

# Global Business & Industry Barometer

## First Half 2010



The Source for Global Corporate Leadership



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## Introduction

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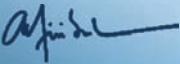
Top economists point to recent data to confirm the end of the world recession. However, most people believe that only job creation will herald the start of true global economic recovery. Signs are emerging that businesses worldwide may finally be looking beyond the prolonged economic crisis.

IMD International Search Group's most recent Business & Industry Barometer Survey indicates that competition for top level talent among businesses worldwide is increasing. Businesses are reacting to changing demands and competitive industry shifts, lifting hiring freezes and trying to lock up the best and the brightest talent.

One of the key challenges companies face as they turn to recruiting talent is the continuing reluctance of executives to pursue new opportunities. Concerns about market instability and the state of the economy are hindering executives from making a career change in the current environment. In many instances, guidance from a respected global executive search firm in the recruitment process gives candidates confidence to consider rewarding, challenging and lucrative new opportunities.

We hope you will find the results of this survey enlightening as you consider your company's talent acquisition needs in 2011.

Sincerely,



Albert Hiribarrondo  
President



TRUST

EXPECT

DISCOVER

TRUST

EXPECT

DISCOVER

## About IMD International Search Group

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Founded in 1972, IMD International Search Group ([www.imdsearch.com](http://www.imdsearch.com)) is a Top 20 global search organization with more than 40 offices and 150 consultants in major markets throughout the Americas, Asia-Pacific, Europe and the Middle East. Providing instant access to a world-class executive talent pool serving the global economy, IMD specializes in placing top-tier executives throughout the world and specializes in the areas of technology, communications and media, pharmaceutical and life sciences, consumer goods and services, industrial and manufacturing, as well as the financial and professional services.

IMD Global Office Locations:

Americas | Western Europe | Nordic | Eastern Europe | Middle East | Asia Pacific

## About the Survey

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IMD's Business Barometer for the first six months of 2010 is a survey conducted by IMD of its global partners representing 20 different countries from the Asia-Pacific (1), Eastern Europe (4), Nordic Europe (4), North America (3), South America (1) and Western Europe (7) regions. In some cases the sample size varies from one question to another because not all survey respondents answered every question. Percentages have been rounded to whole numbers, which may slightly alter the results.





## Executive Summary

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Responses to the Industry Barometer Survey have been organized into three sections – business outlook, demand and marketplace. In the first half of 2010, demand grew for top level talent across a wide business spectrum including Consumer Goods & Services, Financial Services, Technology & Communications and Transportation. In response, many of our global offices plan to hire more consultants to keep pace with demand.

While a positive outlook permeates the responses of the IMD global consultants who participated in the survey, and demand for senior executives and C-Suite leaders has grown dramatically during the first half of 2010, trends identified by the survey highlight continued economic concern and uncertainty and reluctance of executives to pursue new opportunities. Concerns about market instability and the state of the economy are hindering executives from making a career change in the current environment.

The good news is that top-level talent appears to be more willing to consider a career move than a year ago, particularly if increased total compensation would result. However, the image of the hiring company has also become very important, with candidates interested in ensuring long-term career growth.

## Business Outlook

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**The signs of economic recovery continue its positive trend with 68% of survey respondents projected increases when they compared actual revenue for the 1st half of 2010 against revenue for the previous two quarters (2nd half of 2009).**

62% of survey respondents have a positive outlook for executive search firms in 2010 up 11% from our Q4 2009 Global Business Barometer survey.

When survey respondents compared revenue for the 1st half of 2010 against the 1st half of 2009, 72% reported an increase.

When asked to compare revenue forecasts for the year 2010 against revenue during the total year 2009, 72% projected an increase in total revenue.

## Demand

The IMD global partners surveyed continue to experience an increased demand from their clients to acquire top-level talent. Reasons cited for this increased demand included reaction to the changing demands and competitive shifts in their industry (55%), the impact of companies lifting hiring freezes (40%) and companies hiring opportunistically (35%).

70% of global consultants noted increased demand for top level talent in the 1st half of 2010.

To meet the anticipated increase in demand 55% of survey respondents plan on hiring more executive search consultants by year-end 2010.

