



# The Handler Report

**LEADERSHIP DELIVERED**

Handler & Associates  
Search Consultants | 770-805-5000

## A game plan for hiring or promoting from within.

Got an open position to fill? Here are some tips that will help you weigh your options and act strategically.

Building executive leadership is very much like creating a championship pro-sports franchise. Winning teams identify their A-Team players then strategically recruit to round-out their rosters and fill key skill gaps. It's important to develop a team strategy and weigh all the factors to determine when you should hire or promote from within.

### DEVELOP YOUR A-TEAM

1. Identify the critical core competencies that managers at all levels in your organization must have to excel. Don't forget the cultural and intrinsic ideals that are part of the DNA of your corporate culture. These can include moral values, strategic focus, work ethic, brand attitudes and target customer/consumer segment experience.
2. Make a list of your top performers across functional verticals to create a bench of high potential players that can be groomed for leadership roles.
3. Acknowledge their achievements and strategic importance to the company to keep them focused on their roles. Providing incentives such as strategic training and educational opportunities is an excellent way to groom your team for advancement, but make no promises when it comes to promotion.

### ASSESSING NEW POSITIONS

4. As positions open up, carefully consider the role and what you are trying to accomplish with the hire.
5. Assess your bench of A-Team players for obvious candidates. Remain objective and identify specialized skills or knowledge that may fall outside your current team's realm of experience. (For example: If your strategy includes growth through acquisition, you'll need candidates that have effectively managed acquisitions and integrated merged companies.)
6. Weigh the benefits of internal culture, history and operational know-how against the need for fresh thinking and innovation. Is this an opportunity to acquire new capabilities or secrets from a competitor?
7. Industries with slower product lifecycles may be able to justify training team members to develop competencies from within, but there may be hidden costs associated with this approach that can effect performance. Companies that compete in cutting-edge technology will find it far more practical to hire the talent they need.

*continued*



## DO THE RIGHT THING. FOCUS ON FIT.

8. Don't kill the golden goose. If one of your top performers is getting stellar results in their current roll, think twice before you promote them out of a job that they are good at and enjoy. Find alternative methods to reward these high achievers that grow their competencies while keeping them focused on performance.
9. If a promoted team member will oversee previous peers, consider team dynamics. Feelings of resentment can undermine the authority of a newly promoted leader making it difficult to provide direction due to previous roles and relationships.
10. If your company has undergone layoffs within the last 2 years you should also consider the effects that these cuts may have had on your staff. Innovation, productivity, morale and loyalty can suffer in a smaller over-taxed workforce and this can have a profound effect on your A-players. You need to address these issues, but promotion may not be the answer.
11. Experience is great, but fit is everything! When assessing external candidates consider past experience specific to differences in corporate cultures and strategic focus. A high performer from a competing company may bring trained behaviors or values that simply won't work in your corporate culture.

The decision to hire or promote from within can't be dictated by policy or political pressure. Each new position should be assessed on a case-by-case basis.

Begin each search with an assessment of internal talent. When you have a match it is usually obvious. If there are no obvious matches it is time to hire from the outside. Conducting simultaneous mixed searches that include candidates from both inside and outside the company can actually hurt morale because it can be perceived as a lack confidence in internal talent.

The decision to hire or promote from within can't be dictated by policy or political pressure. Each new position should be assessed on a case-by-case basis.

That's why adopting the A-Team team approach is important. Knowing your roster and continuing to develop their capabilities will create a strong leadership pool and help eliminate doubt when new positions open. Sharing the strategy behind this approach and informing players of their specific value to the team can help build consensus when you find it necessary to go outside the company for talent.

## SOURCES:

**Dr John Drozda's Business Tool Kit '06**  
[http://www.drozdalcompany.com/docs/drozda\\_promote\\_within.pdf](http://www.drozdalcompany.com/docs/drozda_promote_within.pdf)

**Newsweek.com, February 05, 2010**  
**"Lay Off the Layoffs"**  
<http://www.newsweek.com/2010/02/04/lay-off-the-layoffs.html>

**Knowledge @ Wharton, November 2, 2005**  
**The hiring dilemma for High Tech Companies**  
<http://knowledge.wharton.upenn.edu/article.cfm?articleid=1304>