

INDUSTRY UPDATE: All Industries

The Market for Executives

Few would dispute that 2021 has been a difficult year for the world as it tries but does not yet quite succeed to leave the pandemic in the rearview mirror. The economic devastation at least has receded to some extent, though, in most regions as the survivors have learned to cope. A recent forecast by the Conference Board suggests that GDP growth will continue quite strongly into 2022 (see source) and beyond as the supply chain gaps left by the pandemic are successively resolved and vaccination rates creep up. Here is their forecast and a bit of history for context:

| GDP Change YOY | 2020 | 2021 | 2022 | 2023 |
|----------------|-------|------|------|------|
| US | -3.4% | 5.7% | 3.8% | 3.0% |
| Europe | -6.6% | 5.0% | 4.1% | 1.7% |
| Middle East | -2.5% | 3.8% | 3.8% | 2.4% |
| World | -3.3% | 5.1% | 3.9% | 2.8% |

None of this growth will occur without talented executives to drive it, and it is our business at the Barrett Group to help executives find opportunities that fit their whole-life requirements, something we have done very successfully now for more than 30 years.

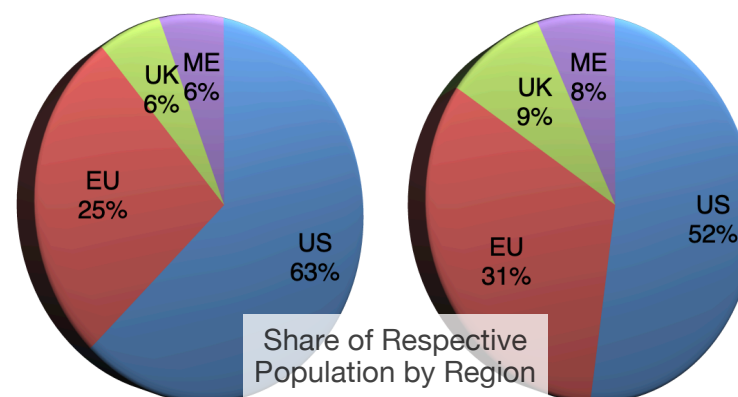
In this publication we wish to call attention to the activity in the executive market while segmenting it in various ways that we believe business professionals will find useful, including by industry,

Editor's Note: In this Industry Update “executives” will generally refer to the CEO, CFO, COO, CTO, CIO, CMO and Vice President titles only. Unless otherwise noted, the data in this Update will largely come from LinkedIn and represents a snapshot of the market as it was at the time of the research. Is LinkedIn truly representative? Here's a little data: LinkedIn has approximately 722 million users, 174 million in the US and 163 million in Europe. ([See Source](#)) It is by far the largest and most robust business database in the world, now in its 18th year. LinkedIn defines the year over year change (YOY Change) as the change in the number of professionals divided by the count as of last year and “attrition” as the departures in the last 12 months divided by the average headcount over the last year.

geography, specialization, and other criteria relevant to the executive market. Our principal source is LinkedIn and we explain why we regard this as an essential source in the Editor's Note below.

Executive
Population:
3.57 Million

Changed Jobs in
Last 12 Months:
152,000



In total we are focusing here on an executive population of about 3.57 million in the US, EU, UK and Middle East that grew by about 2% in the last twelve months. Approximately 152,000 of these executives changed jobs during this period, an average “churn rate” of 4.3%—higher in the EU, UK, and ME and lower in the US.

