



Executive Search For Professional Services

By Jim Carlisle

I spent 12 years as a consulting partner with Ernst and Young where the firm culture was strong, and with impeccable ethics, bright people and state of the art tools. Within my search practice, both at Ernst and Young and now with Western Management Consultants, I have been fortunate to conduct a number of partner searches for audit, professional engineers and law firm partnerships.

The demand for executive search in professional services firms is steadily increasing. A decade ago, there was more stability in the firms, but the competitive landscape has changed and there is more demand to attract talent. These firms do not want to raid each other directly. Hence, we now have search firms doing more of the work.

THERE ARE SEVERAL DIFFERENCES SEARCHING IN THE PROFESSIONAL SERVICES ARENA:

- The target market for candidates is usually very narrow with no wiggle room;
- The targeted candidates are very visible, that is, they are very obvious;
- Initial discussions with targeted candidates are far more indirect;
- The cultures of the firms where the candidates reside are very strong and dominant;
- The courting period is very long, likely 3-4 months;

- A partner candidate will go through significantly more meetings, depending on the size of the partnership;
- Compensation packages are extremely complex and items, like capital, in leaving a firm can be in jeopardy;
- Money, in a pure sense, is rarely the issue.

GETTING TO KNOW THE CLIENT:

You will likely work with a search committee comprised of two to three partners. Make sure to not exceed more than three partners since the more partners involved the more complex the search will be. Each one will have an opinion on the desired profile and expectations. To minimize this, it is better to have one main contact who is the one best qualified to “pitch to the firm”.

Make sure you have thorough briefing meetings with key decision makers and influencers. Don't short change yourself, as the following material is critical to your understanding of the firm:

- Culture;
- Business mix;
- Revenue;
- Strategic plan initiatives;
- Profile of successful partner/performance criteria;
- Expectation on chargeability;
- Partner compensation package and capital requirements.

- What is the firm's commitment to technology and professional development?
- What do clients say about the firm?
- What is unique about your firm to attract a partner from another firm?

PLAYBACK OF YOUR INTERVIEWS:

Produce a report and get a sign off from the search committee. My experience is that many times partners forget what they have said. A written report will jog their memory and avoid any misgivings that might have otherwise arisen. The distinction here, compared to the private sector, is that more individuals have a say in the process and their mindset is to have everything in writing. The search consultant in this phase plays more the role of facilitator.

SOURCING THE CANDIDATES:

Although sourcing is critical to any search, it is everything in this kind of search. The reason is that the target market for potential candidates is very specific, that is, other partnerships. Firms will go beyond the boundaries the odd time, such as looking for a “rainmaker” from a specific industry to boost sales.

Sourcing is a technique whereby the search consultant develops a specific hit list as to where and who are the candidates. Within the professional services firms, particularly at the partner and senior manager level, it will be obvious who

they are. The search consultant will also talk to other advisors to get more detailed background on targeted candidates and identify any "hot buttons" that might attract their attention.

As in a board director search, the search consultant will likely end up with a very small shortlist. In fact, often it is only one candidate.

It is essential that you have a good script of the firm and candidate profile to present to candidates. Individuals in professional services firms are very detailed and need to know explicitly why there is an interest in them and expectations. They will expect this upfront! When dealing with searches for executives in other fields, the process is more informal upfront and you gradually get into the detail. Part of the difference is attributable to the fact that executives in private sector are more used to being headhunted.

