

Top Ten Tips for Hiring a Senior Executive

By Bob Norton



Helping You Break Through Barriers You Can't See

This is a Sample Chapter From a Book In the Secrets of a Serial Entrepreneur™ Series

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Top Ten Tips For Hiring a Senior Executive

There is no more important decision, than choosing the people at the top in your organization. After all, they will hire or approve everyone else in the company, set the tone for values and make virtually all key decisions that will result in success or failure, every business day. A structured approach to hiring that includes all of the following items must ALWAYS be followed for any senior-level hire (VP and above), where the cost of mistake can often be a six-figure sum.



1. Understand the direction in which you or the Board of Directors wants to take the company over the next few years and how the requisite skills are represented or missing in the current management team. Understand and be prepared to provide the necessary resources for growth. These are not difficult to define at the macro level and the new executive will certainly fill in the details later. Consider the possibility of hiring a consultant to do a "quick and dirty" job on this to get it in the right ballpark. This will be money well spent as it will define who you will want to recruit, without which you are basically shooting in the dark
2. Develop a detailed job description, with specific attributes and personality traits, which will help the company to accomplish its goals over the next few years. If you do not have a complete vision/plan, then you need to seriously consider hiring an interim executive to develop one, taking into consideration the current management-team's depth and skills. Specific personality traits and success at specific functions are the most important criteria; not education, name, brand, company experience, or

popularity. Staying on track with these priorities is difficult and must be managed by the most senior person available.

3. Circulate this job-description to obtain input and comments from your Board and those senior executives who will have to work, for or closely with, this executive.
4. Decide on the interview process and the sequence.. Who will interview the candidate? Who will have final veto power or ultimate hiring authority? Who will interview as a courtesy, but not be a large factor in the hiring decision, because they do not have the necessary expertise to provide valuable inputs? Many companies fail here because they use people to screen who have no experience in the skill-set they are looking for. You should be leveraging your Board and network for people with the exact experience you are hiring during a FIRST interview. Recruiters generally only compare criteria on paper, they have rarely done that job before and therefore, typically cannot give a very credible opinion on the candidate's ability to perform. Senior executive should never be interviewed in-depth by an HR or

**Putting a Hammer In Your Hand
Does Not Make You a Fine
Carpenter. So Use This Tool and
Others With The Right
Knowledge and Experience
Involved In The Process!**

personnel person. This can discourage the best candidates who should not be made to think the organization is so political that they would be beholden to the staff-person in-charge of coordinating candidates. This person should only coordinate interviews; they do not have the skill-sets to screen high-level candidates.

5. Have the team meet **immediately** after each interview, by phone if necessary, to review their feelings about the candidate. Have the senior executive in-charge of the final hiring decision, structure the meeting and review processes to focus on the key elements needed to make the executive successful in that position. The focus should not be on personality or other softer attributes that tend to dominate group

discussions and opinions sometimes. While the chemistry must work, and there is a threshold here, the skill-set and personality-**type** being appropriate to the specific position will be a larger success factor. For example, an accounting position usually requires a personality-type with attention to detail and a conservative approach, while a sales position requires strong people-skills, a personality that is not deterred by constant rejection and an ability to manage his/her time and activity well to drive results.

6. Network first, and then consider an advertisement as a second resource. Make use of an executive recruiter as a last resort, only after a first look at available candidates, and if you have not found several good choices. I have been recruited for a huge fee after that same company got my resume and a direct phone call first. That was a wasted \$50,000 fee by the company! Remember, less than 15% of positions are filled by executive recruiters. You can easily conduct a confidential search on your

Compromising the quality of a person needed just to fill the spot more quickly will have a huge penalty later that is far in excess of waiting longer and using an interim person.

own, using a PO box for the resumes and directors' homes for interviews, non-disclosure agreements as well as other easy and convenient techniques.

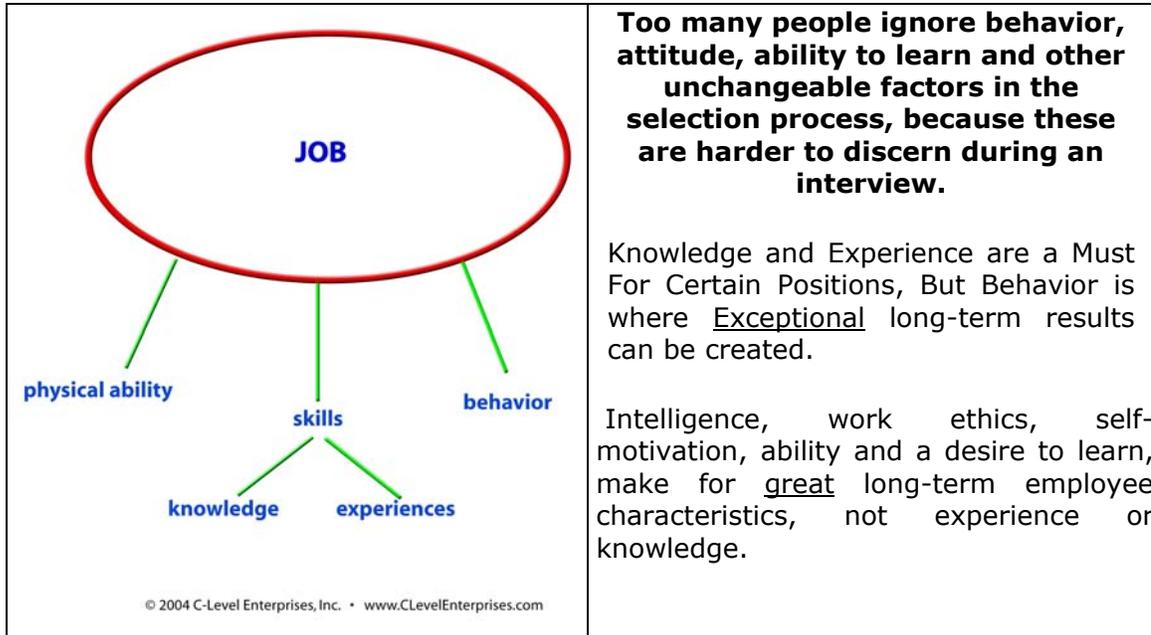
7. Interview until you have at least 3 strong candidates, but compress them into as short a time span as possible because the best candidates will become unavailable the

