



How to Work with Search Firms

Once-in-a-lifetime opportunities come along all the time—just about every week or so.

Garrison Keillor, *A Prairie Home Companion*

If you understand how search firms work, your expectations will be more reasonable and you will better understand how to approach them.

Contrary to what some people think, a recruiter in a search firm does not place hundreds of managerial and professional people per year. Their search assignments are very specific and require extensive research, networking, and screening prior to presenting qualified individuals to their client organizations. Therefore, **the average recruiter places one or two people a month.** This is the most important statistic for you to know about search firms and this information will affect your entire thought process about search firms.

Recruiters who deal with junior-level people need to place 2 people a month. Recruiters who deal with the very highest-level people may place only *6 people a year!* So search firms are not filling as many jobs as you think. It's actually *unlikely* that a search firm and a specific recruiter will be able to place you. Should you talk to search firms? Absolutely. But for goodness' sake don't *count* on them. The numbers are not on your side. Agencies may have lots of openings, but they are usually given the toughest positions to fill: Companies are willing to pay high agency fees to get candidates who walk on water. Agency recruiters would be the first to admit they don't have great hit ratios: Typically only *1* out of every 10 people they send on interviews is hired!.

The work recruiters do is in some respects similar to the work done by realtors. Recruiters "represent" positions that need to be filled (the equivalent of houses for sale), and they recruit qualified people to fill those positions (house hunters). They match qualified candidates with their job opportunities, just as realtors match house hunters with the houses on their lists. The realtor is trying to get buyer and seller to come together on price, and the realtor wants to stay in the middle of the transaction. In both fields, possibilities are sometimes presented as "once-in-a-lifetime" opportunities. And often, the actual matches are just as rare!

Recruiting is basically a sales profession and recruiters are interested in working with individuals who are marketable—just as realtors prefer houses that are marketable. Therefore, the more marketable you are, the more likely a search firm will be interested in handling you. If you are too difficult to categorize, are trying to make a major career change, require an unreasonable compensation, or have other drawbacks, search firms will balk at working with you (although they may not be totally honest about it).

You can increase your odds by *making it easy* for search firms to market you. Here are a few suggestions:

- Summarize your marketable characteristics in your cover letter. Recruiters need to categorize you anyway, so make it easy for them.
- Clearly state your target market (geographic area, industry, and position) and your salary

range. For example: "I'm interested in a financial position in the direct-marketing industry in the New York or Chicago areas. I'm looking for a salary in the \$65,000 to \$70,000 range."

- Next, state your key selling points—your summary and accomplishments. Recruiters present your *accomplishments* to client organizations—not your job description. *Tell them what to say to sell you.* It will make their jobs easier and thus make them more likely to want to handle you.
- Be honest. Assume the search firm will check references and verify whatever information you give to them. Their reputations are based on the caliber of individuals they represent. If you misrepresent information, it could cost you the perfect career opportunity. Even if you get past the search firm, your employer could fire you later if falsehoods are uncovered.

To Redo Your Résumé—or Not

If recruiters want you to redo your résumé, follow their suggestions only if you think you're interested in the job about which they're talking to you. Sometimes customization is appropriate for a specific position, but some recruiters simply want résumés done their own way based on their own habits and biases—and their way may not be *better* at all. They forget that you got in to see *them* with your present résumé. They also forget that their technique "works" not because of their *résumé* approach but because they get on the phone and talk about you to someone. It's okay to change your résumé for them to meet a particular circumstance, but don't change your résumé *for the rest of your search* just because of what a recruiter wanted. Believe it or not, recruiters are *not* résumé experts. Listen instead to your coach and small group.

Sample Search-Firm Cover Letter

Search firms need to know your target: the kind of job you want and where. Your cover letter can

give you a boost here. They also need to know your salary requirements, so you might as well include a range in your cover letter. The letter on the following page uses our formula for cover letters presented earlier.

A Typical Search-Firm Marketing Call

Here's what may happen if you have made it easy for the recruiter by positioning yourself in your cover letter. They place a few phone calls. "Joe," they say, "I've got someone you may be interested in. He's a highly skilled individual who has the exact profile you have hired through me before." And then they may read from your cover letter. "He's got 15 years of financial experience in the direct-marketing industry. [Then they will stress your accomplishments, especially those that saved a past employer time or money.] He's an energetic, ambitious person—a real self-starter. When would it be convenient for us to set up a meeting? He's available next Tuesday or Wednesday morning . . . Oh, I know you don't have any positions currently available. After I met him, I just thought of you. I really think he'd be worth your time to interview."

