

“Who”
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The A Method For Hiring
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The most important decisions that businesspeople make are not *what* decisions but *who* decisions-Jim Collins. “Who” refers to the people you put in place to make the what decisions. “Who” is where the magic begins, or where the problems start. I knew I was in trouble when I was doing the job of people I had miss-hired. “Who” failures infect every aspect of our professional and personal lives.

In our research, we have identified four parts of the hiring process where failure typically occurs. “Who” mistakes happen when managers:

- Are unclear about what is needed in a job
- Have a weak flow of candidates
- Do not trust their ability to pick out the right candidates
- Lose candidates they really want to join their team

Peter Drucker and other management gurus have long estimated that the hiring success rate of managers is a dismal 50%. Managing is easy except for the people part. In an October 2006 cover story in the “Economist” it was stated that finding the right people is the single biggest problem in business today. Due diligence, after all, takes time, and time is the one commodity most lacking in busy manager’s lives.

What is a resume? It’s a record of a person’s career with all of the accomplishments embellished and all the failures removed. I hired your resume. But unfortunately what I got was you.

We want to find A Players. Finding them begins with setting the bar high. What is an A Player? A talented person who can do the job you need done, while fitting in with the culture of your company.

We define an A player as a candidate who has at least a 90% chance of achieving a set of outcomes that only the top 10% of possible candidates could achieve. It will take you longer in the short run, but it will save you serious time and money in the long run. In business, you are who you hire. Hiring A Players is not everything, but it is one of the most important skills in growing the value of your company.

Here is the process in finding A Players:

1. Scorecard-The scorecard is a document that describes exactly what you want a person to accomplish in a role. It is not a job description, but rather a set of outcomes and competencies that define a job done well

2. Source-Finding great people is getting harder, but it’s not impossible. Systematic sourcing before you have slots to fill ensures you have high-quality candidates waiting when you need them.

3. Select- Involves a series of structured interviews that allow you to gather the relevant facts about a person so you can rate your scorecard and make an informed hiring decision

4. Sell- Once you identify people you want on your team, you need to persuade them to join.

The fastest way to improve a company's performance is to improve the talent of the work-force.

1) SCORECARD

Scorecards are your blueprint for success. Scorecards describe the mission for the position, outcomes that must be accomplished, and competencies that fit with both the culture of the company and the role. What becomes all too clear in many of our initial meetings with clients is that they don't bother to define what they want before they hire somebody. The first failure point of hiring is not being crystal clear about what you really want the person you hire to accomplish.

The scorecard is composed of three parts:

1. The job's mission
2. Outcomes
3. Competencies

Mission: The job's purpose

The mission is an executive summary of the job's core purpose. For a mission to be meaningful, it has to be written in plain language. Mission statements help you avoid one of the most common hiring traps; hiring the all-around athlete. Hiring all-around athletes rarely works. Job requirements are rarely general. You should be looking for narrow but deep competence. Success comes from having the *right* person in the *right* job at the *right* time with the *right* skill set for the business problem that exists.

Outcomes: Defining what must get done

Outcomes describe what a person needs to accomplish in a role. Set the outcomes high enough—but still within reason—and you'll scare off the B and C Players even as you pull in the kind of A Players who thrive on big challenges that fit their skills. While typical job descriptions break down because they focus on activities, scorecards succeed because they focus on outcomes; what a person must get done. Seek to make outcomes as objective and observable as possible. New hires will know what they'll be judged on and what the company and their boss thinks is important in their position. They will have game plan in front of them.

Competencies: Ensuring behavioral fit

Critical competencies for A players

Efficiency, Honesty/Integrity, organization/planning, aggressiveness, follow-through on commitments, intelligence, analytical skills, attention to detail, persistence, proactivity, ability to hire, ability to develop people, flexibility/adaptability, calm under pressure, strategic thinking/visioning, creativity/innovation, enthusiasm, work ethic, high standards, listening skills, openness to criticism/ideas, communication, teamwork, persuasion, chemistry, coachable, ego under control

Cultural competencies: Ensuring organization fit

In our interviews for this book, fully one in three of the billionaires and CEO's we talked with told us that not evaluating cultural fit was one of the biggest reasons for hiring mistakes. Try gathering your leadership team and ask this simple question: What adjectives would you use to describe our culture? Evaluating culture sometimes means removing people who are not a fit.

