

# FORTUNE 500 CFO INDEX

January 2017

# Fortune 500 CFO Index

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## **Goals & Methodology**

- > The Spencer Stuart Fortune 500 CFO Index is an analysis of the CFOs at Fortune 500 companies for the 11 year period from 2006-2016. The goal of this analysis is to answer the question, “What is the profile of the F500 CFO?” The data for each year represents a snapshot of executives sitting in the CFO seat as of 12/31 of their respective year.

## **Industry Acronyms**

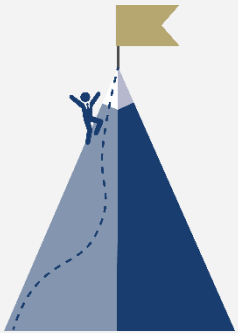
- > CG&S – Consumer Goods & Services
- > ENER – Energy
- > FS – Financial Services
- > IND – Industrial
- > LS – Life Sciences
- > TMT – Technology, Media, & Telecommunications

# Fortune 500 CFO Index



## Turnover

- > Annual CFO turnover averages approximately 14%



## Route Up

- > The most prevalent primary route up is accounting and controls and divisional finance
- > 25% had prior public company CFO experience
- > 61% were internally placed
- > 14% come from different industries



## Demographics

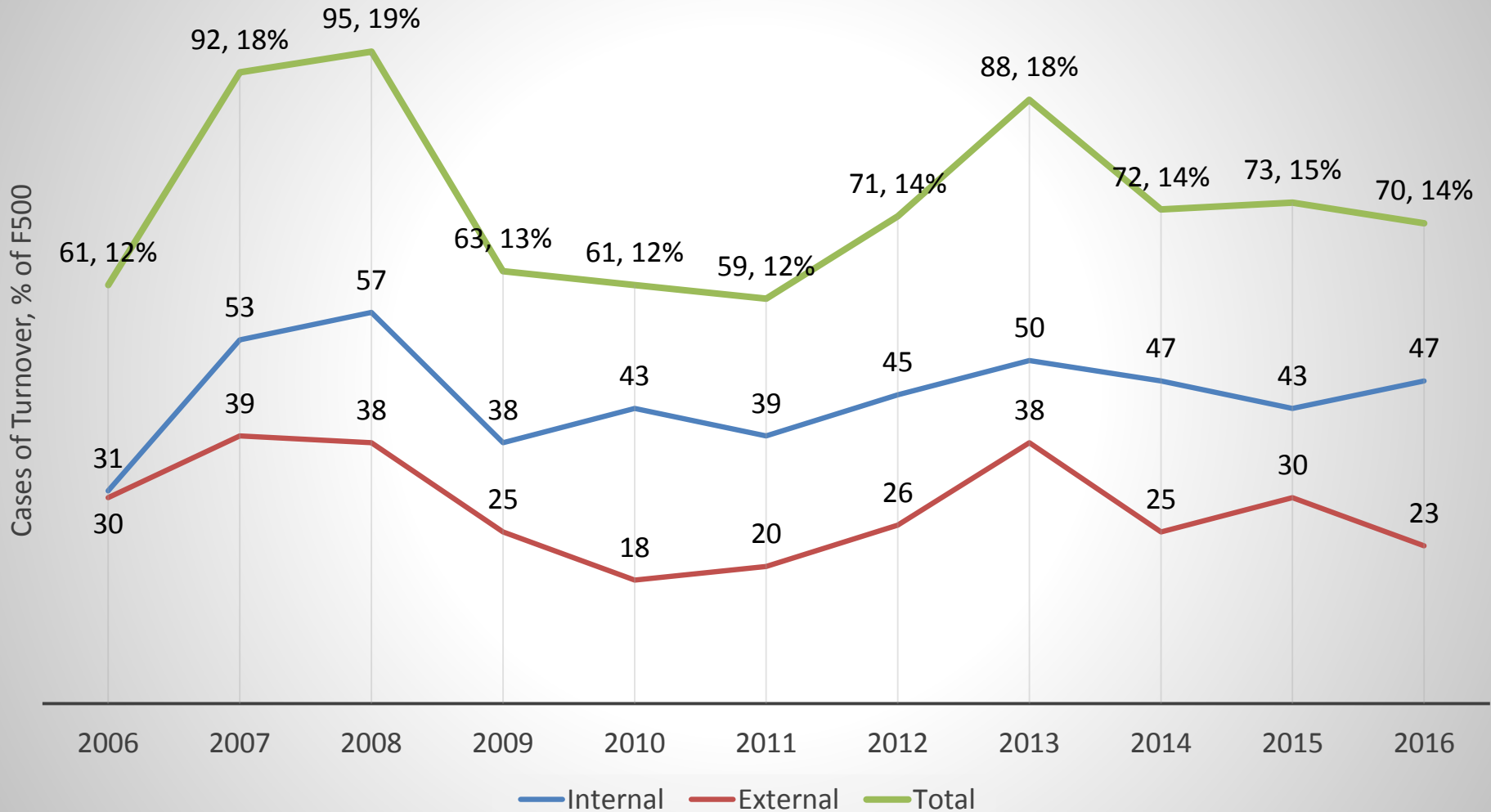
- > 61 (12.5%) are women and 31 (6.4%) are people of color
- > 47% have MBAs and 36% have CPA
- > Although 28% sit on boards, only 9% are for Fortune 500 companies

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# Turnover & Tenure

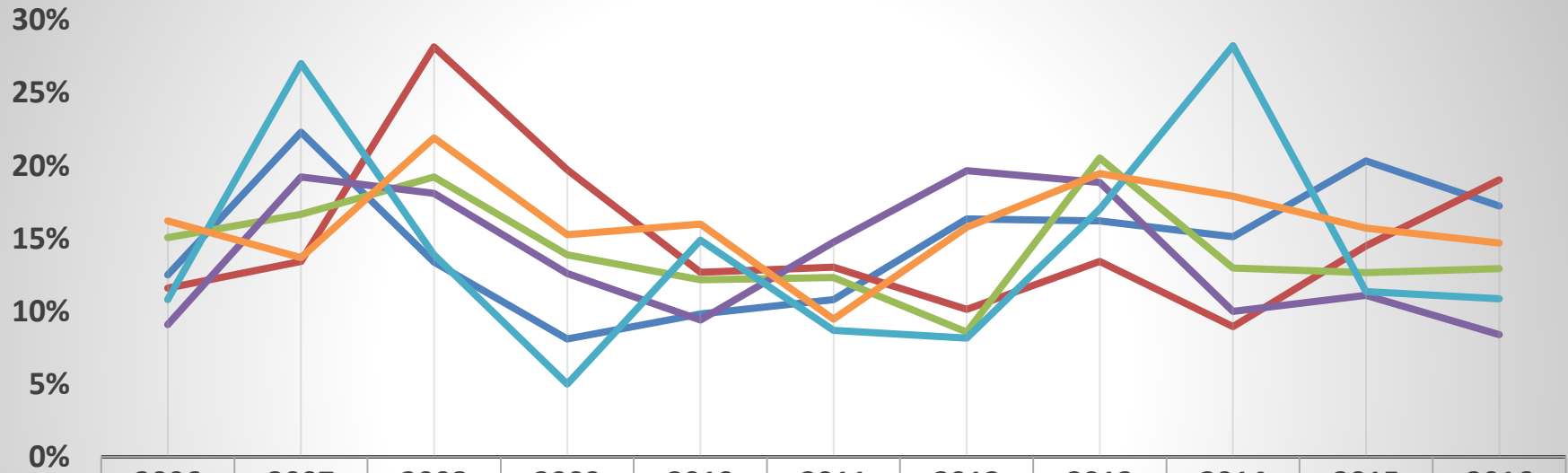
# Turnover

## Fortune 500 CFO Turnover 2006-2016



# Turnover

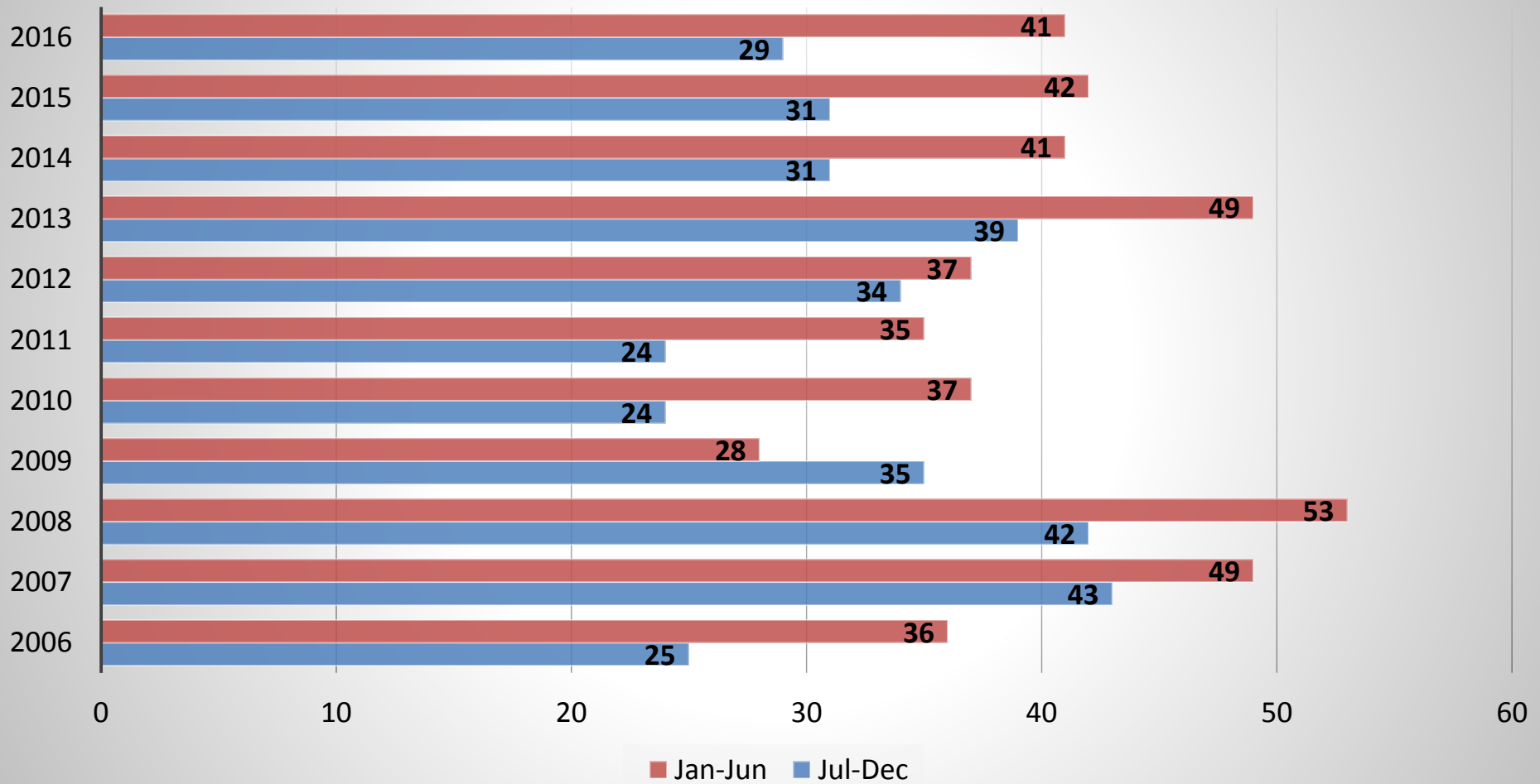
## Turnover by Industry



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CG&S	13%	22%	13%	8%	10%	11%	16%	16%	15%	20%	17%
ENER	12%	13%	28%	20%	13%	13%	10%	13%	9%	14%	19%
FS	15%	17%	19%	14%	12%	12%	9%	21%	13%	13%	13%
IND	9%	19%	18%	13%	9%	15%	20%	19%	10%	11%	8%
LS	11%	27%	14%	5%	15%	9%	8%	17%	28%	11%	11%
TMT	16%	14%	22%	15%	16%	9%	16%	19%	18%	16%	15%
TOTAL	61	92	95	63	61	59	71	88	72	73	70

