Stakeholder competency assessments as predictors of career success

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Abstract

Purpose – The purpose of this paper is to extend the work on 360-degree assessments as a stakeholder perspective and to support the argument that different competency assessments by different rater groups provide valid predictors of the objective and subjective career success of young professionals.

Design/methodology/approach – A 360-degree assessment tool, the leadership inventory (LI), was completed by 330 individuals as part of their professional development. Eight competencies germane to the performance of young professionals were assessed by self, supervisors, peers, and direct reports. These rater assessments were used to predict one’s satisfaction with his/her career, promotions, and salary changes.

Findings – Different rater groups assess the competencies differently, and these differences are relevant to career success. The results of object measures of career success held when gender, years of work experience, and two individual difference measures (i.e. proactivity and negative emotions) were controlled. In contrast, the self-assessments of satisfaction with career success were attenuated when control variables were introduced.

Practical implications – Professionals can enhance their promotion potential and salary progression by developing and exhibiting the competencies of interest to their supervisors (most performance competencies), peers (gaining buy-in and commitment of others, recognizing and promoting interdependence), and direct reports (providing direction that inspires action, fostering a climate of innovation and learning).

Originality/value – This article supports a broader use of different rater group competency assessments in understanding and enhancing the career success of professionals. It suggests the need for dialogue and research regarding when different rater assessments in 360-degree assessment tools are an index of instrument validity.

Keywords Leadership, Promotion, 360-degree feedback, Professional education, Career development, Career satisfaction

Paper type Research paper

The contest-mobility perspective of career success maintains that getting ahead in an organization depends on job performance and demonstrating key performance competencies. Based on this perspective, career success is determined by individual abilities and accomplishments as people compete with each other in an open and fair market for advancement. One’s human capital (e.g. competencies, work experience, past successes) and stable individual differences (e.g. gender, personality) are the primary predictors of success (Judge et al., 1995; Cocchiara et al., 2010; Wayne et al., 1999). Career success includes objective components which are publicly accessible and defined external to the person such as advancing in position and salary (Schein and Van Maanen, 1977), and subjective assessments such as satisfaction with one’s career.
and career progress relative to peers (Arthur et al., 2005; Callanan, 2003; Haslin, 2005; Hay and Hodgkinson, 2006). In a meta-analysis of the predictors of objective (e.g. promotions) and subjective (e.g. satisfaction) career success, Ng et al. (2005) concluded that the contest-mobility perspective has significant merit.

Serving multiple stakeholders
This paper examines the extent to which the competency assessments made by those with a stake in a young professional’s career – oneself, supervisors, peers, and direct reports – predict the professional’s career success. Self-ratings of competencies and performance have generally been found to correlate with career satisfaction, but not objective indices of career success – with the reverse being true for supervisor assessments (for a review see Ng et al., 2005). For example, Schyns and Sczesny (2010) found that self-assessed leadership-relevant attributes were related to occupational self-efficacy in a study of management students across three countries – Germany, Australia, and India. Bracken et al. (2001) summarize the literature on multisource feedback (MSF), including the consistent finding that supervisor assessments typically correlated with measures of objective career success.

Somewhat less studied has been the relationship of direct report, peer, and client assessments of competencies with career success. Stumpf (2007) found that the relationship-oriented competency assessments by different rater groups in multinational professional service firms predicted advancement to partner up to three years after the assessment. The predictability of becoming partner was 50 percent greater through the use multiple stakeholder assessments beyond the assessments of partners only. The non-partner assessments of greatest value were client assessments of trust, peer assessments of collaboration, and direct report assessments of leadership and coaching. Others have found that different rater assessments can add important subcomponents to criterion constructs, and are not rater bias (Hoffman et al., 2010; Lance et al., 2008).

360-Degree assessments and multisource feedback (MSF)
One process to obtain assessments from different constituencies is through the use of 360-degree assessments (Tornow et al., 1998; Waldman and Atwater, 1998) and MSF (Bracken et al., 2001). While the literature on 360-degree assessments and the use of these assessments as feedback abounds (aka MSF), only a small proportion of the research focuses on using different rater assessments differentially in predicting career success and making HR-related decisions (e.g. Brett and Atwater, 2001; Kluger and DeNisi, 1996; London et al., 1998; Stumpf, 2007). Yet, research has supported treating differences in the views of different rater groups as:

• as different aspects of actual performance (Fried et al., 2008);
• information to more fully understand the focal person’s performance (London and Smither, 1995; Tornow et al., 1998); and
• information to better predict long-term career outcomes such as promotion and retention (Higgins and Thomas, 2001; Stumpf, 2007).

One rationale for differences in self and supervisor-rated performance is that self-ratings reflect self-efficacy and motivation, whereas supervisor-rated performance focuses on achievements (Lane and Herriot, 1990). Self-assessments have also been observed to
differ from peer, direct report, and client assessments because these stakeholders focus on the competencies that they observe and experience directly (Stumpf, 2007).

The reason d’être for 360-degree assessments and MSF is to understand the views and needs of different stakeholders that are in interaction with a target individual. The literature on MSF supports the value of multiple perspectives and suggests that the contributions of different perspectives can be particularly interesting (Brutus et al., 1998; Harris and Schaubroeck, 1988; London and Smither, 1995; Mabe and West, 1982). These differences are likely to be due to different organizational levels observing and valuing different facets of one’s performance (Borman, 1974; Murphy and Cleveland, 1995). Self-ratings, while an important part of the multi-rater assessment process, may be less accurate than the ratings by others and are more subject to a leniency bias (Harris and Schaubroeck, 1988) – suggesting that self-ratings should not be combined with other ratings. Supervisor ratings are used widely, yet understood to be a limited view of some subordinate performances (Howard et al., 1994, London, 1995). Supervisor ratings are likely to reflect a contest-mobility perspective – with supervisors wanting to advance their best performers. Peer ratings are generally found to be reliable and valid, yet may have biases if advancement is highly competitive as suggested by the contest-mobility model of career success (Murphy and Cleveland, 1995; Brutus et al., 1998). Direct report ratings provide a distinct view by shifting the power perspective – providing a direct measure of what is experienced by the less powerful individual (London and Smither, 1995; Murphy and Cleveland, 1995).

