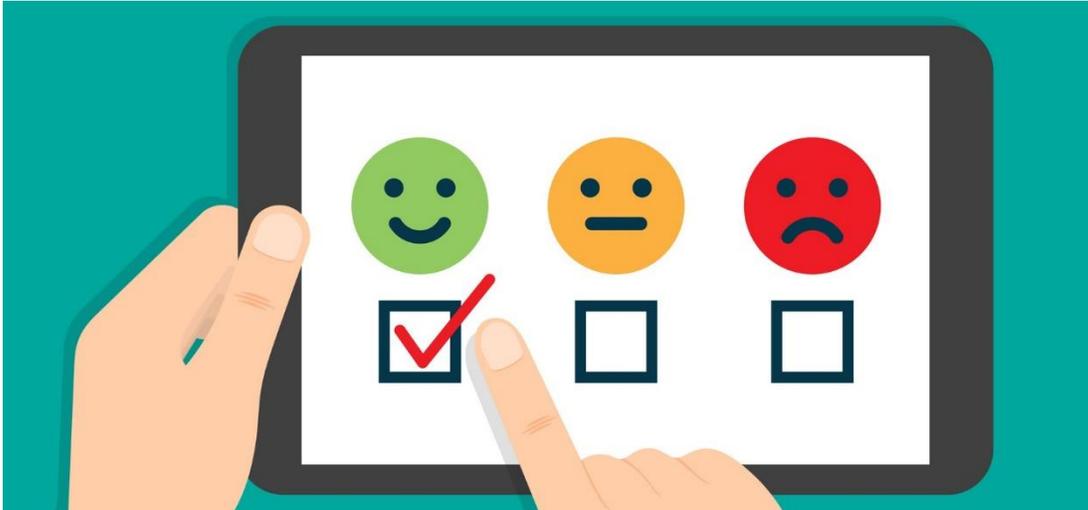# How Do You Attract The Best Executives?

By [Professor Boris Groysberg](), Harvard Business School
and his research team

Abstract: *Executive loyalty and executive engagement drive company success. What are the factors that can in/decrease executive loyalty and engagement? How can you act on this?*

Professor Boris Groysberg at Harvard Business School has partnered with The Official Board to survey over 7,000 top executives. He has discovered:

• Industries, countries, functions, and jobs attract executives very differently. This innovative mapping is instrumental to benchmark your attractiveness when hiring or retaining an executive.

• There are ten factors that might influence how the management teams are able attract and engage the very best executive talents.

1. Measuring Executive Job Attractiveness

The Net Promoter Score Methodology (NPS) has been a widely used metric in Fortune 500 companies to understand the customer willingness to recommend the product and services for the last 20 years.

It is all also increasingly used in HR to measure the employee loyalty to recommend their company as the Employee Net Promoter Score. It works the same way. In this survey, we have been using this methodology to evaluate executive engagement.

How does it work? The executives were asked: "How likely is that you would recommend your position to a friend or a colleague? Rate a scale from 0 (unlikely) to 10 (very likely)".

Every answer between 0 and 6 is called a "detractor", between 7 and 8 is a "passive" and between 9 and 10 is a "promoter".

The score is the percentage of promoters minus the percentage of detractors expressed as a percentage.

With a single number, companies measure how "passionate" their executives are and compare with their peers. We have measured the executive loyalty for their position (pNPS), function (fNPS), company (eNPS), country (cNPS) and industry (iNPS).
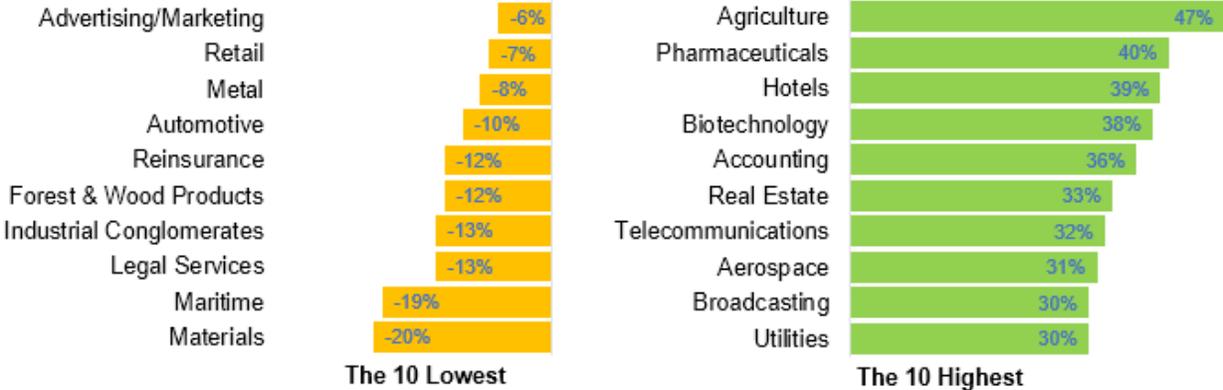
How likely is it that you would recommend the following to a friend or colleague?

