

THE EVOLUTION OF THE C-SUITE: PART 3

# NEW SKILLS FOR *A NEW ERA*





# GETTING INTO THE C-SUITE AND MOVING UP

---

The C-suite is within reach for a growing number of professionals. As larger companies expand the number of C-level roles, more functions are being elevated to the top ranks. While a background in finance or operations remains a reliable pathway, today's high-potential executives can also access the C-suite through numerous specializations. But joining the C-suite is still a challenge. Job postings declined in 2023, halting a decadeslong expansion in senior executive roles. And while the C-suite has become less siloed, companies are increasingly likely to hire C-suite veterans, banking on a person's track record rather than their potential.

At the same time, the skill sets required of C-suite professionals are evolving. Today's top executives must be more collaborative, working across multiple functions to succeed. They must also be well-rounded, combining strong leadership and communication abilities with the applied skills that are essential to their function.

**The Evolution of the C-Suite** series, a collaboration between SHRM and The Burning Glass Institute, dissects the intricate trends underlying this executive transformation. It provides a clarifying lens for business leaders to understand the modern C-suite landscape and to anticipate changes yet to come.

This report, the third of three in the series, focuses on the changes in C-suite career paths, the increase in specialized C-level roles, and the evolution in executive skill sets.



# KEY FINDINGS

- **More C-suite hires have prior executive experience:** The share of new C-level hires who come from outside the C-suite has fallen over time, from 95% in 1990 to 79% in 2021-22.
- **Some roles are key entry points:** Some emerging C-suite roles are much more likely to attract first-time C-level executives. The likelihood of a C-suite newcomer being a chief diversity officer (CDivO) surged 187% from 2018-19 to 2021-22.
- **One skill to rule them all:** “Initiative and leadership” was the only skill category that ranked in the top three for every single C-level role.

Below is a glossary of common C-suite titles referenced throughout the series.

## A TAXONOMY OF THE C-SUITE

CAIO	Chief Artificial Intelligence Officer
CCO	Chief Communications Officer
CDivO	Chief Diversity Officer
CDO	Chief Data Officer
CEnvO	Chief Environmental Officer
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CGO	Chief Growth Officer
CHRO	Chief Human Resources Officer
CIInno	Chief Innovation Officer
CIInvo	Chief Investment Officer
CIO	Chief Information Officer
CLO	Chief Legal Officer
CMO	Chief Marketing Officer
COO	Chief Operating Officer
CPO	Chief Product Officer
CQO	Chief Quality Officer
CRO	Chief Revenue Officer
CSecO	Chief Security Officer
CSO	Chief Strategy Officer
CTO	Chief Technology Officer
CWO	Chief Wellness Officer



