



## How to partner with a search consultant

*By Dan Toussant*

Is finding the right staff high on your list of biggest challenges for strengthening your firm? If so, then using an executive search consultant becomes an important consideration in addressing that challenge.

As a former HR director who facilitated and led a regional firm's staffing program for nine years and never hired a recruiter, I understand the apprehension of investing in a search consultant's services. Now, having worked in search for nearly nine years, I understand how a recruiter adds

significant value by providing easier access to the sought-after A-talent.

Every firm that has lost a talented CPA to a client, corporate accounting role or another CPA firm, wants to find a replacement with a similar level of ability. Every firm that has a rapidly growing book of business has experienced the difficulty in finding good people.

To start your search, get engaged in learning about the executive-search industry in your market. Use recruiter calls to understand who can best match your culture and listen to their focus. Do they work significantly in public accounting? That would be a quick litmus. Make sure they understand your business and the help you need in a specific area.



Their niche knowledge can help you understand how talent is being acquired in the marketplace, and might address your hiring plan. Some executive-search firms that work in public accounting maintain a big-firm focus. "Only advisory services for Big Four firms" one search consultant<sup>1</sup> told me recently. Another works with regional firms "big enough to afford us and small enough to need us."<sup>2</sup> Still, others might specialize in partner-level searches for small CPA firms, and help open the door to acquisition opportunities at the same time.

If you are open to a conversation when an executive-search consultant calls, ask these questions:

- What is your understanding of the public accounting marketplace?
- Does your approach to executive-search services fit the plan for my firm?
- Can you be a resource when I need to fill key positions?

Do you want a quick turnaround to get the job filled right away? Circumstances vary. You might lose a staff member just before busy season, for example.

### **Contingent search**

If speed is your goal then the contingent-search approach, often funneled through an HR person with multiple recruiters, might fill the role the quickest. The first recruiter who submits the "qualified" candidate wins. Will that hire be worth your investment in the fee and onboard a year from now? The answer could be maybe, or maybe not; but statistically, the "right person" is less likely.

Why? Because contingent search often pits the executive-search professional with other recruiters or with an internal recruiter. It also gives you less control over the recruiter's

efforts. "I can give this some time the next two weeks," says the contingent recruiter. "I'll post the job, search our database, make a few calls, then move on." No one likes to work for free, and that includes good recruiters.

### **Engaged search**

The second type of search is "engaged and exclusive" or "engaged and dedicated." The firm pays the recruiter money to cover their costs when the search begins. The search consultant recommends a process and typically does a follow-up call or meeting to finalize the process, establishing a partnership with the firm. Also, typically, the firm agrees not to compete with the search effort for a period of time ("exclusive"), and the search consultant becomes an all-in ("dedicated") provider to get the right candidate. The fee amount can be more than a contingent search, or the same amount; the initial payment is included in the total service charge.

A major piece to engaging a search consultant centers on whether you want a transactional relationship or an adviser relationship. The CPA community values the "trusted adviser" approach to client relationships. The executive-search community, especially the better consultants, seek the same "trusted adviser" relationship.

### **Retained search**

The third type of search involves a stronger commitment from the client and the executive-search provider, a retained-search agreement. Retained searches are typically reserved for partner-level or C-level searches, or in some cases, extremely difficult critical hires. The more of a commitment the client makes to the provider, the greater the service expectation. This is the truest form of an adviser relationship. The search consultant advises the client on all aspects of the

impact of this hire, and helps to plan the organization for the hire. As with the CPA relationship, an "adviser relationship" offers the best chance for a long-term partnership.

## Comparing the options

When firms choose the contingent search option, the agreement can lower the cost of the search. However, as with most transactional services, results can fall short of expectations. "We've used recruiters before, and it didn't work out. The candidate was gone within the year," or "the candidate's work proved weak." Remember that when the transaction is the primary focus rather than the service relationship, the results can suffer.

Engaged and especially retained searches give you a:

- Clear process to follow
- Scheduled timeline with a firm commitment
- Detailed market information
- Listing of competitor firms that have been contacted
- References checked before candidates are submitted
- Testing of candidates

Like with public accounting services, the higher-end providers typically give better service, know more about what works best for the client, do more for their clients during the search, advise their clients and get paid more because they do more to ensure a long-term relationship.

## Hiring star players

Recruiters have better access to A-Players, and you might wonder why. Recruiters call into clients' competitor companies every day. They talk with a lot of candidates, and ask those candidates to recommend "who does what you do better than most?" Engaged and retained recruiters ask these questions every day and earn the access to star players as a result.

<sup>1</sup> Brian Haugh, Chicago Search Group

<sup>2</sup> Kent Burns, Simply Driven Executive Search

*Both executive-search firms quoted are a part of the Sanford Rose & Associates network of offices.*

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## FAST FACTS

1. Get engaged in learning about the executive-search industry in your market.
2. Consider this: If your goal is to have someone fill the position as quickly as possible, are you hiring the best professional for the role?
3. When the transaction is the primary focus rather than the service relationship, the results can suffer.
4. Recruiters likely have better access to the best professionals because they are contacting organizations regularly to learn about the best people.

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