

Storming the Black Gate: Recruiting With Confidence

*While it's certainly true that we don't control the economy,
we can control how we react to it.*

By Stephen Balzac

Near the end of the award-winning movie *Lord of the Rings: The Return of the King* Aragorn leads his pitifully small army to the Black Gate of Mordor, realm of Sauron the Dark Lord. Sauron's forces outnumber Aragorn's by easily a hundred to one. On the surface, there appears to be little chance of success. Indeed, during the planning of the assault, Gimli utters the famous line: "Certainty of death, small chance of success... What are we waiting for?"

As those familiar with the story know, the attack is diversion. Its goal is to draw the attention of Sauron so that Frodo can destroy the Ring of Power. Aragorn, however, cannot let on that the attack is anything but an all-out assault on Sauron's fortress. To fool Sauron—indeed, even to convince his soldiers to follow him—he must act and speak as though he has complete confidence that his badly outnumbered army can win. Aragorn must not just be confident; he must be so confident that people will be inspired to follow him to almost certain death. That act of confidence is what makes it possible for Frodo to succeed and for Sauron to be defeated.

Small chance of success indeed, but a small chance is better than no chance at all. No chance at all is exactly what they would have had if they had done nothing. It took immense confidence to seize that opportunity, but it worked in the end.

Okay, *The Return of the King* is fiction. What about reality? Whether in sports or business, confidence is key. Confident teams are more likely to win. Confident entrepreneurs are much more likely to get funding. Confident salesmen are more likely to sell. Confident engineers successfully solve more difficult problems than their less-confident brethren. Confident CEOs are much more likely to build a successful business. When Lance Armstrong was dropped

in this year's Tour de France, one news report summed it up perfectly: "Gone from his face was the confidence that had propelled him to seven consecutive victories."

Recently, I heard a hiring manager comment that she would "Prefer not to hire anyone at all."

Her company is growing. They are actively looking for people. At the same time, this manager who has been tasked with building up her team is openly telling candidates that if she has her way, not one of them will be hired. Indeed, given the choice, it's hard to imagine candidates accepting an offer if they did get one, compared, say, to an offer from an enthusiastic and confident employer.

While making the observation that this woman lacked confidence might be something of an understatement, it is only a start. Confidence begets confidence, just as lack of confidence begets lack of confidence. This manager was demonstrating a lack of confidence in herself, her company, their hiring process, and in the candidates. That, in turn, makes it extremely difficult to attract top people: if the hiring manager doesn't seem confident, what does that tell the candidate about the company? Those who can get other offers will go elsewhere, leaving this manager to choose less-qualified people, further confirming her lack of confidence! Therefore, it is important, and far more useful, to understand why she lacked confidence. Only then is it possible to do something to increase her confidence and make it possible for her to hire effectively.

Indeed, this manager cited one major reason for her unwillingness to hire. No surprise, it was the obvious reason: the economy. Despite what she'd been told to do by her boss, she fundamentally did not want to hire anyone because she was terrified that the economic recovery would fail and the company would go under. Listening to the news, it's easy to understand why she felt that way: It is hard to listen to

the news without feeling discouraged. It's even worse in a world where the news is always on, as close as our computer or cell phone. When we hear the same five dire forecasts over and over, it reinforces the message of doom and gloom, even when it's the same news story being repeated five times! Being tough and bucking up only works for so long. Eventually, even the toughest will get tired. A steady diet of discouraging words can undermine anyone's confidence in a variety of subtle or not-so-subtle ways.

While it's certainly true that we don't control the economy, we can control how we react to it.

The most important thing is to reframe excessively negative news into something more neutral or even positive. This is actually less difficult than it sounds, mainly because the news frequently appears worse than it actually is. In Edwin Lefevre's classic, *Reminiscences of a Stock Operator*, he observes that the news media is always most excited and positive at the top of the economic cycle, and most dire and pessimistic at the bottom. Lefevre's book was written in 1923, and his observation remains true today. Just because it's easier to get the news doesn't mean that the psychology has changed. Rather than getting caught up in the negativity, develop the habit of reframing. For example, if some businesses are having trouble, that means that their clients are available. How can you take advantage of the situation?

While most businesses viewed the Great Depression as a time to hunker down, cut everyone possible from the payroll, and hide under the bed until things got better, one CEO took a different perspective. He saw the Depression as an opportunity to find the best people, build their loyalty and commitment, and stockpile equipment and material against the day the economy turned. Tom Watson's confidence that things would get better propelled IBM into becoming the global powerhouse it remains to this day.

In another example, a recent news report featured an economist claiming that hyper-inflation and total social collapse is just around the corner. Is that likely? I'm no economist, but I have to wonder how many people today remember *Dow 36,000*? James Glassman's book was published at the height of the Internet boom: in October 1999, just a few short months before the market crashed in March 2000. The predictions of a rosy future stretching into forever were loudest, and most believable, at the top; what does that say about the news today?

