UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2001 or

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to __________

Commission File Number 0-25837

HEIDRICK & STRUGGLES INTERNATIONAL, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	36-2681268
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)

233 South Wacker Drive-Suite 4200
Chicago, Illinois
60606-6303
(Address of Principal Executive Offices)

(312) 496-1200
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes X No [_]

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

The number of shares outstanding of the Company's common stock as of May 10, 2001 was 19,251,051.

HEIDRICK & STRUGGLES INTERNATIONAL, INC. AND SUBSIDIARIES

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HEIDRICK & STRUGGLES INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	March 31, 2001 (unaudited)	December 31, 2000
Current assets:		
Cash and cash equivalents	$136,461	$184,836
Accounts receivable, net of allowance for doubtful accounts	97,461	106,334
Other receivables	5,887	7,357
Prepaid expenses	16,574	11,783
Deferred income taxes, net	27,092	26,071
Total current assets	283,475	336,381
Property and equipment, net	51,560	52,660
Other assets:		
Cash and investments designated for nonqualified retirement plans	15,925	16,506
Investments and other assets	41,990	45,097
Deferred income taxes, net	4,822	6,792
Goodwill and other intangibles, net	64,939	66,208
Total other assets	127,676	134,603
Total assets	$462,711	$523,644

The accompanying notes are an integral part of these consolidated financial statements.

HEIDRICK & STRUGGLES INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	March 31, 2001 (unaudited)	December 31, 2000
Current liabilities:		
Current maturities of long-term debt	$ 1,054	$ 1,135
Accounts payable	11,110	10,051
Accrued expenses:		
Salaries and employee benefits	85,909	160,552
Other	23,475	27,888
Income taxes payable	14,384	16,415
Total current liabilities	135,932	216,041
Long-term debt, less current maturities	566	610
Liability for nonqualified retirement plans	19,900	19,316
Stockholders' equity		
Preferred stock, $.01 par value, 10,000,000 shares authorized, no shares issued at March 31, 2001 and December 31, 2000	-	-
Common stock, $.01 par value, 100,000,000 shares authorized, of which 19,375,821 and 19,373,286 shares were issued at March 31, 2001 and December 31, 2000, respectively	194	194
Treasury stock at cost, 25,000 shares at March 31, 2001	(705)	-
Additional paid-in capital	253,931	234,619
Retained earnings	66,193	56,862
Cumulative foreign currency translation adjustment	(5,145)	(1,879)
Unrealized gain on available-for-sale investments, net of tax	458	3,737
Deferred compensation	(8,613)	(5,856)
Total stockholders' equity	306,313	287,677
Total liabilities and stockholders' equity	$462,711	$523,644

The accompanying notes are an integral part of these consolidated financial statements.

HEIDRICK & STRUGGLES INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(in thousands, except per share data)
(unaudited)

	Three Months Ended March 31,	
	2001	2000
Revenue	$139,268	$131,936
Operating expenses:		
Salaries and employee benefits	87,090	92,400
General and administrative expenses	44,329	35,810
Total operating expenses	131,419	128,210
Operating income	7,849	3,726
Non-operating income (expense):		
Interest income	2,061	1,517
Interest expense	(41)	(75)
Realized gains on investments	254	1,522
Unrealized loss on derivative instruments	(1,475)	-
Other, net	(162)	174
Net non-operating income	637	3,138
Income before income taxes and cumulative effect of accounting change	8,486	6,864
Provision for income taxes	3,649	3,349
Net income before cumulative effect of accounting change	4,837	3,515
Cumulative effect of accounting change, net of tax	4,494	-
Net income	$ 9,331	$ 3,515
Basic earnings per common share:		
Income before cumulative effect of accounting change	$ 0.25	$ 0.19
Cumulative effect of accounting change	0.23	-
Total basic earnings per common share	$ 0.48	$ 0.19
Diluted earnings per common share:		
Income before cumulative effect of accounting change	$ 0.24	$ 0.18
Cumulative effect of accounting change	0.22	-
Total diluted earnings per common share	$ 0.45	$ 0.18
Weighted average common shares outstanding:		
Basic	19,374	18,075
Diluted	20,571	19,315
Net income	$ 9,331	$ 3,515
Other comprehensive income (loss), before income taxes:		
Foreign currency translation adjustment	(5,729)	(1,874)
Unrealized gain on available-for-sale investments	540	4,980
Cumulative effect of accounting change	(6,067)	-
Total other comprehensive income (loss), before income taxes	(11,256)	3,106
Income tax expense (benefit) related to items of other comprehensive income	(4,711)	1,372
Other comprehensive income (loss), net of income taxes	(6,545)	1,734
Comprehensive income	$ 2,786	$ 5,249

The accompanying notes are an integral part of these consolidated financial statements.

HEIDRICK & STRUGGLES INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(in thousands)
(unaudited)

	Common Stock	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Compre-hensive Income (Loss)	Deferred Com-pensation	Total
Balance as of December 31, 2000	$194	$ -	$234,619	$56,862	$ 1,858	$(5,856)	$287,677
Treasury and common stock transactions:							
Issuance of restricted stock	-	-	17,565	-	-	(3,397)	14,168
Amortization of deferred compensation	-	-	-	-	-	635	635
Forfeitures of restricted stock	-	-	(44)	-	-	5	(39)
Exercise of stock options	-	-	25	-	-	-	25
Repurchases of treasury stock	-	(705)	-	-	-	-	(705)
Issuance of stock options	-	-	1,766	-	-	-	1,766
Cumulative effect of accounting change, net of tax	-	-	-	4,494	(3,581)	-	913
Net income	-	-	-	4,837	-	-	4,837
Unrealized gain on available-for-sale investments, net of tax	-	-	-	-	302	-	302
Foreign currency translation adjustments, net of tax	-	-	-	-	(3,266)	-	(3,266)
Balance as of March 31, 2001	$194	$(705)	$253,931	$66,193	$(4,687)	$(8,613)	$306,313

The accompanying notes are an integral part of these consolidated financial statements.

HEIDRICK & STRUGGLES INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Three Months Ended March 31, 2001	2000
Cash flows from operating activities		
Net income	$ 9,331	$ 3,515
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	4,933	3,120
Gain on sale of equity securities, net	(254)	(1,522)
Deferred income taxes	(1,075)	(1,808)
Unrealized loss on derivative instruments	1,475	-
Cumulative effect of accounting change, net of tax	(4,494)	-
Stock-based compensation	635	965
Changes in assets and liabilities:		
Trade and other receivables	3,106	(12,733)
Accounts payable	3,976	(1,233)
Accrued expenses	(53,839)	(185)
Income taxes payable	(2,012)	810
Other, net	(4,363)	(2,729)
Net cash used in operating activities	(42,581)	(11,800)
Cash flows from investing activities		
Acquisitions, net of cash acquired	-	(1,667)
Purchases of property and equipment	(4,291)	(5,865)
Proceeds from sales of equity securities, net	254	1,522
Other, net	925	(1,753)
Net cash used in investing activities	(3,112)	(7,763)
Cash flows from financing activities		
Proceeds from stock options exercised	25	-
Proceeds from sales of common stock	-	76,359
Net cash provided by financing activities	25	76,359
Effect of foreign currency exchange rates on cash and cash equivalents	(2,707)	(565)
Net increase (decrease) in cash and cash equivalents	(48,375)	56,231
Cash and cash equivalents:		
Beginning of period	184,836	76,848
End of period	$136,461	$133,079

The accompanying notes are an integral part of these consolidated financial statements.

