

# Hire When Ready

Adding a COO means transition time for you and your direct reports.

SUCCESSFULLY INTEGRATING A NEW CHIEF OPERATING OFFICER (COO) role in associations is a tough job. The more tender components of emotional compatibility must be managed within a necessarily robust alter-ego relationship; the comfort and familiarity of virtual autonomy must be balanced within the context of shared leadership; and all attendant relationships must be subordinated to the aggressive maintenance of a united front.

Based on interviews with association CEOs and human resources executives in 10 associations, this article offers advice to CEOs, COOs, and COO candidates regarding the most significant workplace relationship that those in either position will likely ever establish. Included are step-by-step guidelines to help navigate each of the three critical phases of this important process: the decision to hire the COO, the selection process, and the successful integration of the new COO into both the management team and the organization. Advice for the would-be chief operating officer is included in the sidebar “Eye on the COO Position.”

For purposes of this article, the COO title is defined broadly to include the deputy executive director, chief of staff, or other titles that may be given to the second in command. And while the article focuses on the COO role, many suggestions are applicable to fostering the success of any new management hire.

**BY FRANCIE DALTON**

## The CEO's decision to hire

“Disrupt relationships with your direct reports at your peril,” says Pamela Bailey, president, Advanced Medical Technology Association, Washington, D.C. Such a warning from a contemporary should give you pause, certainly; but don't let it deter your achievement of workplace outcomes that would be eased by the additional role.

In bringing on a COO, both the decision-making and the implementation processes are fraught with difficulty; the radial effects of failure are public and far reaching. “You can't afford a mistake on this one,” says Robert Rowell, CAE, president and CEO of National Art Materials Trade Association, Huntersville, North Carolina, “so, don't be in a hurry. You need more than your gut feeling to make this hire. Use all the tools at your disposal: executive search firms, behavioral testing, and 360 [degree] interviews.”

Consider this checklist in determining whether bringing a COO into your organization is the right decision.

**1. Validate the need.** Why are you considering bringing in a COO? What work is it that you can no longer afford to do yourself? “For example,” says Bailey, “is your board insisting that your external role expand such that internal managerial duties must be delegated? Do you lack the depth of expertise to effectively manage some of the functional areas reporting to you? If so, bringing in a COO may be a smart move.”

Other questions include those that relate to the dynamics of having the new person on board: What meetings will you stop attending? Who will make which decisions? Who will lose what responsibilities? How will the budgeting process change? What's going to stop? What will change for whom?

Look long and hard at what challenges your organization will be facing during the next five years. What changes are you expecting and what would you hope that a COO could offer when facing those changes?

**2. Assess your willingness to allow autonomy.** A COO has to be a strong individual, but his or her style can't be so contradictory to yours that it would impede alignment. On the other hand, it can and probably should be different if for no other reason than to underscore that you have not hired a clone. “Are you really willing to allow him or her to act without checking with you first?” asks W. Henson Moore, CAE, president and CEO, American Forest and Paper Association, Washington, D.C. “If not, you'll seriously impede their ability to succeed. I learned a long time ago that if you're going to hire a professional, follow his or her advice. Otherwise, why would you bring on that individual? Set the parameters and make it clear that they have access to you as needed, but don't insist on day-to-day oversight.” Clearly, you need to consider whether you are prepared to surrender this degree of control.

**3. Determine your receptivity to scrutiny.** How willing are you to openly discuss your decisions, to reveal how you think, to answer questions about the way you handled specific interactions? This degree of transparency is crucial to making the COO effective as your leadership partner. Absolute candor is a requirement for the success of this relationship. Are you prepared to grant this degree of openness?

**4. Assess your risk.** “Be clear about the practical and emotional difficulties you as CEO are going to experience by bringing in a COO,” suggests Carl Feldbaum, president, Biotechnology Industry Organization, Washington, D.C. “You can't eliminate the fact that hurt feelings among your direct reports are going to be a part of this important transition. There may be a price to pay. Be sure it's worth it.”

**5. Double check your expectations.** Don't trick yourself into thinking that bringing in a COO will solve all your problems or free you up right away. Instead, establish clear expectations for the COO position, making sure that you can articulate measurable outcomes

you expect to be achieved within specific time frames. Realize also that it's going to take a few weeks for your organization to settle down and begin to adapt to this change once it occurs. Build a bit of elasticity into your expectations as well.