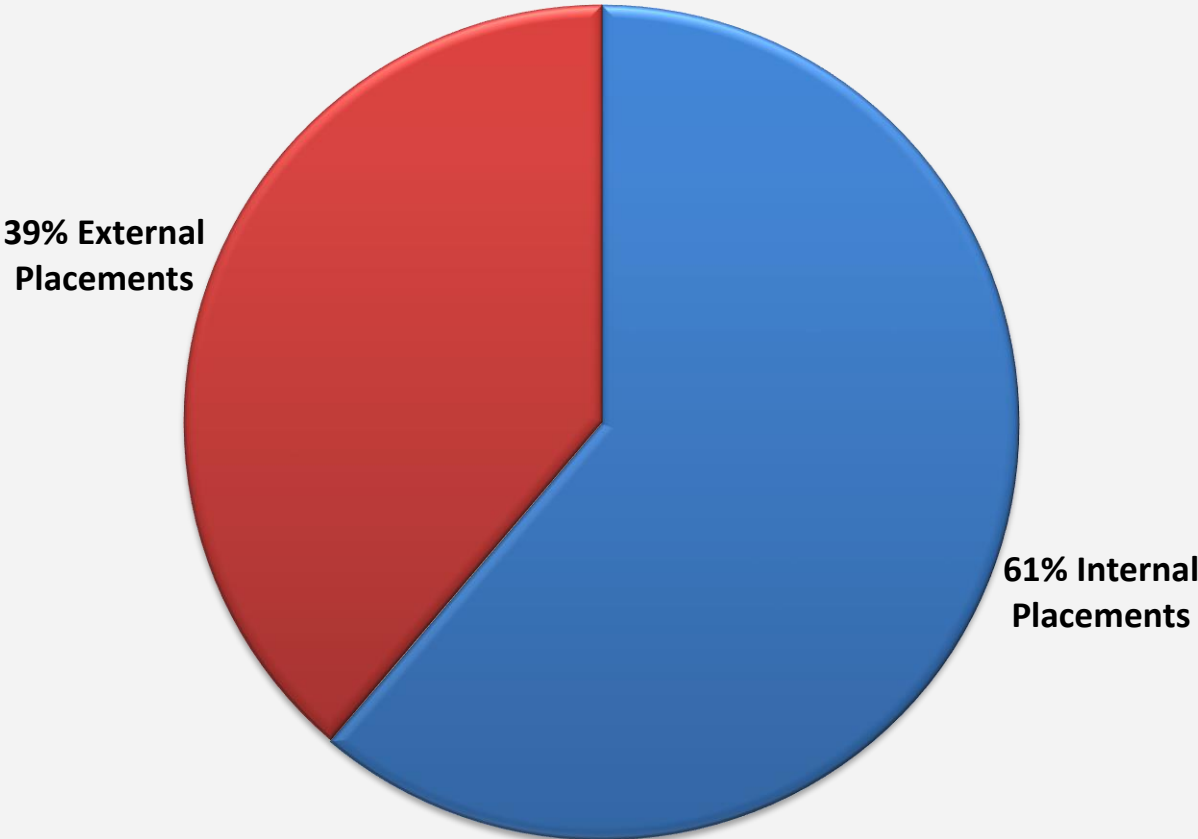
# Turnover

## Fortune 500 CFO Turnover



# Turnover

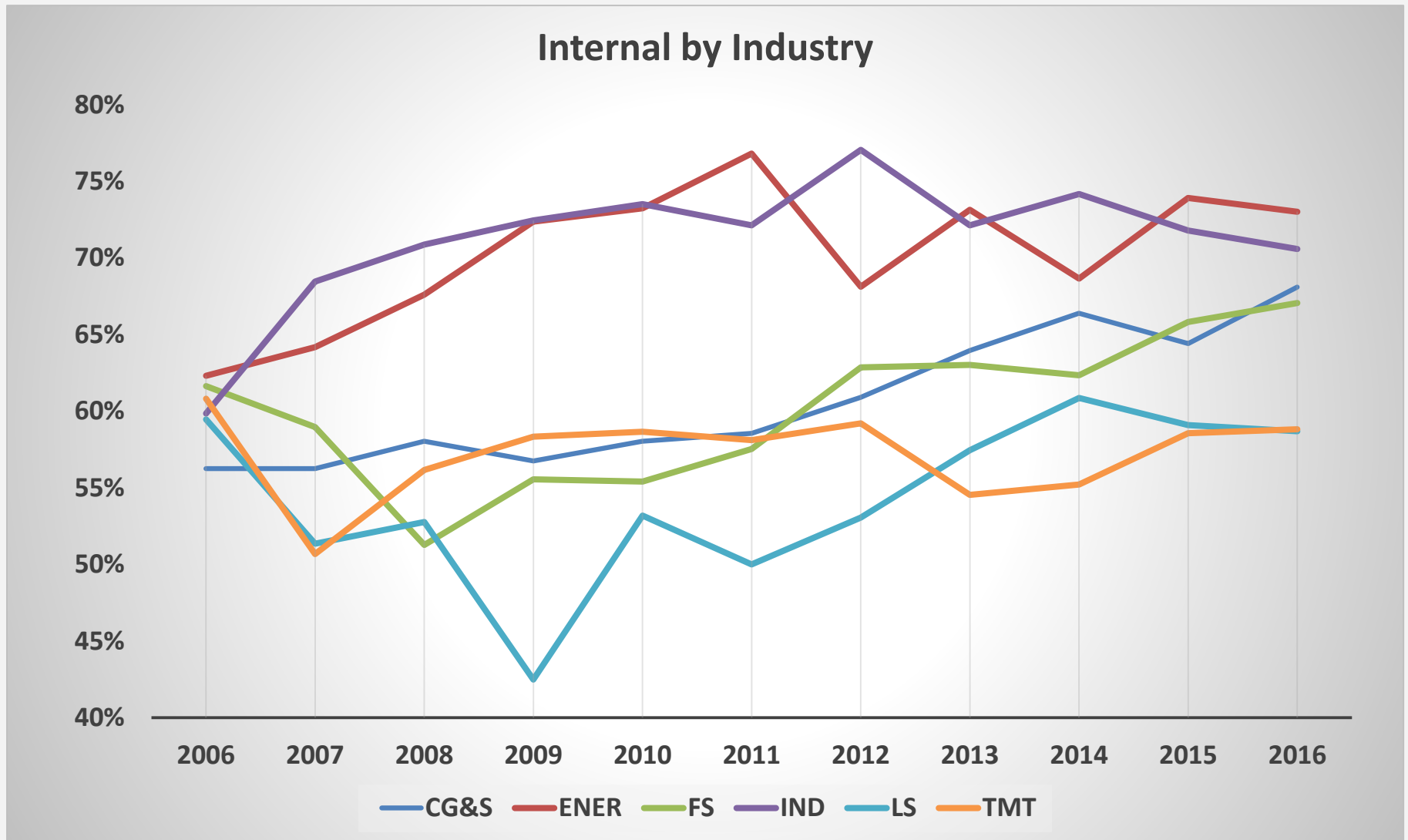
**CFO Origin 2006-2016**



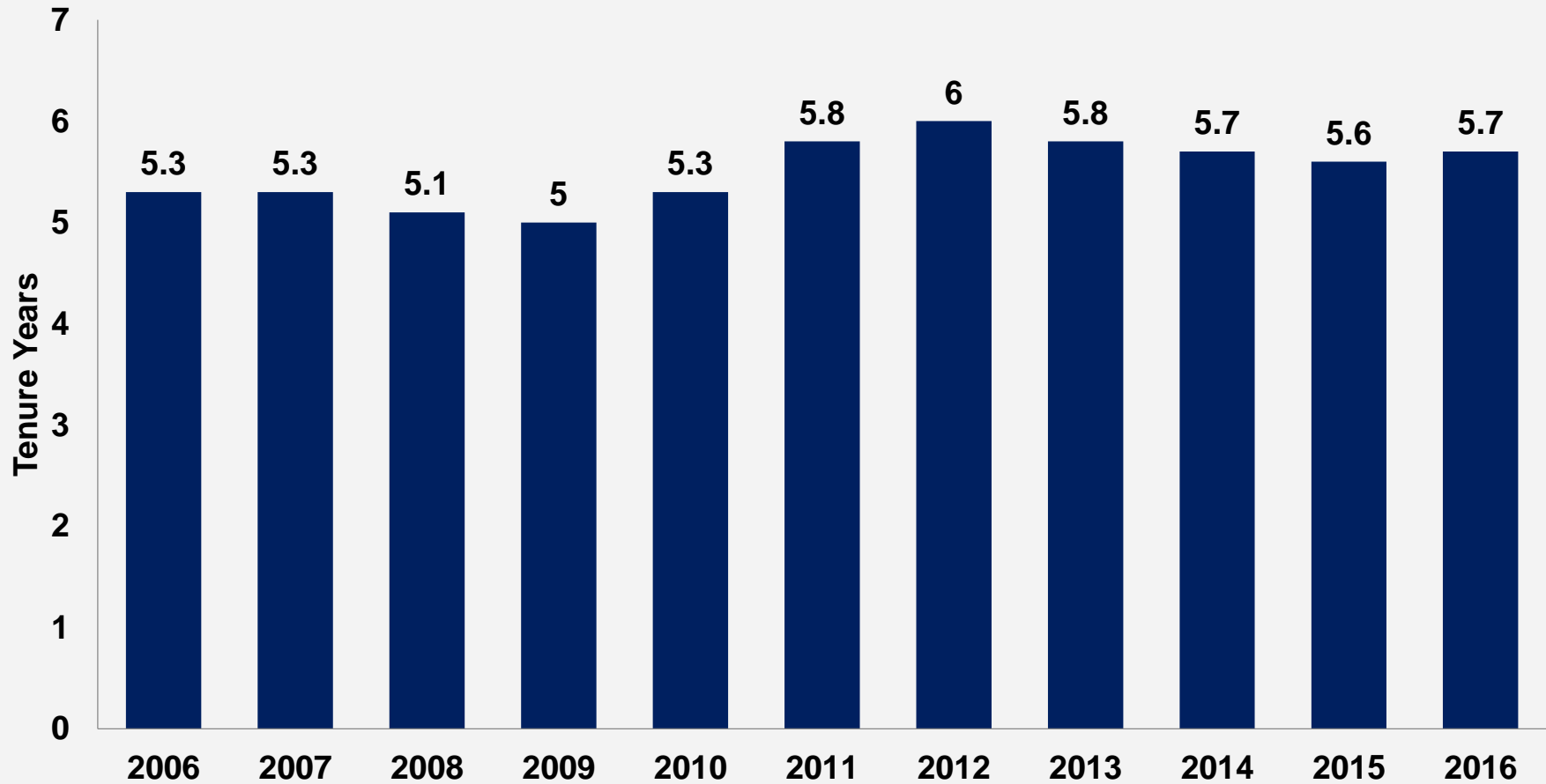
• Over the eleven year period, there were 805 CFO transitions.



