

HIRE, FIRE

&

THE WALKING DEAD

A Leaders Guide to Recruiting the Best

by **Greg Moran**
with Patrick Longo



Chapter 2

Define the Market

Chapter 2

Define the Market

I have often invested in start-up companies and have rejected bad deals with equal frequency. Based on experience, what makes or breaks a deal for me is whether an entrepreneur has identified with whom they are selling. Anytime a hopeful entrepreneur utters the words “everybody needs this product,” the deal is off. This simply is not true. I like to look at the little picture, see who truly needs a product, decide how to make it appealing and determine how to reach them. It’s like having someone say, “Trust me.” There is just no need for trust when the fit is right from the start.

Define the Market

Unfortunately, too many salespeople believe that anyone can buy their product. The end result is a constantly shifting approach and message with no clear focus. Ultimately, frustration, blame and turnover ensue. You’ll find that recruiting works in the same manner. You can have a very clear target, but it is not always easy to stay focused. Finding, hiring and retaining talent are never easy. Finding the right people is challenging enough.

The hard reality is that only a very select number of individuals will become top performers in your organization. They are select because they share intangible characteristics that make them successful. Your ability to clearly identify and understand these key characteristics will determine your ability to attract top performers to your company. This task can be extremely subjective and, therefore, extremely difficult. Remember:



I am focusing on the “intangible.” You cannot touch it, smell it, hear it or taste it, but you need to know it well enough to sense it.

At this point, what you’re sensing is only a vague shadow, and through real diligence you will flesh out a black and white figure that clearly appears to be your next top performer.

With virtually all of the clients with whom I deal, the search begins and ends with hard skills, such as the ability to cold-call, set up meetings, close, etc. Many recruiters think previous sales expertise in selling techno-widgits and other innumerable products is the Holy Grail of top-performer identification. Forget it. This is usually not the case. While it may provide insight into one facet of the candidate’s profile, it is not always indicative of top-performing sellers. True success factors result from other, softer and much harder-to-identify areas of the individual’s total profile. I am referring to an individual’s “IPC” makeup.

The IPC



IPC stands for Intellect, Personality and Cultural fit—the success factors that truly matter.

Explore these characteristics in a person, and you will expose something far more critical. You will identify what this person was practically born to do. You may chuckle to yourself when you hear this, and I somewhat want to laugh right along with you, but I need to ask you this: Have you ever done something that just felt right? Were you asked to do an assignment or project, and it just “clicked”? You’re half-thinking, “Man, that was fun. I could do this all day and not even feel as though I was working!” Who knows why? It just felt right. This is how your IPC profile should manifest before your eyes. It is the perfect alignment of your mental horsepower, your personality and your environmental needs, along with the task at hand.

Top performers in any given job within your company share the right profile with their position in the company. You rarely, if ever,

have a problem, and the person is happy as a clam and performing consistently well. This is because the perfect alignment doesn't depend on skills or experience alone. Chances are, if you ask a top performer to do the same job at a different company, he/she may flounder or even fail completely. The true explanation: You changed one of the factors. We call this the cultural fit.



In poker terms, skills are the table stakes. Skills are simply the cost to enter the game and sit at the table. They mean little when determining how much you win in the long run.

Let's take a closer look at "I," "P" and "C."

Intellect

What intellectual capacity do top performers share? I am not referring to IQ necessarily, but rather the employee's ability to process, analyze and communicate information. I can appreciate that we all have different intelligence factors. Some people process information slowly and deliberately before drawing any conclusions. This doesn't make them less intelligent than one who thinks fast and/or one who speaks even faster. I can speak gibberish, but fast-talking or fast-communicating does not necessarily equal gibberish.

Remember the old Fed-Ex ad with the guy who could speak so ridiculously fast, yet you could actually understand him? The guy who soon parlayed this ability into his fifteen minutes and played himself out in the market? That's a great skill, but it's not going to get you a customer service job anytime soon—and other than ad sales on TV, it's not going to get you a sales job anytime soon, either. Consider Albert Einstein. Smart enough guy, right? Would you want him working customer service for your company? Why not? He would over-engineer the position, treat your customers like idiots and become hopelessly bored. Remember: We are not talking about hiring the smartest person; rather, we need the "right" level of intelligence compared to the job's requirements. There are many factors that need to align for you to assign an intelligence measure to certain skills or behaviors, such as verbal skills, numerical skills and overall mental aptitude.



When considering the cognitive skills of a top performer, think about verbal and numerical issues separately.

