## LEVEL 5

PARTNERS

"Always-ON-Hiring"<sup>™</sup> and Recruitment as a Service (RaaS)

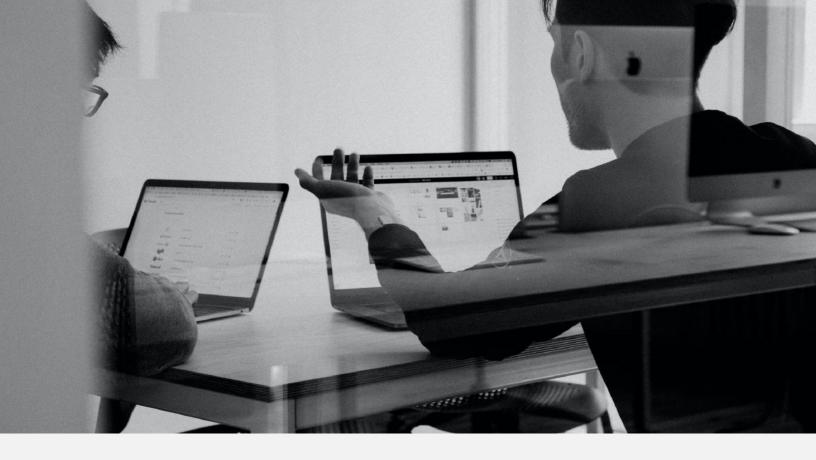
## Category Creation

How AI, behavioral science, and data management obsoletes traditional search.

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# Creating A New Category

Leadership acquisition becomes continuous, intelligence-driven, and permanently managed by the client.

## Always-ON-Hiring<sup>TM</sup>

"Until AI, this model was impossible. Today, it's inevitable."



Category creation is the process of transforming a market where no competitor currently operates — not by improving an existing model, but by replacing it with a fundamentally different one.

### Introduction



For 50 years, executive search has been a reactive act — triggered by vacancy and powered by networks. Al now makes continuous leadership mapping possible.

The industry has reached a breaking point.

For decades, retained search has been episodic, reactive, and dependent on networks and timing: a search begins only when a vacancy appears, candidate pipelines disappear when the engagement ends, and the intellectual property of talent remains with the firm, not the organization.

Executives regularly express a recurring frustration with traditional firms: Partners tend to source from their micro-networks — the same companies, the same candidates, the same leadership pools recycled across multiple searches.

Historically, leading firms have not been required to deeply understand the client's culture or operating environment before presenting candidates; instead, they begin with who they already know. Résumés are circulated based on familiarity, not fit. Cultural alignment is assumed, not assessed. But in today's environment — where leadership impact, agility, and organizational chemistry determine outcomes clients are no longer obligated to accept a narrow, network-centric view of executive talent. With Always-On-Hiring™, (Explored further with Phase I) Al-driven market intelligence expands visibility far beyond a consultant's Rolodex, while behavioral and cultural calibration ensures that candidates are aligned to how the organization truly works. Clients are no longer limited to the candidates a Partner happens to know - they gain access to the leaders the business actually needs.

This paper introduces a new operating model—powered by TalentGenius and delivered through Level 5 Partners—that shifts leadership acquisition from a transactional activity to a continuous, intelligence-driven capability. Through "Always-ON-Hiring"™ (Phase I) and Recruitment-as-a-Service (Phase II), organizations gain real-time access to leadership talent, behavioral precision in selection, and permanent ownership of their talent pipelines.

This paper introduces a new operating model—powered by TalentGenius and delivered through Level 5 Partners

### **Todays Reality**



### Leadership pipelines should not turn on only when someone departs

Executive recruitment has historically operated as a reactive, episodic process — initiated only when a vacancy appears and dependent on external firms to restart the effort each time. In the current environment of cost pressure, leaner organizational structures, and heightened performance expectations, companies can no longer afford to pause and reboot talent acquisition with every leadership change.

Organizations are becoming flatter, and leaders are now required to be both strategic and operational — able to influence without hierarchy and execute without layers of support. This shift raises the bar not only for the leader, but for how leadership is identified.

