

ESC100 “Ask the Expert”, with Rolf Heeb, President AIMS International Vienna



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Rolf Heeb, founder of IFM Institut für Managementberatung GmbH, Neuss, AIMS International Germany GmbH, Neuss, and President AIMS International Vienna, Austria

www.aims-international.net

www.aims-germany.com

www.ifmonline.de

Mr. Heeb, thank you for taking the time. We are very pleased today to learn more about AIMS International.

1. Please introduce our readers briefly in 3-4 sentences to AIMS International, both in an international as well as a national context.

AIMS International is, according to the Search Consult Study 2006, the largest international executive search organization in the world. For more than 10 years, AIMS International, which now has over 90 offices in 55 countries and more than 350 consultants, belongs to the leading Headhunters. Worldwide availability in all industrialized nations, particularly also in the economic development countries, combined with consistently high quality standards in all offices are the main features of our services for our international clients. In Germany, we are present with AIMS International-Germany GmbH in Neuss (German headquarters), Munich, Stuttgart and Hamburg.

2. AIMS International has been at various rankings, not according to turnover, but according to the number of offices, listed as a world leader. Where are you today?

With the number of offices we are following Search Consult in 2006, the world's No. 1 and in 2007 the No. 2. In a ranking by country, AIMS International would have been always in position 1 over the past 5 years all over the world. According to Kennedy Information, who measures on revenue, among the 10 largest executive search organizations in the world. For our clients, the worldwide availability of a uniform high standard of quality is more important than our worldwide turnover. Therefore, we feel more comfortable in one of the leading places in such a ranking than in a comparison of turnover.

3. What medium-term strategy are you following in the headhunting business? Are you focusing more on industries or management levels, and where do you see the strategic strengths of your network?

Our medium-term strategy is based on three columns:

1. Continued growth

By opening up new offices in new countries, especially in Asia and South America, as well as a stronger presence in the USA with more offices.

In the regions listed above, we already are well represented in the major countries. We are now faced with the task to establish a presence in those countries / regions in which our clients will continue to invest into in the future.

2. Continually maintaining an equally high level of quality of our services

In all our offices worldwide, we have had valid and functioning worldwide standards of quality for many years, so that our clients can expect the same high level of quality of our services in all countries.

Equally, we successfully practice pooling of our industry experience in our "Global Teams"

- Automotive
- Financial Services
- FMCG, Retail and Luxury Goods
- Industrial and Engineering
- IT and Telecom
- Pharmaceutical, Healthcare and Life Science
- Energy (Oil and Gas, and Renewable Power Generation)

However, our growth always faces us with new challenges. This is especially true for new emerging markets in which we beginning to introduce professional executive search services, which partially do not exist yet in some of these countries. This requires permanent training of our employees worldwide.

3. Expansion of Talent Management Services

In various countries, our partners have set up interesting additional HR services in such areas as coaching, assessments, HR audits, etc. It is major challenge for us to internationalize the services and to adapt them to cultures and requirements in the countries where we operate in. With that we open new opportunities for our clients and new business for us.

4. Mr. Heeb, how do you comment on the current market environment for Executive Search / Headhunter? There is a saying which says, in every crisis lies an opportunity. Where do you see this in the next 12 - 36 months for the industry in general, as well as for the network, which you lead globally?

The present situation is valued very differently internationally. I was in the first week of April 2009 in Mumbai (India) at our Asia Pacific Meeting, in which all partners in the region participated. India is, for example, one country in which almost all industries, which have been affected by the crisis in many other countries, have barely or not at all, experienced any ef-

fects. The banking and automotive industries, which are probably the world's most affected industries, are continuing to grow even in these times. Consequentially, this is also true for our offices in India, which are also developing positively in the crisis.

Presently, we have a worldwide strategy to concentrate on industries that are still growing or are stable. This includes healthcare, pharmaceuticals, energy, and also most of the FMCG sectors. Additionally, we are using the opportunity now to quietly discuss with customers in other branches about working together in the future. Many companies are taking the time now to reduce their preferred suppliers and concentrate on a few global executive search firms.

For us, the crisis also means that good consultants are on the market, with which we can reinforce our teams. A sensible, anti-cyclical behaviour will strengthen our market position.

5. You have indeed a very international background, however we find it hard to imagine managing a multinational organization from Neuss. How do you see the global picture? Which regions do you envision growth again soon?

We do not manage our global organization from Neuss (Germany). We have an executive board, which is comprised of three regional boards. Our board members are based in Chicago, Hong Kong, Budapest, Zurich, Brussels and Bergen. I could exercise my role as president of the worldwide organization from anywhere in the world.

I see our decentralized management organization as a great advantage, since our board members are much closer to the cultures of our partners than it could be by a central headquarters. Of course, we also have a physical headquarters in Vienna. From there, however, only administrative tasks are done. All business development functions are done by relevant staff with me in Neuss. This makes the daily work more efficient.

In Europe we see only a moderate growth by the development or new countries for AIMS International. We are represented here very well in nearly all countries. The countries comprising the former region of Yugoslavia are still a target region for us. In Asia, we are about to begin on our second wave of expansion. Since we are presently represented very well in the major countries of this region, countries like Thailand, Vietnam, Indonesia, Malaysia and New Zealand are on our development plan now. In South and Central America we are planning activities in Venezuela, Colombia and Costa Rica for 2009.

6. How many AIMS consultants are working in Germany, and what were the latest positions you filled, which you may and want to tell us about?

Currently in Germany we have a team of 27 employees, ten of those are practicing consultants. By mid 2009, we should have 15 consultants. In the past 12 months, we have had around 150 projects managed from Germany. These include both projects in Germany and abroad for which we had the Key Account Management role in Germany.

Approximately 50% of these positions have been senior management positions, 40% middle management positions and about 10% of specialist positions.

We have more and more clients, who come from abroad, and are looking for executives from Germany for their locations abroad. We currently fill positions of this type for firms in Riga, Bergen and Mumbai.

I cannot and will not talk about individual clients here. Our clients are mainly large, however, German SMEs, which are also represented abroad with their own organizations, German DAX corporations and enterprises and foreign companies of all sizes, which are or will be active in Germany. With many of these clients, we have world-wide preferred supplier agreements.

7. We have several hundred visitors each day to our website – of which lately have been more "job-seekers." What is your tip for these people - if you can give such a general one – who were, until recently, in a well-paid leadership position and now re-orientate themselves under some unusual conditions?

The question is too difficult to give a general answer. Being flexible is the best recommendation. This applies to both changing location as well as industry, and income. A career counseling meeting with us or another consultant can be very helpful for many executives who have not often applied themselves for a new job.

8. How do you see the development of the labor market personally? Do you see digitalization and globalization rather as pacemaker and growth drivers for new jobs or are the number of leadership positions declining due to these trends and market consolidation?

Globalization has already had an impact on the labor market, and will in my view, independent of the current economic crisis, have even greater impact in the future. The labor market will be more diverse and larger, however, it demands more flexibility and international thinking by the market participants. This concerns especially the younger generations for which globalization will be day to day business.

9. What type of decrease in turnover are expecting - if so, how much nationally and internationally?

Nationally we expect to be in Germany in 2009 at the level of 2007. 2008 was for us and the industry an exceptionally good year.

By various opposing effects, in 2009 we are internationally also expected to hold the 2007 level. We will be present in countries in which we had no business in 2008, we have countries that are stable despite the economic crisis on the level of 2008, and we have key countries in which we have suffered substantial sales losses. In sum, we expect a satisfactory outcome if we are not struck by extraordinary events or surprises in the course of the year.