Your position/title (pNPS)	27%
Your function (fNPS)	29%
Your company (eNPS)	24%
Your country (cNPS)	32%
Your industry (iNPS)	10%
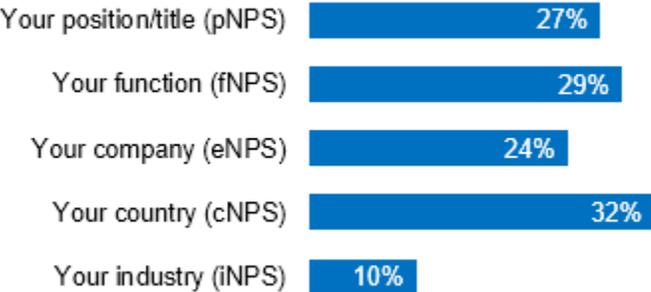
Five Metrics for Executive Job Attractiveness

2. Attractiveness by industry, country and function

Industry Attractiveness (iNPS)

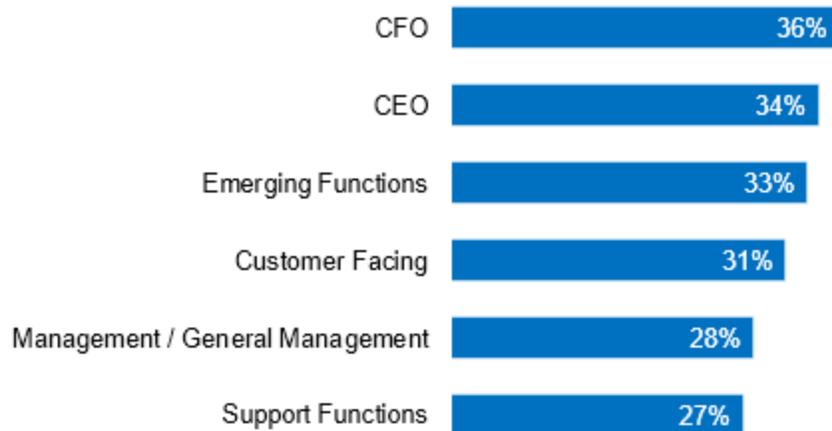| The 10 Lowest		The 10 Highest	
Advertising/Marketing	-6%	Agriculture	47%
Retail	-7%	Pharmaceuticals	40%
Metal	-8%	Hotels	39%
Automotive	-10%	Biotechnology	38%
Reinsurance	-12%	Accounting	36%
Forest & Wood Products	-12%	Real Estate	33%
Industrial Conglomerates	-13%	Telecommunications	32%
Legal Services	-13%	Aerospace	31%
Maritime	-19%	Broadcasting	30%
Materials	-20%	Utilities	30%

How likely is it that you would recommend your industry to a friend or colleague?

Why do some industries score higher than others? In some cases, the higher iNPS reflects the robustness of the industry overall. For other industries a healthy iNPS reveals a sense of purpose among those in the field.

Country Attractiveness (cNPS)

The 10 Lowest

Country	cNPS
Indonesia	9%
Turkey	2%
Russian Federation	-4%
France	-10%
Brazil	-11%
Poland	-17%
Greece	-28%
Argentina	-35%
Japan	-36%
Italy	-47%

The 10 Highest

Country	cNPS
New Zealand	82%
Austria	59%
Canada	59%
Australia	57%
Switzerland	54%
Ireland	54%
United States (USA)	46%
Mexico	44%
Germany	43%
Pakistan	43%

How likely is it that you would recommend your country for an International assignments to a friend or colleague?