Survey respondents believed demand would be driven by the following industry segments:

|                                  |                                   |
|----------------------------------|-----------------------------------|
| Consumer Goods & Services (50%)  | Healthcare & Life Sciences (35%)  |
| Business Services (35%)          | Media & Entertainment (35%)       |
| Education (15%)                  | Not for Profit (25%)              |
| Financial Services (45%)         | Technology & Communications (45%) |
| Energy & Natural Resources (30%) | Transportation (40%)              |

## Marketplace

While there is a positive outlook about the global economic recovery, respondents cited executives are hesitant about making a career change. Concerns about market instability/state of economy were cited by 70% of respondents when asked what elements are hindering executives from making a career change in the current environment.

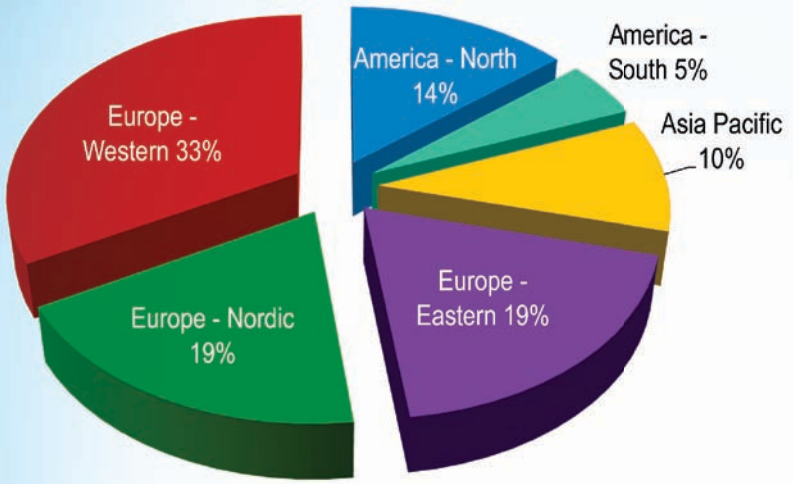
Even with continued high unemployment globally, 75% of survey respondents believe that acquiring top level talent remains difficult in spite of current economic conditions.

79% of survey respondents said that increased total compensation was the leading reason why a senior executive would consider a career move at the current time, compared to 63% who said a better role/more responsibility, and 42% who noted a better work/life balance and a dynamic management team, respectively.

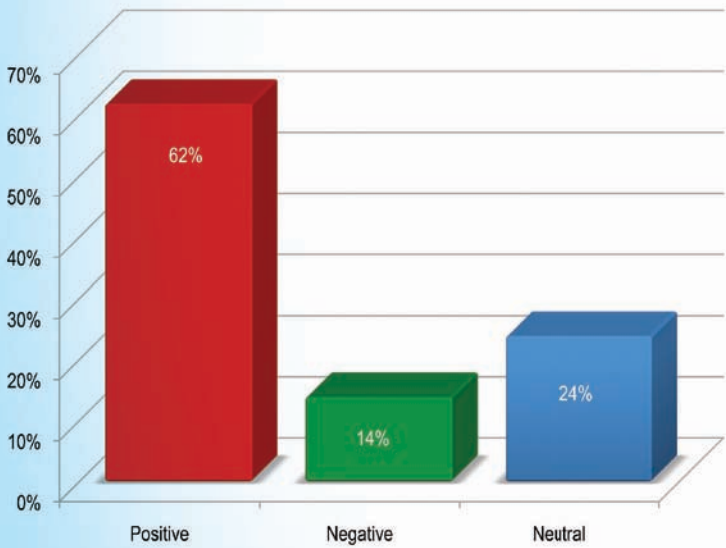
53% said senior executives will only consider a career move if there is exceptional financial gain and employment security offered at the new position.

