
HOW TO SELECT A SEARCH FIRM



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Choosing a search firm you trust requires some understanding of how such firms operate. In this guide, we'll share important tips on how to select a search firm that suits your needs.

Organizations understand that talent difficulties are also business issues. There is increasing rivalry for qualified executive leadership in the Life Sciences sector. In today's uncertain and complex environment, business leaders turn to trusted advisors for strategic insights and risk reduction. The greatest talents may live across town or around the world. Executive search experts are familiar with the landscape, the talent industry, and their customers' businesses.

Organizations are increasingly collaborating with executive search firms not just to identify, recruit, and keep top talent, but also to analyze existing personnel, develop succession plans, and advise boards on long-term strategic vision. The introduction of new executives can have a substantial impact on market perception, consumer trust, and employee engagement.

However, the consequences of a bad executive hire can be severe. Compensation and the impact on sales or market position are direct costs of the wrong hire. The indirect costs, which include lost momentum and a negative influence on organizational, market, and customer trust, might be even more costly.

Identifying the right executive search firm is a significant business choice that will have long-term impact. We created this guide to assist business leaders—from CEOs and CHROs to Boards of Directors and Procurement teams—in understanding how to select an executive search firm.

GeneCoda® is dedicated to strengthening leadership and this guide offers everything you need to know about working with an executive search firm. The effective recruitment of senior management is vital to the success of any organization and choosing a firm to assist with this important role should be done with care. It is critical to minimize risk and get it right.



SEARCH FIRM DISCOVERY AND THE SOURCING PROCESS

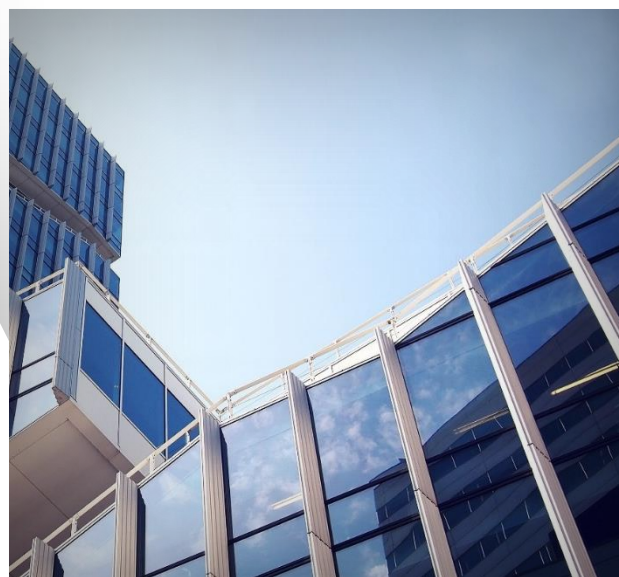
There are two common types of search firms: **retained search firms**, and **contingency search firms**. It's important to understand the differences between them..

In this guide, we are focusing on retained search, which facilitates the recruitment of passive candidates.



Before a search officially commences, it is imperative to understand some key characteristics of the firm and how it operates. One way to do this is by taking note of or researching how a firm goes about its search.

One such question to ask, is how the firm qualifies the position in question. Quality search firms will help you [build a compelling narrative](#) that is far more comprehensive and enticing than most job postings found online. Ask yourself: “Is the process aimed at soliciting the broadest possible market?” “How does the firm articulate company selling points and the knowledge, skills and abilities (KSA’s) needed to perform the work in question?”



It's important to consider whether you'll want a more iterative, hands-on approach, as firms like ours expect your input both in defining the final position profile and the target market research universe.

Furthermore, it's important to ask how the search firm will identify, access, and attract the most qualified candidates for the position.





To compile a long list of potential prospects, quality search firms rely on both existing industry contacts and industry research to give them the broadest applicant pool.

Therefore, you should be informed on their existing database depth, access to existing potential prospects, connections with relevant second-degree parties, and how the firm goes about supplementing existing contacts through research.



For example, does the firm you're working with actively target competitors? Here at GeneCoda®, we actively target profiles of similar prospects at competitor companies.

You might also inquire about how the firm you're working with reports on search progress.

We present a detailed report of the companies we contact, the titles of the contacts within those companies, and contact results.

Such comprehensive reporting enables our clients to get deeper market insights, promotes substantial market and brand awareness, and, of course, ensures that they find the ideal candidate.

SEARCH FIRM CREDIBILITY

This section is focused on retained search, which includes the recruitment of passive candidates. Please feel free to review our content on [YouTube](#) to learn the differences between retained and contingency firms and how they affect your companies search process.

How exactly do you know if a search firm is good at what they do or not? How do you tell whether a search firm is a good fit for your company?