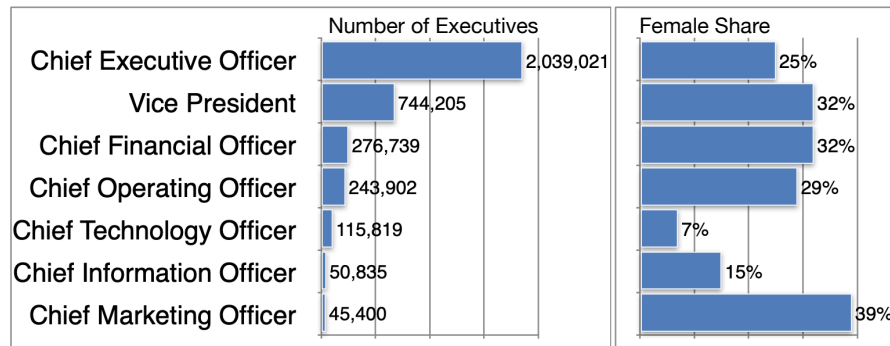
New York (261,079) remains the location with the largest executive population, followed by Los Angeles (184,001), San Francisco (99,336), Washington DC (96,153), and London (90,684) among the top five. In the EU, UK & ME grouping, London predominates, followed by Paris (50,383), the UAE (37,082), Stockholm (35,485) and Madrid (31,106).

In total, female executives constitute just 27% of the executive pool, more in the US (30%) and less in the EU, UK & ME cohort (21%).

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What do these executives actually do? As far as titles are concerned, they are predominantly occupied in the C-Suite with a smattering of Vice Presidents. Chart 1 provides an overview of the distribution by title as well as the relative gender dispositions.

Chart 1: Number of Executives and Female Share



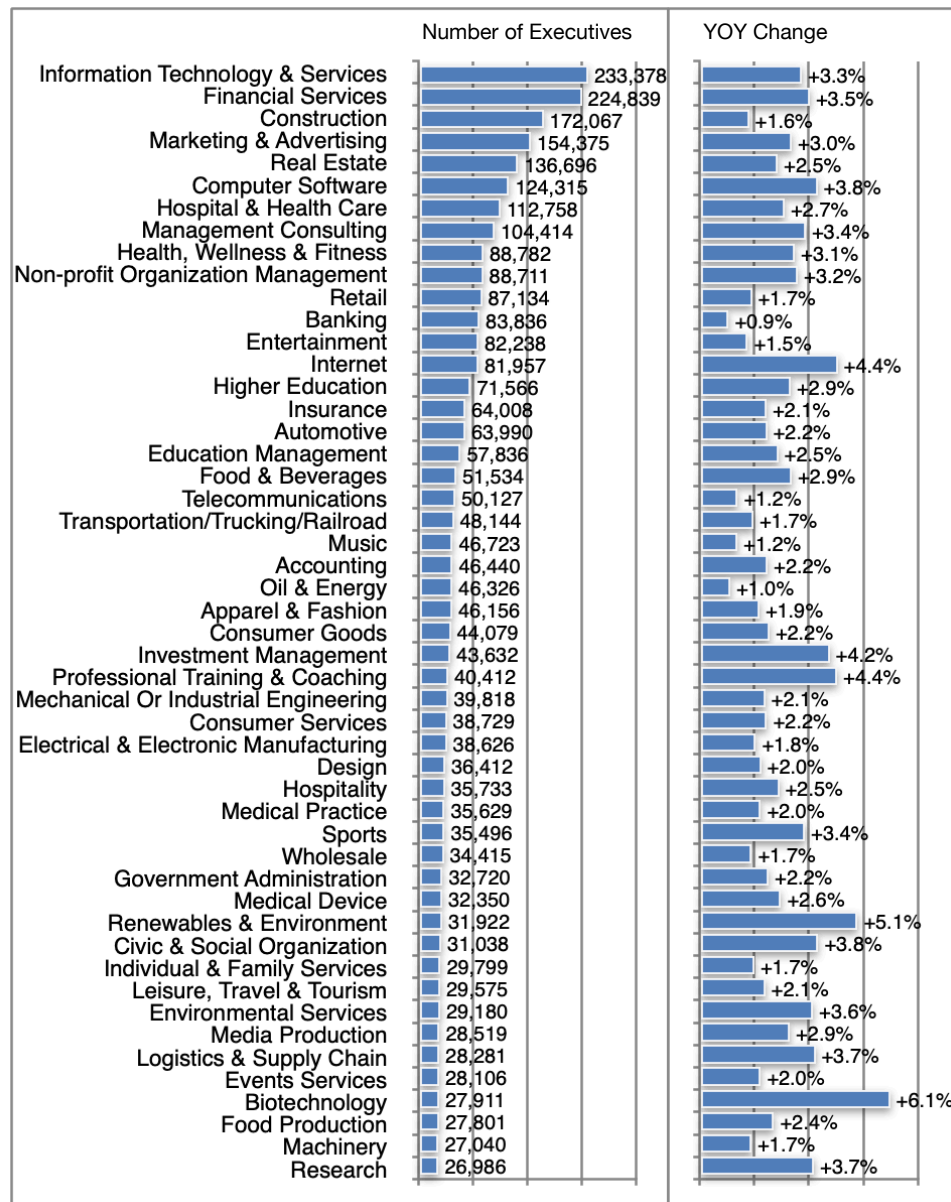
It is perhaps important to remember we are viewing this data at a rather high level of aggregation, however, Chart 2 still provides an excellent perspective on how the top 50 industry segments are developing in terms of the number of relevant executive positions and the change year on year.

