

# Recruiting For The Future: How Top Firms Hire Individuals With Game-Changer Competencies... And Steep Career Trajectories



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# I will move *fast* today



**But please interrupt** if you have a question

## 5 goals for today's session



1. To **stimulate your thinking...** and have a little **fun... with “a bleeding edge competitive advantage” solution** that managers want
2. To show you the **many positive business impacts** from hiring those with steep trajectories
3. To provide **a list of the “game changing competencies”** that lead to enhanced performance, promotions and retention
4. To show you **how to assess and project the elements of a trajectory**
5. To answer **all of your questions** (also see me after the session)



## Part I

# Introduction

**Recruiting for the future means... hiring candidates with the largest  
future impact on the firm**

# Why you must hire those with a steep vs. a flat career trajectory



1 level and low performance  
with only 3 years of tenure \$



5 levels and top performance  
over 5 years of tenure \$\$\$

## Definition – Projecting a candidate’s career trajectory

In addition to assessing a candidate’s **capability to do “this job”**

You also assess... **the “future value” that this candidate will add** to the firm over their projected years of tenure

- View it as **HiPo leader selection** or **succession planning** for new-hires
- It has its highest impact in **high growth functions and firms**

The **goal is to increase your quality of hire** & that happens because...

- Steep trajectory hires have **competencies that drive high performance**
- High performance and having strategic competencies... **leads to rewards, higher responsibility movement and promotions**
- Rewards, recognition, movement & promotions **all improve retention**
- Cutting **flatline trajectory hires** also improves team performance

**Steep** = being moved into **higher responsibility roles 3X in 5 years**

# The benchmark firms for future focused hiring



10 yr. forecast and attrition rate  
SABR metrics



Seeding players for a tournament



Current and future growth forecast  
for both managers & candidates





## some visuals\_

**May help in understanding what a career trajectory looks like**

# Example – An illustration of a 5 year career trajectory

A career trajectory over their **first 5 years** can be visualized in a series of yearly vertical steps within the same function

