



Case Study

Excel Communications, division of Teleglobe Inc., a BCE company.

Excel Launches a Challenging eCommerce Initiative

This case study describes how EF&A executed an in-depth executive search for the acquisition of a Vice President, eCommerce Marketing.

The Telecommunications Industry

As a result of the Telecommunications Act of 1996, this industry has become highly fragmented with players of every size and description participating. Mergers, acquisitions, product bundling and aggressive market penetration techniques are the order of the day. Internet eCommerce has become a necessary medium through which companies battle for market share, product introduction and awareness, and customer loyalty and retention.

A Profile of Excel Communications

The company, headquartered in Dallas, TX, is a \$1.8 billion division of Teleglobe Inc., a subsidiary of BCE (TSE: BCE), formerly Bell Canada, and now Canada's largest communications company. Excel's roots date back to 1988 when founder Kenny Trout built a telecom reselling company, utilizing network marketing similar to Avon & Amway as the distribution channel. After a rise to \$1B+ in sales, the company was acquired by Teleglobe Inc. in 1998, and serves as the primary marketing and sales channel for the parent company. Teleglobe recently merged with BCE in November 2000. Through a network of 600,000 independent representatives in the U.S., Canada and the U.K., Excel provides subscribers with a full range of telecommunications and eCommerce services.

A core initiative of the company is to develop a Web-based platform designed to integrate on-line sales with the existing direct sales channel. The primary focus is enhanced market penetration and increased revenue through new customer acquisition, improved customer retention and, most importantly, the cross selling of multiple telecom products and services, as well as non-telecom consumer products and services.

The Challenge

The goal of Excel's senior management was for this groundbreaking initiative to represent approximately one-third of the company's future revenue. Significant consternation existed relative to the potential negative impact on its existing direct sales channel with the introduction of an aggressive Internet initiative, which could be construed as threatening by the field force. Rather, the company saw this eCommerce channel as an opportunity to drive Excel's revenue and provide the independent representatives with increased commissions.

Our client needed a Vice President, eCommerce Marketing who could launch this initiative and successfully integrate eCommerce into their current distribution channel. This leader need be a creative thinker and strategic guru who can design, deliver and manage a marketing strategy that would be the cornerstone of the company's Internet initiative. They sought someone with a very unique combination of experiences: 1) a deep functional knowledge of the direct sales distribution channel; and, 2) a demonstrated success in consumer driven eCommerce marketing. This individual would be looked

upon to provide strategic thinking, highly creative solutions and dynamic management to drive the success of this essential entry into the eCommerce arena.

The EF&A Solution – *The Human Capital Valuation System*SM

Epsen, Fuller & Associates conducted an extensive nation-wide executive search which provided a slate of four (4) superior candidates, each of whom demonstrated past performances that ideally met the objectives of Excel. The following details the execution strategy:

- Human Capital Needs AnalysisSM
 1. Identify and detail the “*optimum performance profile*” focusing on core skills, competencies and critical objectives to be accomplished in the position;
 2. Analyze Excel’s complex culture (corporate versus entrepreneurial);
 3. Deploy the **McQuaig System™ Job Survey** to identify the “*ideal behavioral attributes*” of the highly successful individual in this position.

- Engage the EF&A Research Department
 1. Strategize selected industries that likely contain companies with similar channel challenges as they pertain to an Internet initiative;
 2. Select specific companies that have business or support units that contain initiatives in which our target candidate will be located;
 3. Utilizing EF&A’s proprietary database, extensive network of contacts and guerilla sourcing, succinctly identify an initial pool of candidates.

- Engage the EF&A Recruiting Department
 1. Make contact with prospective candidates to ascertain their professional core skills and competencies; look for *past performance indicators* as they pertain to Excel’s *critical performance objectives*;
 2. Gauge the candidate’s interest level and availability to entertain a career change and/or relocation;
 3. Through knowledgeable and enthusiastic marketing of Excel’s opportunity, pique’ the candidate’s interest level and acquire concurrence to proceed with the process.

- Conduct Interviews to Develop Slate of Finalists
 1. Utilizing a multiple conversation strategy, employ EF&A’s *past-performance “Airline Captain” interviewing technique* designed to ascertain the degree of skill and competency fit for Excel’s position;
 2. Continue interview process focusing on *behavioral attributes* that match Excel’s requirements.

