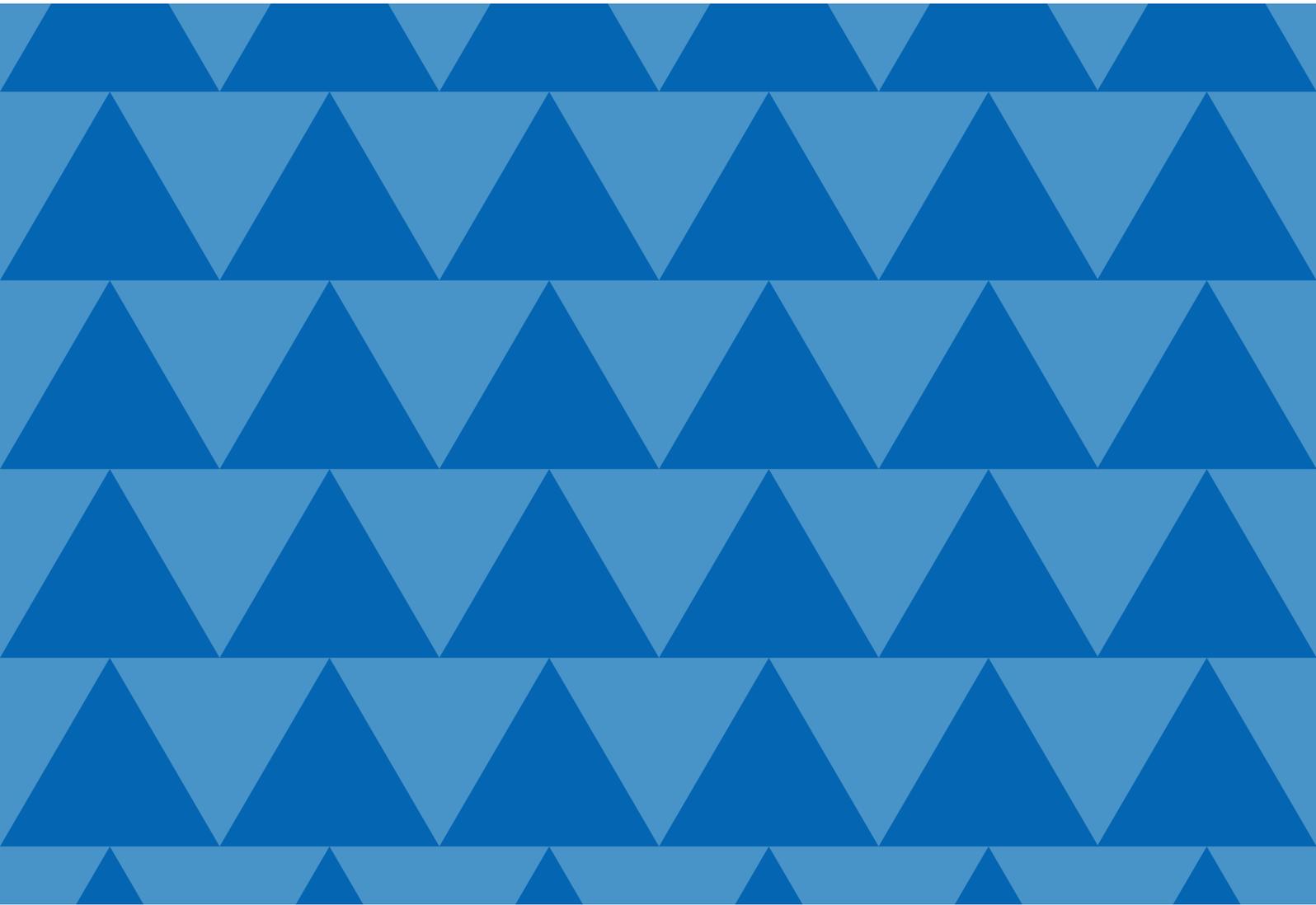


Recruiting for senior positions in the ports industry: avoiding the pitfalls and perils!