While IT and Financial Services predominate in the total number of executives employed and exhibit healthy growth rates of 3.3% to 3.5%, Biotechnology tops the chart in terms of growth at 6.1%, followed by Renewables & Environment (+5.1%), Professional Training & Coaching and also Internet (+4.4% each), Investment Management (+4.2%), and Computer Software as well as Civic & Social Organization at 3.8% each. It is no surprise to see Logistics right behind them at 3.7%, too, given the global supply chain issues so many industries are currently facing.

Interestingly, LinkedIn actually cites “high demand” for the entire executive pool at the time of this publication, slightly higher in the UK.

Note: Barrett Group clients have access to our significant data resources via their assigned research specialist.

Chart 2: Top 50 Industries and Growth Rates

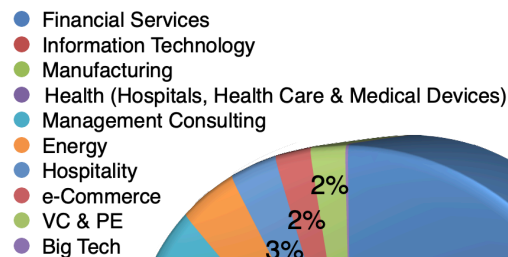


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Per Chart 3, Financial Services is by far the largest individual business segment we have so far surveyed (comprising circa 389,000 executives in the US, EU & UK) so it is not surprising that this industry is so well represented among the top employers of executives (Chart 4). Many of these companies show significant growth in their executive ranks, but many more show high attrition, meaning, there is a lot of movement in this population.

