### **MU State of Talent**

Board & CEO 2025





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### Navigating Challenges with Ethical, Science-Based Solutions

MU is a global Leadership Acquisition and Advisory firm. Our experts provide science-based, precisely tailored, quality-assured, and ethical Executive Search, Leadership Assessment and Leadership Development services in partnership with private and public sector clients worldwide.

Today it is clear, that securing effective leadership is one of the biggest challenges organisations face. We exist to make sure organisations outperform through diverse and sustainably successful leadership.

Our MU Executive Search and MU Leadership Advisory Experts partner with clients to ensure they improve results through accurate selection of leaders and effective leadership.

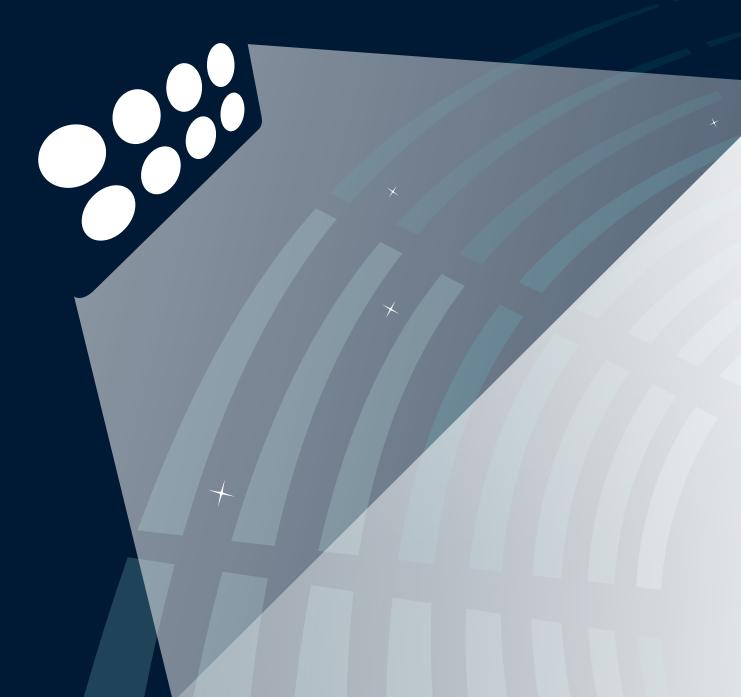
Read more on how <a href="https://example.com/here/">here.</a>

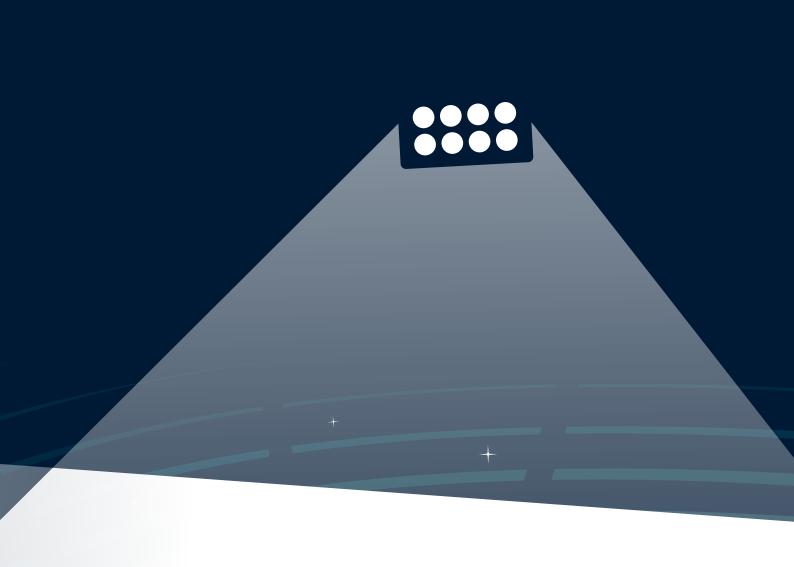
### MU's Global Practices Offers Strategic Solutions for All Clients – Wherever in the World They Need Us

Our established Industry and Expert Practices allow us to transcend geographical boundaries and work seamlessly with colleagues worldwide. The MU Practice model ensures Reliable Leadership Advice™ are specifically tailored to each organisation and industry. By bringing together expert consultants facing similar challenges, we leverage collective expertise to address diverse client needs effectively. You find all our MU Practice Experts here.



