

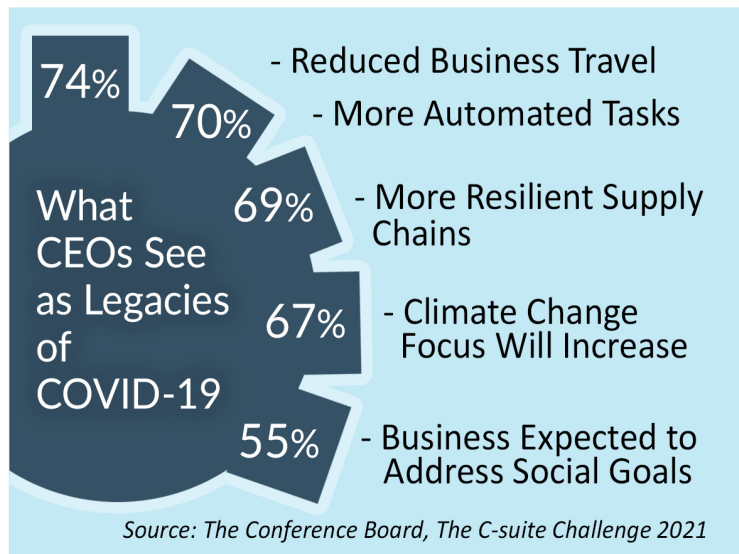


*Dedicated to
Strengthening
Leadership Worldwide*

EXECUTIVE TALENT OUTLOOK 2021

Trends Impacting
CEOs & Boards in the Year Ahead

The 2021 Agenda for CEOs & Boards



Top Issues Facing Boards & CEOs in 2021

While there are indicators that the business environment is beginning to enter a recovery phase, AESC Members believe that COVID-19 will continue to be the number one external force clients will face this year (Chart 1). Leaders will apply lessons learned from last year at the height of the pandemic, while facing major decisions about organizational and talent strategies, employee engagement in a virtual environment, office space and real estate.

AESC Members also cite ongoing digital transformation, now expedited by COVID, and demand for leaders who can drive change as other top external issues for clients. Many clients are realizing the talent they have is not necessarily the talent they will need going forward in the post-crisis climate.

Events in 2020 also accelerated Diversity, Equity & Inclusion (DEI) strategies within organizations. Clients understand that DEI must be a critical organizational focus as they look to attract, develop and retain diverse talent, while also addressing stakeholder concerns through a lens of ESG.

With the rapid rate of change accelerated even further by COVID, it is no surprise to find that the topics clients are most discussing with AESC Members include leaders who can drive change (Chart 2), as well as attracting diverse and digital talent. Clients increasingly understand they will need more diverse teams and more digital talent to achieve the innovation necessary to thrive in a post-COVID environment.

