



Career Path Counselling

A Career in Executive Search

Guide for Existing Researchers/Associates

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A brief history of headhunting

Headhunting emerged after WW2, possibly as a way of recommending ex-soldiers for positions needing specific skills. It was probably first named 'Executive Search' by Thorndike Deland back in 1926, when he founded the first ever retained search firm in New York City.

Management consulting firms such as McKinsey & Company quickly realised the potential of the idea, and as the US economy heated up during the 1950s, many set up their own search firms. Spencer Stuart, Russell Reynolds, Heidrick & Struggles and Korn Ferry all have their origins at this time. The Association of Executive Recruiting Consultants (AERC, now the AESC) was founded in 1959.

Headhunting spread to Europe through the 1970s, then more globally during the 1990s. Now the industry generates an annual global revenue of over \$10bio.

Executive search has had to constantly adapt to a changing work marketplace. Over the last 10 years 'added value' has been a focus with firms taking on a more consultative role. Diversity is a big current issue, as is the ability to support an emerging 'gig economy'. A new but overwhelmingly adopted issue by large and small firms alike is to add 'Leadership Advisory' alongside search to their list of services offered.

Retained search vs recruitment

Executive or 'retained' search differs from 'contingent' recruitment in many ways, which can frequently confuse people from outside the industry. However, they both rely on market knowledge and personal connections, which are built up over time.

Retained (or ‘executive’) search refers to a longer-term commitment to one client. The client and search firm have an ongoing relationship, with (at least) weekly updates on how the search is progressing, with the opportunity for the client to have further influence on the search. Roles are generally more senior than those filled by contingent recruiters, hence the ‘executive’ in the title.

Retained firms try to map the entire market for each search, ensuring no-one relevant is missed. They approach all the candidates with the aim of narrowing the list down to a shortlist of half a dozen or so of the most suitable candidates, all of whom they will thoroughly vet face-to-face. This shortlist will then be presented to the client at a special meeting where the candidates are discussed in depth.

Contingent recruiters do not get paid a retainer, and they do not present a shortlist. Instead, they send over CVs of relevant people to the client as they find them. They may do a thorough search, and face-to-face interviews, but they do not get paid unless one of their candidates is offered a position.

It can be easier to get a role in a contingent firm than a retained one, especially if you do not have a degree.

Hybrid or ‘search and selection’ firms do a mixture of retained and contingent. Some of these advertise themselves as search firms but do mainly contingent, some do a genuine mixture.

Mostly true generalisation

It is harder to get a role in a retained firm than in a contingent one. Contingent recruiters can earn good money quickly but retained firms offer more of a long-term career structure and ultimately higher rewards. A lot of the bad press associated with the industry comes from a handful of ‘sharky’ contingent firms – but some retained firms are also not exempt from this!

Research – the way in

Most roads into an executive search career start with research. In the US particularly, but increasingly also in the UK, researchers are known as Associates or (Research) Analysts, amongst other titles. Associates are responsible for the bulk of the initial work in mapping the market and finding potential candidates, then conducting the first approach to them. Until you have grasped this ‘nuts and bolts’ cornerstone of the industry, you are unlikely to be able to progress further in it.

What a research role should offer

- Clear job progression.
- A good starting salary, with immediate bonus potential (see [Pay](#)).
- High job satisfaction when a good candidate returns interest or is placed.
- Clear structure and methodology but with a chance to add personal value.
- The opportunity to combine data/organisational skills with communication/people skills.

- A great introduction to practically any sector – you can headhunt for charities, higher education, healthcare, financial services, media, digital start-ups, anywhere you want. It is not difficult to change sectors mid-career either.
- Opportunities for both solo and highly effective collaborative working.
- The chance, often not experienced in other industries, to speak to senior decision makers from day one.
- This in turn provides insights into the heart of business, sometimes across several sectors at once, depending upon the type of searches you are working on.
- You will often be in a flat working structure, interacting with and learning from others who have been doing the role for many years.
- A professional code of conduct and accreditation through the AESC www.aesc.org and the ERA <http://theera.org/>.

