assessment practices keeping pace with the changing needs of leaders and organisations?
- What is required of the industry moving forwards?

We were very interested to hear what emerged from this dialogue. Whilst we had a keen ear for responses to the questions initially posed, we were also alert to new ideas, questions and perspectives that surfaced as in need of attention.

So, this report intends to shine light on issues that are important in the field of assessment in our turbulent times and to consider what we can do to inform and shape practices that will serve us well into the future.

As ever, we look forward to continuing the dialogue and journey with you.

My heartfelt thanks go to all the contributors who made this report possible. It was a joy to meet you all.

**Melanie Long**  
Partner, MDV Consulting

## What we heard....

### Disruption: the new steady state?

Without doubt organisations are facing disruption, uncertainty and change. Whether driven by internal or external forces, organisations are having to change and transform in new and different ways to stay relevant, stay compliant and stay ahead.

*"Our organisation is going through significant change and transformation and our senior leaders are facing a lot of complexity as a result."*

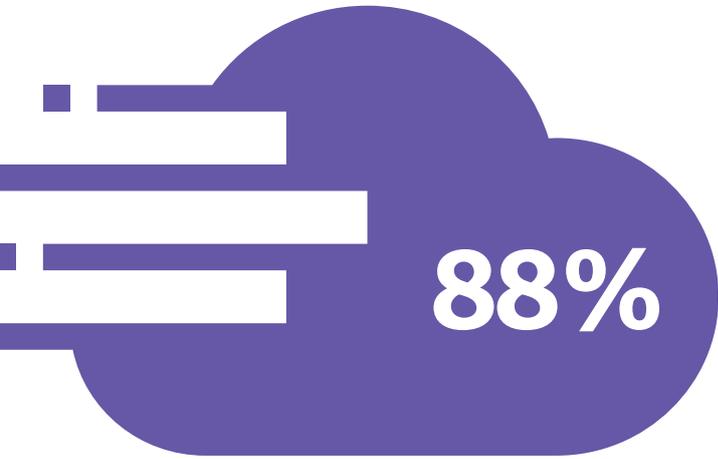
*"Brexit, demographic change, technological change, AI and robotics, climate change, and so many more..."*

*"Whilst our geographical reach means we are shielded from some of the disruption we are operating in a highly VUCA environment and are still in the grip and challenged with how to keep our competitive edge."*

*"External disruption translates into internal disruption creating the need to transform and re-invent."*

Few leaders are immune to this disruption and complexity, but not all are similarly affected. Sector, industry and organisational context are key determinants of who is facing the most extreme headwinds. Whilst the top tiers of leadership in most organisations are facing into the storms, there are groups of quite junior leaders who are also grappling with complexity.

*"In addition to our most senior leaders, some of our quite junior managers and leaders are having to lead very big teams across geographies and cultures and mobilise them through significant disruption."*



88%

**Believed their organisations were facing moderate to significant disruption.**

## Are leaders ready to navigate the disruption?

Leadership responses to complexity vary greatly. Whilst some may not know how to make sense of what they are facing into, they are acting with a sense of urgency and enthusiasm. Others are “hiding their head in the sand” and viewing complexity as something that is still “out there” and “far off” with “future of work” projects kept at arm’s length from business as usual, with limited frontline leadership involvement. A number of hypotheses were mooted as to why this might be happening – leaders overwhelmed by the complexity, leaders fearing failure associated with stepping into the unknown and a reluctance to move away from what they know and their prevailing operating mode and what has made them successful historically.