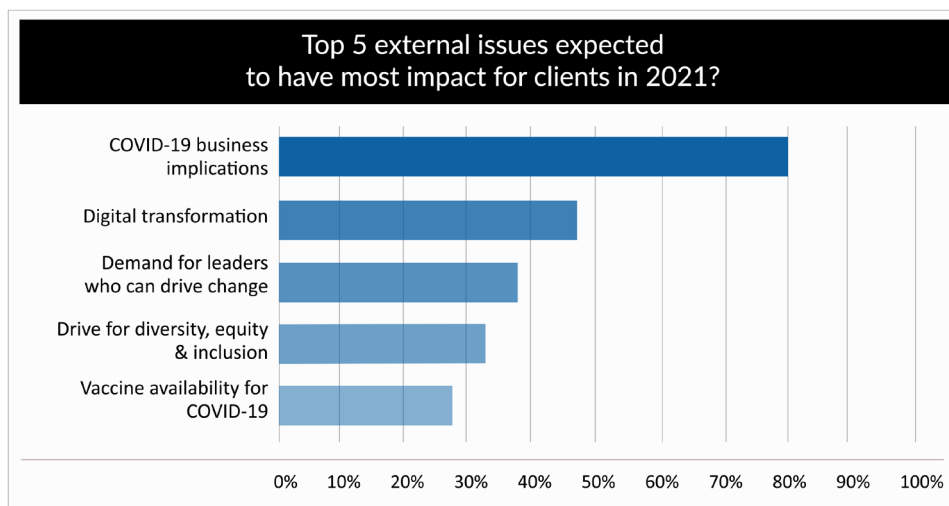


Chart 1

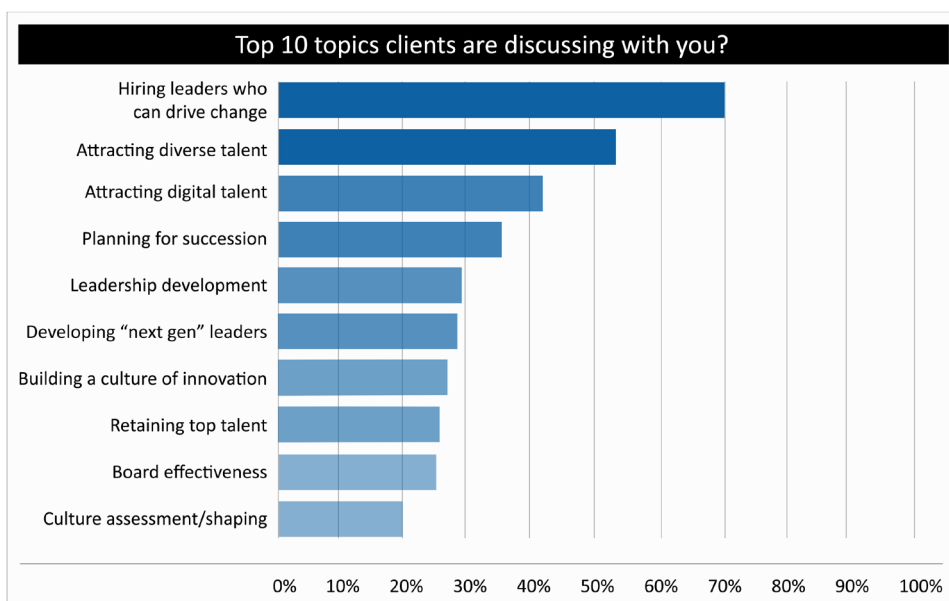


Chart 2

2021 Economic Forecast by Executive Recruiters

AESC Members work with organizations across industries and geographies to place senior talent into C-level and Board positions. As a result, they have their fingers on the pulse of the global business climate. Their unique access affords them insight into corporate behavior and attitudes, positioning their perspective as a valuable indicator of economic trends.

While there are emerging signs of economic recovery, with vaccination now underway and clients coming out of the blanket freezes on hiring that were widespread in many industries last year, most AESC Members still foresee a long road ahead. AESC Members in Asia (up 4 points) and MENA (up 4 points) represent the only

regions that forecast a more optimistic outlook for the global economy in the year ahead than they predicted for 2020 (Chart 3), just before the pandemic struck.

The outlook on the global economy among AESC Members in North America and Europe is flat year

over year, while members in all other regions—Africa, Latin America and the Pacific (down 14 points)—share a more pessimistic outlook on the global economy.

Similarly, when it comes to AESC Members' outlook for their own country's economy, only AESC Members in Asia have a more positive outlook for the year ahead than they did in the year prior (Chart 4). The outlook among AESC Members in all other regions for their country's economy is either flat (MENA) or more pessimistic for the year ahead.