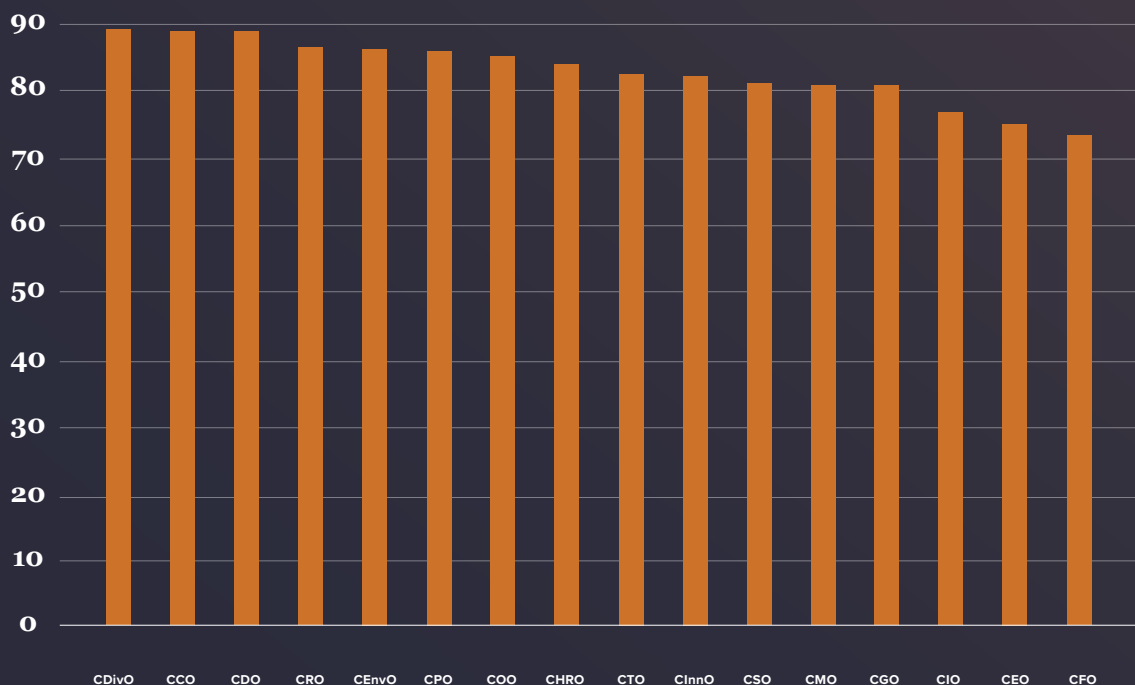
# MAPPING C-SUITE CAREER PATHS OVER TIME

Over the past three decades, the C-suite has dramatically expanded, with the average firm's non-CEO leadership team increasing by 160% between 1990 and 2023. The number of C-level job roles has also grown to encompass more functions and fields. There are more C-suite jobs and pathways than ever before.

However, despite the increase in C-suite positions, companies have become somewhat less inclined to hire C-level newcomers. This is more often the case for legacy C-suite roles than for many of the emerging titles, which can act as career springboards for nonexecutives. Close to 90% of new chief environmental officers (CEnvOs), chief communications officers (CCOs), and chief data officers (CDOs) were hired from outside the C-suite, versus 73% of CFOs and 74% of CEOs.

In the sections below, we examine trends in C-suite career paths from a few angles, including same-title transitions, new-title transitions, and C-suite newcomers.

**NONEXECUTIVE HIRES'  
SHARE OF TOTAL FOR EACH ROLE**





# NEW JOB, SAME TITLE

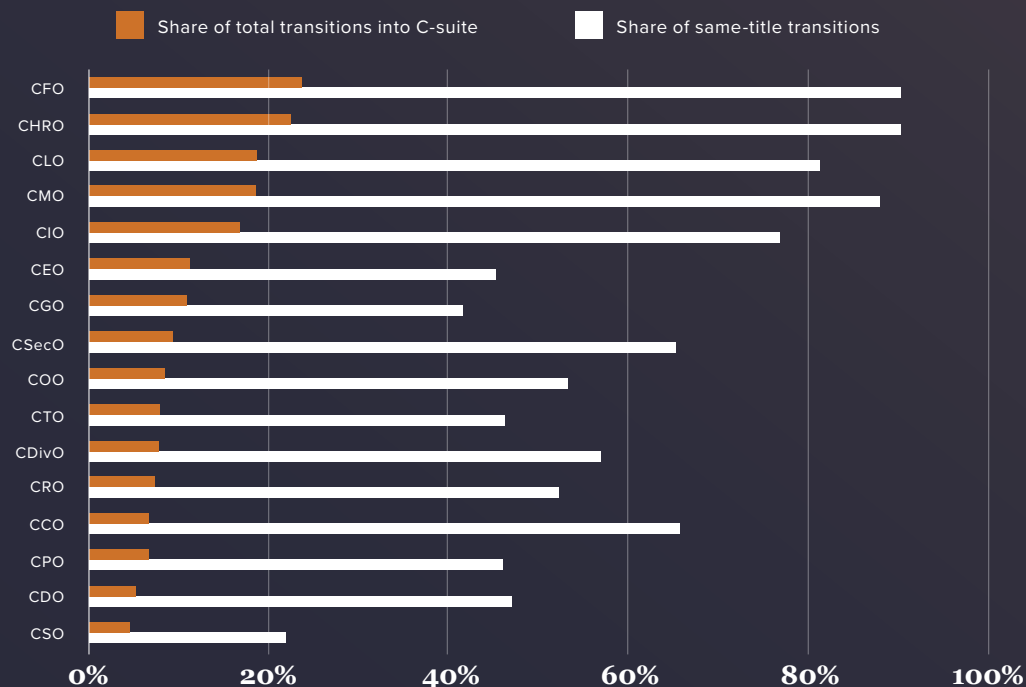
One way C-suite members change jobs is by moving to the same position at a different organization. In 2021-22, these same-title transitions accounted for 14.3% of all C-suite hires.

