



Topgrading[®] inc.

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Presented by:

Gazelles
GROWTH INSTITUTE

Twelve Topgrading Hiring Steps

“ *Those who build great companies understand that the ultimate throttle on growth for any great company is not markets, or technology, or competition, or products. It is one thing above all others; the ability to get and keep enough of the right people.* ”

-Jim Collins,
Author of Good to Great

Entire books, articles, and video tapes have been created on the 12 steps in this abbreviated Topgrading manual, but there is enough “meat” here for you to “get it,” and to enable you to immediately hire and promote better performers. But, we think you will probably want to do better than just “improve;” you probably want to achieve 90% success.

Topgrading Hiring Step #1

Measure Your Current Hiring Success

“ *Historically, we measured nearly everything. Yet, until we embraced the Topgrading philosophy and tools, we never measured how well hired. Now, it's featured as a core measure of executive success - and we see the results on the bottom-line.* ”

-Paul Idzik,
Former CEO, DTZ

Everyone knows that in business if something is important it has to be measured... or the results will never be achieved. But as mentioned above, most companies do not measure success hiring and promoting people. We have created two simple tools to help you with this process. One helps you calculate your current Percentage of High Performers Hired/Promoted.

Most companies estimate their teams to consist of 25% - 30% “high” performers, 50% “adequate” (which usually means... disappointing), and the rest of their teams are... well, you already know that answer!

The other tool is the Topgrading Cost of Mis-Hires Calculator. You can access these calculators and some other cool related tools at: <http://www.TopgradingCalculators.com>

Using these calculators, in just a few minutes a team can conservatively estimate the costs of a typical mis-hire in any job. Our Cost of Mis-Hires form, used in the Calculators, is by far the most quoted and utilized tool for measuring mis-hire costs. And our decades-long research shows the average costs of mis-hires to be:

- 4x annual salary for supervisors
- 6x annual salary for sales representatives
- 8x annual salary for mid-level managers
- 15x annual salary for vice presidents

To go into a bit more detail, let's examine a typical sales representative with a \$100,000 base salary. The costs for that job

break down like this:

Sales Representative

Hiring Costs	\$23,500
Compensation	\$151,000
Maintenance	\$14,000
Severance	\$25,000
Opportunity Costs	\$250,000
Disruption Costs	\$100,000

Total	\$563,500
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Note: These numbers always produce a rather emotional response, a feeling in the gut that we must improve our success hiring and promoting people.

Topgrading Hiring Step #2

Create a Job Scorecard

“Creating scorecards has made a huge difference in hiring and keeping the best people because everyone now knows what A Player performance looks like. In the past, performances were vague. Now we are all on the same page and we are getting A Player performance month in and month out.”

-Travis Isaacson,
Senior Director of Organizational
Development Access Development

Exit interviews show that neither hiring managers nor candidates typically understand enough about the job to avoid confusion and, too often, poor performance. That's because job

descriptions (containing responsibilities, budget, competencies) are too vague.

Topgrading companies know that costly mis-hires are avoided when one extra step is taken, and that is to nail down the measurable accountabilities that turn the confusing job description into a very clear job scorecard.

Topgrading Job Scorecard			
Candidate Name			
Title			
Company Name			
Date			
Rating (High, Adequate, Low Performer)			
Recommendations			
	Accountabilities	Importance (H, M, L)	Rating & Comments
1	Revenue-Exceed annual revenue quota of \$1.0M.	H	
2	Achieve 15% margin.	M	
3	Activities- Maintain an activity level of 7 in-person sales calls per week.	M	
4	Conversion- Build pipeline to quota ratio of 5:1	M	
5	Conversions- Sell each deal with an average selling price at or above company averages.	M	
6	Talent- Consistently rank in the top 20% of industry sales reps in total sales	H	
7	Time- Spend 240 selling days out of the fiscal year's 260 in the field with prospects.	M	

A proper Job Scorecard spells out everything that must be accomplished: “Achieve these measurable accountabilities and you are an A Player.”

