

# EXECUTIVE HIRING: TRANSFORMATION OR DISAPPOINTMENT?

*The Performance Papers  
are a series of whitepapers by  
leadership expert Allen Sockwell,  
providing meaningful leadership  
insights to today's executives.*

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## ABOUT THE AUTHOR |

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Allen R. Sockwell, President of Sockwell Performance Advisors, has advised boards and senior executives in public and private companies, through growth and restructuring, across industries and major global markets. His understanding of client strategy, business objectives and operating plans serves as the basis for consulting on the leadership capability and human capital required for enterprise success.

Allen has over 30 years of experience as an advisor and business partner to executive management. In 2011, he founded his own enterprise performance consulting firm. Sockwell Performance Advisors specializes in enhancing enterprise value and profitability through improved leadership and effective management. He currently serves on the board of two early stage companies and consults with CEOs and senior executives across multiple industries.

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### Getting It Wrong Half The Time - An Executive's Nightmare

Senior executives are faced with critical business decisions on a daily basis. Some of them are so critical that they influence the performance of the organization for years to come. Imagine facing one of these decisions knowing that 50% of the time you will make a poor choice. Failing half the time is a career limiting success rate for any senior executive. However, that is exactly what happens when the decision is made to hire an executive into an organization. Research has shown that almost 50% of senior executive hires fail to meet the expectations set when a search begins. My experience as a senior Human Resource leader and consultant is similar.

After having experienced this failure rate in my own hiring, in support of recruitment at my companies and through working with clients, I began to assess how to improve this hit rate. By focusing on reducing two areas of risk I have seen significantly improved levels of success. This paper will address those risk factors and offer some practical ideas of how to improve the likelihood of new hire executive success.

Two critical elements must be addressed to reduce the risk of failure: **Selection Risk** and **Entry Risk**.

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### Critical Element: Mitigating Selection Risk

The first risk factor is the selection itself. Choosing the right leader for a key role is a complicated decision.

In many cases hiring executives don't invest enough time or thought into defining the key attributes, experience and capability they want in a new hire. Without a clear picture of the requirement, the search often lacks focus. In addition, it is easy to become enamored with a candidate based upon a skill set that isn't the best fit for the role. Start with a clear definition of the ideal candidate and use this as your filter for screening people.

Often executive decision-makers fail to consider all three of the key selection components necessary for success on the job. I wrote about Capability, Passion and Fit in my Leadership Blindspots whitepaper (go to my website [www.sockwelladvisors.com/resources.html](http://www.sockwelladvisors.com/resources.html) for the complete paper).

#### LEADERSHIP BLIND SPOTS #6:

#### Hiring for capability and nothing else

A successful candidate for a role must have the capabilities, the necessary skills to perform the targeted work. We have gotten fairly good at assessing this through evaluating work history, conducting interviews, and qualifying references. While capability is important, it is insufficient for success. I have seen many people who have the skills and experience to perform a role, but fail to do so successfully. Why? They often lack the other two critical elements — Passion and Fit.

There are many tasks that I can perform well, but I don't want to do them. A job with too high a mix of these undesired tasks will not be one performed well. Doing this work does not fuel the motivation that creates sustained high performance. I need to do work that I am good at AND that I am passionate about.



Fit is the final element required for sustained high levels of performance and employee satisfaction. A successful employee can work within the framework of how decisions are made, with the resources and tools available, and in a manner consistent with the personality of the organization. All environments are different and what is required for success can

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vary greatly from one company to another. Just because someone was successful in their prior company doesn't mean they will be in yours.

A good hire has the required capability, passion for the work, and is a good fit for an organization. The intersection of these three elements is the source of long-term employee satisfaction and sustained performance.

The element of these three traits that is most often overlooked by hiring executives is Fit. Spend 1/3 of your assessment time understanding if the candidate can be successful in your organization.

Assess the candidate's prior environment and how similar it is to yours. Are the personality, decision-making processes, pace and levels of accountability comparable? Has the candidate excelled before in an environment like yours? If not how can you be confident they will succeed in your critical role? Use your interview and referencing process to carefully assess fit.