Do Your Research



Before selecting a search firm, you should get to know the firm, its level of professionalism, and its reputation in the business community. These attributes will directly impact a search firm's ability to gain access to high-level professional and executive talent, as well as encourage positive (or negative) branding for your company.

Furthermore, the search firm you hire will be a direct reflection of your organization and brand, so you need to understand how the firm will position your organization.

Look At Feedback From Previous Clients



Credible search firms should be able to provide multiple references. Over the years, our firm has developed catalogues of both written and [video testimonials from clients](#). This transparency and evidence of previous achievements is something you should look out for when searching for a firm that suits your company's needs.



Ensure They Can Sell Your Job Opening



Your onboarding process with the selected search firm should include the joint development of a compelling narrative. Many search companies will list a grouping of duties, technical background, and skills required from candidates in their job description, but far fewer will develop a compelling narrative that answers the most basic question a strong prospective candidate will ask. What's in it for me? Even with the development of a compelling narrative, clients should recognize that busy people have little time to read 'help wanted' ads, so the contact and follow up methods your selected firm uses should be discussed prior to starting a business relationship.

You need to ask yourself if you feel strongly about a search firm's ability to represent you and overcome potential objections they will face in the market. For example, can the firm communicate both your organization's unique value proposition as well as that of your niche industry? And then, can they communicate how this value proposition translates into career growth and opportunity for top-rated talent? Translational value is important because what a candidate doesn't have today is not always evident to him/her, and that is precisely why you need experienced search professionals making the pitch if you want to attract the largest possible pool of exceptional candidates and raise the bar on hiring for important positions.



Finding a high-quality search firm is paramount if you want to ensure you hire the best candidate for your open role. In the end, remember that the firm you select will be qualifying and disqualifying potential prospects, but will also be selling your company. One easy way to know if they are good at selling your company is whether they've been a top earner in their own profession.



SEARCH FIRM WORKLOAD

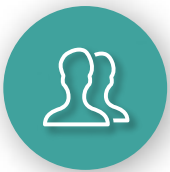
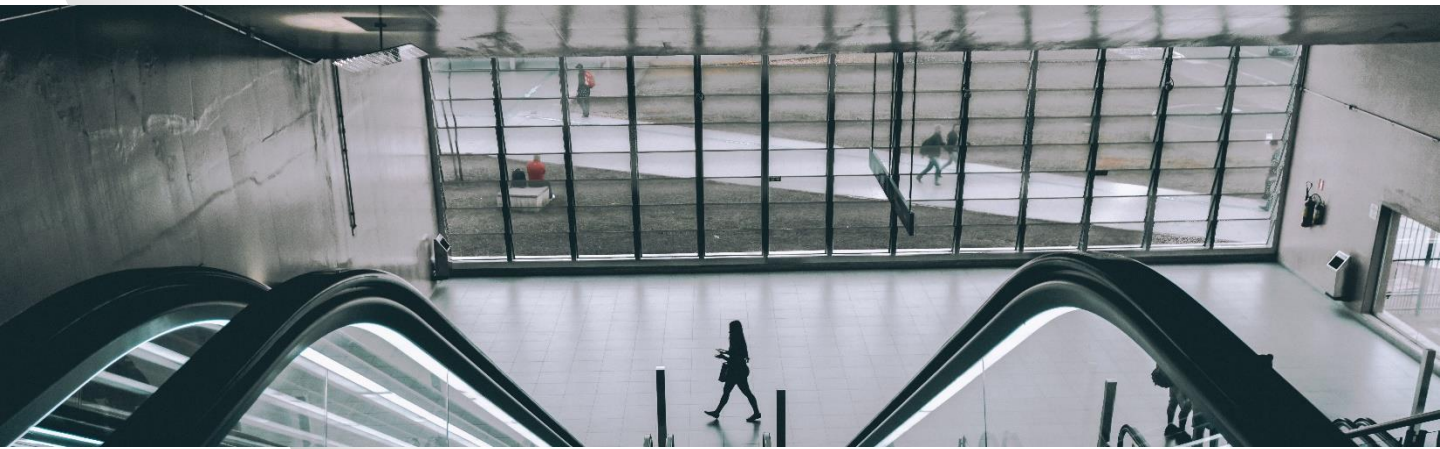
If your project isn't urgent, near-term capacity might be a less important consideration for you. However, in most cases, when you hire a search firm, one of the most important aspects to consider is the search firm's capacity. In our experience, despite its importance, clients tend to ask about search firm capacity the least.



Capacity fluctuates over time and isn't always easy to characterize. But a good general rule of thumb is that the number of projects any single search consultant in a firm takes on should rarely be more than a single digit number. This guidance might vary based on the support architecture and the firm's [sourcing process](#), but straightforward math would indicate that if one were working on 5 projects, they would be able to support any given project about one day a week assuming no support from team members or other colleagues. The Society of Human Resource Management (SHRM) offers some excellent [food for thought](#) about internal recruitment resourcing, pegging the national median around 15-20 open requisitions per recruiter.