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for the British Ports Association



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British
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Association





Background to this briefing

This paper has been commissioned by the British Ports Association and examines the various options available for ports recruiting senior executives. Phil Hagen is an experienced senior executive recruitment and business strategist having spent over 25 years as a senior director-level executive, working in the telecoms, IT and ICT sectors. This included 11 years as a board director of a global telecoms organisation and later, as CEO of a US software development company, based in Oklahoma. A qualified behavioural science practitioner and developer, he created the unique SalesMatch psychometric behavioural assessment tool to help companies identify and recruit the right people for the job. The last eight years has seen him as a Non-Executive Director for a London based international executive recruitment company, where he advises many of their key accounts on board level succession planning and recruitment.

The British Ports Association is the national trade body for UK ports and harbours. It represents a wide variety of ports including operators that manage over 400 ports and terminals around the UK. These ports collectively facilitate 86% of maritime trade in the UK as well as providing hubs for energy, marine services, fishing, recreation, and tourism.

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The challenges in recruiting senior executives

For most ports, recruiting a senior executive does not happen very often and may be seen as a daunting task. Not least because it is usually a high profile position being filled, that most likely will have significant influence over the future direction and success of the organisation. In many cases the vacancy is due to retirement but



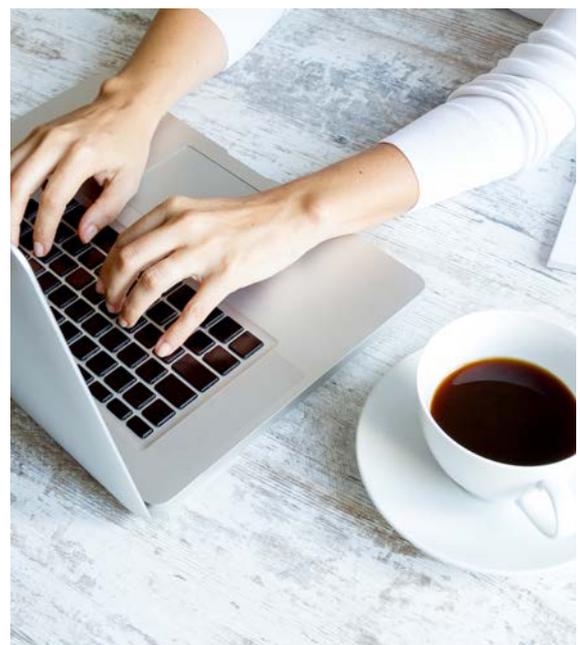
more often it is because the current holder of the position has resigned, been asked to leave due to the changing business requirements or it may be because of performance concerns. The biggest consideration for any organisation in successfully recruiting for such a role, is that of its own recruiting experience and the pressure on making the right selection for the future success of the port.

Recruiting for a senior level executive often requires different skills than those needed for the other general vacancies. There are many additional internal questions that must be asked.

It is important to understand what has caused the vacancy. Did anything go wrong with the current holder of the position, if so, why? What specific industry, technical, commercial and behavioural qualities are “must haves” and which ones are “nice to haves”, in the successful candidate. More importantly, do you have the in-house experience to identify these, and equally important, how will you measure them? A good executive recruitment agency will help with these tasks, but there is often a high cost attached. Spending time understanding and answering these questions is a vital first step to achieving success in recruiting your new senior executive.

Executive search agency or in-house?