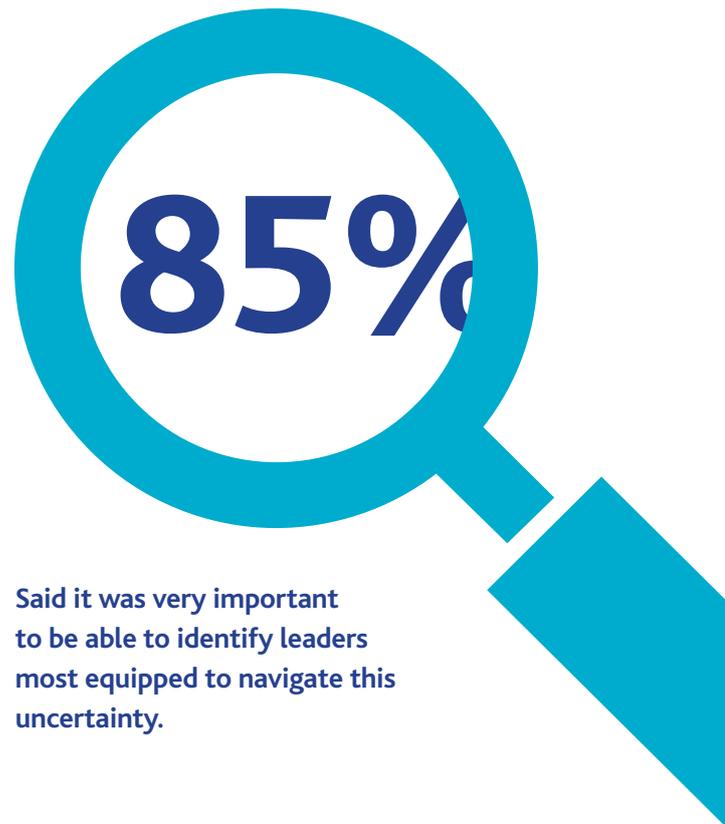
*“There is still a separation between ‘business as usual’ and longer term ‘projects’. These are the future of our organisation but are ‘outsourced’ rather than led by our leaders.”*

*“Leaders are not yet embracing the complexity of the challenges facing our organisation. They see the need for transformation but require a very significant shift in their perspective and how they view complexity to enable the required transformation.”*

## Do organisations need to identify leaders equipped to navigate disruptive forces?

Perhaps unsurprisingly having leaders able to navigate and make sense of complexity and thrive in such a deeply uncertain world was seen to be unanimously important. Additionally 8 in 10 organisations said that over 60% of their leadership positions required leaders who could operate in uncertain and complex environments.

*“It is critical to our organisation that we identify the best leaders who can navigate complexity.”*



## What we heard....

### What is the right measure for leadership now? Are competencies still relevant?

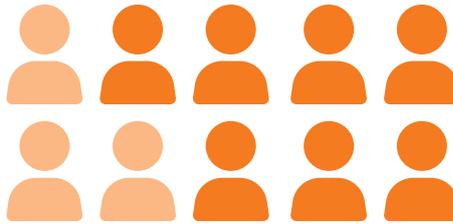
Leadership competencies – the yardstick by which we assess, recruit and develop leaders – are often perceived as outdated and designed for the past not the future. Despite this, competencies were almost unanimously identified as the primary measure of leadership and there was little certainty about what might or should take their place.

*"We are looking through the lens of our leadership capabilities which are out of date and do not really address the demands of the complex future leaders need to operate in"*

*"Leaders and HR are very aware that unprecedented change is happening, but leadership capabilities and expectations are not changing."*



# 7 out of 10



**Said that more could be done to integrate assessment into key people processes, particularly leadership development.**

### How relevant is assessment today?

Assessment is deployed across all organisations. However, beyond the top levels of leadership where, is it consistently adopted, how, when and why it is used varies widely. Beyond talent identification, the level of integration of assessment with core people processes varies greatly. Regardless of this variation, there is a recognition that the insights from assessment can be powerful enablers for decision making and inform and frame people related activities be it leadership recruitment, development, talent identification or succession planning.

*"All our Centres of Excellence are interested in the insights that come from assessment – they are all using the data in different ways. The key is that the assessment provides meaningful insights."*



## Are assessment practices keeping up or lagging behind?

Nearly all organisations felt that assessment practices are not keeping up with the changing needs of leaders and organisations. Perhaps more worryingly, is the very real concern that current assessment isn't giving the necessary insight that organisations feel they need to highlight leaders able to navigate their disruptive and complex environments. The question as to what is needed was not an easy one to answer. Some believed that assessment needs to move beyond the specific demands of a job and consider cultural and contextual fit.