Should You Keep in Regular Touch with Agencies?

The short answer is no. Recruiters are very aware of the positions they are trying to fill at the moment, and they are very aware of the candidates in their database. All of their energies are going into finding good matches for their client organizations. If they have a position that is appropriate for you and if they are not already too far along with the search, they will call you in. A follow-up phone call from you will do no good and just cuts into their busy day. We advise job hunters to send their résumés to search firms and then *get on with other aspects of their searches.*

It is better to form long-term relationships with reputable search firms. You can do this by

helping them when they have an assignment they are trying to fill—even though it is not right for you. Perhaps you could suggest the names of other people they should call. Then when you are ready to make a move, they are already aware of you and your character, and are more likely to consider you when they have an opening that *is* right for you.

Life will give you what you ask of her if only you ask long enough and plainly enough.

E. Nesbitt

Which Organizations Use Search Firms?

Search firms are used by small- to mid-sized organizations with limited personnel departments. The search firm acts as an extension of their human resources staff. In addition, smaller organizations often must use search firms because applicants don't contact them as often as they do larger organizations.

Search firms are also used by major organizations with specific needs. Major organizations expect the search firm to identify the best individual in their industry nationwide—and usually in a very short period of time. Search firms are expected to know—or be able to find out quickly—the important players in a specialty.

Search firms are also used to fill jobs when there is a labor shortage. This could be for a specialty that is much in demand at the moment or for an executive-level position in a field so unusual that the search firm may have to look outside the organization's normal geographic area. Common positions may also be difficult to fill on occasion, leading organizations to turn to agencies.

How to Find Good Agencies and Recruiters

1. One of the best ways to identify good recruiters is by asking hiring managers or other job hunters—that is, through *networking*. When you meet with people during your search, ask them, "Are there any search firms you've used or you think I should talk to?"
2. A primary source of good information is the *Directory of Executive Recruiters*. Despite its title, this book lists firms for most job levels and job categories and also by geographic area. It is found in many libraries, or you can get your own copy from Kennedy Publications, Templeton Road, Fitzwilliam, NH 03447. However, don't contact contingency search firms blindly. (See below for the definition of contingency firms.) Instead, have a targeted list of search firms to contact rather than giving your résumé to everybody.

Search-Firm Cover Letter

Search firms need to know your target: the kind of job you want and where. They also need to know your salary requirements. This letter follows our formula format: Paragraph 2—Summary. Paragraph 3—Bulleted accomplishments.

Dear Ms. Bruno:

In the course of your search assignments, you may have a requirement for a technically knowledgeable IBM AS400—System 38 professional.

I have been both a “planner” and a “doer” of the phases of the System Development Life Cycle at companies such as General Motors and Proctor & Gamble, where I have spent most of my career. My accomplishments span the gamut, including the following:

- Evaluation of application and system software and hardware,
- Installation/setup of a new computer site,
- Conversion of RPG and COBOL programs,
- Requirements for and design of applications,
- Development and programming,
- Quality assurance and testing, and
- Optimization of performance for applications and systems.

At this juncture, after many years of commuting to Manhattan, I’m interested in seeking permanent employment in New Jersey, where I live.

The enclosed résumé briefly outlines my experience over the past 15 years. My base is now in the \$70,000 range plus the usual fringes.

If it appears my qualifications meet the needs of one of your clients, I would be happy to further discuss my background in a meeting with you.

Yours truly,

Enclosure

Do not send your résumé to search firms unless you know their reputation. A disreputable agency could “blanket” the market with your résumé and cheapen your value. Make sure the search firm tells you *before* they send your résumé to anyone.

3. Look for search firms in the want ads in newspapers or trade journals. It's easy to identify those that handle the kinds of jobs for which you're looking. You can find out who specializes in your field or industry.

Just be aware of the game that may be going on here. Not every ad you see in the paper represents a real job. Sometimes, contingency firms need a fresh batch of résumés: The people in their files have already moved on to new jobs. The next time you see an ad in the paper or on the Internet and you think *that job's too good to be true*. It probably *isn't* true. They placed a great, generalized ad to pull in a lot of résumés. Contact those search firms, but not necessarily for the job they have listed in the paper. When you call, they'll say, "That job is filled; let me talk to you about *other* jobs that may be right for you." Working with agencies really is a game.

