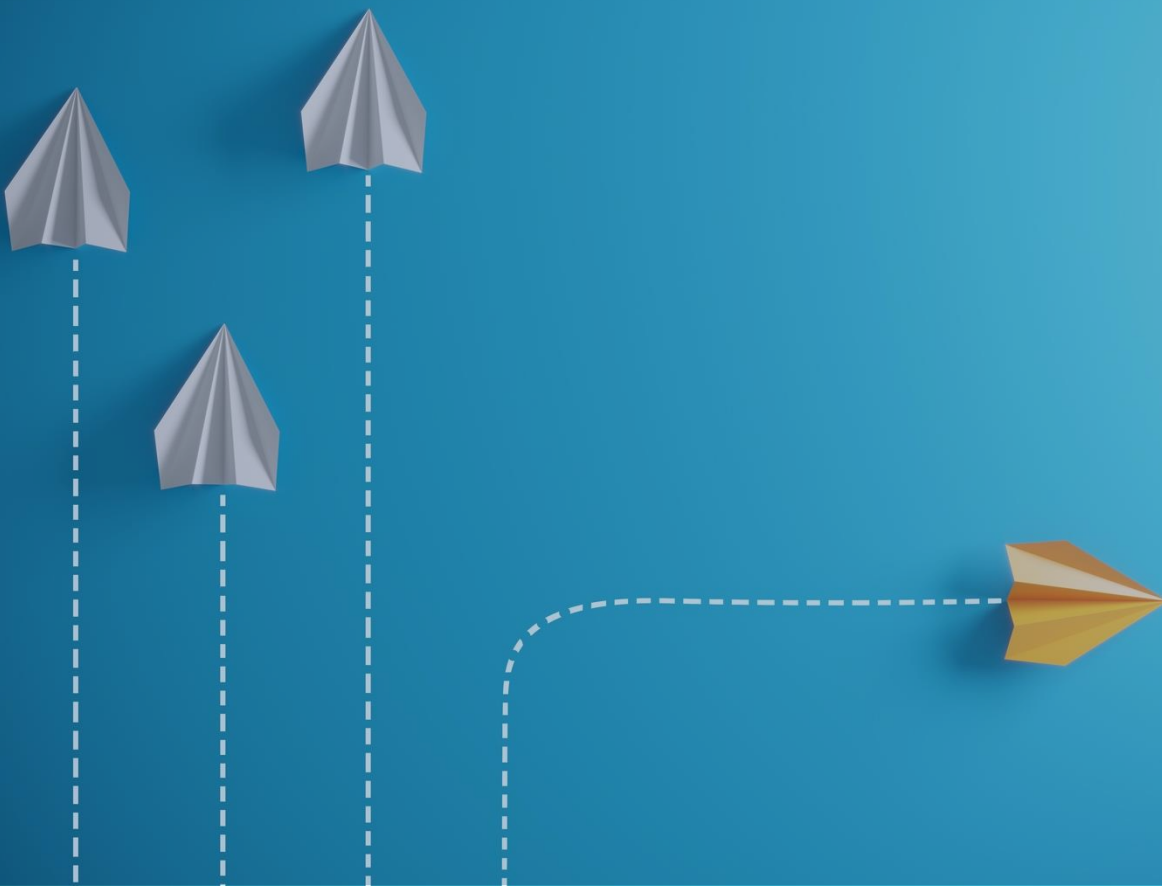


Making a Job Switch – How CXOs Are Weighing Their Options During COVID-19

THOUGHT PAPER

Written by **Anil Thankachan** & **Varun Sarin**



[istock.com/Eoneren](https://www.istock.com/Eoneren)

In a matter of months, we have not only seen but also felt the impact of COVID-19. This global crisis has brought about a fundamental shift in all of us — transforming the way we feel, experience, evaluate, and respond to situations. While earlier we were more exploratory and open to change, the omnipresent uncertainty in COVID-19 times has enforced caution upon us.

The pandemic has not only reset the way in which leaders function but also impacted the way in which they evaluate new career opportunities. To better understand this, we conducted a survey with a group of 100 senior leaders (CXOs) across diverse functions. The goal was to determine the extent to which their outlook has been altered while also exploring the new criteria of evaluation.

This is what emerged: C-suite leaders no longer view compensation as their top priority.

Table 1 | Job Search Priority Change.

