

**Teleometrics International &
Leadership Management, Inc.**

THE DEVELOPMENT NEEDS INVENTORY

GUIDELINES FOR ADMINISTRATION

EXECUTIVE SUMMARY

This information is designed to help administrators of the *Development Needs Inventory (DNI)* better understand how to maximize its value to the participating managers (*Leaders*) and their employers.

Based on feedback from many thousands of users, the DNI has steadily evolved since its first use in 1982. In recent years this approach to assessing the development needs of managers has become popularized as a 360° technique because it gathers comparable data on participating managers (*Leaders*) from the managers themselves and the person or persons above (*Supervisor/Manager*), to the side (*Peers*), and below them (*direct reports* or subordinates) in the organization.

The DNI has now been revised and made available for data gathering and processing over the Internet. It is customizable to the needs of individual clients. LMI and Teleometrics development programs plus an instrument for analyzing several aspects of organizations which directly impact leadership development are mutually supportive as components of an *Effective Management System*.

The DNI consists of 10 Basic Scales and 14 Optional Scales. 15 scales are included in the standard cost. Users are also free to substitute Optional Scales for one or more of the Basic Scales. The definitions of these twenty-four Scales and a number of terms used in understanding the DNI process are presented immediately below. These are followed by sections on the potential benefits to DNI Clients and steps involved in its administration. Viewing these steps and the follow-up details may make the process seem more complicated than it actually is since step by step instructions for signing on and completing the DNI are presented electronically.

Disclaimer

Teleometrics International and Leadership Management, Inc. assumes no responsibility for the usefulness for DNI reports to the extent that it depends upon the selection of informed *Observers*, upon the accuracy of their perceptions, and upon how clients *interpret* and *apply* the results. The information contained in the report, when properly interpreted and applied is useful as a management development tool, and it is designed for no other purpose. Note in particular that the *DNI* is not a performance evaluation instrument.

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DESCRIPTION OF THE *DNI*

The *Development Needs Inventory (DNI)* produces a descriptive profile of a manager's leadership/management behavior as perceived by that manager and his or her boss, peers, and direct reports—the people above, along side, and below in the organization structure who have had an opportunity to observe the manager on the job. The basic *DNI* instrument consists of 10 Basic Scales and 5 Optional Scales selected from the list presented below with an opportunity for other Scales if needed. The same scales are used in both the *Initial* and *Follow-up* administrations for describing all managers in a company group.

- Earlier editions have been on the market for over 20 years, but only now has the *DNI* been published as a stand-alone, customizable, Internet-based instrument. The many thousands of copies sold have provided continual opportunities for improving both the *DNI* and the instructional program of which it was a part. Information about the author is presented at the end of this document.
- The *DNI* identifies the strengths and development needs of *Leaders*—the managers being described.
- The *DNI* descriptive items from which a 360° profile is generated are entered directly by the *Leaders* and their describers (hereafter referred to as *Observers*) into an Internet database.
- Computer generated reports present results in numeric and graphic formats.
- Recommendations are made available to help participating *Leaders* bridge the gap between the insights they gain from their *DNI* profiles and practical, on-the-job applications.
- A *Group Report* identifies the collective strengths and developmental needs. This report is for use by a senior management group which may, of course, include some of the *Leaders* who are participating.
- The group report includes a list of possible action steps that the company may use to help *Leaders* bridge the gap between insight and action.

- *Follow-up* administrations are usually conducted in from six to twelve months after the *Initial* administration—giving enough time for constructive change to have occurred and become more or less habitual.

DNI Scales

Primary Recommended as Standard in all DNIs	Scales	Optional (5 to be added to the Standard Scales)	Scales
1. Communication		1. Team Building	
2. Delegation		2. Participative Leadership Style	
3. Empowerment		3. Assertiveness	
4. Trust Building		4. Persuasiveness	
5. Decision Making		5. Disciplinary Action	
6. Interpersonal Relations		6. Initiative	
7. Motivating Skills		7. Planning	
8. Adaptability		8. Control	
9. Concern For Productivity		9. Time Organization	
10. Leadership		10. Motivation Level	
		11. Commitment to Personal Growth	
		12. Development of Direct Reports	
		13. Innovation	
		14. Goal Directedness	

Scale Definitions

The basic *Development Needs Inventory* employed in your organization may consist of the following ten Basic Scales and five *Optional Scales*, although other scales may be added and *Optional Scales* may be substituted for the one or more of the Basic Ten Scales.

The Basic Ten Scales

1. **COMMUNICATION** Managers/supervisors with high scores on this scale are good listeners and skilled in transmitting to others the intent of their own words, actions, and manner of expression.
2. **DELEGATION** Managers/supervisors who are skilled in delegation achieve high productivity by selecting the most capable delegates, clearly communicating the objectives to be achieved, providing maximum empowerment, and holding delegates accountable for results.
3. **EMPOWERMENT** Managers/supervisors who are skilled in the process of empowerment use their own organizational power and personal leadership skills to provide others with the resources they need to be highly effective. They empower their Direct Reports, of course, but they also empower their leaders and peers rather than attempt to undermine their power and influence.
4. **TRUST BUILDING** Managers who are trust builders possess several interacting qualities such as personal integrity, technical competence, leadership skills, and excellent judgment that

cause others to view them as trustworthy and make such managers centers of trust building within any organization or group of which they are a part.

5. *DECISION MAKING* Effective managerial decisions reflect a sense of purpose, good judgment, personal integrity, and a balanced concern for organizational goals and the worth of the individual through whom those goals are achieved.

6. *INTERPERSONAL RELATIONS* Managers/supervisors with superior interpersonal relations establish long-term relationships of trust, cooperation, mutual respect, and mutual support. When appropriate, they skillfully challenge, disagree, and confront others, but they do so without destroying these valued relationships.

