

THREE INSIDER TACTICS TO EFFECTIVELY HIRE HOSPITALITY LEADERSHIP FROM OUTSIDE SECTORS

By Andrew Hazelton

As an executive search professional who is specialized in the hotel and restaurant sectors, clients often encourage me to recruit leaders from outside their respective segments of the industry. This approach is certainly not new, but there has been a marked increase in such requests over the past two years. The practice makes sense and can be extremely effective when it is done thoughtfully and with a strategic purpose. All too often, however, that purpose is neither well-defined nor maintained throughout the search process. Therefore, three insider tactics are shared here to help ensure success in your recruitment initiatives.



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There's always inherent risk when hiring any new executive -- such as learning curve and acclimation to a new culture -- so it's imperative to understand **why** you're venturing "outside" a sector to acquire talent. Remembering the "**why**" throughout the entire recruitment process allows everyone to maintain focus on the core objective. For example, a forward-thinking restaurant company looking to develop an international growth strategy may consider talent from one of the many hotel companies that have a successful track record with global expansion. Likewise, a luxury hotel company that wants to tackle a major branding initiative could consider hiring an innovative Chief Marketing Officer from a fine-dining restaurant group to infuse new ideas into their organization.

Regardless of the specific objective, there are three principles or strategies that are needed for a successful search outside a sector or industry. Having this in mind throughout the process will help to ensure focus, efficiency, and ultimate technical and cultural fit.

Know where to look when identifying talent

Expand your vision beyond your direct business segment, but keep it within the umbrella of hospitality-related industries. There are clear differences among executives who have worked specific verticals of hospitality, but the trademarks for success are reasonably consistent -- delivering a high quality service and product in a highly customer-focused environment. Taking it a step further, recruitment efforts can also include industries parallel to the hospitality business. For example, there's no reason not to consider candidates within the retail segment as these individuals typically have similar focus and passion towards customer service and the drive for quality. In fact, some brands like Apple and Mercedes Benz often set the standard for service quality.

What competencies are transferable

My hospitality search assignments over the years have taught me that many critical skill sets are transferable across segments, most notably in the functions of marketing, sales, finance, IT, supply chain and human resources. For instance, regardless of industry, a Chief Financial Officer needs to exhibit solid problem-solving skills and high ethical awareness. In contrast, an SVP of Human Resources needs to have creativity, service orientation, and leadership in order to be a strategic business partner at the enterprise level. Once the critical skill sets are established, you are prepared to ask yourself the next vital question -- "what skill sets are not transferable?" A Chief Executive Officer coming from a non-service industry would likely have a difficult time transferring into the hospitality segment. Additionally, many segments of the hospitality industry tend to function around the clock with multiple service lines, which could prove to be a difficult adjustment for an Operations Executive coming from a more narrow business model.

On-Boarding

Many industry professionals don't fully realize that the recruitment process doesn't end when an offer letter is accepted. An organization's on-boarding program is critical in helping any new hires succeed in their roles. Lack of technical competency usually isn't the reason why new hires at executive levels drop out -- it's a lack of cultural fit. Therefore, on-boarding supports new hires with the necessary knowledge and expectations to assimilate into the new culture. To be most effective, the on-boarding period should include setting very clear short- and long-term expectations and providing consistent feedback to your new executive on a regular basis. It's also essential that full transparency at all times is the core of all disclosures and interactions with the new leader. Knowledge of all company-wide issues helps build the road map to navigate their new company. Organizations take a considerable time thoughtfully recruiting new leaders, and on-boarding those leaders should take a similar approach, especially when they are an outsider to the sector or industry.

The bottom line is that any new addition to your executive team is an important decision that aims to drive the business forward with a strong ROI. At a certain level it can affect the entire company and can potentially alter the voice or tone of the company culture. Bringing in someone from the outside can lend new perspectives and experiences and produce extremely positive outcomes. The key is to know where to look, identify the needed skill-set, and then be sure to have a systematic on-boarding process in place to set up your new leader for ultimate success. And don't think of these as independent approaches. These are three, proven strategies that work best in tandem... much like three legs of a tripod that give a stable and enduring foundation.

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About the author: **Andrew Hazelton** is Managing Director at AETHOS Consulting Group. An experienced recruitment consultant, he has more than a decade of retained executive search experience in a variety of industries, including hospitality, real estate, finance, technology and healthcare. Andrew is a graduate of The Pennsylvania State University, an active alumni member, and a member of the Penn State Hotel and Restaurant Society.

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