



STANTON CHASE
INTERNATIONAL

CEO Census Romania 2010

Profile & Mobility Trends of
C-level executives in Romania
2010

About Stanton Chase

Stanton Chase International is a specialized global executive search consultancy firm of first choice to multinational companies, offering executive search services with **worldwide reach, regional knowledge and local insight.**

Starting its international expansion in 1990, Stanton Chase operates with truly integrated resources of over 70 offices in 43 countries. In recent surveys, Stanton Chase is ranked among the **top 10 international executive search firms** by size, stature and reputation. Stanton Chase is a member of the International Association of Executive Search Consultants (AESC) and strictly adheres to its ethics and code of conduct.

Stanton Chase Bucharest is positioned among the top two executive search firms in Romania and is one of the most dynamic offices of Stanton Chase in SEE Europe that has been awarded twice as the Best Performing office of Stanton Chase within the EMEA region. Stanton Chase Bucharest has started its operations in 2004 and was initially founded by Stanton Chase Athens. The extroversion which characterizes Stanton Chase Athens has led to the expansion into the emerging markets of the Balkans and Middle East, with the establishment of offices in Romania, Serbia, Bulgaria and recently in U.A.E., where affiliated offices operate in order to cover the local and regional needs of clients for executive search services.

Our team consists of industry specialized consultants and researchers. It is important to state that all our Partners and Consultants have gained their experience and knowledge, working as executives in the industries they serve. Commitment to quality and prompt results fit seamlessly with global reach and profound regional expertise. Our industry practice groups allow us to identify leaders with proven multi-cultural experience and cutting-edge functional skills while leveraging the full benefit of our global network of resources.

Our Specialization

Specialized in board level appointments and other senior functional positions in management, sales, marketing, finance, human resources, operations and IT, we focus on:

- Consumer Products/Retail/Services (including Luxury, Fashion and Cosmetics);
- Financial Services (including Private, Corporate, Retail & Investment Banking and Insurance);
- Government, Education and Non Profit;
- Industrial (including Automotive, building material, capital & industrial equipment etc);
- Technology (including IT, Internet and Telecom);
- Life Sciences and Health Care (including OTC and Pharmaceutical Products);
- Professional Services (including Management Consultancy and other Business Services);
- Natural Resources/Energy (including Upstream & Midstream, Services, Mining and Utilities);
- Logistics & Transportation (including Freight Forwarding and Supply Chain Management.

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Foreword



Athena Tavoulari
Regional Manager SEE
Managing Director
– Bucharest office
Stanton Chase International

Following a severe financial and market downturn that affected the global economy and also Romania in the end of 2008 and especially during the 2009, Stanton Chase Romania conducted this **CEO Census survey** in order to compile the profile and career aspirations of C-level executives, and especially CEOs, in Romania today. We analyzed the executive trends in this challenging market, that used to have very impressive growth rates and that is expected to turn back to growth during 2011.

Over 200 CEOs and C-level executives responded to our survey from well known multinational, regional and Romanian companies having leading positions in the Romanian market.

Stanton Chase Romania used a 16-item questionnaire attempting to answer questions, such as: how optimistic Romanian CEOs are for the economic and business growth of Romania in the next 12 months? Which market sectors do CEOs in Romania think will offer career opportunities for top executives in Romania? How interested are they in investigating currently a new career opportunity? Which markets are regarded as most promising, when considering relocation? Which are the main factors that would lead to job satisfaction for the CEOs in Romania nowadays? Which are the market sectors that are offering currently more career opportunities in general within the Romanian market?

