



Page Executive

Seven Executive Trends for 2016

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THE WORLD OF EXECUTIVE RECRUITMENT IS CHANGING

In this series of Page Executive articles, we take a look at key current trends and the future of executive recruitment.

With their global experience and specialist knowledge of recruiting senior business leaders, our executive consultants are in a unique position to discuss new trends and innovations right at the start, as they begin to surface.

We have collated their on-the-ground observations and insights into a comprehensive series of articles. Each outlines one of seven key trends that will significantly affect the way organisations recruit in the future.

The challenge of operating and recruiting globally, across multiple cultures, is a common theme and Page Executive is uniquely positioned to help with its extensive international network of experts.

Being able to access advice and knowledge, such as this series of articles, is part of the added value of working with Page Executive.

We enjoyed conducting this exercise and hope you will enjoy reading the outcome. Let us know what you think!

Olivier Lemaitre

Executive Board Director



PAGE EXECUTIVE: A FRESH APPROACH TO EXECUTIVE RECRUITMENT

The corporate world is in a state of rapid transition and companies need the right people to successfully lead them through this transformation.

At Page Executive, we have rethought our business model to better align with our clients' needs.



We help you identify business leaders that fit your culture, values and strategy.

It is our intrinsic motivation to help your organisation to move forward in order to be successful in a constantly changing, fast-paced environment.

Our focus is not just on searching for and finding top talent, but on becoming your long-term business partner, a trusted adviser who can help you recruit the executives who will drive your organisation's growth and ensure its future success.

THE CHIEF DIGITAL OFFICER: ENABLING ONLINE BUSINESS TRANSFORMATION

The critical importance of digital strategy has secured enviable positions for Chief Digital Officers and Digital Strategy Directors within senior leadership teams.

While there are diverse definitions for the role of CDO (Chief Digital Officer), all converge on promoting the digital transformation of organisations.

All companies undergo this transformation and business models are being reshaped to incorporate new technologies. The digital function should therefore be very close to the company's leadership, preferably as a member of the leadership team.

Where does the CDO sit within the corporate structure?

Successful businesses have understood that it's essential to give their CDO and Directors of Digital Strategy a seat at the executive table, due to the importance of the revenue streams relying on them, as well as their ability to drive major transformation within the organisation.

As their contribution will often help to define the company's future direction, their role has to align closely with the interests of the CEO, CFO, COO and other key members of the leadership team.

“ The successful CDO acts as a change architect by unifying the future vision of the company with its current organisation, culture and needs.”

Why do organisations need a CDO?

A decade ago, many organisations were faced with the challenge of finding the right mix between their traditional business model and their digital strategy. Over time, we have seen that those companies best able to integrate both strands

have survived and thrived. In most cases, initiatives taking a business too far from its core competencies resulted in failure.

Today, digital has developed into much more than just a successful integration of offline and online business models. Core concepts such as Big Data, analytics and user privacy have made the Chief Digital Officer a vital member of the leadership team: one with a clear mandate for driving change to enable online business transformation.

The successful CDO acts as a change architect by unifying the future vision of the company with its current organisation, culture and needs.

What does a successful CDO look like?

It should be no surprise that a CDO usually has experience in the world of digital marketing, technology, e-commerce and strategy. To be successful, they must have the ability to create effective strategies for a wide range of digital platforms that align with the company's overall strategy.

Previous experience at industry-leading digital organisations such as Google, Facebook, Amazon or Yahoo doesn't guarantee success,

but it certainly improves the odds.

However, to succeed, it is also desirable for a CDO to have gained experience in conventional businesses: understanding what happens in functional areas such as marketing and sales, and bringing operational business management experience that has also involved P&L responsibilities.

On the soft side, CDO positions require an enormous capacity to adapt to change, to work in teams in both complex and unstructured environments, to be passionate about technology and innovation, and to have an intrinsic focus on customer satisfaction.

Technology is ever-evolving, so it is crucial that the CDO is attuned to the way in which different segments in society utilise and adapt to technological innovations. It is imperative that he or she not only understands this behaviour, but is also able to anticipate it.

“Successful businesses have understood that it's essential to give their CDO and Directors of Digital Strategy a seat at the executive table.”



What is the key consideration in hiring a CDO?

This very senior positioning, along with their visibility and impact within the organisation, reinforces the need to select and recruit candidates who can exceed the scope of their previous and present successes.

Thus, assessing potential on top of current performance is crucial to the successful recruitment of Digital Strategists and CDOs.

Key takeaways

- A successful CDO unites expertise in online practice and strategy with conventional business experience
- Integrating the traditional business model and the digital strategy is key to commercial survival
- Successful companies now give a seat to the CDO at the executive table, due to their ability to drive major transformation within the organisation
- The CDO can apply the power of Big Data and analytics to re-engineer core business processes

THE CHIEF FINANCIAL OFFICER: FROM GUARDIAN OF STRATEGY TO CATALYST FOR CHANGE

The role of the CFO has evolved in recent years into a function fully involved in the definition and implementation of company strategy.

Current trends and developments such as global changing markets make chief financial officers and other financial leaders central to a company's ability to change and adapt.

The traditional remit of the CFO has become more complex as financial management, accounting and control have become more global and interconnected.

What is the evolving impact of the CFO on corporate strategy?

Many CFOs have secured new responsibilities in areas such as IT, legal, HR and procurement. Modern-day CFOs have not only expanded their functional scope, they now also increasingly drive changes that impact the organisation as a whole.

