

# CareerSmart Advisor™

Strategies & Solutions for Your Career Success



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*Cofounded by Tucker Mays and Bob Sloane, OptiMarket LLC is an executive counseling service, working exclusively with both currently employed and in-transition senior-level executive whose compensation is \$200K and above. Executives are guided through the job search process with continuous two-on-one, marketing driven coaching by successful operating executives with over 13 years of counseling experience.*

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## Insider Insight

### Change Your Search Strategy in a Recessionary Economy

**By Tucker Mays and Bob Sloane  
Co-Founders and Principals, OptiMarket LLC**

As the American economy continues to struggle from the impact of a devastating housing crisis and financial market meltdown, executives are facing an increasingly difficult job market that is expected to last several years. All over the country, companies are cutting costs and eliminating more jobs than they create. Accordingly, it **now takes executives in transition a year or more on average** to find their next job. For many, the cost of delay can be overwhelming.

As the economy continues to decline, and the job market shrinks, executive job seekers must adapt to changing job market dynamics and alter their search plan. For example, **relying on traditional resources such as the Internet, recruiters, friends and former colleagues is a losing strategy during a down economy.** They should do just the opposite – concentrate less on recruiters and more on unpublished job opportunities and cold contacts. After counseling executives in job search for the past thirteen years, in good times and in bad, we have developed six proven strategies that have helped our clients find their next jobs far faster than the national average. They are based on the following shifting conditions in the executive job market during a weak economy.

## Different Job Market Dynamics in a Down Economy

### 1. Recruiters have fewer assignments, and propose fewer candidates who are in transition.

As the economy shrinks during a downturn such as this one, recruiters are given fewer searches, and are under greater pressure from clients to identify the perfect candidate who has no negatives, and can “walk on water” to help them quickly turn around their business. Unfortunately, **most recruiters still have a bias against executives in transition.** They are less inclined to take chances on terminated executives who are considered riskier choices by their corporate clients.

Further, companies tend to rely less on recruiters and more on referrals from people they know and trust for candidates. This change in sourcing takes more time but is viewed as an acceptable trade off due to the considerable cost savings.

### 2. Fewer executive jobs are filled from published job leads.

As human resources budgets are cut, companies spend less on advertising executive job openings. Both old and new media have reported sharply lower revenues from job postings.

### 3. Those you know become less helpful than those you don't.

Most executive job seekers believe that friends and colleagues will be a valuable source for job leads. This is usually not the case in a good economy; it is even less true during a weak one. As the economy and number of executive job openings decline, rarely are warm contacts such as friends and former business colleagues aware of opportunities that fit a particular executive's skills, experience, and goals when contacted. It is a surprise to many that **over 75% of all executive jobs are gained through contacts made who were not known when the search began.** Our experience indicates that it takes most executives an average of **four “degrees of separation”** to reach a referral who knows of an appropriate job opportunity.

### 4. The smaller the company, the greater your chances.

There are **50 times as many companies with sales between \$ 5 Million and \$ 100 Million as there are above \$ 100 million.** Importantly, hiring authorities tend to care less about age and employment status than larger companies. Further, during a down economy, smaller companies often relax their hiring criteria in order to better attract experienced, out of work executives from larger organizations who are considering moving to a faster paced environment with greater growth potential.

### 5. Market declines spur consulting and interim assignments.

Another measure companies use during a declining economy is to hire interim executives to manage specific projects in order to improve performance. This is often considered a wiser choice when budgets are tight than assuming the greater cost of hiring a full time employee (full benefits, social security, severance, etc).

### 6. Companies are more inclined to hire from outside their industry.

Many companies recognize that part of the reason they are struggling is not only structural, or to paraphrase John Kennedy in reverse, “an ebbing tide lowers all boats.” They understand that not only has their model not performed as well as expected, but also that new growth solutions are beyond their mindset. The solution is to seek executives from other sectors with relevant skills and the capacity to **think “out of their box.”**

## Six Proven Search Strategies in a Recession

We have developed the following job search strategies for our clients to take these dynamics into account and leverage the opportunities they create.

### 1. Spend less than 10% of the time contacting and working with recruiters.

Executive job seekers are advised to limit their involvement to those recruiters they have retained in the past or who are referred to them by close friends and colleagues.

**2. Allocate no more than 5% of their search effort responding to published job leads and Internet postings.**

When doing so, responses should only be made to opportunities which match the executive's skills and experience in every respect. The reason is because literally thousands of individuals see these opportunities, dramatically increasing competition and the reducing the odds of securing the position.

**3. Network to people you don't know as quickly as possible.**

During the **first month** of search, contact a minimum of **50 warm contacts**, those you know and with whom you are comfortable. During month two, gain referrals from them to 100 individuals you do not know. **Thereafter**, you should be networking to at least **100 new contacts every month**.

Networking continues to be the best way to obtain a job, especially in a down economy.

**4. Target smaller companies.**

Research Dun & Bradstreet, Moody's Million Dollar Directory, Standard and Poor's, Hoovers, and other websites for valuable smaller company information. The reference section at public libraries provide access to these resources, some or all of them free dependent on library size.

**5. Search for interim roles when you begin your search.**

**Up to 40% of the time, part time positions lead to full time jobs.** In many cases these are roles that are newly created. This happens because the company and executive become so comfortable with each other that a full time position is often created. The chances of this occurring are best when the executive believes going in that this is an organization for which he or she would like to work, and the odds of becoming full time are at least 50/50. However, we advise our clients to **allocate no more than two days per week to consulting** in case the assignment should not lead to a full time position. The opportunity cost of devoting too much time to consulting and not enough to searching for the higher priority, full time position is too high.

**6. Identify underperforming companies.**

A significant portion of competition for jobs comes from executives who are working and are considering moving to other firms for a better opportunity. During a weak economy, they are less inclined to move to a struggling company which carries greater risk. Therefore, the competition for these jobs is less.

## Summary

For every challenge there is an opportunity. Executive job seekers are well advised to adapt their search strategies to changing market conditions during this recession in order to avoid a long and costly job search.