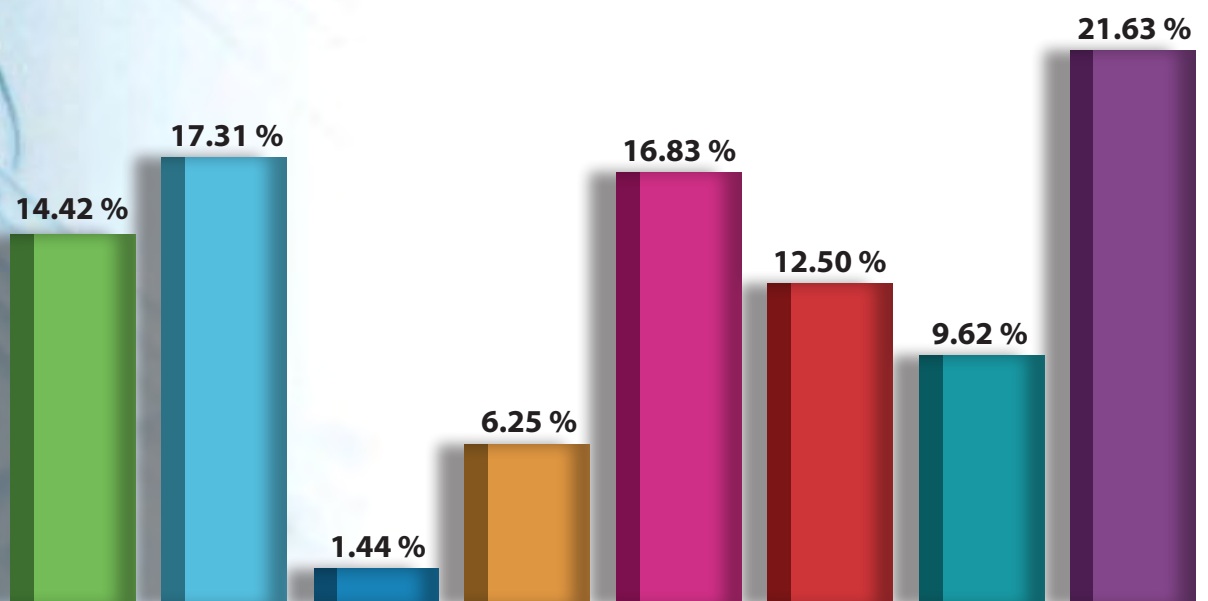
We would like to thank all the participants, CEOs and Top Management executives who participated in our CEO Census survey. It is actually the second year that Stanton Chase Romania has run this comprehensive survey; with the aim to depict preliminary long-term trends and C-level characteristics over time in the Romanian market. These tendencies will be much more clearly outlined with future annual surveys that we are committed to deliver. These surveys demonstrate Stanton Chase's commitment to understand in depth the views of the business leaders, shaping the Top Management executives career aspirations in Romania – and sharing this knowledge with the rest of our global operations.

Demographics of the respondents

CEOs in Romania and Top Management executives that participated in the specific survey would have experience mainly in Consumer Products & Services market (21.63%), Professional Services market (17.31%), Financial Services market (16.83%), other markets, such as Energy, Defense, Real Estate (14.42%), Industrial market (12.50%), Technology market (9.62%), Life Sciences & Healthcare (6.25%) and Government, Education and Non Profit markets (1.44%).

Please indicate the market sector you are in:

- Other (14.42 %)
- Professional Services (17.31 %)
- Government, Education & Non Profit (1.44 %)
- Life Sciences & Healthcare (6.25 %)
- Financial Services (16.83 %)
- Industrial (12.50 %)
- Technology (9.62 %)
- Consumer Products & Services (21.63 %)

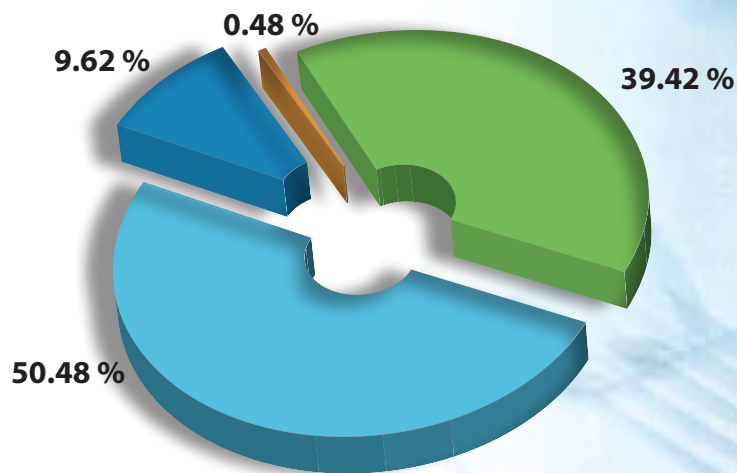


Demographics of the respondents (cont'd)

The age of the Romanian CEOs that participated in the specific study is between 40-49 years old (50.48%), 30-39 years old (39.42%), 50-59 years old (9.62%) and 60-69 years old (0.48%). In their vast majority currently CEOs in Romania are male (80.77%) vs female CEOs (19.23%).

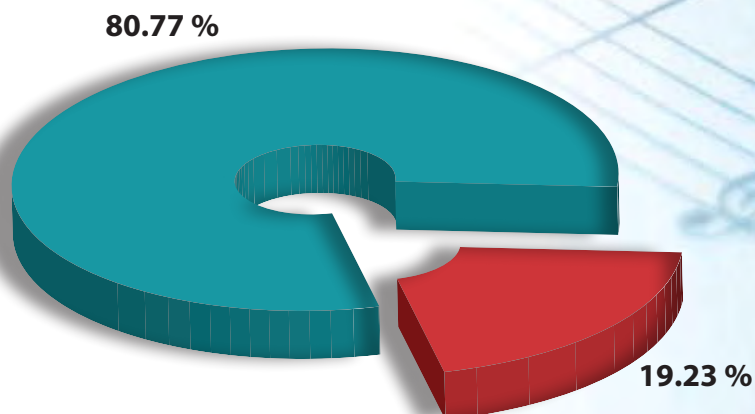
Age

- 30-39 (39.42 %)
- 40-49 (50.48 %)
- 50-59 (9.62 %)
- 60-69 (0.48 %)



Gender

- Female (19.23 %)
- Male (80.77 %)

