

# RECRUITING FIRM TRANSFORMATION SYSTEM

90 Days to Transforming Your Business into  
an ELITE Search Agency

## Session 5: From ROI to Service Agreement



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## SESSION 1: INTRO

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- Research on top agencies and 63 multi-million dollar producers worldwide
- 18%/50%/94%
- Understanding contingency search
- The history of contingency search
- Understanding shared risk search
- Reasons why you need to go to shared risk
- Reasons why your clients NEED YOU TO GO THERE
- Other transformations in the executive search industry:
  - Outsourcing
  - Business models of highly-effective executive search firms

## SESSION 2: THE FOUNDATION OF A HEALTHY RECRUITING BUSINESS

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- 10/1000 activities
- Zebra
- Synergies
- Value proposition to clients
- Value proposition to candidates
- Structure of day
- A day in the life of a recruiter: activity targets, results targets
- Metrics for marketing
- Metrics for recruiting
- Technology setup for marketing
- Technology setup for recruiting
- Touch plans for both client and candidate
- Metrics management system (RPM Dashboard)

## SESSION 3: THE VALUE PROPOSITION OF SHARED RISK

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- Explaining contingency search
- Explaining shared risk search
- The candidate experience
- The client experience
- Explaining why go \$ down
- The Magic Question
- Key: Finding the pain and maximizing it
- Objections and rebuttals of shared risk:
  - We have never done this before.
  - We have other recruiters on the search now.
  - Let me think about it/Let me run it up the ladder/Meeting with...

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## SESSION 4

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- Narrowing down your Zebra
- Understanding "Talent Management"
  - Peter Drucker: Knowledge Worker
  - Jack Welch: Straight from the Gut / The Bell Curve
  - Brad Smart: TopGrading
  - Geoff Smart: Who
- Transition to trusted advisor
- The process and transition to ROI call
- Role play the search assignment call
- Transition to the ROI call

## SESSION 5

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- The ROI call (Return on Investment for client) and transition to service agreement
- Types of service agreements: Exclusive/Shared Risk/Fully Retained
- What positions lead to which service
- Establishing value in the process used
- Client communications
- Setting expectations
- Targeted candidates
- Setting clear expectations for communications with clients
- Setting clear expectations with candidates on all aspects
- Matching
- The weekly update call and reports
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- The Executive Summary
- The Comparative Analysis Spreadsheet
- The resume
- Re-qualifying the client
- Re-qualifying the candidates

## SESSION 6

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- Win-win service agreement negotiations
- Moments of truth situations/rebuttals
- Role play

## SESSION 7

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- Keys to success and putting it all together...
- Review:
  - 18/50/94
  - Shared Risk
  - Understanding talent management
  - Understanding why your client NEEDS shared risk
  - Taking an existing client up the value chain
  - It's all about process and perception
  - The Magic Question
  - Explaining contingency search
  - Explaining shared risk
  - The process of the ROI call
  - Selling the shared risk
  - The performance guarantee
  - Delivery





# Important Concepts to Master from Session 4

- Its all about Synergies
- Client Zebra
- Candidate Zebra
- Talent Management 101
- Peter Drucker, Jack Welch, Brad Smart, Jim Collins, Geoff Smart
- Transitioning to Trusted Advisor
- *Vendor, Credible Source, Problem Solver, Trusted Advisor*

## **Transitioning over to ROI Call**

1. Take Full 20 point Search Assignment Form
2. Completely understand all aspects of position the efforts thus far and the pain.
3. Insure the client understands what you are doing and reason for ROI Call.(Salary Survey, Database, Work Load)
4. Go over Process for taking Shared Risk Searches
5. “Is this a position you can afford a Mis-hire on?”





<b>Date:</b>	<b>Company:</b>
<b>Contact:</b>	<b>E-mail:</b>
<b>Phone:</b>	<b>Cell:</b>

**Who will approve the service agreement?**

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<b>1. Position Title:</b>	<b>Product:</b>
<b>2. Location:</b>	<b>Territory:</b>
<b>3. Reason for Opening:</b>	<b>How Long:</b>

**4. Ideal background:**

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**5. Three Specific requirements:**

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**6. Comp. Package:**

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**7. Position Accountabilities (Define target performance):**

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**8. Day in the life of position (Travel, Office Time, Phone/Face to Face, etc)**

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**9. Hiring Process: (Needs to be around 4 weeks or less)**

a. Who Interviews?