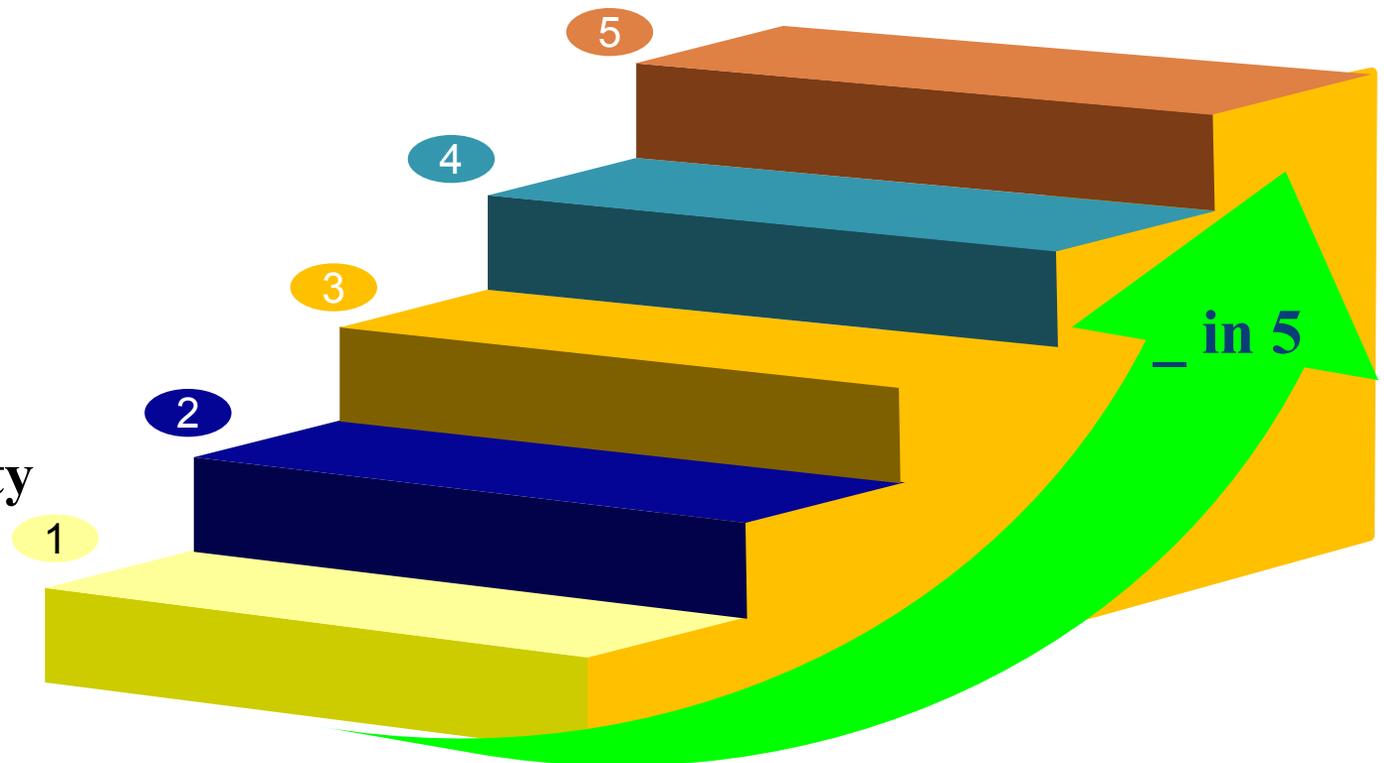
Year 5 – Job #5

Year 4 – Job #4

Year 3 – Job #3

Year 2 – Added responsibility

Year 1 - Initial job



## Example – An illustration of a 10 year career trajectory

A career trajectory **over 10 years** can be visualized in a “Y shape” series of yearly steps



Those with business acumen and management skills are most capable of moving into different functions or SBU's (the different “arms” of the Y).

And because they can bypass functional bottlenecks... they are rated with a steeper trajectory



Let's look at a comparison...

