

The Most Common Executive Hiring Mistake Made Today

With unemployment levels high, many people focus on specific industry and domain experience with the idea that a large pool of candidates means they can write a very detailed list of experiences and still get good candidates. This tends to create a process which ignores the overall quality and ability of the candidates in favor of a simple checklist of very specific experience. A person's broad experience, attitude, abilities, intelligence, work ethics and other factors are much more important by a factor of ten for most managers and senior executives. The truth is that a high quality executive can learn a new industry very quickly from the existing management team, but a lower quality executive with specific domain experience may NEVER become a high quality executive! Which do you prefer, a high quality executive or a short learning curve? Sure, there are positions where 10 years industry or domain experience will help, because of experience, contacts and industry specific idiosyncrasies. But few industries are so complex that a few months will not get a really good person 80% up to speed in terms of learning the differences. Specific domain expertise becomes much less important as you climb the corporate ladder and specific contacts and knowledge mean less and overall experience, creativity, management skills and other abilities become far more important. At the CEO level 90% of the job is generic, not industry specific and many others on the management team should bring the domain expertise.

Often, the excuse that there are so many candidates available is used to demand the "square peg in a square hole" phenomenon. Hiring executives create a long list of requirements only met by a very few people, who are not necessarily the best executives. Executive recruiters often fall victim to this phenomenon when very specific, but unimportant things are requested by the client company. They sometimes have little to no understanding of the weighting of certain skills, and take them all as "must haves" or equally important.

This is far too simplistic an approach for such an important decision, and hence screens out many of the best candidates, virtually guaranteeing an inferior result. Good consultants and recruiters know the client needs help in defining, not just solving, the problem. A large part of their value added is actually helping to frame the problem. If the client knew this all, they would not need a consultant in the first place, they might need a contractor, to perform a specific task. I suppose that sometimes recruiters are reluctant to provide negative feedback on this area due to fear of losing the contract, or the inability to weigh relative importance of the factors, because they do not know the business and/or have the experience in those areas.

Case in point: Many of the truly great turnarounds have been executed by executives brought in from other industries. These people came in with entirely fresh ideas and fewer preconceived notions and create change because they had no “baggage”. Lou Gerstner at IBM did one of the most famous turnarounds of all time. He came from the consumer and packaged goods industries (RJR Nabisco & American Express) to run the biggest technology and computer company in the world. His experience was a world away from IBM and the selection seemed to make little sense to many. However, IBM’s challenge at the time had little to do with technology. At the time IBM had \$65 billion in sales and had many problems. Lou was able to have an impact by applying his “generic” management experience, marketing experience and by refocusing the organization on key areas. Imaging if the board of IBM had demanded an engineering degree for the job with experience in computers and running he companies. Three things would happen as a result, 1) The candidate list would have been very small, 2) You would get someone in the industry who thought the same way as everyone else and 3) You would not get someone with the main skills IBM was lacking in marketing commodities (which computers were increasingly becoming at that point in time).

Jack Welch started as a Chemical Engineer and many, many CEOs who came from within the industry, or even the company itself, failed miserably to create new shareholder value. The best CEOs are going to shake things up a bit. The best executives are going to ask GREAT questions that cause change and innovation, not just do it the way everyone else does. They may not even ask these questions if they grew up with the "way things are always done" and have learned to live with these things even though they may be narrow thinking or obsolete today. There is no better way to guarantee mediocrity than to not introduce new blood on a regular basis, and this means people from other industries, who will look at things differently, bring new ideas and provide a perspective that gets everyone to think some more. This square peg, in a square hole phenomenon is often sending away the very best executives in a search in exchange for a little domain expertise that may actually be a liability! Don't fall into this trap.