One leader made this comment, we just spent four hours in a leadership team meeting and no decisions were made or communicated. We all left unclear about where we're going, who is supposed to do what, or what's the time-frame for a decision.

What kind of culture do you want to build? Don't be afraid to write down what might seem blindingly evident. By translating your culture and values into a series of competencies that matter for every job, you can avoid making the mistake of not evaluating candidates for the cultural fits that are absolutely critical to your enterprise. It is not by chance that we achieved more than 90% hiring success, as we were clear about what types of people we were looking for. Scorecards are the guardians of your culture.

From scorecard to Strategy:

At a keynote speech at a Fortune magazine conference a couple of years ago, we asked the two hundred CEO's in the room, how many of you have in place written objectives for all of your direct reports? Only 10% raised their hands. Its astonishing how few managers use written objectives.

A good scorecard process translates the objectives of the strategy into clear outcomes for the CEO and senior leadership team. Properly constructed and used, scorecards spread strategy through every aspect of your organizational life. The whole key, whether you are hiring, promoting, or managing for performance in the current job, is that you have clear expectations. Remember, it's all about the specific skill set you need, when you need it.

(2) Source

Getting great candidates does not happen without significant effort. The CEO's of billion-dollar companies that we interviewed for this book recognize recruitment as one of their most important jobs. Little wonder that the most frequent question we receive in workshops is, how do I source A Players? Of all the ways to source candidates, the number one method is to ask for referrals from your personal and professional networks. It is the single most effective way to find potential A players.

77% of the industry leaders we interviewed cited referrals as their top technique for generating a flow of the right candidates for their business. Yet among average managers it is the least often practiced approach to sourcing. I am constantly on the hunt for talented people to bring into my company.

(3) Select

According to the four thousand studies and meta-analyses we've examined, traditional interviewing is simply not predictive of job performance. The best and surest way we have found to select A Players is through a series of four interviews that build on each other. The A players you want will be those who have a track record that matches your needs, competencies that align with your culture and the role, and plenty of passion to do the job you envision.

The four interviews are:

1. The Screening Interview
2. The Topgrading Interview
3. The Focused Interview
4. The Reference Interview

(1) The Screening Interview; culling the list

Questions to ask:

- What are your career goals?
- What are you really good at professionally?
- What are you not good at or not interested in doing professionally?
- Who were your last five bosses, and how will they rate your professional performance on a 1-10 scale when we talk with them?

Ideally a candidate will share career goals that match your company's needs. You also want to hear the candidate speak with passion and energy about topics that are aligned with the role. You are listening for strengths that match the job at hand. You want to tell them that if they advance to the next step in the interview process, you will ask for their help in setting up some references with bosses, peers and subordinates.

What do you think they (references) will say are some things you are good or not good at? You are looking for lots of 8's, 9 's and 10's in the ratings. 7 is kind of neutral and 6 and below is actually bad. While you don't want to waste time with the wrong people, you want to make all the time necessary for the right ones. After conducting the interview, ask yourself if the person's strengths match the scorecard. Are the weaknesses manageable?

Here are some sample follow up questions:

What do you mean by that? What did that look like? What is a good example of that? What was your role? What did you do? What did your boss say? What were the results? What else? How did you do that? How did that go? How did you feel? How much money did you save? How did you deal with that?

Too many managers make the costly mistake of lingering with candidates who are a bad match.

(2) The Topgrading Interview; the power of patterns for choosing who

Here you are digging deeper for patterns in someone's career history. There is power in using data and patterns of behavior for making predictions about how somebody is likely to perform in the future.

