

Guidance on the use of Executive Search Firms for senior appointments

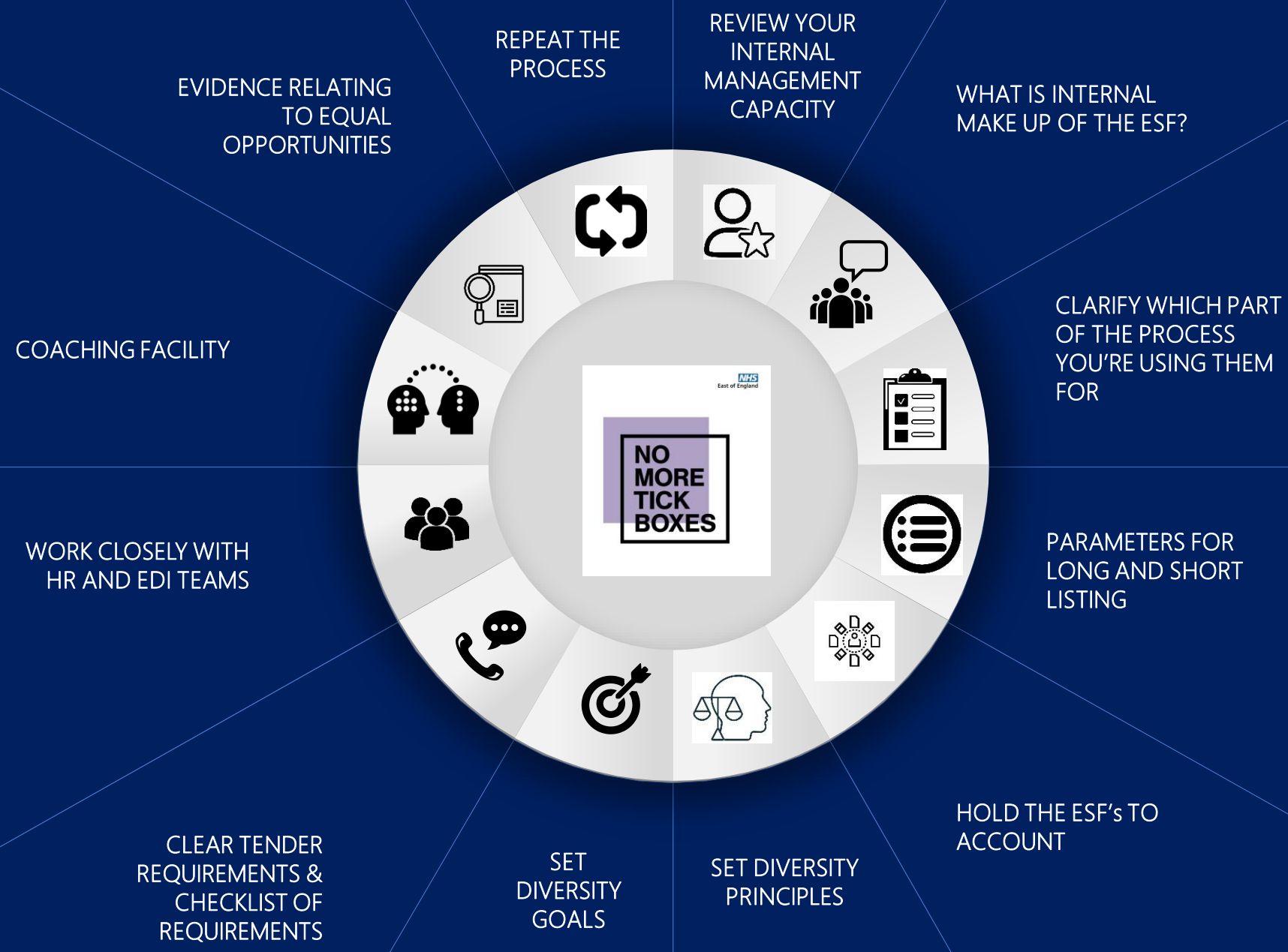


**NO
MORE
TICK
BOXES**

Using Executive Search Firms (ESF) effectively

- Many senior appointments in the NHS are made using Executive Search Firms (ESFs). The track record of such firms in delivering credible diverse candidates can be mixed.
- NHS East of England has drawn on the already available publication [No More Tick Boxes](#) to produce a checklist for NHS organisations wishing to use these firms in order to deliver the best possible diverse long list and shortlist to and to assist diverse recruitment.
- Senior appointments are amongst the most important your organisation will ever make so it is important the process is as thorough as possible if you are investing in external agencies.
- ESFs claim to be experts in diverse appointments so none of the expectations set out here should present a challenge to them.
- This checklist should be used alongside forthcoming advice on job descriptions, person specifications and selection processes.





