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The Brazilian publication, *Valor Econômico*, spoke with Clarke Murphy about the recent demonstrations that took place in Brazil and the implications they have on business in the region.

When Clarke Murphy, global CEO of executive search company Russell Reynolds Associates, one of the largest in the world, saw the pictures published in the *New York Times* with the recent demonstrations that occurred in Brazil, he was bewildered. He thought it was "awful". Those images, he says, left him and some investors quite nervous.

However, upon his arrival in the country last week, he changed his mind. "The CEOs of companies seem quite undisturbed as to what takes place on the streets," he told Valor. "My impression is that CEOs and students want the same thing: that the government solves the problems rapidly. They want progress." In the meetings he had with executives in Brazil, Murphy realized that the Brazilian business community sees these demonstrations with favorable eyes. The word he heard the most was "evolution." In his opinion, global investors should realize that and calm down. What he experienced in São Paulo was quite different from what he saw a few weeks ago while visiting Istanbul, Turkey, where a number of demonstrators went out on the streets and there was confrontation.

For 12 years Murphy has been visiting Brazil regularly, and over this time he has seen a lot of changes. "The executive-recruitment industry has gone through a major transformation here," he says. When Russell Reynolds Associates started out in Brazil, in 1997, the major demand was for Brazilians willing to lead multinational and domestic companies, today the scenario is different.

The country attracts executives of different origins, especially from Europe, who want to develop a career here. "For those who intend to work in the supply chain and logistics area, for instance, Brazil is a challenging place due to its size and the nature of distribution."

For Murphy, working in Brazil means to be prepared to work in any other market, due to the complexity of processes and the business environment. In his opinion, this gives local executives a competitive advantage compared to executives of other nationalities. "They are fully prepared to stand out in more predictable markets," he says.

One of Murphy's objectives in São Paulo was to talk to board members and to share the experience he acquired over the years as a recruiter and advisor for boards around the world. In a closed lecture with some well-known board members, he stressed the role of the board in CEO-succession processes. In countries such as Germany, France and Brazil, where there is a strong presence of family-owned companies, historically the decision of leadership change is made by the family. "Little by little we are managing to enter these processes," he says.

With the growth of global competition, the organizations, family-owned or not, are more sophisticated and concerned in not making mistakes. "They want to be sure they hired the right people," says Murphy. Even in Japan, according to him, there are currently more formal succession processes in place. "Seniority is no longer the only criterion for replacement," he states.

He says that Japanese companies are typically more discreet at such times. The more advanced organizations in terms of management tend to develop a longer-term plan, that may range from 3 to 5 years. A well-led succession process should undergo a number of stages. One of the most important ones is to tell the likely candidates in the top position what they need to improve upon to get there. "One must provide balanced and detailed feedback, comparing their performance to those of the market," the expert states. He says that some executives do not accept that lightly and become defensive. On the other hand, others are so self-confident they will do whatever it takes to get to the top. "These will be harder to handle if they are not the selected ones," he concludes.

For the original Portuguese article, please visit [Valor Econômico's website](#).