# Turnover

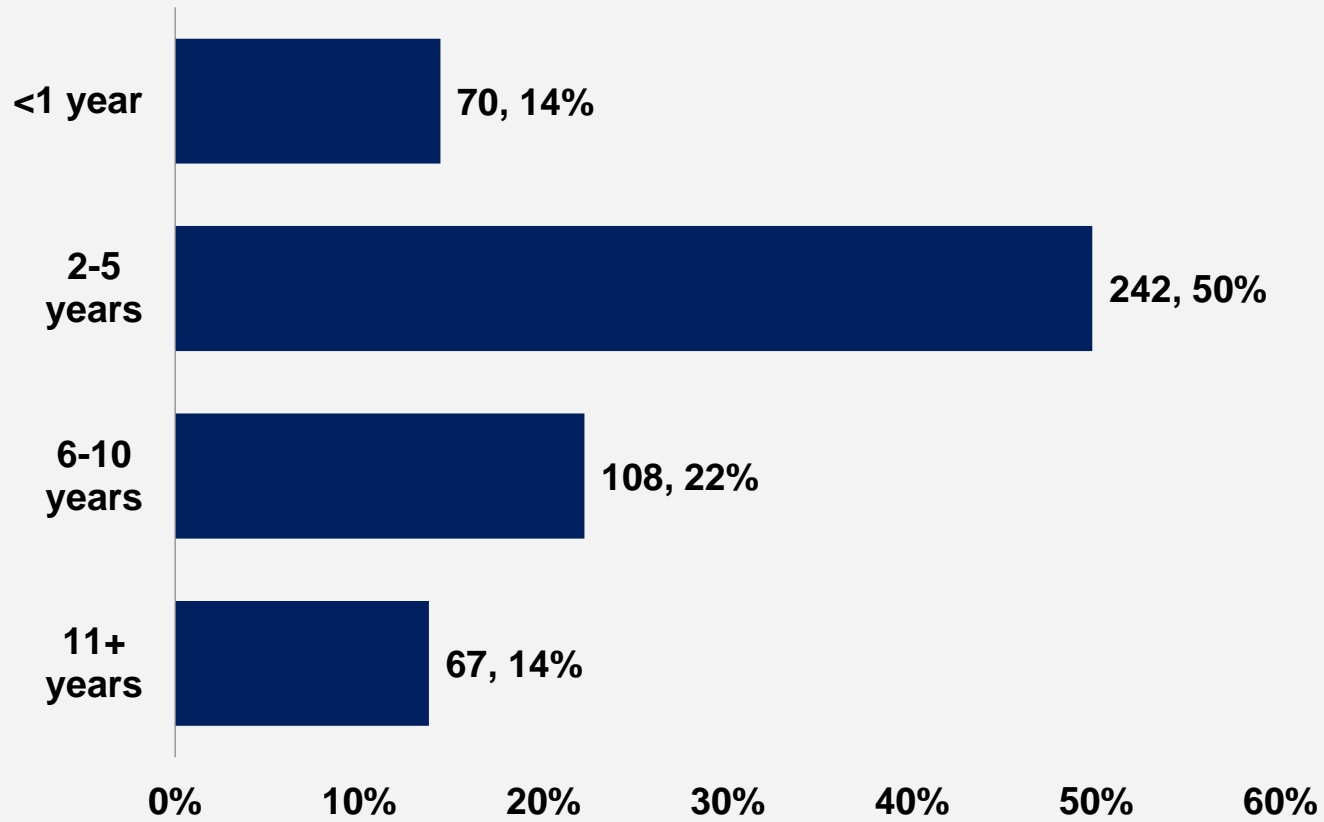


# Tenure



# Tenure

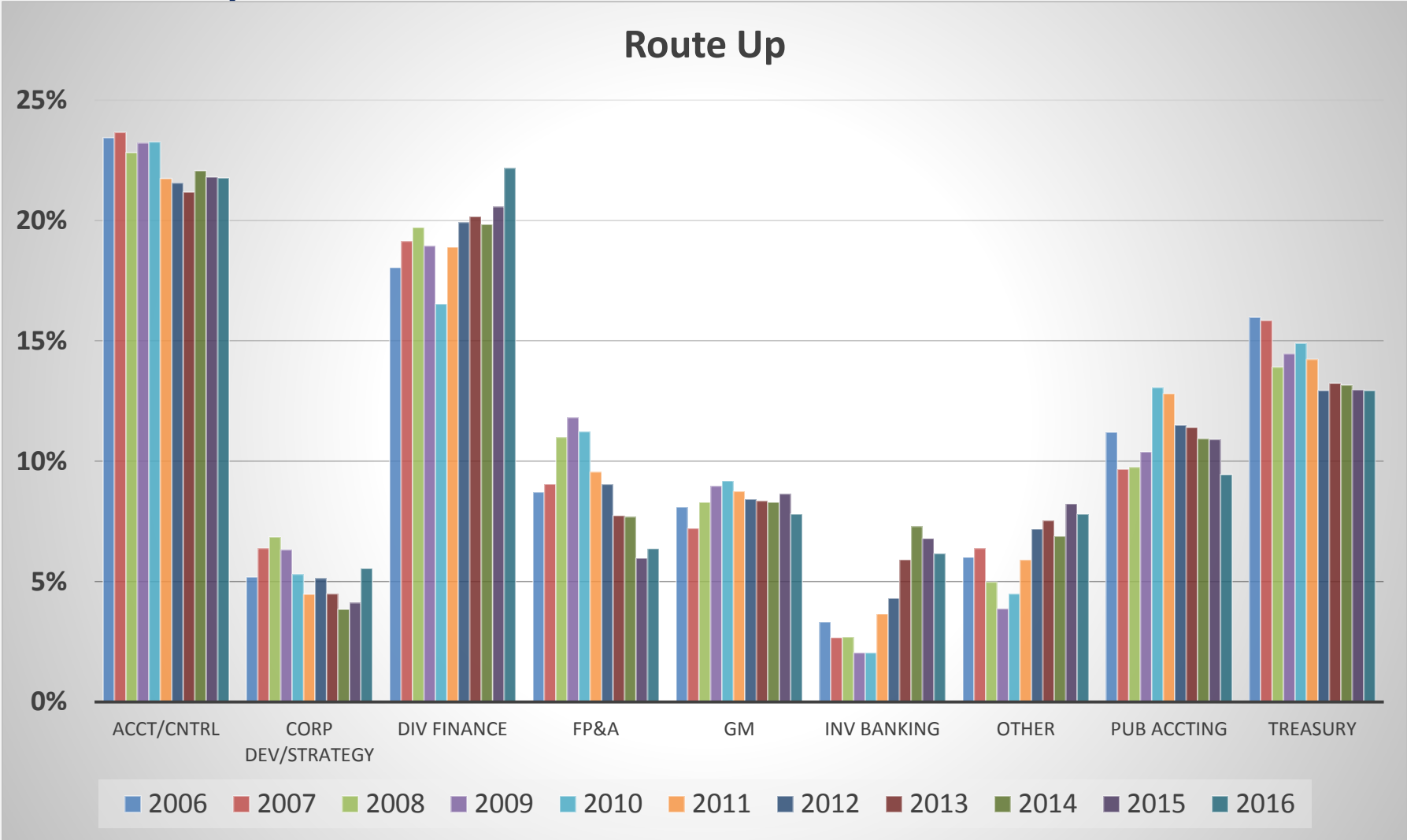
## 2016 Average Tenure



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# Route Up

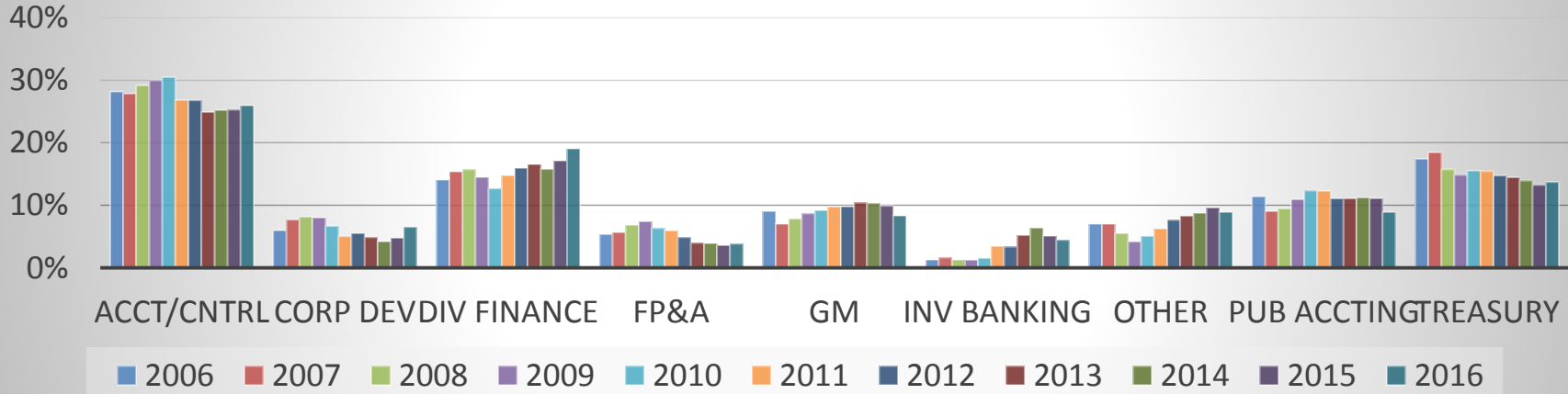
# Route Up



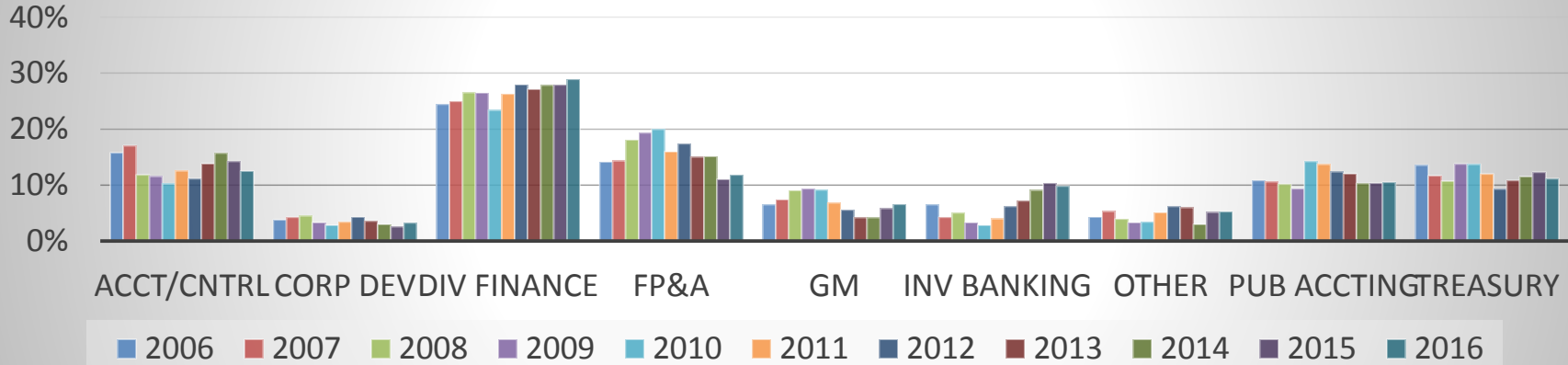
Other includes IR, audit, law, consulting  
Route up determined by longest time spent in functional role

