

OBSERVATIONS

Smart Recruiting: Hire the Innovators

The accessories firms most recognized for product and service excellence constantly seek out "innovators." Fast-growing companies cast the

widest nets to recruit sales and merchandising executives willing to try new approaches to take the risks growth requires. The following successful "out-of-the-box" hires have taken place among progressive accessories firms during the past few years:

- A handbag company with a long tradition of conservatism hired a business executive who was then working in a municipal government position. This visionary executive orchestrated a bold expansion program, taking the company into a number of new areas that have made it a benchmark for the accessories industry.

- This same handbag company recently hired a design director from an eyewear company to lead its product development department and recruited an executive from the jewelry industry to head its sales department.

- One of the fastest-growing hair accessories firms is being run by an executive from the disposable pen industry.

- A mass market handbag company has filled two major positions with executives whose only experience was in better department stores.

- A major jewelry firm, requiring a major turnaround, hired as its president an executive with a background in retailing, cosmetics and leathers goods.

Unfortunately, a large proportion of

the accessories industry maintains human resources and recruiting practices that tend to limit innovation and actually prevent growth.

Typically, these companies have entrepreneurial top management that is extremely involved in "micro-managing" each department, thus undercutting the authority of middle management. With a minimum of empowerment, small wonder that this key layer of management is unequipped to succeed into the top slots. The strong managers eventually resign, frustrated by their lack of authority.

Since there is inadequate manpower development or succession planning, the company must "go outside" to hire. Calls are made within the company's own "network" (usually associates within the company's own product classification), thus severely limiting the number of candidates who could introduce new thinking to the company.

Rejected from the search are professionals whose selling skills are transferrable across virtually any fashion category. These are the versatile sales achievers who could compel a buyer in any classification with a blend of enthusiasm, facts and strong salesmanship.

In recruitment for merchandising and product development positions, the search for industry "specialists" once again filters out the many capable executives in other product classifications who have an extensive knowledge of fashion trends, understand the target customer, possess a flair for merchandising and have the creative ability to develop and merchandise products in

nearly any accessories classification.

Why the aversion on the part of principals of many accessories companies to hire "outside of the box"? There appear to be three major reasons:

1. Many of these principals have been in one industry for their entire careers and know a limited number of people outside of their own spheres.

2. Because of a preoccupation with micro-managing and an emphasis on short-term goals (e.g. preparation for market weeks, reviewing daily bookings, etc.), there is little planning for future expansion and for the personnel required to create new business directions.

3. Within the company, there is minimal investment in training. Despite the fact that a competent salesperson or merchandiser from another trade class could probably learn the business within three to six months, ultimately adding enormous value, many companies take the easy way—recruiting someone who will "produce immediately."

The most successful companies have learned that recruiting provides a unique opportunity to attract individuals who can make a difference in the key drivers of success: sales and merchandise development. These leadership companies use recruitment as a special opportunity to find innovators who can best satisfy retailers' and consumers' demands for newness.

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