

A Better Approach to Talent Acquisition

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As the competition for top talent in professional services firms heats up, a new approach is required to find and hire professionals who can drive growth. For years, firms have focused the majority of their hiring on graduate school recruiting. While this practice has its place, a greater emphasis on the underleveraged practice of hiring laterally has significant advantages for firms facing the increasing time and cost pressures of today's market.

Experienced hires not only fill the gap in the short supply of freshly minted grads, they offer the promise of valuable experience, insights and relationships with potential clients. Despite these advantages, lateral hiring has not been a strong area of focus or one that has met with great success in professional services.

In fact, unsuccessful transitions from one firm to the next have created an average half-life of just twenty-two months for lateral hires. In some cases, candidates were not a fit. In others, a fit never had a chance to blossom into a career and deliver the benefits of success for firm or candidate.

The size of such missed opportunities is great when you consider that a successful lateral hire integration can yield simple fee revenues of \$5-\$15 million, not to mention synergistic revenues that can multiply those fees by two to three times.

Magellan believes that, when lateral hiring is viewed as an acquisition – in this case of talent, rather than of a business – the perspectives of all the parties shift, greatly enhancing the likelihood of a successful outcome.

Acquisitions are not just about the transaction. To make the transaction work, careful preparation and planning is necessary beforehand as is a focus on integration and well-considered execution once the deal has been inked.

Keys to Successful Talent Acquisition

Look to alternative sources

Grads are not the only option. Experienced hires bring many advantages.

Hiring is Acquiring

Talent acquisition is like any other acquisition, a process that, done well, goes beyond the transaction.

Search Partners Vary

Look for a search firm with a deep understanding of professional services and one that can consult with and advise you, not just show you resumes or bring a parade of bodies for an open position.

Accordingly, at Magellan, we follow a consultative and process oriented approach to ensure successful talent acquisition. This approach follows four steps that integrate the needs of clients and candidates while providing expert advice to both parties.

Business Case – First, we work with our clients to understand their vision and the business case for the hires they are considering.

Compelling Story – Then, our deep expertise in professional services allows us to create a compelling story about the unique advantages of our clients’ business and career environment.

Hiring and Career Cases – Our consultative approach continues as we dive deeper, identifying the wants, needs, and abilities that make up success criteria for the client and candidates. These success criteria then form a Hiring Case for the client and a Career Case for the candidate.

Landing Zone – At this stage, we draw on our consulting skills to advise clients and candidates about the intersection of their interests and how to proceed to a hiring negotiation.

While all search firms in theory are focused on a good fit, in practice, our clients tell us that with some firms, fit comes second to filling a position or presenting an offer. Moreover, clients worry that the process for assuring a solid fit may not be so rigorous and may not recognize the importance of a successful integration.

At Magellan, our comprehensive approach helps ensure better hires, shorter ramp up times post hiring, longer tenures, and greater leverage of the intellectual, social and political capital an experienced hire brings. Thus, the benefits of our unique approach stay with our clients long after a search is completed.

Jonathan H. Phillips founded Magellan International, L.P. in 1993. Since then, he has partnered with the world’s leading professional services firms to define and meet their talent needs. Jonathon can be reached at (713) 439-7490 or jphillips@milp.com. Additional information can be found on our website at www.milp.com.

