



Thanks to today's author, **Bruce Walton**, for his blog on a topic not often covered in *The Practitioner* — recruiting non-family senior executives, primarily at the CEO or COO level. From the practical perspective of an executive recruiter, Bruce offers some suggestions to practitioners who are preparing their clients to be successful users of executive recruiting services.

This particular blog deals with the issue of “Fit,” addressing the concepts of core family values, alignment and stewardship as well as clarifying issues of whether or not a candidate actually has demonstrated the key competencies necessary to do the job successfully.

Yours in Practice,

The Practitioner

When I'm helping family-owned businesses find new executive leadership, I often hear the following: “We want to find someone who is the right *fit*.” This word—*fit*—is difficult to define, yet is always key to a successful hire. When assessing candidates for fit, it's helpful to use the following questions as guiding principles:

1. Does the candidate's leadership style align with company's value systems?

Fit really means linking the value systems and leadership style of the executive candidate with those of the hiring company. In fact, “value systems linkage” is the best predictor of happiness, in all its dimensions, for any hire. Therefore, for a family-owned business, where hiring a non-family CEO can often feel like arranging a marriage, fit is particularly important.

Naturally, the starting point for the hiring process is understanding the core family values that drive the business. Businesses that have survived across multiple generations have invested much thought in the development of family values. They are typically recorded somewhere, either in a corporate handbook, website, or other core material. If this is not the case, formalizing and recording corporate values is an important exercise to complete before starting a CEO or COO search. Since the family can never be separated from the business, these core values will drive decisions that otherwise would be hard for an outsider to understand.

2. Does the candidate possess the *most* important competencies for the position?

When a candidate clearly aligns with the family's value system, it can be tempting to conclude that the candidate is automatically a great fit. However, it's important to move the decision beyond "I like him or her." This is why a position competency model, designed to measure the candidate's specific skillset against the company's business goals, is critical. The key is to build a competency model that helps separate and prioritize the must-haves from the nice-to-haves. Nobody will be a perfect match on every competency, but the best candidate will have successfully demonstrated the top three to five competencies in the recent past.

3. Will the candidate be a steward of the family's success?

When I try to consolidate all of the aspects of fit for family businesses, the single word that comes to mind is "stewardship." Good candidates understand and appreciate what the family has already built. The new CEO becomes a steward of that success, even when the mandate is to transform the company. Family members in the business, ownership or governance have their own self-images (both within the family and in the community or industry) so tightly connected to the business that outside leadership needs to account for it and factor it into the leadership process.

To be a successful steward for the company, the candidate must be a confident adult who is prepared to handle sensitive situations that arise within family businesses. For example, a mature non-family CEO will be able to react appropriately when ownership wants to drill down into the details of the business, as they always do at some point. The mature steward will not be threatened by this, while an insecure autocrat will not react well.

Guiding a family-owned business through a leadership recruiting process often calls upon multiple support specialties and collaboration among those providers. These often include family business advisors, lawyers, fiduciaries, investment bankers, compensation consultants, board members, etc.

In summary, the "best fit" candidates will embrace the core family values and have the capacity and patience to deal with family dynamics without becoming embroiled in them. At the same time the non-family leader will have the right core competencies to lead the business to success, however it may be defined.

About the contributor



Bruce H. Walton is a partner in the Boston office of Battalia Winston, a 53 year old retainer-based executive recruiting firm. A co-leader of the Family-Owned Business Practice, he has more than 30 years of executive search experience and primarily recruits CEOs and their direct reports. Bruce can be reached at bwalton@battaliawinston.com.