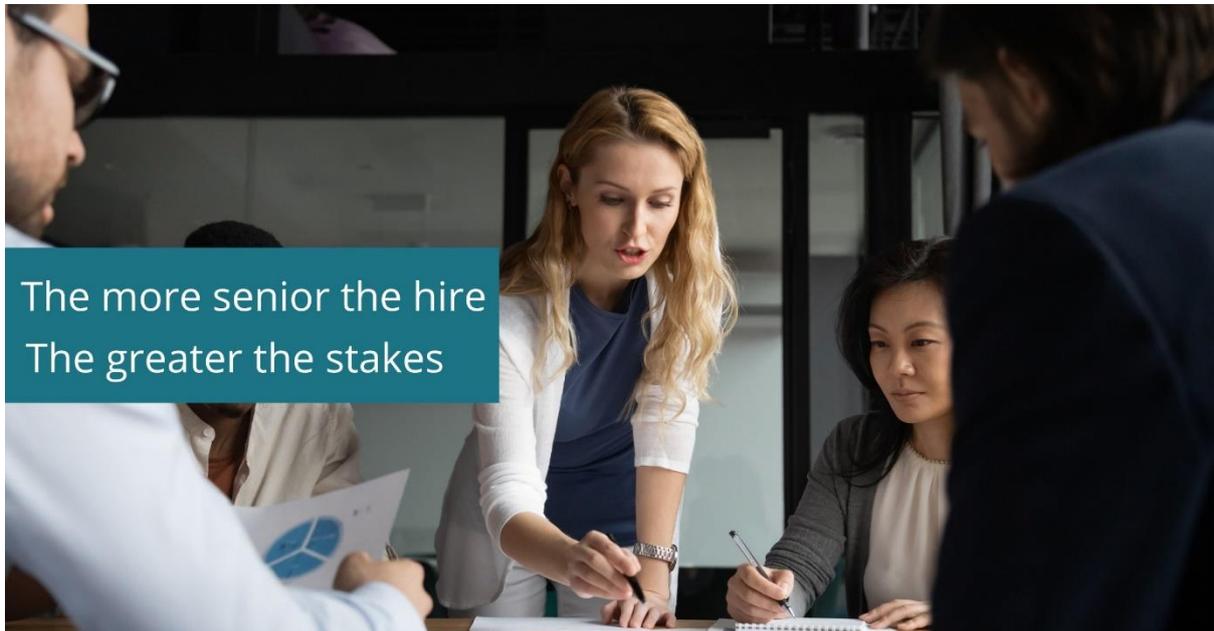


# Hiring senior execs

## 1) It's more strategic



The more senior the hire, the more likely the role will involve shaping the strategy of the business rather than implementing it – doing the right thing rather than doing things right... It's more about strategic versus tactical objectives. Remits might include high impact, long term initiatives such as buying other companies, pursuing organic growth or selling the business, i.e. CXO and senior management remits are likely to be shaped by a company's agenda:

### **BUY | SELL | GROW**

Individual contributors might focus on short-term objectives such as new sales initiatives, supplier consolidation, improving service outcomes or implementing the more rigid process. Exec hiring requirements are often heavily shaped by pressing business challenges at the particular time of hiring and the vacancy's circumstances. The replacement of a top performer who has resigned and whose business was well run is often different to that of someone who's been kicked out for failing to perform and leading a business unit in poor shape.

At different times organisations will face different challenges such as:

### **ACCELERATED GROWTH | CHANGE | CRISIS TURNAROUND | EMPLOYEE ENGAGEMENT**

These will invariably shape the hiring requirement.

Senior roles are more likely to be focused on multi-year goals, whereas individual contributor roles on in-year goals ~ the tactical objectives of what needs to be accomplished in the here and the now.

**12 MONTHS | 24 MONTHS | 36 MONTHS | 5 YEARS | 10 YEAR**

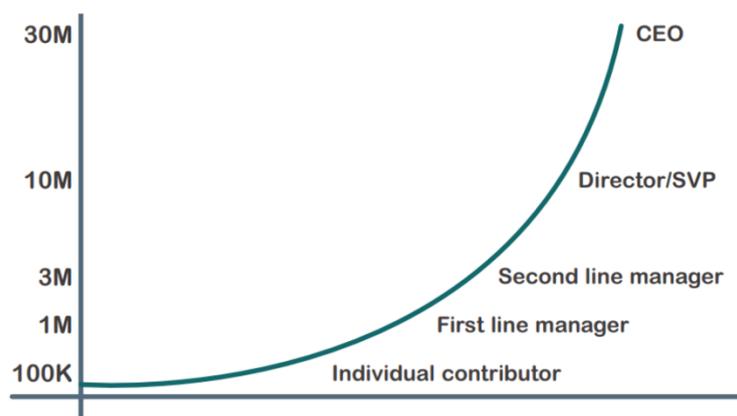
The performance of an organisation depends entirely on the performance of the relevant executive. And the more senior the role, the greater the ripple effect of how that person's performance has an implication throughout their business/business unit and indeed across others.

