



Hi, I'm Brad Smart. Let me take a minute to introduce myself. A lot of books and articles have described topgrading methods and results, but not the "story." It's actually pretty short and in some ways quite ordinary... except for the extraordinary improvements well known companies have experienced through topgrading. This story explains how each topgrading tool was developed to meet needs clients have.

I got my Ph.D. at Purdue, and was very skeptical of interviews, because study after study showed interviews failed to predict who would succeed in management positions. I joined a partnership of psychologists, thinking I'd do coaching and not hiring interviews, but in my first month on the job, I changed my mind. Why?

**...study after study showed interviews failed to predict job success at upper management levels.**

Because it gradually became clear that the terrible hiring success companies experienced was fixable. There were common sense solutions.

The senior partner invited me to observe him interview a candidate for VP Marketing of an insurance company. To prepare, I asked to see the job description, but it was so general and vague it was worthless. I spent a day with the client, only to learn that the top executives all had very different views of what the job should be. I wondered, "How can I predict if the candidate will succeed, when the President wants to narrow product offerings, the VP Sales want to expand them, and the CFO wants to cut costs?"

It got worse. I wanted information on the candidate and got a vague, incomplete resume and the search firm's report, which read like a massive whitewash. The candidate's references were obviously his buddies, but included only one of six bosses in the past decade.

And worse. The senior partner gave the candidate some tests, the same tests I'd studied at Purdue, the same tests that had very low validity.

I observed the senior partner conduct a behavioral interview that zeroed in on half a dozen competencies. That's all? What about many other crucial competencies? I could tell that the candidate was well prepared for the questions, and had rehearsed responses. I didn't get the feeling he was lying, but I was certain he was so selective in describing his competencies that he conveniently omitted any real weak points. So...

I had only the shallowest insights into this guy. But the partner asked, "Brad, do you have any further questions for the candidate?" Aha! Indeed I did, so I took the accommodating fellow back to my tiny office, for three more hours! I apologized and said, "I'm so inexperienced that the only approach I can think of is to ask you all about your education and then all about every job, including every success, every failure, and every key relationship." The candidate loved talking about his career, which happened to have been very successful.

The search firm had checked his references, the ones he wanted checked, but he had omitted two bosses who had given good, but not outstanding performance appraisals. "To be thorough, I'd like to talk to them," I said. "No problem. I'll call them and arrange it," he offered.

What??? Almost all companies had policies that tell managers not to accept reference calls. But when this candidate asked his bosses, they were willing to talk, maybe because this guy was sharp and the bosses didn't worry about being sued for saying something negative.

The partner showed me his two-page report that gave ratings on the six competencies and I showed him my 10-page report that showed how the man had evolved, over his entire career, across 50 competencies. He said, "Brad, my report is crap compared to yours."

Hmm, I thought. I just started my career, had zip business experience, and in my first interview I learned a lot more about the candidate than the senior partner learned. Hmm.

### **"Brad, my report is crap compared to yours."**

Talking with clients, I heard that on their own, only about 25% of the people they hired turned out to be the expected high performers, and the psychological tests and behavioral interviews my employer did improved hiring success to about 40%. Not bad, but within a year I was convinced 90% of the managers I recommended would be high performers.

So, I started Smart & Associates, Inc., based in Chicago. I went about fixing the common hiring processes, not through any genius or creativity, but by applying common sense.

- To clarify vague job descriptions, measurable accountabilities were nailed down.
- To supplement the resume, candidates filled out a career history form that required all dates, all compensation, bosses' names, etc.
- To deepen insights, I canned the tests and added a chronological interview - 15 questions about every job plus follow up questions that provided accurate insights into 50 competencies.
- To overcome company policies against giving references, candidates arranged the reference calls.

All four innovations are now thoroughly proven elements of topgrading.

For many years I did my thing, interviewing candidates for selection and promotion, and well over 90% of the candidates I recommended for hire or promotion turned out to be high performers. I've assessed or coached over 6,000 executives, including all upper managers in many companies. People tell me I've done in-depth interviews of more managers than anyone else (which for sure means I've been doing this a long time!). Companies continue to want my "second opinion" of internal managers and candidates for hire or promotion.

I also trained managers in how to interview, but most just couldn't do a good job. My three- or four-hour chronological interview was (notice the past tense) just too difficult for managers who didn't do it every day.

Flash forward to the 1980s and Jack Welch, then the most admired CEO, hired me as a consultant to GE. I developed the interview processes that achieve 90% success and taught hundreds of GE managers how to do it.

Well, it wasn't 90% successful, instantly. After a couple of years Jack said, "Brad, this chronological interview process has improved our assessments, but you're still a lot better than we are. How can we be as good as you?"

**...almost all sharp managers, trained, can hire and promote with 75% - 90% success.**

"Simple," I said. "Use two interviewers at the same time." He didn't hesitate to approve the *tandem* interviews, and ever since GE has embraced it. The business world should say, "Thank you, Jack Welch!" By approving the tandem interview, he showed that almost all sharp managers, trained, can hire and promote with 75% - 90% success! Because GE and Jack Welch were so visible, a lot of leading companies hired me to teach them what is now the Tandem Topgrading Interview (TTI).

Amazing things happened. Sharp CEOs and heads of HR expanded the use of TTI. The TTI took hiring success from a typical 25% to 75% and even 90% success. Since only 25% of people promoted in most companies turn out to be high producers, companies started using the TTI for promotions and 90% of managers promoted turned out to be high performers. The TTI worked so well, companies used it to assess all managers, figuring out who is promotable (or not), and who should stay (or go).