1. Interim Financial Data

The accompanying unaudited consolidated financial statements of Heidrick & Struggles International, Inc. and Subsidiaries (the "Company"), included herein have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. Actual results could differ from those estimates. In the opinion of management, the statements reflect all adjustments, which are of a normal recurring nature, necessary to present fairly the Company's financial position, results of operations, stockholders' equity and cash flows. Certain prior year amounts have been reclassified to conform with the 2001 classifications. These financial statements and notes are to be read in conjunction with the Company's Consolidated Financial Statements and Notes thereto included in the Company's Annual Report to Shareholders on Form 10-K (File No. 0-25837) for the year ended December 31, 2000, as filed with the Securities and Exchange Commission on March 29, 2001.

2. Derivative Instruments

The Company receives warrants for equity securities in its client companies, in addition to its cash fee, on some searches. Prior to January 1, 2001, when the warrants were received, revenue was recorded equal to the estimated fair market value of the instrument received. Upon a value event, such as an initial public offering or acquisition, the warrants, and any equity securities arising from their exercise, were accounted for as available-for-sale investments with unrealized gains and losses reported as a component of other comprehensive income. On January 1, 2001, the Company adopted Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities," and its subsequent amendments. SFAS 133 establishes accounting and reporting standards requiring that every derivative instrument be recorded in the balance sheet as either an asset or liability measured at its fair value. Some of the Company's warrants meet the definition of a derivative instrument under SFAS 133 and therefore subsequent changes in their fair value must now be recorded in earnings, rather than as a component of other comprehensive income. Going forward, each quarter's earnings are anticipated to be affected by the fluctuations in the fair value of these derivative instruments. The Company recognized an unrealized loss of $1.5 million in earnings, net of consultants' bonuses and administrative and other costs, during the three months ended March 31, 2001, due to changes in the fair value of these derivative instruments during the period. In addition, the fair value of warrants received is no longer recorded in revenue upon receipt; instead the fair value is being recorded as an unrealized gain in non-operating income, net of consultants' bonuses and administrative and other costs.

During 1999, the Company entered into a collar agreement to hedge the impact of market value changes of one of its equity securities. Collars consist of the sale of call options along with a corresponding purchase of put options, with the effect of establishing the highest and lowest prices at which the securities will be sold during a certain time period. The collar had been designated and was effective as a hedge of the equity security. Unrealized gains and losses on both the equity security and the collar were recorded in equity and other comprehensive income. When realized, gains and losses on the equity security and the collar were recorded in income. Beginning in the fourth quarter of 1999, the Company had the right to put and the counterparty had the right to call a portion of the shares on a quarterly basis in accordance with an established schedule. The unrealized pre-tax gain on these hedged shares at March 31, 2000 was $2.6 million. The Company's realized gain on these shares for the three months ended March 31, 2000 was $917,000. During the third quarter of 2000, the Company terminated the options and sold the underlying equity security.

3. Cumulative Effect of Change in Accounting Principle

As a result of the adoption of SFAS 133 on January 1, 2001, the Company recorded, as a cumulative effect of accounting change, a transition adjustment to income of $4.5 million, net of consultants' bonuses, administrative and other costs, and taxes (See Note 2).

4. Basic and Diluted Earnings Per Share

Basic earnings per common share is computed by dividing net income by the weighted average common shares outstanding for the period. Diluted earnings per common share reflects the potential dilution that would occur if securities or other contracts to issue common stock were exercised or converted.

The following is a reconciliation of the shares used in the computation of basic and diluted earnings per common share ("EPS").

	Three Months Ended March 31, 2001	Three Months Ended March 31, 2000
Basic EPS		
Income available to common stockholders	$ 9,331	$ 3,515
Weighted average common shares outstanding	19,374	18,075
Basic EPS	$ 0.48	$ 0.19
Diluted EPS		
Income available to common stockholders	$ 9,331	$ 3,515
Weighted average common shares outstanding	19,374	18,075
Dilutive common shares	1,197	1,240
Weighted average diluted common shares outstanding	20,571	19,315
Diluted EPS	$ 0.45	$ 0.18

5. Segment Information

The Company adjusted its segment reporting in 2001 to reflect the current internal management reporting structure, which included some changes in the allocation of certain costs to operations and corporate expenses. The Company operates principally through two lines of business: Executive Search and LeadersOnline. The Company breaks out revenue and operating income in its Executive Search business into two broad geographic segments: Americas and International. The Americas segment consists of North America and Latin America. The North America region includes the U.S. (except Miami) and Canada. The Latin America region includes Mexico and the rest of Latin America, as well as Miami, which serves as its gateway office to the region. The International segment consists of Europe (which includes Africa and the Middle East) and Asia Pacific.

	Three Months Ended March 31, 2001	Three Months Ended March 31, 2000
Revenue:		
Americas		
North America	$ 70,080	$ 74,799
Latin America	4,335	4,427
International		
Europe	51,744	41,384
Asia Pacific	7,883	8,122
Total Executive Search	134,042	128,732
LeadersOnline	5,226	3,204
Total	$139,268	$131,936
Operating income (loss):		
Americas		
North America	$ 7,288	$ 13,086
Latin America	(217)	115
International		
Europe	9,436	2,962
Asia Pacific	734	1,190
Total Executive Search	17,241	17,353
LeadersOnline	(1,686)	(4,186)
Corporate	(7,706)	(9,441)
Total	$ 7,849	$ 3,726

	As of March 31, 2001	As of December 31, 2000
Identifiable assets:		
Americas		
North America	$117,330	$123,468
Latin America	8,843	10,424
International		
Europe	126,646	144,230
Asia Pacific	20,715	22,237
Total Executive Search	273,534	300,359
LeadersOnline	3,848	4,805
Corporate	185,329	218,480
Total	$462,711	$523,644

6. Public Offering

On February 9, 2000, the Company completed a follow-on public offering under a Registration Statement on Form S-1 effective February 3, 2000 (File No. 333-94017) of an aggregate of 3,450,000 shares of common stock at $33.00 per share, which included 450,000 shares from the exercise of the over-allotment option granted to certain underwriters of the offering. The Company offered 2,458,306 shares and the selling stockholders offered 991,694 shares. This offering resulted in net proceeds (after deducting the underwriting discount and offering expenses) of $76.2 million to the Company and $31.0 million to the selling stockholders. The Company did not receive any of the proceeds from the sale by the selling stockholders. The Company has used and will continue to use the net proceeds from this offering for general corporate purposes including funding LeadersOnline and other growth initiatives, hiring of additional executive search consultants, expanding its technology infrastructure and funding acquisitions.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

General

Heidrick & Struggles International, Inc. ("HSI Group") is the world's premier provider of executive-level search and leadership consulting services. Based on revenue derived from placing senior-level executives, we are one of the largest senior-level executive search firms in the world. We provide executive-level search and leadership consulting services through our global network of offices to a broad range of clients, including Fortune 500 companies, major non-U.S. companies, middle market and emerging growth companies, governmental and not-for-profit organizations, and other leading private and public entities. Through our Internet-enhanced search business, LeadersOnline, Inc. ("LeadersOnline"), we target the recruitment market for mid-level executives and professionals. We also provide other human capital management services that complement our core Executive Search business, including management assessment and placement of interim executive management.

