

# THE STONEWOOD PERSPECTIVE

A STONEWOOD GROUP INC. BULLETIN

## StoneWood Interview Series

### *The Art and Science of Selection Excellence*

#### *An Interview with Dr. Guy Beaudin, RHR International*

*Selection excellence is one of the more elusive goals of all organizations. From poorly defined job requirements to poorly considered and inconsistent selection techniques, the process of hiring executives remains haphazard and more art than science.*

*RHR International is one of the world's premier industrial psychology consultancies. The firm pioneered the field in the 1930s, and remains a renowned innovator of theory and practice. With 19 offices around the world, RHR counsels some of the world's most successful organizations on improving selection practices.*

*StoneWood Group's Bob Hebert sat down with RHR's Head of International Operations, Dr. Guy Beaudin to discuss best practices in selection.*

*1. Selection remains a mystery for many organizations. Why do firms struggle so much with this area?*

Selection is one of those areas, much like marketing and advertising, which everyone believes they instinctively understand. Everyone has developed a gut feel about people, an intuition if you will, that they believe enables them to eye someone and make judgments about them. The truth is that intuition is one component of selection, but it is by no means the only one. Good selection has a definite process but most people are not trained in it and therefore they fall back on gut instinct in the absence of anything more solid to rely on.

The selection process used by most executives becomes an extension of this poorly understood, informal intuition. Interviewing becomes a conversation leading to an intuitive judgment. While it is true that building conversational rapport is an element of interviewing, it is of minor importance compared to the real job

of gathering data by which to make good hiring decisions.

Selection is both art and science, though the science part tends to get ignored. Robust selection is about trying to reduce the unknown variables in hiring decisions, or stated another way, it is about increasing the probability of making good hiring decisions.

*2. Let's start with how companies define jobs. Everyone understands that roles have responsibilities. How do companies move from a basic understanding of responsibilities to selection criteria?*

This is where the more rigorous process I just referred to needs to begin. If they define the selection criteria at all, most companies tend to rely on a list of competencies.

Unfortunately for many companies selecting from a library of competencies can produce little more than a laundry list of attributes that do little to enhance the likelihood that they will make a good hiring decision. If the list is long enough you end up describing someone who could be successful in any role.

The selection criteria need to be specific to the role which is why the starting point is always the organization's strategy. The key questions to ask are: What is our organization's strategy? What obstacles are we likely to face in executing this strategy? What is this person's role in driving our strategy/navigating the obstacles? What will they need to do particularly well to be successful in those goals? That thought process should translate into a list of the 3-5 success factors that will need to be exhibited by the individual in order for them to be effective in the role.

*3. What do you mean by success factors?*

For example, think of a small company that has reached a plateau and is looking for some help to propel the business. The company would start at the desired outcome, a strategic goal, a milestone endpoint of sorts that it can work backwards from. It then asks how this person will contribute to getting the company to that goal.

Among the considerations, the business will need to be reframed, set in a new direction, the people will need to be engaged and aligned with that direction and then the team will need to execute.

In order to lead the company successfully through this inflection point, the new leader will need to work at three levels: the head, the heart and the hands. By this, I mean that the person must figure out and express a vision of the path to be pursued; they must then get people to buy into that vision, dealing with the inevitable resistance and misalignment issues; and then they must help the organization and its people change its behaviors in order to successfully execute against this strategy. These are the leadership success factors that will determine whether or not the candidate will be successful in driving the desired growth in the business.

Organizations tend to concentrate far too much on resumes, roles and stated accomplishments instead of looking at the behaviors and characteristics that will make an individual successful in this situation.

*4. Context plays a big role in hiring. How do firms ensure that they incorporate an understanding of their specific situation in their selection process?*

This is important. Companies always look at experience in static terms. The person worked in the right industry, with the right customers, in the right functions and appears to boast accomplishments that resonate with the hiring organization. But this is a dangerous way to go about evaluating the ability to effect positive change in an organization because it overlooks both the context in which the results were generated and it ignores the change management piece. Just because someone was successful in one context doesn't mean they will necessarily be successful in another context.