For example why is it totally silly to demand a CEO who had a list of three or four very specific skills and experiences like: "middleware", or a "BS degree in mechanical engineering" or even experience with "radar systems". It is in fact completely ludicrous, because these things are far too specific or granular, and will exclude the majority of high quality candidates every time. People will be screened, before even meeting the hiring authority, who are better at the more important skills and challenges for that business during the next few years. The most important skills for a CEO are management, overall business knowledge, creativity and leadership skills (90% of a CEO's job). Everything else is far less important and easier to learn. The very specific and smaller knowledge sets that other people should already have at the company might be five-percent of the skills. In other words, you will be predisposing your filtering process to reject superior candidates with the most important skills long before they get to the right person. This makes the search easier, for recruiters and resume screeners, but dooms the process to a short-list of highly specific candidates, instead of a broader list of high quality candidates. In other words, when you do this, you are not really weighting the importance of

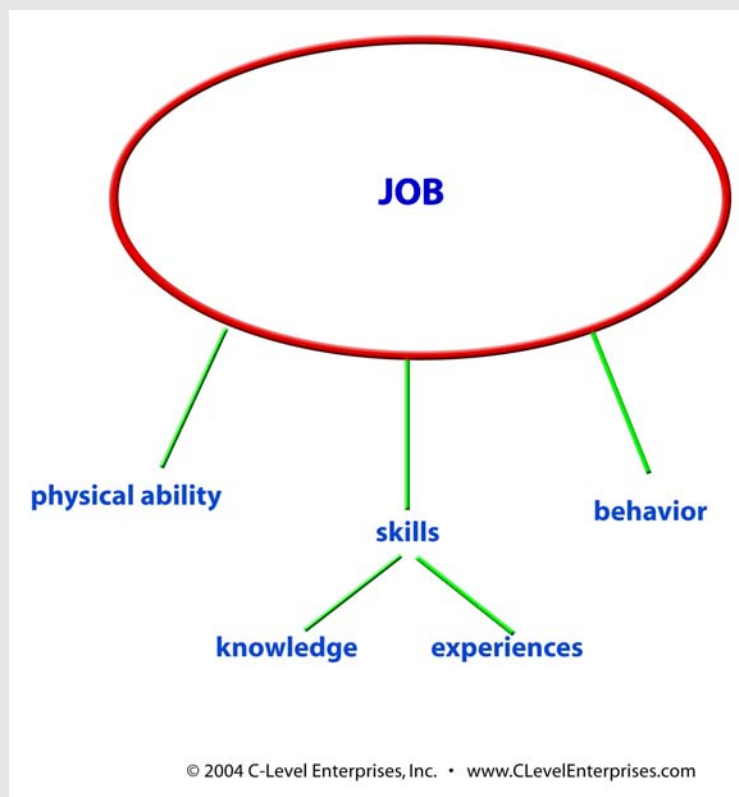
each factor, but doing a binary (yes/no) exclusion on enormously less important criteria! This is not an uncommon scenario in customer service operations all the time where the people running the process designed it for their convenience instead of for the convenience and best end result for the customer. Like when they ask you for your customer number, with an attitude like it is your responsibility to memorize it, not theirs, when they could ask for your phone number, which you likely do know. The process is designed backwards. The fox is running the hen house.

Don't get me wrong, I think selling to the government and B2B versus the consumer markets is very important (macro level stuff). I just do not believe that the level of granularity I see today in executive searches (i.e. "middleware", a specific degree 15+ years ago, specific product experience) adds value, so much as it distracts from the most important criteria in executive selection. After all "middleware", for example, is just a type of software and has the same technology/R & D, economic characteristics, sales process and marketing challenges as any software product targeted at businesses and MIS types. Recruiters who allow clients to do this are doing a major disservice to their clients by statistically excluding the best candidates every time!

**Too Many People Ignore Behavior In The Selection Process
Because It is The Hardest To Discern In An Interview Process**

But It Is By Far The More Important Factor Affecting Long-term
Employee Performance and Results.

Broad experience, intelligence, adaptability, work ethics, self-
motivation, ability and desire to learn make great long-term
employees.



Sometimes a broader view is needed to see the forest for the trees.

