

CareerSmart Advisor™

Strategies & Solutions for Your Career Success

A Note From Dave

Money Magazine and *Salary.com* found that the best job for individuals over age 50 was a nonprofit executive, and roughly half of respondents to our 2007 Executive Job Market Intelligence survey revealed that this transition was a consideration. Women favored the option more heavily than men (60.3 percent vs. 45.6 percent); and more MIS/IT executives (60.9 percent) considered a move into nonprofit/government/education sectors than marketing executives (39.1 percent).



The median annual salary (\$63,500) is considerably lower than what executives typically earn, but it can also reach just beyond six-figures. The long-term payoff is the job security; 27-percent growth is expected over the next decade.

Our members report they often have a desire to give something back after a long and lucrative career. Many do volunteer work or sit on nonprofit boards, but these activities compete for the sparse free time in very busy schedules. Accepting a full-time executive role with an organization that is in alignment with one's personal values can be very gratifying, if there is enough passion to fuel the hard work.

John Isaacson of executive search firm Isaacson, Miller summed it up in the Oct. 16, 2006 *CareerSmart Advisor* (http://members.execunet.com/promo/pdf/csadvisor_061016.pdf): "No one should think about transitioning to the not-for-profit world unless they are prepared to work harder than they used to, for less money, on much more demanding work. These organizations are trying to solve our hardest problems. You shouldn't do the work unless you believe in it."

Sincerely,

Dave Opton
ExecuNet Founder & CEO
www.execunet.com/davesblog

New Compensation Legislation and Your Paycheck

By Marji McClure

Executive compensation has certainly made a lot of headlines in recent years. Multi-million dollar salaries and generous incentive packages received by some of the largest companies' CEOs have turned heads and captured the attention of the general public and shareholders alike. For good reason: average total compensation for CEOs neared \$5.4 million in 2006, according to the Corporate Library's April 2007 Preliminary CEO Pay Survey. In addition, total compensation rose 83 percent from 2005 to 2006.

As a result, the U.S. Government has gotten involved through various forms of legislation — both passed and proposed — to temper public outcry about these extravagant packages. Now, talk about exorbitant compensation packages shares time with discussion about the fairness and effectiveness of the U.S. Security and Exchange Commission's (SEC) new disclosure rules as well as "say on pay" legislation awaiting approval.

In December 2006, the SEC adopted the disclosure rules to require publicly held companies to reveal the details of their executive pay packages to make them more understandable. Information that now has to be released includes salary, bonuses, stock grants, options, deferred compensation, pension plans and retirement payments of the companies' CEOs, CFOs and the next three highest-paid executives in the C-suite.

Public Eye on the Top Tier

While many CEOs and senior-level executives at the largest public companies certainly have their eyes on these issues, should all executives (regardless of pay and status within their organizations) be paying attention? The answer is yes. "Executive compensation has become the new Sarbanes-Oxley with all of the media coverage," says Jack Dolmat-Connell, president of Waltham, Mass.-based compensation consulting firm DolmatConnell & Partners. "But all executives should be concerned."

The CEOs collecting those enormous salary and incentive packages seem to be the major target of these regulations, but experts say that all senior executives could also feel the effects. "To the extent that

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FastTrack Programs, July 2007
Hosted by Dave Opton,
founder and CEO, ExecuNet

- 7/12 — **The Virtual Handshake** — Scott Allen
- 7/13 — **FREE PROGRAM FOR MEMBERS** — **Break On Through to the Recruiter's Side** — Leslie Roe
- 7/18 — **Dare To Be Different: The Key to a Faster Job Search** — Tucker Mays & Bob Sloane
- 7/19 — **U R A BRAND! How Smart People Brand Themselves for Business Success** — Catherine Kaputa
- 7/20 — **FREE PROGRAM FOR MEMBERS** — **Differentiating Yourself in the Marketplace** — Jean Walker
- 7/25 — **Build Your Talent Pipeline** — Louise Kursmark
- 7/26 — **MarketOne: Land a Top C-Level Role This Year!** — Karen Armon
- 7/27 — **The Next Level: What Insiders Know About Executive Success** — Scott Eblin

Register to guarantee your participation!
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www.execunet.com/fasttrack