First, companies tend to focus on where they want to go at the expense of where they are coming from. They want to achieve success or growth and thus look to an individual working at a big successful company as someone who will understand the end state. But that person may know next to nothing about the challenges

in getting from where the firm is today to that desired state. They may in fact be totally inappropriate for the company of today, notwithstanding its aspirations for tomorrow. In other words, just because someone has managed a large organization, doesn't mean they also have the skill set of leading an organization as it goes through its growth phase.

If you are hiring someone to help a company get unstuck so that it can move from point A to point B, the key consideration is experience in getting unstuck. Furthermore, you want someone with experience in contexts as close to yours as possible. For example, if you are working for a founder-led firm that is seeking to undergo change, it would be foolish to ignore experience with founder led firms as a consideration. Evaluating the change piece of the equation takes an organization back down the path of considering how candidates have dealt with the head, heart and hands issues I mentioned earlier.

The question of how someone undertakes their responsibilities is also important. Someone brought into an organization with a mandate to effect change can accomplish this in a number of ways, some of which are more likely to work in a given organization. Because of this, organizations have to understand what approach and personality is likely to be successful for them. They have to understand their culture, decision-making processes, the timelines involved and translate those into an understanding that can be used to hire someone most likely to be successful.

*5. You have been quoted stating that every selection process should include an evaluation of several basic attributes. One of those is intelligence. Can you speak to this a little?*

Research is clear that if you can only use only one piece of data to predict success it should be intelligence. It is still the best predictor of someone's ability to get the job done. It is not the only factor of course and I am not advocating that you use it in isolation, which is why emotional intelligence, or EQ also needs to be factored in. In recent years however the push towards emotional intelligence has tended to obscure the importance of intelligence. This is a mistake.

When hiring, organizations should always try to get some measure of a candidate's intellect. We use a series of rigorous tools to measure this but for organizations looking for less formal means there are several strategies you can use to get a proxy of intelligence. At the most basic level you can look at candidates' academic history, where they went to school, the types of courses they took, their interests, the marks they scored etc.

Second, when interviewing, you can look for evidence of problem solving, analytical skills, creativity and the ability to implement. This takes you into the behavioral questions related to “Give me an example of a particularly difficult strategic issue that you had to deal with...what role did you play, how did you think it through, who helped you, what happened as a result, how did you implement the solution”?

I am also a big advocate of having a working session with finalist candidates before making the decision to hire them. In this approach, you should take an issue facing the organization and sit down with the potential employee and discuss possible solutions, the pros and cons of each, the risks in each solution, how they would evaluate and solve the problem etc. This will give you invaluable insight into the individual’s thinking ability and style.

*6. You have also discussed the importance of understanding motivation when evaluating candidates. Can you explain?*

What drives someone is an important selection consideration. Are they motivated to do the kind of work we are looking to do, does this align with the rest of the team, will it carry them through down times etc?

Motivation requires some purposeful probing. I will talk to people about their childhood, the choices and decisions they made in school, the themes that cut across some of their work decisions. Who were their role models, who did they admire and why? I want to understand what drives them and how has this changed or remained constant over the years.

*7. What other recommendations would you have to make the selection process more rigorous?*

Devote more time to it. Many companies simply do not take selection seriously. You are trying to evaluate whether someone will be a successful contributor to your organizational family. This cannot be done in 45 minutes. I am a big believer in multiple meetings, with multiple people, in a variety of settings. You need to get to know the person. Afterwards, you need to then get everyone together who has participated in the process and compare notes on what you have learned. It is amazing to me that companies will involve 3 or 4 different people in an interviewing process and then simply get their thumbs up or down afterwards. What you want to do is get together and paint a picture of the person, a hypothesis if you will about the candidate. What do we know so far and what do we not know? When you have completed that process you then have a basis on which to assess what else you need to learn, or

what issues you want to probe via reference checking or subsequent probing.

