

# Retained executive search is a true strategy consulting discipline

Executive search services have been introduced to our market shortly after the changes in 1989, so we now have more than twenty years of experience with them. One would assume that after so many years the service providers would respect how to go about providing the search service and that clients would easily distinguish between retained executive search companies and other search (mostly contingency based) companies. Surprisingly there is still limited awareness of the differences on both sides - consultants as well as clients. Frequently asked questions often result from a lack of understanding of the different processes involved in retained and contingency searches.

## AESC SETS THE STANDARDS

In the field of retained executive search there is only one real professional association that sets the standard for professional conduct of search services, for rights of clients as well as candidates and for ethics that needs to be followed in order to guarantee the quality and professionalism of executive search services. This is the Association of Executive Search Consultants (AESC) - global association for retained executive search and leadership consulting firms. It was established in 1959 and since then it associates the remarkable leading executive search companies. It can be joined only by exceptionally professionally operating executive search companies which manage to go through thorough due diligence process in which they prove the professionalism of service they provide to clients, their continuous investments into quality and their devotion to the highest level of ethics in the profession.

## IT STARTS WITH HIGH-QUALITY RESEARCH

What are the key differences? What should anyone thinking about retained executive search take into account? Well, anyone asking for this service should be aware of the fact that it is a strategic consulting service and as such it requires full consulting approach to achieve effective outcome. It is being used mainly in situations where company needs to recruit a senior manager who is in most cases not active on the job market at that moment. It is very common that it is used on such occasions where the company has made a decision on replacing a top level executive who should not learn about this decision before a successor is found and the company decides to make the announcement on change in leadership.



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Achieving this level of discreetness requires a truly professional approach to the search based on proactive and systematic research. Unless you can discuss the situation on relevant market with your search partner and seeing that your search partner investigated all potential sources, then you are not getting the service you should when hiring an executive search consultant. You should be getting the full attention of the search consultant who focuses on your need, provides you with regular feedback on the market

situation and is consulting you throughout the whole search process, so you can be in full control of what is happening in your search.

## SENIOR ATTENTION ALL THE TIME

It is the senior consultant time and attention you are paying for, and that is reflected in how you reward the consultant for the work. The consultant will work with you on an exclusive basis and you will retain him/her similar as you would retain for example your lawyer for the legal services. The whole search process is a consultative research-based process, into which the consultant will invest time and other resources in order to get to know your organization well, will learn about what literally keeps you awake at night and will be on your side thinking about how to help you to solve your problem. Therefore trust is the key element of a healthy relationship between search consultant and the client.

At the end of the process you are not only getting a well-screened and exceptional candidate, but you are being advised on how your organization is being perceived by the market, what the key players and potential candidates think about your company and what are the remuneration levels on positions similar to those you are searching people for. With good search company you



Igor Šušik  
Managing Partner, Amrop Slovakia

actually get an advocate, or a goodwill agent, representing you on the market and drawing a desired picture in the minds of market opinion leaders. It is probably the most effective tool of one-to-one marketing you can get.

## QUALITY-DRIVEN SEARCH PROCESS

The work of retained executive search consultancies is based on quality. Only consultant who intentionally invests into quality of research process, quality of assessing the candidates and quality of people that are representing the search company and consequently its client makes a worthy search partner. It may sounds like a cliché talking about quality as almost everybody will claim doing quality work, but one should be aware that only a few actually passed the certification process that is accepted as the worldwide search quality standard as set by AESC which guarantees their clients an exceptional service from their search partner.

You can be sure that in those companies you will have a search team working on your case and consultants who will dedicate their time of at least 40 to 60 hours a month working on solving your problem and therefore maximizing the chance for the best available solution. In these days we can observe that many clients push for quick solutions and in various cases they get one. But in many cases they regret that they did not allow for full search process and went with first available solution as they had to make another change in some time and only then handing the search to professional search consultants. Added together this was more expensive way how to go about finding the right candidate compared to a situation when they would hire search professionals right away and giving them time to do their work. Everybody in business knows that a thorough due diligence is a prerequisite of a positive result.

## SAVING TIME AND MONEY

Another issue the hiring manager should be concerned with is the experience of the search consultant. In retained executive search consulting companies the consultants are experienced professionals with successful track record either in executive management or in management consulting. With this qualification they can relate to the market as equals, discussing really the business cases of the companies and can assess people not only on the personality level but also as executive managers in particular corporate cultures and types of businesses.

One of the benefits of working with retained search firm is that you save time that you would otherwise have to spend on vetting potential candidates and meeting a number of people that are simply not suitable. All this is outsourced to your consulting partner who does the work on your behalf, so you can meet only the shortlisted 3-5 finalists on whom you get comprehensive reports describing their professional history, educational background, references and consultant's assessment. This saves time to general management as well as to human resources.

## STRICT GUARANTEE POLICY

The professional search consultants respect the code of professional conduct, the bill of rights of candidates, the bill of rights of clients and professional practice guidelines. They will help you also in the stage when you negotiate with the candidate and they will guide the candidate through a process of terminating his/her current employment. They are fully committed to the highest ethical standards and therefore will provide you with at least one year guarantee on the candidates they place and will respect to

keep your company off-limits for at least one year after the last search assignment was completed; moreover they will never approach again the candidate they placed at you as long as he/she works for you.

## NOT EVERYBODY WHO CLAIMS ALSO DOES

If you review your experience you had with a recruitment company that has claimed providing you executive search services and benchmark it against what has been described in this article, you will most likely realize that not always you have been getting what you paid for. Anytime you will look for a search company in the future and your intention will be quality driven, look for partners that invest in quality and base their behavior and approach on best in class standards. It will maximize your chances to find the optimal solution to your problem.

*Written by Igor Šulík, Managing Partner of Anrup Slovakia  
For more information, go to [www.anrup.sk](http://www.anrup.sk) or [www.aesc.org](http://www.aesc.org).*

## Retained executive search industry outlook for 2012



Releasing the results of their 2012 retained executive search industry outlook the Association of Executive Search Consultants (AESC) announced that demand for senior executives is still expected in the major markets of the world, but with less optimism than at the beginning of 2011.

Similar could be said about outlook for the executive search industry in Slovakia. Even though there will be demand for this type of services companies needing it will try to work first with various low-cost and contingency based recruiters hoping that they can solve their search need by bypassing professional executive search firms and

supposedly save some time and costs. After struggling with it then they will turn to executive search companies realizing that they lost precious time causing them in fact losing money in comparison to a situation when they would launch the search outright with a professional retained executive search company.

It is expected that clients will prefer quality, high professional and ethical standards in their search partners and will look for guarantees in that regard. It is projected that there will be demand for professionals especially in the sectors of Energy & Utilities and Manufacturing where people flexible, innovative and ready to take on a challenge in uncertain world and in difficult-to-predict market conditions will be needed.

Along with Peter Felix, AESC President we would say: "We continue to be optimistic that our profession will be called upon to help find solutions to the very demanding recruitment and leadership development challenges."