

Lead Story: [Why Korn Ferry's CEO Thinks We All Need to Adapt to Change](#) 1

Spotlight: [The Financial Fifty: Shifting Focus to Strategic Hiring and Specialization](#) 9

Rankings: [Hunt Scanlon Top 50 Recruiters](#) 5
[Hunt Scanlon Global 25](#) 13

Why Korn Ferry's CEO Thinks We All Need to Adapt to Change

In a *Harvard Business Review* article, **Korn Ferry**'s chief executive Gary D. Burnison once compared a search firm to a hospital emergency room, writing that people only go to the ER – and an executive recruitment firm – in an emergency.

On The Front Line

“In medicine, big businesses are built around wellness and prevention,” he wrote. “I wanted to diversify Korn Ferry in the same way – to enable us to help clients with all their talent needs, so they wouldn't think of us only in moments of crisis.” His mission since: getting Korn Ferry to do more than fill jobs.

To that end, Mr. Burnison orchestrated the largest acquisition the search industry had ever seen last December, purchasing HR consulting firm Hay Group for just under a half billion dollars. It was a prescient move by Korn Ferry. Today, while searching for people provides increasing revenues for the publicly-traded leadership solutions provider, non-search service revenues are expanding its overall revenue mix.

But pivoting left or right and guiding some 7,000 employees over unfamiliar terrain, as he tells us in the following sweeping interview, has not been easy, straightforward, or without its challenges. Mr. Burnison was installed as CEO in 2007 at the height of the Great Recession and several years from when Korn Ferry, according to Mr. Burnison, “came close” to filing for bankruptcy, but didn't. “We

were concerned mostly with surviving,” he said. How he pulled the company out of its financial troubles and dramatically shifted its focus to put the company on a different strategic path is a case study in leadership, risk management and ingenuity – three skill sets that remain absolutely vital today as Mr. Burnison, 55, pushes forward a plan of reinvention at the world's largest talent company.

Here are some extracts from a recent conversation between the Korn Ferry chief and **Hunt Scanlon Media**'s editorial board, taken from Hunt Scanlon's forthcoming search industry report, 'Adapting to Change.'

Transformation

Gary, you've often spoken about the transformation Korn Ferry has undergone since you took the helm in 2007. Is the company where you want it to be in the transformation process? And how does your acquisition of Hay Group fit into your overall game plan?

The term transformation is too often overused in today's business environment. But when you look at the definition – it's a thorough or dramatic change. We're not spiking the football here by any stretch, but we're well on our way to a 'transformation' as it's described. Since 2008 our company has experienced a four-fold increase in revenue and today we generate more than \$800 million in annual revenue from our advisory-related businesses

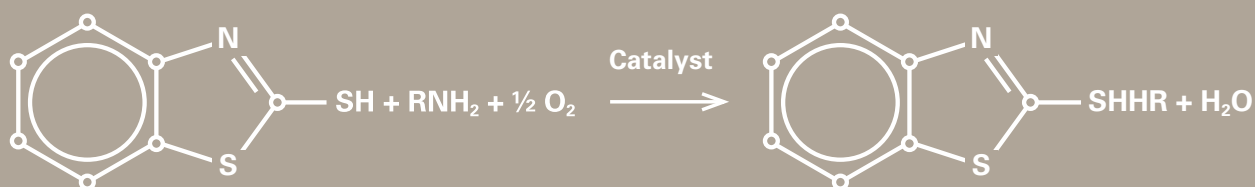
Hunt Scanlon Top 10 Recruiters

Firm Name	Revenue (\$ millions)	Percent Change	No. of Consultants	No. of Offices	Primary Contact	Email
1.) Korn Ferry ^a	720.0	+ 16.9	376	55	Gary D. Burnison	gary.burnison@kornferry.com
2.) Spencer Stuart ^b	441.7	+ 4.0	205	23	Kevin Connelly	kconnelly@spencerstuart.com
3.) Heidrick & Struggles	300.5	+ 15.2	152	17	Tracy Wolstencroft	twolstencroft@heidrick.com
4.) Egon Zehnder ^c	261.0	+ 4.0	118	20	Karl Alleman	karl.alleman@egonzehnder.com
5.) Russell Reynolds Associates ^d	260.0	+ 2.0	125	18	Clarke Murphy	clarke.murphy@russellreynolds.com
6.) DHR International	179.0	+ 5.0	107	29	Geoffrey Hoffmann	ghoffmann@dhrinternational.com
7.) Witt/Kieffer	55.0	- 5.0	94	16	Charles Wardell	cwardell@wittkieffer.com
8.) Caldwell Partners ^e	53.6	+ 18.8	34	9	John Wallace	jwallace@caldwellpartners.com
9.) Diversified Search	37.5	+ 12.0	44	9	Judith von Seldeneck	judith.vonseldeneck@divsearch.com
10.) Kaye/Bassman - Sanford Rose	37.4	+ 12.7	117	65	Jeffrey T. Kaye	jtk@kbic.com

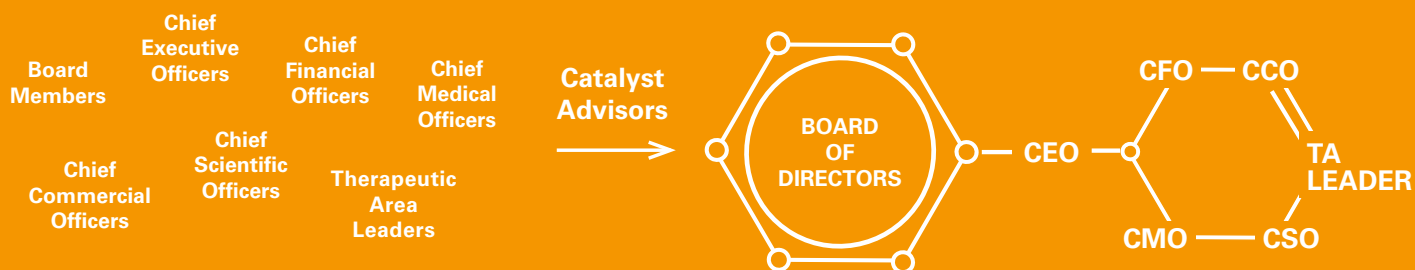
a) February 1st, 2015 – January 31st, 2016 b) As of 9/30/15 c) As of 10/31/15 (Hunt Scanlon Media estimate) d) Fees without allocated cost recoveries e) As of 8/31/15

© Hunt Scanlon Media, LLC. Copyright 2016, All Rights Reserved.