Using 360-degree competency assessments to predict career success

The contest-mobility perspective supports the use of self, supervisor, peer, and direct report assessments of competencies as separate predictors of career success. The MSF literature cited above, while not addressing the relationship of different rater competency assessments with career success directly, suggests the following.

Self-ratings are not expected to be a strong predictor of objective career success, reflecting findings in the MSF literature that self-ratings tend to be weakly related to ratings by peers and supervisors (Ashford, 1989; Yammarino and Atwater, 1997). Leniency bias in self-reported competencies seems probable – suggesting that self-assessments would not be related to subsequent objective indices of success, yet may be related to self-assessments of career success as these assessments may share the same bias (Schyns and Sczesny, 2010).

H1. Self-assessments of competencies will be weakly related to objective career success, and moderately related to satisfaction with career success.

Supervisors in most work organizations have significant influence in decisions regarding the promotions and salary changes of their direct reports; supervisor assessments of competencies are expected the primary predictor of objective indices of career success. Because promotions and salary changes are typically made relative to others within a business unit, and the views of others can influence supervisor decisions, peer assessments of competencies are also expected to predict objective career success – but to a lesser degree than supervisor assessments.

H2. Supervisor assessments of competencies will have a strong relationship with objective career success; peer assessments of competencies will have a moderate relationship with objective career success.
Given the lower power level of direct reports and their unlikely observation on many of the actions of their supervisor that relate to their supervisor’s peers and superiors, their assessments of competencies are most germane for those actions that they directly experience, such as the quality and extent to which their supervisor provides them direction, inspires them to take action, and fosters a climate of innovation and learning.

H3. Direct report assessments of competencies will have the strongest relationship with career success for those competencies directly related to their relationship with their boss (i.e. providing direction that inspires action and fostering a climate of innovation and learning).

Method

Sample and study procedure
A sample of 342 people participated in this research as part of their professional development. After deletion of participants with missing data, the available sample was 330. Participants were professionals (average age 30 years, sd. six years) participating in a MBA degree program (94 percent) or a corporate executive development program[1]. All participants had self, supervisor, and peer assessments; 220 had direct report assessments. There were 620 supervisor assessments (m = 1.88, SD 1.19), 1,589 peer assessments (m = 4.83, SD = 3.44), and 757 direct report assessments (m = 3.15, SD = 2.07). The average response rate of supervisors invited to participate for each participant was 93 percent, peers 89 percent, and direct reports 96 percent. Of the 330 participants, 81 percent had a 100 percent response rate of raters invited to provide a rating. Assessments within each rater group were averaged to form a single rating for each competency-rater. These average ratings were analyzed for reliability and validity.

Each person was asked to describe their employment changes over the past three years:

• 59 (17.9 percent) were in the same position with the same employer;
• 63 (19.1 percent) had switched positions once with the same employer;
• 86 (26.1 percent) had switched two or more times with the same employer;
• 38 (11.5 percent) reported a lateral move to another employer; and
• 84 (25.4 percent) reported switching employers one or more times involving at least one clear advancement move.

This degree of mobility is consistent with that of other studies of young professionals. Cocchiara et al. (2010) report that by an average age of 36.8 years, 75.4 percent of their sample of 318 MBA alumni held positions at level 7 or higher (out of 16 with 1 being the CEO) at the time of their study – supporting one hierarchical move an average of every two years.

Competencies germane to young professionals
The term “responsible leadership” (Avery and Baker, 1990; Maak and Pless, 2006; Waddock, 2005; Waldman and Galvin, 2008) has been used to denote a process of inclusion and mutual influence between those in leadership positions, followers, and others to attain group, organizational, and societal goals. Professionals, in their efforts to be responsible leaders within their groups and units, are expected to serve many stakeholders (Boyett and Boyett, 1998; Doh and Stumpf, 2005; Mitchell et al., 1997; Post
et al., 2002), often through exercising specific competencies germane to those stakeholders (Lombardo and Eichinger, 1998). Competencies relevant to young professionals include: providing direction, setting goals, inspiring a shared vision, challenging existing methods and procedures, building teams, supporting individual and group interdependences, influencing others, empowering others, creating a positive work climate, and effectively using resources (Caproni, 2005; Kouzes and Posner, 1987; DePree, 1997).

**Competency instrument development**
A competency assessment instrument was selected that included behavioral items addressing the above competencies. The selected instrument had previously been piloted in three organizations in different industries involving a total of 619 people. Factor analyses were conducted on that sample which resulted in each of the behavioral items being placed in one of eight competency areas:

1. provides direction that inspires action;
2. gains the buy-in and commitment of others;
3. effectively uses resources;
4. recognizes and promotes interdependence;
5. fosters a climate of innovation and learning;
6. builds trust and models ethical behavior;
7. brings out the best in others; and
8. embraces change with confidence and courage.

The dimensions and items are shown in Table I. The dimensions and items were subsequently cast into a 360-degree assessment tool, web-enabled, and labeled the leadership inventory (LI).

The LI responses for this research were collected via the internet and secured off site to ensure each responder the confidentiality of their responses. The LI is web-based and powered by LearningBridge.com, an independent contractor. Each participant was sent an email inviting them to participate which included a username (email address) and password (which they could change after entering the LearningBridge.com web site). Respondents were instructed to complete the LI themselves, then to add the names and email addresses of those from whom they would like feedback. Tracking of self-assessments and other assessments indicates an average two-week lag – most raters (other than self) completed the LI two to four weeks after the self-assessment and career success data were collected. If a respondent stopped and then resumed the survey, items already assessed were saved. A deadline was created for completion of the LI by all raters – it was four to five weeks following the LI introduction to participants. A feedback report was provided to each participant as a confidential.pdf file with interpretation instructions. The respondent identities remained confidential as only averaged results by rater group were reported.

