

Recruitment firms like Heidrick & Struggles getting out of comfort zones to find right fit for their clients

MUMBAI | NEW DELHI: At recruitment firm ABC Consultants, managing director Shiv Agrawal is in the middle of an unusual search. He's been approached by an upcoming music producer/composer looking to break into the big league.

The client wants ABC to hire a marketing head to network with the 'right people' and help him strike lucrative deals. For that, he is willing to offer an annual salary up to 20 lakh as well as 20% of commission on every deal that goes through. The particular assignment is way out of the firm's usual comfort zone, but that hasn't stopped Agrawal from taking it head-on. "It's not easy executing these jobs but that's what makes it great fun as well," he says.



For people like Agrawal and the country's leading headhunters including Heidrick & Struggles, Korn/Ferry International, Egon Zehnder, Transearch India and RGF Executive Search, tricky mandates are par for the course. More so in a slow economy, when the challenging jobs crop up more often than other times.

Identifying crisis managers, convincing CXOs to take big fixed pay cuts, getting senior leaders to join new-gen or little-known firms, or scouting for people to fill unusual roles, these movers and shakers do it all.

At Heidrick & Struggles, where around one-and-a-half dozen CEO and MD searches were conducted last year, finding people who had handled businesses in difficult times was a challenge.

"How they manage the business during bad times was on top of the agenda for CEO searches. One finds many leaders who do well in good times, but to find people who had successfully navigated businesses during a crisis was not easy," says Arun Shankar Das Mahapatra, chairman and partner-in-charge at the firm.

A higher percentage of variable pay linked to performance is also a challenge when it comes to getting CXOs on board. It's happening particularly in the new-gen sectors like high-tech, where, in some cases the proportion of variable and fixed pay ratio is as high as 65:35, says Das Mahapatra.

A Tough Catch



Bhavishya Sharma, MD of Athena Executive Search & Consulting faced this when one of their regular clients, a London-headquartered consulting MNC with operations across 24 countries approached them to find a director for their India operations, with strong credentials in concept selling.

HEIDRICK & STRUGGLES

Assignment/s: Finding CEOs and MDs who'd handled businesses in difficult times



Why it's challenging: Not easy finding leaders who have grown their businesses through tough times

The problem was that not only did the client not have a strong brand in India but it was also proposing a compensation model where more than 80% of the salary would be linked to performance-linked bonus. It meant that Athena needed not just to attract C-level executives to a relatively unknown brand in India but also had to convince them to take a huge cut in fixed salary to take up this opportunity for future upsides.

EGON ZEHNDER

Assignment/s: Hiring a CEO for a smaller private bank from a blue-chip bank; attracting leaders for the badly-performing insurance sector; getting a CFO of a big company to work in an e-commerce one



Why it's challenging: Getting top CXOs to join a lesser-known brand or a hard-hit or new-age sector

"The reactions among target candidates were radically insipid as this is unusual in India," recalls Sharma. Many long engagements with several candidates later, the job was successfully executed. And the happy client followed it up with a similar mandate in a different geography.

ABC CONSULTANTS

Assignment/s: Asked to recruit marketing head for upcoming music producer/composer looking to break into the big league



Why it's challenging: Requires the firm to go way beyond their usual field of operations

ATHENA EXECUTIVE SEARCH & CONSULTING

Assignment/s: Approached to find a director of India operations for an MNC with a not-so-strong brand in India. Around 80% of the compensation linked to performance-linked bonus.



Why it's challenging: Difficult to convince experienced C-suite executives to join a lesser-known brand, that too with a big fixed pay cut

Other out-of-the-box mandates abound as well. RGF Executive Search MD R Suresh recalls the time when he was approached by an e-commerce company to hire a 'chief monetisation officer', a fancy title for a person who needed to figure out all possible revenue streams through which the company could make money.

Udit Mittal, MD, Unison International got a mandate from a US financial services company for their office in western India. They wanted a CEO who would keep timings of 6 pm in the evening to 12 midnight.

Headhunters say that while hiring at senior levels continues to be steady, the requirements have changed and evolved in keeping with the challenging business environment. Softer skills, a greater emphasis on ethics and accountability; a global outlook; the ability to work in a demanding environment and steer the company through a difficult period are all qualities that are gaining more importance.

"Companies are looking for CXOs who are a lot more creative and innovative and can deal strongly with lean patches. These requirements were not as pronounced in the last few years," says Sangeeta Sabharwal, senior partner, Transearch India.

At Randstad, an auto company wanted their R&D head to have an understanding of commercials, operations and sales and marketing, besides having strong engineering exposure. "Companies are looking for CEOs with some exposure in turning around loss-making companies and building diversity," says Moorthy K Uppaluri, CEO, Randstad India.

Over the past 18 months, Korn Ferry has helped hire four CXOs and six heads of functions for an Indian group. "The most important thing the company was looking for was change management," says Madhav Sharan, senior client partner and leader of the industrial market practice for Korn Ferry in India. Sharan says Indian companies are also looking for CXOs who can help grow their international businesses. The challenge there is that there's only a small talent pool to hunt from.

Egon Zehnder consultant Sanjiv Sachar says that every mandate has its own challenges, and the difficulties include attracting people from a good brand to another sector that may not be doing well. He recalls a few tricky assignments: from getting the CEO of a blue-chip bank to join a much smaller private bank to attracting leaders for the hard-hit insurance sector and getting the CFO of a well-established organisation to work in a space like e-commerce and in a new-age environment.

It's a challenge other smaller firms like Mancor Consulting have grappled with as well. When a well-known captive asked them to find a practice head to lead and build the strategic consulting team at the global operations support centre, it wasn't easy finding a senior person willing to move from a consulting organisation to a captive set-up, says Satya D Sinha, CEO, Mancor Consulting.

"But we did it, with a back-up to avoid a dropout," he says.