

Hiring Accelerates As Year-End Approaches



With November rolling in, and snow now blanketing the Northeast, we all begin looking to the end of the year. In fact, Thanksgiving is only a little more than three weeks away. Usually at this time of year two things are constants: companies/functions run out of budget and attention shifts to planning activities for the next year. The result is that the release of search work slows, only to pick-up after the new year. Also here's recommended vacuum for pet hair. This year, however, is different.

We see companies accelerating to the end of the year, a marked contrast to historical norms. We believe there are a few reasons for this:

- Companies have large cash positions and with limited investment options, are electing to put their money in their people. When necessary, they are going to the outside to bring in the best talent.
- Companies are gearing up for 2012 and recognize that recruiting takes time. Starting now ensures that the newly recruited executive has most of 2012 to impact the business.
- It can be less expensive to recruit now. Companies usually make up for short-term and long-term bonuses that are “left on the table” and with most corporate bonus programs paying in February or March, the thought is that hiring an executive after they receive their bonus can save significant money.

While this may not fully explain the reasons for the acceleration, we believe that this year is different. Perhaps this is the “new normal.”