At the new Online Topgrading Master Class we are going to help you build your Job Scorecard live with the help of a certified coach all while evaluating the impact of the measurable accountabilities of the candidates you will attract.

Topgrading Hiring Step #3

Recruit From Networks

“ Recruiting has become a way of life for us through Topgrading. Once we began to implement a “Recruit from Networks” program, hiring has been quicker and more accurate. We have learned that A Players recommend other A Players, and we’ve built a good network of potential candidates. We find that this is a key to our hiring strategy.

”

-Frank Evans,
CEO Triton Management

Floss daily, diversify your investments, and when recruiting; call on your network of high performers and connectors. All are obvious truths.

Every manager knows recruiting from Networks is much better than hiring recruiters or running ads, because it’s faster (email them today, talk with high performers within days), cheaper (no recruiter fees), and better (candidates are pre-screened high performers).

During the Online Topgrading Master Class we are going to teach you exactly how to leverage your social media networks to attract qualified talent while maximizing the % of hiring success.

Topgrading Hiring Step #4

Screen Candidates With the Topgrading Career History Form and Topgrading Snapshot

“ Resumes are too often vague and include a lot of fluff, so it is difficult to differentiate between A Player candidates and Non-As. The Topgrading Career History Form gets a lot of important information that isn’t in a resume, so at K&N we don’t waste time with candidates who will not be a good fit for our company. And I love the Topgrading Snapshot because it summarizes the Career History Form information in a picture, enabling us to screen candidates in—or out—in seconds.

”

-Danielle Robinson,
Topgrading Director K&N Management

Every book on how to get a job teaches C Players how to write an A Player resume. Every HR professional knows how exasperating it is to spend hours in interviews and finally realize that the candidate’s resume was full of hype, and omitted many negative facts.

Topgrading Career History Form

The Topgrading Career History Form gets the best candidates in the door for interviews. The form you see below looks like an

application form, and companies that license these copyrighted tools usually convert it into their company application form. It is a powerful pre-screening tool because it contains the processes and methodologies to interview everyone under a high-trust and honest based interview environment.

Each Career History Form is different and our instructors are going to help you identify the key items to filter A Players from B and C. In the Online Topgrading program you are going to analyze real samples of Career History Forms in fields like Sales, Finance, Operations, and C-Level suite; just to name a few.

The Topgrading Snapshot

“ Brad...I don't just 'like' the new Topgrading Snapshot. I LOVE it! It's clean, clear, simple to understand, and provides a wealth of information that is 'at your fingertips.' Short of your book and the Topgrading Interview Guide, I believe the Topgrading Snapshot is the best Topgrading tool yet.

”
-Dr. Ray Bowman,
VP Team Development MarineMax

The Topgrading Snapshot corrects three hiring realities:

- 1) Weak candidates fabricate the truth.
- 2) Excessive time is consumed sorting through resumes.
- 3) Mostly weak candidates are interviewed.

As you know, resumes are incomplete and too often are deceptive, so you waste a lot of time studying zillions of resumes, trying to figure out which are truthful and wishing they contained more of the information you want. C Players are good at creating deceptive resumes, so you end up interviewing way

too many candidates and hiring way too many mediocre performers.

During the Online Topgrading Master Class you will be able to learn the two common approaches to how the Topgrading Snapshot can be deployed and most important how the Topgrading Snapshot Works. These will turbo charge your screening process, we guarantee it.

Topgrading Hiring Step #5

Conduct A Telephone Screening Interview

“ *The Telephone Screening Interview, incorporating the Career History Form information, keeps the interviewer on point and produces valuable applicant insights. It eliminates most weak candidates, so when we meet in person, it's with only the best candidates.*

”
-John Dickey,
Senior Vice President Hill-Rom

Companies vary widely in this step, but the common interest is this: When you invite candidates in for interviews, and those candidates wash out, you've wasted a lot of money and time. The Topgrading Career History Form and the Topgrading Snapshot it produces (Step #4) are powerful pre- screening tools that save a lot of time. The next step is to talk with candidates, and typically it's on the phone.