7. *MOTIVATING SKILLS* Managers/supervisors with superior motivating skills are effective in providing the rewards, inspiration, and trust that others need for peak performance. These skills are expressed in all relationships, not solely in relationships with direct reports.

8. *ADAPTABILITY* Leaders who are adaptable serve as change agents within their organizations; they also change and grow as needed to deal realistically with current and anticipated changes—in markets, the economy, the needs and demands of individuals, and the culture in general.

9. *CONCERN FOR PRODUCTIVITY* Managers/supervisors with a high concern for productivity accept full responsibility for achieving high productivity in the unit(s) they manage while, at the same time, fulfilling their responsibility to their employees, customers, and other stakeholders.

10. *LEADERSHIP* By definition, effective leaders are highly influential. Whenever possible, they motivate with rewards, persuasion, trust building, and inspiration rather than intimidation and coercion. By these and other means, effective leaders transform *subordinates* into productive *followers* who share their values and goals.

Optional Scales

A. *TEAM BUILDING* characterizes leaders who are themselves team players and who inspire followers to develop a broad repertoire of job-related skills, to flexibly change roles as called for by each new situation, to be highly cooperative, and to collectively focus on achieving their assigned objectives.

B. *PARTICIPATIVE LEADERSHIP STYLE* characterizes leaders who are effective in maximizing the contributions of their direct reports by involving them in decision making, quality and productivity improvement, and other managerial functions that less participative leaders reserve for themselves.

C. *ASSERTIVENESS* is the free expression of one's right to communicate ideas, beliefs, opinions and feelings to others (in contrast to *non-assertiveness*, which is a failure to express those rights, and *aggressiveness*, which is communication that infringes on the rights of others).

D. *PERSUASIVENESS* is a leaders' demonstrated motivation and ability to influence others through reasoning, knowledge, expertise, and earned trust in situations where less persuasive leaders would influence by means of their formal authority (command and obedience).

E. DISCIPLINARY ACTION refers to a leader's effectiveness in taking disciplinary action that is appropriate for the offense, timely, typically viewed as fair, and that is generally successful in preventing the reoccurrence of undesirable behaviors.

F. INITIATIVE characterizes leaders who are self-starters; they solve problems they could easily ignore; they identify and take advantage of opportunities; they need little or no direct supervision.

G. PLANNING is the process, appropriate at all levels of management, by which (1) leaders decide what they want to achieve and (2) develop appropriate strategies for achieving it.

H. CONTROL refers to a leader's ability to communicate an organization's standards and expectations and to take appropriate action to make sure they are met. This scale places high value on *internal controls*—a leader's ability to control by inspiring followers to internalize the organization's vision, values, and goals rather than control with bureaucratic rules and fear of punishment.

I. TIME ORGANIZATION, as operationally defined by the items in this scale, is leaders' wise and efficient use of time to achieve organizational objectives and their success in motivating and training their direct reports to do likewise.

J. MOTIVATION LEVEL is a leader's inclination (1) to exert a high level of goal-directed energy in the fulfillment of her/his managerial responsibilities and (2) to conscientiously uphold high organizational standards and high self-expectations.

K. COMMITMENT TO PERSONAL GROWTH is a leader's commitment to continual improvement. Managers who score high on this scale are motivated to learn and take advantage of experiences that will require stretching and improve their skills. They are open-minded and teachable.

L. DEVELOPMENT OF DIRECT REPORTS measures the extent to which managers are committed to and effective in improving the knowledge, skill, and personal qualifications of their direct reports.

M. INNOVATION characterizes the manager who is creative in generating solutions to problems, is a change agent, and is a leader in keeping the company abreast of the current trends.

N. GOAL DIRECTEDNESS characterizes managers who approach their work with a clear sense of purpose and direction. They consciously and deliberately decide on their priorities and concentrate their attention and energies accordingly. As leaders, their own goals find expression in the goals of their followers.

Definition Of Terms

Please study these terms so that you will fully understand the information that follows. Certain terms, such as *Leader* and *Observer* have specific meanings in this context that you will need to understand in order to get the full benefit from subsequent guidelines.

Development Needs Inventory (DNI)

An instrument for identifying leadership strengths and areas in need of leadership development. It can be used to identify development needs for one or more leaders in an organization. It results in a report for participating individuals and a group report for management.

Leader

A manager within a client organization who is the focus of a *DNI* study and for whom the client pays a fee for the service provided.

Observer

A member of the client organization who describes the *Leader* as part of the *DNI* process.

Leader Report

An analysis of the development needs for a particular *Leader* presented in a text and graphics report.

Group Report

An aggregate analysis of the data for all the *Leaders* included in the *DNI* process. This report is prepared for those clients who request it.

Observer Scores

An average of the descriptive scores given to a *Leader* by the *Observers*: The *Direct Reports*, *Peers*, and *Supervisors/Managers*.

Supervisor/Manager

Called a "superior" or "boss" in traditional terminology, this is the person in the organization's authority structure to whom the *Leader* reports, either directly or indirectly. Although the *Leader's* "boss" is the first choice for this role, if there is another manager parallel to or above the *Leader* in the chain of authority who also would have useful insights about the *Leader*, she or he may be included as well.

Direct Report or Report

The *Direct Report* is an individual who reports to the *Leader*. A *Direct Report* may or may not be a manager. In some cases individuals who are actually "indirect" reports may have valuable insights about a *Leader*; and may, therefore, be included in the *Direct Report* grouping. These may be persons who actually report to a manager who in turn reports to the *Leader*. While such a practice is sometimes necessary, it is not ideal.

Self Scores

Scores on the *DNI* reports that are based on the descriptions given by the *Leader* in describing herself/himself.

Peer

An *Observer* who neither reports to the *Leader* nor is significantly higher or lower than the *Leader* in the organizational structure. The *Peer* need not be a line manager but may be a staff professional, or perhaps, an administrative assistant who is qualified to give an informed and unbiased description of the *Leader*. Where possible, however, a *Peer Observer* should be a manager who occupies a position similar and parallel to the *Leader* and who interacts with the *Leader*.