*"So much of what we are doing is not preparing our leaders for a totally unpredictable future."*

*"My personal view is that perhaps organisations are not sure there is another way."*



**Were unsure or felt that assessment methodologies were not keeping up with the changing needs of organisations and leaders.**



**Don't think or are unsure they are getting the assessment insights enabling them to identify leaders able to navigate uncertainty and complexity.**

*"Before I did a lot of personality assessments. It's interesting, but what I found missing was that personality traits are static – that's the way you are, that's how you operate and that's it. My experience is that over five to 10 years people can change dramatically. All of these psychometrics don't really get a grasp on that development." Holger Kujaths*

## What we heard....

### Beware of passing trends...

Whilst there is a recognition that the assessment industry needs to play catch up and could jump a few steps forward more quickly to keep pace with the demands of leaders, there is a real concern about not falling foul of fads and fizzle and the associated unintended consequences on stakeholders, the leaders and the business. Solid theory, science and practice are needed along with face validity to ensure relevance, resonance and acceptance amongst leadership.

*"There is a tension between wanting the next best new thing versus fads. It is a worry how this would land with the business and face validity, i.e. how the process and person fits is so important."*

*"Seems to me that the tools and techniques are measuring the same things as they always have – nothing new is emerging. But at the same time people get nervous trying something new and are wary of fads."*

Organisations were in total agreement about the importance of assessment insights in helping identify the leaders who will be able to successfully navigate their organisations through uncertainty. But they were unfortunately not all confident that the insights they were getting really helped them answer this key question.

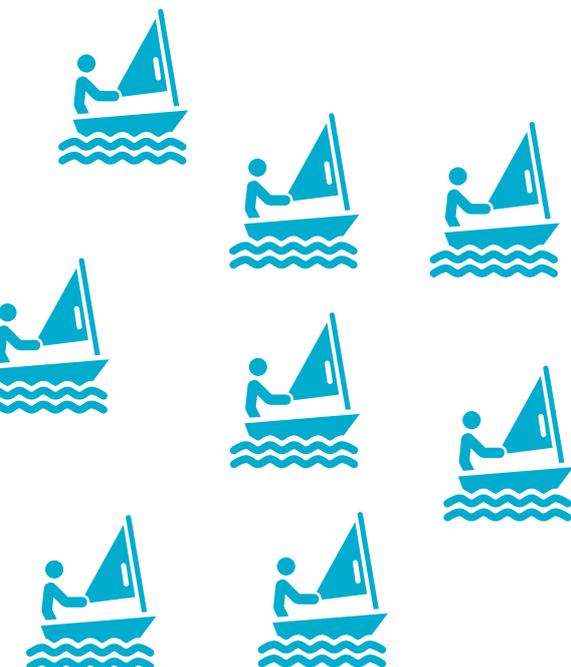
*"We tend to identify the usual suspects but how do we know that these are the right ones to lead into the uncertainty? How do we surface those who could help transform our organisation?"*

*"Our assessment practices capture some very valuable insights, but they are not really touching on complexity and what it means to be able to handle that well."*

*"I am not sure we know who in our talent pipeline can navigate complexity well."*



Organisations viewed assessment insights as a very important input to determining which leaders were able to navigate today's complexity.



## Wiser ways for different times?

Our study reinforces our perspective that different ways of approaching leadership assessment and development are required. As HR professionals and leaders, it is no longer sufficient to rely on the practices of the past. Whilst they have served us well, the time has come to adapt our toolkit. The appetite for change is palpable but at the same time there is a real sense of not knowing what a different way might be, with some fear of falling prey to passing trends that might not stand up to scrutiny by leaders and expert HR colleagues. The pressure to deliver assessment which adds value to the business is a real one. Our data shows that at best leaders and managers are ambivalent about the value of assessment and at worst are dissatisfied.