Whereas for a long time CFOs were the guardians of corporate

strategy implementation, they now are a powerful force in defining the strategy as well.

In all this, CFOs must ensure that initiatives are aligned with strategic guidelines and constantly contribute towards the business objectives. As the scale and scope of their responsibilities have been extended, most successful professionals are now fully aware of their pivotal role in corporate success.

“ It is conceivable that the CFO could ultimately supersede the CEO as the most important C-level position, making aspiring to the role of CFO a career ambition for young professionals.”

What skills do successful CFOs possess?

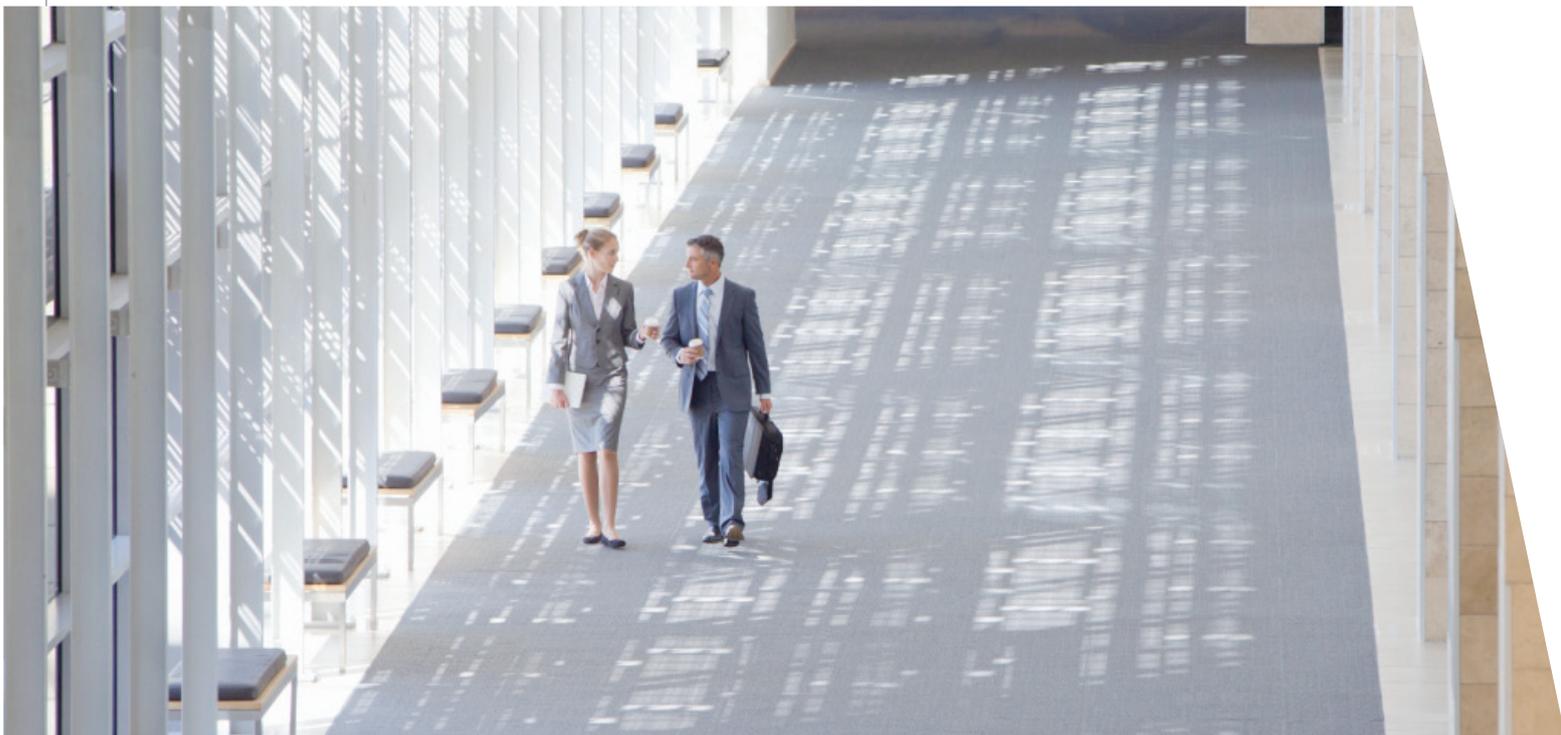
A CFO today needs to offer a diversity of skills: financial theory, practice and techniques; social, language and communication skills; and also flexibility. CFOs also must demonstrate a strong ability to understand business strategies in order to contribute to all areas of the organisation, with many acting as catalysts and steering strategy development and implementation.

The most successful CFOs are those who combine such financial skills together with strong leadership and business acumen.

How bright are the CFO's career prospects?

The role of CFO is gaining in standing as a career ambition. Once finance leadership was widely regarded as a stepping-stone to the role of chief executive officer. Today, financial leaders are strengthening their position in their own right.

After all, the complex decisions they make regarding globalisation, off-shoring variance of tax regulations and so on can make or break a company. Their growing involvement in shareholders' meetings, investor relations and corporate strategy highlights this development.



Assuming greater responsibility for company stewardship brings closer ties with company owners, especially in privately owned companies, where CFOs hold a position of great trust and influence.

With these changes in mind, it is conceivable that the CFO could ultimately supersede the CEO as the most important C-level position, making aspiring to the role of CFO a career ambition for young professionals.