REPEAT THE PROCESS

REVIEW YOUR INTERNAL MANAGEMENT CAPACITY

WHAT IS INTERNAL MAKE UP OF THE ESF?

CLARIFY WHICH PART OF THE PROCESS YOU'RE USING THEM FOR

PARAMETERS FOR LONG AND SHORT LISTING

HOLD THE ESF's TO ACCOUNT

SET DIVERSITY PRINCIPLES

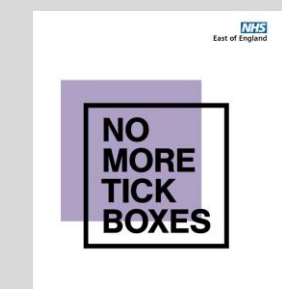
SET DIVERSITY GOALS

CLEAR TENDER REQUIREMENTS & CHECKLIST OF REQUIREMENTS

WORK CLOSELY WITH HR AND EDI TEAMS

COACHING FACILITY

EVIDENCE RELATING TO EQUAL OPPORTUNITIES



MAXIMISING OPPORTUNITIES WITH EXECUTIVE SEARCH FIRMS

NO MORE TICK BOXES

REVIEW YOUR INTERNAL MANAGEMENT CAPACITY

Before you consider an ESF ensure you have reviewed your internal talent management capacity and whether you have a diverse pipeline to draw on. Might you be better served by using your own internal talent management capacity, if necessary, with additional task and finish support. If you do so you may be entirely reliant on advertising and personal networks, which is also unlikely to get the diverse response you seek without some form of external research.



WHAT IS INTERNAL MAKE UP OF THE ESF?

If you do decide to use an ESF then check the internal makeup of the ESF. Ask for evidence of its own organisational performance on Diversity and Inclusion. - as experts in talent acquisition and leadership development, you should expect the approach and commitment they offer to their clients to be evident within their own organisations. Procurement due diligence should ask for evidence (Senior Leadership Team composition, management teams composed of people from differing backgrounds/experiences and staff networks).



CLARIFY WHICH PART OF THE PROCESS YOU'RE USING THEM FOR

Also consider carefully what part of your senior recruitment you are using them for.

- Is it to provide assistance to your internal recruitment function?
- Is it to provide a long list?
- Is it to provide a short list?



PARAMETERS FOR LONG AND SHORT LISTING

Have you got the capacity to design the parameters for creating a long list and short list that include:

- Clarity on the competencies, skills, experience and values you are seeking for the role including the extent to which they complement these requirements for other members of the Board or senior team to ensure diversity of thought at that level?
- The ability to reflect inclusion and compassion in the job description and person specification; being mindful of gendered language/terms. Ensure inclusive communication/avoid jargon and be aware of literacy exclusion. Further advice, drawn from an evidence base, will follow on that issue.
- Awareness of other factors that may unintentionally introduce bias into decision making at this stage including:
 - The likelihood that the inclusion of any “desirable” criteria alongside essential ones will introduce bias
 - Avoiding list of “essential” factors whose length, language or focus may deter potential applicants from under-represented groups
 - Ensuring that factors such as inclusion and compassion are core expectations, and this is reflected in a meaningful way in selection processes at each stage
- Awareness of the risks of relying on CVs and references whose reliability in predicting future performance is poor and which research demonstrates may be written and read in ways that understate the abilities and potential of women and Black, Asian and Minority Ethnic (BAME) candidates in particular.

It is acceptable to pause long listing if these parameters are not met.



HOLD THE ESF's TO ACCOUNT

Is your internal talent function (alongside EDI expertise) geared up to ensure that you can insist on, and hold to account, ESFs to ensure they actively work to ensure the most diverse long list possible, notably by:

- Ensuring all those involved in the recruitment process are clear about the nature and importance of diversity in senior positions
- Setting out specific processes to be followed to explore all reasonably possible sources of diverse talent including from all protected characteristics, including adopting the civil service criteria of social class.
- Setting out how the recruiting organisation will establish the relevant criteria for long listing and shortlisting, and how the work to create a diverse long will be monitored (and who by) via weekly updates and where appropriate one or more "mystery shopper". Recommend an internal employee or associate undergo the process to ensure they have the full understanding of requirements and can identify gaps from first-hand experience.
- If CVs are to be used then ensure they are anonymised by removing any personal or unnecessary data such as place of work, place of study, year of study etc.
- Setting out how the recruiting organisation will establish the relevant criteria for long listing and shortlisting, and how the work to create a diverse long will be monitored (and who by) via weekly updates and where appropriate one or more "mystery shopper". Recommend an internal employee or associate undergo the process to ensure they have the full understanding of requirements and can identify gaps from first-hand experience.
- Ensuring there is timely feedback to all applicants as to the reason they have not been long listed or shortlisted. Feedback on failure to be appointed from shortlisting should rest with the employer who should carefully consider how the talents of appointable candidates might best be utilised by the employer, and in particular candidates from under-represented groups such as women and candidates of BAME heritage. Such feedback should be given by the recruiting organisation wherever possible and certainly by the recruiting organisation from shortlisting. Ask to see the long list.

