# Guide to the Interview of a Business Entity's CEO, CFO or General Counsel

by Joseph Capital Management, LLC ◆ Revised May 1, 2009

Transactional attorneys, certified public accountants, and business consultants are often called upon to develop new business through an initial interview with a closely held business and/or mid-size business entity's owner, chief executive officer (CEO), chief financial officer (CFO), or general counsel. In this guide, Joseph Capital Management, LLC suggests a different approach to the interview – one focused upon relationship building and truly understanding the needs of the owner or corporate officer.

**Adopt the Mindset of a Fiduciary.** It begins with a mindset. The business entity's owner, CEO, CFO, or general counsel (herein referred to as the "executive team") wants to know that the outside legal counsel, CPA firm, and/or business consultant (herein all referred to as "advisors") are *on their side*. In other words, the executive team desires that all advice given will be undertaken with the best interests of the company in mind, not the needs of the outside advisor for additional billable hours.

For example, a good question for legal counsel to ask at the inception of a case is whether the matter is worth litigation, considering the time commitments required of executive officers and other strains upon the company that such litigation may entail. Advisors may also inquire as to what level of comfort the executive team requires with the advice provided – *i.e.*, is getting the "99% certain" answer with extensive work really required when a "90% certain" answer will suffice. Every advisor should seek to determine the importance of any project and assist in weighing its costs versus potential benefits. Demonstrated commitment to the best interests of the business entity will always lead to more work in the long run for the professional advisor, and a deeper, long-lasting and more rewarding relationship with the executive team.

**Work as a Team – Especially with Executive Officers Who Report to Others.** The executive team desires to know that the advisor is working with them to serve the same client – the business entity. Moreover, executive officers who are not the CEO or business owner desire to always perceive that the advisor is in no way angling to undermine the executive officer's position in the company. In essence, executive officers who are required to report to the CEO and/or business owner desire the outside consultant to become a member of a team, with the executive officer. While integrity of the advisor must always remain paramount, team members should seek to help increase each other's credibility with the business people the team serves.

**Suggest Outside Consultants.** No one advisor can serve all the needs of a business enterprise. The best advisors recognize this fact, and seek to work with a business entity's other advisors and consultants. Where you believe it is appropriate, other advisors or consultants may be recommended to the executive team.

**Recommend a "Comprehensive Risk Assessment."** Often executive team members don't realize the risks to which they, or their business entity, may be exposed. Nor are they always good at prioritizing which risks should be addressed first. When you ascertain an executive team responding to challenges and risks in an *ad hoc* fashion, and after you have established credibility, consider a "comprehensive risk assessment" be conducted. Such a comprehensive review often uncovers risks which may bring forth *personal* exposure for the executive team – such as the increasingly fertile area of claims against retirement plan fiduciaries. Be certain to map out how you will conduct such a review, and bring in additional professionals (CPAs, attorneys, actuaries, investment advisers, insurance consultants, etc.) when necessary or advisable.

**Interviewing a Member of the Executive Team.** Imagine your first meeting with one or more members of the executive team. You may represent a law firm seeking to assist a business entity as "outside counsel." Or you may be seeking an engagement for tax planning, business succession planning, and/or other consulting services. You should approach this initial conference as an opportunity to forge a long-term relationship with the executive team member(s). Rather than tout your (or your firm's) accomplishments and expertise, approach this initial conference from the mindset that you are interviewing the company. Please note that success of the initial meeting can be measured by many factors. One is that you are able to keep the executive team member(s) talking 60% or more of the time, while keeping your own time speaking in the meeting to 40% or less. A 2-to-1 ratio of listening to talking, from your perspective, is preferred.

*Step One – Check Out the Business and the Executive Team Member(s).* The first step for any meeting is being prepared. A wide variety of tools exist to check out a business entity, and/or its executive team members, and you should avail yourself of many of such tools in advance of the meeting. In this way, you will lessen your need to ask questions of a basic nature and the meeting can progress quicker into deeper issues. Moreover, you will have demonstrated the sincerity of your interest in the company. Occasionally the initial investigation may also uncover facts which may cause you to rethink whether you desire to be engaged by the business entity at all.

- *The business entity's web site* should be stop number one. Scan the web site, paying particular attention to biographical sketches of key personnel. Seek an understanding of the business and its products and/or services. Lastly, evaluate the business entity's web site – if you were a potential customer or client of the business, would you be attracted to the company based upon what you have read?
- *ZoomInfo.com* and *XING* are vertical search engines focused on people, companies, and the relationships between them. Use this free search tool to seek out the history of the company and the personal history and interests of the executive team members with whom you will be meeting. Then use *Twitter, Facebook, and LinkedIn* – social networks – to see if your target is "connected" – and to whom they are connected. Consider e-mailing or calling "contacts" of the business entity or executive team to ascertain their character, service quality, etc. Also check out prospects on *Facebook* and *MySpace* – both are especially useful if you are interviewing a younger candidate for your services.
- *LexisNexis* is a paid service, used in many law firms, that provides an additional means of intelligence gathering.
  - LexisNexis® Dossier delivers easy-to-read profiles of nearly 35 million companies worldwide and information on 1,000 industries to your desktop in just seconds. It can help you identify potential new clients for your firm, understand a company's brands and trademarks, access detailed financial and recent litigation information, and more.
  - LexisNexis® SmartLinx is a powerful investigative tool that delivers comprehensive summary public records reports establishing logical connections between persons, locations, and businesses. It combs through billions of public records with a single search; finds names, addresses, phone numbers, and other information; and connects this data to appropriate people, addresses, and businesses.
- *Court Records Search.* A search of the court records for information about the business entity, especially if you are serving near the business entity's headquarters, can provide you with key insight into how the business entity deals with its people, customers, and vendors. It may also alert you to pending litigation involving the company. Many state court records are available for free through the clerk of the court in the county in which you search.
- *Dun & Bradstreet* provides a basic credit report on a company for $60, and a more detailed report for $160. Consider this if the size of the business entity's engagement of your firm is likely to be great, and/or if the billing terms require any delay in billing (*i.e.,* non-retainer engagements).
- *A "Google Search"* is likely to be your final step, not only for the business itself but also any key suppliers of the business and competitors. Look for recent articles written about the company. Also look for articles written by members of the executive team, and activities in which they have been involved.

