



Relocation Not an Option for Many Execs Caught in Mortgage Crisis

#1 Question in Executive Hiring Today: “So, Is Your House Underwater?”

Cleveland, OH – August 11, 2009 – Paying relocation expenses has long been a benefit that companies offer when asking executives to uproot their lives and move to new areas. Today, according to Brad Westveld, Partner at executive recruitment firm ON Search Partners, otherwise highly qualified candidates are missing out on major career moves because companies can’t afford to buy out houses that are worth less than the mortgages owed.

Budget Director Peter Orzag commented in a television interview recently with Charlie Rose that a slowdown in relocations is a factor in high unemployment rates nationwide.

“If a mortgage is underwater,” says Westveld, “the company won’t buy it and the candidate, no matter how good, can’t move. Smart hiring managers and recruiters are figuring out that the most important question to ask a candidate is something no one needed to push just 18 months ago. Asking about the mortgage has quickly gone to the top of the list of questions asked very early in the interview process.”

Westveld noted that executive recruiters have always asked whether candidates had children in high school or spouses with transferrable jobs. “Disruption to kids nearing graduation and spouses in good jobs of their own was often balanced by the new company’s willingness to ease the financial and logistical burdens of a major move. We’re seeing less and less of this, a direct result of the mortgage crisis.”

Westveld noted, “Good talent that could help companies build strong teams is stuck on the sidelines. For now we advise companies that we will be asking the mortgage question upfront. It’s a waste for all parties if a candidate goes down to the wire and ends up disappointed because no one asked the one question that could have made all the difference.”

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