DD/A Registry

1 DEC 1976

MEMORANDUM FOR: Deputy Director for Intelligence

VIA   :   John F. Blake
                   Deputy Director for Administration   2 DEC 1976

FROM   :   Charles A. Bohrer, M. D.
                   Director of Medical Services

SUBJECT   :   Assessment Centers

        1.   In the continuing search for ways of improving
Agency management, the potential of assessment centers
for identification and development of managerial talent
receives periodic reexamination.   At the request of the
DD/A, I recently reviewed with him our activities in this
area within the Directorate.   In the course of our dis-
cussion, he observed that other Directorates may want to
reconsider at this time the possible application of this
method and suggested that I bring the concept to your
attention as one worth looking into.

        2.   The Management Committee discussed the subject
about a year ago but took no formal action.   A background
paper prepared prior to that discussion is attached.
Should you have any interest in exploring this further, Jack
Blake and I and members of my staff would be pleased to
respond.

                                        SIGNED
                              CHARLES A. BOHRER, M.D.

                              Charles A. Bohrer, M. D.

Attachment

The Assessment Center Approach to the Identification and

Development of Managers in CIA: A Background Paper

Typically in the public service, the process of identi-
fying employees as possessing managerial potential is based
largely on their past performance in a technical specialty.
One strategy for overcoming the inherent limitations of this
approach involves the use of multiple assessment techniques,
especially those involving a simulation of conditions and
problems which the manager actually confronts on the job.
Properly designed, such techniques can permit an evaluation
of managerial skills by replicating those interpersonal,
administrative, and decision-making demands unique to that
particular organizational environment in which the manager
must function.   Integrated with traditional information inputs,
including supervisors' evaluations and the performance record,
such data can materially enhance the predictive accuracy of
managerial selection, identify individual development needs,
and enlighten senior management on the characteristics of its
managerial pool in relation to projected requirements and
future demands.   In sum, such techniques offer management an
additional tool for predicting and directing the capabilities,
character, and style of the organization.

In August, 1972, a journal article setting forth these
points came to the attention of Mr. Colby, then Executive
Director.   Forwarding the article to the Deputy Director for
Support, Mr. Colby made note of the fact that OMS psychological
assessment is focussed primarily on initial selection and early
career guidance, and added that the article raised in his mind
"the possibility of a 'mid-career' assessment to identify strong
and weak points at that stage, for training and leadership
development purposes if not for raw selection".

At this point, the OMS Committee for the Behavioral Sciences
had already devoted a series of meetings to this same general
subject and had reached a similar conclusion.   In responding to
a request for comment on Mr. Colby's note, the Director of
Medical Services concluded in a memo to the DDS that "we should
try the Assessment Center technique in the Agency".

Subsequently, the DDS announced that OMS was prepared to
discuss the concept with interested offices, and to render
assistance to any office which chose to develop a Center.   The

Psychological Services Staff was designated as the resource for such development, and this responsibility was later formalized as a Directorate-level objective within the MBO framework. Discussions with several offices ensued, and eventually a developmental effort was begun in the Office of Joint Computer Support. An OJCS Center was established and continues, and a similar effort is presently underway in the Office of Communications.

As with any new venture, many problems arose between the idea and its fruition. Progress has been painfully slow. Experience to date affirms that the concept is basically sound. Full understanding of the concept and anticipation of some of the problems at the outset are essential in evaluating its potential for any given application. The balance of this paper attempts to deal with these matters in some detail.

1. _A brief history_. While the pioneering efforts of the OSS Assessment Staff had been preceded by earlier work in Britain (the War Office Selection Boards) and still earlier in Germany, it was the OSS experience which most profoundly influenced the later development of assessment methods for organizational applications. Concerned solely with selection, the OSS effort was the first large-scale effort to incorporate the use of multiple measures and observations and multiple assessors in a single assessment exercise, relying heavily on unique situational tasks which simulated job conditions, and aimed at a global judgment of the candidate's assets and liabilities for the job in question.

CIA continued this tradition on a reduced scale. As the volume of candidates declined after the early 1950's, assessment gradually shifted from a group process to a one-assessor-one-candidate interaction, with less use of simulation exercises and heavier reliance on the standard psychological measuring instruments appropriate to the one-on-one assessment condition. Exceptions continued in the case of programs where highly specialized selection was required (e.g., pilots for the "I" and "O" programs). Here the existence of a pool of pre-selected candidates with unique qualifications for demanding tasks permitted the use of group techniques and required the use of devices carefully hand-tailored to make the difficult discriminations required between individuals who were all highly able and possessed common backgrounds of outstandingly successful achievement in their special field. In such cases, assessment adhered more closely to the OSS model. In general, however, assessment today by the Psychological Services Staff most typically consists of a candidate being seen for one day by a psychologist who, often having already in hand the results of the candidate's performance on the Professional Test Battery, uses this time to obtain additional data from interviews and written procedures to put together a picture of the psychological factors which govern the candidate's behavior. With this picture in mind, he then prepares a narrative report, descriptive in nature, geared to the suitability questions and concerns of the referring office.