## Client expectations are evolving accordingly:

- Organizations are demanding value, transparency, and predictable economics not just process.
- CEOs, CFOs, and CHROs expect cultural and behavioral alignment, succession visibility, and long-term pipeline thinking — not a résumé transaction.
- Search firms must evolve from sourcing partners into strategic advisors who apply technology, assessment, and leadership intelligence

### Why Now?

Al collapsed the hiring cycle from episodic to continuous.

Organizations are flattening headcount, eliminating layers of management, and demanding higher-order leadership talent — faster than ever. In that environment, hiring can no longer start when a vacancy appears. It must begin before the need exists.

For the first time, Al makes that possible.

- All automates the sourcing grunt work that used to take months
- Real-time talent data replaces stale networks and name-generation lists
- Continuous pipelines eliminate dependency on search firms owning the candidate pool

Until AI, "Always-On Hiring" was impossible.

Now, starting from zero is indefensible.

For the first time, it is possible to continuously map the market, understand behavioral fit, and maintain active leadership pipelines

### **Category Creation**



Level 5 Partners is creating a new category within the executive search industry called "Always-ON-Hiring™"

Category creation is the process of transforming a market where no competitor currently operates — not by improving an existing model, but by replacing it with a fundamentally different one.

Just as the pandemic forced every consulting firm to become virtual overnight, AI is now equalizing access across executive search. Every firm now has similar sourcing tools, similar databases, and even similar candidate visibility. Access is no longer a differentiator.

The new competitive advantage is not who can find candidates, but who can rethink the operating model entirely.

Al has flattened the playing field — vision now separates the leaders from the followers.

Category creators don't compete within the market — they redefine it.

They see a future no one else sees, and then build the path that others will eventually follow

While traditional firms are adding AI to preserve a decades-old retained search model, Level 5 is moving in a different direction — transforming leadership acquisition into a continuous, intelligence-driven capability called "Always-ON-Hiring™.

- · We are not improving the search process.
- · We are eliminating the need to restart it.

Always-ON-Hiring™ marks the creation of a new category in executive search — where companies no longer rent pipelines from vendors, but own a permanent leadership engine that never turns off.

Visionary leaders go first.
Followers will eventually claim they saw it coming.

Always-On-Hiring<sup>™</sup> (Phase I)  $\rightarrow$  Recruitment-as-a-Service (Phase II)

AI equalized access Vision now determines the winners

Category creation is the process of transforming a market where no competitor currently operates — not by improving an existing model, but by replacing it with a fundamentally different one.

### **Breaking The Mold**



For the last 50 years, executive search has been structured around a simple equation:

A vacancy occurs > the search firm begins the search.

- · Every engagement starts from zero
- Every candidate slate is temporary
- Every insight stays with the vendor

Workforce reductions and budget compression are pushing companies toward predictable, subscription-like talent costs rather than episodic fees tied to individual placements

The traditional retained search model is poised to collapse under the realities of modern business. Organizations are flattening management layers — with **Gartner reporting a 25–35% reduction** in middle management — and prioritizing leaner operating structures. Workforce reductions and budget compression are pushing companies toward predictable, subscription-like talent costs rather than episodic fees tied to individual placements. At the same time, AI platforms have eliminated the sourcing bottleneck: pipelines no longer require large research teams, but instead demand intelligent orchestration, behavioral calibration, and ongoing leadership alignment.

**72%** of CHROs say
their future recruiting strategy
depends on continuous
pipelines, not one-off
requisitions" - (LinkedIn
Global Talent Insights)

## Level 5 is building a different equation:

Level 5 commercializes leadership capability, not search transactions. Our model shifts executive recruiting from episodic, vacancy-triggered activity to a continuous, intelligence-driven capability that compounds in value over time. "Always-On-Hiring™" is not a marketing concept — it is the first operating model where leadership pipelines never turn off.

Some have related the approach to a Snowflake or ServiceNow with data. Level 5 is creating a new Category within Executive Search called "Always-ON-Hiring™", A Transitional Arc towards obsolescing search methodologies.

"Always-ON-Hiring"<sup>TM</sup> is not a marketing message. It is the first operating model where leadership pipelines never turn off

## Insight + Intelligence: The New Standard of Executive Evaluation

The New Standard of Executive Evaluation

Insight is understanding what success looks like inside the organization — not in theory, but in behavior. Level 5 identifies the organization's success DNA: how high performers think, influence, make decisions, and lead within the cultural context. This replaces "fit by intuition" with measurable indicators of cultural alignment and leadership impact.

