

Route to the Top

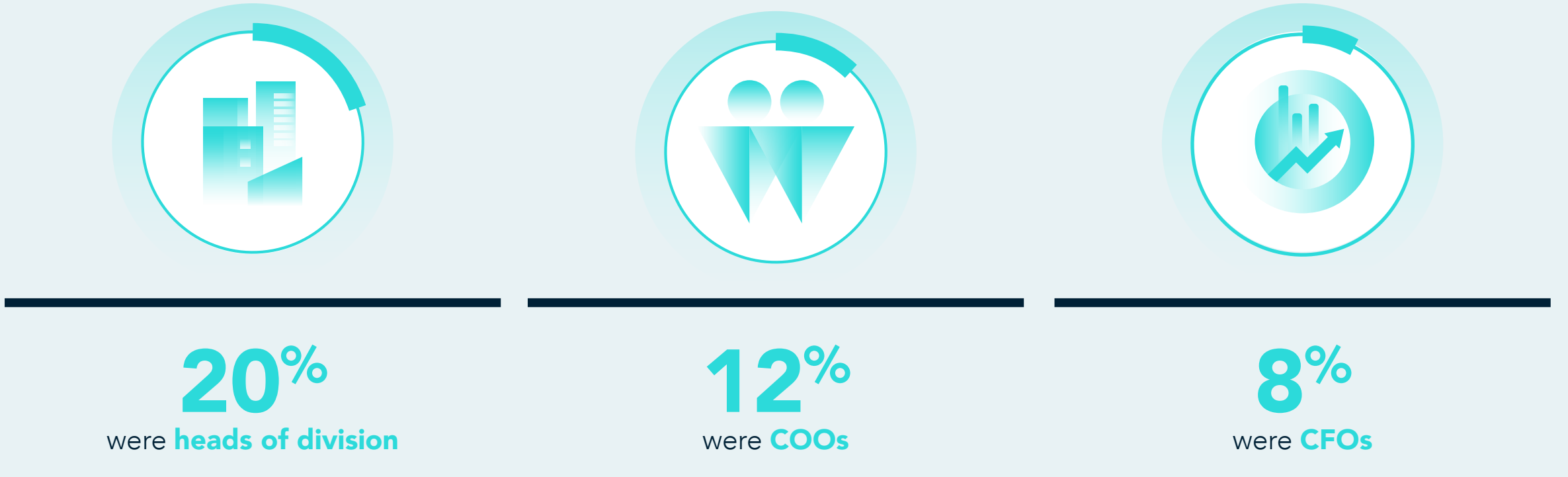
Most frequent stepping stones to CEO

An analysis of all 1,221 sitting CEOs at leading companies in 27 markets around the world finds that in their most recent CEO appointments, boards have more often prized operational expertise than financial knowledge.



Forty percent of all global CEOs stepped into the role directly from one of these three roles: head of division, COO, or CFO. (The two other most common prior roles are CEO at another company and president. Other stepping stones are rare.)

