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THE CAR METHOD EXPLAINED

The CAR Method requires you to break down your answer and the example of your past work into three parts: the "circumstance" or the "challenge" you were facing, the "action" you took, and, finally, the "result" you achieved. The CAR and STAR¹ methods are like the birthday song, everyone knows them, but I am really not



sure who invented it. It was one of the first things I was taught when I started in the industry, and I have never been able to identify who actually invented it.

Part 1 - The Challenge

Any answer should begin with a clearly articulated challenge you were facing. You must be able to highlight the situation and why it was significant in just a few sentences. As senior executives, many of the positions you find yourselves in are not dire in and of themselves; rather, it is the constraints of the particular situation which makes them dramatic. Too often, I have watched as candidates assume that the person on the other side of the desk understands how intense the situation they were managing was. Not providing the right backstory to your performance or results detracts from your ability to engage and impress your audience.

Interviewing is really the art of storytelling. It is just like a movie, but this is the movie of your life, and, like any movie, the beginning is dramatic and outlines an epic problem that needs to be solved. Starting to form your answer is like the opening scene of a movie, and you should clearly lay out in succinct detail why the situation was such an epic challenge. Every movie starts by laying out the main challenge for our protagonist. Your answer must start by highlighting how challenging the situation was. The beginning of your answer should highlight the date, company, and position you were in when the event took place. Next, you

¹ The STAR Method is another type of interview preparation system. STAR stands for **S**ituation, **T**ask, **A**ction, **R**esult.



must highlight the constraints that you were facing in that position. The most common constraints are time and money. Was your team underfunded? Were you given an unmanageable timeline? Often, you are given both constraints at the same time.

For example:

"It was 2006, and I was vice president of sales. The company was downsizing, and they cut the budget, so my team was cut by 50%, To make matters worse, they wanted me to clear our stock in half the time we normally have to do that."

Other constraints could be cultural challenges, including language, ethnic backgrounds, or traditions, such as working in a frontier, emerging, or simply foreign market while your leadership is based in London or New York. Culture can be a great enabler if you get it right, but a formidable obstacle if you don't. Often, multinationals suffer cultural challenges when they enter emerging markets. For example, Ford failed to effectively sell their car, the "Pinto," in Brazil simply because the word has a negative translation in Portuguese, which I will not mention here. So, having an American head office was a major challenge for the Brazilian Ford team.

Another example is the Iranian laundry detergent "Barf." The word means "snow" in Farsi, but something less pure in English. The company which manufactures it will definitely need to rename if they are going to export it to English-speaking countries.

Culture can also be much more subtle or, sometimes, specific to the particular organization or team. For example, you might be the only electrical engineer in a leadership team of mechanical engineers; or perhaps you are an innovative chief information officer and are implementing a breakthrough, game-changing IT system, and your CEO are still sending notes via carrier pigeon. Whatever it is, culture is ubiquitous, all-powerful, and often a major challenge to overcome.

More politically charged cultural constraints include inappropriate reporting lines or information relationships which trump formal reporting lines. These may



run high in government or quasi-government institutions. If this is your case, be sure to highlight this in your answer in a brief and politically sensitive way which maintains your integrity.

Common Constraints Include

Budget

Your company cut the budget yet still expects stellar results.

Time

Time is the most common constraint.

Culture

Culture is ubiquitous, and often one of the biggest barriers you can face.

Market

In 2008 and 2009, we witnessed terrible market conditions. Highlight tough market conditions.

Brand

Sometimes a brand does not fit in a region the way HQ thinks it should, such as the Pinto in Brazil or Barf soap.

Talent / Workforce

Did you inherit an underperforming team? Perhaps your top talents recently left.

Aspiration

Are you ambitious, but your CEO is eyeing retirement? Are you after global domination, but your board is happy to be a local player?

Risk

Does your executive leadership team (ELT) or board want superhuman results but are not willing to take the risks that big returns require?



An Example Interview Question Answered Without and With the CAR Method

Candidate 1 answers using their own approach, and Candidate 2 answers using the CAR Method:

Interviewer: Can you give me an example of a profitable strategy you had?

Candidate 1: Yes. I helped launch the new blue widgets product line for Company X in Saudi Arabia. It was quite challenging, but we were able to deliver significant results within the first year.