## A selection process that works

Once you've affirmed the need for a COO, the next challenge is to implement as flawlessly as possible the process of hiring the best person for the job. “What you're shooting for is a certain nobility of behavior; some combination of ability to get things done and to care for people while you do so,” says Feldbaum. You can avoid predictable mistakes in hiring by embracing the experience of others. Here are some examples.

**Evaluate the candidate as well as the credentials.** Don't be so enamored by the candidate's credentials and background that you impute technical competence and fail to assess behavioral fit. The ability to generate desired outcomes isn't enough if the candidate's management style is antithetical to the needs of your vice presidents and your organization. The management behaviors that will be effective with your executives should drive the selection criteria against which you hire. “You must be able to answer the question ‘Are they *us*?’” says John H. Graham IV, CEO, American Diabetes Association, Alexandria, Virginia. “And, if they aren't,” he says, “you'll admit it now at a much lower cost than you'll admit it later.”

“Those who can't lead don't know they can't lead,” says Feldbaum. “You as CEO have to [identify that].” *Bright*, *capable*, and *strong* aren't synonymous with *managerially competent*. Look for someone who has already been a COO in an equally difficult context and look for qualities that others have found to be indicators of success. (See the introduction to the sidebar “Eye on the COO Position” for the indicators.) Interview the candidate at least twice, says Feldbaum, “and have long conversations that go beyond [the typical limits of] an interview. Probe childhood

interests, for example, for early indicators that the individual is well suited for such a position.”

**Steel yourself against the seduction of star quality.** The clear measure of managerial competence can become clouded with a candidate’s political and networking expertise. It can be challenging to stay focused on the fact that dazzling *power* connections have little to do with one’s ability to manage others. For example, those interviewed for this article consistently cited attorneys as being a frequent but often wrong choice for the COO role. Like other high achievers who have been trained and rewarded as individual performers, they are less likely to possess management skills as a component of their expertise. “External reputation, however illustrious,” says Bailey, “is no substitute for internal management capability.”

**Realize that there will be a learning curve.** Don’t assume that because this is such a

**Draw significant comparisons.** Rigorously explore the similarities between your organizational culture and that of your candidate’s past employers. “When COO hires aren’t successful,” says Graham, “it has usually been because they came from a different culture and are not able or willing to adapt to the culture they are now in.” If your organization, for example, demonstrates a collaborative, service-oriented style, deliberately seek out someone from a similar environment.

**Take your time.** Don’t bow to the pressure to hurry up and get someone on board. “You cannot allow your desire to succeed *quickly* to prevail over your desire to succeed *well*,” says Spicer. “The smartest move you can make in preparing for a senior-level hire,” says Denise Clark, former director of human resources, Pharmaceutical Research and Manufacturers Association, Washington, D.C., “is to [conduct] 360-degree interviews with those who

human resources and development, American Forest and Paper Association, “and then involve them in identifying the competencies and behaviors they deem most important in a COO.” One way to determine this is to open the interview process to include those who’ll be working above, below, and with the candidate. Typically, a wealth of insight and experience is available to you on your board as well, so consider involving selected board members in the interview process.

“The chosen candidate,” adds Spicer, “must have, or be able to quickly acquire, industry knowledge...and expertise in the areas relevant to the masterful execution of the job.” Ignoring this important fact provides the perfect setup for the sound and dismal failure of your COO.

**Guard against hiring in your own image.** You’re not looking for a clone or a best friend. The skill set you’re recruiting for in a COO may, in fact, reflect your

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high-level hire that the successful candidate will be able to figure everything out on his or her own without any help from you, and without any period of orientation or training. Instead, “recognize that you’re creating your own personal success with this important hire. Bring all the intensity and all the focus you can muster to get it right,” says Angela Spicer, vice president of human resources, American Chemistry Council, Arlington, Virginia. “The best training that you can provide is to permit the new COO to shadow you for several days,” says Spicer. “Include the individual in key meetings typically attended only by you. Encourage him or her to question your decisions and your methods; provide the transparency needed to ensure that the two of you can truly be of one voice.”

will be reporting to the COO. Review a composite of individuals’ scores (not individual results, which should remain private) to help determine what competencies and what management style is most likely to succeed with the group.” While this is a time-consuming process, it is worth it given the investment you are making in hiring and integrating a COO into your organization.