4. If you're leaving a company because of a downsizing and you plan to stay in the same field, ask your human resources department which search firms *they* use. That will give you

some *clout* because you can say that "Jane Doe in human resources at Databank, Inc. suggested I call you." Since Databank, Inc. pays the search firm for placements, its search firm is likely to try to help you.

Retainer vs. Contingency Search Firms

The "search-firm" field has become more complex in recent years. It now includes new services, such as temporary-service firms.

Whether retainer or contingency, search firms are hired by organizations to fill positions. Organizations pay search firms about one-third of the new person's annual salary. Retainer firms receive an exclusive assignment to fill a position and get paid whether or not they find the person for it. Even if the employer finds a new person through another source, the retainer search firm keeps the fee. Contingency firms are paid only if they fill the position and several contingency firms could be working to fill the *same* position. The one that fills it gets the fee.

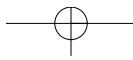
Do not send your résumé to contingency search firms unless you know their reputation. A disreputable agency could blanket the market with your résumé, cheapen your value, and even cripple your job search. A careless agency may even send your résumé to your present employer by accident—it's been known to happen!

Aim for a collaborative relationship with the agencies with which you decide to work. Insist on ground rules that will ensure you stay in control. Make sure, for example, that the search firm asks you before it sends your résumé to anyone. A search firm might want to send your résumé to an organization you're trying to get into on your own.

Search firms can help you, but some can actually harm you. For example, a firm—even one that's normally a retainer search firm—could say to you: "Oh, don't worry about your search. I'll take care of it for you." Then they blanket the market with your résumé—or contact employers



"One of those headhunters called about you today, but it's not what you think. They have offered to pay us to keep you here."



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you would have contacted on your own anyway. Now the hiring employer *cannot* consider ever hiring you unless they want to pay a fee. The employer may tell you they already have your résumé from a search firm and “We don’t want to pay a fee.” Therefore, the search firm becomes your competitor. They got into the organization before you did.

If the employer *is* willing to pay a fee, but two (or more) search firms have sent in your résumé, the organization will not hire you because it does not want to get into an argument about which search firm to pay.

The moral to the story: Yes, use search firms judiciously, but the far better approach is to contact prospective employers on your own whenever possible. If the search firm offers to market you around, this may sound like a gift, **but don’t agree to this**. Market *yourself* around. Remember: When an agency represents you, there’s a price on your head. You may end up being in competition with a candidate who submitted a résumé directly. Being able to hire without paying a fee may influence the organization’s decision.

So tell the search firm, “Don’t send out my résumé without calling me first.” Keep control of where your résumé is going. Keep control of your search.

For God sake hold your tongue.

John Donne, *The Canonization*

Can I Get the Search Firm to Increase the Salary Being Offered?

The answer is: In most cases, you can’t. A search firm is hired by a client organization to fill a certain position at a certain salary. A search firm needs to know your salary requirements. The salary cap can sometimes be negotiated based on the level or experience of the candidate. However, if the search firm does not put you in for the job because your salary requirements are too high,

contact the firm directly. Read the chapter “What to Do When You Know There’s a Job Opening.”

Let’s remember the purpose of search firms: They cannot get you a job. Search firms can help you get *meetings* in your target market. You can also get meetings through ads, networking, and direct contact. When a search firm tells you about a specific job at a specific salary, decide if you want the *meeting*. Once they get you a meeting, you have to do the rest yourself.

Also remember our basic principle regarding salary negotiation: Do not negotiate the salary until you have received an offer. After you have had the interview, turn it into an offer by following up with the organization itself. Once you have the offer, get involved in the negotiating process yourself. There are some search firms that are excellent at negotiating on your behalf if the organization really wants you. In general, however, you will want to do the deal yourself. And you may have to stand up to the search firm if it tries to exclude you from the process.

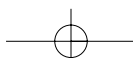
Who naught suspects is easily deceived.

Petrarch, 1304–1374, Italian poet, *Sonnets*

Develop Long-Term Relationships: Become a Referral Source

Of course, there are always the headhunters who contact you. Establish a rapport with them. Their current job opening may not be appropriate for you, but if they sense that you are cooperative and know what you will accept, they will contact you when the right opportunity crosses their desk. Become a referral source—someone who recommends candidates—and you will receive calls on a regular basis.

