On Hiring Well

Published on Apr 12, 2016 by Niko Canner



Choices about whom to hire are among the most important choices any company makes. Hiring constitutes "choosing the choosers" of what a company will do and how they will do it, whether at the micro scale of delivering service at a car rental counter or the macro scale of building a new business. Unlike domains in business where "good enough is good enough," even a company in the top decile of hiring success can get a lot of juice by notching up the effectiveness of hiring even further.

At Katzenbach Partners, the prior firm I co-founded, recruiting was the function at which we most excelled. I often joke we were "an otherwise pretty good consulting firm with a truly world-class recruiting engine." When the firm was still fewer than a hundred people, we already had 24% of the Harvard undergraduate class applying for our associate role, making us an order of magnitude more selective than McKinsey. "Graduates" of my administrative assistant role have gone on to be the CFO of Acumen, SVP of Human Resources of Walker & Dunlop, head of HR for Purpose, and Editor of Rolling Stone, among other roles. When we sold the firm to Booz & Company, itself no slouch in the recruiting department, the vast majority of Katzenbach team members at junior and middle levels went on to outperform their peers – a reflection of the qualities we hired for, even though our associates and engagement managers were at a disadvantage for not having grown up in the Booz environment.

I've seen very few companies systematically hire well. One of the most frequent discussions we have with the early-stage companies we work with is how to make their hiring more effective, and this post codifies in one place what we've learned from this work as well as from establishing our own hiring disciplines at Katzenbach and at Incandescent. In my years of working with large companies, very few of them have sought help in improving the quality of their hiring outcomes – but most of them fall far short of their potential.

Hiring well involves nine core disciplines, broadly applicable across a wide variety of contexts:

1. Decide what objective you're hiring for

2. Articulate the fundamental attributes hires should have to fit the culture
3. Visualize “what good looks like” for the role
4. Design up front how to get the data to make a sound assessment
5. “Cast the net” systematically
6. Design the “who” of decision-making as carefully as the how
7. Have a clear philosophy that guides offers
8. Cultivate prospective hires on their own terms
9. Build a closed-loop process

Each of these is a discipline in that it is explicit, rigorous and replicable. Unlike processes, disciplines don’t necessarily involve always doing the same steps. Great hiring is as much an art as a science, and as with any fine art, excellence is never built haphazardly.

In the two posts that follow, I lay out the essence of these nine disciplines with examples that bring them to life. If you’d like to get a feel for how we approach our own hiring, you can read more in this post on Growing Our Team at Incandescent. I’d very much like to hear how others have approached these disciplines – or framed the art of hiring differently – as we look to continue strengthening our own game.