Chapter 4: Hiring Externally to Fill Gaps

Late-night phone calls are part of the CEO's job, but you never expected to hear from one of your longest-serving, most reliable senior leaders. He did yeoman's work as a member of the search committee that found the new site manager who starts tomorrow, but now he's having last-minute worries. He wonders if the organization will welcome your new hire. Will she adapt to the culture and the new leadership role? Can she work well with the other members of the site management team and form strong relationships with the board, community leaders, and the people the organization serves? Can she drive the change the organization needs to better fulfill its mission? With so many unanswered questions hovering about, his concern is understandable.

You reassure him as best you can. You remind him you didn't rush into this hire. You took the time to verify that the skills your organization needs simply couldn't be found in-house. You've conducted a patient search, one that engaged key voices inside and outside the organization. And you've thought hard about ensuring a smooth transition. Have you done enough? Tomorrow, you'll begin to find out.

One chapter in a guidebook won't dispel all the uncertainty of the hiring and on-boarding process. But if you have carefully studied your organization's leadership needs and concluded that no one in your development pipeline has the potential to develop the skills needed in a key role, we can offer some practical advice that can help you and your organization hire the right person, help him or her make the transition into the new job, and start fulfilling your Plan A on Day One. Our advice grows from our past executive search work with

more than 200 nonprofits. It has taught us a great deal about what goes into a great hire—and what can go wrong. One big lesson is that there are concrete steps you can take to markedly improve the likelihood that your new hire will be everything you hoped for, and then some. Of course, we can't cover the entire topic of hiring. Instead, we have focused on several essential processes that many nonprofits overlook or underplay. (For more resources on hiring externally, see the sidebar "More Help with External Hiring.")

More Help with External Hiring

To learn more about the external hiring and integration process, you can consult our library of resources on the topic, which can be found at www.bridgespan.org. These resources include:

- "A Guide to Engaging an Executive Search Firm"
- "Writing the Job Description"
- "Conducting Successful Interviews"
- "Extending an Offer"
- "Making the Right Hire: Assessing a Candidate's Fit with Your Organization"
- "The Reference Check: More Than a Formality"
- "Managing a New Employee's Transition"

As discussed in Chapter 2, "Understanding Future Needs," you may discover after drawing up a Plan A for your organization or department that you cannot fill a critical leadership position internally. It may be that your organization is adding new sites at a rapid clip and doesn't have enough internal candidates to fill the site director vacancies. Perhaps your CFO has unexpectedly retired or

taken a job with another organization, leaving behind a finance department whose senior employee is a financial analyst with only two years' experience. Or maybe you are planning a new initiative that calls for skills that the organization simply hasn't needed before.

Whatever the reason, you need to hire externally. Judging from our Leadership Development Diagnostic Survey, most nonprofit leaders feel reasonably confident that they're up to the task. Over three-quarters (79 percent) agree or strongly agree that they "effectively screen external leadership candidates to ensure they are correct for the role and the organization." And 79 percent agree or strongly agree that external candidates seeking leadership roles are attracted to their organizations.

Yet respondents are less sure of their ability to help new hires navigate the transition into their jobs. Thirty-eight percent disagreed or strongly disagreed that their organizations "on-board and successfully integrate external leadership hires." In our experience, successful on-boarding calls for thoughtful action throughout the hiring process. Well before the search begins, organizations that on-board successfully have reached clear internal agreement about what the organization needs in a given role. They rigorously vet job candidates and engage in on-boarding practices that build the new hire's capability and credibility. With those requirements in mind, we focus in this chapter on three key steps:

- Step 1: Define requirements for the role.

- Step 2: Create opportunities for both the organization and the candidate to assess whether the candidate is a good fit.

- Step 3: Design an on-boarding process that supports the new hire's capabilities and relationship development.

Are You Hiring and On-boarding Outside Leaders Effectively? An Excerpt from Our Leadership Development Diagnostic Survey

Are the following statements true of your organization?

