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Cyber Technology Recruiting Heats Up as Risks, and Opportunities, Multiply



With technology has come the insatiable – and merciless – need for talent. Having the right leaders and teams in place is now more critical than ever. Cyber technology leaders appear in various forms: chief information security officer (CISO), chief information risk officer, chief security officer (CSO), VP information security, chief trust officer, chief information officer (CIO), chief technology officer (CTO) and many others.

These executives are vital, front line leaders facing down increasingly numerous and sophisticated threats. Their job is to secure both the enterprise and its external products and solutions. They report to boards of directors and management committees on a regular basis, are considered strategic assets to be leveraged, and increasingly give organizations their competitive advantage. The cost of hiring one is rising – and that is good news to the scores of executive recruiters who hunt them down for clients around the globe.

Burgeoning Ecosystem

Cybersecurity threats are increasing in number, persistence, and sophistication. One reason: organizations have become progressively more reliant on digital infrastructure, according to **Odgers Berndtson**. Whether it is a consumer threat or state-sponsored action, more bad actors are finding new entry points to access sensitive data and disrupt key operations. Governments, businesses, and consumers now recognize the seriousness of cyber threats and that has made 'cyber resilience' a sustained board level agenda item, said the search firm in a recent report.

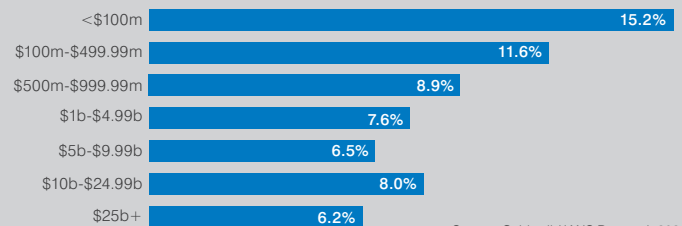
The global spend on cybersecurity technology platforms and services is at an all-time high and is predicted to continue in its exponential rise. Global spend on compensation packages that are being assembled to lure top cybersecurity and tech leaders is also rising aggressively, according to a just-released pay report from

Caldwell. Driving it all is a burgeoning ecosystem being put in place to respond to threats rapidly and with increasing innovation.

Executive recruiters specializing in the sector are, for the most part, largely encouraged by the ever-growing demand for cybersecurity and tech talent, though an array of challenges come with filling these crucial roles. "One is weak talent pipelines, a result of the sector being so new," said Matt Comyns, cybersecurity sector leader at Caldwell. What's more, the pandemic has had a big impact across the field, putting a temporary crimp in hiring and changing the very nature of searches. One positive outgrowth of the crisis: companies are using this down time to reassess and reconfigure their operations. 2021 should see an explosive growth curve once again for recruiting leaders up and down the cyber technology vertical.

INSIGHT

What is your annual security budget percentage as a share of the overall IT budget?



Source: Caldwell / IANS Research 2020

"Current demand for cybersecurity executives is strong and will only strengthen over the next few years," said Hugo Fueglein, a managing director in New York for **Diversified Search Group** and a member of the firm's global CIO practice. "The skillsets we seek for current cybersecurity leaders have changed dramatically over the past few years. Today, we seek leaders who are not only cybersecurity architects with strong technical skills but who also have the ability to champion proactive cybersecurity programs in front of the board and other executive business leaders."

Common Challenge

A number of factors contribute to the challenges of recruiting cybersecurity leaders, Mr. Fueglein said. "One relates to how much more important cybersecurity is to the value of any business. Organizations across all industries are moving rapidly into the digital world and they can no longer be reactive, but proactive. This has been amplified by the COVID-19 crisis and the rapid migration to remote digital workforce technologies." *(cont'd. to page 2)*

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Companies of all sizes, from Fortune 500 to family-owned businesses, share a common challenge – cybersecurity risks. “Cybersecurity is important as a function because it’s how we protect our information, our physical and financial assets, our IP, and our health,” said Deidre Diamond, the founder and CEO of **CyberSN** and founder of Security Diversity. Hiring and retaining cybersecurity talent is challenging under the best of circumstances, said Ms. Diamond, who noted that at any given time there are 500,000 open roles across the sector in the U.S. alone.

“Talent demand is very high and growing,” Ms. Diamond said. “With organizations investing in risk assessments and breaches occurring more often we are beginning to see more executive investment.” Director roles, she added, are specifically in higher demand. “We are also seeing leadership investments being made by smaller companies as they recognize that it is not only the larger companies being targeted by cyber thieves.” Top executive-level cyber roles are difficult to recruit for, she added, “because most organizations don’t know exactly what they need.” The role of a CISO or CSO at one company may not be the same at another, she said. “In fact, the profile can vary between 26 different types of skills. A lack of standardization of job titles is a major contributing factor.”

Security Complexity

For larger organizations, the CISO role is critical. Just 15 years ago, half of the Fortune 500 had someone dedicated to this function. Now they all do. “When you’re looking at sub-Fortune 500 companies, many still don’t have a cybersecurity executive managing all those responsibilities,” said Paul Manning, managing director, software, and technology at **The Bowdoin Group**. “What we have seen is that role is distributed across a number of functions, like technology or finance, and those executives will own pieces of it throughout the organization because it’s an incredibly complex and encompassing role.”

