

What's Your Corporate DNA?

HIRING PEOPLE THAT MATCH IT IS INVALUABLE

BY MARK SHEFFERT

I suppose all of you have heard of at least a couple of these great leaders: Jack Welch, Winston Churchill, Vince Lombardi, Abe Lincoln, and Alfred P. Sloan, Jr. Do you know what they all have in common (besides being some of my favorite people to read about)? Their management styles were vastly different, although each person's style worked during his time and in his individual situation.

Where they all excelled however, was in their ability to understand the people they served and the people who served them. Often, the decisions they made on behalf of those people weren't necessarily the popular or obvious choices, but each of them had a finely tuned "gut check" about people in general and about a person's character and potential capabilities that turned out to be pretty darned good.

I just read Jack Welch's autobiography, *Jack: Straight from the Gut* where he wrote that when he was CEO of General Electric, spent about 60 percent of his time dealing with people matters. Based on my experience and that of other executives it seems that this is pretty much on target. And after you've racked up some years of dealing with people stuff (okay, I'm spelling for myself here), you reach a point where you develop that gut feeling about what's right for your organization and its culture, the chemistry of its people, and what makes it click. From that point on, everyone you pick to join the organization has to have some of those certain characteristics in order to be a good fit.

Usually, the only way to get comfortable and know that a job candidate possesses those characteristics is to do lots of interviews (or

in Lombardi case, lots of scouting and tryouts). I've even been accused of growing mold on people before I'll make a hire decision because our interviewing process takes so long – Up to six months in some cases. But even after a careful selection process, someone may not work out. And if there are executives out there who say they've never made a wrong hire, they probably still believe in the tooth fairy, too.

I always thought that being able to pick the right people was an art, but I recently discovered a job-fit tool that turns the selection process into more of a science. Now, I'll admit that I have always been suspicious of "warm and fuzzy, get-in-touch-with-your-center" stuff. (During my tenure as a banking executive I took required psychological tests, but suspected they were only used to find out if we were really nuts – it seemed that no good ever resulted from them.) But I guess even this old dog can learn new tricks. My good friend, Eldon Oldre, president and CEO of CFG Insurance Services, introduced me to his company's Profile service. It allows an organization to capture its characteristics and chemistry or, as I like to call it, corporate DNA.

This tool not only profiles individual employees, but also the entire organization and its divisions and teams. In other words, it

not only gives you information about the employee's personality, but also whether he or she fits with your corporate culture, the job, the division, and the team.

This fall, everyone in our firm took a one-hour Profile survey and a 20-minute Performance Indicator test. The surveys are done electronically over the Internet, so we received the results within a short time. The technology used to compute the results makes this tool inexpensive, so small- and medium-sized companies can afford to use it.

The Profile assessment survey measured each person's thinking style and pace (can the person do the job?), occupational interests (will the person be motivated to do the job.), and behavioral traits (how will the person do the job?). The Performance Indicator measured behavioral tendencies in critical job-related competencies such as productivity, quality of work, initiative, teamwork, and problem solving.

When the surveys were completed, individual results were given to each of our associates for their own knowledge. I received an aggregated report describing our organizational characteristics, and the specific characteristics of each division or group. I now had an objective, scientific description of my firm's corporate character-

istics. Perhaps I had known some of it intuitively, but my eyes were opened to a new knowledge of my firm's personality when I saw its DNA fingerprint.

Now our Job candidates are asked to take the Profile survey to predict their job suitability and make sure they are well matched with the work they are hired to do. For instance, if I'm looking for someone to join our investment banking division, I look for certain characteristics that differ from what we want in our strategic advisory or recovery divisions. We've developed a profile of each team, measuring 12 "team factors," including patience, precision, ambition, composure, and orientation with regard to results and quality. We know what type of person would fit into each team, and also whether an individual's characteristics and chemistry are aligned with those of our overall organization. Thanks to this tool, I've become more efficient at screening candidates, reducing the amount of time I spend interviewing and getting better results.

The knowledge I've gained about our firm is also improving my management capabilities. I understand better why associates behave the way they do, how to make their teams more productive, and how they respond to job-related stress. I know which incentives, rewards, and conditions are most compatible with individual motivational styles. And this new knowledge helps me coach associates to improve in certain areas if they aspire to be top performers in their divisions.

With these results, we are mapping out our firm's "host practices." We are beginning to describe the characteristics of our top performers so we can develop benchmarks for hiring more people like them and promote internally with more assurance of success. It's turning all our associates into better leaders and our firm into a better firm.

I don't know an executive who hasn't ever jumped into the swamp, lured by a candidate's polished looks, smooth answers, or impressive background. But at the end of the day, if that person doesn't fit into your corporate culture neither one of you is going to be happy. I know that finding employees is one the biggest challenges facing executives, but for my service business, isn't simply finding employees that matters, it is finding the right employees. I read somewhere that replacing employee costs about three times his her wages in lost productivity, training, and recruiting costs, so I obviously want to avoid making any hiring mistakes. Using Profiles or a tool like it to analyze your organization's DNA could save you a lot of time and trouble.

Understanding your organization's characteristics and chemistry is as important as strategic planning or knowing your marketplace. As Vince Lombardi said, "Business is a very complex machine, all of whose components are people, and as in a football team, it is vital that people mesh and gear smoothly."

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