

EXECUTIVE TALENT

The background is a solid dark blue. It features four large, five-pointed gold stars arranged diagonally from the top left to the bottom right. Overlaid on the stars and the background are numerous thin, colorful streaks in red, teal, and black, creating a sense of motion and energy. There are also small, scattered white and light blue dots throughout the design.

 AESC

Volume Eleven

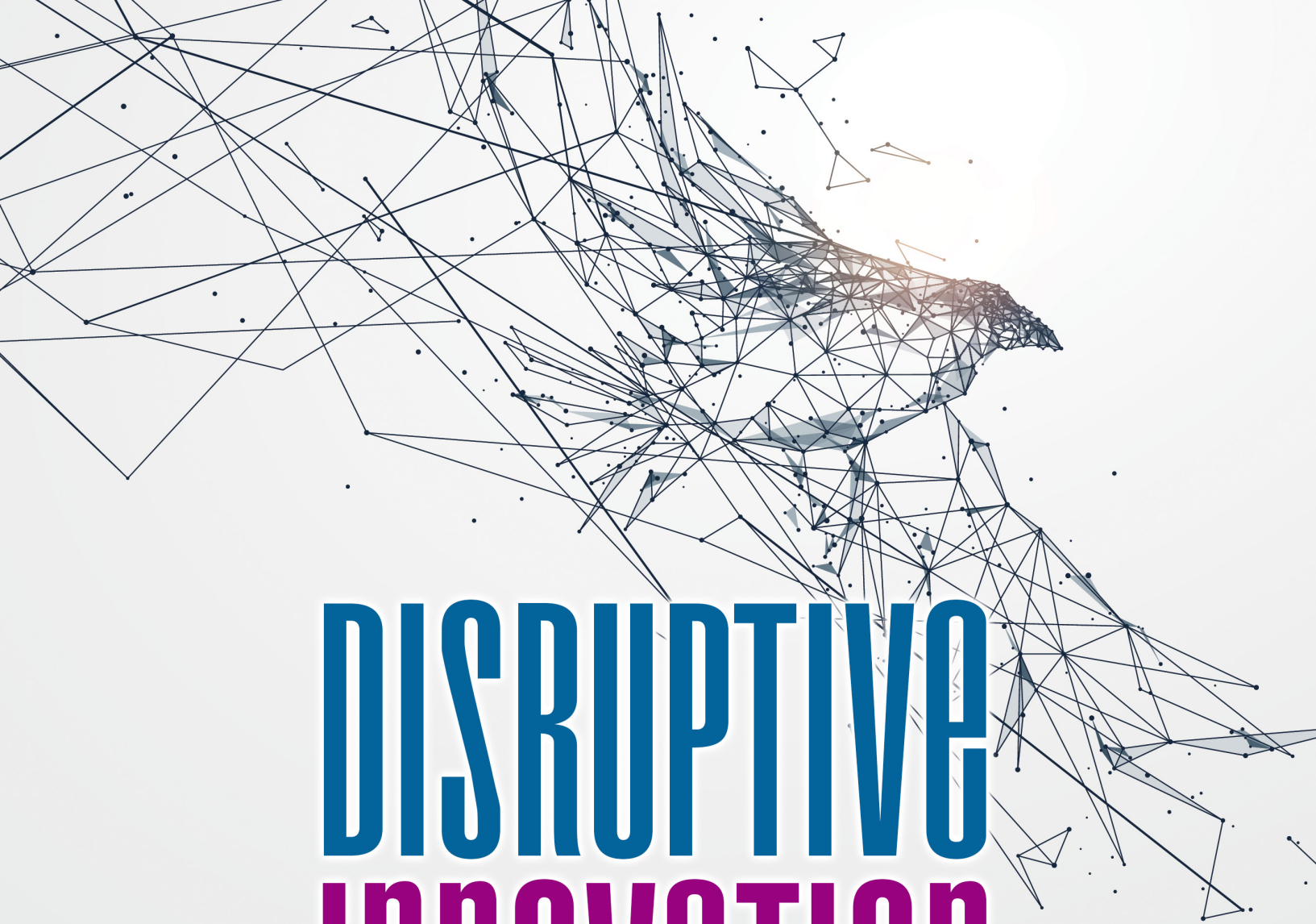
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PLUS
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Volume Eleven

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Welcome to Volume 11

from Karen Greenbaum, AESC President & CEO

In this issue of *Executive Talent*, we investigate EU General Data Protection Regulation (GDPR) and what it means for executive search and leadership consultants, their clients and candidates. While GDPR was not created for our profession, the regulation has sweeping consequences for how we conduct business. We at AESC see it as our responsibility to interpret these rules and how they apply to our profession and then educate our members. We want to be sure AESC members—the highest quality firms in the world—are prepared for GDPR and remain committed to data privacy and data security.

- For executive search and leadership consulting firms, the commitment to confidentiality and respect for an individual's private information is already a core value of the profession. GDPR dramatically expands the application of those values, and will transform how many firms approach data security and data privacy. We investigate how with members of AESC's GDPR Task Force and other experts.

In this issue, we also take a look at:

- The trusted advisor relationship is rare and sought after. But what does "trusted advisor" mean today and why does it matter? We decided to find out by speaking to some of the best and most seasoned in the profession: AESC award recipients, AESC Board Directors, as well as clients and others on this coveted relationship, how to get there and how to maintain it.

- After 25 years in the start-up world, author of *The Day After Tomorrow* Peter Hinssen found himself spending nearly all of his time with executives responsible for large divisions of even larger organizations. Hinssen was flabbergasted at the differences between those two worlds, and fascinated by their completely different ways of thinking about opportunities and agility. Hinssen shares with us insights from his new book and illustrates how companies can prepare themselves for radical change.

- Ilaria Maselli is Senior Economist for Europe at The Conference Board. Maselli just completed a new report with co-author Marion Devine, *Turning Silver Into Gold*, where she examines Europe's aging workforce. She takes us through the implications for Europe and other economies and provides a convincing business case for retaining and recruiting mature workers and investing in their productivity.

- Andy Warren, CFO and Chief Information Security Officer at Invenias, provides a useful and timely GDPR checklist for executive search firms.

Thank you to the many individuals and firms who participated in the interviews and contributed to the research for this issue of *Executive Talent*. As always, I welcome your feedback on all matters relating to global executive talent. Welcome to the GDPR issue!



Preparing for the Day after Tomorrow with Peter Hinssen

Peter Hinssen is the author of *The Day after Tomorrow*, a new book that illustrates how companies can prepare themselves for radical change.



"Don't look at tomorrow with what you know today. Try to look at the second horizon—the day after tomorrow."

Peter Hinssen

After 25 years in the start-up world, Hinssen found himself spending nearly all of his time with executives responsible for large divisions of even larger organizations. Hinssen says he was "flabbergasted" at the differences between those two worlds, and fascinated by their completely different ways of thinking about opportunities and agility.

"In the last couple of years the pace of technology has picked up, and we feel this as consumers, we feel this as citizens, we feel this as parents," Hinssen explains. "And we see traditional organizations who have size and scale increasingly worried that they are not capable of going fast enough, of not being agile enough, and not being able to respond to the seeming avalanche of new technologies."

The Day After Tomorrow explores the structures, mindsets, behavioral patterns and cultures of companies that are bracing themselves for, and organizing themselves to, be better at dealing with change.

Hinssen's favorite analogy is the plantation and the rainforest.

Traditional organizations are the plantations: They are run very effectively. They're very good at their particular crop, but they're probably never going to be clever about doing anything else.

The start up world is the rainforest: It's a scary place, it's a dangerous place, and you

can die! The mortality rate of a start up is very high.

Hinssen observes, "What is truly fascinating is that sometimes you see plantations saying 'oh we need some of that rainforest magic,' and they import somebody who has lived in the rainforest all their life. But if you bring somebody from the rainforest into the plantation, they die. And the reason is culture. And that's because the rules of the rainforest and the rules of the plantation are fundamentally different."

Hinssen says, "One of the interesting things that you do (in the executive search and advisory professions) is you guide that process—you understand the psyche of the individual, and you understand company culture...you have a unique capability being able to match cultures." And culture, he predicts, is going to become even more important.

"A maelstrom of technologies is accelerating the pace of society and business," Hinssen says, to which organizations will need to adapt to survive. In that environment, he says, "structures are not going to save you—I think it's culture that is really capable of helping companies reinvent themselves."

To Hinssen, it is essential that organizations "put everything in place so that the people who are going to transform



your company are given every single opportunity to succeed.” Who are those people? Hinssen explains.

“If you live in a start up, you have 99% people in your company who have no idea what they’re doing. They’re doing something that’s never been done before so *by definition* they don’t know what they’re doing, but it’s incredibly creative, and requires an enormous amount of emotional energy, drive and dedication to pull it off.” On the other side, he says “if you’re lucky you have 1% in your company—it could be a board member, or a venture capitalist or a serial entrepreneur, who does know what they’re doing.”

“So if you go to scale-up you, get to the 50-50 ratio. Then you go to a traditional company and you have 99% of the people who know exactly what they’re doing, and you have 1% who don’t know what they’re doing.

“Ironically,” he says, “the future of the company probably resides in the 0.1% being able to reinvent the company, organization or business model.”

To Hinssen, the true irony is that the 1% people are spending most of their energies fighting the 99% population. He says, “I think it is essential that organizations realize that, shelter these ‘day after tomorrow’ people, and make sure they have all the potential to reinvent the organization.”

“In that sense, this is really a book of hope.” ■

Enjoy this excerpt from Peter Hinssen’s *The Day After Tomorrow*



Culture before structure

In my opinion, if you want to build organizations that are ready to tackle the ‘Day After Tomorrow’, you should build the cultural foundations first. You find the right people, unite them in a shared sense of purpose and empower them to make their own decisions (yes, even their own mistakes, because there will be mistakes). A command and control culture suffocates innovation, and will end up suffocating your company.

Devise an organization that has mental agility built in. One that allows people to break the shackles of silo-thinking. Dream up a company that fosters a culture of experimentation, and gives people the courage to question, to try new things and to engage in constructive dialogue.

There is a rainbow of ideas with which to paint. Let go of the Shades-of-Grey variations on the imperial command and control model. Perhaps ‘Teal’ is a color that is too off-beat for your spectrum. Maybe Holacracy may not work for your organization. But there are so many great innovators out there, as we’ll see in chapter 6: each and every one

of them with a strong culture. Let yourself be inspired by them, and then make their learnings your own.

The most fundamental aspect of the Google Alphabet experiment is that they have broken the ‘one size-fits-all’ approach of building organizations. In a truly unique manner, they’re trying to find the ‘triple point’, where multiple culture and organizational forms can co-exist. They can be plantation and rainforest at the same time, and even some wonderfully colorful configurations in between.

So, my advice is: dare to paint a canvas of organizations that is not a one-size-fits-all solution. Have the courage to experiment with the enormous variation in colors of organizational cultures that you have at your disposal. But take it seriously. Focus your best talent on your ‘people’. In many companies today, the composition of Human Resources is seriously anemic: they have too few people who are willing to take risks, who dare to be creative or show entrepreneurship in the thinking of the organizations for the ‘Day After Tomorrow’. In my opinion, many HR departments have all too often become plantation-thinkers,

while theirs is one of the departments that could stand to gain the most from the 'rainforest magic'.

The Little Red Book – Part II

I began this chapter with a reference to Facebook's little red book. It is still one of my favorite reads. I often take it from the shelf and leaf through it when I need inspiration about how companies focus on culture first and on management structure second. It's a wonderful document that describes the deeply rooted cultural values of Facebook. It's labeled the 'Hacker Way'. In their words: "The Hacker Way is about pushing boundaries. About testing limits. Doing stuff people didn't realize could be done. Figuring out how to do more with less—sometimes with nothing. McGyver, not Bond. It's function over form and survival of the fittest. Effectiveness over elegance. It's the unshakable belief that there is always a way."

The Facebook culture is a combination of experimentation (the hacking way), of scale (change the world) and of speed. It is about inspiring their employees to go the extra mile. Because they believe they are building much more than a company, they are building a platform for the world. And for that, they must radically focus on the right culture; and on the right fit with new employees and their partners in the ecosystem.

