Digging for Talent is Hard Work!

A Workshop in Topgrading™
Topgrading™
A CAMPS Workshop
June 7\textsuperscript{th}, 2018

Agenda
1. What is Topgrading?
2. Common Mistakes
3. Cost of Mis-hires
4. 5 Step Process to Success

Outcomes
You will be equipped with methods and framework to help you identify and hire ‘A’ performers, who can in turn help you rapidly scale your company.
Professional Affiliations and Partnerships

Michael Langhout
Langhout International, LLC
Growing Leaders and Companies through Coaching & Training

www.langhoutinternational.com
Right People

Do we have the best talent in the market for the money we provide?

Can they deliver on your brand promise?

Are all stakeholders happy and engaged, and would you enthusiastically rehire all of them?
People Quit People, Not Companies

- "The single biggest decision you make in your job -- bigger than all the rest -- is who you name manager.

- When you name the wrong person manager, nothing fixes that bad decision. Not compensation, not benefits – nothing."
  - Jim Clifton, President, Gallup

* Gallup; State of American Workplace, 2013
Mis-Hires are Costly

Typical success rate for hiring / promotion… 25%
Total Cost of mis-hire… 3X – 15X annual base

• Factor #1. Lost productivity / low performance
• Factor #2. Real dollar hiring costs
• Factor #3. Organizational damage (morale)

* Gallup; State of American Workplace, 2013
Common Mistakes to Avoid

- **Gut Feel** – hiring on personal chemistry or convenience
- **Art Critic** – when the manager sizes up the interviewee too quickly
- **Prosecutor Approach** – being very tough on the candidate
- **No Process Interview** – Worst possible when the candidate meets with the entire team and gets repetitive questions.
Topgrading™

The ‘A’ Method for Hiring

Good for:

Hiring, Performance Management, Career Management

Tell people what you expect of them

- Accountabilities
- Competencies
- Alignment with values
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5 Step Process to Success

1. Talent Assessment – Identify Top Performers
2. Scorecard – Identify Outcomes
3. Source - Finding Great Candidates
4. Select – Choosing the Right Person
5. Sell – Getting the Candidate to Say Yes
Step 1: **Right People Talent Review**

1. Getting high percentage ‘A’ Performers
2. Right ‘Fit’, and Living the Core Values
3. Productive & Contributing
4. Avoid the ‘C’ Player Trap
5. Coaching Strategies for Retention, Improvement, or Exit
How Do We Define ‘Fit’?
Team Assessment → Action

- **Core Values + Cultural Fit**
  - **100%**
  - **0%**

- **Productivity/Contribution**
  - **100%**
  - **0%**

- **“A” Performer**
- **“A” Potential**
- **“Non A” Performer**
- **Free them**

- **Action**
Step 2: **Scorecard**

Articulate outcomes you want someone to achieve

3 Parts

1. Mission – What you need them to achieve
2. Accountabilities & KPI’s – Numerical Outcomes
3. Culture Oriented – Behavioral attributes you look for
Scorecard

• Helps determine what ‘A’ performance means

• Used to evaluate current team members or potential hires
Specialists > Generalists

• Look at what your employees are good at and evolve the scorecards over time to play to their strengths

• Invest in team members ahead of your needs

• Every role in the business should have a scorecard with the mission, outcomes and culture
Step 3: **Source**

Employee referrals *(Internal)*
- Referral bonus payed out over long periods of time
- 4X better than hires that are not internally referred

Outside Party Referrals *(External)*
- Make a list of 10 people that know people you should hire

Social Channels *(LinkedIn)* – Job Boards *(Indeed)*
What to Look For?

"We search for passion and fire, a great work ethic, perseverance, loyalty, and a growth mindset…
We include Qualities and Skills with Degrees."

- Jeff Weiner, CEO, LinkedIn
Virtual Bench

- Leverage your Reputation
- Find More and Better Applicants
- Sell your Vision
Step 4: Select

The HARDEST step

• How to choose the right candidate
SCREENING

The **WRONG** WAY

- Finding areas of common interest

The **RIGHT** WAY

- Does this person have the talent I need to accomplish the job
How Does Screening Work?

5 Screening Questions - 1:1 call or in person

1. What are your career goals?
2. What are you great at?
3. What are you not great at?
4. How would your last few bosses rate you when I call them?
   a. TORC … Threat of Reference Check
5. What can I tell you about our company?

Tips for screening:

Be Conversational | Be Intensely Curious | Don’t be too Formal
Once Screened, What Next?

- Assessment –
  - SIMA; MCORE; PRINT; DISC; MBTI; Strengthsfinder
- Career History Form – From graduation & 1\textsuperscript{st} job until now
- Reference Checks – Candidate arranges
- Tandem Interview
Topgrading™ Best Practices

Resume

...OR...

Career History Form

WHICH SHOULD I USE?
Resume

Chronological or Functional ... ??

Factual or Opinionated ... ??

How do you really know if you have the right best candidate?
Career History Form

• Complete, Factual, Verifiable
• Includes Data from Prior Work
  - Date Range, Comp,
  - Reason for Leaving,
  - References
Pairing Up for a Few More Questions
Tandem Topgrading Interview

- Find a partner
- Meet together prior to the interview
- Define roles… interviewer, observer, notetaker
- Do the Interview
- Review Notes – Debrief (24 hours later)
- Prepare an Executive Summary
Tandem Topgrading Interview 2:1

Tandem Interview only the very best 2-3 candidates

Ask about candidate’s life story from Education to Job History

1) What were you hired to do?
2) What did you accomplish that you were proud of?
3) What were mistakes made in that job?
4) Tell me about the people you worked with?
5) Why did you leave?
Who is this person... Really?
Step 5: **Sell** - Getting to YES

5 F’s of Selling this final candidate

- **Fit** - Does this person feel they are fit for the company
- **Family** - Are the people around you supportive
- **Fortune** - Show them how they’re going to get paid
- **Freedom** - Work/Life balance
- **Fun** - What is fun about the intrinsic of the job
“We’ve grown from 1 to more than 50 locations and have experienced 50% to 100% growth in revenues annually since Topgrading 5 years ago.”

~Ken Sim, Co-founder
Topgrading™ - Best Practices

- Talent Assessment
- Job Scorecard
- Screening Interview
- Reference Checks; Assessments
- Topgrading Tandem Interview
- Coach and Retain ‘A’ Performers
Applicant Tracking Systems

Hireology  hireology.com
Wizehire    wizehire.com
Thank You

For Handouts and Forms Contact

www.langhoutinternational.com
michael@langhoutinternational.com
425-269-3000

Topgrading™
Reference Checks

Arranged by the Candidate

Ideally Checking 8 References

4 Supervisors
2 @ Peer / Subordinate

Conducted after Tandem Interview
Reference Check Questions

Overall Strengths / Weaknesses
Accountabilities / Responsibilities
Overall Performance Rating
Confirm Dates / Compensations / Reason for Leaving
Reference Check Questions

Get Comprehensive Ratings on

- Thinking Skills
- Communication
- Experience
- Resourcefulness / Initiative
- Stress Management
- Work habits
- People Skills
- Motivation
- Managerial Abilities

Describe this Job... Probe for Fit

Any Advice for the Hiring Manager?

Final Comments
50 Competencies In 6 Categories

- Intellectual
- Personal / Interpersonal
- Management / Leadership
- Motivational
THANK YOU

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