



Coming to Terms with **SKILL BASED HIRING**

TRANSEARCH
EXECUTIVE SEARCH & LEADERSHIP CONSULTING

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“Talent is a gift, character is a choice, delivery is a discipline.”

Context

Skill based hiring is getting a lot of play in the business press and elsewhere. The themes presented run along the following lines: “Experience doesn’t equip someone for a job that doesn’t currently exist.” “Generally speaking, organizations are dramatically under skilled (especially in areas such as AI) and skewing the selection criteria towards skills only makes sense.” “Top talent is still very difficult to find. Compromise in the





hiring process is, at times, the only way forward. Derisking the hire decision makes the skills needed an overriding priority.” “Clarity regarding the emerging skills strengthens the validity and potential impact of the ongoing investment in leadership development.”

We can’t ignore skills but we mustn’t fall into the trap of being too simplistic either. Imagine adding talent to a Premier League football (soccer) team. Certain critical skills are clearly essential. It would be a mistake, however, to downgrade lifestyle, discipline, commitment to the team and the capacity to learn. Hiring focused on core skills is obviously important but should not be at the expense of broader leadership competencies. Balance, like much in life, is of paramount importance. As a precautionary tale, one organization wedded to skill based hiring (financial skills) went by a name you may remember. “Enron!”

It’s worth adding here that all (as in all) talent acquisition – beyond front-line employees – is strategic, is based on the emerging needs. The more senior the role, the greater the future timespan needed. A replacement mentality – success based on what happens today – is to become more of what you have always been. And if, by chance, you are already metaphorically in a hole, only a myopic and deluded optimist keeps on digging. In a leadership role, assuming that the selection criteria equates to more of the same is, literally, a mandate for mediocrity.¹

In no small measure, the recruitment challenge arises as a result of what is thought of as a skill. For most managers a skill is a visible trait, something that is relatively easy to provide evidence for. The problem? A skill might be clearly evident but *how* that skill is developed and the underlying capability demanded can be far more complex. Delivering a winning presentation is an example. When you observe someone delivering a message in front of an audience, you can clearly delineate the apparent skill – or lack thereof. What is less appreciated is that a winning presentation is far more than what you see. It draws on *ethos* – the background, experience and credibility of the speaker; *logos* – the capability and insight needed to connect the audience to a real need; and *pathos* – orchestrating emotional appeal and capturing the “do differently on Monday” factor. To wit, a skill is, invariably, far more than simply “a skill.”

1 One of the biggest mistakes organizations make when it comes to succession is to rely too heavily on the input of the individual in the role. Take it as a given that the succession criteria will amount to someone *just like them*.

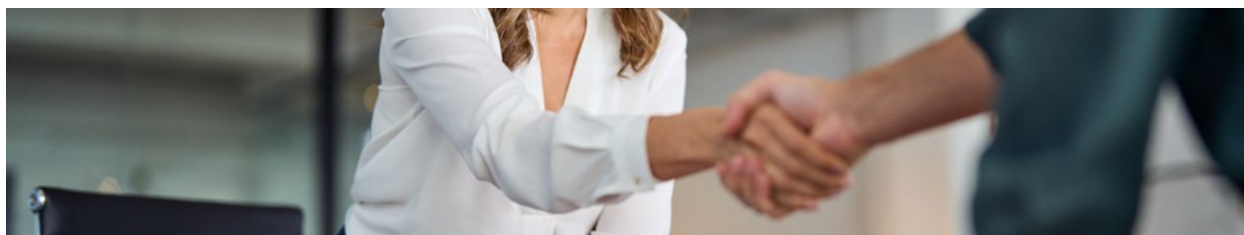


Competency vs Skill

The discussion so far inevitably leads to the question, “What is the difference between a competency and a skill?” I would propose that the “difference” can best be understood along the lines illustrated below.

A leadership **competency** defines the behaviour of an outstanding leader when compared to an executive who is merely middle-of-the-road. This definition goes back to the original concept of a competency developed in WW2. Far too many undercover operatives who parachuted into France sadly didn’t return. Fortunately, others did. The emerging pattern became clear. The underlying and core behavioural characteristics that led to survival, rather than imprisonment or death, were defined as “competencies.” Such underlying competencies, of necessity, embraced critical skills, for example, language skills.