**Indices of career success**
The literature on career success is vast and includes many indices of career success (Callanan, 2003; Hay and Hodgkinson, 2006; Ng et al., 2005). After a review of the
Leadership inventory

**Provides direction that inspires action** (coef. alpha = 0.69)
1. Creates a vision of what the unit can become in the future
2. Establishes milestones to guide others’ actions
3. Is selective in determining the issues on which to focus
4. Sets clear performance expectations
5. Explains changes so that others can understand them

**Gains the buy-in and commitment of others** (coef. alpha = 0.86)
6. Assumes personal responsibility for influencing others
7. Demonstrates that he/she cares about the hopes and dreams of others
8. Sustains excitement about future possibilities
9. Celebrates current successes with those responsible
10. Provides advice that is politically sensitive

**Effectively uses resources** (coef. alpha = 0.76)
11. Invests his/her time wisely
12. Ensures that resource decisions are made as close to the customer as possible
13. Stays current with resource availability and capacity
14. Delegates responsibilities to those who are competent to handle them
15. Proactively responds to threats to key initiatives

**Recognizes and promotes interdependence** (coef. alpha = 0.71)
16. Encourages cooperative problem solving
17. Works cooperatively with those outside the work unit
18. Provides opportunities for people to share their expertise with others throughout the organization
19. Exposes people to learning opportunities outside the unit
20. Maintains a network of positive business relationships

**Fosters a climate of innovation and learning** (coef. alpha = 0.66)
21. Effectively challenges the existing ways of doing things
22. Supports a learn-by-doing approach
23. Provides useful feedback and coaching
24. Displays a philosophy of: “What can we learn from this?”
25. Encourages the sharing of personal insights, learnings and success stories

**Builds trust and models ethical behavior** (coef. alpha = 0.78)
26. Makes decisions consistent with the unit’s positive values
27. Serves as an inspiring model for others to follow
28. Supports positive values even in difficult circumstances
29. Uses resources in a highly appropriate manner
30. Shares his/her views about key business issues before decisions are made

**Brings out the best in others** (coef. alpha = 0.81)
31. Puts people at ease
32. Is patient in working with others
33. Provides visible, challenging opportunities that motivate others
34. Encourages and supports the visions of others
35. Builds on the strengths of others

**Embraces change with confidence and courage** (coef. alpha = 0.73)
36. Perseveres through adversity
37. Goes beyond the expected
38. Acts in a quick, flexible, and “right-for-now” manner
39. Champions innovative ideas, even when faced with skepticism
40. Demonstrates confidence in him/herself as a leader

Table 1.
Leadership inventory, proactive personality, and negative emotion items

(continued)
metrics frequently used, three objective indices and six self-assessments were included as part of the LI self-assessment. The three objective indices were:

1. How many promotions have you earned in the past three years, including promotions associated with a change in employer? (coded 0 = no promotion; 1 = 1; 2 = 2; 3 = 3 or more).
2. How much has your total annual compensation changed over the past 3 years? (coded 1 = decreased; 2 = remained the same; 3 = $5,000; 4 = $10,000; 5 = $15,000; 6 = $20,000; 7 = $25,000; 8 = $30,000; 9 = $35,000; 10 = $40,000; 11 = $45,000; 12 = $50,000 or more).
3. On a percentage basis, how much has your total salary and bonuses increased cumulatively over the past three years? (coded 1 = decreased; 2 = remained the same; 3 = 2 percent; 4 = 4 percent; 5 = 6 percent; 6 = 8 percent; 7 = 10 percent; 8 = 12 percent; 9 = 14 percent; 10 = 16 percent; 11 = 18 percent; 12 = 20 percent; 13 = 22 percent; 14 = 24 percent; 15 = 26 percent; 16 = 28 percent; 17 = 30 percent; 18 = 32 percent; 19 = 34 percent; 20 = 36 percent; 21 = 38 percent; 22 = 40 percent or more).

A three-year window was used to create an “average” level of promotion and salary change that would be expected to reflect competencies more than immediate business conditions. These indices were examined separately and as a composite index. The composite was calculated by creating a standardized score for each of the three objective measures then averaging them. The coefficient alpha was 0.83.
Six items with five-point response scales that were used to assess satisfaction with their career success were:

1. How satisfied are you with your career progress over the past three years?
2. How satisfied are you with your career success as defined by you over the past three years?
3. How satisfied are you with your salary progression over the past three years? (1 = not satisfied; 3 = moderately satisfied; 5 = very satisfied).
4. How do you view your career progress relative to your peers over the past three years? (1 = less progress; 3 = about the same progress; 5 = much greater progress).
5. How do you view your career success relative to your peers over the past three years? (1 = less success; 3 = about the same success; 5 = much greater success).
6. Assess your salary progression relative to your peers over the past three years? (1 = less; 3 = about the same; 5 = much greater).

The satisfaction with career success index is the simple average of the six items.

Predicting future career progress

As the measures of objective career success were collected from the participant at the same time as the competency assessments, causation cannot be inferred. To address this issue there were 114 participants with whom the researchers had maintained contact due to their current involvement in an MBA program. They were asked within the context of a confidential career development paper about their career progress over the six months following their completion of the LI: 28 (24.6 percent) indicated that there was clear career progress in terms of their responsibilities, a promotion, and/or above cost-of-living compensation changes during those six months (this period was part of an economic recession). A career progress measure was constructed (0 = no progress reported; 1 = clear career progress reported, n = 114); it correlated 0.412 \((p < 0.01)\) with number of promotions in the previous three years, 0.393 \((p < 0.01)\) with the average of LI supervisor assessment across the 40 behaviors, and 0.309 \((n = 67, p < 0.05)\) with the average direct report assessment across the 40 behaviors. This information supports the validity of the objective career success measures used with the entire sample, and is suggestive of the predictive validity of supervisor and direct report assessments.