Yet, those CFOs who eventually become CEOs will be able to capitalise on their career experience to date. To be ultimately successful as CEOs, former CFOs must be able to focus on talent, especially on how to attract, manage and retain top talent. Having had a wide and diverse exposure to international management challenges on top of strictly financial management roles will therefore be a key asset.

How does the CFO steer change?

Historically, financial leaders in general and CFOs in particular were often content to manage the status quo within the company and to implement the policies set by the CEO.

Now, CFOs increasingly act as change leaders, taking on a strategic role as they drive their own strategic initiatives within the finance organisation and across the company as a whole.

While change management remains a key priority in business today, CFOs are increasingly taking on this responsibility as a result of the great cost implications involved. In addition to building relations, identifying opportunities, minimising risk and improving long-term business performance, the CFO adds global scope to their repertoire. Two of the CFO's main duties are to reduce costs and improve efficiency, two essential elements of finance transformation and a catalyst for business change.

Restructuring processes and organisations remains another key focus for financial leaders.

“Whereas for a long time CFOs were the guardians of corporate strategy implementation, they now are a powerful force in defining the strategy as well.”

There is a noted rise in those who are implementing outsourcing, centralisation and shared services. Identifying this change is only one part of the puzzle. Aligning this focus with strategic priorities within the business can be a challenge where the CFO will take the leading role. Pioneering and prioritising change within the business highlight the complexity of the CFO's role: he or she has to be responsive and ever adapting to a changing business landscape.

Key takeaways

- CFOs increasingly drive change that has a wide-ranging impact on the business
- The focus for CFOs is no longer solely on implementing corporate strategy but also on defining strategy
- The key to CFO success is to offer a combination of financial skills, strong leadership and business acumen
- The role of CFO is becoming a career aspiration in its own right rather than a springboard to the post of CEO



LEADING ACROSS CULTURES: LEARN TO ADAPT YOUR STYLE

To succeed in international business, leaders need the flexibility to adapt their management style to the cultural context.

The degree of respect we show to authority is deeply rooted in the culture in which we are raised. As Erin Meyer, Affiliate Professor at INSEAD business school and expert in the area of organisational behaviour explains, later in business, this impacts how we view the ideal relationship with our boss or subordinates.

How do cultural differences manifest themselves in the workplace?

When you visit the headquarters of Heineken, the Dutch brewing company, in Amsterdam, you will find a lot of tall, blond Dutch people and a lot of... Mexicans. In 2010, Heineken purchased a substantial operation in Monterrey, Mexico, and now a large number of head office employees come from northern Mexico.

Among them is Carlos Gomez, who describes his experience a year on from moving to Amsterdam: "It is absolutely incredible to manage Dutch people and nothing like my experience of leading Mexican teams, because, in my experience, the Dutch do not care at all who the boss in the room is."

For someone such as Carlos, who has learned to lead in a culture where deference to authority is relatively high, it is both confusing and challenging to lead a team where the boss is seen as just one of the guys. In this case, the challenge was particularly strong, as the Netherlands has one of the most egalitarian cultures in the world.

“Most East Asian countries are high-power-distance cultures.”

He explains: “I will schedule a meeting in order to roll out a new process, and during the meeting my team starts challenging the process, taking the meeting in various unexpected directions, ignoring my process altogether, and paying no attention to the fact that they work for me. Sometimes I watch them, astounded. But often I just feel like getting down on my knees and pleading with them, “Dear colleagues, in case you have forgotten, I.....am.....the boss.”

‘Power distance’

Geert Hofstede, one of the first researchers to look at the idea of what good leadership looks like in different countries, coined the term ‘power distance’, which he defined as: ‘The extent to which the less powerful members of organisations accept and expect that power is distributed unequally’.

Subsequent research into this topic brings to the fore questions such as:

- How much respect or deference is shown to an authority figure?
- To communicate a message to someone two levels above or below you, should you go through the hierarchical chain?
- When you are the boss, what gives you your aura of authority?

Who has the answers?

The answers to these questions vary dramatically depending on the country. Professor André Laurent of INSEAD polled hundreds of managers, asking: “Is it important for a manager to have at hand answers for most of the questions subordinates may raise about their work?”

While 45% percent of the Japanese sample claimed it was important for the boss to have most of the answers, only 7% of Swedes thought the same way.

One Swedish manager commented, “Even if I know the answer, I probably won’t give it to my staff... because I want them to figure it out for themselves!” Conversely, one Japanese respondent said, “I would try not to ask my boss a question unless I was pretty sure he knew the answer.”

“ In a hierarchical culture, protect your subordinates, mentor them, look out for their interests, and you may reap many rewards.”

What happens when different cultures converge?

Most East Asian countries are high-power-distance cultures. One of the many reasons for this is the strong impact of the Confucianism belief system, whereby mankind would be in harmony with the universe if everyone understood their role in society and behaved accordingly. Confucius devised a system of interdependent relationships, in which the lower levels are obedient to the higher, while those who are higher in the hierarchy protect and mentor the lower.

In order to understand many East Asian hierarchies, it is important to think not just about the lower level person's responsibility to follow, but also about the responsibility of the higher person – whether father, boss or elder – to protect and care for those lower down – whether children, staff or youth. And although Confucius has been dead for centuries anyone leading a team in China can benefit from understanding these principles.