Intelligence is real-time visibility into the external market. Through TalentGenius, leadership pipelines are continuously mapped, refreshed, and ranked against those same success criteria — creating access to leaders long before a vacancy exists.

- •Insight determines who should lead.
- •Intelligence reveals who can.

Together, they establish a new standard of executive search — one that identifies leaders who transform organizations, not candidates who simply match a résumé specification

"Transformational talent outcomes are not achieved through sourcing alone — they emerge from the intersection of insight and intelligence" "It requires two capabilities working as one"

## Internal Precision — Identifying how leadership succeeds inside your culture.

- Level 5 defines the success DNA: how high performers behave, decide, and lead inside the culture.
- Cultural skills snapshot

True leadership evaluation begins with clarity. Before external outreach occurs, we decode the organization's success DNA — how top performers think, decide, and influence, and which cultural attributes drive sustained performance. This replaces job description—based recruiting with calibrated leadership criteria grounded in behavior, impact, and context.

This reduces mis-hires by 40-60% in the first year, based on industry studies of behavioral selection vs. résumé-first hiring models

### Insight + Intelligence: The New Standard of Executive Evaluation

## External Intelligence — Real-time map of every leader who can succeed in it.

- Al now allows persistent leadership mapping across industries and geographies.
- The pipeline updates continuously not when a requisition opens.
- Al identifies the talent.
- Behavioral + cultural science selects the leader.

Through TalentGenius, we maintain real-time visibility into the leadership marketplace — continuously identifying, filtering, and scoring candidates long before a role is open. Insights aren't limited to who can do the job, but who is ready, relevant, and aligned to behavioral and cultural markers of success.

Without access to the right leaders, insight has no effect.

### Insight + Intelligence: The New Standard of Leadership Evaluation

INSIGHT (INTERNAL PRECISION	INTELLEGENCE (EXTERNAL VISABILITY)
Defines success	Finds leaders who match success
Behavioral + cultural calibration	Continuous AI-enabled pipeline
Reduces mis-hire risk	Eliminates start-from- zero searches

- Insight determines who should lead
- · Intelligence reveals who can

## How Level 5 Partners Is Changing The Operating Model





Phase I establishes the foundation: clarity on what success looks like internally, paired with a continuously refreshed view of external leadership talent. Through AI-driven market intelligence TalentGenius and behavioral science, we identify, evaluate, and engage candidates before a role opens, reducing time-to-slate and increasing alignment.

### **Core Components**

**X-Ray Diagnostics** — Deep discovery into the organization's current leadership reality: structure, decision patterns, and success barriers.

**Success / Failure Audit** — Analysis of recent hires to identify what accelerates success and what predicts mis-hire risk.

**Success DNA Archetype** — Creation of a behavioral and cultural profile of a high-performing leader in the organization (the "internal hero profile").

**Leadership & Board Alignment** — Ensures every stakeholder aligns to the same definition of success, criteria, and decision model.

**Cultural + Behavioral Scorecards** — Replaces intuition-driven selection with measurable indicators.

### What Changes in Phase I

- 1. Talent pipelines are continuously mapped and refreshed—not rebuilt when someone resigns.
- 2. Candidates are evaluated against behavioral and cultural fit, not résumé keywords.
- 3. All talent data becomes visible to enterprise, not a search firm's proprietary asset.
- 4. Traditional firms sell searches. Level 5 installs a process for growth.

### **Outcomes of Phase I**

- Continuous access to qualified leaders
- Behavioral precision reduces mis-hire risk
- Full ownership of talent pipelines, insights, and data assets
- Faster time-to-slate and stronger alignment with culture

**Always-On-Hiring™** turns leadership acquisition into a permanent capability — not a transaction.

**Outcome:** Continuous talent access + behavioral precision + owned leadership pipeline.

## How Level 5 Partners Is Changing The Operating Model





In Phase II — Recruitment-as-a-Service (RaaS), the leadership pipeline established in Phase I becomes an operational enterprise capability. Recruiting shifts from a search-firm-dependent model to an internal, always-on leadership engine, governed like a system with dashboards, KPIs, automation, and full client ownership of talent data. IT and HR co-manage the infrastructure, while Level 5 acts as the strategic intelligence partner—maintaining pipeline health, refreshing candidate slates, and applying behavioral analytics at critical decision points.