# RESULTS

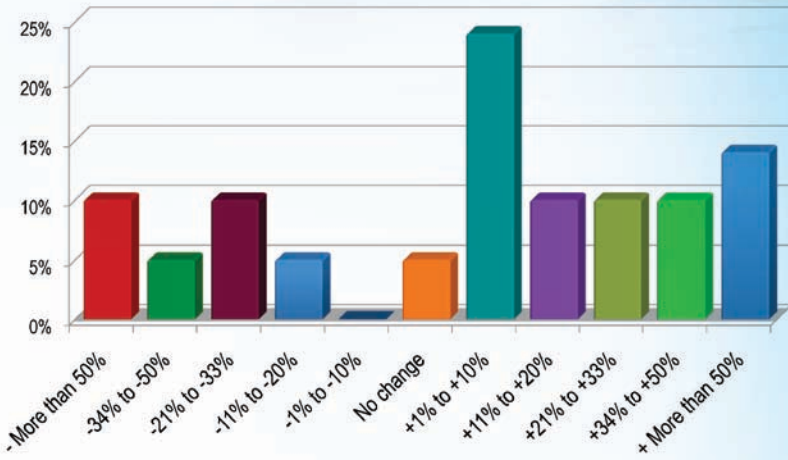
## What Region of Your Firm Located?



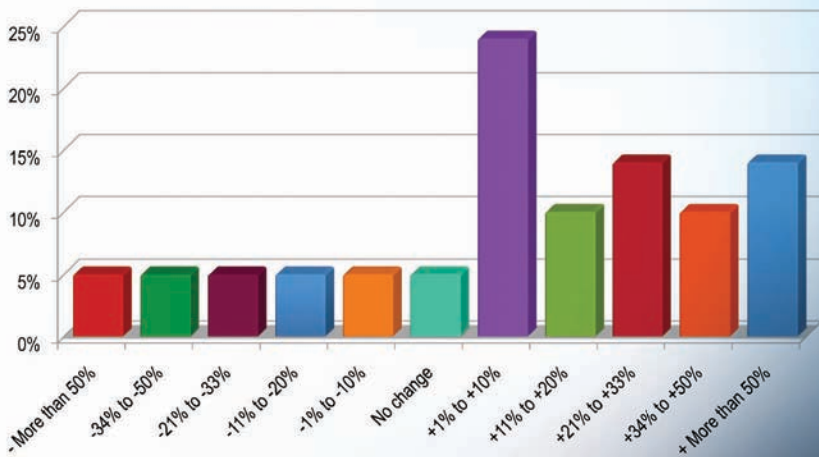
## Is your outlook for your executive search business for 2010 on the whole positive, negative, or neutral?



Compare your ACTUAL revenue for the 1st HALF of 2010 against the revenue of 2nd HALF of 2009. Did it INCREASE or DECREASE, and by what percentage?

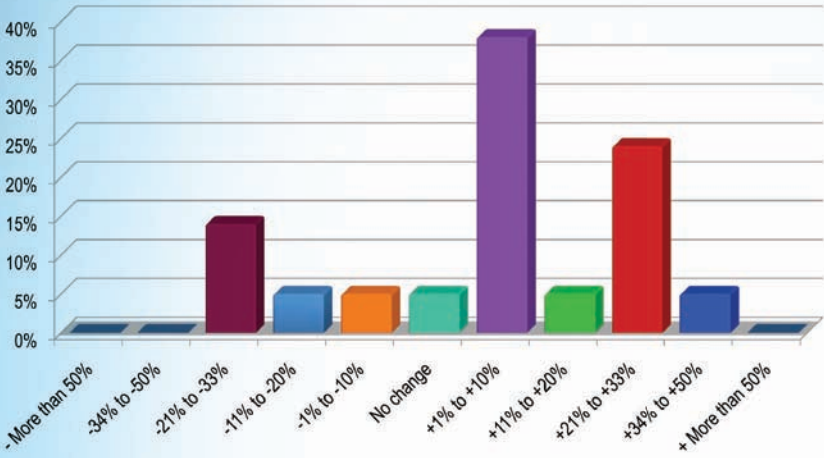


Compare your ACTUAL REVENUE for the 1st HALF of 2010 against the 1st HALF of 2009. Did it INCREASE or DECREASE?

