

What matters most ... isn't on the résumé

When interviewing job applicants, ask questions that will elicit information about their character traits.

By Ally Deibert

A JOB APPLICANT'S EXPERIENCE, education and training aren't the most important factors when you're building a management team or other business unit. The foremost consideration is what the candidate is like as a person.

A company is made up of individual human beings. Either they cooperate with each other, support each other and do a great job, or they don't. This is determined mostly by their individual character traits. Collectively, the character traits of these individuals make up your company's culture. It can be a high-morale, high-performance culture, or not. This depends on what the individuals you hire are like as people. In well-run companies, people make processes and systems work. Lesser companies rely more on processes, systems and structure to control the people.

Most traditional job interviews do not evaluate deep-seated character traits. These interviews tend to focus on candidates' experience and education and whether the applicants seem nice or friendly. But "nice" and "friendly" are personality traits, not character traits.

As Stephen Covey explains in *The 7 Habits of Highly Effective People*, shortly after World War I the popular view in the business world shifted from "the character ethic" to "the personality ethic." Success was viewed as a

function of public image—skills and techniques that lubricate the processes of human interaction. As a result, most job candidates attempt to be socially impressive rather than

reveal what they are actually like as people.

By contrast, Covey writes, "The character ethic, which I believe to be the foundation of success, teaches that there are basic principles of effective living, and that people can only experience true success and enduring happiness as they learn and integrate these principles"—honesty, loyalty, hard work and self-initiative, among others—"into their basic character."

Have you ever met someone who is utterly charming, yet dishonest? That split is the difference between personality and character. Character flaws can hurt your company faster than any warm smile can help it.

It takes several weeks—or even as long as a few months—to know what a new hire is really like and whether he or she is a good fit. The family and non-family members who will help your company succeed are those who are honest, loyal and hardworking; those who boost others' morale; those who are self-starters—not those who have the most experience or who studied at top schools.

Character traits rarely change significantly. People generally don't respond well to training to become more honest or loyal. In other words, it's essential to understand a job candidate's character traits before the hire.

Because family units tend to have shared values, relatives who work together in a family business usually have similar character traits. It's important for business owners to identify and define these traits and the family business values. They can be translated into job-related behaviors and included in job requirements.

Traditional interviewing

Hiring managers who have not been trained in interviewing skills tend to focus their questions on applicants' résumés and personality characteristics. Most interviewers ask traditional questions that they are comfortable with, such as, "What are your greatest strengths or weaknesses?" or "What did you enjoy most about your last position?" Often, candidates



Ally Deibert is chief executive officer of KIARA, a recruitment, management, executive and personal coaching firm in Glen Ellyn, Ill. (www.kiara.com). KIARA is a sponsor of the University of Illinois at Chicago Family Business Council.

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are asked how they would handle a particular situation, for example, “How would you handle an employee who was not performing well?” or “What would you do if you were instructed to do something unethical?” But there is often very little correlation between knowing the right thing to do and actually doing the right thing when the action is required.

Much like great salesmanship, effective interviewing is a skill. A character-based interviewer must have the ability to “read” people and a passion for interviewing. Months of training and mentoring may be required before proficiency in this skill is achieved.

Character-based interviewing

Character-based interviews center on two core premises: (1) The best predictor of future behavior is previous behavior. (2) Repetitive patterns of behavior become character traits.

Character-based interviewers are trained to look for these repetitive behavior patterns during interviews and to ask questions that relate to real-world experiences—for example, “Tell me about a time you had to perform a task or project under a lot of stress.” By asking for such information, you will find out how the candidate actually handled stress in a real work situation, not what the candidate considers stressful, or what he or she might

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do in a hypothetical situation. In a family company, a character-based interviewer should look for patterns of behavior that match the family business's values and the family employees' traits.

Most communication during interviews is non-verbal—eye contact and body language. Character-based interviewers must learn to interpret non-verbal communication to detect a candidate's deep-seated characteristics, which rarely change and are most predictive of how the person will perform on the job. For example, a candidate who has maintained consistent eye contact with the interviewer may break eye contact or fidget when explaining his reason for seeking new employment. This might indicate a less-than-truthful answer. He may fold his arms across his chest, pause for a long moment or take a drink of water. The character-based interviewer will note these behaviors and track when they occur during the interview.

An effective interviewer will often double back in her questioning of the candidate to determine whether she can elicit similar behavior again. She is detecting a pattern of behavior related to a specific issue such as truthfulness or straightforwardness. A thorough reference check as well as comparisons of information detected by others who have interviewed the same candidate may confirm a pattern of desirable or undesirable behavior.

Shared values and company cultures

Co-workers with shared values and similar character traits establish great working relationships easily. They are eager to cooperate, and they support and encourage each other. In the absence of shared values, there is a greater tendency to let someone else do most of the work, take credit when credit is not due, and undermine or discourage co-workers.

The collective traits that individuals bring to a management team or other business unit become a company's culture. Just as countries have cultures that become apparent to visitors, a company's customers recognize its culture, and ultimately the culture correlates directly to the company's degree of success.

