

Better Experiences by Design Season 2, Episode 7: Smarter Hiring Strategies for Stronger Teams with Sue MacArthur

Susan Quinn: Sue, welcome to Better Experiences by Design. I am delighted to have you as our guest today.

Sue McArthur: I'm very happy to be here.

Susan Quinn: Well, we have a lot to talk about when it comes to talent in general but tell us a little bit about your company. And I love the name of it, Strategic Talent Management. It kind of says it all in terms of what you do but let me turn it over to you to give a little more context to that.

Sue McArthur: Right. What we do at s STM is we solve people challenges for small to mid-sized businesses. And we do that in a variety of ways. We help refine their hiring or even help with actual recruiting for them. We provide leadership development and training. And people are unpredictable. So that makes for very interesting work. We just never know what's next. It doesn't get boring.

Susan Quinn: You solve people challenges, or some of the people issues. What are the issues that tend to bubble up for companies regardless of their size?

Sue McArthur: Mm-hmm. Finding and selecting the right people is a perennial issue, particularly in the last few years when the talent pool has been pretty tight. It was kind of like the real estate market for a while that there were multiple offers and people were going for over asking price and it was the wild west. It's calmed down a bit, but even in these times when talent is a little bit easier to find, a little more straightforward, there are always challenges in determining who's a right fit for the role and who's a right fit for your organization. Every company is different. Every culture is different. So, understanding those nuances and helping our clients understand who they are, what they really need, and how to find it, and once they find it, how to manage and retain it, that's a challenge and a lot of fun for us, but not always a lot of fun for our clients who are just trying to do the work that they love to do, and are trying to navigate the minefield of working with the people.

Susan Quinn: Well, you mentioned a little bit of the wild, wild west, and there's a shortage of people that you want to hire. And so, this whole talent acquisition has become a big deal for a lot of clients, a lot of companies, for sure.

Let's go back five years ago. COVID-19, to me, accelerated the people issue that there just didn't seem to be enough houses on the market to fill the needs of companies. But I look at continually what are the top challenges that companies face, and my recent query on that, number one, talent acquisition and just finding talent in general. Still number one concern for companies, even though maybe it's not quite as bad as it was a few years ago. And then of the top three, the second one's all about operational efficiency and trying to grow your company. Yes, you need that, but actually, managing the workplace culture and the whole employee expectations.

So, when you think about talent being two-thirds of the concerns or what needs to get right in order to grow a company, how do you help companies like go in and fill those roles so that you're

actually building high performing teams. You mentioned culture and understanding that. So just, let's set the stage from your perspective. What are you all looking for and how do you help guide companies with that?

Sue McArthur: What we're looking for and advise our clients on is once you've identified your culture—and there's some ways we can help folks do that, but—really take a look at the reality of your business and not your perception or your wish. What is your culture actually like? Is it what you want it to be? For example, we once worked with a client who was winning awards every year as one of the best places to work in their market, but then we placed a couple of people there and we were getting some different feedback. And what had happened is that business owner was out of touch with the reality of the culture that existed, and the perception and reality were not the same. So being really... clear and thoughtful about what you're really offering. And is this a very strait-laced business-oriented culture that's driven by rules and numbers, or is this more of a, we're a family and we're collaborators and we work together in a more casual environment? And looking at kind of the process of how you bring people into your organization through those lenses. Is your employment application consistent with that culture?

For example, we were working with a client who was very much relaxed family environment, but we looked at their employment application and it looked like the lawyers had spent a lot of time with it. There were three pages of disclaimers before people ever got to the application, so what they were projecting as the experience that these potential employees were going to have was that there would be somebody with their thumb on them all the time. And that was not the reality.

Susan Quinn: Yeah, there's an incongruity there.

Sue McArthur: Mm-hmm.

Susan Quinn: You know, we use this word sometimes that there are a lot of bankrupt words out there. A company, they want integrity, and they want to make sure they're, you know, fill in the blank on the guiding principles that exist. But culture is another word that, I mean, it can mean a lot of different things. What does a good culture look like or how can you see when they are consistent or there may be some warning signs that culturally it could be tough to match people?

