

---

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

---

**FORM 8-K**

---

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACTS OF 1934**

**Date of Report (Date of earliest event reported): June 9, 2008**

---

**HEIDRICK & STRUGGLES INTERNATIONAL, INC.**

(Exact Name of Registrant as Specified in its Charter)

---

**Delaware**  
(State or other jurisdiction  
of incorporation)

**0-25837**  
(Commission File Number)

**36-2681268**  
(IRS Employer  
Identification No.)

**233 South Wacker Drive, Suite 4200, Chicago, IL**  
(Address of principal executive offices)

**60606-6303**  
(Zip Code)

**Registrant's telephone number, including area code: (312) 496-1200**

**N/A**  
(Former name or former address, if changed since last report.)

---

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
- 
-

ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On June 9, 2008, Heidrick & Struggles International, Inc. (the "Company") and Scott Krenz entered into an employment agreement effective as of June 9, 2008 (the "Agreement"), pursuant to which Mr. Krenz agreed to serve as the Company's Executive Vice President and Chief Financial Officer.

Under the terms of the Agreement:

Mr. Krenz will receive an annual base salary of \$375,000.

Mr. Krenz will be eligible to receive an annual bonus with a target bonus opportunity of 100% of his base salary.

Mr. Krenz will receive a cash sign-on bonus of \$100,000 payable within thirty (30) business days of his employment start date or the next applicable payroll date that occurs thereafter.

On September 30, 2008, Mr. Krenz will be granted 5,000 restricted stock units with respect to shares of common stock of the Company, which restricted stock units will vest at a rate of one third on the first three anniversaries of the grant date, and, upon vest, will convert into shares of common stock on a one-for-one basis.

On September 30, 2008, Mr. Krenz will be granted an award of stock options to purchase 7,500 shares of common stock of the Company, which options will vest at a rate of one third on the first three anniversaries of the grant date, and will have a ten (10) year term with an exercise price equal to the closing price of a Company common share on September 30, 2008.

Mr. Krenz will participate in the Company's other benefit programs at the same level as such benefits are generally provided by the Company from time to time to other senior executives of the Company.

If the Company terminates Mr. Krenz's employment without Cause (as defined in the Agreement), the Company will provide Mr. Krenz with certain additional payments and benefits as set forth in the Agreement.

Mr. Krenz is prohibited from competing with the Company and soliciting the Company's customers during his employment and, under defined circumstances, for 12 months after termination.

Mr. Krenz is prohibited from soliciting any of the Company's employees, under defined circumstances, for a period of 12 months following termination.

The foregoing description of the Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Agreement, a copy of which is attached as Exhibit 10.1, and incorporated by reference herein.

Mr. Krenz comes from Navigant Consulting, where he served as Executive Vice President and Chief Financial Officer. Before joining Navigant Consulting, Mr. Krenz was Chief Financial Officer at Sapien Corporation. Prior to that, Mr. Krenz held senior finance positions of increasing responsibility during a 19-year tenure at Electronic Data Systems Corporation (EDS). Krenz started his career in public accounting with Ernst & Whinney.

**ITEM 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS.**

On June 10, 2008, Heidrick & Struggles International, Inc. issued a press release announcing that Scott Krenz has been named Executive Vice President and Chief Financial Officer. A copy of the press release is attached as Exhibit 99.1 and incorporated by reference herein.

**ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.**

c) Exhibits:

<b>Exhibit Number</b>	<b>Description</b>
10.1	Employment Agreement dated June 9, 2008 between Scott Krenz and the Company.
99.1	Press Release issued by Heidrick & Struggles International, Inc. on June 10, 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 12, 2008

HEIDRICK & STRUGGLES INTERNATIONAL, INC.

By: /s/ K. Steven Blake

Name: K. Steven Blake

Title: Executive Vice President, General Counsel and Secretary

## HEIDRICK &amp; STRUGGLES

Sears Tower, Suite 7000  
233 South Wacker Drive  
Chicago, Illinois 60606  
telephone +1 (312) 496-1621  
facsimile +1 (312) 496-1038  
www.heidrick.com

June 9, 2008

**PERSONAL AND CONFIDENTIAL**

Mr. Scott Krenz  
826 W. Illinois Avenue  
Palatine, Illinois 60067

Dear Scott:

Congratulations! On behalf of Heidrick & Struggles, Inc. (the "Company"), I am pleased to confirm the terms of your employment arrangement in this letter agreement (the "Agreement"). We are enthusiastic about your commitment to integrity, a spirit of partnership and collegiality, all of which are such an important part of our culture.