Prior to 1984, we operated under a single ownership structure. In 1984, Heidrick & Struggles, Inc. ("H&S") spun off Heidrick & Struggles International, Inc. ("HSI") to its European partners while retaining a significant equity interest in it. Between 1984 and February 26, 1999, HSI operated primarily in Europe, while H&S operated in all other regions of the world. On February 26, 1999, H&S merged with HSI ("the Merger") to reunite the two companies into a single corporate structure, HSI Group.

We completed several other acquisitions and mergers in the past two years. On December 29, 2000, we acquired the Russian, Finnish and Baltic executive search companies of the AMROP worldwide network. On May 1, 2000, we acquired Lynch Miller Moore O'Hara, Inc., a Chicago-based executive search firm that specialized in the venture capital and high tech markets. On April 1, 2000, we acquired TAO International Group, a senior-level executive search firm with offices in Asia. On March 1, 2000, we completed the acquisition of Argonaut Search Group, LLC, a San Francisco-based executive search firm that specialized in the real estate and financial services industries. In December 1999, we completed the acquisition of Redelinghuys & Partners, a senior-level executive search firm in the Republic of South Africa. These acquisitions were accounted for using the purchase method of accounting, with the results of the acquired companies included in the Consolidated Statements of Income and Comprehensive Income beginning on the date of the respective acquisition. In September 1999, we merged with Sullivan & Company ("Sullivan"), an executive search firm that specialized in the financial services industry. This transaction was accounted for using the pooling of interests method of accounting.

With offices in 79 locations in 37 countries throughout North and South America, Europe, the Middle East, Africa and Asia Pacific, we conduct business using various currencies. Revenue earned in each country is generally matched with the associated expenses incurred, thereby reducing currency risk to net earnings. However, because certain assets or liabilities are denominated in non-U.S. currencies, changes in currency rates may cause fluctuations in the valuation of such assets or liabilities. For financial information by geographic segment see Note 5 of our Consolidated Financial Statements.

Results of Operations

The following table summarizes the results of our operations as a percentage of revenue for the three months ended March 31, 2001 and 2000:

	Three Months Ended March 31,	
	2001	2000
Revenue	100.0 %	100.0 %
Operating expenses:		
Salaries and employee benefits	62.5	70.0
General and administrative expenses	31.8	27.1
Total operating expenses	94.3	97.1
Operating income	5.7	2.9
Non-operating income (expense):		
Interest income	1.5	1.1
Interest expense	-	(0.1)
Realized gains on investments	0.2	1.2
Unrealized loss on derivative instruments	(1.1)	-
Other, net	(0.1)	0.1
Net non-operating income	0.5	2.3
Income before income taxes and cumulative effect of accounting change	6.2	5.2
Provision for income taxes	2.6	2.5
Net income before cumulative effect of accounting change	3.6	2.7
Cumulative effect of accounting change, net of tax	3.2	-
Net income	6.8 %	2.7 %

The following table sets forth, for the periods indicated, our revenue and operating income (loss) by segment. We adjusted our segment reporting in 2001 to reflect the current internal management reporting structure, which included some changes in the allocation of certain costs to operations and corporate expenses. We operate principally through two lines of business: Executive Search and LeadersOnline. We break out revenue and operating income in our Executive Search business into two broad geographic segments: Americas and International. The Americas segment consists of North America and Latin America. The North America region includes the U.S. (except Miami) and Canada. The Latin America region includes Mexico and the rest of Latin America, as well as Miami, which serves as our gateway office to the region. The International segment consists of Europe (which includes Africa and the Middle East) and Asia Pacific.

	Three Months Ended March 31,	
	2001	2000
Revenue:		
Americas		
North America	$ 70,080	$ 74,799
Latin America	4,335	4,427
International		
Europe	51,744	41,384
Asia Pacific	7,883	8,122
Total Executive Search	134,042	128,732
LeadersOnline	5,226	3,204
Total	$139,268	$131,936
Operating income (loss):		
Americas		
North America	$ 7,288	$ 13,086
Latin America	(217)	115
International		
Europe	9,436	2,962
Asia Pacific	734	1,190
Total Executive Search	17,241	17,353
LeadersOnline	(1,686)	(4,186)
Corporate	(7,706)	(9,441)
Total	$ 7,849	$ 3,726

Three Months Ended March 31, 2001 Compared to the Three Months Ended March 31, 2000

Revenue. Our revenue increased $7.4 million, or 5.6%, to $139.3 million for the three months ended March 31, 2001 from $131.9 million for the three months ended March 31, 2000. Excluding the effect of foreign currency translation into the U.S. dollar, revenue grew over 9%. This increase was due to continued demand for our services across a number of industries and disciplines, especially financial services, professional services, industrial and health care. We believe this increase reflects the strength of our top-tier search work despite times of economic uncertainty.

Our revenue within Executive Search grew 4.1% to $134.0 million in the 2001 first quarter, up from $128.7 million in the 2000 first quarter. Although fewer searches were conducted overall, CEO searches remained strong, which resulted in a higher level of fees per search. Confirmed searches decreased 12% from the 2000 first quarter while fees per search rose 18%.

Revenue in North America was $70.1 million, a decrease of $4.7 million or 6.3%, from $74.8 million in the 2000 first quarter. Strength in the health care and professional services practices partially offset a decline in the financial services practice. In Latin America, revenue decreased 2.1% to $4.3 million in the 2001 first quarter from

$4.4 million in the 2000 first quarter, as the region felt some of the effects of a weakening U.S. economy. The decline in revenue was primarily from our technology practice. Revenue in Europe increased $10.3 million or 25.0% to $51.7 million from $41.4 million in the 2000 first quarter, due to particularly strong performance from the financial services and professional services practices. Excluding the impact of foreign currency translation into the U.S. dollar, Europe's revenue grew 35.0% on a local currency basis over the comparable quarter in 2000. In Asia Pacific, revenue was $7.9 million, a decrease of 2.9% from $8.1 million in the first quarter of 2000. Excluding the impact of foreign currency translation into the U.S. dollar, revenue grew 6.3% on a local currency basis over the comparable quarter in 2000.

LeadersOnline generated $5.2 million of revenue in the 2001 first quarter compared to $3.2 million of revenue in the 2000 first quarter due to increased demand for our services. During the first quarter of 2001, LeadersOnline entered into contracts for 90 new searches, with an average fee of $41,000 per placement, which represents 29% of the average compensation level of $143,000. LeadersOnline typically charges about one-third of the placed candidate's salary, although its fees can vary depending on several factors, most important of which is the number of positions per assignment.

