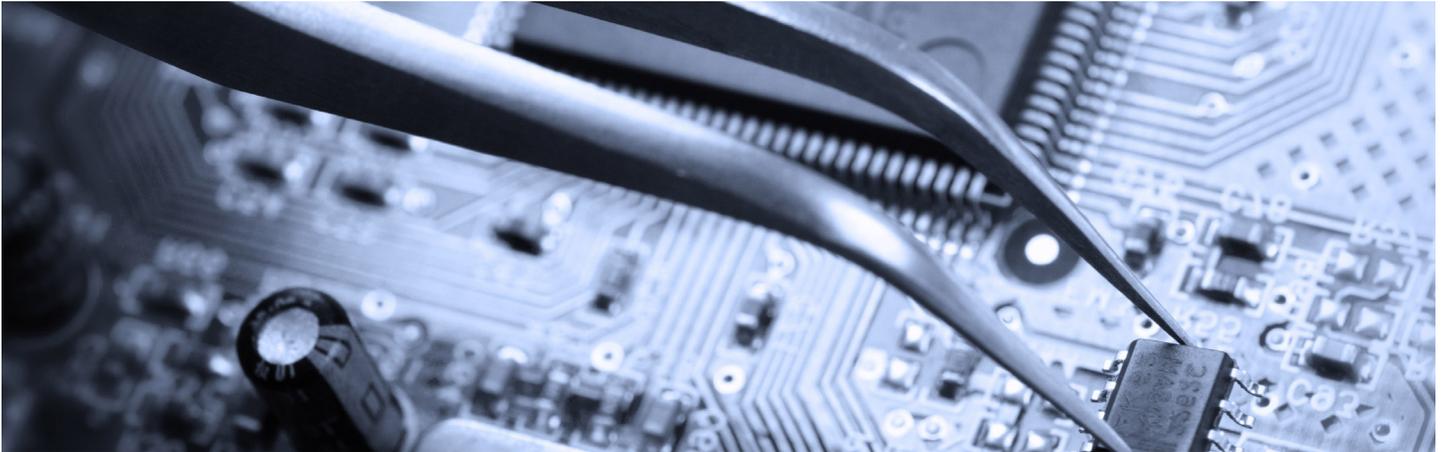


Success stories in talent, leadership and succession

CASE OVERVIEW

- CEO search context
- Board as key client
- Global scope, HQ in Asia
- Technology



The Context

Our client is a leader in the design and manufacture of semiconductor assembly equipment. With approximately \$760 million of revenue in 2010 (three times that of 2009) and about 2,100 employees globally, it provides equipment and tools used in the production of a wide range of semiconductor devices. The organization recently relocated its headquarters from the United States to Asia to be closer to key customers.

The Challenge

In seeking a new global CEO, the Board engaged Russell Reynolds Associates (RRA) to evaluate internal and external talent. In conducting the search, RRA identified two finalists. One was external with considerable relevant experience, and the other was someone who had come through the ranks internally and was heavily specialized in one core function of the business. The Board was divided in its support, and there were considerable sensitivities around ensuring the retention of the internal candidate should he not be successful in the securing the CEO role.

The Solution

At the request of the Board and in order to draw further differentiation between the two candidates, RRA conducted a detailed executive assessment process consisting of online testing, in-depth two-person interviews and detailed behavioral referencing. The results highlighted the strengths, development areas and potential risks associated with each candidate. Based on additional information from this assessment, the Board quickly made its decision.

The Outcome

The Board appointed the external candidate and is extremely happy with the result. The new CEO is settling in well, with the data collected during the search phase providing critical insights and guidance to his fast and effective onboarding. A key part of the risk management process was to provide feedback to the internal candidate in a way that was valuable input to a development plan and yet recognized his current strengths and worth to the business. RRA met with this individual to provide the feedback

and to help formulate the basis for a targeted development plan.

The internal candidate has decided to stay with the organization and to contribute his considerable expertise and knowledge to building the future of the firm. The new CEO is coaching and providing experience and opportunity to broaden the internal candidate's repertoire, to enable him to move into more senior and broader roles in the future—whether this be within or outside of the firm.