Now, the same question answered using the CAR Method:

Candidate 2: Yes. It was 2009, and I was vice president of sales for Company X. I was tasked with launching our new blue widget product line in Saudi Arabia, but the Global CEO wanted it in the market before the next quarter which meant I had to do it in less than 60 days. This would be very challenging, as usually, we take at least six months for a new product launch. Additionally, my two top managers had just decided to relocate, so I was drastically understaffed. My strategy was to sponsor key events in Saudi Arabia as well as set up a cobranding strategy with collaborators. We went from 0% market share to 15% market share in 12 months and delivered \$55 million in sales.

We can clearly see how Candidate 2 highlighted the severity of the situation in a few short sentences, what action they took, and the specific result they achieved, which they should have articulated with numbers rather than simply giving a nebulous statement like "...we had a significant result."



Be sure to highlight at least two constraints but hold to a maximum of four so that you are able to keep your entire answer succinct, tight, and engaging.

Part 2 - The Action

The action section of your answer starts with your strategic development skills – your ability to transcend the challenges presented by organizational boundaries, silos, business units, and geographies. It is usually supported by your strategic implementation and communication skills, ability to use success metrics, and ability to deliver direction in a group setting. Often, the best way to highlight these, as well as your experience and depth of knowledge, is not to state what would work, but rather to state what would not work.

Stating the negative may seem strange, but it actually makes you look smarter than just focusing on the solution. We know that the true mark of a genius is to what degree he opposes the current paradigm of thought. Great intellectuals are, in fact, measured by how much they disagree with society's current thought leaders and thinking paradigms. Just think of Galileo or Socrates; it was their abrasive stance against the thinking of their time, which immortalized them in the annals of human history. Christopher Nass, a professor of communication at Stanford University and co-author of *The Man Who Lied to His Laptop: What Machines Teach Us About Human Relationships*, argues that we tend to see people who say

"The poet, the artist, the sleuth — whoever sharpens our perception tends to be antisocial; rarely well-adjusted, he cannot go along with currents and trends."

- Marshall McLuhan

negative things as being smarter than those who are positive. Thus, we are more likely to give greater weight to criticism than praise.

By stating what does not work in your strategic dialogue, you subtly highlight your intellect prowess and experience more, as the automatic assumption being made by the listener is that you must have more depth of knowledge to understand why a litany of different strategies will not work versus knowing why only one strategy would work. So, be sure to highlight one or two approaches that



would fail under the described circumstance before articulating the one you chose, which was successful.

In the example below, the candidate who is a chief strategy officer for a bigbox discount retailer who was looking at moving into a big city and taking market share:

Interviewer: Tell me, what was your strategy as you moved into Toronto?

Candidate 1: We focused on securing market share in the surrounding townships, and then once we had established a beachhead, we moved into the inner city, putting up a flagship store. This produced excellent results and allowed us to achieve profitability within three years.

Now, the same question answered using the CAR Method:

Candidate 2: "I was tasked with driving our Canadian growth agenda, and the group CEO was eight months behind schedule, so I had to deliver our strategy in just half of the time we had originally planned for. Then, he wanted me to find the bottom line in less than 36 months, or it was my neck. Because of all that, I had to act fast and needed a plan that would deliver immediate results.

I knew that if I just opened a store in downtown Toronto, the other big-box discount stores would start a price war and slash their prices. They could run at a loss and just bleed us out of the market. I did not want to start a price war and also needed to be profitable right away, so I targeted the rural areas where there was little competition. We moved to the distant surrounding counties of Toronto, where there was virtually no competition, and we could easily dominate the market. This created immediate cash flow and created a stable base from which we launched into Toronto. When we came to Toronto, we already had five locations in the surrounding area, so our competitors knew they could not bleed

16



us out of the market. As a result, I exceeded our net margin targets by 15%, and did so three months early."

You can see how telling the interviewer what does not work highlights your intellect and experience. Too often, I see top performers go straight into the answer and skip the strategic process, which is, in fact, the critical success factor they are meant to be conveying in their answer! Be sure to demonstrate your ability to create a strategy, develop it, and execute it.

Another key element that you can include in the actual action section, which is not discussed above is to highlight how you collaborate effectively across organizational boundaries. Did you visit the manufacturing plant and ask the production people for their input? Did you call different geographical offices and gather data about the best approaches globally? Did you interact with operations to get a full idea of the cost implications of your project? In this section, you should mention how you go above and beyond to gather the full stream of data.

