

Rising to the challenge: Leadership trends 2016-2022

We report on Totum's business services leadership placements in 2021/22, assessing what our latest figures tell us about senior level recruitment trends across the sector.

The professional services sector is opening its doors to a broader pool of business services leadership talent than ever before. And at Totum we are delighted to be at the heart of this shift, with our latest data on our leadership placements showing that we are sourcing and placing a greater number of candidates into the most senior roles and they are coming from more diverse sector backgrounds than ever before.

Since 2016, Totum has undertaken considerably more leadership placements, with the number of projects at Chief, Director, Head of and, to a lesser extent, Manager level, increasing from April 2016 to March 2022 by over 200%.

This year – 2021/22 – broke our year-on-year record as we worked on 40% more leadership projects compared to our previous peak year of 2018/19. Never before have firms been so serious about building their business leadership capacity, which is seen as vital to maintaining competitiveness, building brand reputation, achieving commercial aims and delivering sustained growth.

In addition, we remain proud of our success rates in placing candidates into roles, filling 97% of the leadership placements we undertook in 2021/22, matching and slightly beating our average 96% success rate taken over seven years from 2015.





Hotbed for innovation

Growth in leadership placements are only paralleled by the breadth of the talent pool now opening up to firms. In 2021/22, for example, 48% of the candidates we shortlisted for leadership roles came from outside of the legal sector, an increase from 37% in both of the previous two years.

More significantly, 49% of our successful placements in 2021/22 were made with candidates who came from outside of law, a rise from 45% in 2020/21 and 25% in 2019/21. The data not only shows a consistent upward trend here, but also a massive shift from 2015 when 95% of our candidates came from a law firm background.

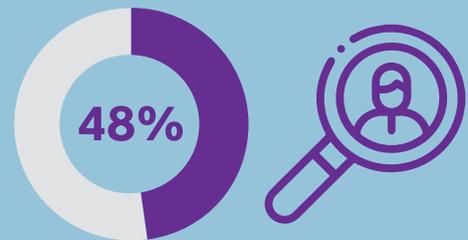
This reflects the fact that our recruitment firm has spread its wings: 27% of our overall placements are now with firms beyond law, including accountancy, management consultancy, real estate and patent firms. This is further expanding our networks and allowing us to source new skills and capabilities for all of our client firms as well as a breadth of new roles for candidates like never before.

But it also shows the huge changes across the professional services sector itself as firms realise the advantages of looking further afield to secure essential skills that are in short supply. This then creates a flow of talent moving across different industries, sharing best practice, inputting fresh ideas and driving sector-wide innovation.

Even in this analysis, we are fast moving to a point where we will be unable to pinpoint senior candidates that hark from a pure legal background as we increasingly work with talented individuals who bring a wealth of cross-sector experience to the table. This is exciting news for a future that can combine both invaluable experience with new and innovative thinking.

14% → 49%

Candidates placed from outside legal sector has increased from 14% in 2016 to 49% in 2022.



48% of candidates placed come from outside the legal sector.

Who are today's business services leaders?

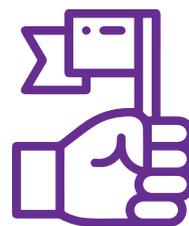
Our findings show that firms are seeking to fill roughly the same split of leadership roles as previous years: 49% of our leadership projects in 2021/22 were for Director roles, compared to an average of 42% over the previous four years, while Chief roles continue to make up around a quarter of our leadership work (23% in 2021/22 compared to 24% in 2019/20 and 27% in 2020/21). Head of and Manager roles have returned to the scene after dropping off during Covid, with Head of roles rising to 17% this year, compared to 9% in 2020/21 and Manager level roles hitting 11% in 2022, a considerable uptick from last year.

Since we started collating these figures in 2015/6, we have seen firms increasingly prioritise the most senior Director/Chief appointments – and they continue to invest in these even when

times are uncertain. These leaders are clearly now seen to be essential to the smooth continuity of business operations and are truly embedded in the professional services infrastructure.

In terms of specific functions, our senior placements for 2021/22 are split fairly evenly across marketing & BD (23%), finance (20%) and HR (26%), followed by Chief roles and then technology.

Interestingly, since 2018, an average of 18% of our leadership projects have filled the 'other' category here, ie, they do not fit neatly into any one of the traditional function titles.



This reflects the increasing variety and standalone nature of many senior roles in professional services today (Pricing Director or Head of Innovation, for example). Firms are fast acquiring new skills and capabilities to meet the commercial requirements of today's business landscape.

Women in leadership

We are delighted to achieve another year of gender parity in our leadership placements. We are both shortlisting and placing an equal number of men and women into leadership roles, in a trend that we have maintained since we started collating these figures.

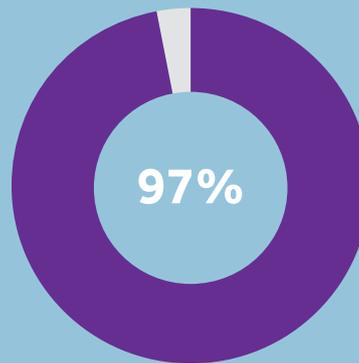
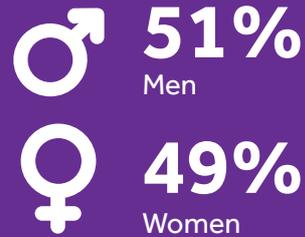
As per previous years, our 2021/22 figures show slightly fewer women than men being shortlisted but a higher number of women actually getting placed into roles. Hence, in 2021/22, 45% of shortlisted candidates were women, rising to 54% of women getting placed compared to 46% men.

We only recorded a deviation from this trend in 2020/21 when more men than women were both shortlisted and placed (quite simply, fewer women sought new roles during the pandemic). But overall from 2016 to 2022, we placed an average of 51% men to 49% of women.

We are hugely proud of these figures, which represent a significant step forwards for gender equality at leadership levels across professional services firms.



From 2016 to 2022, candidate placements included an average of:



Totum's leadership roles filled since 2016

Looking forwards

Business services leadership roles clearly remain a priority across the professional services sector with strong and sustained investment into the most senior roles across all business services functions.

We are pleased to see the data support our more personal experiences, in which firms across the sector seem to be more willing than ever to think creatively to secure all the skills they need to meet the myriad challenges of the future. We work with an amazing wealth of leadership talent – from individuals who know the sector inside out and can bring a deep understanding of the nuances of partnership culture to win buy-in to change, to those completely fresh to the sector who are injecting new ideas to spark commercially-minded innovation.

That these leaders also represent an equal balance of men and women only adds weight to an exciting prospect: this is a mix of leaders who can, and will, powerfully and profoundly influence their firms and the sector for the better.