Mr. Manning said that different companies have varying security and compliance concerns – some with their clients or customers’ data, others with just general internal business processes and employee data. Healthcare or financial services companies, for example, have regulatory bodies that have compliance regulations they have to follow. “The biggest challenge is the complexity of security at these companies, and that impacts the executive role being hired,” he said.

According to Mr. Manning, state-sponsored attacks are changing the game in cybersecurity warfare. The evolution of the function – and what is happening under the function – has changed dramatically in the last 10 to 15 years, and demand for talent has completely outstripped the supply. “Cyber and tech executives have a massive challenge around being able to keep up and one step ahead,” he added. Today’s top technology leaders have highly analytical minds and are strategic thinkers, according to recruiters on the hunt for the best and the brightest. “At the end of the day, it is a race to stay ahead of the bad guys, and that’s a big role for one individual,” he said.

Skillset Shift

“Before the pandemic, most industries were experiencing growth and adding senior-level information

(cont'd. to page 3)

technology professionals,” said Gary Erickson, managing partner of **Executive Search Partners** in Sarasota, FL. “We were having an excellent year.” But then everyone stopped hiring. With the pandemic came big changes in the recruiting process itself. “Almost all interviewing moved from in-person to remote and some companies said they were willing to consider remote-based candidates.” For roles so ingrained in corporate structures, where facetime matters, that was a significant shift in thinking.

“Organizations have gained a new appreciation for the impact that IT has had, and can have, on their business,” Mr. Erickson said. “IT’s ability to rapidly enable remote work for all employees saved jobs and lives. IT’s ability to rapidly implement systems to remotely engage with customers saved businesses. CEO are now asking – what else can IT do for my business? What can IT do to more rapidly implement the kinds of technology enabled processes that increase customer sales and improve company effectiveness and resiliency?” That has raised the stature of IT leaders and increased the bar for recruiters to hunt down the best ones.

Overall, he said, the market for IT people is down. “Some industries like healthcare, consumer products, and distribution are now beginning to add people,” Mr. Erickson said. “In other industries, including automotive, travel, and entertainment, markets are still very weak.”

He thinks the market for IT roles will improve in 2021, but the background and skillsets that companies will be seeking in senior level IT leaders will continue to shift from pure tech-focused leaders to those with more IT savvy. “This is most evident at the CIO position, but it has significant implications for all senior level IT positions,” he said. “We see a shakeout in senior level IT positions over the next year or two and an increasing number of placements will come from outside of IT.”

Business Enablers

“COVID-19 shined a massive light on the technology function,” said Brandon Biegenzahn, president of **McDermott + Bull** and chair of the firm’s financial services practice group. “There were those organizations and those technology leaders who were prepared, and those who were not.” The technology chiefs who were prepared, he said, have been celebrated within their organizations.

“It has allowed the technology functions to be seen as true business enablers and no longer cost centers – a huge win for the function,” he added. The organizations that were caught flat-footed are looking to the marketplace for talent, he said. “While replacing a technology leader is one option, the blame shouldn’t be placed on one individual alone. Executive teams need to look at their willingness to invest in technology. No matter how good the leader, without the budget to effectuate change, they will not have the ability to be effective.”

Technology chiefs must be prepared to handle an even greater dependence on their systems, said Mr. Biegenzahn. “Stress testing systems has become paramount. Ultimately, leadership is the most critical component of the CISO/CTO role. Technology serves as the backbone for nearly every, if not every, company in today’s world. Technology chiefs must be able to manage up and down, including

CYBER SEARCH

JDG Associates Tapped by the Cybersecurity Accreditation Body to Find New CEO



Rockville, MD-based executive search firm **JDG Associates** has been retained by the Cybersecurity Maturity Model Certification Accreditation Body (CMMC-AB) to lead its search

for a new CEO. Principal Paul Belford is spearheading the assignment. JDG Associates said that CMMC-AB “presents a unique opportunity to grow a purposeful business from the ground up that will significantly strengthen U.S. national security and inspire other nations of the world to deploy similar programs.

gaining buy-in to their roadmaps from executive leadership and adoption once the roadmaps are implemented.”

“A track record of success guiding organizations through difficult times can provide insight into an executive’s ability and willingness to lead during times of massive disruption,” Mr. Biegenzahn said. “While we cannot look back to situations that emulate our global pandemic, we can look at a variety of situations – from the recession, to mergers, to bankruptcies, and turnarounds – to determine if a technology chief is prepared to handle the stress of the new normal.”

Managing Digital Transformation

The CISO function has grown in importance and prevalence over the last decade, and it will continue to do so in the years to come. “Nearly every company today, regardless of industry, is looking to undergo some form of digital transformation,” said Jared Moriarty, managing director for **McDermott + Bull**. “In an increasingly virtual world, having the right leader to protect your company’s intelligence is crucial. The CISO ensures that all of the company’s information and data is secure, which is necessary to function competitively.”

“Five to 10 years ago, the role of a CISO was more likely to seem like a mundane IT security administration position reporting up through the IT department,” said Mr. Moriarty. “Now, the role plays a strategic part in leading high-level risk management, often reporting to the CEO or board of directors. As technology becomes more and more powerful, and as companies of all types become more reliant on data analytics and interdependent IT systems, the responsibility of ensuring that all information security risks are properly mitigated, and that product strategy is aligned with proper security that will protect innovation, is vital to the function of any company.”

