

Search firm targeting H.R. execs

BY JIM HAMMERAND
STAFF WRITER

One of the Twin Cities' largest executive search firms is going after a new quarry: human-resources leaders.

The owners of Minnetonka-based McKinley Group Inc. plan to open a new recruiting company, McKinley Human Resources Inc., next month, diversifying the firm into a booming field.

Tony Sorensen, a McKinley owner, will lead the new venture with the help of two seasoned HR headhunters.

CJ DuBé, one of the founders of Minneapolis-based Oberon, will be a strategic partner. Dina Simon, formerly vice president of a region spanning from Minnesota to Texas for Express Employment Professionals, an Oklahoma City-based staffing firm, will be managing director when the business launches Oct. 10.



Simon

McKinley HR's niche will be finding experienced human-resources managers for temporary and permanent positions at corporations.

The firm will target businesses with revenues between \$500 million and \$5 billion, placing contract professionals at hourly rates ranging from \$70 to \$250, and permanent managers at salaries from \$100,000 to about \$250,000.

"There isn't a lot of competition that is focused specifically on this HR niche here in the Twin Cities or Minnesota at large," Simon said.

The owners are projecting revenue of \$1.5 million to \$2 million for 2012 and at least \$4 million a year after that. They hope the company will grow to 20 employees in its first year.

Sorensen called the business pipeline the strongest he's ever seen, and said he's cautiously optimistic.

McKinley HR's sister companies under the same ownership already provide placement services for managers in sales, marketing, information technology, engineering and consumer products through McKinley Group, technology consultants through McKinley Consulting Inc. and finance and accounting professionals through McKinley Finance Inc. Together, they had \$10.98 million in revenue last year.

"There's a huge opportunity in this market to bring another offering to executives who are out looking for the right talent," DuBé said.

McKinley recruiters are regularly in touch with human-resources executives, many of whom are clamoring for this kind of service, Sorensen said. "This year more than any year,



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CJ DuBé, left, and McKinley Group co-owner Tony Sorensen are two of the leaders behind McKinley's effort to expand its executive-search business into the human-resources segment.

MCKINLEY HUMAN RESOURCES INC.

Business: **Contract and permanent human resources executive placement**

Founded: **2011**

Owners: **Paul Beard, Chris Ohlendorf, Kurt Rakos, Tony Sorensen**

Headquarters: **Minnetonka**

Managing director: **Dina Simon**

Web: **mckinleyhr.com**

(November launch)

when we've been in front of large clients, they're asking if we are doing HR. When the opportunity came to partner with CJ and Dina, it just made sense to get in the game now."

The new offering could protect McKinley's portfolio against another recession, but is also timed to take advantage of signs of economic weakness that have potential clients wondering if now is the time to hire.

"Companies have been so lean. ... They've cut, cut, cut. When they expand, the first thing they're going to do is hire strategic consulting contract people," Sorensen said.

Other Twin Cities recruiters and staffing providers also say they're cashing in on client

demand for human-resources needs.

The consulting side is "really starting to skyrocket" at Oberon, which provides HR executives for contract interim work, said Craig Dexheimer, director of operations and administration at sister company Salo.

Oberon would not disclose its revenue, but Managing Director Ann Ruschy said business has grown above pre-recession levels this year.

"It's been a great year for our consultants and clients," she said. "The organizations that will succeed in any economy are those that have the talent to get the work done."

At Robert Half International's Minneapolis office, demand for human-resources personnel is making that division one of the Menlo Park, Calif.-based staffing firm's fastest growing. The local human-resources staffing team has doubled in size over the past 12 months and continues to grow, said Jim Kwapick, Robert Half's district director for Minnesota, Iowa and Nebraska.

Many businesses didn't need recruiting executives during the downturn. But companies that cut are hiring again, focusing on work force engagement and human-resources departments to boost productivity.

"There clearly is demand, there's no doubt about that," Kwapick said.