

Adaptive Leaders, Culture & Strategy

How Organizations Can
Get it Right for a New
Age of Business

Insights from 1,000
C-level Business Leaders

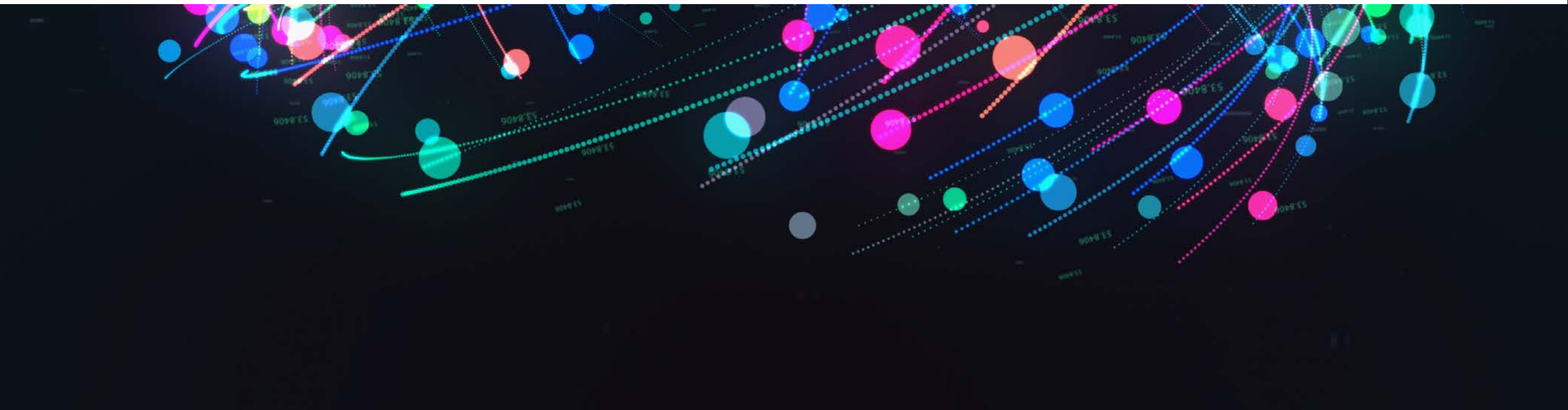
By the Association of Executive Search
& Leadership Consultants (AESC)





ad·ap·ta·tion

a change or the process of change by which a being or entity becomes better suited to its environment.



Foreword

As the world emerges from a long collective reset in the wake of the global COVID-19 pandemic, we are forever changed. What organizations must be prepared for now is anything but a return. Now is the time to embrace bold and constant change—change means growth. Growth means opportunity. Who are the leaders who can successfully adapt to the large-scale change the world is facing and who will drive the change, ushering a new era of business innovation and industry transformation?

Dedicated to strengthening leadership worldwide, the Association of Executive Search and Leadership Consultants (AESC) is the professional association representing the leading advisors to organizations in the areas of executive search, board search, in-depth assessment and succession planning as well as leadership performance, transformation and culture alignment. As trusted advisors to Boards, CEOs and other business leaders, AESC Members are retained by the world's leading organizations to strengthen leadership, transform cultures and help create purpose-driven environments where the best talent want to join and stay.

To support leaders in their talent and organizational strategy in the year ahead, AESC and its members surveyed nearly 1,000 C-level executives around the world to understand how leaders are collectively thinking about critical business issues. From upskilling executive competencies for a post-pandemic environment to a strong focus on DEI, to stakeholder capitalism's impact on leadership and digital transformation in the wake of COVID, what is certain is what worked for businesses

before the pandemic will no longer work going forward. Leaders must continue to be agile, but increasingly they must be ever adaptable. As our environment changes at an accelerating speed, organizations and their leaders must be able to change course quickly and seamlessly.

Our survey findings highlight where organizations are most prepared for the course ahead and where they have significant gaps. As leaders, we hope you find these insights valuable. We wish you much success in the year ahead.



Karen Greenbaum
AESC President & CEO


February 2022

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Executive Summary

1. Adaptable & agile leaders essential for post-pandemic success.
2. Culture, bias & leadership top influencers of gender equality.
3. Communication & collaboration top priorities for culture improvement, followed by agility & innovation.
4. 22% of executives overall believe trust in leadership has declined; 39% of those who identify as underrepresented.
5. Boards are more optimistic about their organizations compared to the C-suite.
6. DEI finally a top priority among leaders, while sustainability lags, especially in the Americas.
7. Quarter of executives lack confidence that women & underrepresented talent have equal leadership opportunities.
8. Half of executives believe their organizations not ready to lead change in DEI, sustainability & digital transformation.
9. Digital transformation accelerated by COVID-19 across all industries.
10. Flexible work environments are here to stay.



Leaders

Leaders—Getting it Right

KEY INSIGHTS

LEADERSHIP COMPETENCIES

Those organizations most comfortable with change will best compete in the post-COVID business environment. Executives learned first-hand during the pandemic that leaders and their teams must be able to pivot quickly and adapt in real-time to external forces. As a result, adaptability will be a sought-after leadership strength for the post-COVID organization. Agility has been understood the past few years as a top leadership strength in a business climate of rapidly accelerating technological change. Following the pandemic, however, C-level leaders point to adaptability as an even greater quotient for success going forward, in addition to agility.

Boards, CEOs and Finance commonly share core leadership competencies, so it's no surprise that adaptable, agile and innovative ranked as key post-pandemic strengths with each role. Board directors are more likely to rate resilient and collaborative, CEOs customer-centric and emotionally intelligent and Finance data-driven and comfortable with ambiguity as critical competencies. Collaborative was the #4 strength valued by all in a post-pandemic environment, but #6

for Finance, #7 for CEOs and #14 for Sales executives. Agile was #2 overall, but #7 for Marketing and #8 for Operations. Sales teams may benefit in a post-pandemic climate by collaborating more with their colleagues, while Marketing and Operations may need to prepare to move faster going forward with more coordination across functions.

On the surface, men and women in executive roles agree on the most important competencies for post-pandemic leadership success—adaptability and agility. While it is important to note that men and women have differing representation across senior management roles (e.g. more men in our data set are CEOs while women are more likely to be in HR leadership) which can also impact core competencies, there are some notable differences in leadership strengths by gender beyond the top two. Women are more likely to rank emotionally intelligent (#3 compared to #10 for men) and resilient (#4 compared to #7 for men) as key factors for success. Men are more likely to rank innovative (#3 compared to #6 for women), customer-centric (#4 compared to #8 for women) and motivational (#5 compared to #12 for women) as core strengths. Both women and men rank collaborative

similarly (#5 for women compared to #6 for men). This shines a light on the need for diverse leadership teams. A broader spectrum of strengths is an outcome of more gender diverse teams.

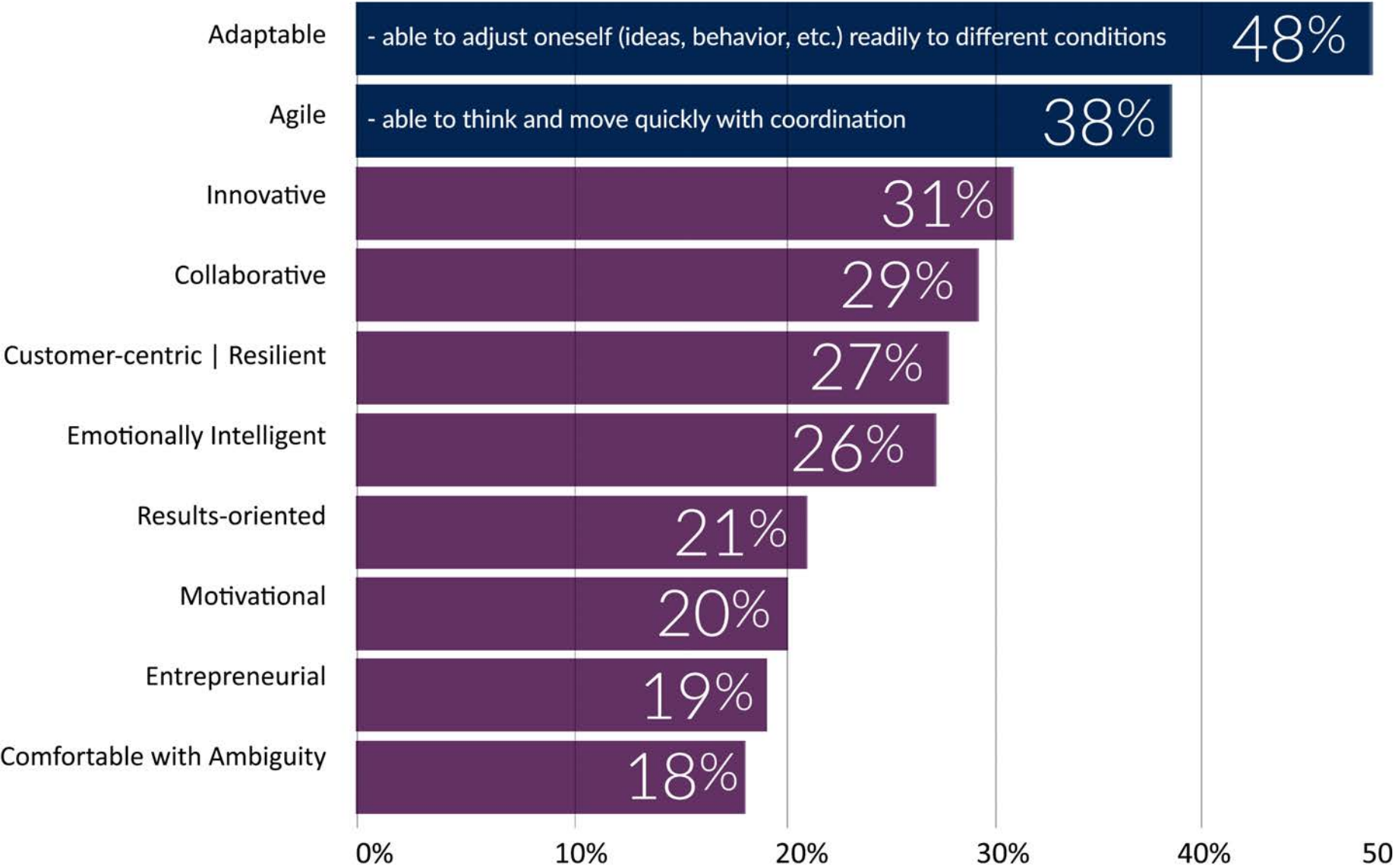
LEADING DEI

While executives in general perceive bias as an ongoing issue, they acknowledge gender equality in the workforce as a leadership and culture issue. Leadership and the impact that leaders can make appears on the list for the first time in 2021. The fact that leaders are starting to own their role in driving diversity and inclusion indicates that they now see DEI as a critical part of their leadership agenda. More men rank 'lack of awareness' as a top concern, but more women rank 'pipeline challenges' as a bigger issue. Leadership was not mentioned in Asia or Latin America among the top 5 issues. Discussions around leaders owning the DEI agenda need to be elevated among leaders in Asia and Latin America in order to drive change. Our study highlights that the C-suite versus boards is more likely to be reflective of customers even when more work has been focused on diversifying boards. While progress is being made at both Board and C-level, there is a lot more work to be done.

Adaptability a critical capability for future leaders.

Change & speed. Today's executives must increasingly be agile and adaptable.

Top 10 leadership competencies for a post-pandemic business environment



Adaptability coupled with agility top the list of needed leadership capabilities.

Ability to adapt to change and pivot quickly are keys to post-pandemic success.

Strengths that executives perceive as essential for success in a post-pandemic business environment (by Role)

	Board of Directors	CEO	Finance	HR
1	Adaptable	Adaptable	Adaptable	Adaptable
2	Agile	Agile	Agile	Agile
3	Innovative	Customer-centric	Data-driven	Emotionally Intelligent
4	Resilient	Emotionally Intelligent	Innovative	Resilient
5	Collaborative	Innovative	Comfortable w/Ambiguity	Collaborative

	Operations	Sales	Marketing	Technology
1	Adaptable	Adaptable	Adaptable	Agile
2	Resilient	Innovative	Customer-centric	Collaborative
3	Collaborative	Customer-centric	Collaborative	Innovative
4	Motivational	Agile	Innovative	Adaptable
5	Customer-centric	Motivational	Motivational	Customer-centric

**Women & men agree
on top leadership
competencies.**

*...but significant differences
emerge in supporting strengths.*

Strengths that executives perceive as essential for success in a post-pandemic
business environment (by Gender)

Men	Women
Adaptable	Adaptable
Agile	Agile
Innovative	Emotionally Intelligent
Customer-centric	Resilient
Motivational	Collaborative

Half of organizations not ready to lead change in key business areas.

