

The Real Business is You: the F&F Career Environment

Flavor and fragrance job opportunities in a slow recovery



In an interview conducted in mid-2008, Richard Panzarasa, president of recruitment firm The Panzarasa Group, described the flavor and fragrance job market as “pretty healthy.”¹ Today, following nearly two years of staff reductions and spending cutbacks resulting from the global economic crisis, he might be more likely to describe the current job market as “cautiously resurgent.”

Panzarasa's clients encompass a range of industry professionals, including perfumers, flavorists, sensory evaluation staff, manufacturing, sales, marketing, R&D, new product development, chemists, toxicology and regulatory. Today, he says, these candidates face a unique paradox. “There are positions that are open to be filled. The market both in flavors and fragrances is a lot more robust than during the last six months of last year. Possibly several companies put off hiring until this year, mainly because 2009 was not a good year for anybody. The positions are there. There are quite a few.” But are candidates willing to make a move?

Flavors Steady

“The flavor and food market continues to be pretty stable,” says Panzarasa, echoing recent industry trends. “With the economy being the way it is, people are certainly doing a lot more cooking at home, eating a lot more fast food. Restaurant attendance is down, and that impacts a lot more of a certain type of food going into homes.” In fact, the National Restaurant Association's (www.restaurant.org) 2010 Restaurant Industry Forecast predicts a slow recovery for that industry throughout the year, with sales rising 2.5% to \$580 billion this year, or essentially flat when adjusted for inflation. “Obviously that helps the flavor side of the business,” Panzarasa continues, “and that's probably why so many technical positions are open. Companies are always looking for new delivery systems, new ways of attracting the consumer.”

“In flavors I'm seeing a lot of technical positions, ranging anywhere from food technologists to flavorists to people involved in innovation. And then, depending on the companies, there are requirements for highly specialized technical people that might have expertise in very specific areas.”

“Overqualified: That's a word that really disturbs me. Are you going to hire a person that's under-qualified? We're in a different world today. Overqualified may not be a bad thing. In situations like that you might get a good value.”

-Richard Panzarasa

Resurgent Fragrance

“What I have seen this year is that fragrance companies are a lot more active,” says Panzarasa of the hiring environment. Despite that fine fragrance is still challenged, he adds, “Business is coming back a little bit. Primarily what I see is movement in sales, evaluation and perfumery, and some in technical.”

“The fragrance arena continues to consolidate noticeably, and we're just continuing to lose companies,” he continues. “I would venture to say that in the next two years we're probably going to see another two or three fragrance companies that will be purchased. That is probably true also for flavor companies, but there are so many more flavor companies than fragrance companies, so I think it's going to impact on the fragrance area a lot more. This is what concerns me.”

Meanwhile, he says, “The bigger companies are getting more and more involved with the bigger manufacturers, the bigger clients.” In its first-quarter 2010 report, Symrise noted that its sales with major customers rose 13% (local currency), totaling 30% of group sales. This, of course, was due in part to its presence on key customer core lists. Givaudan cited similar trends in its first-quarter 2010 results, which cited “a number of new wins with key accounts.” For full-year 2009, Givaudan noted that 56% of fragrance sales and about 31% of flavor sales were derived from its top 10 customers. “These are clients that have two, possibly three sales people on a single account,” says Panzarasa. “That reflects the nature of the competitiveness. [Core] lists are very important in the fragrance arena. If you're a bigger company and you don't make a list, that hurts.”

While the bigger companies do have small divisions that pursue smaller manufacturers, Panzarasa believes the segment remains the best environment for smaller fragrance companies. “Small fragrance companies can turn around faster; they give much more personalized service, etc.,” he says. “There are some small houses that can deliver to a client within a week.”

Uncertainty Makes Positions Difficult to Fill

In the wake of ongoing industry consolidation and cutbacks, it remains extremely difficult to fill new and emerging flavor and fragrance positions. “One would think there would be a lot of quality people out there available,” says Panzarasa. “For some reason this is really not always the case. Since January I have had a large number of assignments. Some of them have been very direct, simple—still, it’s very difficult to find these people.”

Panzarasa explains that consolidation and the economic shakeup of the last couple of years has left people craving security over new opportunities at new organizations—even when the salaries are higher. “It’s more difficult to find the candidates [this year]—much more difficult. They’re somewhat reluctant to move. A lot of people are afraid they’re going to join a company and it will be sold. Despite the fact that there are a good number of employees out there who are not happy, it follows that old adage: the devil you know is better than the devil you don’t know.” He adds that this shift in outlook will likely be long-term. And, in some more extreme cases, Panzarasa even sees candidates leaving the industry altogether. “I don’t know where these people are disappearing to, but it’s amazing the number of people that are leaving the industry.”

This reluctance and uncertainty extends, surprisingly, even to quality candidates who are currently out of work due to industry cutbacks. “It is not their fault that they’re out of work,” Panzarasa says. “The funny thing is that some of the people who are out of work may be reluctant to join a company where the same fate might befall them again. It makes for an industry that’s between a rock and hard place. You’re getting the opportunities, the assignments, you can identify the people—it’s a question of getting the people to make the move.”

For some clients, Panzarasa has advocated personnel searches in tangential industries—especially for sales, marketing and technical hires. “You can attract people from other industries. The flavor and fragrance industry still has ... a certain cache. If you get someone from the pharmaceutical industry they get very excited about being in the flavor or fragrance industry.”