The frequency of these transitions varies across roles and is most common among CFOs, who exhibit the highest rates, at 24% in 2021 and 2022. Moreover, 90% of new CFOs transitioning from another C-level role were previously CFOs. Chief human resources officers (CHROs) demonstrated similar transition patterns. Other titles with high rates of same-title transitions included chief legal officers (CLOs), chief marketing officers (CMOs), and chief information officers (CIOs). This may reflect the specialized skills required for these positions.

In contrast, more generalist C-suite roles displayed lower rates of same-title hiring. Just 11% of new CEO hires and 8% of chief operating officer (COO) hires came from the identical role elsewhere.

Same-title transitions were even rarer among newer roles such as CDOs, chief product officers (CPOs), chief revenue officers (CROs), and CDivOs, which is unsurprising given how few people served in such roles historically. On average, just 7% of hires for these positions involved a same-title transition.

## C-SUITE TRANSITIONS THAT RETAIN THE SAME TITLE



# MORE SPECIALIZED BUT LESS SILOED

Despite the frequency of same-title transitions, they have become less common, declining from 79.6% of hires during the 1990s to 66.7% for the 2021-22 period. Increased specialization is a major driver of this change. For decades, companies have created new C-level job titles in response to business, economic, and societal shifts. This has effectively added more rungs to the career ladder and made the C-suite accessible to a greater number of professionals. Simultaneously, C-suites have become bigger overall, creating a broader base of existing C-suite talent to recruit.

## ROLE TRANSITIONS WITHIN C-SUITE BY HIGHEST PREVALENCE (2021-22)

C-SUITE TRANSITION	% OF CHANGES WITHIN C-SUITE FOR THE NEW ROLE
CTO to CIO	62%
CEO to CFO	60%
CIO to CTO	50%
COO to CEO	47%
CEO to CMO	38%

The data reveals that COOs are the stars of the C-suite when it comes to switching to other C-level roles. Overall, COOs accounted for 26% of different-role C-suite hires in 2021-22, with these executives becoming CEOs, CFOs, CIOs, CHROs, and CDivOs at elevated rates. For example, while only 14% of CEO hires came from different C-level roles, 47% of those were COOs.

CEOs, meanwhile, took other roles at a much lower rate, though they had a similarly broad distribution of follow-up roles. CFOs, by contrast, went on to different C-suite positions at a much lower rate relative to their prevalence in firms—potentially another indication of their skill specialization. CFOs make up 24% of the CEO hires who came from different C-level roles.

