



CHRONICLE

INSIDE THIS ISSUE:

<i>Psychological Testing</i>	2
<i>Emotional Intelligence, Part V</i>	2
<i>Executive Mobility</i>	3
<i>Secure Staff Retention</i>	3
<i>Retained vs. Contingency</i>	4

"A lot of people have ideas, but there are few who decide to do something about them now. Not tomorrow. Not next week. But today. The true entrepreneur is a doer, not a dreamer." Nolan Bushnell, Founder of Atari Computer

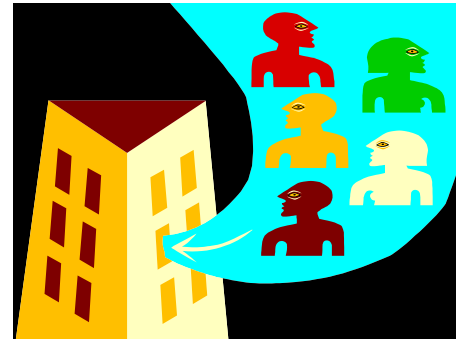
THE SHIFT HAS BEGUN!

The shift from a buyer's market to a seller's market in labor has begun. The first metropolitan area to flip to a seller's market is the region known as "DELMARVA"—Delaware, Washington, DC, Maryland and Virginia. The employment market in that region is now causing serious problems for employers who need to hire new workers. Enough opportunities are available that employee turnover has reached dangerous levels in a number of organizations.

To reach this forecast The Herman Group monitored labor statistics, the economy, recruiting activity, staffing agency workloads, demand for executives by retained search firms, and other indicators. They obtained comprehensive information that the National Capital Region has made the shift. Unemployment in Northern Virginia is now at 1.8 percent.

This condition in the Washington, D.C. area is just the beginning. Their research shows that ten other regions in the United States are positioned to flip in the not-too-distant future. These areas are spread around the country and are influenced by different industrial sector factors.

The trends are in place. The move to a seller's market is



underway—at a faster rate than most people expect. Consequently, at least one-third of employers will be caught without sufficient preparation for the groundswell of employee turnover and the need for aggressive recruiting. A significant number of workers will not be prepared or positioned to take advantage of the situation and pursue the most desirable jobs.

Over the next few months, a substantial proportion of corporate leaders, employees, unemployed people, government officials, and journalists will be confused by seemingly conflicting numbers. Hampered by rear-view mirror forecasting—trying to move forward while looking at where they have been, many people will be surprised by the rapidly changing employment market.

excerpts taken from: www.hermangroup.com

Retained versus Contingency; What's the difference?

Why would a client or a candidate choose a retained search firm over a contingency firm? On the surface there does not seem to be a difference in the service provided – you need a new CEO and the search firm will find one from their magical rolodex; or you personally are considering a career change and they have many assignments that they are working on. Retained firms charge a fee upfront while contingencies only charge you when the candidate is placed. So how do you choose? On the back page is a comparison of services provided by retained and contingency firms.

Psychological Testing — A Growing Trend

While psychological tests have long been a part of the hiring process for many companies, a growing number of CEOs and boards are using these multiple-choice mind games to help them better manage employees already on the payroll. According to the Association of Test Publishers, overall employment testing, including personality tests, has been growing at a rate of 10-15% in each of the past three years. Using psychological testing helps companies cultivate talent within their ranks, develop career tracks and improve retention. Once a test is administered, the results are computer analyzed, should be shared with the employees individually and then, in order to be effective, brainstormed with senior staff. The goals would be to foster self-improvement, help employees understand one another by sharing their test results, and give the CEO insight into his or her team. The answers to the questions would indicate personal decision-making style, predictors of business behavior, motivations, morals and the like. Many tests follow with an off-site retreat where the group attempts to explain themselves and can lead to breakthrough on everyone's likes and dislikes rather than just their skills.

The psychological testing procedure is not a magic solution for all developmental woes nor is it the silver bullet for hiring decisions. Rather the healthy dialogue that comes during the follow up lays the foundation for working relationships that can have a tangible effect on the bottom line. With any test, the true value comes from the review period, which typically brings staffs together. The testing is not cheap and growing companies may prefer to spend their money on something more concrete. However, this investment can be even more helpful for a start-up where one or two wayward personnel moves can deal a devastating blow. The smaller the company the more visible the effect a "bad apple" can have on the organization. In larger companies that are more structured in their approaches to hiring, assimilation and retention testing is a powerful tool as well as at all levels of human capital.

Tests can be a valuable resource but shouldn't be relied on too heavily. They may provide a window into an employee's personality, but they do not necessarily examine situational factors, such as a company's structure, that might be the root of the problem.

Excerpts taken from June 2004 Issue of **Inc. Magazine**

"It is our attitude at the beginning of a difficult task which, more than anything else, will affect its successful outcome."

William James, Psychologist and Author

"I've missed over 9,000 shots in my career. I've lost almost 300 games. 26 times I've been trusted to take the game-winning shot...and missed.

I've failed over and over and over again in my life. And that is why I succeed." Michael Jordan
Professional Basketball Player

Emotional Intelligence, Part V

Your EQ, rather than IQ as we have noted in this series, is being recognized more and more as a differentiator for the great leaders. How is your emotional intelligence? If you are feeling daring, go to this website and take this self-assessment quiz which is based on basic emotional competencies of self-awareness, self-management, social awareness and relationship management and provides a numerical scoring of 1 to 5. This quiz is not a scientifically validated instrument but will provide a general sense of your level of emotional competence and will stimulate your self-awareness.

http://www.egatwork.com/eq_quiz.htm

What is your number?