When chemists need to
drive reactions,
they use catalysts.



When biopharma companies
need to drive innovation,
they use Catalyst Advisors.



catalyst
advisors

London • Los Angeles • New York
www.catalystadvisorslp.com

alone. Our search business has never been stronger, in terms of size or the level at which we compete. We're increasingly extending our brand and focus to assist clients in implementing strategy. All of this said we also know that Korn Ferry is not the only game in town. There are a lot of great companies that operate in the same playing field – whether it's other search firms, strategy & consulting firms or HR consulting firms. And, like any of those companies, unless we continue to innovate, create impact for clients and expand our focus to meet their needs and the markets in which they operate – we're no longer relevant. I honestly think there is a lot of runway in this market for broader talent offerings – a multi-billion dollar opportunity.

A Reason to Change

How difficult has it been to lead Korn Ferry through such a massive overhaul?

Generally organizations don't change, unless there's a reason to change. I think Korn Ferry, and others operating in the search environment, have a phenomenal opportunity to fundamentally take the business of search, and our brands that are so synonymous with search – and substantially differentiate and alter the direction of our industry. This industry gives us incredible permission and access to executives at the top of the house. But, like any industry, we too must evolve. Look at Amazon. Once upon a time they only sold books. But based on the strength of their brand and the trust it engenders, Amazon has been able to create greater value for its customers and yet books are still an incredibly important piece of their business. Our Korn Ferry partners now have the opportunity to have conversations that have evolved from finding great talent, to focusing on a company's broader needs. How can we help in designing your organization and implementing your strategy? Are your people motivated? Are you developing your employees? Are your compensation and business strategies aligned? How do you go about picking the right team? It's a natural progression, and the shift is not always easy. But our partners are increasingly finding success in differentiation through a broader lens.

BY THE NUMBERS

Are You Looking for a New Gig?

Every **3.5 minutes** Korn Ferry lands someone a new job...

...in more than **70 countries** across the globe

Gary, there's been some concern that your acquisition of Hay Group has signaled a shift in focus away from search. Your thoughts?

Quite the opposite. In fact, the whole point of the combination is to give our firm more reasons to engage with clients. Hay Group has incredible compensation data, culture data and the entirety of their intellectual property, when combined with Korn Ferry's intellectual property, presents enormous potential opportunities to enhance and differentiate our expertise even further with search clients.

AT A GLANCE

Gary D. Burnison



Gary D. Burnison is chief executive officer of Korn Ferry, a global people and organizational advisory firm. The firm says it helps leaders and organizations succeed by releasing the full power and potential of people. Its nearly 7,000 colleagues deliver services through Korn Ferry and its Hay Group and Futurestep divisions. Mr. Burnison serves as a member of the Korn Ferry's board of directors.

Under his strategy and vision, Korn Ferry has undergone a massive transformation of its core business platform, pivoting from a traditional executive search provider to a fully diversified human capital organization. Mr. Burnison brings hands-on experience to his current position, having served as chief operating officer and CFO for Korn Ferry from 2003 to 2007. Mr. Burnison joined Korn Ferry as chief financial officer in 2002.

Mr. Burnison is a New York Times bestselling author. In 2011, he wrote 'No Fear of Failure: Real Stories of How Leaders Deal with Risk and Change' – a book offering insightful conversations with some of the world's top leaders in business, politics, education, and philanthropy. In 2012, he authored 'The Twelve Absolutes of Leadership,' which provides the inspiration and skills leaders need to spearhead positive change, improve the lives and careers of others and transform organizations. His latest book, 'LEAD,' boils down leadership into very practical, easy to digest analogies, colorful stories, takeaways and ideas-for-action that will benefit anyone who seeks to lead or influence a group of people. He earned a bachelor's degree in business administration from the University of Southern California and holds an honorary doctor of laws degree from Pepperdine University.

What part will global markets play in the changes being wrought at Korn Ferry? Hay Group obviously is a part of the plan for international markets I would assume.

Our global business is extremely important and, like you say, the Hay Group acquisition helps us expand our footprint immensely. Eighty-five percent of Hay Group's business is outside of the United States. With the acquisition we had nearly 3,000 people join us who are located abroad. A decade ago, 55 percent of our business was in the United States and that has shifted to about 45 percent. With Hay Group, we now have about 150 offices in more than 70 countries across the globe. We're not done. Global reach will continue to be an anchor of our growth.

Where Rivals Lurk

Are your search sector rivals adapting to the changes in the industry as quickly as they should be?

I feel strongly that for any CEO, there are really two constituencies – your colleagues and your clients – and everything else takes care of itself. That's where you need to spend your time. I'm much more focused on ourselves. How we can grow? How can we impact clients? We need to focus on our own game. Having said that, when I do think of competitors I not only think of the search world but I

also think more broadly – strategy firms and HR consulting organizations. Also, you have to always be mindful of innovation and what two people in a garage in Silicon Valley or Bangalore are doing.

You're right. By expanding your company into additional leadership consulting service areas you've actually opened up Korn Ferry to new competition. What sort of battles loom ahead now?