- You hire from external sources primarily when the capabilities required for a position are difficult to develop internally.

- External candidates seeking leadership roles are attracted to your organization.

- You effectively screen external leadership candidates to ensure they are correct for the role and organization.

- You on-board and successfully integrate external leadership hires.

Now let's walk through each step.

Step 1: Define Requirements for the Role

Success in external leadership hiring begins with a clear statement of the requirements for the role the organization is trying to fill—one that everyone involved in the hiring process buys into. Without a shared understanding of what your organization needs to fill a given role successfully, you will have a hard time sourcing high-quality candidates and selecting promising candidates for further consideration.

Obviously, a clear definition of the organization's needs and requirements is crucial when you're hiring to fill a newly created role, but it's just as important when hiring externally to fill a vacancy. Hiring a replacement or successor gives your organization an opportunity to reassess the role and

determine whether its requirements have changed as your organization's strategy has evolved or the leadership team has changed. It's also an opportunity to ask whether the experience of past incumbents in the role has exposed any gaps in the job description. You may already have performed this reassessment when you examined your organization's future needs as part of the process outlined in Chapter 2.

To create a clear, detailed definition of what the role and your organization require, you'll want to refer to your Plan A, where you have specified the competencies a given position will require. You also need input and leadership from the right people in the organization, whether or not you also hire an external search firm. We strongly recommend that a senior leader act as hiring manager. There's nothing wrong with tapping the expertise of your HR department or a search firm, but the role of hiring manager is too important for the senior leader to delegate. When seeking a new senior leader, it's also helpful to form a search committee to focus on the search from start to finish. Members of the committee should be willing and able to devote several hours to committee activities each week. Committee members who participate only sporadically will lack the background information and credibility needed to make the right final decision.

We have found that the most effective search committees are relatively small. A well-chosen group of three to four allows for a diversity of perspectives and expertise without burdening people or becoming unwieldy. But as the process unfolds, you will probably want to seek the input of other people in the organization. Peers, direct reports, and people who interact frequently with the role can offer their views on its most crucial functions, and what it requires in terms of seniority and tenure. It's often a good idea to bring these internal stakeholders into the process when the role is being defined and again during final-round interviews, when their evaluations can help spell the difference between a successful

hire and a misfire. At these critical junctures, you might also want to include people who are currently successful in the role you're trying to fill, as these people are keenly aware what it takes to do the job well. If your organization does not have multiple people in the same role, you can instead invite the participation of someone who filled the role successfully in the past.

The Search Committee Defines the Nonnegotiable Requirements of the Position

Your list of job requirements will be rooted in the skills the leaders of your organization will need as it evolves, based on the Plan A you created in Chapter 2. At the outset, the list may well be rather lengthy, as committee members construct an image of the ideal leader. But it's important to realize that the image is just that—an ideal—and that it's often not possible to find one person who embodies everything the committee is looking for. It may be necessary to make trade-offs in the course of whittling down the list to the five or six critical attributes that a person must possess just to be considered a plausible candidate.

This whittling-down process can engender intense, even heated debate. But it's important to bring to the surface any differences of opinion before the committee arrives at a final list of a half-dozen or so nonnegotiable requirements. Unless committee members fully air and resolve their differences and agree on what really matters in the role, the organization risks hiring someone based on ambiguous or conflicting job requirements. Not even the best-qualified new hire can meet expectations that aren't clearly stated.

Two Approaches to Defining Role Requirements

Year Up, the nonprofit that works with urban young adults, takes a methodical approach to its external hiring. It always seeks leaders from the community when it sets up new sites.

When gearing up to hire an ED to succeed the founding ED of the New York site, it formed a search committee composed of representatives from the national office as well as from the New York site. They collaborated on defining the role's core responsibilities and describing the ideal candidate's traits. Their initial discussion revealed some sharp differences of opinion about the role's core responsibilities and requirements: Should the ED focus on new initiatives and programs, for example, or concentrate on providing stability and continuity? In the end, the committee needed about an hour of questioning and debate to come to a consensus about the role's requirements. And they revised that list after meeting several candidates and assessing how their description of the role matched up with the available talent.