Salaries and employee benefits. Our salaries and employee benefits decreased $5.3 million, or 5.7%, to $87.1 million for the three months ended March 31, 2001 from $92.4 million for the three months ended March 31, 2000. As a percentage of revenue, salaries and employee benefits decreased to 62.5% in the first quarter of 2001 from 70.0% in the first quarter of 2000. This improvement was primarily due to approximately $13.0 million of expense reductions, predominantly related to performance-based compensation. Under our variable compensation structure, consultants do not earn compensation on fees not collected and we recorded $10.3 million in bad debt related expenses in the first quarter of 2001. In addition, the reduction was due to several other performance-related items, including the recoupment of current period and previously recorded performance-related bonus accruals that were not earned due to individuals not meeting required performance goals in 2000, and reduced discretionary compensation, which is based on management meeting certain pre-determined financial targets in 2001. Partially offsetting the reduction was an increase in expense due to a greater number of executive search consultants and support staff. During the first quarter of 2001, we hired 36 executive search consultants, net of departures, bringing the total to 546 as of March 31, 2001. The number of consultants at March 31, 2001 represents a 32.8% increase over the 411 consultants we employed at March 31, 2000.

General and administrative expenses. Our general and administrative expenses increased $8.5 million, or 23.8%, to $44.3 million for the three months ended March 31, 2001 from $35.8 million for the three months ended March 31, 2000. As a percentage of revenue, general and administrative expenses increased to 31.8% in the first quarter of 2001 from 27.1% in the first quarter of 2000. This percentage increase was due to an increase in bad debt expense, higher facilities expenses related to the increase in executive search consultants and support staff over the past year, and an increase in depreciation and amortization due to office expansions and investments in technology.

Net non-operating income. Our net non-operating income decreased $2.5 million to $637,000 for the three months ended March 31, 2001 from $3.1 million for the three months ended March 31, 2000. This decrease was primarily due to a $1.5 million unrealized loss on derivative instruments from a portion of our warrant portfolio, net of consultants' bonuses and administrative and other costs during the three months ended March 31, 2001 (See Note 2 in the Notes to Consolidated Financial Statements). In addition, our realized gains from the sale of equity obtained as part of our warrant program were $254,000 for the three months ended March 31, 2001 compared to $1.5 million for the three months ended March 31, 2000. The decrease was partially offset primarily by an increase in interest income arising from the investment of the net proceeds received from our initial and follow-on public offerings (See Note 6 in the Notes to Consolidated Financial Statements) and the cash generated from 2000 operations.

Cumulative effect of change in accounting principle. On January 1, 2001, we adopted Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities," and its subsequent amendments. As a result, we recorded a transition adjustment of $4.5 million, net of consultants' bonuses, administrative and other costs, and taxes (See Note 3 in the Notes to Consolidated Financial Statements).

Pro Forma Results of Operations for the Three Months Ended March 31, 2001 Compared to the Three Months Ended March 31, 2000

The following table provides our pro forma results of operations and such data as a percentage of revenue for the three months ended March 31, 2001 and 2000. The data excludes the $4.5 million, net of tax, cumulative effect of a change in an accounting principle and the $1.5 million unrealized loss on derivative instruments arising from the adoption of SFAS 133 (See Note 2 in the Notes to Consolidated Financial Statements).

	Three Months Ended March 31, 2001		2000	
Revenue	$139,268	100.0%	$131,936	100.0%
Operating expenses:				
Salaries and employee benefits	87,090	62.5	92,400	70.0
General and administrative expenses	44,329	31.8	35,810	27.1
Total operating expenses	131,419	94.3	128,210	97.1
Operating income	7,849	5.7	3,726	2.9
Non-operating income (expense):				
Interest income	2,061	1.5	1,517	1.1
Interest expense	(41)	-	(75)	(0.1)
Realized gains on investments	254	0.2	1,522	1.2
Other, net	(162)	(0.1)	174	0.1
Net non-operating income	2,112	1.6	3,138	2.3
Income before income taxes	9,961	7.3	6,864	5.2
Provision for income taxes	4,283	3.1	3,349	2.5
Net income	$ 5,678	4.2%	$ 3,515	2.7%
Basic earnings per common share	$ 0.29		$ 0.19	
Basic weighted average common shares outstanding	19,374		18,075	
Diluted earnings per common share	$ 0.28		$ 0.18	
Diluted weighted average common shares outstanding	20,571		19,315	

Liquidity and Capital Resources

We periodically evaluate our liquidity requirements, capital needs and availability of capital resources based on our plans for expansion and other operating needs. We finance our operations through internally generated funds and the availability of borrowings under our credit facilities. In addition, we received $51.8 million from our initial public offering in April 1999 and $76.2 million from our follow-on public offering in February 2000. We pay a portion of our bonuses in December and the remainder in March. Employee bonuses are accrued throughout the year and are based on Company performance and the performance of the respective employee.

We believe that the net proceeds from our common stock offerings, together with funds expected to be generated from operations and our lines of credit, will be sufficient to finance our operations for the foreseeable future. However, if we undertake significant acquisitions or other investment activities, we may need access to additional sources of debt or equity financing.

We maintained cash and cash equivalents at March 31, 2001 and 2000 of $136.5 million and $133.1 million, respectively. For the three months ended March 31, 2001, cash flows used in operating activities were $42.6 million, due primarily to the payment of the remaining 2000 bonuses. For the three months ended March 31, 2000, cash flows used in operating activities were $11.8 million. There was an increase in working capital partly offset by net income.

On March 1, 2000, we completed our acquisition of Argonaut Search Group, LLC for $2.5 million in cash and shares of the Company's common stock.

The amount of cash received during the three months ended March 31, 2001 and 2000 as a result of the sale of equity securities received as part of our warrant program was $254,000 and $1.5 million, net of consultants' bonuses and administrative and other costs, respectively.

Capital expenditures were $4.3 million and $5.9 million for the three months ended March 31, 2001 and 2000, respectively. These expenditures were primarily for office furniture and fixtures, leasehold improvements, and computer equipment and software.

Cash flows provided by financing activities were $25,000 for the three months ended March 31, 2001, resulting from the proceeds from stock options exercised. Cash flows provided by financing activities were $76.4 million for the three months ended March 31, 2000, resulting from the net proceeds raised in the follow-on public offering (See Note 6 in our Notes to Consolidated Financial Statements).

On March 16, 2001, we announced that our Board of Directors had authorized management to repurchase up to two million shares of our common stock over the next two years. During the three months ended March 31, 2001, we repurchased 25,000 shares of our common stock, for which, the cash settlement occurred in April 2001.

We have a $40.0 million reducing revolving credit facility. This facility will terminate on December 31, 2001 but we expect to replace it with a similar or larger facility. There were no borrowings outstanding under this line of credit at March 31, 2001 and 2000, respectively. At our discretion, we may borrow either U.S. dollars on deposit in the United States or U.S. dollars or foreign currencies on deposit outside the United States. Non-U.S. borrowings bear interest at the then-existing LIBOR plus a margin as determined by certain tests of our financial condition. U.S. borrowings bear interest at the then-existing prime rate.

The current line of credit has certain financial covenants we must meet relating to consolidated net worth, liabilities, and debt in relation to cash flows. At March 31, 2001, we were in compliance with these financial covenants.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE OF MARKET RISK

Derivative Instruments

We receive warrants for equity securities in our client companies, in addition to our cash fee, on some searches. Some of these warrants meet the definition of a derivative instrument under SFAS 133 and therefore subsequent changes in their fair value must now be recorded in earnings, rather than as a component of other comprehensive income. As a result of the adoption of SFAS 133 on January 1, 2001, we recorded, as a cumulative effect of accounting change, a transition adjustment to income of $4.5 million, net of consultants' bonuses, administrative and other costs, and taxes. Going forward, each quarter's earnings are anticipated to be affected by the fluctuations in the fair value of these derivative instruments. We recognized an unrealized loss of $1.5 million in earnings, net of consultants' bonuses and administrative and other costs, during the three months ended March 31, 2001, due to changes in the fair value of these derivative instruments during the period (See Note 2 in the Notes to Consolidated Financial Statements).

