

Building Great Teams During Periods of Adversity

Friends of the Firm,

We are living through unprecedented times. The events of the pandemic have affected everyone on a deeply-personal level, with far-reaching impact on families & loved ones. Whether it's caring for ageing parents in an overwhelmed healthcare system, two working spouses taking turns as home-school teachers or a breakdown in other everyday norms, I wish you health & safety as you wade through this immensely challenging period.

I. The World Won't Be the Same...But the Earth Will Keep Spinning

On the business front, there is no doubt that the events of the last month will have lasting consequences; I don't pretend to know what the future will look like. However, we do know that there **will** be a future – as is true after any adverse period. At this time, I'm reminded of the words of microbiologist (and, ironically enough, famed pioneer of germ theory of disease) Louis Pasteur's words that **"chance favours only the prepared mind"**.

After many conversations, I have been giving thought to what this means for clients, candidates & companies as we peer around the corner to see what lies ahead. In the context of talent, "preparedness" for an eventual rebound is a complicated matter, and one that many clients are grappling with. Some examples of discussions we've had:

- Freeze everything: Should we abandon the search altogether, given this uncertainty? (Likely a competitively disadvantageous approach)
- Do we continue to pursue senior-level executives, if these hires are still viewed as strategic? What about mid-level candidates?
- What new competencies, talents & experiences are suddenly required, and how best to go about finding altogether different leaders?
- Ethical dilemmas: How to treat existing employees fairly vs. pursuing new candidates who bring desirable skills, but who were sadly laid off from other firms?

All of these questions are valid, and it's important to note that these are not "competing" options, but, rather, a series of relevant points to consider on the decision path.

How do we feel prepared when we have no idea of what's to come? What are we preparing for? What key areas of our business will change, and who should be at the helm? What should inform our perspective when we want to field the best teams, but are unsure about the world we will occupy? When will the tide turn? And, our most frequently asked question: **What are our competitors doing?**

II. An Era Where Expertise Will be Welcomed

“There will be a return to faith in experts,” notes advertising agency, Bensimon Byrne in its wide-ranging study [here](#). “Expertise will truly matter, with a new global keenness for the type of deep knowledge displayed by the likes of medical professionals such as Theresa Tam and Anthony Fauci.” Just as worried investors are surely to return to highly qualified investment counselors (and away from robo-advisers), so, too will consumers of other products & services who seek the advice of experts.

A client recently confided in me that **“this is no time for amateurs**. We want professional help to get ahead of our competitors who are frozen, short-sighted and unprepared for the rebound.” A second client noted: “Our approach is going to be to deploy capital and we are not going to slow down in hiring good people; we think **we can attract even better people** to the platform than before.”

III. We All Need to Adapt: Practical Ideas to Ensure Preparedness

If we accept the premise that the world will look markedly different after this adverse period, then forward-looking leaders can agree on the benefits of planning now for the future. Standing still and hoping for a return to the way life used to be is not an option.

But how best to prepare? Each firm will have its own approach to talent strategies.

For some, “preparing for the future” has meant “grow now to meet demand on the other side”. These include investment banks and management consultancies, who feel that now is the time to bulk up in order to better service their clients, as well as private equity firms and credit funds, who sense opportunity ahead.

Among industry players, “preparation” appears to be taking a different form; some are in deep cost-cutting mode; others are contemplating acquisitions; while others, still, are trying to innovate through talent. One real estate executive described the chance to acquire more digital leadership capabilities in an effort to redefine his company’s future marketing strategy.

Other clients’ preparation-frameworks have sought to evaluate the following questions:

- What are the company’s objectives (short-term, mid-term and long-term)?
- Identify how to meet these objectives: Who or what is needed to achieve the goals?
- Based on the objectives, can we identify our gaps?
- Ask one another: How do we fill those gaps? Can we reorganize internally (change job descriptions, re-allocate work, double-up)? Do we need to hire to fill the gaps or will consultants be sufficient?
- What is the cost?

