

Boston Business Journal

From the December 23, 2005 print edition

Restless execs

C-level ranks job hop more readily

[Sheri Qualters](#)

Journal Staff

Executive job hopping is on the upswing this season as companies celebrate a recuperating economy by filling out thin executive suites and executives revel in a buffet of opportunities.

Observers agree that executive job movement, from the c-level suite of chief executive officers and chief financial officers down to senior vice presidents and vice presidents, is burgeoning. But they point to a mix of reasons for the shift, including regulatory strains and pressures, executives' eagerness for change and increased corporate opportunity.

Many executives seeking a change are simply restless for better opportunities after enduring several years of economic doldrums during the first part of the decade, said Aaron Lapat, managing director of the technology practice at Boston-based executive search firm [J. Robert Scott](#).

"There was at least a two-year period with so little movement that it didn't take a roaring economy to get things moving," Lapat said. "Throwing a little fuel on the fire went a long way."

Growing corporate profit and sales is also motivating companies to beef up the executive suite. Automation software company [BladeLogic Inc.](#) of Waltham is one of a number of local companies that minted brand new executive posts this fall by hiring a senior vice-president of worldwide sales and services.

BladeLogic's President and CEO, Dev Ittycheria, said adding the sales executive is part of the 150-employee company's preparation for a possible initial public offering in a year or 18 months.

"We've consciously put in a foundation to run a much larger company," Ittycheria said.

But public companies are also making similar moves to manage growth. Last month, imaging system maker [Analogic Corp.](#) (Nasdaq: ALOG) of Peabody hired a chief operating officer and [MFIC Corp.](#) (OTC: MFIC), which makes fluid material processors used in food, cosmetics and medicine production, added a vice president of marketing and sales. Before the change at Newton-based MFIC, the company's president and chief operating officer had played a triple role since 2001.

Senior marketing and sales executives are also hotly pursued in such diverse fields as life sciences, professional services and technology because companies are expanding their focus from cost management and productivity to investing in growth, said Robert K. Sullivan, who heads the Boston office of Los Angeles-based recruiting firm Korn/Ferry International.

"For the last couple of years, employers have had one singular focus," Sullivan said. "That's now being replaced by a greater balance and a renewed emphasis on growth."

Overall job movement among c-level professionals, directors, vice presidents and executive vice presidents at all Russell 3000 and Canadian public companies has climbed sharply throughout the year, according to New York-based [Liberum Research](#), the executive change research arm of Wall Street Transcript Corp., an investment tracking company. In January and February, Liberum tracked 970 and 992 executive departures and hires at those companies; by October, Liberum tracked 2,059 changes, followed by 2,209 in November.

Although Liberum is in its first year of data collection, there's not as much seasonality in c-level executive job changes as in the general population, said Richard Jacovitz, Liberum's senior vice president and director of research. Pressure from Sarbanes-Oxley is driving many changes, not just at the CEO and CFO level, but on all rungs of the executive ladder as greater work complexity gets pushed down the chain of executive command.

Many local companies experienced CFO shifts this year, including [BJ's Wholesale Club Inc.](#) (NYSE: BJ) of Natick, which announced this month that its CFO was returning to the insurance industry after just seven months in BJ's top finance role.

Sarbanes-Oxley "continues to weigh heavily on public companies" and is even driving an increase in CFO searches at privately held, pre-IPO companies, said Sue Pace, partner at the Wellesley office of New York-based search firm Battalia Winston International.


Venture capital firm Battery Ventures of Wellesley has seen an upswing of CFO searches at its portfolio companies preparing for the public markets, said partner Cornel Faucher.

"Companies are looking to bring on CFOs to make sure they're ahead of game," Faucher said.

Executive search firm Crist Associates of Hinsdale, Ill., which tracks the 662 companies that make up the Fortune 500 and S&P 500, has seen new CEO appointments rise from around 80 from 2001 through 2003 to 94 last year, with a projected total of close to 100 this year, said Crist Vice President Scott W. Simmons.

Simmons also noted that a CEO change is likely to spur CFO or other executive changes. Such changes followed a CEO shift at student loan services company [First Marblehead Corp.](#) (NYSE: FMD) of Boston, when the prior CEO resigned amid a gift scandal. This month, First Marblehead tapped a new executive vice president for business development, and promoted the former business development leader to a new chief marketing officer role.

Sheri Qualters can be reached at squalters@bizjournals.com.

© 2005 American City Business Journals Inc.  [Add RSS Headlines](#)

Post a Job Locally

[Single Job Posting for \\$280](#)

Create your job ad in as little as a few minutes and it will appear on the local business journal website for 60-days. Candidate resumes are filtered by position requirements and delivered directly to your email inbox. [Get Started Today!](#)

» [Special Offer](#): 3 job posts and resume search - \$600

Today's Featured Jobs powered by [bizjournalsHire](#)

- [Unix Systems Administrator - Quantronix Inc.](#)
- [Chief Financial Officer - Confidential](#)
- [Creative Services Project Supervisor - Houghton Mifflin Company](#)
- [Pharmaceutical Sales Representative - Boston, MA - Boehringer Ingelheim](#)
- [Litigation Support Analyst - Pitney Bowes](#)

[More Local Jobs](#)

→ [Post Jobs](#) | → [Post Your Resume](#) | → [Search Jobs](#)

All contents of this site © American City Business Journals Inc. All rights reserved.