**A visual comparison between a plateaued and a steep  
trajectory**

# Trajectory – Positions over 5 years

## Example – A flat projected career trajectory – Homer Simpson

**Year 5 – He quit on his anniversary date**

**Year 4 – Still in his initial job**

**Year 3 – Still in his initial job**

**Year 2 – Still in his initial job**

**Year 1 – Initial  
job**



# Trajectory – Positions over 5 years

**Example – A *steep* projected career trajectory – Mary Smith**

**Year 1 – Initial  
job**



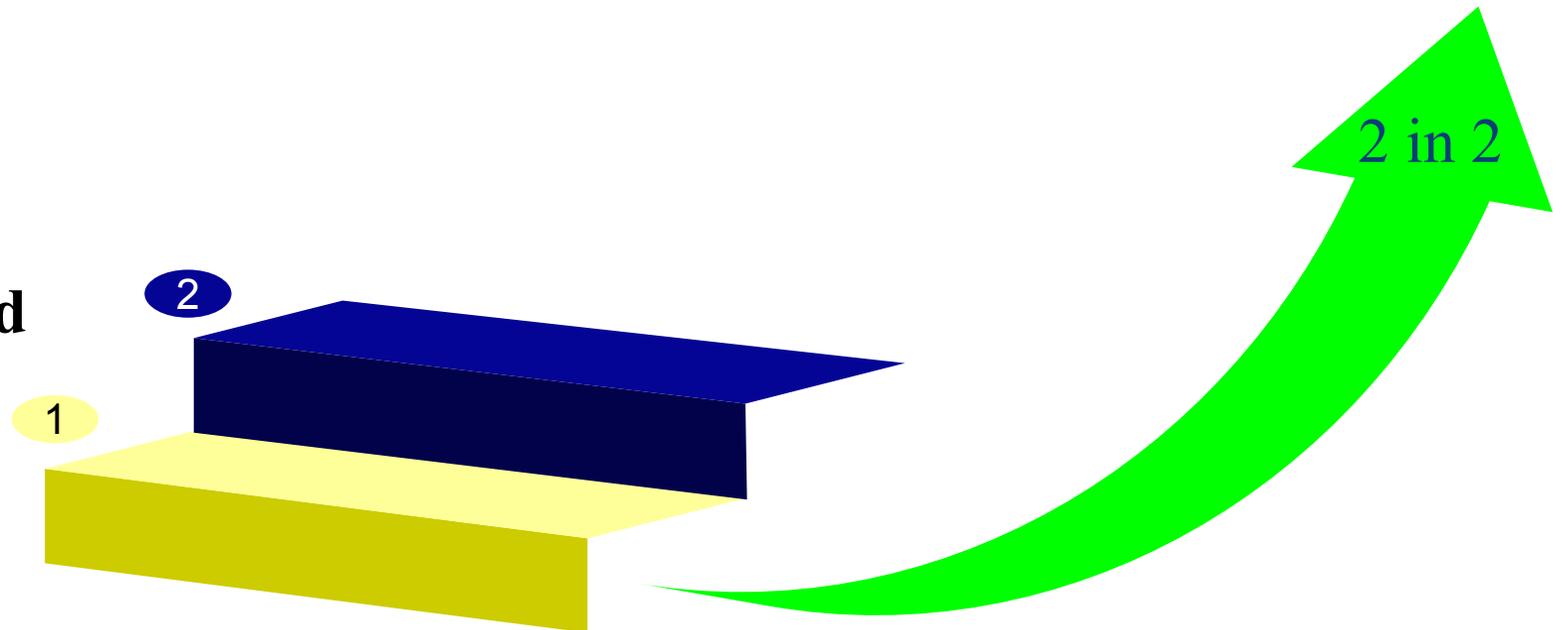
# Trajectory – Positions over 5 years



## Example – A *steep* projected career trajectory – Mary Smith

Year 2 – Lateral to team lead

Year 1 – Initial  
job



# Trajectory – Positions over 5 years

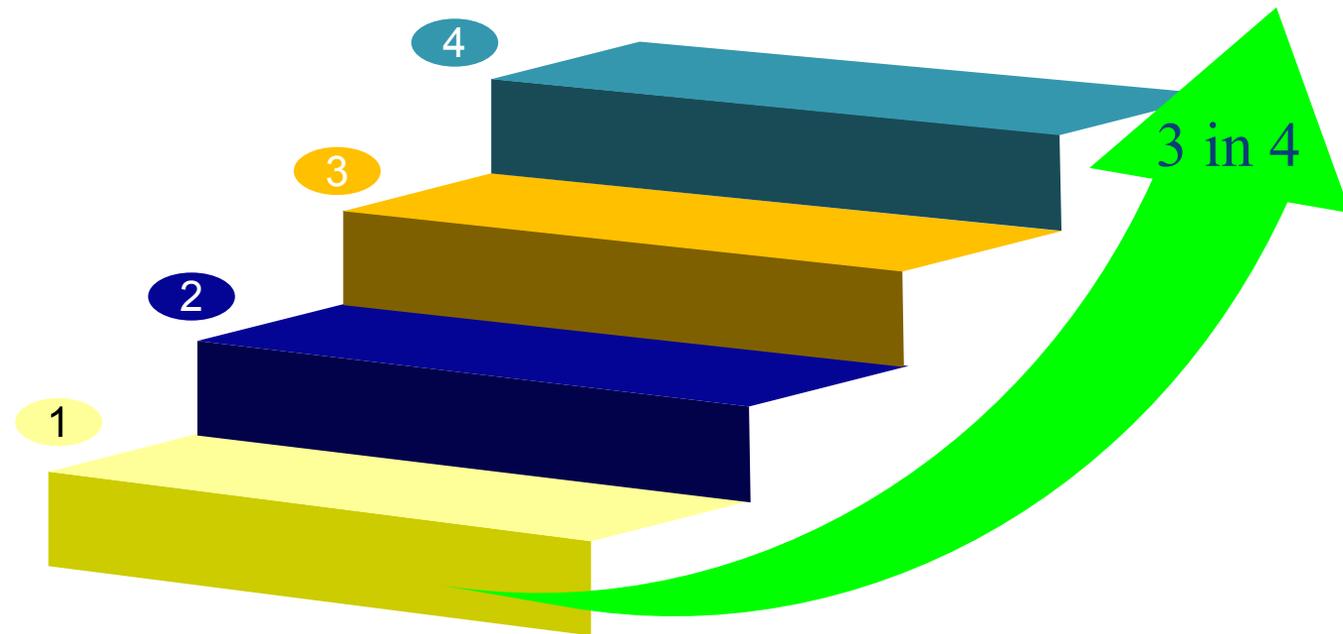
## Example – A *steep* projected career trajectory – Mary Smith