The world is extremely competitive today – there is a real fight for growth and relevancy. I don't think the competition is any more heightened in the advisory area than in search. As our firm expands our focus, it's certainly a larger market and there are many more players, for sure. But, I wouldn't say the competitive landscape is any different than any organization, in any industry around the world today. It's intense wherever you go. In this environment, for any CEO, growth isn't easily attained. First and foremost, CEOs are looking to drive performance and growth by harnessing the energy of their people, anchored around a common purpose.

BY THE NUMBERS

Demand for Leadership Solutions is Intensifying

Korn Ferry topped **\$1 billion** in revenue...

...enjoying a growth rate of **16%** in 2015

What about competition coming from within the search industry itself. We have written extensively on the rise of search boutiques and their entry into C-suite recruiting. They don't have the off-limits challenges of their larger rivals, some argue they're more agile and provide better niche talent management services. What changes has Korn Ferry made to meet this challenge?

Unless you are nimble and agile, you are extinct. You have to have a startup mentality, constantly reinventing. You need to have a mindset of how you put yourself out of business – meaning how do you rejuvenate the forest on a continual basis. The search industry today is no longer about just finding an executive, but finding out who they are and what makes them tick and how they fit into an organization. This shift impacts larger search firms and boutique firms alike. As a result, search firms need to be able to invest in intellectual property, data and analytics – and that's a competitive advantage for us. We have substantial data and we've made large investments in this area. We have management data covering 114 countries, reward data on 20 million professionals, engagement data on six million professionals and assessment data on millions of leaders around the world. This IP is woven into everything we do – for instance, we're taking pay data and best-in-class job profile data from Hay Group and infusing it into our search solution. At the same time, we're taking pay data on millions of people from our search database to bolster the strength of our Hay Group reward offerings. This approach is taking hold with clients. Do you know that every 3.5 minutes, we place a professional in a new job? Ninety-four percent of new clients choose to work with us again. Related to boutique firms specifically – the search industry



BRADDOCK MATTHEWS

**WE ARE LEADERS
IN EXECUTIVE SEARCH FOR THE
ASSET MANAGEMENT INDUSTRY**



Demonstrated track record of success across all functions, all asset classes, all client types and in securing long-term tenure for placements.

CLIENTS

Alternative Investors
(Hedge Funds & Private Equity Firms)
Traditional Asset Management Firms
Endowments & Foundations
Family Offices &
Private Wealth Management Organizations

FUNCTIONS

Investments
Sales, Marketing & Client Service
Finance & Operations
Legal, Compliance & Risk Management