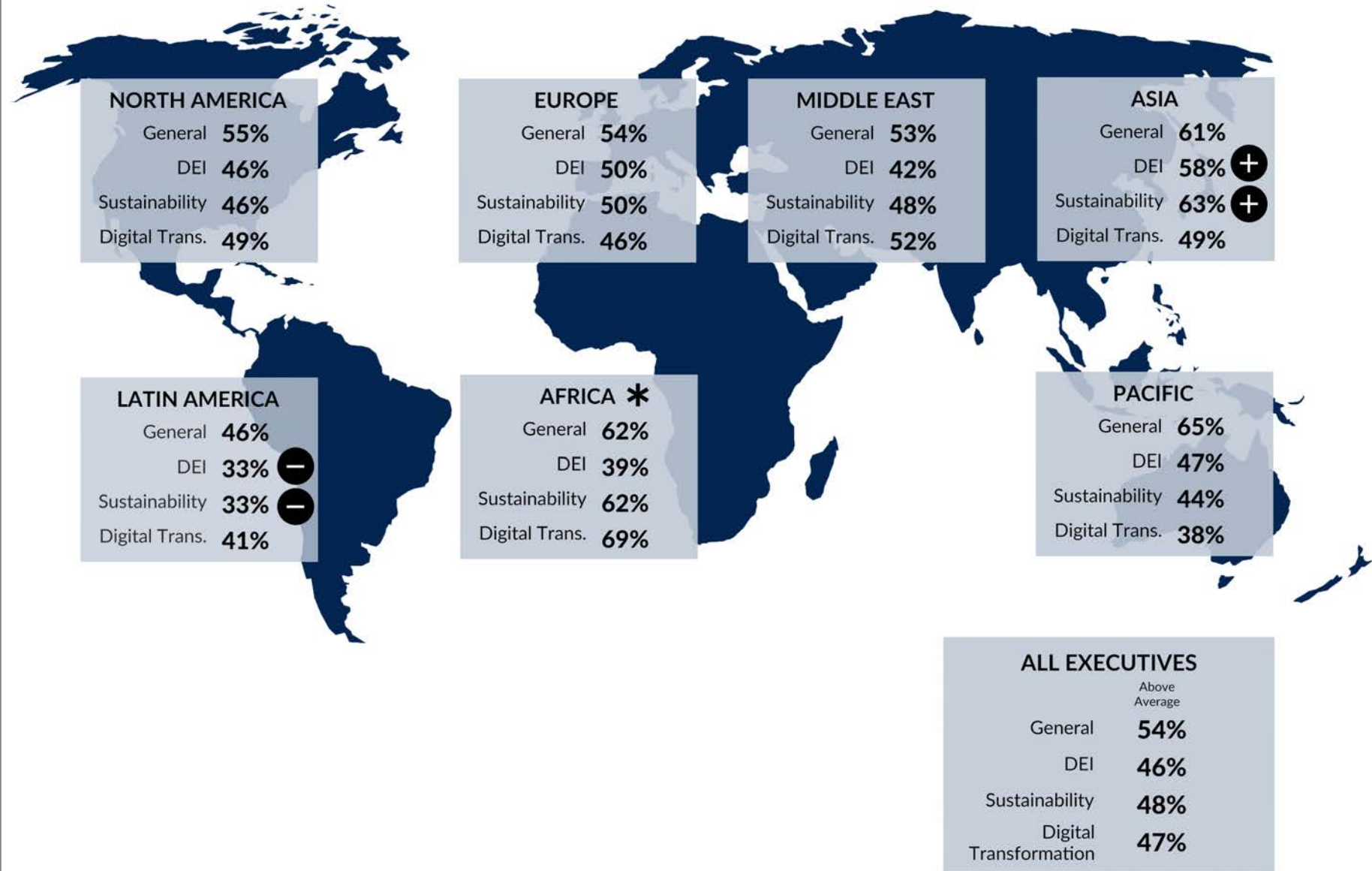
Organizations in Asia most prepared to lead change in DEI & Sustainability, while those in Latin America lag behind.

+ High

- Low

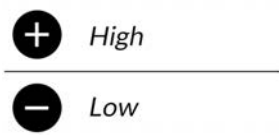
* Survey response rates for Africa were low compared to other regions. The data may not be an accurate representation for all questions but in general Africa data shows similar trends as other regions.

Executives who believe their organizations are ready to lead change in strategic business areas



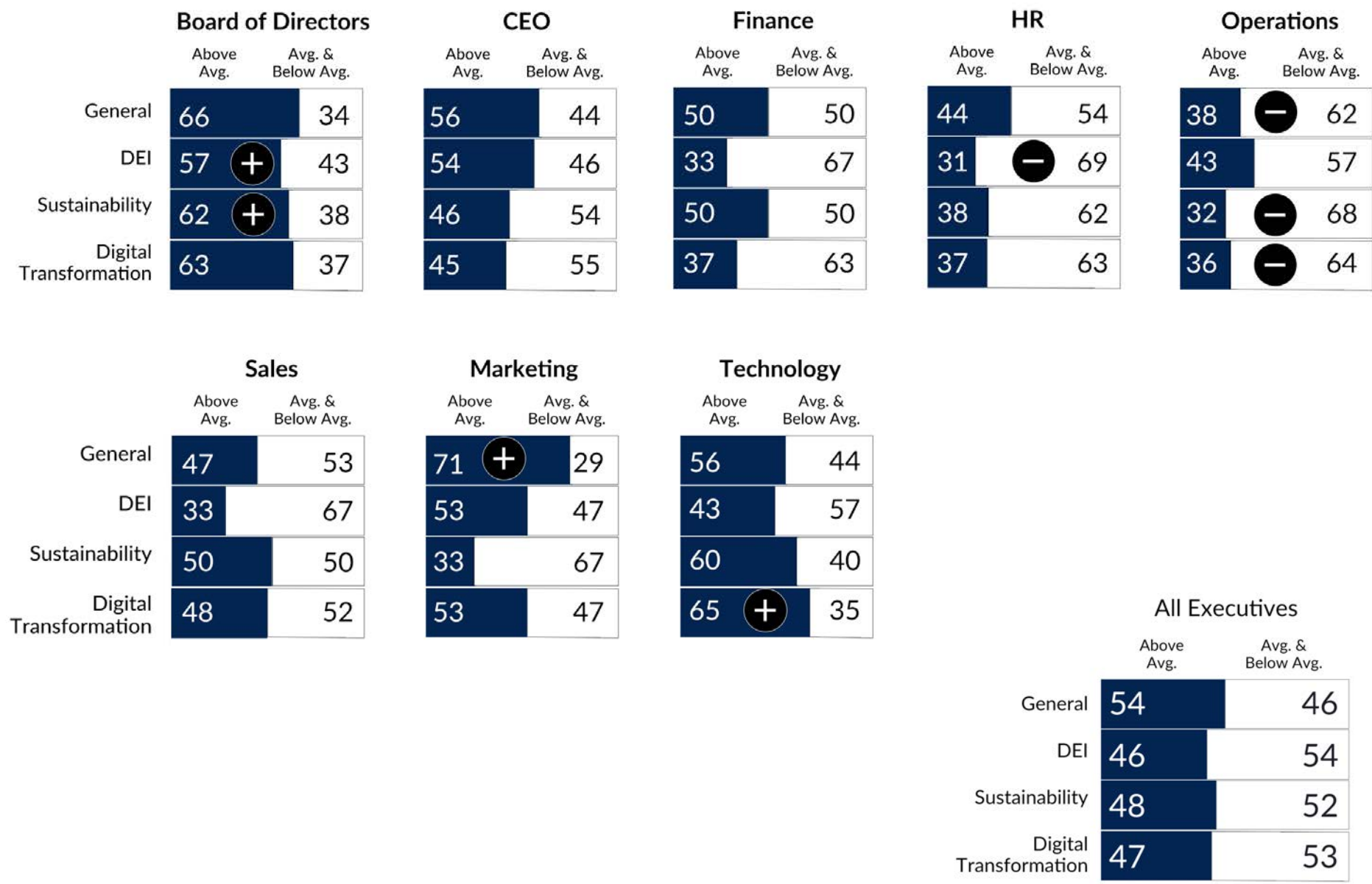
Huge gap in how Boards vs. C-suites perceive readiness to drive change.

Boards believe their organizations are more ready to lead change in key business areas compared to the C-suite. HR, Finance & Sales executives indicate much more work to be done in DEI. Majority of Operations executives believe their organizations have more work to do in driving digital transformation & sustainability.



How executives score (0-100) their organization’s readiness to lead change in strategic business areas

Executives by Role



Executives in the Industrial sector indicate their organizations are least prepared to lead change.

Private Equity & Technology sectors most confident in leading change, although Private Equity executives note more work needed to drive digital transformation. Nonprofit executives indicate their organizations are least prepared in driving change in DEI & Sustainability.

+

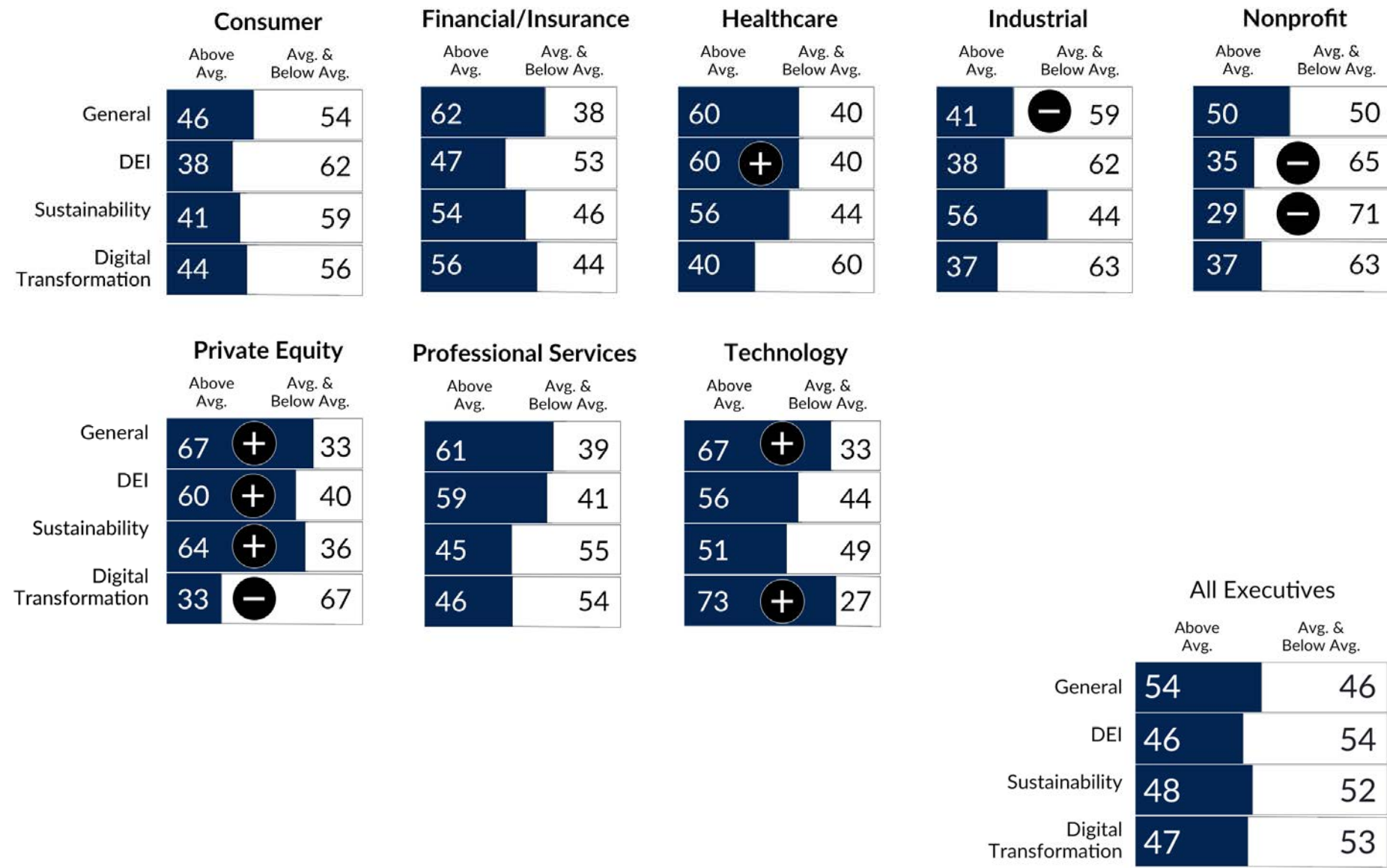
High

-

Low

How executives score (0-100) their organization’s readiness to lead change in strategic business areas

Executives by Industry



Leaders understand that culture, bias and leadership all have an impact on change.

Men and women are aligned on what drives change.