Sue McArthur: Right. Well, I think that's different for every organization, and certainly the owner and the key leaders in the organization set the tone, but every person that you bring into your company influences your company in some way. And the question is, as you bring people in, are you bringing in people who are going to impact your culture in a positive way and take you where you want to go, or are they going to detract from that in some way? And some cultures are very quota driven and numbers driven, and there's nothing wrong with that as long as everybody's on board and fits in that kind of mold.

Susan Quinn: Yeah. So, before you start the hiring process, there needs to be a clear understanding of your culture or how you would define that culture, and does it actually exist in a consistent way when you experience your company? What do you see as some of the biggest mistakes that companies make when it comes to the hiring process?

Sue McArthur: There are a couple of that we see consistently, and one is not really knowing what you're looking for. You know, having kind of an ethereal idea of maybe we need somebody to do this, and it would be great if they could do that, but the most successful searches for talent come

from a really solid base. Too often are I see people who will dust off an old job description without ever stopping to think, how did this position change? Are there some adjustments we could make to make this have more impact on our organization and be a more fulfilling experience for the person that we hire? Not stopping to think about what do we really need and why do we need it is a mistake that I see quite often.

And then farther along in the selection process is, not having a clear and consistent selection process and clear and consistent interview questions. Every single question you ask should serve a purpose, should lead you to gaining some bit of information that you need to know if this is a good choice or not. And you should be very clear on what a good answer sounds like and what a bad answer sounds like. If you can do that, that can significantly increase your hiring success.

Susan Quinn: So, you had three really good points there. I'm going to dissect each one. So, let's go back to in the first one, you have to really know what you're looking for. But I have, on many occasions, looked at the job description for someone who wants to bring in someone from a marketing standpoint, and when I read it, I say back to them, you're looking for a unicorn [laughs]. They're looking for someone who's got a strategic mindset, someone who understands certainly how to do the strategic plan, how to tactically implement that. So, is that what you're meaning that knowing what you're looking for, that you just don't go too broad, and that that job description needs to be accurate and relevant to what the actual job would be.

Sue McArthur: That is absolutely part of it. When we are looking at taking on a recruiting assignment for one of our clients, we have what we call our go, no-go process. We're ready to jump in and help them hire, or the no-go is either we shouldn't get involved or we need to work with this client to refine this search. And the way we put it on that analysis is, is this a unicorn or a Central Park pigeon?

Susan Quinn: Mm.

Sue McArthur: Or somewhere in between? Central Park pigeon, we can help you all day long. But you probably don't need us if that's what you're looking for. But also, we cannot help you if it's a unicorn. If it is something that does not exist in one human being, then you will you are setting yourself up for difficult hiring process and a difficult relationship because you're going to be disappointed in one way or another.

Susan Quinn: The second thing you talked about was the selection process and have clear interview questions. Give me an example of a great selection process.

Sue McArthur: Well, it is clear and concise. Gone are the days when we could take a month or two to do half a dozen interviews and ponder our decision. Good people are usually gone within about three weeks.

Susan Quinn: Hmm.

Sue McArthur: If they're not, you got to wonder why they're still on the shelf.

Susan Quinn: Interesting.

Sue McArthur: So that is something that's really important in a good process. I always encourage multiple people to be part of the process, but someone needs to be the ultimate decision maker. The other participants are there to give feedback, to give their point of view, but hiring in a scenario where it has to be everyone is on board, everyone is 100% sold, this is a group decision, and if not everybody gives a thumbs up, then it's a no-go, that will paralyze your selection process. There needs to be an ultimate decision maker.

Susan Quinn: Okay, so let's say someone one is the ultimate decision maker. How many different categories should there be for clearly defined interview questions? I'm assuming skill is one, culture fit is another. What are the other categories, if you will?

Sue McArthur: Well, I encourage people to ask questions about what the candidate is really looking for, what they want to avoid, and where they hope to go. I can't tell you the number of times I've asked the question, what are some things you'd like to avoid? And the candidate starts describing the job to which they've applied.

Susan Quinn: [Laughs] Oops.

Sue McArthur: [Laughs] And it's a helpful question to ask, but also to know what their expectations are of this opportunity, of this role, of the company, really understand what they want. You as an organization cannot retain good talent if you're not giving them what they need, so knowing that up front is really important. And making sure that your candidates have very clear expectations laid out for them. This is what you can expect in this role. This is what we are expecting of you.