Client's DNI Coordinator

The person at the client organization who identifies the *Leaders* and *Observers* and who enters the necessary information for the organization's *DNI* process by using the *Coordinator DNI Management Web Site*.

Coordinator's DNI Management Website

The website that allows a person authorized by the client organization to identify the *Leaders*, *Supervisor/managers*, *Peers*, and *Direct Reports* who will be participants in the *DNI* process. The website also allows the *Coordinator* to monitor the progress of the *DNI*, send reminder emails, and so on.

The DNI Process

A *DNI* study involving one or more *Leaders* and multiple *Observers* who provide their perceptions of the *Leader's* leadership behavior and that produces a report to each *Leader* that is useful for leadership development. Where multiple *Leaders* simultaneously take part in *DNI* Process, a *Group Report* is also produced.

POTENTIAL BENEFITS TO *DNI* CLIENTS

Although there is no guarantee that the potential benefits of the *DNI* will be realized, the probability becomes very high where the following conditions are present: (1) senior management endorses the *DNI* process and motivates everyone involved to take it seriously; (2) everyone involved understands that the objective of the *DNI* is *constructive action*, not just learning as an end in itself; and (3) management follows up to make certain that *Leaders* receive the encouragement and support needed to make the transition from knowledge to action

The *DNI* Process:

- Reinforces a company's expectation (1) that its managers will engage in continual learning and improvement of their leadership/management skills, and (2) that management development will be measured by the extent to which learning occurs *and results in improved leadership*, not by how many training programs have been attended.
- Creates an opportunity for managers to relate to their subordinate managers in a non-threatening event that focuses on empowerment, in contrast to the defensive posture most assume when discussing performance evaluation. Note: the *DNI* Process does *not* produce a performance evaluation.
- Increases motivation of managers for setting and reaching leadership development and productivity goals.
- Serves as one basis for long-term management development planning.
- Focuses company-wide management development resources and efforts on areas of greatest need, personalized to the individual manager.
- Gives the organization's members a common language and framework for improving their leadership/management practices. In the process, it helps to harmonize leadership philosophy and style across the different levels of management. For example, the *DNI* process indirectly addresses the problem that exists when middle and upper management is autocratic while insisting that the leadership practices of first-line supervisors be participative, empowering, and team oriented.
- Helps management examine, understand, and act upon desired management/leadership styles and strategies.
- The information contained in a *DNI* profile *has value for all levels of management*—from new first line supervisors to experienced top executives and for middle managers whose formal education has been highly specialized (accounting, engineering, sales, etc.). The *DNI* is based on the assumptions: (1) that *all* of a company's managers, including those who are regarded as highly effective, have potential for growth, and (2) that a company is best served when its managers at all levels are in agreement concerning a basic leadership philosophy and tend to practice essentially the same leadership style.
- Follow-up applications of the *DNI* deliver the following additional benefits.

- They identify improvement gains in leadership skills with the numerical data and graphic data contrasting the *Initial* and *Follow-up* administrations. This *benchmarking* process provides a basis for improved managerial planning and decision making.
- Awareness that a follow-up *DNI* will be forthcoming motivates *Leaders* to take seriously the challenge to make behavior changes. The actual follow-up *DNI* profiles increase motivation to accelerate the transition from ideas to action.
- The follow-up reports increase *Leaders'* expectation that evidences of improvement or lack thereof are likely to influence future personnel decisions. Even in organizations where only *Leaders* have access to their individual profiles, *Leaders* nevertheless know full well that access to group reports focuses everyone's attention on the day-to-day behaviors measured by the *DNI* scales.

STEPS IN ADMINISTRATION

Important Note of Clarification. Keep in mind that maximum success in implementing these “steps” and subsequent guidelines calls for thoughtful consideration by the planners and decision makers involved. *The unique characteristics* of a company’s history, traditions, culture, structure, and predominant leadership style make it valuable for at least some degree of customization to take place. *This can only be done well by insiders* who have the information needed to anticipate the reactions of the personnel who participate in the process—the *Leaders* and the *Observers*. The degree of trust in an organization’s culture and its history of management development are especially important variables to consider.

- Step 1. The client appoints an internal *Coordinator*. In some instances the Coordinator may be a Consultant who is well acquainted with the client’s personnel and operations.
- Step 4. The *Coordinator*, with input from participant *Leaders* and from others within the client company, chooses the optional scales to be used and designates the participating *Leaders* (Those who the DNI is on) and their *Observers* (Those who will give leaders feedback) who will be involved in the process.
- Step 5. The Coordinator submits to Teleometrics the DNI registration form
- Step 5.1 The *Coordinator* will receive an automatically generated email informing him/her on how to proceed. He/She will then need to enter the *Leaders* and *Observers* [and their relationships] in to the DNI Web Site. Once satisfied with the setup of the DNI, the *Coordinator* then requests authorization for the DNI to begin using the built-in interface on the Web Site.
- Step 5.3 Teleometrics then will receive an email informing us that the *Coordinator* is ready for the process to go forward. Teleometrics then authorizes the DNI to begin. Once the authorization is received all participants will be automatically sent emails with instructions.
- Step 6. *The Kick-off Meeting.* When possible, it is advisable to conduct a meeting to initiate the program. In such a meeting, a *Consultant* or the *Coordinator* or both explain the process and answer questions. If possible, all participating *Leaders* and their *Observers* should attend. *It is important* that in this meeting, or by whatever communication medium is used, that the Coordinator or a senior member of management make perfectly clear whether or not management will receive a copy of the individual *Leader Report*. Avoid any possibility for misunderstanding or deception. This process is good for everybody involved, and if properly understood and managed should not be a threat to anyone.
- Step 7. The *Leaders* and their *Observers* register their descriptions by way of the DNI Web Site. *Leaders* who do not routinely make use of the Internet or even a computer keyboard and who have no desire to do so may have an assistant set up their screen so that all they have to do is to touch one of five keys to record their descriptions. By this means, the descriptions can be made in complete

privacy. Or the “goodness of fit” descriptions can be dictated to a trusted assistant.