IV. How Search Firms Can Help

Those of us who have longstanding relationships with our various professional services providers have been comforted by their genuine concern for our well-being over these last few weeks. In mid-March, I woke up to a call from an PE investor in Los Angeles who'd heard about the influx of coronavirus cases in Toronto. A day later, a competitor from Nashville called me out of the blue to see how we were coping. True empathy from the people we count on in business – our accountants, lawyers, bankers & graphic artists – makes us feel connected on a personal level.

Just as my own interactions with advisers have pivoted quickly from the personal to the professional, you may be doing the same with your search partner, asking about the general market. In the last three weeks, the most common questions we've discussed with clients pertain to industry trends and planning for an uncertain future:

- Who is downsizing?
- Where are you seeing consolidation?
- Have competitors put their searches on hold, or are they still ploughing ahead? Why?
- How will the market affect our own ongoing search mandates?
- Are top candidates still available, or are they skittish, given whipsaw markets?
- If we look ahead 12-18 months, should we be re-examining our current talent strategy to meet the challenges of tomorrow?
- What competencies & experiences will we need that are different from what our current leaders possess?

Search firms have lots of tools at their disposal to help answer these and many more questions. **On the planning front**, we've found that clients who intend to forge ahead have found most value in "talent maps" (while others continue to launch new searches).

"Mapping" refers to the analysis of a market to show a client-company who its competitors are, as well as the key people who work there. Mapping also helps to identify the experience, career progression, managerial scope and compensation expectations of candidates for specific roles. Oftentimes, clients have an imperfect sense of who & where their individual competitors are and, in reviewing talent maps, find it illuminating to see the geographical spread of where top talent resides.

As one might expect, this exercise is particularly useful for businesses entering new markets or for companies seeking to transform themselves in an otherwise crowded marketplace. In short, **talent mapping allows businesses to develop a robust understanding of the competitive landscape ahead of time**, so that they may evaluate their options and feel better prepared to take advantage of market dislocation.

- In launching the mapping phase during the COVID-19 era, the process is straightforward and easily facilitated over Zoom: we meet with clients virtually to discuss "aspirational" candidates and learn what's driving the business need

for new hires. Given the iterative nature of these discussions, the conversations are free-flowing. We partner with clients to outline where top candidates reside & review the competencies for the roles they seek to fill.

- If, after the maps are presented, our clients decide to move ahead with their searches, we engage in an equally-thoughtful discussion about the strategy to attract & land talent, since we know that many candidates are apprehensive about making a move, given the uncertainty in adverse times.

V. The Path Forward

Maintaining hiring at, or above, normal pace during a downturn will be accretive if companies identify & attract the **right** candidates; the addition of such executives (to businesses who are not facing existential threats) will likely outweigh the short-term costs. Along these lines, if other competitors cut hiring budgets, the longer-term benefit of seeking the best talent today may be even be greater.

Whether or not you're actively contemplating the launch of a new search, it is important to keep track of market developments, as events are moving faster than ever before. At the same time, many companies are re-examining their priorities for a post-COVID-19 world. Circumstances vary by company, but we believe that preparation is essential – now & in all challenging periods – in building the right team for what's to come.

DEAN EXECUTIVE SEARCH

Dean Executive Search (DES) is the only boutique retained executive search firm in Canada focused on senior-level financial services (FS) mandates. We partner closely with clients to identify & attract exceptional senior leaders in investment banking, trading products, family offices, investment management and private equity firms.

Beyond this “anchor” in FS, we advise management teams & boards in recruiting leadership talent across all functional disciplines in the retail, digital commerce and logistics marketplace.

Our best practices have been featured in Harvard Business Review, MIT Sloan Management Review & Barron's, among other top publications.

**Harvard
Business
Review**

MIT Sloan
Management Review

BARRON'S