



CLAYMORE PARTNERS LLC
EXECUTIVE SEARCH & CONSULTING

Claymore Partners

Labor Day 2010 Executive Talent Market Survey Results

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Claymore Partners LLC
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Survey Results

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Labor Day 2010 Executive Talent Survey

Background

Claymore Partners recently conducted a Labor Day 2010 Executive Talent survey with executives in its data base. This timely survey was conducted to better understand the state of the current talent marketplace in light of rapidly changing and complex conditions. This was our fifth Executive Talent survey conducted since the collapse of the financial services business in September 2008 which provides interesting and valuable trend data during this turbulent market time frame. We hope that the results of this survey will help provide insights into your own situation and planning efforts.

Claymore Partners is an executive search firm dedicated to serving the executive talent needs of leading financial services and consulting organizations. Claymore Partners focuses on key senior level business and functional searches that make an impact for their organizations. Claymore Partners serves as a strategic executive search partner for select financial services and consulting organizations in order to best represent them in the competitive market for top quality talent and to add value to their talent acquisition strategies and processes.

A survey link was directly emailed to almost ten thousand executives in the Claymore Partners' data base. Seven hundred seventy one executives (771) participated in the online survey conducted from August 31st to September 6th, 2010. The survey respondents were largely executives over age 40 with annual incomes of over \$100,000. There was broad company size and industry representation with a concentration in the financial services and consulting arenas.

Thanks to all that participated in this key survey.

Labor Day 2010 Executive Talent Survey Conclusions & Implications

Major Conclusions

Executive hiring is continuing to selectively increase, but the level of those increases seems to have stalled since September 2009. The increases in executive hiring are particularly strong in Consulting/Professional Services, Healthcare/ Pharmaceuticals, and Investment Management. Sales, professional services, and risk management/compliance continue to be the strongest functional areas for executive hiring while marketing and product development/management have become stronger functional areas for hiring in this survey.

An increase in executive hiring is projected to begin by year end 2010 for twenty percent (20%) and by mid year 2011 for thirty seven percent (37%) of firms in the survey. Forty two percent (42%) indicated executive hiring would not increase until beyond midyear 2011. These timeframe continue to lengthen with each respective survey we have conducted as the recovery in executive employment has been slower than anticipated.

Executives continue to view the scope of a new opportunity, compensation, and the growth as their most important factors in selecting a new position. Executives strongly prefer being referred by an employee or contacted by a retained executive search firm or internal company recruiter as the approach for seeking a new position while strongly disliking putting a resume on a job board or responding to a job advertisement. Third party recruiters accounted for about 25% of the placements of executives.

While most executives find the various aspects of the recruitment process to be acceptable, the aspects that least met their expectations were the overall timeframe to make a decision, testing, and interview feedback timeliness.

Key Implications

For executives, opportunities will selectively become available for which they should be prepared to evaluate in terms of their current position and organization in light of their own career objectives and plans. Reexamining one's current situation and opportunities within their own organizations is also critical at this time as new opportunities emerge. While directly contacting hiring firms, responding to internal recruiters, and being referred by an employee are good proactive search practices; maintaining strong executive search firm contacts continues to provide career benefits. The value of job sites and resume boards continues to wane in our more connected world.

For hiring organizations, this continues to be an opportunistic time for hiring top talent to upgrade and gain a competitive talent edge. Attracting top executive talent still requires a strong position with career growth opportunities as well as an attractive compensation package. Forward thinking organizations are building their executive talent pipeline via employee referrals and internal recruiters as well as working with quality executive search firms.



Labor Day 2010 Executive Talent Survey

Key Findings Summary

Current Executive Hiring Levels

Almost half of employers are selectively or significantly increasing executive hiring levels which are consistent with results since Sept 2009 based upon executive respondents. About the same proportion of firms are significantly or selectively reducing staff levels since Sept. 2009. However, the amount of executive hiring freezes remains high at about 35% of firms.

My employer is currently?