In the action section of the answer, you want to write out who you interacted with to develop your strategy, and based on your experience and knowledge, what you know will and will not work. Then, once you have the strategy or action plan, it is all about implementation and execution. How did you get the team to take ownership of your idea? How did you implement the idea, and how did you get the team to execute your action plan?

As you were implementing the action plan, what success metrics did you use to measure the team's progress towards the goal? How did you identify and measure deep indicators or key success behaviors? Those are behaviors that are critical to driving revenue and net profit. This is a great area to demonstrate your ability to lead and drive a team to achieve a goal.

The key areas of the action section are:

 Strategic development and your ability to access the full stream of data by transcending organizational boundaries, silos, departments, and business units. The strength of a strategy rests on the depth of data and analytics, which were used to produce it. Are you able to



acquire data points your competitors don't have? Were you able to acquire data from different parts of your company? How did you develop the strategy? What were the insights you unearthed during the process?

- 2. **Implementation** and your ability to get a team of people to buy into your idea and execute it. How did you create ownership of the strategy with the team?
- 3. **Execution** is your ability to deliver results in a group environment. This includes the use of success metrics, giving direction to the team, and driving them to peak performance.

The action section of your answer is your ability to showcase your ability to create a strategy, to rally your team around your war cry, create ownership with employees, and performance-manage a group of professionals towards the achievement of a goal. Below is an example of the action section of the answer for a Consultant who was building a sub-segment team, specifically in the risk practice.

Circumstance:

"The 2008 crisis was upon us, and revenues were down 50%. I was head of financial services for the firm and needed to find net-net new revenue, or we were going to close down. The situation was terminal. It was do or die, and some of our competitors died. A generic sales strategy would fail in this frosty, bear market. In addition, any tender process was useless with only 15 firms showing up to the pitch, so the traditional avenues were all a dead end. There was only one way to get ahead of the curve, and that was target a high-growth niche that the competitors were ignoring."



Action:

"I looked at the data and saw that banks were investing in risk in a big way. One report mentioned a \$100 billion will be invested in risk management over the next five years. One clear reaction to the crisis was that the banks were expanding their risk teams both vertically and horizontally. They were investing in IT systems and anything else that would buttress up their risk functions. I found out GE Capital invented the position of chief risk officer, and the first CRO was James Lang based out of Boston. I called him up and created a joint venture, producing the most high-powered risk consulting practice in the Middle East.

My team was so excited; everyone was jumping to be on my project. Sentiment shifted from defeat to excitement, and consultants started calling our clients with a unique offering that added true value. Everyone wanted to meet James.

"We delivered \$350,000 in sales in the first six months with our risk offering. That, combined with our existing sales, made our department one of the top performers in the company. Globally, we were ranked in the top ten out of 80 offices, and our joint venture was globally recognized as one of the best in the world."

The above example highlights the candidate's ability to take the initiative and deliver innovative solutions. He not only turned his clients on, he also got his team engaged. An experienced interviewer will look to see how the candidate approaches a business challenge. In the example above, the candidate first gravitates to collecting data and analyzing it. The formulation of the strategy is based on the identification of the market opportunity. Think, act, and answer interview questions like a top performer.



One of the key traits of a top performer is that they are intellectually curious and acquire data from all sources. They are never satiated and are forever looking for that intellectual arbitrage over their competitors. Good interviewers will be looking for this trait as a marker to separate the contenders from the pretenders.

In the next section, we will look at how to end your answer – with results!

Step 3 - The Result

When assessing a top performer, we (executive search professionals, that is) look for how they benchmark themselves. The underperformer will undoubtedly never benchmark themselves and will state their results in vague language such as "We did very well," or "The lift in sales was significant." The top performer will



articulate their results in numbers such as "I delivered an 11% increase in sales," and will benchmark themselves four ways: internally, locally, regionally, and globally. Their answer to the question, "What was the result of the innovative market entry strategy you implemented?" would be something along the lines of, "I delivered an 11% increase in sales which was the highest increase on our local sales team and was also the highest for the EMEA region. It was the third-highest globally after Germany and the USA, which had 12% and 15% increases, respectively."