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b. Telephone Interview?

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c. Other Steps Needed:

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d. Who makes final decision?

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e. \_\_\_\_\_  
Decision Time Frame? (offer)

f. \_\_\_\_\_  
Need to fill by?

**10. Company Background:**

Website:

Company Selling points:

Job Selling points:

**11. Background of Hiring Authority:**

**12. Ideal People/Candidates:**

**13. Define Internal Search Efforts to date:**

a. Internal Candidates:

b. HR Efforts

c. Job Boards – When, what results

d. Candidates still in process

**14. External Search Efforts?**

a. Other Recruiters? How many, How long, What candidates delivered?

b. How many / how long?

c. Candidates Delivered?

**15. Define the Pain!**

a. What Pain are they experiencing?

b. What happens if you don't fill the position?

c. Is there a reason you need to fill it now versus six months from now?

**16. Maximize the Pain!**

a. WOW, its costing you this much!

b. Other costs that you are not considering are: Personal, Time, Account losses etc.

**Bridge to a Return on Investment(ROI).....Call (Next 24 hours)**

**To Do's:**

- Salary Survey for Location (Salary.com)
- Investigate when you can spend time on Search and delivery dates
- Put team together on search (research, recruiting and project management)
- Put together timeline of recruiting
- Come up with a fee structure

**20-Point Search Assignment: Part II**

**ROI Call:**

- Review Job Requirements
- Review Time to fill by
- Review Hiring Process
- Review Pain
- Anything changed?

**17. Here is how we work at \_\_\_\_\_ and how we can take away the \_\_\_\_\_ (pain).**

- 3 – 5 "A" Players in 3 weeks, here is how...
- Search Profile – put together
- Search Plan – put together
- Target Account List
- Team together – Research, Fulfillment and Account Management
- Presentation to sell your organization
- Execute plan
- Take 2 weeks to identify top candidates
- Take another week to qualify (3 Interviews)
- Submit top 3-5 candidates

**18. Based on a reasonable ROI – we strongly suggest you work with us this way:**

- Priority Search – Priority for office- allows us to place our team and resources on the most critical openings. (Money down covers some of the initial cost.)
- Retained – 1/3, 1/3, 1/3
- Exclusive Contingency – Highest price

**19. Interview Dates:**

**20. Set expectations and agree on the following:**

**A. Communication:**

- Method: email, cell, work phone
- Time frame: (4 hours)
- If we don't meet expectations these are the ramifications...

**B. What we are doing to do for you....**

- Invest the time and money into this search
- Make the calls
- Search Team Together
- Search Plan
- Provide with only the best 3-5 players
- Give you complete Timely and Honest feedback on candidates
- Cost of search for two weeks is heavy – we will invest

**C. What I need from you for us to work together successfully**

- Make this a priority for you
- Return calls in the time frame
- Open and honest feedback
- Let me know if something has changed
- If at anytime we don't live up to our expectations, you can take us from this search. However...if at anytime we feel this is not a priority for you – we will have to stop working on the search.

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# Role Playing through – Transitioning through The ROI Call

## ***THE ROI CALL.....***

- Review Job Requirements
- Review Time to Fill – Work Backwards
- Review Hiring Process
- Review Pain they are experiencing (Maximizing it)
- Review Research Results
  - a. Salary Survey ([www.salary.com](http://www.salary.com)) & Your ATS
  - b. Team to put on Search
  - c. Time Frame to Get Started
- Go Through Process of Filling the Search
- Give them the Options they have
- Give them the choice they need to make
- Give them your Value Proposition
- Give them the No – Brainer/Money Back Guarantee.....



