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**KORN/FERRY “CONFIDENCE IN LEADERSHIP INDEX” REVEALS
CAUTIOUS OPTIMISM HEADING INTO NEW YEAR**

LOS ANGELES, December 17, 2009 – The Korn/Ferry Institute’s Q4 “Confidence in Leadership Index” shows rising confidence in corporate leadership globally, an encouraging sign heading into 2010. Several major drivers of confidence reached their 2009 peak in an economy showing signs of recovery.

The Confidence in Leadership Index asks global executives critical questions that produce metrics for: 1) credibility of leadership, 2) trust of leadership, 3) leadership characteristics (“factors”) and 4) direction of leadership. The survey was fielded by Braun Research, Inc. between November 19-27, 2009.

Highlights of the survey include:

Credibility of Leadership: 71; +2 points

- Leadership credibility increased across all levels of leadership
- Increased in Asia Pacific, Central/South America and Europe; North America declined

Trust of Leadership: 72; No Change

- North America remains most trusting with an index score of 80
- Europe remains most skeptical with an index score of 63
- Central/South America climbed 6 points to 75

Most Important Leadership Factors: 1) Strategic Skills and 2) Operating Skills

- Personal and interpersonal skills carry more weight in North America and Europe
- Courage and Managing Financial Performance received slightly more emphasis in Central/South America

Direction of Leadership: 22.6; + 3.5 points

- North America is least optimistic (-4.2), though improved after a low in August (-9.9)
- Central/South America most optimistic (+48.5)



“The Q4 Confidence in Leadership Index reflects cautious optimism inspired by a steady labor market and improving economic picture globally,” said Ana Dutra, CEO of Korn/Ferry Leadership and Talent Consulting. “It’s especially encouraging to see confidence in CEOs and corporate boards has made positive strides in consecutive quarters, because strong leadership at the top of the house influences the entire organization.”

For complete survey results and a webcast of the report highlights, please visit www.kornferryinstitute.com.

Credibility of Leadership:

Index scores edged up by two points for “credibility of leadership,” reaching a high of 71 on a 100-point scale. Executives felt that both their direct reports’ and their company’s board of directors showed the strongest improvement, each rising by three points, to index scores of 72 and 70 respectively. CEOs showed a one-point improvement to 70, continuing an upward trend that has resulted in a three-point improvement since the survey was first conducted in May 2009. Executives remain the most bullish about their own leadership ability, with an overall index score of 75 points.

Category	Q3 Index	Q4 Index	Change
Own Leadership Ability	74	75	+1
Direct Reports’ Leadership Ability	69	72	+3
Boss’s Leadership Ability	66	69	+3
Company Management’s Leadership Ability	68	69	+1
CEO’s Leadership Ability	69	70	+1
Board of Director’s Leadership Ability	67	70	+3
Credibility of Leadership Index	69	71	+2

Three of four regions showed improved credibility of leadership scores over Q3. Asia Pacific, Central/South America and Europe all gained ground on North America, which continues to have the highest overall index score of 75 despite remaining flat quarter over quarter.

Region	Q3 Index	Q4 Index	Change
North America	75	75	0
Asia Pacific	71	74	+3
Central/South America	67	72	+5
Europe	63	65	+2
Global Credibility of Leadership Index	69	71	+2

Trust in Leadership:

The survey also asked executives about trust in leadership – a corollary of confidence. The overall index score remained unchanged from Q3, holding steady at 72 points. Of the trust factors measured in the survey, one relative weakness is leaders’ willingness to admit mistakes and accept responsibility, which scored 68 on the index or four points below the mean.



Trust Factors	Q3 Index	Q4 Index	Change
Our business consistently adheres to the highest standards of business conduct	73	74	+1
The company operates with the highest set of ethical standards	74	73	-1
All employees understand and follow our code of conduct	71	73	+2
Our leaders are models of ethical business conduct	72	71	-1
Leaders are quick to admit mistakes and accept responsibility	68	68	0
Trust in Leadership Index Score (Global)	72	72	0

Regionally, North American executives felt their leaders were much more trustworthy than the rest of the world, scoring 80 on the index, eight points above the global mean but down two points from the Q3 study. Central/South America gained six points on the Trust scale to rise above the global mean with a score of 75. Europe remains more skeptical of its leadership, declining two points to a score of 63, nine points below the global mean.