KIPP, one of the nation's largest operators of charter schools, takes a somewhat different approach. When searching externally for new leaders, it uses its leadership competency model to assess the strengths and weaknesses of its existing leadership team and draws on its findings to shape its search for candidates. KIPP has learned from experience hiring regional COOs that the role can differ significantly from one region to another. In some regions the COO's primary role is to reduce the ED's internal workload, freeing up the ED to pursue external initiatives. In other cases, the COO is hired to complement or strengthen the ED's skill set, while in others the COO is being groomed for the ED role.

Take Culture into Consideration When Hiring

Cultural considerations play a large role in determining the nonnegotiable requirements for the role you want to fill. We have found in our executive search work that many organizations are more rigorous and systematic when defining functional skill and competency requirements than when describing their culture. Yet a shared understanding of the organization's culture and of the personal attributes

that ensure a good fit will help your organization make consistent hiring decisions, even when different groups of people are involved.

Many of the most successful nonprofits emphasize culture in their external hiring. Year Up, for example, makes it clear to hiring managers and job candidates alike that the organization is fast-growing and fast-paced. Its culture requires people who are comfortable with rapid change, have a high tolerance for ambiguity, and are ready to pitch in without being asked. Those attributes weigh as heavily in hiring decisions as functional skills.

But without a shared understanding of culture and cultural requirements, hiring managers can easily default to hiring people who simply remind them of themselves. As a result, they may bypass more suitable candidates and in some cases impair the organization's ability to create a diverse team.

How does an organization arrive at a shared understanding? Some larger organizations with established HR infrastructures have codified statements of values or cultural norms, and those statements are embedded in their leadership competency models. Many other organizations, though, have not considered the question of culture in a systematic way. It's important to do so before hiring a senior leader. At the very least, the search committee will want to think about the organization's work environment and the norms that govern interactions between people in the organization. Which behaviors does it reward, and which behaviors will it not tolerate? Candidates whose style of working and personal interaction clashes with those norms and expectations will be a poor fit, no matter how well they might perform the job's functional requirements. In the sidebar "Determining a Candidate's Cultural Fit," you'll find a series of questions that can help you define your organization's culture and determine whether a candidate is likely to fit within it.

Determining a Candidate's Cultural Fit

Will a job candidate feel at home in your organization's culture? What will the candidate bring to the organization's culture? Here are some questions to reflect upon in the course of your search.

Before deciding whether a candidate belongs in your organization's culture, you need to have a clear idea of what that culture is. There are many ways to assess your organization's current culture, ranging from conducting an extensive organizational assessment and audit to simply sitting down and thinking through what types of people have succeeded at your organization. At a bare minimum, asking the following questions about your current organizational culture can help clarify what type of work environment your organization offers to potential candidates.

Work Style

• How do we get our work done? Collaboratively? Independently? A combination?

• How do we make decisions? Consensus-driven? Authoritatively?

• How do we communicate? Verbally or in written form? Directly or indirectly?

• What are our meetings like? Serious? Lighthearted? Tightly or loosely structured?

Professional Opportunities and Advancement

• What types of people tend to do well here? Individual contributors? Team players? People who are proactive or more responsive?

- How are we structured? Hierarchical or flat? Centralized or decentralized authority? Clear reporting structures or matrix?
- How do we reward people who do well?
- What happens when people don't perform well?

Work Hours and Commitment to Work

- How many hours a week do we expect senior management to work on average?
- Do we provide flexible work schedules or allow for telecommuting, or do we prefer people to work set hours?
- How much travel do we expect of senior management?
- Are we looking for someone who will be here for a certain number of years or as part of a succession plan for senior management?