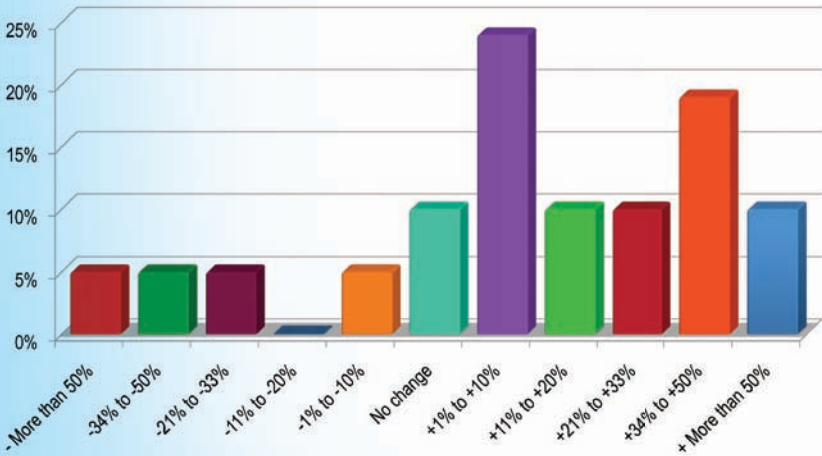


## RESULTS

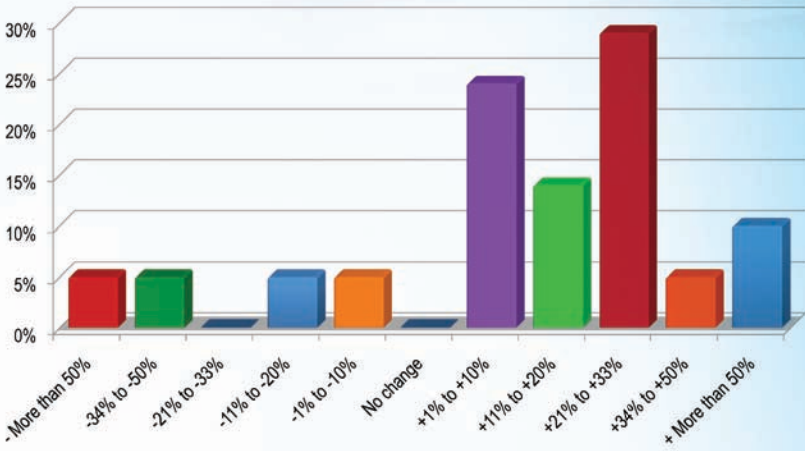
Compare your revenue FORECAST for the 2nd HALF 2010 against your ACTUAL revenue during the 1st HALF 2010. Are you expecting an INCREASE or DECREASE in revenues and by what percentage?



Compare your revenue FORECAST for the 2nd HALF 2010 against your ACTUAL revenue during 2nd HALF 2009. Are you expecting an INCREASE or DECREASE in revenues and by what percentage?



Compare your revenue FORECAST for the total year 2010 against your ACTUAL revenue during the total year 2009. Are you expecting an INCREASE or DECREASE in revenues and by what percentage?

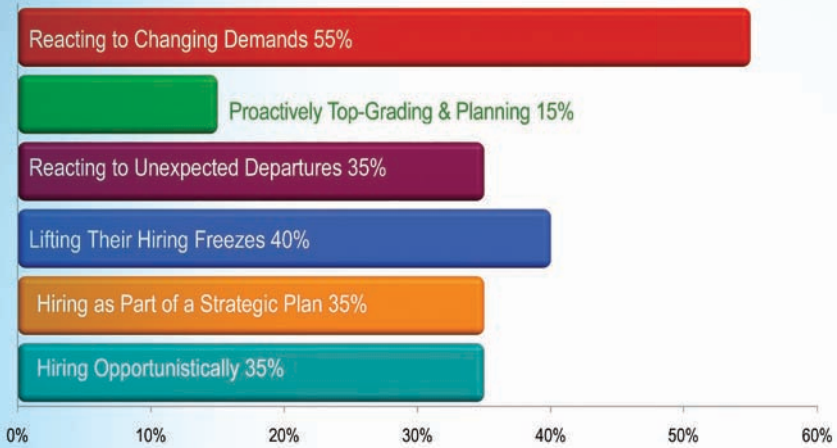


What are your firms hiring plans for the next 6 months?