- Step 8. When either: 1) all descriptions have been completed before the completion date, or 2) the completion date has arrived before all descriptions have been completed, the DNI is complete. At this point Teleometrics can either: 1) authorize the DNI to End, or 2) extend the completion date to allow the DNI to continue. (The DNI may only be authorized to end if at least one description has been completed.)
- Step 9. Once the DNI has been authorized to end, Teleometrics will generate and forward the reports to the *Coordinator* for distribution to participant *Leaders*.
- Step 10. *Coordinator* distributes the reports to the individuals involved, depending upon the previously agreed upon procedure. The *Leader Reports* should be delivered in sealed envelopes addressed to the *Leaders*.
- Step 12. The *Coordinator* and/or outside *Consultant* ideally follows up with a meeting to discuss the profile of the group with management. Or the meeting may be conducted by an HR or other manager within the client company. Suggestions for conducting the meeting are provided below.

During this meeting, thought should be given to what follow-up will be employed to make sure that the insights gained from the reports result in constructive action. As discussed elsewhere, this may involve a systematic program of coaching, goal-setting, and addition development processes for personal development and for increased productivity where the latter does not already exist.

- Step 13. The *Coordinator* or the *Consultant* follows up to track and facilitate the action that *Leaders* take to implement the insights they gain from their *DNI* profiles.
- Step 14. A *Follow-up* administration of the *DNI* is conducted to measure perceived changes in managerial practices. This step is not absolutely necessary, but it can be quite profitable as a motivator for behavior change and for comparison with the initial benchmark to measure progress.

GUIDELINES FOR A KICK-OFF MEETING

Note to the Coordinator or Consultant: If you are not as thorough as you would like to be in the *Kick-off* meeting, consider following it with a written or e-mail copy of part of the instructions presented immediately below.

Outline of topics addressed:

- *Purpose of these guidelines:* To explain the process
- *Setting/nature of the meeting:* Face-to-face (preferred) or electronic
- *Avoid threat, defensiveness, and misunderstanding*
 - Prepare well; thoroughly explain the process
 - Do not misrepresent anything
 - Convince describers of the value of objectivity
 - Guard against halo bias
 - Never refer to the *Leader* descriptions as ratings
 - Emphasize the value and impact of *perceptions*
 - Explain who will receive a copy of the reports
 - Explain how the feedback reports will be used
 - Be sure that all questions are answered

Purpose. Either a face-to-face or an electronic meeting is needed for the following purposes: (1) to explain why the *DNI* is being administered, (2) to explain the process, (3) to inform all involved of the benefits to the company and to *Leaders* personally, (4) to reduce threat and defensiveness, (5) to explain how the results will be used, and (6) to assure everyone involved that senior management both endorses the program and has high expectations that it will make a significant contribution to the company's management development efforts and thus to its profitability and to the quality of life in the organization.

Setting/nature of meeting. In some companies this will not be a face-to-face meeting, but a face-to-face meeting is preferred. The meeting should be led by someone with the prestige needed to convince everyone to take the process seriously and the knowledge to answer questions thoroughly. In many instances, especially in small companies that do not have at least one human resources manager, the services of a representative of the consulting firm providing the *DNI* process can be beneficial. Since the *DNI* is on occasion marketed and delivered primarily by way of the Internet, the geographical distance between the *Consultant* and the client may preclude a site visit. In such a case, do not overlook the value of a net-meeting, a telephone conference, or a video conference to enhance the quality of this meeting.

Avoid threat, defensiveness, and misunderstanding. When a company manages the *DNI* process properly, there is no reason for a participating manager or a describer to be threatened in any way by participating as a *Leader* or as an *Observer*. To ensure this, employ the following guidelines.

➤ *Prepare thoroughly.* Prepare before the meeting so that every question can be answered thoroughly. In many situations the *Coordinator* finds it useful to share

leadership of the meeting with a representative of the consulting firm through which the DNIs were purchased.

➤ *Do not misrepresent anything.* If you cannot be perfectly open and honest with everyone attending the meeting, you may not yet fully understand the process. Never be afraid to say “I don’t know but I’ll find out and get back with you.”

➤ *Convince Observers of the value of honesty.* On occasion *Observers* will be afraid to make unfavorable descriptions, however helpful such statements might be. *Observers* may naively give unrealistically positive descriptions to “help” someone they particularly like. Try to discourage this. You might point out that except where only one manager/supervisor is available to describe a direct report, the descriptions given are averaged, making a given individual’s descriptions unidentifiable. In every instance, a describer’s responses to several items are averaged to produce a scale score.

Just make sure everyone understands the importance of honesty in making the descriptions—understands that giving unrealistically favorable or unfavorable descriptions just hide the truth from the manager being described and undermine his or her opportunity for growth. Be sure to convincingly make the point that the DNI process provides a unique opportunity for *Leaders* to gain rare and valuable insights—insights that will greatly benefit the *Leaders and everyone with whom they work—not just the company.*

➤ *Guard against halo bias.* Halo bias occurs whenever an *Observer’s* overall positive or negative view of (or attitudes toward) a *Leader* inappropriately influences their response to a particular item. It often takes conscious effort to avoid this potential error in describing. Not even the very best manager in the organization is perfect. The DNI descriptions should result in a profile that shows both a *Leader’s* greatest strengths and areas where development would be helpful. The point is this: the Observer should respond to every item as honestly as possible without regard to how inconsistent that response might seem with one or more previous descriptions. In the real world of leadership and management, everybody has strengths and development needs, so it should not be expected that every item would be equally favorable or unfavorable. This is sometimes a hard point to get across, but it is important.