An Australian who lived in China for many years reflects: “In China, the boss is always right, and even when the boss is very wrong, he is still right.”



Gradually, he had learned to understand and respect this system of reciprocal obligations: “Your team may follow your instructions to the letter, but in return, you must understand your role to coach and take care of them.”

In a hierarchical culture, protect your subordinates, mentor them, look out for their interests, and you may reap many rewards. The same Australian notes: “There is great beauty in giving a clear instruction and watching your competent and enthusiastic team willingly attack the project without challenging you every step of the way.”

What are the main traits of a successful leader?

In today’s global business environment it is not enough to be either a low-power-distance leader or a high-power-distance leader. Managers may find themselves leading a team with both Dutch and Chinese employees (as well as Italians, Swedes and Mexicans).

Managers must develop the flexibility to manage up and down the cultural scale. Often this means going back to square one. It means watching what makes local leaders successful. It means explaining your own style frequently. It may even mean learning to laugh at yourself.

But ultimately it means learning to lead in different ways in order to motivate and mobilise groups who follow in different ways from the folks back home. That’s exactly what cultural intelligence means.

What practical steps can managers take to avoid the pitfalls when leading a global team?

Erin Meyer explains that you might sit down for a morning of annual performance reviews and as you Skype with your employees in different cultures, your words are magnified or minimised significantly, based on your listener’s cultural context. So, be aware and work to understand how your own way of giving feedback is viewed in other cultures. Then you can experiment a little to adjust your words, to suit the context.

“As you better understand these cultural tendencies, you can make a concerted effort to soften the message when working with cultures less direct than your own.”

As you better understand these cultural tendencies, you can make a concerted effort to soften the message when working with cultures less direct than your own.

Meyer references Marcus Klopfer, a German client, who uses specific vocabulary to soften the message when working with such cultures: “I start by sprinkling a few light positive comments and words of appreciation. Then ease into the feedback with a few small suggestions. And add words like “minor” or “possibly.” Then wrap up by stating that this is just my opinion, for what it’s worth, and that they can take it or leave it.”

Such an approach is a quick and effective way to help with cultural understanding and achieve the desired results.

Key takeaways

- The degree of respect shown to authority in the workplace reflects the prevailing culture
- East Asian hierarchies are reciprocal: with power comes responsibility
- In today’s global business environment, leaders must be prepared to adapt their management style
- With multicultural teams becoming the norm, a mix of management styles may be required



GOING GLOBAL: THE RISING INTERNATIONALISATION OF SMES

Internationalisation gives rise to multiple challenges, of which attracting and retaining talent are among the toughest.

For small- and mid-size organisations, deciding to go international is a big step. Helped by the digital transformation, which dramatically lowers the barriers to entry into new markets, more and more SMEs are dipping their toes in international waters.

One of the most overlooked pitfalls when expanding overseas is the need to adapt your company's culture and behaviour, and to be truly open to new ideas and approaches. It's all about people.

Why should executives consider taking their business abroad?

Internationalisation has quickly become reality in many sectors and companies of all sizes are affected, regardless of their ownership structure. It is fair to say that even local, family-led companies are heavily affected by the internationalisation of today's economy, as they grow to

become true SMEs. Being in those international markets logically generates additional revenue, strengthens brands that achieve greater visibility and diversifies risk.

The internationalisation process is essential for company survival and growth, but is not a process to generate quick returns. These projects often require long periods of maturation: patience is key.

“ Business leaders who successfully transform their organisation from a national into an international player know how to tailor their products and services without losing the company's identity and its overall brand positioning.”

Aside from attracting new customers, what are the challenges when attracting and retaining international or foreign talent?

When considering entry into any new target market, whether it's a new national market or a move abroad, it's essential to know the target market inside out.

Business leaders who successfully transform their organisation from a national into an international player are generally characterised by their in-depth understanding

of local customers, tastes and customs. They know how to tailor their products and services without losing the company's identity and its overall brand positioning.

Only seasoned executives are able to find that balance between ensuring that local operations continue to perform well without being alienated by the company's new direction and the excitement of global opportunities.

Having that in-depth understanding and finding that balance not only require adapting the product or service to the new target market;



it's also about ensuring that a company attracts the right local talent from the new market to further support its growth.

For SMEs that started life as family businesses, this is a challenge for which they are often ill prepared. They may find themselves in a situation where they lose momentum as they are unable to crack the code to adapt their employment offering to local needs and tastes.

Cracking this code often involves a better understanding of the culture and habits of the customer in the new market. It requires the company's leadership to develop and fine-tune their personal skills in order to be a successful employer in this new (employment) market.

Which soft skills are required by an executive involved in internationalisation?

Above all, the company-wide adoption of a culture of internationalisation is essential. Ensuring that a company's leaders have a high level of cultural intelligence is crucial. It should be clear that the leadership team sees the strategy of internationalisation as a key priority. Actions speak

louder than words. Therefore, a company's actions should reflect the desire of the leadership team to move into this foreign market.

Additionally, the profile of those executives who have successfully led and implemented an internationalisation process is always characterised by a high degree of flexibility and willingness to adapt to the needs of each market.

They understand that potential customers in the new target market may be unaware of their reputation back home and that they can establish a similar reputation only by building the business from the ground up, creating trust by showing that they are in it for the long haul, by investing in the future and by being willing to build long-term relationships. Any action that could be regarded as quick wins could painfully hurt their reputation, slow down the company's international growth or even result in a withdrawal from the new market.

