

The Invisibles of High-Quality Search

A hiring manager is tasked with filling a senior position within her team. She meets with three search firms to explore their capabilities. Among them, one firm stands out for its significantly lower fees. While the traditional firms propose charges of around 30% of the candidate's total remuneration, with an upfront retainer, the cheaper firm suggests a fee of only 20% of the candidate's base salary, with no retainer required.

To simplify, let's consider a total remuneration of £300,000, comprising a £150,000 base salary with an anticipated 100% bonus. The traditional firms would likely charge £90,000 (30% of £300k), with a retainer ranging from £40,000 to £60,000. On the other hand, the cheaper firm proposes no retainer and a final success fee of £30,000 (20% of £150k).

Puzzled by the substantial price difference, the hiring manager wonders about potential pitfalls. However, the cheaper firm's 'no hire-no fee' structure offers a safety net—if they fail to deliver, there is no financial obligation. Thus, the manager opts for the cheaper option, reasoning that it's risk-free and she can always resort to the more expensive firms if needed.

The cheaper firm presents a variety of candidates, some of whom are suitable while others are not. Although the process takes longer than expected, the hiring manager eventually identifies a suitable candidate and successfully completes the hiring process, all at one-third of the cost. She concludes that cheaper pricing yields the same outcome and decides to stick with it in the future.

However, does opting for the cheaper firm truly result in the same outcome? While it may seem so on the surface—a successful hire for the role—there's a reason high-quality search firms charge more. They provide a range of value-added services that may not be immediately apparent but significantly impact the likelihood of success.

In the same way that fund selectors focus on process and people, as well as performance - you would not select a fund based simply on the performance because, as sophisticated buyers know, there can be a world of difference between two managers delivering the same return - so too, our hiring manager should consider factors beyond the short list, delving deeper into factors such as candidate evaluation, process quality, and cultural alignment.

There is a lot going on under the surface in a high-quality Search to ensure a higher-quality outcome, relative to cheaper search processes.

Here are nine 'invisibles' of high-quality Search that are likely to get lost when selecting mainly on price:

1. Mindset

The fundamental disparity between contingent Agency Recruitment and retained Search lies in the mindset of the recruiter.

Contingency models appear appealing as they tie payment to results, seemingly reducing the risk for the client. However, this fee structure significantly influences the behaviour of recruiters. In contrast, a retained engagement, like the ones we undertake at Godliman, entails a retainer that covers research costs, irrespective of the hiring outcome. This ensures that our focus remains on serving the client's best interests rather than solely on placing any candidate to secure payment.

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We firmly believe that our role extends beyond merely making a hire; it involves aiding our clients in avoiding poor hires. This shift in focus, from selling candidates to eliminating mismatches, underscores our commitment to long-term client success.

While many firms measure success by closure rates, we prioritise evaluating the performance and longevity of our placements. Our track record speaks volumes: 79% of all our hires placed in the last 10 years remain with the same firm, demonstrating the effectiveness of our approach.

2. Candidate Evaluation

The approach to candidate evaluation distinguishes between contingent Agency Recruitment and retained Search.

Agency Recruitment often relies heavily on skills and track record, using tools like LinkedIn and heavy reliance on interviews for candidate selection. However, research indicates that a candidate's failure often stems from factors like coachability and emotional intelligence rather than technical competence alone.

At Godliman, our process emphasises a comprehensive evaluation, including competency-based interviews, reference checks, personality testing, and aptitude assessments. By focusing on behaviours and cultural fit, we ensure that our candidates not only possess the requisite skills but also align with our client's ethos.

Our commitment to holistic assessment mitigates the risk of unsuitable hires, offering clients a more reliable recruitment solution.

3. Knowledge & Representation of Client

Another critical distinction between low-cost Agency Recruitment and retained Search lies in their understanding and presentation of the hiring company.

While low-cost agencies prioritise operational efficiency, often neglecting to fully grasp the client's culture and values, Godliman prioritises deep client engagement. We invest time in understanding our client's vision, values, and company culture, enabling us to present the opportunity compellingly to potential candidates.

By crafting detailed candidate briefing packs and promoting our client's strengths and culture, we not only facilitate better candidate evaluation but also enhance the client's employer brand. Our approach fosters positive PR, making future hiring endeavours more seamless for our clients.

In summary, our commitment to understanding our clients and presenting their opportunities in the best light sets us apart, ensuring the success of both our clients and candidates

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4. Experience of Consultants

In agency recruitment firms, consultants are often given the title within a year of joining, with less experience compared to their counterparts in executive search firms. The difference lies in the strategic nature of executive search processes, which require a deeper understanding of candidate evaluation and market dynamics. Agency consultants primarily focus on LinkedIn mining for candidates, whereas executive search consultants undergo a more rigorous training path.

Typically, graduates start as associate researchers, assisting in desk research and market mapping. They then progress to researchers, conducting active telephone research and screening potential candidates. Senior researchers take on project management responsibilities, overseeing the research strategy and team. Finally, associate consultants lead the search execution, evaluate candidate fit, and pitch roles to senior candidates. This progression takes significant time and maturity, typically 8 to 10 years, to develop the necessary skills for a fully credible role in executive search.