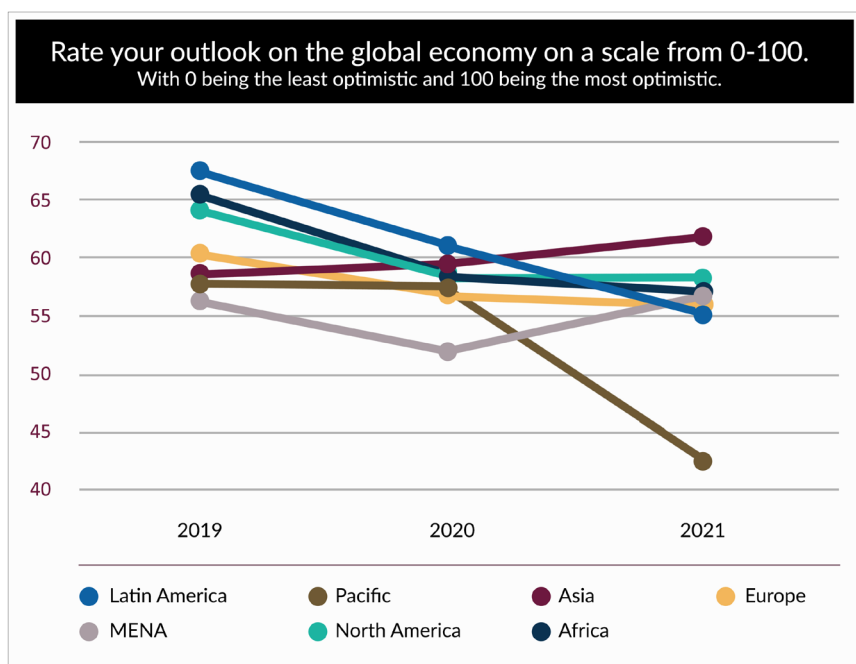


Chart 3

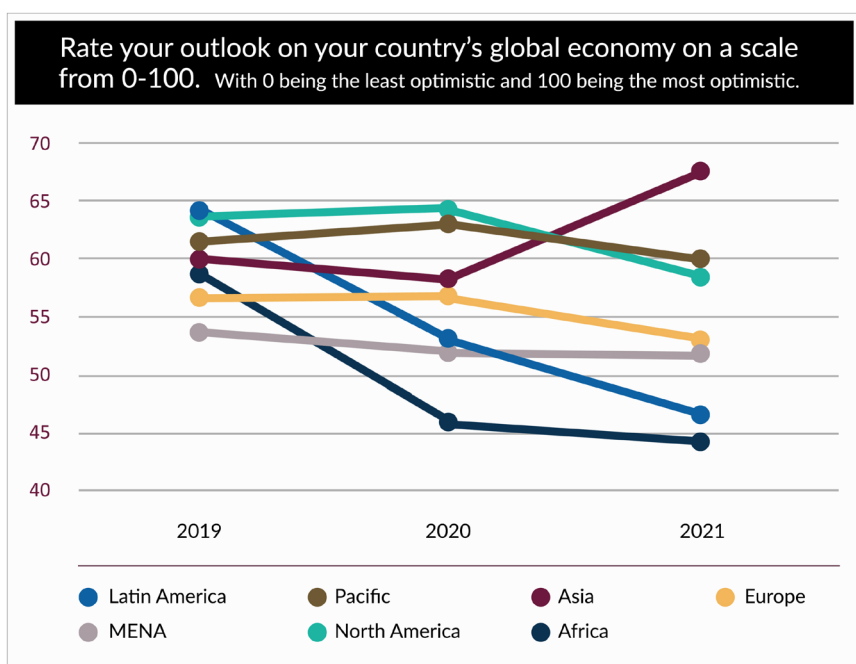


Chart 4

Sector & Service Growth Expected by Executive Recruiters in 2021

AESC Members predict Healthcare & Life Sciences and Technology to be the top growth sectors in the year ahead (Chart 5), with the number of AESC Members expecting growth in Healthcare & Life Sciences doubling compared to the year prior. Slightly more AESC Members than last year expect Technology to be a growth sector this year and Consumer/Retail is also expected to be more robust as ecommerce continues to flourish during the pandemic.

In terms of services AESC Members offer their clients, members rank executive search, followed by digital readiness & transformation, and leadership succession & assessment as the most in demand services for this year (Chart 6).

DEI ranked fourth globally and number one among AESC Members in North America. Clients continue to demand diverse talent and increasingly place enhanced focus on DEI strategies within their organizations.

