

Introduction

As a former executive search partner and CFO practice head at the world's largest search firm, I have accumulated over 18 years of experience on the frontlines of executive search. During that time, I've seen the process from the inside. I have worked with the most demanding hiring companies and have interviewed and placed some of the most talented executives in North America.

What I have concluded is that even the most talented and driven executives do not have the tools or information they need to manage their own careers. Ironically, while they have great analytical tools at their disposal to run their businesses, they lack the tools needed to effectively run their own careers.

Executives simply are not privy to the inner workings of the executive search process. Further, they have an extremely limited view of available (or soon-to-be available) openings. And they have virtually no knowledge of the key stakeholders. The typical executive is not empowered in the process and the search process is far more complicated than it should be. Frustratingly, after years of investment in their own education and work, much of their career success is left largely to chance.

“Career management for most executives consists of waiting for recruiters to call them or hoping a lead will turn up through their personal networks”.

The solution to this problem is the efficient provision of information. So, I founded Lead5 to bridge that chasm and provide executives with the information and understanding they need to take control of their own careers.

That journey starts here. This primer is intended to help executives understand the opportunity flow, process, and players that are critical to connecting with the best opportunities and effectively managing their careers.



Josh Wimberley
Co-Founder & CEO Lead5

Know the Players

The executive search space is not just comprised of recruiters and hiring companies. It is an ecosystem of various organizations and people with a myriad of interests and goals. Managing your executive career without understanding this ecosystem leaves too much to chance and literally cuts off your access to a huge swath of opportunities.

Thus, the ability to navigate the playing field becomes paramount. The firms that are involved must be considered, and identifying the key contacts at those firms is just as critical. We will review each of these players.

The Hiring Companies

These are the companies with executive needs and, hence, provide the fuel for the process. While many candidates think they should only engage with the search firms, reaching out directly to the hiring companies can actually be advantageous for a number of reasons, including:

1. The company will forward submissions on to the executive search firm, virtually ensuring that it is seen and—frequently—moved to the top.
2. It shows initiative and savvy—particularly when the opportunity is new and yet-to-be placed with a search firm. Hiring companies will often favorably consider how your initiative translates into your ability to run their business.
3. The chance of landing the opportunity increases if you make yourself known to the hiring company prior to their retaining a search firm. We will cover this timing later in more detail in the “Know The Process” section.

Corporate Talent Acquisition

This group is employed by the hiring company. Within the Fortune 1000, the majority of companies have established in-house executive search functions who manage outside executive search firms and run internal executive searches. These individuals often come from executive search firms and have keen insight into the company’s executive hiring plans. If you are interested in executive-level career opportunities at a specific Fortune 1000 company, connecting with the head of corporate executive recruiting is a great starting point.

The Recruiters

Retained executive search professionals have become more specialized over the last several decades. Most search professionals now have a specialty at the intersection of industry and function. For example, a search partner may only recruit technology officers for healthcare companies. Knowing the relevant executive search players is key to remaining in the flow of new search opportunities. This includes both those at the major search firms (Korn/Ferry, Heidrick & Struggles, Spencer Stuart, Russell Reynolds, Egon Zehnder) as well as the retained search boutiques that focus on your area of expertise.



The Executives

Executives are the gold for whom the other stakeholders in the executive search process are prospecting. They are highly valued and thoroughly vetted, yet provided with only a hint of their total potential opportunities.

As an executive it is important to view opportunities through the lens of five “filters”: Industry, Function, Region, Market Cap, and Ownership. Industry, Function, and Region are the core criteria of any traditional job board, but Market Cap and Ownership are unique to executive candidates as the executive will serve as a strategic operational leader for the company. For example, the skills needed as a CEO or CFO for a small-cap, private equity-backed portfolio company are vastly different than the skills required as the CEO or CFO of a large-cap public company. Similarly, running a mid-cap family-held private company often entails an emphasis on preserving the business for decades, which contrasts sharply with the focus on speed and urgency required when running a VC-backed start-up.

Private Equity

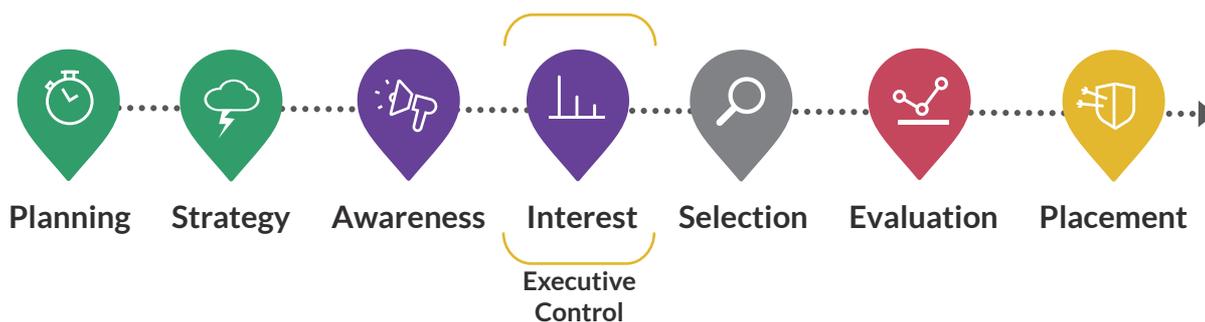
Private Equity is a large driver of executive search as PE firms often buy companies and then replace key members of the C-level team. Similar to the Fortune 1000, many PE firms also employ in-house talent teams who manage C-level recruitment for their portfolio companies. Connecting with the talent acquisition professionals and partners at PE firms that focus on your particular industry sector is a key way to stay active and in the flow of relevant opportunities.