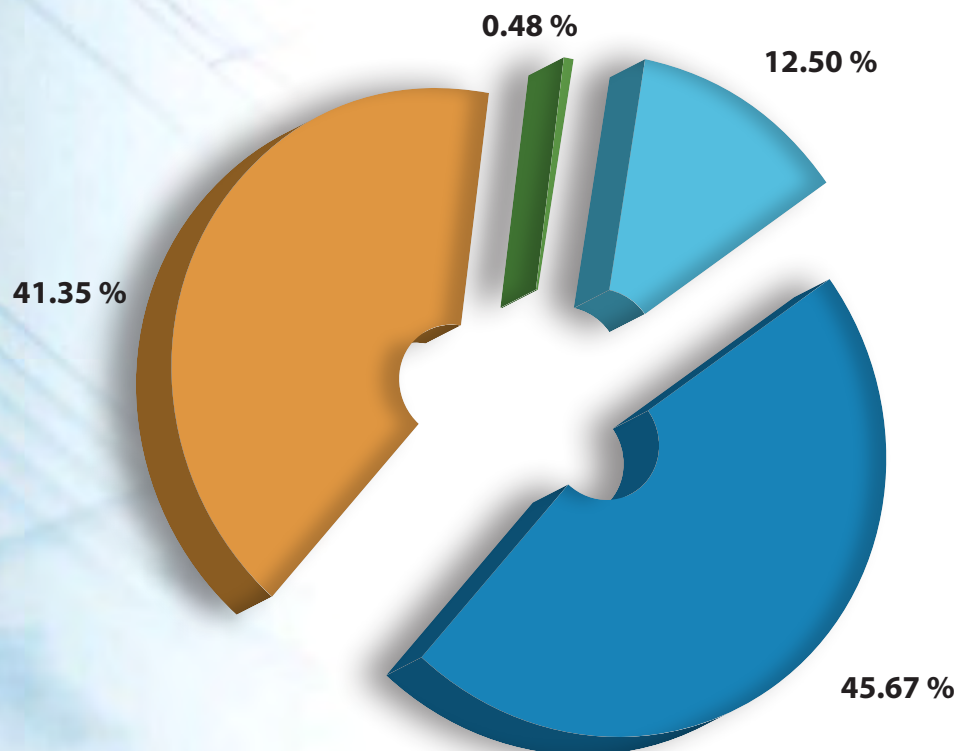


CEOs perception concerning business growth opportunities in Romania

CEOs and Top Management Executives in Romania are either very optimistic, optimistic or somewhat optimistic with an impressive percentage of 58.65% vs. 41.35% of respondents that is not optimistic in terms of future economic & business growth in Romania for the next 12 months.

How optimistic are you for the economic and business growth of Romania in the next 12 months?

- Very optimistic (0.48 %)
- Optimistic (12.50 %)
- Somewhat optimistic (45.67 %)
- Not optimistic (41.35 %)



Market Sectors with most career development opportunities

CEOs and Top Management executives in Romania these days would tend to believe that the majority of challenging career opportunities can be found in the Consumer Products & Services (20%), followed by the Technology industry (12%).

In addition, the respondents of this survey feel that many career opportunities can be explored nowadays within the Financial Services market sector (37%), followed by the Industrial market sector (29%) and Life Sciences & Healthcare markets (29%).

As a final note, the Government, Education and Non Profit market sector is the main market that CEOs believe that one cannot find any career opportunity currently in Romania (40% of the respondents).

Which market sectors do you think will offer career opportunities for top executives in Romania?

	Most	Many	Few	None
• Consumer Products & Services	20%	29%	47%	2%
• Technology	12%	41%	41%	3%
• Industrial	4%	29%	60%	6%
• Financial Services	8%	37%	49%	4%
• Market	6%	29%	55%	7%
• Government, Education & Non Profit	0%	7%	50%	40%
• Professional Services	14%	37%	45%	1%

Interested to investigate a new career opportunity?