# Meet MU's Global Practice Heads







**Christian Schaffenberger**Global Practice Head Board & CEO & Partner



**Mieke Weijenberg**Global Practice Head Board & CEO & Partner

Christian Schaffenberger, based in Zurich, is responsible for the Board & Executive Search in Switzerland. In addition, he is the Global Head of MU's Board & CEO Practice. Over the years, Christian has had several roles on MU Group level, working as an expert focused on C-level in Executive Search. Christian is an MU Partner and works with clients in MU's global Board and CEO Expert Practice in Switzerland and worldwide with multinationals, private companies as well as foundations and is thereby himself specialised in the fields of the industrial sector (including Property/Construction) Retail and Aviation.

Mieke Weijenberg, located in Amsterdam, is the Global Head of MU's Board & CEO Practice and is also a member of the MU Group Board. In addition to her role as Global Practice Head and Board Member, she was appointed Partner in MU in 2018. She works with clients in Mid-Cap and SME companies (family businesses, private firms) in the Netherlands and worldwide, on Leadership Acquisition and -Advisory and Board Development. She is an ICF registered Coach and a certified Commissioner and has coached many executives and senior managers.



A respected firm is appointing a new CEO and hiring a new graduate trainee on the same day. The new graduate trainee goes through extensive selection processes including tests, interviews, and profiling to evaluate their potential and performance beyond their résumé. In contrast, the new CEO is appointed based on their impressive résumé, connections, and fit with the company. The scrutiny each hire undergoes is notably different. How can that be and what is the result?

### Can you give us an example of how this works in practice?

Using our tested and proven method we begin with a thorough analysis of the organisation's needs and context. It is imperative to define the criteria that determine success linked to the context and expected results and streamline them to their core essentials. By focusing on these transparent and key factors, we can ensure a fair and effective selection process, as it eliminates the influence of subjectivity and irrelevant considerations.

### How do you ensure that the selected CEO will perform well in the new role?

We focus on predictive criteria and rigorous data collection. This involves close partnerships with decision-makers to ensure that all important details are considered. We create a solid foundation for decision-making. By focusing on the inclusion criteria when defining the candidate search strategy. And, we also implement systematic long-term performance follow-ups to continuously evaluate the effectiveness of the placement.

### What are the benefits of using such a method?

Using a stepwise selection is not just a practical approach, it is backed by science and reduces bias, minimises stereotyping and decisions are based on relevant criteria rather than personal and subjective opinions. This stimulates a fair, fact-based and inclusive way of working.

t's quite an alarming contrast, and research shows that the result is that nearly half of new CEOs don't last beyond 18 months. The cost of replacing them is significant, both financially and in terms of organisational disruption. The conventional recruitment model is flawed and outdated. Experience in a similar role doesn't always translate to success in a new context, especially in fast-changing environments. Also, hiring based on connections or personal attraction often overlooks the actual competencies as well as future competencies needed for the role.

# What's the solution? How can firms improve their CEO recruitment process?

The key is to adopt a more scientific, tailored and inclusive approach. Recruitment should start with understanding the unique context, the strategy and goals of the specific organisation. Inclusive recruitment requires the systematic inclusion of candidates from within and outside existing connections. It is based on criteria relevant to job performance! – Less is more – Instead of drowning in an ocean of factors, focus on the essentials. What are the non-negotiables? What guarantees success? These are the criteria that matter the most.

# What would you say is the most crucial takeaway for organisations looking to appoint a new CEO?

Our advice is not based on demographics but on the right, transparent, limited, and relevant list of criteria set of inclusive criteria, using predictive analysis and not stereotyping, guiding clients in making criteria as inclusive as possible. It should be a predictive, fair, and rational process that focuses on what the candidate can achieve in the specific role context. This approach leads to better leadership decisions and ultimately, more successful organisations.

# How does this topic impact the clients that you serve through the Board & CEO practice globally?

It is about Influencing and asking questions – asking WHY some criteria are important or not, and to focus on what needs to be achieved. Transparent, factful criteria based on expected results. Competencies including a fair and kind process. Decision makers should always ask this question: is this criterium a success predictor for short term and long-term results? By selecting candidates based on their potential to excel in the specific context, clients are more likely to see successful leadership that drives the organisation toward its strategic goals.