Top 5 Reasons Executives Believe Organizations Still Struggle with Gender Equality

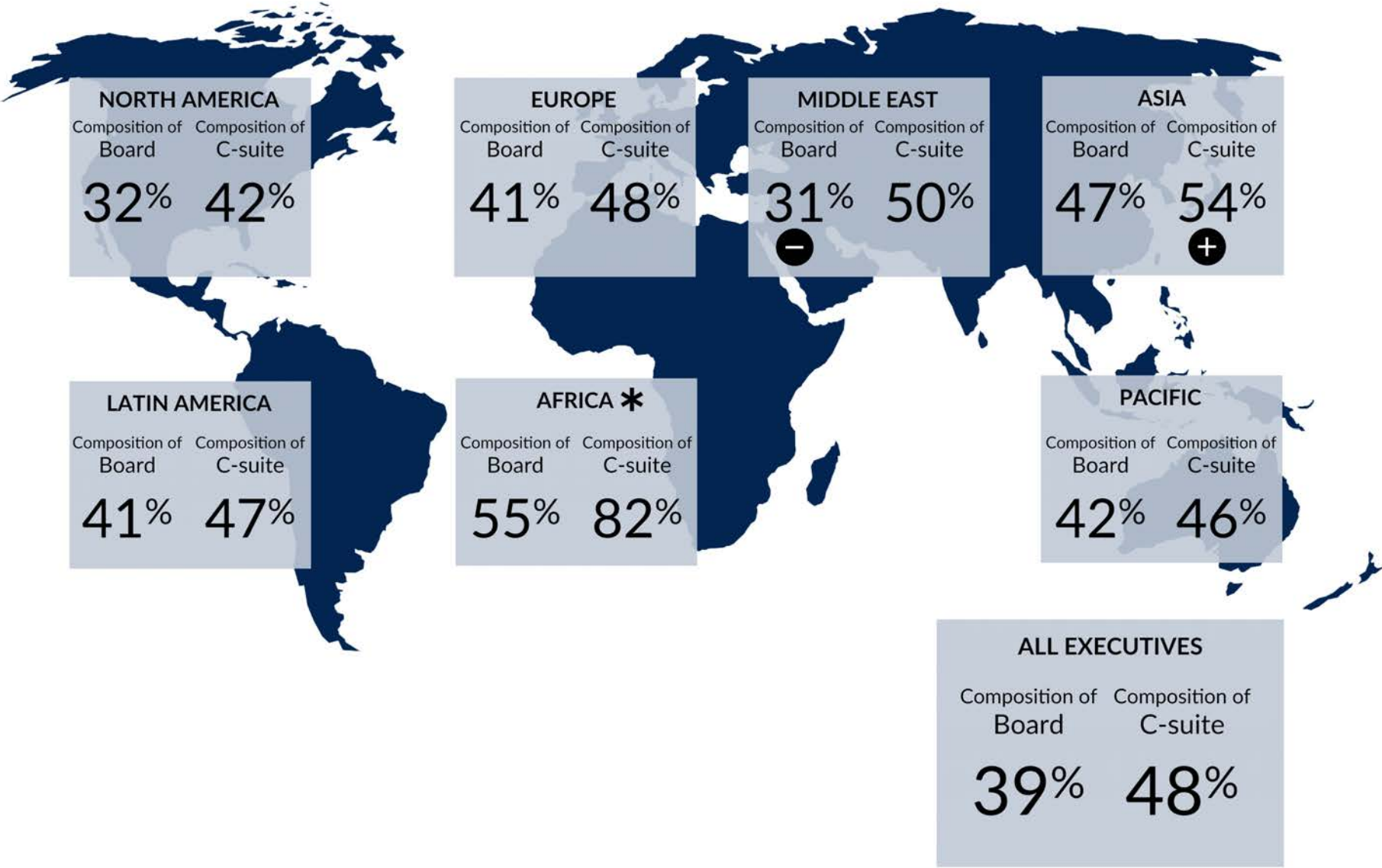
2021	2020	Men	Women
Culture	Bias	Culture	Culture
Bias	Pipeline challenges	Bias	Bias
Leadership	Lack of urgency	Leadership	Leadership
Legacy structures	Legacy structures	Legacy structures	Pipeline challenges
Lack of representation	Culture	Lack of awareness	Legacy structures

“Leadership” did not appear on the list in 2020.

Despite the focus on Board diversity, today's C-suites better reflect customer base than do Boards.

But more work needed at both board and C-level. More than half of executives believe both their organization's board and C-suite composition is not reflective of their customers.

Executives who strongly agree or agree their organization's leadership is reflective of their customers



LEADERS—How AESC Members Help Organizations Get it Right

ADVISORS YOU CAN TRUST

AESC Members help their clients identify the leadership assets they have, the challenges they must be prepared to meet and the qualities they must acquire and cultivate to meet those challenges. They have the resources and experience to identify, assess, and secure leading executive candidates and they are committed to their clients' success. As trusted advisors, AESC Members provide an honest “outside” perspective on the unique challenges that clients may be facing in terms of leaders, teams, culture and talent strategies.

EXPERTS IN CANDIDATE ASSESSMENT

Does the executive have the right competencies to lead in the post-COVID environment? A critical value provided by quality retained executive search firms like those within the AESC is the ability to deliver a rigorous assessment of an executive for a specific role. Assessment includes in-depth interviews with

the candidates as well as reference interviews that generally seek to provide further insight on a 360 basis. AESC Members supplement these interviews with psychometric assessments. The right assessments are used to add additional insight to enhance the executive selection process providing utmost confidence to organizations that the best leader is being chosen for the specific job.

A RIGOROUS COMMITMENT TO DIVERSITY, EQUITY & INCLUSION

AESC Members understand the value of diverse leadership. They identify the most qualified talent by searching and assessing without bias. As trusted advisors, AESC Members know first-hand how diverse talent and inclusive cultures offer organizations a competitive edge. We see diversity broadly, including gender, gender identity or expression, race, ethnicity, religion, nationality, culture, disability, political affiliation, academic background, socio-economic

background, experience and perspective. [Discover how AESC is working collaboratively with our members to be leaders of change.](#)

REDUCING RISK

Shareholder confidence, organizational effectiveness, driving innovation and employee engagement are just a few of the immediate benefits of “getting it right.” The risks associated with an unsuccessful executive hire can be disastrous. The costs of replacing an unsuccessful CEO or C-suite executive are staggering. The direct costs of not getting it right include compensation and the impact on sales or market position. The indirect costs can be even more significant and include lost momentum and the negative impact on organizational, market, and customer confidence. The risks associated with an unsuccessful hire are great, potentially leading to disaster. These risks can be reduced and the converse benefits enhanced by leveraging the sophisticated assessment, search and due diligence processes that AESC Members provide to clients.

The background is a deep blue gradient. On the left side, there is a complex, abstract pattern of colorful lines and dots. The lines are in various colors including purple, pink, orange, yellow, green, and blue. They are mostly concentrated on the left and fan out towards the center. The dots are small circles in the same color palette, scattered throughout the left side. The word "culture" is written in a white, sans-serif font, centered horizontally and partially overlaid by the abstract pattern.

culture

Culture—Getting it Right

KEY INSIGHTS

CULTURE GAPS

Our study uncovered the desire among executives overall for more communicative and collaborative organizational cultures. But not all leaders agree on where their culture falls short. Board Directors and Marketing executives would like organizational cultures with a greater focus on sustainability, which does not rank in the top 5 wants among executives in other roles. Finance, HR & Operations executives all point to cultures that are lacking in leadership. In general, men and women leaders align in what they would choose to change about their organizational cultures with one exception—women would like to see more empowerment while men would like to see better alignment with strategy. Those executives who identify as being from an underrepresented demographic rank ‘stronger trust’ in the top 5 of what they wish they could change about their organization’s culture. This raises the question, “is inclusion being prioritized enough?” Has the virtual work environment unintentionally led to less inclusive cultures.

THE ISSUE OF TRUST

We also see that executives who identify as being from an underrepresented background are more likely to believe that trust in their organizations

has declined during the pandemic. The majority of executives globally, however, feel trust in leadership in their organizations has either remained the same or strengthened over the past year. Significantly more Board Directors along with CEOs and HR believe trust in leadership in their organizations has strengthened over the past year compared to executives in other roles. Executives in Sales, Finance & Legal roles are more likely to believe trust in leadership in their organizations has declined over the past year. This trust divide in the C-suite indicates issues that Boards, CEOs and even HR may not see. This suggests a need among leaders for increased listening among their teams and to a broader population.

BARRIERS FOR WOMEN & UNDERREPRESENTED TALENT, STILL

While DEI has certainly become a greater focus and more leaders are taking ownership of DEI as a leadership issue, executives reveal some lack of confidence that women and underrepresented talent have an equal chance to attain leadership roles in their organizations. A quarter of executives do not believe women have an

equal chance to attain a leadership role while more than a third of executives do not believe underrepresented talent have an equal chance to reach leadership level in their organizations. Clearly this is unacceptable and it’s a leadership issue. CEOs are significantly more likely to believe that both women and underrepresented talent have an equal chance to reach leadership roles in their organizations than do the majority of their teams.

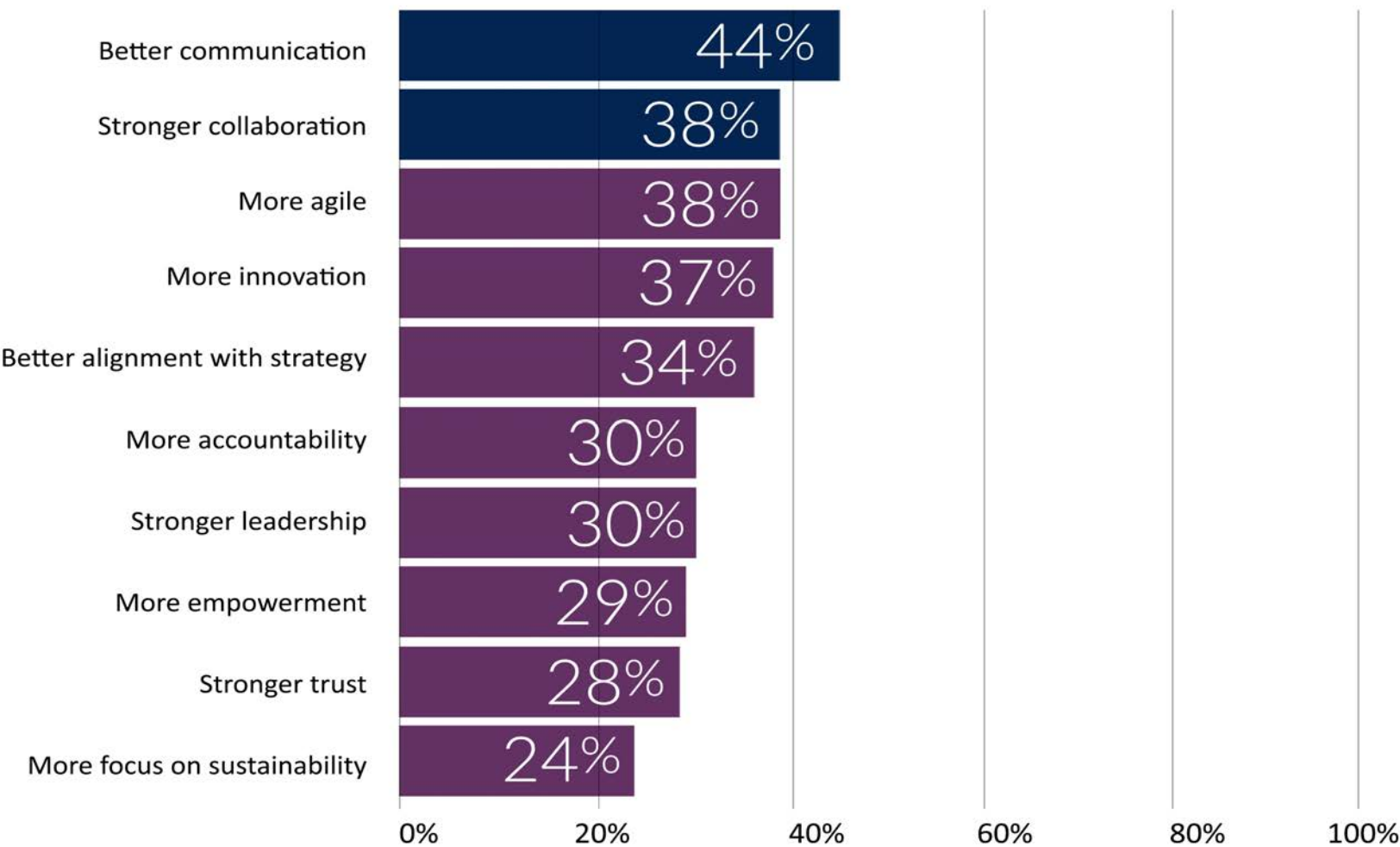
BOARDS & CEOS vs. THE C-SUITE

Our study indicates when it comes to organizational culture, there is an overly optimistic view at the top. Both Boards and CEOs tend to view their organizations in a more positive light than do the rest of the C-suite. CEOs consistently give their organizations higher scores across a range of issues: Agility is a strength; Culture provides competitive advantage; Women have equal opportunity; Developing next gen talent; Board reflective of customer base. Boards similarly rate their organizations consistently higher across a number of key business areas. This is a problem as it suggests real issues within the culture are likely not being addressed and that Boards and CEOs are not as in tune with their teams as they should be.

**Culture improvements
needed for
post-pandemic
success.**

*Communication and collaboration
top the list of culture changes
executives would like to see in
their organizations.*


Top 10 aspects of organizational culture executives most want to improve




Executives overall want to strengthen communication & collaboration in their organizations, but Finance, HR & Operations executives see a need for stronger leadership.

Board directors and marketing executives indicate their organizational cultures lack needed focus on sustainability.

Top 5 aspects of organizational culture executives most want to improve (by Role)

	Board of Directors	CEO	Finance	HR
1	Better communication	Better communication	Stronger leadership	More agile
2	More agile	More innovation	Better communication	Better communication
3	More innovation	More agile	More agile	Stronger leadership
4	Better alignment with strategy	Stronger collaboration	Better alignment with strategy	Stronger collaboration
5	 More focus on sustainability	Better alignment with strategy	More accountability	More empowerment

	Operations	Sales	Marketing	Technology
1	Better communication	Stronger collaboration	 More focus on sustainability	Better communication
2	More innovation	Better communication	Better alignment with strategy	Stronger collaboration
3	Better alignment with strategy	More empowerment	Better communication	More innovation
4	Stronger leadership	Better alignment with strategy	More empowerment	Better alignment with strategy
5	More accountability	More agile	More innovation	More agile

Organizations in North America most likely to prioritize innovation.