quickest. Using an interim executive can allow you to say "We do not have a GREAT candidate yet" and will allow you to wait for a better set. Repeat this process as long as necessary until the right candidate is found. Compromises here are very costly, so you do not want to be under the gun.

8. Check references, less for the reference itself and more for a hint on the candidate's strength and weaknesses and an understanding of how to work with and/or manage them later. Also get referrals to references the candidate did not give you, through your own rolodex or from the references they did give. These are MUCH better reference checks as they are not friends, prepped or hand selected for the best or ideal work experience and perception. We all have weaknesses, if the reference is not providing you with any, they are not a good reference.

Would you really want to hire someone who does not know their own market value for a position where they might negotiate for your company? Don't be penny wise and pound-foolish. Any good senior executive should know what they are worth.

9. Take your time to negotiate a package. The best candidates are going to want the best packages, as they know what they are worth in the marketplace, no matter what the current conditions may be. You surely do not want someone working for your company as an executive, if they do not understand their worth in the marketplace. If they don't negotiate the best deal for themselves, how are they going to do it for your company? The tables will turn the minute they join the company, and you will get back 10-fold on those negotiations and market knowledge skills, so be patient and be prepared to pay a fair market value, at the minimum, to acquire the best- quality candidates.
10. Don't be rushed by day-to-day problems and compromise. If you get this right, everything else will begin to fall into place. However, if you get it wrong, there is NO WAY you can be successful. Use a temporary solution to fill the vacuum with a plan to allow 3 to 6 months for the person to start.



The average cost of a bad hire, according to the U.S. Department of Labor is 30% of the first year earnings. However, this is greatly diluted by minimum wage, low training requirement positions that make up the bulk of the workforce. This cost has been estimated as large as six figures for executive positions. I would recommend thinking of the fully-loaded cost of a bad executive hire as two times salary when mistakes, training recruiting and good will costs of customers are taken into account. For a President, CEO or senior executive of a larger corporation this could even easily be several times that amount when you consider the leverage in bad and good decisions.

Corporate Training Services, a division of the American Management Association studied this issue. They considered lost productivity and company credibility, poor morale among existing employees and oppressively high costs of unemployment

insurance. They concluded, "Total those and other factors up and the average cost of a bad hire is \$210,000".

This is no decision to take lightly, or without solid thinking and process driving the decision. So take that extra time to meet, discuss and think. [C-Level Enterprises, Inc.](#) offers a flat rate interview service and a proprietary "Skills Set Matrix" to help avoid these very costly errors.

Good luck with your executive hiring!

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.

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

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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.



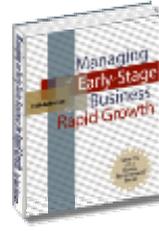
DESIGNING



LAUNCHING



HIRING



MANAGING



**ALL FOURS
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 stage company from original idea to first outside financing. It should save or	\$189	\$11.95		

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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		
10. Hiring Sales Winners	\$89.95	\$5.95		

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Other Available Products to Help Your Business Grow More Rapidly

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

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

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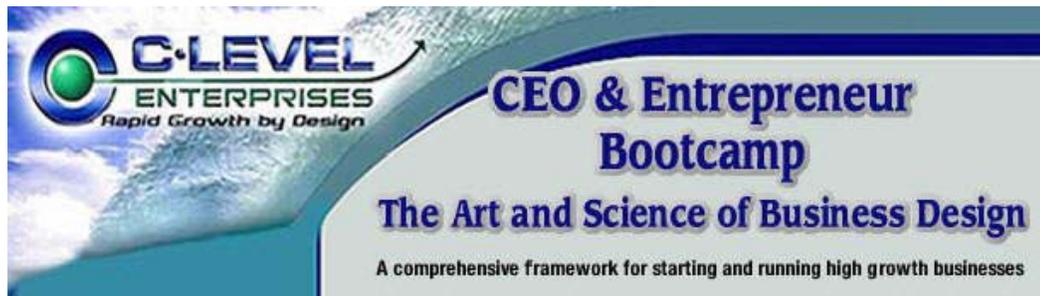
This complete collection of four eBooks is also available as a package at 30% off, with over 300 secrets of a serial entrepreneur and hundreds of pages of valuable "How To" content from someone who has done it before.

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 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

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Other Available Products to Help Your Business Grow More Rapidly

***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.

**[Click Here For More Information If You are Online, or read more](#)
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.

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:

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Other Available Products to Help Your Business Grow More Rapidly

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.
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

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- 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.