In addition, keep the good firms regularly apprised of your situation—over the long term. For your current search, send a letter or E-mail to those with whom you already have a relationship: “It has been a while since we last spoke and I wanted to send you an updated résumé for your



files.” But be sure to develop a letter that helps the recruiter position you to clients.

When you accept a new position, send each organization with whom you have a relationship the same kind of note and an updated résumé. Good career management is a matter of staying in touch with key people.

Why a Retainer Recruiter May Not Put You in for a Job

Jim, a Five O’Clock Club member and marketer by profession, was one of the best networkers—and researchers—who has ever come to the Club. During the course of his search—through direct contact and networking—he uncovered 52 *job openings for marketing management positions*. Jim had first contacted all of the retainer search firms appropriate for him, but he got very few employer meetings. When he networked into or directly contacted prospective hiring organizations themselves, the hiring managers said, “We really like you and we have a job that’s out for search right now. Call the recruiter and *use my name*.” But Jim had *already* contacted those firms and they had told him nothing about those openings! (Of those 52 openings he uncovered, 48 were being handled by retainer search firms.)

Jim called the recruiters again, restrained himself from being impolite, got the meetings using the names of the hiring manager, and ended up with at least five offers. *Many Five O’Clock Clubbers have had similar experiences landing interviews and jobs after they had been rejected by a search firm*. So a recruiter with a retainer search firm might *not* put you in for a job even though you may be perfect. What’s going on here? Several factors are at work. Search firms are hired by the organization to go out and “search” for the right person. Recruiters with retainer firms are supposed to know their markets inside out. So, let’s say a retainer search firm has conducted a search and said to the hiring organization, “These are the three best candidates for the job.” Then *you* come along. It would be difficult for them to

then say, “Oops, by the way Ms. Hiring Manager, I’ve found another person for you.”

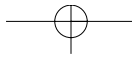
There are other reasons why you may not be put in. In large search firms, there may be one recruiter who is handling that search, but you contacted a different recruiter. Perhaps the one you’re talking to doesn’t refer you to the recruiter who is handling that search. They’re busy working on their own searches or recruiters may be in competition for the most placements that month! They’re not going to pass you on to one of their competitors. So they tell you they don’t have any appropriate openings right now.

Finally, if a retainer firm fills jobs for your *present* employer, they cannot help you leave your present employer! In fact, some major organizations will actually put a search firm *on* retainer just so the search firm *cannot* recruit from them.

You can see how easy it is for search-firm people not to put you in for a job even if you’re the right person: You might make them look bad if they have said their search is complete, they may not be the actual recruiter who is handling the search, or they may have a contract with your present employer.

To take it one step further, a retainer search firm may tell you a hiring manager is not interested in you when they haven’t even *told* the manager about you. Because the search firm has already rejected you, *you* contact the organization directly and find the organization has never even heard about you! That’s because the search firm was pushing somebody else. They just don’t want to tell you they were not going to put you in for the job. Don’t be upset by any of this. It’s just business and they really can’t tell you the truth. They won’t say, “I can’t put you in for this job because I’ve already told the client company I’ve found them the perfect person.” So they tell you a white lie. It’s business. It’s a game. So it’s easy to see you shouldn’t *depend* on search firms for your search.

But here’s the key point: If a search firm refuses to submit your résumé or claims that you were rejected, *pretend you never contacted the search firm at all*. Instead, arrange to have a net-



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working meeting with someone, *anyone* in the firm—not necessarily the hiring manager. After all, you’re interested in working there, even if this job is not appropriate for you. **Contact the organization on your own.** However, don’t mention you heard about an opening from a search firm. Instead, take the interview as you would with any organization in which you’re interested—whether or not they have an opening right now.

The wise man avoids evil by anticipating it.