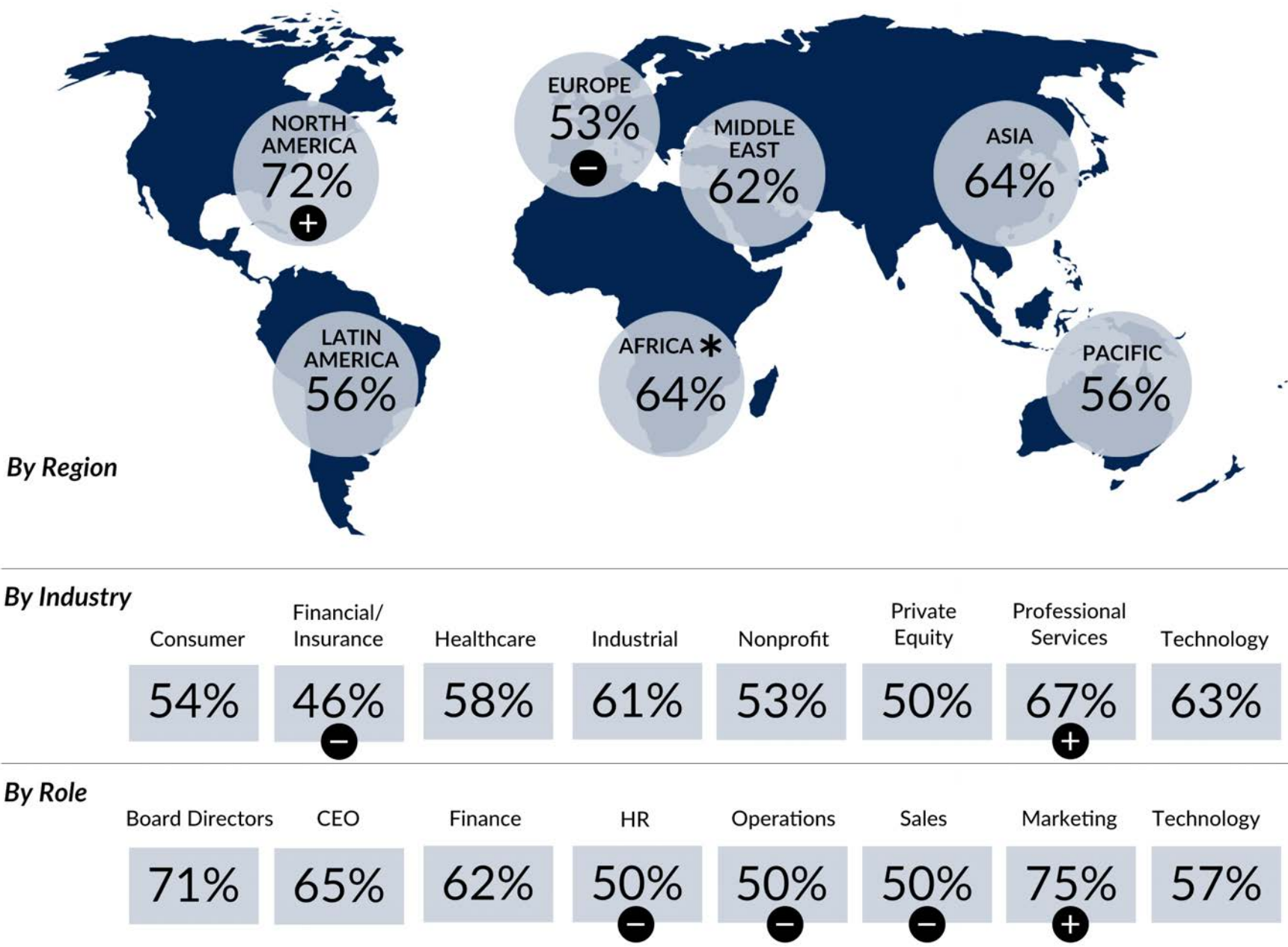
Less than half of executives in Financial/Insurance sectors believe innovation is a priority in their organizations. Marketing executives most likely to believe their organizations are prioritizing innovation, while less than half of HR, Operations & Sales executives agree innovation is a top priority.

+ High

- Low

* Survey response rates for Africa were low compared to other regions. The data may not be an accurate representation for all questions but in general Africa data shows similar trends as other regions.

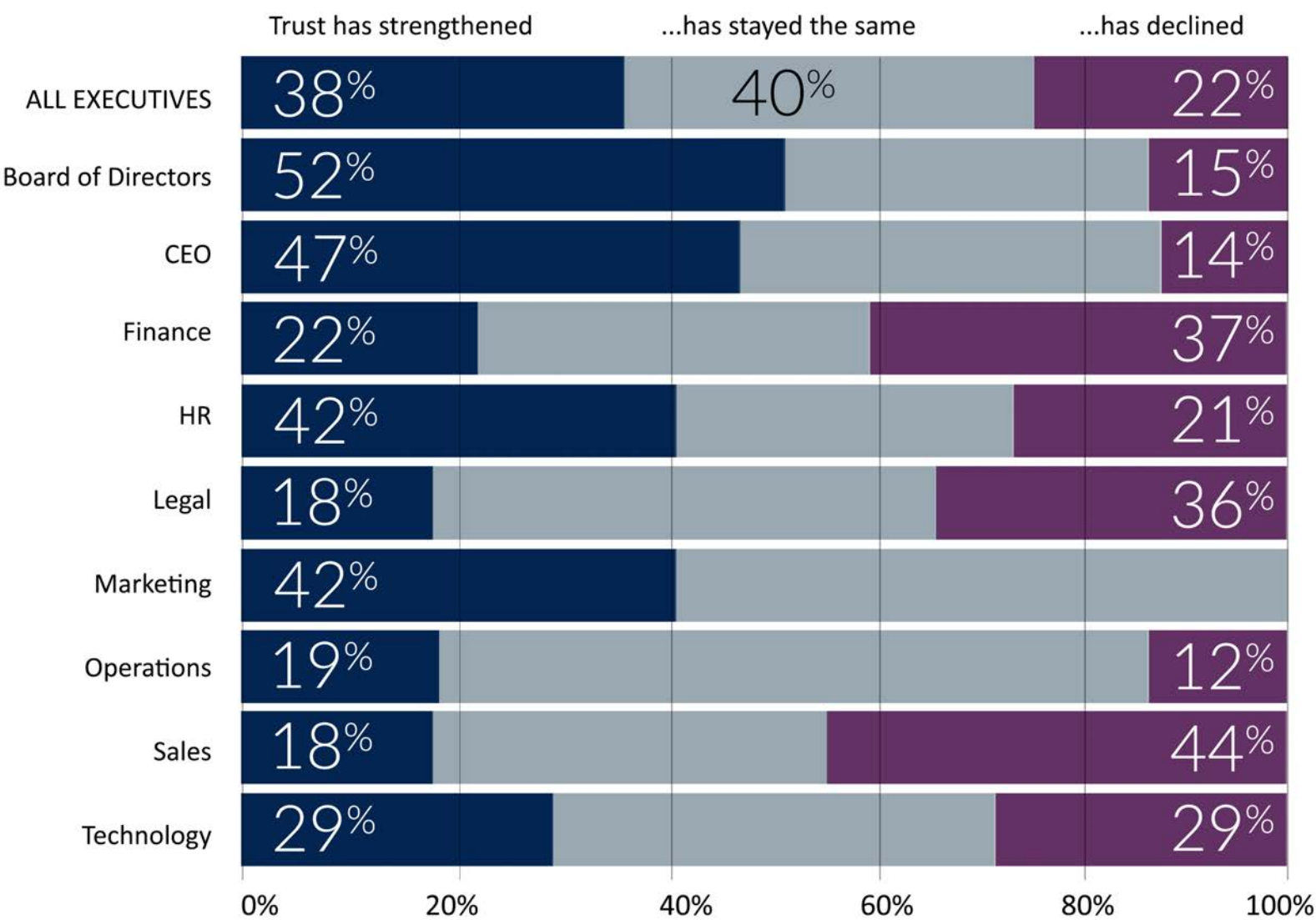
Executives who strongly agree or agree innovation is a top priority in their organizations



Boards, CEOs, HR & Marketing more likely to believe trust in leadership has increased in their organizations...rest of C-suite doesn't agree.

Executives in Finance, Legal & Sales roles more likely to believe there is declining trust in leadership in their organizations.

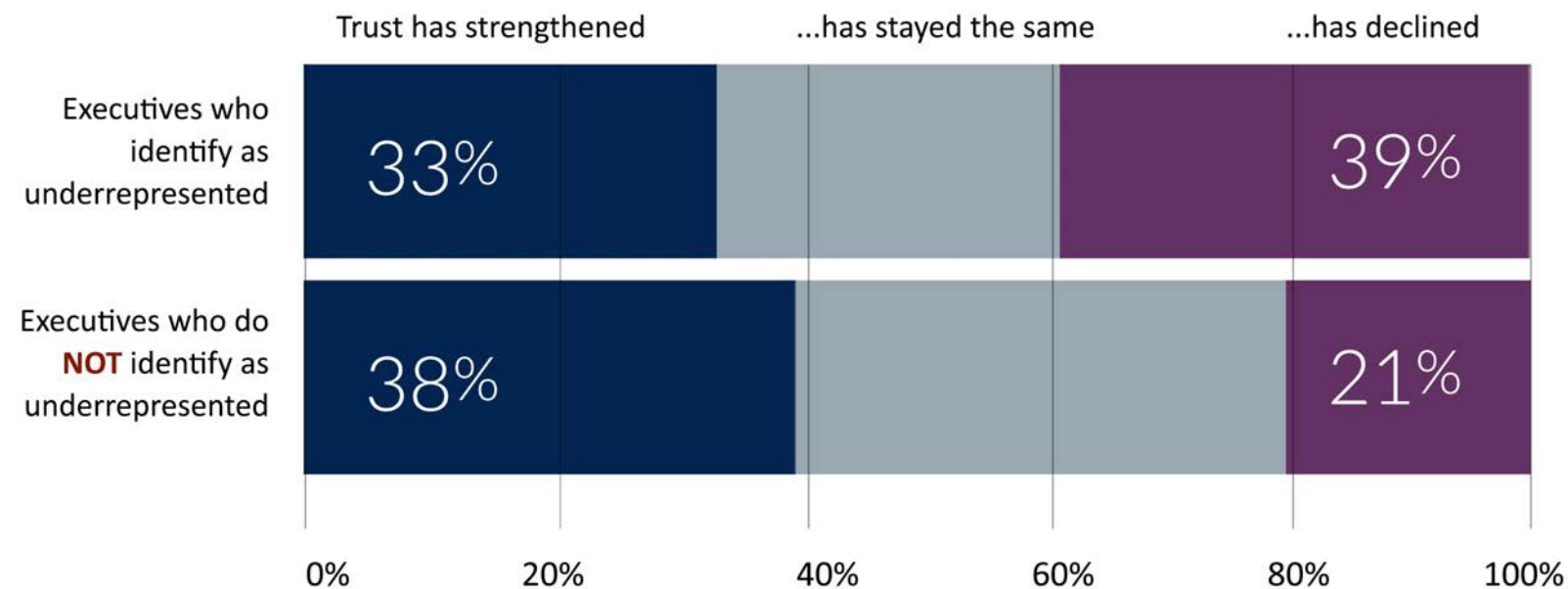
How executives perceive the state of trust in leadership in their organizations (by role)



Talent from underrepresented backgrounds more likely to believe trust in leadership has declined in their organizations.

Executives who self-identify as being from an underrepresented demographic are twice as likely to agree that trust in leadership has declined in their organizations during the pandemic.

