

Tips on Hiring Quality Executives in Today's Market



The current market's candidate pool

- Consists of 4 groups:

Unemployed

“Ready-to-Switch”

Active

Passive

- “Passive” job seekers are the largest of the 4 groups and growing, but “Active” is the fastest growing.
- “Unemployed” is the smallest group. March 2022 unemployment is 3.6% down from 14.7% in April 2020.
- Total of 4 groups is up to 50%+ of total market. Much higher percentage than 5 years ago.
- Overall, the candidate pool has more fish now, but there's more food (jobs) for the fish.
- Being unemployed is not an indicator of a person's quality. Many good employees lost their job during COVID.
 - ▶ Some initial warning signs of quality are few promotions, short tenures, few or intermittent references.

Biggest changes in executive level recruiting in the last 5 years

- Overall, it's much harder to recruit quality executive level people than 5 years ago. Here's why:

Finding (little easier)	Attracting (much harder)	Assessing (about the same)	Caring (still not done well)	Closing (much harder)
<ul style="list-style-type: none">• The pool has more fish (potential candidates), mostly due to a large increase in “active” job seekers.• LinkedIn, Facebook, Indeed, and Glassdoor continue to be used more by candidates to find jobs.	<ul style="list-style-type: none">• Best job market in 50 years for candidates. Particularly big demand for top HR leaders.• Accelerating speed and number of job solicitations to more people.• Companies' negative reviews on social media such as Glassdoor are influential.	<ul style="list-style-type: none">• Increasing use, decreasing cost, and more choices of online assessment tools.• However, with many candidates having job loses/changes during COVID, deep reference checking is even more critical.	<ul style="list-style-type: none">• Candidates increasingly want “care” from firms but rarely get it.• Be responsive, follow up with everyone, set proper expectations, be transparent.• For small companies, it's important for preserving, even boosting, reputation.	<ul style="list-style-type: none">• Often, candidates have one or two other job prospects.• There will be more negotiations. Candidates want more work/life balance and family related benefits.• Move really fast at the offer stage.

What are common mistakes businesses make in recruiting executives today?

- Position Description – most “PDs” are not thorough and alluring enough to attract C-level candidates.
- Reputation Management – little attention & action to social media reviews of your company.
- Interview Team – not selecting and aligning team prior to starting the search, resulting in an unsynced team.
- Time – not allowing team enough time during the entire search, particularly Attracting & Caring.
- Mistakes at Closing – finalist candidate's offer not ready/incomplete and interview team's delays in communication.
- Candidate Care – not displaying enough attention to all candidates during the search.
 - ▶ #2 or #3 candidate might become #1 if the others drop out.
 - ▶ Little or delayed responses during the search create negative feelings towards the company.

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Best process for hiring executives

- Improve employee & customer reviews of your company on social media before starting.
- Choose the interview team before the search starts. Then align them on everything.
- Write a thorough job description including company's products, market position, KPIs, and goals.
- Ask the interview team to review and comment on the draft job description.
- Have top level employees reach out to candidates. This helps attract top level candidates.
- Give the interview team plenty of time to conduct the entire search. Keep candidates abreast of progress.
- Have many people at various levels interview candidates. This has multiple benefits.
- Discuss compensation early with candidates. It shows transparency and attracts the right people.
- Assign reference checking to people who have talked to a candidate the most.
- Have an offer ready before a finalist is chosen. You can modify the offer's details later if needed.
- Act really fast at the job offer stage. Often candidates have one or two other new job opportunities.

What are the benefits of using a professional recruiter for a senior level search?

- **Advising** the best process for the search including:
 - ▶ Interview Team Alignment – getting their input and syncing this team before the search starts.
 - ▶ Timing – the search can be derailed at various points if the timing is not right.
 - ▶ Compensation – best process of discussing it with candidates, what can be negotiated, how best to negotiate.
 - ▶ #2 Finalist – how best to keep #2 candidate interested while negotiating with #1?
- **Finding** more candidates who fit well, respond quickly, and are vetted.
- **Attracting** candidates, particularly Passive job seekers.
 - ▶ Recruiters that use junior associates to contact candidates may not attract top ones.
- **Assessing** candidates from an outside, unbiased view.
- **Closing** the deal better. Good recruiters create trust with all candidates. It's critical when:
 - ▶ Negotiating the compensation.
 - ▶ If #1 candidate suddenly drops out and you need to go to the #2 or #3 candidate.
- **Preserving** reputation. Caring for unchosen candidates who might spread negative PR.
- **Ensuring** the results.
 - ▶ A recruiter's guarantee should have "skin in the game" and extend many months after a candidate is placed.

What's my favorite interview question?

- Any question that asks about a candidate's work-related failures, weaknesses, and problems.
 - ▶ Assessing their honesty, courage to reveal a big failure, directness, and what they learned is critical.