

WORKING WITH EXECUTIVE RECRUITERS

What is an Executive Recruiter?

An executive recruiter is hired by a company or an organization to fill a specific opening, or a series of openings. Usually, recruiters fill upper level positions, which is where the “executive” part of the title comes from. However, some recruiters specialize in finding entry or mid-level talent with specific skills or attributes—technical or scientific skills, language ability, security clearances, etc.

Knowing how recruiters operate will make you a more effective job searcher. This handout provides a brief overview. For an in-depth look at the recruiting profession, and the subtleties of dealing with recruiters, check out John Lucht’s ***Rites of Passage at \$100,000 to \$1 million+***. It’s an old book, but it’s still available on Amazon. Lucht was an executive recruiter, and he does an excellent job describing how you can work effectively with recruiters.

How does a recruiter get paid?

Recruiters are paid by the company seeking to fill an opening. Recruiters are usually paid a percentage of the selected candidate’s first year salary—often 30-35 percent. Since their pay is based on the salary level of the jobs they recruit for, you can see why recruiters tend to work with executive-level clients—those placements are worth more.

If you are asked to pay someone for his or her services, then you are not dealing with a recruiter. A recruiter NEVER asks for money from a candidate.

Because recruiters are paid by the company, their entire focus is on making the client company happy. This has implications for you, the job hunter. A recruiter will not put your name forward for a job unless you are a “perfect” candidate; that is, you meet ALL of the requirements specified by the potential employer. If the employer just wanted to sort through resumes, a want ad would have been cheaper. A recruiter is hired to fill an order exactly. So if you don’t meet all of the requirements specified by the company, you are unlikely to be put forward by the recruiter.

You should also be aware that, because searches are time-consuming and the resultant fees are quite high, an individual recruiter doesn’t handle that many searches in a given year. If you are considering working with recruiters, you need to contact as many recruiters as possible in your field to ensure that you are being put forward for a decent number of positions.

What can I expect a recruiter to do for me?

A recruiter may submit your name on a short list of candidates if you are an excellent candidate for a job that the recruiter is seeking to fill right now. Beyond that, a recruiter will usually place your resume in a database. That's about all a recruiter will do. Some of them may take some time to critique your resume or provide an insider's look into the market. Recruiters do not "go looking" for a job for you. They may say they will keep their eyes open, which they will, but only for a job where you are likely to make them money by being the perfect candidate.

Do not contact executive recruiters until you have a clear job search target in mind, a salary range you are seeking, and a fully updated resume and LinkedIn profile. If they reach out to you, and your materials aren't up to date, that can be forgiven because you weren't actively job seeking.

What's the difference between contingency and retained recruiters?

It is very important to know the difference between the two types of recruiters, and to deal with each accordingly.

Retained Recruiters: These recruiters are paid a retainer fee by the firm that is contracting with them to fill a position. The retainer usually specifies that the recruiter will be paid when the position is filled, *regardless of whether the recruiter actually uncovered the winning candidate*. Retained recruiters tend to have ongoing relationships with the firm they are working with. They also act as a consultant on the hiring process, advising the firm on various candidates. Since the firm has paid a retainer, and there is no incentive to fill the slot with a "cheaper candidate", any promising candidates that come to the attention of the firm are usually passed along to the recruiter for screening. This means that no matter how you come to the attention of the company that is hiring, the recruiter will get paid. Hence, there is no downside to you being presented by the recruiter.

Retained recruiters usually only contact you if there is an actual position that they have been retained to fill. They often have extensive information about the company, including a detailed position description. They may keep the company name confidential in the early round of screening interviews.

If you are contacted by a recruiter about a job, ask questions to determine if the recruiter has been retained to fill this position. "Do you have an exclusive relationship with XYZ company to fill this position?" "Have you been retained to fill this position?" Watch for careful responses that don't really answer the question "Yes, I have worked with XYZ company before." One good clue is the amount of information available. If the recruiter seems very knowledgeable about the job and the company, chances are good that he or she has been retained to do that search.

Once you ascertain that you are dealing with a retained recruiter, provide all the information that is requested, making it clear that you are authorizing its use for the position under discussion. If the recruiter wants to put you forward for any other positions, you should be contacted and your permission sought. This is necessary because even retained recruiters will sometimes take a shot at filling a job on contingency.

Contingency Recruiters: These recruiters are paid by the hiring firm only if a candidate that they put forward is selected for the position. Contingency recruiters find out about positions that are open, and then submit potential candidates under their cover. If one of their candidates is selected, the contingency recruiter gets paid.