# Route Up

## Internal Placements

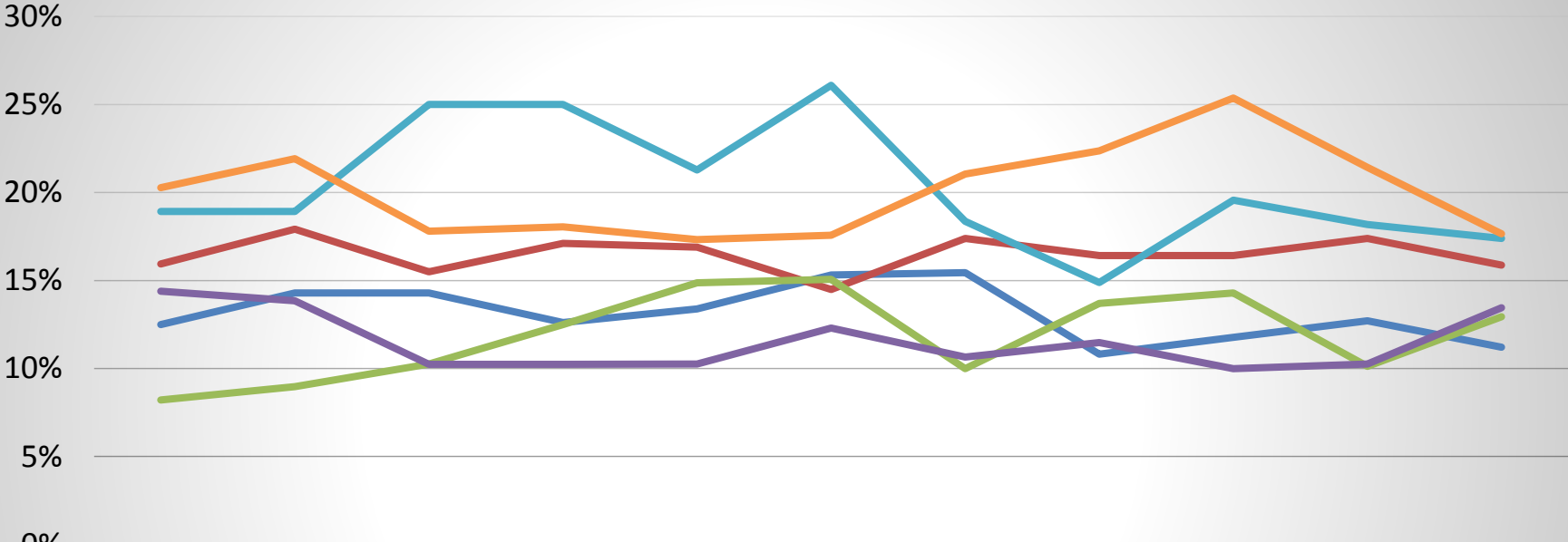


## External Placements



# Route Up

## Industry Change



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CG&S	13%	14%	14%	13%	13%	15%	15%	11%	12%	13%	11%
ENER	16%	18%	15%	17%	17%	14%	17%	16%	16%	17%	16%
FS	8%	9%	10%	13%	15%	15%	10%	14%	14%	10%	13%
IND	14%	14%	10%	10%	10%	12%	11%	11%	10%	10%	13%
LS	19%	19%	25%	25%	21%	26%	18%	15%	20%	18%	17%
TMT	20%	22%	18%	18%	17%	18%	21%	22%	25%	21%	18%

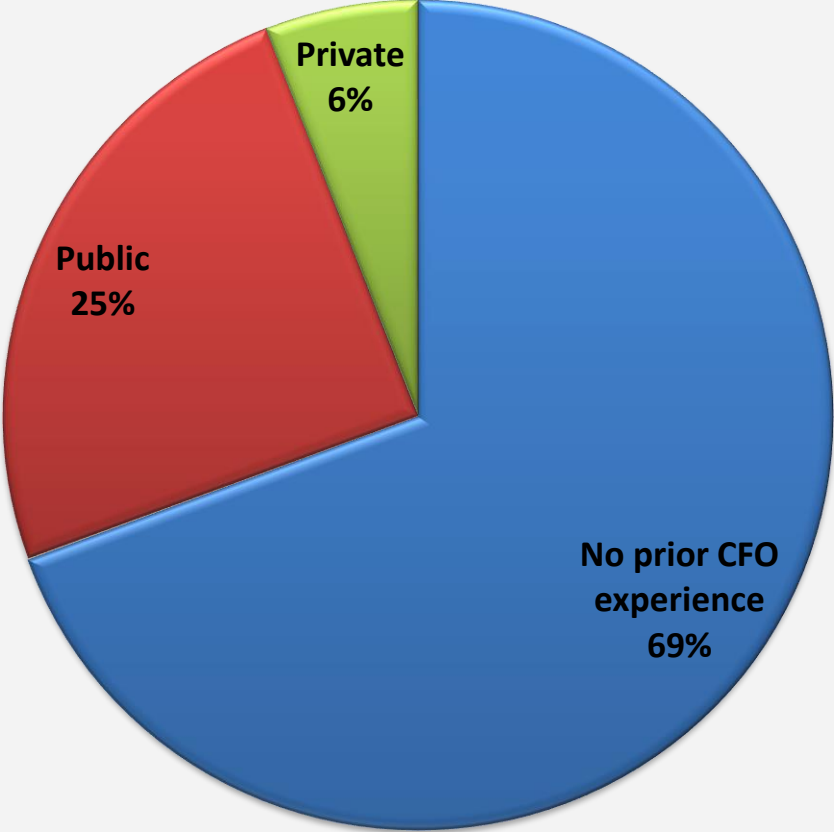
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# Former CFO Experience

