

Pensions & Investments

\$12 An Issue / \$225 A Year

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The International Newspaper of Money Management

June 24, 2002

Ohio recruiter does well by sticking with public plans

WORTHINGTON, Ohio — Within the cut-throat competition of asset management recruiting, one small Ohio firm is carving a niche for itself.

Gary L. Hudepohl, president of Hudepohl & Associates, Worthington, has been focusing on filling the senior-level positions at public pension plans. **He has conducted 13 searches in the past 15 months and has three searches under way now.**

Mr. Hudepohl has worked with the \$7.8 billion Ohio Police & Fire Pension Fund and the \$50.5 billion Ohio Public Employees Retirement System, both in Columbus, and is marketing to more public plans, with a goal of increasing his retained client base from the current five clients.

He also hopes to attract two or three money manager clients, but not more, as he worries about conflicts of interests. **Many larger recruiting firms are limited in their ability to recruit from within former clients, a fate Mr. Hudepohl hopes to prevent by working with a small client base.**



Gary L. Hudepohl

Skeptical

Neil V. Toth, director of investments at Ohio PERS, said he was skeptical about using a recruitment firm at all. "I was skeptical of the value of a recruiter when we started our hiring project a year ago. We were spending a great deal of money to bring bodies in the door. The independence of a recruiter is important, especially for a public entity. We need to show that we are looking at all available candidates, internal and external," Mr. Toth said.

Not only was Mr. Hudepohl cheaper — with fees of 27% vs. 33% for the world's largest asset manager Russell Reynolds Associates Inc., New York, which competed for the PERS business — but he also was thorough in researching and interviewing candidates, Mr. Toth said. The system hired four senior investment staff members in the last year and has one position — for a fixed-income portfolio manager — left to fill.

While saving a few thousand dollars per search wasn't the main reason Mr. Toth decided to hire a smaller recruiting firm, after so many searches, the savings has been significant, he said.

"I think I'd be disappointed with a big firm. I wouldn't get the attention and service I have from Hudepohl. Gary has been worth every penny of what we pay him," Mr. Toth said. ■