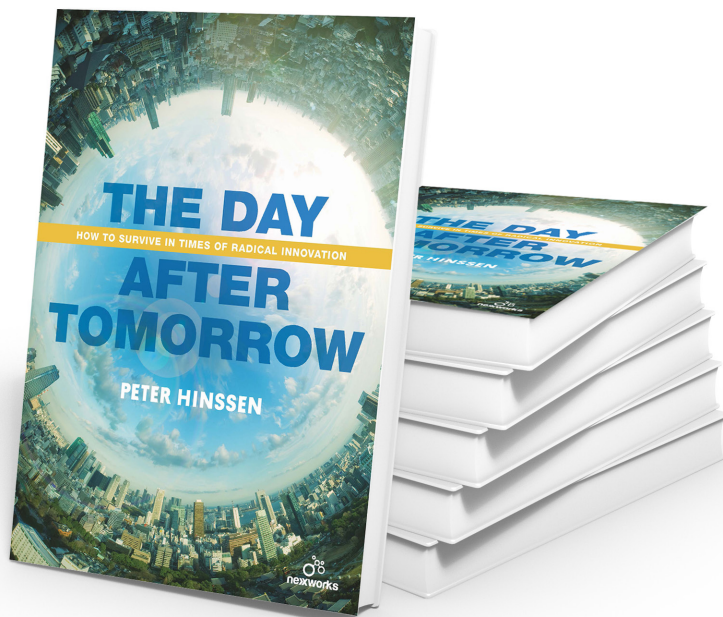
They also believe that at the stage that Facebook is in now, they will have to work incredibly hard to realize their purpose. As the little red book puts it: "This isn't a fun place to work because it's easy. We make things that touch millions of people. We don't expect it to be easy. We expect you to change the world."

Of course, Facebook has management structures. And departments. And teams. And bosses. And governance. But in this company that is aiming for the 'Day After Tomorrow', "structure follows culture". The philosophy of their 'Day After Tomorrow' is one of the most passionate I've ever seen, I was deeply touched by it. It gave me the inspiration to write this book and urge other companies to get in touch with their 'Day After Tomorrow'.

This is how it's written in the 'little red book':

6 months or 30 years.

There is no point in having a 5-year plan in this industry. With each step forward, the landscape you're walking on changes. So we have a pretty good idea of where we want to be in six months, and where we want to be in 30 years. And every six months, we'll take another look at where we want to be in 30 years to plan out the next 6 months. Any other approach guarantees everything you release is already obsolete.



The question is: how would your culture read? Is your company one you would want to work for if you were fresh out of school and full of hopes and ambitions? Is it a company that aims big at changing the world? One in which each and every department and employee shares the very same goal, even if their approaches are different? One in which the 'Day After Tomorrow' is a priority, not something you could maybe tackle when things are a bit calmer which never happens?

Is it? It should be.

To paraphrase Peter Thiel: don't fuck up your culture. ■



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The Trusted Advisor Relationship:



Why it matters. Earning the distinction.

"A truly trusted advisor is someone who puts the other party's best interest first. It requires independence, ability to form a criteria-based opinion, active listening skills and empathy, a service orientation, and the courage to challenge and say "no" from time to time."

*Krista Walochik
Co-Founder and Chair,
Talengo/The Global
Community for Leaders (TGCL)
Chair, AESC Board of Directors*

Ask experts, clients and consultants to define "trusted advisor," and while there is fairly broad consensus in their answers, each perspective on what it means, why it matters, and how to achieve *and* receive the services of a trusted advisor provides nuanced insight to a coveted status and essential service.

What is a Trusted Advisor?

David Butter of Andrew Sobel Advisors describes the transition to trusted: "You need to evolve from being an expert for hire, somebody dealing with transactions and short-term projects, to building a client for life." Butter describes a "long-term, trusted relationship which goes beyond your core subject matter expertise into being a partner in helping deliver the client's personal and institutional agenda."

Luiz Carlos de Queiroz Cabrera is Managing Partner, Panelli Motta Cabrera in Brazil, and the 2011 winner of the AESC Lifetime Achievement Award. "The atmosphere is trust—the main issue is

trust." This atmosphere he describes extends beyond an assignment. "The trusted advisor helps clients to think, gives a different point of view, and excites them to look at different angles: How can I talk about succession, M&A, investments, buy or sell?" he says. "Sometimes, what they want from you is just a logical discussion."

For one client of search, empathy and experience are vital features of the trusted advisor. Ulrich F. Ackermann, Vice Chair of the

Board & Chairman: Europe at TRANSEARCH, Germany says, "What is important here is that you, as a consultant, have to understand how the CEO or the person that sits in the client chair feels. Ideally, you've been in his shoes and have experienced what it means to be in such a situation," he says. "If you have this understanding and you have the rapport with the client, you have two fundamentals to become a trusted advisor."

For Krista Walochik, AESC Board Chair and co-founder

of Talengo, "A truly trusted advisor is someone who puts the other party's best interest first.

"Listen. Be totally candid and transparent. Bring a measured and balanced perspective. Engage and communicate constantly. Be a value-added partner and creative problem-solver who is totally client-focused."

*Thomas Daniels
Senior Director,
Spencer Stuart
Chair Emeritus,
AESC Board of Directors*



It requires independence, ability to form a criteria-based opinion, active listening skills and empathy, a service orientation, and the courage to challenge and say 'no' from time to time."

"Within our profession," Walochik says, "this may include: Probing on possible internal candidates before jumping on a search; challenging a brief when the profile is unrealistic; turning down an assignment when you know you're not the best equipped to handle it."

A C-level advisory relationship can be high-stakes for the client. Christoph Szakowski, Partner-Consultant with boutique international logistics solutions provider LCE—Poland, believes independence is an essential quality for a consultant. "First of all, to be a trusted advisor you need to be outside of the internal company politics, you need to be neutral, having your own opinion and judgment without the influence of any stake holders in or outside the company."

Szakowski also observed that "clients value openness, neutrality, and some personal traits. You need to be authentic, you need to be able even to criticize yourself, to be self-aware about your own weaknesses. You show you are not somebody who doesn't make any mistakes. I believe leaders follow advisors who admit they make mistakes, but learn the lesson," he says.

Russell S. Reynolds, Jr. is founder and chair of RSR Partners and an AESC Lifetime Achievement Award winner. "It's not about money, it's about commitment," he says. "We have worked very hard over the years to build that relationship with a number of our clients, and the ones who seem to have emerged as the best clients are the ones who feel that we really are a trusted advisor. So to be a trusted advisor is to do the right thing in the long run and not the best thing in the short run."

Robert Pearson is founder and chairman of Pearson Partners International, and an AESC Lifetime Achievement Award winner. "When I was CEO of a public company, I would have conversations with the CFO that I could never have with anyone else in the company. For me to have those conversations with an outside vendor would be very difficult—I wouldn't do that unless I had spent a long time developing and nurturing the relationship. And it probably takes an extended client relationship before you can call it a trusted relationship."

Not every relationship rises to the level of "trusted advisor." With his storied career at the highest levels in the profession, Pearson says "I can honestly say that I don't have scores of trusted advisor relationships." He explains "It's something that needs to be nurtured and treasured, and I would not imagine that a person could have more than 5, 6, 7, maybe 8

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— Luiz Carlos Cabrera,
Managing Partner,
Panelli Motta Cabrera,
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— Christoph Szakowski,
Partner, LCE Poland, a
boutique logistic firm



trusted relationships in the course of a career. It takes time to develop, it's easy to destroy, and it's very hard to have multiple trusted client relationships, because you spend a lot of time with that client."

From the client perspective, a trusted advisor can be found at the far end of a journey. Lalit Jain is CEO for International Solar at Hindustan Power, a power development company in India with a large presence across India and strategic international markets. In business relationships, Jain proceeds with caution. "I don't know a scientific or structured way of finding a trusted person. We start small, we see how comfortable they are, how flexible, how good they are, when we start the relationship," he says. "It builds over time. There's no mechanism to do that. We try to evaluate honesty, integrity, experience, reliability. Most important is one's own experience. It's gradual."

Why it Matters

The placements, the assessments, and the full range of advisory services are high-stakes, important work for both the client and the consultant. But beyond the scope of work, both clients and consultants value the relationship between them.

JoAnne Kruse is Chief Human Relations Officer at American Express Global Business Travel. She describes the immediate advantages of working with a trusted advisor. "They know the organization, they understand the culture and the dynamics of

it, and that gives us a much higher confidence level. It takes a lot of time to educate a search person who has never worked with you. Time is of the essence and fit is super critical. That's something that's always going to help the person who's got that trusted advisor relationship."

"The other piece is that a really trusted advisor will tell you if they can't do that search."

For Peter Drummond-Hay, retired Managing Director at Russell Reynolds Associates and AESC Lifetime Achievement Award winner, 2017, the trusted advisor relationship is unencumbered by doubt and uncertainty. "Clients feel there is somebody who knows them and will give them honest advice," he says. "It's such a privilege if we have someone in our lives we can share with at that level—the value is, the client doesn't have to be suspicious of the motives of the person advising them."

Clients also need counsel under pressure. AESC Lifetime Achievement Award winner Judith von Seldenek, Founder and CEO of Diversified Search/AltoPartners observes "everybody's in such a hurry for everything, including making decisions. Some of the decisions clients make are life-changing, corporate direction-changing, and they shouldn't be made in a vacuum," she says. "But they've got to make them, they can't take forever to make them and so they need to have people that they could call and ask questions. These are key people and hard to

find, and they develop over time."

Corporate leadership is also under constant performance pressure, which can leave executives wary of exposing doubts or vulnerabilities. "If you look at the guys at C level, if they have to openly discuss their ideas, their fears, and their expectations, with whom should they discuss that?" Ackermann asks. "They cannot discuss that with their board colleagues because, quite often, they are not sure whether one of their colleagues will use this as a sign of weakness, or use this for his own purposes. Which is why it's difficult for a CEO to find somebody to serve as a sounding board among his peers." The trusted advisor frequently serves in that role, as someone outside the organization but with deep understanding of the business.

Cabrera adds, "A known subject is how lonely the CEO is. We have been discussing the loneliness of the CEO for a long time—but this is a very important role that a trusted advisor represents for a CEO, especially if it's a new CEO."

"For CEOs," von Seldenek says, "if they can find the right search consultant at the right level it's an invaluable resource in terms of helping them to make good business decisions—and the most important decisions today are around human capital." Indeed, in AESC's 2017 client survey, attracting and retaining top talent ranked high among executives' concerns.

As the global talent shortage shows no signs of abating, it remains an urgent

problem for many organizations. “Talent is the name of the game,” von Seldenek says, “and if you get that right you’re off to the races; if you get that wrong, it can be the end of the day. Good search people understand that equation better than anybody.”

Hindustan Power’s international solar business requires advisors with language skills, cultural proficiency and business competencies in the specific markets where Jain has projects. He relies heavily on local advisors. In fact, Jain says, the success of his business depends on them. “Without such relationships we will fail in various markets,” he says. “The UK market is very different from the German market, the German market is very different from the Italian market, the European market is very different from the Japanese market. Culture, language, the way of negotiating documents and various matters are completely different and we need to have people we trust who can help us.”

Clients in family-owned businesses have a specialized need for independent advisors. Cabrera describes business in Brazil. “Most of our companies are not corporations. We have listed in stock exchange 443 companies. We have only seven corporations. All the other companies are family owned or a combination of family and investment funds. So, the major problem for those companies is succession, especially when you have two families, or two good candidates in the same family.”

Succession planning in a family-owned business could be divisive, and if contested, potentially catastrophic. “What the board wants to discuss with the trusted advisor is how to conduct the succession process,” Cabrera says. “Your value is, they know you can be independent, you are not going to work for one side over another. And sometimes the trusted advisor represents the opportunity of the company to look externally—to be sure that the internal candidate is the best.” He adds, “That’s why search consultants became a very important trusted advisor in the succession process here.”

Asked about why a trusted advisor relationship matters, Butter is unequivocal. From the client perspective, he says “clients in this fast-moving world are desperately seeking people they can have insightful conversations with—rather than receive presentations and me-too recommendations from—people who can be a sounding board, people who can sit at the table and listen, ask insightful questions, and offer independent strategic advice.

There’s value on the consultant side, as well. Butter says, “if the consultant stays in

their expertise, task-oriented box, they’ll get an assignment, they’ll deliver the assignment, but then the relationship will stop. They are much more likely to be stuck in RFP territory, bidding on price, working at the middle level.” He says, “when you apply skills and techniques of building the trusted advisor relationship, you are much more likely to become a sole-provider, much more likely to avoid day-to-day price pressures, and much more likely to have a client for life.”