M&A Activity

“While much of the recruitment market has been relatively turgid over the past six months due to the ongoing uncertainty caused by the coronavirus pandemic, there have been some pockets of increased activity, and the technology sector is a clear winner in this respect,” said Zarina Contractor, a partner at **Wilton & Bain** in London. “Demand for technology services has remained largely undiminished by COVID-19, partly due to the stability provided by large, multi-year transformation and managed (cont’d. to page 4)

services programs where spend has already been budgeted for and contractually agreed to, and partly as many organizations continue to view investment into technology, particularly new, innovative, digital topics, as essential for their future survival.” Additionally, she added, the increase in remote working caused by national lockdowns around the world has led to further demand for support around digital workplace services – and associated cybersecurity issues.

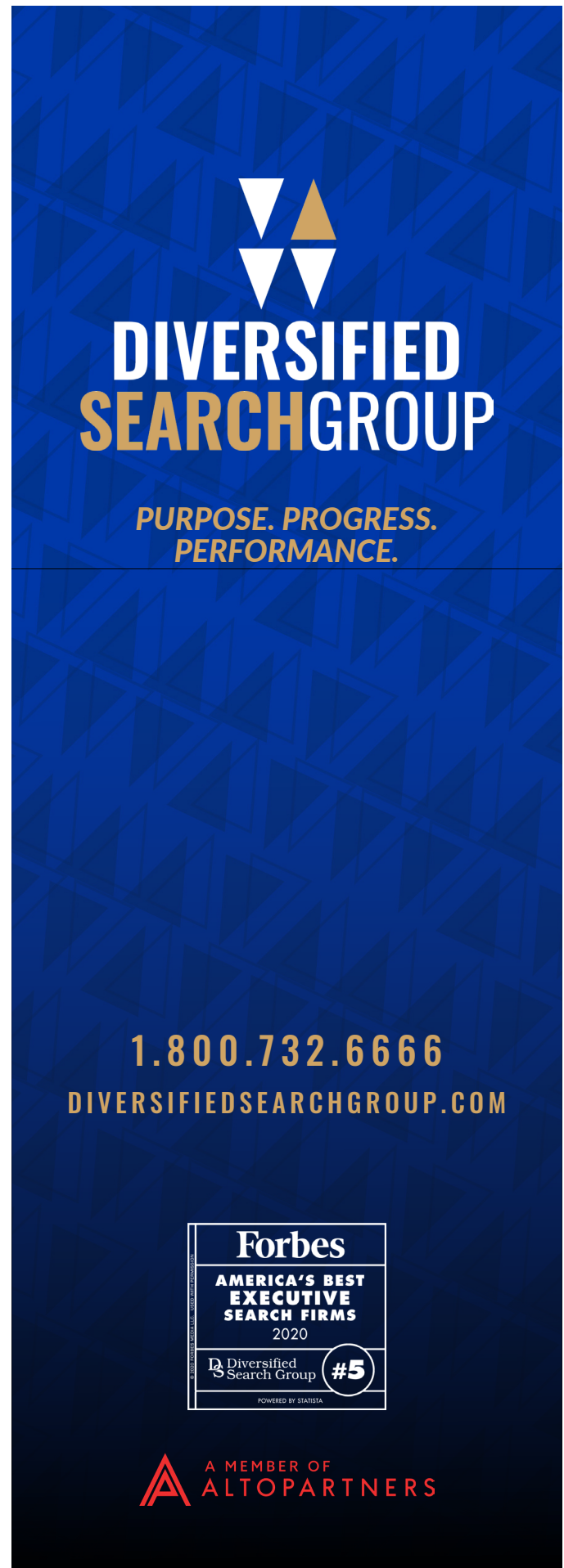
“The strong financial performance of many technology sector companies has meant that they continue to invest in senior hires, particularly those that will help them to gain or maintain market advantage in innovation topics – and many of the larger players are also investing heavily in M&A activity,” Ms. Contractor said. “The recruitment process itself has also been less adversely affected by COVID-19 in technology companies, as they are already accustomed to working virtually with colleagues in multiple locations” This has meant that virtual interviewing is less alien or unwieldy than in other sectors. “We would anticipate continued appetite for investment in senior talent acquisition from technology sector companies, although the majority of the activity is likely to come from the largest players in the market, who have the greatest cash reserves.”

“With organizations investing in risk assessments and breaches occurring more often we are beginning to see more executive investment.”

“We’re seeing clients from almost every market emphasize the enhancement of their digital platforms,” said Marc Gasperino, leader of the digital practice at **ON Partners**. “In many cases digital business models are carrying organizations right now. Companies that underinvested in digital platforms are starting to chase lost revenues that mean more now than before and while hiring has been frozen or slowed down in other functions, digital product, engineering, data/analytics, user experience and cybersecurity are being prioritized. Unfortunately, since many of these companies are going through difficult financial times, they are struggling to meet the compensation requirements of the talent they need.”

“Companies that have already invested and are winning the digital business wars are trying to take advantage of recruiting talent from suffering markets like travel, hospitality and retail,” Mr. Gasperino said. “They are also driving initiatives to expedite the long process of hiring and developing diverse leadership within technology functions.” ON Partners has been hired to drive several ‘diverse only’ engagements for global market leaders since the beginning of the COVID-19 pandemic.