Architecture, Aesthetics, and Atmosphere

- How are our offices set up? Open environment? Closed-door offices?
- How do we dress? More formally? Less formally?
- How do we have fun?

When you have arrived at a working definition of your culture, consider what you are looking for in a senior manager beyond the job description. Though your goal may be to find a candidate who fits well within your organization's culture, that does not necessarily mean you should look for someone who is a cookie-cutter image of the rest of your management team. It is critical to balance your search for fit with your goal of building a team with a diverse set of backgrounds, experiences, ideas, and working styles.

- What kinds of senior management personalities and work styles exist in our organization?

- What adjectives would we use to describe the people who have been successful in our organization?

- What kind of decision-making style do we want this new senior leader to have? Are we looking for an approach that is similar to the ED's or for a different, complementary style?

- Are we looking for someone to create more teamwork within the organization or to establish more authority and hierarchy?

- What kind of leadership style are we looking for in this position? Someone who will promote what has worked so far or someone who will shake things up within the organization?

- Are we looking for a senior leader with more "gravitas" or someone who will lighten up the existing team?

- What types of personalities work well with the various stakeholders we interact with and what characteristics will this person need to have in order to be successful in these interactions?

Adapted from "Making the Right Hire: Assessing a Candidate's Fit with Your Organization," accessible at www.bridgespan.org.

Step 2: Create Opportunities for Both the Organization and the Candidate to Assess Whether the Candidate Is a Good Fit

Once you have hammered out your list of job requirements, you're ready to identify a slate of candidates with the potential to meet your organization's needs. It's tempting at this point to proceed as quickly as possible. Our advice: Don't rush. It takes time to find the right person, and a hasty hire can ultimately cost your organization more in terms of money and momentum than a thorough search would. Build enough time into your search process to allow you and your candidate to get to know each other. Remember, you're not looking to make a quick sale—you're building a relationship.

Ideally, your search calendar will give candidates adequate time to familiarize themselves with your organization's culture and leadership team. They'll have a chance to get a sense of how their role might evolve over time. They might discover that their scope of responsibilities and the role's priorities are likely to evolve in a direction that's incompatible with their aspirations. Better to learn that before they're hired than after.

When Year Up was searching for an ED for its New York office, it was careful to give candidates plenty of opportunities to familiarize themselves with the organization and the role they'd be asked to fill. Going into the process, Year Up's search committee agreed that candidates needed to meet the people they'd be working with if they were hired and learn the specifics of the Year Up culture and the nature of the ED role. The committee mapped out a series of activities that enabled each candidate to do just that. The slate of activities varied according to the candidates. A candidate with extensive private-sector experience but little recent experience with students, for example, was given several opportunities to interact with students. This gave Year Up's search committee

a chance to evaluate the candidate's aptitude for what is a major part of the ED's job and the candidate a chance to learn whether he enjoyed the work. Candidates also met EDs at other Year Up sites, and interacted frequently with the people who would be their direct reports in the New York office and with other staffers at the site.

The information gathered flowed in two directions. Candidates gained a detailed understanding of Year Up's culture, people, and activities. The people of Year Up, meanwhile, had a chance to size up the candidates and form a judgment about their suitability for the ED job. By building these "get acquainted" opportunities into its process, the search committee deepened its knowledge of each candidate and enabled it to make a hiring decision based on far more information than that found in résumés and references.

One of the most important lessons we've learned from the nonprofits we've worked with is that successful searches go beyond the standard interview questions and give decision makers a chance to learn about how a candidate might actually operate. They create opportunities to see how candidates make decisions and interact with colleagues. It's not really feasible to learn in detail about every candidate's operating style, but once your search committee has winnowed the roster to two or three candidates, you start to probe more deeply. One approach asks each finalist to study detailed information about the organization, such as its strategic plan, operating statements, and records of board deliberations. Then the committee can ask each finalist questions like:

- If you got the job, what would be your priorities in your first 90 days? In your first year?