Reynolds illustrates the point with an example from his own experience. “One time I asked a very distinguished man, John Laudon, who was chairman of Royal Dutch/Shell, if he would go on the board of my first firm. He said ‘well what do you expect from me, new business?’ and I said ‘no, friendship.’ He finally decided we would try each other out for a year and about 18 years later we were very, very close friends.”

How to Be a Trusted Advisor

The status of “trusted advisor” for many in the consulting and advising world is aspirational and elusive. It depends, in part, on experience, character, commitment, knowledge, and chemistry.

Reynolds understands the investment required to develop a relationship with a client. He advises, “Be willing to spend a lot of time with the client to get to know them, get to know the people, travel, visit their offices, so that by the time you do a search for them you almost know the company as well as the client does. Some clients will say ‘that’s not necessary, we don’t have time to invest in a lot of meetings. Get it going and get us a person.’ That’s a transaction.”

Reynolds adds, “The people who are willing to have you attend a board meeting or visit their plants or go to their sales meeting, those people are building a relationship.”

As a client, Jain feels “the beginning of the relationship is very critical. My advice: make sure that the consultant advisor tries to deliver more than has been asked for, try to give a value-add, try to give input in a concise manner, those things help.”

He says, “being available, on-call, understanding what is important to a client, these things help. And then, as a client I want to make sure that our interests are aligned, and that we’re looking at the bigger picture. These are some things advisors can do to build a long-term relationship.”

Walochik says, “There are different elements involved in being a trusted advisor: content expertise, strategic vision, knowledge

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— Robert Pearson, Founder and Chair, Pearson Partners International, AESC Lifetime Achievement Award, 2013

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"If you think what you're hearing from your client is not the right way to go, you need to tell them...that's what you're getting paid to do."

— Judith von Seldenek,
Founder and CEO, Diversified
Search/AltoPartners

"A Trusted Advisor is somebody who you believe will give you good advice without consideration for commercial gain. In order to develop a relationship with somebody, to become a trusted advisor, you need to demonstrate to that person first that they can trust you, and second that your advice is worth something."

— Russell Reynolds, Jr.
Founder and Chair
of RSR Partners,
AESC Lifetime Achievement
Award, 1999

of specific business drivers, understanding organizational dynamics and culture, and a breadth and depth of personal experience on which to draw." She observes, "A trusted adviser gains that honor over time and on the basis of different interactions that have generated positive results for the client."

Cabrera, too, believes that a trusted advisor relationship is built over time. "It does not come immediately. We have in the Brazilian culture a saying, 'to build that trust you have to eat one pound of salt together.' To eat one pound, it will take a long time." He adds, "You don't introduce yourself as a trusted advisor—it doesn't work like this, you become. It is the consequence of a long-term relationship."

"You really have to earn this trust," Ackermann says. "And that means you don't earn it once and then you have it forever, you have to earn this every time you're sitting together with your client, that you're talking with your client because you have to rebuild the trust and reinforce the trust, and you have to give added-value to your client."

He adds, "It's a question of how respectful you behave, that you keep that absolute confidentiality and only use information for the benefit of your client." He says, "In the long term, you have the possibility of influencing the strategic orientation of the client and helping them improve in the broadest sense: improve personally, improve as a company, improve in terms of talent management, and finally help them shape the culture to the next dimension."

Kruse describes an advisor who, even outside of an engagement, may come back to her with important market information. "There is real value in having an advisor share best practices or trends, particularly when they share how other companies or candidates are handling these trends."

She adds, "that creates a value in my relationship with them, and a recognition by the advisor of literally how to be a great partner for me, beyond the transactional value of doing a good job filling a job."

For Szakowski, "The relationship is not a question of what I can tell them, or even which solution to offer their business or their clients. No, it's a little bit more—I can help clients become better in business, and also in their lives. I have some leaders who I serve, and they call me in a trustful way and discuss different topics with me—it's not always strategic, operations management or company development matters, sometimes it's a truly personal matter."

Some relationships are forged under pressure. To Cabrera, "You become a trusted advisor when you face a lot of challenges together with your client. The challenge could be the death of a CEO very young with no succession plan, could be a disruptive technology that's effecting the business. The challenge could be to replace a CFO in the middle of an IPO program. Competencies are only developed by facing a challenge, and when you face a challenge together, you develop competencies together—and then, he or she client knows that you know how to face that situation, because you were there with them."

Cabrera adds, "We must be careful with the word 'experience,' because sometimes it's not a success, it's a failure. But you face it together. You learn with a failure."

A challenge that seasoned consultants understand is the need to take risks. Von Seldenek explains, "I have had to disagree—not just for the sake of disagreeing, but that's where you add value. If you see something that isn't being handled in the right way, or the right questions aren't being asked, you have to speak up," she says. "You've got to be willing to lose it all."

Von Seldenek speaks of the courage of convictions "and if you think what you're hearing from your client is not the right way to go, you need to tell them." She says, "That's what you're getting paid to do."

Pearson also advises on what not to do. "The biggest mistake anyone can make is to go into a meeting and say 'what keeps you up at

night.' It's an absolutely dumb and irrelevant question. You should have figured that out long before you go into the meeting." He says, "You need to spend a lot of time understanding the client. There's a wealth of public information available, so you need to find out everything there is to know about that company: its challenges, the problems they've had, the growth they've gone through, the previous executives who have left and under what circumstances. So when you go into the meeting, you have a pretty good idea of what keeps them up at night. What you want to talk about is what are the opportunities going forward, and how you can help."

Human relationships are unpredictable, even in business, and even if a consultant does everything right. "I think a good consultant will undoubtedly develop these relationships overtime," says Drummond-Hay. "I've been fortunate in my career to have a good number of trusted advisor relationships with different people, and we've been able to relate. But that's not always the case. Chemistry is really important. It's not just knowledge and substance, the client may just not like the sound of my voice."

How to Have a Trusted Advisor

Clients who have relied on trusted advisors note the practical benefits of the relationship, and the role their own behaviors played in enabling such relationships to evolve.

When Christoph Szakowski was contemplating a career change, his trusted advisor helped him look beyond work. "I had a rather fast progression in my management career, from junior manager to general manager in the international logistics industry, and I was quite satisfied. But it was not everything, and I was starting to think about how to change and prioritize my personal life versus my professional life. I needed advice."

Without an existing advisory relationship, Szakowski chose to seek one with a specific skill set. "I was really lucky at that time. I realized I needed to ask for advice. I didn't want to ask somebody in the logistics industry, I didn't want to ask a coach, I wanted to find someone who could combine psychology with business knowledge and a broader perspective." This advisor broadened my horizons, and suggested I consider the structure of my life, my long-term goals, and doing something different and new. All those things, which before

that, I didn't really think about." Szakowski elected to be open to an advisor.

For Jain, being open to advisors is a deliberate choice, as well. "Our business is based in India, but we're working outside India so for us, these advisors are an extension of our team. I think now the relationships have developed to the extent that there comes a point when we don't even differentiate between our team and the advisors." Jain adds "and our explicit objective is to ensure that we develop such relationships."

By choosing to invest time and trust in their advisors, both Szakowski and Jain have gained tangible benefits. "It's very difficult to have a trusted relationship if we don't show trust," Jain explains. "If we don't show long-



term interest in working with advisors, it will not develop into a trusted relationship."

According to Butter, both the client and the consultant play a role in developing the deeper, trusted advisor relationship, "but it's up to the consultant to take the initiative." Butter acknowledges, "Sometimes the client is hard to break through to, but you've got to add value in the relationship, and build some personal and professional rapport before you can begin earning the right to becoming a true partner and trusted advisor."

Asked about the client's role in developing a trusted relationship, Kruse says "as a client you hope that the consultant brings that to the table. But some of it is how you, the client, thinks about those partnerships in the first place. If you start off thinking it's a partnership, then you have to provide access and information, and most companies are pretty protective of that, certainly in HR."

Why are some clients reluctant to provide that access outside of a trusted relationship? Kruse says, "People have been burned, so you have to have a pretty trusting relationship to disclose your dirty laundry to somebody who talks to a lot of people

externally. It's high-risk for the company. The political environment of potentially having something communicated that would be damaging to either individuals or the brand – that's why people are so hesitant." Kruse adds, "But it's a chicken and the egg kind of thing. If you don't build the rapport and you don't have the experience with people over time, you never get to that trust level."

Butter says what Szakowski and Jain know from experience. "Open-minded clients understand that it is in their enlightened self-interest to build these relationships with their advisors. The advisor can add more value in the context of a long-term relationship, and the trust that develops eliminates much of the friction of working with outside providers. They also gain deep personal understanding and support."

When Do You Know?

Consultants and clients recognize that the evolution from consultant to trusted advisor is both exceptional and infrequent, and they know it when they see it.

Drummond-Hay recognizes "another level" in the professional relationship. When achieved, he says "there's a dimension in which you are advising the client above and beyond the thing they're working on: their career, their dealings with management or the Board; being in a position where the client can open up about things that are personally important to them. From the client's point of view, having that kind of relationship is tremendously valuable."

Von Seldenek recalls talking to a CEO not long ago who founded a Fortune 500 company. She says, "He had engaged me to help find somebody for his board and it was a tricky situation. I could tell he was sharing with me just bits and pieces, and he was watching me and reading how I was reacting. As he continued on, he was deciding in his mind how much could he tell me. In the end he was forthcoming and really shared what I needed to know: the culture and the dynamics. Then when he shifted, and started talking about personal things from his perspective, I realized we had crossed a line. A good line."

While not a search consultant, Jain recalls a contract negotiation in which he was advised by a local law firm to "trust the counter party and go by verbal assurance." With trepidation, he followed the advice of the law firm and "because we went with the advice of our lawyer we were able to control the price, and it became a very

A client was looking for a senior regional head in Asia Pacific. This was a senior, complex, corporate leadership position overseeing four significant business lines. They thought they needed a highly experienced line executive who had successfully run a USD\$1b++ business.

Following a detailed analysis of prior internal executives who failed in this role, we proposed a 'dark horse' candidate who was clearly off-spec but brought additional strategic capabilities and influencing skills to the role. The client (from the CEO down) was fixated on candidates who had large scale P&L experience. However, given the relationship we had developed with the client and the fact that we had undertaken a detailed stakeholder analysis on why



previous internal candidates had failed, the client was prepared to 'suspend' their belief on the ideal candidate and entertain one to two lateral, creative ideas.

The successful candidate was very different to the original specification. The candidate had limited P&L experience but had an outstanding track-record of senior level strategic influencing and complexity management. The trusted advisor relationship provided us the permission to explore candidates that would not otherwise have been considered.

Steve Mullinjer, Regional leader at Heidrick & Struggles, Asia Pacific and the Middle East, Vice Chair, AESC Board of Directors.

important relationship, and we use them for all our projects without any questions asked." He says, "Over time we became very comfortable with the firm, we allow them to negotiate our contracts, and trust them completely to continue our standard."

Jain remembers that his company had to earn the trust of the firm, as well. "There was some apprehension on the part of the law firm, because we were coming from outside Germany. Would we pay their rates? Would we pay on time? Over time they became comfortable with us," he says. "It's difficult to say what leads to 'trusted advisor,' but I think its experience from both parties with each other."

When Szakowski started as a consultant and interim manager, offering boutique solutions to the logistics industry, he knew that becoming a trusted advisor "required more skills and another attitude—and it is hard." Eventually, "a few clients became so deeply involved that they call me to ask my advice. I started to ask about goals, about personal issues, and as there was trust they started to articulate different issues and different challenges. And I realized I could be a trusted advisor while I managed one thing: I closed myself to thinking, 'I am a solution provider.' I need to be a partner—an eye-to-eye discussion on the same level." He says, "If I can help to change people's mindsets, they might be able to drive transformation in their companies."

Stakes and Rewards

Organizational leadership is fraught with risk for advisors and for clients: the risk of

a bad placement, the risk of a bad decision that hurts the client, the share price and the employees. And the rewards are high, as well: the challenges, the opportunities, and the relationships.

"The stakes are high for clients," Drummond-Hay says. "Recruiting is a very high-risk process for executives. Making the wrong choice, failing to make an appointment, those things can be very damaging to someone's career. Our job is to reduce the risks that the company faces and the individual client faces, then we're on the way to becoming that trusted advisor."

Consultants welcome the privilege of helping clients set strategy, solve problems, build their businesses and shape their careers. The downside? "You cannot go on a roadshow telling people you have been the trusted advisor of this or that CEO—those people don't like it," Ackermann says. "This is why it's rather like consulting under the radar. That happens quite often in evening dinners, talks, where you sit with them for a couple of hours and nobody knows what you're talking about. There are no minutes."