➤ *Never refer to the descriptions as ratings.* If you talk in terms of ratings, some will associate the DNI descriptions with performance ratings and expect the results to be used in personnel decisions. ***The DNI is designed for use in management development only and is not an evaluation tool.*** One way to make the point that the descriptions given are not ratings is to explain that regardless of how high a person may be rated on performance evaluations, *all Leaders can improve in some aspects of their leadership/management style.* You might explain by giving examples. For example, a manager whose performance is stellar—even the best overall manager in the company—may have difficulty giving negative feedback on performance, controlling his or her anger when things go wrong, selecting the best person for promotions, or involving direct reports in decisions where their input is needed. Whether we like facing it or not, the truth is that nobody is perfect and managers’ strengths tend to *compensate for* and mask their weaknesses. Everyone can become more effective, and it is noteworthy that the people who are most open to improvement are the ones who are already effective.

➤ *Emphasize the value and impact of perceptions.* Leaders need to understand that *perceptions* are powerful determiners of how we act and react. Managers will not always agree with their *Observers'* perceptions. The perceptions of a given *Observer* may not be totally realistic but they are real and others' perceptions are critical determiners of managerial success.

In the follow-up meeting, when the *DNI* profiles are distributed, an administrator must address defensiveness concerning the results. Some manager may confidently believe that the descriptions given are too harsh. Any problem at that time can be diminished by addressing the matter up front in a *kick-off meeting*. After explaining the process, you may want to say something such as the following to the *Leaders*:

“You will be describing yourself by indicating on a one to five scale how well each of many statements describes the way you lead and manage. And others, making use of the same items will also describe you as they see you. When the numbers are crunched and you receive a printout of the averages, you *may* feel quite sure that you are grossly misunderstood. Chances are good that the way you describe yourself and how others describe you will be very similar, but when they are not you may be inclined to get defensive and accuse others of being too harsh. None of us likes negative criticism.

Or instead of getting defensive, you could use the disparity—the gap—as a basis for insight. You could, for example, conclude that in a particular area you are thinking one thing and communicating another. Or you could conclude that some aspect of your leadership practices, say, the way you delegate, is deficient in one way or another and that you are going to change it. For example, one manager in the natural gas industry realized that she was too autocratic—that at least that was the way she was viewed by others. So she devised a plan for making highly specific changes that would solve the problem. She talked with her direct reports about it and asked for their support in making the changes—support that they were more than glad to give. Her openness and non-defensiveness resulted in major changes in her effectiveness.

➤ *Explain who will receive a copy of the individual reports.* Whether someone in senior management *should* receive a copy of the individual reports depends greatly on levels of trust within the organization and on the organization's history. Some organizations have cultures that are uniquely open and trusting. In such settings everyone would probably be surprised if only *Leaders* received copies of their reports. In others, where distrust and suspicion run high, *Leaders* may fear being hurt if anyone other than themselves reviews their report.

In some organizations it may be useful for representatives of senior management to meet with *Leaders* (not with *Observers* except to the extent that the *Leaders* are also *Observers*) for the purpose of getting input concerning whether senior management will receive a copy of their reports. Arguments *for* sharing the results with one's boss or with a trusted human resources manager are (1) that the sharing will facilitate coaching and other means of providing help for improvement, and (2) that most people within the company *already* know what other manager's development needs are—often everybody except the manager himself/herself—so why be secretive? Arguments *against* sharing are usually defensive in nature, but can, nevertheless, be powerful and persuasive. They

may sound like this: “We are talking here about something that is uniquely personal. My development is *my* responsibility and I will make full use of any insights I gain from the process. Just watch what I do and you will see that I am making full use of the *DNI* results—that I am continually improving.”

If you tell *Leaders* that they alone will receive a copy of their results—will receive their *DNI* profile—make it so. Don’t even consider doing otherwise. To do otherwise will undermine trust and *trust is one of the most important qualities of any organization’s culture*. Keep in mind that within a few months a follow-up *DNI* will probably be administered and that undermining trust now will undermine its effectiveness.

A FEEDBACK MEETING WITH MANAGEMENT

Once the individual and group reports have been completed, it is customary for the *Coordinator* and/or *Consultant* to meet with a group of senior managers who have endorsed and perhaps initiated the *DNI* process. In large companies these may be key managers of the Human Resources Department or Division. The nature and purpose of this meeting are presented below. Ideally this is followed by a meeting with the *Leaders*.

Outline of topics addressed:

- *Purpose of this meeting*
- *Preparation for the meeting*
- *Who should attend the meeting*
- *Possible agenda items*

Purpose of the meeting: to discuss the group report and make decisions about how to proceed in order to gain the greatest benefit.

Preparation for the meeting. At a minimum, preparation should involve the following:

- Decide who should attend and set a time when the greatest number who need to attend can do so. Consider holding the meeting immediately after receiving the group report and before distributing the individual reports at a feedback session with *Leaders*.
- Develop and distribute an agenda.
- Decide who should retain a copy of the group report; reproduce and distribute it. If a decision is made to restrict distribution (a common practice), prepare slides or other means of communicating the information for discussion.

Who should attend the meeting? The senior managers who initially approved the *DNI* process and the *Coordinator* and/or *Consultant* should attend. The presence of the CEO or other senior executive will emphasize the importance of the process and expectations that it will result in positive growth.

Possible agenda items. The actual items included in your agenda and the sequence employed for their discussion will, of course, be tailored to the needs of your company. *Therefore, the following list consists only of a few possible agenda items.*

- Discussion of the group report and its implications.
- Decide on who will lead and attend the feedback meeting with the *Leaders*.
- Discuss options for working with the *Leaders* to make sure they receive maximum benefit from the insights they gain from their *DNI* reports. Possibilities are as follows:
 - Coaching by the personnel of a Human Resources department, by a peer, by a consultant, or possibly all three depending upon the particular manager involved in the coaching process.