### Phase II: Recruitmentas-a-Service (RaaS)

Phase II accelerates the transformation. As enterprises adopt AI-driven sourcing, analytics, and pipeline intelligence, rather than recruiting will increasingly shift from HR to IT—because the capability becomes a system, not a department. In this future, HR leads the human experience, selection, and onboarding, while IT governs sourcing platforms, automation, data security, AI models, system integrations, and cost-center management. Recruiting becomes Recruitment-as-a-Service (RaaS)—a subscription-like enterprise function with dashboards, SLAs, KPIs, and data ownership—delivered internally, not outsourced.

Executive search firms will no longer be engaged to "find generic candidates"; they will focus on high-stakes, confidential, or strategically sensitive searches where discretion, influence, or specialized expertise is paramount. and apply behavioral science at critical decision points.

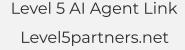
Transforms recruiting into an IT-governed enterprise service in a multi-phase build-out.

RaaS shifts talent acquisition from HR-reactive searches to an IT-governed system with automation, dashboards, SLAs, and full client ownership of every candidate, slate, scorecard, and assessment

Recruiting becomes an enterprise capability, not an HR event. As AI increases automation, corporate recruiting won't live solely inside HR

### **Outcomes of Phase II**

- IT owns the tech stack, integrations, data lineage, and security.
- HR owns experience, evaluation, hiring decisions, and culture alignment.
- Owned by IT + HR jointly
- KPIs and SLAs for every search
- Talent pipelines become enterprise IP, not vendor assets
- Recruiting becomes a managed service with SLAs, KPIs, governance, and dashboards.



## The Next 5 Years Will Create a Divide in the Industry



## Executive search is entering a structural split

Executive search is entering a structural split and we believe over the next five years, the industry will divide into two categories:

CATEGORY	LEGACY TRADITIONAL SEARCH	INNOVATION & AI- DRIVEN SEARCH
Economics	Pay per search	Pay for capability (subscription + outcomes)
Data ownership	Firm owns pipeline	Client owns pipeline + intelligence
Trigger point	Vacancy	Continuous readiness
Value	Résumés & relationships	Leadership intelligence &
Pace	Episodic / reactive	Always-On / proactive
Differentiator	Network	Behavioral science + AI + enterprise data

Legacy Traditional firms are built on a closed network model — returning to the same companies, the same talent pools, and the same familiar candidates. Their economic model depends on episodic fees and on owning the pipeline.

In the new model, companies no longer pay for the hunt — they pay for leadership readiness.

## The Next 5 Years Will Create a Divide in the Industry



Legacy firms are adding technology to protect the model

Level 5 rebuilt the model to replace it. We do not commercialize searches — we commercialize leadership capability.

Instead of restarting from zero every time a role opens, Level 5 is innovating to develop a continuous, intelligence-driven leadership pipeline that compounds in value over time.

Traditional firms will add new tools to the old model due to the inability to rapidly innovate; Level 5will replace the model entirely by combining behavioral insight — a deep understanding of what success looks like inside the culture (Phase I) — with market intelligence — real-time visibility to the leaders who can deliver that success (Phase II).

The result is a permanent leadership acquisition system, not a search transaction

### What's Driving the Split

MACRO TREND (2026)	IMPACT
AI-enabled efficiency	Sourcing and evaluation accelerate dramatically
Cost pressure & predictability	Episodic 30% fees no longer scale
Flatter organizations	Leaders must operate without support layers
Behavioral intelligence	Hiring shifts from résumé matching to performance prediction

## Trends - Implications Level 5 Response



TREND	IMPLICATION FOR INDUSTRY	LEVEL 5 RESPONSE
Al talent intelligence becomes table stakes	Search firms must embed AI + behavioral modeling	TalentGenius + behavioral analytics stack
Talent pipelines become enterprise assets	Data must move inside, not sit in vendor CRMs	Client-managed data ecosystem (Phase I)
Leadership roles become hybrid	Leaders must be agile & cross-functional	We source for digital-first, flatter orgs
Subscription models replace episodic fees	Fee-per-search declines	Annualized, capability-based pricing
Internal mobility + silver-medalist reuse	Speed + data reuse become differentiators	Always-On pipeline + internal reuse (RaaS)