Von Seldenek is still working with her Fortune 500 client. She says, "Our relationship has grown and I'm doing a lot of work for him, now. And the thing about my industry, what really makes it all worthwhile is when you can have a relationship with a client who has been so incredibly successful that he doesn't take many people into his confidence, but has decided there's something you can do to help him make some very important decisions."

For Walochik, "Like any relationship worth

its salt, this requires caring and taking the time to nurture it. On a very basic level, this is knowing what's going on in the client's business and market, and how she is affected by it. It also means offering insights and market information on a regular basis." For example, she says "Recently I introduced two clients to each other because I identified that they may have common business interests."

There is a clear business interest in earning the distinction of "trusted advisor." Pearson explains "We are not a name brand, so we don't get a call when somebody is thinking about doing their first executive search ever. Trusted relationships are important to us, because when somebody does call, 75% of the time the business comes from either one of two sources: existing clients that have referred business, or sources that we've used in the executive search process who noticed, and remembered how we conducted ourselves in the process."

Business advising is about productive, meaningful relationships. Butter offers some perspective. "We may have hundreds, even thousand of LinkedIn connections, but actually in our careers and in our lives it comes down to a handful of people with whom we have deep, trusted relationships in business and in life. Those relationships, the people with whom you develop your career, tend to stay with you and become the building blocks of your life. There's nothing more rewarding."

"Why are we in this business?" Butter asks. "Because in the end, relationships are core to the human experience and what gives meaning to our lives." ■

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The GDPR and AESC:

The implications
for firms, clients
and candidates of
executive search
and leadership
consulting.

The individuals quoted in the following article are from either AESC, AESC member firms or partner organizations.

Their comments do not necessarily represent official views of their respective firms or AESC. The statements in the following article are neither legal advice nor professional counsel.

(1) The protection of natural persons in relation to the processing of personal data is a fundamental right. Article 8(1) of the Charter of Fundamental Rights of the European Union (the 'Charter') and Article 16(1) of the Treaty on the Functioning of the European Union (TFEU) provide that everyone has the right to the protection of personal data concerning him or her.

REGULATION (EU) 2016/679 OF
THE EUROPEAN PARLIAMENT
AND OF THE COUNCIL of 27
April 2016

In a sweeping overhaul that has world-wide implications, the joint European Union, European Commission General Data Protection Regulation (GDPR) imposes new obligations on the companies that collect and store individuals' personal data, gives individuals expanded control over their personal information, and dramatically raises the stakes of not complying with data protection law.

Years in the making, the GDPR will start being enforced on May 25, 2018. Executive search and leadership consulting firms and their clients are preparing now to be ready.

Karen Greenbaum, AESC President and CEO, emphasizes that data privacy and data security have always been critical to earning and keeping the trust of clients. "As a profession, we have a long history of confidentiality and trust. We deal with top executive candidates and clients looking to fill their most important executive positions.

Members of AESC have led the way for many years in terms of best practices when it comes to data privacy and data security, GDPR definitely adds more regulation to this commitment of data privacy and security and we are helping to ensure that our members are ready for May 25 of next year."

Matthew Herman, AESC GDPR Task Force member and Associate General Counsel at Russell Reynolds describes the GDPR's impact on the executive search and leadership consulting industry. "Every aspect of our business is affected, as every aspect deals with processing the personal data of individuals," he says. "Whether that's executive searches, whether that's mappings, whether that's assessments, each of those lines of business requires the processing of somebody's personal information."

He adds, "Our lifeblood is the information that we have about people, and the GDPR is

designed to regulate the processing of that information.”

David Peters, Group Finance Director, Odgers Berndtson emphasizes that “despite the new legislation, handled correctly, executive search and leadership firms should not be frightened by the new legislation. Indeed, it will help firms to demonstrate that candidates and clients can trust search firms with their personal data.”

What Has Changed



The GDPR is, in large part, an evolution of the 1995 Data Protection Directive upon which most of Europe’s national laws on data protection are based. Among the most notable changes are the penalties for non-compliance, the reach of the regulation, the expanded rights for individual data subjects, the requirement for consent, and added responsibilities for reporting problems and documenting compliance.

Penalties: Under the new legislation, maximum fines for a data protection violation can reach the greater of €20 million or 4% of global turnover. Tim Hickman, who was recently promoted to partner at White & Case LLP, advises AESC on the impact of the General Data Protection Regulation (GDPR) on the executive search profession. “You’re going from a situation where the fines are too small to have very much impact, given that the risk of incurring a fine was quite low, to a situation where the risk of incurring a fine only goes up moderately but the consequence of that fine increases astronomically.”

Territorial scope: The reach of the GDPR has significantly expanded, as well. The new law applies to any business that directly offers goods or services to EU residents, regardless of where the business is located, and even if it has no physical presence in the EU. Hickman describes “a fairly aggressive extraterritorial land grab by the EU, basically saying even if you are outside the EU, if you want to do business in the EU with consumers you must play by Europe’s rules.”

Individual rights: The new regulation also codifies the rights of individuals with regard to their personal data, including among others the right of access to information

collected about them, the right to correct their information, the right to notification, the right to be forgotten.

Automated decision-making is a challenge in the search context, as well. Under the regulation, data subjects have the right not to be subject to a decision based solely on automated processing. Bryan Ackermann is Chief Information Officer at Korn Ferry. He says, “All the search firms are trying to leverage more technology and machine learning into our search process, to improve client match and reduce the time to fill—that’s an area where we have a watchful eye on the pieces of GDPR that speak directly to not using personal data exclusively for the purpose of automated decision-making around employment.” He emphasizes, “That is prohibited, so we are ensuring that the human element is always at play, and that we are not leveraging technology only in our search filters.”

Greenbaum adds, “In our profession, there is both an art and a science to the work we do. We take great pride in the years of experience we bring to each assignment, as trusted advisors. Yes, technology has

“Search firms are trying to leverage more technology and machine learning into our search process, to improve client match and reduce the time to fill.”

— Bryan Ackermann,
CIO, Korn Ferry

Candidates have the right to:



Unsubscribe from
email lists or contacts



Access / obtain a
copy of personal data



Correct errors in
personal data



Object on legitimate grounds
to the processing of data



Have data be
“secure and protected”



Data portability
(new under the GDPR)



Be forgotten
(expanded under the GDPR)

WHAT IS “PERSONAL DATA”?

Any information relating to an identified or identifiable individual.



- Publicly available information
- LinkedIn profile
- Company bio
- Unsolicited resumes
- Interview Notes
- Assessments
- Candidate insights
- Background check
- Reference check
- Clients
- Referees
- Sources
- and more...

"Our lifeblood is the information that we have about people, and the GDPR is designed to regulate the processing of that information."

— Matthew Herman,
Associate General Counsel,
Russell Reynolds

enhanced much of what we do...and will continue to do so. But it does not replace our industry, market and candidate assessment expertise."

Legitimate interest versus Consent:

Firms require a legal basis for processing data, and, for our profession, this can be having a legitimate business interest or obtaining consent. Hickman explains, "It is expected that legitimate interests will cover many of the processing activities that executive search firms undertake. However, consent may be required when sensitive information is processed."

Under GDPR, lawful consent has become significantly harder to obtain. Consent must be "freely given, specific, informed and an unambiguous indication of the data subject's wishes by which he or she, by a statement or by a clear affirmative action, signifies agreement to the processing of personal data relating to him or her."

Greenbaum says, "There may be times when obtaining consent becomes important. For example, consent is often received before proceeding with psychometric testing or background checking. This is already a best practice and is even more important under GDPR."

Indeed, a lot has changed under the new regulations. "Everyone is more at risk: the fines are higher, there promises to be more even enforcement, so everyone is a little more at risk than they were yesterday because the stakes are higher now," says Heath Brewer, AESC GDPR Task Force member and General Counsel at Spencer Stuart.

Brewer says, "We use a relatively compact set of data. It tends to be the personal

information of people who are business-savvy; people who are sophisticated users of our service who know what we're doing in the market, versus a shadowy tech company selling personal data to advertisers."

The Role of AESC



Transparency and confidentiality are cornerstones of the AESC Code of Professional Practice, and the new GDPR regulations align with the standards of the

executive search and leadership consulting profession. AESC is working with European regulators to develop data privacy and security guidelines for the benefit of AESC member firms. AESC offers its members training, education and opportunities for peer-to-peer discussions, and is actively working with legal firm White & Case to interpret the regulation on behalf of the profession.

Greenbaum says, "As the association for our profession worldwide, representing only the very best firms, we know how important it is for us to ensure that our members are aware of the regulations that impact the critical work that we do with clients and top executives. Compliance is critical and oftentimes it is only a "minimum standard" to the care that our members take in the work that they do."

According to Hickman, "There's no legal obligation for AESC to help its members be compliant, but there are obvious attractions to it. One of those is to ensure that member firms in the executive search and leadership space are aligned in terms of their approach to GDPR compliance, and establishing industry best practice," he says.

"Despite the new legislation, handled correctly, executive search and leadership firms should not be frightened by the new legislation. Indeed, it will help firms to demonstrate that candidates and clients can trust search firms with their personal data."

— David Peters,
Group Finance Director,
Odgers Berndtson

Roles and Processes and Why They Matter



The new rules are already weighing on executive search and leadership consulting firms and their clients. “I probably have one conversation a day with a client about data protection, Brewer says. “The most sophisticated are already sending us in-depth questionnaires and putting us in touch with their data protection people. In other cases, many clients are feeling their way through this at the same time as the industry, so that in some cases it’s a dialogue with clients. They want to know what we’re doing, we want to know what they’re doing, and we’re educating each other and making decisions together about how we are going to tackle this new regulatory landscape.”

And it is a new landscape.

ACCOUNTABILITY is greatly expanded: in terms of accountability, the GDPR sets out detailed expectations of every entity that handles personal data within the chain of possession. The legislation closes some loopholes while it defines and broadens the responsibility for data protection.

Brewer explains, “There are two sides of the coin in the regulation: there is a data controller and a data processor. If you are a data controller, you are seen as the manager of the data: you dictate who has access to it, you can make decisions about who can delete it, what happens to it. You *regulate* the use of the data. If you are a data processor, you are taking information from the data controller and following the rules which have been set out between the two organizations.”

By expanding responsibility and liability, GDPR holds both data controllers and data processors to a higher standard of accountability, and also holds data controllers liable for the compliance behavior of their processors.

“GDPR says that we now, as data controllers, are responsible for the behavior and the compliance of any data processors, these third parties that help us deliver the product or service,” Ackermann explains. “That ranges from infrastructure providers to software providers, to variable labor—contract consultants, contract recruiters who may help us deliver a product or service. That’s a huge change,” he says. “Now, not only are they in scope, now the controller—the owner of the decision on how a person’s data is handled—has to stand up for the performance of any third party vendors.”

