



WHAT TO LOOK
FOR AND
WHERE TO FIND
GOOD
CANDIDATES

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We recently had the vice president of a company interview one of our candidates. The VP was going to be the direct supervisor of the candidate. He liked the candidate so much after an initial interview he made a date to play golf with him (which he did), to take the candidate and his wife to dinner (which he did), and meet him the third time to prepare him for a visit to the corporate office (which was part of the interviewing process).

The VP told us that the candidate was absolutely perfect for the job. The candidate took a day off from his work and woke up at 4:30 a.m. to catch a 7:30 a.m. flight to Chicago. He rented a car, drove two hours outside of Chicago, and arrived at the corporate office on time. The Executive Vice President, who was the next hiring authority to interview him, took the candidate into an office, and after a twenty-minute interview explained to our candidate that he wasn't what they were looking for at all. He wasn't right for the job, and they would send him to the airport and back to Dallas. They spent \$3,600 on airfare and wasted a lot of people's time simply because they didn't communicate with each other. We don't know why this happens; it just does.

The moral of the story is to get agreement *before* the interviewing process from everyone who is going to be personally affected by the function of the person you hire as to what they are looking for and, just as importantly, how to measure it.

“GOOD WRITTEN AND ORAL COMMUNICATION SKILLS”

“Cut this OUT!” Practically every job description that is forwarded to us says something like this. Have the job description/duties/responsibilities be *measurable* and *documentable*. Either a



VP of finance has filed SEC reports or he or she hasn't; either a salesperson has achieved 100% of quota or they haven't; either an engineering manager has managed up to ten engineers or they haven't. Describe the job in measurable and documentable terms and have everyone involved in the interviewing process agree to the description. This doesn't have to be a three-page document; it can be short and to the point. Try to stay away from evaluative adjectives like *quality*, *effective*, *good*, *a high degree of*, *strong*, etc. Remember: *measurable* and *documentable*.

Require all of the people who are affected by the performance of the person in the job to write down the necessities for the position. Ask them to write things that are measurable and documentable. The closer these people are to the function of the job, the more they should have to say about the requirements. Please stay away from phrases like: *communicates with*, *interfaces with*, *meets with*, *collaborates with*, *creative*, *innovative*, *trusting*, *courageous*, *high integrity*, *blah*, *blah*, *blah*.

WHERE TO FIND THEM

According to statistics we averaged over the last years, here is where most new hires are sourced:

25% come from internal sources through networking and are the most loyal with the highest retention rate, but not necessarily the most qualified. There is always a tendency to want to hire people you "know," or who the people you work with "know," as opposed to hiring people no one knows. It does make hiring easier and those employees have a tendency to be more loyal because of a "personal relationship" with people in your company. Normally, however, these people are really not



the most qualified people available on the market. It is simply easier for hiring authorities to hire people this way than it is to “go to the open market” and look for people. The process is easier and often more personally comfortable, but it really isn’t more effective.

23% come as a result of applying through a company’s website, which may include people who are personally referred to the company, know the company as a competitor, or are a result of the candidate doing research, etc. This is a tremendously “hit or miss” adventure. And it is really easy to miss a great candidate who applies this way because nobody is watching the resumes that come in. Most of the time, the people who are monitoring the resumes that come in have little or no idea about what they are looking for in a candidate or a resume.

18% come from job boards, i.e. a company advertising their job opening on CareerBuilder, Monster, Indeed, etc. This method obtains many unqualified candidate resumes, but once in a while yields a real gem. This is a great way to get responses from every wait person, retail manager, or out-of-town person who blanket-mails their resume to everyone posting an advertisement on the job board via a ‘bot.’ For every job that is advertised, on average, 180 resumes are sent. So, if you have a qualified person reviewing resumes, who really knows what they are looking for, this might be a good way to get candidates. Obviously, this method must work since 18% of employees are found this way.

8% are directly sourced by the company recruiter or hiring manager, which generally takes longer. Experienced company



recruiters can be very efficient. But unless an organization is hiring a number of people over a short period of time, having a dedicated company recruiter isn't very cost-effective. There are many corporate HR people who double as recruiters, but expecting busy HR people to also be effective at recruiting may not be realistic. Hiring managers who know lots of people from their past lives can be great at "sourcing" previous contacts, but it's usually a very shallow pool.

8% come from a third-party contingency search firm or a staffing firm, the quickest way to see a good volume of the best candidates available. This is probably the most effective way to find great candidates. This process does involve a fee and lots of hiring authorities and companies would be happier if they didn't have to pay a fee. The cost-effectiveness and efficiency, however, is well worth the investment. Working with contingency recruiters along with other types of candidate sourcing is an excellent source of comparison. If the contingency search firm comes up with a better candidate, who is worth the investment of a fee, then it is certainly worth considering. If they don't, hiring authorities and companies are under no obligation. It is a very simple and effective way to source great candidates.

