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## Context to the conversation

Bill speaks about how Amazon uses the Bar-Raiser process to ensure that it recruits great leaders into the company. He specifically speaks about the role of a Bar Raiser and how he/she is empowered to uphold quality standards without being pressurized by the “here and now” demands of the business. He also speaks about how Amazon trades off the Type 1 and Type 2 errors that often occur while recruiting.

## Transcription

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Deepak Jayaraman (DJ): And just picking up on one of the things you said Bill, I used to be a recruiter in my previous life. What I was amazed by was the attention to detail in the process in terms of independence of the different conversations versus building on the past in the sense in one of the sections in the book you talk about the fact that initial few conversations actually are independent observations of the candidate, but the Bar Raiser gets all the context and then sort of pressure tests some of those specific things that he or she needs to probe. Do you want to talk a little bit about the way the selection process is structured to bring out the best decision?

Bill Carr (BC): Yes, so the Amazon hiring process is called the Bar Raiser process and I already mentioned two of the notable things, one is that the criteria on the interviews, the interviewers are assigned specific data to collect and the data are about the leadership principles. The next thing is that those interviewers have to actually document the interview in great detail. They actually take furious notes while interviewing literally documenting the questions and the answers and then after the interview they need to write up a quick summary and an assessment and then the next part of the process that’s notable is that there’s an in-person or virtual in today’s day and age debrief meeting among the interview panellists after the interview where all those notes are then shared, people read to them all and then a discussion ensues. The person who runs that debrief meeting is the Bar Raiser. The Bar Raiser is a subject matter expert in the hiring process at Amazon in the interviewing process and they were one of the people on the interview loop, but they were not someone who, they can’t be the hiring manager and they can’t be in the hiring manager’s direct reporting structure. So, they are independent and their job is really just to make sure that the hiring manager and the panellists are following the process, are using the right criteria, the leadership principles and that they are not subject to certain biases, whether those biases be personal biases about what a certain manager likes or doesn’t like in a person or a candidate, those are not important. What’s important is how the person stacks up to the Amazon leadership principles. Or the most nefarious bias in the hiring process, which is urgency bias. If you are a hiring manager and you have six openings in your department and you need those six people to hit your goals, well, your hair is on fire to hire those people and the longer it takes the harder it is for you to hit your goal. So, if you find a so-so candidate, it’s very easy to talk yourself into saying, this person is good enough, I am going to hire them and you will deeply regret that decision later when it turns out that that so-so

person is worse than so-so and becomes a low performer and then the amount of time and effort you will spend to coach, try to save that person or ultimately work them out of the organization will vastly exceed the time that would have been required to simply discard that candidate and move on to the next candidate to find someone who actually meets or exceeds the bar for the role.

DJ: Hmm. That's a great point actually. When I think about how we would hold the Bar Raiser accountable, I would imagine there would be a tendency to be a little over-stringent on the filtering and therefore, you know, possibly hurt the business. So, how did Amazon manage that tension because...

BC: Yeah, Amazon managed that tension by stating overtly to say yup, there are going to be some false negatives, so you have a choice right in the hiring process, are you going to bias towards false positive or false positive means you said yes to hiring someone but that was a false choice that personally didn't, wasn't a good hire or you can choose to have false negatives meaning, yup, that person would have been a good hire, but we said no because we weren't sure. And so, most companies operate in a false positive mode and Amazon operates in a false negative mode where you are taught and you learn that sometimes you are going to pass on someone because you are not sure and you might have made a mistake, you might have been successful but you are going to air on that side versus the other side. And so, it's important to state that explicitly. And in doing so guess what that requires, long-term thinking because again, all you have to do is step back for one minute and say if we make a bad hire here how much time will you as the hiring manager lose and waste on dealing with that bad hire or the team lose and waste on dealing with working alongside someone who is a low performer versus how much time will take you just to keep looking and interviewing and hire someone who meets the bar. That's it, that's easy math in fact.

## Reflections from Deepak Jayaraman

DJ: Given I spent about 6 years in recruiting at EgonZehnder, this topic was of specific interest to me. I feel there are three big pieces worth reflecting on based on how Amazon recruits.

- 1) Great combination of independence and interdependence that exists in the process
  - Initial rounds of conversations with the candidates happen as independent conversation. That is, each interviewer doesn't know what the other interviewers think about the candidate. Plus they are often given specific areas to probe; At some level, you have mutually exclusive but collectively exhaustive data at the end of the rounds of interviews
  - But having said that, there is a lot of value in pressure testing hypotheses based on interviews. Amazon does this beautifully by getting the bar raiser to gather context and views from earlier conversations and building on it
  - I do think this combination of independence and interdependence is a great recipe for good people going through the funnel
- 2) Having a Bar Raiser run a meeting to take the final call
  - I go back to my search consulting days. I was doing the Country Head Search for an Instrumentation company. The APAC head was the hiring manager and we had got him to meet 3 very good candidates for the search. After meeting the 3, as we sat down to debrief, he said you have delivered 50% of the value by getting 3 good candidates in the pipeline. Now deliver the remaining 50% by helping us make the right choice. And that somehow stuck with me. The decision-making process, sometimes gets brushed away. It

is great to see that the Bar Raiser convenes the meeting and ensures that the right decision is made.

### 3) Trade off

- It was great to hear Bill speak about Type 1 and Type 2 errors in terms of recruiting. The risk of hiring a misfit being one and the risk of missing out on a good fit being the other. Very few companies truly understand the full cost of a wrong hire. Even if they do, they don't empower somebody to take the right long-term call without guilt. Amazon's bar-raiser process, the way it is designed is a competitive advantage indeed when you look at the long game!

## End of transcription

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- 72.08 Bill Carr - "What" decisions versus "Who" decisions

### **About Deepak Jayaraman**

Deepak seeks to unlock the human potential of senior executive's / leadership teams by working with them as an Executive Coach / Sounding Board / Transition Advisor. You can know more about his work [here](#).

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