NEW YORK ■ BOSTON

www.braddockmatthews.com

Hunt Scanlon Top 50 Recruiters

Firm Name	Revenue (\$ millions)	Percent Change	No. of Consultants	No. of Offices	Primary Contact	Email
1. Korn Ferry ^a	720.0	+ 16.9	376	55	Gary D. Burnison	gary.burnison@kornferry.com
2. Spencer Stuart ^b	441.7	+ 4.0	205	23	Kevin Connelly	kconnelly@spencerstuart.com
3. Heidrick & Struggles	300.5	+ 15.2	152	17	Tracy Wolstencroft	twolstencroft@heidrick.com
4. Egon Zehnder ^c	261.0	+ 4.0	118	20	Karl Alleman	karl.alleman@egonzehnder.com
5. Russell Reynolds Associates ^d	260.0	+ 2.0	125	18	Clarke Murphy	clarke.murphy@russellreynolds.com
6. DHR International	179.0	+ 5.0	107	29	Geoffrey Hoffmann	ghoffmann@dhrinternational.com
7. Witt/Kieffer	55.0	- 5.0	94	16	Charles Wardell	cwardell@wittkieffer.com
8. Caldwell Partners ^e	53.6	+ 18.8	34	9	John Wallace	jwallace@caldwellpartners.com
9. Diversified Search	37.5	+ 12.0	44	9	Judith von Seldeneck	judith.vonseldeneck@divsearch.com
10. Kaye/Bassman - Sanford Rose	37.4	+ 12.7	117	65	Jeffrey T. Kaye	jtk@kbic.com
11. Major, Lindsey & Africa	32.0	+ 16.9	57	17	Simon Robinson	srobinson@mlaglobal.com
12. True	27.0	+ 48.1	20	5	Joe Riggione/Brad Stadler	joe@truesearch.com , brad@truesearch.com
12. Options Group	27.0	+ 15.0	72	3	Michael Karp	mkarp@optionsgroup.com
13. Isaacson, Miller	26.2	+ 10.0	81	3	Vivian Brocard	vboccard@imsearch.com
14. SPMB	23.6	+ 29.0	20	3	Kevin Barry	kevin@spmb.com
15. Herbert Mines Associates	22.0	+ 5.0	8	1	Harold D. Reiter	hdreiter@herbertmines.com
16. Ferguson Partners	18.9	+ 42.0	10	3	William Ferguson	wferguson@fergusonpartners.com
16. Crist Kolder Associates	18.9	+ 18.1	6	1	Peter D. Crist	pcrist@cristkolder.com
17. JM Search	18.5	+ 9.0	30	4	John Marshall	marshallj@jmsearch.com
18. Riviera Partners	18.0	+ 26.0	25	4	Ali Behnam	ali@rivierapartners.com
19. ON Partners	14.0	+ 31.8	16	8	Tim Conti	tim@onpartners.com
20. Hobbs & Towne	13.5	+ 18.4	28	5	Andy Towne	atowne@hobbstowne.com
21. Calibre One	11.5	+ 27.8	8	3	Dan Grosh/Tom Barnes	dan.grosh@calibreone.com , tb@calibreone.com
21. Sheffield Haworth	11.5	- 10.0	11	4	Mike Hammond	hammond@sheffieldhaworth.com
22. Catalyst Advisors	11.4	+ 30.0	6	2	John Archer	jarcher@catalystadvisorslp.com
22. Odgers Berndtson	11.4	+ 15.0	19	7	Steven B. Potter	steve.potter@odgersberndtson.com
22. Morgan Samuels	11.4	- 15.6	16	5	Bert Hensley	bhensley@morgansamuels.com
23. ZRG Partners	11.1	+ 18.0	21	4	Larry Hartmann	lhartmann@zrgpartners.com
24. Chartwell Partners	10.4	+ 15.6	10	4	R. Stuart Bush	sbush@chartwellpartners.com
25. Allen Austin	10.2	+ 27.0	27	8	Rob Andrews	randrews@allenaustin.com
26. Charles Aris, Inc.	10.0	+ 16.1	14	1	Chad Oakley	chad.oakley@charlesaris.com
27. Strawn Arnold & Associates	8.8	+ 14.3	8	3	Jeff Ashpitz	jashpitz@strawnarnold.com
28. Howard Fischer Associates	8.3	+ 8.4	12	3	Howard Fischer	howard.fischer@hfischer.com
29. McDermott & Bull	8.0	+ 63.0	11	4	Rod McDermott	mcdermott@mbsearch.com
29. Beecher Reagan Advisors	8.0	+ 9.0	10	3	Clark Beecher	cbeecher@beecherreagan.com
30. Greenwood/Asher & Associates	7.9	+ 10.6	36	3	Jan Greenwood	jangreenwood@greenwoodsearch.com
31. North Line Partners	7.4	+ 27.6	4	1	Bradley J. Holden	bholden@northlinepartners.com
31. Parker Executive Search	7.4	+ 2.0	16	1	Dan Parker	dparker@parkersearch.com
32. Kensington International	7.1	+ 7.6	8	2	Brian G. Clarke	bclarke@kionline.com
33. Battalia Winston	6.5	- 11.6	10	5	Dale Winston	dwinston@battaliawinston.com
34. CarterBaldwin Executive Search	6.3	+ 16.7	5	2	David Clapp	dclapp@carterbaldwin.com
35. Koya Leadership Partners	6.0	+ 45.0	30	8	Katie Bouton	kbouton@koyapartners.com
36. Hanold Associates	5.7	+ 15.0	10	2	Jason Hanold	jason@hanoldassociates.com
37. Preng Associates	5.6	+ 3.7	5	1	David Preng	dpreng@preng.com
37. Pearson Partners International	5.6	+ 1.0	14	3	Keith Pearson	kpearson@pearsonpartnersintl.com
38. Slone Partners	5.5	+ 16.0	8	4	Adam Slone	adam@slonepartners.com
39. Alta Associates	5.3	+ 55.9	6	1	Joyce Brocaglia	joyce@altaassociates.com
40. McCormick Group	5.2	- 13.4	24	1	Bill McCormick	tmg-corp@msn.com
41. O'Neill Consulting Group	5.0	+ 20.0	6	5	Kevin O'Neill	kevin@oneillconsulting.com
42. Four Corners Group	4.8	+ 15.0	8	3	Andrew Norrie	anorrie@fourcornersgroup.com
42. Gilbert Tweed International	4.8	0.0	8	3	Janet Tweed	jtweed@gilberttweed.com
43. Ross & Company	4.2	+ 20.0	3	2	Larry Ross	lr@rosssearch.com
43. Koller Search Partners	4.2	+ 8.0	12	3	Edward Koller	ekoller@kollersearch.com
43. Lochlin Partners	4.2	0.0	6	1	Patrick Friel	pat.friel@lochlinpartners.com
44. CareerSMITH	4.0	- 2.4	8	6	E. Brian Smith	ebsmith@careersmith.com
45. NorthWind Partners	3.8	+ 20.0	4	2	Mark HuYoung	mark@northwind-partners.com
46. Bert Davis Executive Search	3.2	- 1.0	11	4	Bert Davis	bdavis@bertdavis.com
47. Martens & Heads!	3.0	+ 5.0	15	1	Maxine Martens	maxine@maxinemartens.com
48. Coleman Lew & Associates	2.6	+ 44.3	5	1	Charles E. Lew	chlew@colemanlew.com
49. QualiFind Group	2.2	+ 3.5	12	5	Carlos Acosta	cacosta@qualifindgroup.com
50. Vetted Solutions	2.0	+ 33.3	5	2	James Zaniello	jim.zaniello@vettedsolutions.com
50. Work&Partners	2.0	+ 25.0	2	1	Alan Work	ajw@workandpartners.com

a) February 1st, 2015 – January 31st, 2016 b) As of 9/30/15 c) As of 10/31/15 (Hunt Scanlon Media estimate) d) Fees without allocated cost recoveries e) As of 8/31/15

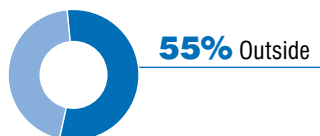
© Hunt Scanlon Media, LLC. Copyright 2016, All Rights Reserved.

is global. It spans a lot of companies and a lot of needs. There's plenty of room for a diversity of firms, including boutiques and specialists – and that's healthy for our industry.

GLOBAL REACH

Korn Ferry Shifts to Markets Overseas

How much of Korn Ferry's business is now outside the United States?



Challenges Ahead

Discuss the Korn Ferry brand, Gary. As an outside observer, I see the KF brand as your most powerful asset. Is leveraging that brand your full focus now?