Their considerations include the overall unemployment rate, organizational turnover rates, the actual industry or profession, resources available to the firm, employer brand, and type of worker recruited.



In regard to the type of worker recruited, filling executive level positions as search firms most often do, “will reduce appropriate requisition loads as quality of hire is imperative and candidate pools are limited resulting in longer time-to-fill rates. Unskilled labor, on the other hand, takes much less time to hire, therefore more open requisitions can be handled.”

The fact is, after understanding a firm’s general background and approach, a search firm’s capacity is one of the most important questions a client can inquire about.



Think about it this way. If your heating system breaks down during a cold winter and your HVAC company can’t get to you for several weeks, the immediate need for a heating solution can outweigh most other factors in your buying decision.



Similarly, if a search firm is low on capacity, its recruiters may be taking on numerous requisitions. This can result in a longer time-to-fill rate for your open role, and, possibly, a lower quality hire as the need for an accepted candidate grows.



BENCHMARKS

What are your benchmarking expectations when you hire a search firm?

Some important considerations include:

- ✓ The **average estimated time** it takes to fill a position
- ✓ The type of **progress reporting** offered and what information these reports contain
- ✓ **When** you might expect to see candidate flow
- ✓ **Percentage** of searches completed
- ✓ **Retention**

It's vital to ensure you understand the process the firm will use in their search. Take note of the number of existing contacts they have in your particular discipline, their other referral sources, how quickly new research or outreach will take place, and the type and number of outreach attempts made. All of these factors go to how quickly your position will be filled.



Determining Your Benchmarking Expectations

To completely understand how a search firm will benchmark candidates while conducting their search, ask the following questions:

- ✓ Once candidates are contacted, what information will you receive with each candidate who is presented?
- ✓ Does your search firm personally interview candidates?
- ✓ Aside from a resume, what candidate information will your search firm collect, and how will they share it with you?
- ✓ How does the firm arrive at their “short list”?
- ✓ Most importantly, does your search firm present you with the potential pitfalls of a given candidate, or are they just trying to sell you on a candidate's strong points?

Rarely is there a perfect candidate in any given situation. Therefore, one should be on guard against firms who only present the pros of hiring a candidate and can't or won't consider potential downsides.



VALUE ADD

What Value Add Does Your Search Firm Deliver?

A search firm's core business is to deliver qualified candidates that a client can hire for a specific role. Therefore, how the firm goes from a need to a solution or end result is the most important aspect for consideration. That said, there are other ways that search firms can add value to your company.

Some examples include:

- ✓ An additional set of **eyes / ears in the market** for deal flow, clients, and partnerships or when your company is raising money
- ✓ **Reports** on the [labor market](#), [tips on hiring](#), and [other resources](#) to assist you in successfully onboarding exceptional talent
- ✓ **Compensation** benchmarking and white glove [market reports](#) on your competition
- ✓ Offer letter and **onboarding guidance** and assistance
- ✓ **Employee guidance** if your firm is downsizing
- ✓ **Partnerships** and **referrals** to other firms that may serve different segments of the human capital ecosystem.

For example, through our [partnership with WholeStory](#), we offer candidates the opportunity to complete a WholeStory profile. WholeStory helps you create a professional profile that highlights key life experiences. When a WholeStory profile is created, it offers a unique and focused way to communicate candidate strengths that are beyond technical expertise, like character traits, people skills, and leadership capacity.





Beware of firms that will only speak with or assist you if you have a need for their primary services “today.”

Search firms that play the long game and build true partnerships will be glad to help you in support of requests you have today, even if those requests don't involve immediate engagement of their services.



Don't be afraid to reach out and leverage your search firm's deep knowledge and data sources to help get your questions answered.

FEES, EXPENSES, AND GUARANTEES

The use of search firms can be an expensive addition to the cost of new hires.

Therefore, if your company has many positions of the same type, it often makes sense to hire an internal or contract recruiter to reduce the cost per hire.


However, when the position is specialized, confidential, or when the market demand of a given skill set exceeds supply, the use of a search firm may be warranted. In these cases, passive candidates (those already employed and/or not actively seeking work) must be contacted and attracted to the position. Simply placing ads (or contacting a shortlist of internal referrals,) often won't cut it for this.



Therefore, the question to ask in situations like this is 'who is going to do the research and outreach?' The answer could be an internal resource, external resource, or combination of both, but this decision must be made for a successful outcome when recruiting in high-demand roles.

Search firm fees often vary. Starting from about 10%, they can go up to about a third of the placed candidate's first-year compensation. Furthermore, some companies offer flat-fee arrangements, hourly rates, and other payment models.





