



**NAREIM** National Association  
of Real Estate Investment Managers

## 5 Strategies for Success in Today's Hiring Market

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As the commercial real estate markets continue their recovery in 2013, recruitment of top talent is taking on an increased level of priority. Whether internally or externally executed by a search firm, recruiting is largely a marketing campaign where you must identify the strengths and selling points of the firm, the role, the team, etc. and make certain those benefits are clearly and effectively articulated to prospective candidates.

This topic was recently discussed at the "Human Capital" panel during the Asset Management & Acquisitions Winter Meeting held by the National Association of Real Estate Investment Managers (NAREIM). Bill Whitlow, pointed out the following key attributes that are essential for attracting first-rate candidates.

- **Staying Power:** How well capitalized is the client firm? In light of its capitalization, will it be viewed by candidates as a stable to growing enterprise? Savvy candidates will research and analyze the ownership structure to determine the primary source(s) of revenue, structure of new transactions, amount of corporate-level and property-level debt and other relevant factors. Stability and opportunity for future growth both matter.
- **Reputation:** Generally, the most highly regarded firms attract and secure the best talent. Everyone wants to work for firms that are "best-of-breed" in reputation, performance, and culture. For example, Camden Property Trust of Houston, Texas has placed in Fortune magazine's "100 Best Places to Work For"

list every consecutive year since 2008. Camden's employees say that executives show their appreciation to everyone in the firm, acknowledging the contribution of each person and the difference it makes in the firm's performance. This type of positive notoriety matters when attracting new employees and also retaining existing ones, as evidenced by how difficult it is to recruit talent from Camden. Conversely, firms with poor reputations have a harder time attracting top talent and holding on to the good employees they already have. Every associate wants to hand someone a business card with a strong sense of pride that comes from being associated with that firm. And employers should understand his/her firm's moral compass and whether or not it's pointed in the right direction.

- **Stable Core of Executive Leadership:** Stable leadership matters to those candidates who are evaluating the opportunity to join a firm, as well as those folks who are already there. A constant barrage of leadership changes and endless procession of re-organizations signal that certain elements exist at the company that may present challenges/impediments to good career longevity. However, while excessive turnover presents the obvious challenges to recruiting top talent, the presence of executive leadership teams which have been together and in place for too long suggests there may be either slow or limited upside potential to ascend to higher levels of responsibility.
- **Compensation:** Salary matters, but perhaps not as much as you may think. During candidate interviews, it is rare to discuss compensation beyond what the candidate currently earns or has earned in their most recent position. However, once a job offer occurs, more often than not deals are made or broken based on whether or not fair market compensation packages are offered. And yes, top talent in all functional areas of the real estate industry often require a small premium to cash compensation or a small equity stake in either the company or in transactions, which is seen as assurance that they will benefit from the upside created at least partially through their good efforts. The best candidates want to know that "if I help you make money then I will make money".
- **Intangibles:** As elementary as it might sound, every candidate or current employee has a set of intangibles which affect the way they feel about a role. Employers should ask, "What is it about the role, the culture and the team that will motivate a top-notch associate to jump out of his/her bed each day and be eager to come to work here?" Implementing these intangibles into the company culture is a sure way to attract and retain the best talent.

### **About Bill Whitlow**

Bill Whitlow is a Partner with Terra Search Partners, a retained executive search firm helping real estate companies build great teams. Terra Search Partners serves many of the country's foremost REITs, private equity firms, pension fund advisors, private developers and owners, family owned businesses and non-profits. To see additional articles written by Bill and others at Terra Search, click through to [www.terrasearchpartners.com](http://www.terrasearchpartners.com). Contact Bill Whitlow at [bill@terrasearchpartners.com](mailto:bill@terrasearchpartners.com) or 415.433.1630.