All of us in the search industry have incredible access and permission with clients that no one else has. This industry has something special that I think sometimes we don't appreciate as much as we should. We all need to be more expansive in our thinking. Every day, search firms are speaking with companies and offering counsel – often at the highest levels. We can't take that for granted. Finding the right talent is one of the most important decisions a company makes and they entrust us with this absolutely critical decision. We change lives. All of our brands are absolutely powerful assets in this process. At Korn Ferry, I do believe that we have a household brand. In fact, to illustrate this, the other day one of our colleagues told me how he walked into the retail outlet of a Fortune 50 company (one of the top brands in the world), which is a client. Upon checking out, the store employee recognized our firm's name when he asked for the email to send the receipt. The store employee then called over the manager and they all started talking about the leadership development programs that our firm offers for this global retailer. They then introduced our colleagues to others in the store who went through the program. Later that day, he received an email: "Jim, it was fun sharing with you how much you are part of our daily lives and how you've impacted so many careers here." While we've doubled the size of our firm in the last year, we still need to have the mind of a startup within a big brand. We need to relentlessly think about our clients – always thinking about the executives we place, their employees who thirst for career development, who want to become better and more impactful leaders and help their companies grow. I also know that in professional services, the brand is only as good as the people you have. At Korn Ferry, like with our clients, we place a high premium on ensuring this is an environment where they can have a lifelong career.

Give us a sense for the challenges ahead. If another recession like the one in 2008 were to hit, would Korn Ferry be better or less prepared to weather the storm?

No question, we would be better prepared. As a CEO, one of the things you have to do is anticipate. Consulting, in general, is a cyclical business and search is definitely cyclical. This also

Alta

ASSOCIATES

EXECUTIVE SEARCH

MATCHING TALENT TO OPPORTUNITY

Alta Associates has an unprecedented track record of placing CISO's and building world class Cybersecurity, Information Security & IT Risk Management organizations.

Joyce Brocaglia, CEO
joyce@altaassociates.com

(908) 806-8442

www.altaassociates.com

GROWTH BY ACQUISITION

Pursuing a Strategy of Expansion

- 1969 Korn/Ferry** founded in Los Angeles by Lester B. Korn and Richard M. Ferry
- 1977 Hazzard & Asociados (Mexico)** executive search
- 1993 Carré/ Orban (Europe)** executive search
- 1998** Launch of **Futurestep** talent acquisition, consulting, and communications
- 1999 Amrop International (Australasia)** executive search
PA Consulting Group executive search and selection
- 2000 Hofmann Herbold (Germany)** executive search
- 2006 Lominger** leadership development tools
- 2007 Newman Group** talent acquisition and management consulting
LeaderSource leadership development, executive coaching, and team effectiveness consulting
- 2008 Lore International Institute** executive education and coaching
- 2009 Whitehead Mann (UK)** executive search
- 2010 Sensa Solutions** management consulting, experience with U.S. federal agencies
- 2012 Global Novations** diversity, inclusion, and leadership development
- 2013 PDI Ninth House** assessment, development, and coaching
- 2015 Pivot Leadership** executive development
Hay Group human resource consulting

creates tremendous opportunity to change and to invest. I look back at the last recession, where we made three acquisitions, including Whitehead Mann in London, which has changed the trajectory of our business in EMEA. This was a game changer for us. The reality is, if you look around today, amid today's conflicting economic signals, the outlook is becoming increasingly unclear. In less-than-optimal global conditions, you need to plant seeds for the

harvest. The moves we have made, like our Hay Group acquisition, combined with our brand and more diversified solutions, definitely make us better prepared to weather economic storms.

What will the Korn Ferry of the future look like?

First, I want to say that I think the future is bright for the search industry. Search is the ultimate competitive differentiator. It's a business that changes the destination of companies. I'm very bullish about this industry as a career. It's a great profession. I'm proud of how all of us in this industry have grown, adapted and reinvented. If you look back just five years, there has been an enormous amount of transformation that has taken place. The future is also bright for Korn Ferry. I see a firm that sits at the intersection of strategy and an organization and its people ... a firm that has real impact and a recognized point of view for all things people. Looking out into the distance, I see a Korn Ferry that is agile, entrepreneurial, meritocratic and insatiably curious, with an ability to not just adopt and adapt, but reimagine and reinvent.



**Hunt Scanlon's
Adapting to Change:
Trends in Talent Acquisition**

An inside look at today's talent acquisition
and leadership solutions business


ORDER NOW

Hunt Scanlon BIG FIVE GLOBAL SEARCH FIRMS

Firm Name	2015 Revenue (\$ millions)	Percent Change	2014 Revenue (\$ millions)	Primary Contact	Email
1.) Korn Ferry ^a	1,170.0	+ 16.0	1,008.0	Gary D. Burnison	gary.burnison@kornferry.com
2.) Spencer Stuart ^b	699.3	+ 0.1	698.3	Kevin Connelly	kconnelly@spencerstuart.com
3.) Egon Zehnder ^c	667.7	- 3.5	692.1	Rajeev Vasudeva	rajeev.vasudeva@egonzehnder.com
4.) Heidrick & Struggles	531.1	+ 7.5	494.3	Tracy Wolstencroft	twolstencroft@heidrick.com
5.) Russell Reynolds Associates ^d	490.0	- 0.1	490.7	Clarke Murphy	clarke.murphy@russellreynolds.com

a) February 1st, 2015 – January 31st, 2016 b) As of 9/30/15 c) As of 10/31/15 (Hunt Scanlon Media estimate) d) Fees without allocated cost recoveries

© Hunt Scanlon Media, LLC. Copyright 2016, All Rights Reserved.



Discover Your Next Generation of Leadership Talent

We will help you recruit them.

Jobplex provides high-touch, performance-based services to discover emerging leaders vital to the success of your business. Whether engaged in a Single Search or Project Recruitment, Jobplex delivers hands-on, custom solutions and exceptional talent.