“ The company-wide adoption of a culture of internationalisation is essential.”

How important is it to have a local presence?

Companies can overcome this by working with local partners and by quickly appointing a seasoned executive who knows the local market inside out, someone who believes in the company's strategy and can identify with its values and vision.

Attracting such a local executive should not be delayed. As soon as the viability of the internationalisation is established, an executive with an international, multicultural and multilingual profile should be sought.

However, experience of the corporate culture within the company's homeland remains an absolute must. Inviting newcomers from other countries for a longer time period in order to immerse themselves in the organisation's home market gives new managers the opportunity to integrate and understand core values, company culture, processes and has proven to be very effective for both parties.

Applying the best practice of hiring an executive leader early on in the internationalisation process will allow the company to smoothly transition from a national to an international organisation,

while avoiding cross-cultural misunderstandings.

Key takeaways

- Transforming a national business into an international business requires a comprehensive knowledge of target local markets
- There is a critical balance to be struck between seizing new opportunities and satisfying the needs of existing markets
- Cultural intelligence is a crucial leadership quality
- Creating trust in new target markets is not a 'quick win' exercise

“ The internationalisation process is essential for company survival and growth, but is not a process to generate quick returns.”

EFFECTIVE SHARED SERVICES: WHY COST CANNOT BE THE ONLY DRIVER

In making the transition towards a business model that includes a shared services centre, executives focused on quality have a better track record than those focused primarily on costs.

Shared services centres (SSCs) have undergone considerable evolution over the past years and have become a source of added value for the companies that have implemented them.

Clearly, cost reduction is the key driver for companies that are currently analysing opportunities for setting up shared services centres. However, as Dieter Van Mulders, Head of the European Shared Services Centre at PageGroup, discusses here, target location, performance management, talent management, smart taxation and a good audit strategy all have an important part to play in the success of such an endeavour.

What is the most important prerequisite for a successful transition?

Location is of critical importance for the long-term success of any sourcing project. Unquestionably, investors primarily look where the work force is cheaper.

But cost is not the only driver in considering the optimum location for the SSC. The perfect match should be a combination of four key elements:

- Cost
- Service
- Standardisation
- Availability of a highly qualified, multilingual workforce

“The enormous challenge is not to lose sight of your company’s overarching objective: delivering quality service.”



This strategic decision requires an in-depth understanding of the target location, its talent potential and the country's social, political and economic environment.

The danger of not considering each and every one of these elements can lead to unwise decisions or ill-judged moves, especially when cost is the only driver.

Some companies consider their first move as an intermediate step towards a second relocation. You can to some extent be the victim of your own success: there is always room for more cost savings. SSCs moving from Brussels or Barcelona to Kuala Lumpur or India are not isolated cases.

In Europe, Budapest and Poland are very much in vogue and there is fierce competition for the pool of talent in these countries.

Brussels ranks well due to its central location and access to international and multilingual talent, while Barcelona is attracting a lot of investors, due to an active regional government-led investment incentive policy.

When PageGroup expressed an interest in setting up its shared services centre in Barcelona, our delegation received 11 lunch invitations on day one!

What are the key metrics in measuring SSC success?

Measuring performance using the right set of key performance indicators (KPIs) is a major challenge for the SSC head.

But before trend analysis, one needs to think of the processes and create KPIs that are actually comparable. This means implementing one accounts payable process, one credit and collection tool and harmonising marketing practices, to name a few examples.

There also needs to be a clear distinction between the pre- and the post-SSC eras, which are incomparable. The choice of indicators is dictated according to group strategy. This will determine the very nature of the points of improvement.

Typically, the danger here is having KPIs for everything. Such requirements have an impact on cost and make the company more complex, inflexible and ineffective. The enormous challenge is not to lose sight of your company's overarching objective: delivering quality service.

How does the SSC framework impact recruitment?

Managing teams of sometimes hundreds of employees is a key issue. The stakes are high and multidimensional: you need to find the right people, train them, retain them and offer them attractive career paths.

You need to fully understand the complexity and pace of project activities while taking into account cost constraints. You must keep asking yourself: Can we recruit the right workforce locally? Does it already exist within the organisation? Is there potential for career development for high-performing employees? What expected turnover rate is adequate to meet future demand pressures?

In any case, career development can't continue endlessly in the long-term but SSC size can complement limited vertical career paths with lateral moves.

“ Effective shared services: It's not all about costs.”

Typically, this 'state of grace' lasts for three years, until employees run out of road in building their careers. The danger here is to measure ROI (return on investment) on a time horizon of three to five years. One must go far beyond and work hand in hand with talent & development teams.

Planning for a realistic yearly staff turnover of 10% to 20% will reduce resources management risk.

Why are CFOs and financial leaders often the ones to drive this transformation?

Tax savings can compensate for certain costs linked to the SSC implementation. Globally, several countries – especially in Europe and Asia – encourage foreign investment by offering tax breaks. Some companies find it worth considering the charge-back mechanism leading to the transfer of profits from a high tax rate country to a country with a lower tax rate.

The main pitfall here is the dispute over the transfer pricing: rules differ from one country to another. The challenge is to determine accurate, fairly priced and transparent billing. From an audit perspective, a closer coordination between the SSC auditors and

those from the different local entities is an absolute must.

It's also worth noting that such practices are increasingly controversial and generate many column inches of negative publicity, with the potential to impact share value.

