

## ***Look Beyond Results When Assessing Talent***

When making decisions about whom to hire or promote, context is crucial according to Francisca Gino, an associate professor of business administration at Harvard Business School. In a recent article in the Wall Street Journal, she makes the point that it's important to understand the situations in which people worked, and the methods they used, before judging their performance.

Unfortunately, we usually don't consider these factors. Research from several studies suggests that we are biased toward results when making important personnel decisions. More often than not, we look at what candidates have achieved, without probing as to **where** or **how** they did it.

These errors come in two forms. First, there is correspondence bias – the tendency to judge people's ability directly from performance, without taking into account their situation. Would you have more confidence in a new sales manager who came from a company in a growing or troubled industry? It's typically a lot easier to post great numbers in a booming industry than a shrinking one. The other type of bias, outcome bias, is the tendency to base judgments about performance on the results alone, without examining the behavior the person used to reach those results.

How can hiring managers overcome these biases? Gino says that first, people must raise their level of awareness, recognizing that these biases exist and that they have powerful consequences. When managers face a hiring or promotional decision, they should consider whether they are appropriately accounting for a candidate's situation and whether their evaluations are based both on actions and outcomes.

Organizations may also need to make structural changes to their performance evaluations. They might, for example, reduce the effect of biases by including an assessment of the means used to achieve given objectives and the situational influences on performance. By investing in these kinds of tools, managers can increase their confidence level in making personnel decisions.