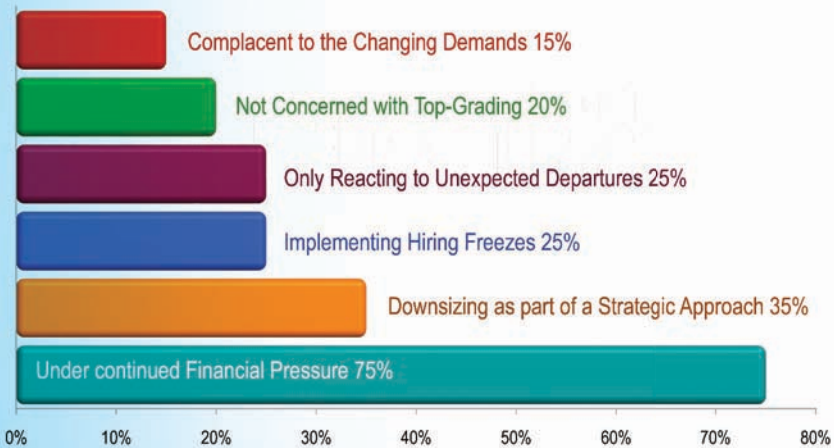


# RESULTS

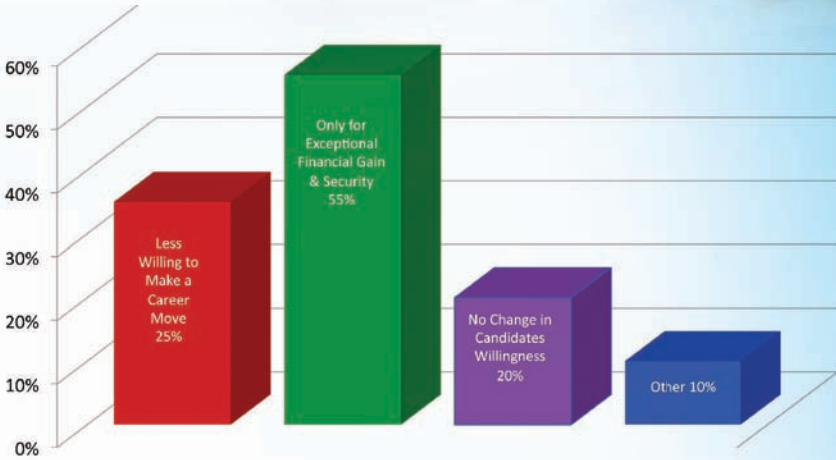
Which reasons are most likely driving an INCREASE in demand?



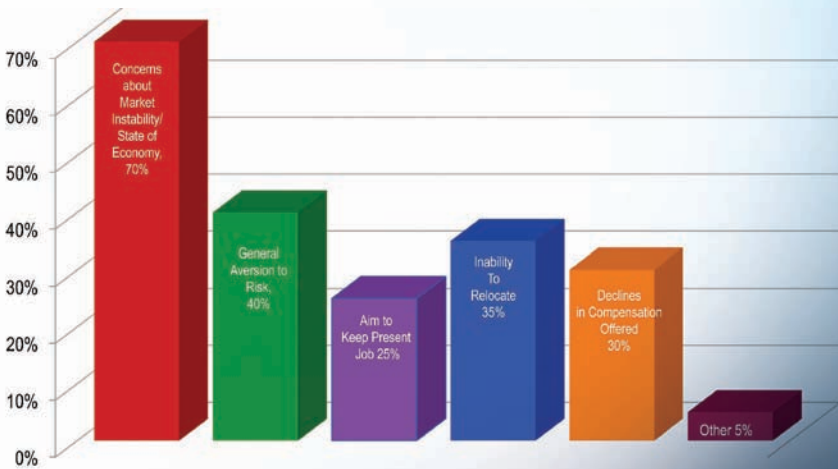
Which reasons are most likely driving a DECREASE in demand?



How willing are senior executives to make a career move in light of the current economic environment?