The regional finance director must establish a team of auditors dedicated to the SSC. Their work must serve as a basis for the auditors of each single local entity, and thus avoid potential confusion.

The challenge here is to fulfil the obligations shared with auditors operating in a variety of regulatory environments. This is why integrating from a talent perspective should be kept firmly in focus when exploring possible SSC locations. Clearly, potential cost savings and tax-related benefits are not the only criteria that should be factored into the decision.

“ Integrating from a talent perspective should be kept firmly in focus when exploring possible SSC locations.”

Key takeaways

- Cost is not the only driver in considering the optimum location for the SSC
- While there may be a limit to promotion opportunities in the SSC, the potential for lateral moves increases significantly
- Availability of a highly-qualified, multilingual workforce is a decisive criterion in choosing the SSC location
- Whatever other goals are set, delivering quality service remains paramount



CORPORATE SOCIAL RESPONSIBILITY: THE COMMERCIAL ADVANTAGES OF BEING ETHICAL

Being socially responsible is not only the right thing to do but helps the company to stand out in a globalised talent market.

Corporate social responsibility (CSR) concerns the thought process that a company's leadership engages in when they think about their responsibility to the people they employ, the markets in which they operate and the communities with which they engage.

It includes creating a congenial workplace and having a diverse and inclusive approach to fostering innovation, while being a great employer and business partner.

What is the key objective of CSR?

The aim of CSR is to provide the business with a global management perspective, based on the triple bottom line of social, environmental and financial. This framework is also known as the three Ps: people, planet and profit. Managing this mix requires professionals with multidisciplinary skills.



Responsible management helps in preventing issues affecting corporate reputation, in anticipating regulatory risks and in meeting the demands of specialist interest groups. This, in turn, ultimately reduces costs.

Responsible, transparent leaders inspire confidence in employees, customers, investors and partners alike. Within the workforce, employee loyalty improves, productivity increases and it becomes easier to attract top talent.

How has CSR evolved and at what point do companies recognise it as important?

CSR has advanced over the past ten years. Companies are already sensitised to the issue and have taken steps to comply with their responsibilities. CSR mainly originated in the US as an important item on the corporate agenda for companies wanting to demonstrate their social and societal responsibilities.

While fundraising for societal issues is a fundamental pillar in Anglo-Saxon cultures, this is less so in other areas of the world.

However, the CSR landscape is changing. Globally, organisations are gradually demonstrating their

commitment to social initiatives through their CSR programmes, working more and more actively on areas such as diversity and inclusion, and sponsoring directly rather than funding indirectly.

CSR has not only ceased to be questioned: it is well understood by senior management today as an integral part of the corporate culture and contributes to the company strategy.

Furthermore, CSR is an opportunity for value creation. CSR policies generate new opportunities and business lines. In short, they allow companies to differentiate themselves and become more competitive.

Key takeaways

- Simply put, CSR means focusing on the '3 Ps' of people, planet and profit
- A commitment to CSR can help companies to differentiate themselves on the world stage
- Responsible, transparent leaders inspire confidence in external and internal stakeholders
- CSR is now widely accepted as an integral element in corporate culture and strategy

THE RISE OF GLOBAL TALENT SEARCH

What are the main advantages and disadvantages of making the search for talent a worldwide one?

Logically, performing a global search multiplies the available talent and candidates who meet the job requirements. But the main advantage of undertaking a global selection process is having access to a more diverse pool of professionals, not only in terms of experience and qualifications, but also from a cultural point of view.

What are the key considerations in casting your recruitment net more widely?

Searching globally opens the door to new, non-local leadership styles, perspectives and ways to meet business challenges, which enriches the organisation in today's global markets.

Conversely, there are also challenges as the process introduces the logistical issues of time differences and videoconferencing, and additional costs and procedures, such as visa, travel and transportation costs.

Another factor is the need to have a good understanding of the cultural differences of the candidates set against the backgrounds of the actual interviewers, and then the hiring manager, which can be difficult.

Finally, because relocation can be a huge life change, there is also greater risk that candidates will change their minds at the last minute because of the challenge, personally and for their families, of adapting to the new location or because the non-salary elements of the contract do not meet their expectations. This, of course, can have a direct impact on company productivity.

What are the most effective tools for attracting talent internationally?

“ The so-called war for talent is a global war.”

While online tools, such as professional networks and refer-a-friend schemes for existing employees can play a role, global executive search firms are truly equipped to provide multichannel combining sourcing solutions with the individual assessment of performance and potential.

Whatever channels are used, attracting talent internationally will rely on a strong and relevant employer brand. This in turn relies on being known as a truly 'great place to work' for international talent, providing attractive policies such as on compensation, flexibility, diversity and inclusion, and demonstrating other key characteristics that global talent will expect to find in global brands.

How has the importance of incorporating 'non-local' talent evolved?

The so-called war for talent is a global war, though it is of course more aggressive in certain regions and cities, and some sectors, including IT, digital and regulatory control and compliance. A company wanting to engage in this battle has to do so globally.

Many companies are evolving their concept of 'diversity'. The definition of diversity now includes aspects such as international experience, having a multicultural outlook or experience in different sectors. These changes in perspective are making companies more inclined to incorporate non-local talent.



How is digitalisation changing recruitment?

In-house human resources departments become more sophisticated. Similarly to recruiters, they experience the impact that technology has on their internal processes. With more HR processes being automated, the HR department is freed from administrative procedures, allowing them to focus on more effective talent management and retention programmes. While talent management has always been part of HR's responsibilities, a combination of demographics and market forces has moved the topic higher up the agenda.

