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A STUDY OF
MANAGEMENT SELECTION
PRACTICES IN NEW ZEALAND

BY

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SUMMARY OF FINDINGS

The main findings of the survey of management selection practices in New Zealand organisations are:-

- (1) Only one organisation out of sixty three has experienced the use of assessment centre technique for the selection of managers.
- (2) The most frequently used selection method for internal promotion is performance appraisal. Fifty three of the organisations (81.4%) used this method while 14 organisations (22.2%) used the executive development programme for promotion decisions.
- (3) Eighty three percent of the respondents regard the structured interview as either fairly important or very important for selection decisions.
- (4) Psychological assessment methods were not considered as important among the 63 respondents.
- (5) Sixty two of the respondents (98.4%) regard their current selection procedures as either fairly successful or very successful.

- (6) Fifty five of the respondents (87.3%) either tend to agree or strongly agree that their current selection procedures measure important qualities required of managers.
- (7) Based on the opinions of the respondents, an aspiring manager should have strong leadership qualities with initiative, decisiveness, interest in people, flexibility, self-confidence being the most important characteristics.
- (8) Despite the virtual non-usage of assessment centre; 36.5% of the respondents regard the incorporation of the technique into current selection procedures as advantageous to the organisations.

INTRODUCTION

Management selection is perhaps the most important personnel function of any organisation.¹ For it is the managers who will largely determine the success or otherwise of an organisation. Therefore it is important that an organisation should select its managers using a reliable and valid selection procedure.

A literature review of the personnel practices indicates that no study has been reported about the management selection methods used by New Zealand organisations. To fill in this information gap, a mail questionnaire survey was carried out.

Of central importance to any selection method is the ability to assess the qualities or characteristics required of managers for successful job performance. What are the qualities the New Zealand personnel manager regards as important for an aspiring manager to succeed? The research attempts to provide some answers to this question.

One of the most recent selection method which was originally used for the identification of management potential is the assessment centre technique. The technique was first used for non-military selection purposes by American Telephone and Telegraph Company (AT & T) in 1956. Since

1. The term "management selection" refers to the selection of managers of all levels in an organisation. The selection methods to be identified are applicable for the selection of junior, middle or senior level managers.

AT & T's pioneering efforts, the technique has proliferated into many organisations both in United States and Europe. This research also attempts to determine the extent of the use of the technique in New Zealand organisations.

2. OBJECTIVES

The three main objectives of this research are:-

- (1) To determine the methods that are currently used by New Zealand organisations for management selection.
- (2) To examine the qualities or attributes which are considered as important for managerial success.
- (3) To determine the extent of the use of the assessment centre technique.

The specific objectives can be divided into two groups. The first group relates to the literature review which aims to:-

- Provide a brief description of each of the selection methods identified.
- Describe the essential elements of the assessment centre technique.
- Investigate the predictive validity of the assessment centre technique.

The second group of objectives pertains to the questionnaire survey which attempts to:-

- Determine the most important selection methods.
- Determine the most frequently used assessment methods.
- Determine the extent of the use and understanding of the assessment centre technique.
- Develop a hypothetical model of a successful manager based on the survey respondents' views.

Towards attaining these objectives, the report is divided into two parts. The first part provides a literature review while the second presents the survey results.