Harvard Business Review

Hiring

How to Prevent Hiring Disasters

by Amy Gallo

May 27, 2010



Hiring someone can be a time-consuming and nerve-wracking task. In an ideal situation, you find the perfect person for the position — someone who hits the ground running, increases your unit's performance, and eases your workload. In the worst-case scenario, your seemingly perfect hire turns out to be far from it and you spend months dealing with the aftermath, including finding a replacement. Either way, it can feel like a referendum on your judgment. So how

can you be sure your experience is more like the former than the latter? If you outline and adhere to a disciplined process, you can greatly improve your chances.

What the Experts Say

Claudio Fernández-Aráoz, a senior adviser at Egon Zehnder International and the author of *Great People Decisions* and "The Definitive Guide to Recruiting in Good Times and Bad," argues that hiring decisions are pressure-filled for a reason. "It is crucial to get hiring right not only for the hiring entity, but also, and very importantly, for the person being hired," he says. A new hire isn't to blame for a bad hiring decision, but will shoulder much of the burden when a role doesn't fit.

A carefully crafted hiring process can help avoid most mishaps. Adele Lynn, founder and owner of The Adele Lynn Leadership Group and author of The EQ Interview, urges that companies regard hiring as more of a science than an art, or worse a leap of faith.

Prevention is the best medicine

You can greatly reduce your chances of getting hiring decisions wrong by following a clear and consistent approach that includes knowing the traits valued across the organization (such as humility or an entrepreneurial spirit); conducting fair, structured interviews that include multiple people from the organization; and agreeing on a standard ranking system to evaluate candidates.

Getting the right person for the job requires time and discipline. Be careful of the time trap, warns Lynn. "Often, companies are desperate to fill a position, so the interview process includes some generic questions and some information about the position," she says. Needing to fill the role yesterday is not an excuse for shortchanging the process.

Know the specific competencies you're looking for

Fernández-Aráoz says we are hardwired to hire people who are like us or make us comfortable — but that does not always yield the best

candidate. In fact, you need to be aware of what he calls the "typical unconscious psychological traps" that lead one to make inferior people decisions (e.g. overrating capability or making snap judgments). Outline the specific competencies — above and beyond the traits you look for in all new hires — that the ideal candidate needs. What skills are required? How much does experience matter? What behaviors does he need to exhibit in the role? For example, this is a role requiring 7 years of computer programming experience but also an ability to work collaboratively with team members on high-pressure projects.

Screening for the right soft skills is critical. Seasoned hiring managers will tell you that it's much harder to coach behavioral issues than it is to teach someone the technical aspects of the job. "And people who fail in a new job mostly do so because of their inability to develop proper relationships not only with their boss but also with their peers and subordinates," says Fernández-Aráoz. To assess relational skills and emotional intelligence, "the interview should include behavior-based questions and motive and reflection questions," says Lynn. For example, "Tell me about a time you had a conflict with a co-worker and explain how you resolved it." The aim is to uncover the candidate's true colors. Does he blame others for his mistakes? Does he rationalize his behavior? Or does he accept responsibility? "You get a much more thorough understanding of how a person will behave in the future," says Lynn.

On-board with care

When a new hire seems to be struggling, on-boarding can also be to blame. "Most companies let their new hires sink or swim, and as a result many sink. Some form of integration support reduces the chances of failure, accelerates learning, and increases the contribution of any new hire," says Fernández-Aráoz. The right onboarding approach can help you get immediate value from your new hire and position her for success. But perhaps the most important element is expectation-setting. "Especially with knowledge workers and younger workers, there is a strong need to communicate both expectations of performance and behavior," explains Lynn.

When it happens anyway...

Sometimes even when you follow all the rules, you may still end up with the wrong person in the job. When you suspect a poor fit, proceed carefully. Start by asking others to corroborate your opinion. Don't start a witch hunt, but discreetly ask if they see the situation in the same way. Then, once you've identified where the mismatch is, ask yourself if the problem is coachable "People are ineffective for many reasons and some of those reasons are definitely correctable," says Lynn.

"Unless it's an egregious breach of values, generally coaching and reiterating behaviors and performance expectations should be the first step." Provide feedback to the new hire early on and lay out a plan for getting her up to speed in the problem areas. If the issues persist, consider finding a more appropriate role for her in your organization.