When hiring a senior executive the long view is all that matters

Appendix
Other Available Products to Help Your Business Grow More Rapidly

Appendix - Other Products For CEOs, Entrepreneurs and C-Level Executives To Help Grow Your Business More Rapidly

C-Level Enterprises, Inc. offers a series of unique books as part of titled “The Secrets of a Serial Entrepreneur™”. These books are all written by Bob Norton and are designed to be used at key points in a company’s development life cycle, and throughout the development of the company. They are a great alternative to high-price consulting services from business launch experts and will greatly increase any entrepreneur’s chances of success. They provide proven frameworks for success, developed by Bob Norton over 15 years as a CEO and 25 years as a serial entrepreneur, to help break through some of the most common and practical traps that growing businesses fall in to virtually all the time; if they have not grown a business before to this size.

The entire series can be seen at <http://www.CLevelEnterprises.com/products.htm> if you are online go there for the most up-to-date information now. Otherwise you can read below. The Books cover the business development steps: Design, Launch, Hire and Manage. And ideally should all be read in that order.

Appendix
Other Available Products to Help Your Business Grow More Rapidly

Books and Tapes For CEOs, Entrepreneurs and C-Level Executives To Help Grow Your Businesses More Rapidly and Develop Long-term Competitive Advantage

These books are all written by Bob Norton, a serial entrepreneur for over 25 years and a CEO for more than 15 years. Mr. Norton is one of the leading authorities in the world on entrepreneurship, intrapreneurship and growing businesses rapidly. He has participated in eight startup companies, grown two to over \$100 million in sales and several have dominated their respective markets. He has also worked for two multi-billion dollar corporations running product development efforts. His experience goes across all size companies, and many types of businesses in various industries. During his career Mr. Norton has helped created over \$1 billion in new shareholder value just while at those companies. Mr. Norton provides expertise on growing small and medium size companies more rapidly using eleven different proprietary tools and methodologies for business design, development and optimization, which he has developed over the last fifteen years. Many ideas are also contributed from over 1,000 business books in his personal library. He also runs the premier CEO and Entrepreneur Boot Camp in the U.S. today, which is design to cut years off the learning curve of CEOs and entrepreneurs and turn them into world-class CEOs. This exclusive event teaches practical business design and optimization systems in an intensive 3-day training program for any CEO or entrepreneur.

Mr. Norton has appeared on CNBC, Good Morning America and many other regional and national media like Inc. magazine. He provides advice to entrepreneurs and CEOs through consulting, speaking, writing and seminars. He frequently speaks at corporations, associations, and universities on business topics.

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These books are targeted at particular problems and stages of development where early-stage ventures commonly encounter critical issues while moving from raw startup with an idea to becoming an established company. They are guaranteed to improve any business's chances of success dramatically. They can be downloaded immediately and the ideas and systems put into action the same day. Unlike hardcover books, that need to be a certain size to justify the printing, distribution and retail markups, these books will not have lots of redundant information, essentially showcasing the same basic ideas five different ways. They are packed with totally unique content that comes from the experience of a real serial entrepreneur, not just an author who did some academic research, but practical advice and systems for CEOs and entrepreneurs proven to work over two decades. The philosophies and systems used in each are compatible so that, as a set, they will create a framework for successful and rapid business growth.

You can click on each book icon below for more complete information.



DESIGNING



LAUNCHING



HIRING



MANAGING



**ALL FOUR
BOOKS**

The Startup Manual includes all four books plus our proprietary business design tools CD-ROM.

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Other Available Products to Help Your Business Grow More Rapidly

Books and Tapes Order Form

(Click on Titles For Complete Information and online ordering)

Books & eBooks These are provided as PDF files. Add \$8.95 shipping and handling for each book <u>only</u> if you want a physical hard copy printed and shipped to you.	Unit Price	Printing & Shipping (eBooks Free)	Quantity	Total
<u>Designing a Startup For Rapid Growth and Profit</u>	\$39.00	\$8.95		
<u>Roadmap To Launching A Successful Company</u>	\$39.00	\$8.95		
<u>Hiring The Best People At Early Stage Companies</u>	\$27.00	\$8.95		
<u>How to Manage a Business For Rapid Growth</u>	\$34.00	\$8.95		
<u>The Startup Manual</u> Set Of All 4 books above in 3-ring binder. Save \$10 When all are purchased together	\$129.00	\$10.95		
Audio Taped Seminars With Slides				
<u>Raising Angel Financing (2 CDs + Slides)</u>	\$39.00	\$6.95		
<u>Bootstrapping (2 CDs + Slides)</u>	\$39.00	\$6.95		
<u>The Ultimate Startup Manual</u> All 4 of the above books plus both audiotape programs. This product comes in a three ring binder with over three hours of audio on Raising Angel Financing and Bootstrapping. It is a complete system for starting an early	\$189	\$11.95		