Currency Market Risk

Historically, we have not experienced any significant translation gains or losses on transactions involving U.S. dollars and other currencies. Revenue earned in each country is generally matched with the associated expenses incurred, thereby reducing currency risk to net earnings.

Forward-Looking Statements

The Management's Discussion and Analysis of Financial Condition and Results of Operations as well as other sections of this Quarterly Report on Form 10-Q contain forward-looking statements. The forward-looking statements are based on current expectations, estimates, forecasts and projections about the industry in which we operate and management's beliefs and assumptions regarding general economic trends. Forward-looking statements may be identified by the use of words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," and similar expressions. Forward-looking statements are not guarantees of future performance and involve certain known and unknown risks, uncertainties and assumptions that are difficult to predict. Actual outcomes and results may differ materially from what is expressed, forecasted or implied in the forward-looking statements. Factors that may affect the outcome of the forward-looking statements include, among other things, our ability to attract and retain qualified executive search consultants; a material economic downturn in the United States or Europe, or social or political instability in overseas markets; bad debt write-offs far in excess of allowances for doubtful accounts; continued increased acceptance of online recruiting; losses in our venture capital investments; an inability to control expenses; and delays in the development and/or implementation of new technology and systems.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time we have been involved in litigation that is incidental to our business. We currently are not a party to any litigation, the adverse resolution of which, in management's opinion, would be likely to have a material adverse effect on our business, financial condition or results of operations.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit No.	Description
3.01	Form of Amended and Restated Certificate of Incorporation of the Registrant (Incorporated by reference to Exhibit 3.02 of this Registrant's Registration Statement on Form S-4 (File No. 333-61023))
3.02	Form of Amended and Restated By-laws of the Registrant (Incorporated by reference to Exhibit 3.03 of this Registrant's Registration Statement on Form S-4 (File No. 333-61023))
10.09	First Amendment to Amended and Restated Employment Agreement of Patrick S. Pittard
10.10	First Amendment and Restatement to Employment Agreement of David C. Anderson
10.11	Employment Agreement of Stephanie Abramson

(b) Reports on Form 8-K

During the first three months of 2001, the registrant filed no reports on Form 8-K.

SIGNATURE

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

Date: May 15, 2001.

Heidrick & Struggles International, Inc.
(Registrant)

By:/s/ Donald M. Kilinski

Donald M. Kilinski
Chief Financial Officer and Treasurer

Exhibit 10.09

FIRST AMENDMENT TO

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

FIRST AMENDMENT to Amended and Restated Employment Agreement entered into as of March 30, 2001 (the "First Amendment"), by and among Heidrick & Struggles, Inc., a Delaware corporation (the "Company"), Heidrick & Struggles International, Inc., a Delaware corporation (the "Parent"), and Mr. Patrick S. Pittard (the "Executive").

W I T N E S S E T H :

WHEREAS, the Company, the Parent, and the Executive entered into an Amended and Restated Employment Agreement as of January 1, 2000 (the "Agreement"); and

WHEREAS, the Company, the Parent, and the Executive desire to amend the Agreement as provided in the First Amendment;

NOW, THEREFORE, in consideration of the premises and mutual covenants contained herein and for other good and valuable consideration, the receipt of which is mutually acknowledged, the Company, the Parent and the Executive (individually a "Party" and together the "Parties") hereby amend the Agreement as follows:

1. Subsection (h) of Section 1 is amended by deleting the word "or" at the end of paragraph (vi), adding the word "or" at the end of paragraph (vii), and adding the following new paragraph (viii) following paragraph (vii):

   "(viii) The failure of the Parent to recommend the Executive for nomination for re-election to the Board of Directors of the Parent when the Executive's current term as a Director expires in the year 2002, provided that the Executive is employed as the Chief Executive Officer of the Parent and the Company at the time of such recommendation."

2. Section 3. (a) of the Agreement is deleted in its entirety, and the following new Section 3. (a) is substituted therefore:

   "3. (a) The Chairman of the Board - CEO Period. The Executive shall continue through December 27, 2002 to be employed as the Chief Executive Officer of the Parent and the Company, and shall have the additional titles and positions of (a) President through December 27, 2002, (the "CEO Period"), and (b) Chairman of the Board through the CEO Period or the end of the Executive's tenure as a member of the Parent's Board of Directors, whichever first occurs. The Company agrees to recommend the Executive for nomination for re-election to the Board of Directors of the Parent when the Executive's current term as a

Director expires in the year 2002, provided that the Executive is employed as the Chief Executive Officer of the Parent and the Company at the time of such recommendation. The Executive agrees to resign his position of Director of the Parent at the end of the CEO Period if requested by the Board of Directors.

During the CEO Period the Executive shall be responsible for the general management of the affairs of the Parent, the Company and their Affiliates. The Executive, in carrying out his duties under this Agreement during the CEO Period, shall report to the Board. At the end of the CEO Period and continuing through the Term of Employment, the Executive shall no longer have the above titles and responsibilities, and shall then have a title, which is consistent with a past Chairman/CEO of a public company, and shall report to the CEO and/or the Board, as the Board then determines."

3. The first sentence of Section 3. (b) is deleted in its entirety, and the following new first sentence is substituted therefore:

"(b) The Leave of Absence Period: Following the CEO Period, at his option and with the consent of the Board, the Executive may have a paid leave of absence of up to 12 months but not extending beyond the Term of Employment (the "Leave of Absence Period")."

4. Section 3. (c) is deleted in its entirety, and the following new Section 3. (c) is substituted therefore:

"(c) Post CEO Employment: Following the CEO Period, the Executive will continue with the Company as a search professional (and/or have such other appropriate duties as may be defined by the then CEO and/or the Board). For the period following the CEO Period during which the Executive is working for the Company (the "Return to Employment Period"), the Executive's total compensation (base and bonus) (the "Return to Employment Compensation") shall be guaranteed to be not less than $1,000,000 for the first 12 months and $750,000 for the second 12 months. Notwithstanding the above in this Section 3. (c), the Return to Employment Compensation shall be suspended during the Leave of Absence Period, if any, and will continue thereafter for the remainder of the Return to Employment Period, but not beyond the Term of Employment."

5. Section 4 of the Agreement is deleted in its entirety, and the following new Section 4 is substituted therefore:

"4. Base Salary. The Executive shall be paid an annualized Base Salary for the CEO Period, payable in accordance with the regular payroll practices of the Company, of $700,000. The Base Salary shall be reviewed for increase for the year 2002 in the discretion of the Board."

6. The first sentence of Section 5 of the Agreement is deleted in its entirety, and the following new first sentence is substituted therefore:

"5. Annual Bonus. For the years 2000, 2001, and 2002, the Executive shall have the opportunity to receive a performance-based bonus, determined in accordance with the CEO Incentive Plan (the "CEO Plan") attached hereto as Exhibit A and incorporated herein by reference."

