



The McQuaig Institute®



ADDING VALUE TO EXECUTIVE SEARCH

in a Digitally
Networked Era

There is a revolution occurring, and it is changing the way organisations are planning and acquiring executive talent.

TALENT POOLS AND RECRUITMENT

Over a decade ago, recruiters and HR departments talked about creating talent pools: databases of people who previously applied for positions within a company that would be archived and stored in order to be mined at a later date. The talent pool would be accessed when those positions for which qualified candidates applied became available. Today recruiters often turn to LinkedIn, the giant online professional networking site, to access its 200 million users from

more than 200 countries. This is the new talent pool.

In the same way Apple transformed the music industry and Amazon changed how we read, LinkedIn has revolutionised how recruiting has traditionally been done. This shift begs the question, what role does a search consultant have to play in recruiting executives when the industry is trending towards social media?



THE ADVANTAGES AND DISADVANTAGES OF LINKEDIN FOR EXECUTIVE SEARCH

Thomas Fuller, Managing Director of the executive search and talent management consulting firm Epsen Fuller Group, has observed the rising influence of LinkedIn on internal recruiting functions, recognising its effectiveness within specific contexts. Fuller says, "When internal recruiting is caught in a transactional situation where they have 150 open job requirements and they have to fill them, LinkedIn can certainly help in the candidate search." However, Fuller also sees LinkedIn's limits, where, "For the retained executive search arena

it plays less of a role. Companies, when they are looking to fill a senior, executive or other highly specialised position, benefit from strategic consulting to ensure they are attracting and acquiring the right people for the job."

THE ONGOING IMPORTANCE OF EXECUTIVE SEARCH COMPARED TO ONLINE RECRUITMENT

The Association of Executive Search Consultants (AESC), the professional body representing retained executive search consulting firms around the world, recognises that LinkedIn and other social media sites are changing the perception of how search can be conducted.

"LinkedIn has been very powerful in positioning itself as a successful recruiting tool for HR departments to use in-house, particularly in filling large numbers of positions," says Glenda K. Brown, Managing Director of the AESC. "However, in the case of highly selective senior executive and board recruitment, no talent pool – however large – can diminish the proven value an executive search consulting firm offers its clients in defining and attracting the ideal executive candidate."

The AESC's mission is to promote the highest professional standards in retained executive search consulting, broaden public understanding of the executive search process, and serve as an advocate for the interests of its member firms. As part of ongoing efforts to demonstrate the value of executive search, AESC encourages their members to offer their clients tools and resources that enhance the value of the executive search process. In many cases, offering clients the use of assessment tools as part of the executive search process can be valuable both in streamlining the process and in candidate selection. The McQuaig Institute and its McQuaig Psychometric System, which provides AESC members with access to a world-class talent assessment tool with proven success in the executive search process, has proven to be effective for AESC firms and the partnership between The McQuaig Institute and AESC reflects that success.

THE NEED FOR TALENT ASSESSMENT TOOLS IN EXECUTIVE SEARCH

The McQuaig Psychometric System provides behavioural assessments to clearly define job positions, select candidates who fit a company's culture and develop new hires in a way

that ensures that they reach their maximum potential. Epsen Fuller Group, a long-time member of the AESC, uses The McQuaig Psychometric System as the strategic differentiator in its Performance Based Assessment approach. The approach consists of four phases with concrete outcomes.

PHASE I:

DEFINE BUSINESS OPPORTUNITY & OBJECTIVES

Outcome: consensus and clarity on the candidates' performance objectives, behavioural attributes required and search strategy.

PHASE II:

EXECUTE SEARCH STRATEGY

Outcome: a dynamic search experience that attracts and accurately assesses outstanding candidates

PHASE III:

TALENT SELECTION AND CAPTURE STRATEGY

Outcome: the top candidate is selected and closed

PHASE IV:

EVALUATE SEARCH SUCCESS AND ENSURE ACCELERATED PERFORMANCE

Outcome: highly rated client and candidate satisfaction, delivering value and exceeding expectations



By implementing The McQuaig Psychometric System into their recruitment process, the Epsen Fuller Group helps its clients implement a strategic framework for setting hiring objectives and key metrics. They can identify the behavioural attributes that best define successful candidates, in addition to finding the right cultural fit between candidate and employer at a new level of depth and detail. "Often clients don't even think of these things until they sit down with us and discuss it. This is the value a client gets from a strong consultant, which they can't get from LinkedIn," says Fuller.

The costs associated with a poor hiring decision are high. On average, it costs approximately one-third of a new hire's

annual salary to find an equivalent replacement. These costs increase relative to the level of seniority. In some cases, up to five times the annual salary of the person being replaced which could total in the millions of dollars. Organisations that are looking to fill strategic or specialised positions would do well to consider the value-add of a retained executive search firm. While candidate databases like LinkedIn can expand recruiter's reach and enable connections they cannot identify the right person for the position. The methodologies applied by executive search firms can define leadership roles, identify and connect with the passive talent who will fit into the company's culture and contribute significantly to achieving corporate objectives.

The McQuaig Psychometric System offers a simple, accurate talent assessment system with ongoing support that empowers you to hire, retain and develop the right people. The McQuaig Psychometric System delivers reduced turnover and increased productivity through more efficient teams and more engaged employees. Employment testing can be a strong predictor of future performance when matching a candidate to a valid job profile. McQuaig will provide you with a well-defined process that delivers the most value to your company.