

## Global Cross-Border Executive Search:

# Meeting The Needs Of Clients Operating In Multiple Markets



By Ward Garven

**A**re you prepared for the client that asks you to help place multiple key executive positions scattered around the world? This is exactly the question executive search firms are increasingly facing as major industrial and manufacturing firms expand into international markets.

“Our international cross-border client assignments are increasing from 15 to 20 per cent annually,” says Peter de Jong, Chairman of Stanton Chase International. “We are reporting fast-growing client demand for this advanced level of service.”

Executive search firms must make sure they are ready for this challenge as these types of assignments put added pressure on search firms to deliver quality service evenly across multiple markets. They also test the understanding and relationship between the search firm and the client. Therefore, it is vital that search firms really know who their clients are, and understand their needs. Firms also need practices and resources in place so they are able to respond effectively.

#### CROSS-BORDER CLIENTS

Though clients request cross-border

searches from a range of industries and circumstances, some patterns are emerging from our clients’ activities, explains de Jong.

The demand for cross-border search seems to be greatest with clients in the industrial and consumer goods sectors – anything from the automotive, capital equipment, chemical and electrical equipment industries, to luxury goods, food, beverages, restaurants, hotels and retail. These firms may already be established multinationals, or they could be strong, mid-sized, local firms expanding into international markets.

Directionality of the assignment varies. “This activity is not just with North American and European firms,” says de Jong. “Firms from Asia and South America are just as active.”

Some clients have extensive requirements. One significant Stanton Chase client is a manufacturer/distributor headquartered in the United States. This client needed searches in 16 countries in Asia, Latin America, North America, Europe and the Middle East. This work has involved 17 Stanton Chase international offices over the past seven years.

Another Stanton Chase client required more than 120 searches over the past seven years in 14 countries. Headquartered in Europe, last year this pharmaceutical industry leader required searches for business units in the USA, UK, Switzerland, Austria, Mexico, Poland, Romania and India.

Searches can be local, regional or global in scope, depending on the position. Clients are searching for the best leadership regardless of country of origin. VP level opportunities, for example, can require search in multiple countries and regions around the world.

Leadership development strategies vary. The most common search is within the target, local pool, but there are other approaches. Some firms want to transplant a home market executive into the target market, and then build a strong local team around that leader. Others are interested in an executive from the local market but plan on relocating him to the firm’s home office to run the regional market expansion from there. There is also an approach in which foreign executives from the target market are recruited for home market leadership positions.

Clients have tended to fill executive roles on an 'as needed basis,' taking the opportunity to fill vacancies as they arise. But some clients are now adopting a more strategic approach and are investing in retained executive search as part of broader succession and expansion plans. This requires the search firm to take on an enhanced consulting role which looks at the client's current leadership resources, analyzes potential gaps emerging from expansion plans or market trends and recommends long-term leadership strategies - areas not normally addressed in standard search assignments.

### CLIENTS WANT SEAMLESS CROSS-BORDER SERVICE

Whatever the nature of the client and the search, executive recruiters must know exactly what their clients are looking for, de Jong explains: "Our cross-border clients want seamless, personal, consistent service linked with authentic local coverage and knowledge."

"Coordinating multiple cross-border searches demands a lot from a firm," says de Jong. "The good consultant understands and anticipates these expectations."

Stanton Chase has surveyed its clients - both single-market and cross-border - about what they expect from their executive search partner. We base our approach on what clients have said they desire, which is:

- A true partner who understands the business, the position, and the culture of the client's organization;
- A high level of communication resulting in transparency of process;
- Strong market knowledge leading to candidates with the right "fit";
- Professionalism that builds credibility
- Quick, on-time results;
- Flexibility in pricing and services;
- Care for the candidate - before, during and after.

When it comes to cross-border searches, these expectations are even greater. Cross-border search clients want:

- The same high level of service from all



Ward Garven

the consultants in all the markets of the search;

- The ability to coordinate multiple, linked global searches;
- Seamless interaction and transparent two-way sharing of information between all the search firm offices working with the client;
- The ability to understand not only the client's home market and office culture, but also the cultural context of the new market office and community;
- Detailed local market knowledge that includes the local labour market trends and conditions, applicable local legislation and regulations, and all needed organizational and technical information;
- Access to local talent pools and networks including candidates in the margins of the search zone;
- Clarity and transparency about costs and billing arrangements.

The stability and longevity of the search firm are also important. With the volume of searches needed over extended periods of time, cross-border clients are seeking long-term relationships with stable search partners.

### MARKET COVERAGE IS KEY

The first requirement for a search firm

is global market coverage. Whether that is through international offices or affiliates, the search firm needs a grounded and authentic understanding of the markets they are searching within.

"Market coverage is something that cannot be simulated, it must be real," says de Jong. "At Stanton Chase, when we talk to clients they must be confident about the extent and depth of our coverage. They must be able to trust our involvement as being authentic and substantive."

The quality of how executive search firms cover their respective markets is also very important. First, the local market knowledge must be complete and based on local business connections and insight. Second, the quality of the consulting service provided by the local office and partner must be on a par with those of the referring office.

