Is 2011 a Year of Opportunity for F&F Jobs?

The economic and jobs recovery, impact of core lists, in-demand expertise, advice for prospective employees and employers, and more

n the words of Richard Panzarasa, CEO of executive search and consulting firm The Panzarasa Group, 2009's flavor and fragrance job climate "was a disaster." Gradual improvement came only as 2010 financial sales results returned to pre-recession levels. "As we head into 2011, there is some caution," he says. "On the same token, I think everyone is looking at [this year] as being a bit more robust."

Panzarasa believes several key companies will make significant personnel additions this year. "In many cases it's because they [the company] made a customer core list and they have to get people who know how to service these new clients." In addition, he says, "I see both the small and midsized companies making some headway—there are a lot of opportunities developing." At the same time, he warns, "More [jobs] are moving away from fine fragrance. This could mean companies are looking at rebalancing their portfolios. I also think we're going to see people let go because the market is going in a different direction. To be in that market you've got to put your resources there."

Who's in Demand Now

In recent months, growth in technically oriented positions has shown strength, compared to marketing and sales positions. "There was definitely an uptick in demand for perfumers and flavorists, regulatory, and R&D in both flavor and fragrance," he says. "That also spills over into ingredients, primarily for technical and sales. Some of the raw material companies are getting more sophisticated and bringing in technical people who help the sales effort. They're going out with the sales person and explaining [to customers] how to use the materials more efficiently." Knowledge of the market continues to be an indispensible asset for the successful job seeker, he continues. No matter the size of the company, Panzarasa says, "Experience is very valuable. When companies are hiring for a position, they're looking for knowledge, experience, contacts.

"The two pronged key to our industry is access and perception. When companies hire people, what they're asking is, 'Does this person really have the access that they need for whatever we're hiring the person for, and if I hire them, what will be the perception of the client

they're going to be handling?' If they do hire this person, will the perception of the company be enhanced? Those are the things smart managers look for."



In addition, potential employers are considering the stability of a candidate's work history. "They're asking, Why did they leave their last company?' If there's a good reason, that's fine. We're a very mobile industry." Companies, he notes, are also examining candidates' past accomplishments. "What did you actually do? The company wants to have some sort of assurance that this person will produce for them—almost to the point of estimating the measure of what that person will do for the company over a year or three years." Today, he adds, team players are more attractive than ever. "That's getting more and more important," says Panzarasa. "Even in a big company a prima donna could really upset a section of the company." Panzarasa notes that the companies to which he brings clients are increasingly focused on energy, enthusiasm and positive attitudes. "That's what makes winners. If you have a winning attitude, the fact that you're not [perfect] doesn't mean a thing. It's the attitude that could help carry the day. If you have two people who have equal aptitude, I'd hire the person with the better attitude."

Available Talent

The impact of the recent turbulent economy on the flavor and fragrance industry has resulted in quality candidates remaining unemployed for extended periods. "Why are some people out for a year or more?" Panzarasa asks. "On one hand, I can say I don't have a clue. On the other hand, I look at the resumes of some of these people and, while we are in a mobile industry, sometimes [a candidate] has been

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with one company too many. Their particular expertise may be required by that grouping of companies that they've already been to. That eliminates them in many cases from consideration."

Another issue, he says, is corporate culture shock. "Sometimes, we're finding people cannot relocate from larger companies," says Panzarasa. "The reason for that is that those candidates only have a certain number of companies that might be interested in them. The mid-sized and small companies are very reluctant to bring in someone from a large company because the culture is so different and they're really afraid that that person from

the larger company will be highly specialized and used to having assistants and working with [large-scale] resources." (See

Effect of Scale.)