The Telephone Screening Interview Guide suggests explaining

"I don't just 'like' the new Topgrading Snapshot, I LOVE it!"

the job in more detail, and if the candidate is still interested, take 45 minutes to ask about the most recent 2 jobs (successes, failures, key decisions, key relationships, estimated ratings by bosses), reasons for job changes, goals, and some competency questions. It's a short, mini version of the Topgrading Interview, but "enough" to effectively screen candidates.

This phone interview moves quickly since the completed Topgrading Career History Form and Topgrading Snapshot are at hand. For technical jobs, there sometimes is a series of technical questions or even a separate phone screen interview.

The best way to learn how to run an effective phone interview is by seeing one. During this section of the Online Topgrading Master Class, you will see examples of Dr. Brad Smart running phone interviews. Additionally, your Topgrading Coach will show you and your classmates how to effectively run a phone interview by running a live example in the class.

Topgrading Hiring Step #6

Conduct A Series of Competency Interviews

“ Although the one-hour competency or behavioral interviews are not nearly as good as the tandem Topgrading Interview in giving us insights into candidates, we include several Competency Interviews because candidates want to talk to more people than just the tandem Topgrading interviewers. Also, in those Competency Interviews, the candidates get plenty of time to ask the interviewers tough questions about what it's like working here. ”

-Ann Smith, Regional Sales Director
Large Pharmaceutical Sales Company

Note: This is a fictitious name of both manager and company because this company requested anonymity so as to not alert competitors to the value of Topgrading.

Most companies, including fast growing companies, rely mostly on competency (behavioral) interviews to screen candidates and the result is only 25% high performers hired or promoted. Topgraders know that Step #7, the Topgrading Interview, produces 1000% more valid insights into candidates than competency interviews.

More than 100 current job hunting books advise candidates, including C Player candidates, how to fake competency interviews. It's easy.

For example, any managerial job requires teamwork, so they say, "Think of a time you were a great team player and practice exaggerating your teamwork skills. You'll also probably be asked about a time you were not such a good team player. So think of a time, or make one up and say it occurred long ago, and explain that you were actually pretty good even back then and since then you've become great ... wink-wink."

Even some outplacement counselors provide the same sort of "wink-wink" fabrication advice to conceal negatives and hype positives.

During the Online Topgrading program you will learn the to main reasons why conducting competency interviews is essential, but how not to fully rely on these.

Topgrading Hiring Step #7

Conduct The Topgrading Interview

“*The Tandem Topgrading Interview, using the Topgrading Interview Guide, has become critical to our staffing process. It is set up in a logical and systematic way, and permits the interviewers to hear a thorough review of all the previous jobs that got the person to where they are today—the events, motivations, accomplishments, and failures. It’s really opened our eyes to important things that we otherwise would have missed.*”

-Rick Steinberg,

Vice President of Human Resources Columbus McKinnon

This is the “silver bullet” of hiring. Every manager we know of achieving 90% hiring or promoting success, conducts the Topgrading Interview, using the Topgrading Interview Guide.

The Topgrading Interview is a chronological interview, starting with the educational years, coming forward to the present, covering every job, and concluding with the usual sections on Self-Appraisal and Plans and Goals for the Future.

It asks 16 questions about every job, including successes, failures, key decisions, key relationships, boss ratings, and reasons for leaving. The Topgrading Interview Guide is 30 pages long, but is not as onerous as that sounds.

When candidates click Submit to send you their Topgrading Career History Form, it becomes possible for you to click to get the Topgrading Interview Guide pre-populated with 100% of the Career History Form information.

Just read (to yourself) what the candidate filled out about a job, read and ask the built-in questions, take notes on the responses, ask follow up questions, and turn forward to the next page until you’ve completed the interview.

It’s not only super easy, but more importantly, using the Topgrading Interview Guide makes absolutely certain that you are conducting the most thorough interview possible using the tested and proven Topgrading questions.

