



INTERNATIONAL SURVEY, SUMMER 2010

Executives in the Spotlight

INTRODUCTION

Being an executive doesn't come easy nowadays. Increasing rules and regulations, tighter compliance and the current economic climate are only some of the issues business leaders have to deal with today. Members of INAC have made it their business understanding what goes on in the minds and hearts of these top executives. This interest and understanding is an important common denominator between the members of INAC's global network of executive search companies.

INAC EXECUTIVE SEARCH WORLDWIDE

INAC Executive Search Worldwide held its biannual Global Partner's meeting from 15 to 18 May in The Hague, The Netherlands. Around 40 members from all over the world attended the meeting and a special seminar. Considering the rapid changes in the economy, and subsequent increased demand for transparency, stakeholders are showing an increased interest in the executive. It is no longer just about numbers, but about the person responsible for those numbers. In the current volatile economic climate more than ever before communication skills will determine the success of an executive. Hence the seminar's theme 'Executives in the Spotlight'.

RESEARCH

Dr Gary Hays, until recently responsible for Human Resources & Shared Services Centres of SHELL International, hosted the seminar. He presented and reflected upon the results of an online survey that preceded the seminar. More than 240 top executives from 27 countries participated in the survey - in this concise report we present the results. It offers a nice insight of what makes executives tick.

We hope you will enjoy this report,

Remy Rodenhuis

President INAC Executive Search Worldwide

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KEY FINDINGS

ONLINE SOCIAL NETWORKING

Over 40% of the respondents is active on online social networks. This brings home the importance of improving and testing (written) communicative skills, especially when engaging professional networks. Paper is patient, but the internet is relentless and everywhere and mistakes are quickly spotted and ruthlessly dealt with by the media.

WRITING SPEECHES

90 percent of responding executives claim to write their own speeches and can communicate in the best interests of the company. Professional speech writers are hired only for special occasions, not for day to day communication.

AUTHENTICITY

Being authentic and integrity are considered of greater importance than personal responsibility for collective results by more than half the respondents.

EXECUTIVE SKILLS

Most valuable skills are leadership and relating to people, followed by strategic vision and communication skills. Handling and understanding financial reporting, entrepreneurship, and risk management are considered implicit leadership qualities. Systems Thinking (iso Systems) - to simplify complex structures, goals, ambitions, and context, thus creating an understanding of the whole - is considered to be the most important skill for an executive by only few respondents.

CRISIS MANAGEMENT TODAY

It seems clear top executives have strategic vision, considering the opportunities they claim to see due to the financial and economic turbulence. The majority considers the current climate an opportunity to evaluate the company and ponder its sustainability, continuity and profitability. Remarkably 53% of the respondents claim to behave and perform no different from the way they did before the current crisis. Strangely selection and retaining future managers is currently considered low priority.

RECOMMENDATIONS

Increasing importance of communicative skills among executives must reflect in increased focus on these skills in the selection and assessment process of executives. As communicative skills are very much tied to the personality of the leader, specialised tests would be warranted for objective assessments.

Communicative skills go beyond the leader's verbal and non-verbal communication. With the quickly growing use and relevance of online social media, the participation of executives in this arena will grow and become increasingly important. Understanding social media and the role it plays in (corporate) communications should become part of assessments and ultimately part of the selection procedure of executives.

Integrity, trustworthiness, authority, and authenticity are core competencies of executives. Communication itself cannot change something flawed into something grand. Increased transparency, not in the least due to new media, quickly reveals an executive's true colors. The statement by the far majority of responding executives that authenticity is considered to be one of a leader's most important qualities may be a cause for concern. Increasing transparency demands a company's thorough grasp on their communication. A leader's personal opinion and the company's interests may not always align, with the potentially harmful results of inconsistent and incoherent communications. Acknowledging this risk is important, and as a result a candidate's personality should become part and parcel of the selection and assessment process of executives.