	<u>Oct. 2008</u>	<u>May 2009</u>	<u>Sept 2009</u>	<u>Feb 2010</u>	<u>Sept 2010</u>
Significantly increasing hiring (>10%)	3%	2%	5%	3%	1%
Selectively increasing hiring (1-10%)	25%	28%	43%	49%	49%
Hiring freeze – no new hires	29%	24%	30%	35%	35%
Selectively reducing staff levels (1-10)	20%	28%	18%	11%	11%
Significantly reducing staff levels (>10%)	24%	19%	5%	2%	4%

Executive respondents indicated that the industries they work in that are planning to hire the most currently are in Consulting/ Professional Services (63%), Healthcare/Pharmaceuticals (46%), Investment Banking (44%), and Wealth Management (42%) though each of these areas are less strong than previous survey results. Investment Management and Health Insurance have declined significantly since the last survey.

2010 Strong/Selective Current Hiring Plans by Industry you are working in?

	<u>Oct. 2008</u>	<u>May 2009</u>	<u>Sept. 2009</u>	<u>Feb 2010</u>	<u>Sept 2010</u>
Retail Banking	9%	27%	39%	37%	40%
Investment Banking	17%	11%	55%	48%	44%
Investment Management	19%	25%	39%	59%	32%
Wealth Management	22%	26%	60%	69%	42%
Commercial Banking	5%	20%	45%	40%	38%
Consumer Finance/Payment	26%	30%	49%	49%	23%
Life Insurance	--	31%	25%	47%	26%
Property Casualty Insurance	--	33%	50%	41%	33%
Health Insurance	--	50%	82%	48%	36%
Healthcare/Pharmaceuticals	42%	62%	78%	64%	46%
Consulting/Professional Services	53%	40%	55%	69%	63%
Securities Brokerage	33%	43%	33%	48%	30%



Executives indicated that their functional areas with the greatest executive hiring opportunities currently continue to be in Sales (63%) and Consulting/Professional Services (44%). The Marketing function (46%) now seems to be increasing hiring along with strength in product development/management (41%). Risk Management/Compliance hiring is still strong but diminishing (41%).

Slight/Major Hiring in the Current Employment Market by Function you are working in?

	Oct. 2008	May 2009	Sept. 2009	Feb 2010	Sept 2010
Marketing	20%	29%	36%	35%	46%
Sales	49%	57%	80%	66%	63%
Product Development/Mgt.	21%	13%	32%	46%	41%
Operations	31%	25%	27%	35%	35%
IT	34%	28%	36%	30%	31%
Finance	18%	22%	50%	45%	27%
Risk Management/Compliance	50%	58%	55%	57%	41%
Human Resources	--	15%	13%	24%	16%
Consulting/Professional Services	--	50%	64%	58%	44%

Executive hiring plans are now expected to increase by year end 2010 by 20% and by mid year 2011 by 37% of executives. Year end 2011 and beyond is now indicated by 42% of executives to be when they expect executive hiring to increase at their firm. Executive hiring increases continue to be pushed out longer by respondents with each respective survey.

Executive hiring plans at my employer is expected to increase?

	Oct. 2008	May 2009	Sept. 2009	Feb. 2010	Sept 2010
Mid year 2009	30%	11%	NA	NA	NA
Year end 2009	38%	32%	15%	NA	NA
Mid year 2010	16%	33%	31%	34%	NA
Year end 2010	9%	15%	34%	22%	20%
Mid year 2011	NA	NA	8%	23%	37%
Year End 2011	-	-	-	-	13%
2012 or beyond	8%	9%	7%	21%	29%



Recruitment Approaches

Executives continue to indicate that the very important factors in selecting a new position are the scope of the position, compensation, and growth opportunity. The hiring organization and manager also remain important. The most unimportant factors also remained consistent and are the need to relocate, title, and recruitment process.

How would you rate the importance of the following factors in your selecting a new position at another organization?

2010 Surveys	Very Important		Unimportant	
	<u>Feb</u>	<u>Sept</u>	<u>Feb</u>	<u>Sept</u>
Recruitment Process	17%	14%	27%	34%
Hiring Organization	58%	39%	5%	13%
Scope of Position	76%	64%	0%	3%
Hiring Manager	50%	38%	13%	18%
Need to relocate	28%	18%	38%	32%
Growth Opportunity	67%	57%	5%	7%
Compensation	65%	60%	2%	3%
Location	48%	25%	13%	17%
Title	16%	18%	29%	29%

Executives maintained their preference for being referred by an employee of an organization, contacted by a retained executive search firm or by an internal recruiter for being approached for a new position. Executives find placing their resume on a job board or responding to a job advertisement on a job site or social network as the most unacceptable approaches for executives pursuing a new position.