“I’m aligned with my clients who see COVID-19 as a temporary setback but one that has allowed them to reassess strategy, go-to-market, and product-market mix, among other things,” said Seth Harris, a partner with ON Partners. “Over the past 12 months the reliance on strong financial acumen (cont’d. to page 5)



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(CFOs), product/solution rationalization or development (chief product officers), and revenue generation (CRO) will continue to be in demand. That is followed by CHROs who bring vision and guidance to the C-suite in navigating the needs of the existing workforce in light of COVID and beyond, hiring top talent whether pre-identified via a formal search or not, and the creation of a platform that assess talent demand shifts, best-in-class training, and a better level of engagement with the workforce."

CISO SALARIES 2021

Does a Changing Role Demand a Change in Pay?

According to **BitSight**, the role of the chief information security officer (CISO) is undergoing a tectonic shift. First generation CISOs were high-performing technical professionals promoted to senior leadership. They largely reported to CIOs, and had limited authority in business decisions. Today's most progressive CISOs are business-savvy, strategic growth drivers – and now reporting directly to the CEO or board. These modern day CISOs are shaping cyber policy across entire organizations. For CISOs and aspiring CISOs, there are several factors to consider when determining whether compensation matches the job:

Reporting Structure One of the first questions a prospective CISO should ask is, "Who will I report to?" Because CISOs are relatively new entrants to the C-suite, many organizations are still determining exactly where they should sit in the org chart. Across different organizations, CISOs may report directly to the CIO, the CFO, the chief risk officer (CRO), the CEO, or even straight to the board. In 2021, more CISOs will move away from reporting to the CIO, CFO, or CRO, which can limit their ability to effectively secure the organization, and start reporting directly to the CEO or board, especially in heavily targeted industries like finance and healthcare. Generally speaking, the higher up in the org chart the CISO sits, the higher their compensation should be. A CISO reporting to a CEO is likely to be responsible for much more strategic decision making than a CISO reporting to a CIO, and with that additional risk and responsibility should come additional reward.

Stress & Burnout CISOs and prospective CISOs should carefully consider job stress when entering salary negotiations. The CISO position is notoriously stressful. A recent survey focusing on CISO stress found the following: 91 percent of CISOs say they suffer from moderate or high stress; 88 percent work more than 40 hours per week; 26.5 percent say job stress impacts their physical or mental health. Burnout is a very real phenomenon among CISOs, and without major changes, the stress of the job is likely to increase as the cyber risk landscape becomes more complicated.

Opportunity for Growth The CISO role has changed dramatically, but the transformation isn't over yet. If history is any indicator, the CISO of the future is likely to be even more strategically focused, even more growth-driven, and have even more authority than even the most progressive CISOs in 2020. So while there are downsides associated with CISO positions, there are also opportunities. CISOs who can deliver on the promise of cybersecurity transformation will be in the best position to seize these opportunities and multiply their success...and their pay.

Hunt Scanlon Top 40 Cyber Technology Search Firms

680 Partners Ross Freeman , President & CEO	(212) 931-5311	JM Search Tom Figueroa , Co-Practice Leader/ Kevin Kernan , Co-Practice Leader	(610) 964-0200
August Leadership Kim Bishop , Managing Partner	(917) 472-7837	Kingsley Gate Partners Umesh Ramakrishnan , Office of the CEO	(972) 726-5550
Bespoke Partners Kristie Nova , CEO	(858) 356-6730	Korn Ferry Aileen Alexander , Managing Partner	(202) 955-0931
Benchmark Executive Search Jeremy King , President	(703) 728-8506	McDermott + Bull Chris Bull , Managing Partner	(949) 529-2690
Bowdoin Group Paul Manning , Managing Director	(781) 263-5200	McIntyre Associates Jeff McIntyre , President	(860) 284-1000
Caldwell Matt Comyns , Managing Partner/ Jim Bethmann , Managing Partner	(203) 348-9593	Momenta Partners Ken Forster , Executive Director	(917) 765-3600
Carter Baldwin Executive Search Jennifer Poole Sobocinski , Partner	(678) 448-0010	N2Growth Mike Myatt , Founder & Chairman	(610) 714-0469
Champion Scott Geoffrey M. Champion , CEO	(617) 367-0444	Odgers Berndtson Steve Potter , CEO	(212) 972-7287
CIO Partners Joe Gross , President	(770) 971-0324	ON Partners Baillee Parker , Partner	(612) 825-4215
Comhar Partners Douglas Gladstone , Managing Director	(415) 903-4000	The Onstott Group Joe Onstott , Founder	(781) 235-3050
Cyber Exec Executive Search Jean-Louis Lam , Managing Partner	(312) 568-6748	Quest Groups Joe Kosakowski , CEO	(857) 305-2116
CyberSN Deidre Diamond , CEO	(857) 415-2654	Riviera Partners Will Hunsinger , CEO	(877) 748-4372
DHR International Sal DiFranco , Managing Partner	+44 (20) 7042 0205	Russell Reynolds Associates Nada Usina , Managing Director	(305) 717-7400
Direct Recruiters Ryan Lange , Partner	(440) 996-0593	Slone Partners Leslie Loveless , CEO	(888) 784-3422
Diversified Search Group Tony Leng , Managing Director	(415) 354-2154	Spencer Stuart Greg Sedlock , Consultant	(203) 324-6333
Egon Zehnder Eric Anderson , Global Lead/ Jens Stender , Global Lead	(404) 836-2800	SPMB Kevin Barry , Managing Partner	(415) 924-7200
Executive Search Partners Gary Erickson , Managing Partner	(248) 470-9976	Stanton Chase Stephen Spagnuolo , Director	(410) 528-8400
Heidrick & Struggles Rebecca Foreman , Global Managing Partner	(415) 291-5215	StevenDouglas Steve Kalisher , Senior Vice President/ Michael Beaton , Director	(954) 385-8595
Heller Search Associates Martha Heller , CEO	(508) 366-7005	Wilton & Bain Erin Callaghan , Partner/ Chloe Watts , Partner	+44 (20) 7621 3570
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SPOTLIGHT