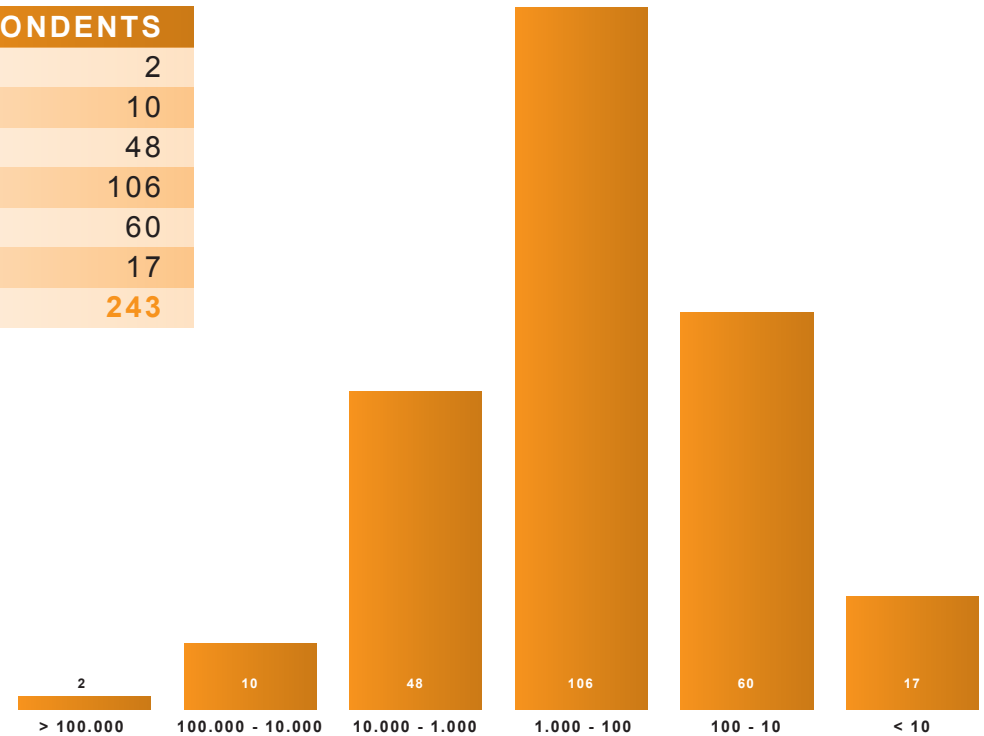
RESPONDENT'S COUNTRIES

ARGENTINA	ITALY
AUSTRIA	MEXICO
BELGIUM	NETHERLANDS
BRAZIL	NORWAY
BULGARIA	PERU
CHILE	POLAND
CZECH REPUBLIC	PORTUGAL
DENMARK	ROMANIA
FINLAND	SAUDI ARABIA
FRANCE	SLOVAKIA
GERMANY	SPAIN
GREECE	SWEDEN
HUNGARY	SWITZERLAND
INDIA	TURKEY

SURVEY AND RESPONDENTS

In May 2010 INAC Executive Search Worldwide members sent their most valued clients an online survey, containing a short list of questions. The response was beyond expectations, receiving answers from 243 respondents from 27 countries.

COMPANY SIZE	NR. RESPONDENTS
> 100.000 EMPLOYEES	2
100.000 - 10.000	10
10.000 - 1.000	48
1.000 - 100	106
100 - 10	60
< 10	17
TOTAL	243



SURVEY RESULTS - QUOTES 1 AND 2

‘MY PRIVATE LIFE HAS NOTHING TO DO WITH MY BUSINESS PERFORMANCE’



21% of executives think they can separate work and private life.

75% of the executives agree that personal performance is directly related to business performance.