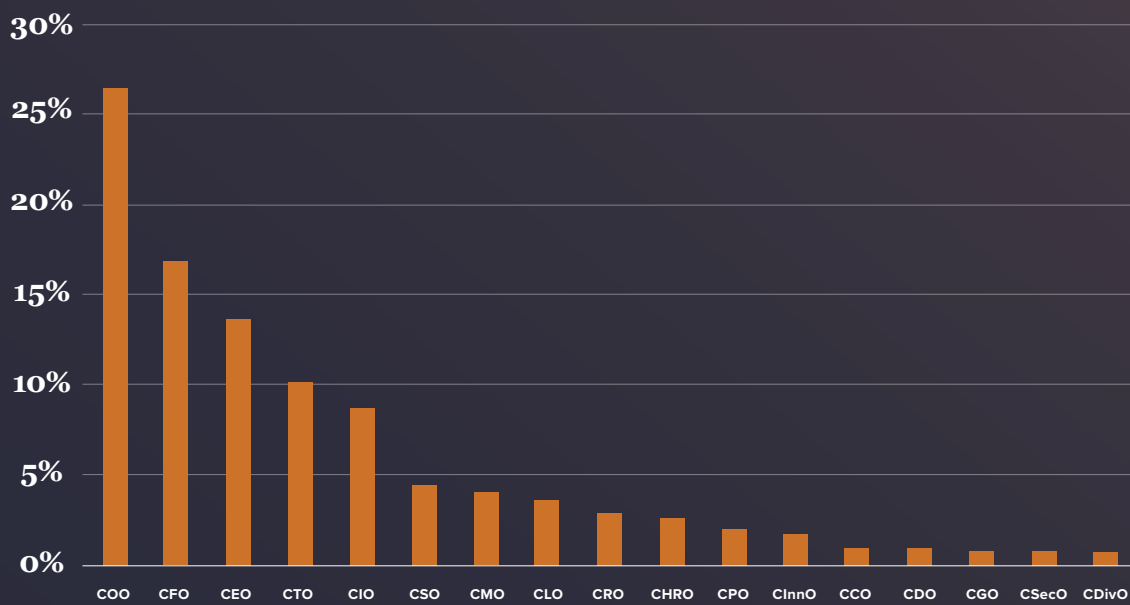






## ROLES THAT LEAD TO OTHER C-SUITE POSITIONS

SHARE OF TOTAL DIFFERENT-TITLE HIRES

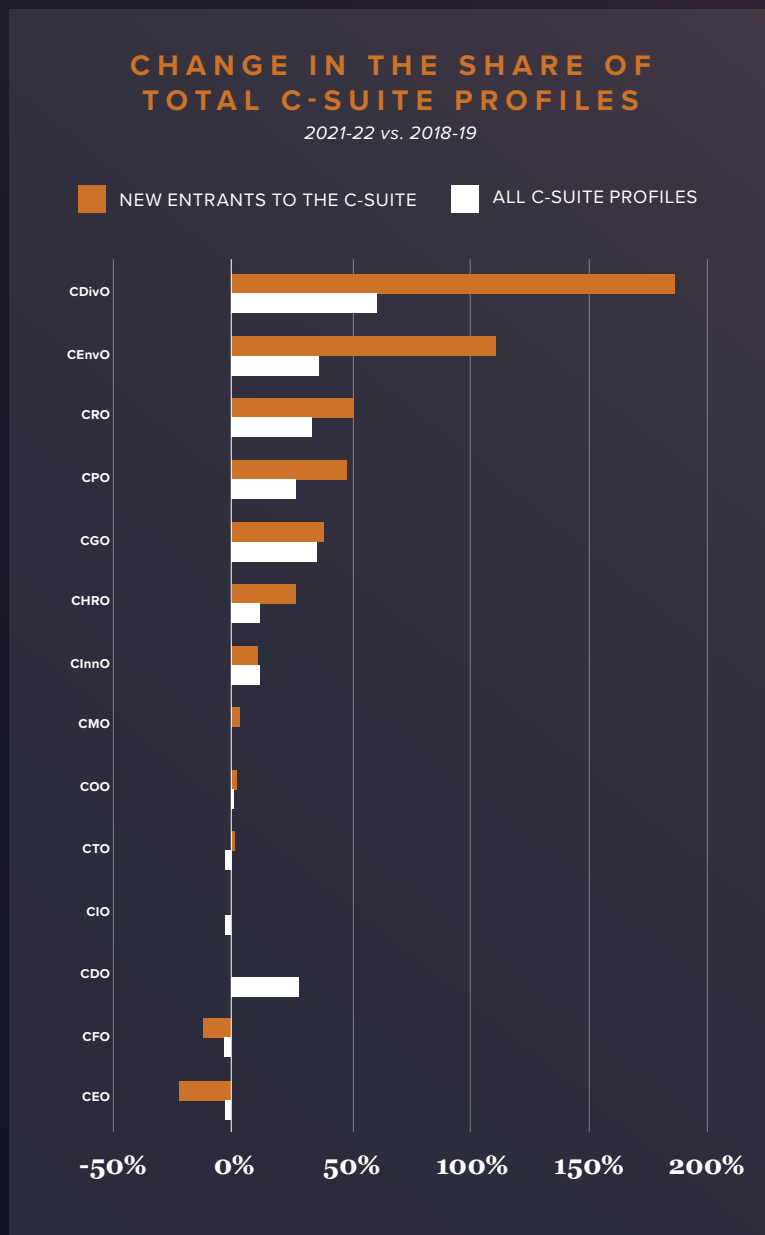


Other common C-suite transitions emerge from this analysis:

- CCOs go on to become CMOs at elevated rates.
- CMOs and CROs tend to trade positions with unusual frequency, as do CIOs and chief technology officers (CTOs).
- CPO roles are frequently filled by former chief strategy officers (CSOs) and CTOs.
- CDOs are often former CTOs, but the reverse isn't as common.

# C-SUITE NEWCOMERS

Ultimately, most C-suite hires are newcomers, and our research finds that some roles act as engines of C-suite expansion and fragmentation. To isolate these drivers, we broke down the mix of titles among new entrants to the C-suite—i.e., profiles that listed a C-level position for the first time in each period—and compared how that makeup has shifted since the pandemic.



The likelihood that a C-suite newcomer would happen to be a CEnvO leapt 112% from the 2018-19 period, while the likelihood of being a first-time CRO jumped 52%. However, the big standout is—once again—the CDivO position. The role has been an unusually important gateway to the upper-management ranks, particularly for women and people of color.

The share of CDivOs entering a C-suite level job for the first time surged 187% in 2021-22 compared with 2018-19. By comparison, CDivOs as a share of all C-suite positions—both new entrants and C-suite veterans—increased 61% from the pre-pandemic period.

This is a testament to how fast inclusion and diversity (I&D) issues have risen in the executive agenda, as well as a growing recognition that a diverse C-suite can contribute to a more diverse workforce at all levels of the organization.

Notably, CFOs and CEOs saw a decrease in first-time entrants during 2021-22, suggesting that companies leaned on prior experience during the uncertainty of the pandemic.