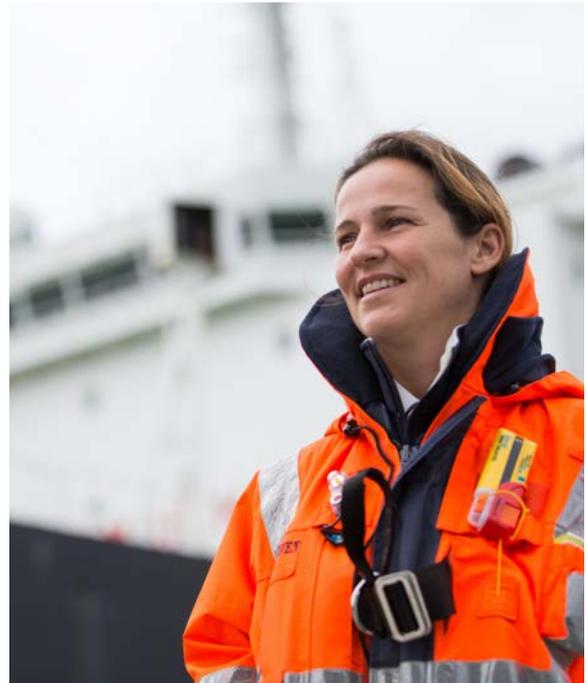
This has always been the difficult question for most organisations. Using a recruitment agency will typically cost 20-30% of the positions first year’s remuneration. Whilst there is no guarantee of success in them finding the right person, there is usually a short period of guarantee whereby they would provide a free replacement in the event the candidate is not suitable. It may be possible to successfully negotiate a slightly reduced fee but given the time and resource a recruitment agent will need to commit in managing the process, reductions are usually small.



Another key point to consider is that recruitment agencies are only as good as the information you provide them with, although if you use an agency with specialist relevant experience, they will often help with this process.

So, is an in-house route a better option? The decision is usually driven by two main factors: the first being the agency cost and the second, being your in-house recruitment skills and available resource. Many large national organisations decide to outsource the recruitment for such critically important roles. They feel the skills required to successfully deliver the recruitment process is so specialised, they are not prepared to take the risk of managing it in-house.

The past five years has seen a significant increase in larger organisations, across all areas of industry, bring executive recruitment in-house. In many cases this has been achieved by employing an executive recruitment specialist to manage the process. Whilst some have been successful, many have not and reverted to using external agencies for this level of hire. The primary factors in making this decision are down to whether you have the right skills and time in the team, to efficiently run the process. If the answer is yes, then it is likely you will successfully manage to identify a shortlist of good quality candidates. If no, then it is probably better to engage with a suitable executive recruitment agency.



Equality, Diversity and Inclusion Policy

Before you start the recruitment process, it is important to ensure that the port has an up to date Equality, Diversity, and Inclusion Policy. It should include a section on:

- How to conduct Diverse Recruitment
- Commitment to Equality, Diversity and Inclusion in Recruitment.

Testimonials from Race for Opportunity (RfO) network members over the years have suggested that there has been a lack of maturity, commitment and capability when it comes to diverse recruitment amongst mainstream recruitment agencies. If you decide to choose the recruitment agency route, you should ensure that any shortlisted agencies have an established Equality, Diversity and Inclusion Policy. The policy should be clearly available on their website, if not, then they are probably not serious about it. It must ensure that each candidate is assessed in accordance with the candidate's merits, qualifications, and ability to perform the relevant duties for the role.

Attracting the right candidate

I have already highlighted the importance of identifying the qualities you want to see in a successful candidate. Most companies feel this is resolved by constructing a detailed, often too detailed job description. These are usually populated with a standard list of responsibilities, requirements and core competencies that could apply to any senior executive role in any organisation. This is not a good idea, as the job description should feel carefully crafted to the role.

When a candidate reads the job description it must generate a tangible picture of what the job is. The candidate should read the job description and be able to visualise themselves doing the job. It should also talk about the person and the character traits that a successful candidate must have.

If you decide to manage the recruitment process in-house, you will also need to generate the job advert. Depending upon the size of your port, the best person to write this is often a marketing person or someone who writes your business development or commercial proposals. Whilst this may seem unusual, it makes the point that this is about selling the job role and making it sound exciting, fulfilling and a great career opportunity. After all you are trying to attract the perfect person, who may currently be semi happily employed or considering several options.

Also, when writing the job advert, don't forget to promote your port's values, including your policy on equal opportunity and diversity. These are very important messages and says a lot about the kind of organisation you are. Your job advert must have the edge, or it is very unlikely they will even apply. Creating an excellent job advert and job description is key to getting a good response of quality candidates. If you do not get this stage right, you will be inundated with CVs from totally unsuitable candidates. This is not the result you want as it is enormously time consuming reviewing and declining their application.