The State of Cyber Recruiting in Private Equity



*Matt Comyns is managing partner of the cybersecurity practice at **Caldwell**. His focus is on recruiting chief information security officers and next-level-down top lieutenants in information security for large global corporations and fast-growing private companies, as well as cybersecurity consultants for leading profes-*

sional services firms and top executives for cybersecurity technology companies. Mr. Comyns also serves as a strategic advisor for ClearSky, a venture capital/growth equity firm with offices in Florida, New York, Boston and San Francisco.

Mr. Comyns recently sat down with Hunt Scanlon Media to share his first-hand experiences on cyber recruiting for the private equity industry. He sees a big uptick in the need for chief information security officers. Following are excerpts from a recent discussion.

Matt, give us a 30,000-foot overview of cybersecurity recruiting.

It has been nearly seven years since the Target breach—the catalyst for the meteoric rise of the chief information security officer. In the spring of 2013, cybersecurity was a relatively new space. Most companies, private equity or otherwise, were not investing in this function unless they were an early mover. I had placed a handful of CISOs, but most of the CEOs I spoke to were thinking about hiring a head of security but just were not there yet. When news of Edward Snowden's colossal disclosure of classified information hit that summer, I was sure it would be the start of something, but the consensus amongst those CEOs was that Snowden was just a rogue weirdo and not really a concern. Boardrooms across America started to buzz about cybersecurity. But it was not until the Sony Pictures hack one year later that security became the No.1 topic in boardrooms. The risk exposure and publicity made the cyber market for talent beyond noisy. It was almost impossible as a recruiter to make sense of the madness. The demand was outrageous; everyone was hiring, but no one knew what to spend. They just knew they needed someone in the role immediately. As it was a relatively new space, there was, and frankly still is, a shortage of qualified candidates and almost every senior cyber executive gets a counteroffer when they go to change companies. This has led to a fast rise in compensation packages.

How has comp evolved?

To put it in perspective, six months after the breach Target hired their first CISO at a total compensation package at \$1 million. It was an unheard of comp package for a security leader at that time. Since then, those numbers have increased three-fold, with a few tier-one CISOs in 2020 commanding a package north of \$3 million. Additionally, there are several next-level-down cybersecurity executives at major tech firms making between \$1.5 million and \$2 million. Despite the skyrocketing compensation packages writ large, not everybody pays for a tier-one CISO. That has certainly been the

case for most of private equity, which has lagged the market by a considerable degree. It makes sense given the business model – PE firms pay up for a CEO but will likely be more balance-sheet-sensitive for other C-level executives. Compensation packages for private equity CISOs after the Target breach were in the \$300,000 range, if not lower. Fast forward to today: PE firms have doubled their budget for security leaders, paying in the neighborhood of \$500,000. But they clearly have not tripled the packages as we have seen in the private sector, and they've certainly not kept pace with the top of the market

What is the current demand for CISOs?

The CISO function is seen as a good Moneyball category – a place to get value for a reasonable price if you recruit in the right way. The market's tough, and if companies plan to thread the needle to find the best player at the best cost, they will recognize they're not the only ones trying to do that. The market is still red hot, and candidates have choices. They're also often not terribly polished executives, so the recruitment process gets that much more tricky. I heard a story the other day about a candidate who accepted a role with a well-funded PE-backed cyber risk company, and strung them along, pushing his start date back to wrap things up at the cybersecurity firm he was leaving. When his start date finally came around, he was a no-show on day-one, having used the extra time to ink the deal on his counteroffer. A recruiter who really knows the space would have known that candidate was 'Mission: Impossible' because the PE fund that had acquired that cybersecurity firm would never let him walk out the door without throwing huge money at him. If you are trying to play Moneyball, you need to work with a recruiter who really knows the space.

What value do CISOs bring to private equity outfits?