### **THE MORE SENIOR THE ROLE, THE GREATER THE RIPPLE EFFECT...**

The output of an executive is the output of his or her organization.

On a practical basis, this ripple effect can be expected to translate into bottom-line business performance, brought about through positive or negative impact on revenues, costs, profit and ultimately the return on investment to the business owner/shareholders.

This example illustrates the ripple effect:



Our theoretical example here is based on a small business.

The concept based on each worker contributing 100K gross profit, each manager having 8 reports, each second line manager having 3 direct reports, a Senior Director / VP having 3 reports and a CEO having 5 reports.

The larger the company, the greater the ripple effect and the longer it will take for a senior manager or C suite execs to impact the business.

## 2. Key qualities of leaders

The next issue associated with hiring senior execs is the qualities required to determine and shape strategy and how to look for them. You need to examine six indicators that would reveal a candidate's true value: results, performance, relationships, leadership qualities, emotional intelligence and growth potential. And do be aware that results and performance are not necessarily the same thing.

- **Results:**

Hiring decisions are largely made based on candidates' previous results. However, you need to distinguish between the impact the person had on results (negative or positive) through the choices and decisions they made. Someone may have performed poorly in a business that was doing well and camouflaged their failure. Conversely, someone may have performed well in a company that failed through no fault of their own.

- **Performance:**

Looking into the past. You should look to determine the persons' impact on results. To what extent, if any, did the candidate actually influence business outcomes? Can their success be attributed to them or simply being in the right place? Looking into the future. Ask how they might take the business forward, either in the form of a Q&A at the interview or a request to present a mini business plan at the second or third interview stage. You need to determine how they may approach the role and what results you might expect.

- **Relationships:**

The ability of senior executives to develop, value and nurture mature relationships in order to create an effective people network will often 'make or break' their success in the role. Crucial to this ability is emotional intelligence, aka EI.

- **'A' player leadership quality**

The four 'E's of leadership: high in Energy, the ability to Energise others, the Edge to make difficult decisions and the ability to Execute or deliver on the promise.

- **Growth potential**

You need to assess not just their competence to undertake the current requirements but their ability to grow with you as your needs and challenges change.

- **Emotional Intelligence**

Leaders with high EI are 40% more successful than those with low EI.

There are five dimensions in which professionals apply emotional intelligence, wisely or poorly, when making decisions in management and leadership.

These are:

1. Self-awareness
2. Self-management
3. Social awareness
4. Social management
5. Motivations

There are two ways in which you can quite easily assess someone's emotional intelligence, firstly by asking the candidate to give a presentation – their conduct and interactions will give you clues and secondly simply by taking up a sounding on the person. If you ask, what was the person like or how did the person behave – you'll likely get visibility of this.

### 3) A more sophisticated approach is required



Hiring a senior exec requires a more sophisticated approach.

- A bigger decision for you, and a bigger decision for them. And the latter should not be underestimated.
- Suppose you are working with a headhunting firm. You'll find a good head-hunter acting as a sounding board, helping shape your requirement, and becoming the second set of eyes and ears.

They should help you get the inside line on a candidate – this is particularly important we cover this in further details in “Soundings” in the next Point, 4.

- Senior execs do not respond well to a direct approach with concerns around confidentiality issues.
- They are more difficult to get hold of. However, the more senior the position, the smaller the number of qualified people who exist, which means the more senior people get fewer approaches and are more likely to say YES to an exploratory chat with a head-hunter.
- Take note – many employed execs would not entertain a direct dialogue, particularly when coming from a direct competitor or within business areas most closely aligned to their industry, i.e. the primary hunting ground. The whole concept of the ideal candidate hitting the ground running is based on their familiarity with the industry in which the hiring company operates.
- The opportunity must be positioned well. After all, the more senior the role, the smaller the talent pool. You need to properly think out why a smart in-demand exec should want to take up this job and how you will position the opportunity to them. However, what you think may be an attractive selling point to a candidate may not be to them and vice versa. There exists the need to tune into a prospective candidate’s motivations.

For confidentiality reasons, a high proportion of senior people will say “NO” to a direct approach.

- Many people are familiar with hiring active job seekers. Still, few are familiar with hiring people who may be heads down and happy – you need to tune into the applicant’s point of view and appreciate there are two perspectives.

Obviously, this is one of the critical areas in which professional head-hunters add value.

- And the whole process needs to be handled with sophistication and in a balanced manner. Many CXO types have little or no tolerance for a thorough examination, which is even more pronounced with those who are not actively looking.

If you want to land an “A” player candidate, you’ll want the candidate to interact with an “A” player hiring team. So, field a good hiring team. Consider what you want someone to achieve today and what changes you may encounter downstream. You can then shape your people criteria and determine the minimum essential qualities. Decide who will cover what and maintain a consistent approach to assessing each candidate.