Share of CEOs with experience in each previous role

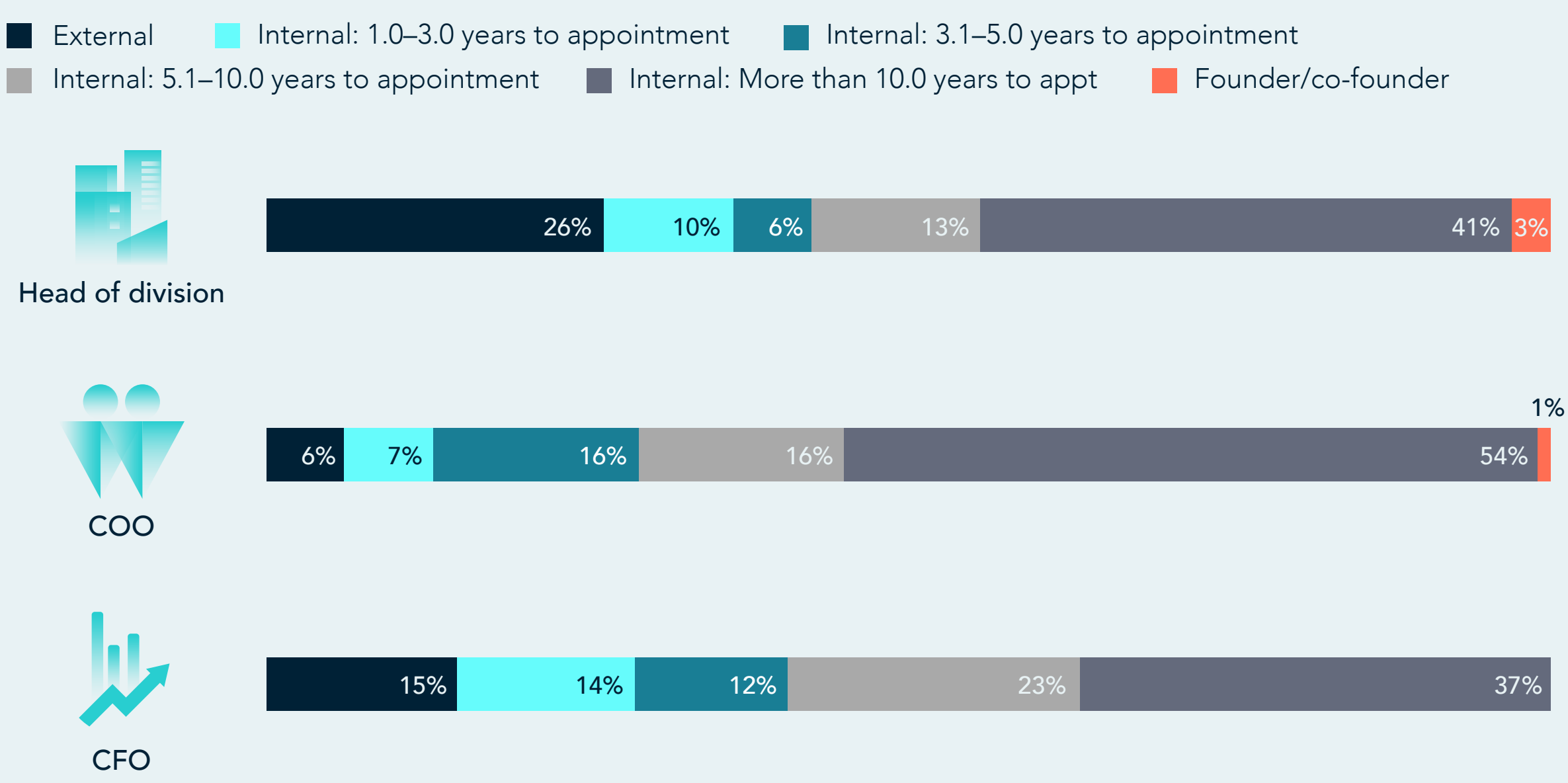


Each of these roles in itself suggests different priorities for the board naming a new CEO—though there is a clear focus on operational and P&L experience over financial expertise—and the career paths of the people in these roles underscores those differences.

1 Heidrick & Struggles' Route to the Top 2023 tracks the CEOs of the largest publicly listed companies in 27 markets: Australia and New Zealand, Belgium, Brazil, Canada, Colombia, Denmark, Finland, France, Germany, Hong Kong, Ireland, Italy, Kenya, Mexico, the Netherlands, Norway, Poland, Portugal, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, the United Arab Emirates, the United Kingdom, and the United States. The data reflects the 1,221 sitting CEOs as of June 30, 2023. The date of analysis was September 1, 2023. For a fuller look at the routes to the top, see the analysis in our [Route to the Top 2023 data dashboard](#).