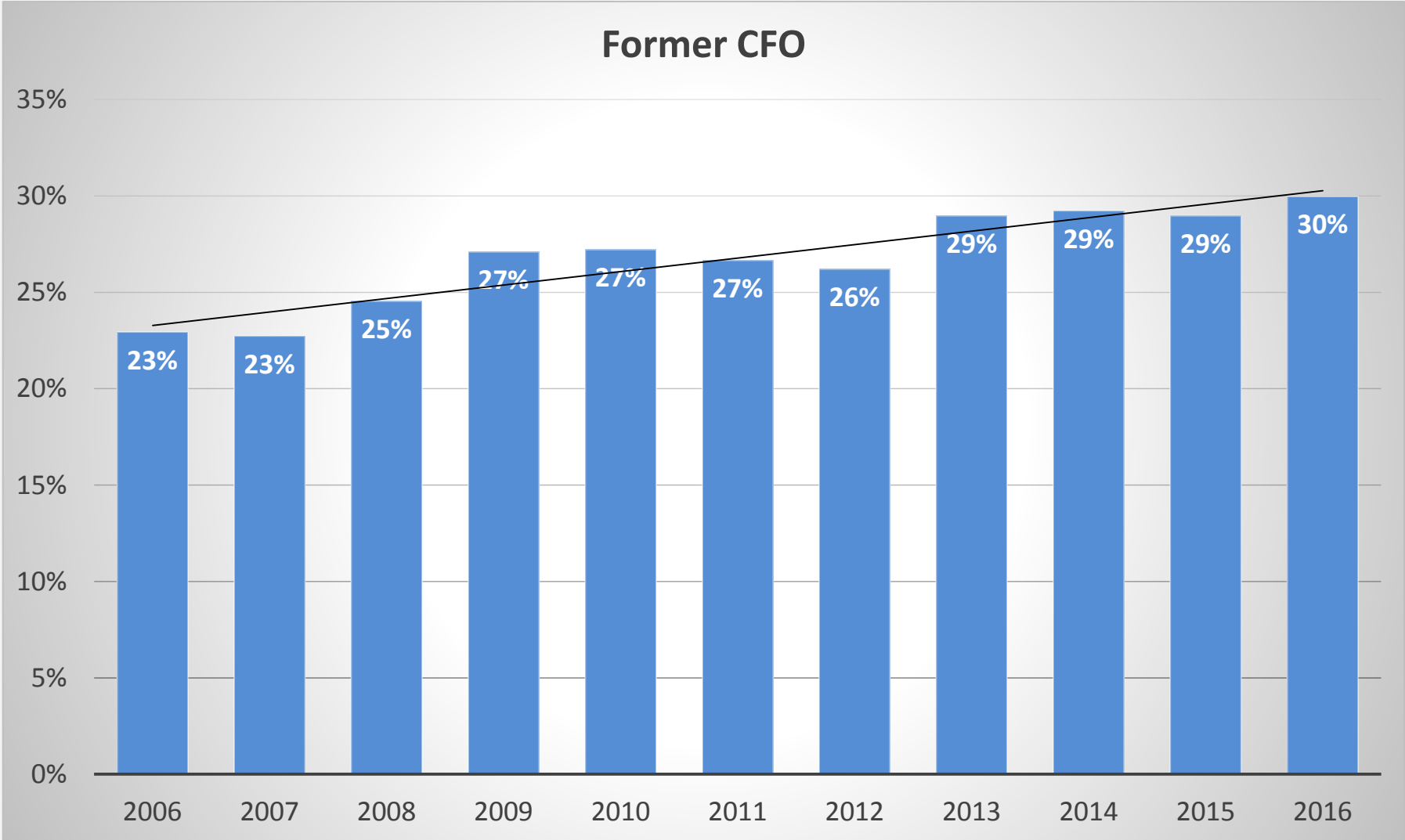


# Former CFO Experience

2016 Type of CFO Experience

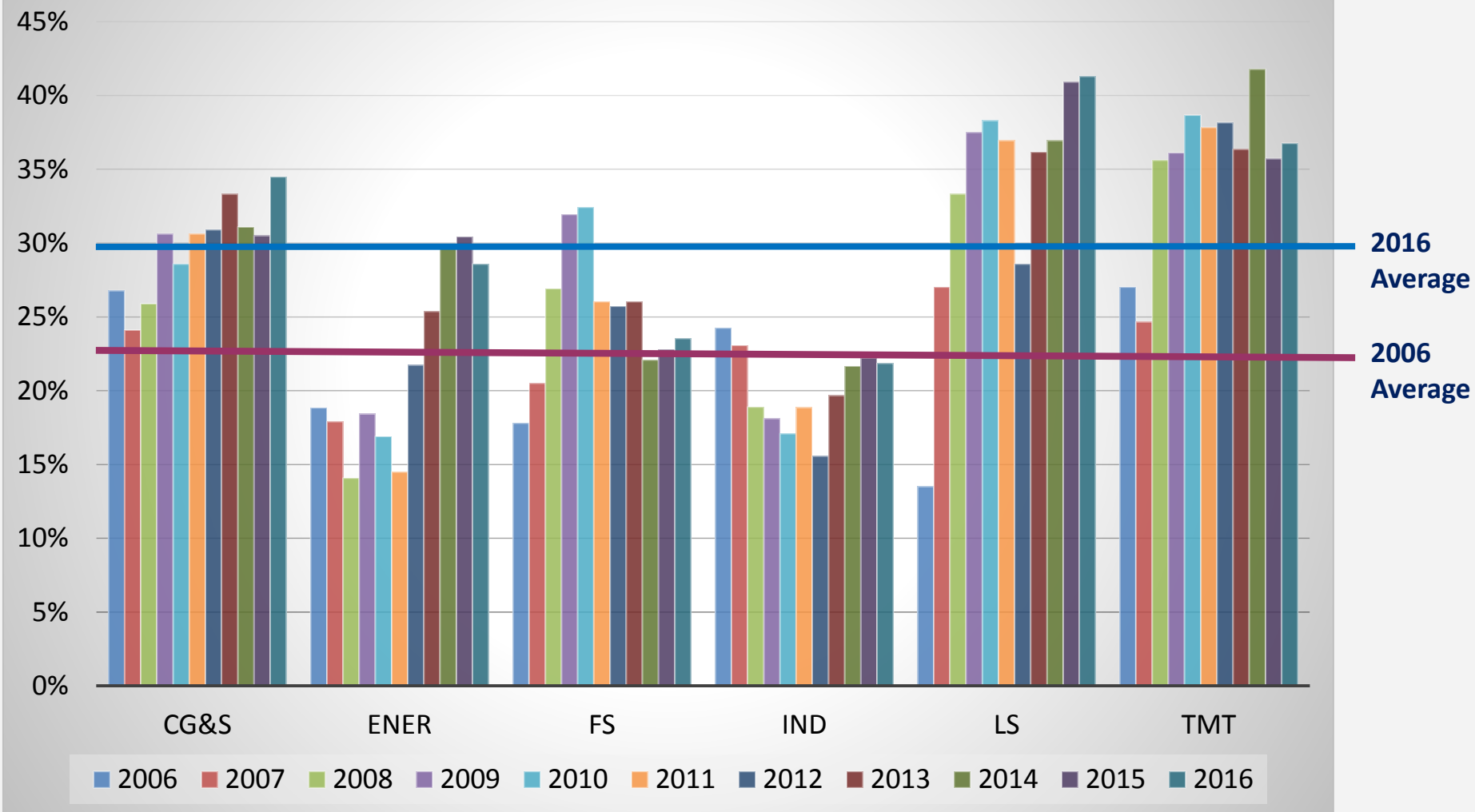


# Former CFO Experience



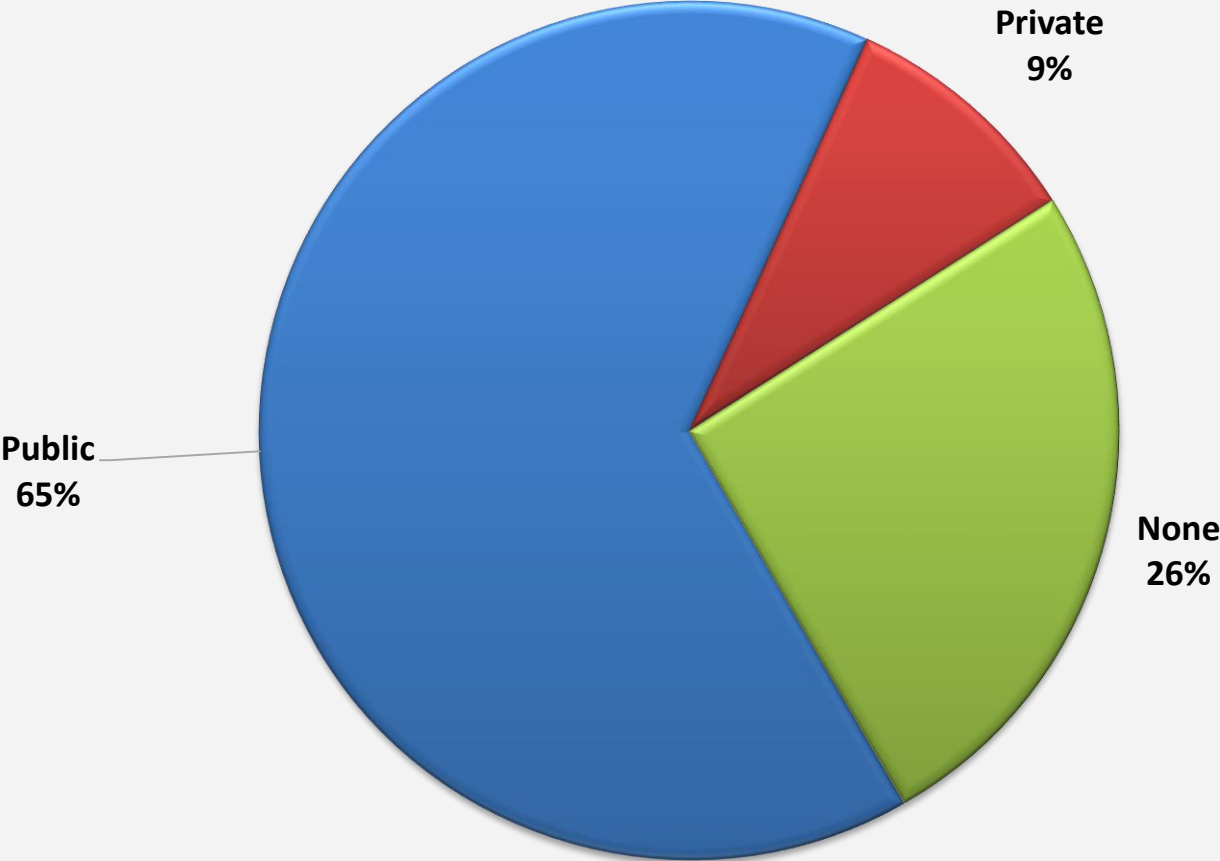
# Former CFO Experience

## Former CFO Experience by Industry



# Former CFO Experience

## 2016 External Placements Former CFO Experience

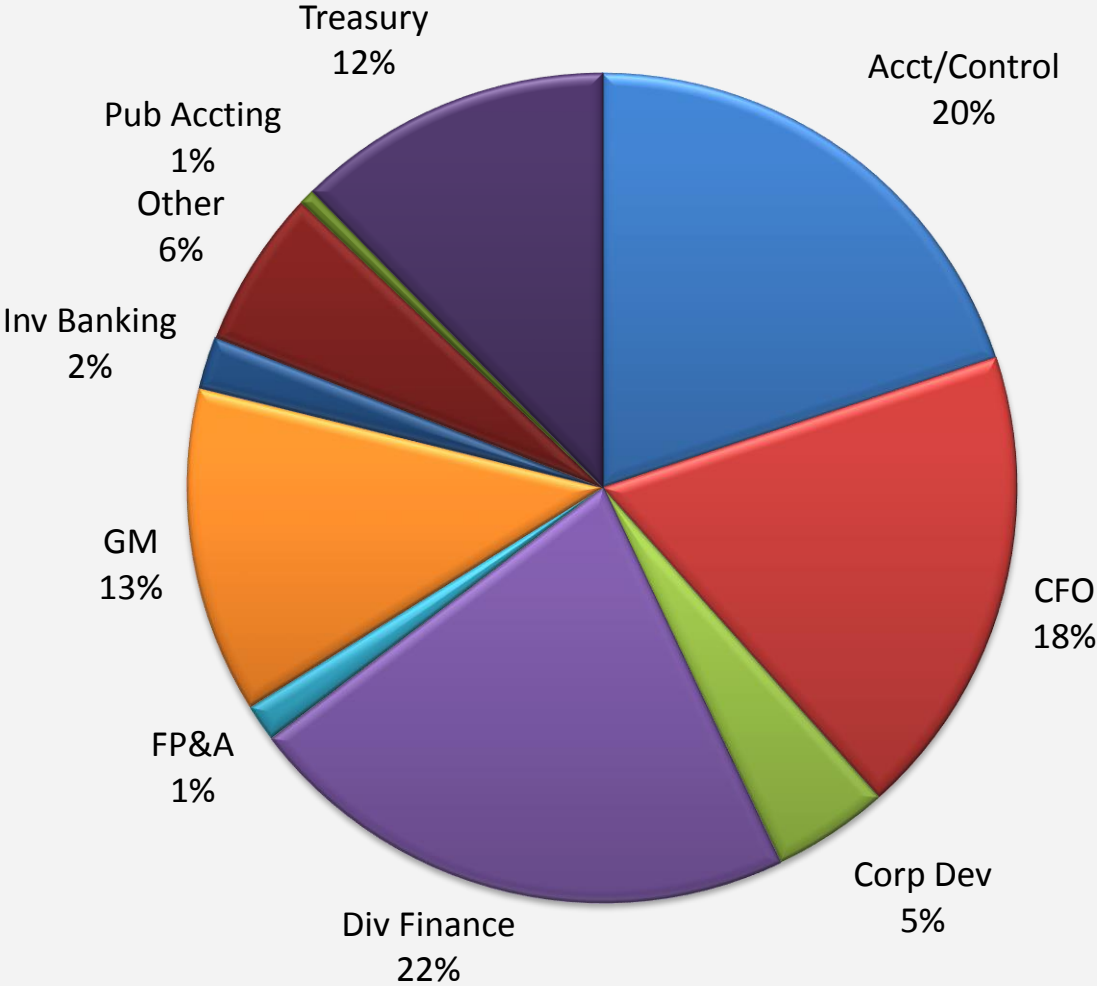