1. **Start Date:** You will commence employment on August 4, 2008 (the "Effective Date").
2. **Title:** You will serve as Executive Vice President & Chief Financial Officer reporting directly to the Company's Chief Executive Officer.
3. **Location:** You will be located in the Chicago Corporate office.
4. **Base Salary:** You will receive a monthly salary of \$31,250 (which is equivalent to \$375,000 annually) payable at the end of each month.
5. **Target Bonus:** You will participate in the Company's management incentive plan. Your target bonus will be 100% of your base salary. Your 2008 bonus will be guaranteed at \$156,250.00 (this reflects the approximate pro-rated amount of the target bonus based on the amount of time during which you will be employed in 2008), payable in cash on or before March 31, 2009, with 15% of the bonus amount deferred and vesting ratably over a three year period. Bonuses earned and payable beyond 2009 will be payable per the Company's policy at that time. All bonuses are discretionary and are not earned until approved by the HSII Human Resources and Compensation Committee of the Board of Directors ("HRCC"). Bonuses are only payable if you are employed by the Company on the date such bonus is paid.
6. **Sign-On Bonus:** You will receive a sign-on cash bonus of \$100,000 payable within thirty (30) business days of your employment start date or the next applicable payroll period. If you resign from the Company "for any reason" or you are terminated by the

# HEIDRICK & STRUGGLES

Company for "Cause" as defined herein, you will reimburse the Company immediately for the full amount paid (reduced on a pro-rated basis by one twenty fourth per full month since your employment start date). Further, you authorize us to deduct and/or offset that amount from any compensation or other sums that may be due to you at that time, and you will repay the balance after such deduction of the money remaining due to the Company.

7. Sign-On Equity: You will receive:
  - a. An award of stock options to purchase 7,500 Heidrick & Struggles International, Inc. ("HSII") common shares to be granted on September 30, 2008. The options will vest at a rate of one-third on each of the first, second and third anniversaries of the date of grant and will have a ten (10) year term with an exercise price equal to the closing price of a Company common share on September 30, 2008.
  - b. An award of 5,000 restricted stock units to be granted on September 30, 2008. The RSUs will vest at a rate of one-third on each of the first, second and third anniversaries of the date of grant and upon vest will convert into shares of HSII common stock on a one-for-one basis.
8. Benefits: You will be eligible to participate in the Company's benefit programs at the same level as other employees at your level. Our benefits program includes group health, dental, vision, life/AD&D, long-term disability, short-term disability salary continuation, paid holidays, flexible spending accounts, the Heidrick & Struggles, Inc. 401(k) Profit-Sharing and Retirement Plan, and the Deferred Compensation Plan. You will also be eligible to participate in the Company's Physical Examination and Financial Planning Program. Your eligibility for all such programs and plans is determined under the terms of those programs/plans. Any discrepancy between this summary and the company's plan documents will be resolved in favor of the plan documents. Our benefits program, compensation programs, and policies are reviewed from time to time by Company management and may be modified, amended, or terminated at any time.
9. Business Expenses: The Company will reimburse you for your business expenses in accordance with its policies.
10. Employment authorization. Pursuant to the Immigration and Nationality Act, our company is required to verify the identity and employment authorization of all new hires. In order to comply with this legal obligation, we must complete an Employment Eligibility Verification Form I-9 within three days of hire. We have enclosed a Form I-9 for your review. Please note that you will need to provide either (i) one document from "List A" or (ii) one document from "List B" and one document from "List C" of the form (see page two of the enclosed I-9 Form). Your initial and continuing employment will be subject to your having the ability to work legally in the United States. If you anticipate having difficulty completing the Form I-9 or producing the required documents, please advise me as soon as possible.

# HEIDRICK & STRUGGLES

11. Compliance with Policies: Subject to the terms of this Agreement, you agree that you will comply in all material respects with all policies and procedures applicable to similarly situated employees of the Company, generally and specifically.
  
