

## IMSA Search Report on Executive Trends 2019

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**What will shape the C-level top talents global workspace and work environment in 2019? Mediating between Millennials, digital nomads, top talents from different cultures? The question was answered by the C-level head hunters from the IMSA Search, the global executive search network. IMSA Search presents "The Report on Executive Trends 2019".**

Predicting the trends for C-level managers and multinational companies is always a tricky task, correlated with constant change of the world as we know it. At first glance – the economy engines for the year 2019 are still up and running. Despite good

perspectives, there are some major turbulences the top management should be aware of. The feeling of an inevitable shift brings more and more questions about the future of C-level management and its workspace. How are head hunters and top managers going to navigate in these difficult times? How is the way the world is changing going to influence top talents and global companies in 2019?

The Members of IMSA Search are willing to answer these questions. We are the leading international executive search network operating in Europe, Middle East, Africa, Asia & the Americas. Our members are all boutique search firms. We combine a global perspective and approach with in-depth knowledge of the local markets. To prepare the **IMSA Search Executive Trends 2019 Report**, we surveyed the members of our network in 22 countries and 47 offices. The result is a complex list of challenges that top talents and global companies will be facing in the coming 12 months.

### **Economic growth and its threats**

**First of all** – The International Monetary Fund forecasts global economic growth at steady 3,7% (the same as in 2018). So, as Peter Coy wrote in his article for Bloomberg Businessweek: *"It's a plateau, all right, but a high plateau – call it the Altiplano of economics."* **Secondly** – a lot of positive changes may be kindled with environment-based approach to the economy. Consider for example the Netherlands: *"In 2019 the government is promoting Reduction of Natural Gas Consumption. New-green energy and sustainable business models will be promoted. This will drive innovation,"* – points out Ed Boeve, IMSA Search member from the Netherlands.

But there are also some dark clouds on the 2019 horizon:










- The constant threat of Hard Brexit and further radicalization of EU nations,
- Probable implications of the trade war between the US and China (uncertainty and its negative impact on investment),
- Unstable situation in the Ukraine,
- Italy on the verge of bankruptcy,
- Growing concern about the long term state of the US and EU economies.

These opportunities and threats will shape the global company leaders and top talents, resulting in 7 major trends pointed out by IMSA Search members all over the world. To find out more about each trend – please scroll down below the infographics.

# EXECUTIVE TRENDS 2019

IMSA SEARCH PRESENTS:

## 7 Executive Trends for top managers and global companies in 2019

<p><b>1</b></p>  <p><b>“Fight or flight”</b></p> <p>When the business model is changing rapidly.</p>	<p><b>2</b></p>  <p><b>Mediating between generations</b></p> <p>Millennials are heading C-level exec positions.</p>
<p><b>3</b></p>  <p><b>Diversity flow</b></p> <p>More C-level experts from very distinct cultures.</p>	<p><b>4</b></p>  <p><b>DigiTAL</b></p> <p>Companies need CEOs capable of dealing with the digital challenges.</p>
<p><b>5</b></p>  <p><b>Remote work</b></p> <p>Digital nomads and gig economy are actually a management challenge.</p>	<p><b>6</b></p>  <p><b>Inbound Recruiting and employer branding</b></p> <p>Fight for the future top talents all over the social media.</p>
<p><b>7</b></p>  <p><b>Gender equality</b></p> <p>More women in C-Level and top executive positions.</p>	<p>  /IMSAsearch   IMSA Search         </p> <p><b>WWW.IMSA-SEARCH.COM</b></p>

### TREND #1: „Fight or flight“ when the business model is changing rapidly

Everything has been changing since time immemorial, but nowadays we need to deal with the effects of these changes in everyday situations more than ever. And everything appears to be changing faster than it used to. *“The company’s organization is evolving rapidly all the time. The complexity of this evolution is due to the ever-changing modern technology which depicts modern economic scenarios. The Executive’s ability to handle ambiguous circumstances in times of highly important and delicate transformations will be of extreme importance.”* says Marianna Carbonari, board Member of IMSA Search from Italy.

Modern companies need to adapt quickly to new scenarios and possibilities (be able to redefine business models, integrate and optimize value chains, find new business opportunities and close down unprofitable business units). *“This will affect specific companies and industries in different ways, however being able to change your organization so that it is fine tuned to the market conditions, is now more important than ever.”* says Martin Bo Sorensen, Member of IMSA Search from Denmark.