During the Topgrading Online Master Class you will be able to experience the key steps and key findings around the Topgrading Tandem Interview. And we are going to provide you with the templates (with filled samples) of the guide to run every one of your Topgrading Interviews.

Solo Topgrading Interviews can achieve 50% success, but a Tandem Topgrading Interview can achieve 85%+ success.

The sentence that makes absolutely zero sense is, “I don’t have time for a three-hour tandem interview that will at least triple my chances of hiring a high performer... but I can afford to waste \$1.2 million and over 900 hours.” Here’s how to make the Topgrading Interview even easier and be sure to improve your hiring result. Conduct a Tandem Topgrading Interview, meaning this: have an interviewing partner, an A Player, and the two you make up a “tag team” in which you smoothly cover for each other. Many companies doubled their hiring success from 25% to 50% with the solo Topgrading Interview, but you’ll read all the case studies in which they achieved 85%+ with... you guessed it... Tandem Topgrading Interviews.

Topgrading Hiring Step #8

Interviewers Receive Feedback and Coaching

“ About 250 of our managers have given each other constructive suggestions for improving their interviewing technique, using the Topgrading Interviewer Feedback Form. We can all benefit from just a couple of minutes of feedback from another interviewer, and doing this after the tandem Topgrading Interview makes a lot of sense.

”

-Kevin Silva,
Former Senior VP of Global Human Resources Argo

In almost every study, perhaps including surveys you've conducted in your company, new hires say their interviewers were not very good at... um... interviewing. Most managers attend one 1-day interviewing workshop in their career, and that's it—they never receive further training or coaching. When they interview, they talk too much, “lead the witness,” fail to take notes, forget to use the candidate's name and... you get it.

Students attending the Online Topgrading Master Class will learn how to use the Topgrading interviewer feedback best practices. This will be perhaps the greatest tool for you to continuously improve your hiring success.

These Interviewer feedback best practices will give you specific feedback on more than 40 interviewing techniques that allow you to continuously advance.

Topgrading Hiring Step #9

Write A Draft Executive Summary

“ Hill-Rom views the Executive Summary as one of the most critical aspects of the section process. The Executive Summary is a great tool for helping the interviewer to recognize a candidate's work history and behavioral themes.

”

-John Dickey,
Senior VP, Corporate Support Service Hill-Rom

This is another “common-sense” hiring step—it's the rigor of systematically analyzing all the available hiring data and writing a draft executive summary.

Don't bet on changing a candidate's innate behavior, even if the candidate “promises” to do better. Topgraders routinely scrutinize 50 competencies and experience shows that some can be changed, some can't and others are in between. Only assume that a candidate may be able to overcome weaker points when the Topgrading Interview shows a consistent pattern of overcoming weaker points.



The chart below shows some examples of competencies and the ease or difficulty in changing them.

Ease of Changing Competencies

Relatively Easy to Change	Harder, but Doable	Very Difficult to Change
Risk Taking	Judgment/Decision Making	Intelligence
Leading Edge	Strategic Skills	Analysis Skills
Education	Pragmatism	Creativity
Experience	Track Record	Integrity
Organization/Planning	Resourcefulness/Initiative	Assertiveness
Self-Awareness/Feedback	Excellence	Vision
First Impression	Independence	Inspiring Followership
Customer Focus	Stress Management	Energy/Drive
Team Player	Adaptability	Enthusiasm/Passion
Communications-Oral	Likability	Ambition
Communications-Written	Listening	Tenacity
Political Savvy	Negotiation Skills	
Selecting A Players	Persuasion	
Training/Development/Coaching	Team Builder	
Goal Setting	Change Leadership	
Empowerment	Conflict Management	
Performance Management	Compatibility of Needs	
RedeployingB/C Players	Balance in Life	
Diversity		
Running Meetings		

Topgrading Hiring Step #10

Ask Candidate To Arrange Reference Calls

“ Having the candidate set up the reference calls after completing the Tandem Topgrading Interview has been eye-opening. Candidates know up front that they will be arranging these calls and they tend to be open and honest during the

interview process because of it. We have not had any big surprises in any of the reference calls we have done.



