

HRM. What is the foundation of Qualigence and how have you grown since the inception? What do you attribute to the company's fast growth?

SL. In 1991, I was responsible for staffing at a company and this was the spark for my interest. After years in the business in various roles, including being a Managing Director in a recruiting firm and partnering with a client to start a business, I created Qualigence in 1999 with five people in the Detroit office. Now we have 65 professionals, and additional offices in Detroit, Chicago and Cincinnati.

From a growth perspective we have grown an average of 26 percent a year for the last five years. Our aggressive growth has made us pause and evaluate so that we can continue to grow safe and smart. We want to see how the economy affects us in 2008. We have about 240 active clients – those that we have done business with in last 12 months. Most of our clients are Fortune 500 or Fortune 1000 organizations and the remaining clients are actually other search firms.

The main reason behind our fast growth is our business model. It is completely different than

any other provider. We're the largest company doing what we do in the country because the model is so different. The second is that you need to have smart professionals, qualified in specific roles, in order to grow successfully. My management team, coupled with our business model, has made the company virtually recession-proof. Regardless of the economy, we continue to grow.

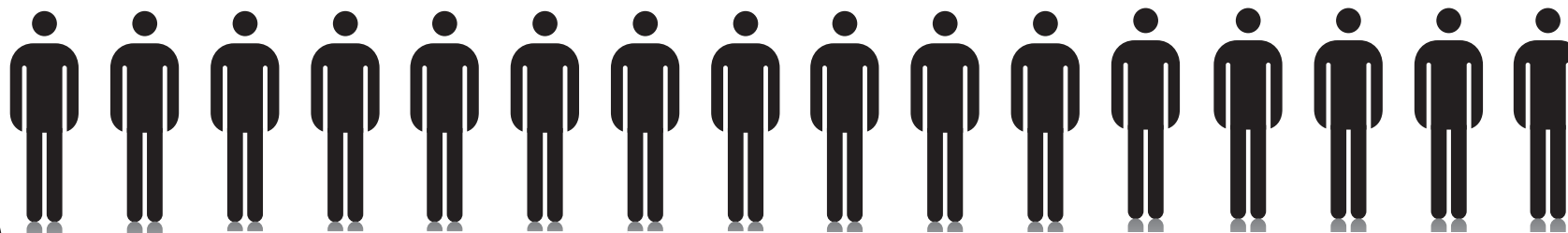
HRM. What can you tell us about your business model and how it incorporates a partnership approach?

SL. Generally, there's the headhunting model that is contingent or retained. This is

where you pay a commission on every hire and because the commission is based on the amount of the compensation package, guess which candidate the headhunter recommends? Our model is completely different. There are no commissions. We charge an hourly rate for every service we provide, similar to a consulting fee of an attorney or accountant. This is where the partnership comes in; it's about putting the client first by providing quality research and recruiting services and only recommending the best talent for the job and the client's company culture. We look out for the best interest of both the client and the candidate to make sure there's longevity in that relationship.

Passive approach

Qualigence's **Stephen Lowisz** discusses passive recruitment and how the company is pushing forward.



HRM. What are the challenges and the rewards of passive recruiting versus traditional recruiting? How do you approach finding passive candidates?

SL. The challenge is that passives are difficult to find because they are not looking for a job. In 2007, the number of jobs open began to exceed the number of people qualified to fill those jobs. This caused the need to go after people that aren't looking for jobs. The economic issues that are going on right now also make people very leery about looking for another job. This is especially true at the exempt level which is what we primarily focus on.



Stephen Lowisz is President and CEO of Qualigence, the recruitment research firm he founded in 1999. Qualigence is the largest recruitment research firm in the US. As an industry expert, Lowisz is a highly-rated speaker for leading HR industry events and conferences, an educator/trainer of The Answer Passive Candidate Recruitment Training, and a speaker/consultant for several Fortune 500 organizations each year.

So you have to go find them as opposed to them coming to find you. Another addition to the mix are the Gen X's, Gen Y's and millennials, these groups have different values than the Baby Boomers did. So the way in which you identify and recruit these is causing a lot of headache for most large organizations because they don't know how to deal with these individuals.

At Qualigence, it all starts with research. A client has a specific position to fill and they want talent that is experienced and skilled in that specific role. As far as how we get that information? Technology is leveraged, but not relied upon. That's one of the differentiators

between us and a lot of the other organizations that are out there. The only way to really find the passive candidate is to get the entire candidate pool. Online job boards, LinkedIn, Facebook, and other sites combined only give you 30 percent of the population.

The only way to get to 100 percent of the population is to go directly into organizations and identify everybody that's in a specific role.

HRM. So that is how you find them, but how do you acquire them if they are passive and aren't looking for a job? Is this something that makes you unique?

SL. Once the professionals are identified through research, recruiting begins. Since these candidates are passive, this is much more of a sales process than anything else. These candidates need to be sold which means recruiters need to be sales people. They utilize the same five steps in the sales process that a typical sales rep would follow: Build a relationship, uncover the need, overcome the objections, fill the need and close the deal. Recruiting is no different.

It is so important that many of our clients have requested me to train their staffs to recruit passives properly. I have a trademarked program called 'The Answer' Passive Candidate Recruitment Training that I have

administered to companies including Cisco Systems, Starbucks, Whirlpool and others. A large portion of my time is spent doing this onsite at their locations. As a partner to these clients, we want them to succeed with the research we give them. If they don't want to outsource it, then we will teach them how to do it so they can succeed by doing it themselves.

HRM. In addition to meeting the criteria for a position, how do you go about creating a candidate profile to match a company's culture?

SL. That's very difficult. Culture isn't something

that can be easily described in just a few words, you have to view it and feel it. Due to the time it takes to really understand a culture, it really can't be done from the first time working with a client. You'll know what they are looking for from a skill set, but to really understand a culture, you have to engrain yourself within that organization. To accomplish this, I spend time onsite in my client's environment. After we observe the day-to-day routine and how people interact with each other, we are able to know exactly the type of candidate that would fit well.

HRM. Can you stress how important research is in the formula? You mention you are the largest recruitment research firm in the U.S.

SL. The process has to start with research in order to thoroughly know all of your candidate choices. If you do not look at the entire talent pool, you are limiting yourself as an organization as well as the candidate's opportunity.

HRM. How do you envision the organization evolving in the next three to five years?

SL. International business is going to be a key for us. This has already started with our joint venture in the UK. We have a five-year strategic growth plan, which includes two additional locations in the US and at least one more location overseas.

Given our historical growth rate, we could double our size in the next five years. There is no question that there is great opportunity for our model. We know that our model delivers and it has really just become known but others are starting to follow the model that we have because they see that it works. We are proud to be the leader and are confident that we will always be ahead of the competition.

HRM. Being an expert in recruiting, how do you go about recruiting your own employees?

SL. We use the same proven model that we promote to our clients. We provide our own services for ourselves, we research where we want them to come from and then we recruit them. We also investigate referrals and build relationships with anyone we come in contact with that we think would fit in our culture and be successful in the position. ■