Networking Meetings, July 2007
Hosted by ExecuNet Facilitators

- 7/9 — **Miami/Coconut Grove** — Jeannette Kraar
- 7/10 — **Orlando** — Jim Douglas & Mike Murray
- 7/10 — **Boston** — Pam Lassiter
- 7/10 — **Seattle Sr. Exec Roundtable** — Susan Stringer
- 7/10 — **Sacramento** — Wilcox Miller & Nelson
- 7/11 — **Philadelphia** — Ed Kelleher
- 7/11 — **Philadelphia Sr. Exec Roundtable** — Ed Kelleher
- 7/11 — **New York City Sr. Exec Roundtable** — Judy Rosemarin
- 7/11 — **New York City** — Judy Rosemarin
- 7/11 — **Cincinnati** — Mike Lynch
- 7/11 — **Cleveland Sr. Exec Roundtable** — Rick Taylor
- 7/11 — **Stamford** — Howard S. Bader
- 7/12 — **Atlanta Sr. Exec Roundtable** — J. Patrick Haly
- 7/13 — **Parsippany** — Linsey Levine
- 7/13 — **Tampa Bay** — Gina Potito
- 7/16 — **Boston Sr. Exec Roundtable** — Pam Lassiter
- 7/17 — **Wilmington** — Russ Dunn & Rick Hays
- 7/17 — **Houston** — Michael J. Grove
- 7/17 — **Cleveland** — Rick Taylor
- 7/17 — **Hartford** — Howard S. Bader
- 7/18 — **Charlotte** — Merton Marsh & Michael Hall
- 7/19 — **Seattle** — Susan Stringer
- 7/19 — **Washington, DC** — Peter McCarthy
- 7/19 — **Minneapolis** — John Wetzel & Barbara Adams
- 7/19 — **Pittsburgh/Cranberry Township** — Vince Papi
- 7/19 — **Greensboro, NC** — Nick Yacabucci & David Hammer
- 7/19 — **Princeton/East Brunswick** — Rod Colon
- 7/19 — **Palo Alto** — Linda Holroyd
- 7/24 — **Chicago** — Melody Camp
- 7/24 — **Washington, DC Sr. Exec Roundtable** — Peter McCarthy
- 7/25 — **Portland, OR** — Jean Walker
- 7/26 — **Columbus, OH** — Janine Moon
- 7/26 — **Columbia, MD** — Ed Loucks
- 7/26 — **Atlanta** — J. Patrick Haly
- 7/27 — **St. Louis** — Bill Severson & Cyd Dodson

Registration information: members.execunet.com/e_network_results.cfm

Ask the Expert

Determining Consulting Rates Through Value Pricing

In this excerpt from an online discussion, ExecuNet Forum moderator Mark James presents a model for quantifying independent technology projects. [Access the Forum under "Connections" on the ExecuNet member homepage or go to http://members.execunet.com/e_eunnet.cfm]

ExecuNet member JohnG: Does anyone have a sense of the range of hourly rates currently commanded by technology consultants?

To be more specific, I'm focused on consultants who are providing strategic direction and technology alignment in support of, or in lieu of, a CIO. So, the deliverable is a technology strategy, separate from the implementation. Any recent experience, suggestions, articles or resources would be greatly appreciated.

Coach Mark James: Obviously, to be any type of consultant, you must be an expert at something and be able to create value for the client to justify your fees. I know consultants who charge \$100 to \$500 per hour. It really comes down to the nature of the solutions being provided. Instead of hourly rates, I believe you need to use "value pricing."

For example, you might be working on a project that could potentially provide benefits to the client that are worth 20 times your fees, but only if the client is prepared to make significant changes. If the client is only prepared to make limited changes, then

the benefits might only be worth five or six times your fees.

But the most important point you have to make is that your approach is so different that it can't be brought down to an hourly comparison. If you're going to use value pricing, you've got to differentiate yourself in a fundamental way from the competition.