At MDV we have invested the last five years exploring this dilemma against a business backdrop, which, even in that time, has become more uncertain and complex. Working with leading theorists and practitioners we have found a way forward that we believe honours best practice of the past but at the same time shines a light on an established and highly relevant perspective from the world of adult constructivist development (or popularly known as vertical development). Why is this field so relevant today?

To help leaders navigate and make sense of the complexity they are facing requires them to access wiser ways of operating that go beyond the reach of traditional leadership competencies, traits and skills. They need to be able to think, act and relate in different and more expansive ways. Increasing their capacity to make sense of high levels of complexity and ambiguity whilst exploring and finding common ground in multiple perspectives enables them to navigate a path to solutions appropriate to the context. At the same time having greater self-awareness and distance from their emotional reactions and patterns of behaviour enables a cool and calm head despite the pressure that surrounds them.

### Hope not fear – Opportunity to alter focus?

The good news is that these wiser ways can be accessed and understood through reliable and relevant assessment methods. They can also be developed through “on the job” habits and practices leading to truly transformational change and development.

*"Our research findings reinforce just how tough it is for business leaders and organisations right now. Very few, if any, are immune to disruption and are unsurprisingly feeling overwhelmed and 'in over their heads'. We find business leaders are the first to recognise that new approaches are required for this new era. The HR community as a whole, seems less adept at changing from the old orthodoxies that are no longer appropriate for today's complexity. Interestingly, one of our interns wanted to do a dissertation on new assessment methods and was told quite firmly by her supervisor, 'I've never heard of these tools, nor of adult development theory – and I've been teaching for 20 years'. How can we ask or expect change in our leaders if we, as a profession, cling to our behavioural competency models and traditional methods of assessment? The time truly has come for HR to move beyond traditional practices and meet leaders with solutions fit for the age." Mike Vessey*

# About MDV

## Overview of who we are

MDV is a London-based leadership and talent consultancy, serving clients across the UK, Europe, Asia and the US.

We design and deliver assessment methodologies and processes that enable getting the right talent in the right roles, fundamentally reducing the well-documented costs of getting it wrong. We accelerate individual and group development, designing and delivering development programmes, team event and one to one coaching to maximise the value of your people, recognising the need for top talent to deliver quickly and add value to the bottom line. Finally, we design your supporting talent infrastructure, connecting the pieces that enable people to thrive and deliver results.

Our clients include FTSE 100 and FTSE 250 companies and multinationals operating across many sectors including professional services firms, online & digital, transportation, food and drink manufacturers, financial services and industry regulators.

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**Mike Vessey** is the Managing Partner of MDV Consulting. Leadership assessment and development has been the backbone of his 25 plus years' experience as both an in-house practitioner in talent management and resourcing as well as leading several consultancies. In that time, he has designed and delivered leadership assessment and development programmes for many well-known, blue chip organisations and professional firms. Mike has a particular interest in adult development, incorporating these concepts into MDV's work to help individual and organisational levels develop the capacities for today's world.

**Melanie Long** is a Partner of MDV Consulting. She brings over 20 years as a talent and assessment professional working in both large corporates and consultancies. Drawing on her business psychologist background, Mel has developed deep expertise in talent, assessment and D&I. She has designed and implemented many solutions for clients ranging from one to one and group-based assessment programmes, through to team and women-led development. In doing so, she balances creativity with pragmatism to ensure solutions open-up new thinking, land well with stakeholders and deliver real insights and value.

## What do you think?

This report summarises what we have heard. However, we are keen that these insights contribute to evolving better practices for our readers. In this section, we provide a few reflective questions to support further thought on these insights in relation to your own organisations. We hope you find them useful.

- How much of an acceptance is there amongst your leadership that part of their role is to actively support your organisation in being able to respond to disruption and complexity?
- How equipped are your leaders to navigate this complexity and unpredictability?
- Are your assessment practices enabling the identification of a pipeline of future leaders with the capacities to navigate disruption?
- How much do your assessment practices rely on 'traditional' factors such as personality and competencies?
- Do you feel your assessment and development practices are proactively supporting your leaders for certain uncertainty?



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