# THE EXECUTIVE SKILL SET IS CHANGING

The C-suite's transformation isn't limited to job titles or demographic representation. These professionals face increasingly daunting responsibilities and expectations. Executives must be more collaborative and work across multiple functions to succeed. In fact, SHRM Research found that 82% of C-suite executives are required to demonstrate a broader range of skills than in years past.

Looking at advertised jobs for C-suite roles in 2021-23 suggests which skills companies consider most valuable for success. The most common skill categories include initiative and leadership, business management, communication, business strategy, and business operations.

But only one—initiative and leadership—was a top three skill category across all roles, as seen in the table below. Initiative and leadership appeared in virtually every C-suite job advertised online. SHRM Research found that 94% of C-suite executives agree that initiative and leadership skills are essential to their role.

The second-most-required skill was communication, with 93% of C-suite executives agreeing on its importance.

	CDO	CDO	CEO	CFO	CGO	CHRO	CIO	CMO	COO	CPO	CRO	CTO
Business Management												
Business Operations												
Business Strategy												
Communication												
Computer Science												
Critical Thinking and Problem Solving												
Data Management												
General Accounting												
General Finance												
General Sales Practices												
Human Resources Management and Planning												
Initiative and Leadership												
Marketing Strategy and Techniques												
Personal Attributes												
Product Management												
Software Development												

Within the 16 most commonly required skill categories in C-suite job postings, 11 are “specialized” or applied skills, rather than foundational skills such as communication or critical thinking and problem solving.