CISOs will know where you can get value, and they will have a much better sense for the utter madness that is the current market for security talent. PE firms, particularly, need to find the right talent partner to keep-pace with an evolving security market. In the last 12 to 24 months, increased regulatory requirements, pressure from customers via RFPs related to security, and a rise in cyber incidents at the company level have driven private equity firms to invest more in security and, in some cases, pay top dollar. The recent TikTok news is a great example of a situation where a strategic CISO, in this case, Roland Cloutier, can play an oversized role in a company's future. We worked on a similar type of search with a fast-growing tech company started by non-Americans, where we hired a seasoned veteran who had both U.S. government and commercial market experience to bring credibility and stability to the platform. Strategic hires like this come at a high price, but when there is a calculated need, they will make an exception and pay for the most valuable CISOs. Some PE funds have taken a shared services approach, hiring high-level CISO executives to help with the PE company itself, but also to strategically advise portfolio companies and vet potential investments, M&A and otherwise. This allows them to centralize

(cont'd. to page 8)

resources, leverage buying power, share best practices and build a community among their CISOs. It also means that within their portfolio companies, they can take a chance on decent athletes at a much better value, without having to break the bank on every investment. It is a great model, and it is surprising to me that it has not caught on faster with more firms. We expect it will continue to gain traction due to the modeled success.

"It was not until the Sony Pictures hack that security became the No.1 topic in boardrooms. The risk exposure and publicity made the cyber market for talent beyond noisy. It was almost impossible as a recruiter to make sense of the madness."

What do CISOs need to know moving forward as technology continues to evolve?

At a minimum, funds are going to need to invest heavily at the holding company level to help their portfolio companies manage the function. This is going to trend upwards at the portfolio level as well, and it is likely that 10 years from now it will be a much more rational market. The next generation of leaders – those currently in high school – will be better educated in security, more digitally fluent, and there will be more of them, tempering the market's pricing by addressing the talent gap. In the meantime, for the next decade, PE firms are likely to spend more than they want in security – something organizations will view as a necessary evil. Regulatory pressure is only going to worsen, and customers are only going to kick the tires harder on security as they become more sophisticated in the function.

What are some recent trends you have seen with private equity firms and the cybersecurity market?

Beyond the security function within all portfolio companies, we have also seen private equity players becoming big buyers of cyber vendors. The huge gap in talent and capabilities has created a tremendous opportunity for new solutions, while also raising more talent challenges. As a result of these investments, thousands of cyber companies have emerged since 2013, with many private equity funds taking advantage of it. The smarter firms, particularly those investing in technology in general, have moved aggressively into this space. Thoma Bravo is a great example of a fund that bought into this idea early, buying up cyber vendors and then selling them at 4X just two years later. The approach is smart, as doubling down on security on the investment front can help companies get smarter about how they run their own security both at the fund level and at the portfolio level. The talent gap in the security function is real. The velocity, and the short period of time in which the market has changed, makes this a unique functional area to attract and recruit top-talent. Although the market for talent at the top may seem picked-over, and overly expensive, the reality is that by choosing the right search partner, success can be attained. Recruiters who know the PE space, and understand how the security market for talent has evolved over the last decade, can lead to strong successful partnerships that will benefit PE firms for years.



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Q&A

The Counter-Cyclical Hiring Impact of COVID-19



Having spent over a decade delivering executive search mandates in the professional and technology services domain, Gene Allmark-Kent is a partner and part of the global leadership team for the risk and data advisory practice at Wilton & Bain. He supports clients and their boards addressing the complex and

ever-changing regulatory agenda, appointing key executives in areas such as cybersecurity, compliance, analytics and across the emerging technology landscape.

Mr. Allmark-Kent recently joined Hunt Scanlon Media to discuss tech/cyber recruiting, how it has changed because of the global pandemic, and what things will look like moving ahead.

Gene, describe how tech/cyber recruiting has been impacted by COVID-19?

It is clear the COVID-19 crisis has had a devastating impact on many industries. However, for a number of them, it has had a counter-cyclical effect, accelerating both the need and pace of hiring. As working from home has put significant additional pressures on both IT and security, we have seen the appetite and competition for resources has risen accordingly. We have witnessed an increased focus on the cloud and something of a land grab for resources in areas such as Dev Sec Ops which sit at the nexus of these topics and remain earlier in their maturity cycle. As we have previously seen in domains such as cloud transformation or data science, there is pervasive competition for cloud security experts from major corporates, consulting firms, software vendors and even the hyper-scalers.

“It is clear the COVID-19 crisis has had a devastating impact on many industries.

However, for a number of them, it has had a counter-cyclical effect, accelerating both the need and pace of hiring.”

Has COVID-19 forced more organizations to consider digital transformations?

COVID-19 has undoubtedly accelerated both the need and desire for digital transformation and adoption. As described by Deloitte, lots of firm's get stuck at the point of 'doing digital things' on their journey to becoming or being digital..the latter steps requiring more fundamental changes to companies' operating model, business model or DNA. A crisis certainly gives firms an abrupt intervention to address these matters and do so in a way that the usual BAU

politics or processes may have previously hampered. Take the hiring process as an example. We now have clients onboarding and recruiting executive talent via a wholly digital journey, some have never seen the office at which they'll work, while others may not have an office base any more at all. That concept would have been unthinkable in 2019. Equally, we have seen clients, particularly in domains such as trading and hedge funds where “working from home” was outlawed, suddenly spinning up virtual environments and now struggling to get their employees to return to the office.

What is the current state of recruiting for AI/tech firms? Has this sector slowed or continued strong?

