

Why Use Executive Search?

THE LANDSCAPE

The competition for qualified leaders is fierce, and the best candidates could be across town or across the globe. Executive search consultants know the terrain. AESC members have access worldwide—across industries as well as geographies—and we have the know-how to help clients think in new ways about how to identify, recruit and retain top leaders. Search is what we do: we know the business, and we take the time to know *your* business.

HOW EXECUTIVE SEARCH CONSULTING DIFFERS FROM CONTINGENT RECRUITERS

Executive search consulting is a specialized form of management consulting, which frequently provides significant benefits beyond search including assessing an organization and its culture, integrating a new leader for optimum success and advising executive leadership and boards. A contingent recruiter, on the other hand, is focused on identifying potential candidates and helping a client narrow the candidate pool.

A business can take one of three general approaches to hiring executive level personnel: executive search consulting, contingent recruiters, and in-house recruiting.

Executive Search

Firms such as AESC members are specialized management consultants retained on an exclusive basis by clients in an advisory capacity. An executive search consulting firm typically partners with a client to identify, assess and select the very best possible candidate. To be sure a candidate is fully vetted, these firms employ highly sophisticated methodologies including competency-based interviewing, 360 degree referencing and due diligence processes that may be augmented by psychometric testing and broader assessments. Their success is defined by the long-term commitment and impact of the person hired, therefore they are motivated to help secure a lasting, successful executive hire for their client.

Contingent Recruiters

Contingent recruiters present a pool of candidates that fit certain criteria. A contingent recruiter generally works the front-end of the process, leaving the assessment and selection work to the client. They seek to place as many candidates as possible in the shortest possible time and tend to work with many assignments concurrently. If a particular assignment is not getting traction, contingent recruiters have little incentive to continue. Contingent recruiters are most often used for mid-level positions or positions where there are a large number of qualified candidates. They tend to focus on candidates actively looking for a new role, and positions that have much lower risk associated with a failed placement.

In-House Recruiting

Larger organizations in particular are likely to have significant in-house recruiting departments. An in-house team has many solid tools available, including firm-wide skills inventories, access to traditional recruiting tools and a network of potential candidates. Generally, in-house recruiting departments are best resourced to focus on mid- and low-level placements and will work directly with an executive search partner for the third party expertise they bring to fill their organization's most senior-level executive and Board positions.

MORE THAN SEARCH

Executive search firms help their clients identify the leadership assets they have, the challenges they must be prepared to meet and the qualities they must acquire and cultivate to meet those challenges. They have the resources and experience to identify, evaluate, and secure leading candidates and are committed to their clients' success. The best executive search firms partner with clients, providing deep expertise in industries, functional roles and geographies in which their clients operate. They have to be experts, because as partners they understand what is at stake—the value of success *and* the cost of failure.

REDUCING RISK AND GETTING IT RIGHT

Shareholder confidence, organizational effectiveness, and employee engagement are just a few of the immediate benefits of “getting it right.” The risks associated with an unsuccessful hire can be catastrophic. Widely cited research indicates nearly half of new CEOs don't make it past 18 months, and the costs of replacing them are staggering.

Direct costs include compensation and duplicated recruiting investments. More significant costs involve lost momentum and the negative impact on shareholder, customer and employee confidence. Research confirms what business leaders know from experience: the wrong hire affects employee morale and productivity, client/customer relationships, and economic performance.

These risks can be reduced and the converse benefits enhanced by leveraging the sophisticated assessment, search and due diligence processes that executive search firms provide to clients. Simply put, *getting it right* is essential to business success.