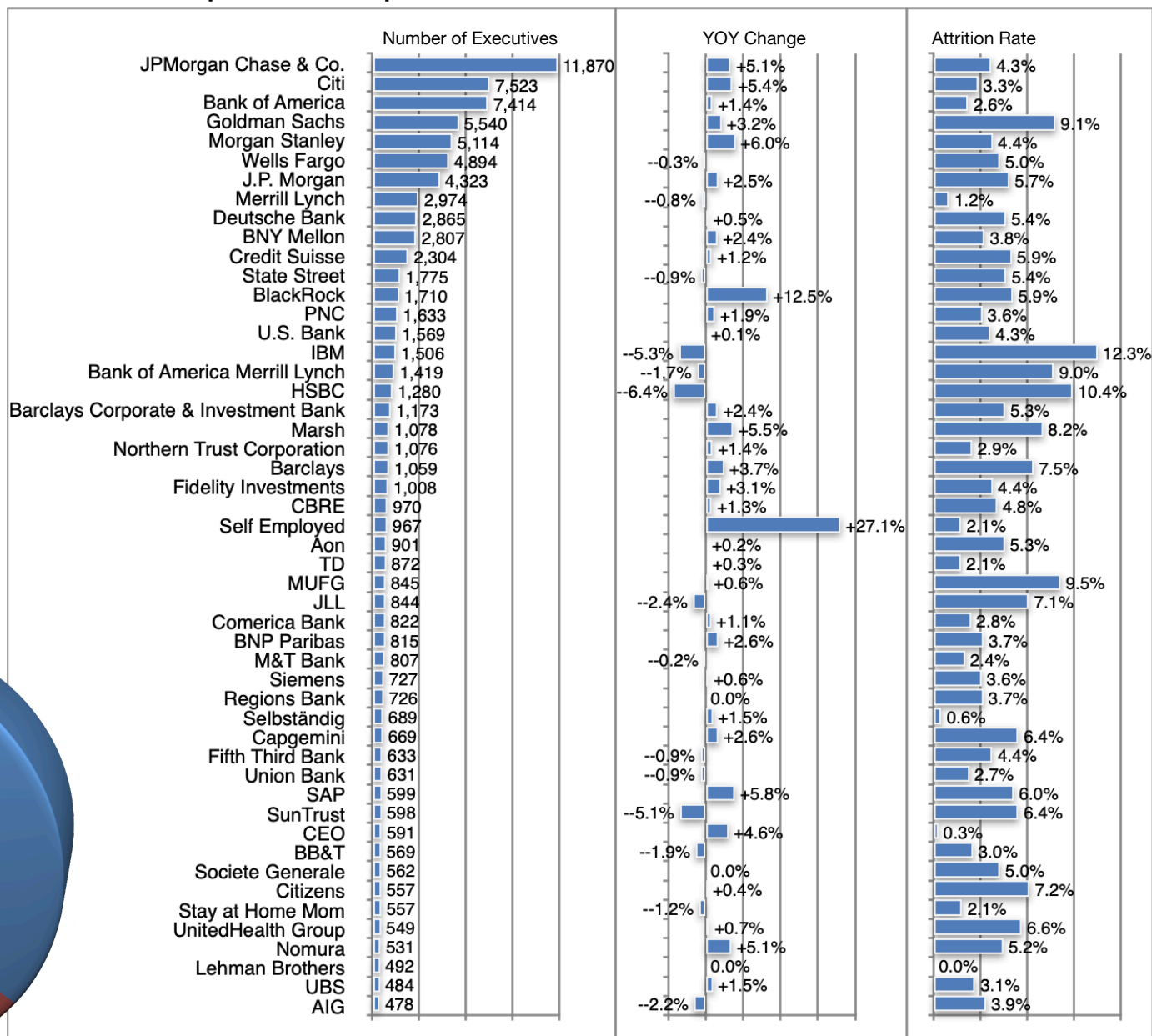
Chart 3: Industries Highlighted in Industry Updates

The Barrett Group has so far surveyed about 1.139 million executive jobs in a series of Industry Updates. Here is an overview.



Note: some Updates include the Middle East and some do not; check the individual Updates for details.

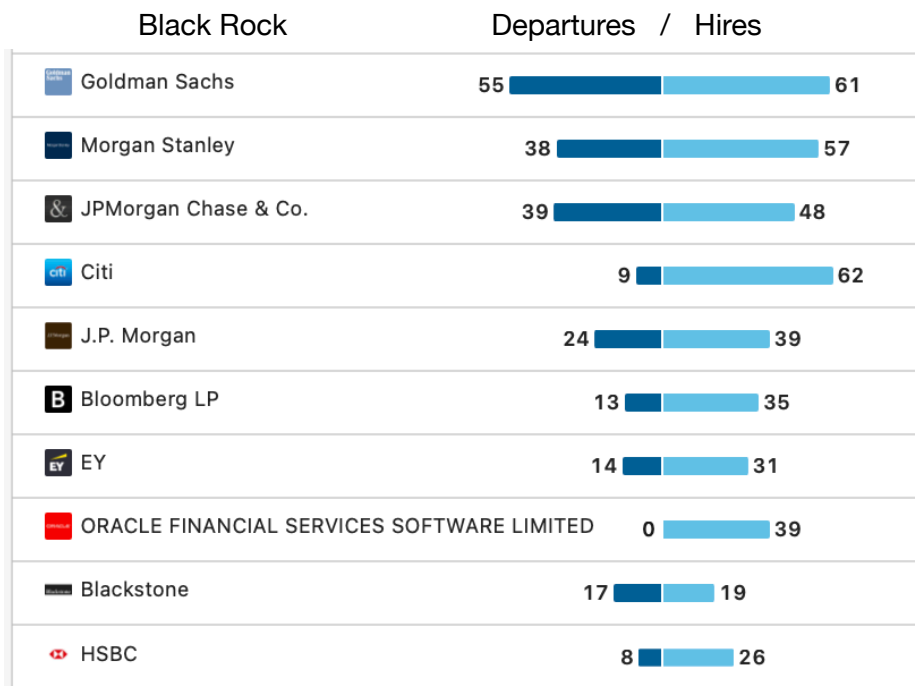
Chart 4: Top 50 Companies, Growth and Attrition Rates