Know the Process

Executive search firms will continue to be a critical part of the executive search process. Therefore, it is important for you as an executive to ensure you are included in their candidate flow.

Retained search firms are hired to run a full-scale, exhaustive process, which entails evaluating all candidates from every possible source, including directly from the company. A successful search professional is ultimately agnostic as to whether they identified the candidate. Instead, these firms are paid to provide the best possible slate of candidates and those ideas flow in from all sources including the board, accounting firms, law firms, the company, and the search firm.

Traditional Retained Search Approach (Linear)



So how and where do you enter the process? Rather than awaiting a recruiter's phone call to plug you in, how do you proactively engage? Your engagement here is simple, but critical:

1. You must first be aware of the opportunities, and
2. You must reach out to the appropriate contact(s) for the opportunity.

Timing here can play a critical role. Companies will often wait three to four weeks while they identify their own candidates before moving to a retained search. **As soon as a board or CEO retains an executive search firm and, thus, commits to the full fee, the standards and timeline for the hire increase dramatically.** Executives misunderstand this point and fail to see the value of connecting directly with the company as soon as—and preferably even before—the news of an executive opening becomes public. Therefore, as a candidate this window of time represents a competitive advantage to you in landing the job.

Therefore, the importance of access to timely information about opportunities is obvious. You want to be aware of the publication of potential opportunities but also, where possible, the placement of those opportunities with search firms.



“Lead5 continuously finds personalized matching openings for its executive members, then assesses several characteristics of each opportunity, including phase, players involved, whether listed or not, etc. It then recommends to the executive a concrete set of actions and contacts based on these factors”.

Notably, managing your career is not just about engaging with opportunities when you are actively searching. You should consider yourself to always be in “passive-search” mode. Keep your contacts warm, follow-through, and be aware of what is happening in your function or industry. Create your own process within the process that keeps you plugged in and aware at all times.

That level of engagement begins by having a playbook of companies, recruiters, and investors and the relevant contacts within these organizations. The playbook should also have timely, relevant, and curated market data. You also need to be connected to a platform that brings all players in the executive search ecosystem together and allows you to build, track, and deepen your relationships with those players. And, you need to know who to contact, how, and when—depending on where you are in the process.

Three Pillars of the Playbook

With a playbook in place, it is imperative for you to network with contacts across three key pillars of relationships.

1. **Friends & Family** – These are your existing business and personal contacts. Always leverage these contacts to gain warm introductions into organizations. Most executives work this strategy effectively as it involves “known” relationships.
2. **Executive Recruiters & Other Listed Opportunities** – These are the executive search professionals who specialize in your function, industry, and/or region. You need to know who the key search consultants are in your profession and get in the “flow” of available retained search opportunities. This strategy also includes knowing about any executive-level opportunity that is listed on a job site or made known via public information. In terms of the large executive search firms (Korn/Ferry, Heidrick, Spencer Stuart, Russell Reynolds, Egon Zehnder), as a general rule retained firms control 30% of executive level external hiring for Fortune 1000 and private equity backed companies.
3. **Direct Contacts** – As covered previously in this primer, direct contacts with companies and private equity firms is often an overlooked yet highly valuable strategy to expand the potential pool of available opportunities.

Your goal with the playbook is to efficiently and strategically stay in the networking flow of all three pillars. While most executives stop at Friends and Family or go halfway into Executive Recruiters with one or two firms they know, the empowered executive works all three to his/her advantage.

Know the Opportunities

Unfortunately, gaining information even through all three pillars isn't enough as the executive hiring process is not transparent. Finding middle management job openings is relatively easy as there is no shortage of online services providing such listings. However, executive search is completely different.

Executive search is frequently outsourced to executive search firms on a retained basis, which means the opportunity information flow generally starts with the recruiters. And, while recruiters have an incentive to identify qualified candidates, there's no efficient way to make their opportunities known to a broader audience of high-quality, well-matched candidates. They work their networks but often fall back on their contact lists of prior candidates.

This becomes a key bottleneck on both sides. As a result, recruiters and their client companies do not have the passive candidate flow they need and executives do not have access to the opportunity flow they need. Even if a busy executive had the time to try and work all three pillars of relationships, they still would not be able to easily assimilate all the information into a cohesive view of his/her opportunity landscape at any given time.



Lead5 was created to solve this problem, allowing you to passively uncover executive opportunities through the lens of your own personal five filters: Industry, Function, Region, Market Cap, and Ownership. Lead5 provides this information through its intimate understanding of the search process and its exhaustive analysis of all of the above sources.

Beyond hard leads, there is also a discernment required to understand which news events will likely result in executive openings. That discernment comes from seasoned recruiting experience and Lead5 puts that experience into your hands.

In addition, Lead5 provides filters to build a target list from over 5,000 companies including direct C-level contact information and relevant corporate executive recruiters within the Fortune 1000. Combined with tracking news of executive appointments and a searchable private equity and executive recruiter database, Lead5 equips members with powerful tools for the lifetime of their careers

In Conclusion

Taken together, it is knowledge of the opportunity flow at the right time, combined with access to the right contacts, and proactive engagement that transform the passive, wishful executive into an empowered, activate participant in his/her own career. With the right tools, information, and approach, executives can take control of their own search processes, multiply the opportunities available to them, and better position themselves to land the next role in their career journey.

We hope this primer has been helpful to you in understanding the executive search process and how you can empower yourself within it. If you have any questions, we would be happy to help! Get in touch with me at askjosh@lead5.com.