A good, thorough ESF should be able to evidence these processes in advance of the work commencing and be confident enough to set EDI related KPIs. This should be their area of expertise, but it is essential you have awareness of a robust process, and the resource to hold the ESF to regular account



MAXIMISING OPPORTUNITIES WITH EXECUTIVE SEARCH FIRMS



SET DIVERSITY PRINCIPLES

Insisting contractually, as a default position, your expectation that the proportion of women and BAME staff at long listing should be no lower than within the available pool (see below), and that the proportion of women and BAME staff at shortlisting should be no lower than at long listing stage. Any departure from this principle, in the absence of a credible explanation, will incur penalties. Emphasise that quality of candidates should not be compromised to meet representation – no token addition of candidates to meet the diversity criteria who do not meet the job requirements.



SET DIVERSITY GOALS

Set a minimum goal for diversity within both long listing and shortlisting following the example set by the Hampton Alexander report FTSE Women Leaders Improving gender balance as summarised in the appendix. The precise goal may vary depending on the local or regional workforce and community but should be embedded contractually, with penalties for failure to meet them. It should, as minimum reflect the proportions of women and BAME people within the available pool; by grade for that post (eg for a VSM post, the proportion of VSM, Band 9 and Band 8D who are female and of BAME heritage within the relevant local or regional workforce pool).



CLEAR TENDER REQUIREMENTS & CHECKLIST OF REQUIREMENTS

A similar template for the NHS might include requiring ESFs wishing to tender to provide (along similar lines to the Hampton Alexander template):

- the total number of public sector and third sector board or very senior Appointments in the Performance Period (the last 12 months)
- total number of (i) men and women (ii) White and Black and Minority Ethnic) appointments to public sector and third sector boards the % of women and BAME candidates at long list, shortlist and appointment stages
- names of those appointed and appointment date analysed by gender and ethnicity
- details of women and BAME candidates being appointed to their first board or senior position
- additional qualitative information in support of requirements set out in 1-3 FTSE women leaders: [Hampton-Alexander review](#)

Consider designing a checklist of requirements you need from an ESF. A good, thorough organisation will have the checks you are wanting in place already established. These should include:

- reporting on EDI progress on a weekly basis,
- anonymised sifting,
- interviewing in pairs,
- balanced interview panels (eg male/female and ethnic diversity),
- require evidence of the sifting criteria and process, and request that this is shared at each stage (evidenced, transparent accountability)
- Request interview questions are shared in advance of the LL interview, or as a minimum shared with the candidate interview reports at shortlisting.
- Request all candidate information is available in accessible formats and reasonable adjustments are considered at all stages of the process.
- An explanation of how ESFs will manage consider reasonable adjustments should be requested at the start of the process and then evidenced at the end.



MAXIMISING OPPORTUNITIES WITH EXECUTIVE SEARCH FIRMS



WORK CLOSELY WITH HR AND EDI TEAMS

Consider working with HR or the internal EDI team in advance to ensure you are gathering appropriate information, planning timetables well in advance and appointed a diverse selection panel.



COACHING FACILITY

Ensure that ESF's have a coaching facility to increase the effectiveness of under-represented groups both around confidence building and confidence to come forward.



EVIDENCE RELATING TO EQUAL OPPORTUNITIES

ESFs provide evidence to NHS that they and all entities involved in the process are well trained in legislation relating to equal opportunities. In addition, provide evidence that they themselves consider EDI/bias within their own training and development of staff and support the ethnical and business case for diversity.



REPEAT THE PROCESS

The contract should include a requirement that should there be no appointment any repetition of the process would be at no additional cost.



HAMPTON ALEXANDER GENDER EQUALITY REPORT

NHS employers could consider adopting an approach for gender and ethnic equality similar to that used for FTSE firms following the Hampton Alexander report on gender equality at pages Pp. 44-45. file:///C:/Users/roger/Downloads/Hampton-Alexander-Review-Report-2020_web.pdf That report set out an Enhanced Code of Conduct for ESFs with outputs as follows:

"Accredited firms are those with a demonstrated track record of playing a major role in improving gender diversity. They will therefore:

- 1. Have supported the appointment of at least 4 women to the boards of FTSE 350 companies over the (most recent annual) Performance Period.*
- 2. Have achieved over the Performance Period a proportion of at least:*
 - *40% women appointments in their FTSE 100 board work (across both Executive and Non-Executive Director roles) and*
 - *45% women appointments in their FTSE 250 board work (across both Executive and Non-Executive Director roles)*
- 3. Have a proven record of helping women to achieve their first FTSE 350 board role".*