**Recognize that gaining respect for the new COO is a key component of the success of this hire.** “The *setup* will make or break this initiative,” says Graham. “You must clarify for your direct reports and for those who will be impacted by this hire why the position is needed and why it’s in the best interests of the association,” says Michael Hoagland, CAE, senior director of

weaknesses. Know what they are and be willing to hire accordingly. If you’re a visionary or conceptual thinker who is frequently frustrated that subordinates don’t seem to understand what you want, you’ll need a COO who can bridge the gap between your ideas and their tactical execution. If you’re often exasperated and irritated by the more mundane facets of people management, you need a COO who esteems and welcomes the challenging art of managing people.

**Rely on more than personal attraction.** Don’t hire based on what Michele Rinn, vice president of human resources, American Petroleum Institute, Washington, D.C., refers to as “good chemistry and coffee. It’s not enough that you think alike and feel

good when you're together." Instead, identify the behavioral characteristics with which your organization can and cannot work. Then be relentless in your interviewing to reveal these. Have your search committee or firm inquire specifically about the leadership qualities you seek when interviewing candidates or checking references.

### Successful integration

So you've made it this far; the right person is now on board. You still face the classic hurdle attendant to the successful integration of a COO: Attempts by the vice presidents to cir-

cumvent the COO by coming directly to you. You cannot allow rebel staff to ignore the authority of the COO, repeatedly attempting to influence you directly. All the CEOs interviewed for this article said they'd resign if they were the COO and their boss tolerated end runs.

With that in mind, take heart that you can take a number of actions to avoid or lessen the likelihood of the sabotage of your new COO.

**Conduct direct communication with the COO's subordinates before the COO arrives.** Here are some suggestions.

- Meet privately with each vice president or direct report, affirming his or her value to the organization, clarifying that the new position isn't at all related to anyone's inadequacy but is about better serving members. Explain exactly what the position is being created to do and how the organization will benefit. Make clear the new lines of authority, who will be responsible for particular decisions, what processes will be different, and what changes might result. Communicate this information both personally and in writing.

# Eye on the COO POSITION

According to the CEOs interviewed for the article "Hire When Ready," the characteristics predictive of COO success include 1) a high degree of self assuredness and mental toughness, 2) a collaborative nature with a background reflecting strong team and service orientations, 3) a willingness to confront and to be confronted, 4) the ability to work successfully with other strong egos, 5) resilience in the face of his or her own errors, and 6) a solution-oriented attitude toward the errors of others. Do you think you've got them all? Good for you—but still more is involved in deciding whether a second-in-command position is right for you.

### DECIDE IF YOU AND THE POSITION ARE A MATCH

"Don't be seduced by more money or a promotion," says Gene D. Neill, vice president of human resources, Mortgage Bankers Association of America, Washington, D.C. "Assess the challenges inherent in the job, and be honest about what will be required to be successful."

Be introspective, and ask yourself why you want the position. Then do a little more homework before deciding whether a potential chief operating officer slot is a good fit for your skills and temperament.

- **Assess the organization.** "Realize the more fraught with problems the association is, the less likely you will succeed. Be realistic about the amount of time you'll need to spend managing people and problems," says Neill. Is there adequate time left to generate the outcomes for which your position is also responsible?
- **Assess the CEO.** Determine whether the CEO will even allow you to get close to him or her. Do this by asking lots of questions about how he or she succeeds, makes decisions, and

handles situations. If you encounter resistance to these questions, you'll have a tough time building a relationship with this person.