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stage company from original idea to first outside financing. It should save or make you many thousands of dollars.				
(You may deduct \$1.00 for each shipping and handling charge after the first item)				
TOTAL CHARGES:				-

[Click Here To Go To Our Complete online catalog of products for CEOs, entrepreneurs and Senior Executives.](#)

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Entrepreneur and CEO Boot Camp DVD Order Form

Available 8/1/2004

This is the premier training program for entrepreneurs and CEOs in the U.S. today. Almost 12 hours of video documenting a complete CEO and Entrepreneur Boot Camp weekend available by subject, or as a complete set. This is some of the best advice available today on launching and growing businesses from someone who has done it many times. You can replay them and share them with your entire team, which multiplies the power and impact on your company many fold. [See video testimonials by clicking here.](#)

The CEO Boot Camp DVDs The Art and Science of Business Design™	Unit Price	Shipping and Handling (eBooks Free)	Quantity	Total
1. Roadmap to a Successful Vision – Included free with any other DVD ordered. Included free with any other DVD. Plus our Risk Management tool and Boot Camp Preview.	\$44.95	\$5.95		
2. Market Research – Marketing Steers The Enterprise	\$89.95	\$5.95		
3. Competitive Positioning (also includes Risk Management and business optimization system)	\$89.95	\$5.95		
4. Entrepreneurial and Intrapreneurial Marketing	\$89.95	\$5.95		
5. Rapid and Efficient Product and Service Development	\$89.95	\$5.95		
6. Managing The Sales Process	\$89.95	\$5.95		
7. Finance, Financing and The Financial Plan	\$89.95	\$5.95		
8. Developing Your Team - The Skill Set Matrix, Management Methods and the Employee Development Ladder	\$89.95	\$5.95		
9. Operations and Customer Service – The Corporate Dashboard	\$89.95	\$5.95		

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10. Hiring Sales Winners	\$89.95	\$5.95		
11. Everybody Needs a Branding Strategy	\$89.95	\$5.95		
The complete CEO and Entrepreneur Boot Camp DVD Set Contains All DVDs Listed Above. Over 11 hours of the most valuable video you will ever watch. This package also includes the full 300 page manual with all slides, articles, our proprietary business design tools CD-ROM and plus a Rapid Growth By Design™ system wall poster that pulls it all together after you have listened to the entire set.	\$799.00	FREE		
		TOTAL: _____		

[Click Here or Call For CEO and Entrepreneur 3- Day Boot Camp Seminar Dates and Locations in October, December, January \(7 Day Caribbean Cruise\) and March 2004](#)

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Shipping and Billing Information	
Card Type	Circle one: Visa Master Card Discover
Cardholders Name:	<input type="text"/>
Credit Card Number:	<input type="text"/>
Expiration Date:	<input type="text"/> MM/YY
Cardholders Signature:	<input type="text"/>
Ship To:	<input type="text"/>
Street Address, Apt. #	<input type="text"/>
City/State/Zip Code	<input type="text"/>
Country (if outside US)	<input type="text"/>
Daytime Phone	<input type="text"/>
E-Mail Address	<input type="text"/> (Please print clearly)

FAX To: (801) 672-9640 Or Call (508) 381-1450

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Note: All orders outside of the United States: Add five dollars for each video, nine dollars for each physical book, above regular shipping costs.

This complete collection of four eBooks is also available as a package at 30% off, with over 300 secrets of a serial entrepreneur and hundreds of pages of valuable "How To" content from someone who has done it before.

Sign-up for No Charge Mini-course on Raising Angel Financing just by clicking here to send an email to this address:

<mailto:bob3-66436@autocontactor.com>

This free mini-course on raising angel financing will help you understand why today angel financing is far more important than institutional venture capital financing and far more accessible.