# Other Mission Critical Topics....

## Critical Client Topics...

- Client Expectations (See Next Slides)
- Candidate Expectations (See Next Slides)
- Recruiting Expectations (Face to Face, Skype, Phone)
- Weekly Reporting
- The Weekly Update Call
- The Executive Summary
- The Comparative Analysis Spreadsheet
- The CV/Resume
- The Targeting Candidate and Delivery Expectations
- Candidate Delivery and Expectations
- The EPOEJO CALL(Phone or In Person)





# Client Expectations



## MY ROLE IN THE PROCESS

- I will find the very best players in the market quickly and efficiently.
- I will take an in-depth needs analysis profile of your opening.
- I will understand the ideal fit for your position and culture.
- I will identify skill-sets, attributes and accountabilities of the candidates I present to you.
- I will identify the competitive organizations that would have this type of talent.
- I will define what an "A" player truly is for your organization.
- I will help develop a win-win hiring process based upon the current market environment.
- I will work with you to develop a strong Employer Value Proposition (defining why "A" players should work with you as opposed to your competitors).
- I will create a search profile based on your input and approval.
- I will create a search plan for your position.
- I will put together a team consisting of a Researcher, Project Recruiter and Project Manager.
- I will create a Target Account List of your competitors or companies where the talent you require will reside.
- I will develop a Recruiting Presentation that establishes an accurate identity and Value Proposition for your company.
- I will execute the plan, making 100 to 120 calls per day.
- I will interview each candidate three times.
- Within 2 to 3 weeks, I will present you with 3 to 5 "A" players and their highlight sheets, summarizing the important information about them.

## MY ADDITIONAL SERVICES TO YOU THROUGHOUT THE PROCESS

- I will completely qualify candidates' compensation, skills, accomplishments, etc before presenting them to you.
- I will brief you on candidates before each interview.
- I will debrief with you after each interview.
- I will address any issues that arise throughout the process that could create a roadblock.
- Before the final interview I will establish with the candidate a compensation that he is willing to allow ME to accept on his behalf.
- I will address counter offers with the candidate
- I will contact the candidate and you on the candidate's first day, two weeks after the start date, and 30 days after the start date to address any concerns.
- IF there is an issue, the three of us will work to resolve that issue together.

## CLIENT'S ROLE

- You need to be as flexible as possible when scheduling interviews and time to talk with me.
- You must make sure you are available for the interviews that we schedule.
- You need to commit to the hiring process we establish at the start of the relationship.
- You must keep communication open and honest at all times.
- You must provide open and honest feedback at all times.

## BEFORE THE CALL ENDS, SET EXPECTATIONS ABOUT:

- Communication timeframe
- Communication methods
- Sense of urgency items
- Ramifications for non-compliance



# Candidate Expectations



## WITH A CANDIDATE

### MY ROLE

- I will act as your talent agent.
- I will present you to companies that will benefit from your skills and experience.
- I will find companies that meet your requirements for the best next step in your career.
- I will present you in a positive manner.
- I will set up all interviews, taking care of all the details.
- I will prepare you before interviews. I'll discuss with you details about the hiring manager, the company and the job description, including what they look for in a successful candidate.
- I will debrief you after interviews, openly and honestly addressing any concerns the company might have.
- Before the final interview, I will negotiate a strong compensation and benefits package with the company so that the situation be a win-win one for you and them.
- I will walk you through the resignation process and cover the counteroffer.
- After you join the new team, I will follow up with you on your first day, after two weeks and after 30 days.
- If you have any issues throughout the process, no matter how small, we will work together to resolve them.
- ***"I want to be a partner in your success...your talent agent for the rest of your career."***

### CANDIDATE'S ROLE:

- You need to be as flexible as possible when scheduling interviews and time to talk with me.
- If I leave you a voice message or send you an email, I need to know that you will get back in touch with me

### BEFORE THE CALL ENDS, SET EXPECTATIONS ABOUT:

- |  |  |
|--|--|
| <input type="checkbox"/> Communication timeframe             | <input type="checkbox"/> Compensation to accept job        |
| <input type="checkbox"/> Communication methods               | <input type="checkbox"/> Open and honest communication     |
| <input type="checkbox"/> Interview process for this position | <input type="checkbox"/> Ability to accept on their behalf |