Learn more at jobplex.com

JOBPLEX
A DHR INTERNATIONAL COMPANY

SPOTLIGHT

The Financial 50: Shifting Focus to Strategic Hiring and Specialization



Recruiting in the financial services sector is once again at a crossroads. As financial institutions emerged from the great meltdown eight years ago, heady times existed for search firms focused on any number of specialized areas within the field. But in the last year to 18 months signs have been emerging of slowing activity, and this has led recruiters to jockey for competitive position with fewer clients. Innovative talent management offerings have sprung up as a result and headhunters are going deeper into targeted market segments. The good news – there will always demand for high impact financial talent. Here's what a few search specialists are reporting:

"Clearly we are continuing to look for candidates who have real performance history," said Sandy Gross, CEO of **Pinetum Partners**, which specializes in finding leaders for hedge funds, investment banks and other securities firms. "In the hedge fund sector our clients are moving away from a focus on younger candidates to those with certain levels of maturity and history on Wall Street," she added. While the hedge fund market continues to be strong, Ms. Gross is beginning to see it flatten – and senior executives with market cycle experience are gaining an edge over millennials who were once its mainstay.

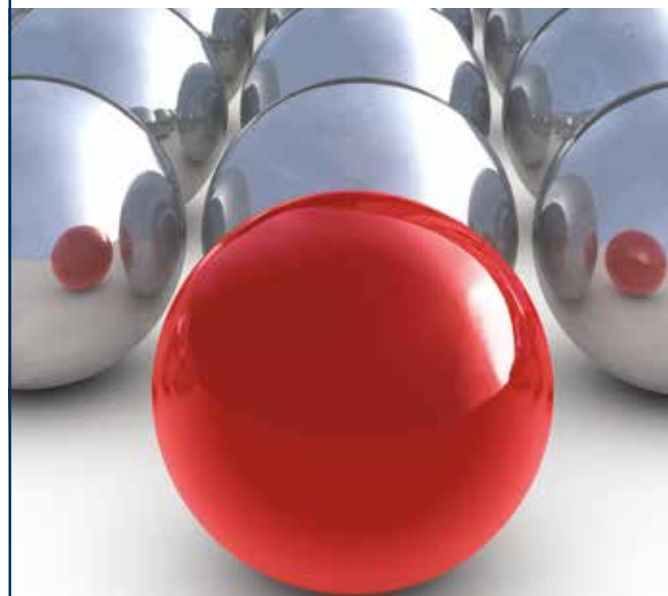
Streamlining Costs

According to Richard Stein, chief growth officer at **Options Group** in New York, there has been a noticeable slowdown on the sell-side in global markets, specifically in fixed income. "Central bank monetary policy, European risk (Grexit/Brexit) and China's slowing economy are negative forces impacting hiring," said Mr. Stein.

Linda Mack, president of Chicago-based **Mack International**, also sees some shifting due to the slowdown. "Financial services firms are focused on streamlining costs. Personnel and infrastructure costs are very high relative to prospective revenues and this is a key factor driving a flatter hiring cycle." Ms. Mack is seeing the relocation of non-revenue producing personnel from high cost locations (i.e., money centers) to lower cost regional areas.

Signs of a Slowdown

According to data compiled by **The Association of Executive Search Consultants** (AESC) there was zero growth in financial services among its member firms in the third quarter of 2015, the

Diversified
Search

***"The opportunity
for getting greatness is
often found in
unexpected places."***

800 423 3932
www.diversifiedsearch.com

Offices throughout the US
and worldwide

trade organization's last reported filing. Still, financial services remained the second largest sector of activity. Nevertheless, executive recruiters see signs of a hiring slowdown. Bank of America announced job cuts last month, and that comes on the heels of other money center banks and regional lenders that are doing the same. Investment banking groups are most vulnerable, said financial services concern Green Key Resources. "Structural challenges – tougher regulations and a shift toward electronic trading – have combined with a cyclical downturn as choppy financial markets have made clients less likely to trade."

While investment banks and private equity firms experienced robust staff build-outs in 2014 and partially into 2015, the M&A activity driving that expansion has all but dried up. "In 2016, the banks and buy-side firms want to absorb all their new hires and observe where the world economy is going," said Holly McCarthy, managing partner at **Opus Advisors** in New York. "Hiring is now more prudent than it is aggressive," she added.

The financial services sector continues to be the engine that drives much of the U.S. economy. **Hunt Scanlon Media** has identified 50 search firms that specialize in the field – covering every area imaginable, including asset and wealth management, capital markets, fin-tech, hedge funds, private equity, alternative investments, commercial and investment banking, risk & compliance, investment management, family office and venture capital (see accompanying table).

A Silver Lining

So where's the growth going to come from in financial services? Recruiters report that demand for executive level, 'high impact' investing talent is on the rise – and that demand is expected to soar in coming years. But these same search professionals say these roles can be difficult to develop and ultimately recruit for clients, given their multi-disciplinary and evolving nature. In fact, impact investing roles are new to many organizations, they report.

Financial institutions are also facing intense pressure under the current regulatory environment, a result of the Dodd Frank legislation. Leaders who are equipped to deal with risk management and who can foster close collaboration between compliance and other corporate functions (and who can effectively communicate to a more complex and sophisticated set of stakeholders), will be in most need.

"The cost of compliance has ballooned so much that institutions focused on expense control have significantly cut back on third party talent acquisition vendors, and have instead moved to building internal recruiting staff," said Patrick Prout, financial services practice leader at **Diversified Search**.

Prime Hunting Ground

Quantitative strategy development, which straddles both the buy and sell-side of capital markets, is also seen as an exciting growth area, said Stephen Ozyck, partner of Fairfield, Conn-based **InSite Search**, which focuses on the capital markets sector.

"It can take a significant amount of experience to gain the necessary knowledge to construct trading strategies that are profitable," he

Insight Market Expertise Client Focused Search™

The Kaye/Bassman and
Sanford Rose Associates®
alliance delivers leading
recruitment solutions by
industry, functional area,
level of placement
and geography.