In a rapidly changing and complex world, I would, thus, suggest that a meaningful library of leadership competencies embrace: (i) cognitive capability; (ii) know-how; (iii) specific winning behaviour; (iv) mindset;² and (v) critical leadership skills.³ When all five of the aforementioned are combined they enable a leader, in a specific role, at a (future) point in time, to deliver performance, such that they stand out from the crowd. The first four leadership characteristics are largely about knowing what to do and how to do it. The **critical leadership skill** component shapes execution. Talent is a gift, character is a choice, delivery is a discipline.⁴

Skill Is but One Dimension of Fit

Nothing is more important to a successful leader than who they promote and hire. Who you add/promote *today* shapes what is possible *tomorrow*. Competencies, meanwhile, are central to mitigating hiring risk. There are six essential characteristics of fit. Skill, although a critical dimension, is but one aspect of fit.

- 1. Attraction.** You can't hire people you don't attract. The good news? What keeps the best attracts the rest. The challenge? Knowing – really knowing – why your best people stay.⁵
- 2. Culture.** You can't manage what you don't measure. This implies measuring the culture you have and the culture you need. In that it represents the only truly sustainable competitive advantage, the most meaningful measure of culture is to establish: (i) how quickly the organization learns; and (ii) how quickly it needs to learn for success in the future.
- 3. A scorecard.** A meaningful scorecard establishes, specifically (numbers), what the organization must deliver in terms of future value: strategic, operational, people and societal.

2 Startup, growth, running a mature business and turnaround all demand a very different mindset. Failure to recognise this is a hiring misstep with untold negative consequences.

3 TRANSEARCH's library of 60 leadership competencies contain a range of critical **leadership** skills (e.g., Coaching, Foster collaboration, Build great teams, Drive strategy into the business, Culture change).

4 Some highly specific skills (e.g., advanced AI skills needed to succeed in a senior IT role) are not necessarily embraced by a meaningful library of leadership competencies. They should, nevertheless, be added to the defined success criteria.

5 This is not quite as simple as it seems. People don't really know why they stay and if asked tend to answer in generalities. The TRANSEARCH "Why Do You Stay" process explores 50 research-based retention factors. Accessed using a wide enough sample, the research-based algorithm will also quickly and simply define the organization's overall retention health. It should be added that if you don't know why your key people stay, you can't do more of it.



