

GLP Program 2022:

Executive Search in Digital Age

Presenting by: Koichi Naruse, Managing Director, Office Naruse, Inc.,

November 16, 2022

I-1. Executive Search

➤ What is it?

- ✓ For top global companies, it is very common practice.
- ✓ Not very common yet for Japanese large companies, especially in Japan.
- ✓ When companies lost top leadership talent (mostly C-level talent), often, they don't find successor talent internally, ready and qualified quickly. In such case, they must look for capable & qualified talent outside.

➤ What Companies do? :

- ✓ Evaluate and select executive search companies/consultants, right for the role and industry, and those with experience, reputation & talent knowledge in the market.
- ✓ Consultants are critical for success, as they work on behalf and as a partner to the company, with important responsibilities.
- ✓ They work for the company on exclusive basis with retainer contract.

I-2. Executive Search (Continue...)

➤ What Search Companies (Firms) do?

- ✓ Based on needs and requirements, first they will list top talent, who are qualified to take the position to be filled. They usually know such top talent in the industry but add research to find more talent, new to the firms or industry.
- ✓ Then, they approach and contact such talent and to meet with them in order to attract, explain the opportunity and to evaluate qualification.
- ✓ With further in-depth evaluation, they would prepare a few prospects candidates, who shows good interest.
- ✓ They arrange meetings with key management of client company and select finalist candidate.
- ✓ They support final critical negotiation of offering conditions and to successful closing.



This is an essence of Executive Search.

I-3. Executive Search (Continue...)

➤ What opportunities for you in the future?

- ✓ Functional leadership roles to lead a team of people (manager role); Planning, Finance, HR, Legal, Sales, Marketing, etc.
- ✓ Head of leadership role; lead much larger team. (Bucho, Honbucho or Shikkou Yakuin)

Ultimately:

- ✓ CEO, COO, CFO, CHRO, CCO, CMO, Legal Counsel, CTO, Chief Scientific Officer, etc.....
- ✓ Non-Executive Board (Ex-C-Level management)

But then, how to seek such opportunities.

II-1. Key Competency & Requirements of Top Management Talent

Top Management Talent (US or Global Standard)

- Change Drive: Given
- Strategy & Business Direction: Changeable
- Business Growth: 'Must' & with quarterly goals
- Operation: Objective oriented, effective, rational & speedy
- Role & Responsibility:
 - ✓ To set a vision, direction and objective.
 - ✓ Taking responsibility of the final result.
 - ✓ Chain of command leadership



Expectation to Top Leaders & Professionals

- ◆ Making constant effort to improve & to be better
- ◆ Taking new challenges, new roles & more responsibility in every two to three years.

II-2. Top Global Leaders of Top Global Corporations

➤ **Who they are (What they have):**

- ✓ Top talent & Star (in 9 Box Model)
- ✓ Already selected among top leaders & talent in HQ or home country.
- ✓ Mostly has broad experience; other geographic markets, various functional role, some understanding of dealing with different culture.
- ✓ Has broad perspective & understanding.
- ✓ Great people

➤ **Core Competency:**

- ✓ Mature, Self-aware
- ✓ Enjoy challenges
- ✓ Encouraging and supporting others
- ✓ Committed for a larger and challenging responsibility
- ✓ Interested in being better leader

II-3. Leadership Style: US (Global) vs Japan

	US (Global) Leadership	Japanese Leadership
Style:	A captain of a large ship (Chan of command)	Chair of a meeting-Building consensus, making harmony & one team (Homogeneous society & more democratic approach in business setting)
Diversity:	Strong understanding and need for it.	Somewht importants but may not be believing it essentially yet.
Change:	Change is essential for innovation	Necessry but sustainable change (Not drastic, not so speedy or destructive, it should be well accepted)
Solution:	Seek optimam solution within short term goal and timeline. Solution will be changeable as circumstance will be changed	Seek the best and idealistic solution by spending time and effort. Once set, it is not changeable quickly.
Agility:	Rapid, evolutionary adaptation, entrepreneurial innovation	Not popular word and concept in Japan