*“We can all see this mechanism at work in real life situations. Change and adapt. For example, companies which used to sell machines and equipment are now repositioning and promoting themselves as solution providers. Traditional manufacturers have to add e-commerce channels to maintain their competitive advantage.”* assures Jerry Chang, Board Member of IMSA from China.

These trends require culturally aware, inclusive and digitally savvy leaders who can manage diverse teams. They will also have to be nimble and able to pivot quickly in response to sudden marketplace changes.

– says Mitch Berger, IMSA Search Member in the USA.

But how should head hunters and employers respond to this rapid change of business models? Check out the next Executive Trends for the year 2019:

## TREND #2: Mediating between generations: Millennials are heading C-level exec positions

In the Digital Era there are three crucial imperatives: Demographics, Diversity and the Digital itself. *"The right infusion of talent in these three dimensions is critical to success or failure of the organization."* says Rajaram Agrawal, IMSA Search Member from India. Each of these dimensions has its own challenge and its own difficulties, which must be rethought and implemented in the company's strategy, one by one.

**Demographics** – especially the aging society – is science scientific fact. Just as workplace automation, it will transform the future of work rapidly and fundamentally. *"The average age of employees is rising and thus companies are hoping to find younger managers. This – however – means hiring less experienced people and highlights the importance of future investment in education."* says Ed Boeve (IMSA Netherlands). Some of the companies have already reintroduced the "old fashion" company inbound schools, courses and training schemes, but the time will tell, if it is a good solution.

Not only ageing society is an issue for top executives. New generations of employers are hitting the market. Even if dealing with generation differences has always been a delicate issue, it may bring even more tension in relations and in day-to-day work now.

The issue is escalating, as the attitude and expectations of young specialists are not equal with the ones represented by their supervisors. Managers need to learn and introduce new ways of management, which basically means more flexibility, understanding of different views, as well as dealing with fluctuations. The new generation is ambitious and expects challenges.

– assures Monika Ciesielska, President of IMSA Search from Poland.

How to ease the tensions?

Building loyalty towards the employer is now based on providing challenging projects, creating a work environment filled with fascinating people, who are able to share their knowledge. Furthermore, employees are searching for jobs where the boss is not only charismatic and strong. They expect a partnership, in terms of understanding, listening, being open to ideas and arguments. They want to learn, develop themselves and then follow their individual path, which is not always similar to the path followed by their boss.

– Monika Ciesielska explains.

## TREND #3: Diversity flow: More C-level experts from very distinct cultures

Introducing more **Diversity** in the company environment will cause more dilemmas for the management. In the highly globalized world with intense migration flows, inclusion of highly talented executives from very distinct cultures will be much faster than ever before.

So far, we have seen the first symptoms of this problem, but in 2019 it will appear with new strength. *"Usually these executives have different business and personal values, as well as different ways of doing business. This trend will highlight the know-how of head-hunting experts related to the ways of doing business, leadership styles and team building approach in the countries or the regions where these executives are from."* explains Iván Venegas, from IMSA Chile.

## TREND #4 DIGITAL: Companies need CEOs capable of dealing with the digital challenges

AI, drones, robots, big data, machine learning – navigating through this new, full of hi-tech stuff reality, may be challenging. Not everyone will come out of this task unscathed. *"The importance of diversity and demographics is well understood nowadays. But in 2019 the Digital Talent (DIGITAL) will foresee priorities and adapt digital technologies to meet challenges and opportunities"*, predicts Rajaram Agrawal (IMSA India). Digital transformation is not an option. It is an imperative. Moreover, it is completely independent of a company's size.

"A fundamental requirement for a leader today is the ability to act and interact in a digital world quickly and flexibly. The fundamental qualities of our future leaders are:

- cognitive agility,
- agility in responding to challenges,
- social agility,
- behavioural agility."

explains Marianna Carbonari, IMSA Italy.

Furthermore, DIGITAL will face new type of dangers in everyday duties *"The number of cyber security threats is rising. Everyone is a target, regardless of the size or type of company. If you're running a business that generates income, you have something of value for cyber attackers."* warns Mitch Berger, IMSA USA. Digital talent leaders should be aware of this threat and act properly when the danger comes. Finding this specific type of people, who can combine all set of skills necessary to achieve success in this new demanding digital reality might be the most difficult task for head hunters in 2019.

