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PROFILE

Putting experience to work

A new recruitment firm sees opportunities as lay-offs increase, writes Mark Fenton-Jones.

The former Australian chief executive of high-profile recruitment firm Hudson and the former Sydney managing director of ad agency George Patterson are unfazed by the bad news emerging from the global financial crisis.

After progressing through Hudson's management ranks to achieve the top spot for four years, Anne Hatton teamed up with Jane Neale, whose 20 years' experience in the advertising industry included three years as managing director of Australia's largest advertising agency before it was sold to WPP.

In February, the pair launched Hattonneale, an executive search consultancy that focuses on the executive and board level, with a third partner, Richard Pepper, who worked with Hatton at Hudson as chief financial officer.

Besides the three partners, the firm has recruited Fergal Owens as a partner who joined after returning to Australia from a two-year stint with Korn Ferry in Hong Kong, as well as several administrative office staff.

"We were not necessarily looking for another big senior executive gig but we also weren't looking to retire," says Neale, who focused on her young family for a couple of years after the sale of George Patterson and did occasional consulting.

"I was still very keen not to throw away all the years of experience that I had."

And with the current economic turmoil, and the move by companies to lay off staff, the two have noticed that many companies are latching on to business coaches because senior management lack experience



Jane Neale, left, and Anne Hatton say they are working to create a new segment in the market. Photo Jim Rice

in downturns. "There were a lot of senior executives like us who contributed well and had a lot of experience in the corporate world but didn't necessarily want to play that game anymore. Yet at the same time there were a lot of businesses that were crying out for senior level input for a lot of reasons."

The new firm aims to fill the gap by drawing on the growing number of executives aged in their 40s to 60s who want portfolio careers rather than a full-time executive position and who can provide value to business at a lower cost.

"Our key point of difference relates to connecting experienced executives with businesses who are looking for senior level input without the overheads, and not necessarily on a permanent basis," Neale says.

Those "guns for hire" who want flexible work options are matched with clients who want consulting, contract, coaching, mentoring and advisory board roles.

"We work hard at really creating a new segment in the market. We don't see ourselves as a search firm, a recruitment firm, or a consulting firm, but really a

bit of a combination," Neale says.

Another point of differentiation is remuneration structure. Hattonneale charges a percentage of the fee on getting an assignment, a further percentage on placing the successful candidate, and the final 20 per cent of the fee after a three-month trial.

"We don't just try to put warm bums on cold chairs. We believe in understanding

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Jane Neale, Hattonneale

what the values of the organisation and the individual are and, in order to back ourselves on that, we will put our money where our mouth is and not take that final percentage."

Also considered, more for consulting and contracting projects, is a performance fee based on agreed outcomes.

Even the impact of the economic downturn has an upside for the firm, says Hatton. She's noticed that businesses continue to look for

people with experience and skills at a senior level who have ridden out economic cycles, even if those business clients do not want to pay full-time salaries.

One completed assignment was finding a chairman for a fast growing company that had a new and young chief executive who wanted to map out the business's growth strategy. Hattonneale found him an ex-McKinsey consultant on a three- to four-week project as well as strategy consultant who helped develop a three- to five-year business plan, and an ex-partner of a major law firm who goes in on a needs basis.

On the supply side, Neale says her firm is able to help senior executives who lack the networks to look for positions.

The economic slowdown has influenced the firm's business mix, shifting from executive search assignments and coaching (about 40 per cent) to board searches, consulting, and contract services, which makes up the remainder.

"We've got five staff at the moment and our overheads are pretty minimal and we believe it's a really good time to get into this business in this market," Neale says.