From your perspective, how does our MU Leader Selection Science® approach contribute to sustainable leadership success and organisational outperformance within your industry? Do you have any real-life examples to share?

If selected leaders in the Executive or Non-Executive Team can achieve short-term results and longer-term performance, this directly impacts the outperformance of an organisation. It is of the upmost importance to understand what a potential leader should bring, in terms of Track-record and competences. To have a thorough understanding of the organisation, the complexity of the business, the benchmark of the position, the shorter- and longer- term requirements and the organisational contribution. Every organisation is unique, and we need deeper insights to really understand what the position is all about.

# How does MU ensure its consultants remain at the forefront of industry trends and innovations, meaning elevating their success and providing them with top careers in the industry?

We, on the one hand, conduct ongoing training programs and workshops, to increase our knowledge. The task of keeping updated on the latest industry trends, technologies, and best practices is, on the other hand, a task which our successful consultants do anyways continuously.

Our consultants are further encouraged to work on their networks, to engage with industry leaders, to attend conferences and to stay updated. MU promotes specialisation, enabling consultants to develop deep expertise in particular industries, ensuring they are seen as top experts in their field.

Finally: We will have cutting-edge tools, Aldriven insights, and data analytics platforms which will enable each of us to be up to date.

How does MU's unique approach to tailoring solutions to each client's specific needs help accurately predict and identify the next leaders for their organisations?

Each organisation is unique, and leaders have the largest impact on the performance of an organisation, hence we need to understand what it takes for a leader to be successful in that context.

Every role has its own unique complexities, demands, and operating environment. It is important to concentrate solely on the predetermined criteria that lead to success and guarantee a more inclusive pool of candidates. By systematically narrowing down candidates based on objective criteria, organisations can foster a more inclusive, fact-based selection.



# Leadership Trends

Our assessment of the future market situation and leadership trends for the Board of Directors from a talent perspective



he future market situation for Boards of Directors from a talent perspective is evolving rapidly due to several key trends and challenges:

**Increased Focus on Talent Management:** 

Boards are placing greater emphasis on talent management beyond the C-suite. This includes ensuring a robust pipeline of talent at all levels to execute company strategy effectively.

**Diversity, Equity, and Inclusion (DEI):** There is a growing demand for diverse board compositions. Companies are increasingly prioritising DEI to bring varied perspectives and drive better decision-making.

Digital and Technological Skills: The rapid pace of digital transformation requires board members to have a strong understanding of technology and its implications for business. This shift is driving the need for directors with expertise in digital and technological domains.

**Succession Planning:** Effective succession planning is becoming more critical. Boards are focusing on developing leadership pipelines to ensure continuity and stability in leadership roles

**Stakeholder Engagement:** Boards are expanding their focus to consider the interests of various stakeholders, including employees, customers, and suppliers. This broader perspective is essential for long-term value creation.

**Data-Driven Decisions:** The use of data and analytics in talent management is becoming more prevalent. Boards are encouraging data-driven approaches to make informed decisions about talent strategies.

Overall, the future market situation for Boards of Directors will require a proactive approach to talent management, with a strong emphasis on diversity, technological expertise, and strategic succession planning.



# Leader Candidate Market

Where the Board & CEO sector needs to find its next leaders on Board of Directors level





inding the next leaders for Boards of Directors involves looking in several key areas:

**Internal Talent:** Promoting from within the organisation can be highly effective. Internal candidates are already familiar with the company culture, strategy, and operations, which can lead to smoother transitions and continuity.

**Current Board Members:** Sometimes, the best candidates for CEO or other leadership roles come from within the existing board. These individuals already have a deep understanding of the company's strategic direction and can provide stability during transitions.

**Industry Experts:** Recruiting leaders with extensive experience in the same or related industries can bring valuable insights and expertise. These individuals often have a strong network and a proven track record of success.

**Diverse Talent Pools:** Expanding the search to include diverse candidates can enhance the board's decision-making capabilities. Diversity in gender, ethnicity, and professional background can lead to more innovative solutions and a better understanding of global markets.

