



The Case for a Holistic Approach to Executive Leadership Challenges

by David Nosal

Inspiration for developing a holistic approach to executive leadership challenges first came early in my career when I began to appreciate the variety and complexity of issues that were keeping my clients up at night. I started out as an executive search consultant in a boutique firm and later held successive leadership positions in the two largest search firms in the world, eventually running the North American CEO Practice, the West Coast Board Practice, as well as a big piece of the North American operations for Korn/Ferry International, where I also served on the firm's Global Operating Committee.

What I observed during the first 20 years of my career was that clients needed a broader range of support than traditional search firms could provide. To truly advance their executive human capital strategies, they needed assistance in thinking through issues extending far beyond the scope of traditional executive search, as well as a much higher level of thought leadership than a typical search consultant could provide.

The philosophy behind Nosal Partners LLC—the Executive Leadership Solutions™ firm, is an approach that represents a break from the way in which traditional search firms have offered executive search and development support. While a number of the largest search firms have verticals that offer coaching and organizational development consulting, their executive verticals are, in fact, separate verticals from the core executive search business.

By contrast, Nosal Partners has embraced executive development as an

integral part of a unique delivery model geared towards helping client organizations resolve their most critical executive leadership challenges. Our executive development consultants work hand in hand with our executive search partners to ensure that newly-placed executives and hiring organizations have the best chances for success.

For example, in addition to building bench strength for one particular client's leadership team in key functional areas, we have consulted on an ongoing basis with its Executive Committee, Board of Directors and HR team to evaluate existing skills and competencies relative to current and future requirements at various stages of the organization's life cycle. Using the results of our findings, we have delivered a combination of types of support: coaching for existing executives; initial assimilation services for newly-placed executives; executive team alignment services and organizational alignment services. Rather than merely address a few discrete requirements for the client by placing an executive or a set of executives, we evaluated the company's challenges more holistically to provide a much broader spectrum of types of counsel and assistance, and thereby have a greater strategic impact.

THE EXECUTIVE SUITE: THE BAR IS HIGHER AND THE ROAD MORE CIRCUITOUS

To better understand Nosal Partners' holistic offering, it is helpful to examine how the corporate environment is changing as client organizations are looking to executive

search firms for answers.

In recent years, the business environment has become far more complex. In turn, the speed at which executives need to make decisions is increasing, as well as the number of decisions that must be made concurrently. As a result, the new generation of leaders need to operate across a much broader spectrum of functional areas, and must possess far more sophisticated leadership capabilities to be successful than ever before.

Today's leaders, nevertheless, are not necessarily receiving the same level of grooming and training that they did in years past because organizational structures are changing. The middle management layer—a key training ground for future leaders—has shrunk dramatically. "Sadly, even younger managers who are available and eager for more responsibility are not, in many cases, prepared to take on that responsibility. This is because downsizing has caused many companies to eliminate the middle managers who were the traditional source of executive talent." (*The Looming Leadership Crisis*, by Shari Caudron, Workforce Magazine, September 1, 1999) As a result, today's fast-track executives need to acquire the skills and experiences essential for effective leadership through different means than their predecessors did.

WHY DO COMPANIES WORK WITH EXECUTIVE SEARCH FIRMS?

Companies engage with an executive search firm when they face a set of internal issues that they are not equipped to resolve on their own. Although requirements for

external support can stem from many different kinds of sources, they most commonly involve a blend of strategic, financial, operational and human capital challenges that call for human capital augmentation of some kind. The nature of specific types of support required can range from replacing an existing executive, to benchmarking high-potential executives, to making a strategic hire with a view towards long-term succession planning.

Regardless of the nature of support required, the stakes are extremely high. In the executive suite, the wrong solution or hire has a tremendous financial, managerial and emotional cost for all parties involved, often eroding shareholder value and damaging reputations along the way.

WHERE TRADITIONAL EXECUTIVE SEARCH FALLS SHORT

Traditional executive search is not equipped to address the full range of executive human capital challenges that today's organizations face. In fact, a search assignment is not always the optimal solution to a client's challenges. There are circumstances in which, rather than going to search for an external candidate, a client would be better off seeking support for assessing and potentially developing internal candidates. There will also be cases in which a client organization would be better off first looking for coaching support to help align an executive and his or her team, rather than simply looking to replace that executive.

Moreover, traditional executive search has also proven to inadequately support newly-placed executives. Even the most talented executive will experience challenges when ramping up in a new organization because the skills and behaviors that made him or her successful in past environments may not apply to the new one. Research has demonstrated that talent management isn't necessarily portable from company to company. "The more closely the new environment matches the old, the greater the likelihood for success in the new position. They should also remember that certain skills – most likely company-specific ones – won't be



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relevant in the new job and will have to be unlearned" (*Are Leaders Portable?*, by Boris Groysberg, Andrew N. McLean, and Nitin Nohria, Harvard Business Review, May 1, 2006). Research by the Center for Creative Leadership also supports these observations, revealing that "a staggering 66% of senior managers hired from the outside usually fail within the first 18 months" (*The Looming Leadership Crisis*, by Shari Caudron, Workforce Magazine, September 1, 1999).

Leaders are climbing the corporate ranks faster, and with less priming than in years past. They are also faced with a far more challenging environment than were their predecessors – and one fraught with more serious levels of responsibility to shareholders, employees, and in some cases, entire communities. All of these trends and forces have conspired to give birth to a new way of approaching executive leadership challenges.

DETERMINING THE OPTIMAL APPROACH TO EXECUTIVE LEADERSHIP CHALLENGES

Developing the right strategy requires a true partnership between the Executive Leadership Solutions firm and the client organization. The Executive Leadership Solutions firm must fully commit to understanding and filling the client's true underlying need, as opposed to proposing a

solution that is solely in its own best interest. The right solution may extend beyond executive search to include coaching or mentoring services for an individual or for an entire team. Alternatively, it might entail assimilation services to assist an executive during a transition to a new role.

Once engaged, the consultant needs to probe, scrutinize and listen effectively to understand the organization's challenges, goals and pain points. The consultant must provide insights into candidates, organizations, market trends and many other issues based upon his or her experience to add value. The consultant must not only communicate clearly and consistently, but also challenge the client's thinking throughout the relationship. In short, the Executive Leadership Solutions consultant must be a true partner and trusted advisor to the client.

Finally, I feel that the search firm size plays a role in the ability to provide an optimal experience for a client. Bigger is not necessarily better. After a certain point, consultants no longer have the proper incentives to collaborate or provide the client with the same level of quality service. Moreover, the larger a search firm becomes, and the more client relationships it maintains, the fewer candidates it can access due to off-limits restrictions. As a result, it becomes structurally problematic – if not impossible – for a large search firm to fulfill the promise of its value proposition.

Yet at the same time, although known for more consistent quality of delivery, boutiques are challenged to offer clients the depth, breadth and global resources required to service the broader requirements of certain clients.

Nosal Partners is committed to maintaining the right balance. As a mid-sized, global, privately-held firm, it is dedicated to a holistic approach, delivering a broader quality-driven service tailored to really solve clients' most critical executive leadership challenges. S

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