In the end, though, while this woman's lack of confidence may have been made obvious by the economy, and help-

ing her reframe the news was an important step, further investigation revealed the economy wasn't the actual cause. The actual cause was both more immediate and less obvious: she fundamentally didn't trust the hiring process her company used. If you don't trust the process, it's hard to have confidence in it, and the more vulnerable you are to surrounding influences such as the news. In a strong economy, her lack of trust could easily go unnoticed simply because the positive news flow would allay her fears; without the positive backdrop, however, her fear and her lack of confidence in the system were fully exposed. Sadly, this lack of confidence appears to be the case in a great many different companies.

Now, lest I give the wrong impression here, this lack of confidence is not necessarily unjustified. In fact, when people don't have confidence in the system, there is often a reason.

Let's take a look now at those reasons and what can be done to build confidence so that you can find the best people and convince them to come work at your company. Believing that they'll come to you because they're desperate is not a good strategy! In the best case, you get a lot of desperate people who will likely have second thoughts as soon as they don't feel quite so desperate any more. If you don't mind being a way-station for those seeking better jobs, that's fine. But if you'd like to be a destination for the best, that requires having confidence your system.

At root, and at the risk of stating what may well be obvious to many readers, any system for recruiting and hiring candidates needs to do four basic things:

1. It should attract the right people—the people that the company wants to employ—and convince them to apply.
2. Of those who apply, it should identify the people who are well-qualified to do the job.
3. It should provide the tools to convince those people to accept offers.
4. It should have a feedback mechanism to correct the inevitable mistakes.

I have yet to work with a company that didn't claim that their recruitment process did exactly that, yet I see company after company where the people tasked with hiring lack confidence in the system. Even though I am often told that "our system does all those things," the statement is made much more in the mode of someone whistling past a graveyard than someone who actually believes in what they're saying.

So what is missing? Why this shocking lack of confidence? There are several reasons.

First, the hiring managers don't believe that they are attracting the right people. Because of the economy, if the company announces a job opening anyone with a pulse applies, and maybe some things without a pulse as well!

This brings us to the next problem: many hiring managers don't believe that they can adequately tell who is and who is not qualified. This is a failure on multiple levels. At the most basic, either the system doesn't work or the managers are not adequately trained in its use. If they're like most people, for example, they have probably never had any real training in how to conduct effective, behavioral-based interviews. Thus, they have no faith that what they are doing will get the results they want.

That lack of faith translates into lack of confidence, which shows when they're talking to candidates. Again, even if an offer is made, a candidate is less likely to accept it if the manager or the other employees appear to lack confidence in the company. Step three, which seems like the one most likely to work, is also failing!

Now, the astute reader might be thinking, "But wait! If step one worked perfectly, then step two wouldn't require the company to verify that the applicant really is qualified."

That's true. Which brings us to the absolutely critical step four: feedback and error correction. No system will work perfectly in all situations and with all people. Thus, feedback is key. Legendary stock trader Jesse Livermore made a fortune listening to the feedback he got from the market. Even though he lost money on over half his trades, he made hundreds of millions of dollars. Recognizing that he would make mistakes and using feedback to make sure that the damage from those mistakes was minimized enabled him to succeed. Livermore's confidence came from understanding his system and knowing that he had a way of recognizing, containing, and correcting mistakes.

The lack of confidence most people have in their company's recruitment and hiring mechanisms traces most often to a weakness in step four. In the case of our hiring manager, part of her fear was the belief that if she hired the wrong person, she would be blamed and would lose her job. If she hired no one at all, she took no immediate, personal risk. While not hiring might be risky for the company, or deprive the company of manpower at a critical moment, that was an abstract concern next to the very real personal danger she felt.

Solving the problem, therefore, needed to happen at multiple levels in the company. Each step of the process must be examined to make sure it's doing what it's supposed to be doing and the mechanism for handling errors must be identified and verified. If there is no error correction, there will be *limited* confidence in the system. If people are afraid of being punished for errors, there will be no confidence and no willingness to use the system.

Confidence doesn't come from pretending that errors will never occur: athletes who assume that the tournament will go perfectly are easily beaten once something unexpected happens. Confidence comes from knowing how to use the system and knowing that the system provides you with the tools to minimize errors, contain any damage that might result from those errors, recover from errors, and learn from those errors so that they can be avoided in the future. To put it another way, while no battle plan survives encounter with the enemy, having a good battle plan is what enables you to make each encounter steadily more successful. Making the system work better and better builds confidence for all those who need to use it, and the more confidence they have in the system, the better it works.

Only when you have that confidence can you ignore the news and storm the Black Gate. Only then can you seize the opportunities—that is, hire the right candidates, who are right in front of you.

To paraphrase Gimli, "What are you waiting for?"



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