Employment Enterprises, Inc.

Parent Company of Checks and Balances, Inc. and Temporary Solutions, Inc.

The Essential Guide to

EXECUTIVE SEARCH

Learn why partnering with an
Executive Search Firm
is the right solution for your company

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The 5 Stages of an Executive Search

You know what you're looking for in a C-suite leader, so why use an executive search firm? Because hiring a new executive to help guide your company is no easy task.

The process of finding a new C-suite leader - CEO, COO, CFO, CHRO, etc. - involves many people, a lot of resources, and even more time. This employee will be responsible for executing the mission and objectives of the company, so there's a lot riding on hiring the right person for the role. These searches are also the most challenging positions to recruit and hire for. The sensitive and highly confidential nature of finding new leadership adds yet another factor to navigate.

Working with an executive search firm is the best way for companies to find their next leader. An expert team of recruiting and workforce specialists will guide and support each stage of the search. This alleviates much of the burden from the company's internal search committee and allows them to focus solely on evaluating candidates. Read on to learn more about the five stages of this process.

STAGE 1

CLIENT SELECTS AN EXECUTIVE SEARCH FIRM

The first stage of an executive search is one of the most important. Selecting the right firm to partner with is a critical decision that will shape the entire process. The best practice is to invite up to five firms to submit a formal proposal with information about the firm, its process and capabilities, and fee structure. Be sure to analyze each firm's alignment to your company, its values, and the specific role that needs to be filled.

You also have the option of inviting firms to present their proposals, either in person or virtually. This will allow you to experience the personalities of key players and how they will work with your internal search committee. You'll also be able to hear each firm's pitch as to why they are qualified to handle this level of search. After presentations, a decision should be made within two weeks and each firm should be notified whether you will be working with them.

STAGE 2

CLIENT COMMUNICATES SEARCH CRITERIA TO FIRM

Once you have selected an executive search firm to partner with, they should begin guiding the search process. An experienced firm knows that a successful search requires knowledge about the client and their criteria. Often, this will be shared in an intensive intake call with all search committee members.

One of the reasons partnering with a firm is so helpful is the coordination of the search committee and their schedules. The firm should handle all these details on behalf of the client.

During this call, the firm will ask specific questions to understand the client's culture, values, and ideals for the position. From business acumen to community involvement, core competencies for the role to what made the incumbent successful. The firm will even ask about the client's preferences for location and background of the ideal candidate. (For example, if they worked in a rural setting previously.) Beyond typical requirements for the position, the firm wants to hear any and all information that the search committee can share. Clear communication between the search committee and its recruiting partner is the key to a successful hire.

Once all information is collected, the firm should build a profile of the ideal candidate for the role. After validating their understanding of what the search committee is looking for, they will share it with the recruiting team.

An executive search is about finding a match between the candidate and the client in terms of their mission, vision, and values.

STAGE 3

FIRM RECRUITS CANDIDATES MATCHING SEARCH CRITERIA

Once the profile is agreed on, the firm should start the search immediately. Knowing that this is a highly confidential search, the firm should take a headhunting approach and contact candidates directly.

"I love executive searches because you get to the meat of finding the match," says Michael Bonnema, professional recruiter at Temporary Solutions, Inc. "This isn't typically a concern about salary - it's more about finding a match between the candidate and the client in terms of their mission, vision, and values."

During the recruiting process, the firm's focus is on positioning the client so that the candidate wants to work for them. Emphasizing their work, their reputation, and their values is key. "These are not career climbers. These types of positions are for people who have already made it," says Nasrine Magaletta, vice president of business development at Temporary Solutions. "This position will be their legacy and each candidate is focusing on the type of impact they can make." She goes on to say that longevity is one of the biggest concerns in executive searches. "Cultural fit and values match are critical to finding the right match for the long-term."

There is a large amount of pressure on the search committee to select the right person for the position. This executive could be the face of the company, represent the client in legislature, or be a figurehead in the community. Bonnema stresses that that "giving the client the good, the bad, and the ugly about each candidate" is crucial. This allows the client to feel comfortable making an offer for a long-term hire.

Once candidates are identified, the executive search team distills each person's background and goals into a summary for client review. Beyond bullet points, this summary is a detailed review of each candidate. Within two weeks, the client should begin receiving candidates to review and decide who to interview.

STAGE 4

CLIENT INTERVIEWS SELECTED CANDIDATES

Once the client decided which candidates they'd like to interview, the firm consults with the search committee. They should provide expert insight into how to conduct the interviews, including an interview structure. This structure is not specific questions, but rather topics that shoudl be addressed with each candidate. At the same time, the firm is developing the candidates through preparatory calls to ensure that the interview has value for both parties.

The search committee has control over how to interview as well as how many rounds of interviews to hold. Common requests of the candidates include writing samples or assignments during earlier rounds. At the final round of interviews, each candidate is typically required to sign a non-disclosure agreement. At this point they will be able to review the client's financial statements, which can make or break the hiring process. Final round interviews are also the time for introductions to the Board of Directors and one-on-one meetings with each member.

An expert executive search firm should handle many of the hiring details for their client.

STAGE 5

CLIENT MAKES FINAL SELECTION, FIRM HANDLES THE DETAILS

The final stage of the executive search is the extension of an offer to the committee's chosen candidate. This is another area where an expert firm can handle many of the details for the client. The firm helps negotiate the new hire's start date, which could be months in the future depending on their responsibilities with their current employer.

The firm can also handle the relocation package offered by the client. This typically includes moving assistance, finding a new home, selecting schools, and more. The relocation affects the new hire's entire family, and the firm can guide the process. The firm should also maintain a relationship with the new hire during the transition period between offer acceptance and start date.

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How Much Does an Executive Search Cost?

A good partner will guide every stage of the search process, from recruiting to offer acceptance. Along the way, the search committee receives expert advice and unparalleled service. Because of the sensitive nature and high engagement level, executive searches are the most expensive searches performed. Fees vary quite a bit depending on the company, but a ballpark estimate has executive search fees starting around $35,000.

Most executive search firms will require a retainer equaling one-third of the fee up front. (This is sometimes referred to as a retained search.) This ensures the client company commits to maintaining open communication and stays invested in the search. When the position is filled and all hiring processes are complete, that retainer is applied to the overall fee for the search.

Ready to Get Started?

Working with an executive search firm to find your next C-suite leader is the best path to success. Employment Enterprises is the right partner who can guide your search committee through these stages of your search.

Since 1980, we have partnered with companies across the United States to help solve their workforce challenges. Our executive search solution, when combined with our commitment to service, is the most efficient and effective way to find your next C-suite leader. Contact us today to see how we can strengthen your workforce!