We often say that job expectations are more important than job descriptions. And you might say, what's the difference? The expectations is, this is what we really need you to do. This is how we need you to perform. These are the goals that we are expecting you to hit and here's why. People cannot meet or exceed your expectations if they don't know what they are.

Susan Quinn: Hmm. That's an interesting. So, let's just kind of role play on that because the third thing you talked about, once you understand that you have clear interview questions, is really understanding what a good and bad answer might be. So, walk me through some examples of, let's say I'm interviewing you and I talk about job expectations that our core values are really important, respect, collaboration, and drive. And I give a sense of that and very specific of the expectation that we all live that. Take that and expand on it. How do I make that a better question? And how do I know if it's a good or bad answer [laughs]?

Sue McArthur: Well, and in terms of collaboration, for example, you're wanting to hear a lot of language about 'we'. When you ask about perhaps their most significant accomplishment in their career, if their answer is all about 'I, I, I', there's your clue that collaboration is not where it's at for them.

Susan Quinn: Mm-hmm.

Sue McArthur: There's a lot of subtleties in it. But, you know, what I encourage people to do is when you're creating your interview questions, to create them, to run them by different people in the organization for feedback, to specifically document, why am I asking this question? What am I hoping to learn? And then also take the next step. Here are the words and phrases that I want to

hear. Here's an attitude that I want. Here would be some ways of answering that question that might raise a yellow flag.

Susan Quinn: So, you all do a lot when it comes to finding developing talent. When we have worked together, there has been a pretty robust I guess, personality skills, motivation tests. How do you, how do you get beyond that to see really deeply who's going to show up day to day?

Sue McArthur: So yes, we use assessment tools. We did not create them, but we have a strategic partner that created them and updates and vets them so that they're assured to be non-biased, and things like that. So, we use that outside provider, but really what we're measuring is behavior. Most assessments on the market are behavioral assessments. And that's all they are, and behavior is very useful to understand in how someone may communicate, how they may interact with other people on the team, but it doesn't tell us anything about their fit to role or to a particular culture.

For that, we turn to the motivators, which is you might think of them as core values. And it's things like return on investment, helping others, guiding principles, leadership. And that really starts to give us the hints of how can this person fit? There are a lot of ways in which we can look at the combination of those core values and look at the organization and the role and make some connections there of whether it's a good fit.

And then the third piece is the competencies, which is really either your leadership style or your work style. Are you more focused on people and relationships? Are you more focused on the tasks and the details? Or are you more of a structure and planning and big picture thinker? Or some combination thereof? And we also look at energy and drive. How do you feel about yourself and your capabilities? There's a lot of indicators there about energy and drive. Is this person going to hit the ground running? Are they going to be really committed? Or are they so unfocused on their future that you know it could be shiny object syndrome, and, you know, they'll be with you for a year or two and then the grass looks greener somewhere else and off they go?

So, there's a lot that goes into them, but those assessments tell us a lot about the people that we're looking at and aren't necessarily a make it or break it, but what they do is turn over the rocks, as we say, of here are the potential pitfalls in this relationship, if there are if we see any. So, it's a very helpful tool.

Susan Quinn: So, what are some of the powerful interview questions to ask to make sure that you are getting a great fit?

Sue McArthur: I have a list of initial vetting questions that I suggest all of my clients do just a 30-minute review quick interview before they invest any time and energy with the rest of the team or bringing someone in. It's just 30 minutes of, walk me through your background. Why are you interested in this role? That is a question that I get some really interesting answers to. What are you really looking for in your next position? You want them to paint a picture that they really know what they're looking for and that it aligns with what they're going to experience should you hire them. The worst thing that can happen is you get three interviews deep, and you're making an offer, and you find out that you are just so far apart that it's never going to work.

One of the questions that is, I think, our superpower in that vetting interview is, what do you like to do with your free time? The reason I ask that though is it tells us a lot about what their core values

are, what their motivators are. How do they spend their free time? If it's in, if they're an artist or a musician, that tells us there's we're probably going to see some aesthetic in the mix. If they are volunteering as a mentor for high school students, we're probably going to see some helping others and maybe some knowledge and discovery in there, that curiosity, that willingness to pass on their knowledge. So, it helps us get to some of that without ever running the assessment.