Heads of division	COOs	CFOs
<p>Just over a quarter of CEOs who came from a head of division role were external appointments. Those promoted internally spent an average of 14 years at their company (in any role), and just under a third sat on the board prior to their appointment.</p>	<p>Nearly all COOs named to the top role were internal, and over half, 54%, had been at their company (in any role) for more than 10 years. A notably higher share of COOs than heads of division also sat on their company's boards before becoming CEO.</p>	<p>Once considered a primary stepping stone to the CEO role, CFOs are less likely to become CEOs than those with P&L or operational experience. CFOs have spent the least amount of time at their companies in any role prior to their appointment as CEO, but were more likely to have sat on their company's board prior to becoming CEO.</p>

Appointment type, by previous role

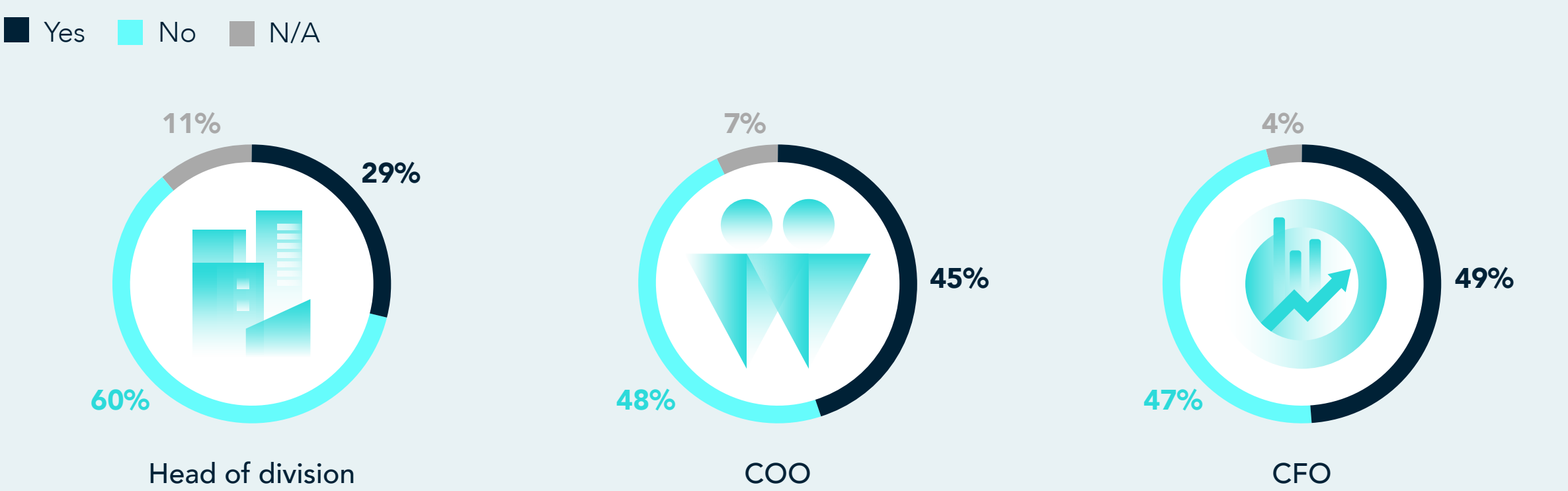


Average time to appointment, by previous role (years)



Note: The years represent the average time internally appointed CEOs (grouped by their prior role) spent at a company (in any role) prior to being appointed CEO.

Share of CEOs on company board prior to appointment as CEO, by previous role



Sources of fresh perspectives

Beyond operational and financial expertise, there are also notable differences in the types of diversity among CEOs who came from each prior role. The group of CEOs who were previously CFOs have the highest share of women and people with cross-sector experience (highlighting the transferability of finance skills). The group of CEOs with a head of division have the highest share of non-nationals and cross-border experience, highlighting the geographical range most successful operations leaders acquire as they grow.

	Head of division	COO	CFO
Demographics			
Women	8%	6%	9%
Non-nationals	34%	19%	20%
Age			
Age at appointment (years, average)	50	51	49
Appointed before age 45 (%)	18%	21%	25%
Current age (years, average)	56	57	55
Experience			
Cross-border experience	34%	32%	27%
Cross-sector experience	24%	9%	24%

CEO & Board of Directors Practice

Heidrick & Struggles' CEO & Board of Directors Practice has been built on our ability to execute top-level assignments and counsel CEOs and board members on the complex issues directly affecting their businesses.