

# KORN/FERRY INTERNATIONAL

## THE ART & SCIENCE OF TALENT

### THE MARKET

It is not the widget or the global network of offices that make an organization successful. It is not the latest technology or a catchy slogan. Ultimately, people drive organizational success. Yet demographic shifts, globalization, and other socioeconomic trends are making it difficult for companies to find and keep qualified workers. Now, and especially into the future, talented men and women have become the world's most precious natural resource.

Amid this challenging environment, Korn/Ferry International continues to strengthen its position as the premier global provider of talent management solutions, proactively adapting to the demands of the global marketplace. Since the firm's inception in 1969, clients have trusted Korn/Ferry to assist in recruiting world-class leadership talent. Building on this legacy, today Korn/Ferry is the single source for diversified solutions, enabling clients to drive success through the careful and thoughtful management of people.

### ACHIEVEMENTS

For the year ending April 30, 2008, Korn/Ferry achieved the highest revenue (\$791 million) and earnings in the company's 38-year history. According to Gary D. Burnison, chief executive officer of Korn/Ferry, "Our performance this year has set a new industry record and is indicative of the ongoing need for organizations to recruit and develop their people. We are focused on using our global scale, our diversified services, and our strong brand to help our clients identify, hire, and develop the best leaders in the world."

Korn/Ferry has long been recognized as a true industry pioneer and leader. In 2008, the company was once again named as the number-one global executive recruitment firm by both Hunt-Scanlon Advisors and Kennedy Information, two leading industry research analysts.

Operating in more than 90 offices in 40 countries worldwide, Korn/Ferry has the strongest brand in executive recruitment, but also offers a host of complementary solutions to help organizations manage and develop their talent. The distinctive value of a Korn/Ferry partnership is that the firm's family of companies spans the entire employee life cycle.

### HISTORY

For four decades, Korn/Ferry International has provided exceptional client service and innovative talent management solutions to many of the world's leading organizations, large and small, public and private, nonprofit, government, and academia. From the very beginning, the firm has held steadfast to its purpose: to place and develop the best and most talented leaders for its clients. Korn/Ferry has become a trusted advisor to its clients by investing time to understanding each client's particular requests, attributes, and needs, while finding and nurturing executives who will not only be the right fit for the position, but also possess the capability to lead and transform it.

With offices across North America, Latin America, Europe, the Middle East, Africa, and Asia Pacific, Korn/Ferry consultants work hands on with clients to successfully execute human capital strategies and solutions. The firm's high-quality service, unsurpassed global presence, and uncompromising focus on delivering the very best people combine to ensure that clients receive the most innovative talent management solutions available anywhere.

### THE PRODUCT

Korn/Ferry's heritage as a leading executive recruitment firm paves the way for it to address other aspects of talent management. The firm's innovative solutions include:

**Executive Recruitment.** Korn/Ferry has conducted more successful executive searches globally than any other firm in history. Korn/Ferry's 500 consultants possess extensive backgrounds and specific expertise in the broadest range of industries, sectors, and functional areas, gained firsthand from more than 125,000 engagements. The firm also boasts a highly specialized team that focuses exclusively on placing CEOs and board directors in organizations around the world. Korn/Ferry's unique executive recruitment methodology includes:

- Using a competency-based framework that provides a clear and common language to help clients identify desired skills and behaviors.



- Administering a behavioral assessment tool — Search Assessment<sup>SM</sup> — providing clients with insights into how individual candidates will lead, approach, and solve complex problems and utilize their emotional/internal resources to deal with challenges, and what motivates them to succeed.
- Comparing candidates' assessment results against Korn/Ferry's statistically validated indicators of success, which are customized to reflect the specific job requirements and the client's unique organizational culture, illustrating how closely each candidate fits critical parameters of the position.

**Leadership and Talent Consulting.** At Korn/Ferry, leadership and talent development are viewed as an ongoing process that must evolve with the company's business objectives, strategies, and culture, as well as the demands and influences of an ever-changing marketplace.

The firm's consulting services address the needs of C-suite and HR executives to align critical behaviors, skills, and values to the organization. Korn/Ferry provides a wide variety of sustainable, strategic, and organizational development solutions, including strategic alignment, competency identification and development, culture assessment and change, merger integration consulting, and executive education programs.

- *Attract, develop, retain, and sustain top talent.* The consulting group combines proven, fact-based executive behavioral assessment and development tools to provide a broad range of solutions designed to maximize talent effectiveness with solutions



such as management and talent assessment, board and senior team effectiveness, succession planning, high-potential development and management, and executive compensation consulting.

- **Create high-performing leaders.** Organizations go to great lengths to identify and recruit the best talent available, but often stop short at maximizing their investment. Korn/Ferry offers a suite of solutions designed to unlock the full potential of individuals and high-performance teams. Offerings include executive coaching, development, education, onboarding, and leadership development programs.

Each of Korn/Ferry's leadership and talent solutions is delivered by an experienced team of consultants, a global network of top executive coaches, and the intellectual property of research-based, time-tested leadership assessment and developmental tools.

**Futurestep.** Futurestep provides strategic talent acquisition solutions to meet critical workforce needs, including:

*Strategic Recruitment Process Outsourcing (RPO):* Futurestep is a leading provider of Strategic RPO for companies around the world. Futurestep integrates talent acquisition strategy, global recruiting resources, competency-based methodologies, and a flexible service delivery



success within the culture of the organization. The Korn/Ferry Advantage is designed to differentiate Korn/Ferry in the marketplace, infuse quality and standardization into the recruitment process, and create a natural bridge for introducing Korn/Ferry's talent solutions.