# Types of Service Agreements

- The Full Retainer
- Priority/Co-Tainer
- Exclusive Contingency
- Positions and leading to what service agreement





# Full Search Agreement



DATE

**Private and Confidential**

NAME  
ADDRESS

Dear \_\_\_\_\_

Thank you for the opportunity to work on your need to recruit the \_\_\_\_\_ POSITION \_\_\_\_\_, based in \_\_\_\_\_ CITY, STATE \_\_\_\_\_. This letter will outline our arrangement as we discussed on \_\_\_\_\_ DATE \_\_\_\_\_. I will forward a draft role profile for your review and approval for this role.

If you are in agreement with this engagement letter, we ask that you sign and return the attached acknowledgement statement. Please return a signed copy to me at your earliest convenience and follow-up with an original by mail. Certainly, we value our partnership with \_\_\_\_\_ COMPANY \_\_\_\_\_ and will do everything possible to obtain the best candidates based on our extensive knowledge and experience.

**AGREEMENT**

Consistent with the level of service and standards that our clients expect of a retained search firm, our fees are non-contingent and non-refundable. In addition to our professional fees, Global Performance Search is also reimbursed for all search-related expenses. As a matter of professionalism, we cap these expenses at \_\_\_\_\_XXX\_\_\_\_\_ of the total search fee. Additionally, any direct expenses such as candidate and consultant travel, lodging and video-conferencing will be approved in advance by \_\_\_\_\_COMPANY\_\_\_\_\_ and will be billed on a monthly basis as incurred with thorough records for your review.

For your planning purposes, we will charge a flat professional fee for this engagement regardless of the candidate's compensation. (excluding expense items) that will be \_\_\_\_\_\$\_\_\_\_\_.

- a) It is our practice to bill the estimated professional fees in three (3) installments.
- b) We will bill the first installment upon your acceptance of the proposal, which is \_\_\_\_\_\$\_\_\_\_\_ (34% of the total professional fee).
- c) The second installment of \_\_\_\_\_\$\_\_\_\_\_ (33% of the total professional fee) will be billed upon presentation of a vetted candidate list.



- d) Third installment, which is \_\_\_\_\$\_\_\_\_ (33% of the total professional fee), will be billed 30 days after the second installment.
- e) All invoices will be due upon receipt.
- f) We will bill a professional fee of \_\_\_XX %\_\_ of first year total estimated cash compensation if an additional executive is hired.
- g) Direct candidate expenses will be billed on a monthly basis throughout the engagement.
- h) Either party may discontinue this assignment by written notification at any time. In the very unlikely event that this occurs, you will be billed for (i) expenses incurred to the date of our receipt of your written notification; (ii) expenses committed with your approval that cannot be cancelled; (iii) written notification must be received within the first 30 days of the engagement otherwise the professional fees are due in full; and (iv) our first billing is a minimum retainer and is therefore non-refundable even if cancellation occurs within the first 30 days of the engagement.
- i) If the selected candidate(s) cease to be employed by you in any capacity within six months of commencement of employment, we will search for a replacement to fill the original position(s) and provide full credit of the prior fees paid, provided our professional fees and expenses for the initial searches were paid as agreed and there is no material change to the original position specification. This excludes candidates who leave for reasons other than job performance, such as organizational realignment and restructuring. Additional expenses associated with the replacement search will be charged in the same manner as the original searches.
- j) As a matter of policy, professional ethics, and true partnership, we will not recruit candidates from \_\_\_\_\_COMPANY\_\_\_\_\_ for a period of 12 months following the acceptance of employment by the executives presented for this engagement.
- k) GPS does not discriminate in the acceptance or referral of candidates on the basis of race, color, religion, sex, age, national origin, marital status, disability, or other protected characteristics. Additionally GPS will not accept engagements that will violate our non-discrimination principles.
- l) If collection activities are necessary, Client shall pay all the expenses thereof, including reasonable attorney's fees. Client consents to the exclusive jurisdiction of the courts of the State of Ohio. The laws of OHIO shall govern the relationship of the parties

We look forward to once again be working with you and your team on these new search assignments. We recognize the trust that you have placed in our firm to deliver the talented executives that are needed for these critical positions and assure you this engagement will be completed to your satisfaction.