The HR function is becoming increasingly responsible for social media communication, reinforcing the employer brand, diversifying and publishing the different employee value propositions, and reaching out to new talent sources to recruit more diversely in the war for talent. This is being achieved by incorporating social media as an integral part of recruitment strategies, creating digital profiles based on online behaviour to help target talent and generally building a stronger online presence.

How do demographics affect recruitment?

Where employees in the past switched infrequently between jobs, turnover has increased significantly as a younger generation of employees has entered the labour market.

HR departments are now challenged to find ways to retain talent within the business. However, given today's higher turnover rates, demand for talent has increased, with a corresponding shortage of talent in specific areas. As a result, there has been a rise in demand for outsourcing of recruitment to agencies, especially in executive recruitment.

Key takeaways

- Recruiting globally is an opportunity to enrich the organisation with different leadership styles and experience
- Having a strong, internationally recognised brand gives the edge in attracting global talent
- The war for talent is now a global war, with companies embracing the concept of 'diversity'
- Employee retention has become more challenging as a younger, more mobile generation enters the job market

WELCOME TO THE FUTURE OF EXECUTIVE RECRUITMENT

Identifying potential leaders for global markets has taken a backseat in recent years – a state of affairs that cannot continue.

In the aftermath of the financial crisis, firms were busy trying to stay afloat and sometimes underestimated the difficulty associated with identifying the best leaders for tomorrow.

Yet today, Page Executive consultants globally notice a prevailing trend: perpetual disruption is the new way. CEOs have adopted this new mindset and recognise the need for a strategy to find, recruit and retain the most talented executives who will drive innovation and ultimately business growth.

Building on insights from interviews with Page Executive's executive recruiters, we reveal the strategies deployed in vastly different markets to select those senior executives.

Here are the key findings...

How serious is the global war for executive talent?

The importance of executive recruitment became more salient in 1997 when a ground-breaking McKinsey study exposed the war for talent as a strategic business challenge and a critical driver of corporate performance.

Today, we are witnessing a resurgence of this. Typically, companies underestimate the difficulty, time and resources associated with the search and selection of C-suite level executives or senior managers, nor do they have an actionable process in place to select them, putting companies at risk of having unstable boards at the helm.

At the same time, the modern economy places an enormous emphasis on knowledge. Not surprisingly, business leaders report that finding talent is their main problem.

Being able to demonstrate international mobility truly distinguishes a leading executive.

Recognising this, successful executive search firms have adapted their strategy to include global networking practices, merging national databases and mapping larger markets.

Identifying existing stars with good market exposure, key geographical markers and a large portfolio of competencies is quite a challenge. Head-hunters need to act as intermediaries in professional networks, influencing the perpetual movement of talent, assisting companies in their innovation projects and creating a loyal relationship with them.

What are the key trends in executive recruitment?

In the past few decades, many small firms have become big players. Take the professionalisation of Spain's retail industry, including Inditex, founded in 1985 and now one of the world's largest fashion retailers.

Executive search firms need to help companies thrive in this era of constant change, deriving value from moving fast to fill executive vacancies, while delivering top talent that fits the hiring company's culture, values and strategy.



Executive search has not become any easier or faster. Despite the latest advances in technology that allow global search for talent and 24/7 communications, search completion times have remained broadly unchanged. This is primarily due to the fact that the process for recruiting an executive leader still relies heavily on human interactions and qualitative assessments of the candidate.

Advances in technology have helped to increase the quality of executive recruitment but have not had much impact on search completion times.

The war for talent doesn't necessarily mean talent is scarce. But in developed economies, the 'job for life' culture is dead. It's become a fact of life that companies have to deal with skilled executives changing jobs at a steady pace in order to fulfil their personal career development plan.

All industries, from ICT to consumer goods, are experiencing rapid change. Players of all shapes and sizes, from small family businesses to giant international corporations, will have to deal with declining employee loyalty, the mismatch between what education systems and universities offer and what companies need, and the impetus to have more talented

people than their competitors.