**Year 4 – Remained group manager**

**Year 3 – Promoted to group manager**

**Year 2 – Lateral to team lead**

**Year 1 – Initial job**



# Trajectory – Positions over 5 years

## Example – A *steep* projected career trajectory – Mary Smith

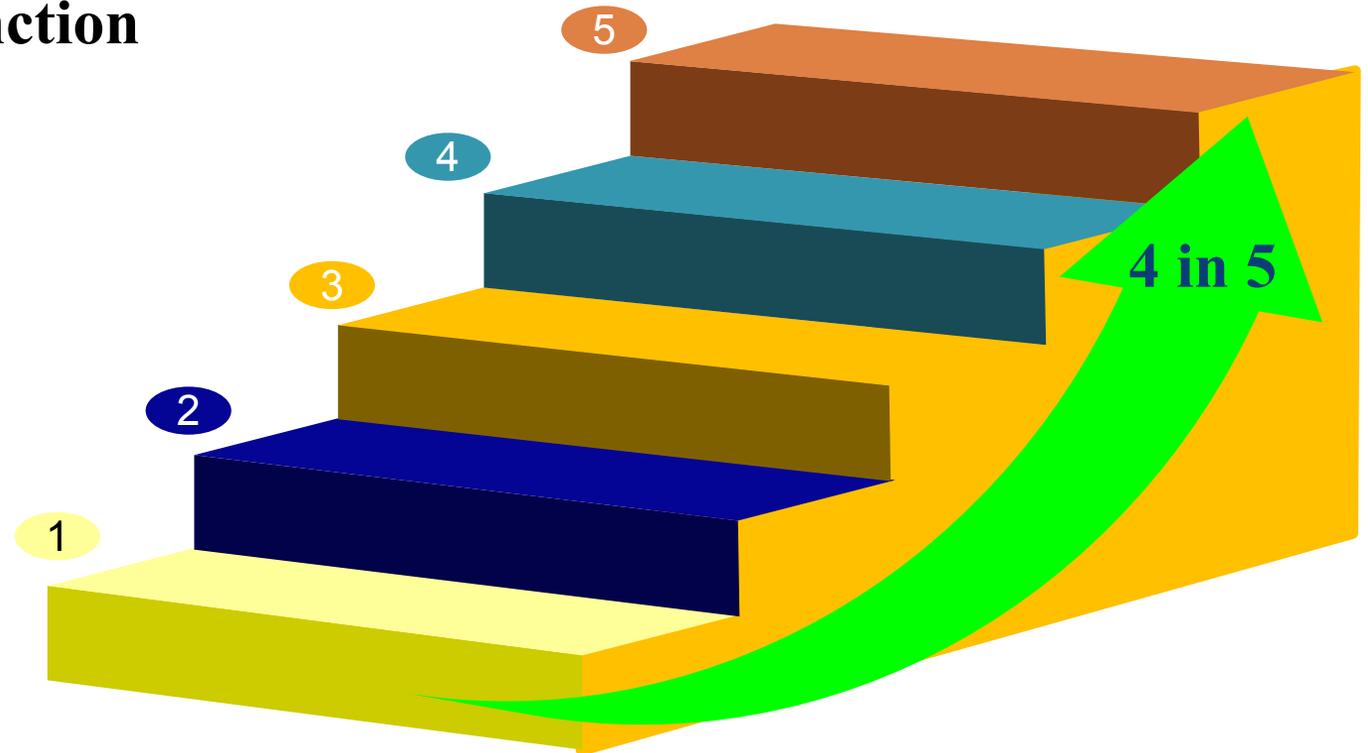
**Year 5 – Promoted to GM of a new function**