-Larry Sheftel,

Director of Human Resources MDI Group

Three decades ago I was devoting all my professional time to finding the very best practices in hiring and someone said, “Ask candidates to arrange the reference calls.” I doubted that would work, since most companies prohibit their managers from accepting reference calls.

But it does work. High performers are delighted to ask former bosses and others to accept “personal” (not business) reference calls from a prospective employer. And 90% of former bosses accept the calls, knowing there is zero chance their former A Player would sue them if they didn’t get the job.

Note that there are more than two dozen Topgrading professionals, and not one of us has heard of even one legal or ethical incident arising from Step #10. (That goes for all of the Topgrading steps, by the way.)

So, for a mid-manager candidate, the Tandem Topgrading interviewers might ask the candidate to arrange personal reference calls with three former bosses, two former peers, and three former subordinates. The candidate does all the work (not HR recruiters!), and within two days the candidate emails the interviewers, “Yes, they will all be happy to talk, and here are their mobile numbers and availability.”

Topgrading Hiring Step #11

Coach Your New Hire

“ Our managers now begin coaching new employees from day one. The new employees create an Individual Development Plan within 45 days of starting with us. Doing so helps them hit the ground running and adds value right out of the gates. Managers spend less time dealing with issues and more time helping them achieve and exceed goals. New employees love it and we love it. ”

-Travis Isaacson,
Senior Director of Organizational
Development Access Development

Coaching a new hire is perhaps the most powerful and the easiest coaching a manager will do. With a huge amount of information about a newly hired A Player, what a shame it would be to wait for a routine annual performance appraisal to begin the coaching process.

With Topgrading, candidates are promised coaching within a couple of weeks for three purposes:

1. Onboarding
2. Turbo-boost immediate performance
3. Development for future positions.

The Tandem Topgrading interviewers simply meet with the new hire, and review their Executive Summary, and they already know that their A Player has good self-awareness, recognizes strengths and areas for improvement and probably already has a history of following through on Individual Development Plans.

The Tandem Topgrading interviewers have done their “heavy lifting,” so the new hire is the one to absorb the feedback, ask questions, and carve out an Individual Development Plan that addresses the three purposes.

This is easy... and this is fun! With high levels of trust and mutual respect, and with a new hire eager to perform well, this coaching session is typically light-hearted, purposeful, and very productive.

Topgrading Hiring Step #12

Measure Hiring Success Annually

“ As CEO, I believe annual measurements of our success in hiring and promoting people is essential. Several years ago, we had some hiccups in our hiring process in a couple of plants; we had too many mis-hires. In our analysis, we learned that most of our mis-hires were caused by skipping steps in the Topgrading process. We learned some important lessons and since that time we require full Topgrading process adherence to avoid similar misses. ”

-Curtis Clawson,
Former President, CEO, and Chairman Hayes Lemmerz

Many new Topgraders tend to think of this step as so far in the future that they don't need to think of it. But CEOs easily connect this step to Step #

—Measuring the percentage of high performers hired (and

promoted), and the costs of mis-hires.

The purpose of it is major: It keeps the whole team focused on what is important—the quality of talent hired and promoted. Without annual measurements fed back to the organization, Topgrading will be “just another program, a flavor of the month.” Every successful Topgrading company integrates talent strategy with company strategy. Topgrading drives superior talent, and that high-performing mindset becomes integral to the company culture, “part of our DNA,” as is commonly stated.

How do you conduct those annual measurements? It can be simple or more complicated, but 1) estimate costs of every mis-hire, using the Topgrading Cost of Mis-Hire Form (Step #1), and 2) fill in the Topgrading success chart:

	Topgrading Methods	
	Used	Not Fully Used
A Player Hired		
Non-A Player Hired		

Showing this chart to managers once per year will reinforce Topgraders (“I’m doing it right!”) and inspire laggards to embrace Topgrading.

For additional details on the Topgrading Online Masterclass please contact us at: Topgrading@growthinstitute.com or call Juan Gonzalez at +(512) 773 5465