Publilius Syrus, c. 42 B.C., Roman writer, *Maxims*

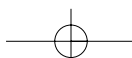
Other Points about Salespeople

- Sometimes recruiters may tell you you’re a strong candidate for the job when they really see you as *weak* or perhaps as a first or second runner-up. That’s because they don’t want you to drop out of the picture. They want to have you “in the pipeline.” If *you* drop out of the picture, they might have to dig up somebody else. Don’t be scandalized by these tactics. It’s like any salesman who tells you this is your last chance to buy his product or the price will go up tomorrow. Recruiters are *salespeople*.
- Remember: Recruiters are paid *well* if they place you. They get between 25 to 33 percent of your first year’s salary when you land. The more money you make, the more money they make. *But* a recruiter may not necessarily be interested in getting you the highest salary possible. It’s just like a realtor who wants to make that sale. The realtor gets a percentage, but doesn’t mind cutting the price tag \$10,000 if it means closing the deal. The recruiter would rather get the placement at a *lower* salary and with a *lower* fee instead of losing the placement. What’s more, the recruiter can brag to the employer about the great job he did: “Have I found a bargain for you!” Remember, recruiters work for the *hiring* organization, not for you!
- Be wary of other aspects of the agency business. A contingency recruiter may ask you where else you’ve interviewed and who you have talked to there. She says, “I really need to know the kind of positions you’re looking for. And who have you talked to? I want to know where you’re seeing people so I don’t send your résumé to the same places.” But this may be a fishing expedition. Recruiters need to find *job openings*. As soon as you leave their office, an unethical contingency recruiter could be on the phone to the hiring manager you interviewed with telling him he has the *ideal* candidate for the job—and it *won’t be you!* He’ll put one of his other clients in for the job to have a shot at getting the fee.
- Be suspicious of recruiters who ask for names of references the first time they meet you. They may be looking for other people to add to their database and recruit for jobs. They shouldn’t need references right away anyway. Protect your references.

After the Interview—Back to Five O’Clock Club Basics

When you go on interviews through agencies, be prepared for a tug-of-war concerning follow-up. Chances are, agencies will want you to step out of the way and let them “handle everything.” But this is not in your best interests. Remember: The ball should always be in *your* court. Once you have met with the hiring team at the employer’s organization, write your follow-up proposals directly to the *hiring* organization, *not to the recruiter*. When we talk about following up after a job interview, we mean ***the follow-up you do with the organization itself, not the follow-up with the search firm.***

Most recruiters get nervous when Five O’Clock Clubbers say, “I’m writing a proposal for the employer,” because they’re afraid you’ll ruin the hard work they put in. Most job hunters are



not very savvy and might like the idea of letting the agency run the show. But Five O'Clock Clubbers are actually *better* at this process than most search-firm recruiters are. Do your follow-up with the prospective employer. In general, you should *not* copy the recruiter on the follow-up you're doing. Obviously call your recruiter after the interview to find out his impressions—weighing the possibility that what he tells you may not be completely truthful. Then deal with the hiring organization. This is where your small group is invaluable. Ask their advice.

*Be courteous to all, but intimate with few;
and let those few be well tried before you give
them your confidence.*

George Washington, 1721–1799, Letter to
Bushrod Washington

A Final Word about Search Firms

Some search firms give the industry a bad name. If you are belittled or badgered by a search firm, do not take it personally, but *do move on*. The possible damage to your ego isn't worth it. A recruiter may, for example, hurt your ego so you will accept a position that is rather low in salary.

If you refuse a job offer, a search firm will still present you to their other client organizations. Getting an offer proves you are marketable. If you've received one offer, most will conclude you can get another. They will drop you, however, if

they feel you are just shopping the market and are not interested in making a move. After all, they are running a business. So don't be frivolous in refusing offers.

But don't be afraid to turn down an offer if it is not appropriate for you. It is important that you not be talked into accepting an offer you don't want by a recruiter who is trying to satisfy the needs of the client organization. Recruiters are just trying to do their job: selling the benefits of the client organization's position.

Most recruiters are ethical and care about job hunters as well as the employers who pay them. But be smart and be on your guard against those firms that may use tactics that are not in your best interests. When times are good, search firms may be less likely to resort to these tactics. But when times get tough and business is more difficult to come by, firms are more likely to do things you need to guard against. Should you use search firms? Absolutely! Contact a number of search firms in your specialty. Depending on your target market, they may be a very important tool for getting meetings. But should you rely on search firms? Absolutely not! They should represent only a fraction of your job-hunt focus.

*Pain: an uncomfortable frame of mind that may
have a physical basis in something that is being
done to the body, or may be purely mental, caused
by the good fortune of others.*

Ambrose Bierce