

Finding the right *team*



In the last year there can hardly have been a more widely discussed topic than the rise of the Internet, which has given a tremendous boost to technology investing and the growth of new 'dot.com' companies. The effects of this information technology revolution run across all sectors of commerce and industry. While much attention is given to the new Internet-based service companies, there are far-reaching effects in the traditional large multi-national enterprises. Many of these, such as IBM and Hewlett Packard have restructured themselves to become 'e-business' companies, whereas industries such as the international car manufacturers have restructured their purchasing processes with suppliers around a massive business-to-business e-commerce network.

There is no shortage of money to start up new technology or Internet companies. While 'Silicon Valley' has traditionally been thought of as the cradle of venture-capital-backed companies, the spirit of entrepreneurship has grown rapidly in Europe and other parts of the world. Private investors as well as corporate and institutional investors have been caught by the fervour of technology. Technology funds abound for start-up companies in the information technology sector and the large established companies cannot afford not to devote very substantial resources to restructuring for the electronic commerce age.

The key limitation to progress is now finding the right team of people to lead the new enterprises or to take on the challenges of restructuring in the

traditional industries. In the early stages, much of the success of 'Silicon Valley' was associated with a network of local serial entrepreneurs who created companies and moved on to repeat the process many times. Whole teams of people frequently moved to start new enterprises. Yet now, the need for these skilled people outstrips the local availability and the search has to be global. This is not only driven by the seamless nature of information technology, but also by the increased willingness of people to change location around the world many times in their career. Gone are the days when it was deemed respectable and even desirable to spend one's life with a single employer. The executive of today needs to move every few years, developing increased skill sets with each move, in order to achieve a good career pattern. There is thus a greatly increased flux of executives who are potentially available to take key roles in new enterprises or the restructuring of traditional ones. The real key to competitive business advantage now is to be able to find the right team. The critical parameters are matching the individual's skills to the job requirements and bringing the people on board very quickly. With the speed of business today, lack of delay is critical to the success of a venture.

Both informal and formal methods of executive search have been used over the years. In more relaxed times, executives might have been found by informal networking and personal recommendations. This worked quite well when industries were largely national and well-defined in their scope. Key

executives who might move or take increased roles were generally known to those in the industry. This is no longer the case, and it has become essential to employ the services of an executive search firm which has global reach with offices in the major business centres of the world. A critical initial aspect of the search process is the meticulous discussion with the client of the role to be filled. The search firm must therefore know the industry very well; this in itself is leading to specialisation by search firms, Morgan Howard International in the IT, communications and technology sector, being an example. The second critical aspect is the availability of excellent and powerful research resources so that a global search for suitable candidates can be done quickly. The final aspect is delivery — the interviewing of candidates and the process of bringing an excellent short-list forward to the client. In today's business climate, best practice should result in the provision of this short-list within five weeks of the initial client brief.

Executive search has changed radically in recent years. The 'gin and tonic' image of traditional search firms cannot survive. The successful search firms of today and tomorrow adopt a business partnership role with their clients, advising on enterprise-wide human resources strategy — a role as vital as that of the financial investors. Not surprisingly, relationships are already developing between venture capital investors, executive search firms and management consultants. This also is an industry which is restructuring itself in a dynamic way. ■