When you are setting your fees, try using a 5:1 ratio. If you can quantify \$100,000 worth of value or benefit to the client, I think you can easily justify a \$20,000 fee for your contracted services. Now it's a bit self-serving in using a 5:1 ratio, and I know there may be skepticism in the clients' mind. Even if the benefit is twice your fee, you will run into resistance from clients. If you can't confidently establish at least a 5:1 ratio between benefits and fees, you're going to have problems using value pricing. Hence, you will end up being perceived as just another hourly consultant, delivering a similar service that will be compared to your competitor's hourly rates.

Fellow ExecuNet Member LaneC adds: I think Coach Mark has put out a very good analysis of the situation. The current demand for rates can vary dramatically based on the company, the individual and other factors. I've seen recent assessments with hourly rates ranging from \$150 to \$400, based on the needs of the company and things like base rates, margin rates, etc. ■

The leader of ExecuNet networking meetings in San Diego, Mark S. James is a Certified Personnel Consultant (NAPS-1998) and the president and founder of Hire Consulting Services, LLC (HireConsultant.com). He may be reached at mjames@HireConsultant.com or 760-230-4301.

Learnings from Landings

Persistence Truly Pays Off

Many executives would likely be discouraged by a job search that lasted two years. But ExecuNet member Jake Ryder certainly isn't like any executive. While searching for a job in one city and living in another, Ryder never took his eyes off the ultimate prize of a rewarding position, and he finally achieved his goal.

Ryder concedes that the geographic limitations of his search made the endeavor quite challenging. "My search was difficult because I was targeting one city (Nashville), but lived in another (Houston)," says Ryder. "I spent one week every other month in Nashville just trying to stay visible in the market. To my knowledge, I found out about all the senior-level jobs that surfaced."

Geographic Challenges

This was especially challenging in an ever-changing market with limited opportunities. "I knew it would be difficult given the self-imposed constraints I had placed on myself (targeting one city)," adds Ryder. "The market had changed in the five years since I left Nashville. Consolidation of several billion-dollar healthcare companies left few potential opportunities at my level."

But there was one opportunity that was ideal for Ryder. He landed a position as a vice president of a healthcare organization that employs 10,000 workers. Still, the time he invested in the search for this position was not a complete surprise. "The process never goes as quickly as the candidate would like," says Ryder. "The opportunities that did surface in Nashville were typically with \$200 to \$400 billion companies. The smallest company I had worked for was \$1.8 billion. I just wasn't the right fit in most cases."

No Guarantees

There were a couple of instances along the way where Ryder thought he was the right fit. Things didn't turn out as expected,

and Ryder cautions other ExecuNet members to temper their confidence until they are officially offered a position. "I had two retained searches in which I came in the 'bridesmaid,' but all the feedback I had received up until the fateful final call suggested that it was a slam dunk," recalls Ryder. "I didn't realize it at the time, but I had subconsciously slacked off in my search activities in anticipation of getting both jobs. Don't count on anything until you receive an offer letter."

Choose Contacts Carefully

Ryder continued performing typical job search-related duties, such as networking and working with recruiters. He stresses that job seekers must realize that some networking contacts are better than others, and it's important that executives align themselves with individuals who can truly help them advance their job search. "Pay attention to the ones who proactively communicate with others on your behalf," advises Ryder. "Pay attention to the ones who are connected across multiple business, political and social fronts. Someone who says 'I'm not aware of anything, but I'll let you know if I hear of any open positions' may have the best of intentions, but they're probably not going to help you land a job unless by sheer happenstance."

Ryder says it was interesting to see which contacts were supportive of his efforts and which were not. "You quickly discover the importance of maintaining relationships," says Ryder. "Most people in my network were very helpful, but I did encounter some people who did not return calls or emails. In some cases, these were vendors with whom I had previously spent tens of thousands of dollars. I have a long memory."

In-Person Networking Important

When networking, it's definitely helpful to meet with people in person, adds Ryder. It can certainly help them better remember you. Even though this was

a challenge for him since he was seeking employment in a different state from where he lived, Ryder still made a strong commitment to see his contacts. "Email is important, but it can never replace face-to-face networking," says Ryder. "I regularly went to Nashville and scheduled breakfast, lunch and dinner meetings. In so doing, I also ran into other executives who I knew and used the opportunity to update them on my job search. No matter how good you think your network is, you're going to fight the 'out of sight, out of mind' syndrome. You've got to be visible in the market."