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# Prior Position

# Prior Position

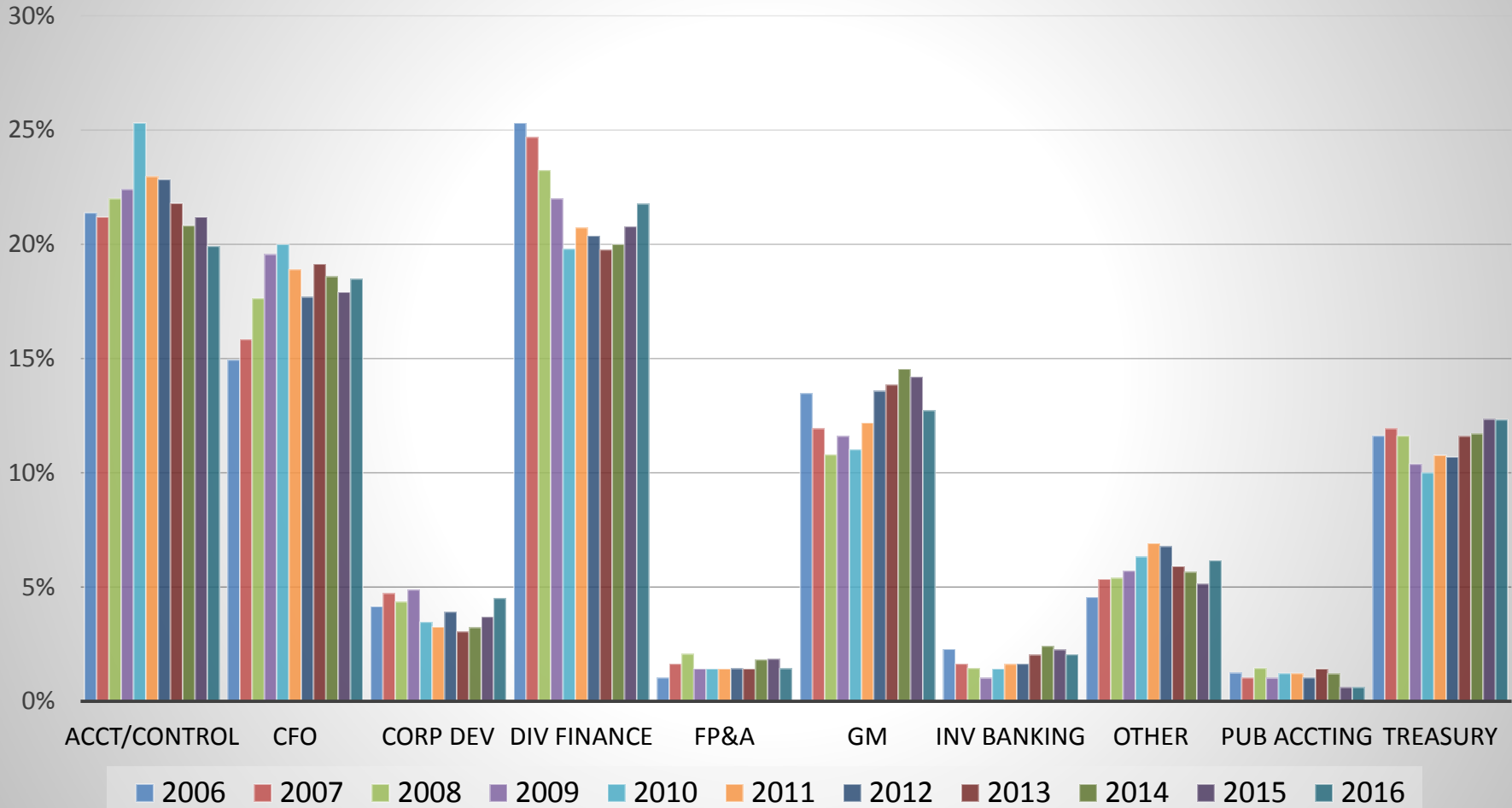
## 2016 Prior Position



Other includes IR, audit, law, consulting

# Prior Position

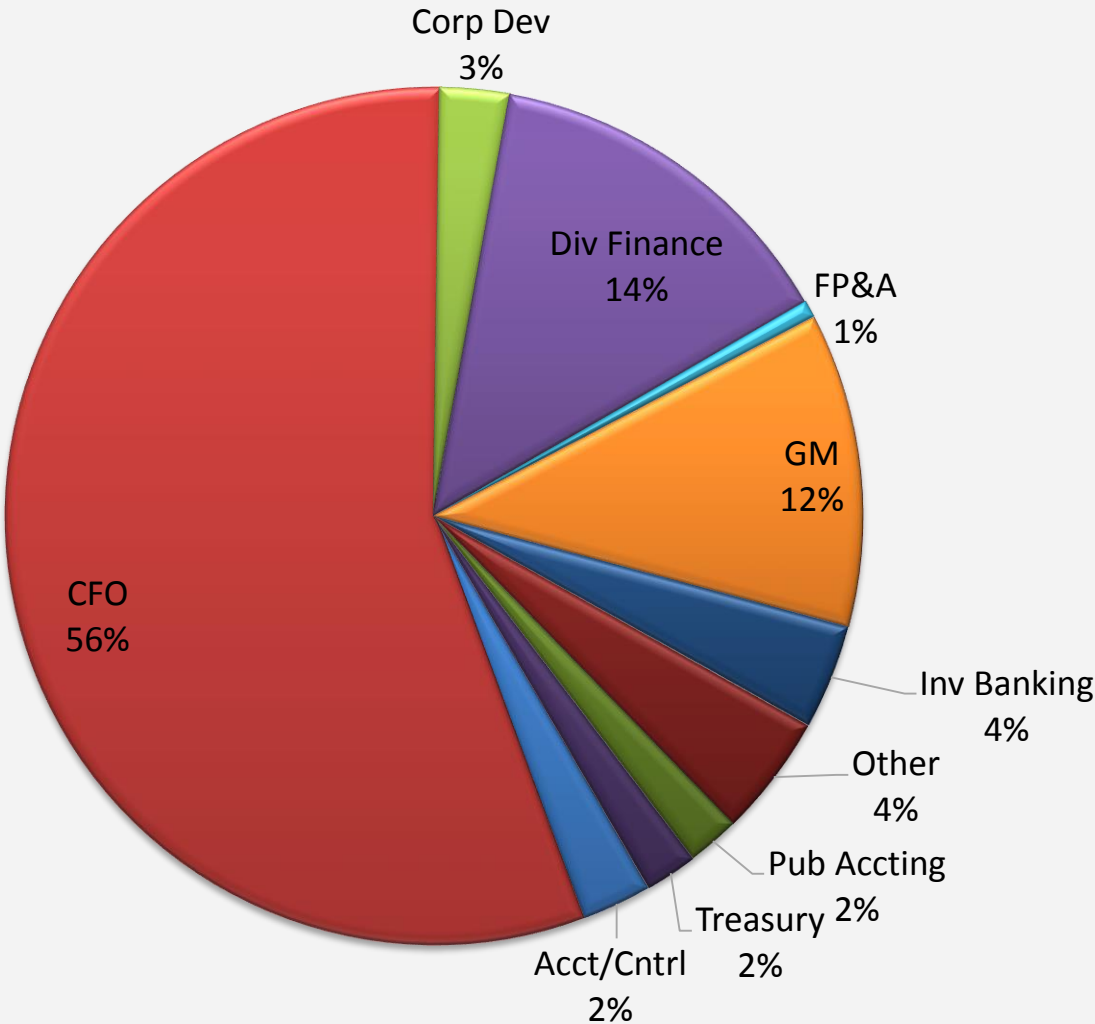
Prior Postion 2006 - 2016



Other includes IR, audit, law, consulting

# Prior Position

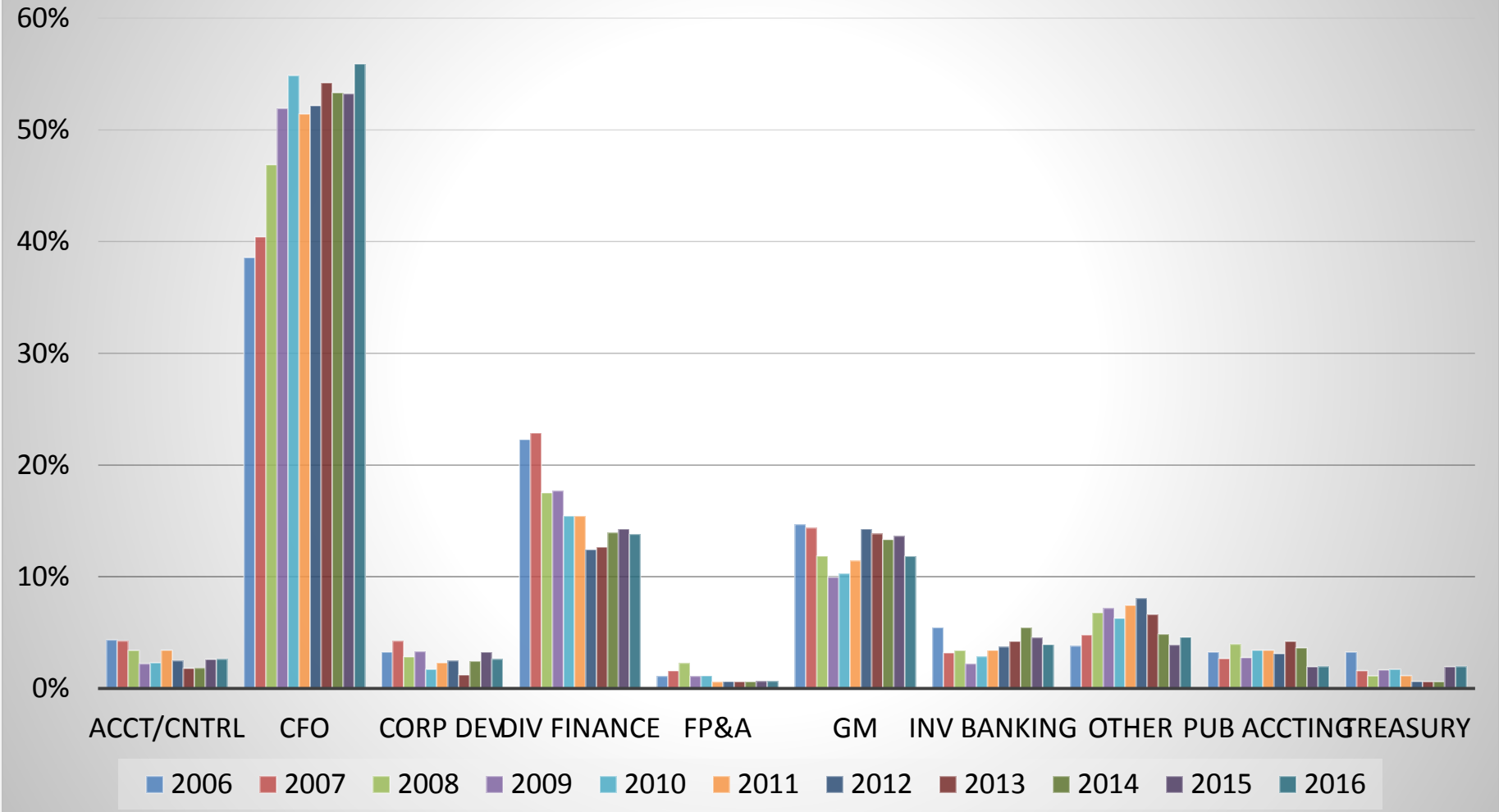
## 2016 External Placements Prior Position