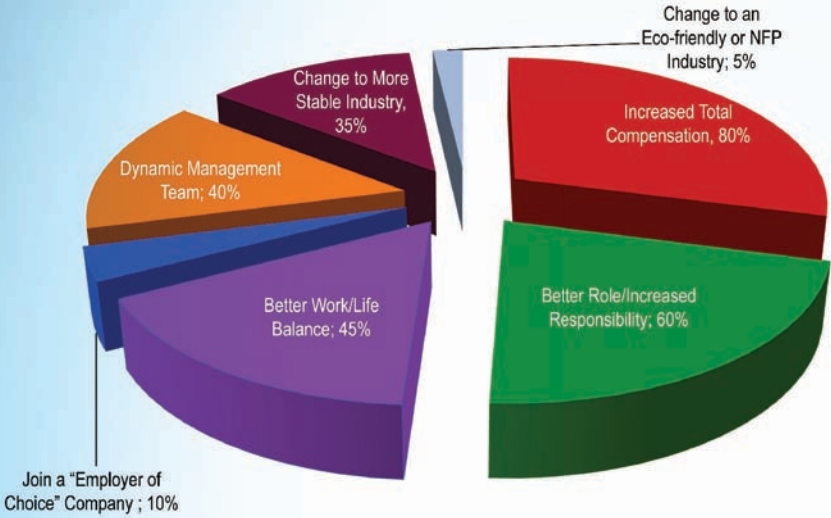


What elements do you see hindering executives from making a career change in the current environment?

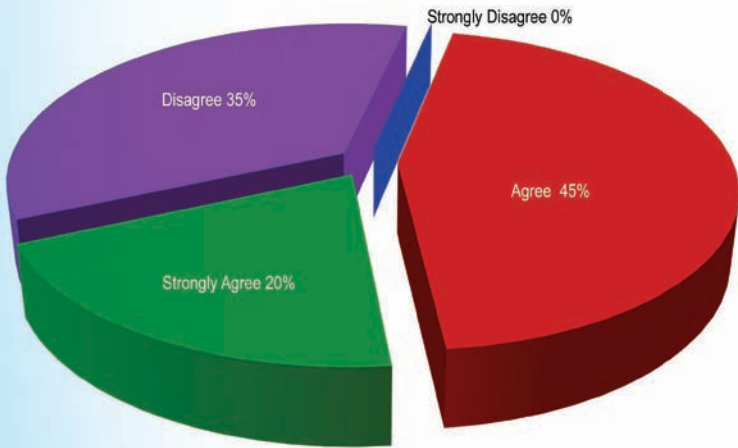


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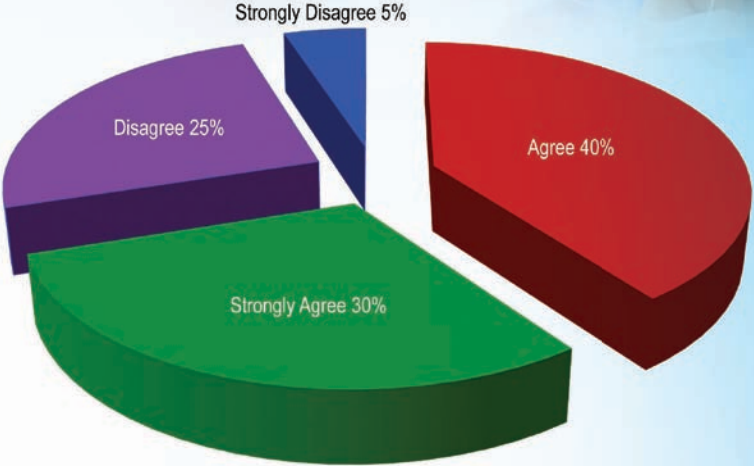
What benefits do you think would most entice a senior executive to consider a career move at the current time?



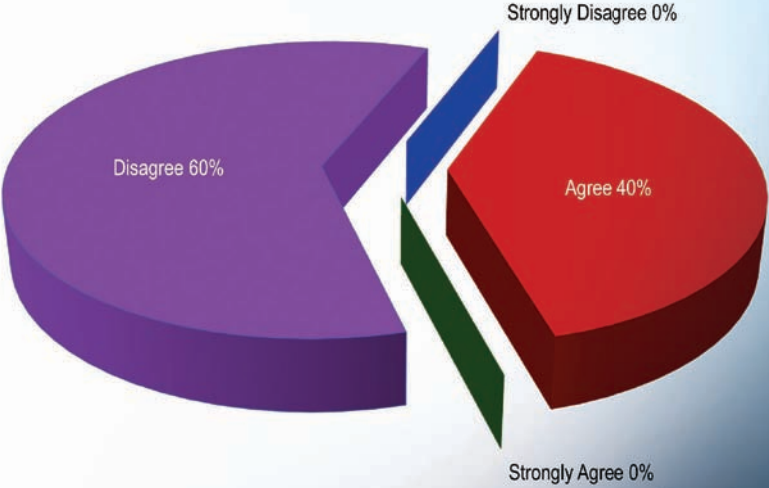
Clients are increasingly moving to an 'in house' strategy when making senior hires.