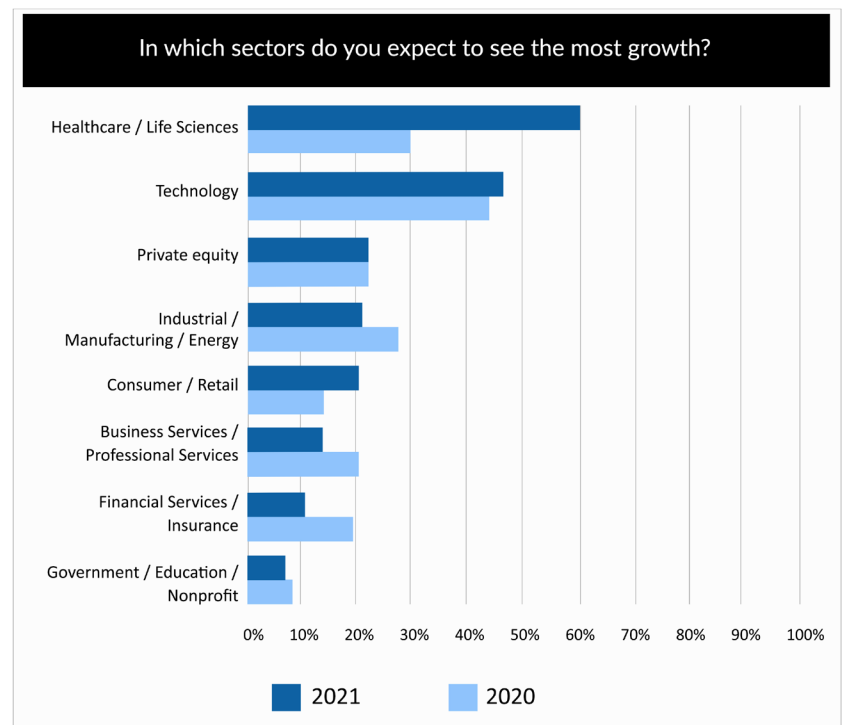


Chart 5

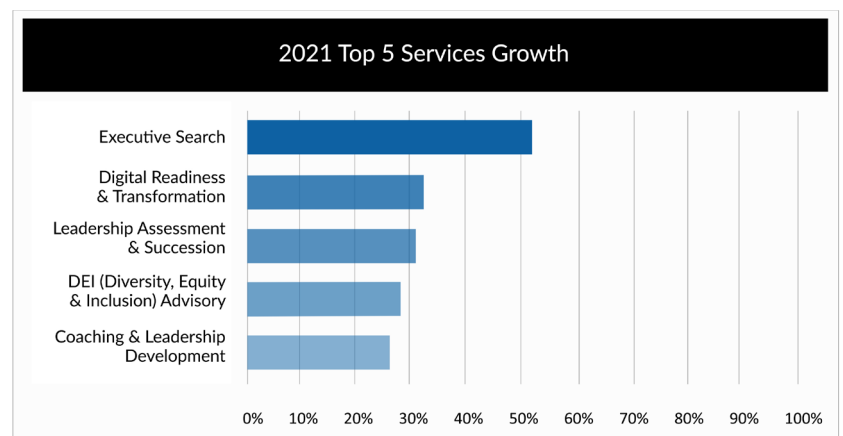


Chart 6

Geographic Market Growth Expected by Executive Recruiters in 2021

According to AESC Members globally, two out of the top three growth geographic markets for the year ahead are in Asia—Greater China and the Southeast Asia region (Chart 7). AESC Members ranked the United States as the number two top growth market for this year. However, members also ranked the US as the second most challenging market for the year ahead. The United States has had the greatest number of COVID cases worldwide. Post Presidential election and with a vaccination strategy well underway, there

are signs of increased US stability ahead, but recovery will still take time, reflected in the mixed outlook for the market.

AESC Members ranked UK & Ireland as the most challenged market in the year ahead (Chart 8), no doubt due to the impacts of Brexit now tangible. With the UK's speedy vaccination rollout largely viewed as a success, this outlook may change in the coming months.