# Prior Position

## External Placements Prior Position

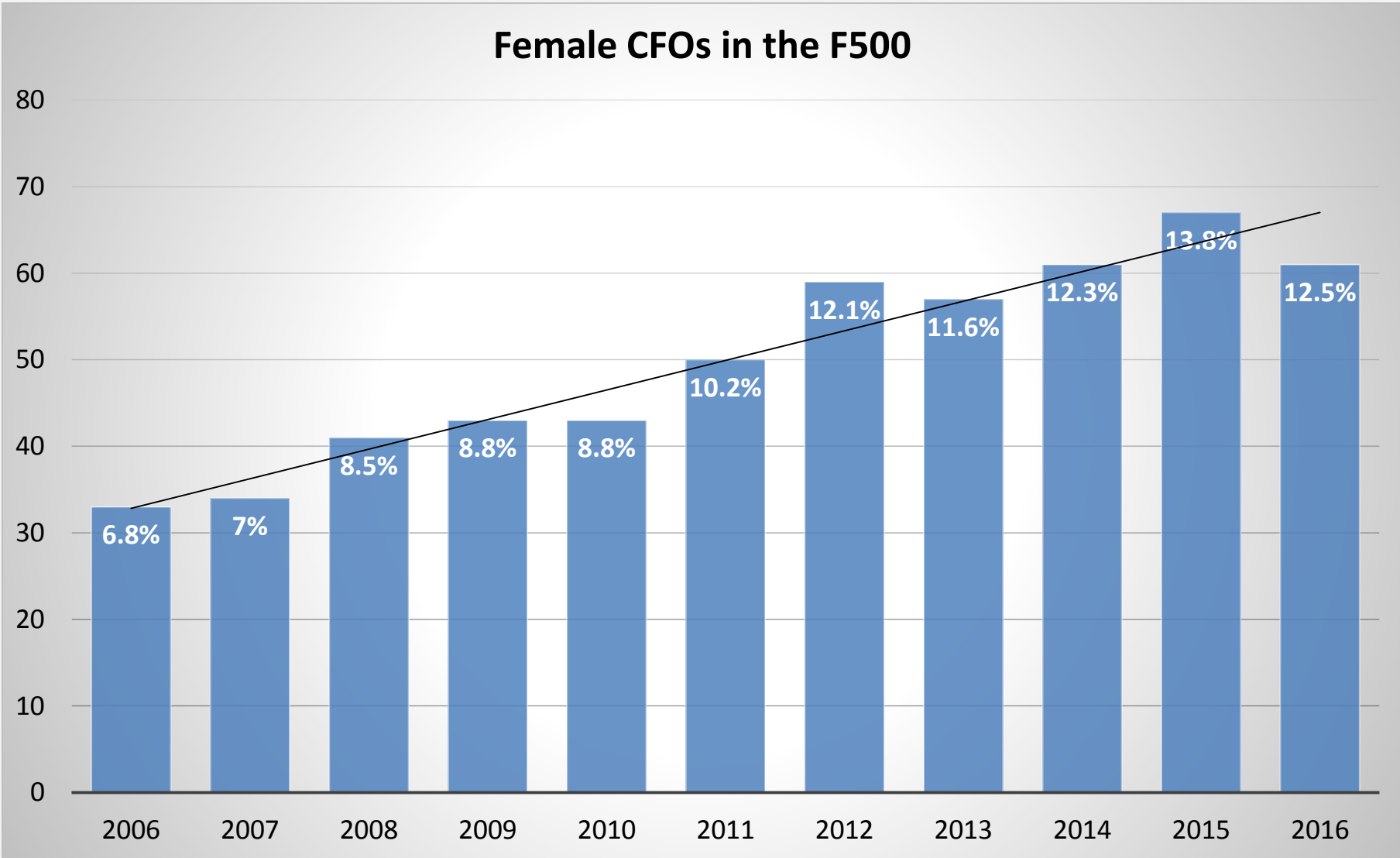


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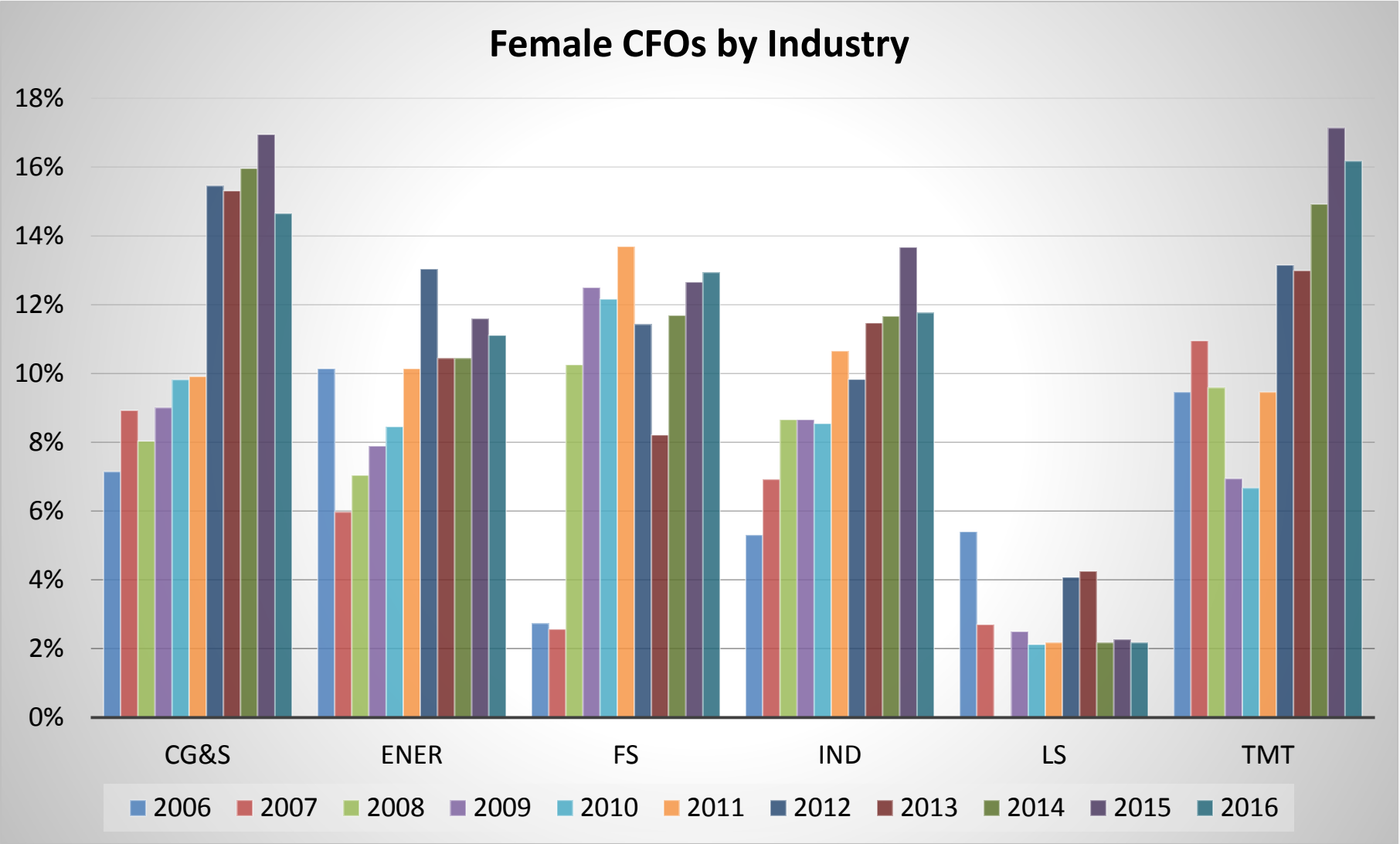
# Demographics

