

Currents

Book Review—To Ensure Successful Recruiting, Understand Your Organization's Culture

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Francis P. Cholle, *The Intuitive Compass: Why the Best Decisions Balance Reason and Instinct*; Jossey-Bass, 2012; ISBN: 978-1-11807754-2; 254 pages, \$27.95

Cary L. Cooper and Ronald J. Burke (Eds.), *Human Resource Management in Small Business: Achieving Peak Performance*; Edward Elgar, 2011; ISBN: 978-1-84980-121-8; 368 pages, \$185

Mark Murphy, *Hiring for Attitude: A Revolutionary Approach to Recruiting Star Performers With Both Tremendous Skills and Superb Attitude*; McGraw-Hill, 2012; ISBN: 978-0-07-175616-7; 240 pages; \$28

“What do you do when you get lost? Stand still. The trees and bushes beside you are not lost.”

In *The Intuitive Compass*, Francis P. Cholle relates this Native American proverb to emphasize that wherever you are now might just be the optimal place from which to get to where you want to go. The proverb implies that it's best to contemplate your ability to alter your perception of reality to bring forth something new and unexpected. If you pay attention to details—a word, a color, or a song that comes to mind for no apparent reason—they might have the capacity to reveal the whole and let you discover with a fresh eye the environment you're in or the problem you'd like to solve.

In *Hiring for Attitude*, Mark Murphy advocates a perspective that, like Cholle's, necessitates a thorough examination of the present. Murphy highlights managerial decisions about recruiting and proposes an inquiry process that reveals the underlying facets of a company's culture. Having a succinct depiction of the culture, managers can hire the most compatible candidates and enhance the company's human resource advantage.

The recommendations put forth by Murphy and Cholle are suitable for organizations of all sizes, as demonstrated by their illustrations and case studies. In *Human Resource Management in Small Business*, Cary L. Cooper and Ronald J. Burke focus exclusively on small and medium-sized enterprises (SMEs) with essays on such topics as recruiting, learning, legal issues, family businesses, and stress, based on research in American, British, Canadian, and Irish settings. Arguing that SMEs deserve far more attention in the managerial literature than they currently receive, they note that in the United States, SMEs account for more than 95 percent of all businesses, create 66 percent of new jobs, and produce 39 percent of the gross national product. More unemployed executives, especially those over 55, they add, are starting their own businesses rather than looking to fill a job opening.

Research reveals that SMEs using formal HRM policies and practices tend to perform at a higher level and grow faster than those that do so informally.

Entrepreneurs, however, frequently fail to see the significance of sound HRM practices or lack the time and skills to implement them. In an increasingly service- and knowledge-based economy, however, employees and organizational culture have the potential to give a firm a competitive advantage. Successful organizations develop and maintain strong emotional connections with employees as well as customers.

A 2011 Harris Interactive poll of 2,662 nongovernmental hiring managers in the United States, conducted on behalf of the online recruiter CareerBuilder, found that employers are increasingly examining job candidates' intangible qualities, such as whether someone is a skilled communicator or a perceptive team player. For every worker, technical competency and intelligence are important assets but are not the only requirements to do a job well. The survey found that employers want to hire people who can deliver outstanding results by effectively making decisions in stressful situations and by empathizing with the needs of colleagues and clients.

According to Ronald Burke's essay, it's not hard for an SME to be exceptional; all it takes is people who can provide outstanding company service. In his case study on the Canadian firm WestJet Airlines Ltd. in *Human Resource Management in Small Business*, contributing author George Siejts details how that firm's organizational culture drives down costs and delivers a great customer experience. Employee satisfaction manifests itself in high individual performance, excellent communication, low turnover, low absenteeism, and valuable organizational citizenship behaviors. Every "WestJetter" is expected to help out and contribute to success. Pilots often help to clean the cabin and load bags on the aircraft. Even the CEO helps out when he's on board. These behaviors contrast sharply with the standard union arrangement, whereby jobs are clearly defined and employees are forbidden to cross functions.