This experience, skill, and judgment are often unseen by clients but are essential for delivering high-quality results. This costs time and money, hence the higher fees charged by executive search firms.

5. Scope of Research

In any search process, how candidates are identified and assessed is crucial. The depth of research, however, is often unseen by clients. Consider two contrasting approaches:

Company A Relies mainly on LinkedIn and recycled lists from previous searches, resulting in a list of around 40-50 candidates identified through keyword searches and limited qualitative assessment, based mainly on reading CV profiles.

Company B: Maintains a proprietary knowledge base, mapping out thousands of professionals in specific job roles or sectors. This allows for a more comprehensive and strategic approach, narrowing down the list to 80-90 high-potential candidates. Through careful screening and reference checks, ultimately, they end up with a list of 40-50 well-qualified targets.

While superficially similar, the lists generated by the two firms differ significantly in quality due to the breadth and depth of the research approach employed by Company B. While both firms may start with a similar number of candidates, Company B's approach demonstrates a higher quality of research and strategic evaluation, resulting in a stronger list of potential candidates compared to Company A's more ad hoc approach.

6. Client Reporting

Context matters greatly. Companies invest in a search process to ensure they secure the best candidate available in the market at that time. The only way to ascertain this is by understanding the context of the shortlist.

High-quality search firms offer full transparency, providing clients with not only the shortlist but also the wider target list of potential candidates, typically comprising 40-50 individuals. At

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Godliman, we also share the full research universe, demonstrating the breadth of our research and explaining the inclusion or exclusion of candidates from certain companies.

By comparing the target list to the broader research universe, clients can appreciate the thoroughness of the search process. This clarity facilitates decision-making when meeting the six or seven shortlisted candidates, ensuring confidence that they are the best available options.

Without this context, decision-making becomes more challenging and the process more protracted. Hence, it's no surprise that 90% of our searches last year were successfully completed within four months of the mandate.

By offering valuable market intelligence and adding context to the interview process, high-quality search firms clients give peace of mind in making hiring decisions and so facilitate faster hiring.

7. Process & Project Management

Time matters greatly in recruitment processes. Prolonged interviews decrease the likelihood of hiring a high-quality candidate. Managing the time from the first client interview to offer acceptance is crucial. Let's compare two search processes:

Company A rushes through the interview process, presenting candidates quickly and scheduling client interviews within a week. Some of the short list candidates are suitable while others are not. Moreover, the lack of context and careful selection often leads to indecision, requests for additional short lists and candidates and, ultimately, prolonged searches. In contrast, Company B follows a structured search process, taking time to map out the market comprehensively and screen potential candidates thoroughly. Despite taking longer to deliver the shortlist, all the candidates fit the requirement. This approach results in a consistently speedier conclusion, with higher-quality candidates and a more reliable outcome.

Despite the advantages of a more thorough process, some clients demand a full shortlist within two weeks, disregarding the compromise on quality and the potential for faster conclusions. Unfortunately, the invisible aspects of producing a high-quality shortlist often go unnoticed, leading to missed opportunities for faster, more reliable outcomes. A more methodical approach ultimately leads to better results and shorter overall search lengths.

8. Candidate Handling

Candidates are often the biggest losers in low-quality search processes. Many have experienced frustration and dissatisfaction due to the inefficient and impersonal treatment by recruiters. They receive calls about irrelevant roles, lack feedback on their applications, and are left feeling neglected and unvalued.

This neglect is a direct consequence of the race to the bottom on fees in the recruitment industry. With payment structures often based on contingent or retainer-less models, recruiters are forced into a high-volume, low-touch approach. They simply don't have the time or resources to provide candidates with the attention and support they deserve.

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In contrast, at Godliman, our retainer-based model allows us to prioritise candidate care. We take the time to thoroughly evaluate candidates, providing them with detailed briefings on the client's culture, operations, and strategy. Each candidate receives personalised feedback and support throughout the process, ensuring they feel valued and respected.

By treating candidates with decency and respect, we not only enhance their experience but also safeguard our client's reputation and employer brand in the long term.

9. Onboarding and Post-Hiring Follow-up

In many efficiency-based recruitment models, recruiters quickly move on to the next opportunity after placing a candidate, leaving little support for the newly hired individual. This "hit and run" approach often results in candidates feeling unsupported and disconnected from their recruiters.

At Godliman, our commitment to candidates extends beyond the hiring process. We recognise that even the best candidates may face challenges when transitioning to a new role, so we provide ongoing support during the onboarding phase and beyond.

Our structured onboarding process includes regular check-ins at key intervals to ensure candidates feel settled and supported in their new roles. This proactive approach allows us to address any issues or concerns early on, mitigating the risk of premature resignations and fostering long-term success for both the candidate and the hiring company.

While our efforts may go unnoticed by the hiring company, they are integral to our commitment to candidate satisfaction and our clients' long-term success.



Feel free to get in touch by sending us an email or giving us a call. We'd love to hear from you.

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