Leadership inventory factor structure, validity, and reliability

The LI data in this study was subjected to a Principal Component Analysis with Varimax Rotation and Kaiser Normalization. The supervisor assessment rotation converged on eight factors in ten iterations which accounted for 70.0 percent of item variance with individual factors accounting for from 16.0 percent (factor 1) to 3.2 percent (factor 8). This analysis is shown in Table II. Most items scored 0.50 or higher on the intended dimension (factor loadings of 0.40 + are in italics). Five items had complex loadings. These were retained in the designated dimension, the result being that the dimensions correlate with each other somewhat higher than if those items with complex loadings had been eliminated.
<table>
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<th>Stakeholder competency assessments</th>
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### Leadership inventory dimension

| VAR1 | 0.22  | 0.02  | 0.23  | 0.15  | 0.70  | 0.28  | 0.15  | 0.15  |
| VAR2 | 0.26  | 0.10  | 0.32  | 0.22  | 0.32  | 0.64  | 0.03  | 0.10  |
| VAR3 | 0.30  | 0.16  | 0.15  | 0.15  | 0.50  | 0.16  | 0.03  | 0.11  |
| VAR4 | 0.36  | 0.11  | 0.14  | 0.14  | 0.52  | 0.27  | 0.03  | 0.06  |
| VAR5 | 0.21  | 0.28  | 0.14  | 0.27  | 0.52  | 0.27  | 0.03  | 0.06  |
| VAR6 | 0.03  | 0.28  | 0.14  | 0.19  | 0.32  | 0.56  | 0.07  | 0.03  |
| VAR7 | 0.02  | 0.52  | 0.14  | 0.01  | 0.32  | 0.57  | 0.23  | 0.00  |
| VAR8 | -0.03 | 0.18  | 0.25  | 0.07  | 0.11  | 0.65  | 0.19  | 0.12  |
| VAR9 | 0.04  | 0.31  | 0.15  | 0.08  | 0.27  | 0.62  | 0.14  | -0.02 |
| VAR10| 0.12  | 0.33  | 0.01  | 0.28  | 0.00  | 0.67  | 0.06  | -0.09 |
| VAR11| 0.13  | 0.09  | 0.38  | 0.69  | 0.09  | 0.03  | 0.12  | 0.18  |
| VAR12| 0.19  | 0.10  | 0.20  | 0.45  | 0.09  | 0.34  | 0.33  | -0.25 |
| VAR13| 0.22  | 0.21  | 0.08  | 0.55  | 0.20  | 0.37  | 0.25  | 0.12  |
| VAR14| 0.29  | 0.29  | -0.07 | 0.51  | 0.19  | 0.29  | 0.21  | 0.32  |
| VAR15| 0.23  | 0.06  | 0.24  | 0.63  | 0.20  | 0.40  | 0.21  | 0.12  |
| VAR16| 0.26  | 0.37  | 0.15  | 0.07  | 0.14  | 0.38  | 0.45  | 0.24  |
| VAR17| 0.11  | 0.48  | 0.40  | 0.22  | 0.05  | 0.05  | 0.50  | 0.25  |
| VAR18| 0.19  | 0.36  | 0.12  | 0.13  | 0.13  | 0.12  | 0.63  | 0.15  |
| VAR19| 0.28  | 0.09  | 0.15  | 0.19  | 0.13  | 0.11  | 0.68  | 0.05  |
| VAR20| 0.50  | 0.21  | 0.45  | 0.16  | -0.06 | 0.03  | 0.52  | -0.16 |
| VAR21| 0.66  | -0.08 | 0.12  | 0.07  | 0.26  | 0.20  | 0.02  | 0.11  |
| VAR22| 0.79  | 0.10  | 0.25  | 0.30  | 0.13  | 0.11  | 0.18  | 0.31  |
| VAR23| 0.69  | 0.28  | 0.04  | 0.22  | 0.06  | 0.15  | 0.19  | 0.11  |
| VAR24| 0.73  | 0.25  | 0.16  | 0.09  | 0.14  | 0.19  | 0.14  | 0.16  |
| VAR25| 0.73  | 0.20  | 0.12  | 0.16  | 0.22  | 0.11  | 0.17  | 0.08  |
| VAR26| 0.06  | 0.22  | 0.58  | 0.40  | 0.12  | 0.30  | 0.07  | 0.10  |
| VAR27| 0.28  | 0.23  | 0.56  | 0.35  | 0.18  | 0.13  | 0.07  | 0.06  |
| VAR28| 0.17  | 0.27  | 0.54  | 0.33  | 0.15  | 0.17  | 0.07  | -0.06 |
| VAR29| 0.13  | 0.38  | 0.51  | 0.36  | 0.19  | 0.33  | 0.04  | 0.07  |
| VAR30| 0.25  | 0.13  | 0.64  | 0.07  | 0.23  | 0.69  | 0.02  | 0.09  |
| VAR31| 0.35  | 0.75  | 0.10  | 0.09  | -0.00 | 0.07  | -0.02 | 0.01  |
| VAR32| 0.09  | 0.83  | 0.11  | 0.10  | -0.02 | 0.03  | 0.09  | -0.01 |
| VAR33| 0.31  | 0.58  | 0.24  | 0.35  | 0.29  | -0.01 | 0.23  | 0.13  |
| VAR34| 0.30  | 0.57  | 0.32  | 0.32  | 0.27  | 0.15  | 0.20  | 0.04  |
| VAR35| 0.32  | 0.49  | 0.34  | 0.33  | 0.20  | 0.14  | 0.27  | 0.05  |
| VAR36| 0.20  | 0.18  | 0.26  | 0.25  | 0.29  | 0.05  | 0.07  | 0.53  |
| VAR37| 0.21  | 0.13  | 0.27  | 0.13  | 0.32  | 0.25  | 0.12  | 0.44  |
| VAR38| 0.26  | 0.11  | 0.42  | 0.20  | 0.21  | 0.21  | 0.16  | 0.47  |
| VAR39| 0.38  | 0.14  | 0.17  | -0.07 | 0.37  | 0.29  | 0.13  | 0.50  |
| VAR40| 0.30  | -0.11 | 0.14  | 0.09  | 0.21  | 0.15  | 0.06  | 0.57  |

**Notes:** Factor loadings of 0.40 and higher are in italics.
The factor structures for the self, peer, and direct report assessments demonstrated similar factor structures, with the self-assessment having 10 items with complex loadings, peer assessments with six complex loadings, and direct report assessments with three complex loadings. Only two of the items shared complex loadings across the four separate rater factor analyses. The general consistency across raters and relative simple factor structure supports the construct validity of the LI.

