

Hire for performance

For a small firm, hiring new team members can be one of the most difficult and critical decisions you make. This white paper will discuss three key steps to help you hire successfully for your firm:

- Define the hiring profile for the position you are looking to fill
- Map out your recruiting plan
- Manage the interviewing and selection process

Hiring profile

The most critical thing you can do to ensure a successful hire is to agree as a team on the objective of the hire. One step you can take is to create a workforce plan for your firm. There are four things to consider when building this plan:

- What do we want the firm to look like in a year, five years, or ten years?
- What will our organization need to look like when we get there?
- What jobs will need to get done in this new organization?
- What kind of skills will we need our new hires to bring to successfully perform each job?

The end result of this discussion should be a description of the work that needs to get done by the person you are hiring.

The next critical thing for you to describe is what success looks like in your firm. Think about the people who you have seen be successful in the industry and within your firm. What things do they do that make them successful? Why is it that coworkers see them as valued team members? What kind of training did they need? How long did it take them to get up to speed? Answering these questions will help you to identify the qualities you're looking for in a candidate, as well as create a reasonable expectation as to how much you will need to invest in the person and how long it will be before you see results.

Sometimes developing a hiring profile is more difficult than it may seem. One way to get more clarity on what you need from a candidate is to divide your needs into hard skills and soft skills.

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HARD SKILLS

Hard skills are tangible and measurable, and as a result, you can typically verify past performance with the candidate or through professional references that they give you. These would include things like:

- Portfolio assets managed
- Transaction accuracy
- Attendance and punctuality

SOFT SKILLS

Soft skills are measured more subjectively, and by their nature are more difficult to assess. These would include things like:

- Client service aptitude
- Ability to contribute to the team
- Leadership
- Contribution to innovation

You will need to make a judgment call on how well you believe a candidate can deliver on soft skill requirements. Behavioral interviews, which we will discuss later, are a good way to help make that judgment. And, in your hiring profile, it's important to identify those things you are looking for

TRANSLATING INTO A JOB

When you have completed the process of defining your hiring profile, you should be able to create a document that looks something like this:

Our firm is looking to hire a...
(Title and description of soft skills)

In this role, you will be responsible for...
(Description of objectives and daily tasks)

We are looking for someone with...
(Describe the educational and work experience background)

Our firm is...

(Describe what it's like to work for your firm. What is the general work ethic? What kind of support do you give your team? Think of this section not as a marketing pitch, but rather an opportunity to lay out expectations for the candidate.)

Recruiting plan

Once you've determined your hiring profile, you're ready to create your recruiting plan. Typically, you'll have three ways to find job candidates:

- Referrals from your personal network or those of your colleagues
- Recruiting firms
- Sourcing for candidates on your own

REFERRALS

Referrals are generally considered to be one of the more successful ways to reach candidates and, indeed, many organizations report that a bulk of their new hires come through referrals. A referred candidate is often a person who is not actively seeking a new job, or, a "passive candidate." However, given the right offer, he or she could be enticed to make a move to your firm.

The best place to start for referrals is your own network of personal and professional contacts. Have you worked with people in the past who could be a good addition to your firm? Does anyone on your team have a referral? Are you involved in any organizations that might help to connect you to talented individuals?

One way some firms find referrals is by asking their clients if they have worked with talented people in the past whom they might recommend. A piece of advice on this strategy, though—when you've asked for a referral from a client, there is an implied commitment to make sure to give fair consideration to the candidate.

RECRUITING FIRMS

Retaining a recruiting firm is another way to find candidates. While there will be fees for retaining a firm, this strategy can have its advantages—searches can be confidential, the firm can do the preliminary candidate screening for you, and you will get access to the candidate network of the firm.

When you retain a firm, there are some important things that you can do to help ensure that the search is successful:

- A solid business profile is the best place to start with a recruiting firm. This gives the search firm the talking points they need to describe your firm, and the information they will need to screen for good candidates.
- Secondly, you are hiring the firm for its expertise, so ask a lot of questions, but make the recruiter responsible for directing the process. They will be more successful for you if you treat them like a partner.
- Lastly, be sure to establish the rules of engagement up front. The recruiter should set timing expectations with you, and should also be consulted on your decision-making process.

SOURCING

Sourcing on your own can be a cost-effective way to find candidates, but it is often the most time consuming process. There are a number of career web sites that will give you access to jobseekers. Active candidates are currently engaged in a career search. It is typically easier to get them to make a move to your firm, but you will want to make sure you understand their rationale for leaving their current employment.

Selecting locations to advertise can often be a challenge. Traditional job boards can be costly, and expensive to maintain. Newer options, such as craigslist, can be less expensive but you have less control over the candidates who will respond. It is not unusual to receive thousands of résumés for a single posting!

Interviewing and selection

Now that you have candidates, it's important to have a plan as to how you are going to select the right hire. It's a good idea to determine who will be speaking with the candidates, how you plan to position the role, and ultimately who will make the decision. You'll want to make sure that this process is relatively short to minimize time distraction for you, as well as to ensure you don't lose good candidates to other potential employers.

For senior positions, a firm may opt to solicit the support of an industrial psychologist who can assist with executive assessments of final candidates. There are also a number of screening tools that can help you to determine skills prior to making a final decision for less senior positions. One critical thing you can do is to think about the interview as a behavioral interview.

BEHAVIORAL INTERVIEWS

Behavioral interviews change the language of the interview to focus on behaviors and thought process rather than outcome. A simple way to embed this into your process is to start questions with the phrase: *"Tell me about a time when you have..."*

- Ask the candidate to describe how they got to a particular outcome. What did they do to plan? What did they do afterward? How did they define success in this situation?

This type of interviewing will help you to determine if the person brings the soft skills you are looking for. Asking someone for their thoughts on a plan for their first 90 days on the job is a great way to determine how much they have thought about how they will contribute.

You should consider background checks and references in your process. There are many background check providers who can verify credentials and help to determine the risk profile of a hire. Past employers will often do no more than confirm salary and dates of employment. However, asking for personal references is a way to get a description of the candidate's past performance.

Once you have made a decision on a candidate, you will need to think about the offer and onboarding. How you deliver an offer to a candidate will set the stage for their decision to join your firm and could impact how long they stay. Be sure to talk the candidate through your expectations of them when they join your firm, and what you plan to do to make them successful. Finally, on their first day, think through the things you'll do to get them up and running—workspace, computer and phones, a welcome breakfast or lunch, or activities to get to know the team. By this time, you will have invested a great deal of time and resources into the hiring process and, like all investments, you'll want to make sure this one delivers returns over the long run.

For more information, please contact your relationship manager, call **866.273.2130**, or visit **familyoffice.fidelity.com**.



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