In the worst cases, termination may be your only option, particularly if you find that the problem is not coachable, if you are unwilling to further invest in coaching, or if the error or behavior is intolerable. It should be your last resort, however. "Most likely as the hiring manager you have a large share of responsibility for the mistake, and thus should never fire a person without thoughtful consideration," says Fernández-Aráoz. If you have to let someone go, take a hard look at the hiring process you used and figure out how to change it next time around.

Principles to Remember

Do:

- Identify the competencies an ideal candidate needs
- Ask interview questions that uncover the drivers behind the candidate's past and future behavior
- Give the new hire early feedback about her performance

Don't:

- Prioritize technical skills over relational ones
- Assume you've made a bad hire without checking your perception with others
- Immediately move to termination, without first considering coaching or transferring

Case Study #1: The value of sleeping on it

Roxanne Bond, the Executive Director of HR at USAA Real Estate Company, works closely with her hiring managers each time there is an open position. Roxanne's group developed and refined a sophisticated and efficient hiring process that starts with building a list of the competencies needed for each position. The company has a great track record with little turnover and a strong, inclusive company culture. However, USAA Real Estate Company is like all fast-paced and busy companies and hiring managers often feel urgency when they have to fill a position. Last year, a hiring manager needed to fill a heavy financial role and wanted someone with the technical skills and experience to begin right away. The job came down to two candidates: Sarah and Amanda*. Both had accounting backgrounds but Sarah had more experience doing the tasks that the role required. The hiring manager was leaning toward her even though a few red flags came up in her interview. In response to questions about past mistakes, Sarah indicated that she was overly sensitive to criticism. In response to the same questions, Amanda showed she took responsibility for her actions and had a positive attitude.

Roxanne strongly urged the hiring manager to consider Sarah's responses and whether her leg up in experience was worth the risk. She gave her the night to think about it and when they met the next day, they decided to go with Amanda after all. The hiring manager thought that she could coach Sarah's behavioral issues but realized that doing so would take an enormous amount of time — time that would be better spent helping Amanda get up to speed on job tasks. Roxanne is proud of the careful process that USAA Real Estate

Company takes when it comes to hiring: "We haven't had a bad decision in years and it goes back to the preventative approach we take."

*names have been changed

Case Study #2: A rookie mistake turns into a valuable lesson

A few years back, Jennifer DeLury Ciplet was appointed as the Executive Director of NISGUA (Network in Solidarity with the People of Guatemala). The organization, which advocates for human rights in Guatemala through speakers' tours, legislative work, and publications, was on the cusp of a transformation. NISGUA's supporters had traditionally been older and white and had gotten involved in the organization's work through other faith-based groups. The board wanted Jenn to help build new alliances with new constituencies — younger, immigrant populations. It was a classic customer-diversification issue. Jenn took the task seriously and, when she needed to fill a new programs position, intentionally looked for someone from the new population they were trying to reach. While she didn't formally define the required capabilities, she had a strong sense of the type of person they needed. She was thrilled when she found someone who seemed to embody the organization's new direction, and had what Jenn thought were all of the right technical skills.

Once he started however, Jenn realized that, while the new hire represented the future of the organization, NISGUA was not there yet. She needed someone who could bridge the gap; to still spend time on the phone with traditional supporters while also attending events to connect with a younger audience. This required deep crosscultural skills that the new hire did not have. A month into his tenure, Jenn realized she'd made a mistake — the new hire was more of an activist than a relationship-manager. Fortunately, NISGUA has a 90-day probationary period. Jenn did a 360 review to get input from everyone he was working with found she wasn't the only one concerned about fit. She shared the feedback with him, explained the mistake she had made, and said that he wouldn't be asked to stay.

When looking for his replacement, Jenn had a far better understanding of the job and formally defined the required capabilities. "I was more clued in to what the job really required," she said. She advertised explicitly for cross-cultural competencies and asked scenario questions in the interview that demonstrated those skills. The next person she hired was ideal — she stayed with the organization for two years (only leaving when her husband's job was relocated) and helped guide the organization through its transformation.

Amy Gallo is a contributing editor at Harvard Business Review, co-host of the Women at Work podcast, and the author of the *HBR Guide to Dealing with Conflict*. She writes and speaks about workplace dynamics. Watch her TEDx talk on conflict and follow her on Twitter at @amyegallo.