

URL: <https://stvp.stanford.edu/blog/videos/four-qualities-to-look-for-when-hiring>

William Sahlman, professor at Harvard Business School, highlights for critical elements to observe in the process of hiring people: 1) Integrity, 2) References, 3) Attitude and 4) Adaptability. He highlights the importance of seeing through a resume to the core of the person underneath, one way of which is to use your network of contacts to get the back story on an individual.



Transcript

In my experience, the thing you have to pay most attention to--and Edgar touched on this as well--is integrity.. In the 118 companies I've been involved in, I dealt with three bad people.. To say that those were painful experiences would be an understatement.. But we'll try to give some questions that might help you in catching them.. One is, when confronted with a decision in which it could benefit the person, or the company, or the group, how will they behave? And in my experience, people who always make the decision in their own best interest are the most dangerous people possible.. And so I encourage you to think hard about hiring and not ending up having those people on your team, because they are absolute poison.. And whether you are investing in a company, you're working with a partner, you're hiring someone in a critical role, integrity has to be at the forefront of your thinking.. I will say conflict is everywhere.. And indeed, a colleague says, without conflict, there is no interest.. So you have to deal with situations where people could do things that are in their best interest, not in yours..

So if you don't trust them, don't hire them in the first place.. For me, I try to come up with a set of characteristics of an individual that I'm trying to explore.. And I've now read I don't know how many resumes, thousands and thousands of resumes.. What is a resume? This is the audience participation part of it.. It's a marketing document.. It's designed to sell you something.. I always look at their there are huge gaps in resumes..

Sometimes you look in there, five years, not accounted for.. Because they don't talk about failures.. They talk about a description of how they would like to be seen, not how they are.. So your job, in hiring, is to actually dig deeply and understand their track record, what they accomplished, not what a rising tide enabled them to do, but rather what they accomplished.. The other thing is, clearly, it's useful to have people who have some expertise, some wisdom, some competency in a critical area.. Michael Klein talked about that.. Networks is critical, because indeed, it's at the core of what Endeavor is, which is you've been invited into a different network, so you now know a bunch of people or can touch people who will affect your success and failure.. So when you worry about hiring someone, you need to say, "Who did they know, and what do those people think of them? And how does relate to exactly what I'm trying to accomplish in this business?" And finally, attitude.. This also relates to character, because a person's attitude is actually what will happen, what will affect, in many ways, how productive they are in your venture.. Now, the other thing I would just comment on is, given that you know everything will change, it's useful in a venture to have people who are capable of change..

Because in reality, your description of your product and your pricing and your distribution channels are all likely to be thrown up in the air.. So trying to anticipate people's ability to change is critical..