In addition to the selection question which governed the OSS operation, users of Agency assessment services today are often concerned with questions of assignment, career direction, and potential growth as well. It is still true, however, that assessment is a management device used most often in CIA for applicants and for employees in the early stages of their careers. The relatively few persons seen at later career stages are most often referred because "problems" have arisen and assessment is seen as a technique to help figure out what went wrong and what to do about it.

-3-

In other quarters, meanwhile, the OSS model triggered a rather different set of developments. Following some unsuccessful post-war attempts to apply OSS-type assessment methods to selection of candidates for specialized professional training programs, the approach fell into temporary disfavor. Ten years after OSS, one of the most prominent American psychologists declared that assessment in the OSS tradition was a proven failure. While this death notice was remarkably premature, there were few to dispute this judgment at the time. Few if any major assessment programs were in operation during the 1950's outside of the CIA.

However, it was in 1956 that American Telephone and Telegraph quietly embarked on a program which was later to prove how wrong this judgment was. AT&T launched a long-term, ambitious, carefully controlled research effort to study the management development process in the Bell System and to identify the variables related to managerial success. Assessment methods were incorporated into the basic research strategy. It was several years later before the results came in. When they did, the data demonstrated conclusively that OSS-type assessment methods could identify managerial potential, and do so more effectively than conventional methods relying exclusively on job performance in sub-managerial positions. This finding led to adoption of an assessment approach (now dubbed "the Assessment Center") throughout the Bell System.

When news of this success spread, similar efforts were soon launched in IBM, General Electric, J. C. Penny, Standard Oil, and other prominent companies eager to emulate the AT&T success. Literally hundreds of other organizations followed suit, including several government agencies, among the first of which were Internal Revenue, the U. S. Forest Service, TVA, and FAA. Not all of these applications were marked by the kind of careful research effort needed to establish their validity and usefulness. But many of them did, and by now the volume of research evidence testifying to the soundness of the method in a wide variety of settings is sufficient to suggest that almost any organization intent on improving managerial selection and development should give the concept serious consideration.

2. Description of a typical Center. An assessment "center", of course, is not a place but a process. The process involves the systematic application of a set of procedures for evaluating people. The procedures are devised and selected to have the maximum possible relevance to the managerial job on which the assessment process is focused. The process consists primarily of placing individuals in problem situations--simulations of real-life tasks--which they must handle, while their behavior is observed and evaluated by a team of assessors. The situational

tasks are developed jointly by psychologists and managers to reflect key aspects of performance in the managerial job in question. Typically they include an in-basket exercise, a leaderless group discussion, and one or more management "games", all designed to elicit managerial thinking, decision-making and action. Assessors are drawn from line management of the organization, typically two organizational levels above the assessees, and trained from two to five days in how to observe and judge behavior in the various assessment exercises. Assessment is conducted off-site and away from the work environment, over a two or three day period. Generally, no more than six people are assessed at a time, with one assessor for every one or two assessees. In-depth background interviews, peer evaluations, and video recordings and playback are also included in the process. A profile of strengths and deficiencies on each of the dimensions previously identified as important to job success is generated for each participant. Performance is not judged as pass or fail; it is rated rather than ranked, and feedback to the assessee is provided orally or in writing. A written evaluation is made available to the appropriate persons in the managerial structure, varying with the basic purpose of the assessment center, which may focus in varying degrees on selection, training needs, or other aspects of career management and development. When development rather than selection is the primary goal, the process is sometimes referred to as the "Management Development Center" rather than "Assessment Center"--a perhaps more acceptable as well as more accurate term. The OJCS Center has been so labelled.

3. Steps and problems in implementation. While the description above outlines an essentially simple mechanism, some reflection on the implications will surface the fact that the assessment center is actually a profound departure from traditional approaches to assessment in both the OSS and the CIA. It differs not only in focusing on managerial selection and development at a later career stage, but in more fundamental ways as well.

The OSS Assessment Staff was a semi-autonomous unit, staffed by experts in human behavior, which developed its own standards and delivered candidates into the system judged by those standards. The Assessment Branch of the Psychological Services Staff is likewise a group of experts who, operating in a consulting capacity, feed into the system interpreted data and their professional opinions and judgments about individual assets and liabilities. They do this by relating their psychological conceptions of the individual and their knowledge of predictive relationships between psychological data and everyday behavior to the general domain of job demands as they understand them. The assessment center, in contrast, proceeds from a quite different set of assumptions.

-5-

First in importance is the assumption that the require-
ments of a given managerial position, for example, that of Branch
Chief in a given component, constitute a set of demands unique
to that position which can be (a) identified by careful job
analysis and (b) once identified, targeted by specific assessment
devices which will elicit behavior relevant to those demands.
It follows from this that the first order of business in planning
an assessment center is for the office concerned to decide what
target positions should be the focus of the effort, after which
a detailed process of analyzing what the incumbents of those
positions actually must do to perform effectively begins.