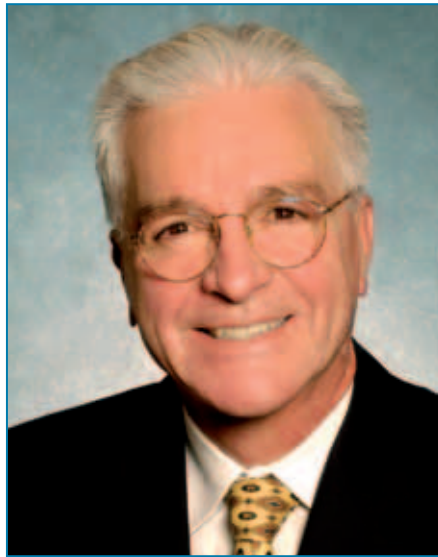
When sourcing targeted candidates learn what really motivates them. Consult more than interview. Similar to board member searches, your shortlist may only have one or two names. Pre-condition the client to that fact and make sure that they are ready to move quickly to attain the right candidate.

THE ASSESSMENT AND COURTING PROCESS:

Once you have assessed that this is the right candidate, set up a meeting between the candidate and your client. Facilitate the process and determine how each party wants to proceed. If the client is interested, he or she will bring one or more partners to the next meeting. Set the agenda and get the candidate's input.

This next meeting is a two way street, that is, an open book on both sides. The candidate is under the microscope, and the client is opening up more about the role the candidate is intended to fill. As a trusted advisor, you will likely want to introduce behavioural interviewing into the process at this time.

Reference checking should then take place, speaking to employees, clients, suppliers and even rival firms to assess if



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the candidate is still the most appropriate for the new role.

You might ask, so why is this any different from checking out an executive? Partnerships, for the most part, are privately held organizations. Therefore, it is very difficult to get a real handle on the accomplishments of the candidate. Reputation of the individual is more likely what you are verifying, and hence, there is more reliance on "indirect" referees.

THE CLOSING STAGES:

At this point, the candidate may need a lot of help in coaching. You can help check what really motivates the candidate and does their fit really match the clients'. If so, then begin to advise the candidate on the best exit strategy. This is when the process can get very complicated as executives ponder how they can resign. Help the candidate script the exit meeting with as many options as possible.


The deal is pretty much between the candidate and the firm, and you just have to make sure the process continues to go ahead.

ON-BOARDING:

I would be very insistent at this stage to make sure there is an adequate on-boarding process in place. Professional services firms can be very loose on

phasing in the candidate. The structure, timetable and expectations are critical to obtain success.

In conclusion, the elements of the search process may be the same. Nevertheless, the attraction, courting and closing process may appear to be more complicated. Therefore, it is vital that search consultants that work in this area are fully aware of those complications so that they can handle them accordingly. My belief is that the consultant must use more finesse, be patient, be an astute facilitator and be equipped right from the very start to present a very detailed picture to the candidates.

The risks are very high! Candidates are paranoid about being found out, even more than what you see in most searches. Remember, this style of recruiting is still relatively new to this field and their lives have usually been spent only in one firm. 

Jim Carlisle is Chairman of the World Search Group Executive Committee and a Partner of Western Management Consultants Toronto. Jim Carlisle joined Western Management Consultants of Ontario in 1999 as a Director in the Toronto office. He is a Fellow of the Certified Management Consultants of Ontario and licensed coach in the "Co-pilot coaching" process. Before joining WMC, Jim spent 24 years in executive search as a Partner with The Caldwell Partners and subsequently with Ernst and Young.

Jim works primarily at the senior executive level spanning most industry sectors, with particular emphasis on entrepreneurial businesses, financial institutions, professional services and hospitality organizations. He also provides services in executive coaching and facilitation, offering an intuitive approach to executive development and career planning.

Founded in 1975, Western Management Consultants (WMC) has one of the most experienced executive search practices in Canada with senior, skilled, successful and experienced professionals providing a complete range of executive search services in all sectors using an entrepreneurial and creative approach. With offices in Toronto, Calgary, Edmonton and Vancouver, WMC is one of the top 100 management-consulting firms in North America according to Consultant News.

The World Search Group is an international strategic alliance of independent retained executive search firms with members in virtually every international market, finding the right person, for the right position, at the right time. With members in close to 30 cities, World Search Group ranks among the top 20 executive search organizations in the world.

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