In a negative company culture, people complain about being taken advantage of by their managers or co-workers. The bonds and working relationships among employees in a negative company culture arise because of the mutual belief that they are victims. In a positive company culture, on the other hand, bonds are formed through genuine positive energy; people relate to each other as supportive team members. They assume personal responsibility for their jobs, admit mistakes and take pleasure in their working relationships. Staff in positive company cultures tend to view stressful situations as adventures and hard work as satisfying. They simply know how to enjoy their lives and their work.

A negative company culture

I once encountered a manufacturing company whose senior management team consisted of two sons of one founder and one son of the other founder, plus the non-family president. The company had not been profitable for approximately ten years. Negativity was rampant, and teamwork was almost non-existent.

There were no senior management team meetings. In fact, senior team members were known to pass each other in the hallway without acknowledging each other's presence. The company appeared to be running on autopilot.

Despite the negative culture, the company was “working,” although obviously not well. While it wasn't making any money, it did come close to breaking even. This

was due to the advantage of manufacturing a sophisticated and unusual product that occupied a viable niche in their industry. Also, the company's competitors were weak, so its market share was not being depleted.

One of the company founders became extremely frustrated with the situation. He asked me to help when the company president appeared to be having a nervous breakdown. The president began expressing anger in most of his interactions with staff. He spoke unusually loudly and often shouted about the "others" who were "out to get" him.

When I interviewed the senior management team, each member complained of being taken advantage of by the others. They occasionally would meet in pairs to criticize their peers or whoever was the most popular scapegoat. The rivalries appeared to begin after the death of one of the founders and the retirement of the other. The negative and critical comments were often relayed to the 16 managers who reported to the individuals in the team.

After six months of intensive, value-driven team building at the senior management team level and subsequent rollouts of other character-building management practices, as well as one-on-one coaching sessions, the company culture became more positive. The business became profitable; three years later, the 56-year-old firm had its best year ever. Fortunately, many individuals had the capacity to change. Those who remained negative were laid off.

Jim Collins writes in *Good to Great* that there are two categories of people, "those who do not have the seed of Level 5, and those who do." (Level 5 refers to the ultimate in executive capabilities and worker traits.) He writes, "The first category consists of people who could never in a million years bring themselves to subjugate their egoistic needs to the greater ambition of building something larger and more lasting than themselves. For these people, work will always be first and foremost about what they get—fame, adulation, power, whatever—not what they build, create, and contribute." The second category of people, according to Collins, consists of people who have the potential to evolve to Level 5. "The capability resides within them, perhaps buried or ignored, but there nonetheless," he writes. "And under the right circumstances—self-reflection, conscious personal development, a mentor, a great teacher, a significant life experience, or any number of other factors—they begin to develop."

Doing it right the first time

Chicago Research and Trading Group (CRT), a small, family-owned firm, was doing fairly well in the com-

modities trading industry. Options trading began, and CRT engaged me to help it grow. The senior management team told me that in hiring family and non-family employees, they assessed candidates' core values and approach to life (character traits). They believed trust was a major factor in the company's success. "Others hire people with the best heads or minds," the company

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chairman said. "We hire people with the best hearts." The press characterized the company as an egoless team culture built on personal character.

CRT's management style was positive and unstructured. In addition to reduced staff conflicts, other benefits of the company's positive and productive culture included decreased employee turnover, low absenteeism, and fewer mental health problems, leading to lower expenses for management, insurance, recruitment and training. Often, fewer employees were required to get the job done. Within 15 years, the company had become the world's largest trading company of its kind and the major player in most important futures and options trading pits. Eventually, it was sold to a large international bank. The family had no regrets; everyone thoroughly enjoyed the experience and profited from the sale.

Character and enjoyment

An applicant whose value system and character traits match your company's values and culture is much more likely to fit in and do very well at your family business. The person won't feel like an outsider or a misfit, even if he or she is not a family member.

Our business and our jobs are a sizable aspect of our lives, especially in family-owned companies. We spend most of our time thinking about work and doing our work. Character-based hiring practices, whether for family members or non-family members, allow us to surround ourselves with people we really enjoy being with—those who will not disappoint us. We will almost certainly have a great company and a great life if we interview, hire and work with people who have great character. We can enjoy what we do mainly because we enjoy the people we do it with.

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No surprise interviews and interview training

Because great companies are made of people with great character, we identify desirable and undesirable traits to predict how your job candidates will perform *before* you hire.

Keep-it-simple, company-wide self-management

Build the desirable character traits of your staff by using a one-of-a-kind performance review customized just for you. Next, make your company values come alive through our unique goal-setting process.

One-on-one executive/company staff coaching

Our character-based coaching creates high-performance corporate cultures where executives gain skills for greater success and troubled staff find solutions for their problems.

People services with results that increase profits

We have 22 years of experience executing the principles that make companies great. Call on us to strengthen your existing human resources efforts on a regular or as-needed basis.

**Build a great company through
people with shared values.**

Contact Mary Deibert, President
630.858.3800 or marydeibert@kiara.com