‘MY PUBLIC SPEECHES AND KEY-NOTES ARE ALWAYS PREPARED BY PROFESSIONALS’



A fast majority of responding executives write their own speeches or speak without preparation, thus emphasizing the importance of authenticity as a leader and the important role of communication skills. There are however concerns about the reliance on authenticity alone. One could argue a leader relying on authenticity alone might not always best serve the company’s interests.

SURVEY RESULTS - QUOTES 3 AND 4

‘I AM PERSONALLY ACTIVE ON ONE OF SEVERAL SOCIAL MEDIA WITH A BLOG OR ON TWITTER / FACEBOOK ETC.’



April 2010 there were 106 million Twitter users and 400 million Facebook users. The majority of executives is still not using any online social medium - only 43% does. This illustrates the importance of communication skills for executives.

‘FOR ME, AUTHENTICITY IS MORE IMPORTANT AS A LEADER THAN BUSINESS PERFORMANCE’



The majority thinks authenticity is more important than business performance.



SURVEY RESULTS - QUOTE 5

‘THE GLOBAL ECONOMIC CRISES MADE ME CHANGE MY CORPORATE BEHAVIOR’



The majority is doing the same things as before the economic crisis, while scientists and politicians all agree that different behavior is necessary.

SURVEY RESULTS - LEADERSHIP QUALITIES

WEIGHTED RANKING	FINANCIAL ACUMEN	COMMUNICATION SKILLS	RISK (MANAGEMENT) INSIGHT	ENTRE- PRENEURIAL SKILLS	STRATEGIC VISION	LEADERSHIP/ HUMAN RELATION SKILLS	SYSTEM THINKING
SCORES	974	1155	965	1054	1315	1251	872
WEIGHTED SCORES	946	765	954	865	865	669	1045
RATIO	1.03	1.51	1.01	1.22	1.52	1.87	0.83
RANK	5	3	6	4	2	1	7

TOP 3 MOST IMPORTANT QUALITY FOR A BUSINESS LEADER NOWADAYS

- 1 Leadership/human relations skills
- 2 Strategic Vision
- 3 Communication skills

Risk management and System Thinking rank less important.

SURVEY RESULTS - LEADERSHIP CHALLENGES

	HOW TO MAKE A PROFIT THIS YEAR	HOW TO MAKE THE BUSINESS(MODEL) SUSTAINABLE	HOW TO GROW THE BUSINESS	HOW TO FIND AND RETAIN EXCELLENT PERSONNEL	HOW TO FUND THE BUSINESS
MOST IMPORTANT	62	103	87	50	44
LESS IMPORTANT	16	24	35	28	89
SALDO	46	79	52	22	-45
RANK	3	1	2	4	5

TOP 3 MOST IMPORTANT CHALLENGES FOR AN EXECUTIVE THIS YEAR

- 1 How to make our business (model) sustainable
- 2 How to grow the business
- 3 How to make a profit this year

Despite the economic downturn, financing the business doesn't seem to be the biggest problem (rank 5).

LYING AWAKE ISSUES

In addition to the statements executives were asked to respond to, the question was asked what constitutes as the biggest issue executives struggle with today. From the numerous answers we conclude that profit margins, performance, and short term growth are most prominent, followed by concerns about lack of trust and security.

When asked to choose one topic closest to heart the answer is remarkably sustainability. But digging deeper it turns out that in this case sustainability is not so much about corporate citizenship, the environment or other moral or social considerations, but securing and sustaining profitability.

Also remarkable is that what keeps executives awake at night is in almost all cases business related.

ABOUT INAC EXECUTIVE SEARCH WORLDWIDE

INAC Executive Search Worldwide is a formal network of independent companies present in 45 countries with over 70 offices. Member firms and partners cooperate with each other to provide a truly global and professional search capability for clients.

CONTACT

For more information about the activities of INAC and its global network, please go to www.inac-global.com, contact your local INAC partner, or contact Remy Rodenhuis, President of INAC Executive Search Worldwide.

Phone +31 70-3622005

Fax +31 70-3625969

E-mail president@inac-global.com