#### **Academic and Research Institutions:**

Leaders from academic and research backgrounds can bring a fresh perspective, especially in industries undergoing significant technological or scientific changes.

By leveraging these sources, boards can find leaders who not only fit the current needs of the organisation but also have the vision and capability to drive future growth and innovation.

### Turnover and talent flows of the candidate market for Board of Directors

The candidate market for Board of Directors is experiencing several notable trends in turnover and talent flows:

**Increased Turnover:** There is a higher rate of turnover at the board level, driven by various factors including retirements, strategic shifts, and the need for new skills. This trend is expected to continue as companies adapt to rapidly changing business environments.

Focus on Succession Planning: Boards are placing greater emphasis on succession planning to ensure continuity and stability. This includes identifying and developing internal candidates who can step into leadership roles.

**Diverse Talent Pools:** There is a strong push towards diversifying boards. Companies are actively seeking candidates from different backgrounds, industries, and demographics to bring fresh perspectives and enhance decision-making.

**Digital and Technological Expertise:** The demand for directors with expertise in digital transformation, cybersecurity, and technology is growing. This shift is driven by the increasing importance of technology in business strategy and operations.

**Global Talent Flows:** Companies are looking beyond their local markets to find board talent. This global search is aimed at bringing in diverse experiences and insights that can help navigate international markets and challenges.

These trends highlight the dynamic nature of the board candidate market and the need for companies to be strategic in their approach to board composition and talent management.



### Compensation development trends for Board of Directors

Here are some key trends in Board of Directors compensation development:

**Customised Pay Mix:** Companies are increasingly tailoring the compensation mix to reflect the expected contributions of board members. This often includes a combination of cash retainers, equity retainers, and additional premiums for leadership roles such as board chair or committee chairs.

**Premiums for Leadership Positions:** There is a growing trend to offer higher compensation for board leadership positions. This recognises the more complex as well as additional responsibilities and time commitments required for these roles.

Shift from Meeting Fees to Retainers: Many companies are moving away from paying meeting fees and instead are offering committee retainers. This simplifies the compensation structure and aligns it more closely with the ongoing responsibilities of board members.

**Equity Retainers:** There is an increasing preference for equity-based compensation, such as stock options or full-value grants. This aligns the interests of board members with those of shareholders and encourages long-term thinking.

#### **Modest Increases in Total Compensation:**

Over recent years, increases in total compensation for board members have been relatively modest. This trend reflects a balance between attracting and retaining talent and managing overall compensation costs.

Focus on ESG and DEI: Compensation structures are increasingly incorporating elements related to Environmental, Social, and Governance (ESG) and Diversity, Equity, and Inclusion (DEI). This aligns board incentives with broader corporate goals and stakeholder expectations.

These trends indicate a shift towards more strategic and aligned compensation practices that reflect the evolving role and responsibilities of board members.





# **Success Story**

**Board & CEO Practice** 



### **Client Challenges**

The adoption of digital tools and BIM (Building Information Modeling) is transforming the construction industry. These technologies enhance project planning, design accuracy, and overall efficiency. They also facilitate better collaboration among stakeholders.

Also, the integration of Internet of Things (IoT) technologies in building systems is on the rise.

Our client was aiming at strengthening the Board of Directors for further development the company to meet these trends. Further, the chairman was looking for more diversity in the board.

### **MU Solution**

An external hire should be made to bring in deep topic expertise, and business acumen to drive the future digitalisation.

The new hire should be a leader, have strong strategic digitalisation competences and know the construction market trends.

A wide range of diverse candidates of the entire national market should be mapped to uncover talents capable of taking over this role.

#### **The Outcome**

21 potential candidates were mapped and approached within 4 weeks.

5 candidates were presented for interview.

