



# Bad Hires, Big Impact

## *Hiring Tips for Business Leaders*

By: Don Zinn

When we set out to hire a new employee, we always have the best of intentions. We want to find the right person, someone that we will be glad to see at the office every day, who will carry his/her responsibilities with excellence and class, and who will make your company not only bigger, but better.

Finding good people is one of the toughest challenges facing today's small business. This is because turnover has an immediate and often devastating impact on the bottom line. For example, if you have a sales force of 5 people, each represents 20% of your potential annual revenue. If one or two leave, there's a good chance you won't make your yearly goal. Every employee's contribution counts.

In small businesses, and especially at an early stage, growth-oriented company, hiring represents a great challenge, as the company requires a very special kind of person. To succeed, small businesses must be incredibly adaptable. The kind of employee that thrives in this environment is not easy – or obvious – to find.

### **The Hiring Process is Changing**

Why do we fail? Why have I failed so often?

- **We make decisions in 90 seconds:** Research tells us that most of us make up our minds during a first impression and then use the rest of the interview to back up our initial judgment. First impressions are important. However, you need good interview questions to help determine if your initial decision is the right one.
- **We fall in love with the resume:** Experience is not expertise and it sure isn't attitude. You are hiring a human being who is going to be successful in only a certain kind of environment – regardless of his or her contact base and experience. Make sure you understand what it will take for the candidate to succeed – and how to manage the candidate so that he or she will.
- **We don't interview for behaviors:** We lack the questions needed to create an open discussion where we really get to understand how the candidate thinks, reacts, and behaves.

- **We comfort ourselves with a group decision:** We do not create a structured interview process, and so rather than getting 3 or 4 different perspectives, we get one perspective 3 or 4 times because we all ask the same questions.
- **We leave the candidate in his or her comfort zone:** By asking the standard questions, the candidate has a distinct advantage. The candidate is comfortable and in control. We, the interviewers, are not. Interviewers require a stock of questions that enable us to dig deeper and force the candidates out of their comfort zone, so that we can see if they think “on their feet,” and respond to questions in a favorable light. Nowhere is this skill more important than in sales, yet we fail to create that environment during the interview.
- **We don’t take the time to figure out what we really need:** The position description is not the same as the ideal candidate profile. These are two very different things. When I learned to do high level executive search from Susan Bishop, President of Bishop Partners in NYC, Susan taught me that the position description was the easy part – it was making the match of the candidate profile that took all the time and effort. Moral here: If you are going to hire a person for any position, but particularly for the sales role, take the time to understand the ideal candidate profile, and how much room around that ideal you have before you get yourself in trouble. Skills matching can be approximate, but behavioral matching must be dead on!

## Practical Tips for Selecting the Right Employees

Bad hires can kill your year – or your career. Making matches is never going to be easy, but you need to find a way to get better at it – and counting on a string of good luck does not qualify. The solution is to create a process model that you follow, and that your employees understand and follow. That process model can be different in every company, but it needs to have the following component parts to have the potential for success.

The following is a good step-by-step process for approaching a new hire:

1. **Definition:** Define the position, in detail.
2. **Outline:** Outline who the position reports to, his or her peers, and subordinates.
3. **Finding the “Customer”:** Understand who the “customer” of this position is. (For example, if you are filling a receptionist position, his/her “customers” would be your employees and the customers and prospects who call or visit.)
4. **Ideal Candidate Profile:** Using the input from the above, create an ideal candidate profile. (Keep in mind, the same position may have different

- behavioral requirements based on the candidate's supervisor and subordinates. For example, your Western Regional Sales Manager may be very high level, unstructured and not into details, while your Eastern Regional Sales manager might be a micro-manager. The ideal candidate profile for the west will be different from the east. Make sure you understand that before you start the interview process.)
5. **Experience Review:** Make sure the candidates you choose to interview have the experience you feel is required, and the ability to learn the subtleties of your business. Every business is different – the ability to learn is the single most critical success skill.
  6. **Behavioral Assessment:** Once you have determined the “skill fit” spend the rest of your selection process dealing with the “behavioral fit.” (Use a behavioral analysis tool of some kind. Either create a simple checklist you match to the ideal candidate profile that contains the behavioral attributes you believe are critical to success, or use automated tools that deliver to your fingertips the equivalent of hours and hours of psychological evaluations.)
  7. **Group Interview:** Make sure group interviewers are asking different questions and gaining unique perspectives. What is the purpose of doing the *same* interview, with the *same* questions, four times? That isn't four different perspectives; it is *one* perspective *four* times.
  8. **Ensure a Proper Fit:** Don't fall in love. Make sure the candidate fits with the customer he or she will serve, team members, and manager. If any one of those three is even a yellow light – force it to become either red or green. If you have anything less than three green lights, do not consider making the candidate an offer.

Hiring is always a minefield. It is a hugely rewarding task with incredible risks associated with it. For any business, hiring the right people is a critical success factor. For small and medium businesses, hiring the wrong people is a critical failure factor.

Take the time to do it right. Build the interview process model. Get yourself the tools you and your team needs. Avoid critical failures and make the right hire the first time.

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