Keep in mind that when we interview someone, we take approximately four hours. It is methodical and careful. It is hard for a candidate to maintain a façade for that period of time. We recommend that organizations similarly spend more time with candidates to get a more accurate picture. This is true for the candidate as well, by the way. They should ask for more time so that they can better assess if the company is a fit for them.

*8. You also are a big believer in the importance of self-awareness. Can you explain why?*

Self-awareness is the psychological factor that enables you to grow. It is the ability to see yourself objectively, to take feedback, the willingness to act on that information.

If you are considering promoting someone, give them feedback and see how they deal with it. Do they ask questions, do they embrace or reject the feedback? Do they make changes in leadership and behaviour based on that feedback?

When interviewing someone, you want to evaluate this quality as well. How well do they know their strengths and weaknesses? How well can they speak about lessons learned in prior roles? How purposeful are they in developing their portfolio of skills? Do they have a mentor, do they solicit feedback? All these questions will give you a sense of their self-awareness and a realistic prediction of their ability to grow into the role.

*9. The old saying is that people get hired for skilled and fired for fit. How can firms evaluate fit?*

It is important for a company to understand its own culture and what kind of people fit in and what kind of people do not. This is an easier task for some organizations than others.

It can be hard for an organization to describe its own culture, so there are some questions that can help them to get to that point. Ask yourself who in your organization gets promoted, who gets fired and why. Ask yourself how decisions are made, how people have influence, what behaviors are acceptable and which ones are not. All these will lead you to paint a picture of your culture and of the type of people who fit in that culture. Add this data to the profile you are describing of the ideal candidate and spend the time you need with the candidate to assess their degree of fit with that profile.

*10. High growth tech companies must always deal with the question of whether someone is likely to grow with the*

*firm or be left behind. How can firms think about future potential?*

Assessing potential is a variation of what we have discussed earlier. There are three main factors that need to be assessed to determine a person's ability to develop and grow and those are intelligence, motivation and self awareness.

All three need to be present for you to have a reasonable expectation of a person's ability to develop beyond where they are today.

*11. What advice do you have for candidates going through some sort of selection process?*

If a company offers you three people to interview, ask for four. If they offer you one meeting with the CEO, ask for two. Good hiring decisions are all about getting data against which to make informed choices.

Candidates need to ask themselves what information do I need to increase the likelihood that there will be a good fit. Hiring processes are somewhat unnatural situations in which parties put their best foot forward. Candidates must work hard to understand their potential employers by meeting as many people as possible. Who has been the most successful person hired here in the past few years and what has made them successful? Can I talk to them about their observations coming into the company? Who has been promoted and what was it about them that got them promoted? Who was most recently fired and why?

*12. What is the trending in the world of selection?*

The trending in our business is towards multi-trait, multi method assessments. By this I mean that there is a recognition that evaluating the complexity of people requires multiple inputs and approaches. This may mean combining interviewing with selected assessment tools, careful reference checks, simulations and the like,

with a view to enhance the likelihood of making a good selection decision.

A couple cautionary notes however. The internet has made available scores of quick, easy and inexpensive psychometrics. Some of these may add value and to inform a process but none should be taken as absolutes. In fact, some can be dangerous. For example, scores of personality inventories are available on the market. These have little if any predictive ability for selection. They may help someone's self-awareness and be useful developmental tools, or they may be useful in informing team dynamics but they are not selection tools.

Also, keep in mind, that the best selection methodology will not overcome poor role clarity or a misjudgment of the requirements.

*13. Can you summarize with a last bit of advice for organizations and managers wanting to make good hiring decisions?*

In a word, preparation. Selection is a methodical process. Start with where you want to be, develop your success factors, prepare a series of questions that will probe into those issues, use multiple evaluators, compare notes, and look for supplementary data points. Take your time.