"When we grow new partners and offices, we do it with cross-border work in mind," says de Jong. "Because of this, we are able to refer client assignments between offices confident that our clients' interests will be served professionally, with extremely high quality and reliability."

Differences between markets can be crucial. For example, one Stanton Chase assignment in Asia was superficially the same as an assignment in Germany. Yet due to the development of the German market, the executive level sought for Germany needed to be higher than for Asia; same job, but quite different position descriptions.

Another Stanton Chase client in the energy industry needed business development executives in different markets. The North American position required someone with traditional competencies in product development and corporate processes. The same position assigned to emerging markets in the Middle East and South America needed different strengths in technical innovation and in building relationships.

Search firms also need to have deep knowledge of the client's industry. The executive recruiter needs to know what is

happening in the client's industry around the world, including demand for executive positions, the depth of the international talent pool, patterns of compensation and tenure, and whether executive skills are transferable from other industries.

International practice groups are one way of ensuring a high level of industry knowledge. For example, Stanton Chase has nine of these. Each group is headed by a Global Practice Leader who works with regional practice leaders and practice specialists in many partner offices. Each group participates in regularly scheduled conference calls which discuss specific client searches and industry trends.

Another useful practice is to involve clients in internal service discussions. At Stanton Chase, clients are included in our November and April international partner meetings. Up to 100 clients attend and participate, and between eight to ten clients are asked to make presentations to the partners about their needs, issues and trends.

"We learn a great deal from our clients at these meetings," explains de Jong.

These meetings can be extremely beneficial to the success of the cross-border search service. "They develop more than just long-term inter-office relationships, friendships and trust; these meetings focus extensively on cross-border work," says de Jong. "Approximately 40 per cent of our November meeting time, and 80 per cent of our April meeting was dedicated to discussing our clients' cross-border search issues. This benefits clients because it provides our consultants with a better understanding of clients' needs, which is shared by all our international offices, producing high-quality results regardless of the office where the search is carried out."

### STRONG GLOBAL INFRASTRUCTURE

Clients expect the search firm to have buttoned-down inter-office processes and protocols. "For us, this

is about coordinated, client-centered service and interaction," says de Jong. "At Stanton Chase, these needs are met though standardized inter-office referral practices, including a referral fee structure and an intranet-based, knowledge-management system where all offices share search status and network information."

Communication and teamwork are also critical. "Communications between offices on cross-border searches must be intense and effective," says de Jong. "At Stanton Chase, the referring consultant fully briefs the referral consultant, after which they work closely together to complete the search. The referral consultant shares client insights with the lead consultant and any other consultants running searches for that client. Global conference calls are a frequent norm connecting all the offices working on a client's various cross-border searches."

### MANAGING DIVERSITY – THE FINAL INGREDIENT

Cross-border searches have a diversity element by definition, and the ability to effectively manage the diversity issues within the search is a vital capability firms need to have. "We are not shy about asking the diversity question," says de Jong. "What are our client's diversity expectations?"

Search consultants must come to the client already knowing the local, cultural and legislative diversity context. That way the consultant can focus on the client's unique expectations and preferences related to the culture they are trying to build or reinforce within their company.

The executive search firm then needs to have the internal resources to address these diversity needs. For example, when searching for female executives, it is helpful to have female consultants involved in supporting and managing that search. "It is the actual diversity within our international partner offices that give clients and candidates

confidence that Stanton Chase can understand and meet their diversity needs," explains de Jong.

He explains how as a leading executive search firm, Stanton Chase works hard preparing itself to be ready for cross-border searches. "They are an important and growing part of our business. So we must be prepared to partner with our clients and effectively manage this complex, yet very dynamic, service."

"The key factors that make cross-border searches succeed at Stanton Chase are the strong group ethic and relationships that exist between our partner offices around the world," states de Jong, "And their commitment to working together effectively with the client's needs front and center."

It will definitely be interesting to observe how the demand for cross-border search services evolves in the years ahead, and especially how search firms will respond. Make sure you prepare your firm and your clients so that you can work together and be ready when the need arises.

S

*Ward Garven is Managing Director with Stanton Chase based in Calgary. His experience includes executive leadership, sales and marketing, and the expansion of operations throughout North America, across Europe and Asia. The Calgary office serves domestic and international clients in energy and natural resources, industry, financial services and technology.*

*Peter de Jong is Managing Director of Stanton Chase based in Amsterdam and International Chairman of Stanton Chase since late 2010. His experience includes international executive leadership, marketing and sales management. He has been active in executive search since 2000.*

*Stanton Chase is ranked within the Top 10 global retained executive search firms with 71 offices in 45 countries, offering services in Asia Pacific, Europe, the Middle East and Africa, Latin America and North America. Stanton Chase offers clients global access to market research and talent. Stanton Chase is owned by its partners who take individual responsibility for delivering outstanding quality for each assignment. Stanton Chase is a member of the Association of Executive Search Consultants.*

[www.search-consult.com](http://www.search-consult.com)

For more information visit:

Web: [www.stantonchase.com](http://www.stantonchase.com)