The reason top performers do this is because they are hungry to be better, faster, smarter, and more productive. As the saying goes, "What can't be measured, can't be managed," and top performers are always managing themselves and driving themselves to new heights. They are enthusiasts and connoisseurs of their profession and are determined to develop an edge.

The result section of your answer is your opportunity to brand yourself as a top performer. So, highlight how you have benchmarked yourself and let the

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interviewer know how much you know about the industry and the market. Take your results and translate them into numbers. That being said, never share proprietary or confidential numbers or any information that will negatively reflect on your integrity or character.

For example, if your sales were \$100,000 and you increased it to \$120,000, you should not just say, "I delivered \$120,000 in sales, which was \$20,000 up from last year," as the interviewer will know that you are sharing what is considered confidential company information, and they will wonder whether you can be trusted to keep their numbers, revenue targets, achievements, and strategies secret. Instead, say, "I increased sales by 20% in 12 months."

An essential point to notice is stated in that answer are both the result and the timeframe in which the result was achieved. Time is critical to the top performer. They know where they are in the fiscal and calendar year and how much time they have left to achieve their goals. Underperformers have no concept of time, and this will show subconsciously in their answers as they will not mention the timeframe unless asked for it. The top performer will highlight the result and the time as they will want to demonstrate how quickly they are able to deliver results. Top performers appreciate the value and impact of timelines and delivery schedules and will demonstrate this in their responses during an interview as well as during the course of fulfilling their duties.

Let me make one thing very clear – you do not have to be in sales to be able to do this. When I work with people in operations or in the back office, they say that they are unable to articulate their results, because often their results are not apparent. This is absolutely not true, and with some simple calculations, you can translate your back office and operations projects into quantifiable, bottom-line results. For example, a vice president of the supply chain (VPSC) implements a new, just-in-time logistics system, which increases inventory turns by 1,000%, reduces warehouse requirements by 200%, and cost-per-unit by 2%. In other words, the VPSC has reduced the fixed cost by eliminating the need for one full warehouse as well as increased efficiency, and this can be translated into figures.

The VPSC reduced the warehousing requirement by 200% eliminating, let's say, one full 100,000-square-foot warehouse which was rented at the cost of \$1.3





million per year. The increase in inventory turn by 1,000% decreased the need for working capital and increased cash flow by a similar amount.

As we know, working capital is the amount of cash required to run the business for its cash cycle (usually three to six months) and, although it varies from company to company, it will generally be in the millions of dollars. In this example, I am estimating it at \$5 million as, instead of tying up cash in inventory, the inventory is no longer sitting idle in the warehouse because the just-in-time system is ordering stock only as it is used. Working capital will change from business to business, and I just made an assumption for the purpose of this example.

As a result, we can say that the VPSC saved at least \$6.2 million, not taking into account the operations expenses – line supervision, clerical effort, information technology, supplies, insurance, and taxes – that is eliminated from not running the second warehouse. If we take an estimate of what these costs are and add them to the figure along with handling costs and labor, the largest component, of, say, \$3.8 million, we very quickly find that our VPSC has delivered at least \$10 million in savings per year.

Which is more impactful? "I delivered a significant cost savings," or "My just-in-time solution delivered over \$10 million in annual savings for the company by decreasing warehousing costs, working capital needs, administrative costs, handling costs, and more. It was a project with direct, bottom-line impact."?

A little later in this chapter, I will give another example of how to translate operations results into bottom-line results as I provide a breakdown of how to determine the dollar impact of an automation initiative by calculating the price per hour of your team. If you are a shared-services or back-office professional, just assign a dollar value to the people and equipment your efficiency and operational effectiveness projects touch on. A quick back-of-the-envelope calculation will give you quantifiable bottom-line results you can use to make your interview presentation punchier and more succinct.

You can estimate the salary of the staff, then break that down to an hourly wage, and then, if you remove ten people by automating a process, you can easily calculate the cost of removing the ten people from the company. Every efficiency created has a bottom-line result. Just have a think, and you can figure

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out a ballpark number that it represents. You can see a full breakdown of how to do this on question 13 of the 16 Most Common Interview Questions. Number 13 is, "Describe a time you had an innovative idea that reduced a cost or increased efficiency," and it explains how to do this in detail.