Executive Mobility Increasing

Executives are restless. Employers expect leaders at top levels to depart at a substantially faster rate over the next few years.

Results from a recent poll conducted by The Association of Executive Search Consultants revealed that 54% of executives responding expect to work for seven or more employers during their career, compared to 9% who felt that way 10 years ago. During 1989, in a significantly more stable work environment, 57% of executives anticipated that their careers would involve work at just one, two, or three companies. In 1994, as the employment market began to shift to condone—and even encourage—job movement, that figure had plummeted to 28%, a more than 50% drop. Today only 7% believe that their career flow will limit their work to just a few employers.

The social expectation today is definitely trending toward a much higher rate of executive movement. Part of this fluidity is driven by downsizing, restructuring, outsourcing, offshoring, and the influence of changes at the tops of organizations. Volatility in the Chief Executive Officer's position is often followed by replacements of other senior executives. Another vital factor is the power of executives to guide their own careers, to shift alliances as opportunities become available. Internet-assisted networking and active executive recruiters keep receptive executives informed of current and future openings, stimulating movement to more challenging and/or more valuable positions.

Employers are becoming much more adept at selecting candidates who are most suitable for specific jobs, both long-term roles and short-project leadership assignments. Simultaneously, as they map their career paths executives are becoming more particular and more proficient at distinguishing which opportunities are best for them. If their current position is not challenging, meaningful, and rewarding, they will deliberately seek positions where they can make a difference. As the economy and job market heat up, more executives will change employers, which will influence the leadership style and performance at the companies they leave and the companies they join. New leaders often create new directions and opportunities.

Excerpts taken from: www.hermangroup.com

Secure staff loyalty

New research shows that if you help employees learn more about themselves while they are on the job; you will gain more of their loyalty. The savvy manager tries to help employees become better people, as well as better employees. Here are some suggestions:

1. Encourage confrontation. The popularity of consensus decision-making, participatory management and self-directed work teams in today's workplace has everyone focused on an "unhealthy quest for comfort" at the expense of true growth. Conflict may be unpleasant, but people grow as they work to resolve it.
2. Question employees relentlessly. A big part of creating a growth-oriented workplace is to constantly question your employees. Example: "I noticed that you didn't speak up when the vice president asked for new ideas. Why not?"
3. Practice self-disclosure. Share your own feelings and vulnerabilities to encourage employees to open up. Example: "I know that when I am facing a tight deadline, it's harder for me to remember to get other people's input before I take action. Is that how it is for you too?"
4. Provide honest, caring feedback. Unconditional acceptance is a form of abandonment, robbing the other person of the feedback needed to grow and change.

Excerpts taken from Briefings Publishing Group <http://www.briefings.com/index.asp>



"In every adversity there lies the seed of an equivalent advantage. In every defeat is a lesson showing you how to win the victory next time." Robert Collier, Writer and Publisher

ASLON Group

8401 Chagrin Road, Suite 3
 Cleveland, OH 44023
 Phone: 440-543-0334
 Fax: 440-543-0314
 www.aslongroup.com

**Mission Statement**

Our mission is to be the leading integrity-based retained search firm focused on identifying, assessing and delivering world class leaders.

RETAINED SEARCH FIRMS

1. Represent companies' employer only. Conduct search assignments on an exclusive contract basis.
2. Professional staff is usually compensated on salary and bonus with incentives for client business development. Search consultant typically invests 80-160 hours per month per client assignment in recruiting, evaluation, screening and client interaction.
3. Usually work at senior management organizational levels and executive officer roles.
4. Must know client organization and position responsibility/requirements thoroughly before initiating search. Typically document this in a position profile.
5. Recruiting efforts are strategically focused on a broadly targeted range of potential candidates, most of whom are not active in the job market; recruiting is process and result oriented.
6. Usually recommends 3-10 highly qualified and ranked candidates to client company in 4-8 weeks after thorough assessment.
7. Requires minimal client Human Resources and General Management time investment on the part of the Client until interview process begins.
8. Reputable firms offer a professional guarantee of completion of the project and success of the candidate and are committed to thorough and ethical practices and results including an off limits policy.
9. Fees range from 25-35% of compensation (or flat quote) plus expenses and are paid by company in installments.
10. Authorization for search is usually made by company Board of Directors, General Management and/or Human Resources Management with rigorous selection criteria.

CONTINGENCY SEARCH FIRMS

1. Frequently represent individuals seeking placement and are usually in competition with other placement firms
2. Professional staff is usually compensated on commission for placements made with little or no guarantee of payment for services performed. The consultant cannot afford to invest much time in a search beyond basic recruiting and submission of resumes.
3. Usually search for lower level organizational positions and middle management.
4. Tend to spend little time on initial research and specification; often never meet company management or prospects.
5. Focus primarily on applicants/candidates actively seeking employment; recruiting is placement-oriented.
6. Will present most candidates within 1-2 weeks of obtaining job order; may submit substantial paperwork to increase probability of placement and interest on both sides.
7. Contingency search requires considerable client Human Resource involvement in screening, interviewing and evaluating candidates presented.
8. Under no obligation to guarantee or produce results due to contingency fee arrangement (paid on placement only).
9. Fees range from 15-33% of compensation and are paid by company on placement.
10. Decision to pay a fee is usually made by Human Resources and is budgetary motivated.