## 4) Why soundings are critical

What's a sounding? A sounding is taking up an informal reference or opinion of someone to get an inside line on them or validate a point of view.

### **The importance of cross-referencing.**

The best practice is to take several soundings to get a holistic overview – known as cross-referencing. One can be a problem because it could be biased. The idea here is that you take up soundings on people you chose to speak with, not those volunteered by a prospective candidate who may have been tapped up to say good things about them.

Soundings should be taken up in confidence without a prospective candidate being exposed and ideally taken up before the end of any recruitment process.

### **Soundings can be generic...**

What do you make of them?' 'How were they regarded?' How would you describe their leadership style? To what extent did others buy into their ideas?

### **Or specific to the needs of the opening...**

What was the nature of his or her involvement with the restructuring project or turnaround of the business?'

### **Insight into a candidate's Emotional Intelligence.**

Soundings will often give you a strong insight into a candidate's emotional intelligence (EI). If you take up multiple soundings and when they are comprehensive, i.e. 15 to 20 mins, the person giving the reference will often end up subconsciously eluding to someone's EI.

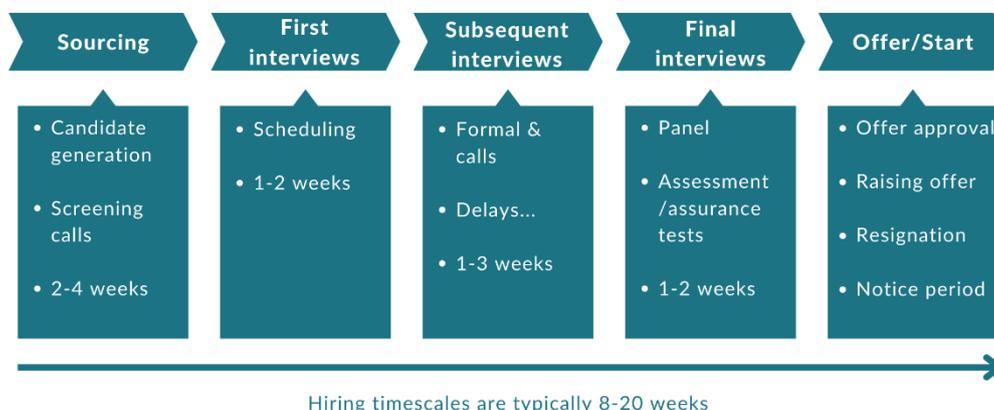
Don't expect to get 15 mins of a referees time. Plan on just 5 mins – best practice should be to work out in advance what you want to find out most and ask this question at the beginning, i.e. first or very early in the call.

An informal referee will invariably talk about the fact (job title, employment timeframe, track record) and the person's behaviour, self-awareness & self-management and social awareness & management of others. Without consciously thinking about it and perhaps not even being aware of what emotional intelligence is, an informal referee's comments about someone will often give a high-level view of their emotional intelligence behaviours.

Often, they'll say they've only got 5 mins and give you 15.

## 5) Timescales are longer

### SENIOR LEVEL HIRING TIMELINES



## 5. MORE TIME CONSUMING

- Hiring cycles are longer for senior execs
- Senior people have less time than others. Their diaries are fuller, there are more demands on them, and they have more responsibilities. Getting time in diaries will be difficult on both sides, and at senior levels, changes to appointments often more likely.
- There is more caution on both sides. Decisions are not rushed at senior levels, and there tend to be more stages to go through.
- Notice periods are often three or six months. And execs often want to complete a project before moving on.
- When hiring into regular jobs recruiting cycles may be under 4 weeks. This may be 4 to 8 weeks or more for specialist roles and senior/exec roles, perhaps 3 to 6 months.

## 6) Greater confidentiality is required

- Often exec level appointments will be of a 'cloak and dagger' nature where the incumbent needs to be replaced but need to be kept in the dark about their fate. In such instances, head-hunters are widely commissioned to confidentially seek out a new hire without the incumbent being aware that they are being replaced.
- Senior execs won't want people to know they are in discussion, have had discussions, certainly don't want it to get out that they may be looking or open to a move.
- Senior execs don't respond well to a direct approach.

## 7) Conclusion



The more senior the post, the greater impact it will have on the business and the higher the quality of the candidate will have to be.

The definition of the hiring requirement must be more fully considered and appraisal more comprehensive. Soundings are critical for you to verify a candidate's capabilities, credentials and will give you a strong insight into a candidate's emotional intelligence.

The more senior the appointment, the more likely the target prospective candidates will be heads down and happy and harder to get hold of.

Although many people have experience hiring active job seekers, very few are qualified to recruit top-level execs who are not looking to move on.

Often these matters are best left to the professionals.

The head-hunters.

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If you own or head up a tech / digital business, we may be able to help you.

**Let's talk.**

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