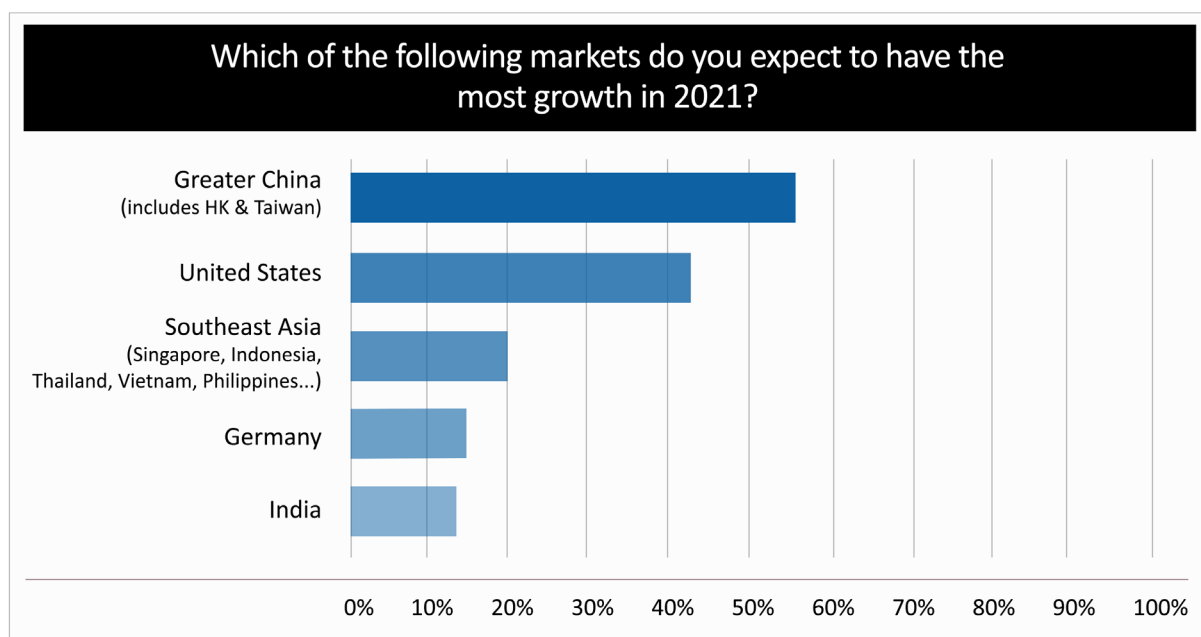


Chart 7

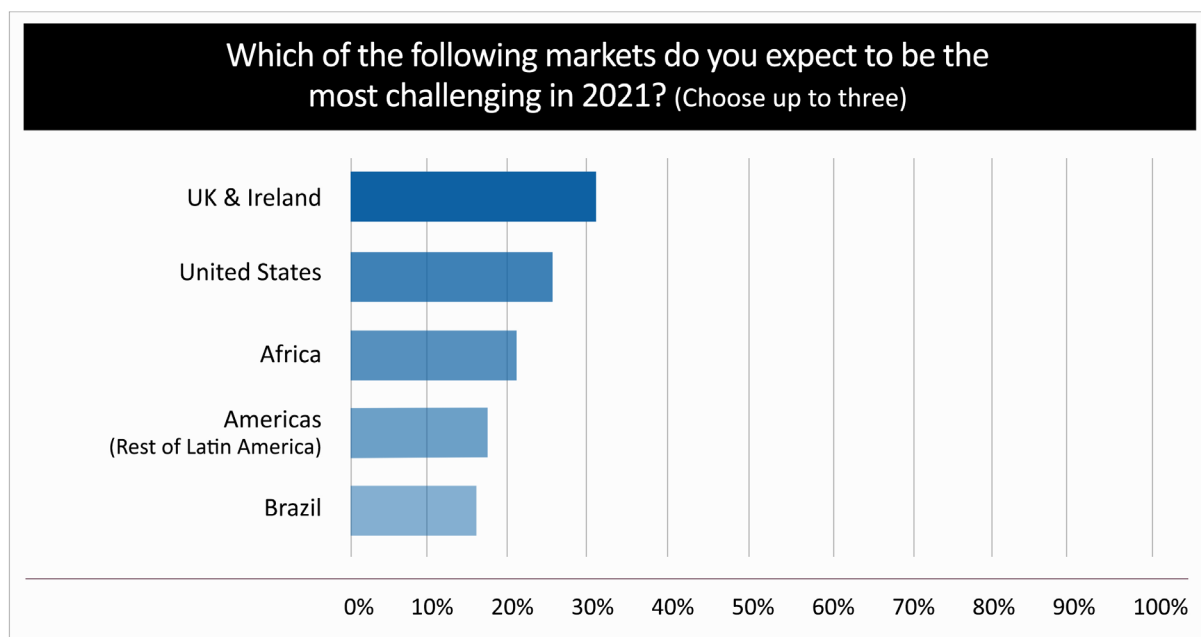


Chart 8



Advance Your Career to the C-suite & Beyond

About AESC

Dedicated to Strengthening Leadership Worldwide

Since 1959, AESC has set the quality standard for the executive search and leadership advisory profession. AESC Members, ranging in size from large global executive search and leadership advisory firms and networks to regional and boutique firms, 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, find and develop 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.



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