Meanwhile, Panzarasa notes the divergent ways in which age and experience can affect a candidate's career opportunities. "Some of the people we might be talking about might be 50 [or older]. And while my personal feeling is you're getting a lot more experience, somebody who knows the industry, a lot of knowledge, sometimes companies don't see it that way. On the other hand, we find that a lot of early retirees are being called back to service. So we have two sides to that story." With a more experienced employee, of course, comes a higher salary, which can narrow prospects. On the other hand, Panzarasa sees a need for growth in a new generation of flavor and fragrance professionals. "This industry is getting older," says Panzarasa. "That is a major problem in our industry. We are a graying industry. Take a look the next time you go to one of our affairs. There are a lot of mature people there. I think management, without saying it, is looking to young people." While some candidates find new positions difficult to find, others who are currently employed may be reluctant to engage in a job hunt, even when better opportunities present themselves. To some degree, this is due to the instability of job security. "Our whole industry has become very corporate, and many of the

companies are now public," says Panzarasa. "They've got to make their bottom lines for the shareholders. We all know there are companies that will have contingency plans and have identified people who they're going to let go, should the numbers not be there. This is something that happens depending on how the economy and that particular company fares. The funny thing is that within a year that same company might be hiring people back. We've seen that. That's been true with all of the major players, especially those that are public: they'll let people go to satisfy the numbers and when they start getting healthy again they start to hire back."

Effect of Scale

Of course, company needs, career opportunities and required level of specialization vary based on the scale of the organization involved. Top-tier companies, Panzarasa says, are affected by relentless competition. "They have to make sure the others aren't gaining a leg up on them," he says. "You can't be content; you always have to strive. These companies have already reached beyond critical mass, and their challenge is to keep the numbers coming. These companies are beginning to look at smaller niche companies that might help them where they think they might have a void, rather than buying a large company and putting themselves in a less desirable position for organic growth." For companies to remain competitive in the flavor and fragrance industry's top tier, it is crucial to get on key customers' core lists, profoundly shaping job opportunities. "The big companies are very aware of each other mainly because there is so much at stake," says Panzarasa. "Much of that has to do with core lists. What is company A doing to gain business? What should we be doing? What are we missing?' Companies have to know why they're successful or why they're not successful, draw conclusions from that and try to make themselves the best. Each one is trying to portray a personality different from the others. In the [top-tier], they have done just that. Each one is known for a different culture.

"If I were to pick the one area that is most precarious, it would not be the perfumer, flavorist, food technologist, fragrance technical person, sensory or marketing," says Panzarasa. "It would be sales. They have a tendency to exclude interests or involvement in anything that doesn't impact their core client. The good news is that sales personnel at these large core-listed companies are usually higher salaried," says Panzarasa. "Their [relative] value to the company is greater; they're in a very special situation." What's the drawback? As stated, that employee's expertise can be narrowed in service of his or her clients. If the company is for any reason excluded from a core list the next time the customer conducts its supplier review, employees directly tied to that customer account are suddenly in jeopardy. "Your value to the company is now tremendously decreased," says Panzarasa. "If that person is dismissed, who's going to hire them? Possibly the company that replaced [the candidate's] former company on the core list. However, if that new company has prepared properly, they've already hired someone. Now this person's value is starting to slip." Panzarasa adds that this type of employee may not be attractive to a medium-sized company because of the tightly focused nature of their expertise. He adds that the caveat, as always, is talent: "If this person is good, they might grab them up anyway.

"The big companies have a unique situation," says Panzarasa. "They have the luxury of going out of the industry to get talented people. They can afford to let that person ramp up, especially with entry-level positions." On the other hand, he says, "The drawback is they need to hire people from other big companies because they become so specialized that a general-