***Step Two – Arrive on Time, Confirm the Time Available, and Confirm Confidentiality.*** This guide will not address the precursors to the meeting – such as how to "get your foot in the door," or the ways to confirm a meeting. You may desire to confirm the meeting with a letter, perhaps correspondence enclosing information about you or your firm (*if* you possess a quality, professionally produced firm brochure). Needless to say, arriving on time (or better yet, five minutes early) to the location of the first meeting is essential. (Simply put, arriving late is a demonstration of disrespect.)

Always thank the executive team member for his or her time, and confirm how much time exists before the meeting must conclude. And be certain to end the conference at the appointed time. Again, respect the executive team member's time – even if the meeting begins late due to no fault of your own.

Before proceeding into the subject matter of the meeting, assure the executive team member(s) that any information shared in today's meeting will be held in strictest confidence. While this may be assumed if you are an attorney, it bears repeating. Other professionals may desire to present a written letter assuring confidentiality of the conversation (subject to certain legal process, in the absence of available privileges).

***Step Three – Ask the Right Questions.*** There are many ways to begin a conversation, and asking permission to ask a few questions is a great first step. Have these questions printed out for your reference. As answers are given, take appropriate notes. Your goal will be to develop a "client profile" – of both the business entity and the executive team member(s) before you. (You've already developed part of the profile in Step One.) Consider asking "key questions" first, and then delving into questions to better understand the person before you. Then delve into how the client desires to be served.

Key questions are addressed first, customizing each inquiry to fit the business or person and what you already know:

- *What does the success of this company mean to you, personally?* (As answers are given, it is appropriate to delve into the details. For example, if the answer is "a secure job," ask "*What does a secure job mean to you?*" and so forth.)
- *What is your biggest obstacle for you, personally, in assisting the company to achieve greater success?* (Again, delve into the answers.)
- *Where does the greatest strength of this company flow from?* (Seek out factors that tend to drive the success of the company forward – such as key personnel, a pleasant working environment, adequate capital to pursue initiatives, etc.)
- *What are the major obstacles facing this company?* (Delve into the answers somewhat, especially as they may affect your work or in areas in which you can lend assistance to overcoming those obstacles.)

Relationship-building questions then follow. You can display your knowledge of the company, or the executive team member's history or personal interests, here.

- *I noticed that you (were promoted, were hired) into this position about ___ years ago. Is that right? How has that time gone for you, and how do you feel about your role in the company right now?*
- *Has your work for the company lived up to your expectations?*
- *What do you envision for your future with the company?*
- *If a doctor told you that you had five years to live, and during that time you would be as healthy as you are now, what would you like to do or accomplish, both here at the company and in your personal life, for you to have no regrets at the end of your life?*

Service-related questions then follow:

- *Could you please describe for me your relationship with previous (outside counsel, tax advisors, consultants, etc.)? What was good about them? In what ways did they disappoint you?*
- *How often do you like to personally meet with (outside counsel, etc.)? What methods of communication do you prefer? Phone conferences? E-mails? Facsimiles?* Ascertain if e-mail is a preference, which is more prevalent as a form of communication in many business organizations than it is in law firms. On the other hand, for older executive team members, e-mail may be viewed as impersonal, and in-person conversations or telephone calls may be preferred.

***Step Four – Provide Candid Answers.*** The executive team member(s) may desire your answers to these questions at any time. Don't delay in your response. You should be direct and candid in your answers. Some sample language follows. These answers should be well-rehearsed, and should be expressed with confidence about your ability to add value to those companies you agree to accept as clients. An air of confidence, but not arrogance, is desired.

- *My firm and I are looking to establish relationships with a select number of companies, to serve as their (outside counsel on __________ matters / tax consultants / business consultants / investment advisers / etc.).*
- *Our firm provides ________________.* Note - you should have an "elevator speech" – a short one or two sentence description of the services offered by your firm, which you should be able to provide to anyone in a well-rehearsed manner.
- *Our fees are _______________.* (Speak clearly and directly, maintaining eye contact). *We pride ourselves on adding value on each and every project to which we provide assistance.*

***Step Five – Ascertain the Follow-Up.*** As the time approaches for the conclusion of the interview, thank the executive team member(s) for their time and inquire if a brief follow-up meeting can be scheduled, to answer any questions which may arise.

***Step Six – The Thank-You Note.*** Always write a hand-written thank-you note *immediately* following the conference, and mail same with a commemorative stamp.

**In Conclusion.** We hope this guide provides you with several insights you can employ in business development for your own practice. As personal financial advisors and investment consultants, our firm provides select clients with fee-only, fiduciary personal financial services. Working with other professionals, we seek to form wealth management teams to address the needs of high-net-worth individuals, executives, and closely held business owners with holistic, comprehensive and coordinated planning. Should you desire more information about our firm, please feel free to contact one of our advisors. *Thank you.*

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