There is a greater pressure from clients to discount fees.

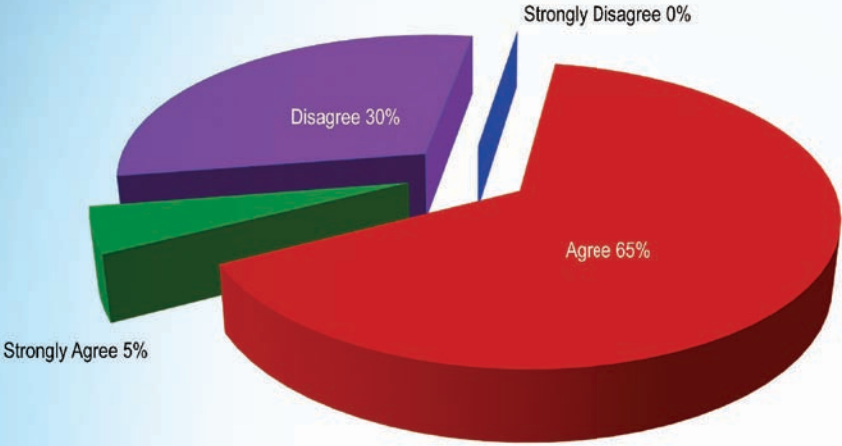


There is an increase in 'interim' hires.

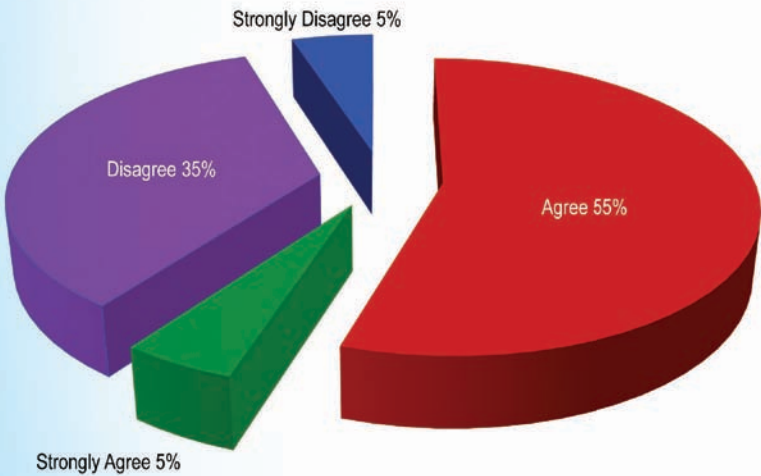


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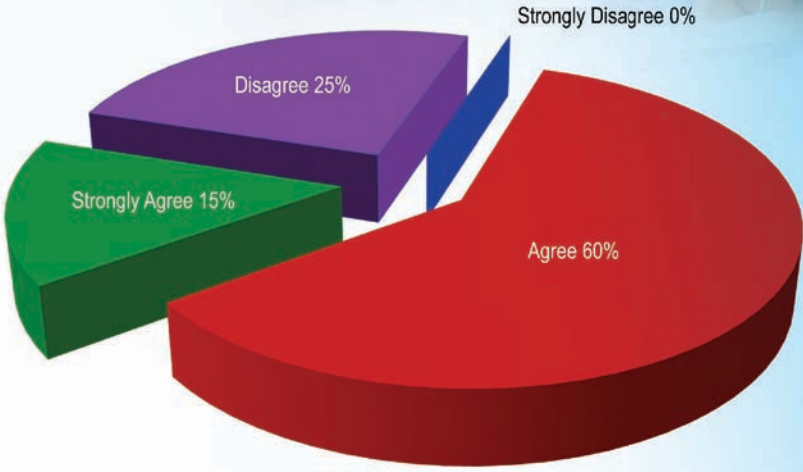
Clients are indicating a renewed demand for top-level talent.



Clients have indicated a plan for increased headcount for 2010.



Clients have indicated acquiring top-level talent  
REMAINS DIFFICULT, in spite of the economic conditions.



IMD Global Office Locations:  
AMERICAS WESTERN EUROPE NORDIC EASTERN EUROPE MIDDLE EAST ASIA PACIFIC



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