Susan Quinn: Let's say that we don't do the assessment, but someone we think is a star in certainly the category of skill. They've got a really beautiful resume, and you know let's say a few things check out, but... deep down you sense that the culture alignment may be off. Does that normally work going forward in your experience?

Sue McArthur: If someone is not a cultural fit, then it's an uphill battle to make it work. They may have all the skill in the world, but what we're looking for is to put people in an environment in which they can thrive and be comfortable and do their best work. And when there's stress and misalignment of those core values, it's just an uphill battle.

Now It doesn't have to be in lockstep. In fact, we encourage a little bit of diversity just so people are coming at problems and questions from different perspectives and can have a healthy discussion. The aesthetic in the corner is saying, yeah, I know that we're going to make money on this project, but we it still needs to look really good, you know [laughter]. We want a little bit of that.

Susan Quinn: Yeah, so certain roles, you need to see the basic skill set show up or the basic competencies, or that may not be a good fit. Finding and hiring is one part that your company does, but you mentioned that you also help develop talent. So, are you coming in and once the people are in place, you're helping to develop their leadership or did I take that in the wrong direction?

Sue McArthur: Yep, we absolutely do. Up until now, that has primarily been through one-on-one leadership coaching. It's often people who are being groomed for leadership but may not have a lot of experience with that. Sometimes it's the CEO who just wants to be a better leader, put more tools in the leadership toolbox. So that has been our role.

But we are soon to launch STM's Leadership University, which will be an online self-paced—there'll be three different levels. First level will be for those without any leadership experience—here are the basics. There'll be too two levels beyond that, and there will be a coaching piece at the end to just discuss what was that journey like? What did you learn? What other tools and resources might you need? But it will make that leadership development accessible to many more people.

Susan Quinn: When you work with leaders, what do you see in terms of what's often missing. You know, I was having a conversation with someone recently about just the generational differences, and they are, they're real. And let's take boomers, maybe we were conditioned to hold things close to our vest and maybe not show our emotions, and kind of give everyone an attaboy, attagirl, that's all great. But yet you've got Gen Y, Z, maybe X, Y, Z that wants that constant feedback. That's a lot of what we're seeing in some of the coaching that we might do with other companies. Where do you see the big delta in helping leaders? Is it just they don't know what they don't know, or there's like an area that is profoundly an area that they need to focus on [laughs]?

Sue McArthur: Well, one thing that I see often is learning how to walk the line between empathy and a healthy level of control and making your expectations clear and holding people accountable. And that that piece of some people have a really hard time making their expectations crystal clear. They want to give people room for interpretation and creativity and that's all great. You can make your expectations clear for this is what I want. This is the end result I need to see. This is perhaps a budget. This is perhaps a timeline. But then give people the leeway to accomplish that in a way that makes sense for them, and not control every step of the way, and understand when people run into obstacles, and be there to help and to understand that it may not go perfectly smoothly [laughs]. And here are some times when it's okay to come ask me for help. That's a real challenge.

I also talk with a lot of leaders that have kind of an imposter syndrome. They don't trust themselves to make the decisions that really need to be made for their organization. And some of them are really tough decisions. And some of them only they can make, but they lack the confidence in their ability to really take the reins and do that. And my approach to them is the same with my parenting style. My kids would get very frustrated with me because they'd come and ask for my advice and then I'd just start asking them questions.

Susan Quinn:[Laughter]

Sue McArthur: It's the same with leaders is most of the time, you know, the problem you're trying to solve. You know your business, you know your people well enough to know what you should do. Have the confidence and courage to take action, to make that decision and take action.

Susan Quinn: So, what do you think are perhaps some of the skills or mindsets that separate great leaders from just average ones? I know you've mentioned empathy and accountability, but how does that actually show up day to day? What is that kind of a skillset that truly makes them stand out?

Sue McArthur: Transparency is one thing, and today's workforce, as we're getting into the Y's and the Z's and the millennials and everything, they're demanding transparency. They are not okay with what it once was, where you don't have any idea what the goals of the organization are. You don't have any ideas what the numbers are. They're demanding transparency, and the most effective leaders today are doing that. To the extent possible and to the extent that makes sense. Not every employee needs to know absolutely everything about the business, but they should at least know where the company's going and how you plan to get it there.