The reason an organization performs below its potential is often because people within the organization are not succeeding. Why do people fail? Mark Murphy's research shows that lack of skills or technical competence accounts for only 11 percent of new-hire failures. The top reasons for failure are related to coachability (ability to accept feedback), emotional intelligence (ability to manage one's own emotions and accurately assess others' emotions), motivation, and temperament. Pilots need relatively little skill to help clean a cabin compared to flying a jet, but they do need the appropriate attitude—the attitude that fits the organization.

Murphy finds the name for his recommended recruiting approach in a Southwest Airlines recruiting anecdote. He calls the process of learning about an organization's "attitude" or culture and then using that knowledge to hire people with attitudes that are compatible to it "discovering your Brown Shorts." A group of potential pilots seeking jobs at Southwest was typical: male, ex-military pilots, over 40, dressed in dark suits and ties with shiny shoes. In the group interview room, the Southwest interviewer cheerfully asked if anyone wanted to change into a pair of brown shorts. Some candidates were taken aback; others willingly donned the brown shorts—these were the ones who were more likely to fit Southwest's corporate culture.

Finding an organization's "Brown Shorts," or cultural characteristics, is equivalent to seeking out the critical predictors of employee success or failure. This is a realistic, not an idealistic, exercise, stresses Murphy. He recommends naming three to seven positive "Brown Shorts" and three to seven negative "Brown Shorts." Managers can discover these by interviewing current employees, two-thirds of whom should be at a senior level. Written hiring profiles should use words to specifically describe the best kind of employee and the worst kind of employee behaviors. Though often found in these profiles, such "fuzzy language" as "maintains

the highest standards of professionalism,” “demonstrates positive attitudes and behavior,” “challenges the company’s thinking,” and “treats customers as a priority” should be avoided, says Murphy, for these phrases are open to interpretation.

Therefore, when interviewing current employees to learn about the organization’s cultural characteristics, Murphy recommends asking three questions to ensure behavioral specificity:

1. Is the person you’re interviewing telling you about specific behaviors?
2. Could two strangers have observed those behaviors?
3. Could two strangers have graded those behaviors?

Contemplating the possible reaction of a stranger to a current employee’s description of a cultural characteristic helps to avoid making assumptions about what that employee means. If someone mentions “reacting poorly to customers” is an undesired characteristic in the company culture, it’s necessary to probe further to obtain behavioral specificity: “Please describe a recent mistake that you’ve seen other employees make in their dealings with customers.”

Murphy relates how Microchip Technology, a leading provider of microcontroller, analog, and Flash-IP solutions, defined its desired cultural characteristic of customer empathy. A poor fit in the Microchip culture would deal with frustrated customers by placating (“Here, have some free software and stop complaining.”) or ignoring (“That customer has a crazy request every time he’s anxious, but ignore it for a day and he’ll settle down and forget about it.”). These behaviors represent negative Brown Shorts. Potential high-performing employees would avoid such behaviors and exhibit such traits as persistence (“I ended up staying on the phone with her until almost midnight, but we finally got things figured out and working right.”) or sincerity

(“I suggested the wrong product to a customer, so he abruptly stopped doing business with us. I called a meeting with their management and apologized with no excuses. They’re now back with us.”). Such characteristics are positive Brown Shorts.

Many interview questions are useless, for they elicit rehearsed replies, observes Murphy. Leading questions, such as “Tell me about a conflict you’ve had with coworkers and how you resolved it,” assume that the candidate was able to resolve it. Such questions can be improved by removing the leading part. For example, the statement “Tell me about the time you lacked the skills or knowledge to complete an assignment” omits the leading words “and tell me what you did.” Among the honest answers that Murphy obtained to this particular question were “I just ignored their request” and “I wasn’t afraid to admit that I lacked the skills I needed and was easily able to find a colleague who caught me up to speed.” The first response is from someone who clearly would bring problems to an organization. The second response is from a problem solver—a much more desirable recruit.