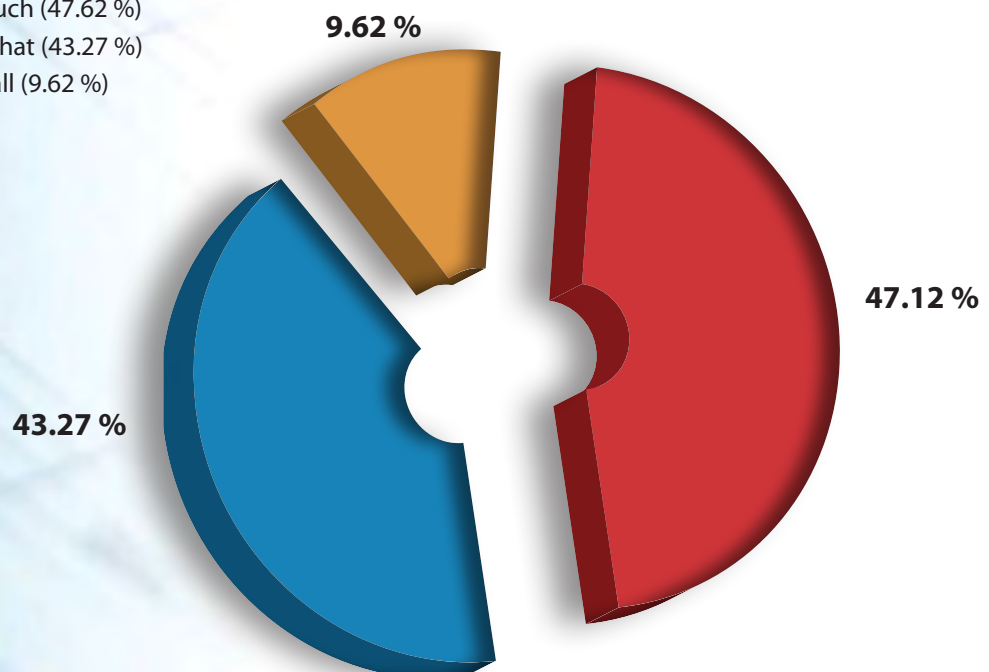
From the analysis of this survey, it is obvious that 90.39% of the CEOs and Top Management executives were either interested or somewhat interested in investigating a new career opportunity locally, regionally or globally. What we could derive from this surprisingly high percentage is directly correlated to the financial downturn that started in Romania in the end of 2008. It should be noted that the Romanian executives, especially until the end of 2008 were used in having quite a lot of professional opportunities to CHASE them.

Back then, the Romanian market was more an employees' market, rather than an employers' market and the negotiating power was in favor of the employees and not of the potential employers. In that sense, we can identify in the participants' replies a strong internal and psychological need for things to get back, ideally, in the previous situation.

Also, we should bare in mind that people and economies coming out of severe crises such as the one we all experienced need to believe again that there is "light at the end of the tunnel". In addition, it should be noted that definitely the past two years were not an enjoyable professional experience for many executives and for that reasons the majority of people tend to believe that if they change a job things will be automatically better.

How interested are you in investigating a new career opportunity?

- Very much (47.62 %)
- Somewhat (43.27 %)
- Not at all (9.62 %)

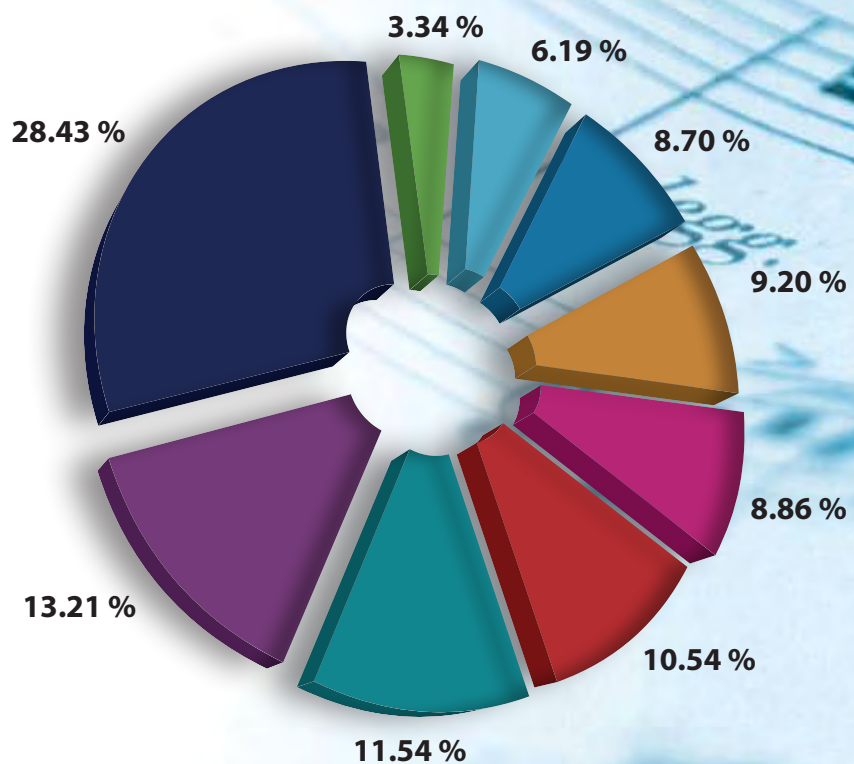


Functions where there is a shortage of skills

In terms of skills' shortage, the 28.43% of the CEOs in Romania and Top Management executives that participated in our CEO Census survey believe that the majority of the skills shortage is focusing on the general management function and also in the HR function (13.21%). This is a surprising finding and can be explained potentially as follows: We would tend to believe that this is a self-criticism by the CEOs, especially during the financial downturn. We have to take into consideration again that this is the first survey that happened during the financial crisis in Stanton Chase Romania and there were quite a lot of organizations that might have not taken the right decisions to deal with the crisis. A notable example of that is the fact that many organizations were in hiring freeze. The main question would be: how could an organization survive in a crisis and potentially develop business if they don't invest in people, either concerning their executive needs (external talent) or concerning their internal talent needs (i.e. investment in training & development programs etc). The majority of organizations in Romania proceeded in severe cost cutting in all major functions that also affected their executive search needs. Concerning the assessed shortage of skills in the HR function by the CEOs in Romania, it could be also linked with the special needs of organizations and their people, especially after the downturn. This is definitely a trend coming from abroad and in our opinion it is a sign of maturity of the Romanian market. The majority of the global CEOs consider HR skills (i.e. investing in new people from the external market or investing in training & development programs) as a top priority in their business agendas, since in their role they should "work through people".