7. The title of Section 6 of the Agreement is deleted in its entirety, and the following new title is substituted therefore, and the following new sentence shall be added to the end of Section 6 of the Agreement:

" 6. Stock Option and Restricted Stock Unit Grants. ....During the month of March 2001, the Parent shall grant to the Executive 35,000 Restricted Stock Units of the Parent to be issued at the Fair Market Value of the Parent Common Stock on the date of the grant; and with such Restricted Stock Units grant to vest in full on January 1, 2005, if the Executive is then in the employ of the Company; provided however, vesting shall accelerate to the later of (a) the first day following the end of the CEO Period, or (b) January 2, 2003, provided that the Executive is then in the employ of the Company."

8. Subsection (c) of Section 10 is amended by adding the following new sentence at the end of Subsection (c):

"At any time during the Term of Employment, and provided that the Executive's employment has not been terminated by the Company for Cause, or has not been terminated by the Executive except for Constructive Termination without Cause, any club memberships then owned by the Company or the Parent which have been held for the benefit of the Executive during the Term of Employment shall, at the Executive's option exercised by written notice to the Company from the Executive given prior to the end of the Term of Employment, shall be transferred to the Executive as soon as practicable following the Company's receipt of such notice. The Executive shall be responsible for the income taxes, fees and other charges/expenses, if any, incurred by the Company or the Executive as a result of any such transfers."

9. The words "this Section 9" in Subsection (f) of Section 10 are deleted in their entirety, and the following words are substituted therefore:

"this Section 10"

10. Section 11. (c)(ii)(B) is deleted in its entirety, and the following new Section 11. (c)(ii)(B) is substituted therefore:

"(B) all outstanding options and other equity instruments shall be forfeited; and"

11. Section 11. (e)(ii)(C) is deleted in its entirety, and the following new Section 11. (e)(ii)(C) is substituted therefore:

    "(C) all outstanding options which are not then exercisable and other equity instruments not then vested shall be forfeited; all exercisable options shall continue to become exercisable in accordance with their original schedules."

12. Section 11. (e)(iii)(C) is deleted in its entirety, and the following new Section 11. (e)(iii)(C) is substituted therefore:

    "(C) all outstanding options which are not then exercisable and other equity instruments not then vested shall be forfeited; all exercisable options shall continue to become exercisable in accordance with their original schedules."

13. The defined term "Return to Employment Period" will be replaced with the defined term "Post CEO Employment Period" wherever it occurs in the Agreement.

14. Exhibit A is amended as follows:

    A. The first sentence beginning with the words "Mercer was" on page 1 of Exhibit A is deleted in its entirety.

    B. The following new sentence is added at the end of the sentence beginning with the words "-A matrix of revenue" on page 1 of Exhibit A:

       "Any bonus amount resulting from computations made pursuant to this matrix represents the maximum bonus payable for this component, and shall be subject to reduction in the discretion of the Compensation Committee"

    C. The first sentence on page 3 of Exhibit A is deleted in its entirety and the following new first sentence is substituted therefore:

       "H&S TSR performance in each year will be compared to a market and industry benchmark"

15. The Company shall pay all reasonable legal fees and expenses incurred by the Executive in connection with the documentation of this First Amendment up to a maximum of $17,500.

16. Except as amended by this First Amendment, the Agreement shall remain in full force and effect without change.

IN WITNESS WHEREOF, the undersigned have executed this First Amendment as of the date first written above.

Heidrick & Struggles, Inc.

By:/s/ Donald M. Kilinski

Heidrick & Struggles International, Inc.

By:/s/ Donald M. Kilinski

/s/ Patrick S. Pittard
- ----------------------------
Patrick S. Pittard

Exhibit 10.10

[LETTERHEAD OF HEIDRICK & STRUGGLES]

January 30, 2001

Mr. David C. Anderson
10048 Hollow Way
Dallas, TX 75229

Dear David:

This letter will serve as a first amendment to and restatement of your May 28, 1992, employment agreement between you and Heidrick & Struggles, Inc.

We are pleased to confirm your continued employment with Heidrick & Struggles, Inc. and want to set forth our understanding as follows:

1. During the period between January 1, 2001, and December 31, 2002, you will continue to be employed with our Company (based in Dallas, Texas) as President and Chief Executive Officer, Heidrick & Struggles Executive Search Division, and be responsible for the general management of the affairs of the Executive Search Division. You will report to the Chairman and President - Chief Executive Officer of Heidrick & Struggles International, Inc.

   Effective January 1, 2001, your monthly base salary shall be $50,000.00 (which is $600,000.00 annually). Thereafter, your base salary will be reviewed on at least an annual basis for possible merit increases.

2. Effective for the calendar years 2001 and 2002 you will have the opportunity to receive a performance-based incentive bonus which will be determined by the Compensation Committee of the Board of Directors consistent with our Annual Incentive Program then in effect for Senior Management.

   The bonus component of your compensation will be paid on normal bonus payment dates which are currently in December and the following March. Your total compensation may include participation in our GlobalShare Program, so that your bonus may be partially paid in equity in accordance with our GlobalShare Program.

   You will also be eligible to receive stock options and/or other equity grants as may be determined by the Compensation Committee.

3. You will continue to be eligible to participate in our benefit programs in accordance with the programs' written terms as set forth in plan documents. Copies of the booklets and Summary Plan Descriptions describing our group health, life/AD&D insurance, long-term disability, time-off benefits such as vacation, paid holidays, paid sick time, short-term disability salary continuation, the Flexible Spending Account and Heidrick & Struggles, Inc. 401(k) Profit-Sharing and Retirement Plan have already been provided to you.

4. Our benefit programs, and policies are reviewed from time to time by the Company's management, and our programs and policies may be modified, amended or completely terminated at any time.

5. You are authorized to incur reasonable expenses in carrying out your duties and responsibilities under this Agreement, and the Company shall promptly reimburse you for all reasonable business expenses incurred in connection with carrying out the business of the Company, subject to documentation in accordance with the Company's policy.

6. We may terminate your employment at any time for "Cause." "Cause" shall mean:

   (i) the embezzlement or misappropriation of funds or property of the Company or its affiliates by you, the conviction of, or the entrance of a plea of guilty or nolo contendere by, you to a felony which has the potential to have a negative impact upon the Company's reputation or otherwise bring the Company, any of its affiliates, or the CEO into disrepute, or the termination of your employment with the Company pursuant to the Company's Harassment Policy; or gross neglect or willful misconduct by you in carrying out your duties under this Agreement, resulting, in either case, in material economic harm to the Company or its affiliates; or

   (ii) breach by you of any of the provisions of this Agreement.

   In the event your employment is terminated by us for "Cause," we shall pay you your final paycheck for services through the date of termination and for accrued and unused vacation credits and all outstanding options shall be forfeited. Such payments shall fulfill the Company's entire obligation to you arising from such termination and you shall not be entitled to receive any other payment arising from or respecting your employment or its termination except for payments to you of any benefits under the written terms and conditions of written benefit plan documents.