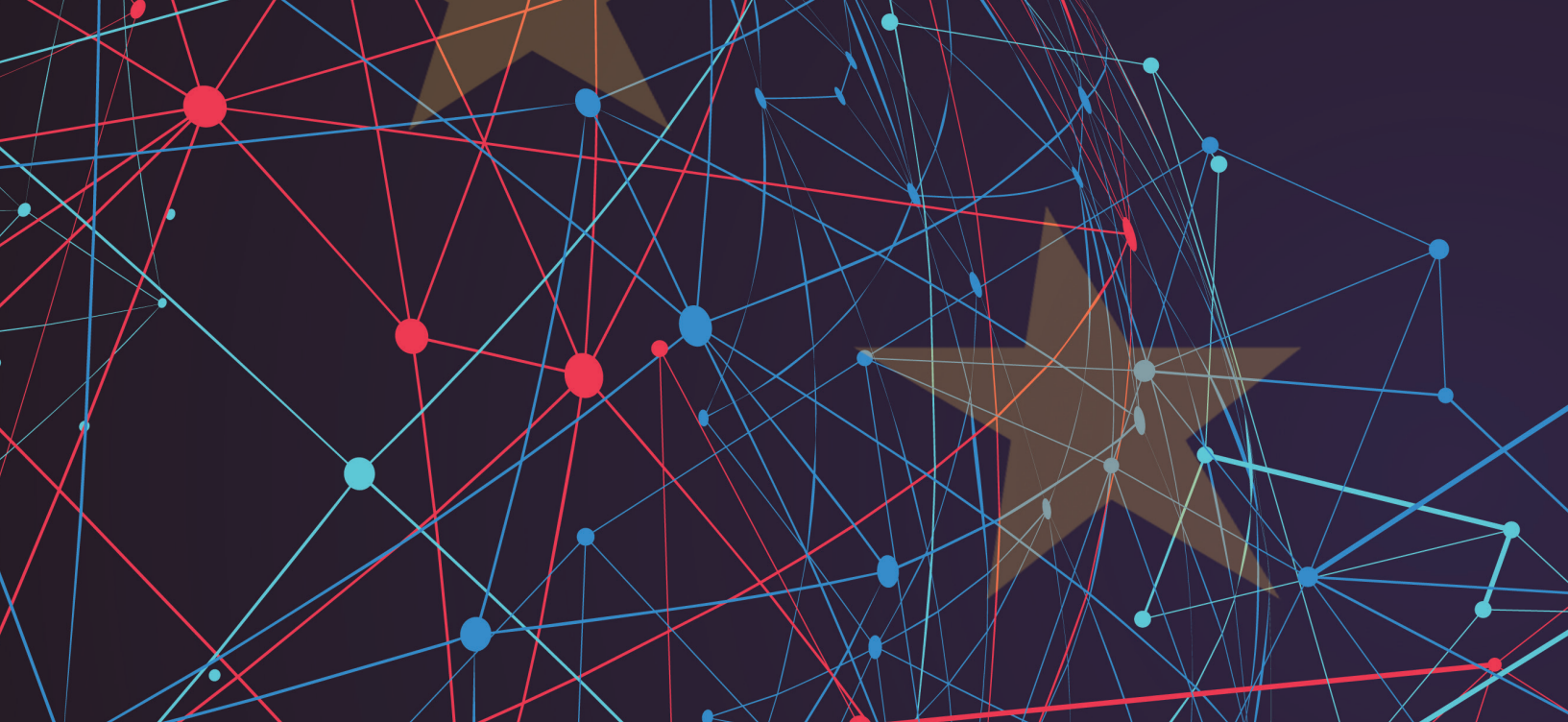
And in the world of executive search and leadership consulting, it’s even more complicated. “I have had a lot of discussions with clients about who is the controller of candidate data,” Brewer says. “The data controller can direct the processor to delete data. That means if a *client* was the controller, they could require us to delete *our* candidate data, and that doesn’t make sense for our business. This is a real, live point that we chat with clients about all the time.” The ideal relationship may be that of joint controller.

Greenbaum adds, “We need to be sure our members understand their important role as data controllers and that they are well-prepared to ensure that clients understand this as well. We maintain candidate databases and have a legitimate business

“Consent is often received before proceeding with psychometric testing or background checking.

This is already a best practice and is even more important under GDPR.”

— Karen Greenbaum,
President and CEO, AESC



"Everyone is more at risk: the fines are higher, there promises to be more even enforcement, so everyone is a little more at risk than they were yesterday because the stakes are higher now."

— Heath Brewer,
General Counsel, Spencer Stuart

reason for doing so. This legitimate interest is, in fact, not automatically transferred to the client. They need to understand their own responsibilities for data privacy and security."

Roles and responsibilities under GDPR will become familiar conversations, with firms and clients still figuring out how this will work as the regulation becomes law.

LAWFUL PROCESING of personal data is dependent on establishing legal bases: either consent or legitimate interests.

Hickman explains, "Firms require legal bases on which to process data. Consent is one legal basis. Legitimate business interest is another, which works by balancing the legitimate interests of a business against those of the individual. It is expected that legitimate interests will cover many of the processing activities that executive search firms undertake. However, consent may be required when sensitive information is processed."

Greenbaum emphasizes, "For our profession, we have a legitimate business interest for maintaining candidate and potential candidate data. It is core to what we do and we take our responsibilities around data security and confidentiality seriously. We want to be sure our members know their responsibilities in terms of providing appropriate notice regarding their maintenance and processing of personal data.

According to "Unlocking the EU General Data Protection Regulation: A practical handbook on the EU's new data protection law" published by law firm White & Case LLP, "Processing is permitted if it is

necessary for the purposes of legitimate interests pursued by the controller (or by a third party), except where the controller's interests are overridden by the interests, fundamental rights or freedoms of the affected data subjects which require protection, particularly where the data subject is a child."

The article's authors suggest that in order to prepare for GDPR, organizations should, "where a legitimate interest is the basis for processing, maintain records of the organisation's assessment of that legitimate interest, to show that the organisation properly considered the rights of data subjects."

As explained earlier in this article, the GDPR has redefined what constitutes consent. Under the regulation, consent must be "freely given, specific, informed, and unambiguous." The law mandates "a statement or a clear affirmative action" and "explicit" consent for the processing of particularly sensitive information, defined as race, sexual orientation, health, and other data.

DATA PROTECTION BY DESIGN AND BY DEFAULT, directs organizations to demonstrate that data protection is built into the design of new goods and services, at the earliest stages. In addition, the provision requires that the strictest privacy settings are applied to an individual's personal information automatically: *by default*, rather than as a result of further action/selection by the data subject. The rule also instructs processors to only hold an individual's personal information for as long as necessary.



"Certainly as we are all trying to innovate and differentiate ourselves from our competition we are doing things differently, and we have to imbed the discussion around data privacy much earlier in the life cycle," Ackermann said. "And not just from a technology perspective, but from the actual lifecycle of product development. That is really different, and a very difficult thing to do; I have to imbed that in the business." Ackermann asks a challenging question: "How do you balance innovation and protecting the privacy rights of the individual?"

DOCUMENTING COMPLIANCE is likely becoming a particularly challenging requirement under the GDPR, significantly increasing the administrative responsibilities of data controllers and processors. The regulation directs organizations to integrate data protection safeguards into their processes and maintain robust records of their data processing activities.

According to Andy Warren, CFO and Chief Information Security Officer at software provider Invenias, "it's not just that you comply, but that you demonstrate *how* you comply. So the importance of having written policies and processes and recording everything you do becomes paramount." He adds, "GDPR talks about having data protection at the heart of everything that you do—it's one of the opening statements in the legislation. That is a shift for companies in the way they look at their business."

The law demands much more than a robust data privacy and security policy. Herman says, "We have to be sure that we can document that we've provided sufficient notice or obtained consent, that we have an

independent legal basis for processing every piece of personal data that we have. We need to be able to *document* the types of data that we have in our possession and demonstrate an independent legal basis for processing each individual subject to the GDPR."

The demands of the law may require organizations that work with individuals' personal information to undergo a transformation throughout the organization, affecting policies and processes, and perhaps even reshaping how organizations conduct their day-to-day operations.

David Grundy is CEO and co-founder of executive search software provider Invenias. "Once you get into the real detail," he says, "you can lose some of the essence of what the legislation is intending to provide for. The legislation is there to protect the citizen, it's not there to protect the data. And once you get into an executive search assignment, all of the parties—the firm and the client—are going to want to take a look at one another and say: do we all understand the importance of protecting and respecting the individual that's being discussed here?"

Breach reporting: According to the UK's Information Commissioner's Office, "The GDPR will introduce a duty on all organizations to report certain types of data breach to the relevant supervisory authority, and in some cases to the individuals affected." Even what appears to be a relatively minor breach may be reportable; it depends on the information, and whether the breach put anyone at risk.

"GDPR imposes this 72 hour deadline from the point at which an organization first becomes aware of a breach to the point at

"There's no legal obligation for AESC to help its members be compliant, but there are obvious attractions to it. One of those is to ensure that member firms in the executive search and leadership space are aligned in terms of their approach to GDPR compliance, and establishing industry best practice."

— Tim Hickman,
Partner, White & Case

"GDPR was not created specifically for our profession – not at all. But we at AESC see it as our responsibility to interpret these rules and how they apply to our profession and then educate our members. We want to be sure AESC members – the highest quality firms in the world – are prepared for GDPR and remain committed to data privacy and data security."

— Karen Greenbaum,
President and CEO, AESC

which the organization has to report the breach to the data protection authority," Hickman explains.

"In the first 72 hours of any data breach you know nothing. The difficulty is, it's going to be very hard to keep a lid on any investigation once you've made a formal report to a regulator, because the regulator owes you no duty of confidentiality." He adds, "So AESC member firms need to get used to the idea that every now and then they are going to have to file some fairly uncomfortable paperwork on very short notice."

The Implications for Firms, Clients, and Candidates



For executive search and leadership consulting firms, the commitment to confidentiality and respect for an individual's private

information are already core values of the profession. GDPR dramatically expands the application of those values, and will transform how many firms approach data security and data privacy.

Peter Lagomarsino is a partner in the global due diligence firm Mintz Group LLC. "We're moving into a more serious climate for following the basic tenets of responsible background screening, including getting the appropriate candidate consent, only reporting information that is accurate, up to date and relevant to the assignment at hand, handling data in a secure manner, and deleting data at the required time." He says, "Search firms and their clients should insist that their background screening providers meet these standards, whether those providers conduct full bore background checks or something limited such as verifying degrees."

According to Ackermann, clients aren't waiting for May 25 to ensure their vendors are following the rules. "The first question clients ask is 'where is your data stored?' Even though a single location is not called out in the GDPR, the regulation has strict rules about data transfer. Ackermann says, "If the answer is 'in the EU,' the rest of the discussion is much more straightforward. But if the answer is 'in the US,' they take out the rulebook and say 'let's start with page 1.' Where the client has new and tougher obligations they have to adhere to, that makes our conversations more difficult."

Ackerman and others describe what may be the new reality for executive search and leadership consulting firms. Hickman adds, "You see it in the business to business world, clients asking, 'how are you going to keep my

data protected?', and for AESC member firms that question will come from both their clients and from the candidates. It adds pressure to get compliant."

Many clients already recognize the implications of GDPR and their own responsibilities and liabilities. And the issue is more than steep fines. Herman says, "Why does this matter to clients? It matters in the same way any other regulation matters. The failure to comply creates material risk for their organization both legally and reputationally. Think about the stock price impact of Target or Home Depot's or Equifax's data breaches. Imagine the loss of trust and confidence that may occur with an organization because they selected a vendor who lacked sufficient standards."

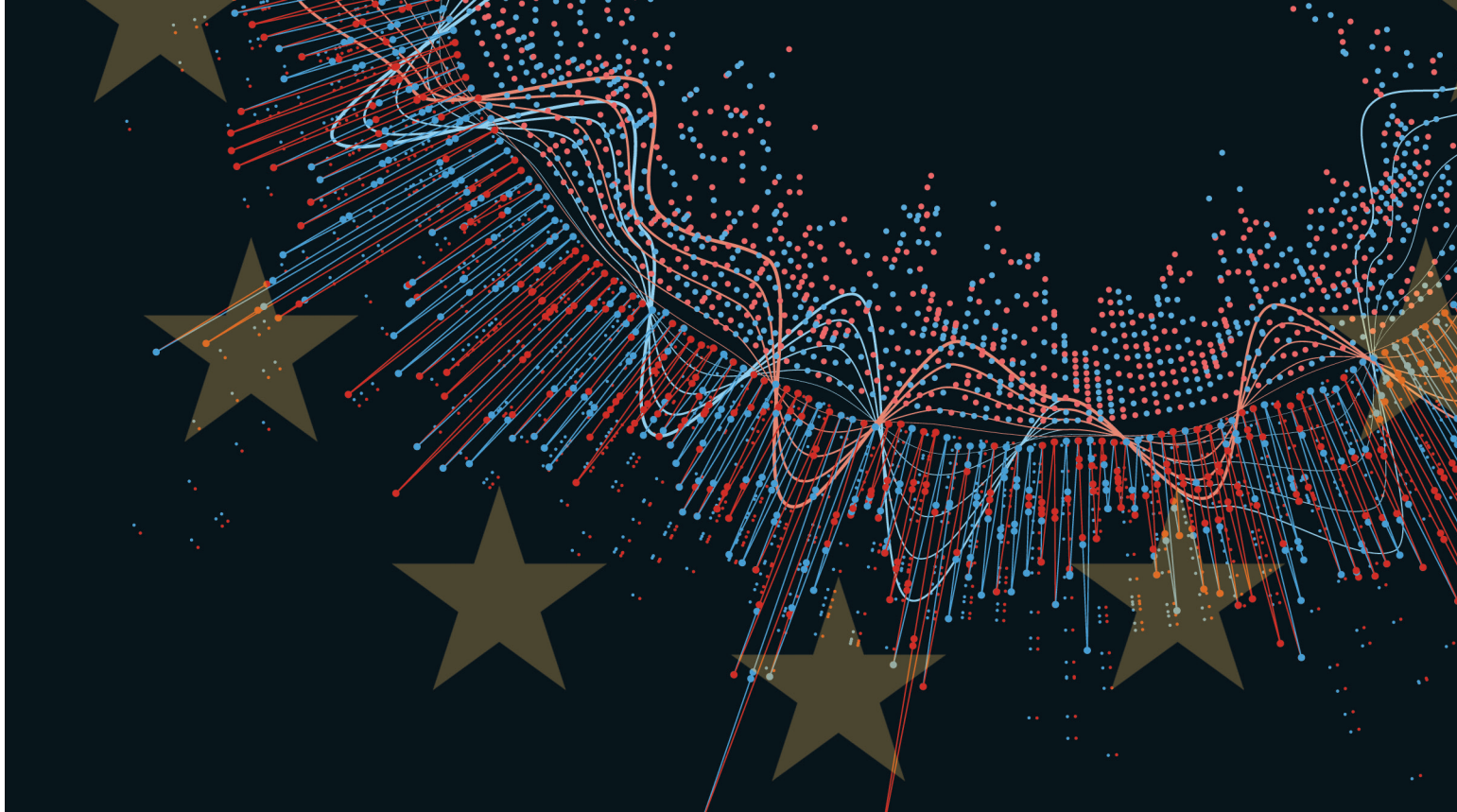
Few businesses anywhere can afford to cut their businesses off from the continent of Europe. From his perspective in New York, Herman says, "Unless you want to stay restricted entirely in the United States, you need to have a data privacy program in place and know what you're going to do to be in compliance with the GDPR and other relevant data protection requirements around the world."