- After a year on the job, how would you know if you were on the right track? How would you measure your progress?

- Given what you know about our organization, what is your vision of where we could be in five years?

Your organization's leaders will have answers to these questions, and you can't expect that your candidates' answers will match. After all, your leaders know the organization far better. But the candidates' answers are a good indicator of their understanding of the organization's mission and culture and can give your committee a sense of their strategic focus and overall fit. The answers also help assess each candidate's knowledge of the resources and capabilities of your organization and the challenges and opportunities it faces. They also weed out candidates who offer only superficial, boilerplate replies or whose vision for the organization diverges sharply from leadership's.

Inviting a candidate to join in a working session with the senior leadership team is another good way to measure potential. By participating in a real meeting to solve actual problems, the candidate gets a chance to contribute to the group's work. How does the candidate influence the group dynamic? Does he or she add to the group's energy or drain it? Does the candidate improve the team's performance or disrupt it? The answers to these questions will help the committee decide whether the candidate is right for the role.

In addition to assessing what the candidate has to offer the organization, communicate what the organization has to offer to the right candidate. This discussion is much more than a sales pitch. It's also a good way to help both the candidate and your organization decide whether a relationship benefits both sides—ideally for a long time to come. Financial compensation and the opportunity to advance the organization's mission will be a part of this discussion, of course, but only a part. Many other factors can influence a candidate's decision, such as the opportunity to work with other senior leaders to develop a particular skill or expertise, exercise autonomy in an entrepreneurial role, or advance long-term career plans. Some candidates might welcome the opportunity to associate themselves with a well-regarded organizational brand or work in a particular kind of culture.

Step 3: Design an On-boarding Process That Supports the New Hire's Capabilities and Relationship Development

Some of your most important work begins *after* a candidate accepts your offer. Even the most promising career can be short-circuited if the on-boarding process goes awry. That's why it's crucial to approach on-boarding thoughtfully and systematically, surrounding the new leader with support during the transition. And remember, on-boarding doesn't happen overnight, so be prepared to offer support for at least the first 30 to 90 days of your new senior leader's transition.

A successful on-boarding process has many moving parts, but our discussion will focus on three of the most important factors: managing the transition, establishing key priorities and goals, and forming key relationships that help integrate the new hire into the culture.

Managing the Transition

Even before your new hire arrives, you can begin passing along helpful information, such as minutes from your last management meeting. And you can arrange opportunities to meet key employees and board members. Invite your new hire to any special events to interact with staff members. Such interactions facilitate understanding of the organization's activities and concerns before Day One.

If circumstances permit, it's often helpful for your new hire's tenure to overlap with that of his or her predecessor. During this period, the predecessor can gradually hand over responsibilities and help the newcomer solidify relationships with key colleagues and become more familiar with the organizational culture. It's important, though, not to prolong the transition period. We have found that if the transition lasts longer than a month, people in the organization begin to suspect that the new hire is a slow learner or that the

predecessor is reluctant to let go of the reins. By the end of the month, the new hire should be visibly in charge and the predecessor out the door, although that doesn't mean that all communication between them must cease.

Establishing Priorities and Goals

It's important for the new hire to work with his or her supervisor early to establish three to five key goals. Supervisors can help them succeed by alerting them to potential obstacles and risks and by regularly checking in with them on progress. During the busy on-boarding period, when new hires are proverbially drinking from the fire hose, these check-ins help them set priorities and start making a visible contribution.

Get the Ball Rolling: Hiring Externally to Fill Gaps

Tips for those at an early stage...

Identify gaps in the leadership pipeline:

- Using your assessment of future needs, identify the areas where you will likely need to hire externally and those where you should aim to fill positions internally.

- Think about the leadership competencies that external hires will need to succeed at their roles in the future.

...and at a more advanced stage

Get a fix on your organization's culture and the kind of people who thrive in that environment:

- Use the cultural questionnaire in this chapter to help guide your thinking.