One U.S. executive who had worked abroad extensively called out Australia as a favorite, describing the work environment as "very lively with a lot of energy." And a European executive who had spent time in numerous countries praised the companies in Scandinavian countries for being both supportive of employees and organizationally flat.

Function Attractiveness (fNPS)

The 10 Lowest

Function	fNPS
Medical	25%
Heath, Safety, Env. & Qual.	25%
Product	24%
Secretary	22%
Technical	18%
Region (e.g. APAC)	17%
R&D	14%
Administration	8%
Design	4%
Manufacturing	-5%

The 10 Highest

Function	fNPS
Procurement	42%
Distribution	41%
Credit	40%
Digital	40%
Compliance	39%
Customer	37%
HR	37%
Communication	37%
Local (e.g. Nashville)	35%
Accounting	33%

How likely is it that you would recommend your function to a friend or colleague?

fNPS likely reflects trends with some functions being viewed as "hot." As one compliance executive opined about his own space, "It has become a very hot area, given the recession, given the government position, given the…greater reliance and dependence on the compliance function. It is becoming, instead of being a tangential matter, a core matter."

Aggregated Function Attractiveness (fNPS)

Function	fNPS
CFO	36%
CEO	34%
Emerging Functions	33%
Customer Facing	31%
Management / General Management	28%
Support Functions	27%

We also looked at this analysis in a more aggregated way combining the 50 original functions into only six: CEO, CFO, Customer Facing Functions, Emerging Functions, General Management / Management, and Support Functions. Contrary to what one might expect, CEOs did not exhibit the highest fNPS—that distinction belonged to CFOs with an fNPS of 36%. The lowest fNPS belonged to Support Functions, with an fNPS of only 27%.

3. Attractiveness by Executive Profiles

What are the implications of these results for leaders hoping to maximize employee engagement and productivity? To what extent are these scores driven by factors beyond their control (e.g., industry growth prospects or personality fit)? The survey results point to some potential factors within management's control that may result in an improved NPS:

Factor #1: Executive Skills (Ranked on a Scale of 1 to 5; least to most important)

How would rate the importance of... to be successful in your job?

When ranked 5 (most important)

Teamwork	32%
Interpersonnal Skills w/ colleagues/subordinates	30%

When ranked 4 to 1 (least important)

Teamwork	12%
Interpersonnal Skills w/ colleagues/subordinates	9%
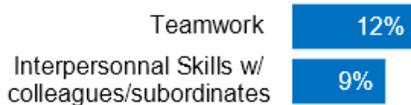
Collegiality Drives Company Attractiveness (eNPS)

Thus, a focus on community and collaboration and fostering a sense of collegiality may be a way to improve employee loyalty, engagement and productivity.
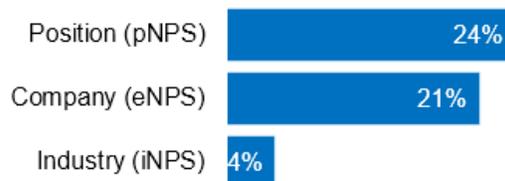
Factor #2: Executive Traits (Ranked on a Scale of 1 to 5; least to most important)

How would rate the importance of Imagination, Creativity, and Curiosity
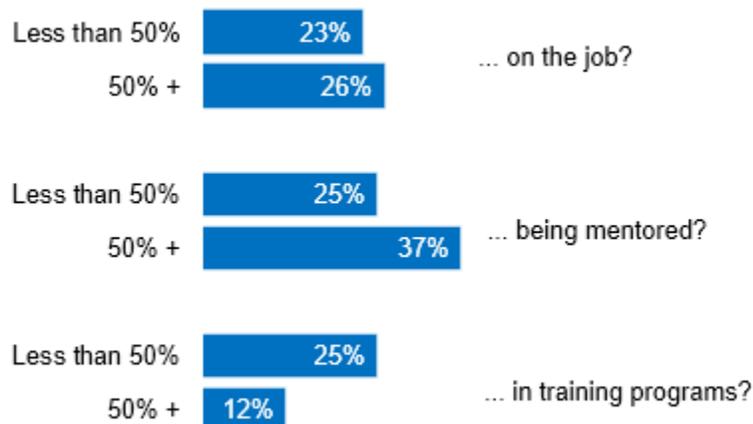to be successful in your job?

