



ABOUT THE AER

The Association of Executive Recruiters (AER) is a specialist sector group of the Recruitment and Employment Confederation (REC) and represents providers of executive recruitment services. Founded in 1983, the Association of Search & Selection Consultancies later became a division of the REC in 1995 and re-formed as the AER in 2005. The AER is the leading voice for the search industry in the UK and plays an influential role in shaping policy on issues related to leadership, diversity, organisational governance and executive pay.

Members of the AER uphold and demonstrate professionalism, quality standards and ethics for the search industry. It is well known that the cost of poor recruitment is incalculable especially at more senior levels. Sourcing senior staff requires knowledge, diplomacy, expertise and considerable effort. All AER members adhere to a [Code of Professional Practice](#) to ensure a quality of service to clients and candidates.

Although search and selection is still about building relationships within client organisations, the industry has been through considerable change – from competing with new technologies to the growth of in-house teams and the creep of contingent recruitment for the more senior roles.

Top 3 sectors by market share value

36.2%
Financial Services



17.6%
Industrial



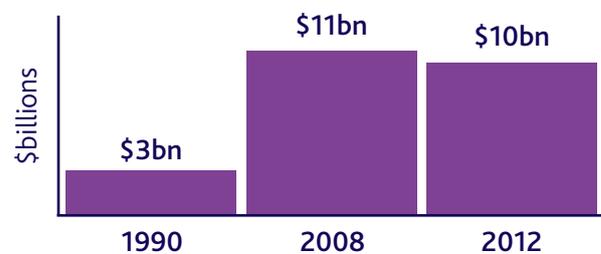
17.3%
Consumer



The market

- The global executive search industry has been through considerable change and the impact of the recession is clearly visible:¹

Annual Revenues



- About a third of all revenues stem from Europe, the Middle East and Asia, and 40% of that figure is generated in the UK.¹
- The financial services sector provides nearly 20% of the overall global revenue.¹
- Between 2013-14, the net fee income for search firms increased by 8.5%; this was only the second year of positive growth since year for the industry since 2009.²

The UK is the third largest market for executive search.³

¹ Simon Hearn for The Telegraph, 19th February 2014

² Executive Grapevine Board and Leadership 2014 Market Report

³ Association of Executive Search & Leadership Consultants: www.aesc.org

THE REC GUIDE : ABOUT THE AER

“The executive search industry has undergone a transformation in recent years. The spotlight has been turned on leadership and governance, which means client expectations are high for their executive search partners. The bar has been raised and it is now more important than ever for search firms to play a leading role and that is why the Association of Executive Recruiters matters more than ever.”

Sarah Thewlis, Chair of AER

Key campaigns for the AER

1. Diversity and equality in the boardroom

Having diverse leadership teams is not just the right thing for our society, it makes commercial sense. In 2014, the REC published 'Room at the Top: women leaders and the role of executive search' which encourages businesses and executive search firms alike to be more open about how they find talent.

The AER has been leading the way when it comes to thinking about how executive search firms and their clients are measured and report on diversity. Through a series of meetings with the experts, including the Department for Business, Innovation and Skills (BIS), Charlotte Sweeney (diversity expert leading a review for Vince Cable MP), the Lord Davies Steering Group and Women on Boards, we have fed into the redevelopment of an enhanced and standard **Voluntary Code of Conduct for Executive Search**, which was launched in late 2014.

2. Executive pay

Stronger links between pay and performance are being made at the UK's top companies as recognition grows of a massive disconnect between how we pay and what we do. The AER has been supportive of the government's intent to increase transparency and curb high pay for failure but has cautioned that if the very top end of the executive labour market is to remain highly competitive, it is essential that boards retain the ability to attract the best talent through pay. We need the best people leading our businesses if the economy is to continue to move into growth.



Encouraging businesses to be more open about how they find talent

“RECRUITERS ARE NOT RESPONSIBLE FOR THE FINAL DECISION BUT THEY CAN ENSURE DIVERSITY ON A SHORTLIST.”

SENIOR CONSULTANT, EXECUTIVE SEARCH FIRM



Get Involved

To find out more about joining the AER, visit [here](http://www.rec.uk.com/aer). The best way to get involved is to come to the next meeting – ask your REC account manager for more details.

www.rec.uk.com/aer