KAYE / BASSMAN

Client Focused Search™
www.kbic.com | 972.931.5242



SANFORD ROSE ASSOCIATES®
EXECUTIVE SEARCH

Finding People Who Make a Difference.®
www.sanfordrose.com | 972.616.7870

said. "This process is research intensive and requires specialized skills in finance, mathematics and software programming." The demand for professionals with this level of expertise continues to increase, he said. One sector Mr. Ozyck sees as prime hunting ground for quantitative developers is in Silicon Valley where they are required to build and support these strategies. "We are now competing for talent against companies like Google, Facebook and Microsoft," he said.

So where does this leave search firms that specialize in the sector? "Despite some softness, financial services will remain strong in certain targeted areas," said Christopher W. Hunt, president of Hunt Scanlon. "Even at the largest recruiting firms, financial services is still king." At **Heidrick & Struggles**, he noted, 27 percent of the firm's annual revenue comes from financial services recruiting, leading all of its other practice areas. "That's a big number and not likely to change anytime soon," he added.

Hunt Scanlon Financial Fifty

ABERT Associates Type: Asset Management Consultants: 1	Janice Abert 914-646-5357	Jamesbeck Global Partners Type: Invest. Mgmt./Trad. & Alternative Consultants: 8	Ashton McFadden 212-616-7411
Allegis Partners Type: Multiple F.S. Practices Consultants: 11	Dimitri Mastrocola 212-201-3993	Robin Judson Partners Type: Hedge Funds/P.E./Invest. Banking Consultants: 4	Robin Judson 646-632-3750
David Barrett Partners Type: Asset and Wealth Management Consultants: 9	David Barrett 212-710-8840	Kaye/Bassman-Sanford Rose Type: Banking/Finance/Wealth Mgmt. Consultants: 6	Susan Fishlock 972-931-5242
Bay Street Advisors Type: Banking/Capt. Mkts./Alt. Asset Mgmt. Consultants: 22	Kevin P. Mahoney 646-278-4321	Michael Kelly Associates Type: Asset & Wealth Mgmt./P.E. Consultants: 4	Michael P. Kelly 917-363-4815
Boyden Type: Asset & Wealth Mgmt./FinTech/Insur. Consultants: 12	John Burr +44 7826 866413	Korn Ferry Type: Multiple F.S. Practices Consultants: 97	Michael Franzino 212-687-1834
BraddockMatthews Type: Asset Mgmt./Hedge Funds/P.E. Consultants: 5	D. Braddock & B. Matthews 212-257-4422	Lochlin Partners Type: Corp. Funct./Diversified F.S. Consultants: 3	Patrick Friel 703-584-3215
Caldwell Partners Type: Banking/Alt. Invest./Asset & Wealth Mgmt. Consultants: 10	Paul Heller 212-953-3220	Long Ridge Partners Type: Invest. Mgmt./Hedge Funds/P.E. Consultants: 15	Michael Goodman 212-366-6686
Chanko-Ward Ltd. Type: Multiple F.S. Practices Consultants: 1	Jim Chanko 212-869-4040	Mack International Type: Family Office/Wealth & Inv. Mgmt. Consultants: 3	Linda C. Mack 800-976-0014
Chartwell Partners Type: Banking/Investment Firms/Real Estate Consultants: 11	J. Scott Petty 214-269-1900	Odgers Berndtson Type: Banking/Asset Mgmt./Insurance Consultants: 8	Steven B. Potter 212-972-7287
Chrisman & Company Type: Banking/P.E./FinTech Consultants: 4	Timothy Chrisman 213-620-1192	Options Group Type: Finance/Quant/Tech./Global Mkts. Consultants: 72	Michael Karp 212-982-0900
Coleman & Company Type: Banking/Asset Mgmt./P.E. Consultants: 5	Carol Coleman 212-867-4678	Opus Advisors Type: P.E./Hedge Funds/Invest. Banking Consultants: 10	Holly McCarthy 203-454-1109
CPI Type: Private & Public Investment Firms Consultants: 22	Brian A. O'Callaghan 212-354-3933	Pinetum Partners Type: Hedge Funds/Asset Managers/Insur. Consultants: 3	Sandy Gross 203-625-9340
DHR International Type: Multiple F.S. Practices Consultants: 22	Carol Hartman 415-655-4484	The Prince Houston Group Type: Multiple F.S. Practices Consultants: 5	Marylin Prince 212-313-9891
Diversified Search Type: Banking/Retail/Wealth Mgmt. Consultants: 5	Patrick M. Prout 212-542-2586	Riotto-Jones & Company Type: Wealth Mgmt./Family Offices Consultants: 3	Anthony Riotto 917-855-7278
D.S. Wolf Group International Type: Banking/Asset Management Consultants: 7	David Wolf 212-692-9697	Russell Reynolds Associates Type: Asset & Wealth Mgmt./Global Banking Consultants: 32	Kurt Harrison 212-351-2000
Egon Zehnder Type: Multiple F.S. Practices Consultants: 18	Francisco J. Paret 212-519-6220	RSR Partners Type: Inv. Banking/Asset Mgmt./Compliance Consultants: 5	Graham E. Michener 212-661-5727
Fieldbrook Advisors Type: Invest. Banking/P.E./Asset Mgmt. Consultants: 2	Steven B. Ritchie 646-727-4810	Sage Search Advisors Type: Asset Mgmt./Family Offices Consultants: 4	Linda Petrone 203-622-4519
Jay Gaines & Company Type: Tech./Finance & Risk/Compliance Consultants: 4	Jay Gaines 212-308-9222	Seiden Krieger Associates Type: Multiple F.S. Practices Consultants: 2	Steven A. Seiden 212-688-8383
GF Parish Group Type: Investment Management Consultants: 4	Gabrielle Parish 952-541-0613	SG Partners Type: Multiple F.S. Practices Consultants: 12	Sheri Gellman 212-922-9544
Global Sage Type: Asset & Wealth Management (Buy Side) Consultants: 40	Louisa Wong 646-557-3000	Sheffield Haworth Type: Multiple F.S. Practices Consultants: 17	Mark Esposito 646-597-7408
Glocap Search Type: Inv. Mgmt./Digt. Media/Inv. Banking Consultants: 45	Adam D. Zoia 212-333-6400	Spencer Stuart Type: Multiple F.S. Practices Consultants: 41	Peter Simon 416-203-5587
Goldsmith & Company Type: Asset Mgmt./Hedge Funds/P.E./VC Consultants: 6	Joseph Goldsmith 212-419-1239	Third Street Partners Type: Asset & Wealth Mgmt. Consultants: 6	Laura K. Pollock 212-886-1095
Heidrick & Struggles Type: Multiple F.S. Practices Consultants: 57	Daniel Edwards 212-699-3103	Westwood Partners Type: Asset Mgmt./Hedge Funds/Capt. Mkts. Consultants: 12	Michael J. Flood 212-672-3350
Hudson Gate Partners Type: Hedge Funds/VC/Private Equity Consultants: 10	Ruthanne Roth 646-502-5228	Whitney Partners Type: Multiple F.S. Practices Consultants: 8	Gary S. Goldstein 212-508-3500
InSite Search Type: Multiple F.S. Practices Consultants: 5	Stephen Ozyck 203-222-2222	ZRG Partners Type: Lending/Banking/FinTech Consultants: 5	Larry Hartmann 201-560-9900 x222

