



20 YEARS OF FUELING THE
ENTREPRENEURIAL ENGINE



Driven by LEADERSHIP

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DO YOU SUFFER FROM HIRINGITIS?



GEOFF SMART AND RANDY STREET



Geoff Smart is the Chairman and CEO of ghSMART, a management assessment, coaching and executive learning firm that serves CEOs and investors. Randy Street is the head of ghSMART Executive Learning, a division that helps managers achieve career success through learning the best practices of hiring, coaching and retaining talented teams. ghSMART was retained by the EO Global Board of Directors to assist in the hiring process for EO's new Managing Director.

Bob Sanborn's phone rang for the fourth time in the last hour. We were meeting with him to discuss his talent agenda for the year, but constant interruptions made a productive discussion virtually impossible. "What can I say," he said, looking at us sheepishly. "They need me. My wife gets on me all the time for not being able to take a vacation, but this place would fall apart without me. It is killing me."

The call was from Bob's CFO, and we could tell that Bob didn't think much of him by the way he spoke. "No, that is not what I asked you to do...We've discussed this...Jack...Listen to me...We are not going to do that...I said no..." The call went on for a few more minutes before he hung up in exasperation.

"I never should have hired Jack," Bob explained. "He just won't listen to me. I found him on an Internet posting board and thought he was perfect for the job. But, he is completely incapable of helping me raise money. He is more of a controller-type, and he annoys people with his arrogance." He rubbed his forehead for a moment before looking up with haggard eyes. "I am under so much stress that my hair is starting to fall out."

Like many CEOs, Bob was suffering from a severe case of hiringitis, a common and painful affliction that causes hiring mistakes due to poor hiring methods. Hiringitis hurts financial performance and decimates one's personal career. His team was average at best, and certain executives, such as his CFO, caused nothing but headaches and heartburn (common symptoms of hiringitis, along with stress and even hair loss).

The world's most successful entrepreneurs practice what my company calls "StreetSmart Hiring." They follow a four-step process of scorecarding the role, sourcing the right talent, selecting the right candidate and selling the person on joining the company.

Consider Adam Mayors, the CEO of a manufacturing company. Adam builds a scorecard before hiring, which is a document that lays out what he wants the person to accomplish in the role. Why hire a CFO who can't raise money if that is what you need the CFO to do?

Next, Adam taps his network to find potential candidates for the role. He builds his network everyday by asking everybody he meets, "Who are the most talented people you know?" Then he calls those people and gets to know them. As a result, he has built a substantial pool of "A Players" from which to recruit.

Adam then invites his most promising candidates for a topgrading interview, which is a chronological walk-through of their careers. He has no trouble grading his scorecard and making an informed hiring decision based on the hundreds of data points he gathers through this interview. He easily spots people who were top 20% performers wherever they went. He avoids people who cast blame on others rather than taking accountability for their mistakes. And, he has great success with people who have a history of being pulled from one job to the next rather than pushed out through terminations and disagreements with bosses. Adam picks the right people 90% of the time or better.

Bob looked unsettled by all of this. "Don't I need to sell people on my company?" he asked. "Won't this process chase people away?"

Sure it chases people away – "B" and "C Players." "A Players" love it because they know they can win when they get behind someone who's committed to building a strong team. After all, who wants to work with an entrepreneur afflicted with hiringitis? ☹

HOW ARE YOU BUILDING A TALENT ADVANTAGE OVER YOUR COMPETITORS?

Successful entrepreneurs know that winning depends on execution. Successful execution depends on having "A Players" on your management team. These are the individuals with whom you share leadership responsibilities for your company. You and your business can't afford anything but the best.



THANK YOU TO OUR AFFINITY PARTNERS

EO's partners make it possible for us to provide you with outstanding learning events, new benefits and other opportunities that make your membership experience valuable. Through these important relationships, we can continue to create programs that support growing and successful entrepreneurs as we pursue our vision to build the world's most influential community of entrepreneurs.



THANK YOU TO OUR STRATEGIC ALLIANCES

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TIME CAPSULE: 2007

MEMORABLE QUOTES FROM 2006/2007 EO CHAPTER PRESIDENTS ON **WHAT IT TAKES TO BE A SUCCESSFUL LEADER OF LEADERS...**

"Easy...Commitment."
-DAN HEUERTZ, EO CHICAGO

"Believe in EO, believe in your executive team and have fun."
-BRIAN LUCAS, EO SOUTH AUSTRALIA

"I believe to be successful you need to listen to the members, but then you have to make the decision and go for the goal. Don't leave things to do for later if you know what you need to do now."
-EUGENIO BENAVIDES, EO MONTERREY

"Courage. Discipline. Commitment. The willingness and ability to hold people accountable for their respective commitments to the group."
-MATTHEW BURK, EO PORTLAND

"Patience, communication, communication, communication."
-JORGE LOPEZ, EO MEXICO CITY

