RGBA

R. Gaines Baty Associates

The Most Effective
Hiring Strategy is Process-Driven
By: R. Gaines Baty

If you're not consistently seeing or hiring enough top people, it might be time to evaluate everything you're now doing from a different perspective. The concept of zero-based budgeting offers a useful approach.

The essence of zero-based budgeting is that you can better determine true departmental expenses by justifying every cost item. The alternative is to justify only the incremental increases, assuming what's now in place is okay. The benefit of zero-based budgeting is that unnecessary processes and bureaucracies are eliminated before they get embedded into a company's culture.

Zero-based hiring is based on a similar concept. Don't assume that the hiring methods you're now using should automatically be continued. Many built-in processes are unnecessary, ineffective or counter-productive. You should consider zero-based hiring if you answer "yes" to any of the following three questions:

- Are your sourcing techniques not generating enough top candidates?
- Do you often hire candidates who are competent but unmotivated?
- Do you regularly hire candidates who talk a good game but don't deliver the results?

While we'll discuss the details of zero-based hiring in future articles, here are some highlights:

1. **Hire the best employees, not the best candidates.** In a recent article, I attempted to make the case that the best employees are not necessarily the best candidates. The best <u>employees</u> take longer to decide; they won't waste their time; they don't spend too much time looking; and, among other things, they look at a new job as a career step, not a permanent destination.

   Top <u>candidates</u>, however, tend to always look, have polished resumes, will take the time to apply, are always well-prepared and, among other things, always make a good first presentation. How you source, assess, and hire the best employees is fundamentally different than how you source, assess, and hire the best candidates. It seems that most companies have designed their hiring processes around the needs of best *candidates*. This is one reason they're not seeing enough top employees.

2. **Make the job description reflect the real job.** If you're using traditional skills-based job descriptions to hire people, stop. This is the single most important thing you can do to hire top employees. Define the deliverables and some of the key sub-steps required for on-the-job success. This is a far better way to understand the real job than the typical job description listing skills and experience requirements. At best, this is a person description, not a job description. At worst, it excludes the best employees from even applying.

   The best employees don't want the same job; they want a *better* job. You'll be able to separate the best candidates from the best employees during the interview. First, tell your candidate what's expected of them to be successful on the job. Then ask what they've accomplished that's most comparable. Dig deep (*10-15 minutes on three or four accomplishments is about right*), and you'll quickly know which group you're dealing with.

3. **Measure first impressions at the <u>end</u> of the interview.** First impressions don't predict job success, even for sales positions. Great comparable past performance does predict job success, even for sales positions. Many people who aren't very good are capable of making a good first impression. And some very good people don't necessarily make the best first impression. Don't compromise on the candidate's ability and motivation to do the work (see my article "*Ask, Don't Tell*" if you want to know how to do this accurately.)

   At the end of the interview, objectively assess the candidate's first impression and its impact on you. You'll discover that about 50% of the people you thought were great aren't. You'll also find that many people who you thought were weak are actually good — even great. Along the way, you'll also learn a lot about yourself and your biases; and that's the real point of this item.

4. **If you're using traditional behavioral interviewing, stop.** If you're not using it, then start. Traditional behavioral interviewing is not all it's cracked up to be, but it's far better than an unstructured interview. Many of the best candidates practice responses to typical behavioral interview questions, so that method is not as reliable as it could be. Additionally, it's not very useful in assessing the competency/motivation combination, which is essential for predicting on-the-job success.

   I recommend a modified version of behavioral interviewing called "Performance Interviewing". This method relies on just two performance-oriented questions. The key is to develop comprehensive details about a candidate's most significant accomplishments compared to the deliverables described in the job profile (see point 2 above). The interviewer then needs to review the trend of these accomplishments over time to determine competency, motivation and potential.

5. **Undersell and overbuy.** When you finally meet a great candidate, there is a natural tendency to stop listening and immediately attempt to "sell" the candidate. Not good. For one thing, the great candidate may not be a great employee. This over-selling technique will backfire if you fail to learn more about the candidate. If the person really is exceptional, then you've just demeaned the job and lost your negotiating power to boot. Overselling and under-listening are the first steps in making a bad hiring decision.

   A better method is to make the candidate earn the job by conducting an in-depth interview (see points 2 and 6 above). Describe the job challenges, and make the candidate prove to you that he or she can achieve them. Get detailed examples of what they've done that's most similar. If the job offers growth and opportunity, the best employees will actually attempt to sell you when an interview is conducted this way. This is how you successfully recruit an exceptional candidate. You can't tell the person the job is great: they have to figure that out for themselves. All you can do is guide them along. This is what great recruiting and interviewing is really all about.

6. **Reduce your send-outs/hire by 50%.** Three send-outs per hire is a reasonable goal for unique positions; two if you're hiring in high volume. This is the best metric of all, since it's an indicator of the effectiveness of your overall hiring process.

   To improve it, don't worry too much about where you are now. First, figure out what it would take to reduce send-outs per hire by 50%. Put all the big changes needed in priority order, and then start working on the list (this is called a Pareto analysis, and it's a rough approximation of what Six Sigma black belts do). Plan to complete the task list in six months. If you don't have the resources to do this, don't compromise on the six months: get the resources.

Make hiring the best a repeatable business process. Incremental improvements won't work. If you're not hiring enough top people, it's time to implement zero-based hiring. Stop making excuses, and figure out why it won't work. Be part of the solution, not part of the problem.

If you want to make an impact, be like the best employees you want to hire. They tell you how they made things work. They get the resources; they break the rules sometimes; they fight bureaucracy; they change the culture; they take calculated risks; they overcome challenges; and they exceed expectations. Isn't it time you started hiring the best employees? In six months you could be famous.

*Credit for excerpts of this article is generously given to **erdaily** and **Lou Adler**, creator and CEO of **Power Hiring - Best Practices for Hiring Top People**.*

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*R. Gaines Baty is President of **R. Gaines Baty Associates, Inc.** (est. 1977), a leading retained executive search firm headquartered in Dallas, TX. Specializing in senior management and leadership team searches in the **Consulting**, **Technology/IT**, **Healthcare**, **Energy**, **Outsourcing** and **Financial Service/Insurance** sectors, RGBA is best known for recruiting difficult-to-find strategic leaders to help clients across the U.S. drive important business growth and/or turnaround initiatives. Formerly with IBM, Baty is a well-known practitioner in executive team-building, executive search, candidate evaluation and career management.*

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