Questions to ask:

1. What were you hired to do?
2. What accomplishments are you most proud of?

A Players tend to talk about outcomes whereas B and C players generally talk about events, people and aspects of the job they liked

3. What were some low points during that job?

What went really wrong? What was your biggest mistake? What would you have done differently? What part of the job did you not like? In what ways were your peers stronger than you?

4. Who were the people you worked with? Specifically?

What was your boss's name and what was it like working with him/her? What will your boss say were your biggest strengths and areas for improvement? How would rate the team you inherited on an A, B C scale?

5. Why did you leave the job?

A Players perform well, and bosses express disappointment when they quit

A Topgrading Interview is a chronological walk-through of a person's career by asking the above 5 questions for each job they have had. The Topgrading Interview can take three hours on average. Your career and job happiness depend on finding A Players.

(3) The Focused Interview; getting to know more

Questions to ask:

1. The purpose of this interview is to talk about
2. What are your biggest accomplishments in this area during your career?
3. What are your insights into your biggest mistakes and lessons learned in this area?

We conduct at least one cultural fit interview for every candidate, using questions built around our cultural values.

(4) The Reference Interview; testing what you've learned

Without having a chance to do reference calls, you lose 25% of the information you should know. First, pick the right reference. Review your notes from the Topgrading Interview and pick the bosses, the peers, and subordinates with whom you would like to speak. Second, ask the candidate to contact the references to set up the calls.

Questions to ask:

1. In what context did you work with the person?
2. What were the person's biggest strengths?
3. What were the person's biggest areas for improvement?
4. How would you rate his/her overall performance in that job on a 1-10 scale? What about his or her performance causes you to give that rating?
5. The person mentioned that he/she struggles with _____ in that job. Can you tell me more about that?

In truth, we believe, people don't change that much. People aren't mutual funds. Past performance really is an indicator of future performance. Remember that 6 is really a 2. Additionally, how does the rating compare to what the candidate said in the screening interview?

The Topgrading Interview necessarily is confined to one side of the equation. The Reference Interview brings the rest of the story our. A reference that hesitates is typically trying hard not to say something that will condemn your candidate or put him or herself at legal risk. Neutral, hohum references full of faint praise are code for bad references.

Decide who to hire

The goal of the “Select” step of the A Method is to gather the facts you need to decide if somebody’s skill (what the *can* do) and will (what they *want* to do) match your scorecard. Will has to do with motivations and competencies a candidate brings to the table. Does the data suggest there is a 90% or better change that the candidate will display that competency? An A Player is someone whose skill and will match your scorecard.

How will you know when you have hit the skill-will bull’s-eye? When (1) You are 90% or more confident that a candidate can get the job done because his/her skills match the outcomes on your scorecard, and (2) You are 90% or more confident that the candidate will be a good fit because his or her will matches the mission and competencies of the role.

Red flags

Based on our experience, the major flags during the hiring process include:

- Candidate does not mention past failures
- Candidate exaggerates his/her answers
- Candidate takes credit for the work of others
- Candidate speak poorly of past bosses
- Candidate cannot explain job moves
- Candidate seems more interested in compensation and benefits than in the job itself
- Candidate tries too hard to look like an expert
- Candidate is self-absorbed

You need to take a hard look at the data when you see too many red flags.

Marshall Goldsmith when asked which of the 20 derailers he mentions in his book, “What Got You Here Won’t Get You There,” he listed these which are at the top of his list:

Winning too much. Adding too much value. Starting a sentence with no, but or however. Telling the world how smart we are. Making destructive comments about

previous colleagues. Passing the buck. Making excuses. The excessive need to “Be me.”

Somebody who has an excessive need to “be me” is telling you that they are not open to adapt their style to fit your culture or your company and should not be hired. Deciding to do something and actually doing it are two different things.