Is a CV a true candidate representation?

The curriculum vitae has become the document we rely on to support our decision in selecting a candidate. I am sure it will not come as a surprise when I say, they vary considerably. They will range from a one page with little information beyond a nice holiday picture of the candidate, that assumes the reader is psychic, to a six plus, page document in font size 6, extra narrow margins and detail beyond belief. When you start



to read them, you could be forgiven for thinking they are applying to replace Bruce Willis in one of his high action films. They have saved, rescued, turned around businesses in every role they have had, remarkably, some in only six months of employment before leaving. Now imagining your advert has generated 300+ of these!

Remember, the CV is the sales document of the candidate. It is written to highlight the successes in their career, as they perceive them. They almost never include anything negative that might prevent

their application from progressing. If your advert mentions traits like, “you must be a good communicator and leader of people”, they will have used phrases and text that makes them look like the pied piper of management. Knowing how to analyse and identify areas that need close investigation is a skill.

The next potential complication is that the greater the intellect, the better the CV is written and the harder it is to identify where potential issues might be. Identifying these potential flaws in their employment history is vital as you need to find them now and not six months after they start the role.



Identifying the right candidate

Providing you have the recruitment skills to forensically read and probe a CV, it will not be too difficult to identify a group of potential candidates to progress to first interview stage. They may all have the same or similar port/marine industry experience, technical knowledge, and level of corporate governance, but these qualities alone, may not be enough. Traditionally it was assumed that seagoing experience is essential, however views on this are slowly changing. Recruitment trends have shown that a candidate with industry knowledge and experience does not necessarily have the functional or managerial experience and skills to be successful. So an early consideration is to be clear if seagoing/port experience is more important than a proven track record of successful delivery in the functional role you want to fill.

It is also critical to know which candidate will quickly engage with your organisations culture, earn respect, and get the most out of the team. Who will be the real intuitive leaders and which of these highly qualified candidates will turn out to be divisive and create an unhealthy culture? Identifying and understanding a candidate's natural behavioural character traits and how they will apply their knowledge and experience is a vital factor to maximise the chances of success. In the world of ports, as well as business, operations, safety and management skills, a senior executive's responsibility can often include developing strong relationships with stakeholders including local and national government, politicians, users, and stakeholders.



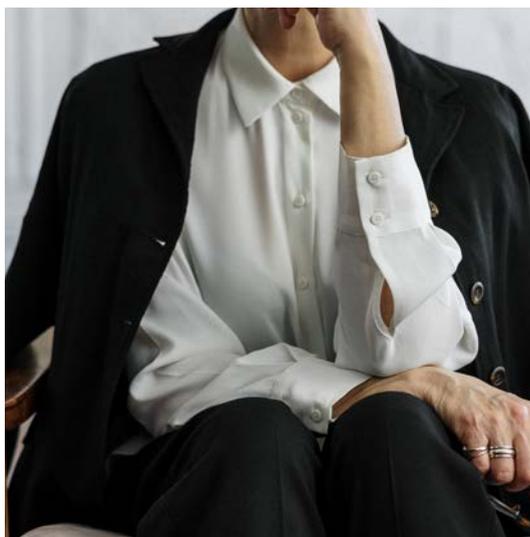
Using psychometric/behavioural assessments

Increasingly companies and recruitment agencies are turning to behavioural assessments to help identify a candidate's suitability for a vacancy. Most behavioural assessments tools typically involve an online test that provides you with a report within minutes of completion.

So why has the popularity of these assessments increased in the recruitment process? The answer to that question is quite complex, however, there are some basic indicators that support the trend and are worth noting. For over 100 years, psychologists have recognised that we all have a unique mixture of natural character traits. These traits are formed when we are very young and become more pronounced and established through age.

Some of these traits are primary (key controllers) and some are secondary (significant influencers) and form the way we naturally/subconsciously react and behave to any given situation or task.