- Enrollment of the *Leaders* and perhaps others in development programs including ones offered by Teleometrics and LMI to help them develop the skills needed to improve their performance.
- Administration of the *Organization Analyst* to provide, among other benefits, a basis for understanding the implications for the organization's structure, culture, and predominant leadership style on leadership/management performance.
- Consideration of a follow-up administration of the *DNI* within six to twelve months. An announcement at this time would emphasize to *Leaders* the importance of making behavior changes rather than regarding the desired results of the *DNI* as knowledge alone.
- Consider whether other managers in the organization should be signed up for participation in the *DNI* process.

A FEEDBACK MEETING WITH *LEADERS*

Outline of topics addressed:

- *Purpose of this meeting*
- *Who should attend the meeting*
- *Preparation for the meeting*
- *Possible agenda items*

Purpose of the meeting. This meeting is designed to (1) help the *Leaders*, as defined in this *DNI* Process to interpret their *DNI* profiles as objectively as possible; (2) to communicate the expectations of senior management that the *DNI* profiles should lead to behavior change; and (3) to discuss ways of making the transition from ideas to action.

Who should attend the meeting? The *Leaders* should, of course, attend. Many of these *Leaders* will also be *Observers* of others, but some *Observers* may not be in the *Leader* group. *Observers* who are not *Leaders* should not attend. The *Coordinator* should attend and possibly one or more senior managers to add weight to the event. In some instances the *Consultant* may also attend, and may be the chair or co-chair of the meeting.

Possible Agenda Items. At a minimum, preparation should include the following:

- Be sure the individual *Leader Reports* (in their sealed envelopes) are ready to hand out.
- Make sure the setting is comfortable, well-lit and ventilated.
- From the group report, make copies (a copy for each person attending the meeting) of the “Group *DNI* Item Rankings”.
- Select a meeting time what is most convenient for all *Leaeers*. If a *Leader* cannot attend, arrange for an alternate meeting or for individual sessions.
- Prepare and follow an agenda.

Purposes of the meeting. The purposes of the meeting are the same in each situation: (1) to distribute the individual *DNI* reports, (2) to make sure the reports are understood, and (3) to make sure *Leaders* know what to do with what they learn. However, experience with the *DNI* has clearly demonstrated that there is *no one best way* to conduct this meeting because every situation is unique. For example, they differ in the number of *Leaders* and their positions within management, the psychological climate of the organization, the extent to which *Leaders* may have had similar experiences in the past, the experience of the meeting chairperson, the time available etc. *It is therefore essential that every agenda be developed with a single group in mind.*

Points to keep in mind when preparing for the feedback session. The points presented below, with the exception of number one, are not meant to suggest a sequence.

1. Do not distribute the *DNI* profiles immediately upon beginning the meeting. It is usually advisable early in the session to distribute and briefly discuss the “Group *DNI*

Item Rankings.” This will provide a frame of reference within which *Leaders* can get some feel for how their own profiles compare with the group as a whole. This is virtually always of interest.

2. Make sure *Leaders* understand that these are *not performance evaluations*. One way to do this is to illustrate with a hypothetical manager who gets the highest possible performance evaluations. But, of course, even that manager is not perfect. Strengths tend to offset or “compensate for” areas that are less than ideal. For example, this manager does a great job—gets good results—but everyone knows he gives orders like a military commander when a suggestion would do just as well and would show more respect for direct reports. So naturally the manager will be described more favorably on some scales than on others. This is the way development needs are identified.
3. Advise *Leaders* (1) to focus on their strengths, not just on their development needs and (2) to view insights into their development needs as an opportunity for growth rather than as a negative criticism.
4. In situations where only *Leaders* receive a copy of their reports, suggest that there is no reason why they should not share that information with their boss or perhaps someone else who could help them profit from the experience. That person could be, for example, a member of the Human Resources Department, a peer, or someone from outside the firm, such as the *Consultant*. Information is available from the *Consultant* for use by anyone interested in developing coaching skills.
5. Distribute the report envelopes and answer any questions the *Leaders* may have. One way this is done is for *Leaders* to raise their hands so that the leader can talk with them individually rather than before the entire group.
6. The nature of the discussion will vary greatly, depending upon the familiarity of the leader with *DNI*. Some, who are management development specialists, choose to discuss the scales one by one; others do not discuss content and may even postpone discussion for another meeting, giving the *Leaders* time to study their profiles and raise questions.
7. Some discussion of the processes of coaching, goal-setting, and development programs may be in order. Detailed information about these may also be distributed.
8. If a decision has been made to follow up with a certain Development Program — consider finding a time near the end of the meeting to discuss them.
9. If a decision has been made to conduct a follow-up *DNI* administration, explain its purpose and announce the time (usually within six months to a year).
10. Even the slightest hint of a threat should be avoided. However, *Leaders* should leave the meeting with the realization that management takes the process seriously and

anticipates positive results in terms of behavior change. Consider a statement from the CEO or another senior manager who will add weight to the meeting. If the *DNI Process* introduces a new emphasis on management development, that fact should be noted. Whether the emphasis is new or a continuation of a long-standing emphasis, reference to it should be positive and encouraging. That encouragement should emphasize any support for development that the organization will provide.

11. Do everything possible to diffuse defensiveness on the part of *Leaders*. However, despite the fact that few of us enjoy hearing anyone inform us of our development needs, it is best not to *expect* defensiveness. The truth is that this event is a rare opportunity and should be so presented. If the company has decided *not* to receive a copy of the individual *DNI* Reports, make that point clear. If a *Leader's* boss does receive a copy, be thorough in explaining that its sole use is to be leadership/management development.