## **TREND #5 Remote work: digital nomads and gig economy are actually a management challenge**

Will remote work dominate the future? Skyrocketing gig economy phenomenon and a rising number of people choosing the lifestyle of digital nomads prove that remote work is not only a seasonal whim. It might be the reinvention of work itself. *"Remote work is now on the top of the list of requirements of many wanted, but hard to gain specialists. And we are not talking about having a home office one day per week here."* confirms Monika Ciesielska (IMSA Poland).

A Future Workforce Study, conducted by the research firm PSB, which surveyed nearly 4,000 full-time employees from small, medium and large businesses in 10 countries, shows that 51% of employees believe that better technologies will make face-to-face meetings redundant within the next five years. But lack of face-to-face communication will also entail some costs.

*"Functional and not hierarchical organisation models depending on virtual teams are going to have a great impact on management skills requirements for C-Suite as well as middle management team members,"* predicted Axel Erk, IMSA member from Germany.

*"Being a "digital nomad" is becoming an essential management skill, especially in consumer/service oriented sectors. Executives without digital understanding or transformational skills will not be competitive enough."* says Brigitta Fûri, IMSA Hungary. Furthermore the PSB studies show that employees actually want remote work and expect this possibility from employers.



## **TREND #6 Inbound Recruiting and employer branding: fight for the future top talents all over the social media.**

Simply speaking – companies need better skilled and more professional management than they used to. And this means that attention is no longer focused on the company but on the candidate *"There has been a fundamental shift of the market, which has transformed into a candidate's market. Employers know that already, but do not react on it properly."* warns Ed Boeve, IMSA Netherland.

In a more and more competitive environment companies are introducing a strategy called Inbound Recruiting. This strategy assumes proactive, constant attracting, converting and engaging future top managers, for example with the policies of openness, storytelling and activities on social media platforms and professional services like LinkedIn, Xing etc.

Now every company needs to be concerned about its image in social media as well.

## **TREND #7: Gender equality: more women in C-Level and top executive positions (finally!)**

Social movement triggered by #MeToo and Time's Up, stressed the importance of gender equality solutions across all of the corporate levels. However, the changes haven't been radical enough yet. Will more women will enter the C-level executive positions in 2019 as some events may suggest?

Several initiatives based on the 17 Sustainable Development Goals of the United Nations, the SDG 5 regarding gender equality have been recently initiated. *"This will definitely change the business environment. Talented women will be given more opportunities in C-Level roles or as Board Members based on their competencies and the added value that they are able to bring,"* agrees Thierry Goder, IMSA Board Member from Mauritius. And the stake is high. Women generally receive lower wages than men, and the gender pay gap extends all over the world. Furthermore, women are still very poorly represented in Board Members or directors position.

*"Women were represented in only around 7%-9% of the boards of directors of the Top 50 Companies in Mauritius. The same applies to almost every country in Africa, Europe, to the business centers like London, New York or Shanghai – across the globe. Even though women are present in middle management positions, they are still struggling to make their way into the boardroom."* says Thierry Goder.

Gender diversity and equality in the workplace have been high on the agenda with organisations urged to adapt practices that promote equal opportunities for women.

– says Patrick Van Lijsebetten, IMSA Belgium.

Last year we could see some interesting initiatives and the strong support from CEOs, Senior Executives, Board Members all over the corporate world. This year we might have an opportunity to see the results of these actions.

### **2019: The year of opportunities and challenges**

The great world is spinning whilst deep transformation of society, government, culture, technology and communications is reshaping the way the leaders think and make decisions.

*"One of the main challenges will be building and maintaining a diverse workplace that goes beyond sex, race, ethnicity, age, national origin or religion. A workplace that includes different work experiences, educational status, marital status, socioeconomic status, life experience, background and upbringing."* points out Lizette Ibarra IMSA Board Member from Mexico. *"Building and maintaining a diverse and inclusive workplace starts at the top with senior management's commitment to align diversity efforts with business goals and corporate strategies."* she says.

The perfect C-level executive in 2019 will be capable of:

- navigating the company in a rapidly changing world, despite the rushing political changes and social dilemmas,
- combining specific expert knowledge with a variety of soft skills, needed to run an efficient team,
- being the leader and the dialogue partner,
- discovering the new way of dealing with obstacles,
- and if necessary, without a hesitation, reshaping the way the company runs.

But how to find this perfect person? In IMSA Search Global Partners, we are willing to accept and win this challenge. Our Member consultants are here to support our clients on this mission, to find the perfect candidate.