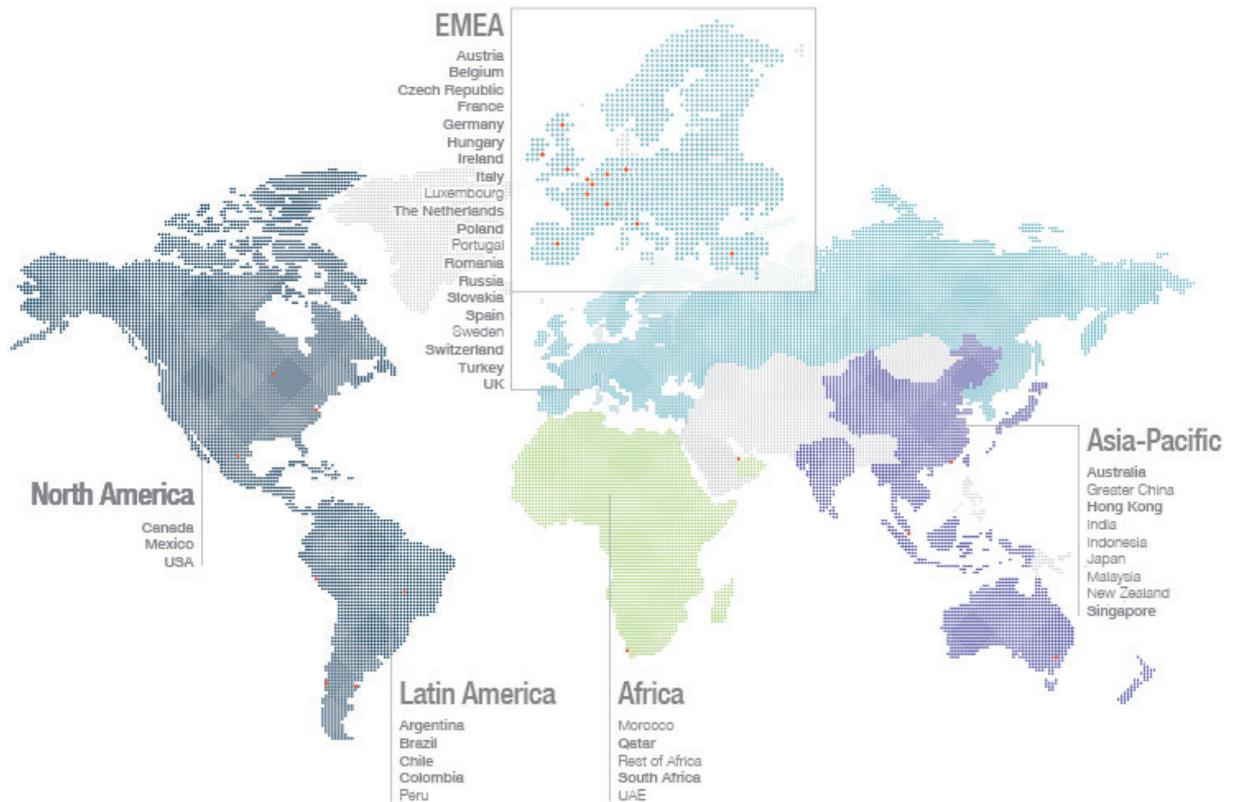
Clearly, talent and knowledge are key drivers for economic success and sophisticated networks are vital to finding them.

Key takeaways

- For business leaders, finding talent to drive innovation and growth has become a top priority and challenge
- While there is no scarcity of talent, employee 'churn' makes recruitment a continuous process
- Technological advances have not eliminated the need for recruitment partners to apply their skills and experience to executive search
- In the modern employment market, change is the only constant

“ Recruiting an executive leader still relies heavily on human interactions and qualitative assessments of the candidate.”

OUR GLOBAL PRESENCE: EXPERIENCED AND DEDICATED CONSULTANTS WORLDWIDE



ARGENTINA

Tomàs Sadous
 Associate Director
 +54 (11) 40014580
 tomassadous@pageexecutive.com

BELGIUM

Oliver Top
 Associate Director
 +32 (0)2 5094536
 oliviertop@pageexecutive.com

BRASIL

Fernando Andraus
 Executive Director
 +55 (11) 45056224
 fernandoandraus@pageexecutive.com

CENTRAL & EASTERN EUROPE

Jiri Gazda
 Associate Director
 +43 120520543
 jirigazda@pageexecutive.com

COLOMBIA

Paola Marin Pulgarin
 Associate Director
 +57 (1) 7436736
 paolapulgarin@pageexecutive.com

CHILE

Ainara Ormazabal
 Director
 +56 (2) 25853212
 ainaraormazabal@pageexecutive.com

CHINA

Louisa Yeung
Managing Director
+852 28489550
louisayeung@pageexecutive.com

CONTINENTAL EUROPE

Christophe Rosset
Managing Director Continental Europe
+32 (0)2 5094579
christopherosset@pageexecutive.com

FRANCE

Matteo Guerra
Director
+33 141927116
matteoguerra@pageexecutive.com

GERMANY

Nils Richter
Executive Director
+49 304000473100
nilsrichter@pageexecutive.com

HONG KONG

Parkes Steve
Director
+852 28484703
steveparkes@pageexecutive.com

IRELAND

Ronan Coyle
Business Director
+ 353 16539800
ronancoyle@pageexecutive.com

ITALY

Maximilian Redolfi
Executive Director
+39 02806800512
maximilian.redolfi@pageexecutive.com

MEXICO

Patricio Garreton
Director
+52 (55) 52017112
patriciog@pageexecutive.com

MIDDLE EAST

Jake Olds
Executive Director
+971 47090364
jakeolds@pageexecutive.com

POLAND

Agnieszka Kulikowska
Associate Director
+ 48 667867774
agnieszkakulikowska@pageexecutive.com

SINGAPORE

Franck Johnson
Director
+65 64199682
franckjohnson@pageexecutive.com

SPAIN

Miguel Portillo
Executive Director
+34 911318114
miguelportillo@pageexecutive.com

SWITZERLAND

Stephan Surber
Executive Director,
Head Page Executive Switzerland
+41 442242235
stephansurber@pageexecutive.com

THE NETHERLANDS

Rosanne Boer
Associate Director
+31 102176509
rosanneboer@pageexecutive.com

TURKEY

Nimet Merve Keskin
Director
+90 5307622991
mervekeskin@pageexecutive.com

UNITED KINGDOM

Jonathan Wiles
Managing Director
+44 2072692591
jonathanwiles@pageexecutive.com

USA

Paul Webster
Executive Director
+1 212 7716062
paulwebster@pageexecutive.com



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