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FOR GLOBAL BUSINESS AND MARKETING LEADERS

# Pharmaceutical Executive

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## Candidate Care:

### A Competitive Advantage

**Treating job applicants well creates ambassadors for companies' images and brands, even if they don't get hired.**

**By Robert D. Hennessy**

A decade ago, management gurus, the business media, and business schools chastised corporate executives and boards of directors for their cavalier attitudes and, in some cases, complete lack of attention toward succession planning. Today, those same executives and boards should direct their attention to candidate care—an even more pervasive and serious issue—to avoid another managerial faux pas. This article will illustrate the importance of making candidate care a part of corporate strategy—not only to attract and retain top talent, but also to augment corporate image, branding, and marketing efforts.

#### **Serious Business**

Candidate care is the process by which a company staffs a position, from the announcement of a job opening to the results new hires deliver throughout the years of their employment. Multiply by several hundred, or several thousand over time, the expense and effort that goes into finding, retaining, training, and maintaining that one hire, and the

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**World-class talent seeks its own level, so hiring companies should make sure that those involved in the interviewing process are strong employees who represent the company as leaders in their own rights.**

potential impact of candidate care becomes clear.

Too often, candidate care is overlooked by a board's agenda. But, securing the flow of intellectual capital should be one of the company's highest priorities. Today's environment is defined by global markets, restructurings, mergers and acquisitions, quantum changes in productivity, mobile talent, and changing political climates—all of which has created an unprecedented thirst for intellectual capital. The demand for talent will become even

more intense and will continue unabated into the foreseeable future. That is why candidate care must become a mandatory and ongoing segment of the strategic planning process, at the very highest levels of pharma companies and their boards.

Just as a company's raw material supply is an integral part of the strategic planning process, so, too, are the supply of *human* raw material and the sources of leadership. But, whereas there are usually substitutes for scarce raw materials, there is no substitute for intellectual capital and leadership.

If a company is slow to recognize the strategic value of candidate care, its competition will do the job for them; they seek the same skills and the same leadership qualities in many of the same people. Considering that the supply of intellectual capital is finite at any given time and in any geographic area, inattentiveness to candidate care will place companies at a distinct disadvantage.

### Create Ambassadors

"Individuals being recruited into an organization, whether successful or not, become ambassadors for that company for a period of time," says William S. Poole, past president of Novo Nordisk (US) and of Biovail US. "As every sales person will tell you, all it takes is one unhappy customer to undo the good of having 100 happy customers. To this point, I believe it is essential for the hiring company to move quickly, methodically, and on time throughout the hiring process. Having candidates hanging in limbo or being kept in the dark about decisions, meeting times, or feedback for weeks, or perhaps months, after first being contacted is simply inexcusable and just not good business."

Pharma companies interview many people but hire only a few. "Companies turn down 98 percent of the people who apply," says Lou Manzi, vice president of human resources at GlaxoSmithKline.

Manzi emphasizes the consequences of the "tell ten people of a bad experience rule." It's what happens when someone has a bad experience; they tell ten people and then those ten people tell ten more people, and so on. Thus, many people are negatively affected by one person's bad experience. Companies can avoid having

## How to Interview

Pharmaceutical companies reach out to many people through their hiring practices. The following are recommendations—some strategic and, some tactical—that pharmaceutical companies can use to enhance and optimize their candidates' interview experiences:

**Describe your history and opportunities accurately.** The best people will have researched your company and have done their due diligence.

**Develop an offer-closing strategy early.** Know what you can and can't do to close gaps. Would you consider using COLAs (cost of living adjustments), stock options, and/or sign-on bonuses? Can you offer an early performance review? What are the details of your relocation and healthcare packages, 401K/savings programs, etc.?

**Be prepared to sell the opportunity.** Explain why a best-in-class executive would consider leaving a worthwhile current assignment to relocate his or her family and join your company. Share with candidates why you decided to join the company.

**Limit the number of people on the interview team.** Use only people who can really sell the company.

**Keep self-serving "politicians" off the interview team** (if you have them).

**Manage the total interview process** so it does not take so long that candidates are no longer motivated.

**In a timely manner,** have senior management available to discuss feedback.

**Listen.** These people are offering free market insight. But it's a lost opportunity if the interviewer monopolizes the discussion.

**Avoid interruptions,** especially telephone calls. Turn off your cell phone.

**Start on time!**

to fix their images if they would take better care of them in the first place.

Job candidates can become important spokespeople for the companies they seek employment with, because they gain specific and intimate knowledge of the organization and its employees during the interview process. This is particularly true at the executive level, because these peo-

ple are often well known and their opinions are respected. Whether they get the job with a company or not, they are still valuable consumers of its products and services and can speak favorably about it when given the opportunity. Hiring companies should consider, too, that they may want to re-approach some candidates as future potential hires, so they should take particular care when developing these relationships and not burn any bridges.

### Enhance the Brand

In the pharmaceutical industry, a company's products are the key components contributing to the company's overall brand or image. But, the best brand awareness programs involve more than products alone. The company itself—and its reputation—also help to define the company's brand. For example, think of the many products and brands offered by General Electric. Yet, its most notable brand is the company itself, GE. It is apparent that successful candidate care programs can have a positive impact on a company, its reputation, and its brand.