When ranked 5 (most important)

Position (pNPS)	30%
Company (eNPS)	27%
Industry (iNPS)	16%

When ranked 4 to 1 (least important)

Position (pNPS)	24%
Company (eNPS)	21%
Industry (iNPS)	4%

Creativity Drives Company and Position Attractiveness

Thus, stretch assignments that allow executives to explore new areas may be an effective tool for improving employee loyalty.

Factor #3: Executive Development Types

What percentage of the skills necessary to be successful in this role did you learn...

Less than 50%	23%	... on the job?
50% +	26%	

Less than 50%	25%	... being mentored?
50% +	37%	

Less than 50%	25%	... in training programs?
50% +	12%	

Company Attractiveness by Development Type (eNPS)

Similar to the findings above - companies that emphasize teamwork and collegiality, including active mentorship, seem to benefit from higher employee engagement and loyalty. Interestingly, training did not seem to be a positive drive of company or position loyalty —those individuals that attributed 50% or more of their skills to training programs had an eNPS of 12%.

Factor #4: Executive Years of Experience
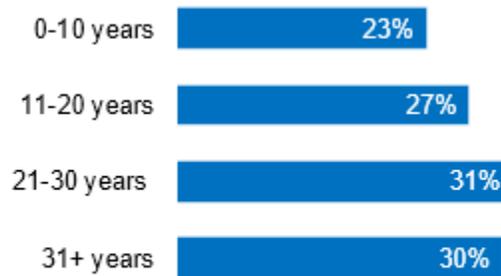
Position Attractiveness by Years of Experience (pNPS)

Those with experience of 11 years or more had pNPS in the 27%-31% range. We attributed this differential to a number of factors. First, it often takes time to find the right "match" in terms of a job that is a good fit for one's skills and interests; employees earlier in their careers are more likely to be still searching. Additionally, job rotations are often a factor in executive careers, particularly early on. Individuals may rotate through a variety of positions that don't necessarily interest them as part of the training process.

Factor #5 – Executive Education
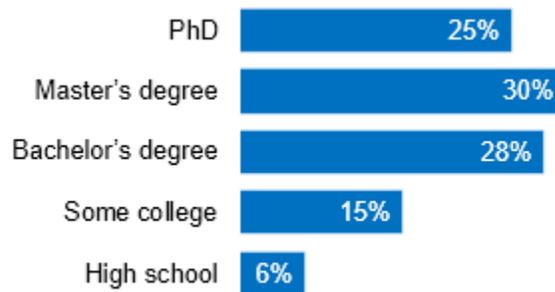
Position Attractiveness by Education (pNPS)

This differential may be driven by the fact that executives with higher education levels may feel they have greater options relative to their less educated peers—they are in their current position because they choose to be so and feel they can leave if and when that are not happy. Those more educated executives may also feel more valued by their employers and peers—feeling that their additional years of education defines them as "pedigreed", adding to their job satisfaction.

Factor #6 Executive Education/Professional Experience Fit

How typical is your education and professional experience compared to others
in the same role at other companies in your industry?

Typical / somewhat typical	33%
Neither atypical nor typical	12%
Atypical / somewhat atypical	22%
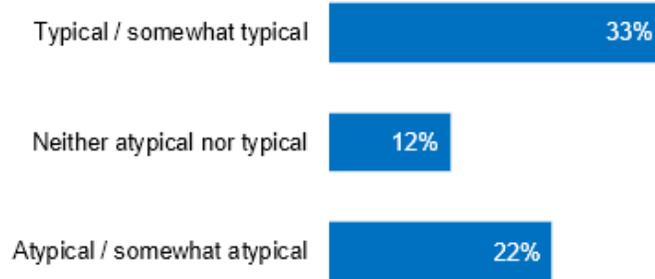
Position Attractiveness by Education/Professional Experience Fit (pNPS)

When asked, "How typical is your education and professional experience compared to others in the same role at other companies in your industry?," executives who responded that their experience was "typical" or "somewhat typical" had the highest pNPS (33%), while executives who said their experience was "atypical" or "somewhat atypical" had a pNPS of 22%.

