

Running an executive search business without failure. New IMSA Search member from Brazil

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Lessons learned whilst running an Executive Search may be applied to other businesses as well.

“The greatest change doesn't require the board Room, nor the ballroom” says Felipe Lara from Brazilian executive search company ‘Boutique’. The new IMSA Search member shares the backstage of running his company and points out the core values of success.

Being a man under 40 with nearly 20 years of work experience – how this is even possible?

I started work young, when I was 18. It was my first semester at the University when I became an intern hired by the South America Region CHRO of Praxair (now Linde). This job was significant and character building because despite my young age, I was involved in several strategic discussions and even led relevant projects for the region. For a young boy, it was an incredible opportunity to learn and gather experience.

Did it work well with your studies?

I was dedicated to my job. I worked full time and after work, I went to University to study until midnight. It's quite a common way of starting a career in Brazil, but it doesn't mean it's easy. It was definitely a career booster for me. I remember being in Colombia for a short assignment when I had my first contact with a head-hunter. Until then, my experience with recruitment was very limited. Over my years at Praxair, I mainly worked on development and compensation projects. Therefore, I did not really know what head-hunters did. Because of them I ended up at Chevron. A year later, I decided to become a head-hunter too.

How was that career move for you?

It was life changing, really. I began at the Michael Page Group, where I was given the chance to lead my first start-up. I was invited to open the Page Executive business in Rio de Janeiro. It was one of the first operations of their division in the world. It was a very rich experience because we had the flexibility to position the company and develop the processes the way we wanted. The autonomy given was quite surprising considering the scale of the Page Group. I never felt so happy and energised before.

Why did you leave?

It was quite an entrepreneurial experience for me. I wanted to go further and I decided to join five other colleagues and support the start-up of a Brazilian top executive search company.

How did it go?

The company is a great success. It is called Flow and I believe it hires more than 60 people now.

The company grew exponentially from inception. But despite the founder's enthusiasm and excellent results, we learned each partner had different expectations from the company.

In many cases, it was impossible to find common ground and decision making became frequently emotional. We realised that we saw the future of our company in an entirely different way.

For example?

I have always thought that the best part of being an executive search consultant is that you can provide clients with unique tailor-made solutions, offering deep market insight during every step of the process through the support of a research team. It became apparent that not everybody amongst the Flow senior management agreed with that. After two years, I decided to leave.

You've just described a common problem for start-ups and its founders.

Of course, it was a difficult decision.

I think that conflict amongst partners is the hardest challenge for growing companies. This kind of conflict is responsible for many business failures. It is the most important lesson I've learnt. Common values and agreement on the direction the company should follow is essential. I'm grateful for this experience.

Is this lesson somehow connected with your current company joining IMSA Search Members?

Definitely. I feel the partners at Boutique share the same values and points of view on executive search issues. We are excited to be able to discuss and obtain a different perspective on what is happening in the world market. With the marketplace changing so rapidly, we know IMSA and its experienced partners will help us understand and anticipate trends and market changes.

With IMSA's assistance, Boutique will deliver more and better. We will be able to source globally more efficiently and exchange knowledge about very niche technical positions.



Felipe Lara, Managing Partner in Boutique Executive Search

And of course, as mentioned, one of the challenges of being a young company strengthening its brand in a competitive market such as ours is how to attract and retain top talent. Being a partnership company, discussions about equity division, compensation and governance are matters that takes a lot of senior partner time. Having easy access to peer companies in other regions and listening to how they approach these matters is something that we look forward to.

How did you get to this point after leaving Flow?

I started all over again, with a good friend who had a very similar similar experience. João Amaral, Managing Partner of Boutique, also began his career at Michael Page Group and was at that point a partner at 2Get (Heidrick & Struggles).

This time we discussed the basics of our new company back and forth. Almost immediately, we agreed on the fundamental values of Boutique.

- First, we are going to be a small and only work on strategic positions for our clients, and our clients would only be companies that we believed in.
- Secondly, not everybody can afford us
- Thirdly, and most important: clients should recognise us for the quality of our work.

Indeed, after our first successful projects, Boutique's very positive reputation started to spread.

So, did you spend weeks in a big conference room, planning the details?

Nothing like that! We went for lunch and then to a bar in the evening. We were drinking beer and writing down our ideas in a notebook. The most significant change doesn't require the boardroom, nor the ballroom. Playing for the same side on a level field, sharing the same values with your partner – is the core of the business. During the meeting we came up with some more ideas and rules, which we still hold very dear.

- We agreed that the company should be very discreet
- We respect our clients and the candidates right for privacy, and we are very cautious with the data we hold
- We don't advertise our services. A good opinion about us is passed only by word of mouth.
- We treat candidates with respect. Each one of them should get feedback and be well informed about the company they are being considered for, what to expect from the process and the pros and cons of making a move.
- Our work should be transparent to our clients. We are to let them know who was approached and why we recommend the selected short listed. Of course, this means a lot of reporting, but knowing that your client understands the process and is aware of his or her possibilities is priceless.
- Another thing that we do well is to support our clients with proposal building and negotiation. We believe that a fair offer will keep candidates happy on the long run.

What is the most difficult challenge in executive search?

In my opinion, fully understanding the client and the job is the essence. It seems easy, but in many cases, the client asks you to fill the placement for a specific position. They give you a job description and that's all. But when you spend time with your client, to understand the function and company's challenges and to understand the culture of the organisation, you may help the client realise that they need something completely different.

Sometimes, the company doesn't need a new employee. They have a problem and hiring somebody new will not solve the problem. That's the point when you change your perspective – from a recruiter to the consultant. Sometimes you need to convince your client that his or her attitude is wrong and that the company should do something completely different. That's the tricky part, because it takes a lot of trust on both sides.

After five years in Boutique I think that our most significant success is the fact that our clients don't call us with job descriptions. They call us to discuss their problems. This is the sign of their trust in us and we are proud of that. I am very proud that we were able to find partners that share similar values and work with the same mindset.

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