Andy Shapiro, co-founder at software provider The Cluen Corporation says "This is one thing that should be a priority for every size hiring authority. In terms of the recruitment context, pay attention to it today, and prioritize it before it becomes a problem." He adds, "The bottom line is, follow the law."

Candidates, as data subjects, have the most to gain from the GDPR. Brewer looks at data protection from this perspective: "to a client, it means I'm not going to be sued by a client, and my organization is not going to be embarrassed in the market. But the candidate wants to know their data is safe, and not just sensitive information from a legal definition, but information that is significant to *them*, that if not treated properly could threaten their livelihood." He warns, "If their employer finds out they are talking to a search firm, that could be a job-ending event."

Attitudes about an individual's personal information are evolving, and that is reflected both in the business of data and in the protection afforded by the GDPR. As more individuals understand their rights, they may begin to exercise them.

According to Warren, "Candidates are increasingly understanding how their data becomes a valuable commodity, so whilst people have got used to the world of social media where they put and share lots online,



people are also saying well, actually, I only want to share my professional career data with people that I trust.”

From Brewer’s perspective, “The candidates are the controllers of their own data here, and in many ways the regulation and all the steps the industry has to take are all based around candidates and protecting candidate data.” He believes “it’s of the utmost importance to signal to candidates that the industry and each AESC member firm are taking appropriate steps to protect their data.”

The Worst-Case Scenarios



Hickman offers this sobering thought. “Think about the consequences a data breach could have in terms of candidates, for example if it becomes public knowledge that the CEO of a publicly listed company was busily interviewing with three or four other companies.” He says, “that has a potentially huge impact on stock prices and very serious ramifications for the career of that candidate.”

The risks of a data breach or the mishandling of personal information have always been significant for individuals. Now, the stakes have been raised for the collectors and processors of that information.

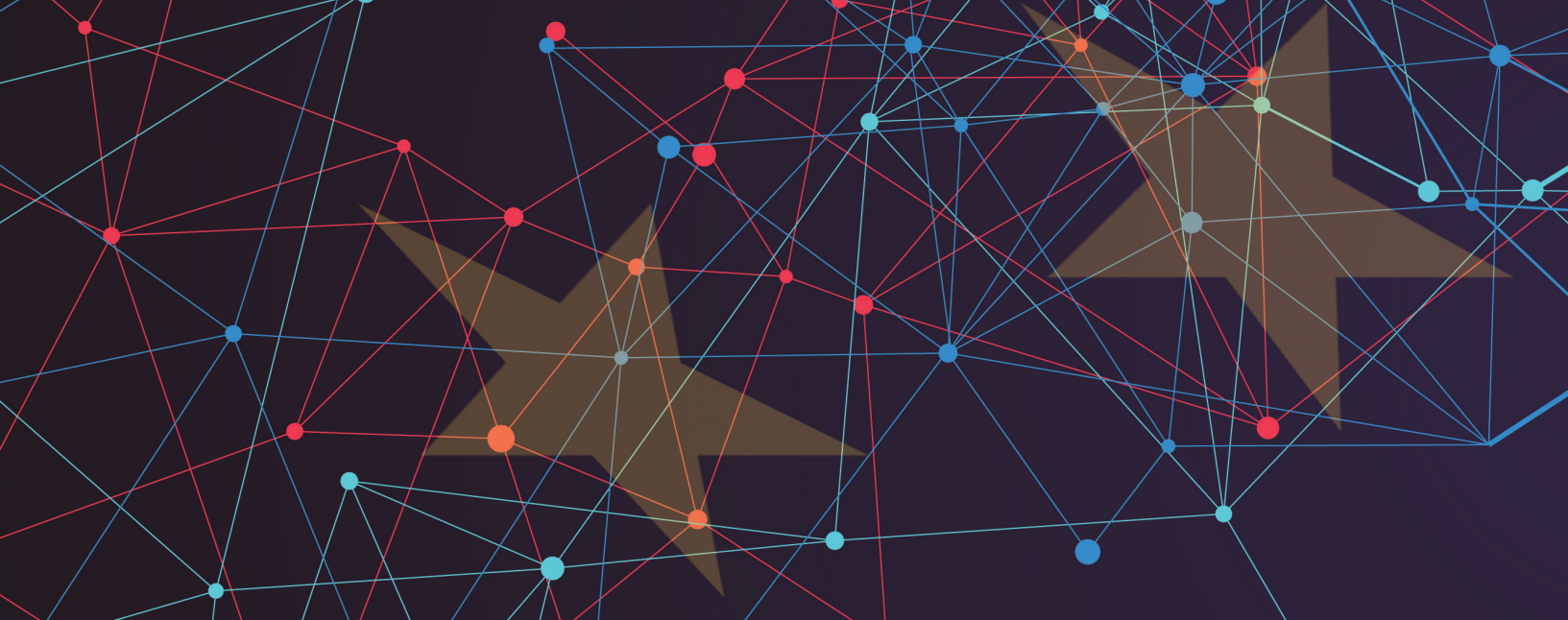
“It’s important for any business to comply with the law,” Shapiro says. “It may not have been taken as seriously in prior versions of data privacy law, but this law is crafted to

have a much more modern interpretation of data privacy rights *and* have much more tangible consequences—consequences that people are really paying attention to.”

While the maximum fines grab headlines, there are business disruption consequences that should also hold the attention of organizational leaders. According to Hickman, for example, the GDPR gives each EU data protection authority the power to require member firms to stop what they are doing with personal data, if the authority suspects that those data are being processed outside of the rules.

“The authority can say ‘we think the way you are using candidate data is illegal, and you are to stop it now, and you cannot start again until we are satisfied that you are now in compliance with the GDPR.’” Hickman explains “you can see how that has the potential to seriously adversely affect business operations.”

For Ackermann, “The risk around compliance has several elements. First, there’s nothing like a 4% of global revenue fine to get your Board’s attention. The second element is our clients’ interpretation. It doesn’t matter, in some ways, our perspective on letter of the law compliance with GDPR... At the end of the day, the client is making a value judgment of how much we value the privacy of their employees and personnel, and they’re using now, far in advance of the law being on the books, a much stronger determinant



of whether they want to do business with us.”

Is full compliance even possible? Hickman thinks not. “I would suggest it’s next to impossible to achieve 100% compliance with this legislation, because even if you have the policies, procedures and practices in place, you never know for certain that all of your employees are doing everything they are supposed to do. Even the most compliant organization can suffer a data breach, can still unlawfully process data, can still find out that an employee somewhere was negligent and transferred data out of the EU and they have to go and report this to a regulator.”

Regardless of the difficulty of full compliance, many organizations are taking the regulation quite seriously. But are they taking it seriously enough?

According to Karen Greenbaum, “Our members around the world want to be sure they understand how GDPR impacts them—their internal processes, the way they manage candidate data, and the way they interact with people in Europe—whether candidates, referees, sources and, of course, clients. GDPR was not created specifically for our profession—not at all. But we at AESC see it as our responsibility to interpret these rules and how they apply to our profession and then educate our members. We want to be sure AESC members—the highest quality firms in the world – are prepared for GDPR and remain committed to data privacy and data security.”

The Best-Case Scenario



The long-term impact of GDPR may well be significantly improved systems that benefit both individuals and organizations.

Grundy put the responsibility for compliance into perspective. “This is not something that

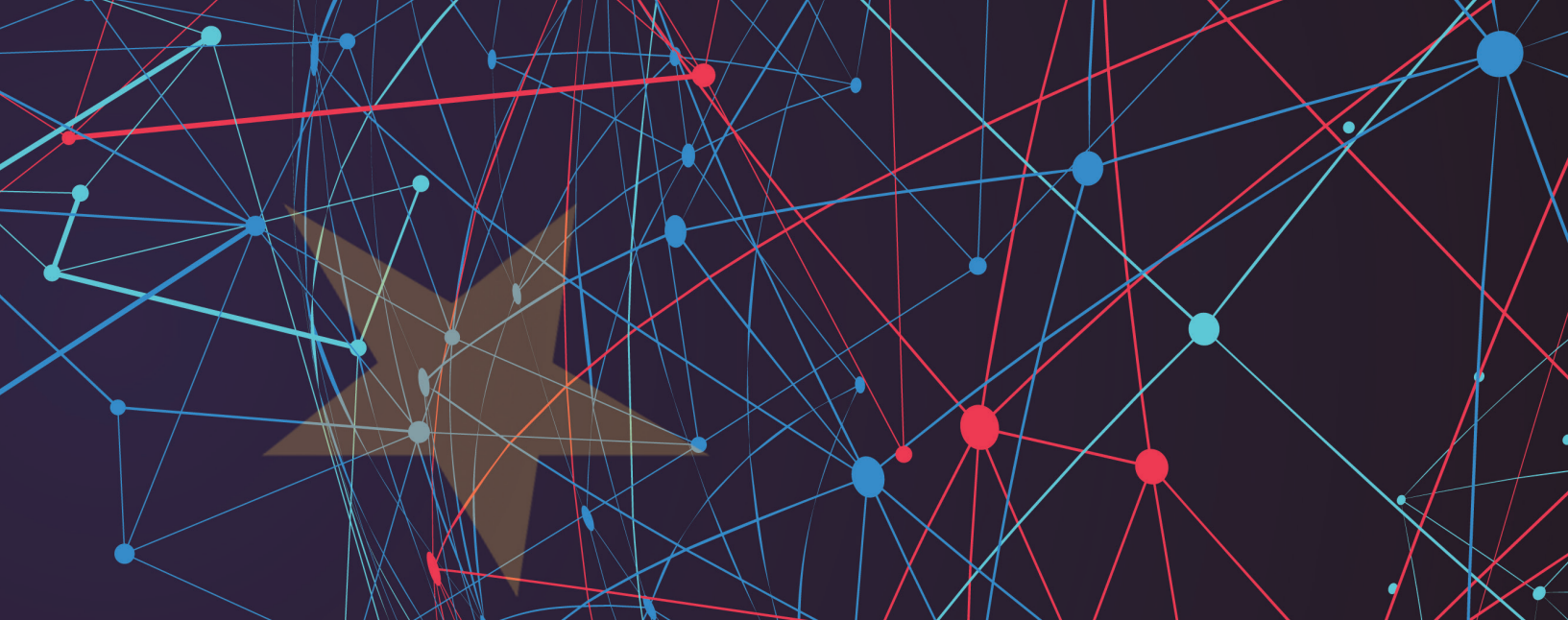
you can say is a systems problem, and our systems provider will solve it. This is about leadership, it’s about culture, it’s about training and it’s about embedding data protection and directly linking it to the values of your organization.”

Recalling the principles behind the legislation, Grundy adds “we do live in a world where the data protection and the data rights of the individual is an increasingly important and visible issue. This is something that can be used to build a stronger and more professional business and build a better relationship with candidates.”

Shapiro has heard the arguments that people forfeit their privacy rights through engagement on social media, but argues “it’s one thing if you put your information out there on social media, but that that doesn’t give everybody in the world the right to collect that data. A lot of Americans are starting to get it with the recent Equifax hack. I don’t remember giving Equifax consent to create a file on me. It would have been great to know that they had a file on me, and that I had certain rights.”

