

# Leading with impact, deciding with confidence



The Executive Impact
Assessment as a
strategic leadership tool



#### **OVERVIEW & CONTENTS**

- → When leadership becomes a risk decision
- → The Scientific Foundation of Executive Assessments
- → Introducing the Executive Impact Assessment
- → Executive Impact Assessment in detail
- Where companies benefit
- → Use Cases: Practical Examples of the Executive Impact Assessment
- → Conclusion

#### When leadership becomes a risk decision

A company's management and key leadership positions have always played a central role in shaping corporate success, direction, and culture. In today's dynamic business environment, the expectations placed on leaders have intensified while the time they are given to demonstrate impact has shortened significantly.

Despite the critical importance of leadership decisions, organizations are often under pressure to act swiftly. Market dynamics, competitive demands, and internal time constraints frequently leave little room for a structured analysis of candidate suitability and potential risks. The evaluation of executive candidates is typically based on CVs, past achievements, and performance in other companies without sufficient consideration of how the individual will perform within the specific context of the hiring organization.

The cost of a poor hiring decision at executive level can be substantial. According to the Association for Executive Search & Leadership Consultants (AESC), and research by economist Eileen Appelbaum and sociologist Ruth Milkman, the financial impact of a failed leadership hire can reach up to 213% of the executive's salary¹. Furthermore, studies from the Corporate Executive Board (CEB) estimate that between 50% and 70% of executives fail within the first 18 months of assuming a new role—regardless of whether they were hired externally or promoted internally².

Studies show that structured, scientifically grounded assessments can predict a leader's professional suitability and potential for success significantly more accurately. Their objectivity, transparency, and clear job relevance provide a solid foundation for sustainable leadership decisions and lead to higher acceptance among candidates. A valid, structured process provides the confidence and clarity needed to ensure sustainable appointments at the leadership level.

For improved readability, this article uses the masculine form only. All gender-specific terms are intended to be inclusive of all genders. This choice is made solely for the sake of linguistic simplicity and does not imply any value judgment.



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### The Scientific Foundation of Executive Assessments

Executive Assessment is a comprehensive process that aims to evaluate the skills, potential and development needs of executives and leaders. Originally developed to support Executive MBA admissions, the approach is now widely applied in organizations to assess executive-level candidates and high-potential individuals.

A robust assessment process typically includes a combination of structured interviews, cognitive and personality analyses, and in some cases, 360° feedback. This enables a comprehensive picture of an executive's capabilities, his leadership style, and the respective fit for a specific role or context.

Extensive research and meta-analyses<sup>3</sup> confirm that these types of assessments offer the highest validity in predicting job performance. Among the most reliable instruments are structured interviews and cognitive ability analyses, which offer consistent, comparable, and predictive results. Cognitive analyses capture key abilities such as abstract and logical reasoning, mathematical and verbal competencies, as well as the capacity to solve complex tasks in a structured way. In addition, they provide insights into a candidate's perceptual acuity, decision-making speed, and individual problem-solving strategies as well as their ability to learn and adapt. This forms a robust picture of how a leader manages complexity and responds in unfamiliar situations.

Personality analyses, particularly those based on the Big Five model<sup>4</sup>, help to uncover motivational drivers, behavioural tendencies, and potential derailers under pressure. Here, it is important to differentiate among the variety of tools available on the market—especially regarding their validity and suitability for hiring decisions.

The method of interpretation also plays a critical role. Normative assessments compare a candidate's performance to a broader population, typically shown as percentile rankings, while ipsative assessments focus on intra-individual patterns, highlighting personal growth and preferences. Each method has distinct strengths and can contribute valuable insights when applied correctly.

One of the most important lessons from recent psychological research is that attitude, adaptability, and mindset can be equally, if not more, important than static intelligence. Research by Carol Dweck (Stanford University) has shown that mindset, learning agility, and resilience often outweigh raw IQ<sup>5</sup> in the long term.

In short, executive assessments provide a data-driven foundation for identifying leadership potential and development needs but only when implemented within a structured and context-sensitive framework.

<sup>3</sup> Schmidt & Hunter (1998), Sacket et al. (2022), Salgado et. A. (2003) zitiert nach Höft (2023), S. 82 und Kanning (2023), S. 134.

<sup>4</sup> Gonzalez-Mulé, Mount & Oh (2014).