What approach(es) do you prefer in being recruited for a new position?

2010 Surveys	Preferred Approach		Unacceptable Approach	
	<u>Feb</u>	<u>Sept</u>	<u>Feb</u>	<u>Sept</u>
Contacted via contingency search firm	35%	13%	11%	19%
Submitting resume to company career site	5%	22%	38%	20%
Being contacted via retained search firm	76%	58%	1%	16%
Referred by employee	74%	79%	1%	1%
Respond to ad on job site or social network	7%	7%	28%	28%
Contacted via social network	19%	13%	12%	16%
Place resume on job board	5%	1%	48%	25%
Contacted by internal recruiter	58%	43%	1%	12%



Most executives found the various aspects of the recruitment process to meet expectations. The overall timeframe to make a decision, interview feedback quality and timeliness were the aspects that continue to least meet their expectations in the recruitment process.

How would you rate the aspects of the recruiting process in your most recent experiences?

	<u>Better Than Expectations</u>		<u>Did Not Meet Expectations</u>	
	<u>Feb</u>	<u>Sept</u>	<u>Feb</u>	<u>Sept</u>
2010 Surveys				
Testing (if any)	10%	4%	24%	30%
Interview feedback timeliness	15%	16%	32%	27%
Method of making an offer	9%	6%	18%	11%
Position descriptions	11%	9%	20%	16%
Interview feedback quality	10%	13%	33%	21%
Company information provided	16%	10%	16%	9%
Overall timeframe to make a decision	13%	16%	37%	32%
Telephone screening	10%	6%	14%	14%
Knowledge of the recruiter	11%	7%	20%	14%
Compensation and bonus information	8%	9%	19%	11%
Quality of interviews	16%	17%	18%	4%
Initial contact process	16%	7%	9%	4%

Executives obtained positions with their firm in a variety of approaches with directly approaching a company, being contacted by internal recruiters, being referred by an employee, and being contacted by a retained executive search firm. Third party executive search firms in total accounted for about 25% of total executive placements.

How did executives obtain their positions with your firm over the last year?

	<u>Feb 2010</u>	<u>Sept 2010</u>
Contingency search firm	7%	9%
Internal company recruiter	6%	18%
Posting on job board	7%	6%
Retained search firm	16%	16%
Company web site job listing	7%	9%
Referred by employee	29%	17%
Directly approached company	17%	25%
Other	11%	NA



Respondent Profile

The executive respondents continued to be split between large and small employers. About 28% of respondents were with the largest employers (>10,000 employees) and about 29% were with smaller employers (<100 employees) consistent with the previous survey respondents.

My employer size?	<u>Oct. 2008</u>	<u>May 2009</u>	<u>Sept. 2009</u>	<u>Feb 2010</u>	<u>Sept 2010</u>
<100 employees	29%	27%	25%	24%	29%
100-1,000	13%	21%	24%	16%	20%
1,000-5,000	13%	13%	14%	17%	15%
5,000-10,000	9%	11%	6%	9%	8%
>10,000	37%	29%	31%	34%	28%

Survey participants were in a variety of industries with a concentration in consulting/professional services and financial services arenas consistent with previous surveys.

What industry are you currently in?	<u>Oct. 2008</u>	<u>May 2009</u>	<u>Sept 2009</u>	<u>Feb 2010</u>	<u>Sept 2010</u>
Retail Banking	8%	8%	8%	5%	9%
Investment Banking	8%	4%	7%	4%	9%
Investment Management	9%	8%	6%	4%	7%
Insurance	6%	11%	7%	12%	11%
Credit Card/Consumer Finance	17%	19%	20%	17%	18%
Consumer Packaged Goods	2%	4%	3%	5%	6%
High Technology/Media	4%	5%	4%	6%	5%
Business/Consumer services	13%	11%	10%	18%	9%
Healthcare	6%	6%	5%	5%	11%
Consulting/Professional Services	31%	37%	41%	22%	33%