It has also long been accepted that the greater the intellect, the more a person is able to temporarily mask these traits, enabling them to present themselves in a way they believe is compatible. It is important to understand that modifying one's natural character traits is difficult at best, but prolonged change, is one of the biggest contributors to stress and illness in the workplace.



The use of behavioural assessments provides information and key signals that enables the interviewer to probe areas of interest, uncovering or validating the behavioural information. As an example of behavioural opposites, you wouldn't consider offering the role of Chief Financial Officer to your best salesperson. Not just because of the obvious lack of specific knowledge and qualification, but also because of the different behavioural traits.

Best salesperson primary traits:

A sociable extravert who cannot sit still for long, never properly completes their administration functions, management style is very verbal, leads from the front and sells their ideas to others with very little being backed up in writing.



Chief Financial Officer primary traits:

Generally, quiet, more introvert and reserved, high attention to detail, precise and analytical, management style is based on rule adherence and prefers to communicate in a lengthy writing format rather than face to face.

Whilst this is a polarised example, consider that you are now recruiting a new CEO. Are you looking for a motivator and leader of people, that has good attention to detail, or are you looking for someone with good attention to detail, that considers themselves to be a good motivator and leader of people? The two description may not sound that dissimilar and they are certainly not easy to differentiate in an interview, however, they are in fact very different. One will perform in the role as expected, the other will not.

The pitfalls in conducting an interview

You will hear many suggested interview techniques and the sort of environment you should create. The interview has two very important functions that should not be forgotten. As well as giving the candidate an opportunity to persuade you that they are a good fit, it is also an opportunity for the company to sell itself as a good place to work with a positive culture.

I have experienced some interviewers who feel the need to assert their authority by creating an uncomfortably pressured environment to see how well the candidates copes. One very large national company I worked with interrupted the interview, and asked a candidate for a senior executive role to erect a two-person tent in a busy works canteen. The common problem with all these techniques is that they don't work, and on the off chance you identify a candidate as being a good fit, there is an increased possibility that the candidate will not accept the offer. I believe this is called an own goal!

Selecting the right people to conduct the interviews is very important. It is a well-known fact that we tend to connect and communicate easily with people who are like we are, this is known as unconscious bias. What do I mean by that? If you are naturally a detailed person, you will better relate to and value a candidate with high attention to detail character traits. If you are a naturally outgoing people person, you will quickly bond and find conversation easy with candidates who have those traits and therefore, in danger of not fully assessing their analytical and detailed competencies. Whilst this is a completely natural communication response between people, it can affect how we score/access candidates during the interview so it is important the interviewers are aware of their own unconscious bias.



As previously stated, it is important to be aware that the greater the intellect of the candidate, the more they can modify their primary character traits in the interview. It is vitally important to be crystal clear about what you looking for and have an interview process and panel, capable of probing and understanding a broad range of capabilities and competences.



As well as port websites and other publicly available material, an interview panel can be a window through which a candidate can interpret your port's culture. It is therefore important that your panel are professional, well briefed and, if possible, diverse.

Bringing diversity to your interview panels isn't only the right thing to do, it is immensely beneficial. Including underrepresented employees shows that you're committed to different points of view and opinions and a great signal to candidates that you value diversity.

Creating a diverse balanced interview panel can often be challenging, particularly if you do not have the availability in your organisation. The umbrella body Maritime UK have developed an 'Interview Pool' tool which gives access to an interview pool in the maritime sector to help with your recruitment, enabling gender balanced interview panels to be created.



Is senior executive recruitment really that difficult?

Senior executive recruitment in the ports sector is no more difficult than any other industry, but like everything else, recruiting knowledge and experience in executing the process are key factors in maximising the chance of success. Even in the current climate where employers are seeing a high number of applications for roles, it is worth remembering that a port needs to present itself in a professional way to appear an attractive and professional place to work. The ports industry is an exciting sector so don't forget to remind any applicants and yourself that during the process.

Of course, once you make it through the interview process and a candidate begins their role, the organisation also needs to think about its induction processes but that is the subject for another day!