Very truly yours,

Jonathan Bartos  
Founding Partner



**Acknowledgement**

Please indicate your acceptance of the terms and conditions set forth above by signing and returning the enclosed copy of this letter.

**Banister International**

**COMPANY NAME**

By: \_\_\_\_\_  
NAME      Date  
TITLE



By: \_\_\_\_\_  
NAME      Date  
TITLE

THE GLOBAL  
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GROUP

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# Priority Search Agreement



GPS – Finding the Impossible

Today's Date

Contact's Name

Contact's Title

**Company Name**

Company's Street Address

Company's City, State, Zip

## PRIORITY SERVICE AGREEMENT

We are pleased to confirm the terms of our engagement to recruit candidates for **Company Name**. **Company Name** will provide a detailed "Description of Position" which describes the specific duties of each of the positions required and the material qualifications, which the successful candidate should have.

### Service Fee Agreement:

Our service fees are on an engaged basis. The engagement fee deposit will be invoiced upon authorization of the service agreement and initiation of the search process. The balance of the service fee will be invoiced upon acceptance of the offer.

**Service fee:** equal to 30% of the candidate's first year salary.

**Engagement Fee:** A nonrefundable Engagement Fee deposit of \$10,000.00 will be invoiced upon initiation of the search process for each position. The Engagement Fee will be applied to the Placement Invoice upon final billing.

**Performance Guarantee:** If we don't deliver 3 candidates that meet the criteria agreed to within a 30 day time frame, we will refund the engagement fee.

The balance of our service fee will be invoiced upon acceptance, payment terms of Net 10 from candidate start date. **Our guarantee is valid only if we receive payment of our service fee, in full, within 10 days from the candidate's start date.** Service Fees will be subject to Ohio Sales Tax if applicable.

If the service relationship between you and the candidate is terminated for any reason before the 60<sup>th</sup> calendar day after its start, we will replace the candidate, provided that you notify us within 5

business days after its termination. This guarantee is not applicable if the service relationship is terminated because the position is eliminated or because you have insufficient work for the candidate. This guarantee is to allow you to satisfy yourself that the candidate has the requisite experience and qualifications, and that information provided by the candidate and other sources, directly or through us, is accurate.

Your acceptance of referrals from us shall be conclusive evidence of your acceptance of our schedule of charges, terms and conditions, unless we have signed a written modification. If collection activities are necessary, you agree to pay all expenses thereof, including reasonable attorney's fees. You consent to the jurisdiction of the courts of the State of Ohio and agree that its laws shall govern our relationship.

Candidates are referred to you in confidence. Should you refer or identify such a candidate to another company which enters into a service relationship with the Candidate, both companies shall be responsible for the payment of the service fee.

The following definitions are applicable to this Agreement: "**Candidate**" means a person referred to you by us, directly or indirectly. "**Refer**" means the disclosure by us of the identity of a candidate by any means, orally or in writing. "**Service relationship**" means your engagement of the services of the candidate in any capacity, including as an employee, independent contractor, consultant, or other representative.

**We do not discriminate in the acceptance or referral of candidates on the basis of race, color, religion, sex, age, national origin, marital status, disability, or other protected characteristic.**

Thank you for the opportunity to serve you.

Best Regards,

PC or AE's Name  
PC or AE's Title

Founding Partner  
Jonathan Bartos

Please confirm acceptance on behalf of **Company Name**:

Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_

# Establishing Value in the Process

- *Over Communicate*
- *Sign off On Search Profile/Job Descriptions*
- *Great Weekly updates and Competitive Intel.*
- *Candidates from Chosen Competitors*
- *Giving Suggestions based on Market Feedback*
- *Under Promise and Over Deliver*
  - More candidates.....*
  - Before date expectation.....*
  - Better quality candidates....*
  - Great Market place Feedback....*





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[www.global-performance-coaching.com](http://www.global-performance-coaching.com)