ist won't really help them. Their market is smaller in a sense. This is why the big [companies] are constantly looking at each other. Of course, there are exceptions to all of that, but in general you will find that a salesperson, a perfumer, a marketing or evaluation person goes from company A to company B because the [hiring] company needs that expertise at that time." Panzarasa notes that there are other factors driving growth in the industry's largest companies. "I do see a more robust marketplace next year. Big companies will fare well because they've expanded into markets all over the world. There's going to be a continuation in strength in consumer products—air fresheners to skin care to shampoos to detergents—everything that's categorized as a consumer product." Meanwhile, the needs of small and midsized companies are radically different. "There aren't many midsized companies left, but they're in the best position. They have an organization in place, but they are equally open to hiring someone from a small company, because they need people who are still willing to roll their sleeves up, are energetic and might have a multidiscipline. At the same time, the culture shock is not as great if they hire someone from a large company, especially if they're thinking of having that person call on one or two accounts. There are enough resources so the person from the big company won't necessarily flounder. We've had situations this year where [midsized companies] have made some hires from big companies. So far it seems to be working out quite well. They've hired from smaller companies and that's worked out. The midsized company—even though there are fewer of them compared to the large and small companies—have the best of both worlds.

"Small companies need people who can wear several hats," Panzarasa continues. "They need 'extreme generalists,' people who are not afraid to roll up their sleeves and have a reasonably good grasp of the overall marketplace. They need people who work well in a group since there is more dependence on one another. Each person in a small company does make a difference. You're looking for someone with a good attitude, with multi-experience perhaps someone who's worked on the finished goods end or someone who was an evaluator and now does sales." However, he says, "The one thing the small company will [generally] not entertain is someone from a large company for exactly the reasons I mentioned. They are reluctant because people from large companies are much more accustomed to working in an organized setting, to having assistants, and having much greater resources. The management of smaller companies is fearful that these people will not fit into their culture, will not be able to move quickly enough, nor will they have the ability to solve problems other than what they actually [specialize in]."

Advice for Job Seekers

"Whatever [the candidate's] position is, even if it's inside—much of evaluation and marketing are inside—I would definitely make sure they're building themselves a network," advises Panzarasa. "If you're known and

respected, that word gets around. I would certainly join and attend events sponsored by some of the more important societies in your expertise. You have to be part of the industry. This is not the kind of industry where you work 9 to 5 and go home. It is a living, breathing, social industry.

"Most of all, when putting together a resume, include measurable accomplishments. Too many times the resume focuses on the duties one has performed and fails to separate [the candidate] from the other resumes that will be reviewed. I would have people look at their resume and see if it's becoming too singular, too specialized. As you're progressing you have to bring along several skill sets. Then, as you become more of an expert in the industry, you probably will become narrower, an expert in certain areas. On the other hand, you may want to remain with a small company in which case you have to continue to have your finger in several areas and know several markets. I would tell candidates: Look ahead five years. What do you want to do? Who do you want to be? Then, you begin to fashion your career that way.

"If you're going on an interview and you're interested in that company, make sure you do your research. I've been very impressed with some candidates who really did research on companies. And don't you think the people who interview them were equally impressed? If you like the company, don't be afraid to tell them 'I'd love to work here.' People who think they're going to get an extra thousand, two thousand, five thousand dollars because they're

playing hardball—'Well, I don't know'—you have to know the manager's thinking the same thing: 'If this person does not seem to be very interested in my company, am I making the right hire?' If someone is [enthusiastic], saying 'I want to work here' ... that makes it easier to hire you."

Advice for Potential Employers

"Too many employers take their time," says Panzarasa. "Here's a case where absence doesn't make the heart grow fonder. If a company is looking for a flavorist, they should get onto that search and finish it. Once they start dragging things out and interviews have been completed and there's really no feedback—or there is feedback and time goes by because [people] are traveling—the candidate is going to begin to lose interest. More good candidates have been lost because other companies have swooped in and hired them in the middle of an interview process. Once you start it, finish it."

Finally, Panzarasa stresses the importance of a rigorous process. "I think that the companies have to take the time to thoroughly interview the candidate. A lot of times they'll look over a resume, but resumes are sometimes a real problem. Sometimes they may give the wrong impression to the person reading it."

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