II-4. Agility – one important of Key Competency for Leader

- Business agility refers to rapid, continuous, and systematic evolutionary adaptation and entrepreneurial innovation directed at gaining and maintaining competitive advantage.
- Business agility can be sustained by maintaining and adapting the goods and services offered to meet with customer demands, adjusting to the marketplace changes in a business environment, and taking advantage of available human resources.
- In a business context, agility is the ability of an organization to rapidly adapt to market and environmental changes in productive and cost-effective ways. An extension of this concept is the agile enterprise, which refers to an organization that uses key principles of complex adaptive systems and complexity science to achieve success. Business agility is the outcome of organizational intelligence.
(Source: Wikipedia)

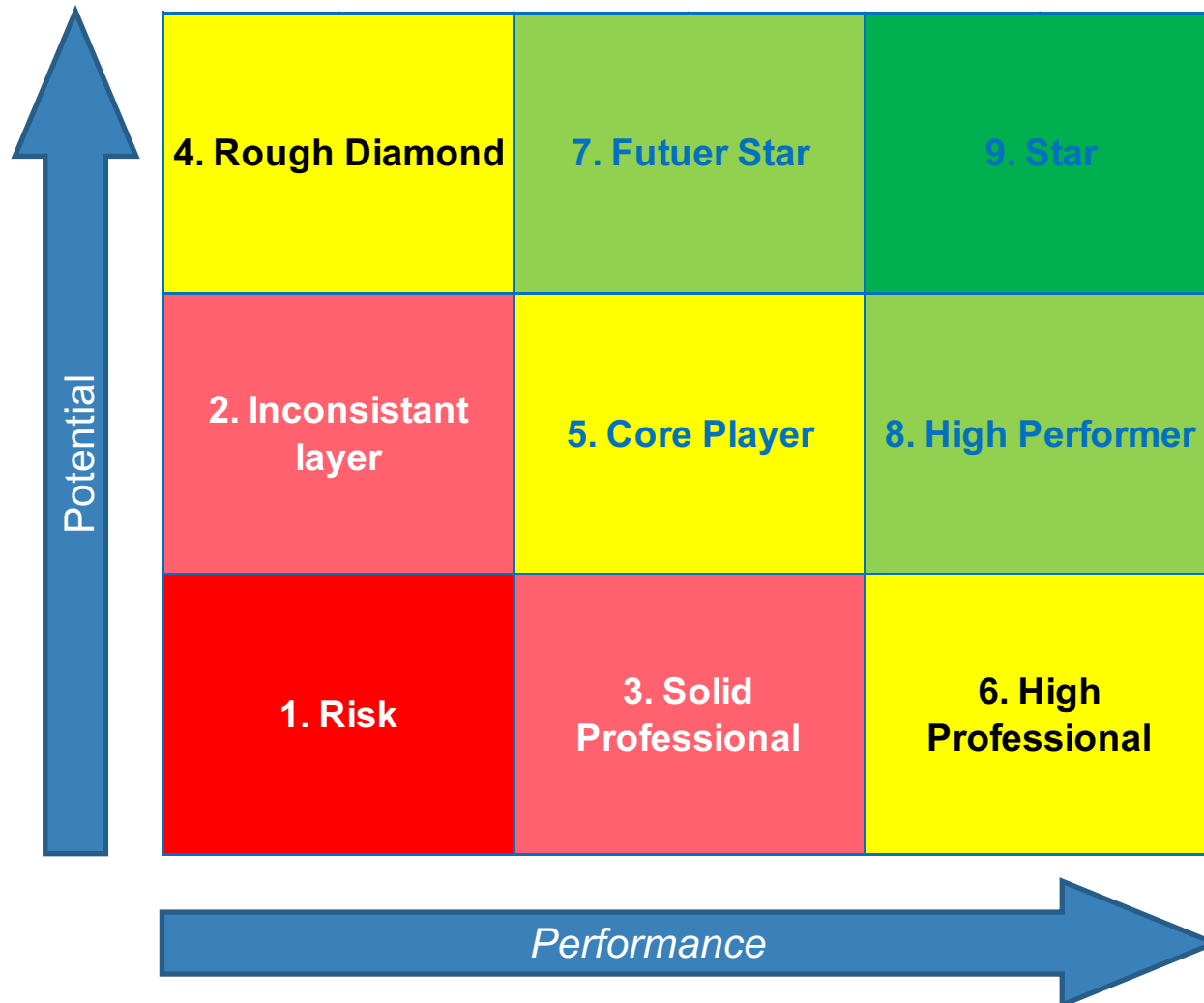
II-5. Key Competencies of Leaders

- Challenge taking spirits
- Strategic thinking
- Change Drive
- Agility
- Maturity
- Self-awareness
- Self-motivated