Being visible in the market typically means reaching out to members of the executive recruiting community. Ryder did this, but found the experience less than satisfying. "I was surprised by the lack of professionalism and common courtesy demonstrated by many executive recruiters," says Ryder. "One would think they would be smart enough to realize that, at some point, I'm going to land in an HR leadership position and my future choice of executive search firms will be influenced by how I was treated. The misery of uncertainty is worse than the certainty of misery. We are big boys and girls. Tell us that we are not a viable candidate as soon as you know, so we can psychologically cut the cord and move on. Your conflict aversion leaves us hanging."

Still, Ryder was able to make the contacts he needed to secure his position, which he found online. "Amazingly, I got my job over the Internet," says Ryder. "That's usually not the case for executive jobs." Now that he's settled into his new post, Ryder says the one thing he would change about his job search experience is that he would have kept himself busier professionally during that time. "I would have done some consulting work to fill the hole in my résumé," says Ryder. "We're all geniuses at hindsight. I didn't anticipate my search taking two years." ■

Compensation

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compensation is being impacted at the very top, it will be impacted — not at the non-exempt ranks and the professional-technical level — but for the other executives in tiers two and three in a company,” says Brent Longnecker, CEO of Houston-based Longnecker & Associates, an executive compensation and corporate governance firm. These rules will likely remain unchanged in the short term, so executives must continue to brace themselves for the effect they have — and will — cause.

“The new disclosure rules have not dampened direct compensation of executives due to high performance and rising stock prices in 2006,” says Pearl Meyer, senior managing director for Steven Hall & Partners, an executive compensation consulting firm based in New York. “However it is resulting in pressure on perquisites, supplementary retirement funds and change in control benefits. I believe the SEC will not make any material changes in disclosure in 2008. The same rules will continue to prevail for the 2008 proxy season with changes probably made for 2009 proxy season based on analysis of disclosures to date. We’ll be in the same rules for 2008.”

A Changing Negotiation Process

In light of the SEC disclosure rules and the spotlight they have cast on compensation, executives should certainly anticipate a little more discussion when they enter compensation negotiations for a new position. “If executives are negotiating a salary, if they’re going from one company to another, they need to be able to present compelling logic and rationale justifying their proposal as opposed to picking a number out of the sky,” says S. Gary Snodgrass, executive vice president and chief human resources officer of Exelon Corp., and author of *Stepping Up — 12 Ways to Rev Up, Revitalize or Renew Your Career*.

They are going to have to present their case — a stronger case — to the company’s board to prove they are worth

Overall Performance Pressure on Tap for Senior Executives

With the SEC disclosure rules comes more accountability for executives receiving abundant compensation packages and with that comes a pay-for-performance model. Executives will likely continue to receive incentives and bonuses, but they will have to truly earn these rewards. “To the extent that incentives and bonuses are paid, they are going to be earned,” says S. Gary Snodgrass, executive vice president and chief human resources officer of Exelon Corp. “Companies are going to be increasingly reluctant to make commitments to executives without performance substantiating it or backing it up. That’s the way it should be. The best companies have already adopted that pay-for-performance philosophy. Big pay packages, to the extent they continue, will have to be earned, based on quantifiable data.”

“Compensation committees are going to take a closer look at the type of performance metrics [they use]. What are the things by which executives are measured as to whether or not they’re going to receive their performance-based compensation,” says Steven Seelig, executive compensation counsel for Watson Wyatt, a global human resources consulting firm. “I think compensation committees are spending more time focusing on which are the best metrics. Those metrics need to be disclosed in the proxy.”

An interesting point is that senior executives seem to be scrutinized more than individuals in other sectors who earn equivalent salaries. “If somebody creates \$5 billion of shareholder value, I don’t mind paying him \$100 million,” says Jack Dolmat-Connell, president of compensation consulting firm DolmatConnell & Partners in Waltham, Mass. “Entertainers and sports stars get that. I don’t think it’s about absolute dollars the executives make that is the problem. It’s about the lack of perceived pay-for-performance. The entertainers are paid higher than the CEOs, so then you ask yourself, ‘So why isn’t there public outcry about entertainment pay?’ I think it’s because people believe that they earn it. I don’t think people believe [executives] are worth as much for what they’re performing. If we can improve the pay-for-performance connection, I think a lot of this will go away.”