Some people work well with numbers, but have great trouble communicating them—and vice versa. Do you have an open position that requires both skills at the same time? For a top performer in any position, you may need a person who can demonstrate both—but not necessarily. Each position can be geared toward certain intelligences or a mix of several. You need to be a keen observer and clearly identify the attributes of top performers in your company. Do this for every position, and you are on your way to filling your pool with top talent across the board.

I want to offer a firm word of caution here. All too often, I see companies claim that they “only want the smartest.” Believe me when I say that this is an ego-driven statement that will, in the long run, cause many problems. Intellectual people often fail in inappropriate jobs because they are simply too theoretical and do not think according to the position for which they are hired—and they fail miserably. It sounds great to say that we hire only the smartest people. Look how smart you sound just saying it! But your ego will beat you every time on this one. You must hire people whose intellect matches your top people doing this job today—nothing more or less. It’s all relative. If you want to look smart, wash your clothing in 50% more detergent and only drive your car on a closed track with a professional driver. Don’t try to make your workforce something it is not and shouldn’t be.

Let me give an example to clarify my point. I once had a client who hired programmers by the dozen. One manager within the organization decided that he would only hire candidates with off-the-charts IQs and GPAs. He would publicly and proudly proclaim that he would only accept the smartest. On the surface, it’s pretty hard to argue with this logic. But here’s the problem: This manager could not deliver a project on time to save his life. Can you speculate on the problem with this IQ dream team? His programmers became bored with following the process, and independently decided to code and deliver their part of the project in a different and “better” way.

For this manager, this meant that all standards and processes were gone. His people were extremely bright, but they couldn't work as a team and execute according to the process. Budgets were constantly exceeded, deadlines were missed and customers were furious.

Good examples of the opposite scenario are seemingly limitless. All too often, people who communicate and interview extremely well find themselves in a position that doesn't suit their intellect. This is often the case when recruiting high-end salespeople. The assumption that a great salesperson can sell anything is nonsense. Look at salespeople who sell high-ticket items that are more transactional in nature (i.e., cars, homes, etc.). When placed in a very complex, long-cycle selling situation, they can quickly lose their way because this type of sale requires totally different skills and behaviors. Are they less intelligent than their peers? Maybe, maybe not. It doesn't matter. What matters is the manner in which their minds work. This is the wrong selling environment for them, and you just helped turn an A-player into a D-player for your company.

To complete this section, rate your top performers' ability to process and communicate (express) verbal and numerical information on a scale of one to ten. Consider both speed and accuracy when you are making this judgment, as they are both of critical importance. Once you've ranked your top performers, consider your bottom performers and rank them in the same manner. Do you see any differences? If not, it's OK. They will emerge later, under even greater scrutiny.

Personality

Which personality traits do top performers share? Our personality in the workplace is defined by our everyday behavioral characteristics, such as ambition, emotional stability, extroversion and numerous other inherent behaviors.

We are not going to overdo it here. For the next page, just think about these top performers and list the characteristics you believe they currently have, or have had, in common. Were they outgoing or introverted? Were they very energetic and dynamic or more contemplative? Again, be careful to answer truthfully—not how you feel it should be or want it to be. For this section, you need to be very

objective—and humans are anything but objective. We are just not built for it.



Don't let your emotions and biases negate your objectivity.

Also examine the bottom performers. Make sure you let go of any water-cooler feuds that will color your opinions. Describe the elements of their personality objectively. Are the differences between the two groups clearly starting to emerge now? Chances are, the clouds are clearing, and the picture is more evident—more black and white. If not, the position itself may be a little gray and require further review. For now, let's get to what many people consider to be the most important criterion: the cultural fit.

Cultural

Every business has a unique set of mores and attitudes that exist, regardless of whether we have defined them. (Just because we haven't named it doesn't mean it fails to exist.) Without a doubt, more than with any other criterion, bad matches are made because there is a poor cultural fit. A great individual performer may go to work for a good company, but it just doesn't "click," and it's sometimes difficult to figure out why. In reality, it's usually caused by a cultural mismatch—an IBM "suit" going to work for a Berkeley-based dot.com. Your ability to accurately assess your culture, and to appropriately and effectively screen for this criterion, will immediately impact your hiring performance.

Now, let's go back to your list of top performers and answer the eight questions on the following page. Rate them according to the provided matrix. Then complete the same task for your bottom performers. Do you see the difference? These three areas (intellect, behavior and cultural fit), when combined with the more obvious inventory of hard skills, will provide the best roadmap to your hiring success. The exercise you just completed, while fairly rudimentary, is a great starting point. By using the benchmark of your top performers as a target, you have a measuring stick for any new hires. Use this stick to evaluate top candidates, as well as B- and C-players, and you will start to "know" and "see" an A-player. You'll be able to spot a C-player immediately because he looks nothing like the A-