Other prominent examples include data science and management, employee relations, finance and accounting, and marketing.

Not all C-suite executives are fully competent in all of these applied skills. SHRM Research found that over 1 in 5 executives say they are least competent in data management, while about 15% lack adequate finance skills.

The data also can identify skills considered especially vital for the C-suite. The list below features skills that appear far more often in C-suite job listings compared with all other job listings. Many of these skills involve elements of strategy, planning, and finance. Meanwhile, the top skill category of “initiative and leadership” is reflected in such skills as thought leadership, change management, and business acumen.

#### **Strategic Planning**

**Master of Business Administration (MBA)**

#### **Thought Leadership**

**Business Strategy**

#### **Strategic Thinking**

**Business Planning**

#### **Performance Management**

**Change Management**

#### **Governance**

**Profit and Loss (P&L) Management**

**Business Operations**

**Business Administration**

#### **Budgeting**

**Business Objectives**

**Business Acumen**

The data also reveals trending C-suite skills—those most rapidly added to job postings in 2021-23. They include proficiency in popular business analytics software and data visualization platforms, such as Alteryx, Tableau, and Power BI. Meanwhile, the pandemic-era shift to remote and hybrid work is reflected in skills related to videoconferencing tools and telecommuting.

#### **Chartered Global Management Accountant**

**Executive Coaching**

#### **Inclusion and Diversity Initiatives**

**Alteryx**

**Zoom (Videoconferencing Tool)**

**Telecommuting**

**Data Mapping**

**Workplace Safety**

**Power BI**

**Data Engineering**

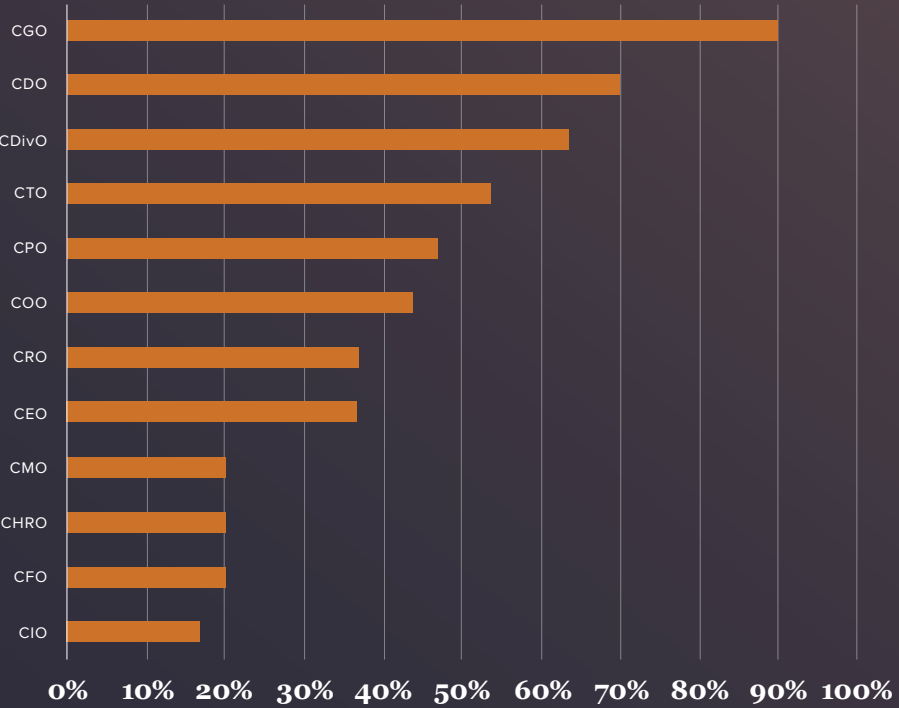
**Tableau (Business Intelligence Software)**





Another way to evaluate this evolution in executive expectations is by examining the most common skills required of C-suite roles—and how they have changed since 2017-19. Some of the fastest-growing C-suite jobs, such as CDivO, CGO, and CDO, also have the fastest-evolving skill sets, with at least 60% of these jobs’ skill requirements changing in that time.