Experts agree that the pay-for-performance model should not have taken so long to be established. Performance metrics had been very weak, they say. “One of the good things about this regulation is the fact that boards are putting more emphasis on the performance review with their CEO, and CEOs are doing a better job with their direct reports,” says Brent Longnecker, CEO of Houston-based Longnecker & Associates, an executive compensation and corporate governance firm. “You’re going to see better performance management applied across companies.”

the salary they demand, adds Snodgrass. The first step in presenting that case is preparation and research before the negotiations begin.

“In terms of research, I would highly recommend individuals take a look not only at the pay levels in real dollars, but also the relative pay mix of positions in similar companies of key competitors in their market and come with multiple data points to support the pay package they are seeking,” says Brandon Cherry, principal and consultant of compensation consulting firm Presidio Pay Advisors in San Francisco. “Market data should be based on the market, which includes a number of data points and factors, such as pay mix, long-term incentive opportunity, company size and scope of responsibility. Anyone can find a single data point that

shows they are underpaid. But the individual who provides a clear and rational argument supported by data from multiple sources will garner more credibility with senior management or members of the board of directors.”

These are boards of directors that recognize that their actions will be viewed and scrutinized by the public. “Boards are going to be increasingly more wary [of rewarding high salaries]; they’re going to be more sensitive [to the issue], because it will be subject to more review and scrutiny,” adds Snodgrass.

Executives should expect boards and compensation committees to spend more time creating and presenting their compensation packages. “We’ve been in several executive offer negotiations and they’re

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taking a lot more time and a lot more analysis,” says Dolmat-Connell. “Because boards are saying, ‘How are investors going to view this; how is the media likely to view this?’ Anything that was on the fringe before, now most likely wouldn’t be included. There are things that are being curtailed.”

What exactly is curtailed or adjusted will obviously vary from company to company and depend on which aspects of executive compensation boards have felt the most pressure. “In general (not relating to negotiations), companies will adjust their pay packages to reflect the market conditions, but also to alleviate or offset internal demands,” says Cherry. “For example, a company that has granted a tremendous amount of stock options to the employee population and is getting pressure from shareholders to limit dilution may implement a long-term incentive cash based plan. Likewise, a company that is in a growth stage and has heavily invested in R&D might pay below competitive levels for base salary but provide a larger performance-based bonus opportunity to offset the lower annual base salary.”

Compensation as a Competitive Advantage

Dolmat-Connell adds that overall, most companies will still pay to secure top talent. A competitive marketplace still requires such a strategy. “Companies are going to pay what they need to pay,” says Dolmat-Connell. Snodgrass adds that perhaps companies will no longer go outside their organization to find their new CEO, but instead find an internal candidate who can be groomed for the position. But organizations will continue to balance outside pressures to reign in high compensation

packages with the need to offer competitive packages to attract the best talent.

“From strictly a competitive pay standpoint, the company has to balance a number of issues, including the value that the market is willing to bear for that position, the company’s compensation philosophy, and concerns over specific issues for each component of pay (an example being limiting stock option grant packages based on a concern over dilution or limiting base salary increases given cash flow constraints),” notes Cherry.

“

Companies are going to be increasingly reluctant to make commitments to executives without performance substantiating it or backing it up.

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The potential for more complex salary negotiations could possibly prevent executives from changing jobs with frequency, but that’s not the only reason. “It’s a very tight job market and executives are more sensitive to taking a new position due to an increasing turnover rate,” says Meyer. Search firm consultants surveyed for ExecuNet’s 15th annual *Executive Job Market Intelligence Report* said they expected their executive placements to work for their client companies for an average of 4.3 years; at the same time, 12 percent of executive recruiters said the senior-level candidates they place wouldn’t remain in their new role for even one year.