How executives perceive the state of trust in leadership in their organizations (by representation)



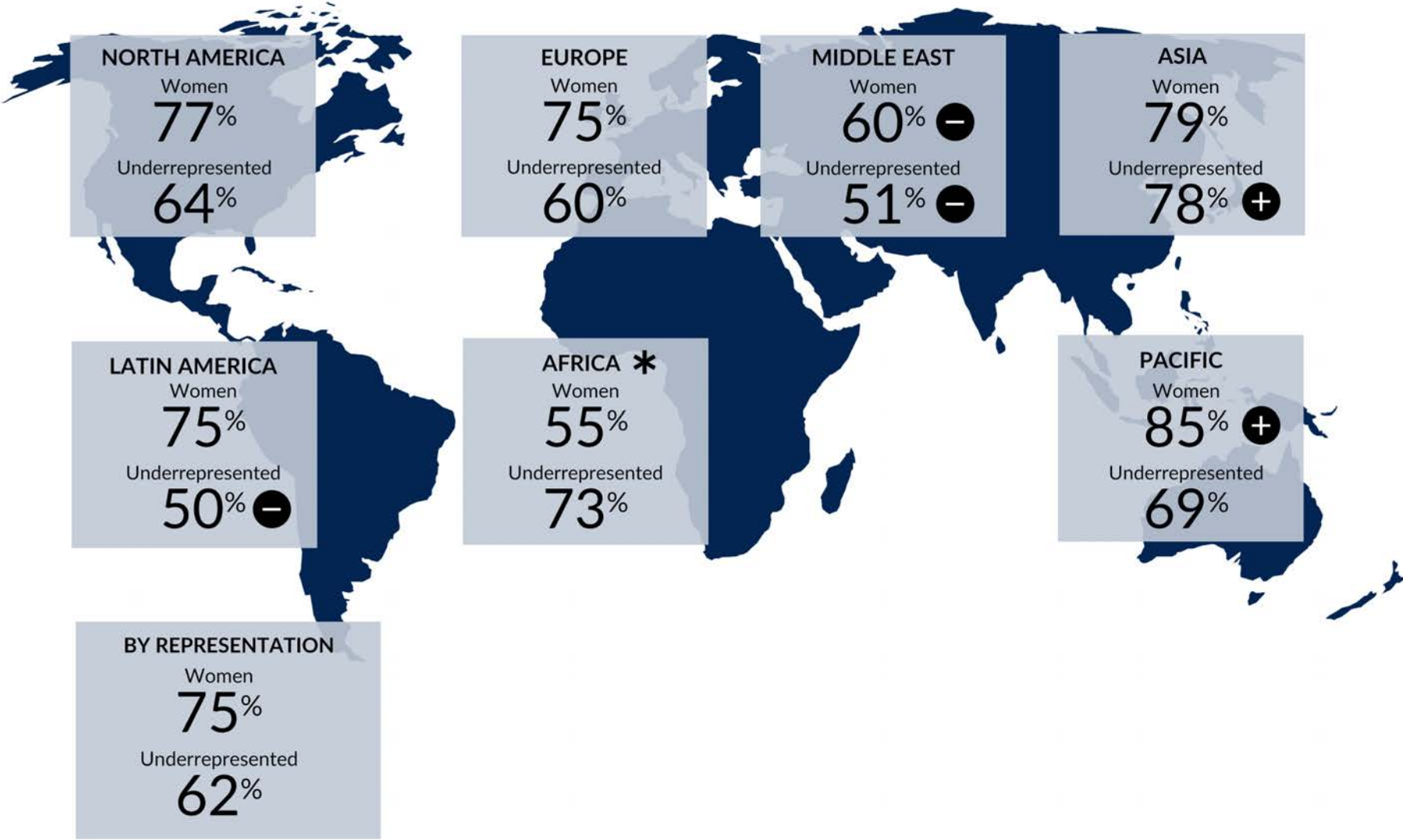
Not enough confidence in women & underrepresented talent attaining leadership roles.

While majority of executives strongly agree or agree that women and underrepresented talent have equal opportunities to attain leadership roles in their organizations, there is still room for improvement.

- High
- Low
- *

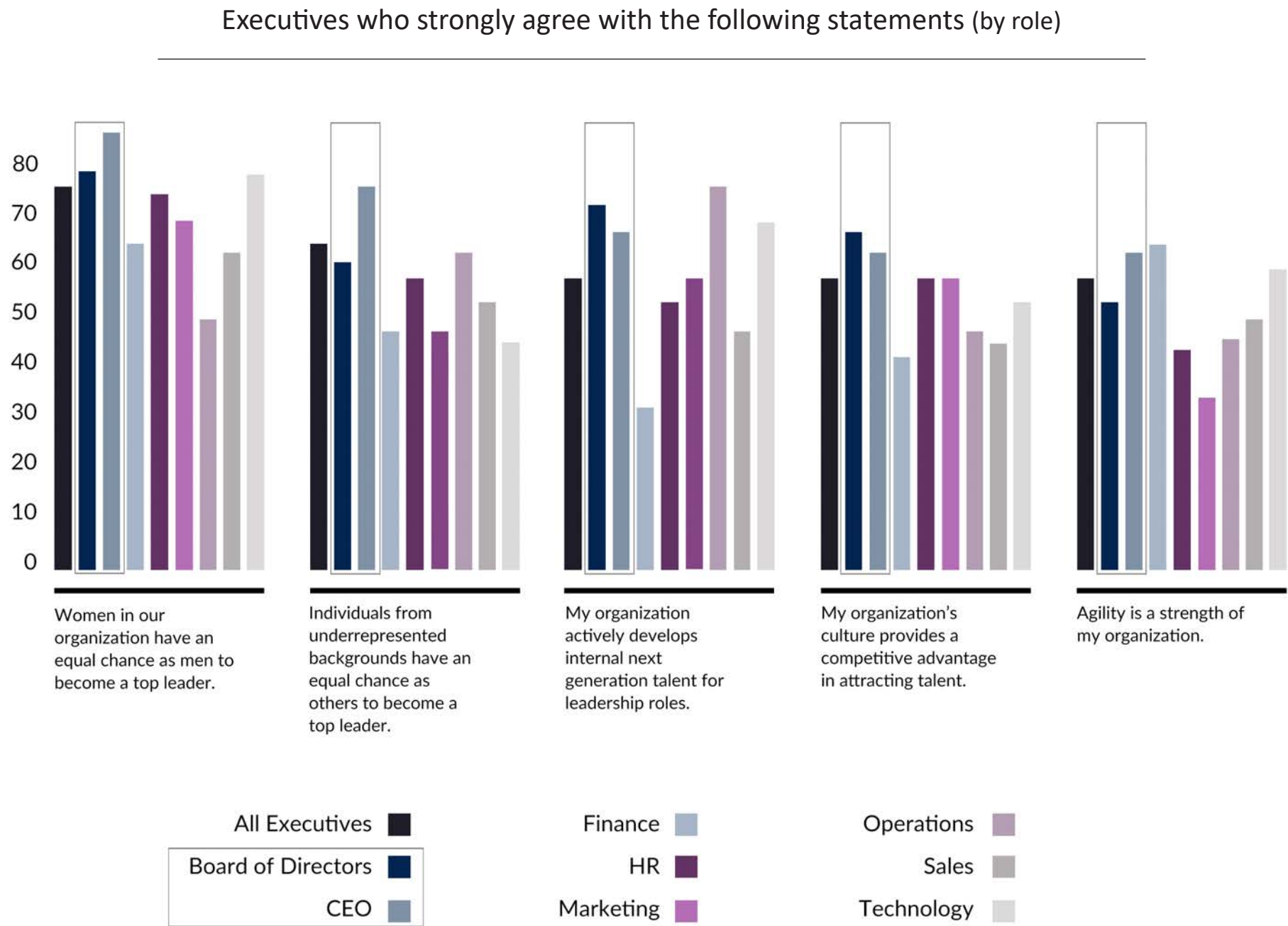
Survey response rates for Africa were low compared to other regions. The data may not be an accurate representation for all questions but in general Africa data shows similar trends as other regions.

Executives who strongly agree or agree women and the underrepresented have an equal chance at attaining a leadership role in their organizations



Culture viewed with
rose-colored glasses
at the top.

Boards & CEOs see organization
in more positive light than all
other leaders.



CULTURE—How AESC Members Help Organizations Get it Right

LEADERS DRIVE CULTURE

Leaders set the tone for the culture of an organization. Without the right leaders, an organization's culture will suffer and will not be aligned with strategic goals. AESC Members are the leading executive search and leadership consulting firms in the business. They understand deeply what healthy, high-performing cultures look like and how organizations can shape their cultures with the right leadership.

CEO & C-SUITE ALIGNMENT

A “symphonic” C-suite is needed to meet the demands of the post-COVID environment. That means that teams and individual leaders are adaptable and agile and bring unique competencies to the table while working harmoniously together toward strategic objectives. While all AESC Members can attract,

place and onboard top executive talent, many also coach leadership teams to work collaboratively and with enhanced communication—both are areas the majority of executives are looking to improve in their organizational cultures.

INCLUSIVE LEADERS FOSTER INCLUSIVE CULTURES

A quarter of executives still lack confidence that women and underrepresented talent have equal opportunities to attain leadership positions in their organizations. Not only can AESC Members attract top diverse talent, but they can advise organizations on how that talent must be supported once they are brought on board. Diversity does not work without inclusive cultures to support it. AESC Members can also assess executive candidates on how they will support inclusion in an organization, instilling confidence that the executive

will be a good match with the organization's strategic goals while adding to the culture.

ASSESSING FOR AGILITY

Less than 20% of CEOs strongly believe agility is a strength of their organizations. However, we also see that executives globally rank agility as a critical leadership competency. That means that 80% of CEOs believe agility could be strengthened in their organizations and that agility is not present enough in their leadership teams. AESC Members vet candidates through a rigorous assessment process to ensure they have the right competencies for the job aligned with the strategy of the organization. If organizations want to become more agile, AESC Members are experts in assessment and understand the role leaders, teams and culture play in driving successful organizational strategy.

The background is a dark blue field filled with a complex network of red and cyan lines and circles. The red lines form a dense, interconnected web of triangles and polygons, with small red dots at the vertices. Cyan lines are more fluid and swirling, creating a sense of motion. Various sized cyan and red circles are scattered throughout, some appearing as nodes in the network. The overall effect is a high-tech, digital aesthetic.

Strategy

Strategy—Getting it Right

KEY INSIGHTS

GENDER EQUALITY TOPS THE ESG AGENDA

Gender equality is a top 5 priority in organizations across all regions; #1 priority in Asia, Europe, Latin America, the Middle East and North America; a top 5 priority across all industries but #1 in Professional Services, Consumer, Financial Services and Technology. While gender equality tops the list of UN Sustainable Development goals being prioritized by organizations, there is still work to do—even in developed economies, 25% of executives still do not believe that women have an equal opportunity to attain leadership roles in their organizations. Quality education is a top 5 priority for organizations in Africa, the Middle East and Latin America.

DEI IN FOCUS, BUT MORE WORK TO DO

Organizations in the Pacific region are most likely to have diversity, equity and inclusion (DEI) central to their culture and leadership—the Pacific region leads at 86% with all regions at 68% or higher. Organizations in the Technology sector are most likely to have diversity, equity and inclusion (DEI) central to their culture and leadership, while organizations in the Industrial sector are least likely to have diversity, equity and inclusion (DEI) central to their culture and leadership. There

was no significant difference in the perspectives between men and women in the prioritization of DEI in their organizations.

SUSTAINABILITY GAP IN THE AMERICAS

Climate action and/or affordable & clean energy is a top 5 priority for organizations in all regions except in the Americas. Organizations in the Americas have less of a focus on the environment than organizations in all other regions in the world—neither affordable & clean energy nor climate action rank in the top 5 priorities among organizations in North America or in Latin America. Organizations in Africa, Asia and Europe are most likely to prioritize environmental issues—affordable & clean energy and climate action are both top 5 priorities for organizations in each of those regions. Climate action made the list of top 5 priorities for the Consumer, Private Equity, Industrial and Technology industries. Affordable & Clean Energy made the top 5 in just Financial Services and Industrial.

DIGITAL TRANSFORMATION ACCELERATED BY COVID

Across industries, executives believe that the global COVID-19 pandemic accelerated their organizations' digital

transformation, with the most gains seen by executives in the Nonprofit sector. Even with the acceleration provided by COVID, many executives still do not believe their organizations have the right leaders in the right roles to successfully implement digital transformation. Only 35% of executives working in the Healthcare industry and only 32% of executives in Finance roles believe their organizations have the right leaders for digital innovation.









VIRTUAL WORK HERE TO STAY

Flex, virtual work is here to stay with most organizations adopting hybrid work models. On average, only 20% of executives state most of their employees will be in a physical office while 47% shared they will adopt a hybrid model, leaving the rest with most employees working remote. Financial/Insurance and Consumer are the industries with companies most likely to be operating in a physical office environment, while Professional Services and Technology are the industries with companies most likely to be fully remote. By region, the Middle East and Latin America are outliers, with a third of executives in the Middle East stating their organizations would be physical office-centric while only a fifth of executives in Latin America expect to be fully remote.

Gender equality and good health & well-being are the top priorities of UN goals supported by business.

Environmental issues do not rank in the top 5 priorities for organizations in the Americas.








Top 5 UN sustainable development goals most prioritized by organizations (by Geography)

	NORTH AMERICA	LATIN AMERICA	EUROPE	MIDDLE EAST
1	Gender equality	Gender equality	Gender equality	Gender equality
2	Good health & well-being	Good health & well-being	Good health & well-being	Good health & well-being
3	Industry innovation & infrastructure	Decent work & economic growth	 Affordable & clean energy	Quality education
4	Decent work & economic growth	Partnerships	 Climate action	Partnerships
5	Reduced inequalities	Quality education	Industry innovation & infrastructure	 Affordable & clean energy
	AFRICA	ASIA	PACIFIC	
1	Quality education	Gender equality	Good health & well-being	
2	 Affordable & clean energy	Good health & well-being	 Climate action	
3	Gender equality	Decent work & economic growth	Decent work & economic growth	
4	Partnerships	 Affordable & clean energy	Gender equality	
5	 Climate action	 Climate action	Industry innovation & infrastructure	

Consumer & Industrial more likely to prioritize environmental issues.

Environmental issues do not rank in the top 5 priorities for organizations in Healthcare, Nonprofit or Professional Services.

