


## Fortune 500 C-Suite Snapshot 2024: Profiles in Functional Leadership



A senior leadership team with the right people around the table can help CEOs — and organizations — drive performance and respond more rapidly and successfully to a complex and evolving business environment. The roles CEOs include in their teams vary across companies and industries and can change over time, as new strategic priorities call for specialized expertise at the C-suite level or companies experiment with centralized or decentralized organizational structures.

To track how leadership teams are evolving among Fortune 500 companies, we mapped leader profiles for 11 roles commonly included in the C-suite. We will continue to track this data annually to gain a better understanding of shifts in leader profiles over time. Here are a few observations from this year's analysis:

- » Fewer marketing, communications and supply chain leaders are serving in the C-suite. The percentage of Fortune 500 companies with a global chief marketing officer or equivalent fell by 8 percent since our 2023 snapshot, as some companies opt to incorporate marketing with other functional responsibilities or spread responsibility for marketing across regions. A 6 percent decline in the number of chief communications officers may be the result of the creation of new roles that combine communications with other disciplines such as investor relations. The number of enterprise-level supply chain leaders in Fortune 500 companies declined by 7 percent to 422.
- » Conversely, we saw year-over-year increases in the number of companies with chief inclusion and diversity officers and chief sustainability officers, suggesting that leaders continue to view these areas as important levers for business performance. The number of Fortune 500 enterprise-level inclusion and diversity leaders increased by 9 percent to 321, while the number of chief sustainability officers increased by 2 percent to 294.
- » Nearly 60 percent of C-suite functional leaders are internal appointments to their roles, underscoring the importance of leadership development and succession planning. While this is unchanged from last year, internal appointments have gradually increased since 2020, when 55 percent of functional leaders were appointed from within their companies. CEOs (76 percent) and chief operating officers (79 percent) are most likely to be insiders.
- » Average tenure among some Fortune 500 leaders has been increasing since 2022, likely due to organizations focusing on stability, continuity and long-term strategic planning in a rapidly changing business environment. Average CEO tenure rose from 6.7 years to 7.4 years. Other roles driving the increase over the past two years are CIOs (4.4 to 5.2 years), supply chain officers (4.3 to 5.2 years), chief inclusion and diversity officers (2.6 to 3.6 years) and heads of sustainability (3.4 to 4.1 years).

## The Fortune 500 C-suite at a glance

4.9yrs

Average tenure

50%

Women and executives from historically underrepresented groups

59%

Internally appointed executives

28%

Executives with previous experience in the same role

## Experience and backgrounds

Forty-one percent of Fortune 500 C-suite leaders were external hires. Top leaders in information technology, communications and legal were most likely to be external hires, with 57 percent, 55 percent and 52 percent hired from outside the company, respectively, for those roles.

When companies do look externally for leadership talent, there are different expectations about the need for industry expertise, depending on the role. Sector experience appears to be most important for CEOs, COOs and chief financial officers (CFOs), who are least likely to be hired from outside the company's industry. Meanwhile nearly half of externally hired chief information officers (48 percent) came from another industry — most of those from technology, media or telecommunications. Specific sector experience also seems to be less important for inclusion and diversity leaders, sustainability officers and heads of communications; more than half of external hires in these roles switched industries.

We also see variance in the desire for prior experience across functional roles. Thirty-eight percent of CIOs, 36 percent of chief legal officers and 32 percent of CHROs served in the top role previously, compared with 28 percent of all functional leaders. Just 18 percent of CEOs and 17 percent of COOs have had prior experience in the role.

## C-SUITE LEADER BACKGROUNDS

Role	Internal hires	External hires	External hires from a different industry	Prior experience in the role
Chief executive officer	76%	24%	25%	18%
Chief operating officer	79%	21%	16%	17%
Chief financial officer	65%	35%	35%	29%
Chief human resources officer	56%	44%	40%	32%
Chief information officer	43%	57%	48%	38%
Chief marketing officer	58%	42%	39%	32%
Chief legal officer	48%	52%	47%	36%
Chief supply chain officer	57%	42%	40%	35%
Chief communications officer	45%	55%	52%	36%
Chief sustainability officer	63%	37%	53%	10%
Chief inclusion and diversity officer	57%	43%	61%	31%
<b>Average</b>	<b>59%</b>	<b>41%</b>	<b>42%</b>	<b>28%</b>

## Recruiting and retention

The average tenure of sitting Fortune 500 C-suite leaders is 4.9 years, up from 4.5 in 2023. Average CEO tenure is just under seven and a half years on average, 2.5 years longer than the C-suite average and more than a year longer than the next longest-serving executive, the chief legal officer (6.1 years). Seven percent of Fortune 500 C-suite functional leaders took their roles in the first half of 2024.

COOs have the shortest tenure, averaging 3.2 years, likely because the role often is meant to be a temporary development position for CEO aspirants. Other roles with shorter average tenures — such as the chief inclusion and diversity officer and chief sustainability officer — are newly created in some organizations and therefore haven't had a chance at a longer tenure at this point.

Since 2020, the average tenures of chief information officers and chief supply chain officers within the C-suite have increased by nearly a year, from 4.3 years to 5.2 years and from 4.4 years to 5.2 years, respectively. In the same period, the average tenure of CHROs declined by nearly a year (from 5.5 years to 4.7 years).