The Effect of “Say on Pay” on Compensation

The “say on pay” legislation proposed by U.S. Rep. Barney Frank in March would give shareholders a vote on their companies’ executive compensation packages; essentially shareholders could cast a non-binding confidence or no-confidence vote on the compensation packages. Many experts feel that this legislation could adversely affect executive compensation going forward. “I don’t see putting things up for a shareholder vote as the way to fix things,” says Dolmat-Connell. “We spend, let’s say, 100 hours on a thorough compensation review. We then spend 8 to 12 hours with the compensation committee and the board [of a company]. If we spend that much time and it takes us that much effort to get the board up to speed, there is no way an average investor is going to be able to understand it to make an informed vote. It’s going to be an emotional vote.” Dolmat-Connell says he thinks stronger penalties for abuse would be a more effective solution.

Longnecker agrees that shareholders may not be the most capable of making decisions related to compensation, especially since they hire boards to handle such matters. He says that he’s concerned that shareholders will vote on perception, not true knowledge. “The first thing an unsophisticated investor will look at is how the stock has done in the last year; what performance was in the last year rather than taking a longer term view,” says Meyer. “I think someone who has lost money in the stock that year is going to be more inclined to vote no. I don’t believe shareholders are better qualified than the board of directors to assess pay. I don’t think they’re any better qualified to assess pay than they are to assess a capital expenditure. These are very complex matters, and I think we can have unintended consequences. I understand why the movement is there, but I believe executive pay is being used as a wedge issue in the struggle for power over the corporation.”

Expert Resources:

- Brandon Cherry, Presidio Pay Advisors (PresidioPay.com)
- Jack Dolmat-Connell, DolmatConnell & Partners (DolmatConnell.com)
- Brent Longnecker, Longnecker & Associates (LongneckerAndAssociates.com)
- Pearl Meyer, Steven Hall & Partners (SHallPartners.com)
- Steven Seelig, Watson Wyatt Worldwide (WatsonWyatt.com)
- S. Gary Snodgrass, Exelon Corp. (SGarySnodgrass.com)

Your Career Advisor

The Eight New Rules for Successful Executive Job Search

By Tucker Mays and Bob Sloane

The rules of executive job search have changed. Although the job market has improved, competition for good positions has never been greater as executives in transition face dissatisfied working peers who are taking advantage of the growing demand for executive talent to move to better opportunities.

Having worked with hundreds of clients, leading executive recruiters and companies over the past 11 years, we have learned what works best and what doesn't in today's challenging executive job environment. Importantly, we also know that following these seven new rules can reduce a typical 12 to 14 month search by as many as four to five months.

The New Rules:

1. Never lead with your résumé.
2. Don't rely on recruiters.
3. It's not who you know, but who you don't know.
4. The tighter your objective, the shorter the search.
5. Think small.
6. Talents are more important than skills.
7. Fill the hidden need.
8. Best prepared usually beats best qualified.

Never Lead with Your Résumé

It used to be that a résumé was the most important tool in a job search. Today it has become less significant. In fact, if your résumé is not used wisely, it cannot only prevent you from getting a job, but even from securing an interview. Why?

A résumé should never hide dates of employment or education. If including these items can raise a yellow flag, omission will certainly raise a red one. So executives are compelled to disclose their ages, even though this information may ultimately work against them.

In addition, in today's job market, the

fit between a company's detailed job specifications and a candidate's skills and experience must be very close for most candidates to be even considered for a position. It is impossible for a two-page résumé, the length preferred, to list all the skills and responsibilities required for a variety of different job opportunities. Since an estimated 3 million résumés are circulated every day in America, no one has the time to read through a résumé that is longer than two pages, so many are summarily discarded.

So what should the executive do? The answer is to hold back the résumé as long as possible. It can only be read and received in the most positive light after a recruiter, networking contact or hiring authority has either first received an impressive letter from you (or from another person who refers you) describing how your skills and experience can help the company, or if they have spoken with you first on the phone.

Don't Rely on Recruiters

Recruiters have told us that for every seven candidates they propose, only one of the seven on average will be in transition. These numbers confirm that even with the dramatic increase in executive turnover during recent years, and the popular perception that there is less of a "stigma" associated with being out of work, the odds of finding the job you want in a reasonable amount of time are far less if you are out of work than if you are employed.

Even recruiters themselves acknowledge the limitations of obtaining an executive position by relying too heavily on search firms, because recruiters only account for about 10 percent of all executive hires. As a general manager of one of the world's largest executive recruiting firms recently told us, "Any job seeking executive who is spending more than 10 percent of job search time on recruiters is spending too much time with them."

