

# Knowledge Base

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## **Women and Minorities Targeted to Fill Executive Suites**

Women and minorities are the coveted demographic for executive search firms throughout the world to help meet the critical talent shortage at the top due to Baby Boomer retirement, according to IMD International Search and Consulting experts who recently met in Paris to discuss this burgeoning issue.

As the critical talent shortage worsens and nearly 80 million Baby Boomers in North America alone enter their retirement years, executive search leaders from throughout the world discussed the pressing question: Who will take their place in the executive suite?

More than 50 delegates, including Thomas J. Fuller, one of IMD International's seven board partners, director of the Americas and general managing partner of New York-based Epsen Fuller/IMD, gathered for a biannual conference in Paris in late November, where they discussed the phenomenon.

### **Critical Talent Shortfall**

The baby boom generation is generally defined as the population born between 1946 and 1964. Employees in this demographic group range in age from 43 to 61, and are expected to begin leaving the workforce in 2008, as the first wave of boomers turn 62. There is a 33 million person shortfall expected in the U.S. alone over the next 5 – 15 years.

“In terms of age, origins, gender... there is a need to open the doors to new profiles and how organizations will manage to deal with the problem,” said Albert Hiribarrondo, chairman of the IMD International board, representative from France and managing partner of Sirca/IMD.

“We must find ways to bring more women and minorities into management ranks, mentor them, and give them the ability to then rise to in upper management positions. Again, 30 percent of the current executive suite will be retiring within five years, which is a huge percentage, and we don't have enough talent to fill those roles,” said Fuller.

The critical demand for senior level executives led these industry thought leaders to meet and discuss strategies for corporate organizations to deal with changing demographics, organizational transformation, talent acquisition and diversity in the executive suite.

### **Winning the Talent War**

“To win the talent war we need to explore targets previously untapped. One of the largest targets is the female in management. Only two percent of the CEOs in the UK are female,” said Sherilyn Shackell, CEO of Highfield Human Solutions/IMD of the UK, and IMD Board partner.

“There must be an evolution in minds, in families and in society. Mothers must educate their daughters and tell them that things are open for them. The first step is the awareness that things have to change in order to tap into this phenomenal potential. My daughters grow up with the belief that they can excel in the workplace the same way men do, expect what they do, and be just as influential,” Shackell added.

Just 10 of the CEOs among the Fortune 500 companies were women in 2006, and only 20 Fortune 1000 companies had women as their leaders.

While the lack of women at the top was echoed by the IMD partners from Italy, Japan, Korea and Germany, others said the trend seems to be moving toward more females in the executive suites in Spain, Denmark, Finland and Mexico.

“In Finland women are considered as equal, with a lot of money having been put into our education system...but we still don't have enough women in top management positions,” said Mimma Silvennoinen, managing partner of IMS Talent in Finland.

### **Global Survey Launch**

At the Paris conference, IMD International announced the launch of a new global survey, “The Changing Face at the Top,” which will be released at its spring 2008 conference in New York as a follow up to its 2005 survey, “Mobility of Managers.” The survey will poll senior executives from the global 1,000 companies.

The Paris conference included a dual celebration and gala dinner in honor of IMD International’s 35th anniversary and the 30<sup>th</sup> anniversary of the host firm, Paris-based Sirca/IMD.