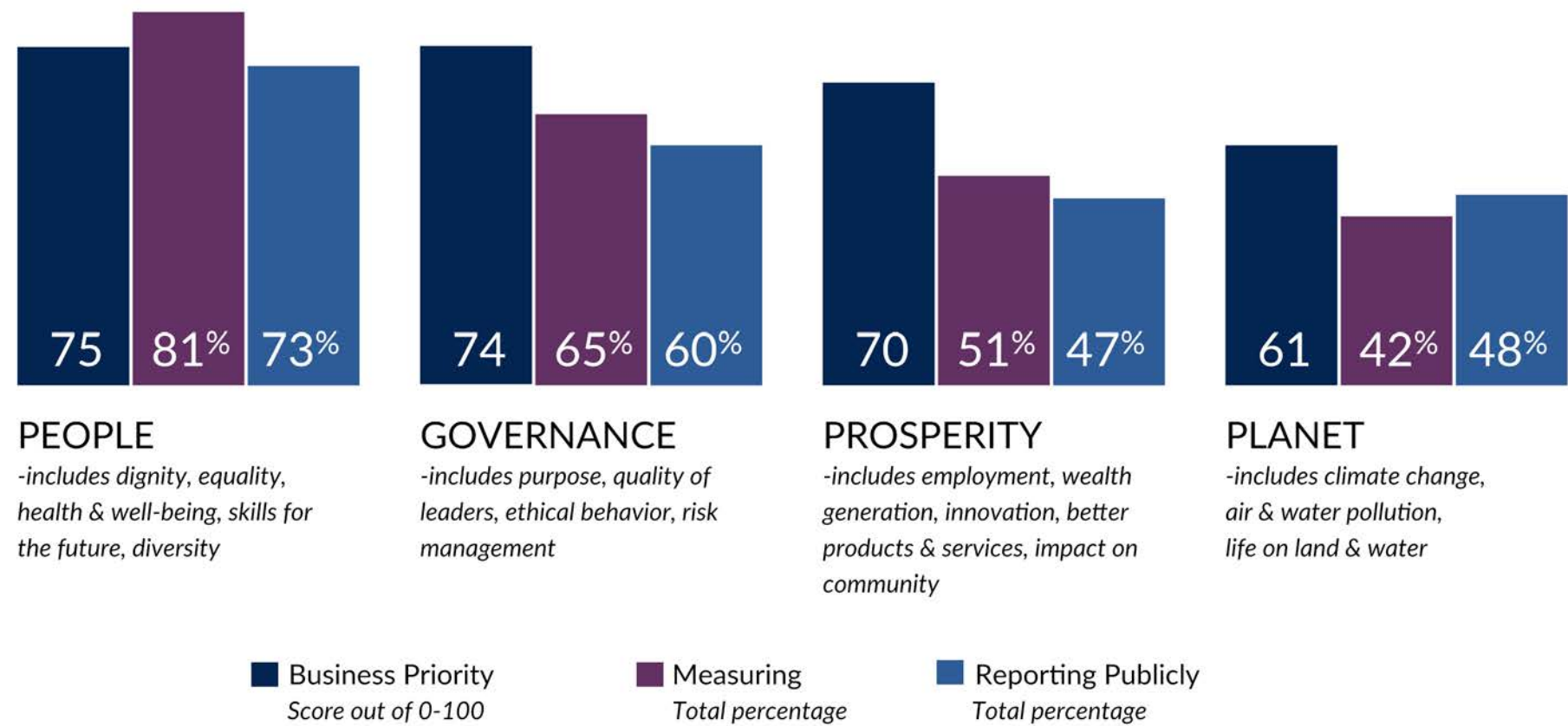
Top 5 UN sustainable development goals most prioritized by organizations (by industry)

	Consumer	Financial/Insurance	Healthcare	Industrial
1	Gender equality	Gender equality	Good health & well-being	Industry innovation & infrastructure
2	Good health & well-being	Good health & well-being	Gender equality	 Affordable & clean energy
3	Responsible consumption & production	Decent work & economic growth	Partnerships	Gender equality
4	 Climate action	Partnerships	Decent work & economic growth	Good health & well-being
5	 Clean water & sanitation	 Affordable & clean energy	Quality education	 Climate action
	Nonprofit	Private Equity	Professional Services	Technology
1	Reduced inequalities	Reduced inequalities	Gender equality	Gender equality
2	Quality education	 Climate action	Good health & well-being	Good health & well-being
3	Good health & well-being	Gender equality	Decent work & economic growth	Decent work & economic growth
4	Gender equality	Good health & well-being	Quality education	Industry innovation
5	Decent work & economic growth	Industry innovation & infrastructure	Partnerships	 Climate action

Two-thirds of organizations prioritizing sustainability.

...but less than half measure or report sustainability metrics.

Executives share how their organizations are prioritizing the World Economic Forum’s principles of stakeholder capitalism



US executives least likely to believe that sustainability is supported by their organizational culture & leadership.

Executives in Private Equity sector indicate their organizations are most likely to prioritize sustainability while more than half of Healthcare executives don't see it as a focus.

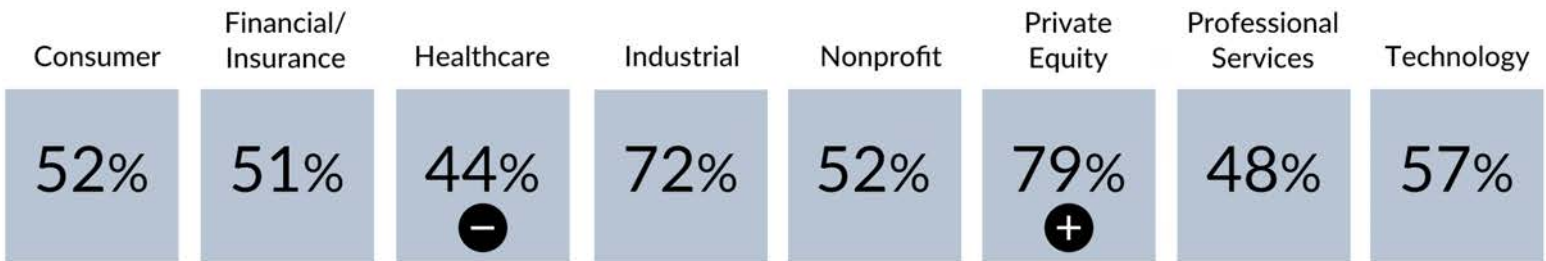
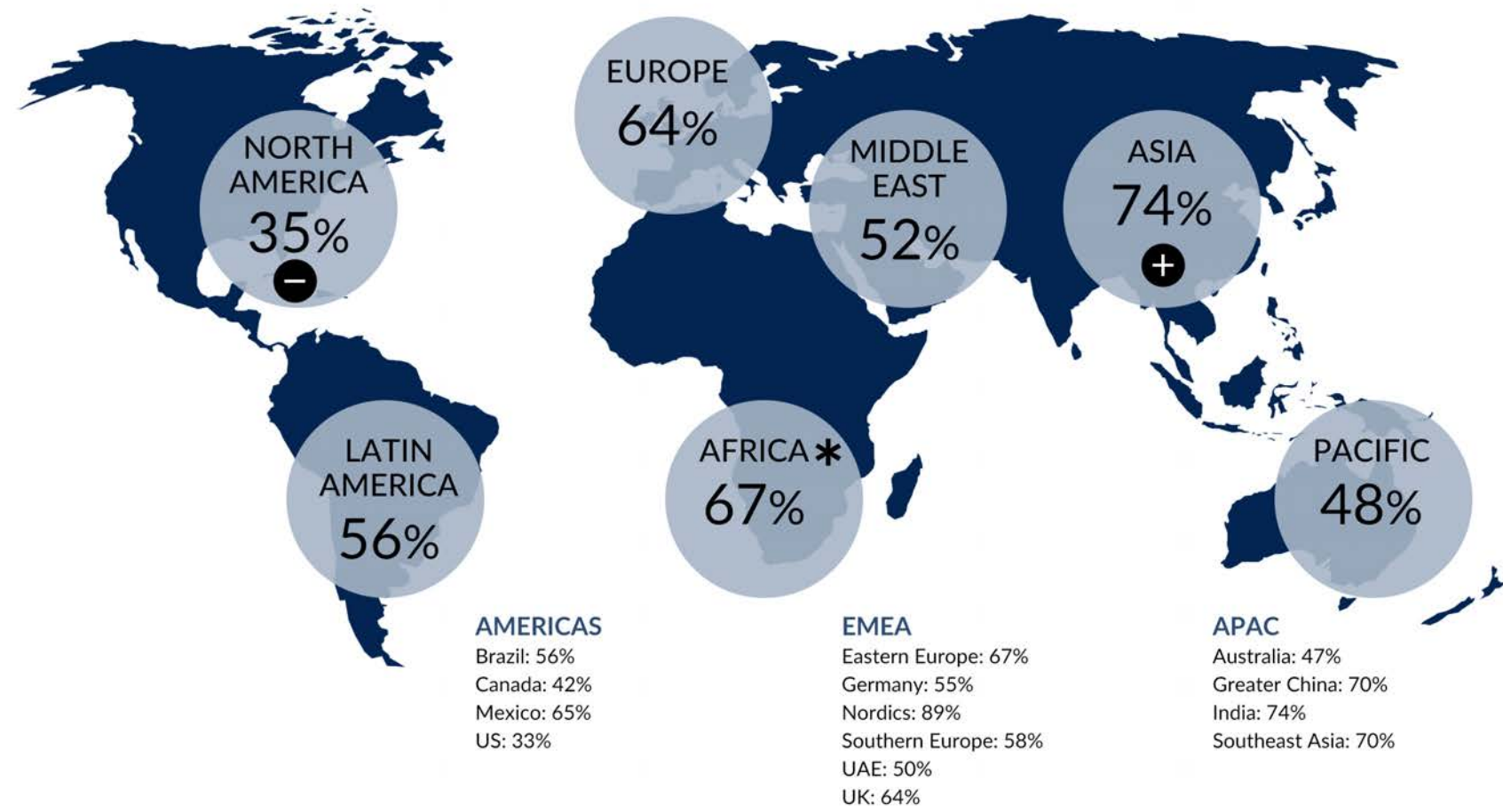
- +

High
- −

Low

* Survey response rates for Africa were low compared to other regions. The data may not be an accurate representation for all questions but in general Africa data shows similar trends as other regions.

Executives who believe sustainability is central to their organization’s culture & leadership

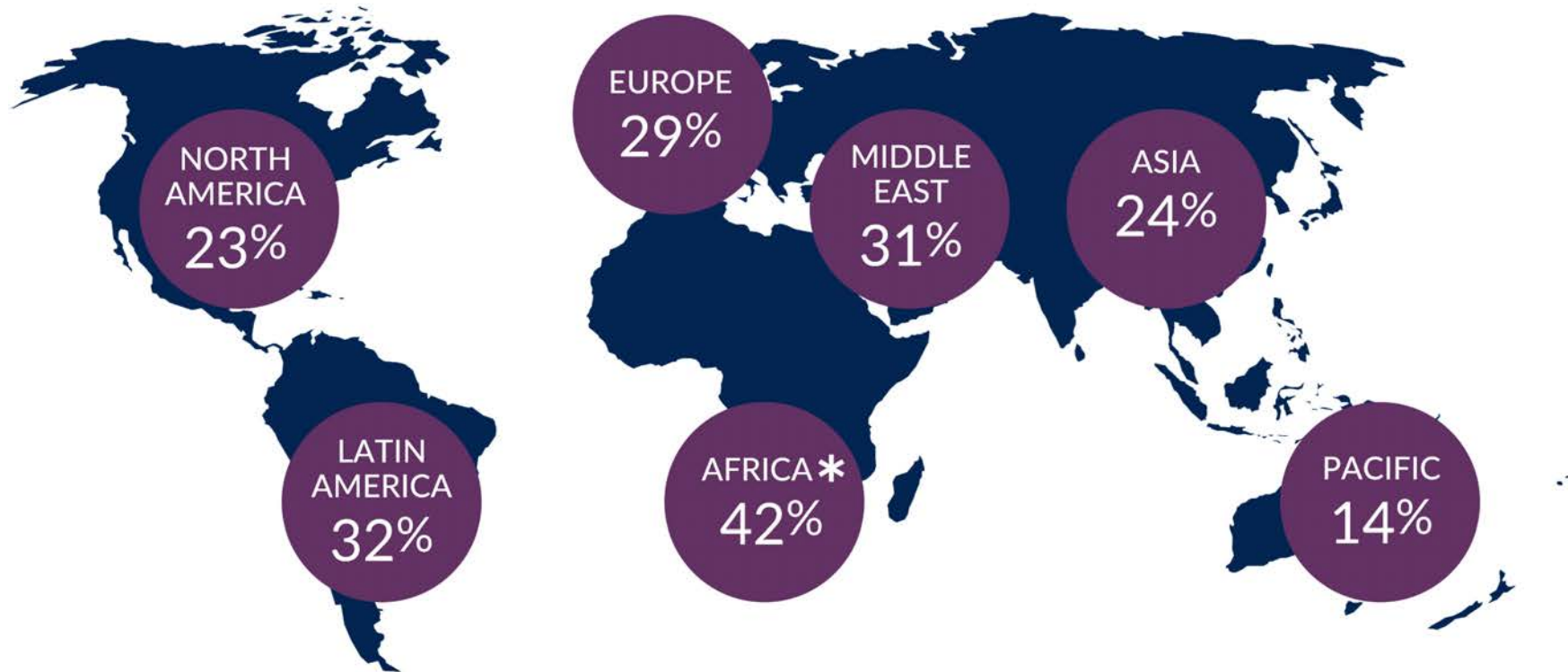


More than a quarter of executives globally do not believe their organization's culture & leadership support DEI.