It's Who You Don't Know

Most job seekers believe the best people with whom to network are the people they know: classmates, friends, business colleagues, recruiters, etc, who we call "warm contacts." This is not usually the case. People you know tend to stereotype you based on a past, often outdated impression of you. In many cases this impression is no longer relevant, and does not reflect your current skills, experience and accomplishments.

In fact, the best people to meet through networking are those you have never met. Why? Because, 80 percent of executive jobs are gained through contact with someone job seekers did not know when beginning their search. It follows the "degrees of separation" rule-of-thumb. Therefore, smart networkers will strive to get through their warm contacts as quickly as possible and obtain referrals to executives and others they do not know.

The Tighter the Objective, the Shorter the Search

In a competitive job market such as this, the natural tendency is to widen the scope of one's job search in order to uncover as many of the limited opportunities available as possible. However, this broad approach invariably fails for several reasons. As discussed, job specifications are very tight. Only executives with the most relevant skills and experience are considered. Therefore, it is essentially a waste of time to follow job leads unless one's background provides a close match.

We have determined that executive job seekers waste an average of three months attending "courtesy" meetings with recruiters, companies, venture capitalists, private equity firms and networking contacts who have little or no interest in or possibility of either hiring them or directing them to those who can. Three months of lost income is very costly when

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major expenses like mortgages, healthcare and college tuition have to be paid.

Think Small

Big corporations don't want you. Smaller companies need you.

According to Dun & Bradstreet, in the United States there are five times as many companies in the U.S. with revenues under \$500 million as there are above. Smaller companies tend to care less about the age, job-hopping and the eclectic background issues senior executives face than larger companies. In fact, in many cases, smaller companies are more interested in more mature, experienced executives with varied backgrounds to bring the value of fresh ideas and a seasoned perspective.

Skills are Less Important than Talents

Skills get the interview, but talents get the job. Skills are abilities that you have been taught, the how-to's of your functional area of expertise. Consequently, they are not unique to you.

Talents, on the other hand, are the unique abilities you have that distinguish you from your colleagues with similar backgrounds, skills and experience. They transcend function and industry. Talents are difficult to transfer from one person to another.

Examples: Strategic planning is a skill. Consistently making the strategic moves in the right direction is a talent. John Akers at IBM did not. Jack Welch at GE did. Talent is something that cannot be taught. It is what you have been born with and nurtured by choice throughout your life and career. Mentoring, taking big risks without fear of failure, inspiring management teams,

Dare to be Different: The Key to Finding C-Level Jobs Faster
 Presented by Tucker Mays and Bob Sloane on Wednesday, July 18, 1:00 to 2:30 PM ET

Is your job search taking longer than it should? Most senior executives take far too long to find a new position, and this interactive program teaches you how to avoid the common mistakes that can delay your search and gives you proven techniques you can apply to help you find your next job faster.

Noted executive career coaches Tucker Mays and Bob Sloane will show you how to:

- Define your unique value
- Target the best type of situation
- Conduct a proactive, multi-channel search
- Expand your networking to cold contacts
- Adjust or change course as needed

Learn how to stand out from other C-level candidates. Find out why it's so important to:

- Focus on your talents more than your skills
- Concentrate on networking with recruiters and target company decision-makers
- Ask great questions, rather than giving good answers
- Know more about contacts and companies than your fellow candidates

Registration information can be found at www.execunet.com/fasttrack

identifying market opportunities others miss, and tackling/solving tough challenges others avoid are examples of special talents.

Filling Need is More important than Filling Job Specs

It has been said that the biggest mistake job seekers make in an interview is "telling more than selling." Any great salesperson will say that it is crucial to first understand the prospect's real needs and begin by discussing only those benefits you can provide that answer them. Unfortunately, in many cases the company or hiring authority's real need for you is not spelled out in the job specification. It is often hidden underneath all the fine print. If the company is seeking a CFO, for example, their "hidden" need may be for a confident, smooth individual with great presence and an impeccable background who will appeal to and help

reassure nervous investors and bankers. Filling a position's job specs merely puts you on the same playing field with other deserving candidates. The real pay-off is to ask insightful questions during interviews with recruiters and hiring authorities who uncover the critical — but often hidden — needs that usually drive the hiring decision and then explain how you can fulfill them. As leading salespeople always say, sell the need.