In which of the following functions do you believe there is a storage of skills ?

- Other (3.34 %)
- IT (6.19 %)
- Finance (8.70 %)
- Production (9.20 %)
- Supply chain/Logistic (8.86 %)
- Marketing/PR (10.54 %)
- Sales (11.54 %)
- HR (13.21 %)
- General Management (28.43 %)



What do organizations seek from their leaders in Romania?

CEOs in Romania nowadays, in order to be able to remain competitive both in local and regional markets, are required by organizations to develop significantly their flexibility/adaptability (75% of the participants has assessed this field as very important), their ability to manage and measure employee productivity (61%), their change management ability (60%), their creativity (58%) and their strong personal values (57%). 55% of the CEOs that participated in this survey considered as somewhat important also the need to develop multicultural exposure as means to remain competitive in the current market needs.

What do you think organizations seek from their CEOs in order to stay competitive in the local & regional markets?

	Very Important	Somewhat Important	Not Important	Indifferent
• Productivity management ability	61%	37%	0%	1%
• Creativity management ability	58%	36%	4%	0%
• Change management experience	60%	33%	4%	1%
• Multicultural experience	23%	55%	18%	2%
• Flexibility/ adaptability	75%	23%	0%	0%
• Strong values	57%	35%	5%	1%
• Mobility	22%	57%	14%	5%

The main factors that can contribute to job satisfaction for CEOs

In terms of job satisfaction, in our time, for the CEOs in Romania it is very important to be able to participate in dynamic assignments that will increase his/her challenge/personal growth (84%), followed by the level of managerial responsibility and level of autonomy/independence (each by 65%). Stress levels and job security are also somewhat important for the majority of the CEOs and Top Management executives in Romania (63% and 62% respectively).

The level of managerial responsibility refers to the size & the complexity of the subordinate team. From the survey it is obvious that currently CEOs in Romania would be quite mobile if they find an interesting opportunity that would provide challenge & personal growth.

One of the factors that contributes to the professional growth of a CEO would also be the size & the complexity of the team that he/she manages (i.e. number of direct & indirect reports, organizational structure, solid or dotted reporting lines etc).

Concerning autonomy/independence and since in this survey the participants are well-known CEOs mainly from international and large-sized Romanian organizations, it is obvious that during and especially after the crisis, they would prefer an environment that would be more control free comparing to what they face today.

Let's not forget that usually when there is no trust in an organization, it becomes more bureaucratic and requests for constant reporting and this sometimes can become a burden for a CEO. In that case, CEOs would prefer to be able to work in an environment that would offer them, apart from personal advancement, challenge, management exposure, also independence & autonomy in decision making.

How important are the following factors in your job satisfaction?

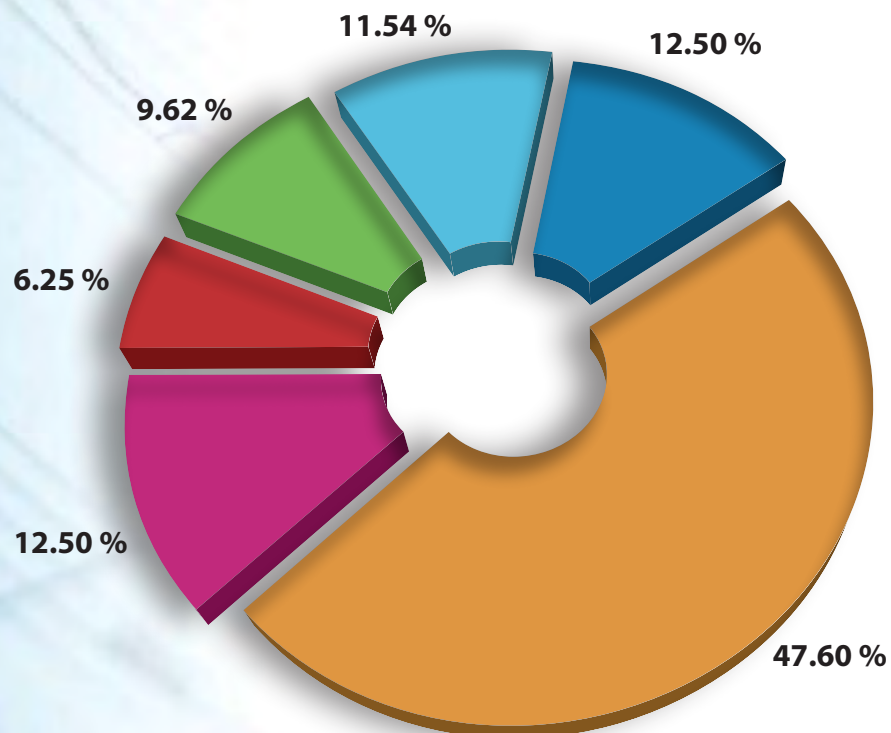
	Very Important	Somewhat Important	Not Important
• Advancement opportunities	42%	53%	4%
• Challenge/ personal growth	84%	15%	0%
• Compensation & benefits package	53%	44%	1%
• Stress level	20%	63%	16%
• Job security	24%	62%	13%
• Level of managerial responsibility	65%	31%	2%
• Match with the boss	41%	52%	5%
• Fit with culture	47%	43%	8%
• Work-life balance	50%	44%	4%
• Level of autonomy/independence	65%	32%	1%

