



RETAINED EXECUTIVE SEARCH REVENUES SUSTAINED IN THIRD QUARTER DESPITE ECONOMIC TURBULENCE

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Third quarter data just released by the Association of Executive Search Consultants (AESC) shows that despite economic turbulence and a quarter-on-quarter reduction in the number of new executive searches started (-8.1%), overall revenue levels have been sustained thereby continuing the momentum of the past two years which has returned the industry close to its all time revenue high of 2008.

The year-on-year trend - from Q3 2010 to Q3 2011 - revealed a 5% increase in the number of new search mandates and an 8.3% rise in revenues. The average value of executive search assignments was also on the rise, in this case both quarterly and annually, endorsing the conclusions of the AESC's recent client survey. The findings confirmed that organizations increasingly employ retained executive search consulting at the highest end of the market where the shortage of executive talent is especially severe and where the proactive and confidential nature of retained executive search produces significant returns.

AESC President, Peter Felix, commented: "Given the extraordinary volatility in global economic confidence during the third quarter, due to the European debt crisis and uncertainty in the United States, it is no surprise that executive search activity has been affected. However, while search starts are down in most sectors and regions of the world, revenues have only been marginally affected due to the increased average fee per assignment."

Felix continued: "Our concern is that a reduction in new search assignments in the third quarter may indicate a tremor in client demand with consequences which may be felt in the quarters to come. We can only hope, however, that economic and political leadership will begin to provide the certainty that is so much needed as a basis for key hiring decisions at the top of organizations."

The quarter-on-quarter industry trends saw Life Sciences/Healthcare ahead with a 3% increase in new search mandates, while all other surveyed sectors declined quarterly. The Consumer industry experienced the least decline (-4.1%), followed by Industrial (-6%), Technology (-10.5%) and then Financial (-19.3%), from Q2 2011 to Q3 2011.

The regional outlook positioned North America with the least quarterly decline in new search starts; down 5% from Q2 2011 to Q3 2011 but rising 11% annually. EMEA followed with a 9% quarterly drop but a 4% annual rise. Central/South America and Asia Pacific both experienced quarterly and annual declines in search activity, though annual declines were minimal (-2%).

A full copy of the AESC's Q3 2011 State of the Executive Search Industry report is available upon request to AESC members and the press.

The AESC State of the Executive Search Industry Report is quarterly research carried out by the Association of Executive Search Consultants (AESC) since 2004 on trends in the global retained executive search industry. Data for the report is collected from a consistent sample of AESC member search firms representing the activity of 1430 executive search consultants in 46 countries worldwide. AESC access to retained executive search data positions this report as a leading indicator of the future worldwide management employment market and a barometer of hiring trends for top-level and seldom advertised positions in key market sectors.

About The Association of Executive Search Consultants

The Association of Executive Search Consultants (AESC) is the worldwide professional association for the retained executive search industry. The AESC's mission is to promote the highest professional standards in retained executive search consulting, broaden public understanding of the search process, and serve as an advocate for the interests of its member firms. For more information, or to view the AESC Code of Ethics and Professional Practice Guidelines, visit www.aesc.org. The AESC also offers the BlueSteps career management service for senior executives, as well as CorporateConnect, a service for the HR community offering executive search industry information and access to the AESC membership.