

## **10 Key Questions to ask Your Executive Recruiter**

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You are ready to get started. There is a position that is open, the requirements have been established and you are about to hire what you feel is the ideal Executive Recruiter to conduct the perfect search. Full steam ahead right? Wrong. A pause to ask and get answers to the following Recruiter questions will go a long way at the outset to prevent disappointment or even failure of the search:

### **What is your completion rate?**

Just because a search gets started does not mean that it will result in a placement. This is particularly important to understand when hiring a retained Executive Recruiter. By their very definition retained recruiters get paid no matter what happens with the search. They act as a consultant with a mandate to fill a particular (usually senior level) role and as a potential client you need clarity on how many assignments go uncompleted (and why.)

### **Who will be doing the work (make sure you have met the team that will actually be conducting the search)?**

In many search firms it is customary for a senior person to sell the search and meet the client and then to hand the execution of the search over to a more junior employee. How much specifically gets delegated depends on the firm but suffice it to say, as a client you should know exactly who will be doing what on your search. This will definitely impact the effectiveness of the process.

### **How many searches will my team work on simultaneously?**

As one might expect this will influence the momentum of your search. Try to gauge this and realize that it can change at any time.

### **How long will it take?**

Related to above, get a realistic estimate of how long your search will take to complete. Note that some of this is dependent on the availability of you and the decision making team at your company. It will also depend on your ability to be decisive about candidates. Notwithstanding this, there is a momentum that is created on a search both from the recruiter's point of view as well as within the target market. It is important to take advantage of the excitement and buzz surrounding an opportunity.

### **What are your methods for interviewing and referencing potential candidates (not all firms are the same)?**

Not all interviews are created equal. They can take place in person or via the telephone or videoconference (aka Slype). They can be formal or not. They can be competency based or situational or behavioral. Your recruiter may employ standardized assessments such as the Myers-Briggs Indicator. Regardless, distinguish the methodology that will be utilized and be comfortable that it is appropriate for your search.

Referencing your finalist candidates is another key element in the search process and can vary widely from practitioner to practitioner. Referencing does not simply refer to the attractive and preapproved list supplied by candidates. References can and should include conversations with those that know the candidate but did not make the reference list. This is where true insight is gleaned and the very best recruiters know how this is done because it is somewhat of an art form and not for the inexperienced.

**What are the fees and additional costs (additional costs can add up to 10-12% of the search fee) and when are they due?**

Fees for a retained executive search are typically 25-33% of the first year's cash compensation. Given the complex nature of stock and equity components of compensation this number is sometimes estimated for the sake of a fee calculation.

What can vary dramatically is when these fees are due as well as the inclusion of additional costs referred to as indirect expenses. The retainer is traditionally paid at 30, 60 and 90 days. Indirect expenses or indirect fees as they are sometimes called can be up to 10-12% of the search fee although they are frequently capped at anywhere from \$9,000-\$12,000. This is not insignificant. For the uninitiated, indirect fees are said to cover such things as research tools, communication systems, postage and printing. Important to understand what you are signing up for as not all retained search firms conform to this practice.

**What are the deliverables of the assignment?**

Deliverables vary from firm to firm. Ideally you should receive information on what can be expected at each stage of the search process from requirements and information gathering to acceptance of the offer. Ask to review a typical position description, a status report and a candidate evaluation. There can be striking differences in the quality, detail, analysis and even reasoning and style.

**What are your "off-limits" (companies they cannot recruit from because of existing client relationships)?**

This may be one of the most important yet least examined consideration.

In order to build relationships with their clients, search firms will establish some sort of off-limit agreement stating that they will not recruit from said client company. The off-limit agreement can be broad and encompass the entire company when it is a major search firm client or it can be limited to a division or a function. Nevertheless, these off-limits constrain your search. If you think highly of and are interested in talent from a particular company, inquire about

whether your potential search firm can recruit from there. Better yet, ask for a list of companies in your industry that are off limits before signing the contract.

**What is the process if a search must be restarted?**

Most reputable firms will stick with the search until it is solved or deemed unsolvable. Occasionally, and for any of a variety of reasons, the parameters of the search must be changed sometime after starting. You must understand what your search partner is prepared to do if this happens. What do they deem a new search (thus requiring a new fee) versus a modification in the existing one?

**What is the guarantee?**

Most reputable executive recruiting firms stand behind their work in the form of a replacement guarantee if the candidate leaves their position either voluntarily or not. The standard seems to be 1 year although there are firms that offer more or less.

There are certainly other questions that can and should be asked. Retaining an Executive Recruiter or Recruiting firm is a partnership that can last several months and hopefully longer if all goes well and there is repeat business. The Recruiter is your voice in the market and can mean the difference between a stellar result and simply a routine exercise.