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Referring to Chart 4, Black Rock's growth is exceptional, however, so is the Self-employed line item—up 27.1% not including the “Selbständig” (German for self-employed) line item, a further almost 700 executives who work for themselves. Together these Self-employed line items would rank right behind Black Rock in terms of the total number of executives employed.

However, out of curiosity, you might wonder about the executive movement at a fast-growing company like Black Rock. Here is a data excerpt for the largest professional sources or destinations of Black Rock's executive employees.



Apparently attrition rates are generally quite high in the Financial Services realm, indicating that there are plenty of executive positions routinely available as companies continuously reshuffle their priorities and therefore their executive management requirements.

Among non-financial service companies in the ranking, IBM stands out negatively due to its contraction driven by high attrition, however, in fact IBM has carved out its managed infrastructure services division into a separate company called Kyndryl (NYSE symbol KD) as of November 2021.

“The separation of Kyndryl is one of many actions we are taking to sharpen our focus on hybrid cloud and AI, leverage a portfolio clearly focused on technology and consulting, and achieve our growth objectives. We look forward to our partnership with Kyndryl as it moves forward as an independent company.” [Arvind Krishna, IBM chairman and chief executive officer stated in a release dated November 3, 2021.]

Industry Expert Interview Series



Claudia Wert, Financial Advisor at Wells Fargo partner Wert Investments talks about the industry and her own career trajectory in an insightful video interview with Barrett Group CEO, Peter Irish. [Watch the Interview.]

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Many Barrett Group clients wish to change roles for various reasons, so the contents of Chart 5 are good news, as many of these specializations are relatively generic and therefore transferrable from one industry, company, or role to another. These numbers suggest that some 35,000 executive finance roles were added in the past year, for example, and more than 24,000 sales management roles, 11,000 operations management positions, 6,000 digital marketing opportunities, etc.—all in the past year.

Barrett Group Success Study

Client: Ray Cleary was vice president of risk management, transaction underwriting, and portfolio management for a large airline leasing and financing company, overseeing business in the Middle East and CIS region.