GDPR establishes transparency as a right of the individual. Herman says, “Now, individuals will know what data we have, what categories of data we might have and what we might do with it, and who to contact if they don’t want us to have the data and how to get us to stop processing. There’s quite a lot of value in the underpinnings of the rule.”

Individuals having rights doesn’t necessarily mean that they will exercise those rights. However, Brewer observes that “the countries that have the strictest data protection legislation, they tend to be the places where you see the most active candidates in terms of their data protection.” He explains, “These are the countries such as Germany where people



are aware of their rights and don't hesitate to ask the questions 'what are you doing with my data, how are you protecting it, where is it going and how is it going to be accessed?' I do think as the regulation becomes law and becomes accepted, more people will start asking those questions."

"If we do it right," Ackermann says, "it gives us an opportunity to engage in a different conversation with our clients that starts with having earned the trust they place in us around treating their employee data and our candidate data with the respect that the law requires of us. That could differentiate us. If the client doesn't trust us to handle their data properly, we have nothing to fall back on – we deal almost 100% in data. We believe that a robust program can be good."

It's Just the Beginning



"This is not a totally written story—this is act 2 of a 3 act play," Ackermann says. "It's not in place yet, and won't be for several months. We have our

first clients saying they will decide whether to do business with us based on our compliance level. So our clients are getting ahead of it."

Are clients and firms aligned? Ackermann adds, "Clients are interpreting it in their own way—it's a fairly complex piece of legislation—well in advance of the law actually being on the books. It is going to continue to evolve dramatically as we get our first case law in place and our first enforcement activities by the various data processing authorities."

AESC member firms and their clients will need to work collaboratively to deal with the complex issues related to data privacy and data security. Open discussion and clarity about roles will be essential.

So many questions do not have answers from the lawmakers themselves. Hickman sees the law and compliance as ongoing processes. "More or less every case that ends up before the court of justice can shift the landscape in terms of some fundamental issue or other, and in relation to codes of conduct under the GDPR there are still fundamental questions, and we are waiting for the regulators to provide clarity." In the meantime, AESC member firms should use the resources available to interpret the law and work toward compliance.

Different industries and organizations are at different stages of preparedness. "Not everybody has the benefit of AESC and solution providers promoting education," Shapiro says. "It's evolving. Even if the law goes into effect and seems relatively stable in terms of what it does and how people interpret it, it may be different in the courts in six months, or a year, or several years. Constant vigilance is required to really get it right."

Brewer, too, is confident that the law around data protection will continue to evolve. "I don't think it's ever going to come to a rest – data protection is iterative, and as the technology changes the regulators try to keep up, and everyone gets swept up in that, including our industry." He acknowledges, "Yes, there's a deadline, and it's a very big change, but there will be further regulation, there will be more opinions and there's a body that will continue to give guidance and clarify as time goes on." He adds, "In my view, the goalposts are always moving, and we're always trying to stay at least one step ahead of the regulations."



The Other Side of Next Gen:

Implications and Opportunities in the Context of an Aging Workforce

"The world is about to experience something not seen since the Black Death in the 14th century—lots of countries with shrinking populations. Already, there are around 25 countries with falling headcounts; by the last quarter of this century, projections by the United Nations suggests there may be more than 100."

From "Vanishing Workers", *The Economist*, July 23, 2016

In a recent research report from The Conference Board, "Turning Silver Into Gold: Tapping into the Mature Workforce to Close Europe's Widening Talent Gaps," authors Marion Devine and Ilaria Maselli examine the impact of shifting demographics on the labor supply in Europe, and explore how policy makers and employers can adapt. While the report is focused on the European labor market, the findings have implications for other economies.

Economic growth, in simple terms

Ilaria Maselli has been studying labor markets for a decade. "The simple

understanding about economic growth is that you can grow by adding more people, more hours, or more capital," she explains. "This is what countries do in the early stages of development."

At the later stages of development when an economy "can no longer add many more hours, much more capital, or more people into the labor market," Maselli says, "then you need to grow by productivity: you need to grow by adding ideas, by making your processes more efficient." And this, she says, is very difficult. "This is the challenge, in general, of all advanced economies: economic growth in the future has to come from productivity."

Slowing Population Growth and an Aging Workforce

"More and more countries now have fertility rates below the level required for the replacement of successive generations (roughly 2.1 births per woman), and some have been in this situation for several decades."

World Population Prospects: The 2017 Revision

Low fertility is now a global phenomenon. Demographers say the fertility rate needs to reach 2.1 children per woman just to replace people dying and keep populations constant. According to 2015 data from the UN, nearly half the world lives in countries with below-replacement level fertility rates. This means that population ageing will continue at a fast pace.

"Population aging is a global challenge," Maselli says. "All the mature economies have an aging problem, and some emerging markets have an aging problem, too. There are some countries where this is particularly advanced. Germany and Japan, for example. At some point, all countries will get there."

McKinsey Global Institute's January, 2015 report *Global growth: Can productivity save the day in an aging world?* is focused on the G19 and Nigeria, and shows "employment prospects vary significantly. The number of employees has already peaked and started to decline in Germany, Italy, Japan, and Russia; their labor pools could shrink by up to one-third by 2064. In most other

countries, employment is likely to peak within 50 years. In China and South Korea, the peak is expected as early as 2024."

In Europe, "the population of those of working age (15-64) reached its peak in 2015 at 333 million people. Every year this number is projected to shrink by almost a million," according to The Conference Board report.

The Impact of a Shrinking, Aging Workforce

"Without an acceleration in productivity growth, the rate of global GDP growth is set to decline by 40%, from 3.6% a year between 1964 and 2012 to only 2.1% over the next 50 years. It would take 80% faster productivity growth to fully compensate for the projected decline."

Harvard Business Review, "The Productivity Challenge of an Aging Global Workforce" January 20, 2015

During the twentieth century, Maselli explains, "labor productivity increased due to innovation. After that, it became quite flat, despite all the innovations of the last decade. Despite all the expectations we have of the digital transformation, we only start to observe now timid signs of a possible reverse."

Which makes even more important the effort to increase labor participation, the percentage of the population that is active in the labor market—either employed or willing to work.

"If we don't have enough people, and if

people don't become more productive, our economy will just shrink," Maselli says, with urgency. Many economists attribute up to a third of economic growth to more people joining the workforce each year than leaving it.

According to the World Bank, the world labor participation rate has declined from 66.5% in 1990 to 62.8% in 2016. This drop in labor force participation rates concerns economists because it depresses economic growth, increases the burden on social support programs, and reduces the tax base.

Working age populations in advanced economies, particularly in Europe, are in decline, but the size of the working age population may be less important in the medium-term than that labor pool's participation rate. According to the TCB report, "on average, 72.5 people in the EU are working for every 100 in the working-age population, a percentage that varies widely by country and by demographic subgroup. On average, just over half of those 55-64 years old are working."

In Europe and perhaps other regions, the combined labor shortage and relative size of the 55+ older worker population may present an opportunity.

Retaining and Reclaiming Mature Workers

According to The Conference Board *Turning Silver Into Gold* report, "It appears there is much scope for improvement in the retention and deployment of 55+ workers.





The sobering reality is that despite the importance of this growing cohort, many mature workers are still being lost to the European workforce or not employed at their full potential due to skills gaps or age discrimination.”

Maselli observes that though mature workers have a significant role in raising productivity, much of the research and media focus has been on the younger generations. “What I often found funny is that the human capital practice tends to focus on Millennials. But if you look at statistics you can see that the group of 55+ is a much bigger part of the labor market in nearly all European countries. So that’s what we should be talking about. That’s what we should make strategies around.”

Barriers to building strategies around the mature workforce include the perception that mature workers’ skills are obsolete, they need to move aside for the next generation, or they are past being meaningfully productive.

According to the World Health Organization, “There is no physiologic reason that many older people cannot participate in the formal workforce, but the expectation that people will cease working when they reach a certain age has gained credence over the past century. Rising incomes, along with public and private pension systems, have allowed people to retire based on their age rather than any health-related problem.”

European governments have been working to postpone older workers’ retirement with a measure of success, but getting mature workers to remain in or return to the workforce also requires the commitment of employers. According to The Conference Board’s research, “employers appear to be slow to change their practices, and too many talented mature

workers are exiting the workplace prematurely. Even when they stay, their competences are often not fully leveraged.”

“It’s really a missed opportunity, because people want to remain engaged,” Maselli says.

Maselli observes that the needs and wants of millennials and mature workers aren’t that different. “What my colleague noticed while she was working on a report on millennials, is that if you look closer and if you abstract from the hype, what you discover is people from different generations really don’t want different things.”

Those things include flexibility, training and professional development, and a feeling of purpose.

Mature workers and productivity

Aging experts identify the macroeconomic impact of an aging population in both a higher old-age dependency ratio—a decreasing workforce has less capacity to cover the needs of those who have already retired—and a higher concentration of older workers, which may translate into lower productivity.

Workers with jobs that require physical exertion seem likely to become less productive as they age, but some roles are age-neutral, and mature workers with occupations that require more education and experience may actually become more productive with age.

Research from the Munich Center for Economics and Aging, “Productivity and age:

Evidence from work teams at the assembly line,” bears this out.

The 2007 study allowed researchers to estimate “rather precise age-productivity profiles at the individual level and at the level of a work team. These profiles do not show a

decline in the relevant age range between 25 and 65 years of age. On the individual workers' level, our average productivity measure actually increases monotonically up to age 65."

The researchers also conclude that even in a role that requires physical strength, "its decline with age is compensated by characteristics that appear to increase with age and are hard to measure directly, such as experience and the ability to operate well in a team when tense situations occur, typically when things go wrong and there is little time to fix them."

In many cases, mature workers possess valuable institutional knowledge that companies would not want to lose. In addition, mature workers in advanced economies are much more likely to be educated, better suiting them for higher-skilled work. They may be ideally suited to help fill the talent shortage in Europe and elsewhere.

Is technology the answer?

For certain geographies, the answer to talent shortage is technology. "Japan is more interesting because there is almost no migration into Japan. They don't want to solve the aging problem by importing workers from other countries," Maselli says. "So this means for them it's even more difficult to keep the labor force constant. I think they are the ones who are pushing robotics as much as possible, but I don't see, even in Japan, the evidence that this will solve the problem."

Often when Maselli and her colleagues give talks about retaining and leveraging the mature workforce, someone brings up technology. "Whenever we go out to talk about this, always somebody raises their hand and says 'yes, but do we really have to do this, because our understanding is that robots will replace all of us at some time.' There are technological barriers that we are not going to be able to overcome in the near-future, and the problem with labor supply—we have to do something *now*." She adds "this *'future'* might come quite late."

The solution?

"Business must play a critical role: aggressively upgrading capital and technology, taking risks by investing in R&D and unproven technologies or processes, and mitigating the labor pool's erosion by providing a more flexible work environment for women and older workers, as well as training and mentorship for young people."

McKinsey Global Initiative "Can long-term global growth be saved?" January 2015

Maselli recognizes the strides made in Europe

to keep mature workers in the active labor market. "I think Europe is leading, because here in Europe we pushed the retirement age, and we really convinced people to stay in the labor market." She says, however, "the driver for pushing retirement age is mostly public policy. The other part of the story should be that *companies* keep people productive in the late stage of their career."

The solution, according to the report, may be strategic workforce planning that includes tailored work arrangements, healthy, age-friendly work environments, and engaging workplaces.

"When we started talking to people in this age bracket," Maselli says, "we realized they were just parked, doing something useful but not to the maximum of their potential. They were without opportunities to train someone in their skills, to give advice, to take some training. They were just put in a corner waiting for their retirement," she says. "But their wish was to remain productive."

The business case for retaining and recruiting mature workers and investing in their productivity will ultimately become a source of competitive advantage.

The world-view

Researchers continue to examine global demographic and labor market trends and how markets can sustain the global economy. According to McKinsey, among the activities that would contribute to fueling long-term growth is to "put in place regulation and social support to boost labor-market participation among women, young people, and older people; and improve education and matching skills to jobs, and make labor markets more flexible."

Maselli's latest research focuses on Europe, but she has a global perspective. "A lot of the world's GDP is produced by and bought by people in advanced economies, and all advanced economies are actually seeing this issue of aging. So the share of economies that is involved is big enough to have major consequences on the world economy."

"Our research suggests that companies urgently need to consider how best to manage an aging workforce—because the challenge is here and now and not sometime down the road."