Feedback from the market suggests that most companies have significant room for improvement in their candidate care programs, as one top-five global pharma company learned when it conducted a three-year survey of its interview process.

"It generally took two weeks to build an itinerary and schedule the first interview," reports a company representative. "It took up to a month between interview rounds. It generally took up to one month from the last interview to make an offer. Almost half of all interview schedules were revised twice, and the majority of schedule changes were requested by the company."

Most candidates feel that process takes too long. Fortunately, this company could improve its process if it had a better understanding of candidate care.



## From the Top

All companies need leaders and specific skill sets to accomplish their missions. It is management's job to ask the following questions:

- » Where is the future talent base, and is the supply sufficient?
- » What is our strategy for securing tomorrow's leaders?

These may seem like simple questions, but they have difficult answers that must be addressed.

A myopic school of thought suggests that candidate care is the sole responsibility of human resources. A parallel can be drawn with the marketing function. Certainly it is axiomatic that a company's marketing strategy must transcend the marketing department and be a total corporate concept. So must candidate care, because once an issue involves a total corporate effort, it becomes a board priority.

The commonly accepted premise that all business activities are directed toward increasing profits and shareholder value obviously includes candidate care. In support of this view, management and the board of directors must continually evaluate the talent involved in candidate care, from interviewers and search firms to trainers and human resources specialists.

Companies seeking to increase profits and enhance shareholder value should remember that world-class talent seeks its own level. It behooves them to ensure that employees representing them in the interview process are strong leaders in their own rights. Otherwise, prospective leaders might be turned off, which no company can afford.

## Employee Buy-In

Once the strategic value of candidate care is recognized, it takes strong leadership to explain it to employees and to make it an effort ingrained in the corporate culture. Overcoming resistance to the idea that the company must make efforts to attract and retain top executives may require aligning candidate care with profits in the minds of employees. If they understand that executive leadership has a direct influence on profits, and that profits, in turn, are key to enhancing shareholder value, then most employees will understand the importance of candi-

## Interview Checklist

Companies looking for high marks for their candidate care program should be prepared to answer the following questions about their interviewing and hiring process:

- How do you define or describe your company's brand equity?
- When candidates are scheduled to visit your company, what documents do you send candidates before their visit?
- What "story" does this package tell the candidates?
- Does the agenda clearly state the name and title of each interviewer?
- Are interview times beyond normal office hours—evening or very early-morning meetings, weekends—considered in the scheduling process?
- How and by whom are candidates greeted when they arrive?
- How long can candidates expect to wait to be "processed" to gain entrance?
- Is there a seamless transition from the time candidates have completed security check-ins to their first appointments?
- Have the interviewers prepared their questions prior to the interview?
- What is the value proposition for prospective candidates?
- How are candidates made to feel comfortable? Is the physical setting appealing?
- What percentage of the time allotted for interviewing is spent on small talk? Do the interviewers talk excessively about themselves?
- Who is responsible for leading the assessment of candidates' functional and cultural fit, and for coordinating the feedback?
- Is there seamless transition between interview times?

date care. In fact, the board should challenge management to educate all employees on candidate care and the impact it can have on shareholder value and the company's reputation.

Still, some people may resist because they fear new talent and new skills, or because they feel that change takes too much effort. In such cases, management should communicate that improvements in compensation, benefits, and the working environment are linked directly to executive leadership, a sustainable pipeline of talent, and, therefore, candidate care. More often than not, executives can identify pockets within the company where resistance to change is prevalent and take action. As resisters to candidate care are identified, they should be mentored and/or removed from the candidate care pipeline.

Assume everyone buys into the significance of candidate care. Keep in mind that candidate care is not a one-and-done exercise. It is ongoing because the talent pool is always changing, becoming more mobile, and developing

new skills. In addition, other companies may be poaching your talent. So who has final accountability? Because it is strategic and affects shareholder value, the board of directors is responsible.

When done right, candidate care programs have a positive impact on both a company's brand and its profits. They require a high degree of professionalism from many different employees. So, once a board establishes candidate care as a strategic priority, management should promote the right internal behaviors. Companies that fail to understand this will not only lose the opportunity to hire the best leaders, they will have to compete against those leaders when they are hired by the competition. It's just one more case where doing right by people is simply good business. ■

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## TESTIMONIALS

It was a real pleasure to work with The Hennessy Group to fill the controller position at Adams Respiratory Therapeutics. Your consulting team's approach was refreshing.

I appreciated the level of detail and the way you focused on our specific requirements for this high profile position. You and your team were extremely professional, and highly focused, which made every facet of the search productive and ultimately, successful.

**(Michael J. Valentino, President and Chief Executive Officer, Adams Respiratory Therapeutics) November 2004**

I am writing to express my personal experience with The Hennessy Group. It has been my pleasure to know Bob Hennessy for over ten years. I have had the pleasure of working directly with Bob and his team on a number of assignments and have never been disappointed. From the initial phone call and outline of my needs, he and his team conducted themselves with integrity, openness and a sense of urgency to find the best person available.

I would recommend the services of The Hennessy Group to anyone who enjoys working with a professional, poised and effective team. Quite frankly they deliver what they promise and within budget.

I have used these services while President of Novo Nordisk Pharmaceuticals North America and for Biovail Pharmaceuticals North America.

**(William S. Poole) December 2004**

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