On Hiring Well, Part 2: Four Disciplines Before The Search Begins

Published on Apr 25, 2016 by Niko Canner



In the first post in this three-part series, I described nine core disciplines that together make up the art of hiring well. In my experience, much of what makes the difference between great hiring outcomes and uneven hiring outcomes happens before the search ever gets underway. This post focuses on the specific disciplines to nail the right foundation for great hiring, and the third and final post in this series describes a complementary set of disciplines to apply once the search is in motion.

Decide what objective you're hiring for

Particularly when there are many individuals involved in a hiring decision, clarity on objectives will almost never happen by accident. Hiring processes often default to treating the objective as getting the best fit for the role at hand, under the specific conditions currently at hand, with the candidate with the best pedigree who "sounds like he or she has done the thing that needs to be done next" and "feels like us." This default setting could conceivably be the best setting, but it rarely is.

Companies that excel in building talent generally hire first for the firm, second for the specific role someone plays when they enter. When we sold Katzenbach to Booz, our rockstar head of recruiting Kristen Clemmer (now head of US and European Recruiting for Atlassian) became head of campus recruiting for Booz in North America. She, global recruiting head Gustavo Alba and I worked closely with may colleagues across the firm to revamp US associate and analyst recruiting. Within weeks, we'd turned on the former model on its head. Where practices had previously driven recruiting and placed strong emphasis on depth of industry expertise, we built one national team, composed mostly of partners, which made recruiting decisions across all practices, focused on the intellectual and interpersonal qualities that would position individuals to grow into principals and partners. The prior

model undoubtedly produced associates who added more value on their first day in the job, but it isn't worth that much to have a 20% lift in day-one associate performance. The new model produced hires with stronger upward trajectories, which was worth much, much more.

As this example illustrates, deciding what objective you're hiring for requires being clear about deciding *whose* objective you're hiring for.

Booz had relatively consistent recruiting needs year after year. Defining what objective to hire for is harder for start-ups. In many cases, a new hire at a start-up will be working for a materially different company the year after they join. Often, hiring for adaptability works better than hiring for the details of the spec at hand. For instance, we recently needed to hire a business development lead for Sevident, a biotech in which we have a significant stake. We knew there were important things we didn't know, such as what diagnostic areas we'd emphasize most and whether we'd seek a few larger deals or a larger number of smaller ones. In this context, our objective was to bring on a head of business development who had demonstrated that he or she could create value entrepreneurially in situations where there wasn't a clear framing of "sell this product to that market," and who could use the selling process as a way to generate market intelligence that could inform the strategy of the company as a whole. This is a very different profile from "who could generate the most revenue lift in 2016." Sure enough, we hired Morgan Donaldson from DNA Genotek, and Morgan has already made a difference in helping evolve the company's product strategy as well as our business development strategy.

Articulate the fundamental attributes hires should have to fit the culture

Great cultures require assembling a team of diverse people who are distinctive in the same critical ways. Southwest Airlines values sense of humor. Google values logical, analytical reasoning. Chipotle, one of the most impressive examples we've seen on this dimension, has embedded a hiring philosophy based on 13 characteristics deep into their front lines.

When articulating these fundamental attributes, it is important to be vivid, in a way that enables you to hold a standard in mind as a clear yardstick to assess against, both for the team you're looking for and the team you have. For instance, Incandescent looks for the following attributes across the different roles we hire for:

1. **Conceptual thinking:** capacity to see high-level patterns and principles, and ability to translate concepts into concrete decisions and actions
2. **Empathy:** capacity to imagine how the world looks to others, and to build bonds of trust even in difficult circumstances
3. **Intentionality:** thoughtful and deliberate about each aspect of one's work; committed to making each detail express and reinforce the broader vision
4. **Drive to learn:** intense curiosity, commitment to honest self-examination and open feedback from others, willingness to take risks and fail, investment in doing whatever it takes to grow into an exceptional performer

5. **Discipline:** consistent follow-through, translating intentions and decisions into sustained actions and results

It isn't hard to envision how to use a list like this in assessment. For instance, commitment to self-examination and feedback ought to be visible in how the candidate engages in the search process. "Capacity to imagine how the world looks to others" can be drawn out by having a candidate explore past situations from the standpoint of others involved.

It is important to recognize that there may be roles that require hiring against the grain of what a company typically looks for. At Incandescent, for instance, we have five attributes that we look for across roles, with conceptual thinking and empathy at the top of the list. We don't do our bookkeeping in house, but if we decided we should, we might decide that for this particular role, it might make sense to go against our grain, and hire someone much more focused on the trees than the forest, who doesn't necessarily meet the bar for empathy of "capacity to imagine how the world looks to others, and to build bonds of trust even in difficult circumstances." Alternately, our core list of attributes might give us a reason to outsource bookkeeping and focus on doing jobs in house that fit well with the general profile of our hires.

Visualize "what good looks like" for the role

The fundamental attributes above describe "what good looks like" for the company. Just as critical is to visualize in a vivid way "what good looks like" for the role itself. We believe it is valuable to write a role visualization that includes four sections:

1. Essence of the role (the outcomes that matter most, crafted more like a story than like a list)
2. Key qualities the candidate should have
3. What the candidate has done before
4. Why the role is compelling

Key qualities focus on the candidate's abilities and interests, not a checklist of things they know how to do. Do you need a financial analyst who is "relentlessly meticulous" or one who "sees the operational reality behind the numbers"? Those are probably different people.