In some cases, this step is slighted, based on fairly
valid reasoning which holds that all managerial positions embrace
certain common elements: oral and written communication skills,
energy, flexibility, creativity, etc. In our experience to date,
short-circuiting of this step is ill-advised. While such common
elements surely exist, their relative importance varies consider-
ably. For example, careful job analysis in one office established
the fact that "ability to delegate" and "keeping others informed"
were critical job elements at the top of the list--far more im-
portant than, for example, flexibility and tolerance of stress.
For managers at the same level in another office, this order
might well be reversed.

A second assumption of major importance is that once
a center has been properly designed to elicit job-relevant be-
havior from the assessees, line managers, not psychologists are
the appropriate persons to judge the effectiveness of that be-
havior. (This assumption is supported by research indicating
that trained managers do at least as well as psychologists in
predicting later managerial performance from assessment center
data.) Using line managers as the assessors takes the psychol-
ogists out of one of their traditional roles but continues to
use them where their skills are highly relevant: in job analysis,
construction of assessment devices, training assessors, con-
solidation of the data, and as consultants in the overall operation
of the center. In their training fuction, the goal is specif-
ically not to make psychologists out of the assessors, but rather
to sharpen their objectivity and systematic approach to observa-
tion, recording, and integration of the behavioral data.

From this shifting of roles comes also one of the major
fringe benefits of the center, namely, that which accrues to the
manager from his experience in serving as an assessor. OJCS
assessors extol the value of this experience, and General Electric
feels so strongly about it that it has established a policy of a
1-to-1 assessor-candidate ratio and rotates managers in the
assessor's role to expose a substantial percentage of its managers
to this experience.

A third major assumption implicit in the process described is the necessity of incorporating the assessment center as an integral part of the personnel management machinery. Most Agency components already have a variety of mechanisms--career boards, promotion panels, annual evaluation procedures, etc.--some quite elaborate and functioning very well. To embark on an assessment center operation without carefully thinking through where it is going to fit into the system and how the output of the center will be integrated with the function of these other mechanisms is, at best, an invitation to resistance, confusion, and inefficiency, and at worst, a blueprint for disaster.

While this may seem obvious, one of the factors which makes it less so is the long tradition in CIA of regarding assessment as something that is done by "the experts"--an outside group to whom you send people and get back some hopefully useful information about them. At first blush, it may appear that the assessment center also is something that "the experts" are going to provide, with the added disadvantage of requiring a heavier investment of time and effort by the user office than before. The idea that the center, if it is to come about, must be "built" by the office itself, and once built, "belongs" to the office in the most literal sense, with the "experts" only advising and helping in its creation and functioning, is not all that readily perceived at the beginning. Coming to grips with these issues at the outset is essential to realistic appraisal of the pros and cons of embarking on such an effort, and greatly enhances the chances of a successful outcome if one decides to proceed.

4. <u>Considerations for the future</u>. The preceding discussion has attempted to outline some of the problems and difficulties as well as the benefits of using assessment centers. They're expensive. Resources to mount such efforts are limited. In the more than three years since the idea was first seriously broached in the Agency, progress has been slow. But they work. And they work here. Improved managerial selection and development can result at almost any managerial level.

In 1973-74, assessment centers were used for the first time on a government-wide basis in the final selection of 25 candidates for an executive development program open to nearly all GS-15's in the government. The Office of Management and Budget, in cooperation with the Civil Service Commission, sponsored this program, which eventually resulted in 100 selected applicants participating in an assessment center conducted by 50 high-level government executives trained in an 8-day assessor training program. The assessment center included a government in-basket, a group discussion simulating the cabinet of a hypothetical country, a group discussion on national priorities, a mock press conference, and an analysis problem involving the

-7-

staffing of a government agency. OMB expressed the hope that this effort would be a prototype of a much larger government effort in this area.

Use of assessment centers with minority personnel and women have had favorable results. In one landmark decision involving litigation between AT&T and the EEOC, a consent decree provided that AT&T open its assessment centers to 2,000 female college graduates in lower level management positions to determine their potential for higher level management positions. Other experience in the Bell System demonstrates that their assessment centers operate fairly for blacks as well as whites.

A recent communication from OMB to the Comptroller called upon the Agency to see that budget estimates "reflect full consideration of---the resources needed for Agency systems to identify, develop, and utilize career executives." Assessment centers would clearly appear to qualify as one such resource.

In addition to internal Agency resources for hastening the development of assessment centers, a number of external resources are readily available through consulting firms who specialize in this activity. Should the Agency decide to implement this approach at a faster rate than could be supported solely by in-house resources, the Psychological Services Staff is prepared to identify and recommend such outside sources of help.