Additionally, the Korn/Ferry Institute was recently established to serve as a premier global voice on a range of talent management and leadership issues. The Institute commissions, originates, and publishes groundbreaking research utilizing

decades. In addition, Lore has worked with many diverse clients, ranging from Fortune 500 companies to government agencies. With 50 percent of its work completed outside the United States, Lore has become one of the top international leadership and professional development institutions.

## PROMOTION

Because Korn/Ferry is largely a business-to-business marketer, most of its overall marketing effort is targeted to key decision makers, primarily through industry channels.

Korn/Ferry's latest marketing campaign, *The Art & Science of Talent*, was launched in 2007. The name alludes to Korn/Ferry's approach to talent management, combining a time-tested method of understanding the intangibles of leadership (the "art") with research-based, statistically validated assessment tools and development resources (the "science"). Integrated across Korn/Ferry's entire marketing mix, including internal and external communications, client events, sponsorships, and thought leadership efforts worldwide, it is also the company's new visual brand identity and is reflected on its redesigned website.

According to Michael Distefano, chief marketing officer of Korn/Ferry, "More and more of our clients are relying on Korn/Ferry as a trusted advisor who can help them engineer an approach to talent that spans the entire employee life cycle. *The Art & Science of Talent* embodies this evolving perspective on human capital. We believe this campaign is a bold step toward further differentiating Korn/Ferry in the marketplace."

## BRAND VALUES

Central to Korn/Ferry's brand values are four beliefs:

1. Client-centric: The clients' perspectives and needs should be the starting point and reference point for all of Korn/Ferry's thinking.
2. Long-term perspective: Lasting solutions are those that are aligned with Korn/Ferry clients' needs, strategy, and culture.
3. Broad thinking: The best solutions ultimately derive from bringing diverse perspectives to bear on the issue, and from thinking laterally.
4. Combining the best tools with a human touch: Leading-edge tools can be powerful aids to great leadership solutions. However, there is no substitution for the human touch to ultimately interpret, filter, and shape the best leadership teams.

## THINGS YOU DIDN'T KNOW ABOUT KORN/FERRY

- Two young entrepreneurs, Lester Korn and Richard Ferry, founded Korn/Ferry in 1969 with a \$10,000 investment.
- Korn/Ferry is a major supporter of Students in Free Enterprise, a global, nonprofit organization that offers students the opportunity to develop leadership, teamwork, and communication skills through the principles of free enterprise.
- Korn/Ferry opened new offices in Abu Dhabi and Riyadh in 2008.



**In 2008, Korn/Ferry formally launched a sustainability initiative to focus on the emerging needs of clients from business, education, and nonprofit enterprises in the sustainability arena. Korn/Ferry is now able to assist clients with the assessment and recruitment of professionals in a wide range of roles that sustainability is reshaping in the 21st century.**

model to help identify, attract, and retain the talent needed to drive business success.

*Project-based Recruitment:* A proven, outsourced approach for augmenting and optimizing your talent acquisition organization to manage multiple hires within a specific timeframe.

*Mid-level Recruitment:* Futurestep draws upon multiple sourcing channels, an extensive database of candidates, advanced targeting, and a deep understanding of the organization to accelerate recruitment and deliver ideal candidates.

*Interim Professionals:* Whether a company is looking for professionals to fill an interim gap for a few months, or requires a group of consultants for a year, Futurestep provides direct access to flexible, highly skilled professionals to meet interim talent needs.

*Consulting Services:* Futurestep experts include some of the foremost thought leaders in talent management today. From workforce planning to employment branding, organizational design, talent systems, and all vital talent initiatives, Futurestep helps align people, process, and technology to achieve talent management success.

## RECENT DEVELOPMENTS

Last year, Korn/Ferry launched an unprecedented strategic initiative called the Korn/Ferry Advantage™. The Korn/Ferry Advantage delivers candidates faster, with a better fit, using research-based methodology. Tools are customized for each client and are used to pinpoint the most critical leadership attributes necessary for the position and

Korn/Ferry's unparalleled expertise combined with its preeminent behavioral research library. One of the Korn/Ferry Institute's first research endeavors involved seeking out policy recommendations from higher education's brightest minds. The resulting publication, *Letters to the Next President: Strengthening America's Foundation in Higher Education*, features 21 thoughtful essays written by leaders across the spectrum of American higher education, from community colleges to state systems to Ivy League institutions. The book explores what the priorities of national policy should be and what changes can and should be made on the nation's campuses. Furthermore, the Korn/Ferry Institute took another step forward with the launch of the Korn/Ferry Institute website, [www.kornferryinstitute.com](http://www.kornferryinstitute.com). This exciting, highly interactive website provides easy access to the entire Korn/Ferry thought leadership library and showcases everything from white papers, studies, and videos to podcasts, webcasts, and books. The site also provides a calendar of Korn/Ferry Institute events, conferences, and leadership workshops.

Lastly, in October 2008, Korn/Ferry acquired Lore International Institute Inc., a global provider of leadership development and executive education and coaching services. Based in Durango, Colorado, and Zurich, Switzerland, Lore became a wholly owned subsidiary of Korn/Ferry, as well as a part of the firm's Leadership and Talent Consulting business. Founded in 1989, Lore has been helping global organizations build the finest leadership teams in the world for nearly two