From The Conference Board
Turning Silver Into Gold



The GDPR Checklist

A Nine Step Program for Executive Search Firms

By Andy Warren, CFO and Chief Information Security Officer, Invenias

From May 2018, all organizations that handle the data of EU residents will be required to comply with a single set of rules, regardless of where the organization is located. Compliance with the GDPR represents an opportunity to transform how your firm manages personal data. Below is a checklist of how you can prepare for, and ultimately benefit from the GDPR.

1

Review and update your Technical & Organizational measures

The General Data Protection Regulation (GDPR) demands that you have the appropriate technical and organizational measures for processing and controlling personal data in your company. This means that, at the very least, you will need to review your current set up and procedures and it's likely you will have to build or rebuild some from scratch.

You need to make sure your data is organized, understand what it is and know where and how it is stored. You'll need to consider the security of the data, both physical and electronic, and any encryption or intrusion prevention measures. If you're using a processor, you must satisfy yourself that their processes and environment are sufficient to protect your data too.

Overall, you'll need to show that you've assessed the ongoing confidentiality,

integrity, availability and resilience of processing systems and services.

And you'll have to make sure that your internal policies and processes are recorded, communicated and followed, and that somebody in your company has overall responsibility for this.

2

Create a GDPR File

Create a hard copy or electronic central GDPR file and use this as the Repository for all your GDPR compliance, as well as to drive and apply compliance and policy decisions. You can record Documents, Templates, Statements, Privacy Impact Assessments (PIAs), Policies and Processes in the GDPR Record. You can also record any special cases of Consent Withdrawal, Data Subject Access Requests (DSARs) and Data Breaches.

In addition, you can track your staff training and awareness programmes.

3

Assess and record the Data Streams you are processing

Think about the different data streams you are processing:

- Candidates are the most obvious - Split between placement, coaching, consultancy, references etc.
- Client contact data - For completing

existing assignments and for marketing and sales

- Employee data - You will need to process the personal data of your own staff under their Employment Contracts
- Each of these requires different approaches and processes: Purpose will vary (even within each category)
- Lawful basis will differ (Legitimate Interest, Consent, Contract)

4

Determine and record the Purpose of the processing

Consider and record the purposes of your processing; Specify what you are using it for; Make it explicit; Ensure each purpose is legitimate; Consider how you can restrict data being used or processed in other ways.

5

Consider and undertake Privacy Impact Assessments

Privacy Impact Assessments (PIAs) can be used to identify and reduce the privacy risks of your projects. They can reduce the risks of harm through misuse of personal information and help you design more efficient and effective processes for handling data.

There are many online templates for

PIAs and these should be downloaded and used as a guide. Do this as part of your GDPR preparation and save the completed PIAs in your GDPR file.

PIAs are good practice and provide a clear indication of Privacy by Design, which is a key GDPR principle.

6 Decide and record the lawful basis on which you will process data

There are three main options for the lawful basis that you must have in order to process data. These are Consent, Legitimate Interest or Contractual Necessity. You only need to choose one and there is no hierarchy, but certain situations may lend themselves to one basis over the others.

GDPR Consent must be freely given, specific, informed and unambiguous; it must be explicit in certain cases and can be withdrawn. It's aligned with other Rights (to be forgotten; to have access; to be informed) and may be required by certain Search Firm clients either by Company or Assignment.

Legitimate Interest is a valid alternative to Consent as a lawful basis for processing (although not for special categories of data). It won't be valid if it harms the rights, interests or freedoms of the individual. You should explain and record your legitimate interest in your GDPR file.

Contractual Necessity will generally be used for Employment contracts and may be applied for client agreements and candidate agreements where you have them.

7 Use a risk-based approach to decide what you are going to do about informing data subjects

The Legislation says you should inform data subjects within a reasonable time frame (a month is suggested by the Information Commissioner's Office) and that you must do it at the time of contact if you are obtaining data from the data subject. And informing a candidate of the data you hold when you speak to them makes absolute sense. You'll have to let the candidate know the identity of the controller (your firm); reasons for processing their data; and other relevant information necessary to ensure fair and

transparent processing.

If you are investigated, most likely for another reason such as a complaint or a data breach, any failure to inform candidates could be an exposure and the impact will depend on the extent that your non-compliance could have (or has) impacted the individual; any fines will take this into consideration.

Whilst informing candidates is a significant operation, a dialogue and communication with candidates to check and verify their data is not a bad thing for your firm's credibility and quality. It may be that a phased contact process, rather than a big bang approach, would work best for you to move to compliance.

8 Understand how you will handle requests for deletion and right of access

A data subject has the right ask for their data to be deleted at any time. You'll have to respond to this promptly, but it's worth having a process to understand the circumstances leading up to such an event to prevent it happening too often.

A candidate can make a Data Subject Access Request (DASR), which is a request both for confirmation that their data is being processed and for access to their personal data (usually in the form of an electronic report). Such a report would have to contain all the relevant personal data held with minimal exceptions, including purposes; categories and retention periods for their data; data sources; recipients or categories of recipients; any automated decision making and profiling that has been applied; and details of cross border transfers.

You must gather all the information and data held on the individual and provide a report within one month at no charge. And this will bring home the fact that you shouldn't be holding any data that you would feel uncomfortable about the data subject seeing.

9 Determine who is going to be responsible in your company and whether you need a DPO

You won't necessarily require a Data Protection Officer (DPO) depending

on the size of your firm and what you are doing with the data. However, you will need to nominate someone to take overall responsibility in your company and their details should be recorded in your GDPR file.

You should also ensure that there is full training and awareness for your staff and that anyone who is handling personal data has sufficient knowledge of GDPR and what to do about the requirements.

The Invenias solution

At Invenias, we know how much our customers rely on us to ensure data protection is at the heart of the design, build and operation of our platform. Our most recent initiatives support the latest developments in data privacy and GDPR with dedicated features and functionality to assist with compliance. For additional information and resources relating to the GDPR, visit invenias.com/gdpr or email gdpr@invenias.com.

About the Author

Andy Warren is Chief Information Security Officer and CFO for Invenias and has considerable experience and expertise in the field of data security and transfer. He was a founding member of the Information Systems Audit division at EY and was responsible for IT Audit and security for UK and Europe for Philips Electronics. Andy has worked across the Telecoms and ISP industry with focus and responsibility for data security and transfer. ■



Andy Warren,
CFO and Chief Information
Security Officer, Invenias

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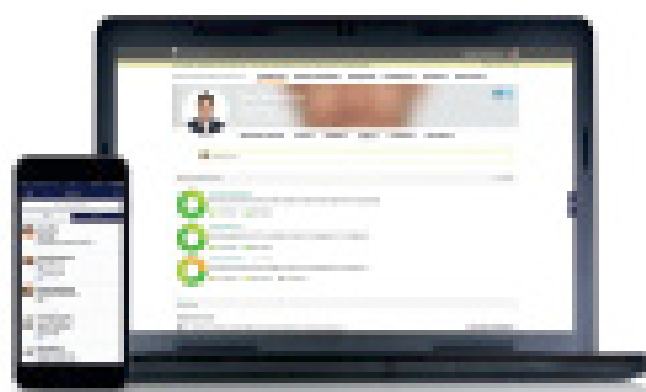
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Career Guidance

Our executive career management tools and support, such as our 75 page career guide, team of career advisors and webinars, helps to ensure that candidates are ready for the next step in their career.

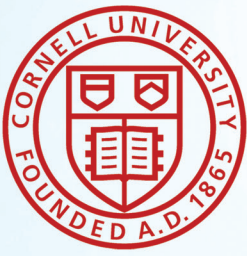


AESC Connection

We integrate executive search into all aspect of BlueSteps, so our candidates enter into the search with a deep understanding of the process and how to present themselves as a strong candidate.

At BlueSteps, we recommend our Ultimate Executive Career Guide to assist candidates going through the executive search process for the first time. Candidates can download a copy at www.BlueSteps.com.





Cornell University
ILR School

Advanced Certificate in Executive Search & Leadership Consulting

Offered by AESC in partnership with
Cornell University's School of Industrial and Labor Relations

EXPERIENCE A DYNAMIC LEARNING ENVIRONMENT

This six month MBA-level virtual certificate program is designed exclusively for senior-level Executive Search and Leadership Consultants. The program takes participants through a rigorous learning experience by applying cutting edge theory and industry best practices to their client assignments. Cornell University's ILR School professors will take an integrated approach to teaching, which will include virtual lectures, interactive learning, group activities and case studies.

A WORLD-RENOWNED PARTNER IN EXECUTIVE EDUCATION

Cornell's ILR School, with its exceptional faculty of leading scholars in management and leadership issues, is uniquely positioned to provide insights into the challenges facing today's business organizations.

WHAT IS NEW FOR THE 2018 PROGRAM?

The program was offered in a state-of-the art virtual learning environment for the first year in 2016, offering enhanced access to more AESC members worldwide. The program also featured a greater focus on leadership consulting, offering participants in-depth insights and actionable practices to expand or strengthen their leadership consulting services. The 2018 program will build on this success. Download the registration form at aesc.org/cornell or email to Brian Glade at bglade@aesc.org.

TOPICS WILL INCLUDE:

- Business Strategy and Market Positioning
- Diversity and Inclusion Leadership
- Talent Management and Succession Strategy
- Executive Assessment Techniques
- Negotiations and Influence
- Building Trust in Client Relationships
- Becoming a Trusted Advisor
- Executive Compensation and Total Rewards

WHAT ARE PAST PARTICIPANTS SAYING ABOUT THE PROGRAM?

"The Cornell-AESC Advanced Certificate in Executive Search and Leadership Consulting program was a valuable part of my development as a search consultant and one that I would recommend to others in the field. The topics were both relevant and tangential to business issues that I regularly confront, and the instructors bring a good balance of real world experience and teaching capability to the program. Having a chance to interact with an engaged peer group that represented

a broad spectrum of experiences and cultures was particularly valuable."

- John Sparrow, Director, BoardWalk Consulting

"This program helped me not only to understand the change in clients' needs towards advice in strategic talent analysis and management but also equipped with all necessary knowledge and tools to add value to the clients."

- Igor Kabuzenko, Managing Partner, Ward Howell

reccecelerate

recruitment business accelerator



As Asia's only retained "recruit to recruit" business, our mission at Reccelerate is to take this niche market to new levels of professionalism. We aim to be a strategic partner to search firms and corporates; understanding their business, analyzing and promoting their strengths and attracting the right talent.

Our strategy is to do more with fewer clients, especially those who are experiencing rapid growth or have a need to enter new markets. We can also support global search businesses where confidential, senior level change management in Asia is needed. Our core management team in Asia has more than 40 years of executive search experience, working with start-ups and established search firms in the UK, Japan, Singapore, Hong Kong and India before deciding to help the search industry itself, seeing the sector as poorly served and fragmented.

Reccelerate's founder, Simon Childs, has more than 15

years' experience in Asia in executive search. He was listed in BusinessWeek as one of the world's most influential head-hunters. After selling his own search business in Japan, known as CDS (an AESC member), to Recruit Holdings, he has helped orchestrate several successful executive search and selection M&A's for Recruit across Asia. Simon has lived in Hong Kong, Tokyo and Mumbai and he has executed on numerous high level retained searches in all these locations. He graduated from Cornell University's advanced program with the AESC on Executive Search Consulting.

To learn more about Reccelerate, please visit www.reccelerate.com or contact Simon Childs directly at childs@reccelerate.com.hk.



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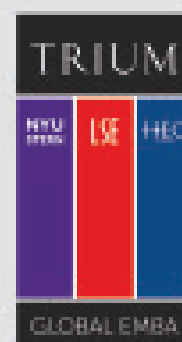
TRIUM provides businesses access to a high-caliber talent pool of global business leaders situated in over 90 countries. Our senior executives are industry innovators, with a depth of knowledge and expertise that is truly transformative.

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AESC

EXECUTIVE RESEARCH FORUMS

AESC Executive Research Forums focus on sharing best practices, emerging research techniques and tools, and different approaches to the challenges faced by executive search and leadership consulting professionals.



For more information or assistance with registration, please contact
Su Jin You at syou@aesc.org.

ANNOUNCING OUR AESC APAC CONFERENCE 2018



SINGAPORE SEPTEMBER 14, 2018

Our profession has more opportunities than ever to help business leaders around the world achieve a competitive advantage. Join AESC and your colleagues for the annual AESC APAC Conference.

For registration inquiries or more information, please contact
Patrick Rooney (prooney@aesc.org).