Reasons for a career change

The big majority of the CEOs in Romania and Top Management executives will be pursuing a career change right now mainly due to their inner need to ensure career development opportunities and get challenged (47.60%). 12.50% of them are not satisfied with their current employer and another 12.50% would also like to improve their remuneration package through a career change.

Why would you pursue a new job/career change?

- Other (9.62 %)
- To pursue personal business (11.54 %)
- To improve my remuneration (12.50 %)
- Seek career development (47.60 %)
- I'm not satisfied with my current employer (12.50 %)
- I'm out of a job (6.25 %)



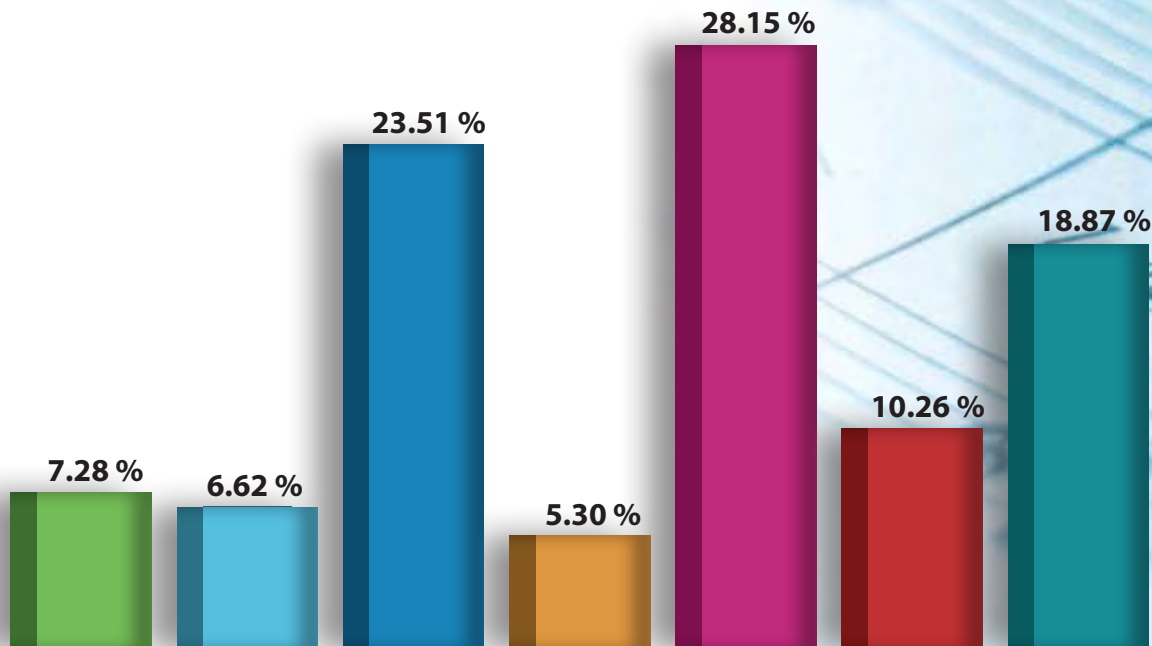
The main challenges for the next successful career step nowadays

The major challenge for making a successful next career step for a CEO career right now would be to be able to change own leadership profile, including skills, competencies, culture and work style (28.15%). The reason for that is again the recently experienced crisis in the market. CEOs in Romania obviously feel that this was not just a financial crisis, but it was a systemic crisis also in business, politics etc.

In that sense, change is needed and maybe that is why flexibility and adaptability are two of the main requested competencies today. On the other hand, a strong 23.51% would consider their challenge for making a career move the opportunity to pursue a different career, maybe in a different career field, function or industry.

Which would you consider as your challenges for making a successful next step in your career?