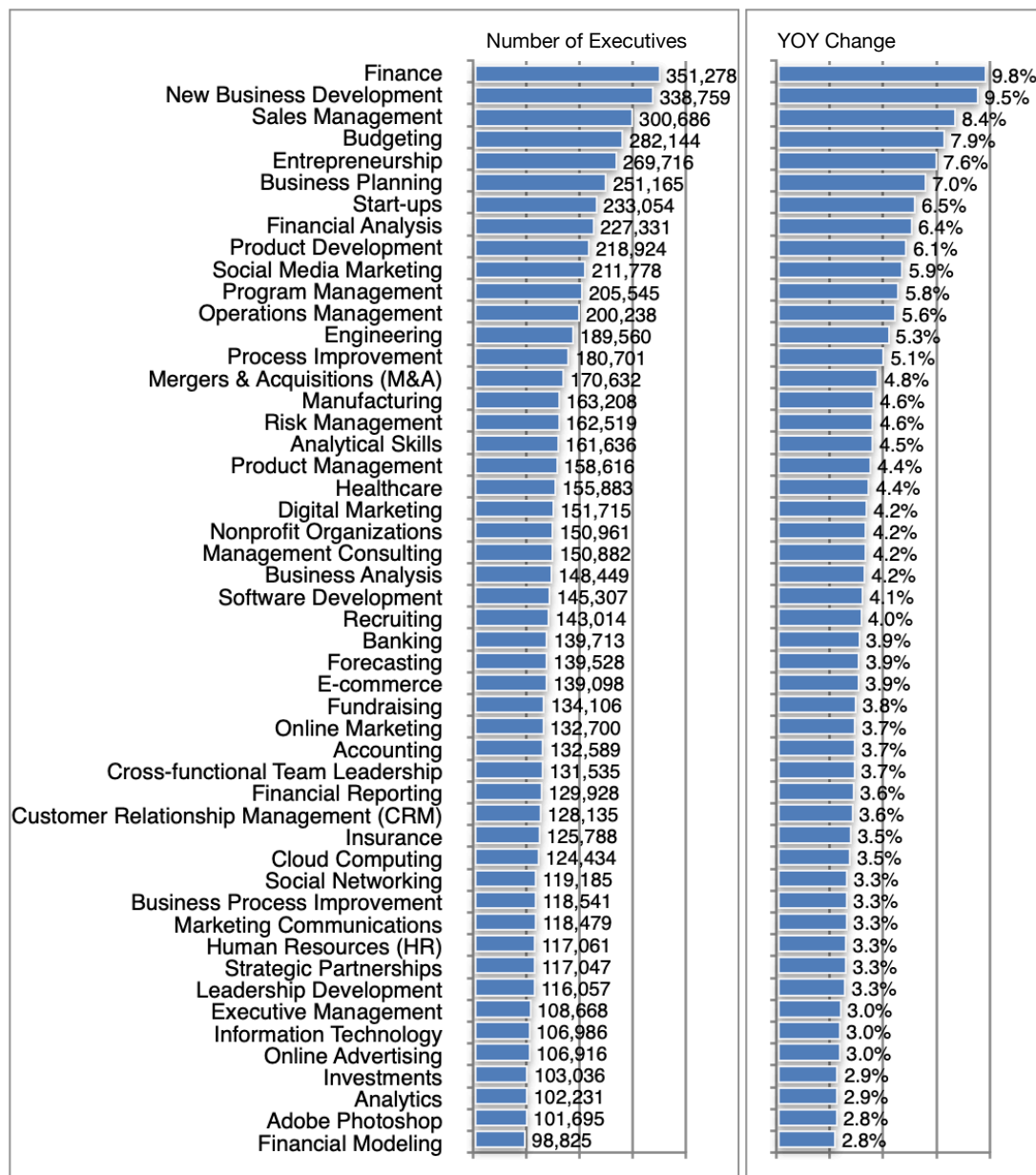


Industry: Finance, Financial Services, Airlines, Aerospace and Aviation

Challenge: Not long after Ray relocated to Dubai, his company announced a merger that would shutter his office, forcing Ray to rethink his long-term career goals.