## A New Category of Executive Search

- Predictability → Always-ON-Hiring<sup>™</sup> (Phase I)
- Scalability → Recruitment-as-a-Service (Phase II)
- Accuracy → Behavioral science + cultural alignment

We don't adapt to change – We are the change

## Where Traditional Firms Will Go vs. Where Level 5 Is Going

#### Traditional firms will continue to:

- Charge high episodic fees
- Protect the legacy model
- Recycle the same candidate pools

#### Level 5 will delivery:

- 40-60% faster time-to-slate
- ~55% Lower cost per hire

Level 5 isn't building a better search firm.We're building the future operating model of leadership acquisition

### Why Level 5 + TalentGenius



For decades, executive search has been defined by its limits: episodic, expensive, and dependent on network access. In an Alenabled world, those limits are no longer acceptable.

#### Level 5 eliminates them by delivering:

- Always-On market visibility
- · Behavioral and cultural precision
- · Client ownership of data
- Speed + leadership impact

Traditional search delivers résumés. Level 5 delivers readiness

### The Difference

Always-On Market Intelligence – TalentGenius continuously maps and updates the leadership landscape in real time. Where traditional firms start from zero with every engagement, Level 5 clients begin every search with an intelligent, living pipeline of pre-qualified leaders.

#### Behavioral & Cultural Science Integration -

Every engagement applies validated behavioral diagnostics (Hogan, DiSC) and cultural modeling to identify not just who can perform, but who will thrive within a company's operating DNA.

Client Data Ownership – Leadership pipelines, insights, and scoring models belong to the client. The intellectual property of talent no longer resides in a vendor's CRM—it becomes a permanent enterprise asset.

**Speed + Precision** – Al-assisted targeting and preexisting behavioral calibration reduce time-to-slate by 40–60 percent while increasing quality of hire and retention.

Scalable Enterprise Model – Always-On-Hiring (Phase I) builds the capability; Recruitment-as-a-Service (Phase II) operationalizes it as an IT-governed system with dashboards, KPIs, and governance controls.

**Behavioral & Cultural Consulting:** We integrate behavioral diagnostics (Hogan, DiSC) and culture frameworks into every search — not just senior roles, but every leader and key hire.

**Data Ownership & Intelligence:** Candidates, pipelines, scoring, and market maps are clientowned — turning talent data into an enterprise asset.

**Subscription & Scalability:** The Always-On model shifts from ad hoc search fees to predictable annual investment aligned with throughput and outcomes.

**Leadership for Flatter Organization:** We profile and source leaders who thrive in leaner, tech-enabled orgs — agile, cross-functional, behaviorally self-aware.

**Next-Gen Search Economics**: By delivering continuous search capacity, behavioral intelligence, and internal data reuse, we compress cost per hire and accelerate impact.

### **Closing Vision + Strategic Implication**



The future of executive search will not be built on transactions — it will be built on intelligence. While traditional search firms continue to sell individual searches and temporary bursts of activity, Level 5 Partners is designing a permanent leadership acquisition system: always on, always learning, always compounding value.

Level 5 Partners is designing a permanent leadership acquisition system: always on, always learning, always compounding value

By uniting Al-driven market visibility with behavioral science and cultural precision, organizations no longer wait for openings to begin recruiting — they build a continuous pipeline of leaders ready before the need arises. Your leadership capability becomes infrastructure rather than a reactive activity.

That means recruiting is evolving from a people process to a technology-enabled enterprise capability,
The question for forward-thinking companies is no longer:

"Who can recruit for us?"

Level 5 AI Agent Link Level5partners.net And this shift aligns directly with where CHROs and enterprises are already heading. Industry research shows that CHROs increasingly see AI, automation, and data ownership as strategic levers for talent and cost efficiency, while CIOs are being asked to govern the systems that power recruiting — integrating sourcing platforms, analytics, data security, and automation under IT standards. That means recruiting is evolving from a people process to a technology-enabled enterprise capability, and companies that adopt Always-On Hiring™ and RaaS will be the first to benefit from predictable cost, continuous market intelligence, and permanent ownership of their leadership data.

