

Why Organizations Thrive – Lesson 13: Aim High When Hiring Staff and Cut Your Losses Quickly October 2011 By Jonathan Poisner, <u>www.poisner.com</u>

I'm in the process of writing a long article entitled: *Why Organizations Thrive*. The article details fifteen lessons I learned while growing the Oregon League of Conservation Voters (OLCV),¹ buttressed by my observations of dozens of other groups both in Oregon and across the country.

Collectively, I believe these lessons are a very useful set of principles that any Executive Director can use to improve their organization's capacity to fulfill its mission.

Lesson 13 is: Aim high in hiring staff and cut your losses quickly when you make a mistake.

In his book, *Good to Great*, author Jim Collins says one of the keys for what makes any organization great is that they have the right people on the bus.

I believe this absolutely holds true with nonprofit advocacy organizations. If you're setting out to change the world, or just a small part of the world, you can't do that with a mediocre effort.

That means aiming high when hiring staff and cutting losses quickly when things go awry.

With aiming high, I'm not just talking about hiring somebody high quality. I'm also talking about your expectations for their role and how hiring additional staff can help the Executive Director shine more in their role.

What do I mean by that?

The simplest part of this lesson is that you need to have really high standards when you hire. That means being clear about what you're looking for, casting a wide net to find it, and having an attractive hiring process that will, in turn, attract highly competent staff.

For example, it means quickly adding benefits to your compensation package and other steps to ensure you're not losing out on talent by being penny wise, pound foolish. Aside from benefits, it means setting your compensation levels high enough so that talented staff will choose to work for you, and not the nonprofit organization down the street that's doing similar work.

¹ I served as OLCV's Executive Director from 1997-2009. During that time, we grew from a permanent staff of 1.5 to 11, and a budget of around \$200,000 to more than \$1 million.

That doesn't mean you have to get in an arms race with them to pay the most, but my experience says that nonprofits that pay more than the average nonprofit tend to be ones that thrive.

Another implication of this rule is that you have to have the discipline to go back to the drawing board. If you aren't finding the right candidate, it is usually better to hold off on hiring rather than settling.

So how do you define the right candidate?

The obvious part of this is figuring out what skills are most needed to do the job and figuring out who has those skills. In some cases, I actually created practical tests of potential candidates – for an office manager position for example – to test them on some basic skills needed to do the job. I was amazed at the number of people who had resumes reflecting they had skills that in practice they did not.

But it's not all about skills: other attributes matter too, such as personality.

If the job calls for working with volunteers, you really need an extrovert and not an introvert. Skills can be learned. Personality can't. The one time I ignored my gut and went with the candidate with the better skills, but maybe not the right personality, I regretted it.

So what about the other part of the lesson: aiming high in ways that help the Executive Director?

My rule of thumb for any small (e.g. less than 8 staff), but growing organization is that when creating new positions you must shift around organizational responsibilities in a way where the Executive Director does less of something. And enough less of something to more than counterbalance whatever additional supervision will be on the ED's plate.

The new hire can't just be about adding new program areas or items to the staff to-do list. Something that previously was on the ED's plate should come off.

It may go on the new staff person's to-do list. Or there may be a series of responsibility shifts in which the Development Director gives up something to the new person and the ED gives up something to the Development Director.

Why do I like this rule of thumb? Because in the end, you need your Executive Director to be very focused on just a few tasks – high-level fundraising, big-picture strategy and visioning, working with the board, staff oversight, and very selective involvement in program.

If you want to get to that vision for your ED, it means that every hire should be part of the process of helping the ED focus on the core role of an ED.

That leaves us with the final part of the lesson: cutting your losses quickly.

You can do a perfect hiring process, vet the candidate well, and yet they still may not work out.

You need a process for a quick review of new employees. At a minimum, all new employees should receive a 6 month review, allowing you to cut your losses sooner if they aren't meeting expectations. (And the Board should do the same thing with a new Executive Director).

Fairness matters, as does the law around employment. But donors aren't giving your organization money for mediocrity. If somebody isn't going to cut it, you're doing your cause no favor by delaying a firing to maximize fairness.

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