The Art and Science of Business Design CEO and Entrepreneur Boot Camp



The Premier CEO and Entrepreneur Boot Camp in the World Today.

Developed and Delivered by a successful serial entrepreneur and 15 Year CEO who has grow two

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**businesses from \$0 to over \$100 million in revenue
and generated over \$1 billion in shareholder value.**

**Two Days That Will Change Your Life, Accelerate Your Business,
and Accelerate Your Career**

*Learn How To Turn Any Enterprise Into A
High-Growth \$100 Million Business*

In this intensive seminar, you will learn how to design and run businesses for high growth and profit from very successful, “been there, done that” experts. It is a complete integrated system for designing and running businesses compiled over 15 years from over 1,000 business books and field-tested. Experts offer you the most important systems, tips and techniques for success that they’ve learned during their distinguished careers, while also letting you know how to avoid many common business missteps by employing systems using the latest research, techniques and best practices available today.

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below.

Call (508) 381-1450 or email <mailto:Seminars@ClevelEnterprises.com>

What is The CEO and Entrepreneur Boot Camp About?

Join Bob Norton, a serial entrepreneur who has grown two businesses to over \$100 million in sales, for an intense two-day Boot Camp filled with 312 secrets on starting and running companies for fast growth. Learn to greatly improve your strategy, vision, business design, and management skills using a complete system developed over 15 years as a CEO incorporating some of the best ideas from 1,000 business books. You will learn to use 11 proprietary tools that will radically improve any business in any industry.

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Nothing ever fully prepares you for stepping into the role of a CEO or Entrepreneur.

The Art and Science of Business Design details how to design, plan and manage each of any enterprise's key disciplines - Sales, Marketing, Finance, Operation and Product Development. As a CEO and Entrepreneur, you need to know how these departments interact and even compete. You need to know how to recruit, hire, motivate and manage the best people in each discipline. You must also know how to get them to work together so that everybody is on the same page.

In "The Art and Science of Business Design" you will learn to:

- 1. Design and position a business for more sustainable competitive advantage and higher barriers to entry.**
- 2. Optimize your business model for minimum risk and capital investment.**
- 3. Better define the exact skills you need on your team and learn how to select people and interview for skills you do not have yourself.**
- 4. Raise capital in any market from the best sources without giving the company away.**
- 5. Inject entrepreneurial spirit into ANY organization, large or small, and improve product development productivity by a factor of FIVE times the average or more.**
- 6. Develop a marketing, communications and messaging plan, and a marketing department, that is accountable to a return on investment.**
- 7. Develop and improve your corporate vision to better attract investors, employees and customers.**
- 8. Plan, design and manage a sales department and select strategies, tactics and channels that will work for your business.**
- 9. Hire the best people in every area and understand what personality types work best in each business area to create superior results.**
- 10. Adjust your management style, risk, appetite and executive decisions based on your company's stage of development as it grows from a raw startup to a significant business.**
- 11. Manage employees and develop them into more valuable assets for your company's benefit and theirs.**

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12. And much, much more than what we can list here.

If you are an entrepreneur intent on growing your business to \$50 million or more in sales, you really can't afford to miss this unique event.

Admission includes:

- A sure-fire business and career-booster that is not available anywhere else. The skills developed in this seminar will allow managers to move up in any organization
- A complete system that will bring high-growth to any business
- More cutting edge, how-to content than you'll find in some 3 to 5 day seminars
- Reference materials you'll use over and over again, including a complete 350+ page manual that includes all the slides, handouts and tools presented in the seminar
- A BONUS CD-ROM containing the key tools, forms and templates that could save thousands of dollars in expenses. (This is a \$499 value sold separately)
- Each attendee will receive one hour of consulting from our President and Founder, Bob Norton, at our offices in Milford Massachusetts. This is a \$400 value
- An e-book from our "Secrets of a Serial Entrepreneur Series". Four titles all written by Mr. Norton- even more will be available shortly
- Breakfast, lunch and snack break both days
- A 100% money-back guarantee (see web site for details)
- Free parking.