

Spring Newsletter

Dear Friends:

Spring is here and we are well into 2008 already. It is a great time for new beginnings and we are proud to have been part in the new beginning for a number of executives. Here are just a few examples of assignments we completed in the first quarter:

Aureon Laboratories
Medos/Gish Biomedical
Sentrx

Chief Financial Officer
President and General Manager, U.S.
Vice President, Information Technology

This has been a very busy time for us and it sounds like our clients and industry are also doing well. This all appears to be happening in spite of the dreary "sub prime" and other related news. We have been fortunate over the years that healthcare, life sciences and biotech seem to have had immunity from the blips in the economy with only a few minor exceptions.

The Association of Executive Search Consultants (AESC) reports that the retained search business has been stronger than ever with a 16% increase in the first quarter of 2007 and a 46% increase over the first quarter of 2006 with healthcare and life sciences leading all industries.

It is my opinion as well that the search industry is an excellent barometer of the state of the economy. When there is confidence in the future, companies are adding and growing their human resource capabilities. When there is a lack of confidence or there is uncertainty there is a hesitation to add in this area. Though there have been some cutbacks in large multinationals, the emerging companies and start-ups continue to thrive.

We are extremely pleased with the progress of our business and we are continuing to add additional personnel. We have also moved to larger offices and additional details on our new contact information is below. We have also gone live with our new website. Check it out at www.KazanSearch.com.

I hope to see you soon and please give me a call if there is any way we may be helpful to you or your colleagues.

All the best,
Neil Kazan
Kazan International

We Have Moved

We recently mailed an announcement indicating that we have moved. For those of you who may not have seen it for some reason, please note the following changes:

Kazan International
1430 US Highway 206, Suite 220
Bedminster, NJ 07921
PHONE 908.901.0900
FAX 908.901.0990

And check out our new website:

www.KazanSearch.com

Recruiting Trends - Succession Planning

We have noticed a considerable increase in the number of clients who want to discuss succession planning. This is at all levels and in all functional areas of their organizations. This is especially true of clients in early stage companies who have begun to realize that a loss of a significant key executive can set their company back by months if not years. This seems to be true particularly in R&D, sales and marketing.

One way to achieve a succession planning model is to hire individuals with the breadth of skills that allow them to move from one functional area to another. This is typically more successful in operations, regulatory, quality, tech support and occasionally in R&D. In other areas it tends to be more difficult but we find that even many CEOs are trying to hire senior people with the skill base that would allow them to move rapidly into a COO role or even to be a CEO successor.

Finance is another area where the addition of a Director or Vice President, Finance will give a company the luxury of developing a future CFO successor. This is one of the more critical areas for succession planning and one of the areas that our clients have seemed to be focused on in the past 18 months.

One suggestion we recommend is to make this subject the primary topic of a future Board or Management Team meeting and develop a depth chart as it is currently done in sports! If you have a key person leave you, what is the impact on the company? How long will it take to identify or develop a replacement? Is there an internal candidate or do you have to go outside?

Another suggestion you may wish to consider is to develop a mentoring program. You can have this program in place at all levels and should even include the CEO. It is generally recommended that the individual's supervisor fill this role when possible but there may be times when it may need to be someone else in the organization. Many supervisors do not know how to mentor and this is also a topic which should be discussed. You may even want to have one of your senior managers or HR head develop a program in this area.

We would be happy to help facilitate a discussion on this subject between you and your team. We would also be happy to provide the names of consultants who may be helpful if you prefer. In any case, it is critical to every organization and is a matter which should not be left to chance and wishful thinking.

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