**Year 4 – Remained group manager**

**Year 3 – Promoted to group manager**

**Year 2 – Lateral to team lead**

**Year 1 – Initial job**



**Let's act like pirates and challenge the status quo**

**Part II**

**I'M from the "red team"**

**so it's my job to challenge the status quo**

**So let's view some numbers that reveal the problem  
with the current "this job" hiring approach**

# Every business function measures failure rates...

## Why don't you?

What % of all new-hires fail within 18 months?

“46%” (Source: Leadership IQ)

What % of all hourly employees quit/fired within their first 6 mths?

“50%” (Source: Humetrics)

What % of executive new-hires fail within 18 mths?

“58%” (Source: Michael Watkins in “The first 90 days” )

What % of hiring managers regret their decision & wouldn't rehire?

“39%” (Source: IBM)

What % of new-hires are an unequivocal success?

Only “19%” (Source: Leadership IQ)

**Maybe we should consider a new approach?**

# You might be wondering what is a hiring failure? Well it meets any one of these 9 factors

The new-hire...

1. Was a **no show** on their start day
2. Failed **drug testing**
3. Failed **job training**
4. **Quit voluntarily** during the first 6 - 12 months
5. Received a “**needs improvement**” **performance rating** (20% below the average)
6. Was “**written up**” for **discipline** more than once
7. Was **put on a performance management program**
8. Was **fired or released** within 6 months
9. After 6 months, when surveyed... **their manager said they wouldn't re-hire them**  
(one measure of quality of hire)

## Take this action - Learn to reject “low trajectory early quitter” weak candidates because that will by itself save you \$\$\$

- A weak employee causes mistakes, failures, disruptions and lost opportunities **up to 10 times their annual salary** (Source: Resoomay)
- One “**slacker or jerk in a group**” can bring down team performance by (Source: W. Felps) **“30% to 40%”**
- Weak employees take up **what % of a manager’s time?**  
**1 day a week** (17%) (Source: Robert Half)
- Replacing a **weak manager** equals the impact of...  
**adding 1 teammate... to a team** (Source: National Bureau of Economic Research)



**Before you aim for top performers with a steep trajectory\_**

**It's important to quantify for your hiring managers how much  
value they will add**

# Top performers with a steep trajectory have a huge impact... and quantifying it makes their value more clear

What is the value added by hiring a top performer?

- The **top 5%** of your workforce produce what % of your total output? **26%** (or **5+ times** the value that you would expect)

(U of Indiana study by O'Boyle and Aguinis)

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- At Google the **top 10%** on the team produces...  
**90% of it's value (or 9 times)** (i.e. There is a **90 / 10 rule**)

Source: Laszlo Bock

**Action - Work with the CFO to put a \$ value on steep trajectory hires**

# Container store understands that great employees have a huge ROI

**The Container Store makes hiring top performers...  
its #1 foundation principle**



**They calculate that:**

3 bad employees = 1 OK employee

3 OK employees = 1 good employee

3 good employees = 1 great employee = a 9 times added value



## Part III

**A list of Game changer competencies that enable a  
new-hire to have a steep trajectory**

**Counting the number of GC competencies that a candidate  
has... allows you to project the steepness of their trajectory**



## Note:

Every firm must use **correlation analysis** to determine which set of competencies that the employees with a steep career trajectory have... but that flat trajectory employees don't have.