12. Termination of Employment:
  - a. Employment At Will: You will be an “employee at will” of the Company, meaning that either party may terminate the employment relationship at any time for any reason (with or without cause or reason) upon written notice to the other party. A period of notice shall only be required if it is expressly provided in writing under written Company employment policies in effect at the time of such termination.
  - b. No Notice Period in Case of Termination for Cause: Notwithstanding any period of notice under written Company employment policies in effect at the time of termination, the Company shall have the right to terminate your employment for Cause immediately upon written notice.
  - c. Compensation Upon Termination: Upon the termination of your employment, you will be paid your Base Salary up through your last day of work (the “Termination Date”), and any other amounts required by law. Under the Company’s Severance Pay Plan, you will be eligible for a severance benefit equal to twelve (12) months of your Base Salary plus your Target Bonus in the event the Company terminates your employment without Cause, as defined in this Plan. Under the Company’s Change in Control Plan, you will be eligible for a severance benefit equal to two times (2x) your Base Salary plus your Target Bonus in the event of a change in control and termination of employment per the terms and conditions of this Plan. The Severance Pay Plan and the Change in Control Plan may be amended or modified at any time at the discretion of the HRCC.
  - d. Definition of Cause: For purposes of this Agreement, “Cause” shall mean any of the following: (i) your engagement, during the performance of your duties hereunder, in acts or omissions constituting dishonesty, fraud, intentional breach of fiduciary obligation or intentional wrongdoing or malfeasance; (ii) your conviction for a felony; (iii) your material violation or breach of any provision of this Agreement; (iv) your unauthorized use or disclosure of confidential information pertaining to the Company’s business; (v) your engagement in conduct causing demonstrable injury to the Company or its reputation; (vi) your unreasonable failure or refusal to perform your duties as the Company reasonably requires, to meet goals reasonably established by the Company, or to abide by the Company’s policies for the operation of its business, and the continuation thereof after the receipt by you of written notice from the Company; (vii) your illegal use of drugs or use of alcohol or intoxication on work premises, during working time, or which interferes with the performance of your duties and obligations on behalf of the Company; or (viii) your death or Disability, as hereinafter defined. For purposes of this Agreement, “Disability” shall mean that you have been unable, for six (6) consecutive months, to perform your duties under this Agreement even with accommodation, as a result of physical or mental illness or injury.

## HEIDRICK & STRUGGLES

- e. Return of Materials: Upon the termination of your employment, you agree to return to the Company, all Company property, including all materials furnished to you during your employment (including but not limited to keys, computers, automobiles, electronic communication devices, files and identification cards) and all materials created by you during your employment. In addition, you agree that upon the termination of your employment you will provide the Company with all passwords and similar information which will be necessary for the Company to access materials on which you worked or to otherwise continue in its business.
13. Confidentiality: In the course of your employment with the Company you will be given access to and otherwise obtain knowledge of certain trade secrets and confidential and proprietary information pertaining to the business of the Company and its affiliates. During the term of your employment with the Company and thereafter, you will not, directly or indirectly, without the prior written consent of the Company, disclose or use for the benefit of any person, corporation or other entity, or for yourself, any trade secrets or other confidential or proprietary information concerning the Company or its affiliates, including, but not limited to, information pertaining to their clients, services, products, earnings, finances, operations, marketing, methods or other activities; provided, however, that the foregoing shall not apply to information which is of public record or is generally known, disclosed or available to the general public or the industry generally (other than as a result of your breach of this covenant or the breach by another employee of his or her confidentiality obligations). Notwithstanding the foregoing, you may disclose such information as is required by law during any legal proceeding or to your personal representatives and professional advisers as is required for purposes of rendering tax or legal advice, and, with respect to such personal representatives and professional advisers, you shall inform them of your obligations hereunder and take all reasonable steps to ensure that such professional advisers do not disclose the existence or substance thereof. Further, you shall not, directly or indirectly, remove or retain, and upon termination of employment for any reason you shall return to the Company, any records, computer disks or files, computer printouts, business plans or any copies or reproductions thereof, or any information or instruments derived therefrom, arising out of or relating to the business of the Company and its affiliates or obtained as a result of your employment by the Company.
14. Non-Solicitation/Non-Competition. Without the prior written consent of the Company, during the term of your employment with the Company and for a period of twelve (12) months after the termination of your employment with the Company, either unilaterally by you or by the Company for Cause, you shall not (i) become engaged in or otherwise become interested in, whether as an owner, officer, employee, consultant, director, stockholder, or otherwise, any company, enterprise or entity that provides or intends to provide services similar to those provided by the Company in the geographical area which you served during your employment with the Company; (ii) directly or indirectly solicit or assist any other person in soliciting any client of the