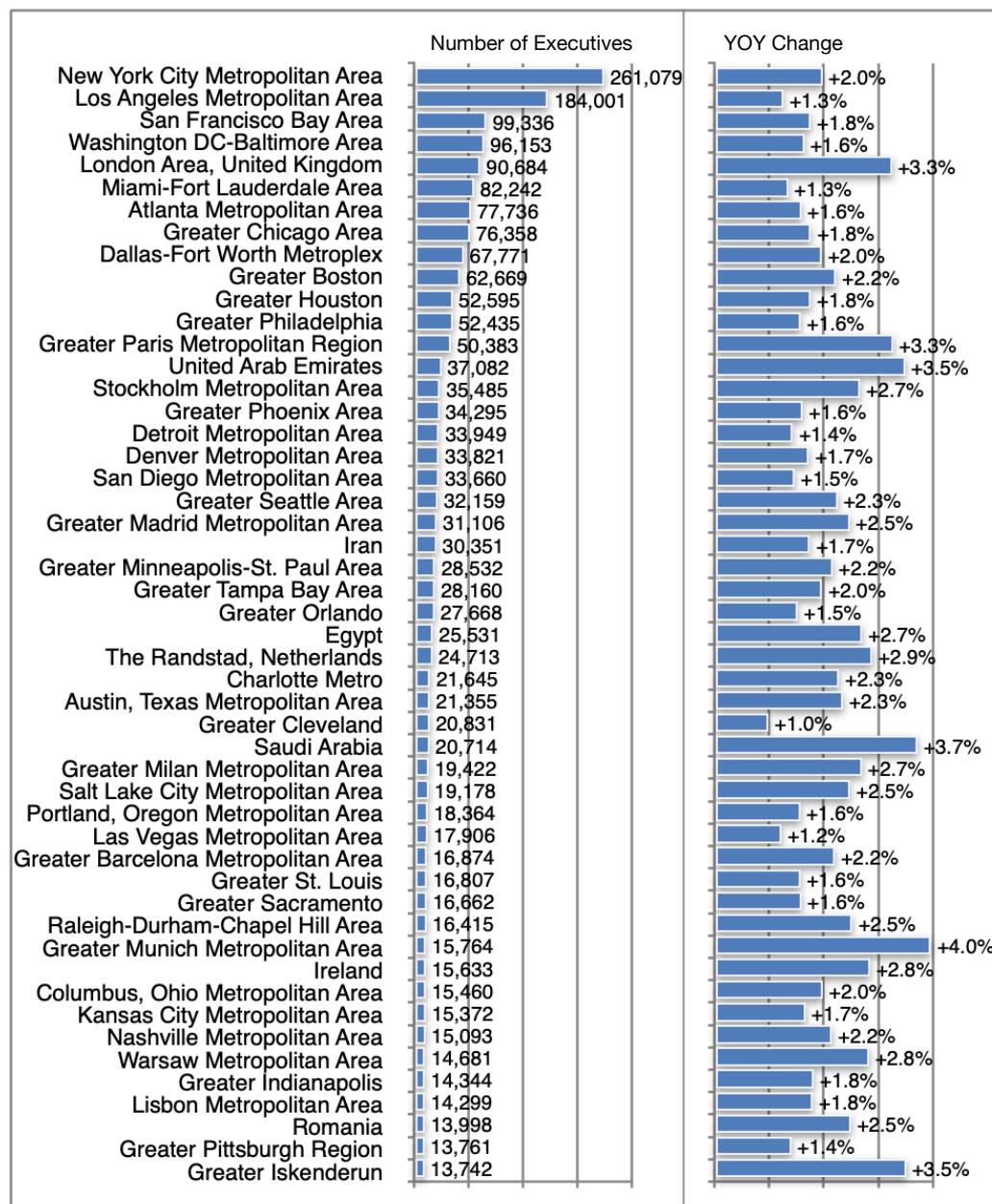
Interview Excerpt: “The counseling process pushed me to deeply consider what I value in life,” said Ray. “I was at a stage in my career that I wanted to move away from risk management and the transaction writing piece of the airline industry and move towards a commercial role, like fleet and relationship management. Clarity crystalized for me that I had two options: I could stay comfortable and continue to do what I was doing – but somewhere else, or I could step out of my comfort zone and achieve what I wanted to achieve.”
[Ray Cleary, 2021, [Read More](#)]

Chart 5: Top 50 Specializations and Growth Rates



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Chart 6: Top 50 Locations and Growth Rates



While remote working has surged in the past two years and will likely play an ever-greater role going forward, location is still critical to many executives who want to maximize their quality of life. Chart 6 examines the top 50 locations where executives in our All Industries Update are engaged.

That New York City comes out on top probably surprises no one, however, the rankings of London, Paris, or the UAE may indeed come as a surprise, not to mention their relative growth rates—all of them higher than US locations at similar rankings in the top 50. In fact, all of the top ranking locations for growth are actually outside the US.

Nevertheless, 2% growth on a baseline of 261,000 means that New York City added about 5,000 executive positions in 2021 whereas London added circa 3,000, Paris 1,700, and the UAE about 1,200. One theory is that this is a bounce back from the industrial lows of 2020, however, considering the GDP growth forecasts offered at the beginning of this Update, these may well continue into the next few years as supply chain issues are resolved and pent up consumer spending raises demand.

In any case, the Barrett Group is here to help executives rediscover their passion and their ideal role, no matter where it is. In 2021, we served a broad range of clients who landed roles in the following industries while collectively achieved more than 1,000 interviews and more than an offer a day.

Where Barrett Group Clients Landed in 2021

