

Engineering the Great Escape

Moving from one job to another en masse isn't just for bankers anymore.

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From "haunted" velvet paintings to Britney Spears's used gum, there's never a shortage of oddities up for bid on eBay. But item number 3868319541 was something extraordinary: "An award-winning, clear-thinking, bottom-line-focused creative-services organization is now immediately available to rock your bottom line," read the ad from a team of PeopleSoft employees who'd lost their jobs in the Oracle takeover. The catch? They wanted to be hired as a group. "We are a creative team that's ready to plug and play."

The stunt was unsuccessful--the highest bid was \$108--but it reflects an emerging reality: Employees like to stick together, and increasingly, companies are looking for plug-and-play teams, too. The practice of "lift-outs," or recruiting a team all in one gulp, has long existed in fields such as financial services and law. But Joseph Daniel McCool, editor-in-chief of *Executive Recruiter News*, believes we'll soon see an uptick in lift-out attempts elsewhere as employers, especially those in technology, health care, and advertising, try to grow nimbly. Early examples include intranet software firm Mindbridge's recent grab of eight software developers from a competitor and Interpublic's successful hire of 17 employees, en masse, after they left rival ad giant Saatchi & Saatchi.

Boston-based employment-law attorney Steven Manchel, who also has seen a surge of interest in lift-outs, warns that even if explicit noncompete agreements aren't in place, most states could consider group recruiting unfair competition. "What the law says, basically, is that the company that built the team and funded the team gets a fair shot at keeping the team."

That said, a successful lift-out can yield big results. When commercial real estate firm Studley wanted to build up its San Francisco office, it approached Steve Barker, a former employee. But Barker made it clear that his success was due largely to a team-based approach, rather than real estate's typical renaissance-man style. So Jacque Ducharme, a Studley vice chairman, hired six people instead of one. He doesn't regret it: Since Barker's team came on board in April, Studley's list of active prospects in San Francisco has doubled. "People are working in teams," says Ducharme, "so you've got to recruit them in teams."

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