Region	Q3 Index	Q4 Index	Change
North America	82	80	-2
Central/South America	69	75	+6
Asia Pacific	72	73	+1
Europe	65	63	-2

Leadership Factors:

In an exercise designed to rank the most important characteristics of leadership, executives allocated 100 total points across seven categories, resulting in the following ranked list of leadership factors.

Leadership Factors	Q3 Index	Q4 Index	Change
Strategic Skill	19	19	0
Operating Skill	16	16	0
Personal and Interpersonal Skills	14	15	+1
Courage	13	13	0
Energy and Drive	14	13	-1
Managing Financial Performance	12	12	0
Organizational Positioning Skills	12	11	-1

*Results may not equal 100 due to rounding

Geographic variations point to different management styles globally. In North America, “Strategic Skills” and “Personal and Interpersonal Skills” each ranked higher than the global mean, while “Operating Skill” ranked two points lower. In Central/South America, “Strategic Skills” ranked two points below the global average, while “Managing Financial Performance”



ranked three points above. In Asia Pacific, “Personal and Interpersonal Skills” ranked two points below the global mean.

Leadership Factor	Global Mean	North America	Central/South America	Asia Pacific	Europe
Strategic Skills	19	21	17	19	19
Operating Skills	16	14	14	17	17
Personal and Interpersonal Skills	15	16	14	13	15
Courage	13	12	15	14	13
Energy and Drive	13	13	13	12	14
Managing Financial Performance	12	12	15	12	12
Organizational Positioning Skills	11	11	12	12	11

*Results may not equal 100 due to rounding

Direction of Leadership:

Finally, respondents were asked if leadership was headed in “the right direction” or “going the wrong way.” The resulting global ranking showed an encouraging response of +22.6 on a scale that ranged from -100 to +100. The index score was up 3.5 points over Q3 results.

North America remains the only region with an overall negative response, though the average score improved from a -9.9 in Q3 to -4.2 in November, an improvement of 5.7 points.

Central/South American respondents remain most favorable about the direction of leadership responding with a +48.5 score, up 0.9 points from Q3. Asia Pacific followed in second with a +37.4 score, down 0.9 points from last quarter. Asia Pacific was the only region to report slightly lower favorability in the direction of leadership. European respondents average +21.5, showing the largest quarter-over-quarter gain of 6.3 points.

Region	Q3 Index	Q4 Index	Change
Central/South America	47.6	48.5	+0.9
Asia Pacific	38.3	37.4	-0.9
Europe	15.2	21.5	+6.3
North America	-9.9	-4.2	+5.7
Global	19.1	22.6	+3.5

About the Confidence in Leadership Index:

The Confidence in Leadership Index is conducted quarterly via an online survey completed by 500 adults employed in management-level or higher positions. The survey was conducted in the following countries:

- Australia
- Brazil



- Canada
- China
- France
- Germany
- India
- Italy
- Japan
- Russia
- Spain
- United Kingdom
- United States

The margin of error within each wave is +/- 4.4%. Braun Research was commissioned to facilitate the study and analyze results.

About The Korn/Ferry Institute

The Korn/Ferry Institute was founded to serve as a premier global voice on a range of talent management and leadership issues. The Institute commissions, originates and publishes groundbreaking research utilizing Korn/Ferry's unparalleled expertise in executive recruitment and talent development combined with its preeminent behavioral research library. The Institute is dedicated to improving the state of global human capital for businesses of all sizes around the world.

About Korn/Ferry International

Korn/Ferry International (NYSE:KFY), with a presence throughout the Americas, Asia Pacific, Europe, the Middle East and Africa, is a premier global provider of talent management solutions celebrating 40 years in business. Based in Los Angeles, the firm delivers an array of solutions that help clients to attract, develop, retain and sustain their talent. Visit www.kornferry.com for more information on the Korn/Ferry International family of companies, and www.kornferryinstitute.com for thought leadership, intellectual property and research.

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