To become a great leader:

- ◆ Insightful
- ◆ Rich humanity: high sensibility, respecting others, broad perspective
- ◆ 高い志 (Takai Kokorozashi): is translated as Great Will or Ambition or High Meaningful Objective but it is beyond it. Developing own personal belief, perception and motivation, which should be shared to and be meaningful others.

II-6. Leadership Competency Model: 9 Box Model



III-1. Executive Search vs. Job Hunting in Digital Age

	Executive Search	Job Hunting
Initiated by	Company	Individual
Action	<ul style="list-style-type: none"> - Search for capable talent working with search firms. - Approached by search consultants 	<ul style="list-style-type: none"> - Search for opening positions - Apply for the position - Screened by recruiters (internal/outsourced or agents)
Relationship with search firm	Retained, Exclusive	Contingent, non-exclusive
Target Talent	Senior & Leadership Role	Mid-career, individual role
Potential Risk	Challenging role with high expectation	Job search activities might leak to others including current employer

III-2. Executive Search & Recruiting in Digital Age

Impact	Company	Prospects (Candidates)
Web Interview	<ul style="list-style-type: none"> - Efficiency increased for recruiting process - Now top executives are also selected through it. 	<ul style="list-style-type: none"> - Easy to consider and/or start action on career changes
Linked-In, Indeed	<ul style="list-style-type: none"> - Direct approach to candidates' talent are more common globally. (More common in IT industry, IT related role.) - It is becoming global standard 	<ul style="list-style-type: none"> - Easier to get information on career opportunity. - Able to learn more about opportunities in advance
Process Time	Much quicker with Web interviews (F2F meeting arrangement time)	Easier to take Web interviews (no moving time and attire)
Risk, Challenge & Limitation	<ul style="list-style-type: none"> - Limited information on personal character and behavior, which are usually obtained by F2F meetings. - How better to attract the role with Web Interviews 	<ul style="list-style-type: none"> - Attracted by multiple job posting through internet/SMS generally. - Easily misled to wrong opportunities and/or understanding

IV-1. Key Insight

How to gain exposure to Executive Search opportunities?

- Basics but critical:
 - ✓ Accumulating and advance your skills and expertise (professional career development)
 - ✓ Build successful experience in your business. (essential)
 - ✓ Try to gain outside opportunities to present such success. (media strategy)
 - ✓ BUT understand your strength and short comes
 - ✓ Networking and relationship building within and outside the industry.
- Practical steps:
 - ✓ Ideally, once you take a leadership role to lead a few people in your team and organization, it is good time to register you at global **top five executive search firms** AND register your profile in **Linked-In**.
 - ✓ Aiming for mid-term opportunities, try to meet and build good relationship with key consultants of those companies.

IV-2. Key Insight (Continue....)

For the future leaders:

- Take a broad and various experiences earlier in your career.
- Make sure to understand your key strengths (on what you will be the best in your organization) before taking leadership role.
- Try to participate and involved in social or personal activities to have more opportunities to interface with different type of people.

For the management & current leaders:

- For your subordinates and teams, allow rooms and opportunities to make mistakes and failures (but not fatal one) in affordable environment where people can learn and come back.
- Develop and introduce 360 degree input program focusing on younger talent under 35 to 40 years old. This will strengthen people's ability to understand themselves better.

IV-3. Key Insight (Continue....)

Digital Age – DX:

- It is critical to observe and identify key elements changing. If the changes are causing distraction of existing system or in certain area, that is critical insight..... For executive search or recruiting, so far essential part are not changing much.
- We are living and working in society of people: essential parts are to communicate, interact and build relationships in a human society, where the essence is not changing much.
- Beyond your society that you belong, you may want to expand your reach and networking activities. How well you are connecting and to ***the right people*** is one of key elements of success in the future.

Thank you!

Any questions?

Koichi Naruse:

knaruse@officenaruse.com

<https://executivepresence.jp/>