While the LI has reasonable psychometric properties, some indices are modest in strength when using criteria set for by Conway and Huffcutt (1997) and Murphy et al. (2001). For example, as noted above each factor structure was not clean. The intercorrelations among some dimensions was higher than desired (31 percent of the inter-item r’s across dimensions were between 0.40 and 0.61 (highest); 43 percent were below 0.30). Coefficient alphas for the supervisor assessments of LI dimensions are noted in Table I. There were no meaningful differences in coefficient alphas across rater groups (range of the 32 coefficient alphas across dimensions and the four rater categories was 0.62 to 0.86, mean coef. alpha = 0.75). Scales were formed by taking the average of responses to the five items per dimension for all raters within each rater group.

The intercorrelations among LI dimensions were often statistically significant and moderate in size within each rater assessment. The mean and range of correlations among these six dimensions for each rater group were: self (mean r = 0.46, range 0.25 to 0.61), supervisor (mean r = 0.36, range 0.21 to 0.56), peer (mean r = 0.30, range 0.16 to 0.47), and direct report (mean r = 0.24, range 0.17 to 0.41). While each rater was making some distinction among the eight dimensions, there was significant co-variation. The effect of this dimension co-variation is to reduce the likelihood of multiple dimensions simultaneously and independently contributing to the overall predictability of career success.

Control variables
As the purpose of this research is to examine the role of competencies in predicting career success, it is important to control for the effects of individual differences that could co-vary with both competencies and career success, potentially leading to a spurious conclusion that it is the competencies that relate to career success when it could actually be an individual difference. Three individual differences frequently found to co-vary with career success are gender (males tend to be higher paid) (Cocchiara et al., 2010; Ng et al., 2005), years of work experience (as a proxy for being more valuable and linking to higher pay) (Ng et al., 2005), and a proactive personality (as a measure of confidence and drive leading to greater career success) (Batemen and Grant, 1993; Dikkers et al., 2010). A fourth variable, negative emotions, was included based on studies of personality and leadership (Judge et al., 2002). Negative emotions may undermine both one’s self-assessment of their competencies and their satisfaction with their career success (Caproni, 2005). The items used in the proactive personality variable and negative emotions variable are reported in Table I. Means, standard deviations, and correlations among the career success indices and control variables are shown in Table III.

Analysis
The simple correlations of the eight competency dimensions for each rater group with objective career success are present in Table IV, and with satisfaction with career
success in Table V. These are noted in the first row for each competency dimension. A second analysis was conducted partialling out the effects of gender, years of work experience, a proactive personality, and negative emotions. These partial correlations are reported in italics in the second row of each competency dimension in Tables IV-V.

**Results**

Self-assessments of competencies were unrelated to objective career success, and were moderately related to satisfaction with career success – supporting $H1$. Only the relationship of embraces change with confidence and courage correlated significantly with the promotion and salary change index ($r = 0.13$, $p < 0.05$); all other correlations and partial correlations were below 0.10 and non-significant.

Seven of the self-assessed competencies correlated significantly with satisfaction with career success, they averaged 0.30. Four of the partial correlations of self-assessed competencies with satisfaction with career success were significant – holding constant gender, years of work experience, proactive personality, and negative emotions – these averaged 0.18.

Supervisor assessments of competencies had the strongest relationships with objective career success compared to self-assessments or those made by peers and direct reports. Peer assessments of competencies generally had a moderate relationship with objective indices of career success. All correlations and partial correlations for supervisors and peers were significant. These results provide support for $H2$. The supervisor correlations of competencies with objective career success ranged from 0.22 to 0.46; the partial correlations ranged from 0.31 to 0.45. The similar size of correlations across dimensions suggests that supervisors may not have been making distinctions.

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<td>Table III. Means, standard deviations, and correlations among indices of career success and control variables</td>
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### Indices of career success

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<th>Mean</th>
<th>SD</th>
<th>Promotions in three years</th>
<th>$$\text{three-year comp. change}$</th>
<th>Percentage three-year salary + bonus change</th>
<th>Sat. with career</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. promotions in three years (max three)</td>
<td>1.49</td>
<td>0.99</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$$\text{Compensation Change in last 3 years (max 12 = $50,000 +)}$</td>
<td>5.62</td>
<td>2.96</td>
<td></td>
<td>0.46**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>% Total Salary + Bonus Change in last 3 years (max 22 = 40% +)</td>
<td>11.13</td>
<td>6.67</td>
<td></td>
<td>0.49**</td>
<td>0.77**</td>
<td></td>
</tr>
<tr>
<td>Self-Assessed Satisfaction with Career Success (max 5) (6 items, coef. alpha = 0.87)</td>
<td>3.28</td>
<td>0.86</td>
<td></td>
<td>0.27**</td>
<td>0.45**</td>
<td>0.39**</td>
</tr>
</tbody>
</table>

### Control variables

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
<th>Promotions in three years</th>
<th>$$\text{three-year comp. change}$</th>
<th>Percentage three-year salary + bonus change</th>
<th>Sat. with career</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender (M = 1, F = 0)</td>
<td>0.62</td>
<td>0.49</td>
<td></td>
<td>-0.09</td>
<td>0.01</td>
<td>0.03</td>
</tr>
<tr>
<td>No. years of work experience</td>
<td>8.17</td>
<td>5.61</td>
<td></td>
<td>0.02</td>
<td>0.25**</td>
<td>0.02</td>
</tr>
<tr>
<td>Proactive Personality (max 70) (ten items, coef. alpha = 0.89)</td>
<td>50.19</td>
<td>12.52</td>
<td></td>
<td>0.06</td>
<td>0.13*</td>
<td>0.07</td>
</tr>
<tr>
<td>Negative Emotions (max five) (three items, coef. alpha = 0.72)</td>
<td>2.38</td>
<td>0.85</td>
<td></td>
<td>-0.01</td>
<td>-0.10</td>
<td>-0.07</td>
</tr>
</tbody>
</table>