Firms in the AI, data science and data intelligence domain have continued to thrive and grow through this period. Whether it be an increased focus on automation, seeking cost reduction in processes such as compliance or optimization, or even the fight against COVID-19 itself utilizing AI and machine learning for drug repurposing and cost-effective therapeutic development. Data science continues to be a major focus for these objectives. Firms continue to seek to reduce cost through the automation of lower value business processes, while also freeing up skilled workers for more enjoyable, fulfilling, and higher value tasks.

What's changed?

It feels like the general hype we saw through 2016-2018 to 'recruit good data scientists and we'll work out what to do with them' started to cool last year. What has emerged is a more solution or industry-specific desire by many firms to recruit and deploy these skills. It is interesting to note the growth of vendors who have found success with a particular industry vertical (for example, financial crime in banking), finding it easier to move into other sectors 'having solved something,' than those more vanilla, data-science platforms that can 'solve anything' and at times struggle to position themselves in the market or certain clients.

What are your expectations for the next 12 months?

It feels like the market for technology skills continues to remain competitive at all levels. Certain sub domains such as cloud, cybersecurity, SAP S4 remain in high demand for both end-users and services firms. Given the increased need and conversance with working from home, borders and geography have started to become less of an inhibitor to recruitment as they once were. However, this presents new challenges to onboarding, integration, and well-being. As we face a second lockdown, knowledge of the first round has both equipped us for what is ahead but left some feeling slightly deflated. Taking a more positive note, we can certainly see that many firms are 'ahead of a conservative target' and have adjusted more quickly to the 'new normal' than they may have previously feared. Much of this has been enabled through the acceleration of their digital journey and greater adoption of new technology solutions, integrating new emerging skillsets and a quicker propensity to transform themselves.

COVID-19 Impact on Cybersecurity

While the COVID-19 pandemic has rendered offices and meetings passé, we as a society have moved much of our communication, purchasing, and general interaction directly to the internet. Zoom, Slack, Teams and WeChat dominate – and people suddenly seem busier than ever, according to a new report by Martin Mendelsohn at **Kingsley Gate Partners**.

“We have more to juggle today, remotely, and all of it is channeled through our home communication systems,” he said. “The implications of this for the cyber industry are enormous. A new and unforeseen Pandora’s box has popped open, gifting yet another point of vulnerability and access for nefarious actors to exploit.”

New Reality

Employees who had worked in an office prior to COVID-19 often used a desktop computer, logging on at a specific time, and working a particular shift. “Much of corporate employee activity was routine and predictable, enabling internal corporate security teams to quickly assess when activity deviated from the norm,” Mr. Mendelsohn said.

That was six months ago. A study by the National Bureau of Economic Research notes that 50 percent of U.S. employees are now working remotely or from home. The new reality has shifted the ‘office’ to ‘home-work environments’—in fast forward.

Following the move to remote working, companies gave employees laptops to use in their homes, which, in many instances, became a computer shared with kids playing Fortnite, and for other personal matters. “Passwords used for website access and payment processing became the password for accessing corporate systems,” said Mr. Mendelsohn. “Log in credentials for websites switched to ‘single-login’ pathways linking corporate devices to personal accounts on social media, banking properties, and e-commerce sites.”

What’s Next

The pandemic has hammered home to the technology community that we should trust (employees, partners, service providers, and even employers) though we must continuously verify—and stay on the lookout for malfeasance. Translation: contingency and backup planning is more important than ever.

“Cybersecurity executives’ dexterity is being tested at a time when IT staff are working remotely from home offices, and systems are under siege with incessant phishing probes and creative attacks,” Mr. Mendelsohn said. “Many of these attacks are often followed up by ransomware demands, data theft, and outright extortion.”

Leaving decisions up to technology, or robots - or bots, or bits - or whatever you might want to rely on for your company’s crown jewels, is a losing bet, Mr. Mendelsohn said. “This is no longer a game of multi-factor authentication, password verification, or ‘my CISO has it all covered,’” he said. “CEOs and boards are more exposed today than ever before in history and will be on the hook for shareholder value losses, reputational compromise, and worse.”



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JM Search Forms Dedicated Cybersecurity Practice

JM Search, a senior-level talent provider serving private equity investors, portfolio companies and Fortune 1000s, recently formed a dedicated cybersecurity practice to assist public and private equity-backed companies in identifying and recruiting high-performance leaders. Partners Kevin Kernan and Tom Figueroa are co-leaders of the firm's center of excellence for cybersecurity leadership.

The search firm brings a 40-year track record placing CEOs and C-suite leaders into industry-leading cybersecurity businesses, as well as placing chief security officers and CISOs into investor-backed and public companies across all sectors. This newly dedicated team is positioned to assist clients in finding the talent necessary to increase enterprise value, generate improved shareholder returns and ensure security best practices in all market conditions.

"The shift to a fully digital world, new work from home requirements, and an emphasis on endpoint security are all spurring demand for more sophisticated technologies and informed experienced leadership."

"JM Search has established a significant track record of partnering with companies that require transformational leadership to help drive operational efficiency, revenue growth and increased enterprise value," said co-founder and chief executive officer John Marshall. "By formalizing this practice as a cybersecurity leadership center of excellence, we're solidifying our longstanding commitment to helping clients remain at the forefront of security best practices and innovation amidst rapidly changing threat vectors, continued disruption, and required changes brought on by a global pandemic and the lasting consequences."

