



**Survey 2010:
Attracting and Retaining
Your Top Professional Services Talent**

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Over Three-Quarters of Equity Partners/Directors in Professional Services Firms Open to Moving to a New Position

They are Unhappy about Current Compensation, Culture Fit and Too Much Travel

In a recent survey conducted by retained search firm Carnegie Management Associates, results show that over three-quarters (76%) of equity partners or directors in professional services firms are now very open or somewhat open to moving firms. This is a major change from the past, when partners/directors tended to stay with the firms once they had achieved partner or director status. In fact, the survey shows that almost half (48%) of partners/directors have *never* moved to another firm once they made partner or director.

The survey was conducted in the spring of 2010 with equity partners and directors from top professional services firms and their recruitment departments.

Explains Carolyn Muszynski, President and CEO of Carnegie Management, “The economic environment over the last two years – with budget cuts, downsizing and increased workloads – has brought about major dissatisfaction. Executives who would never consider leaving a firm in the past are now actively seeking new positions.”

“I am tired of tight fisted, internally focused management team. Being in resistance mode for too long starts to wear one down.” Survey Respondent

There is good news for those open to growth opportunities: it seems that there will be more senior positions available. Forty-four percent of recruitment departments surveyed say that they have been charged with hiring 50 or more new partners this year, and over two-thirds think it will be easier now to recruit the talent they need.

Why Do They Leave?

Compensation is still foremost with equity partners of professional services firms – almost half (48%) give that as the top reason to move to a new job and two-thirds (67%) of the recruitment departments of large professional services firms surveyed confirm that is why partners leave.

“I want the opportunity for huge wealth creation.” Survey Respondent

After increased compensation, partners/directors then rank compatible culture (34%), less travel (31%) and greater ability to lead a new practice (31%) as their primary reasons for seeking a new position.

Partners/Directors: Top Reasons for Seeking a New Position

Increased Compensation	48%
More Compatible Culture	34%
Less Travel	31%
Ability to Lead a New Practice	31%
Greater Depth of Firm Expertise	28%
Better Work/Life Balance	28%
Broader Management Responsibilities	28%

(More than one reason checked)

When it comes to why partners/directors would leave their firm, recruitment departments cite compensation as the main reason – followed by more recognized brand name and greater ability to lead a new practice.

Recruitment Departments: Top Reasons Partners/Directors Leave Their Firm

Increased Compensation	67%
More Recognized Brand in the Marketplace	56%
Ability to Lead a New Practice	44%
More Compatible Culture	33%
Greater Management Responsibilities	33%

(More than one reason checked)

“There is no question, firms should be concerned about their ability to attract and retain top talent,” says Muszynski. “There is a heightened restlessness out there that has been brewing for the past couple of years. Many recruitment departments are still facing budget constraints and longer decision-making around bringing in new hires, making it more difficult to replace senior executives. At the same time, as more partners leave, the firm’s brand in the marketplace can be seriously eroded.”

“Our leadership has become sterile and narrowly focused and has destroyed the culture of professionalism and innovation we once had.” Survey Respondent

What Makes Them Stay?

Those firms looking to retain their partners should focus on work content, internal networking and credibility and client lists – all of which received over 40% as reasons to remain with a firm, with compensation trailing at 31%.

Partner/Directors: Top Reasons for Staying with a Firm

Work Content	45%
Clients	41%
Internal Network/Credibility	41%
Firm Brand	38%
Compensation	31%
Culture	31%

(More than one reason checked)

“I’m worried about finding diverse, high-quality senior practitioners who are willing to move and who will in fact succeed at our firm.”

“The company keeps growing – but recruitment departments keep on being asked to do more with less.” Survey Respondents

How Successful Are On-boarding Programs?

How well do professional services integrate new hires into their firms? Eighty-nine percent of recruitment departments feel they have strong, successful programs, but only 11% say that professional services firms in general do on-boarding well.

Partners/directors aren’t that happy with the on-boarding programs they’ve seen – 90% feel that professional services firms do an average job or don’t do transitions successfully.

On-boarding Programs

Recruitment Departments	89% “We do it well”
Recruitment Departments	89% “Professional services firms in general don’t do it well”
Partners/Directors	90% “Professional services firms do an average or unsuccessful job”

Concludes Muszynski, “Those firms that work quickly to create and implement innovative attraction and retention programs will be better positioned to successfully maneuver ever-changing marketplace conditions, protect their future revenue goals and maintain a strong employment brand. It will be important to demonstrate consistent succession planning processes and make sure they are tied to a recruiting strategy so that a firm can move quickly to fill key gaps. Firms will also need to take a hard look at their recruitment policies – defining a compelling value proposition for new hires and on-boarding programs that really do integrate new hires into the culture.”