In *Hiring for Attitude*, Murphy details a procedure for asking job candidates questions that are not leading and are based on an organization’s Brown Shorts. He explains how to give candidates the illusion of control so they will answer honestly rather than give scripted answers. In addition, he shows how recruiters can develop an “answer key” to the questions, based on the organization’s desired and undesired characteristics so that candidates can be evaluated more easily.

In the essay he contributes to *Human Resource Management*, Siejts suggests another way that current employees can contribute to the evaluation of job candidates. At WestJet, an interview session of 15 to 20 people involves small group presentations based on such assignments as writing and singing a song, building an airplane from materials provided, or finding a solution to a challenging workplace

problem. The assignments are designed to determine whether the candidates fit into WestJet's culture. Several WestJetters serve as observers and give recruiters their opinions on whether a candidate is someone with whom they could work. Observers make notes as to their perceptions: Are the applicants bored? Do they smile? Do they demonstrate cooperative behaviors? The session ends with behavioral interviews, also observed by the WestJetters, using the types of nonleading questions that Murphy advocates. Following the interviews, the recruiters and observers compare notes and impressions. The hiring decisions tend to be unanimous, reports Siejts.

To ensure that the right candidates apply for a job—which is considerably more efficient than having many unsuitable people apply—Murphy illustrates how to write a job advertisement or craft an approach to be used at job fairs and in social media. Once again, Murphy's technique is grounded in the organization's unique characteristics, its Brown Shorts. Behavioral specificity is a vital characteristic of these communications, as is authenticity. Suspensions arise when language used in recruiting is not specific enough. If you try to be something you're not in your recruiting efforts, you'll fail to attract the high performers who would fit your culture.

Analogous to Murphy's Brown Shorts, Cholle's Intuitive Compass can be used to describe an organization or an individual. The Compass has four quadrants based on a north-south axis of reason in opposition to instincts and an east-west axis of results versus play.

Cholle defines play as dynamic, free-flowing engagement with anything or anyone. Such immersion in an activity of pleasure with no other stated goal should be an essential part of work. In this way, an organization can leverage all that people have to offer. *Human Resource Management* contributors Magnus George and Eleanor Hamilton provide

considerable evidence to support the proposition that play and leisure activities (not merely leisure attitudes) have protective features that reduce burnout and work stress. Cholle writes about Google, Pixar, Shell, Dupont, IBM, 3M, and Kohler as examples of organizations that have realized and leveraged the power of play with formalized initiatives.

The northeast quadrant of Cholle's Intuitive Compass is a combination of reason and results. It represents linear efficiency and is the zone of administering things to optimize predictable results within defined constraints. The southeast quadrant also focuses on results, but here people are more likely to achieve results through instinct rather than reason. People with a southeast disposition include high-performing salespeople and athletes. Instinct unbounded by the reason and rules of the northeast quadrant or the play characteristic of the southwest quadrant can have destructive outcomes, however. Cholle notes the excesses of unchecked instinct in the financial world that have caused far-reaching problems in recent years.

The northwest quadrant represents reason and analysis applied to the creative process of play—creativity plus logic—the domain of strategic planners, marketers, graphic designers, and architects. The southwest quadrant reflects instinct applied to the creative play process, the typical area of great artists and scientists. Although it's an area of considerable uncertainty, it is vital to propelling organizations forward.

Mark Hurd, CEO of Hewlett-Packard from 2005 to 2010, focused on rationalizing operations and cutting costs to improve profitability (Cholle's northeast quadrant) to the detriment of research and development (an area that resides in the southwest quadrant). In Cholle's view, the problem was not that Hurd necessarily followed a bad strategy; rather, he emphasized one goal to the exclusion of all others. Cholle argues that HP needs to respect and cater to the requirements in the southwest quadrant

of its management culture. “You cannot mandate innovation,” he writes. “People need empowerment to go the extra mile innovation requires.”