Main Researcher/Associate duties

- Familiarity with the client's brief and role to be filled.
- Research into the client's sector including main competitors and any useful intelligence (is a similar firm going through a rocky time? Could their staff be looking around?).
- [Sometimes] Market mapping: sketching out the universe that you will be searching in, usually not actually naming people at this point but including competitors and tangent firms who could contain relevant people and listing relevant job titles.
- Identifying candidates rigorously, by using personal contacts but mainly through online tools (LinkedIn, Google, people searches, and many others). Putting this 'longlist' onto a database and tracking down contact details for everyone.
- Conducting the initial approach to these candidates, as agreed with your consultant.
- Sifting initial responses, talking to potentially interested candidates, whetting their appetite and providing further information about the role, such as a Job Description. Requesting and sifting CVs. Rejecting people who are clearly not right for the role.
- Working with your consultant to decide who are the strongest candidates, following up with these and arranging face-to-face interviews. More senior researchers will continue to be involved in this process.

The number of concurrent assignments worked on depends upon the stage that they are at, but is usually between 4 and 10.

Possible career paths

There are many career paths in executive search, but the main routes currently are:

1. Researcher → Senior Researcher → Delivery Consultant → Consultant
2. Researcher → Senior Researcher → Head of Research
3. Researcher → Senior Researcher → Specialist Senior Researcher (possibly freelance)

4. Researcher → Leave sector for associated career eg in-house talent acquisition, talent intelligence, business development, market research, leadership assessment/development, management consulting..

The main players in today's market

The biggest global search firms are household names, and often do many other things as well as executive search. The top 5 so-called **SHREK** firms are:

Spencer Stuart
Heidrick & Struggles
Russell Reynolds
Egon Zehnder
Korn Ferry

Odgers Berndtson is another well-known large global retained firm which, like Egon Zehnder, has its headquarters in the UK.

These firms typically only take people with exceptional academic backgrounds, and those who have proved themselves in smaller, well-respected firms. They have extremely differing cultures, which can even vary across internal departments.

There are many smaller, excellent search firms, just as good as the SHREKs, who tend to specialise in certain sector areas. These boutique firms vary hugely in culture, client-base and revenue. There are also many highly successful large or mid-sized global firms who are also very well thought of in the market.

For executive search industry information and up to the minute news, see Hunt Scanlon: <https://huntscanlon.com/> Twitter [@HuntScanlon](https://twitter.com/HuntScanlon)

Excelling at Research

How to be a cut above the rest of the researchers:

- Adapt and refine search techniques as you go along. Don't be afraid of new technologies. AI is starting to replace some of the more routine research/candidate ID tasks, but it is nowhere near taking the place of someone able to speak confidently to a candidate over the phone.
- Be bold enough to suggest improvements in methodology to your managers.
- Use lateral thinking to find suitable candidates in unusual places.
- Build market knowledge and consider this when search planning.
- Maintain lots of personal contacts, be happy to talk to people as sources and follow up recommendations.
- Add the personal touch into your search, who will fit personality-wise?
- Finally, think entrepreneurially, how can you make your team and company even better? How can you improve the executive search world? Have the confidence to articulate your ideas.

Pay

All researchers have a base salary and should also have a bonus on top of this, which is usually paid annually (at different times of year depending on the firm).

The bonus is often performance-driven, but usually (unlike in contingent firms) depends on team performance rather than individual. Some bonuses are fixed across a company.

General rule: larger firms pay higher bases salaries but have lower bonus potential. Smaller firms can pay enticing bonuses, but this varies depending on recent profits.

The figures below reflect the actual average salaries of researchers we have spoken to within the last 12 months. However, they should only be taken as a guide as salaries do vary greatly across the industry. Pay in boutique firms varies much more widely than in larger companies. It also depends upon the sector eg Financial Services and Board/NED pay more than eg Charities, Education or Sport.

Top tier large global firms

Years' experience	Average base salary	Average bonus
Graduate entry level	32k	2k fixed
After 1 year	35k	4k fixed
After 2 years	42k	5-10k (part fixed, part performance)
After 3 years	45-55k	up to 10k (part fixed, part performance)

Boutique/mid-sized firms

Years' experience	Average base salary	Average bonus
Graduate entry level	32k	2k
After 1 year	33k	Up to 5k
After 2 years	38-40k	Up to 5k
After 3 years	42 - 45k	up to 15k

In addition, some firms also pay pension contributions, travel allowance and health insurance. These benefits are not to be sniffed at and should be recognised for their value, as they can add up to several thousand pounds extra per year.

Use the anonymous online salary checker at [Executive Search \(careerpathcounselling.co.uk\)](https://www.careerpathcounselling.co.uk) to check your salary against the current market. 190 UK researchers have filled this in to date (June 2021).

Get in touch

Contact carolyn@careerpathcounselling.co.uk 07477 875764 to discuss any of the above in complete confidence.

