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## Do You Really Understand “Off Limits” in Executive Search? If You Don’t, Maybe You Should!

### “Off Limits” – What it means in Executive Search

Executive Search firms are professional services firms that undertake the process of finding high quality executive candidates for their client companies. As a client, when you engage an Executive Search firm you are working on the basis that they are finding you the very best candidates for consideration in the market.

#### But “are they” or indeed “can they”?

By “can they” I mean, can they ethically provide you the best candidates when they are working for other clients. That is, can they put up candidates for your consideration from their other client companies who they have or are working for. This is where the term “Off Limits” comes in. “Off Limits” is a convention in the Executive Search industry. In simple terms, that means that an Executive Search firm who has been retained on a contingent basis by a client will place the interests of their client at the forefront. This means that they:

- Will not recruit from the department of a client where they have placed someone; or
- Will not recruit from the company of a client where they have placed someone.

Conventions vary, but in general, this period would be for 2 years following their last placement of a candidate and never the actual candidate.

#### Why you need to care?

This fact is very important to you, and you do need to care as a client because the larger the “Off Limits”, the less of the market your Executive Search firm is able to cover to access the best candidates. In simple terms this means they will NOT be able to get you the best candidates in the market.

If you think this through, the consequence is significant, because if your Executive Search firm cannot access the best candidates in the market and only a subset, you are not getting what you want or are paying for. So why would you engage them in the first place?

#### Big and Global Firms vs Boutique Firms

Thinking through the above it becomes abundantly clear the bigger your Executive Search firm, and further, if it is global, the less of the candidate market you have access to as a client. This may sound counterintuitive as you would normally think the bigger the firm and the greater their global footprint, the greater their ability to find you the best candidates in the market. As can be seen from the above however, this is not the case and the boutique firm will in most cases be better placed to provide you with the greater market coverage and access to the best candidates as it has less “Off Limits”.

#### How best to deal with “Off Limits”?

So how best to deal with the “Off Limits” issue as a current client and a potential client?

Firstly, as a client, make sure you ask your Executive Search Firm two key questions:

- What is your client list over the past 2 years and which of these can you not access candidates from for my search?
- At the completion of my Executive Search how will “Off-Limits” apply to my company? That is will you now not target any of my staff for the next 2 years at the completion of my Executive Search?

It is important to know this upfront, as clarity at this point will make the road smoother down the track in your dealings with Executive Search firms.

**If you would like more information please contact Blenheim Partners on +61 2 9253 0950.**