Given the significance of the investment made, you might consider questions like:

- Are the search firm's fees fair for the service it commits to providing and the role(s) in question?
- Does the search firm offer a clear fee arrangement in writing?
- How long does a search firm typically work on a search and what happens if they are unable to locate an acceptable candidate?
- Which expenses will be billed separately?
- When are payments due?

While a search firm's rates should be competitive, be wary of selecting a search firm based solely on the quoted rate alone. Always consider the other factors mentioned in this series. By spending too much hiring a candidate, you lose money. But that's all you lose. Furthermore, it is seldom possible to get the most by spending the least, so it's best practice to be willing to spend more in pursuit of the best candidate(s).

If the role you are recruiting for is an important position, it is better to invest a little more in the recruitment process than to risk not solving the issue you need to be solved by the hire you'll be making. Additionally, a stellar candidate's work productivity will far outperform the investment made in the new hire. Moreover, in considering business with the least expensive search firm it might be wise to add a little to your investment to cover the risk you're taking.

Finally, what happens if a new hire quits shortly after being hired? Most search firms offer a replacement guarantee if a new hire quits within a specified period following their employment.



WHY WE ARE UNIQUE

At GeneCoda® we work with many Life Science firms that are looking to recruit the best new executives to their team. We understand the industry, the drivers and potential opportunities and act as an ambassador on behalf of our clients to promote their business and opportunities.

We add value to your investment team and operating companies by acting as an additional set of eyes and ears in the market for deal flow, clients and partnerships, providing you tips on hiring and other resources to assist you in successfully on boarding great talent, compensation benchmarking and white glove market reports on operating company competition, offer letter and on boarding guidance and assistance, employee guidance if a portfolio company is undergoing downsizing and partnerships and referrals to other firms and people who may serve different segments of the human capital ecosystem.

Unfortunately, the number of candidates entering the industry compared to the number of jobs available is not equal – creating a demand for talented individuals across the globe. As more companies try to find a way to pool their ideas and share resources to come up with life-changing solutions, it is clear that well informed industry investment is likely to succeed. Ultimately, the wealth of opportunities for Life Science experts is limitless, making this period incredibly exciting for employees, managers, and investors. However, it also means that recruitment experts must find innovative and exciting ways to attract new talent.

If you want to discuss any aspect of this publication, then get in touch, and let's arrange a chat!





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SUMMARY

Over 20 years of executive recruitment experience involving top talent in the Life Sciences sector.

Domain knowledge in the Life Sciences (*Pharmaceutical, Biotechnology, Medical Device and Diagnostics and Supporting Tools and Services).

Expert level financial and analytical skills honed through prior career in financial planning and former CFP® designation. Commanding understanding of corporate infrastructure, human capital and corporate critical success factors.

SKILLS AND ACCOMPLISHMENTS



Authored numerous reports to assist clients in making optimal hiring decisions.



Invited speaker at several forums including SBS, CED, NC CAST, NC PMI, ACS, NCRAF, NC LSVNG, NC Biotech and the Duke Fuqua School of Business.



Increased service fee volume by double digits annually at GeneCoda®. Directly contributed more than \$4.6M in service fee revenue during tenure at Arris Partners.

HOBBIES, INTERESTS, FAMILY



Guitar Enthusiast - Played "Stairway to Heaven" in high school band but that was a while ago.

Cystic Fibrosis Foundation - National Fundraising Committee, Central / Eastern NC Corporate Advisory Council Member and Former Board Chair.



NC Life Sciences Virtual Networking Group - Executive Committee member.



Former martial artist - Tae Kwon Do, Mixed Martial Arts

BSA - Former Cub Master and Committee Chair.

St. Philip Lutheran Church - A/V Assistant, Former Sunday School Teacher, Congregational Council and Finance Committee Member.



Married to Karen, a retired elementary school teacher and aspiring artist for 20+ years. Father of two sons, Liam who graduated from ECU cum laude MIS and now works for Cvent and Pierce, who is a junior in the school of business at NCSU.

EDUCATION

- North Carolina State University BA, Economics and Business Management
- Sigma Nu Fraternity
- NAPS - Certified Personnel Consultant (CPC)
- Licenses Held During Tenure in Securities Industry
 - Series 7, Series 63, Series 65.
 - Life, Accident and Health Insurance License.

WORK EXPERIENCE

2018 - Present | President and Founder GeneCoda®
GeneCoda® is an executive and professional search and recruitment firm. We help clients solve challenges they encounter in attracting, recruiting and retaining top talent!

Our focus is US recruitment with emphasis on the Life Sciences sector including Pharmaceutical, Biotechnology, Medical Device and Diagnostic innovators and the service sector and tools companies that support them in bringing products to market.

2002 - 2017 Practice Head and Vice President | Life Sciences - Arris Partners.

Built a brand-new life sciences practice from virtual scratch which drove more than 50% of the company's total revenues during tenure.