**Notes:** *$p \leq 0.05$; **$p \leq 0.01$*
<table>
<thead>
<tr>
<th>Competency dimension</th>
<th>Self</th>
<th>Supervisors</th>
<th>Peers</th>
<th>Direct reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provides direction that inspires action</td>
<td>0.01</td>
<td>0.39**</td>
<td>0.20**</td>
<td>0.28**</td>
</tr>
<tr>
<td></td>
<td>-0.04</td>
<td>0.37**</td>
<td>0.23**</td>
<td>0.25**</td>
</tr>
<tr>
<td>Gains the buy-in and commitment of others</td>
<td>0.05</td>
<td>0.36**</td>
<td>0.39**</td>
<td>0.08</td>
</tr>
<tr>
<td></td>
<td>0.01</td>
<td>0.35**</td>
<td>0.30**</td>
<td>0.10</td>
</tr>
<tr>
<td>Effectively uses resources</td>
<td>-0.06</td>
<td>0.32**</td>
<td>0.20**</td>
<td>0.17**</td>
</tr>
<tr>
<td></td>
<td>-0.10</td>
<td>0.30**</td>
<td>0.21**</td>
<td>0.17**</td>
</tr>
<tr>
<td>Recognizes and promotes interdependence</td>
<td>0.01</td>
<td>0.37**</td>
<td>0.29**</td>
<td>0.15*</td>
</tr>
<tr>
<td></td>
<td>-0.03</td>
<td>0.36**</td>
<td>0.27**</td>
<td>0.16*</td>
</tr>
<tr>
<td>Fosters a climate of innovation and learning</td>
<td>0.05</td>
<td>0.38*</td>
<td>0.19**</td>
<td>0.26*</td>
</tr>
<tr>
<td></td>
<td>0.02</td>
<td>0.37**</td>
<td>0.20**</td>
<td>0.23*</td>
</tr>
<tr>
<td>Effectively uses resources</td>
<td>0.09</td>
<td>0.43**</td>
<td>0.25**</td>
<td>0.13</td>
</tr>
<tr>
<td></td>
<td>0.05</td>
<td>0.43**</td>
<td>0.26**</td>
<td>0.15*</td>
</tr>
<tr>
<td>Recognizes and promotes interdependence</td>
<td>0.02</td>
<td>0.39**</td>
<td>0.16**</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td>-0.01</td>
<td>0.38**</td>
<td>0.18**</td>
<td>0.12</td>
</tr>
<tr>
<td>Fosters a climate of innovation and learning</td>
<td>0.13*</td>
<td>0.46**</td>
<td>0.24**</td>
<td>0.23**</td>
</tr>
<tr>
<td></td>
<td>0.09</td>
<td>0.45**</td>
<td>0.24**</td>
<td>0.23**</td>
</tr>
</tbody>
</table>

**Notes:** A single index of objective career success was calculated by creating a standardized score for each of the three objective measures (number of promotions, $ compensation change, percent salary plus bonus change all over three years) then averaging them. The coefficient alpha was 0.83. \( n = 330 \) for self, supervisor, and peer; \( n = 220 \) for direct report. The top number for each dimension is the simple correlation. The lower number in italics is the partial correlation holding constant gender, years of work experience, proactive personality, and negative emotions regarding one’s career; \(^* p \leq 0.05; \quad ** p \leq 0.01\)

<table>
<thead>
<tr>
<th>Competency dimension</th>
<th>Self</th>
<th>Supervisors</th>
<th>Peers</th>
<th>Direct reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provides direction that inspires action</td>
<td>0.30**</td>
<td>0.11*</td>
<td>0.11</td>
<td>0.33**</td>
</tr>
<tr>
<td></td>
<td>0.08</td>
<td>0.06</td>
<td>0.10</td>
<td>0.27**</td>
</tr>
<tr>
<td>Gains the buy-in and commitment of others</td>
<td>0.27**</td>
<td>0.14*</td>
<td>0.31**</td>
<td>-0.06</td>
</tr>
<tr>
<td></td>
<td>0.15**</td>
<td>0.09</td>
<td>0.29**</td>
<td>-0.04</td>
</tr>
<tr>
<td>Effectively uses resources</td>
<td>0.41**</td>
<td>0.08</td>
<td>0.09</td>
<td>-0.04</td>
</tr>
<tr>
<td></td>
<td>0.09</td>
<td>0.05</td>
<td>0.09</td>
<td>0.01</td>
</tr>
<tr>
<td>Recognizes and promotes interdependence</td>
<td>0.22**</td>
<td>0.05</td>
<td>0.34**</td>
<td>-0.09</td>
</tr>
<tr>
<td></td>
<td>0.13*</td>
<td>0.03</td>
<td>0.34**</td>
<td>-0.08</td>
</tr>
<tr>
<td>Fosters a climate of innovation and learning</td>
<td>-0.03</td>
<td>0.36**</td>
<td>0.17***</td>
<td>0.36***</td>
</tr>
<tr>
<td></td>
<td>0.06</td>
<td>0.29**</td>
<td>0.08</td>
<td>0.26**</td>
</tr>
<tr>
<td>Builds trust and models ethical behavior</td>
<td>0.31**</td>
<td>0.37**</td>
<td>0.17***</td>
<td>-0.03</td>
</tr>
<tr>
<td></td>
<td>0.21**</td>
<td>0.25**</td>
<td>0.17**</td>
<td>-0.01</td>
</tr>
<tr>
<td>Brings out the best in others</td>
<td>0.32**</td>
<td>0.09</td>
<td>0.08</td>
<td>0.26**</td>
</tr>
<tr>
<td></td>
<td>0.04</td>
<td>0.05</td>
<td>0.08</td>
<td>0.24**</td>
</tr>
<tr>
<td>Embraces change with confidence and courage</td>
<td>0.35**</td>
<td>0.16**</td>
<td>0.17***</td>
<td>0.08</td>
</tr>
<tr>
<td></td>
<td>0.25**</td>
<td>0.12*</td>
<td>0.15**</td>
<td>0.08</td>
</tr>
</tbody>
</table>

**Notes:** \( n = 330 \) for self, supervisor, and peer; \( n = 220 \) for direct report. The top number for each dimension is the simple correlation. The lower number in italics is the partial correlation holding constant gender, years of work experience, proactive personality, and negative emotions regarding one’s career; \(^* p \leq 0.05; \quad ** p \leq 0.01\)
among their direct reports’ competencies. A single composite – e.g. human capital as assessed by supervisors – would be a more parsimonious approach.

