

Executives With Global Experience Are Among the Most In-Demand

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International experience, a security background and regulatory-compliance expertise are among the most in-demand skills in the executive job market this year, according to separate forecasts by executive-search firms Christian & Timbers and **Trilogy Venture Search**.

As U.S. companies continue to expand their overseas operations, and non-U.S. companies develop their businesses in the U.S., firms want to hire executives who can help them accomplish international goals, recruiters say. In addition, regulatory and legal requirements, especially those prompted by Sarbanes-Oxley legislation, are creating more demand for executives who are expert in those areas. Companies are also looking to hire executives who can bolster corporate security.

With companies more focused on the logistics of operating on a global scale, executives who understand international markets are in demand, says Charles Pappalardo, managing director of Trilogy Venture Search, Burlingame, Calif. One such in-demand position is vice president of global manufacturing, which generally pays a salary of \$180,000 to \$300,000, he says. This executive finds the best, and often most cost-efficient, places to make a company's products.

A similar hot job is vice president of global logistics, which typically pays between \$200,000 and \$350,000. This person figures out how to move a company's products around the globe, going from raw materials to distribution of the finished product. "A lot of times we're manufacturing component parts in two or three different places, then getting them into other places to be assembled," Mr. Pappalardo says. "The logistics network becomes very complex."

Companies are also looking for chief financial officers and human-resources executives with global expertise, says Brian Sullivan, chairman and chief executive officer of Christian & Timbers in New York. A "global CFO," for instance, can navigate the financial complexities that arise from doing business in different countries. A global human-resources executive understands local hiring customs and cultures around the world.

Security concerns continue to create demand for executive hires. Mr. Sullivan says two hot security-related positions this year are director of homeland-security business development, and chief security officer. The first position helps companies build relationships and win contracts from the U.S. government's Department of Homeland Security. A chief security officer not only keeps a company's technology systems secure, but also oversees security for company buildings and grounds. For this position, a military, Federal Bureau of Investigation or Secret Service background is a major plus.

Mr. Sullivan says compliance concerns are causing increased demand for several different positions, including a "forensic" chief financial officer and a "narrow and deep" public-company board director. A forensic chief financial officer is a financial executive who doesn't just crunch numbers but who can spot potential fraud and abuse. Narrow-and-deep board members bring specific expertise to the board rather than just general knowledge and a famous name.

"This whole area of compliance continues to roll along like a snowball down a hill," Mr. Sullivan says. "First it was Sarbanes-Oxley, now it's Spitzer [New York Attorney General Eliot Spitzer] and company." He adds, "You're also finding that board members now are way more hands on than they ever had been in the past."

Christian & Timbers also identified jobs that aren't likely to be in demand this year. They include executives and brokers in the insurance industry, which has been buffeted by Mr. Spitzer's probes. Demand for executives in the airline industry is also likely to remain cool as the airline business continues to suffer. Another not-so-hot job now that the U.S. elections are over: political campaign managers.

TRILOGY VENTURE SEARCH NAMES HOT JOBS IN 2005

Trilogy Venture Search, a retained recruitment firm based in California's Silicon Valley, has published its list of the top five executive-level positions for 2005. Chuck Pappalardo, the firm's managing director, notes, "A confluence of political, economic, and regulatory factors has shaped this year's selections." He adds, "And, as global opportunities and threats become more prevalent, international experience becomes more relevant." The top-five positions, in reverse order, are:

[5] Chief Security Officer—The CSO is responsible for securing plants and manufacturing facilities globally. There are grave concerns with regard to security, particularly in the face of on-going war/terrorism, and, of course, the safety of facilities that produce hazardous material is top-of-mind. CSOs also address the integrity and impenetrability of IT systems, although this purview is often shared with a company's CIO. Individuals with law enforcement or intelligence backgrounds are very desirable.

Salary ranges from \$170,000 - \$250,000.

[4] Chief Compliance Officer—Every public company needs an internal advocate/watchdog to make certain that all compliance issues are covered. In many companies, this role is either outsourced or handled by on-staff attorneys. However, more leaders are recognizing the value of having a dedicated resource focused exclusively on the requirements of Sarbanes-Oxley and related regulations. Successful executives in this role come primarily from law; finance experience, however, adds significant value.

Salary ranges from \$180,000 - \$275,000.

[3] VP, Global Sourcing/VP, Global Manufacturing—As companies continue to advocate cost containment, both the sourcing of components and the manufacturing of products will increasingly move offshore. Executives with international and operational experience are very desirable.

Salary ranges from \$180,000 - \$300,000

[2] VP, Global Logistics—As a result of the globalization of manufacturing, there is a growing

need for experienced executives that are skilled in overseeing international operations, and managing sourcing and procurement, inventory, contract negotiations, vendor relations, and transport logistics. Additional specific skills include best practices and methodology in supply chain management, developing health and safety programs for a global workforce, and ERP/MRP systems know-how.

The advantage of this position would be that the individual has the opportunity to make a real impact on company performance and shareholder value. And, for certain companies/industries, this experience is essential to the CEO track.

Salary ranges from \$200,000 - \$350,000.

[1] CEO—This is always the number one hot job. Organizations continue to need smart and capable leaders, and companies are now focusing on executives that can truly demonstrate character and integrity as well. Industries that have the most pressing needs are biopharma and biotech because company founders are often more clinically than commercially oriented. For these industries to succeed, experienced business leadership is essential.

CEO salary and compensation packages vary dramatically depending on company, industry, geography, ownership, etc.

Mr. Pappalardo adds, "There is upward pressure on salaries for top executives, although it is measured. While hiring is increasing, the process has become very deliberate and rigorous. Companies are expecting more from their top people."



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