So, let's go back to our example from the Action section and see how our candidate fared. The answer ended with results.

To recap;

"We delivered \$350,000 in sales in the first six months with our risk offering that, combined with our existing sales, made our department one of the top performers in the company. Globally, we were ranked in the top ten out of 80 offices, and our joint venture was globally recognized as one of the best in the world."

So, in the answer, we see numbers. This is the first sign that a result section of the answer is being delivered correctly. In this case, the candidate revealed the number. They could have also said, "We delivered a 25% increase in sales over the first six months...," if they did not want to state the actual number. Ratios and



percentages are fine, but numbers are the language of business, so be sure to use them when answering interview questions.

The next thing the candidate does in this answer is rank and benchmark their performance. Only top performers do this. The candidate ranks their performance internally at the company, and then globally. This is important. Always benchmark your performance and highlight your global perspective by referencing what the best performers in the world are doing.



This is the key to closing your answer: results in numbers with clear benchmarking of your performance. Underperformers will never do this as they have no clue what the regional and global performance metrics are. Top performers, on the other hand, are competitive by nature and naturally employ the use of success metrics to measure and guide their performance and the performance of their team members.

If you are being interviewed by an experienced interviewer, they will be more interested in how you are structuring your answer and what cognition is taking place behind the formulation of your answer than the actual answer itself. The sub-text of the answer in the example is that the candidate is striving to be the best in the world at what they do.

They are reaching out to other global top performers and teaming up with them. Additionally, they are numbers-driven; they are innovative revenue generators; they have a positive mental attitude and exhibit many other key traits of a top performer in the structure of their answer. The style and structure of an argument, in many instances, is more important than its content. Be sure to structure your answers like a top performer.

Summary

Before you go any further, please read this section again and again and again. And, if you only take one thing away from this book, let it be the information in this section. Many times, when candidates for a senior role in an organization are neck and neck, the way they articulate their results is the critical, marginal differentiator that pushes one candidate ahead of another. It is not uncommon for organizations to interview more than one top performer for a role, and when this happens, and you are in the hot seat, you need to be able to get every possible extra advantage you can.

The interesting fact that resonates in this section is the fact that "the media is the message," and in fact, the way you answer a question tells us more about you than the actual answer. If someone has a sense of urgency, they will present their answers in the context of time. They will highlight that they are completing tasks faster than their cohorts or are delivering results in less time than the industry benchmarks. They will say, "I delivered a 22% cost savings, and my



shared services center reduced headcount by 150 people. As a result, I was promoted to vice president of operations at the age of 31, and I was the youngest VP in the company".

If someone has a high-results orientation, they will consistently reference their results and benchmark their performance. If someone is intellectually curious, they will reference studies and books they have read and share insights their research has unearthed. If someone is strategic, they will be able to compare and contrast different strategic frameworks and discuss why one would fail, and one would succeed.



Being cognizant that the way you communicate reveals the way you think. Good interviewers will be more interested in how you think than what you did. Be sure you are answering your interview questions in a way that demonstrates you are thinking like a top performer.

Remember, the bigger the job, the more likely it will be a photo finish with all the finalists being highly capable of doing the job, and there will only be marginal differences between them. So, don't lose by a hair; put in the extra effort and work on how you are presenting your answers. Structure and form are two arrows you need in your quiver. Do not step onto the battlefield without them.



Below are summaries of the CAR Method. Use them to write out your best work experiences, making sure you touch on strategy, management, leadership, operations, revenue generation, cost-cutting, and anything else you feel is relevant to your job. Remember, your goal is to keep the interviewer interested and engaged by providing clear, succinct, impactful answers which are directly relevant to the critical success factors for the role.

The CAR Method Quick Reference Chart

CIRCUMSTANCE

The 2008 crisis was upon us and revenues were down 50%. I was Head of Financial Services for the firm and needed to find net-net new revenue or we were going to close down.

The situation was terminal, it was do or die, and some of our competitors DID die.

A generic sales strategy would fail in this frosty, bear market. In addition, any tender process was a dead end with 15 firms showing up to the pitch, so the traditional avenues were a dead end. There was only one way to get ahead of the curve and that was target a high-growth niche that the competitiors were ignoring.

