



Why Move? Survey Q4 2010

Alastair Paton, Managing Partner

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Post recession, what do talented individuals look for in a new role?

As executive search consultants, it is critical for us to have an understanding of what motivates talented and ambitious individuals to move to a new company and role. During the recession, companies and their key employees found new reasons to justify staying together: in an environment of uncertainty many of the best people were wary of making changes and those companies who valued their top talent made sure it was looked after.

With the recession abating to varying degrees in different countries, we wanted to take the temperature out there and understand what the key criteria are that individuals are now using to assess the attractiveness of a new opportunity. We asked almost 100 senior executives from all functional backgrounds and a wide cross section of industry sectors for their views. Much of the feedback we received was consistent with accepted thinking but in a number of instances there were differences; the key findings are as follows:

Some things don't change.....the company, the role, the opportunity

For most people, the company is important. It doesn't need to be the biggest or best but it is attractive if it has a strong market position, a clear strategy and a culture that the individual can relate to. Some participants in our survey talked about existing or previous reputation as being important, others said that increasingly the approach a company is taking to CSR issues was also a factor to consider. One individual talked specifically about ethical sourcing and links with the local community as being important to them, describing the appeal of a company which 'focuses on using local suppliers / providers over faceless international conglomerates'.

As has always been the case, company culture is critical; it is often hard to define but remains perhaps the issue that we spend most time discussing with candidates in the early stages of a search. We are focusing on this and investing more and more time now with client companies seeking to understand culture in real, day-to-day terms not just what may be in the annual report. We are also exploring new ways of trying to discuss culture with clients and are examining techniques developed in Canada by one of our sister companies in Transearch International and a leading international assessment consultancy.

The role on offer is critical. Few participants in our survey seemed to be keen on making a move just to manage a steady state role. Several talked of the need for a role where they could make a difference, and of the importance of challenge. One said he was keen on 'the opportunity to 'move the ship' not just keep it steady'. Another talked about 'A legitimate and interesting challenge, an opportunity to make a real difference.....maybe even create a legacy'. There's a fine balance between a role description which is informative and highlights key deliverables and challenges and one which can sound prescriptive and constraining. Good people, it seems, are more intrigued by the hint of a very challenging role with scope to

make their own mark than by an elegantly detailed description of a job that lacks autonomy, Accountability and transparency were also mentioned as important issues. Talented people are not afraid of the spotlight and we know from our work that the more ambitious crave it. This can create challenges for businesses with heavily matrixed structures. If you have worked for the business for a time you may understand how you can make a mark but to an outsider your company can look like a place where individual impact is difficult to recognise.

The prospect of continued progression is of course a critical attractant to people who have to date moved quickly, and this came up several times in our survey. One individual summarised progression very directly 'if I were to leave my current employer, it would only be for something where I could see direct prospects of doing that in short order. If there are clear blockages, I am not interested. So for the recruiter, career paths and scenarios are vital.' As consultants we are careful not to over-promise but equally without a sense of 'what next if I'm successful' it can be difficult to engage candidates. Over the past 2 years many businesses have slowed the pace of internal change and held back internal advancement. There is some evidence from our survey that there is a frustration building up amongst people who feel that they are ready for a move but are not being given one. For good people money, training, coaching and other initiatives are less important than a tangible next step.

Great leadership is critical

Probably the biggest single theme emerging from our survey is the vital role of great leadership. If a company is well led, the imprint of that leadership will be evident in many of the things a potential candidate will look at. The CEO and Board will be visible and accountable, the strategy clear, focused and well communicated and the culture of the company will be reflective of the values of the leader and leadership team. In our survey, individuals talked about the importance of a great boss as a coach and mentor, they described the appeal of businesses where the structure and strategy are well defined and communicated and they talked of the importance of leadership in allowing individuals to grow and develop without smothering. We can support this anecdotally in our search work; where companies invite us to talk to a number of the top team and understand their vision, we almost always find it easier to engage great candidates. If this is so, why don't all companies invest the time to do it?

Change is good

A key factor in persuading an individual that a move may be interesting is change. The degree and nature of change is critical but in essence what people said to us was that positive change which was managed well created opportunities. Great people have confidence in their abilities and thrive in this environment. It allows them to join a new business and have a fair chance to make a mark rather than simply become part of a matrix that lacks dynamism and rewards continuity.

What is a worthwhile risk?

Perhaps a surprise in our survey was the way in which some talked about risk. The recession has led to a caution in making moves that is understandable; potential candidates want to know a great deal in the early engagement process with us and they expect us to be able to answer their (usually!) well reasoned and penetrating questions. But there is a danger as we come out of the recession that individuals continue to feel bruised and overly risk averse. We are not in the business of advocating change for change's sake, however a great talent is wasted if the opportunities for growth are no longer there. A concerning trend was for several respondents to talk about a significantly enhanced remuneration package as being a key part in a future move 'to make the risk worthwhile'. Typical recruitment fees are based on a percentage of first years' remuneration so we should be careful here not to do ourselves out of work, but we feel nervous about this trend. In some areas we are seeing employers offering significant package increases to tease out appropriate candidates and this may be unnecessary. If employers spent more time on understanding the key motivators for a move and then addressing them, then remuneration would return to being an important but rarely decisive factor in a move. As one respondent put it succinctly when summarising their reasons for a move '**...financial reward too....having worked in a business where bonuses have been limited; and LTIPs are underwater this could be an incentive....but would be the last of my list!!!**'

So what are the messages?

If you are an individual feeling frustrated by lack of progression try and go through an audit of what's important to you. A move to a new company is not always the way to solve things but equally don't be afraid of a move. Try and put risk into perspective; there is risk in staying as well as risk in moving. Create a scorecard to assess your current situation and any new one. If the salary on offer is hugely different to your current one then ask yourself why this may be the case. If you believe other things, as our survey says, are at least as important as money then make sure they get the appropriate rating.

If you are an employer looking to bring in new talent the messages are clear; understand the individual and seek to tailor your messages to them. Spend the time to ensure the senior team is aligned on what is needed and make sure that the search consultant you work with is as well briefed as it is possible for him or her to be. Listen to them about how best to position the role and be aware that their ability to engage great talent depends on your ability to trust them!

We hope you've found this summary of our survey useful, and we'd love to hear your thoughts. If you would like to discuss the findings in more detail, or if you would like to suggest other topics for our survey, please don't hesitate to contact us.

Best wishes

The Partners

ingoodcompany@snowdontate.com

www.snowdontate.com