However, he says, “A lot of clients are reluctant to do that and I think it’s a mistake; I believe we need to bring in fresh thinking and replenish. People are retiring, leaving the industry.” He adds that he often finds that flavor and fragrance candidates have come from outside of the industry, meaning there are employers out there willing to take a chance on an outside talent. “If you have a technical person who is skilled and has the proper education and experience and has worked [for example] on polymers, there’s no reason they can’t work on extractions. Give them six months and they’ll get up to speed if they have the

proper attitude and are committed. The skill set is already there. It just has to be redirected. If you give me a good salesperson, they can sell almost anything, within reason. If that salesperson has been successful in another area, especially if it’s tangential, they can make the relationships reasonably quickly. Marketing is the same thing.”

The current economy has affected the flavor and fragrance industry in ways similar to other industries, leaving some candidates unemployed for long periods of time despite strong professional bonafides, technical skills and even degrees. Aside from the economy, says Panzarasa, these professionals suffer from the *o* word. “Companies sometimes get afraid that a person is overqualified,” he says. “That’s a word that really disturbs me. Are you going to hire a person that’s under-qualified? We’re in a different world today. Overqualified may not be a bad thing—especially if the interview process is transparent and they both know what they’re getting into. They [the candidate] can bring a lot of value. In situations like that the employer might just get a very good deal.”

Job Searches in the Digital Age

The age of interconnected digital social media is changing the way some seek jobs or job candidates. For instance, some of the larger finished goods houses have established Web sites for job postings. However, that often proves ineffective, says Panzarasa, with candidates essentially sending a resume into the void, never to be heard from again. “I’ve had more than one story of a person who has sent in a resume and not heard a thing,” he notes, “not even, ‘We’re not interested’ or ‘Your requirements don’t meet our specifications.’ Nothing.”

Meanwhile traditional job Web sites are losing the battle against social media outlets. “In my opinion,” says Panzarasa, “Monster (www.monster.com) has absolutely almost disappeared. I’ll put key words in a search looking for a person and I’ll come up with three people. Or I’ll come up with 50 people and it’s only because the word is somewhere in their resume, but they have nothing to do with what I’m looking for. Monster is being tremendously impacted by LinkedIn (www.linkedin.com).”

Even then, he continues, “The resumes that are put on LinkedIn or those that are putting it on the Web site of whatever [industry] organization they belong to, that’s not really meeting with a whole lot of success, either. Part of that is that if the recruiting is done directly by the company, they just don’t have the time to go through five or six different Web sites, so that’s not very productive.”

No matter what option a candidate might use, even a recruiter, Panzarasa warns of the ravages of desperation. When candidates “shotgun” their resumes around the industry, he says, “That in effect takes them out of the game. And when dealing with a recruiter, they have to have an understanding that their resume should not be shopped [around] and they should tell the recruiter that they be advised of every potential opening and that their resume can be sent only with their approval. I’ve had to drop candidates because I found out they went to a recruiter and their resume was sent to a company we may have been interested in. I am not saying that a candidate should only

work with one recruiter but he/she must take responsibility for monitoring their activities. This same candidate may have also sent his resume on his own to several companies; I can't help them. The company will come back to me and say, rightly so, 'We already have that resume.' I'll just look closer and try to send a better match than the candidate who sent his resume direct. There are the simple things people forget and I understand it. If you're out of work or you're unhappy there's a little bit of desperation. And you have a tendency to overreact."

While candidates are being resourceful and employing their own contacts during job searches, Panzarasa finds himself receiving increased traffic. "I'm getting a lot more calls from candidates, both employed and unemployed, and their rationale is if they're being represented by someone they have a better chance of securing a position than if they just send in their resume blindly." Many companies are passionate about the caliber of candidate they're seeking, he adds, particularly in an industry that ably reflects the old cliché: this is a business of relationships. "It stands to reason that the person who spends the most time ferreting out [suitable candidates] is a professional recruiter, because even the companies' in-house recruiters have many other responsibilities. They just don't have the time."

The Future

"I really do believe the economy will slowly recover," says Panzarasa, adding, "I think the worst may be over." Similar to the stock market, he says, there is a significant amount of money "on the sidelines."

"People are afraid to invest," he says. "Candidates are afraid to leave their company. There's a parallel. It's an interesting time right now with a lot of opportunities. Once things begin to loosen up—once we really see a light at the end of the tunnel and the unemployment rate drops and home prices begin to stabilize—I think we're going to see more opportunities. I think there are going to be some companies that are going to take this as an opportunity to upgrade."

As business picks up, he continues, the industry will require more salespeople, which over time will create a need for more support people among manufacturing staff. "It all leads then to another perfumer, another flavorist," he says. However, these job candidates are facing a new post-crisis reality. "Those huge offers we used to see [from companies]—there are some controls now. It's all part of the economy. Everybody is trying to save money. I think that a lot of these runaway salaries may slowly be coming to an end."

Economist Theodore Levitt once said, "Your career is literally your business." Panzarasa subscribes to this sentiment: "That goes for everybody, whether you're in the flavor, food or computer business. You can't be lackadaisical. The real business is you."

References

1. J Gleason-Allured, The F&F Job Market, *Perfum & Flavor*, 33(6), 40–43 (2008)

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