**The 1<sup>st</sup> category of  
“Game changer competencies”\_**

**competencies That Increase performance**

**(Which In turn Increase the chances for upward movement and retention)**

# Look for a track record of these 11 performance driving competencies

1. **Self-directed continuous rapid learning** – in a fast-changing world, nothing is more important than continually growing and learning (Google)
2. **Continuous accomplishments** – look for a continuous record of higher level job-related accomplishments / deliverables
3. **Continually seeking more responsibility** – look for those that seek/ accept increasing levels of responsibility and accountability
4. **Influencing and selling** – look for those that use their influence skills to get others to act and to support their ideas
5. **Speed & a sense of urgency** – look for “a sense of urgency”, beating deadlines & automatically IDing ways to do high-value things faster
6. **Self-motivation and drive** – ID the self-motivated that continually **“find work” and seek out and take ownership of problems** >

## Facebook new-hires know to “seek out” problems

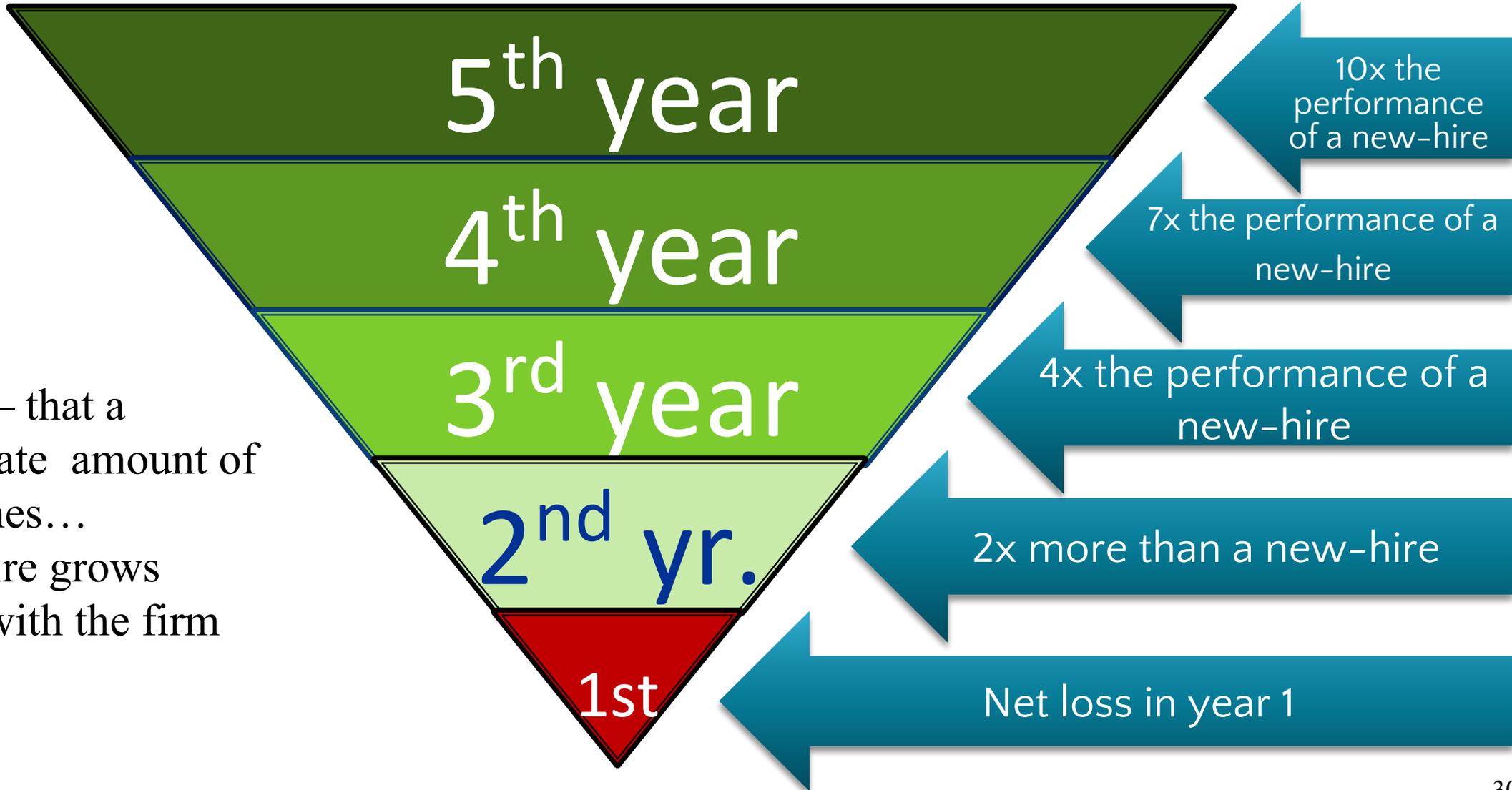


## Look for a track record with these 11 predictors of high-performance

7. **Powerful “lifeline” learning net** – seek those that have a large professional learning network “lifeline” (Google found they predict productivity & promotion)
8. **No performance plateaus** – look for those that continually perform and produce accomplishments without any down periods
9. **Data-based decision-making** – look for a track record of utilizing data to make important decisions and to improve process outputs
10. **Aggressiveness / risk taking** – seek those that take aggressive action, take reasonable risks & that have a justified self-confidence
11. **Projected long-term retention** – performance and movement competencies both produce their largest value after 2 years at the firm, so long tenure matters >

# Retention is critical because...

## the highest returns come in years 3 through 5



**Understand** – that a disproportionate amount of the value comes... after a new-hire grows and remains with the firm



**This 2<sup>nd</sup> category of  
“Game changer competencies” covers...**

**“Strategic movement competencies” that increase a candidate’s  
probability of  
rapid upward movement**

# A new-hire will literally “change the game” and move up much faster if they have these strategic competencies

## Look for these 10 strategic movement competencies

1. **Exceptional business acumen** – this makes them **more likely to avoid functional bottlenecks** and to move between functions