3% come through social media, mostly LinkedIn, Facebook and Twitter, etc. It's hard to rely on this percentage because if someone knows of someone else and contacts them through LinkedIn, is LinkedIn considered the source? This 3% is very small relative to the hype surrounding social media and recruiting. There are some who claim social media has revolutionized the sourcing of quality candidates. Some of us have



been around long enough to remember people saying that the fax machine and the Internet were going to “revolutionize” recruiting also. (One of our company members placed a salesperson with NCR in 1983 who was hired to sell fax machines... for \$100,000 each.). None of these technologies revolutionized recruiting and hiring... they just changed the way it worked.

3% print. Yes, there are still folks who publish their job openings in the newspaper and trade publications.

2% temp-to-perm. There is probably more of this kind of hiring done than most companies will admit. There will always be a certain type of job that will begin on a temporary basis with the employee eventually “converting” to a permanent job. The practice of hiring candidates on a temporary basis, to “try” them before they are hired on a permanent basis, only works well in a soft economy. When candidates are harder to find and have lots of opportunities available to them, they don’t have to take a “temporary” job, because they are being offered permanent positions (usually with benefits) by other firms. In spite of the fact that a “temporary” job might be a good one, it’s rare for a candidate to choose it over an offer for even a mediocre permanent job.

1.5% comes from career fairs featuring hordes of unemployed people.

.5% walk-in.

The most successful hiring authorities find candidates anyway they can.



AWARENESS OF THE MARKET

Hardly a day goes by in our organization without a hiring authority speaking to us about a critical need to hire. They have a “halo effect” about their job and their company and, of course, the outstanding manager who will be doing the hiring—aka them! They describe how they need a water walker, a 12 out of a possible 10, a savior, a miracle worker, someone to revolutionize their department or company, or someone to take them to the next level. They describe the pay as “you know, as little as we can, just about standard, whatever we have to as long as it doesn’t amount to more than we’re paying others in the department.”

We spend a tremendous amount of time trying to advise our clients on how their job and compensation level stacks up with the candidates who are available. On the one hand we do appreciate the “halo effect.” We want all of our clients to feel special and be special. We want them to be the best that they can be, growing and expanding.

However, no matter how wonderful a company and its leadership might be, there are always going to be economic constraints regarding compensation as well as opportunity. If the “best” candidate available costs three times the budgeted compensation for the position, then what? Often, our clients have absolutely no idea or a very unrealistic idea about what the market will bear. Either they or their upper management have a real need to hire the best quality they can find. Fair enough.

Some time back one of our clients called needing to replace one of their accountants who had resigned from a three-person accounting department. Since they had almost tripled the size of the company in the last three years and implemented a very sophisticated SAP financial and human resources software



package, and since none of the other accountants had much experience with SAP, they needed to hire (according to them), “a rock star, with heavy experience in SAP... SAP financials, CRM, payroll, ATS (applicant tracking system), distribution and anything else we can get.” They were, however, limited to a salary range of \$58,000-\$60,000 because the two other people in the department were making that. They couldn’t go beyond that for fear of losing the other two people in the department due to the new person’s higher salary. We kept trying to explain that the odds of us finding somebody with that kind of experience, for that kind of money, just wasn’t likely to happen. We asked, “Which is more important, the money or the experience?” They came to an understandable conclusion that staying within the salary range was more important than getting all of the experience they needed because of the obvious concern of losing the other two accountants.

We suggested that they hire the talent that they needed and simply increase the salaries of the other two accountants. That suggestion was met with an unequivocal NO. After 45 days of interviewing qualified candidates who wouldn’t take the money and candidates who were affordable but unqualified, one of the accountants (who was now being overworked) quit. Now, our client was looking for *two* accountants. And, obviously, they wanted two rock stars for the same price they were offering before.

95 days after they originally called us they finally hired two accountants, both with solid SAP experience. They paid \$68,000 to one of them and \$70,000 to the other. They also gave a raise to the accountant who was still there. It goes without saying that all of this hassle could have been avoided if our client had simply, even if uncomfortably, listened to what the market was dictating.



The most successful hiring authorities—if they don't already know—ask a simple question: “Here is what I would like. Can I get it for the money I have in mind? Do I need to pay more or readjust the qualifications and experience I'm looking for?” They then listen carefully to the advice.

One of the overriding traits that the most successful hiring authorities practice is the willingness to listen to advice from experienced specialists. We discuss this in detail in another chapter, but we are frequently amazed as hiring authorities chart their course down the path of inevitable destruction after being warned of the consequences. Instead of paying attention to the advice of experience, they “do it their way,” then get frustrated and, often, downright pissed off when the inevitable happens.

The amount and quality of experience commensurate with earnings is one of these issues that easily leads to frustration and disappointment. The best hiring authorities simply ask our advice and act on it. When it comes to earnings relative to experience, we don't write the rules. We simply report them based on market conditions. Paying attention to our experience saves a lot of pain and frustration.