In 1999 the first version of *Topgrading: How Leading Companies Win by Hiring, Coaching, and Keeping the Best People* was published. It inspired CEOs of Lincoln Financial, American Heart Association, MarineMax, and many other companies to really topgrade, and their corporate success has been phenomenal.

**...the topgrading advantage - improving from 25% to 90% success hiring and promoting managers.**

They all embraced the high performer standard, trained all their managers in the TTI approach, and used it to assess internal managers, candidates for selection, candidates for promotion, and to assess replacement candidates for chronic underperformers. (Many of these companies used *us* to perform assessments of internal managers and replacements, until they mastered topgrading methods.) The many companies that are case studies in Chapter 5 experienced the topgrading advantage - improving from 25% to 90% success hiring and promoting managers.

But it took years for these companies to train managers, and the topgrading forms were cumbersome in hard copy. Clients began screaming for products that would make topgrading easier, cheaper, faster, better. We'd sold hard copy forms and guides, but clients wanted electronic versions, so they could, for example, email candidates the Topgrading Career History Form, and get it back completed, online. So we began licensing the e-versions of all topgrading forms and guides.

We conduct a lot of workshops but companies demanded a train-the-trainer video. So, in 2005 a 7-hour DVD was released. It's well indexed, so a company trainer wanting a demonstration by me or other topgrading professionals simply pushes a button and voilà! (I think voilà means you don't have to pay the consultants so much.)

Although *Topgrading: How Leading Companies Win by Hiring, Coaching, and Keeping the Best People* has been the #1 bestseller on Amazon.com, of over 1,400 books in its category, it's long. Hundreds of managers have shown me their well-worn book, with pages turned over, revealing their obsession with mastering the theory and practice. But clients said new managers didn't have the time to read its 550 pages. (What? How can any A player say that?) Clients said they needed what was published in 2005 - the short topgrading handbook - to whet people's appetite for topgrading.

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The topgrading handbook is a super fast read. People can skim it in 20 minutes and then they want to attend a workshop or even read the "bible," *Topgrading*.

Was that enough? Nope. companies demanded more: "Brad, we need a short video new managers can watch until they attend a topgrading workshop, but it has to be complete, so it's a good refresher for trained managers who haven't interviewed for six months."

OK, OK. (Clients can be sooo demanding!) In 2006 we released that one-hour video, World-Class Interviewing and Hiring: The Topgrading Advantage, and clients seem to love it. And, it's inexpensive at \$95 (for one month); small companies can license it and watch it on line for \$3 per day.

Being a little dense (remember, I don't claim any genius or great creativity), it hadn't occurred to me what this little one-hour video could do. It took three or four years for all

managers to be trained at GE, Honeywell, Barclays, and hundreds of companies. With this short video, instant improvement in hiring is being achieved, across entire companies. CEOs and heads of HR can say to all managers,

**With this short video, *instant improvement* in hiring is being achieved, across entire companies.**

"I'm convinced we can improve over our 25% success hiring people by embracing topgrading methods. Eventually I'd like all managers to read *Topgrading* and attend a topgrading workshop, but for now: hire or promote people after watching the one-hour video and doing your best to conduct a chronological topgrading interview."

OK, managers just watching a one-hour video will probably not achieve 90% high performers hired, but I'll bet they double their success rate. And, after actually doing a topgrading interview, preferably in tandem, they "get it" and are eager to learn more.

There are now almost 25 topgrading professionals, with half a dozen added each year. Almost all of our clients initially say, "I'm convinced topgrading is far superior to the so-called best practices we use; do we have to scrap what we have?" No. Companies should keep their job analyses, job descriptions and competency-based behavioral interviews.

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To topgrade they need to add the Tandem Topgrading Interview and candidate-arranged reference calls, train all managers, and use topgrading interviews to assess managers and potentials replacements... until at least 90% managers are high performers.

So, that's my story, or most of it. My personal life is involved with topgrading, too. Son Geoff runs his own topgrading company completely independent of dear 'ol dad. It's the best management assessment firm in the world, and if that sounds like a father's bias, check out [www.ghSmart.com](http://www.ghSmart.com).

And daughter Kate. Like her brother, Geoff, she has a doctorate, but she's a family therapist, a "real" psychologist. She and I co-authored a book released in 2006. Initially the title was *Topgrade Your Kids*, but she didn't like that title (I wonder why). So we changed it to *Smart Parenting: How to Raise Happy, Can-Do Kids*. In *Topgrading* I say that of 50 competencies, resourcefulness is the most important. Kate's doctoral dissertation confirmed that conclusion and showed that high-achieving parents have kids who lack resourcefulness, the single most important competency in life and business. Smart Parenting teaches parents how to rekindle it.

And wife Mary - she's our cheerleader, encouraging our diverse projects, and our biggest supporter.

All the various products, plus consulting services, are described in the Topgrading Shop at [www.SmartandAssoc.com](http://www.SmartandAssoc.com). As you get into topgrading, please feel free to email me any question ([Brad.Smart@Topgrading.com](mailto:Brad.Smart@Topgrading.com)). My reason for being on this planet is to help reduce the colossal pain and costs of mis-hires and mis-promotions, so if you email me, I'll try to help you.