The Industrial, Consumer & Healthcare sectors need most work in strengthening cultures & leadership that support DEI.

***** Survey response rates for Africa were low compared to other regions. The data may not be an accurate representation for all questions but in general Africa data shows similar trends as other regions.

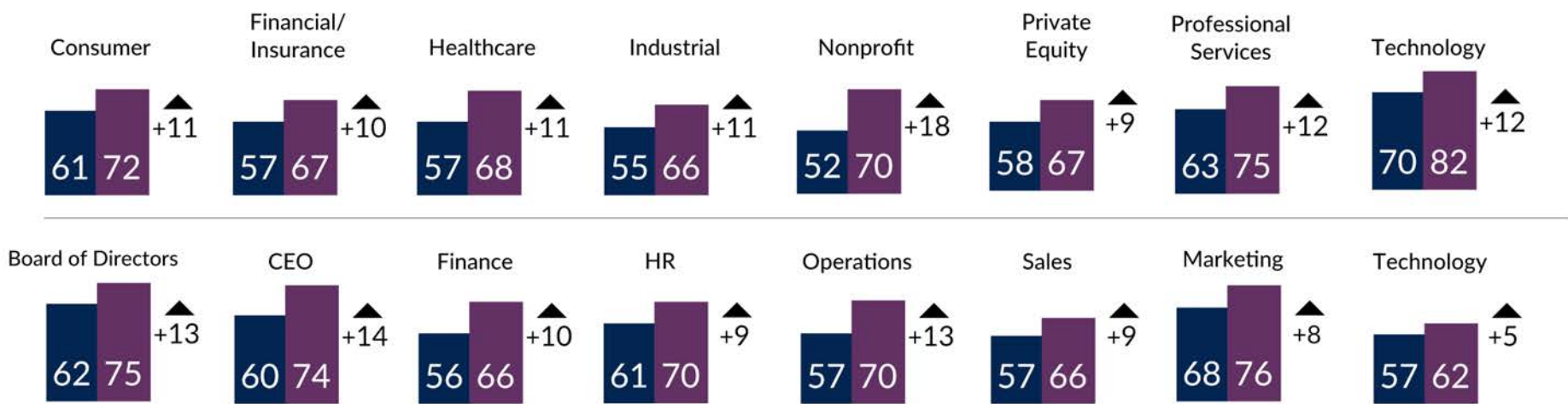
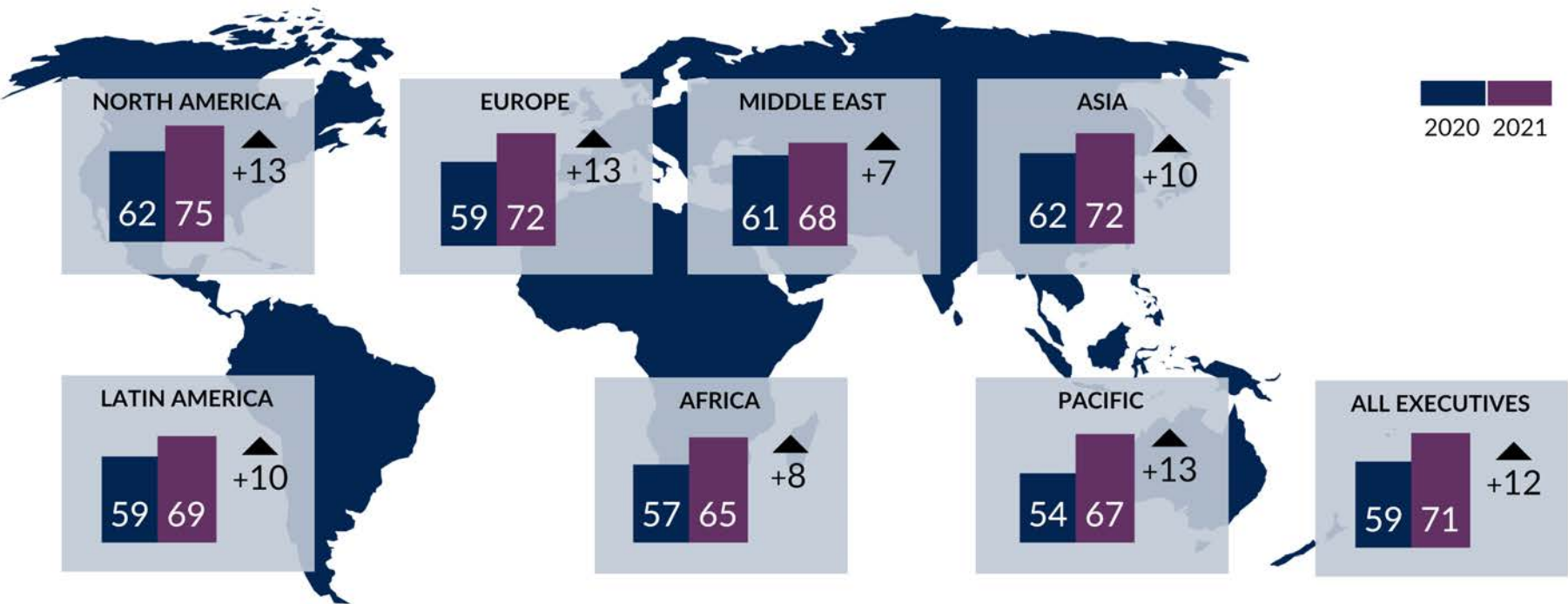
Executives who do not believe diversity, equity & inclusion (DEI) is central to their organization's culture & leadership



COVID-19 accelerated digital transformation across all industries.

Executives in the Nonprofit sector believe their organizations made the most gains in digital transformation.

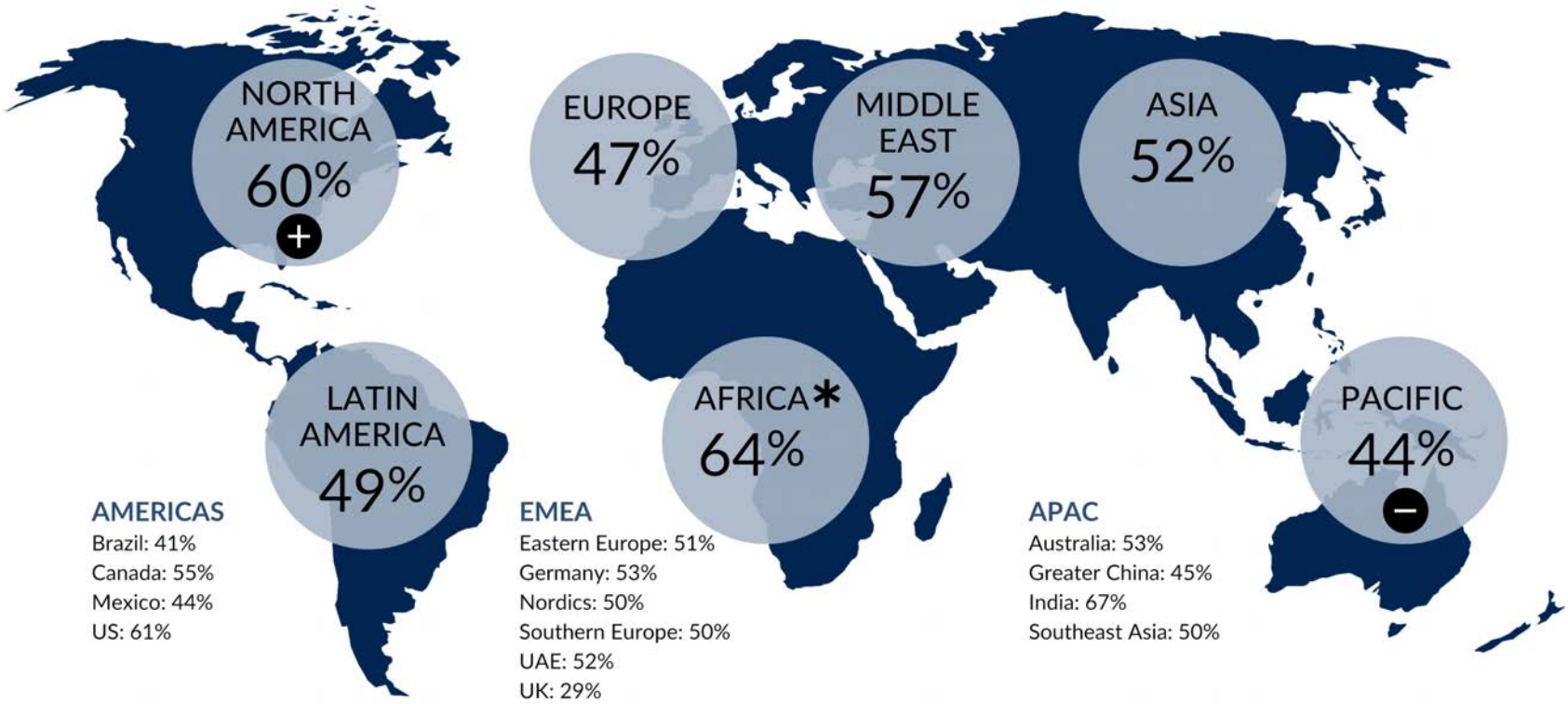
Executives score (0-100) their organization’s readiness for digital transformation just before the COVID-19 pandemic compared to now



Executives in North America most confident about implementation of digital transformation initiatives.

Healthcare executives believe their organizations are least prepared for digital transformation along with executives in Finance roles. Board Directors may be overly confident about their organization’s readiness for digital transformation.

Executives who believe their organization has the right leaders in the right roles with the right strategies to successfully implement digital transformation.



+ High

- Low

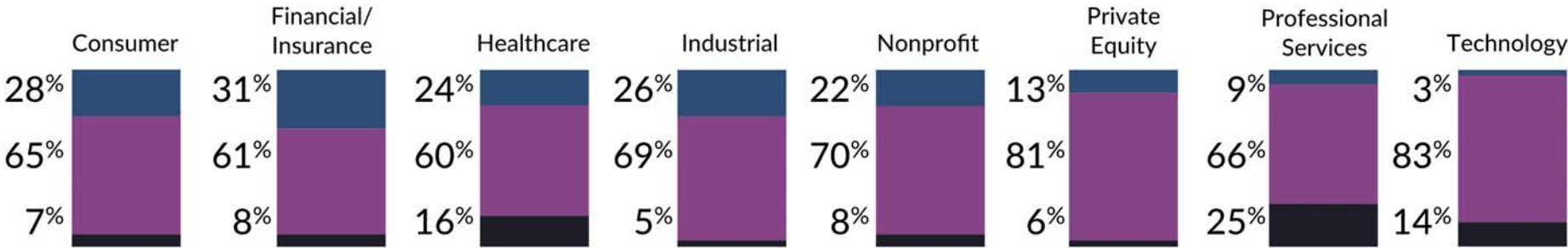
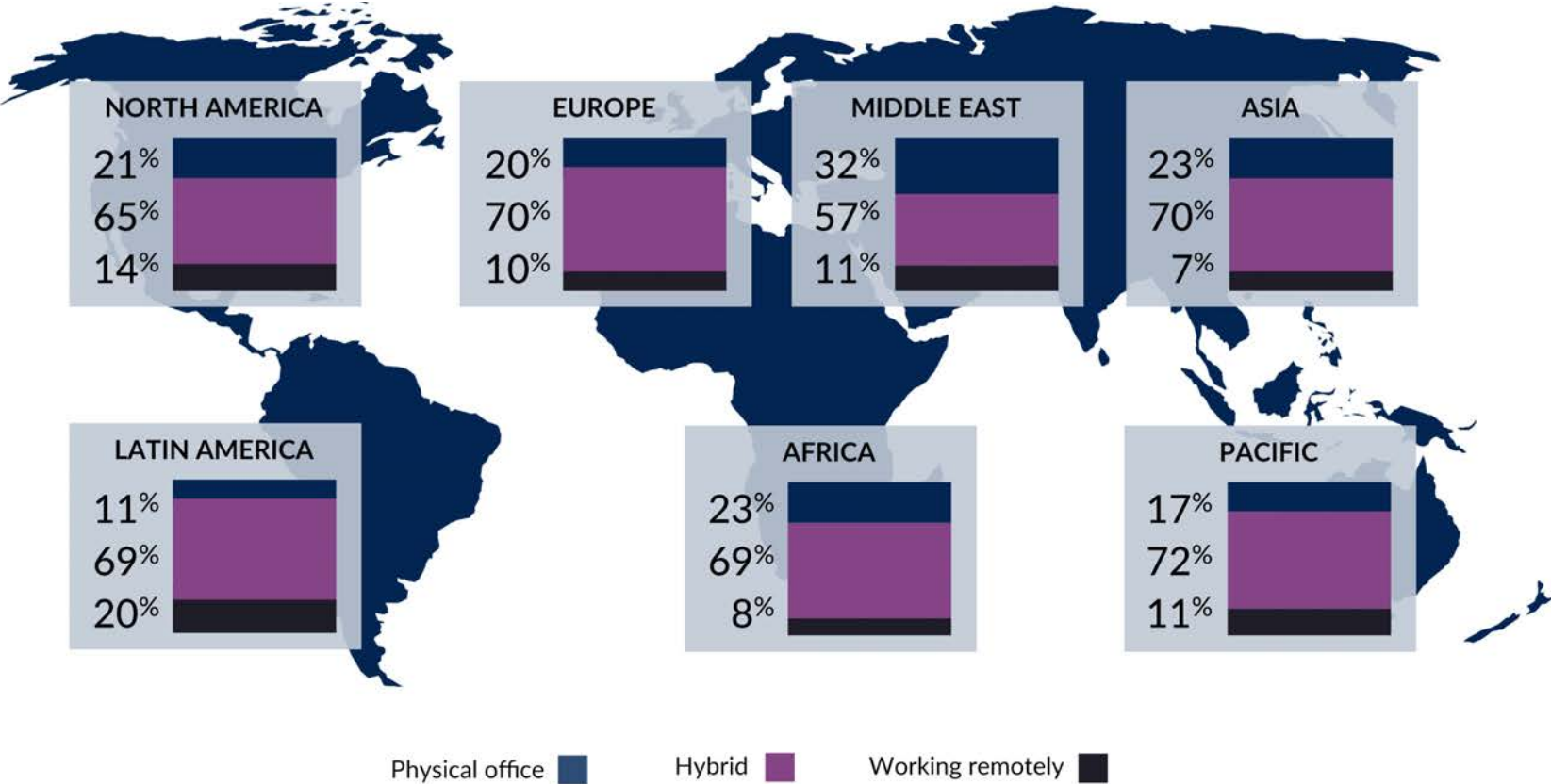
***** Survey response rates for Africa were low compared to other regions. The data may not be an accurate representation for all questions but in general Africa data shows similar trends as other regions.