- Other (7.28 %)
- All of the above (6.62 %)
- Pursuing a different career (23.51 %)
- Too much traveling (5.30 %)
- Changing leadership profile requiring new skills, competencies, culture, work style (28.15 %)
- Virtual working conditions (10.26 %)
- Saturated market for top Executive positions (18.87 %)



Which are the critical factors for a CEO to join a new employer?

The major factor that would influence a CEO's decision currently to make a career change would be the opportunity to take a more senior role with extended responsibilities (56%), followed by the opportunity to get a more entrepreneurial role (50%), increase own remuneration & benefits package (35%) and also increase equity opportunities (30%). This inherent need for increased level of responsibility of CEOs in Romania today is also directly correlated to challenge and personal advancement.

How important are the following factors in your decision to join a new employer?

	Very Important	Somewhat Important	Not Important	Indifferent
• Increased compensation and benefits	35%	55%	7%	1%
• Increased equity opportunities	30%	57%	8%	3%
• Increased responsibility/more sr. role	56%	34%	7%	1%
• More entrepreneurial role	50%	38%	6%	4%
• International relocation assignment	27%	35%	29%	8%
• Work with a former colleague(s)	2%	21%	44%	31%
• Change to a different career	13%	43%	32%	10%

Relocation / Where?

This is really an interesting figure; 79.81% of CEOs in Romania are willing to relocate and especially they are interested in Western Europe (23.39%), Eastern Europe (16.49%) and North America (14.09%).

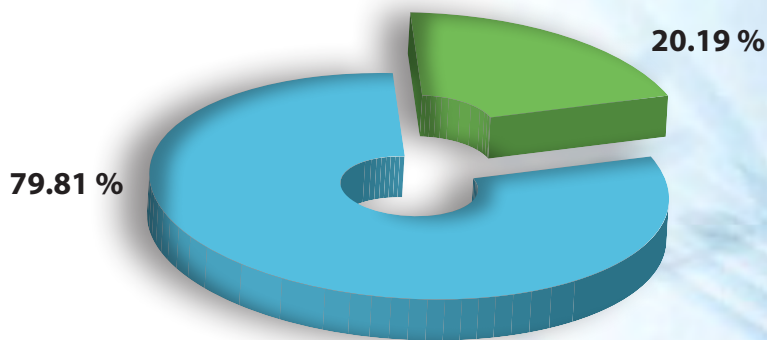
This can be explained

- a) due to their need as noted above for challenge and personal advancement,
- b) due to the fact that they would expect that outside of Romania there would be more opportunities and maybe because they would feel that the below mentioned regions would get out of the financial crisis easier than Romania.

We should also note that in a previous survey that we did in the end of 2009 and concerning "Women in Management in Romania", we received very similar replies to this specific question (back then the percentage was 75%).

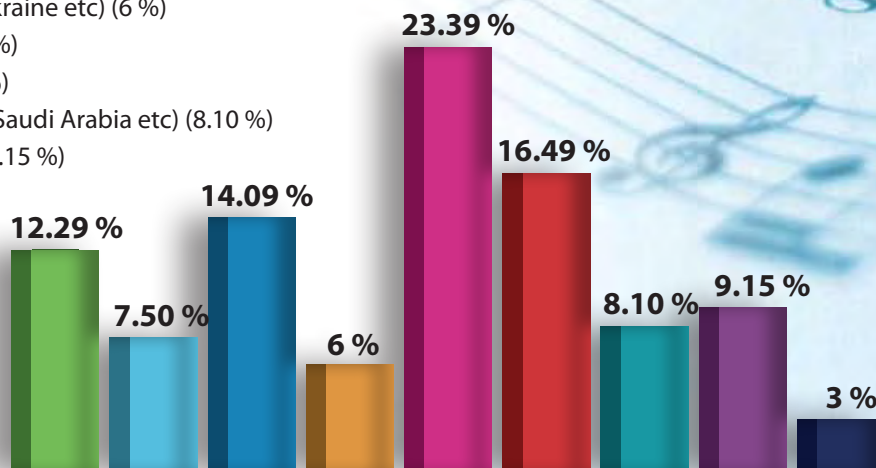
Are you willing to relocate?

- Yes (79.81 %)
- No (20.19 %)



If yes, would you relocate to?

- Australia (12.29 %)
- South America (7.50 %)
- North America (14.09 %)
- CIS countries (Russia, Ukraine etc) (6 %)
- Western Europe (23.39 %)
- Eastern Europe (16.49 %)
- The Gulf Region (U.A.E, Saudi Arabia etc) (8.10 %)
- Asia (China, India etc) (9.15 %)
- Others (3 %)