7. If the Company terminates your employment other than for "Cause," as defined in this Agreement, or in the event there is a Constructive Termination Without Cause as defined in this Agreement, at any time on or before December 31, 2002, we shall pay you your (a) base salary through the date of termination to the extent not theretofore paid; (b) a lump sum amount equal to the product of one (1) times your base salary in effect on the date of termination payable promptly following the date of termination; and (c) a lump sum amount equal to one (1) times the higher of (1) your cash bonus for the prior year or (2) the average of cash bonuses for the prior three years, payable promptly following the date of termination. In addition, all outstanding options or equity instruments shall immediately become exercisable and shall remain exercisable for the remainder of their originally scheduled terms.

   "Constructive Termination Without Cause" shall mean termination of your employment at your initiative within 30 days following the occurrence of any of the following events without your consent:

   (i) a reduction in your then current base salary or target bonus opportunity;

   (ii) a reduction in the aggregate value of the benefits provided to you under the Company's medical, health, accident, disability, life insurance, thrift and retirement plans, other than any reduction that occurs as a result of a modification or termination of such plans and programs which affects all participants in such plans or programs;

   (iii) your removal from the position described in Section 1 above;

   (iv) a material diminution in your duties as described in Section 1 above; or

   (v) the failure of the Company to obtain the assumption in writing of its obligation to perform this Agreement by any successor to all or substantially all of the assets of the Company within 15 days after a merger, consolidation, sale or similar transaction.

   Following written notice from you of any of the events described above, the Company shall have 30 calendar days in which to cure. If the Company fails to cure, your termination shall become effective on the 31st calendar day following the written notice.

8. If you voluntarily terminate your employment, we will pay you your base salary through the date of the termination; and all outstanding options which are not then exercisable shall be forfeited; exercisable options shall remain exercisable until the earlier of the 30th day after the date of termination or the originally scheduled expiration date of the options unless the Compensation Committee determines otherwise.

9. In the event that your employment is terminated due to your death or disability, you or your estate or your beneficiaries, as the case may be, shall be entitled to: (a) receive your base salary through the date of termination, to the extent not theretofore paid; (b) a "Pro Rata" annual incentive award for the calendar year in which your death or disability occurs, based on the higher of (1) the cash bonus for the prior year or (2) the average of the cash bonuses for the prior three years, payable in a single installment promptly after your death; and all outstanding options or equity instruments, whether or not then exercisable, shall become exercisable and shall remain exercisable for the remainder of their originally scheduled terms.

   For purposes of this section "Pro Rata" shall mean a fraction, the numerator of which is the number of days that you were employed in the calendar year and the denominator of which shall be the number of days in the calendar year.

10. At the expiration of this Agreement, at your option and with the consent of the Board, you may have a paid leave of absence of up to six months (the "LOA Period"). The Board's consent may not be unreasonably withheld and should be given provided that the Company and its affiliates are doing well, and there is no pressing business reason to postpone or shorten the LOA Period. During the LOA Period you will receive your then current monthly base salary for each month during the LOA Period. During the LOA Period, it is our expectation and desire that you will continue to maintain business development-related activities to retain your business contacts and relationships. You will be reimbursed for your reasonable business development expenses upon receipt of the customary expense report.

11. You acknowledge that the Confidentiality Letter Agreement dated June 3, 1992 (the "Confidentiality Agreement") between you and the Company remains in full force and effect. Any breach of the Confidentiality Agreement shall constitute a material breach of this Agreement.

12. In consideration of your continued employment and the new employment terms set forth in this Agreement, you agree that you will not, at any time during the term of your employment under this Agreement and for a period of twelve months after any termination of your employment with the Company for any reason (other than death or disability), directly or indirectly, acting with others or alone, manage, operate or control, engage or become interested in as an owner (other than as an owner of less than 5% of the stock of a publicly owned company), stockholder, partner, director, officer, employee (in an executive capacity), consultant or otherwise in any business that is a "Competitive Business" with the Company in any geographic location in which the Company conducts its business. For purposes of this Section, a business operation shall be considered a "Competitive Business" with the Company or its affiliates if such business operation provides services in the executive search business. You acknowledge that the amounts payable to you by the Company in the event of your termination of employment by the Company without Cause is intended to provide additional consideration for this noncompetition Agreement.

13. This Agreement, which contains our entire understanding, can be amended only in writing which is signed by you, together with any one of the Chairman, President and CEO of Heidrick & Struggles International, Inc., the Chief Legal Counsel, or the Human Resources Director of the Company. You specifically acknowledge that no promises or commitments have been made to you that are not set forth in this letter.

To acknowledge your acceptance of this amendment and restatement please sign and return to me the enclosed copy of this letter.

Sincerely,

/s/ Patrick S. Pittard
Patrick S. Pittard

ACCEPTED:

/s/ David C. Anderson — February 1, 2001

David C. Anderson — Date

Exhibit 10.11

[LETTERHEAD OF HEIDRICK & STRUGGLES]

December 28, 2000

PERSONAL & CONFIDENTIAL
- -----------------------

Ms. Stephanie W. Abramson
101 Central Park West
New York, NY 10023

Dear Stephanie:

On behalf of Heidrick & Struggles, Inc., I am pleased to confirm our offer of employment to you as Chief Legal and Corporate Development Officer and Corporate Secretary reporting to the Chief Executive Officer of Heidrick & Struggles International, Inc (the "Company"). You will also have the internal title of Senior Partner. You will serve as Secretary of the Board of Directors of the Company, and as such, will be expected to attend all Board meetings. You will also be a member of the "Office of the CEO" and will be asked to participate in our Heidrick Ventures division. Initially and until otherwise specified within mid-town Manhattan, you will be located in our 245 Park Avenue, New York office. Attached to this letter, for reference purposes, is a copy of my November 30, 2000, memorandum to you which outlines my view of your initial responsibilities.

I look forward to seeing you on February 12, 2001, your first day of employment. Your monthly base salary is $45,833.34, which equals $550,000.00 annually. Currently, salaries are reviewed annually in November/December, so you can expect your first salary review in November/December 2001.

Your annual bonus target for 2001 is 100% of base salary of which $300,000 is guaranteed to be paid when bonuses are paid in December of 2001 and March of 2002. Following 2001, you will participate in the regular bonus program then in effect for employees at your level. Bonuses are discretionary and are not earned until approved by the Compensation Committee and/or the Board of Directors of the Company and, subject to the paragraph below relating to termination without Cause including resignation for Good Reason and Change in Control, will be payable only if you are in the Company's employ on the regular bonus payment dates. Your total cash compensation will be subject to the Heidrick & Struggles GlobalShare Program. As such, any bonus you receive may be partially paid in equity in accordance with the GlobalShare Program.

You will receive a stock option grant to purchase 25,000 shares of Heidrick & Struggles International, Inc. common stock. The options will be granted to you within 30 days of your employment start date. The options will be issued at Fair Market Value on the date of grant, will vest in increments of 25% on the first, second, third and fourth anniversaries of the date of grant, and will have a five-year term, except to the extent that vesting will be accelerated pursuant to the terms of the plan under which they are granted or in connection with a Change in Control.

In addition, within 30 days following your employment start date, the Company will loan you $925,000.00 to be evidenced by a non-interest bearing Promissory Note ("Note") payable on December 31, 2004, except that, unless your employment is terminated by the Company without Cause or you have resigned for Good Reason, if you cease to be in the Company's employ, then the entire principal balance of the Note then remaining due shall, without demand or notice of any kind, be and become immediately due and payable within 30 days.