Knowing how to delegate is another thing that truly effective leaders know how to do. So many small business owners take on so much themselves, little nitty gritty details and things that frankly, they're too expensive to be doing. The truly effective leaders know how to do that. And I think that's where leaders really trip up is the, it's just easier to do it myself.

Susan Quinn: And that's the worst possible answer ever. So, one takeaway for our audience, every leader needs to go back and create that list of what they're doing and identify which ones that they are too expensive.

Sue McArthur: Right. And we don't always have the luxury of having, you know, a huge team to which we can delegate. But what we're looking at is, yes, there are still a lot of things on my plate, on my business partner Art's plate that, yes, could be delegated. We don't necessarily have the

people to delegate those things to yet, but as we look forward to our next hire, that list of things is going to help us shape what that next position is going to look like.

Susan Quinn: Yeah. You know, one of the things I see as we were identifying skill sets, mindsets—I think leaders who have a really good ability to hold the mirror up and instead of pointing the finger, well, it's this person that didn't do it right, that they can look and say, what did I not communicate well? Where did I fall short?

Sue McArthur: Right. And when people aren't successful, don't just assume that it's because they don't have the capability. That's a time to ask questions. What went wrong? Were there some obstacles in your way or were there resources missing that caused you to not deliver? And you may find some really surprising things. Is there an obstacle you can take out of the way? Is there a resource you can provide for a more successful outcome the next time?

Susan Quinn: I think that is a great, great reminder that sometimes it's not the obvious, but communication, I've never seen where it didn't get you to a better place when there is understanding.

In working with clients, we'll ask them to certainly look at the attrition rate and do it by generation. I mean, you know you have onboarding, but those exit interviews are important too, to understand why people are leaving. What would be a good attrition rate for companies today? Is it single digit? Are most in double digit?

Sue McArthur: It really varies by industry and level in the organization. Lower-level positions always have a much higher attrition rate.

What I think we're not doing that can really help us get a handle on turnover and engagement is we're not asking our long-term employees the same kinds of questions we ask the people we're interviewing to hire. Those key questions of what do you want to be doing? You know, what do you love most about your work? What would you like to avoid? What do you love? What do you not love? What do you wish could come off your plate? What are your career goals? Do you see a way of achieving them here? You may find that they just, they don't feel they have the resources or the training to do their job really well. Well, that's a simple fix. You provide the resources, and you get the training. But we're not asking those questions of our current employees that we so often ask when we're looking to hire somebody, particularly about the career goals.

Susan Quinn: Well, I love that. It's communication asking from the moment you are interviewing someone to onboarding throughout their career journey with your company. There is a consistent onboarding as you are moving into new roles. You know, you've been with the company for 10 years, but it's a new role. So almost think of it as onboarding for what they need and what skill sets. So, you have to ask. It's as simple as that in some ways. So, we're wrapping up now, so let me ask you a final question.

Sure. What do you do, Sue, to keep bettering your best and sharpening your skills in an area where talent acquisition and talent retention is changing from what it was like 25 years ago when Circle S Studios started. How do you stay on top of your game?

Sue McArthur: Well, I actually started recruiting back in the nineties, so I've been doing this a while and there are certain things that have changed, but there's a lot that stayed the same.

So, for me, though, I read a lot. I read a lot of articles. I read a lot of studies on what people are looking for, what job seekers are looking for. What leaders are struggling with, and we work on finding ways to address those things. So, just reading a lot, talking to my clients a lot. I learn so much from our clients. We have some that struggle with leadership and those same people in other ways are really knocking it out of the park. I don't know of one person who is a perfect leader. And what I find fascinating about my work is as I talk to my clients, I'm learning something from them as much as they're learning something from me, and that keeps me sharp and keeps me motivated and the part of my work that I enjoy the best.

Susan Quinn: Remaining curious is a wise thing for all of us. Well, I know that I have benefited greatly from the wisdom and the knowledge that you all share very givingly to others. But I'm so grateful for your time. You all do excellent work.

Sue McArthur: I've enjoyed being here and I love talking about this stuff so it's it always makes me happy to share what we do and thank you.

Susan Quinn: And it is valuable. Thank you, Sue. Talk soon.