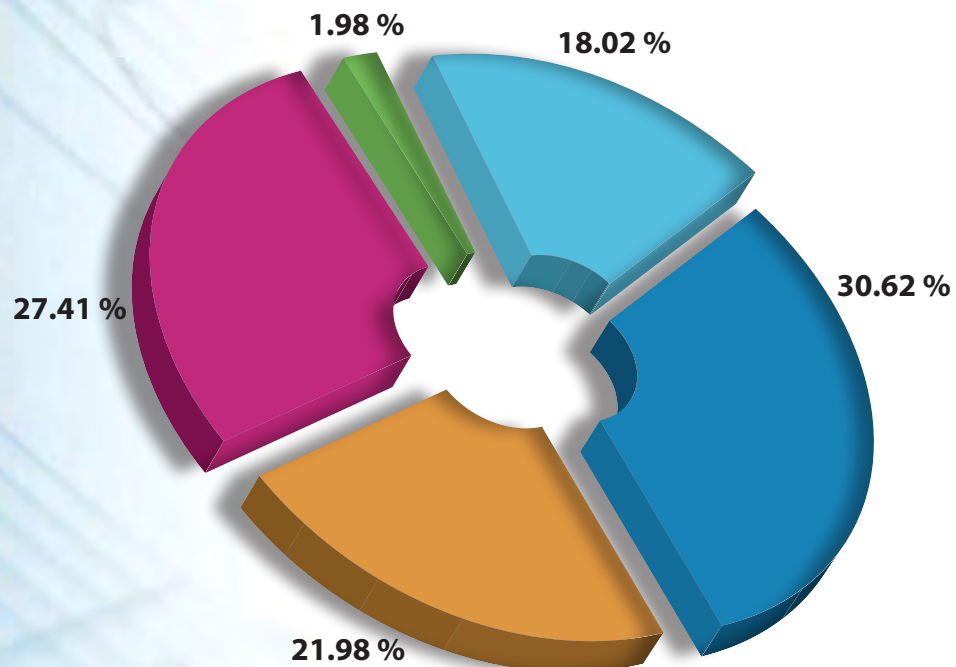


Development areas in order to achieve own career targets

In order to achieve his/her career goals the CEOs in Romania should expand own network (30.62%), gain international experience (27.41%), develop technical and personal skills (21.98%) and elaborate a self-marketing plan (18.02%)

What do you consider you need to develop in order to achieve your career goals?

- Other (1.98 %)
- Develop a self-marketing plan (18.02 %)
- Expand my network (30.62 %)
- Develop my technical and personal skills (21.98 %)
- Gain international experience (27.41 %)

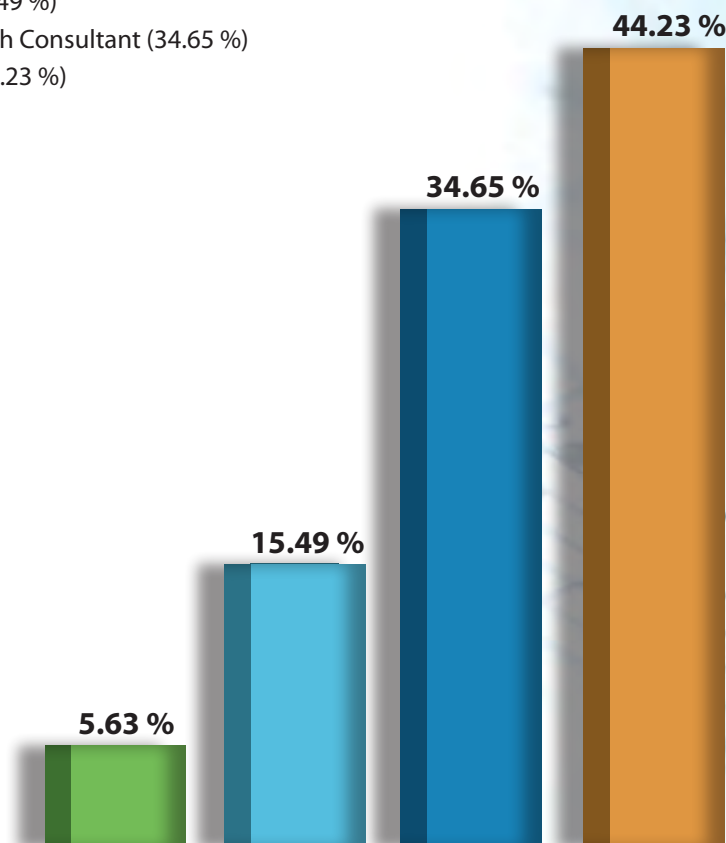


How do CEOs in Romania search the market for possible openings?

When CEOs in Romania would explore the market for possible challenging assignments, they would be involved in networking activities (44.23%), or work with an Executive Search consultant (34.65%). We would tend to believe that as the market would get more mature, the percentage of the CEOs that would explore the market through an Executive Search consultant would tend to become bigger.

How do you search the market for possible openings?

- Other (5.36 %)
- Job boards (15.49 %)
- Executive Search Consultant (34.65 %)
- Networking (44.23 %)





STANTON CHASE

I N T E R N A T I O N A L

42 Calea Dorobantilor St., 3rd Floor, Apt. 5,
District 1, Bucharest, Romania
bucharest@stantonchase.com

To discover more about Stanton Chase International and connect with a Consultant, please visit our Web site at:

www.stantonchase.com