#### Introducing the Executive Impact Assessment

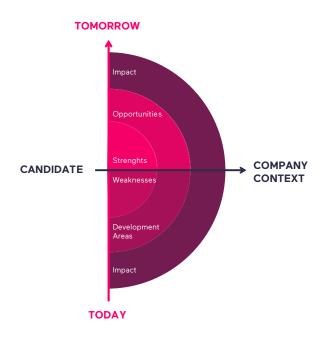
At Cribb, we take the core principles of assessment a step further by integrating them into a proprietary, context-specific methodology: the **Executive Impact Assessment (EIA)**. While traditional executive assessments focus on evaluating general competencies and psychological traits, the EIA is designed to answer a far more critical question:

#### "How well will this leader perform in your specific business context?"

This distinction is central to our approach. Rather than relying solely on past performance or generic indicators of leadership quality, the EIA evaluates how a candidate's competencies, personality, and working style will unfold within the strategic, cultural, and operational reality of the organization.

#### The goal is to:

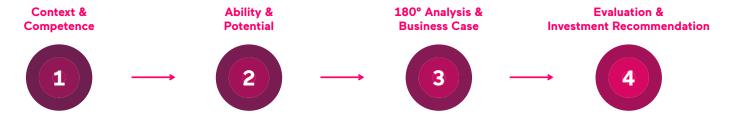
- Strengthen decision-making confidence
- Minimize hiring risks under time pressure
- Accelerate early performance and cultural integration
- Identify investment areas to unlock full leadership potential



The Cribb Executive Impact Assessment combines biographical, trait-based, and behavioural assessment components with deep contextual analysis. It offers a clear, evidence-based view of whether a candidate is not just capable but capable here, now, and in this role.

#### **Executive Impact Assessment in detail**

Our EIA process is a modular, evidence-based process that enables companies to evaluate leadership candidates with precision anchored in the specific requirements and challenges of the role and organization. The EIA consists of four interdependent components, each contributing a critical layer of insight.





#### Executive Impact Assessment in detail



The first phase, **Context & Competence**, lays the foundation for the entire assessment. Through face-to-face interviews with key stakeholders, we gain direct insight into the strategic goals, cultural landscape, and role expectations within the organization. This allows us to understand not only the formal requirements of the position, but also the broader business environment in which the candidate is expected to succeed. Based on this understanding, we define a context-based competency model, a structured profile outlining the key skills, behaviours, and leadership traits that are critical for success in the role. This model serves as the benchmark for all further assessment steps, ensuring that each evaluation is anchored in the real demands of your organization, not a theoretical ideal.



The third phase, 180° Analysis & Business Case, brings the assessment into a highly practical dimension. We conduct a structured interview that aligns the candidate's profile with the custom competency model and the results of the Hogan and PTL diagnostics. The candidate is asked to prepare and present a business case, a challenge relevant to the potential role enabling us to observe their thought process, communication style, and ability to address real-world strategic issues. To round off this phase, we conduct a 180° reference check with carefully selected stakeholders, offering additional perspective on the candidate's professional behaviour and previous performance.



In the second phase, Ability & Potential, we apply two scientifically validated diagnostic tools: the Hogan Personality Assessments and the People Test Logic (PTL). Hogan is based on the Big Five model and aligns with the requirements of DIN 33430. It captures potential, risk behavior, and personal values—both from a self-assessment perspective and in terms of external perception and reputation. PTL is a differentiated assessment that measures intellectual abilities and cognitive competencies across eight dimensions. It offers insight into how individuals manage complexity, adapt to novel situations, and approach problem-solving. Combined, both assessments deliver a nuanced profile of cognitive style, behavioural tendencies, and overall capability.



The fourth phase is the **Evaluation & Investment Recommendation**. Here, we consolidate the insights from all previous stages to create a precise and actionable evaluation. We outline in clear terms where the candidate meets expectations, where development potential lies, and where targeted investments would be required for successful integration and performance. This evaluation includes both immediate and longer-term considerations—highlighting risks, development areas, and potential derailers—while offering concrete guidance on how to support the candidate in their future role.



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#### Where companies benefit

The Executive Impact Assessment offers a structured and context-based approach to evaluating leadership candidates minimizing risk and maximizing strategic fit. Key benefits include:



#### 1. Security and Risk Minimization

The combination of proven diagnostics and structured evaluation reduces the likelihood of poor hiring decisions and ensures more reliable outcomes.



#### 2. Precise Selection Through Contextual Fit

Through the close alignment of organizational context and role requirements, we identify candidates who are not only professionally qualified but also culturally aligned with your organization—in practice, not just on paper.