2. **Acting strategically** – look for those that **see “the big picture”**, that are future focused and that successfully connect the dots
3. **Leadership results** – look for those that continually seek out more leadership responsibility and when they lead, they continually produce above average results (leadership skills make it easier to move up)
4. **A competitive advantage** – they are continually **looking externally** to maintain a competitive advantage
5. **Initiative** – they set personal goals to move up rapidly

## Look for a pattern of these 10 strategic competencies that lead to rapid movement

6. **Adaptability** – look for those that **quickly pivot**, adapt, scale and go in a different direction when the market/technology demands it (VUCA)
7. **Implementing innovation** – look for those that purposely **enhance collaboration** and continuously get their innovative ideas (or their team's) quickly implemented (their number of patents might predict steepness)
8. **Adopting technology / data** – look for those that are first in seeking out and adopting new technologies and data-driven decision making
9. **A global mindset** – look for those that operate with a “global perspective”, so they continuously produce scalable global solutions
10. **Diverse thinking** – look for candidates that reflect your diverse customer base and that think and attack problems in a diverse way



## Part IV

**Some examples of\_**

**how to assess a candidate's retention, movement and  
their key competencies**



**How to\_**

**project the tenure and the number of levels in a  
candidate's trajectory**

## Predicting retention –

# Predicting tenure may add great value without projecting trajectory

### Use proven patterns

1. **They were referred** by one of your firm's top performers (SilkRoad 30% longer)
2. They have a **best friend** or mentor already working at your firm (Gallup)
3. Starting in **this job historically leads to long tenure** (new-hire tenure is higher in this job)
4. Their **commute time** will be less than 45 minutes (GateGourmet)
5. They are **later in their career cycle** (there is often longer retention later in one's career)
6. They **targeted your firm** and did extensive background research on it
7. **They have established roots** in your geographic area

### Use their characteristics

8. **They stayed at least 4 years in a previous job** or their avg. tenure is increasing
9. Ask them **why they left their last 2 jobs** & the **factors that might cause them to leave early**.  
And you find those reasons have not been a turnover factor here
10. Ask them **how long they intend to stay**... and they didn't hesitate to say

