

RECRUITING FIRM TRANSFORMATION SYSTEM

90 Days to Transforming Your Business into
an ELITE Search Agency

Session 1: Introduction



Transcending Potential Worldwide

GLOBAL PERFORMANCE COACHING

Transcending Potential Worldwide



Logistics & Details

Recordings Available If You Miss A Session

- <http://www.global-performance-coaching.com/log-in/>
- <http://www.global-performance-coaching.com/programs/transformation/home/>

Each Session Has Its Own Page

- Session Recording
- Session Specific Downloads & PDF
- Audio MP3



Questions & Discussion At Ends Of Sessions

Email: Coaching@Global-Performance-Coaching.Com

SESSION 1: INTRO



- 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

- 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

- 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

- 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

- 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
- Setting clear expectations for delivery
- The Executive Summary
- The Comparative Analysis Spreadsheet
- The resume
- Re-qualifying the client
- Re-qualifying the candidates

SESSION 6

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

SESSION 7

- 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



Research on Top Agencies and Producers

- Top Agencies Worldwide
- 63 Multi-Million Dollar Producers
 - Search Firms
 - Individual Billers
- Level of Positions
- Industry/Market

RESULTS OF RESEARCH



Types of Search Performed

Contingency

- Non Exclusive Contingency
- Exclusive Contingency

Shared Risk Search

- Engagement Fee
 - Co-Tainer
 - Co-Tingency
 - Container
- Project Engagement Fee
- Fully Retained
 - 1/3 upfront
 - 1/3 Delivery
 - 1/3 on Acceptance



How the Numbers Come out.....

The Three Most Important Number for our Industry

18% - Contingency

50% - Exclusive Contingency

94% - Shared Risk

(example)

100 Searches per year – (2 per week)

Average Fee: 20K per Placement

Contingency

- 18/100 – 20K per search = **\$360,000**
- 82% Wasted Time, Effort, Resources and Opp Costs

Exclusive Contingency

- 50/100 – 20K per search = 1,000,000
- 50% Wasted Time, Effort, Resources and Opportunity Costs

Shared Risk

- 94/100 - 20K Per search = **\$1,880,000**
- 6% Wasted Time, Effort, Resources and Opp Costs



Really Understanding Each Search Type

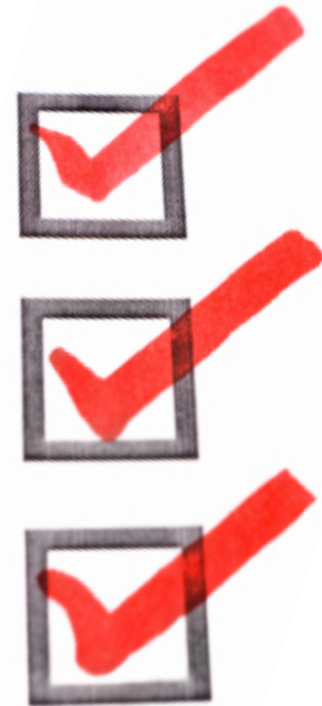
Understanding Contingency Search

- The History of Contingency Search
- Multiple firms working on search
- Speed – is the key component
- Search for qualified candidates
- Heavy use of job boards, internal database, postings
- Lots of candidates delivered initially
- Quality control rests in the hands of hiring manager
- Chance for a mis-hire is greatest
- The sale is made when you get paid
- The Candidate Experience
- The Client Experience
- Your firm wins a small percentage of these
- Your firm works on a large percentage of these
- 82% + wasted time, resources and efforts



Understanding Shared Risk

- The History of Shared Risk (Retained, Co-tainer)
- One Search Firm
- Quality is the key component
- Search for top 10% (3-5 players) in market
- Few candidates delivered immediately – targeting
- Quality control remains with the search firm
- Little chance for a mis-hire
- Sales is made upfront
- The Candidate Experience
- The Client Experience
- Search firm wins 94% + of these searches taken
- 6% Wasted time, resources and money



Reasons to go Shared Risk NOW!

- Dramatic increase in Revenue and Profitability
- No wasted time or resources
- From 82% to 6%
- Forecast-able business model
- Stronger partnerships with clients
- The Client Experience
- The Candidate Experience
- The Search Consultant Experience
- Top billers in world today
- Top Recruiting Firms in world
- Job Order/Placement from 10/1 to 1.5/1



Reason Why your Clients Need this!!

Goal of the Client in hiring

- Hiring Manager
- HR
- CEO
- When they can't afford a "mis-hire"
- Build their companies with "A" players: top 10%
- Search Firm needs to own quality control
- One branded message to the marketplace - The problem with multiple messages
- The Candidate Experience
- The Client Experience
- The Results of the search
- Your client gets your full focus and priority
- from transactional to consultative relationship "Partner"



Transformations of Business models on Shared Risk

- Traditional Office – 360 Recruiters
- Dual Desk Office
- Shared Candidates

Models based on Three Functions

- a. Research/Sourcing
- b. Business Development
- c. Recruiting
- **Rain Maker Model**
 - a. Adding Sourcers and Recruiters
- **Other Models in Us**
(See Next Page)



Other Models used by Top Search Firms

- **Model 1:** Producer/Sourcer(Researcher)
- **Model 2:** Producer/ Multiple Sourcers(Researchers)
- **Model 3:** Producer/ Project Recruiter/Sourcer(Researcher)
- **Model 4:** Producer Multiple Project Recruiters/Sourcer(Researcher)
- **Model 5:** Producer/Producer – Same Markets
- **Model 6:** Producer/Off Shore Sourcer/Off shore Recruiters
- **Model 7:** Producer/Off Shore Sourcers
- **Model 8:** Business Development/Account Managers/Project Recruiters
- **Model 9:** Business Development/Account Managers(Project Manager)/
Project Recruiters/ Sourcers(Researcher)
- **Model 10:** Team Building - expanding based on strengths of individual



Outsourcing – the hottest trend in Search

Definition of Outsourcing

- Philippines
- India
- South Africa

Decision Process on Outsourcing

1. How well is function currently being done
2. Can I get more efficient by going outsourcing
3. Can I get my team to be more efficient
4. Can I see a greater return for my investment \$\$
5. Can I save significant money



In Conclusion

- Evaluate your Office
 - a. Business Model
 - b. Use of Outsourcing to help further your business
 - c. Understand the differences in Experiences – Candidates, Clients and the Recruiter.
 - d. How much of your time and resources are currently wasted. Can you put a dollar figure to that?
 - e. Commitment to Change.... (18,50,94)
 - f. Homework.....
 1. Why should your clients use you as opposed to anyone else?
 2. Why should your candidates?
- (keys to a strong value proposition)
3. Business Model that makes most Sense for you?
 4. What are YOUR critical recruiting metrics
 5. Watch The “Mastering Your Niche” Webinar



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Questions?!!

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