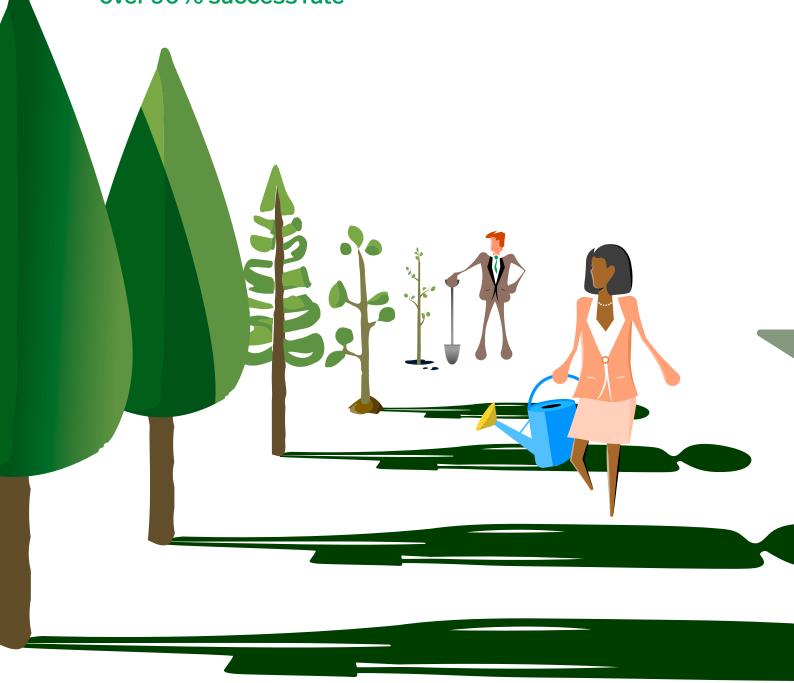
As the client was highly pleased with the quality of candidates, he decided to hire 2 boards members.

3 final candidates were assessed to make sure to also have the right personality diversity in the board room and 2 recommendation were made to proceed followed by a successful offer.



# **ESG Report**

Revolutionising leadership acquisition: MU's science-based approach yields over 90% success rate



Traditional Executive Search and Leadership

Development methods are failing. Around 40-50%

of leader appointments fail, and CEOs report that less
than 10% of their leadership development expenditure
delivers business value. The difficulty in selecting and
developing leaders has led to deteriorating success
rates. Furthermore, conventional methods often exclude
diverse candidates and fail to recognise individual
uniqueness and context, leading to biased
selection processes.



MU provides a reliable alternative for acquiring and developing leaders. Our MU Leader Selection Science® method ensures systematic, fact-based, and quality-assured advice, leading to a success rate of over 90% in leader performance validation studies. Our offerings include Executive Search for various leadership roles, tailored leadership development programs, leadership assessments, and advisory services. Read more about MU Services here.

### MU Recognitions and Certifications

MU has been repeatedly externally recognised as a top Executive Search firm all over the globe. MU is certified according to DIN 33430 for assessments and ISO 10667-2 for our evidence-based assessment methods and psychometric tools. We are also in partnership with EQUALIS, Denmark's think tank for gender equality, and are members of Inklusiiv, promoting diversity, equity, and inclusion in the workplace.









#### **Our Commitment to ESG**

MU's commitment to sustainable leadership success is evident in our comprehensive approach to environmental sustainability, people and society, and ethical governance. Our global presence and recognition affirm our role as a leader in the field, dedicated to fostering a diverse, inclusive, and high-performing leadership landscape.

#### **Environmental Sustainability**

MU takes environmental responsibility seriously, aiming to reduce harm through our operations by limiting energy consumption, reducing waste, and promoting digital work and low-emission transport. Our initiatives include:

- Using modern technology to reduce travel and emissions.
- Leasing computers to ensure data repurposing and recycling.
- Partnering with environmentally certified service providers.
- Reducing office space and promoting recycling and reuse of office equipment.

#### **People and Society**

MU is committed to equality, diversity, human rights, and a safe work environment. We have implemented global policies for Equal Opportunities, Ethics, Diversity, and Health & Safety. Our Inclusion & Diversity Commitment emphasises that success requires diverse and effective leaders and teams. We combat all forms of discrimination and base employment decisions on a factual match between competencies and role requirements.

#### **Ethics and Governance**

MU adheres to documented quality standards, work procedures, and governance policies. We deliver high-quality client services and ensure ethical standards and quality assurance through regular audits. Our employees work according to our values and practices, providing a transparent and meritocratic workplace. We maintain rigorous internal controls to prevent bribery and corruption and promote sustainability in all our operations.

