

THE 48 HOUR EXECUTIVE HIRE

A CASE STUDY IN THE EFFICACY OF LEADERSHIP RISK MANAGEMENT



Talent Intelligence
Leadership Risk Management

Huge fees regardless of outcome, blind spots created by off-limits policies, a process that often can't keep up with the busy pace of global organizations; these are some of the pitfalls of relying upon retained or contingent executive search to fill a high-level vacancy.

Successful leaders in the 21st century are expected to drive change, demonstrate strategic agility, be globally mobile, possess a global mindset, speak multiple languages, and deliver immediate and demonstrable results. These expectations exist against the backdrop of an aging population with the near-retirement age group experiencing double digit growth while growth among younger generations is stagnating if not declining at a rapid pace. Confronted with these challenges, reactive recruitment – that is, beginning the search for a senior level replacement just ahead of or immediately following an expected vacancy – has become unsustainable, particularly for large corporations with billions in revenue on the line.

Breaking the cycle of reactive recruitment requires implementing a more dynamic process. Such a process should allow companies to continually map talent outside their organization, identify top performers and rising stars, network with select external talent, and develop informal relationships with high potential individuals who can be integrated into an existing succession strategy. With those objectives in mind, Talent Intelligence was born to help companies develop well-rounded succession practices, network with top quality executives and future stars, ahead of demand, and in the process, reduce costs and ensure future business continuity.

Talent Intelligence partners with one, typically Fortune 500 client per industry to develop the kind of conflict-free, long-term engagements that allow such a process to move forward smoothly. For a fraction of the cost that a year's worth of executive placements might run them, clients are able to meet and learn about the very kinds of senior level talent they want in their organizations. Should they choose to hire any number of executives they meet, they don't have to worry about spending another dime – there is no placement fee. When the time comes for a given client to renew their engagement with Talent Intelligence, they are equipped with numerous examples of positive return on investment, making their decision to continue forward a very easy one.

Such is the case with one client, a well-known global medical device manufacturer, which consistently sees the payoff for pursuing the kind of proactive recruitment and retention strategy only Talent Intelligence can help them implement. Just this year, the value of the placements they made through Talent Intelligence equaled nearly three times the cost of the intelligence gathering services we provide them. The same can be said of a large global mining client that consistently finds new ways to utilize our unique offerings. The examples are numerous and that is why our clients consistently work with us to stay ahead of the constant threat of leadership risk exposure, but every now and then the perfect example occurs, helping demonstrate what Talent Intelligence is expert at.

Since 2005, Talent Intelligence has partnered with one Fortune 500 global pharmaceutical manufacturer in the areas of external succession planning and talent pipelining at the senior level, resulting in numerous successful executive placements. In 2009 one member of the delivery team for that account interviewed an ideal candidate for their talent pipeline – John Smith*.

John was an experienced marketing professional with an MBA from a prestigious university. He had worked his way up from the director-level to VP-level in his current company, a direct competitor of our pharmaceutical client. Upon presentation in 2009, the client requested an exploratory conversation with John and initial feedback was positive.

In 2011, the client invited John to interview for an open role. The interviews went well and the client offered John a position in their company. Unfortunately, compelled by the golden handcuffs his employer had placed on him, John chose not to pursue the offer. It is not uncommon for companies to be turned off when a candidate rejects an offer, but the TI process encourages ongoing conversations to keep those candidates in the pipeline in consideration for future opportunities.

In the following months, Talent Intelligence kept in contact with John who was very open to exploring external opportunities once his stock had vested. In August 2013, four years after having met John, we identified a vacancy for which he would be the perfect replacement. An offer was made immediately. Interviews weren't necessary as multiple executives in the client organization had already met John and were eager to have him join their organization. Within 48 hours of the role becoming vacant, John accepted the offer and agreed upon a start date.

Introducing new executives into an organization comes with plenty of risks. Nearly half of externally-hired executives leave their roles in less than 18 months as a result of poor fit or poor performance. As a result, hiring external talent at the executive level is not something that should be taken lightly



or done under the pressure of a ticking clock. It is important that hiring managers are positioned to make measured decisions when pulling new talent into key roles and John Smith's placement with our pharmaceutical client is a perfect example of that. Under no circumstances aside from utilizing Talent Intelligence's unique, proactive model, could a hiring manager make this kind of decision with complete confidence in such short order. In a rapidly evolving global talent marketplace, it is imperative that companies approach succession planning, recruitment, and retention in a strategic and proactive way.

To learn more about the perils of leadership risk and the ways your company can avoid a disruption in business and talent continuity, download our free whitepaper "Understanding Risk Exposure."

NEXT STEPS

Ongoing intelligence gathering gives you the ability to foresee challenges and anticipate opportunities that otherwise would have gone under the radar. Talent Intelligence only partners with one client per industry. We guarantee an unrestricted view of the talent throughout your industry and all of our services include complimentary executive placement.

*Name changed to conceal client and candidate identity

TO ORGANIZE A FULL DEMONSTRATION OF OUR MODEL AND OUR TIMS™ SYSTEM OR TO GAIN FURTHER INFORMATION, PLEASE CONTACT:

Simon Ferns

Talent Intelligence Senior Vice President
11 East Illinois, Level 4, Chicago, IL 60611
+1-312-284-2964
simon.ferns@talentintelligence.com
www.talentintelligence.com

Brett Moffatt

Talent Intelligence Managing Director, EMEA
6 Kean Street, London, WC2B 4AS
+44 (0)20 3427 6188
brett.moffatt@talentintelligence.com
www.talentintelligence.com

About Talent Intelligence

Talent Intelligence is a global leadership risk management company that solves its clients' critical talent challenges by integrating external talent intelligence in four key areas: succession planning, talent pipelining, diversity intelligence and human capital competitive intelligence. All intelligence is securely stored so clients can access it on demand and integrate it into their existing workforce planning process. Our Intelligence Delivery Teams flag high-potential candidates, bringing them directly to our clients' attention — so when the time is right, we can facilitate a networking engagement between you and any candidate of interest.

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