The Note will be forgiven if you are in the Company's employ (unless the Company has terminated your employment without Cause or you have resigned for Good Reason) on the following forgiveness dates: $462,500.00 on December 31, 2002; $231,250.00 on December 31, 2003; and $231,250.00 on December 31, 2004. The income arising from the loan principal forgiveness will be subject to personal income tax withholding attributable to the forgiveness income when due. The Company is authorized to deduct the amounts required to be withheld from your cash bonus(es), or, if the bonus amount is less than the withholding, you will, immediately within 10 days, reimburse the Company for withholding payments made to the extent not covered by your bonus. The Company will reimburse you on a grossed-up basis for any income tax arising out of the interest-free nature of the loan.

In the event the Company terminates your employment without Cause or you resign for Good Reason prior to March 31, 2002, you shall be entitled to receive as severance pay, in a lump sum as soon as administratively feasible after the date of termination or resignation for Good Reason, an amount equal to twelve months of base salary plus the full amount of your target bonus for the year in which the termination occurs. Thereafter, except in connection with a Change in Control as set forth below, in the event the Company terminates your employment without Cause, you shall be entitled to receive as severance pay an amount consistent with the Company's then existing policy for corporate management.

In the event the Company terminates your employment without Cause or you resign for Good Reason within one year following a Change in Control, you shall be entitled to receive as severance pay, in a lump sum as soon as administratively feasible after the date of termination or resignation for Good Reason, an amount equal to (i) twelve months of base salary plus twelve months of target bonus and (ii) the prorated portion of your target bonus for the year in which the termination occurs based on the number of months worked in such year. You shall also be entitled to either continuing participation in disability coverage or the reimbursement on a gross-up basis for the premium costs for disability coverage, until the first anniversary of termination of employment or resignation for Good Reason or such time as you are covered by comparable programs of a subsequent employer. The Company shall also reimburse you for costs attributable to your participation in COBRA. In addition, all outstanding options or other equity instruments may become immediately exercisable in accordance with the terms of the 1998 Heidrick & Struggles GlobalShare Program I, as amended from time-to-time, and the terms of any successor equity programs. In the event that a Change of Control payment to you is required, the Company agrees to reimburse you for the excise tax, if any, incurred by you under Internal Revenue Code (S) 280G.

. The term "Good Reason" shall mean (i) a diminution of the amount of your base salary or target bonus or benefits or level of eligibility for stock options or other incentive programs unless such diminution is consistent with other employees at your level; (ii) the elimination of your position or a diminution of responsibilities associated with your position; or (iii) a change in the location of your principal place of employment more than 50 miles in radius from its initial location without your approval.

. The term "Cause" shall mean:

a) Fraud, or the embezzlement or misappropriation of funds or property of the Company or any of its affiliates by you, the conviction of, or the entrance of a plea of guilty or nolo contendre by you to a felony, or a crime involving moral turpitude;

b) Neglect, misconduct or willful malfeasance which is materially injurious to the Company or any of its affiliates;

c) Willful failure or refusal to perform your duties, or a willful, material breach of contract.

. The term "Change in Control" shall mean the occurrence of any of the following events:

a) Any Person (other than the Company, any trustee or other fiduciary holding securities under an employee benefit plan of the Company, or any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), becomes the Beneficial Owner, directly or indirectly, or securities of the Company representing 20 percent or more of the combined voting power of the Company's then-outstanding securities;

b) During any period of 24 months (not including any period prior to your employment start date), individuals who, at the beginning of such period, constitute the Board, and any new direction (other than (A) a director nominated by a Person who has entered into an agreement with the Company to effect a transaction described in Sections a, c, or d herein, (B) a director nominated by any Person (including the Company) who publicly announces an intention to take or to consider taking actions (including, but not limited to, an actual or threatened proxy contest) which, if consummated, would constitute a Change in Control, or (C) a director nominated by any Person who is the Beneficial Owner, directly or indirectly, of securities of the Company representing 10 percent or more of the combined voting power of the Company's securities) whose election by the Board or nomination for election by the Company's stockholders was approved in advance by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority thereof;

c) The stockholders of the Company approve any transaction or series of transactions under which the Company is merged or consolidated with any other company, other than a merger or consolidation (A) which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent corporation) more than 66-2/3 percent of the combined voting power of the voting securities of the Company or such surviving entity or its parent corporation outstanding immediately after such merger or consolidation, and (B) after which no Person holds 20 percent or more of the combined voting power of the then-outstanding securities of the Company or such surviving entity or its parent corporation; or

d) The stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets.

You will be entitled to participate in the Heidrick & Struggles International Inc. GlobalShare equity programs based upon your performance and attainment of your goals and objectives in the manner consistent with other employees at your level. Grants under these programs are subject to approval by the Board of Directors or Compensation Committee of Heidrick & Struggles International, Inc.

You will be eligible to participate in our benefits program and will receive a detailed guide on your starting date. Our benefits program includes group health and life/AD&D insurance, long-term disability, short-term disability salary continuation, time-off benefits (vacation, paid holidays, paid sick time), the Flexible Spending Account, and the Heidrick & Struggles, Inc. 401(k) Profit-Sharing and Retirement Plan. Our benefits program, bonus programs, and policies are reviewed from time to time by Company management and may be modified, amended, or terminated at any time.

The Company will pay the cost of maintaining your membership in good standing as a lawyer admitted to practice in New York including without limitation your dues and the expenses of continuing legal education and it shall pay the cost of your membership in the American Bar Association and The Association of the Bar of The City of New York. In addition, the Company will pay or reimburse you for dues for two business club memberships that you use in connection with business.

The Company shall reimburse you for all of your business expenses in accordance with its policies. You shall be entitled to first-class of air travel when you determine there is a business need for it. The Company's Physical Examinations Policy shall apply to you effective immediately upon your employment start date. The Financial Planning Program for Senior Partners will also apply to you.

Before I conclude, let me highlight a few legal matters:

- You will be an "employee at will" unless or until we otherwise agree in writing. The purpose of this arrangement is to give both of us maximum flexibility and permits either of us to terminate employment and compensation at any time with or without Cause or notice, except for such period of notice as may be expressly provided in writing under written company employment policies in effect at the time of such termination.
- Your initial and continuing employment will be subject to your having the ability to work legally in the United States.
- You have advised us that you have not signed any agreements that will, in any way, prohibit your joining our firm or performing your work with us.
- This letter agreement and enclosures contain our entire understanding and can be amended only in writing and signed by you and the Chairman, President and Chief Executive Officer. You specifically acknowledge that no promises or commitments have been made to you that are not set forth in this letter.

To help clarify the programs and policies discussed above, I have included several enclosures. There are also some documents for you to sign. Please contact me directly if you have any questions. To acknowledge your acceptance of our offer of employment, please sign and return to me the enclosed copy of this letter along with the Confidentiality Agreement (relating to trade secrets, confidential information, clients, etc.), which we ask all employees to sign.

Again, I am pleased that you have chosen to join the Heidrick & Struggles global family. Please accept my best wishes for a most successful and prosperous career with us.

Yours sincerely,

/s/ Patrick S. Pittard
Patrick S. Pittard
Chairman, President and Chief Executive Officer

Enclosures

I hereby accept the terms and conditions of employment as outlined above:

/s/ Stephanie W. Abramson	December 28, 2000
Stephanie W. Abramson	Date