SHARE OF TOP 30 JOB POSTING SKILLS THAT CHANGED BETWEEN 2017-19 AND 2021-23



# KEY TAKEAWAYS FOR C-SUITE LEADERS

---

Current and aspiring C-suite leaders have a tremendous opportunity ahead of them. The C-suite has greatly expanded in recent years, outside of a slight contraction in 2023. Reaching C-level positions from specialized functions—and moving between roles—is arguably easier than ever. And even more openings could result as Baby Boomers retire.

At the same time, C-suite leaders need to level up their knowledge and skill sets. Companies want C-suite executives with specialized knowledge, initiative, and strong leadership and communication skills. They must show they can do the work and inspire others to reach new heights.

The C-suite's evolving needs reflect the complex challenges facing today's organizations. Previous research by the Burning Glass Institute has found that the rate of skill replacement has accelerated in recent years—reflecting the increasingly complex demands on organizations.

Adapting to this rapid change will require top-down attention from the C-suite, particularly CEOs and CHROs. Skill audits and inventories should include all levels, starting with the C-suite, so companies understand how to develop a bench of internal talent and optimize their C-level external recruitment.

Other areas to watch include 2023's decline in total C-suite representation and job postings, as well as the gradual slide in the percentage of new hires from outside the C-suite. This could reflect caution by companies that would rather slow down C-level hiring or turn to experienced C-level hires instead of the perceived risk of a nonexecutive hire. Constantly evolving social and business demands could also affect the growth of emerging C-suite roles, including CDivO and CEnvO. Perhaps these roles will evolve like that of the CIO, whose prevalence took off during the 1990s tech boom but moderated in the next two decades.

The trends driving the C-suite's evolution will intensify during a period of transformation driven by generative AI, supply chain disruption, shifting global competition, and a growing sense of urgency around climate action, among other factors. To navigate these fast-moving currents, executive teams will continue to specialize and diversify in search of the capabilities they need to compete.





# APPENDIX: METHODOLOGY

---

This study draws from two Burning Glass Institute databases and one SHRM custom research study.

The first Burning Glass Institute database contains the career histories, resumes, and profiles of 65 million American workers. These data are derived from LinkedIn profiles and various resume databases. From these, we inferred the gender, race, and ethnicity of people working in C-suite positions and broke those down by title and company. This data also shows individual career trajectories, including jobs before and after joining the C-suite. This study examines various trends in C-suite occupants, such as the prevalence of women and people of color, in two cohorts—the pre-pandemic years of 2018 through 2019, and the post-COVID-19 lockdown years of 2021 through 2022.

The second database is derived from the tens of millions of job postings by essentially every large company in the U.S. The data includes such details as the growth in demand for various C-suite titles, which skills employers seek for specific jobs, whether a position allows remote work, and the education and experience requirements for each advertised slot. As with the career history data, this study examines trends in job postings, such as growth in the size of the C-suite and the rise in remote job postings, in two cohorts—the pre-pandemic years of 2017 through 2019, and the post-COVID-19 lockdown years of 2021 through 2023.

The Burning Glass Institute considers both the career histories and job posting databases to be large enough to be representative of the U.S. corporate population as a whole. The job postings data spans six years, while the career histories data covers only four years. But in both sets of data—job postings and career histories—the study purposely omits data from 2020, an outlier year affected by the onset of the pandemic as companies scrambled to cope in ways that may have interrupted or distorted the broader trends.

SHRM's custom research study surveyed 173 C-suite executives sourced across its membership and was conducted Feb. 22-29, 2024.