Challenge yourself to think about why your best candidate would find this the best job they could imagine finding. That also inevitably helps to clarify how the job won't be compelling to a range of candidates who have the right qualifications but the wrong essence.

The role visualization is often most valuable where it clarifies how the specific kind of hire you need to make in this role – a business development leader, a product manager, a head of HR – is most different from what most companies hiring for an equivalent title would seek. It is easy to slip into hiring "a good X" vs. "the right X for our specific need. The role visualization can mitigate this risk. For instance, a client in the wealth management field hiring a chief investment officer understood they needed to look for strengths different from what most peer companies would value, such as:

Cuts through complexity, turns insights into stories*. While the CIO is intellectually at home*

with the complexity of markets, they know how to get above that complexity and simplify it for others. They can convey ideas and insights in ways that make sense to the non-specialist, and can convey what's happening in markets or what they're trying to achieve with investment strategies in terms of stories, pictures, simple statements that a wide range of people can understand and remember. When the CIO communicates, the "why" always stands out, above the details of "what" and "how." When others lose the thread, the CIO can take them back to the firmer ground of higher-level ideas about what needs to be accomplished.

In their role visualization, this client explicitly called out:

This combination of attributes is rare in the investment field. The objective should not be "find the best investor" or "find the best leader of investors" in a generic sense, but find the person who excels in the specific way envisioned here, as that person will be able to take the specific brief represented by our Asset Management positioning and deliver against it. Many excellent investors, who may have stronger spikes and higher market value than the CIO with these attributes, have a thirst for personal achievement and a level of conviction behind their specific worldview and opinions that fuels their success, but that will make it difficult for them to operate within the construct of the Asset Management positioning we've collectively determined is right for XYZ Co.

We believe that the hiring manager's manager should review the role visualization up front and stress test it. One of the most important questions to reflect on is whether the visualization is vivid enough and specific enough that it will weed out not just bad candidates but the wrong good candidates.

Design up front how to get the data to make a sound assessment

Visualization of "what good looks like" is only as valuable as one's ability to assess whether candidates fulfill the visualization. It is important to think through how to get the necessary data before getting into the heat of battle of the search, to avoid the risk of being carried away by the momentum of a candidate's "message" and the hiring team's own powerful first impressions.

Generally, a sound assessment will be the product of triangulation across multiple kinds of inquiry. It is valuable to look at different kinds of evidence to understand what a person is like and what their future choices and outcomes are likely to be, such as:

1. Asking questions and presenting situations that enable direct observation of how a candidate operates
2. Evaluating a candidate's track record and understanding the personal and contextual factors that drove outcomes
3. Understanding the choices the candidate has made in the past and the reasons for those choices

Suppose, for example, that you want to understand how well someone makes tough decisions.

Certainly you'd want to hear their stories about tough decisions she'd made in the past. People will naturally tend to select decisions that led to good outcomes, but effective decision-makers know how that sometimes the right decision (the best decision given everything that's known or practical to find out at a given moment in time) turns out to have a bad outcome. Can the candidate find good examples of those experiences? Good decision-makers learn from failures; can the candidate demonstrate how she's done that? Good decision-makers can observe the strengths and weaknesses of how others make decisions. Can the candidate describe others whom she believes are in some important way better decision-makers than she is herself? Can she get underneath what makes those other individuals effective? Can you create situations in which we can watch the candidate make tough decisions in real-time rather than just having the candidate talk about past experiences? Triangulation among many data points like this will be much more valuable in assessing someone's strengths and weaknesses than relying on one kind of evidence alone.

In sorting through the array of data that comes out of this kind of triangulation, the cardinal rule should be to distinguish evidence, inferences and conclusions. For example: the candidate struggled to answer my question about the drivers of profitability in an analytical way (evidence), so I don't think he's a fast, agile, analytical thinker (inference), and therefore I think he's a turn-down for the analyst role (conclusion). By presenting reasoning in this way, others can add to the underlying data – e.g., they experienced positive examples of analytical thinking, they have data on successful demonstration of this capability in the past – and they can also challenge the reasoning of the inference and the conclusion. For instance, it might be the case that the candidate's poor answer on the profitability drivers question might related to being intimidated and knocked off balance by the interviewer's style. This might be an issue if the job will involve frequently being challenged in public – e.g., with clients – but might be noise if the job mostly takes place within a safer, more predictable context. In the latter case, there's great value in avoiding the wrong inference from valid data. While the interviewer's assessment of the poor answer may be absolutely fair, there may not be any "signal" relevant to the candidate's ability to do the job well.

In my experience, this particular discipline is especially rare and especially valuable. Treating recruiting as an essentially tactical matter where the objective is to reach the right decision in each case with as little effort as possible won't build the skills and patterns of thinking needed to engage in this way. It is critical to take a longer view and build this discipline as a critical capability for the organization, using each specific recruiting challenge not just as an objective that needs to be executed but also as a practice field for developing this particular form of excellence.