- **Assess your tensile strength.** Be clear about what you're facing; it's going to take a while before you begin to feel successful. This isn't a popularity contest. Severe conflicts will be inevitable, and you must be willing to stand your ground, even with an exasperated CEO, confronting as needed. "You've gotta be flameproof," says Carl Feldbaum, president, Biotechnology Industry Organization, Washington, D.C.
- **Assess your ability to build trust.** Your success as COO is largely dependent on your ability to build trust with both the CEO and your direct reports. To do so, says Michele Rinn, vice president of human resources, American Petroleum Institute, Washington, D.C., "You have to be interested in getting to know what drives each individual, what energizes and motivates them."  
"And you have to be a chameleon," says Michael Hoagland, CAE, senior director of human resources and development, American Forest and Paper Association, Washington, D.C., "adapting to various personalities to optimize workplace outcomes." As the new COO, you'll need to spend private time with each individual on his or her own turf, finding out what each thinks is working and what isn't. Think about how you will feel when it's time to gather input as to what impediments exist to the smooth execution of a particular individual's job. Are you prepared to spend the time that it takes to seek recommendations that may conflict with your original intentions and plans? Are you suited for the type of position in which your success is dependent on each of your direct reports—and their success is dependent on your input, guidance, and support?
- **Assess your energy level.** Understand that the stronger your

- Stress that if the organization were already operating optimally, there would be no need for the COO position. Board approval for the slot would certainly not have been granted.
- If necessary, caution those with apparent resentments that the new position is a *fait accompli*, and that hurt feelings need to be subordinated to the interests of the organization. Be explicit about the likely outcomes of less-than-complete cooperation.
- Brief the new COO as to individuals who may feel most wounded

and why, equipping him or her with the information needed to manage more effectively.

**Once the COO is on board, take the following actions, if necessary.**

- Do not entertain discussion with vice presidents or other direct reports to the COO on topics within the COO's domain. If exceptions are absolutely required, make sure that the COO is present.
- Make adherence to the new lines of authority part of the performance reviews of all the direct reports of the COO.

Although you can maintain an open-door policy for communicating with staff members, it's important that there be "no light at all between you and your COO," says Feldbaum. "The two of you have to have the lines of authority down pat, and you have to stick to them."

*Francie Dalton is founder and president of Dalton Alliances, Inc., Columbia, Maryland, a business consulting firm specializing in the application of communication, management, and behavioral sciences within associations. E-mail: fmdalton@daltonalliances.com.*

subordinates, the more autonomy they'll need, so the greater the chance for friction. Additionally, you'll need to grab any and every initiative the CEO is willing to shed, and persuade him or her to shed still others. All this takes a tremendous amount of energy. Be honest with yourself regarding whether you have the necessary reserves.

## BECOMING A CONTRIBUTING MEMBER OF THE ORGANIZATION—FAST

If you move forward and take a position as COO, your next challenge is to ensure that you become a meaningful, contributing member of the organization as quickly as possible. Here are some valuable tips to accelerate the process.

**1. Know thy CEO.** "Immerse yourself in understanding the CEO," says Angela Spicer, vice president of human resources, American Chemistry Council, Arlington, Virginia. "Listen to the CEO's speeches, then write one for him or her, asking that he or she critique it; watch how he or she handles tough situations; know his or her strengths, weaknesses, thresholds, reactions; understand the CEO so well that you can function as his or her alter ego. It's your job to maximize the CEO's strengths and minimize his or her weaknesses. And you must do all this without losing your own personal style."

**2. Ego check.** "Don't let your ego get larger than your ability to learn from peers and subordinates," says Nancy Rawles, division vice president of human resources, American College of Cardiology, Bethesda, Maryland. "Honor the past accomplishments of your direct reports. Get to know the organization before you start criticizing or launching new agendas."

Don't try to impress others with what you know. Instead, "create opportunities for others to tell you what they know," says W. Henson Moore, CAE, CEO of the American Forest and Paper

Association. "You'll learn more [and you'll learn it] faster if you go to the offices of others rather than having them come to you." Seek opportunities to demonstrate your knowledge of their accomplishments to date.

**3. Rally the troops.** "Learn what your subordinates believe the most important issues are, then build relationships around business successes in these areas," says Hoagland. "Rally the energies of your direct reports around specific business issues as quickly as possible." For example, once you've determined what the hottest issues are—and you're fully briefed on them—determine which are best suited for collaborative effort. Then bring your executive team together, instill a sense of urgency around the issues, and point out the value of teamwork in addressing them. Look for opportunities to inform the CEO of the team's progress—in the presence of your direct reports if possible—and be sure to cite the excellence of teamwork as a key component of related successes.

**4. Help, please.** Be smart enough to know when you need help and to ask for it. "Find a mentor or a coach to help you through the really bad days," suggests Rawles.