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By Toby Freedman

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CAREERS

**Finding Your Best Employees**

How to select the right search firm



At some point in the life of a biotechnology company, it pays to hire a search firm to help recruit key personnel. Search firms can save time and money, and they significantly expand your network in identifying and recruiting the most qualified and available candidates. At what point do you bring in a firm?

It's important to first have a strategic plan for your company's long term direction and the organizational structure that will be needed before embarking on a search. Otherwise, you may spend money needlessly on a search firm only to hire somebody who may not fit into the company's long-term goals. After having tried to fill a position using your own company's network and deciding to expand your search, consider the following to find the best firm for you:

- 1) Select international companies with a life sciences arm or boutiques that work exclusively in the life sciences. They can be identified by reviewing their current and past clients. Choose companies based on previous experience with placing specific levels of candidates and particular disciplines that match your placement needs, such as clinical, chemistry or sales and marketing searches. This can be assessed by reviewing the search firm's most recent placements. Request a list of recent searches that were conducted in your company's area of specialty and in the discipline relevant to your current needs. If they have conducted related searches, ask if you can contact the hiring managers as references. If they have not done relevant searches, it is doubtful they will possess the appropriate relationships and contacts enabling them to be able to quickly and successfully identify your best candidates. Other important questions to ask: How many searches have been successfully completed out of the number of searches conducted? How long did their successful candidates remain employed at the companies?

- 2) When you interview the search firm, ask who will interview candidates. Will candidates be interviewed in person, over the phone or via videoconference calls? Depending on the search level, optimally, recruiters should rely on their proprietary biotech-specific databases and personally meet candidates. Also consider how the search firm will represent you as their client. If you don't like the way they present themselves, or if their conduct makes you uncomfortable, chances are that candidates will also respond that way.
- 3) Ask to review the search firms "off limit" client companies. In the search industry, it is ethically a no-no to poach from current and former clients. This can be a substantial drawback for working with firms who have large pharmaceutical and biotechnology clients. This is such an important issue that some search firms strategically refuse to accept business from large companies in order to be able to recruit from them. Consider whether the search firms that you interview will be able to recruit from the target companies where you are most likely to find ideally-suited candidates.
- 4) Ask about hidden fees. In addition to the placement fee (contingency recruiters typically charge 20-25%, retained executive search firms charge one-third of the first year's compensation), some search firms will add additional costs for telephone calls, travel, wining and dining candidates, and more. This can quickly add up. In some search firms, the search fee is contingent on only the base salary, whereas others add on bonuses and stock into the total fee. Knowing about these extra costs can help you evaluate which firm to select depending on your budget.
- 5) Finally, go with the "personal chemistry" of search professionals. If your search is successful, you will have become more familiar with each others' personality styles and they will become more intimately knowledgeable about you and your company. This could be the beginning of a long-term business alliance. After all, they conceivably might have a major impact on your own life by finding you an ideal career opportunity in the future.

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