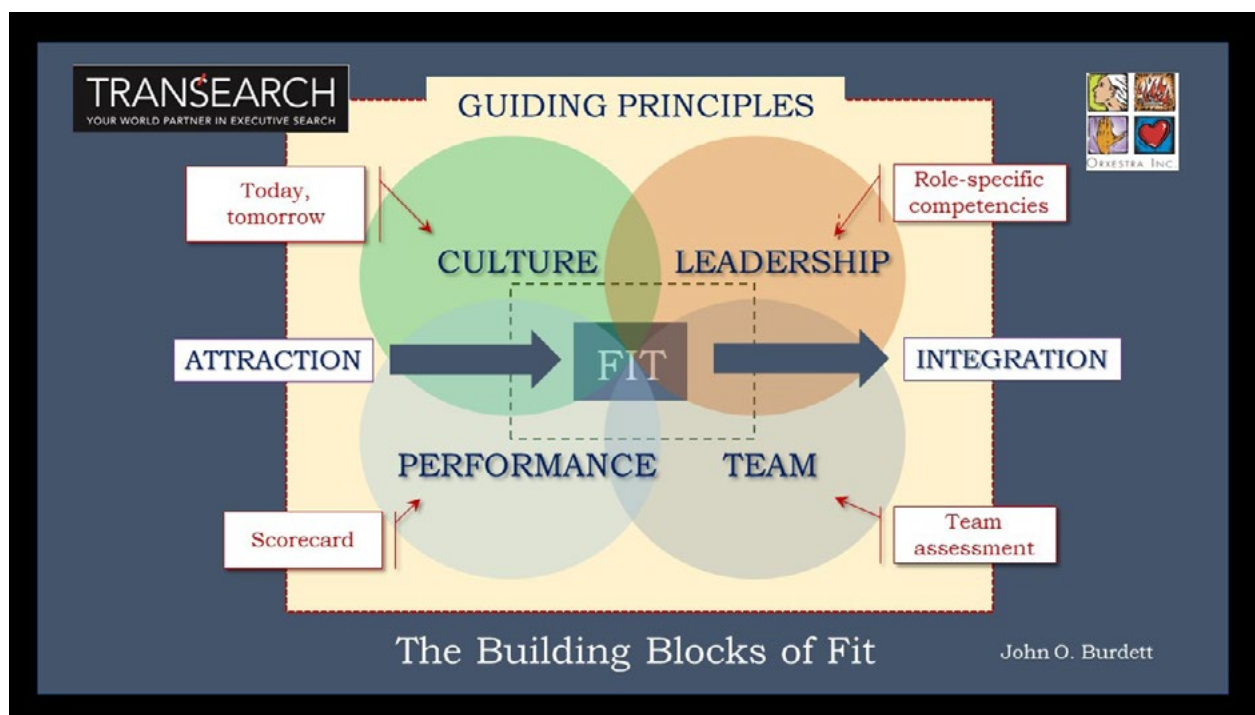
- 4. Leadership competencies.** As already discussed, a meaningful library of leadership competencies should include critical leadership skills.
- 5. Team fit.** Tomorrow's organization will be a team of teams. Moreover, every time you add someone to or change the leadership, you have, essentially, a new team. Assessing/measuring the overall capability (beyond results) of the team you are hiring or promoting into is, thus, an organizational imperative.
- 6. Integration.** If they don't land, they won't stay! Mishandle the integration and soft quitting (working without enthusiasm) is the most likely outcome.

Guiding Principles vs Organizational Values

As a final thought, talent acquisition/management is often viewed as a vehicle to help ensure alignment between the organization's values and the personal values of those who inhabit the organization. For more than five decades leadership experts of every stripe have emphasised the absolute need for *organizational values*. Indeed, we are describing a deeply entrenched management mindset. The overall need is aptly expressed. The language used is inherently confusing.

Organizations don't have values. People have values – organizations have guiding principles. In a multicultural society with its cacophony of often clashing values, attempting to align people's personal values with the so-called "organization's values" is a broken bridge to nowhere. Even in a homogeneous society, hiring people who buy into the organization's guiding principles is a far more pragmatic and workable approach. It also means that cross-organizational cultural alignment can be truly meaningful.

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than who they promote and hire. Who you add/promote today
shapes what is possible tomorrow.”*





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- J. O. Burdett*

JOHN O. BURDETT has worked in over 40 countries as an executive and as a consultant for businesses that are household names. He continues to work on leadership development and organization culture for some of the world's largest corporations.

In 2019, his work with ABB's top 240 executives received a major international award for the most innovative leadership development initiative of that year. His ongoing partnership with TRANSEARCH International means that his proprietary work on talent acquisition, in any one year, successfully supports many hundreds of top leadership appointments on six continents.

He has written extensively on executive coaching and was awarded international coach of the year by the Finnish Institute of International Trade. Business graduates at the University of Texas indicated that his material on coaching was the single most valuable learning source they took away from their undergraduate degree. He has also coached numerous executive teams

around the world in how to coach. He currently coaches a select group of CEOs.

Apart from a range of corporate leadership workshops, he has taught at business schools on both sides of the Atlantic. His work on the MBA program at the University of Toronto received a teaching excellence award. John holds a doctorate in management development and is a Fellow of the Chartered Institute of Personnel and Development.

In addition to numerous business articles and twice being awarded article of the year by MCB publications, John has published 16 books on leadership, talent management, coaching and organization culture. A number of them bestsellers. His most recent book is a fully revised version of his international bestselling book on executive integration: *Without Breaking Stride*. To download his current business articles go to www.transearch.com/orxestra/downloads