This pattern of strong, significant relationships of supervisor assessments of competencies with objective career success was not observed with respect to satisfaction with career success. The supervisor assessments of only two competencies were strongly related to satisfaction with career success (fosters a climate of innovation and learning $r = 0.36$; builds trust and models ethical behavior $r = 0.37$). In contrast, four self-assessments of competencies had correlations with satisfaction with career success ($r$’s above 0.30); three of these self-assessments became non significant once the controls variables of gender, years of work experience, proactive personality, and negative emotions were held constant. The relationships of providing direction that inspires action, effectively using resources, and bringing out the best in others with satisfaction with career success may be an artifact of the individual differences examined.

The size of the relationship of peer assessments of competencies with objective career success were generally greater than self and direct report assessments, and less than the supervisor assessments – all were significant and remained significant when individual difference variables were controlled. Peer assessments of gains the buy-in and commitment of others was more strongly related to objective career success than supervisor or direct report assessments (0.39 vs 0.36 and 0.08). Two peer assessed competencies were highly related to satisfaction with career success: gains the buy-in and commitment of others (0.31) and recognizes and promotes interdependence (0.34). Both these relationship were unaffected by the individual difference variables studied.

Direct reports assessments had a strong relationship with career success for those competencies directly related to the supervisor-direct report relationship – providing direction that inspires a climate of innovation and learning – supporting $H3$. While the supervisor assessment of these competencies with objective career success was stronger than the direct report relationship, it was the direct report assessment that was stronger with respect to satisfaction with career success, and these relationships held when the individual difference variables were controlled.

There were three unexpected findings. First, direct report assessments of embraces change with confidence and courage was a meaningful predictor of objective career success. Second, direct report assessments of bringing out the best in others were a meaningful predictor of satisfaction with career success. And third, there was generally greater discriminant validity among dimensions for peer and direct report competency assessments than supervisor assessments.

In light of these findings, regression analyses were conducted to assess the cumulative effects of the control variables and competencies on career success. In the first step of the regression, the four control variables were entered to predict objective career success ($R^2 = 0.016$, ns) and satisfaction with career success ($R^2 = 0.125$, $p < 0.01$). The competencies by different raters were introduced as predictors in step 2. A maximum $R^2$ was reached with six predictors that were significant in each analysis. The significant predictors of objective career success were:

- gains the buy-in and commitment of others (direct report);
- effectively uses resources (supervisor);
- fosters a climate of innovation and learning (self and supervisor);
- builds trust and models ethical behavior (peer);
- embraces change with confidence and courage (self) ($R^2 = 0.364$, $p < 0.01$).
The significant predictors of satisfaction with career success were:
- provides direction that inspires action (direct report);
- effectively uses resources (self);
- recognizes and promotes interdependence (self and direct report);
- fosters a climate of innovation and learning (self);
- builds trust and models ethical behavior (peer) ($R^2 = 0.316, p < 0.01$).

Given the moderate co-variation among dimensions, this analysis is viewed as supportive of the value of considering different stakeholder perspectives rather than conclusive regarding which competency-rater combinations are most central to predicting career success.

**Discussion**

Significant support was found for each of the three hypotheses:

**H1.** Self-assessments of competencies were weakly related to objective career success, and they were moderately related to satisfaction with career success.

**H2.** Supervisor assessments of competencies had a strong relationship with objective career success; peer assessments of competencies had a moderate relationship with objective career success.

**H3.** Direct report assessments of competencies had the strongest relationship with career success for those competencies directly related to their relationship with their boss – providing direction that inspires action and fostering a climate of innovation and learning.

Collectively these findings support the view that competency assessments of different raters of professionals are meaningfully different, and that these differences are related to both objective career success and one’s satisfaction with their career success. While not specifically proposed, two additional findings received strong support:

1. Competencies as assessed by different raters relate differently to objective career success than satisfaction with career success, and
2. Individual difference variables are more likely to confound competency assessment relationships with satisfaction with career success than objective career success.

The former finding – specifically the importance of supervisor competency assessments in predicting promotion and salary changes – is testament to the role of a supervisor in most work organizations. The weaker relationship of supervisor assessments with career success (and stronger relationship for self, peer, and direct report assessments) suggests that supervisors may not be as “in tune” with how their direct reports perceive their career success as are other stakeholders.

The role of individual differences – gender, years of work experience, proactive personality, and negative emotions – appear to play a minor role in objective career success – supporting the objectivity of promotion and salary decisions for this sample. In contrast, individual differences have moderate to strong relationships with how one perceives their competencies and career success. Since the satisfaction with career
success measure included items of personal satisfaction and comparison to peers, the perceived fairness of organizational practices may contribute to the co-variation.

When one views different rater groups as different stakeholders, it is easier to understand why different assessments should not be, *a priori*, expected to agree – different stakeholder groups have unique opportunities to observe, value different behaviors, and make assessments which reflect different goals that they are pursuing via the relationship. Individuals may also behave quite differently when interacting with others with greater, equal, or lesser power than they have. This suggests that in using multiple rater assessments for career management, the users take time to understand the nature of the rater relationship to the persons being assessed, and incorporate an understanding of different assessments into the career management process. Similarly, if professionals use stakeholder assessments as input into their career planning and development activities, they should do so with an understanding of the different goals and expectations of their supervisors, peers, and direct reports. This suggests the need for active dialogue with each stakeholder regarding what each group or individual wants from the relationship and with respect to the tasks at hand.

