



## EXECUTIVE NEWSLETTER

February 2007

Page 1 of 1

### EXECUTIVE SEARCH

#### *Performance and Expectations*

In most cases the paramount concerns for a client in enlisting a search consultancy will be: confidentiality, wide market coverage for potential candidates, timelines and the final cost of the placement. The client should ensure that its needs are satisfactorily addressed in the proposal it receives from the selected search consultancy. This proposal should detail, at minimum, the following points:

- A summary of the role, reporting lines and key competencies
- A description of target markets/companies from which a pool of candidates will be sourced
- When in the process the client's identity will be revealed (generally not until close to shortlisting)
- Anticipated time frames for the search process
- Frequency of feedback from the consultant during the process
- Overall cost (whether as a percentage of the remuneration or a fixed sum) and guarantees.

The first three points are self-explanatory. With regard to time frames, search generally takes at least twice as long as advertised recruitment because of the initial research stage. In most cases a thorough search will take at a minimum a good six to ten weeks from initial briefing to placement. The negotiation process with the preferred candidate can extend this period sometimes as well. Any search done in less time is likely to be compromised in both standard and quality of the target pool of candidates. Also beware of the so-called "search" which is nothing more than a check of the consultancy's own database of "live" candidates rather than a full market search.

The best way to ensure that the consultancy chosen will deliver well-sourced candidates is to ask for a full description of the search process that will be used. This should be offered at the initial briefing and also followed up in the proposal. The process should provide for regular updates on the progress by the consultant on a

weekly basis. In this way the client can be sure that the work is being done and time frames are adhered to.

Methods of costing will vary, but in most cases the fee is 25-30% of the total cost package, and is generally charged in thirds, with the first payment billed as a retainer. The consultancy should offer a guarantee on the placed candidate so that if the appointment is not a success (for either candidate or client) within a given period then the consultancy will endeavour to locate another suitable individual at no further cost. The accepted industry practise is a six-month period.

#### Tips for managing your search consultant

When assigning a consultancy to the search task, it is essential that the assignment is properly managed so as to contain the relatively high organisational risk, time factor and costs inherent in the task.

#### *Setting the ground rules*

Ensure it is established at the outset who will actually be carrying out the work. This is essential if the consultancy is privy to confidential information. In a small consultancy it is likely that the consultant taking the brief will do the work. In a larger firm, with layers of employees, any dissemination of this information must be critically managed. This may include accessing other national or offshore network offices.

With the higher fees associated in a search task, the client should be able to expect first class service, communication and delivery. The consultant should also have the knowledge and the expertise to carry out the work. Remember: the consultant is the first representation of your company to potential candidates, so be certain you feel comfortable with the image the consultant will be presenting on your behalf. Also look at the internal "drivers" in the consultancy i.e. is the emphasis on service and quality or volume and profit? Sometimes the more "cosy" or cheaper arrangement may not

provide a more professional and thorough result.

#### Managing the job

Once the research task has been assigned, you as the client, should treat the task as a business project. Use project management techniques to ensure all matters have been addressed:

- Objectives
- Time frames
- Task sequence
- Cost and cash flow
- Guarantee
- Any limitations on the project
- Communication processes
- Check points for project management
- Confidentiality issues

It is essential in all search tasks that the momentum is maintained as long gaps in communications, or indecisiveness, will only serve to frustrate candidates' interest in the role. Good planning and project management should prevent time lags or any "shifting of goal posts" during the process. Communications should be open, clear and frank throughout so that there are no surprises or hidden agendas held by any party which could affect the process.

For a search to be successful, you must have confidence in the reputation and expertise of the consultancy you choose, and the task should fit into your company's overall activities by being directed, managed and reported on like any other business project task.

Fleet & Partners Ltd have successfully carried out a large number of search assignments for key roles. Our fee will be a fixed price based not on the remuneration package but as an estimate of both the time involved and the difficulty of the task.

*We would welcome an opportunity to discuss our search expertise in a more detail with you. For further information please contact Barry Dreyer or Barry Fitzgerald on (09) 309 3691.*

**FLEET & PARTNERS LIMITED**  
New Zealand owned & independent

9<sup>th</sup> Floor, 290 Queen Street, P.O. Box 5265, Auckland, 1141, New Zealand  
Telephone (+64 9) 309 3691 > Facsimile (+64 9) 307 5696  
Email: [recruit@fleetpartners.co.nz](mailto:recruit@fleetpartners.co.nz)  
Website: [www.fleetpartners.co.nz](http://www.fleetpartners.co.nz)

See our 'Featured Articles' page at [www.fleetpartners.co.nz](http://www.fleetpartners.co.nz) for more Fleet & Partners newsletters and articles