# HEIDRICK & STRUGGLES

Company with whom you had direct professional contact during the twelve (12) months immediately prior to the termination of your employment with the Company and during which you learned confidential information, or whose account you oversaw during your employment with the Company; (iii) directly or indirectly solicit, or assist any other person in soliciting, any employee of the Company or its affiliates (as of your termination of employment with the Company) or any person who, as of such date, was in the process of being recruited by the Company or its affiliates, or induce any such employee to terminate his or her employment with the Company or its affiliates; or (iv) hire or assist another in hiring any employee of the Company or its affiliates who potentially possesses the Company or its Affiliate's Confidential Information for a position where the employee's knowledge of such information might be relevant. The provisions of this Section 15 shall be in addition to any restrictive covenants that are set forth in or otherwise required by Company benefit plans. In the case of a discrepancy between this Section and any such restrictive covenant, the more restrictive language will apply.

15. Other Legal Matters:

- a. No Other Agreements/Obligations: You have advised the Company that your execution and performance of the terms of this Agreement do not and will not violate any other agreement binding on you or the rights of any third parties and you understand that in the event this advice is not accurate the Company will not have any obligation to you under this Agreement.
- b. Negotiation of Agreement: You acknowledge that you negotiated the terms of this Agreement with the Company and that you enter into this Agreement voluntarily.
- c. Applicable Legal Standards: You will be an employee of the Company's United States operations and agree that your employment with the Company shall be governed by the laws of the United States of America and the State of Illinois.
- d. Arbitration: Any controversy or claim arising out of or relating to this Agreement or for the breach thereof, or your employment, including without limitation any statutory claims (for example, claims for discrimination including but not limited to discrimination based on race, sex, sexual orientation, religion, national origin, age, marital status, handicap or disability; and claims relating to leaves of absence mandated by state or federal law), breach of any contract or covenant (express or implied), tort claims, violation of public policy or any other alleged violation of statutory, contractual or common law rights (and including claims against the Company's officers, directors, employees or agents) if not otherwise settled between the parties, shall be conclusively settled by arbitration to be held in Chicago, Illinois, in accordance with the American Arbitration Association's Employment Arbitration Rules and Mediation Procedures (the "Rules"). Arbitration shall be the parties' exclusive remedy for any such controversies, claims or breaches. The parties also consent to personal jurisdiction in Chicago, Illinois with respect to such arbitration. The award resulting from

## HEIDRICK & STRUGGLES

such arbitration shall be final and binding upon both parties. This Agreement shall be governed by the laws of the United States of America and the State of Illinois without regard to any conflict of law provisions of any jurisdiction. You and the Company hereby waive the right to pursue any claims relating to this Agreement, to your employment or to the termination thereof, through civil litigation outside the arbitration procedures of this provision, unless otherwise required by law. You and the Company each have the right to be represented by counsel with respect to arbitration of any dispute pursuant to this paragraph. The arbitrator shall be selected by agreement between the parties, but if they do not agree on the selection of an arbitrator within 30 days after the date of the request for arbitration, the arbitrator shall be selected pursuant to the Rules. With respect to any Claim brought to arbitration hereunder, both you and the Company shall be entitled to recover whatever damages would otherwise be available to you/it in any legal proceeding based upon the federal and/or state law applicable to the Claim, except that parties agree they shall not seek any award for punitive damages for any claims they may have under this Agreement. The decision of the arbitrator may be entered and enforced in any court of competent jurisdiction by either the Company or Employee. Each party shall pay the fees of their respective attorneys (except as otherwise awarded by the arbitrator), the expenses of their witnesses and any other expenses connected with presenting their cases, other costs, including the fees of the mediator, the arbitrator, the cost of any record or transcript of the arbitration, and administrative fees, shall be borne equally by the parties, one-half by you, on the one hand, and one-half by the Company, on the other hand. Should either party pursue any dispute or matter covered by this section by any method other than said arbitration, then the other party shall be entitled to recover all damages, costs, expenses, and attorneys' fees incurred as a result of such action. The provisions contained in this Section shall survive the termination and/or expiration of this Agreement.