Culture makes the difference



Headquartered in Toronto, Caldwell Partners is a different kind of executive search firm. With a culture of transparency and sharing, our firm allows Partners to serve their clients first and foremost. Having Partners as major owners tangibly demonstrates this heightened involvement and commitment: to the firm, to the shareholders and to each other.

With offices and partners across North America, Europe, Latin America and Asia Pacific, our size – by design – gives us the resources and market presence of an international firm, yet keeps our Partners completely freed from the shackles of overly restrictive off-limits. Simply put, we're big enough to matter, yet small enough to care, in every respect.

www.caldwellpartners.com

Hunt Scanlon Global 25

Firm Name	Primary Contact	Worldwide Consultants	Owned/Affiliates Worldwide Offices
Agilium Worldwide (Kensington International) 1515 W. 22nd Street, Oak Brook, IL 60525	Brian G. Clarke (630) 590-6330	153	37
AIMS International P.O. Box 368, Doylestown, PA 18901	Robert D. Hennessy (267) 984-9916	315	82
AltoPartners (Diversified Search) 2005 Market Street, Philadelphia, PA 19103	Judith von Seldeneck (215) 656-3592	375	55
Amrop (The Capstone Partnership) 100 Park Avenue, 34th Floor, New York, NY 10017	Rolfe Kopelan (212) 843-0200	290	78
Boyden 180 N. Stetson Avenue, Chicago, IL 60601	Trina Gordon (312) 565-1300	250	72
Caldwell Partners 165 Avenue Road, Toronto, M5R 3S4, Canada	John Wallace (416) 920-7702	58	20
DHR International 71 S. Wacker Drive, Suite 2700, Chicago, IL 60606	Geoffrey Hoffmann (312) 782-1581	204	54
Egon Zehnder 350 Park Avenue, New York, NY 10022	Karl Alleman (312) 260-8860	425	69
EMA Partners 230 Park Avenue, Suite 1000, New York, NY 10169	Chris Pantelidis (212) 808-3077	84	40
Glasford International 3200 Autoroute Laval (440), Laval, Québec H7T 2H6	Guy Larivière (514) 315-3621	352	35
Heidrick & Struggles 233 S. Wacker Drive, Chicago, IL 60606	Tracy Wolstencroft (312) 496-1000	389	50
IIC Partners Executive Search Worldwide 300 Park Avenue, New York, NY 10022	Christine Hayward (646) 267-7932	380	52
IRC Global Executive Search Partners (Rhodes Associates) 555 Fifth Avenue, New York, NY 10017	Jane Lyons (212) 983-2000	340	80
Korn Ferry 1900 Avenue of the Stars, Los Angeles, CA 90067	Gary D. Burnison (310) 552-1834	675	150
Odgers Berndtson 280 Park Avenue, 27th Floor, West, New York, NY 10017	Steven B. Potter (212) 972-7287	291	55
Options Group 121 East 18th Street, New York, NY 10003	Michael Karp (212) 982-0900	170	11
Panorama Search (The Buffkin Group) 10 Cadillac Drive, Suite 190, Brentwood, TN 37027	Craig Buffkin (615) 988-2580	68	28
Penrhyn International (Coleman Lew & Associates) 362 W. Tenth Street, Charlotte, NC 28236	Charles E. Lew (704) 377-0362	87	37
Russell Reynolds Associates 200 Park Avenue, New York, NY 10166	Clarke Murphy (212) 351-2000	370	46
Signium 150 N. Wacker Dr., Suite 1040, Chicago, IL 60606	Matthew Share (312) 564-5890	141	42
Spencer Stuart 353 N. Clark, Chicago, IL 60654	Kevin Connelly (312) 321-8326	390	56
Stanton Chase 400 East Pratt Street, Suite 420, Baltimore, MD 21202	Mickey Matthews (410) 528-8400	262	75
The Taplow Group 57 Union Place, Suite 301, Summit, NJ 07901	Steven N. Schrenzel (908) 517-7350	147	33
TRANSEARCH International 1165 N. Clark, Suite 412, Chicago, IL 60610	John Ryan (312) 957-0337	152	56
Ward Howell International 747 Third Avenue, Ground Floor, New York, NY 10017	Asad Haider (646) 722-2663	114	29