Both organizational and individual uses of competency assessments have implications for career management. From the organization’s vantage point, the support of the hypotheses suggests using competency assessments by the different rater groups to assist HR specialists and senior leadership in identifying high-potential professionals, in designing development programs, and in using performance review assessments in decision making. Specifically, in addition to supervisor assessments of a persons “human capital”, peer assessments of gaining the buy-in and commitment of others and recognizing and promoting interdependence, and direct report assessments of provides direction that inspires action and fosters a climate of innovation and learning are reasonable correlates of promotion and salary change. This could become particularly useful should the person who is one’s supervisor change during an appraisal period do to management turnover, the supervisor’s advancement, or a supervisor’s transfer.

Professionals seeking promotions and increases in salary may be able to more insightfully manage their relationships with peers and direct reports in addition to their relationship with their supervisor. This may be important for professionals in situations where they have little contact with their supervisor, e.g. being in a different location, or being one of many people supervised by the supervisor such that personal contact is limited, or being supervised by different supervisors within the annual appraisal period. Developing quality relationships with peers and direct reports whereby one demonstrates the competencies germane to that constituency can enhance one’s object career success and satisfaction with their career success.

The breadth of competencies that one must master can be overwhelming for some professionals (eight dimensions and 40 behaviors in this research). Implied in the assessment of many competencies is that one must excel at everything all the time. The results suggest that peers and direct reports are looking for specific competencies – exhibiting more of the desired competencies with respect to them can enhance one’s career success.

**Limitations and implications for practice**

While the results support the hypotheses, there are limitations to this research and its implications. First, the research is based primarily on professionals participating in an
MBA program. Other professionals may have different career paths and administrative decision making systems that effect their careers and satisfaction with their career success.

A second limitation is that objective career success was reported by the participants – actual promotions and salary changes might be viewed differently by their employers. These self-reports reflected past career success – being able to predict future career success would greatly extend the utility of the findings. While some evidence was provided in support of both the validity of the self-reported objective measures of career success and the predictive potential of the competencies, it was based on a sub-sample of the participants in this research.

The limited discriminant validity of the LI competencies, particularly as assessed by supervisors, raises questions about both the independence of the dimensions and the perspective that supervisors may be taking when they make these assessments. More research is need to understand when and to what extent supervisors make their decisions regarding their direct reports based on their assessments of specific competencies. With these limitations in mind, taking a stakeholder approach to the use of multi-rater assessments can provide several advantages for the organization’s performance management and professional development systems, and the self-management by professionals of their careers. Taking a stakeholder approach can:

- Provide an enhanced understanding of what different raters’ value in a professional’s behavior, thereby supporting the importance of involving different stakeholders in organizational issues related to human resource decisions. This has heightened relevance in situations when an employee’s supervisor is unable to provide valid input into the annual performance review process or career progression decision. Supervisors may spend relatively little time with their direct reports, or may have moved to another position prior to making their contribution to the career decision processes affecting their current, or former, direct reports. In such instances, using peer and direct report assessments of the relevant competencies can enhance the quality of the career decisions made.

- Provide individuals receiving MSF with guidance on what different assessments by different raters may mean with respect to their career advancement, and how to interpret differences in these assessments as function of the likely importance of a competency to their supervisor, peers or direct reports. This reduces the likelihood of over dependence on supervisor assessments in career decisions, and the associated behavior by some professionals to be deferent to their supervisor’s views while being insensitive to, or dismissive of, the views and contributions of peers and direct reports.

- Provide professionals with a better idea of which performance competencies-rater combinations need development. To the extent that a company chooses to advance professionals that are more likely to satisfy the collective needs of their supervisors, peers and direct reports, they have the necessary information to create development programs and performance review criteria that target specific competencies assessed as needing development by specific stakeholders. For example, developing skills germane to leading direct reports is likely to be different than developing skills for overseeing a task force comprised mostly of peers. Considering different rater assessments extends the
idea of targeted development from position and context factors to include what is important to different stakeholders.

- Provide work organizations, particularly the human resource function, with more information on which to base their design of multi-rater assessment instruments and from whom to solicit feedback on various competencies. The idea that all raters need to assess the target professional on all competencies is brought into question. Given the flexibility that exists in electronically delivered multi-rater assessment tools, it is possible to modify a standardized 360-degree assessment tool for each rater group – thereby reducing the total number of assessments each rater must make. This should improve the quality of assessments made (less response biases, less fatigue on the part of the assessor), and increase the response rate (greater willingness to complete a shorter instrument).

- Add to the validation of multi-rater assessment instruments the perspective that different rater assessments are not automatically expected to correlate (converge) as a sign of construct validity. Some degree of statistical independence – low to moderate correlations across raters on the same competency – may be a measure of validity in some situations. It is up to the HR specialists and senior management to develop an understanding of what behaviors are the key success factors with respect to each stakeholder group.

In summary, this research advances our understanding of how raters’ assessments may affect judgments of those making personnel decisions; it informs the design of performance management and career development programs; and, it guides professionals on how to improve their use of multi-rater assessments in shaping their professional development efforts and career plans.

Note

1. The participants from a corporate development program were an average of three years older than the MBA participants and not had earned an MBA. When analyzed separately, no significant differences were observed between them and their MBA counterparts.

References


About the author
Stephen A. Stumpf is Professor of Management at Villanova School of Business (VSB); he holds the Fred J. Springer Chair in Business Leadership. Dr Stumpf has served as interim dean of VSB and as its Management Department Chair. He is actively involved in the activities of the Center for Global Leadership. Before joining Villanova University, Dr Stumpf served as Dean of Professional Development at Booz & Company, Professor and Dean of the College of Business and Graduate Studies at The University of Tampa, and Professor at the Leonard N. Stern Schools of Business at New York University. Stephen A. Stumpf can be contacted at: steve.stumpf@villanova.edu

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