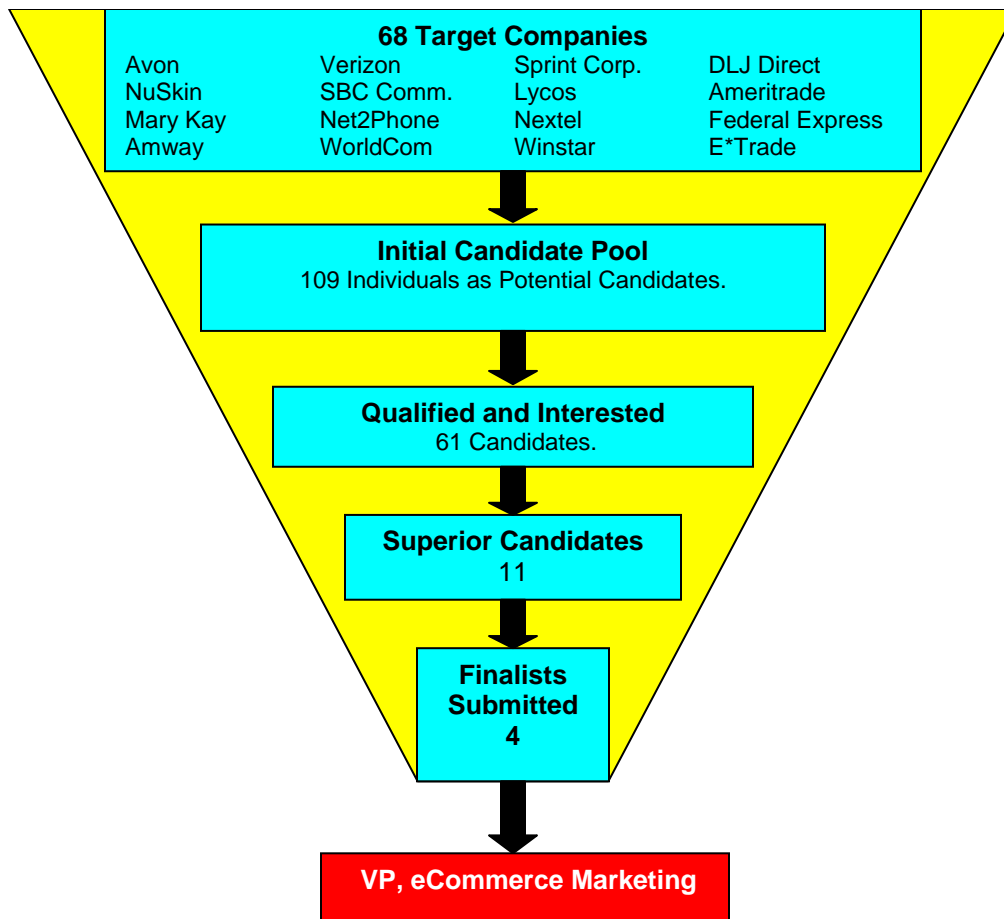
- Candidate Evaluation & Recommendation of Finalists
 1. Develop and submit written candidate dossiers with EF&A’s assessment and recommendation;
 2. Deploy the **McQuaig System™ Word Survey**; submit reports and interpret results of each finalist’s *behavioral assessment*;
 3. Conduct in-depth reference interviews and background checks.

- Facilitate Offer, Negotiation and Acceptance of Selected Candidate

The Results

The data derived from the Client Needs Analysis resulted in identifying several target industries. They included network marketing (particularly those with an eCommerce initiative), telecommunications, brokerage and financial services with an online presence, and other large enterprise concerns with huge consumer transactions. Sixty-eight (68) target companies led to an initial candidate pool of one hundred and nine (109) individuals. This group was reduced to sixty-one (61) candidates whose skills and competencies appeared to be a match to our search. Tele-interviewing refined this number to eleven (11) candidates with whom EF&A conducted full face-to-face interviews. Epsen, Fuller & Associates submitted a slate of four (4) finalists, each of whom had superior qualifications and the ideal behavioral profile for our client.

Initiate Research by Strategizing Multiple Target Industries & Companies



Excel’s Assessment of EF&A’s Search Process

“I’m extremely happy with the slate of candidates that have been brought forward. Each of them has excellent backgrounds and demonstrated performance relative to what we are looking for. They were researched and presented in a very professional and timely manner. Epsen, Fuller & Associates has worked with us through every turn and has demonstrated an in-depth knowledge of our business challenges, and the ability to recruit candidates that meet our demanding criteria.”

Kevin Pennington, EVP, Administration