Working with a contingency recruiter may or may not be to your advantage. If the recruiter has identified a potential job that you didn't know about, then it is to your advantage to work with the recruiter. However, if the recruiter submits your resume for a position that you could have found out about from the internet or another of your own contacts, you are now 33% (the recruiter's average fee) more expensive to the firm that is hiring. If there are other candidates for the job that didn't come to the firm through a contingency recruiter, the firm is likely to give these candidates serious consideration, because they are less expensive alternatives to hiring you. Thus, a contingency recruiter can work against you by making you more expensive than other candidates.

When you are contacted by any recruiter, make it clear that you only want your information forwarded to a hiring company if you give your explicit authorization. If you don't establish this up front, then your resume may go to anyone that the recruiter knows is hiring. Ask questions to ascertain if the recruiter is operating on a retained or a contingency basis. The recruiter is unlikely to say outright that he or she is working on contingency, so probe for information.

If the recruiter discloses the name of the company, and you have been in contact with the company or already knew of the opening, you can say that you have been in contact with the company and prefer to go unrepresented in this case. If you really didn't know about the opportunity, and you are interested, then the ethical thing to do is to let the recruiter present you. To learn about an opportunity from a recruiter and then contact the company directly is unethical. If you are caught in this (and recruiters have lots of sources of inside information), your reputation will be damaged, with both the recruiter and the hiring firm.

Do I have to tell a recruiter my salary requirements?

Yes. This is the only exception to the "never talk salary" rule. Recruiters need to know that salary expectations of both parties are in line. The company has

already indicated the salary range they will offer, so now the recruiter needs to know if you will take the job at that salary. So when a recruiter asks, tell them the range that you are looking for, and include a list of key benefits that you would expect. Be aware that if your range doesn't match the hiring company's expectations, you probably won't be put forward, so select a fairly wide range. The recruiter, who is paid based on your salary, has every incentive to ensure that you end up with the highest possible salary.

How do I find a good recruiter?

As noted above, you want to work with as many recruiters as possible, and get your resume to all of them, with the caveat that you would like them to get your permission before sending your information along to any specific companies.

Ask your friends and colleagues for the names of recruiters that they have worked with. Search LinkedIn.

Being a good networker and talking to numerous people in the field is a great way to find recruiters, because they will hear your name when they tap their network to source for a position.

How do recruiters find candidates?

Most recruiters will tell you that they rely heavily on LinkedIn to find candidates. If you do not have an up-to-date and compelling profile on LinkedIn, you are going to have a hard time attracting recruiters.

The other key method for finding candidates is "sourcing." Recruiters reach out to their networks to ask if they know of anyone who might be interested in the position they are filling. Sources are people who know the field well.

Will a recruiter present me to more than one employer at a time?

Recruiters will only present you to one employer at a time. Once you have been presented as a potential candidate, you will not be put forward for any other job that the recruiter becomes aware of, even if you are perfect for the job, until the first employer has indicated that their opening is filled and releases the remaining candidates. An employer expects its recruiter to do everything possible to facilitate an acceptance on the part of the candidate. Giving the candidate other options by submitting the same candidate for multiple jobs would be unacceptable to the employer. So once a recruiter has presented you, don't expect any further referrals to come from that recruiter until a decision has been made on the job you have been presented for.

This rule against not poaching from clients often extends years into your tenure at a new company. If a recruiter placed you, they often commit not to approach you about another job for a specified period of time.

How do I make sure a recruiter will present me?

You can't. The recruiter has complete control over who is presented. There are a number of reasons why you may not be presented:

--You don't meet all of the job requirements.

--Your salary requirements are not in line with the stated salary range for the position.

--The recruiter has identified other issues in the screening interview that would make you a less-than-perfect candidate. Remember, the recruiter wants a reputation of presenting stunning candidates.

--You have already been presented for another position.

--You work for one of the recruiter's other clients. This is a particular problem if you are working for a large company and also with a large recruiting firm such as KornFerry, Heidrich and Struggles or Russell Reynolds, to name three of the biggest. Large recruiting firms are often on retainer to a large number of organizations, and the rule is that they do not poach potential candidates from their current clients. So if you work for Large Company A, who works with Large Recruiting Firm B, and Large Company C has a great position that it is offering through Large Recruiting Firm B, you won't be presented for the job. In this case, the only way around the problem is to network your way into Large Company C, and have the company insist to the recruiter that they want to interview you for the roll. The recruiter can then contact you under instructions from Client C.