Best Prepared Often Beats Best Qualified

In addition to what we have learned in our executive coaching business, hiring professionals tell us that at least 50 percent of the time candidates who have thoroughly prepared for interviews and network meetings get jobs ahead of those who are more qualified but less prepared.

Preparation means learning absolutely everything one can about the target company and its key managers — especially the person who will hire you. Books have been written about the wisdom in poring over annual reports, public financial statements and articles about companies. Very few executives in transition take the necessary time to conduct this depth of research.

Where Search Firms Expect the Greatest Growth in Executive Hiring	2004	2005	2006	2007
Start-up companies (\$0-10M in sales)	13%	15%	10%	8%
Small companies (\$11-50M in sales)	20%	20%	21%	21%
Medium companies (\$51-200M in sales)	25%	25%	30%	32%
Medium-to-large companies (\$201-500M in sales)	24%	23%	28%	23%
Very large companies (greater than \$500M in sales)	18%	18%	11%	16%

Source: ExecuNet

Compensation

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The Bottom Line — The End of Public Company CEOs?

Longnecker says that he's worried that executives who previously longed for the chief executive spot will no longer be interested in such a high profile leadership role, especially within a public company. "We need this group to be the next leaders, but we don't want them to be so afraid of their own shadow that they don't take the risks that made the United States great," says Longnecker. "A lot of the

reason why our country is how it is today is because of the concept of risk and reward. We need to take those risks."

However, according to *Generation & Gender in the Workplace* (an issue brief by Families and Work Institute), fewer workers are taking on increased responsibility. In 1992, 68 percent of men wanted jobs with greater responsibility compared to just 52 percent in 2002. Fifty-seven percent of women wanted more responsibility in 1992 compared to only 36 percent in 2002.

Longnecker concedes that he understands if executives are hesitant to take

risks. "Being a public company executive carries a lot of risk," says Longnecker. "If you don't do a good job, you may never be in that executive suite again and you may be on the outside looking in." Yet, the implications go even further. "It doesn't matter what political party one is affiliated with; executive compensation has become the favorite whipping post of all political parties," says Longnecker. "To the extent that we keep doing what we're doing, it could impact the ability to attract capital into the U.S. If that happens, we can start seeing job losses and productivity cut down significantly as well." ■

Your Career Advisor

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They are unwise. It simply must be done. And, with all of the information available on the Internet today it is a far easier task. Broad target company knowledge not only impresses the interviewer but also enables you to ask insightful questions, a key factor in deciding who gets the offer.

Recruiters often say that ultimately it is chemistry and company fit that decide who will be hired. It is the measure of a candidate's match with the company's culture and the hiring authority's style and personality. Establishing rapport up-front is crucial to successful interviews with companies and recruiters. In a surprising number of cases it can be everything.

We all know that we never get a second chance to make a first impression, and first impressions are critical in job search meetings. Recruiters believe that most interviewers have made up their minds about a candidate within the first two

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 10 years of counseling experience. For more information, contact Tucker or Bob at 203-921-0322 or visit OptiMarketLLC.com

minutes. This means that the interviewee must learn as much as possible about the interviewer's style, character, likes/dislikes, background and interests. College, the military, sports, associations, mutual friends and acquaintances, hobbies and heritage are all areas where mutual experience and interests can be explored to establish a commonality of interests that can form a solid foundation and distinguish you from competing candidates. Most of this information, both formal and anecdotal, can be gained from the Internet and networking contacts who are familiar with target companies and hiring executives.

Summary

In order to limit their search and avoid the crushing costs of delay, senior executives must first understand and accept the tough realities of today's job market, and then develop a search plan based on the new rules. They must adjust their search strategy, relying far less on recruiters, warm contacts, larger companies, skills only and their résumé, and concentrate more on smaller firms, cold call networking and their unique talents. In doing so, they will put themselves in a far stronger position to find their next job of choice in a reasonable amount of time. ■

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