- Think about the kinds of activities that can help you assess whether a job candidate is a good cultural fit— an informal, get-acquainted dinner with you and your senior staff, or perhaps participation in a problem-solving session with the senior team.

Forming Key Relationships

We have stressed that the on-boarding period is a crucial time in a new hire's career. It's the time when the new hire forms key relationships and is integrated into the organizational culture. Some of the best-regarded nonprofits facilitate this process by assigning advocates to help new hires find their bearings in the organization. The advocates' job titles are of secondary importance. What matters is that they understand the organization, know its strengths and weaknesses, and are familiar with the leadership team. Effective advocates are recognized throughout the organization as culture carriers and enjoy the affection and respect of staff and leadership.

Judy Vredenburgh credits a board member for her successful on-boarding as CEO of Big Brothers/Big Sisters of America (BBBSA). Joe Connolly, chairman of the BBBSA board and head of the search committee that recruited Vredenburgh, took her under his wing and served as her sounding board and advocate during her first months on the job. "He really acted as my coach and helped me transition successfully," Vredenburgh, who has moved on to head up Girls Inc., told us. "In part, it was his thorough understanding of the way the organization operated; in part, it was also his deep understanding of the organization's culture." Connolly, she says, helped her gauge how much change the organization could withstand and how quickly. They developed a solid relationship based on trust that enabled Connolly to raise issues that other staff members were reluctant to bring up. "I would have to say that the key was

not his position as the board chair," Vredenburgh said, "but rather his personality and knowledge. What mattered is that he understood the organization, and he understood me, and I felt I could trust him."

Year Up takes a somewhat different approach to the advocate role, one that fits its networked organizational structure encompassing sites in nine US cities. When Year Up opens a new site, it recruits an ED from the local community and transfers one or two employees from elsewhere in the network to help get the site up and running. These employees do more than help set up the new facilities. They're explicitly recognized as culture carriers—a prestigious role at Year Up. Employees must apply to become culture carriers, and those chosen for the role enjoy a special status. They're recognized for their commitment to the Year Up mission, their excitement at helping the organization grow, and their willingness to pitch in wherever they're needed.

The culture carriers play several critical roles in the on-boarding process. During the early days of a site's existence, they're busy performing the responsibilities of their functional job title, which varies across culture carriers. (Past participants have included program instructors, admissions directors, and operations staff.) At the same time, they're introducing the new ED to people around the organization who can provide resources, advice, and organizational know-how "for those aspects of the job you only learn about when you're actually doing the job," in the words of COO Sue Meehan. For example, a culture carrier might connect the new ED to an ED who is familiar with the problem of students who miss classes because they're homeless. The culture carriers are also heavily involved in interactions with students, modeling for the new ED the organization's practice of finding teaching opportunities in everyday moments. The culture carrier might use an interaction with a student who's dressed inappropriately to talk about why it's important to dress

properly for work. "They're really showing the new ED how to live Year Up's values," Meehan said. And in the end, living your organization's values might be the most important part of your new hire's job.

The Rest of the Story

Your senior team member is no longer worried. Indeed, he sheepishly admitted the other day that he can't quite remember why he was so worked up. Your new site manager has been on the job about two months, and it's almost as if she's always been there. Thanks to the time and energy you invested to define precisely what the organization needed from her, she had a clear idea going in just what she had on her plate. And because your search process included several opportunities for your new hire to meet her new colleagues, she greeted them like old friends when she arrived in the office. One of your most trusted colleagues has taken it upon himself to introduce her to people she can turn to with questions that pop up during the work day and point her to organizational resources she can tap for answers. Yes, you think to yourself, she's going to work out fine.

But how is the rest of your leadership development initiative working out? Are you seeing results? What aspects of the initiative are working better than others? And how can you improve the parts of the initiative that are less than satisfactory? That's our next and final discussion for making the most of your Plan A process.