Priorities	Rankings	
	Pre COVID-19 (average)	Post COVID-19 (average)
Financial stability	3	1 ↑
Business model of the organization	1	3 ↓
Industry that the organization is currently present in	4	2 ↑
Organization's response to tough time/s	6	5 ↑
Quality of the existing leadership team	5	4 ↑
Compensation	2	6 ↓

This is not to say that compensation is not a key consideration, but our survey indicates that money alone is not impetus enough for senior leaders to consider a career shift when the economy is in a state of flux.

This shift in priorities is demonstrated in the above table. While in the pre-COVID-19 context, **'Compensation'** was ranked (based on average scores) at number 2 for senior leadership candidates, post COVID-19, it has gone down the order to the lowest priority ranking of 6. Moreover, **'Business model of the organization'** which was earlier ranked at 1, slumped to rank 3.

On the other hand, **'Financial stability'** jumped from rank 3 to 1 and emerged as a top priority for C-suite leaders. **'Quality of the existing leadership'**, **'Industry that the organization is currently present in'**, and **'Organization's response to tough time/s'** also showcased a slight rise in priorities.

Now more than before, senior leaders are taking time to weigh factors much deeper and far-reaching than compensation before even considering a shift. Based on our findings, we have put together 6 critical factors senior leaders are considering before making the shift to a new organization. These learnings can serve as a guidepost for organizations as they search for the right candidate to step into a senior leadership position.

1. Focusing on Financial Stability

The focus on 'Business Model' as a criterion in the pre-COVID-19 era reflects a fairly common mindset — a sound business model guarantees "popularity" which in turn amounts to financial stability.

However, post-COVID-19, this outlook has been drastically altered. With certain industries (think Travel & Tourism, Offline Retail) having completely fallen by the wayside in these tough times, today CXOs are going beyond business models to determine financial longevity.

Their line of questioning in the present times has changed to focus more on the industry and indicators of long-term stability like booked business and revenue pipeline.

These are the questions they are asking:

Is the service or the product of the company essential or non-essential? How was the industry impacted by the COVID-19 crisis?

What is the company's financial runway and future funding plans? What is its cash in hand and its ability to meet expenses?

2. Long-Term Vision and Future-Proof Solutions

Did you know that on a global map, 40 percent of companies that have remained in existence for more than 300 years are located in Japan? [Japanese companies](#) survived periods of high volatility, like the 2011 tsunami, because they are “not as focused on gaining superior profitability” but instead they “envision the kind of future they want to create”. In short, their focus on solutions enabled them to survive catastrophic times.

58% of respondents in our survey listed ‘Business problem trying to be solved’ as a key push factor for them to consider a job change.

CXOs and other executives are focusing not only on short-term plans for the next 5-10 years but also on more strategic questions.

Is the ‘solution’ of the company embedded in the future to withstand economic turmoil?

Is the product differentiation exciting enough to promise ample scope of work and opportunity for growth?

3. Culture and Character

Beyond a healthy work environment and the focus on employee well-being, a new benchmark for evaluating organizational culture in the post-COVID-19 era is crisis response.

50% of our respondents identified ‘Handling of Crisis Situation’ as a new criterion while assessing organizations.

This shows that while the old parameters remain crucial (‘Toxic Culture’ is a key reason for 33% of respondents to change jobs), senior leaders are seeking more subtle indicators of organizational character.

How did companies treat and manage employee concerns at the peak of the pandemic?

Did they pursue lay-offs and other cost-cutting measures or did they first respond to the needs of the employees?

How did they manage re-entry anxiety as economies opened up?

4. Connect and Chemistry

While scrutinizing a job offer, C-level executives do a background check on both the company and its existing leadership. When asked for the key traits they

seek in existing leaders of the organizations they are considering, this is what our respondents had to say:

- **92% of participants chose ‘Financial wisdom’ as a quality**
- **92% of respondents listed ‘Transparency & honesty’ as an important trait.**

Furthermore, one-fourth of the group surveyed, rated ‘Effective Leadership’ as a key consideration while evaluating a company.

As discontinuity becomes the only norm, senior executives are giving far more weightage to probable personal chemistry with founders as a cushion against uncertainty.

Our findings suggest that the questions being asked now are:

Have the existing leaders let privilege and ego insulate them causing them to lose touch with people and clients?

Do they support honest and transparent flow of information?