Empowerment occurs through play, when we disengage from what we know and understand concepts logically. Play allows us to exist in our child-like, wildly creative nature and offers an arena in which we become more flexible and accepting of the new and different. Google has exceptionally playful headquarters in Zurich. Employees can ride a slide into the company’s gourmet restaurant and hold meetings in rooms shaped like igloos. Contrary to our culture’s belief that learning and play are usually unrelated (most schools separate learning time from play time), research results show that surgeons who play video games make one-third fewer errors in the operating room than surgeons who don’t. Video games can improve mental dexterity, hand-eye coordination, depth perception, and pattern recognition. People who play video games for a few hours a week have better attention spans and information-processing skills. Furthermore, white-collar professionals who play video games are more confident and social.

Cholle stresses that although we like to think of life as linear and logical, it isn’t. Success depends on making the leap from seeing the world in terms of how we think it operates to seeing it as it really is. In reality, both life and the way the human mind operates are much closer to chaos than to logic. Cholle presents an approach to decision making and problem solving that takes advantage of intuitive intelligence, which he defines as a set of skills that uses intuition to get to the instinctual and nonconscious parts of our mind.

Recent neuroscience research shows that instinct plays a key role in decision making because 80 percent of the brain’s gray matter is dedicated to non-conscious thoughts—that is, those that govern the physiological actions of our organs, as well as the

unconscious mind, which could represent an unknown motivation behind an action.

Cholle presents four tenets of intuitive intelligence: thinking holistically, thinking paradoxically, noticing the unusual, and leading by influence. Each tenet assists us in complementing the limited nature of the logical mind with the other part of our mind. Holistic refers to the totality of a system, which is often more important than the sum of its parts. It might be easier to contemplate the whole when we view work as a journey of self-discovery and adventure rather than merely as something through which we achieve a number of goals.

Furthermore, we tend to interpret systems and environments based on our experience, belief system, and knowledge. If we interpret everything through a lens of what we already know and believe, it’s challenging to enter uncharted territory and conceptualize new ideas. By thinking paradoxically, Cholle means we should give up our need for immediate logical understanding of a situation. Instead, we should trust our other unconscious form of intelligence. An example is when we get insight from a dream during a period when we are trying to solve a problem at work.

In the same vein, Cholle urges us to pay attention to the unusual and mysterious aspects of life. This necessitates opening up to our feelings, emotions, sensations, and intuition, which helps us connect with our unconscious and access and nourish our imagination and creativity.

The less we try to control a system, the more we can creatively engage with it. Although the creative process is experimental and chaotic, physics and evolutionary biology reveal a self-organizing principle that ensures order will arise from chaos. Cholle contends that we should embrace rather than resist the self-organizing principle inherent in business and everyday life. Thus, if we lead by influence instead

of by control, we can successfully lead disruptive innovation.

Murphy emphasizes recruiting candidates who best match an organization's culture. Cholle endorses this view and also ponders how an organization might improve its innovative abilities by a gradual adaptation of its culture. In *Human Resource Management*, essayists Timothy Pett and James Wolff note that successful adaptation implies that effective organizational learning has occurred. Echoing Cholle's and Murphy's philosophies about employee-organization cultural compatibility, Pett and Wolff suggest that relational employment contracts are preferable to transactional employment psychological contracts. In contrast to the latter, the former are characterized by a strong sense of mutual reciprocity, loyalty, and trust. The psychological contract between the firm and the employee emulates the internal environment of a benevolent and supportive family. Organizational members voluntarily go beyond the employer's expectations, and employers reciprocate. Pett and Wolff note that such an environment might be a required condition for learning, adaptation, and excellent performance.

The works by Cholle, Murphy, and Cooper and Burke all rely on the resource-based view of the firm. This assumes that organizations achieve competitive advantage because of resources that are rare, valuable, inimitable, and non-substitutable. Financial capital and access to technology are much

less important in this context than human resources. Additionally, human resources should be balanced in terms of Cholle's compass directions: play versus results, and reason versus instincts.

Additional Resources

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