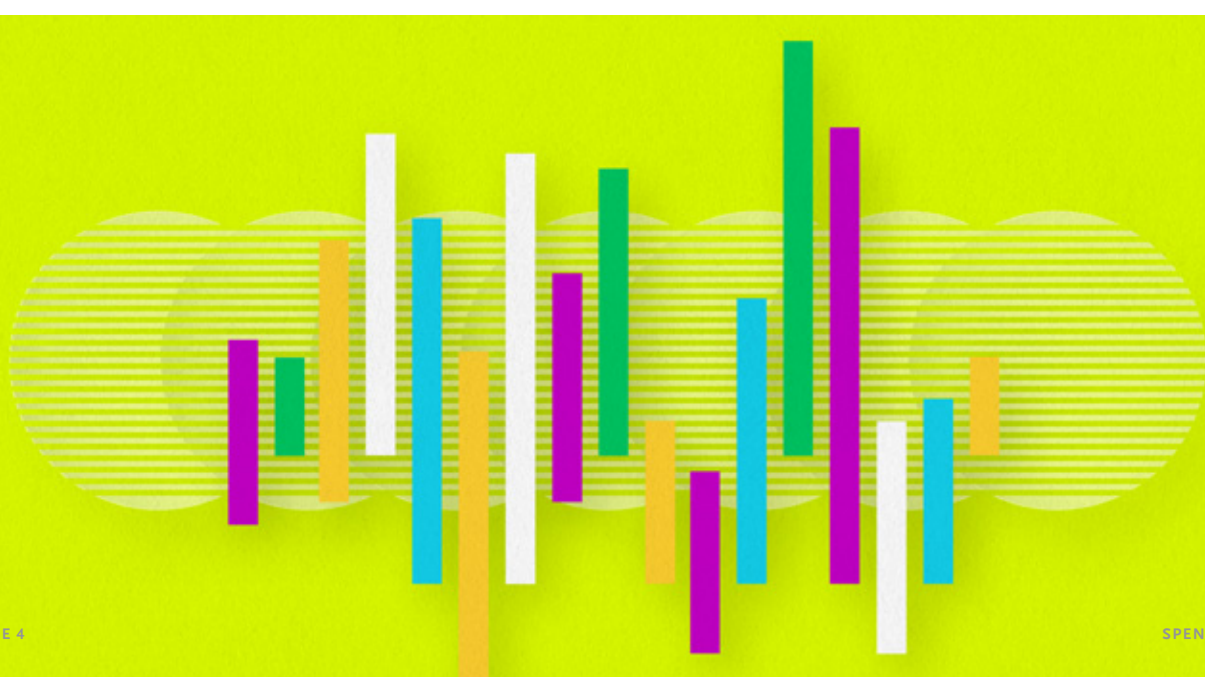
## TENURE AND TURNOVER

Role	Average tenure (years)	Turnover (% in the role for 6 months or less)
Chief executive officer	7.4	7%
Chief operating officer	3.2	12%
Chief financial officer	4.8	7%
Chief human resources officer	4.7	9%
Chief information officer	5.2	5%
Chief marketing officer	4.3	9%
Chief legal officer	6.1	8%
Chief supply chain officer	5.2	1%
Chief communications officer	4.9	6%
Chief sustainability officer	4.1	4%
Chief inclusion and diversity officer	3.6	6%
<b>Average</b>	<b>4.9</b>	<b>7%</b>

## Fortune 500 C-suite diversity

The representation of women and people from historically underrepresented ethnic and racial groups in C-suite roles increased slightly in the past year, from 49 percent to 50 percent. The increase reflects small gains in diversity among CEOs (from 21 percent in 2023 to 23 percent in 2024), COOs (from 19 percent to 23 percent) and CFOs (from 27 percent to 28 percent). Because they are common steppingstones to the CEO role, increasing diversity among COOs and CFOs suggests a more diverse CEO pipeline.

Overall, 40 percent of functional C-suite roles are held by women and 16 percent by ethnically diverse leaders. Leadership roles in inclusion and diversity, HR, communications and sustainability reflect greater racial, ethnic and gender diversity than other roles.



## DIVERSITY

Role	Women	Historically underrepresented racial and ethnic backgrounds*	Total**
Chief executive officer	11%	14%	23%
Chief operating officer	12%	12%	23%
Chief financial officer	18%	13%	28%
Chief human resources officer	69%	14%	76%
Chief information officer	20%	24%	39%
Chief marketing officer	53%	12%	60%
Chief legal officer	39%	18%	46%
Chief supply chain officer	18%	12%	27%
Chief communications officer	66%	8%	69%
Chief sustainability officer	61%	11%	65%
Chief inclusion and diversity officer	76%	40%	88%
<b>Average</b>	<b>40%</b>	<b>16%</b>	<b>50%</b>

\* Per EEO guidelines, defined as people with one or more of the following origins: American Indian or Alaskan Native, Asian or Pacific Islander, Black and Hispanic.

\*\* Total includes women who also self-identify as a member of a historically underrepresented racial or ethnic group.

## Methodology

Research finds that [there is little uniformity in the organizational structure](#) of leadership teams across Fortune 500 companies. Our research focuses on the most common functional roles as well as significant up-and-coming C-suite roles, such as chief inclusion and diversity officer and chief sustainability officer. Interim executives are not included in the mapping. When a company has a co-CXO, both are included. The mapping bundles related titles; for example, the head of sustainability at some companies carries the title chief environmental officer. The snapshot reflects executives in their roles as of June 30, 2024.

All percentages calculated based on the total number of executives identified on the snapshot date:

- » Chief Executive Officer: 501
- » Chief Operating Officer: 234
- » Chief Financial Officer: 492
- » Chief Human Resources Officer: 485
- » Chief Information Officer: 469
- » Chief Marketing Officer: 329
- » Chief Legal Officer: 487
- » Chief Supply Chain Officer: 422
- » Chief Communications Officer: 386
- » Chief Sustainability Officer: 294
- » Chief Inclusion and Diversity Officer: 321





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