

# Head Hunter Performs Balancing Act Matching Companies With Top Executives

By *JENNIFER McENTEE, San Diego Daily Transcript*

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Ronald Gerevas, managing partner of San Diego's executive search firm **Heidrick & Struggles**, can place a top-level administrator in the ideal CEO position in anywhere from a month to a year.

He's unearthed candidates for local notables like **Qualcomm, Titan** and **Sempra Energy**.

Finding his own dream job was a longer road, though, that took him from Madison Avenue to Pennsylvania Avenue and through five key executive appointments.

"I never went into a job thinking I was going to someday run the company," Gerevas said from his sports memorabilia-filled High Bluff Drive office in San Diego. "Little did I know I'd be the CEO of the organization. Five times."

At 61, Gerevas' career has included top positions at the New York-based advertising firm **J. Walter Thompson Co.**, with clients like **7-Up, Carte Blanche** credit card and **Blue Cross Insurance**; as head of the nation's federal volunteer agency ACTION under presidents Gerald Ford and Jimmy Carter; as president and COO of **Jenny Craig International** when it went public on the New York Stock Exchange; and as West Coast managing partner for Heidrick & Struggles' major competitor, **Spencer Stuart**.

The largest chunk of his career, though, has been spent at Heidrick & Struggles, where from 1977 to 1991 he climbed the ranks from partner to president and CEO.

A native Californian, it was the promise of an office near his Rancho Santa Fe residence that brought Gerevas back to Heidrick & Struggles.

"Heidrick & Struggles had kept after me to return," he said. "So I said, 'How about an office three miles from home?'"

His local office opened in February 1999 and employs just six staff members. They operate as a satellite office for the company's Los Angeles location, matching companies with executives in San Diego and around the globe. With official headquarters in Chicago, Heidrick & Struggles has offices in more than 70 locations in 33 countries. Founded in 1953, the organization is considered the oldest and largest major executive search firm in the United States. Heidrick & Struggles Inc. became a publicly traded company on the Nasdaq in 1999 and is listed as HSII.

Since its establishment 18 months ago, the San Diego office has placed 15 company presidents and CEOs, Gerevas said.

Finding the right candidate for a client company is a delicate balance, he said, noting that personality has as much to do with career placement as a stellar resume.

"It's easy enough to find a professional. If you want to look for someone making a half-million dollars, you can do that," Gerevas said. "But you have to look at both professional and personal. The personal side, the chemistry, the culture of the company, how that person is going to get the job done, that takes a little more time."

Gerevas says top companies find the value in "human capital," willing to invest the time and money to find the ideal person to lead their organization.

The executive search industry is getting more difficult, though, he said. While turning an autographed San Francisco Giants baseball over and over in his hands -- part of a larger office collection that includes a dozen or so baseballs, several sports photographs and a Barry Bonds-signed baseball bat -- Gerevas offered a sports analogy to explain the competitive field of executive recruitment.

"The 'sweet spot' of your corporate leadership is in the 35 to 45 (age) range," he said. "Your heavy hitters are in that age bracket."

According to recent studies, birth rates will force the number of people in that age range down by 1 percent every year for the next 15 years, he said. So while the majority of corporations want executives with at least 15 years of experience, they might look to other age groups -- like young dot-com executives or older Fortune 500 "warriors" -- and offer greater incentives to lure top-seeded players, he said.

There are other challenges for executive recruiters in today's corporate market. Executives are reluctant to relocate, Gerevas said, choosing to live and work in the same community rather than commuting to other counties or states.

CEO-level salaries are on the rise, too, he said. A healthy economy coupled with the aforementioned supply-demand ratio means executives are getting bigger bucks for their expertise, Gerevas said.

While executives aren't always willing to change geographically, they're apt to make more job changes in pursuit of a greater stake in the game, he said.

"Ten years ago, your corporate CEOs might have made three job changes in a career," Gerevas said. "Today it's more like five."

In another decade, that number could climb to seven job changes in a career, he said. Common rules of courtesy keep job swapping from getting sticky for executive recruitment firms, he said. For starters, a person placed in a company by a recruiter can't be solicited for placement in another company by the same recruiter, ever.

At the same time, if Gerevas places an executive with a company and they leave for another job within a year, Gerevas guarantees he'll find a replacement for little or no cost. He says the difference is Heidrick & Struggles works on retainer rather than contingency.

"That's part of the reason we get such repeat business," he said, noting corporations often entrust his firm with several searches at a time because of the security offered. "We don't have to go in and learn their corporation because we already know it."

The range of companies seeking executives in San Diego has changed in recent years, he said. Aerospace firms have dwindled in the region, at the same time local technology companies are clamoring for executives able to take them from startup to IPO. The changing job market is part of what convinced Heidrick & Struggles that San Diego was an ideal branch location. "The firm considers this a valuable investment," Gerevas said of the San Diego office. "We love working for these clients; the timing is right."

While his company values the location for economic reasons, Gerevas' love of San Diego has more to do with lifestyle. Here, he can run half-marathons with his two grown children, golf at the Rancho Santa Fe Golf Club, and spend time with his wife of 34 years, Rosalie. (She, incidentally, is president of San Diego's chapter of the **Susan G. Komen Breast Cancer Foundation**.)

"This job kind of blends avocation with vocation," Gerevas said. "I'm at a point where I can enjoy it."

"I think a lot of the joy right now, having been a leader, is being able to work with the leaders of this town."

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#### **Just The Facts**

**The Organization:** Heidrick & Struggles Inc.

**The Boss:** Ronald Gerevas, managing partner, San Diego office

**Employees:** 6

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