5. What, How and Why of the story

Most organizations talk about WHAT they do and HOW well they do it. More often than not this translates into quantifiable answers like the product features and the revenue. Even in a secure world, this is an organizational story only half-finished. The WHY of an organizational story lies in its core beliefs and is one factor that remains constant in an environment of unceasing change. The ‘WHY’ makes an organization sustainable and **75% of participants in our survey indicated that they are more likely to consider how sustainable a company is as a measure of stability.**

What is your purpose and cause? Why does the organization exist?

What is your impact on your people, your clients and your community?

6. Risk Mitigation and Interest Safeguarding

In the past, many organizations have won over C-suite executives with high salaries and fancy perks like a generous joining bonus, high-value e-sops, and other hard-to-refuse incentives. However, the move up the corporate ladder comes with its own challenges, the difficulty in finding a job in case of redundancy being a primary cause of concern. In these unpredictable times, **CXOs are keener on practical measures that shield them from the possibility of a lay-off than traditional incentives alone.**

Will the company give me a 12-month cover if they have to let me go?

Is the company open to higher cash components against e-sops in salary negotiations?

The Bottom Line

The pandemic has taught us that change is here to stay and it is no longer enough to adapt to it. Organizations must reinvent themselves at every step in order to find a way to effectively address the deeper dilemmas of their potential C-suite executives. This not only means being ready to answer some tough questions but also having honest and authentic conversations with their C-suite candidates, who have now started weighing and viewing new job opportunities from a different lens.

About the Authors



Anil is a seasoned Human Resource professional with the experience of working a significant amount of his career in scaling startups ground up. He brings more than 19 years of deep hands-on and consultative experience across

Human Resources. Throughout his career playing multiple roles, he has been deeply involved with VC investors, founders and executive leaders in the area of people practices which have helped organizations grow seamlessly. His key contributions have been in:

- Talent acquisition across the hierarchy and functions.
- Creation of frameworks for performance management and talent engagement.
- Develop frameworks which enable in building diverse, high potential and performing teams.

In addition to his successful stints with large organizations like GE Capital (now GENPACT) and Avaya, Anil has had impactful stints with start-ups as well where he has scripted success stories for each one and helped them scale quickly and seamlessly. His stints have been with Tavant Technologies (Software Solutions), Mu Sigma Inc (Data Analytics – Sequoia & GAP funded) and SuperProfs (EdTech – Kalaari funded). In his last role, he played the role of CHRO at Innoviti Payments (Fintech - a Catamaran, SBI & Bessemer funded company).

Anil's deep experience spans functions, industries and geographies. His first principles-based approach to problem solving and thought leadership is deeply valued by clients and leaders alike.



Varun has over 20 years of experience in the corporate world, of which the last 13 years have been in executive search where he has led and managed critical client relationships across diverse industries. While working at

EMA Partners, he managed engagements that span the sr. leadership suite with a special focus on Digital, Tech & IT Services, VC/PE-Portfolio and Professional Services. He was instrumental in developing firm's capabilities in the Digital & Technology space. Most recently, he led the Technology practice at WalkWater

Talent Advisors, one of the fastest growing Executive Search and Talent Advisory companies in India.

Prior to joining EMA Partners, Varun was associated with Korn/Ferry where he was part of the Global Technology Markets (GTM) India practice. His areas of focus at Korn/Ferry included: Business & Professional Services, Business Information Services, IT/ ITeS, Electronics, Software & Emerging Technologies, Consulting, Big Data & Analytics, HR, and Finance. Earlier, between 2008-2011, Varun ran his own search firm before which he was associated with a niche economic, business and market research firm, IMA India.

Varun comes in with multi-domain, multi-functional expertise in Executive Search, and Leadership Coaching & Development. He had successfully completed Decision Dynamics Certification in the Executive Assessment Suite, is an Executive Coach, and regularly advises early stage ventures/ entrepreneurs.

About PeopleAsset

PeopleAsset is a boutique Executive Search & Talent Advisory Firm geared to deliver high quality results. We help our clients dramatically improve performance through focus on leadership & talent.

Visit us at www.peopleasset.in for more information or write to us at info@peopleasset.in.

Anil Thankachan & Varun Sarin are Co-founders, Directors at PeopleAsset.

Copyright © 2020 PeopleAsset, ExecHunt (India) Private Limited.