

THE MYSTERY REVEALED

While most aspects of business today are driven by data and technology, executive search still is thought to be accomplished through a process akin to alchemy. That, at least, is the popular perception. Even senior executives who should know better seem to believe that job candidates are identified, courted, and selected in a manner that owes more to Masonic ritual than to objective research.

A typical executive search, according to this school of thought, unfolds as follows. A company board, a chief executive or a venture capitalist hands a search assignment off to an executive search firm. A search consultant at the firm stirs the names in its database around in a pot. Three candidates, all of them with some personal connection to either the search consultant or its client company, rise to the surface. Interviews are conducted with the three, though the winning candidate is a forgone conclusion. It's the guy who played rugby with the venture capitalist or the board member back at Dartmouth.

Reality? Sure. Occasionally. Very occasionally. In 99 cases out of 100, however, the process is entirely different, and it pays to know this whether you are seeking a job or seeking a candidate.

The fact is, when executive search is conducted correctly, it is a highly intensive, research-based endeavor in which candidates are selected not through personal connections but through systematic research, guided by the requirements of the executive search specification and the business channel itself.

In the real world, a classic retained executive search works like this. An executive search firm is awarded an assignment whereby it is retained to conduct a search to fill a specific position, let us say a new CEO for an established technology company. Working with its client, the firm develops a detailed executive search specification of the position in which is elaborated all of the responsibilities of the role and its primary charter, in addition to the educational, technical, management and personal requirements.

The firm then conducts an in-house proprietary database review to cross-reference its network of contacts developed through previous related search work. It also considers the personal

contacts of its search consultants. After examining its internal resources it comes up with, at best, an initial starter list of contacts with which to begin sourcing and networking. Significantly, no resumes and no personal contacts match all of the requirements of this particular position.

Why? Because the opportunity is unique and because no search firm or search consultant can know all the candidates nationally or internationally who may be right for the position. They will know a few, but they may have to rule out these candidates because they are locked into their current positions or will not relocate for a variety of personal or career related reasons.

So a true search has to begin. Advanced technology is now available which progressive search firms can use to develop original research on every public and privately held company in the world. More importantly, there is technology that can be used to initiate, track and drive progress that serves as a project management tool in support of the search process. In our hypothetical example, the search firm will initially identify somewhere between 40 to 60 companies in industries similar to the client's. These are the target companies where the search firm will begin to seek likely candidates. Most are domestic; several are international.

Through cross-referencing its database and through original research, the firm compiles an initial sourcing/networking list of companies and individuals. This list is then used to identify and approach prospective candidates whose backgrounds and business experience meet, and in some cases may exceed, the executive search specification. A list of some 250+ executives is developed from the original starter list of names and the 40 to 60 firms that were identified and subsequently added to during the course of the search. Each of these executives is called in turn. The details of every conversation are logged into the database in order to track which are viable candidates, which have referred other candidates, and which are "dead ends" for the purpose of this search. These calls generate the names of another 250+ executives who must be called.

In all, conversations with some 500+ individuals allow the search firm to take a comprehensive snap-shot of the business channel and determine who is the best potential fit for the position. It then compiles a list of 10 to 12 potential candidates, all of whom closely match the requirements of the position. After evaluating the candidates' background and experience, the search consultant eliminates several from contention based on a variety of factors, the main one being a lack of necessary depth in certain core competencies as called for in the executive search specification.

The potential candidates remaining are placed into a calibration matrix and a meeting is scheduled with the client to provide updates on the progress of the search, review potential

candidates identified, and evaluate market reaction and/or possible issues that may impact the progress of the search.

More specifically, the calibration meeting is used to compare and contrast the pluses and minuses of each candidate's background in addition to discussing any changes to the search parameters that may have occurred since the initial start-up meeting. During this portion of the process, the search consultant eliminates another two candidates after a comprehensive, in-depth and highly structured interview is conducted. As a part of the due diligence process, facts surface about the personal or professional dealings of these candidates that raise red flags.

Three candidates are left standing. Not coincidentally, these are the same three individuals whose names have come up repeatedly during the search. In the course of speaking with executives within the clients' business channel, an increasing amount of evidence and testimony suggests that these three are ideally suited to the position. Subsequent interviews establish that a particular candidate has created a strong personal rapport with the individual most responsible for the hiring. This candidate, though previously unknown to the hiring authority, is ultimately offered the opportunity.

In effect, neither the search consultant nor the hiring executive initially selected the new CEO. Rather, she was selected by the business channel itself, in which she had established a reputation for efficiency, vision, and leadership. Her name surfaced in a research-driven executive search that was systematic and industry-wide. Most of the executives in the clients' business channel eventually came to know the search was taking place and for whom. Finding and attracting the appropriate candidates was strictly a matter of investing the necessary time, effort, technology, resources and expertise.