#### 3. Faster Integration and Performance

Based on the assessment, you receive a structured analysis of the areas in which the leader already excels—and where targeted development efforts and investments are needed to ensure long-term success.



#### 4. Clear Investment Planning

The assessment provides a structured analysis of the areas where the leader already demonstrates strength, as well as those where targeted development initiatives and investments are required to secure long-term success.

This combination of clarity, rigor, and contextual relevance transforms the assessment into a powerful strategic leadership tool. One that enables organizations to make confident, future-oriented leadership decisions with greater speed and precision. By aligning leadership choices with long-term goals, it helps secure sustainable success in an increasingly dynamic business environment.

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## Use Cases: Practical Examples of the Executive Impact Assessment

In the business context, the Executive Impact Assessment is used for various purposes, including leadership development, succession planning, recruitment and risk management. It helps organisations to identify the strengths and weaknesses of leaders, which is essential for targeted development measures and improved decision-making.

The following examples are illustrative of client engagements we have supported across diverse industries and global markets. Each case highlights how the EIA delivers measurable value in different leadership situations—whether for internal promotions, team restructuring, or strategic succession planning.





#### **Internal Career Development**

An internal candidate was considered for a leadership role alongside external applicants. The EIA helped assess their potential in relation to future role demands, resulting in a clear development and investment plan. The strong cultural alignment enabled a faster, more cost-effective selection process with reduced risk and shorter time-to-impact.







A private equity-owned company was preparing for a critical leadership transition: the successor to its founder and long-standing CEO. The new leader would be responsible for accelerating growth while managing significant change without compromising the company's strong internal culture and employee retention. Although one candidate stood out during the interview process, concerns remained about their ability to lead growth while preserving the company's culture. The EIA delivered the clarity needed: validating strengths, revealing risk areas, and confirming the candidate's fit for both the strategic agenda and internal dynamics. This allowed stakeholders to proceed with confidence and in full alignment.

#### Completing a Leadership Team with Complementary Strengths



An additional Executive Board member was being sought to join an existing leadership duo. Beyond fulfilling the professional requirements of the role, the new member needed to complement the existing board not only in expertise, but also in personality and leadership style.

The EIA was specifically designed to account for these team dynamics.

The result was a well-informed appointment that strengthened the board's cohesion while adding new capabilities and perspectives essential for long-term success.

#### **Candidate Comparison for Co-Leadership**



A company sought a co-managing director to work alongside its current MD. To ensure synergy, the EIA was used to assess the existing MD before launching the search. Finalist candidates were then evaluated against this baseline, enabling a precise match in leadership style, competencies, and working logic supported by a tailored investment plan.

#### Identifying a Future-Ready Leadership Team



An international company undergoing a strategic turnaround had recently appointed a new CEO. To ensure the transformation would succeed both operationally and culturally, the CEO prioritised a structured assessment of the existing second-line leadership and selected key managers before considering external candidates.

The EIA provided clear insights into individual leadership potential, development needs, and areas of immediate impact. Based on this, the CEO was able to define a future-fit leadership team, align talent with strategic priorities, and identify targeted investment areas to support long-term performance and growth.



## Conclusion Decisions with Impact: strategic, informed and future-proof

The selection of senior leaders is one of the most high-impact decisions any organization can make. Yet too often, these choices are based on instinct, incomplete information, or assumptions drawn from past roles rather than future context. In today's environment—marked by complexity, pressure, and constant change—sound judgement must be backed by structured, data-informed insight. The Executive Impact Assessment delivers what high-stakes leadership decisions require: a rigorous, context-sensitive approach that empowers organizations to make confident leadership decisions, reduce risk, and accelerate executive impact. It provides not just an evaluation, but a roadmap—showing where a leader will deliver immediate value, where targeted development is needed, and what investments will unlock long-term success.

Whether selecting external candidates, promoting from within, or navigating transformation processes, the EIA helps shape leadership with focus: reliably, efficiently, and with strategic clarity.

We would be pleased to support you in developing modern leadership structures and appointing top-tier executives. Contact us for a strategic consultation to help position your company for the future.



#### Maria Baek Andersen

Maria has more than a decade of experience in international executive search, executive assessment, and management development.

She is a certified coach and has worked across multiple industries and markets with a clear focus on building bridges between people, culture, and strategy. mandersen@cribb.de

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