As a former cybersecurity CEO, Mr. Kernan hired the entire leadership team for Secure Software, a venture backed application security business which was acquired in 2007. Mr. Kernan transitioned into executive search in 2010 and has completed over 200 leadership projects, including board directors, CEOs, CSOs, and CISOs for investor backed and public cybersecurity firms globally. Mr. Figueroa joined JM Search in 2003 and has consistently received industry recognition.

Stan Black, a cybersecurity expert and former chief security officer at Nuance and Citrix, advised JM Search on forming the new practice. "Savvy companies across industries are evolving their understanding of not only cybersecurity but all dimensions of the security landscape, including physical and employee protection in an increasingly complex world where right now the focus has to be on doing more for less," said Mr. Black. "The shift to a fully digital world, new work from home requirements, and an emphasis on endpoint security are all spurring demand for more sophisticated technologies and informed experienced leadership."

Cyber Technology Searches in the News

Reffett Associates Seeking IT Leader for the Seattle Mariners



Seattle, WA-based **Reffett Associates** was recently retained to find the new vice president of information technology for Major League Baseball's Seattle Mariners. Marshall Reffett, managing

director of the firm's Seattle office, is leading the search along with Tom Young, director of operations. This is a new position for the organization and is part of a growing trend among sports franchises to integrate information technology into all aspects of their franchise management. Sports organizations have been investing heavily into experienced information technology leadership to ensure that the technology teams are playing a critical role in functions across their operations. The Mariners are seeking an individual to develop and implement an IT vision that, while being an experienced technology leader, can ensure technology is aligned with the team's mission, purpose, and core values, said Reffett Associates.

Russell Reynolds Associates Seeks CEO for U.K. Government Digital Service

Russell Reynolds Associates has been retained to find the next chief executive officer for the U.K.'s Government Digital Service (GDS), which oversees digital transformation and innovation strategies for all of the nation's government.



"The CEO will combine technical excellence and proven delivery experience to set the vision and implementation strategy for GDS," said Alex Chisholm, chief operating officer for the U.K.'s Civil Service. U.K.'s Civil Service wants an inspiring and talented senior leader with a proven track record in digital transformation and service delivery, said Russell Reynolds Associates. Candidates should be passionate about technology and tackling some of society's hardest problems through the application of innovative products and technologies.

Bespoke Partners Recruits Chief Technology Officer for Cority Software



Trusted EHSQ Software

San Diego, CA-headquartered search firm **Bespoke Partners** has placed Atish Ghosh as the chief technology officer for Cority Software in Toronto. He replaces the retiring CTO Stan Marsden, who worked for Cority

for 28 years. Alex Bossetta led the assignment. "Atish Ghosh is a proven technology leader with extensive experience scaling high-growth software companies and we look forward to him leading a new era of EHSQ technology innovation," said Mark Wallace, CEO of Cority. Bespoke Partners is an executive search and leadership advisory firm dedicated to partnering with top private equity firms to recruit software talent and assess and evaluate teams at every stage of the investment lifecycle, from growth equity to buyout.

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More Cyber Technology Searches in the News

Hanold Associates Recruits Global Head of People Experience for Zoom



Chicago-based **Hanold Associates HR & Diversity Executive Search** assisted in the placement of Kim Blue Terrell as global head of people experience partners at Zoom. Mayank Parikh, Keri Gavin, Ashley Schiele

and Jason Hanold led the assignment. "Zoom has become the ubiquitous solution to allow us to safely attend class, go to work, meet our friends and see our family," said Mr. Parikh, a partner with the search firm. "Bringing on a great new addition to their people leadership team like Kim enables them to create better experiences for their employees, and in turn, lead to better and more reliable experiences for the millions of people globally who trust Zoom." Ms. Blue Terrell is a strategic and data-focused crisis-manager with over 15 years' experience developing and executing human resources strategies for employee populations in technology, telecommunications and entertainment.

Furst Group Assists Medica in CTO Search

Furst Group recently has placed Dan Abdul as SVP and chief technology officer at Medica, a non-profit health plan headquartered in Minnetonka, MN. "Dan brings to Medica proven IT leadership with a strong emphasis on making decisions based on data and analytics," said Rob Geyer, SVP and chief operations officer of Medica. "His experience and knowledge will help Medica deliver an exceptional technology experience for our members and other stakeholders." Before joining Medica, Mr. Abdul served as SVP, CTO, data and analytics at Optum. Furst Group partners with many of the premier healthcare organizations in the world, from providers and payers to life-science companies and private equity/venture capital firms.



Human Capital Group Recruits CIO for Hensel Phelps



Brentwood, TN-based search firm **The Human Capital Group | a Gallagher Company** has placed Dolores Quezada-Mears as the new chief information officer at Hensel Phelps

in Greeley, CO. "Our client has reinforced that they are thrilled with the process and outcome," said Steve Hayes, senior managing director. "We presented a slate of vetted finalists within 20 business days, as guaranteed, and the executive team hired Dolores from that initial slate." Ms. Quezada-Mears has spent the past 10 years serving in executive IT leadership roles at CRH Building Materials in Atlanta. Serving most recently as the company's acting CIO of North America. Founded in 2000, The Human Capital Group is an executive search and leadership consulting firm assisting clients domestically and internationally as they seek to find and grow transformational leaders.