(4) Sell

Most managers fail to sell a candidate. It turns out that candidates tend to care about five things:

1) Fit: The company’s vision, and culture fitting in with the candidates goals, strengths and values. Fit is by far the most important point to see. Fit means showing the candidate how his or her goals, talents, and values fit into your vision, strategy and culture. We don’t want to tell people “This is your position.” We are going to succeed as a team. Show a potential candidate that you are as concerned with the fit for them as you are in the fit for you. Nobody who is worth anything is going to go into a company where they don’t see real potential with the company and a strong fit with their goals and abilities. If they are truly A players, they are going to value the potential of the company

2) Family: Takes into account the broader challenge to his candidates family.

3) Freedom: A Players don’t like to be micromanaged, but desire a good deal of autonomy. A players have never liked being micromanaged. They’re looking for positions where they will be left alone to excel. In reality, great leaders gain more control by ceding control to their A Players. If you want to extract as much value as possible out of somebody in an organization, you have to let them be themselves. If they are going to be a senior person, they are going to want a higher degree of autonomy.

4) Fortune: The stability of the company and the overall financial upside. Pay people on a performance basis. Scorecards define A performance and provide objective metrics for monitoring it.

5) Fun: Describes the work environment and the personal relationships the candidate will make and have

Five waves of selling

Over the years, we have identified five distinct phases of the hiring process that merit increased selling efforts on your part. Think of these as waves to overcome:

1. When you source
2. When you interview
3. The time between your offer and the candidates acceptance

4. The time between the candidates acceptance and his/her first day
5. The new hire's first 100 days on the job

Our experience has been that managers undersell far more often than they oversell. Research shows an alarming failure rate among new hires in the first 100 days.

How to sell A Players

1. Identify which of the five F's really matter
2. Create and execute a plan to address the relevant F's
3. Be persistent

We asked more than four hundred successful business leaders what factors contributed the most to business success. They told us that "Talent management" was over half the equation. Collectively, their message couldn't be clearer. Get the talent side of the equation wrong, and you will always face rough waters. Get it right, and you'll have clear skies, smooth seas, and easy sailing. The right *who* will take care of all other issues. It's all about execution and execution is determined by having the right people.

You have to do ten things if you want to install the A Method for hiring.

1. Make people a top priority. The leaders we interviewed for this book told us they spend as much as 60% of their time thinking about people.
2. Follow the A Method yourself
3. Build support among your executive team for the A Method
4. Cast a clear vision for the organization to use the A Method and reinforce it through every communication with the broader team
5. Train your team on best practices
6. Remove barriers that impede success
7. Implement new policies that support the change
8. Recognize and reward those who use the method and achieve results
9. Remove managers who are not on board
10. Celebrate wins and plan for more change

We get to watch successful people become even more successful because they put the right teams in place. We even got to see how the right teams can change an executive's life.

One executive put it this way, “I feel great. I have a fantastic team working with me now. For the first time in my career, I don’t have to be the first person to arrive in the morning and the last one out at night. I’m sleeping better. I’m working out. I’m spending time with my wife. And it’s all because I have a team of A Players.”

Please make sure you are in compliance with all relevant employment laws at the federal, central, provincial, state, and local levels; wherever in the world you are hiring. Do not reject candidates for reasons that are not relevant to the job. Use the same process for all candidates; a standard process ensures fairness across all groups. Use nondiscriminatory language during interviews and in written forms. Avoid asking candidates legal questions.

Evaluate people based on the factors that matter for the position at hand, and on those factors alone. This should enable you to enjoy the results of a hiring method that is fair, legal, and extraordinary effective. Remember that the team drives the business forward, not just a single person. You are looking for A Players that accomplish the outcomes you define in a manner consistent with your culture and values. A Players get the job done while embracing the culture because the scorecard ensures they fit the culture.

We believe that it is not only possible but also highly desirable to build an entire team of A Players. While the A Players you bring in need to be attuned to your culture, the culture needs enough elasticity to embrace the A Players who can challenge you in areas where you need to be challenged. You have to have a culture that is supportive and gives people room and tolerates a bit of difference in personality.

Good leaders don’t wait to find the time to embrace and implement the A Method of hiring; they make the time. They are constantly on the lookout for talented people and deploy the A Method to bring them onto their teams. They recognize that it is the most important thing they can do to ensure long-term success.