

Job Seekers Go Undercover to Check Out Employers

More Senior Executives in a Range of Fields Pose as Customers to Get Uncensored Looks Before Taking on Leadership Roles

By JOANN S. LUBLIN

More executives are transforming themselves into "mystery shoppers" to scrutinize potential employers during these uncertain times.

Such senior managers pose as customers to visit stores, dealers, distribution centers or Web sites. Applicants say the visits help them gain uncensored looks at staff, service and product quality. Some corporate boards encourage the practice for prospective hires.

Sleuth Tactics

What applicants should look for when 'secret shopping' at a potential employer:

- Evidence that management tries to retain key employees
- Clues to staffing problems, such as employees doing two jobs or fearing layoffs
- Opportunities that would play to your strengths, such as motivating people
- A sense of how workers and customers view the quality of its products

Source: Dory Hollander, president of WiseWorkplaces in Arlington, Va.

Stealth visits by job seekers, long popular among retailers, are spreading to fields such as banking, restaurants and manufacturing, recruiters say. Nearly half of 1,145 U.S. executives secretly went to locations of a potential employer while pursuing a management position since 2005, concludes a recent poll for The Wall Street Journal by BlueSteps, an arm of the Association of Executive Search Consultants in New York. Among those who made visits, slightly more than half said their experience was a determining factor in deciding whether to accept an offer.

"Executives are now much more aware of the liabilities, both legal and reputational, if they don't adequately 'kick the tires' before taking on a new leadership role," says Peter Felix, the association's president. He expects more executives to make such visits as the economic downturn deepens.

Before accepting the chief executive post at H&R Block Inc. last summer, Russ Smyth pretended to request help at six offices of the Kansas City, Mo., tax-return preparer. At each location, he recalls, he asked employees about their qualifications to handle his return and was impressed with their expertise.

Posing as a customer helped Scott Wine land the CEO spot at Polaris Industries Inc., and get going fast. The former United Technologies Corp. executive joined the Medina, Minn., maker of snowmobiles, all-terrain vehicles and motorcycles on Sept. 1.

Mr. Wine had little experience with a business that relies on retail dealers, so he shopped at seven Polaris dealers between April and July. He says the visits confirmed his hunch that "Polaris was an innovative company with a strong customer focus." Dealers praised Polaris's emphasis on smooth rides and handling, for instance.

But Mr. Wine also saw troubling signs, including a salesman who offered vague, subjective reasons why a Polaris ATV was better than a rival's. "This would never have convinced me to buy a Polaris product," he says. He also found some smaller dealers reluctant to carry its Victory motorcycle line.

Mr. Wine was one of several Polaris CEO candidates who visited dealers before interviewing with the board's search committee. Directors urged the other hopefuls to follow suit because "we felt the more they knew, the better," says Greg Palen, the company's chairman.

Mr. Palen says Mr. Wine stood out because his visits helped him learn a lot about Polaris's products and "hit the ground running." Executive recruiter Peter Crist, whose firm Crist|Kolder Associates handled the search, says Mr. Wine "instinctively saw that the dealer network was a critical aspect and immersed himself in it."

Mr. Wine agrees that the visits helped him tackle problems quickly as a new CEO. For example, he has pushed for faster deployment of a new inventory-management system, partly because of comments from dealers who expressed concern about pressure to order a lot of Polaris items. He also is trying to improve the profitability of existing Victory dealers before adding many new ones.

Undercover shopping helps executives "uncover potential problems before signing on," says Dory Hollander, a workplace psychologist in Arlington, Va. She calls the tactic "basic career-change survival."

Some job candidates take mystery shopping to an extreme. Telisa Yancy, a marketing consultant in Canton, Mich., visited 23 restaurants before she accepted a newly created vice presidency at a national fast-food chain in August 2007.

"The visits told me there were ways to build stronger connections" with ethnic groups, Ms. Yancy recalls. She tried to apply some of these lessons after taking the job, by

launching a singing competition on the chain's Web site, for example. Ms. Yancy quit last February because she wasn't able to sell her home in Michigan.

Extensive sleuthing can't always prevent an executive from accepting what turns out to be the wrong job, however. One manufacturing executive called distributors and visited customers of a European industrial-equipment maker while considering a post as its North American president in 2006. The candidate also drove by the parking lot of the company's U.S. headquarters to see how many employees worked late.

After accepting the job, he realized that the glowing customer feedback largely reflected the manufacturer's discounts, free samples and stable prices. He resigned this past summer.

Nonetheless, the executive believes that secret shopping is a useful, if limited, tool for job seekers. "You cannot uncover closely held inside information from the outside without exposing yourself," he says.

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