- e. Notice: All notices and other communications under this Agreement shall be in writing to you at the above-referenced address or to the Company at its Chicago Headquarters, directed to the attention of the General Counsel.
- f. Full and Complete Agreement: This letter Agreement contains our entire understanding with respect to your employment and can be amended only in writing and signed by the Chief Executive Officer or General Counsel. This Agreement supersedes any and all prior agreements, whether written or oral, between you and the Company, that are not specifically incorporated by reference herein. You and the Company specifically acknowledge that no promises or commitments have been made that are not set forth in this letter.
- g. Severability: If any provision of this Agreement or the application thereof is held invalid, such invalidity shall not affect other provisions or applications of this Agreement that can be given effect without the invalid provision or application and, to such end, the provisions of this Agreement are declared to be severable.

---

# HEIDRICK & STRUGGLES

- h. Survival of Provisions: The provisions of Sections 12 (b) and (c) and 13 through 15 of this Agreement shall survive the termination of your employment with the Company and the expiration or termination of this Agreement.

Scott, I am very much looking forward to you joining the Heidrick & Struggles team. I know that you will make an important contribution to the Company.

Sincerely,

/s/ L. Kevin Kelly

\_\_\_\_\_  
L. Kevin Kelly

Chief Executive Officer

I hereby accept the terms and conditions of employment outlined in this Agreement.

/s/ Scott Krenz

\_\_\_\_\_  
Scott Krenz

6/9/08

\_\_\_\_\_  
Date

Copy:

Robert Hines, Chief Operating Officer, Americas

K. Steven Blake, EVP & Chief Legal Officer

**Scott Krenz Joins Heidrick & Struggles as Chief Financial Officer**

**CHICAGO (June 10, 2008)**—Heidrick & Struggles International, Inc. (Nasdaq: HSII), the world's premier executive search and leadership consulting firm, today announced it has named Scott Krenz as chief financial officer, effective August 4, 2008.

“Scott is an experienced finance executive with proven ability working in global, publicly traded professional services firms. During his lengthy tenure at EDS Scott held a range of positions with his final two roles being Chief Financial Officer for Europe, Middle East & Africa and Corporate Treasurer,” said Chief Executive Officer L. Kevin Kelly. “His breadth of experience will serve Heidrick & Struggles and our shareholders well and we are pleased to welcome him to our senior management team.”

Most recently, Krenz, 56, was Executive Vice President and Chief Financial Officer of Navigant Consulting. Previously, he was Chief Financial Officer at Sapient Corporation. Prior to Sapient, Krenz held senior finance positions of increasing responsibility during a 19-year tenure at Electronic Data Systems Corporation (EDS). Krenz started his career in public accounting with Ernst & Whinney.

Krenz holds an MBA in finance from Tulane University and a bachelor's degree in history from Northwestern University. He earned his CPA in the State of Illinois in 1977.

Added Kelly: “Scott is joining a preeminent brand with tremendous opportunities ahead driven by demographic and secular trends as well as by our own growth initiatives.”

About Heidrick & Struggles International, Inc.

Heidrick & Struggles International, Inc. is the world's premier provider of senior-level executive search and leadership consulting services, including talent management, board building, executive on-boarding and M&A effectiveness. For more than 50 years, we have focused on quality service and built strong leadership teams through our relationships with clients and individuals worldwide. Today, Heidrick & Struggles leadership experts operate from principal business centers in North America, Latin America, Europe and Asia Pacific. For more information about Heidrick & Struggles, please visit [www.heidrick.com](http://www.heidrick.com).

###

Contacts

**Investors & Analysts:**

Julie Creed, VP, Investor Relations: +1 312 496 1774 or [jcreed@heidrick.com](mailto:jcreed@heidrick.com)

**Media:**

Eric Sodorff, Director, Communications: +1 312 496 1613 or [esodorff@heidrick.com](mailto:esodorff@heidrick.com)