Factor #7 Executive Background Fit

How strongly do you agree that your background adequately
prepared you for your current position?

|	
Agree / somewhat agree	31%
Neither agree nor disagree	20%
Disagree / somewhat disagree	14%
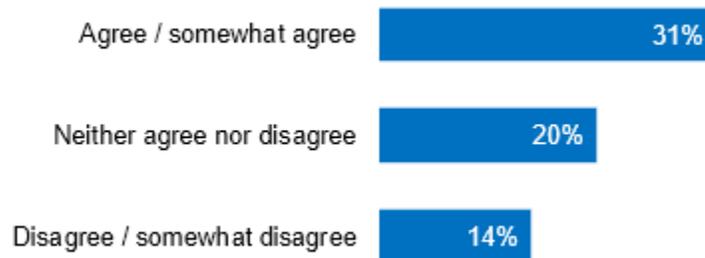
Position Attractiveness by Background Fit (pNPS)

Fit matters when it comes to job satisfaction—feeling prepared and feeling as if you are at the right level with others with similar backgrounds contributes to this sense of a good fit.

Factor #8: Executive Job Depiction Accuracy

How strongly do you agree that your official job description is an accurate depiction of how you spend your time?

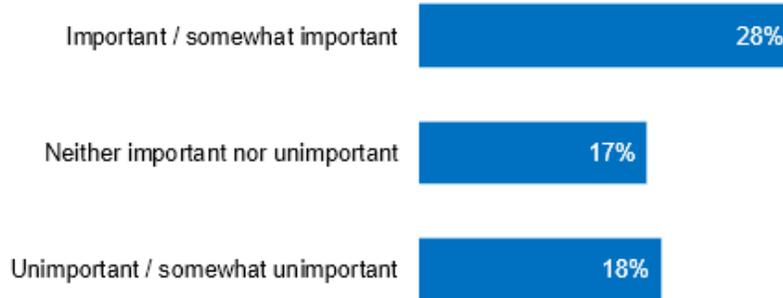|	
Agree / somewhat agree	34%
Neither agree nor disagree	20%
Disagree / somewhat disagree	15%
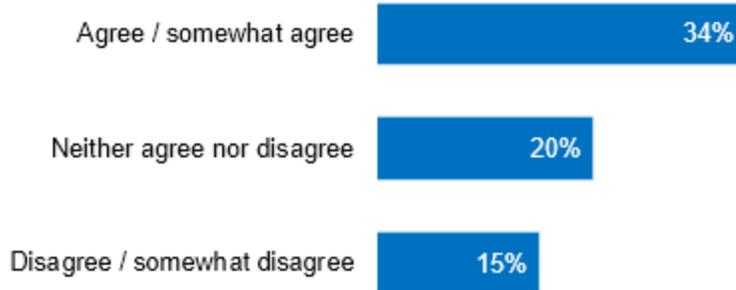
Position Attractiveness by Job Depiction Accuracy (pNPS)

A complete and accurate job description allows candidates to self-assess, providing them with the information necessary to decide if a position is right for them.

Factor #9: Executive Continuous Learning

How important is continual learning in order to be successful in this position?

Important / somewhat important	28%
Neither important nor unimportant	17%
Unimportant / somewhat unimportant	18%

Position Attractiveness by Continual Learning Importance (pNPS)

Continuous learning is an important way of keeping work interesting. Executives who feel like they are engaged in continuous learning are also likely to feel that they are maintaining skill relevance in today's rapidly changing business environment. This will inevitably drive higher job satisfaction.

Factor #10: First Job Holder

Are you the first person in your company to have this position?

No	28%
Yes	26%

Position Attractiveness if First Person in the Job (pNPS)

This rapid pace of change in today's business world is also evident in the responses to another question. Executives were asked whether or not they were the first person to hold their current position (and if so, whether their responsibilities formerly belonged to a different position). Just less than half of those who

responded said "yes." It is a high number even in the constantly changing world we live in. (Interestingly, these responses did not seem to have an impact on pNPS—with the yes and no responses having similar scores.)

Next Steps:

Executive loyalty and attractiveness remain a very complex phenomenon.

If you want to find out more on how you can use and accustom this data for your own purposes, please contact me at b.groysberg@hbs.edu. You can also click here to upload my complete research paper: How likely is it that executives would recommend their jobs, functions, industries, and countries to a friend or colleague?