Flexibility is here to stay—most organizations move to hybrid.

Adaptability is a key theme for the post-COVID era and that includes where and when we work.

The work model executives expect their organizations to adopt for the foreseeable future



STRATEGY—How AESC Members Help Organizations Get it Right

ALIGNING TALENT WITH ESG AGENDAS

Stakeholders including investors, clients, customers, employees and communities increasingly look to businesses to focus on the environment, their social impact, and good governance. The organizations that focus on these ESG principles and measures are earning the trust and loyalty of those stakeholders, and are proving to be more sustainable, driving long-term, profitable growth. AESC Members match board and executive talent to meet the specific ESG agendas of a particular organization.

BUILDING A CULTURE OF DEI

A hybrid workplace can still be inclusive. Leaders can invest in culture-building that creates belonging for all; offer location-agnostic opportunities, perks, benefits and recognition; build teams blended with remote and on-site members; and fully commit to transparency, communication, and empathy. Inclusive leaders are

widely understood to have several qualities in common. Inclusive leaders are often:

- **Purpose-driven:** Inclusive leaders are fully committed to inclusion, hold themselves accountable and model inclusive behavior.
- **Self-aware:** These leaders are cognizant of their own biases, work to prevent their bias from influencing decisions, and drive practices that prevent institutional biases from diminishing inclusion in their organizations.
- **Open:** Inclusive leaders are curious and open, admit what they don't know, accept feedback and learn from others, and build trust through humility and transparency.

AESC Members are experts in assessment and understand the critical role leaders, teams and culture play in achieving DEI goals.

DIGITAL LEADERSHIP

To take advantage of the multitude of opportunities

afforded by the explosion of new technologies, it's crucial that today's C-suite leaders define for their teams what digital transformations truly look like and the benefits they will reap for their organizations. Increasingly, business leaders understand that digital transformation is largely a talent issue. But it's also a culture issue. To bring about digital transformation, business leaders must be able to inspire and nurture an organizational culture ripe for innovation. AESC Members identify, assess and onboard digital talent and help organizations develop teams and cultures that can support digital innovation.

LEADING VIRTUALLY

The world is changing, and leaders must adapt accordingly. AESC Members help organizations assess candidates for softer skills like adaptability, communication and empathy. AESC Members identify leaders who are best equipped to succeed in a virtual environment—those leaders who can show employees they are human, drive change, lead inclusively and connect authentically.

Why Work with an AESC Member

The leading executive search firms in the business dedicated to getting it right.

Clients must be diligent in choosing a consultant. The problem they face is how to assess which consulting firms are ethical, experienced, and committed to excellence. For over 60 years the Association of Executive Search and Leadership Consultants (AESC) has set the standards for the profession.

THE TOP OF THE PROFESSION

AESC Members are the highest quality firms worldwide. Membership is highly selective and includes a comprehensive audit as well as in-depth AESC Member references and client references. AESC Regional Councils and the AESC Board of Directors are involved in reviewing regional members and global members, respectively.

CONFIDENCE AND SECURITY

AESC member firms provide their clients with excellence and experience. AESC Members understand and support appropriate levels of regulatory compliance for clients of search. The landscape of corporate governance is evolving at a rapid pace and on a global scale. With increasing oversight and transparency, it is critical that hiring and advancement processes, especially in senior

leadership roles, stand up to intense scrutiny. Boards increasingly see the value in hiring an independent third party to identify high-quality diverse talent, ensuring they have looked to the most qualified in the market, not just friends and private networks. When it comes to executive search, candidates respond very differently to an independent third party than they do to direct outreach from the hiring firm. Top executives trust the confidentiality they know they receive from an experienced independent third party. They are more likely to consider opportunities with the persuasion of someone they trust. Experienced AESC member consultants ensure that candidates have a highly professional, respectful, and positive experience. That experience can enhance a candidate's perception of the client, and increase the likelihood that in-demand candidates will say "yes" to clients represented by an AESC Member. Across all services, integrity is the most important tenet of the AESC Code. Members have an unwavering commitment to integrity, and practice at the highest standards. Clients can be assured that AESC Members will conduct assignments with utmost professionalism.

Need solutions for your organization?

[Work with an AESC Member](#)



Need support for your career?

[Register with AESC's BlueSteps](#)



Why Work with an AESC Member

(Continued)

ACCESS AND BREADTH

AESC Members are experts in leadership—understanding the role leaders, teams and culture play in driving successful organizational strategy. AESC Members provide deep access to diverse talent and provide expert guidance on aligning talent and culture to strategy. Through rigorous assessment, AESC Members help you identify the right solutions to achieve your organization’s strategic goals, from Executive Search and Leadership Development to Culture Alignment and Succession Planning. As trusted advisors to Boards and CEOs, when it comes to leaders, culture and strategy, AESC Members deliver the insight and solutions to help you get it right.

WHY WORK WITH AESC MEMBERS?

Clients can expect to work with an executive search and leadership consulting firm that meets rigorous standards, has deep knowledge in their respective markets and industries, is committed to an exemplary Code of Professional Practice, and deploys unmatched resources to each assignment. AESC Members serve as trusted advisors who consistently improve and innovate to bring the best resources to bear on behalf of their clients. By virtue of selecting an AESC member firm, clients can be secure in their choice of consulting firm, and can reap the benefits that only a trusted advisor can deliver. The best organizations work with the best firms: members of AESC.

Need solutions for your organization?

[Work with an AESC Member](#)



Need support for your career?

[Register with AESC’s BlueSteps](#)



About Our Study

AESC surveyed 976 C-level executives in September-October 2021.



BY ROLE

- 10% Board of Directors
- 32% CEO
- 5% Finance
- 16% HR
- 2% Legal
- 4% Operations
- 8% Sales
- 4% Marketing
- 5% Technology
- 14% Other



BY INDUSTRY

- 12% Consumer
- 11% Financial/Insurance
- 8% Healthcare
- 19% Industrial
- 6% Nonprofit
- 3% Private Equity
- 18% Professional Services
- 11% Technology
- 12% Other



BY REGION

- 9% Africa & Middle East
- 10% Asia
- 57% Europe
- 9% Latin America
- 11% North America
- 4% Pacific



BY GENDER

- 66% Man
- 2% Non-binary
- 32% Woman



BY REPRESENTATION

- 12% Underrepresented
- 88% Not underrepresented

STRENGTHENING LEADERS, TEAMS & CULTURE

AESC Members are dedicated to
strengthening leadership worldwide in
70+ Countries

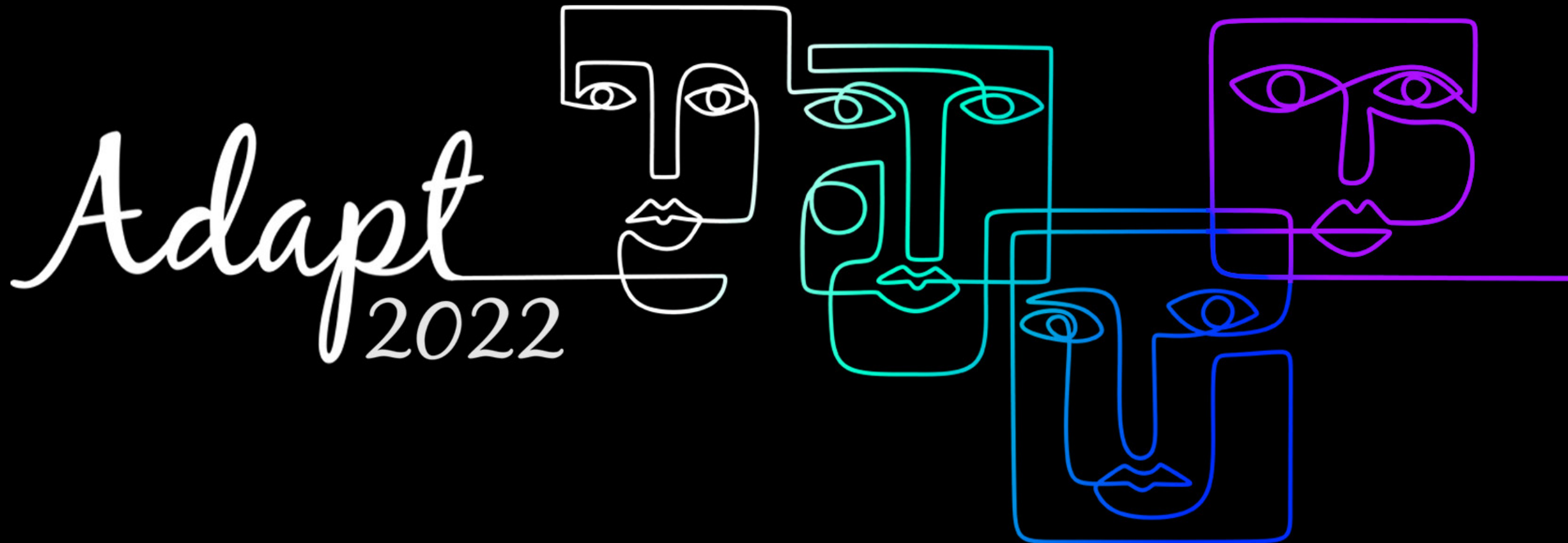
Who Can Boards, CEOs & the C-suite Trust?

Since 1959, AESC has set the standard for quality and ethics in executive search and leadership consulting worldwide. The AESC seal represents quality and integrity.

AESC Members offer a wide range of executive talent solutions from executive search and board advisory to culture alignment, succession planning and talent strategies.

Work with an AESC Member
aesc.org/members





AESC Global Conference
May 11, 2022 - New York City

[Register Now](#)

AESC European Conference
November 10, 2022 - London

Details coming soon



Own Your Executive Career Journey.

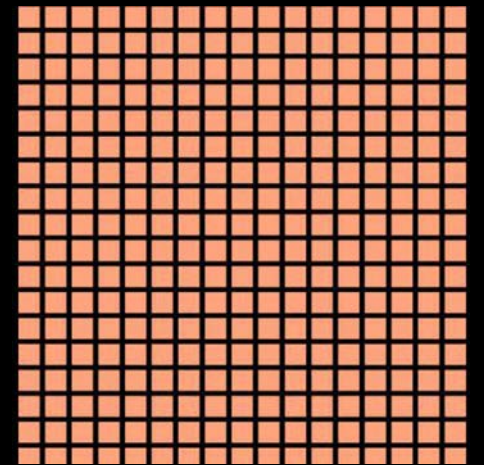
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of global executive talent.

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your career journey,
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Connect with
recruiters who
specialize in roles
you want with our
global directory.



Gain clarity on
which step to take
next in your career
in a consult
with an advisor.



Create a profile
& get noticed by
executive search
firms placing
executives like you.



ABOUT THE ASSOCIATION OF EXECUTIVE SEARCH AND LEADERSHIP CONSULTANTS

Since 1959, AESC has set the quality standard for the executive search and leadership advisory profession. AESC Members represent 16,000+ trusted professionals in 1,200+ offices, spanning 70+ countries. AESC Members are recognized leaders of global executive search and leadership advisory solutions. They leverage their access and expertise to place more than 100,000 executives each year in board of directors and C-level positions for the world's leading organizations of all types and sizes. Dedicated to strengthening leadership worldwide, AESC and its members share a deep commitment to the highest quality standards in executive search and leadership consulting—for the benefit of clients and the profession. We Shape. Connect. Educate. Learn more about us at aesc.org.

For AESC's career service for executive-level candidates, visit bluesteps.com. Since 2000, BlueSteps has empowered director-level through C-Suite professionals in 70+ countries with the insights and resources to build a competitive business plan for their careers. A service of the Association of Executive Search and Leadership Consultants (AESC), BlueSteps shares career intel, advice and opportunities candidates can't get anywhere else—straight from the world's leading executive search firms.