QUESTIONS AND ANSWERS ABOUT THE *DNI*

1. What is the general philosophy behind the *Development Needs Inventory*? The *DNI* is based on the assumption that certain managerial practices produce better results than others. It describes the *relatively consistent* behaviors of managers, not exceptions to the rule that may or may not be characteristic. The principles upon which the *DNI* is based are widely accepted by successful managers and experts in the fields of management and organization behavior. It is generally recognized that to some degree managerial practices should be influenced by situational variables such as the characteristics of direct reports, the nature of the work, and the organization structure and culture. Thus, the best practice in one organization is not *always* the best in another. This should be considered in interpreting *DNI* results.

2. Since managerial duties vary depending on both a manager's level within management and individual positions, how can the *DNI* be useful across managerial levels? It is true that the specific tasks and responsibilities of managers can vary greatly, especially from the CEO to first-line supervisors. However, certain of their leadership practices should vary little. For example, what both need to know about good delegation practices needs only minor adaptation, if any, for their different roles.

Furthermore, it should be noted that the "transmission of leadership styles" throughout an organization is dramatic. That is, leadership practices at the top tend to be transmitted downward to middle management and first-line supervisors. For example, companies often make the mistake of thinking they can practice autocratic leadership and cut-throat competition at the top and expect managers at lower levels to profit from training that emphasizes teamwork, participative, leadership and empowerment of direct reports. But that is unrealistic. *As far as leadership style is concerned, managers at all levels need to be reading from the same page. As a follow-up development program, The Models for Management process offered by Teleometrics is a great way to get leaders on the same page in regards to leadership philosophy.*

The *DNI* assumes that first-line supervisors are an important part of management and should, therefore, be continually taught and motivated to perform competently in management roles. In recommending the use of the *DNI* at all organizational levels, an equally strong assumption is made that all managers are supervisors who should, like first-line supervisors, be continually involved in planned growth and learning experiences. Optimal development of middle management and first-line supervisors is impossible unless senior-level managers provide them with effective role models.

3. What is the nature of the *DNI* instrument? The *Development Needs Inventory* consists of statements that describe managerial behavior. As originally published in 1982 it consisted of 136 items to which *Leaders* and their *Observers* responded by indicating on a 1 to 5 scale (A through E on the answer sheet) how accurately an item statement described the participating manager. That instrument has been upgraded through six editions.

The on-line version consists of 80 descriptive items, an average of eight items each that comprise ten standard scales that are recommended for all clients. These are the scales that most companies have found useful in the past and that we, therefore, highly recommend. In addition, for no additional cost, clients may choose five scales from

among fourteen *Optional Scales*. Although our computer program will permit a different configuration we do not recommend the use of more scales because of the time descriptors must invest—often a problem when some of the *Observers* are busy managers who are called on to describe themselves and several other managers. Nevertheless, the computer programming is flexible and permits greater choice on the part of a client that elects to invest more than the standard price.

4. How were the *DNI* scales selected? In 1979 the author of the *DNI* was asked by the publisher of his textbook in organizational behavior to co-author the fourth edition of a textbook in general management. As part of the research for that work, he conducted a content analysis of the top 20 general management books in use at that time. For the most part, the scales included in the 1982 edition of the *DNI* represented the subjects most often taught in those books to students who were preparing to be managers. Experience since that first edition, based on feedback from thousands of clients, has, of course resulted in item additions and edits. New scales have also been added to reflect major trends in terminology and leadership/management practices. Examples are the common substitution of the term *direct reports* in place of *subordinates* and a growing tendency of progressive companies to insist on leadership that helps reports stay goal-directed and empowers them to achieve to the limit of their potential. Modern terminology is not always more descriptive (e.g., direct report). It is sometimes confusing, and too often should be described as merely “politically correct.” Nevertheless, changing times demand it.

5. How were the items within each scale selected? Keep in mind that edits over the years have been based on feedback from *Leaders*, *Observers*, and *DNI* administrators, the latter consisting primarily of management consultants. The original selection was based on professional judgment subjected to a critique by other professionals (academics and practicing managers) and graduate students. Attention was very deliberately focused on covering the major dimensions of a scale rather than on achieving high item inter-correlation within a scale (i.e., achieving item homogeneity as is often sought in developing psychological tests). The professionals, employed by customers or prospective customers, who have repeatedly critiqued the *DNI* items have agreed that they do in fact constitute a rational *operational definition* of the scales. Consider, for example, the items listed below which collectively describe *delegation* and are used in the *DNI* to describe the delegation practices of individual managers. To have *content* validity, the items should all be judged by experts to describe what we commonly define as *delegation*. Keep in mind that delegation has many facets.

Items used in describing Delegation

- Is an effective delegator
- Gives clear work assignments
- Allows direct reports maximum freedom and responsibility
- Follows up to be sure instructions are carried out
- Grants all the authority that direct reports need to do their work well
- Holds direct reports accountable for results
- Practices general, rather than close, supervision
- Appropriately backs direct reports when their legitimate authority is challenged
- Does not do work that should be done by direct reports

Does not make decisions that direct reports should make
Empowers direct reports to assume maximum responsibility

Collectively the items in a scale make up its “operational definition.” The items have varying degrees of correlation with one another. In the case of delegation, a manager may, for example, avoid doing work that a direct report should do but quite often fail to follow up to be sure the work is done properly. Thus the items are not perfectly homogeneous, but they all describe some aspect of the scales in which they appear—as they should if they are to be of *practical* value. And since the different aspects of leadership are related to one another, a given item *may* appear in more than one scale. Because several items are included in each scale, repeated applications produce scale scores that are essentially the same unless significant time and training intervenes.