With a well-defined target spec, we can screen candidates for the three elements: Capability, Passion and Fit. However, a good selection decision is just the beginning. Successful entry into a new organization doesn't just "happen".

## Fit Matters More Than You Think

Earlier in my career I learned a tough lesson about hiring for fit. I started at IBM where I was surrounded by very capable and driven colleagues. After moving to another company in the computing industry, I recruited one of my former peers away from IBM. This executive had tremendous capability, strong experience and a drive to be excellent in his new role...but he failed.

Why? While he could perform at a very high level at IBM, he was unable to do so at the new company. The organizations had very different amounts of staff, depth of talent, and tools. In addition, the new organization was highly decentralized. The new hire executive struggled to adapt

to that new environment and eventually left. He subsequently has been very successful in another technology firm. It was more like IBM and, thus, a better fit. Fit matters!



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### Critical Element: Managing entry risk

Too often, there is a lack of planning or preparation for an executive's successful entry into the new organization. It is interesting that we spend months defining a role, conducting a search and negotiating offer details and then very little time ensuring a new executive kicks off their role successfully.

From personal experience, I found that in many of my new roles the approach seemed to be "just show up and figure it out." While this approach may work eventually, a poorly planned entry can slow time to productivity or create the risk of an early mistake that can impact future success. In the most severe cases, I have seen unrecoverable errors made early into a new role eventually lead to an exit. A failed executive hire is disruptive; it costs time and money, and slows the forward momentum of the organization.

The following are some of the elements of a successful entry plan:

- Communication plans with a targeted message intended to set expectations and position the new executive to key audiences.
- A key stakeholder map that defines critical relationships with peers, subordinates, customers and board members or investors. Understanding these critical relationships can help shape priorities early in a new role.
- Clearly defined key goals for the first 90 and 180 days. The general discussion that occurred in the interview process needs to evolve into a very specific and measurable set of expected outcomes.
- Well-understood decision rights and limits. Be clear about what decisions can be made independently and where review and/or approval is expected; your expectations and your new executive's may differ significantly.
- A preview of potential pitfalls or early risks to reduce the likelihood of an early mistake. Address how the new organization best consumes feedback and improvement ideas.

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- Plans to mitigate any important gaps in knowledge or experience. While we plan to hire the perfect candidate, often we hire a talented person who needs some gaps filled in.
- A plan for frequent early feedback. In many cases, issues arise early in the new role that can be effectively addressed through coaching. However, too often these issues are ignored and grow to be significant barriers to success.

### Early Feedback is Really Critical

I learned the value of early feedback first hand. I joined a technology leader in a Human Resources leadership role. During the interview process, it had been stressed that I would be an important player in driving a needed change in the HR team. The company wanted a more business-focused Human Resources team, and my approach and experience was a good fit.

However, early in my time there, my approach to creating change was too abrupt. I was on the right issues and providing valuable perspective, but my approach was not very consumable in the new environment. I had come from a very direct and assertive company and now was working for a more consensus-seeking, collegial team. My boss provided me some valuable early feedback, which allowed me to adjust my approach, and my peers began to accept some of the new tactics I was proposing. Without the adjustment, I ran the risk of “organ rejection” and ultimately, failure. Early feedback is critical.



A 50% failure rate in a high leverage decision should not be acceptable to any senior executive. You choose to accept that level of risk with an unstructured approach to executive recruitment. Taking the steps above to reduce the risk of failure during the selection process or during an executive entry can significantly improve the likelihood for success.

An experienced management advisor can provide valuable insight and support to executives during an critical search project, contact Sockwell Performance Advisors to learn how we help clients select and onboard new executives.



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## ABOUT SOCKWELL PERFORMANCE ADVISORS |

Sockwell Performance Advisors is an executive coaching and enterprise development consulting firm. Our practice is centered on assessing organization capability and developing strategies to improve leadership effectiveness and financial performance. We also offer services for functional and enterprise strategic planning and restructuring, mergers and acquisition planning, executive transition management, coaching and executive on-boarding.