# Predicting movement levels –

## What factors do fast moving hires have... that slow movers don't

### Use proven patterns

1. Past rate of movement – average # of mths. between moves/promotions
2. Starting in this job leads to more movement – know the average promotion levels achieved by new-hires in this job family in 5 years
3. Large professional network – makes them more promotable
4. No history of plateauing – they have had no dead movement periods

### Use predictive competencies

1. They already have “next job” capabilities – the % they already have
2. They can shift to a new function – with business acumen, knowledge of another SBU & leadership & management capabilities
3. Their # of game changing competencies – for every 2 of the 10 predictive movement competencies, raise their projected number of movement/promotion levels up one)



**assessing whether a candidate has a key game changer  
competency**

**Learning ability**

## Assess their learning ability / agility / intellectual curiosity

Learning is the **# 1 competency** in a fast changing world

- **Learning ability is the key determiner** in deciding among candidates **Google** – (along with technical capabilities)
- **Learning agility... is a top hiring quality sought by Tesla**
- **Learning ability** is the # 1 most desirable trait **in college hires** (Futurestep)
- **Intellectual curiosity** is among the **top 4 factors that managers use to identify top performers** (LinkedIn survey)

# Assessing the learning ability of your candidates

Look for these **learning phrases** in resumes and during interviews

- Learning ability / agility
- A growth mindset
- Intellectual curiosity
- Leading edge of knowledge
- Love of learning or lifelong learner
- A content creator
- Used my professional network to learn (Google – it impacts promotability & productivity)

# Assessing the learning ability of your candidates

## Assessing rapid learning ability during hiring

1. Show us the **learning steps you would take** to solve a problem
2. Ask them a leading edge **technical question**
3. Give them a difficult **learning problem in advance**
4. Ask for the best **learning sources** for this job & why
5. Ask for their **learning targets over the next few years**
6. Ask for their **90 day job plan** and look for learning components



**assessing whether a candidate has a key game changer  
competency**

**They are Strategic thinkers**

## Assessing if a candidate is a strategic thinker

### Look and listen for these **strategic phrases** in resumes / interviews

1. Strategic or CEO's/BOD perspective
2. Big picture view
3. Connecting the dots
4. Stakeholders
5. Industry inflection point
6. Future focused
7. Business impacts beyond their function
8. Global perspective
9. Build a competitive advantage
10. Impacted strategic goals

Also look for participation in strategic forums and executive mentors

# Assessing for strategic thinking

## Assessing if a candidate is a strategic thinker

1. Give them a **real problem** that requires a strategic approach
2. Let them **review a flawed strategic plan** and then ask them to identify potential problems within it
3. Ask them to **list the factors that make a solution strategic**
4. Identify strategic thinkers **by the questions that they ask you**
5. Look for **strategic phrases within their answers** to your standard interview questions
6. Ask for an example of when they **acted strategically at their last job**
7. Ask their **references to force rank** their capabilities / skills



# How do you find prospects with steep Career trajectories?

1. **Referrals** from your top performing employees
2. **Find their work** online
3. Find them **speaking at professional events**
4. Read **their blogs**
5. Referrals from **professional association leaders**

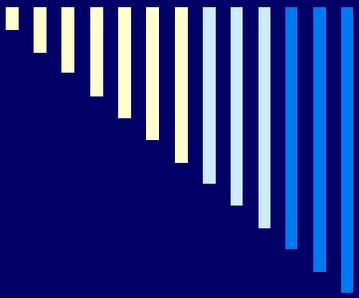
# And finally...

## **Please try these min. action steps**

**Point out to your hiring manager candidates that  
in your professional opinion are...**

- 1. Rapid learners, self-motivated or have a sense of urgency  
and/or**
- 2. Likely to become a risk of early turnover  
and/or**
- 3. Likely to have a slow rate of upward growth / movement**

And then follow up each Jan. 1 to see if you were right!



# Did I make you think?

Please take a minute... and follow me on **LinkedIn**