

# Ethics code for headhunting

**I**N THE search by companies for top people to take on challenging new careers, some South African executives and professionals get as many as four or five recruitment approaches a month, writes **MIKE HOLMES**.

Yet, says Sandra Burmeister, CEO of executive search firm Landelahn Business Leaders, few client companies and candidates are aware that the best search organisations abide by a

rigorous code throughout the search process. Both client and candidate, she says, are entitled to equal treatment in terms of a long-standing "bill of rights" formulated by the international industry's representative body, the New York-based Association of Executive Search Consultants (AESC).

She says major issues in the bill are: ■ Executive posts and candidates are not commodities. Search firms are not buying and selling people. "They are

partnering with a client who requires a leader to drive a strategic or operational objective, and on the other hand a candidate with career ambitions, strengths and weaknesses.

"A successful relationship will ensure that the needs and objectives of both parties are fulfilled equally."

■ A search firm must prove to the client that it has all the capabilities needed to handle a given assignment. The client will be judged on the approach and

depth displayed by the search firm contacting as many as 50 candidates. ■ The client needs to invest in the relationship with their search partner if they are to benefit from a strategic partnership.

"Successful chairmen and CEOs have realised that building and maintaining a relationship with a quality search firm is a competitive advantage, as access to quality leadership is a competitive advantage."

■ Crucial to a candidate working with a search firm are: confidentiality; permission to reveal names to a client; an assessment of suitability and skills gaps that may need to be filled. Also important is permission to release a curriculum vitae and reference checks.

■ The AESC's code of ethics, behaviour and best practice, to be adhered to by all member search firms, is available on its website at [www.aesc.org](http://www.aesc.org).

## Client's rights

EXECUTIVE searches cost time and money. Rightly so, says Sandra Burmeister, CEO of executive search firm Landelahn Business Leaders. Leadership skills are sorely stretched in SA, where the upcoming generation "is not fully initiated."

Since executive search is about ensuring the sustainability of your organisation, it is better not to rush into an appointment.

She says Bradford D Smart, in his book *Topgrading*, puts the cost of mishiring at an executive or senior manager at 15 times the annual package of the individual. Your search firm must show it is capable of handling an assignment (see above). It must also disclose any conflict of interest or any limits resulting from servicing other clients. It must also define the conditions under which it will not recruit candidates from a client organisation.

"And it must clearly define the scope and nature of the services to be provided and the fees for those services," she says. In return, the client firm must set out its own corporate culture, business needs and details regarding the vacant position. "Otherwise," she says, "there's no way to match the search firm to the client organisation with sufficient accuracy."

Too few clients ask search firms to demonstrate that they understand the nature, qualifications, skills requirements and effect on the organisation of the position. "Good search firms will



though it might not appeal to you, or you're not right for it. You are entitled to valuable market insights from such discussions."

Once you commit to becoming a candidate you are entitled to know as much as possible about the search firm and its client. You should know whether the search firm has been formally retained, the nature and challenges of the client, requirements of the position, compensation package, and whether you will need to relocate.

Executive search assignments can take several months. So you are entitled to progress reports and responses to queries, as well as clear information on processes that affect you. Who will you have to meet and when? What time-frame is the client working on? And what is the next step?

You are also entitled to an honest appraisal from the search consultant — on ways you do and do not fit the position. And if you do not get it, the consultant must give you "a cogent, complete report" on why you did not.

"Most crucial is your right to objectivity and equal treatment by the search firm. The drafters of the Association of Executive Search Consultants' code of ethics were visionaries. They understood that there are no boundaries between business and society, and so they stipulated that executive search firms must conduct their activities with respect for the public interest," says Burmeister.

"That means not just acknowledging but acting constructively to address issues such as gender equality, broad-based black economic empowerment, executive fast tracking and development of talent relevant to the needs of the economy."

## Candidate's rights

search firm must contact you directly and not via any other channel, not even your assistant.

They must not contact any reference provided by you unless you give permission. And they must not discuss your candidacy with anyone outside their firm.

Once they have met you, the search firm must not submit your name or a report on you to its client without your authorisation. The search firm must also caution its client to abide by the same requirements.

"More subtle," says Burmeister, "is that you cannot become a candidate unless the search firm's consultant has conducted an initial evaluation of your suitability, and you've expressed an interest in the position."

"You are free to discuss the position with the consultant even

Your search partner can help or harm your organisation's reputation during a search process, which usually requires between 20 and 50 candidates to be contacted. It is vital for the client to distinguish between a recruiter and a strategic partner.

By being able to read your organisation accurately, says Burmeister, a strategic search partner will introduce skills that enable your company to grow faster than its competitors.

Once the process has started, the search firm must provide regular progress reports.

"They must guide your interaction with candidates, bearing in mind that the first interview with a candidate is the benchmark against which your future relationship with him or her will be played out."

proactively help you develop your own understanding of the position — specifically in relation to the strategic direction and challenges within the business."

The search firm must also demonstrate knowledge of the industry, including the availability, remuneration levels and comparative assessments of candidates. "Holding client information confidential at all times is, of course, a given."

The search firm must also disclose which of its consultants will work on an assignment, and which third-party suppliers will be involved, since verification checks are often outsourced.

The best search firms build relationships with clients, the talent pool and the community. A retained search firm should be a trusted strategic partner.