ACTION

I looked at the data and saw that banks were investing in risk in a big way. One report mentioned a \$100 billion USD will be invested in risk management over the next five years. One clear reaction to the crisis was the banks were expanding their risk teams both vertically and horizontally. They were investing in IT systems and anything else that would buttress up their risk function. I found out GE Capital invented the position of Chief Risk Officer, and the first CRO was James Lang based out of Boston. I called him up and created a JV producing the most highpowered Risk Consulting Practice in the Middle East.

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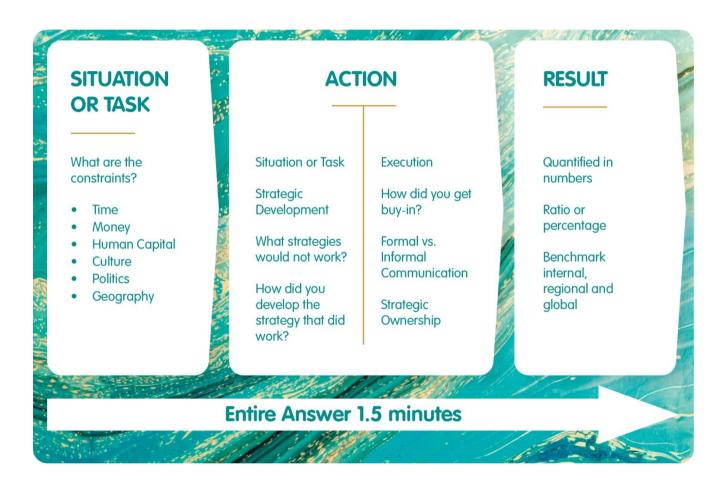
RESULT

Immediately we got traction with our clients. Our social media program started delivering two or three leads a week in a market in which previously we had zero engagement from clients. We ended up signing projects worth \$350,000 USD within four months, making our financial services practice the best out of 72 offices, and number one in our region.





Let us now sort the answer in this section on to the respective CAR or STAR models. Remember, if you have a 60-minute interview, you will generally have 10 minutes of casual chit-chat at the beginning of the meeting, and five or ten minutes of casual chit-chat at the end, or, at the end, you will have ten minutes to ask questions. That means that you only have about 40 minutes to showcase all your skills and talents which are relevant for you doing the job. It is important to record yourself giving the answers and keep your answers to under two minutes, or even better at one and a half minutes if possible.



On the next page, the answer is broken down into each part of the CAR System:



THE CHALLENGE

- Describe in five sentences or less what the circumstance or challenge was.
- Highlight constraints, e.g.: budget, time, manpower, culture, talent, market risk, economic cycle, etc.
- Make the interviewer empathize with the situation.
- Highlight that this was an epic challenge that required a Herculean effort and godlike intellect to resolve.
- Remember you are telling a story, so be engaging, energetic and insightful.

THE ACTION

- Highlight how you developed the strategy.
 What data did you collect and where did you get it from?
- Highlight key insights you had from the data you collected.
- Discuss which strategies would not work before you reveal which strategies you wanted to employ and which were successful.
- Talk about how to engaged your team and rallied them into action.
- Highlight the success metrics you used to measure and manage the behaviors you needed to elicit from your staff. In this context, revenue and net profit don't count. We want the pre-result behaviors.

THE RESULTS

- Always articulate your results in numbers percentages and ratios are best.
- Showcase by benchmarking internally, locally, regionally and globally.
- Send the message that you are an executive who can execute and deliver results. Competitive, hungry, driven, and unstoppable, you deliver results under all market conditions.

Summary

As next steps write down the top ten questions you will get in your interview and then write out your answers to them in the CAR method so you have a stable of pre-packaged answers that you can then use throughout your interview. Using this approach will be sure that you are not only providing the information required to win the job but that you are also winning the subconscious dialogue that is taking place during the interview.

If you feel you would like more assistance in managing your career, please reach out to me on +971 50 940 7537 or send me a *WhatsApp* on the same number. You can also visit www.ownmycareer.com and access more of our free content or sign up for one of our professional packages designed to get you into your dream job.





About The Author

Shane Phillips is the CEO of The Phillips Group, an Executive Search Company which was founded in 1984. Over the past 36 years, the Phillips family has helped thousands and thousands of people with their careers. Shane has been featured on TV, radio, and magazines as an expert in leadership and career management.

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