### Visionary Close

### It's:

"Who can help us build a leadership engine that never turns off?"

The future of executive search will belong to those who integrate technology, behavioral understanding, and enterprise ownership. Most firms are trying to protect their legacy. Level 5 is writing the next disruptive chapter in executive search.

Stop renting pipelines. Start owning leadership.

## Self-Assessment Grid: When to Consider "Always-ON-Hiring"



STRATEGIC DIMENSION	SELF-ASSESSMENT QUESTION	YES	NO	NOTES / ACTIONS
Talent Agility	Do we struggle to fill key roles fast enough to meet business needs?			
Search Starting at Zero	Every time a search begins, do we start from scratch with no pipeline carryover?			
Pipeline Visibility	Do we lack a proactive leadership bench (ready now / ready next candidates)?			
Leadership Data Ownership	Do external search firms prohibit candidate data dstribution?			
Predictability of Cost	Are episodic search fees unpredictable and hard to budget for annually?			
Behavioral Fit	Have we experienced mis-hires due to poor cultural/behavioral alignment, not skills?			
Market Speed	Are we losing candidates because our decision / hiring speed isn't competitive?			
Strategic Dependency	Are we too dependent on external partners for every leadership search?			
Future Readiness	Are we leveraging AI + talent intelligence as a strategic advantage?			
Al solutions	Considering or currently evaluating Al solutions for Talent Acquisition			
Mandates from current provider	Our current search provider will strongly encourage us to consider a short list of candidates,			

#### What it means:

0-2 "Yes" You are operating reactively but may not feel pain yet

3–7 "Yes" You are experiencing friction — Always-On-Hiring™ will create meaningful ROI

8–11"Yes" You're ready to move from transactions to a permanent leadership engine

## Self-Assessment Grid: When to Consider "Always-ON-Hiring"



### PRIVATE EQUITY

FINANCIAL DIMENSION (PE & CFO LENS)	SELF-ASSESSMENT QUESTION	YES	NO	NOTES / ACTIONS
Cost Efficiency	Are episodic search fees creating unpredictable or unplanned spend?			
EBITDA Impact	Would reducing hiring cycle time have a measurable impact on EBITDA growth?			
Speed to Value Creation	Does leadership vacancy slow down digital transformation, GTM execution, or integration milestones?			
Portfolio Scalability (PE specific)	Would shared leadership pipelines across multiple portfolio companies accelerate value creation?			
Data Asset Value	Would owning leadership pipeline intelligence create enterprise value (IP) rather than vendor dependency?			
Retention ROI	Is the cost of mis-hires and churn hurting financial performance?			
Al solutions	Considering or currently evaluating Al solutions for Talent Acquisition			

#### What it means:

- 0-2 "Yes" You are operating reactively but may not feel pain yet
- 3–4 "Yes" You are experiencing friction Always-On-Hiring™ will create meaningful ROI
- 5-7 "Yes" You're ready to move from transactions to a permanent leadership engine

## Self-Assessment Grid: Current Infrastructure



STRATEGIC / BUSINESS REASONS	YES	NO	NOTES / ACTIONS
We don't fully understand AI, and we do not want to add headcount AI is a a discussion for us, but today we don't know where to turn			
No internal recruiting team - Finance or an HR manager manages all aspects of recruitment			
Our Existing team is understaffed due to market conditions — "Always-ON Hiring" becomes force-multiplication			
We are planning for rapid growth or new market entry, in the coming months			
Private Equity demands speed + cost control -we are seeking a solution that maintains high quality, discipline, with costs we can budget for			
Leadership is concerned about our leadership bench. (proactive vs. reactive)			
Internal recruiting turnover risks — we need to plan for attrition			
We will have a requirement for multiple roles across multiple business units			
De-risks bad hires No process in place to assess departures			
We have several "Superstar" employees, and it would be nice to replicate them.			

# LEVEL 5 PARTNERS

## Learn More

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"In the months to follow, Level 5 will reveal how Always-ON-Hiring is redefining executive search.

Al made it possible. Our 25 years of industry research made it real."

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