6. How does a company deal with a *Leader* who believes the descriptions *Observers* have given are not accurate? Experience suggests that a good approach is to say something that expresses the following content, with appropriate alteration and expansion as the situation demands. “It is doubtful that others ever see us as we really are. And, in fact, it is doubtful that *any of us* see ourselves as we really are. Perceptions are often biased. But biased or not, perceptions are important determiners of what we do and how others react to what we do. Perceptions can have a major impact, for example, on whether the people above us think we should be promoted or on whether our peers and reports respect us. There is great value in asking ourselves *why* others see us as they do and, when we don’t like their perceptions, what we can do to change them.”

7. How many *Observers* are used for each *Leader* in the program? In the past, the typical number is one or two higher level managers/supervisors, two to four peers, four or five direct reports and, of course, the *Leaders* themselves. The numbers can vary depending on the circumstances, including the availability of reliable describers. *Greater numbers, however, do not necessarily result in more accurate descriptions, and, in fact, large numbers can contaminate the results if the descriptions of informed and uninformed Observers are averaged.*

One weighty argument for *not* using large numbers of *Observers* is the time factor. If, for example, a busy manager is asked to describe fifteen or twenty peers, the task can be overwhelming. Experience has shown that when the task becomes too burdensome, *Observers* sometimes work too fast and/or carelessly to express their best judgment.

8. What criteria should be used in selecting *Observers*? The most important criterion is that the persons selected be informed and as likely as possible to be unbiased and honest. They should have the knowledge, objectivity, insight, and courage to provide a reliable description, and they should be persons whose judgment is respected. Avoid selecting people who are fearful, have an excessive need for others approval, and/or are likely to think they are doing *Leaders* a favor by flattering them. It is usually a good practice, when more than one *Observer* is involved, for them to know that their responses will be averaged with the responses of others.

If the organizational climate is characterized by distrust, it may be best that *Leaders* be unable to identify their *Describers*. However, if the organization climate is characterized by a high level of trust and open communication, it may even be advisable

for managers to have a voice in selecting their describers and strongly encouraging them to give candid responses.

An organization's top executive has no superior or peers in the traditional sense, although sometimes a board member, an attorney, or an informed consultant can provide a description at the supervisor/manager level. Carefully selected subordinate managers who know the CEO may be used to provide what can be labeled “peer” descriptions for purposes of the *DNI* administration. However, the most common practice is just to forget the boss and peer descriptions and regard all *Observers* as Reports.

At lower levels, it is sometimes impossible to find more than one *supervisor/manager* who knows a *Leader* well enough to provide a good description, but if such persons are available, two *Observers* are usually better than one.

9. Is there any one instruction that needs to be stressed to the *Observers*?

Aside from being as honest and unbiased as possible, the most important instruction is that *they should concentrate on one item at a time*. *Observers* who become concerned about whether a given item response is consistent with earlier responses lose concentration and the validity of their descriptions may be compromised. They need to understand that every *Scale Score* is the average of several item responses and usually the average of the responses of two or more *Observers* to those items.

10. Is it ever advisable to have a larger number of *Observers* describe a given manager? Occasions arise where that is useful, but for the reasons given above those occasions are rare.

11. How should the Client's *DNI* Coordinator be selected? In medium and small companies the CEO usually makes the selection. It is important that the *Coordinator* be both competent in terms of judgment and knowledge of the company and its personnel, and that he or she also be trusted and generally accepted by everyone involved in the process. It helps in getting the cooperation of all concerned if the *Coordinator* has considerable influence within the company. In larger companies, the *Coordinator* may be selected by the head of the Human Resources Department or Division.

12. Why should *Observers* not be referred to as raters? Terminology can be an important shaper of attitudes and perception. The *DNI* is *not a test and not a rating instrument*. It is designed to make it easy for *Observers*, including the *Leaders*, to describe a manager's on-the-job behavior for purposes of leadership/management development. Referring to the *DNI* printouts as either test results or ratings will understandably produce defensiveness. Guarding against such terminology may be awkward at first but will soon pose no problem.

13. Do some managers object to taking part in the *DNI* process? Since the *DNI* does not result in a performance evaluation, most do not. If the system is properly explained, there is no reason for anyone to be threatened by it. Even managers whose performance is phenomenally good have potential for growth. The profile produced by the *DNI* helps such managers, along with others, identify which areas of development are most likely to make their performance even more outstanding.

Managers who are called on to describe several other managers (to be *Observers*) must make a time investment that is not always comfortable. They need to understand

that their time investment is for a worthy purpose, and that the investment can be spread out over a specified time. However, it is advisable to be open with describers during the initial introduction of the program that a time investment will be required. It is difficult to say how much time will be required to complete a *DNI* description of a manager. The first *DNI* usually takes longer than the subsequent *DNI*s and some managers take twice as long as others, but few take more than about twenty minutes. It is important that the process not be rushed.

14. Should the persons to whom *Leaders* report receive a copy of their *DNI* Report? It all depends on the company's culture, its history and traditions, the nature of its communications, the extent to which trust exists, etc. If the managers to whom the *Leaders* report do not receive a copy of the printouts, the *Leaders* often volunteer to share the results with them. This is usually a good practice, but *Leaders* should not be made to feel that they are obligated to do so. Whatever the practice, the *Leaders* should know from the beginning how the results will be handled. The *DNI Reports* should be used for a single purpose—that is, for management development only. If *Leaders* and their *Observers* expect that the reports are likely to be used as a basis for personnel decisions—for raises, promotions, layoffs, etc.—their *DNI* descriptions may be distorted.

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PUBLICATIONS IN LEADERSHIP/MANAGEMENT DEVELOPMENT

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CURRENT PROFESSIONAL ORGANIZATIONS

Academy of Management

American Psychological Association

MAJOR HONORS AND CERTIFICATIONS

U.S. Army Distinguished Civilian Service Award

Baylor University—Outstanding Faculty Member Award

Baylor University—Distinguished Professor of Management

Certified Psychologist—Board of Examiners, Texas Psychological Association

Licensed Psychologist—Texas State Board of Examiners of Psychologists