# Gender Diversity

## Female CFOs in the F500

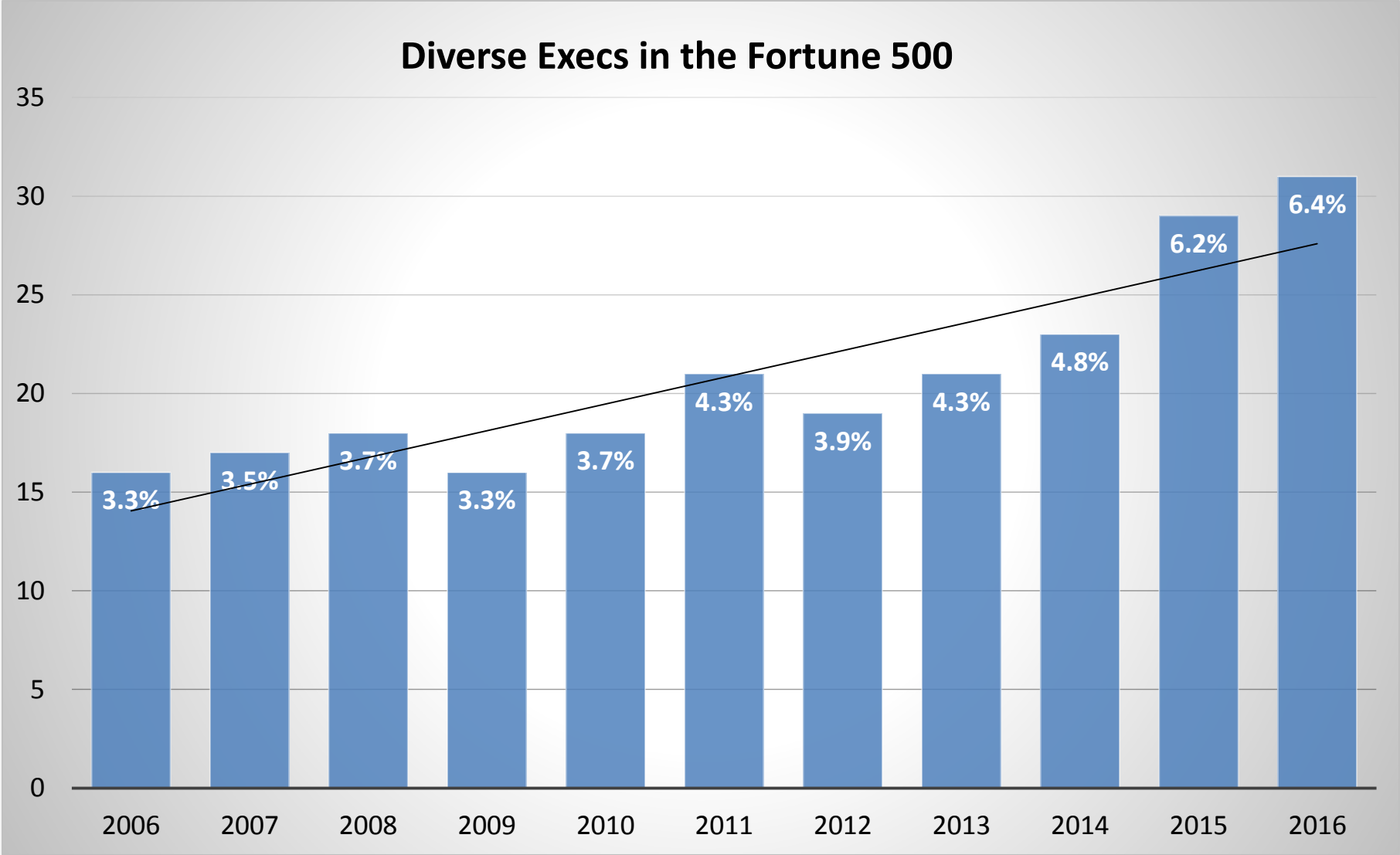


# Gender Diversity

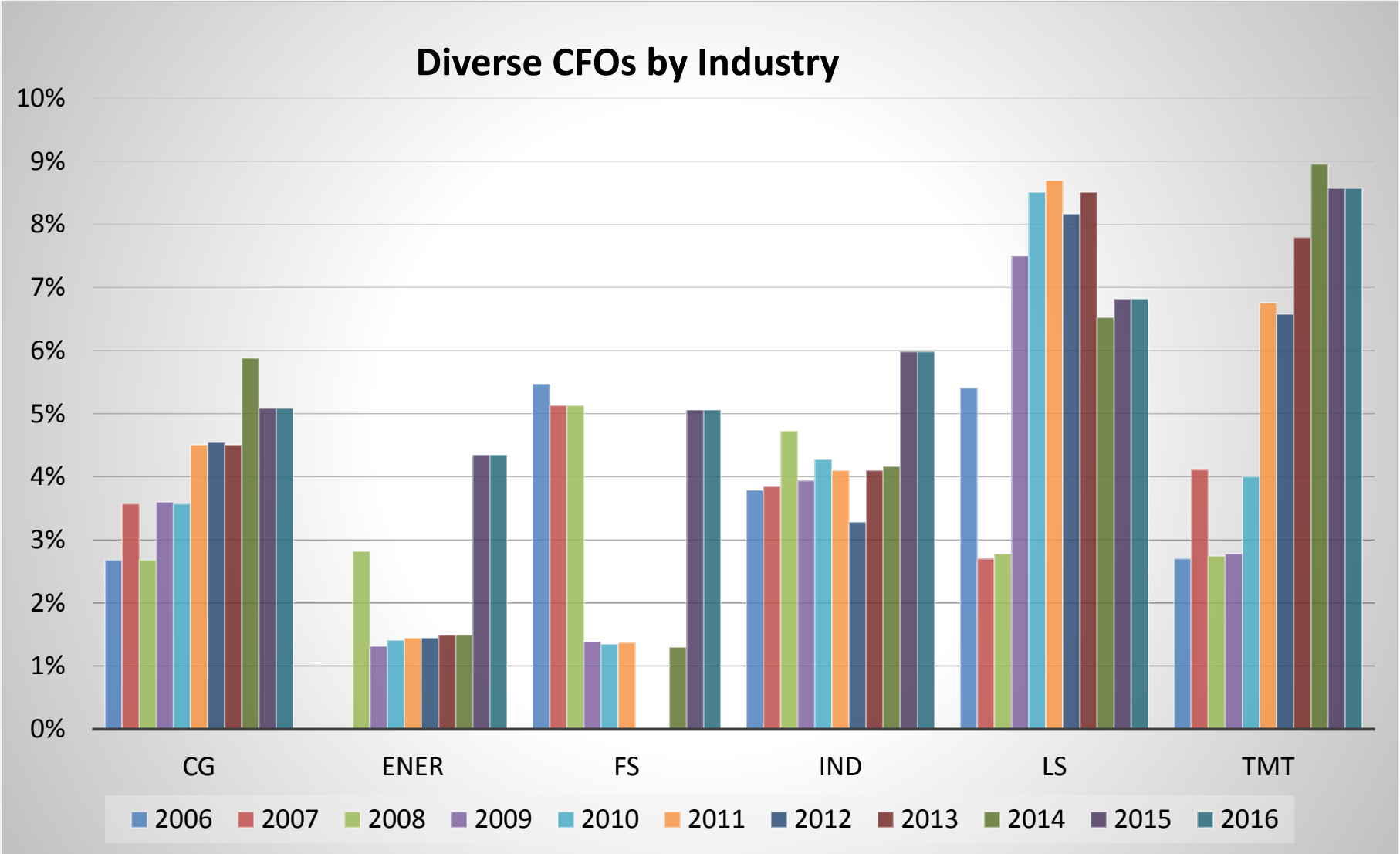


# Ethnic Diversity

## Diverse Execs in the Fortune 500

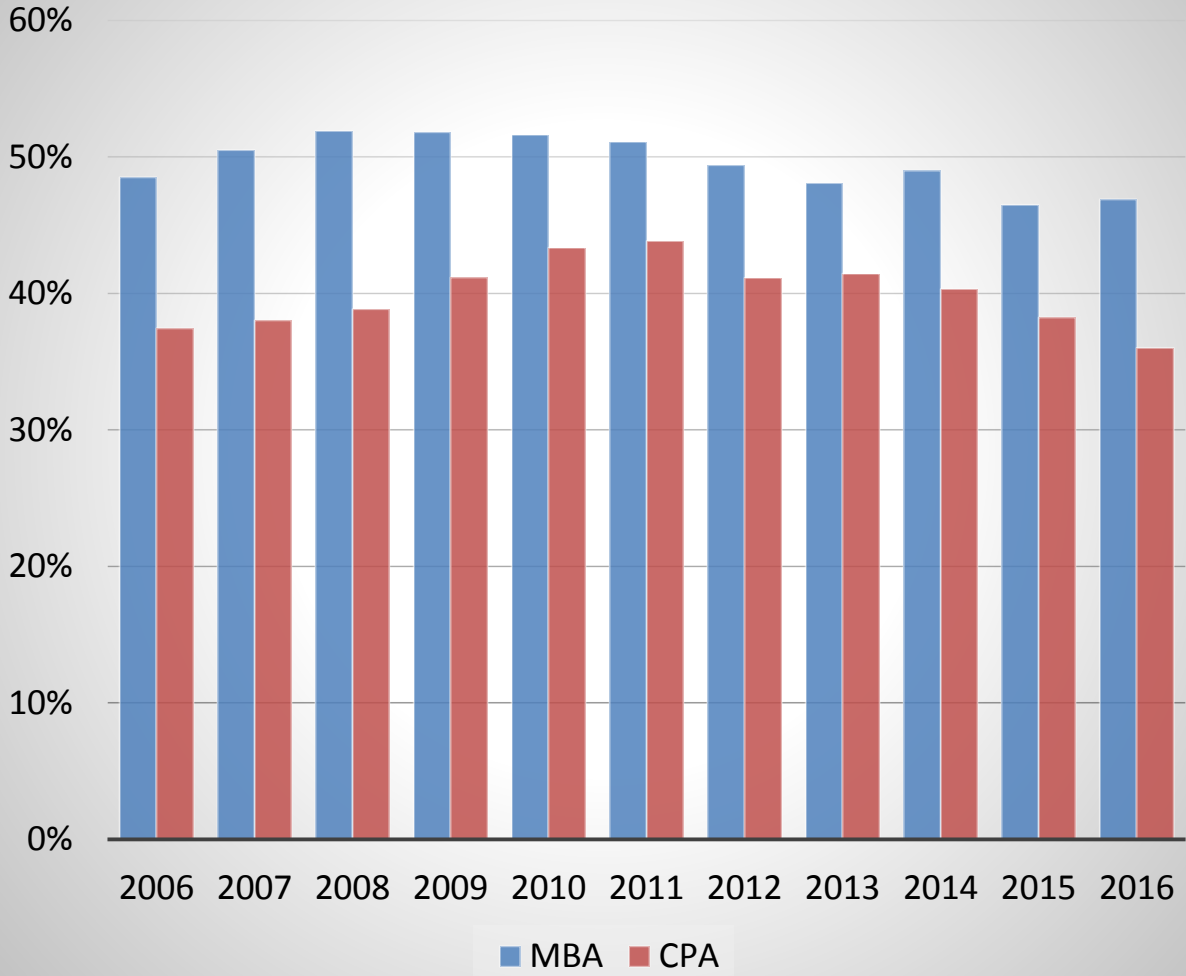


# Ethnic Diversity



# Education

### CFO Education



**Top five most attended MBA schools**

- University of Chicago – 31**
- Harvard – 16**
- Kellogg - 15**
- Wharton – 13**
- Columbia – 11**

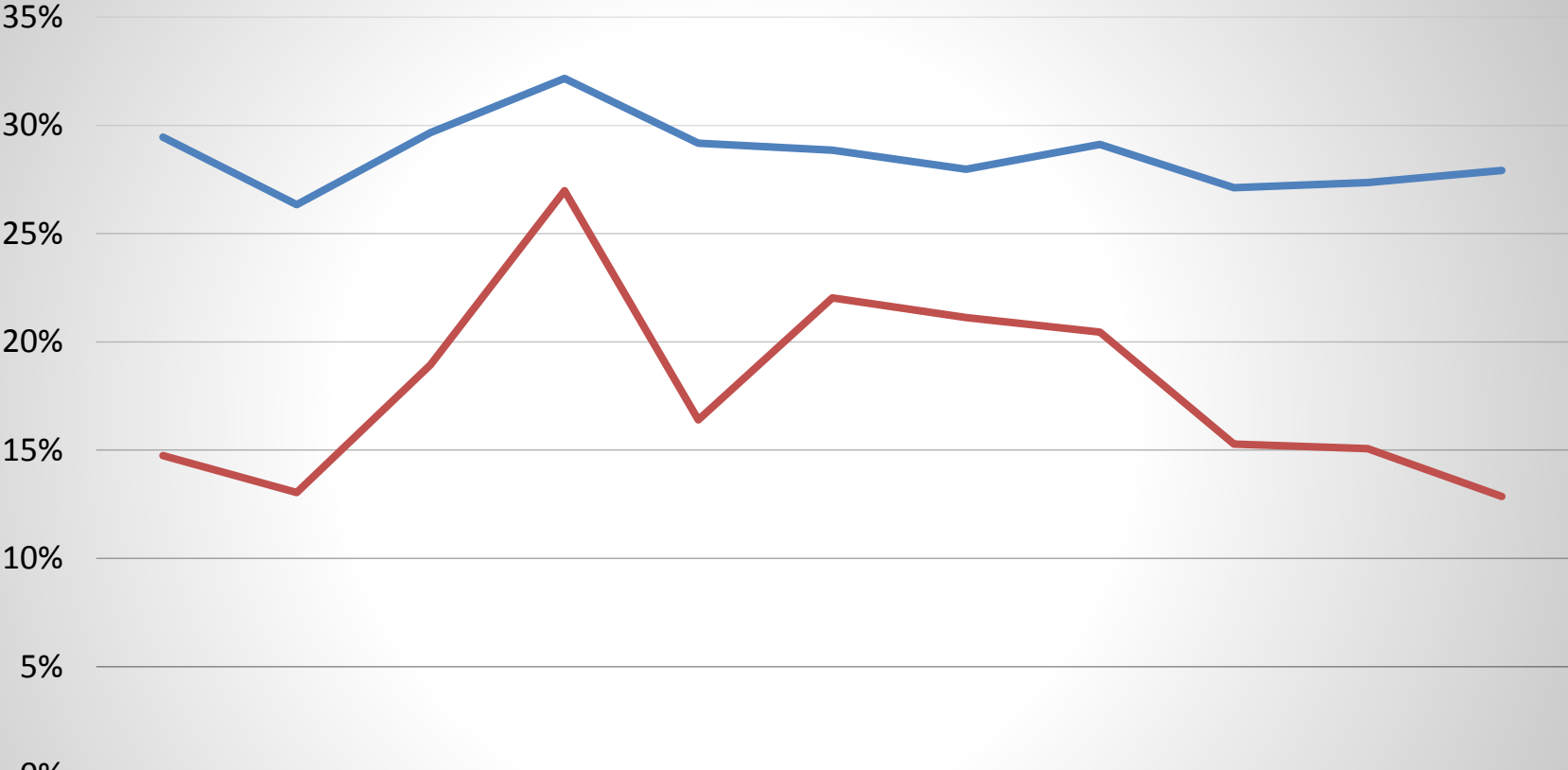
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# Fortune 500 CFOs in the Boardroom



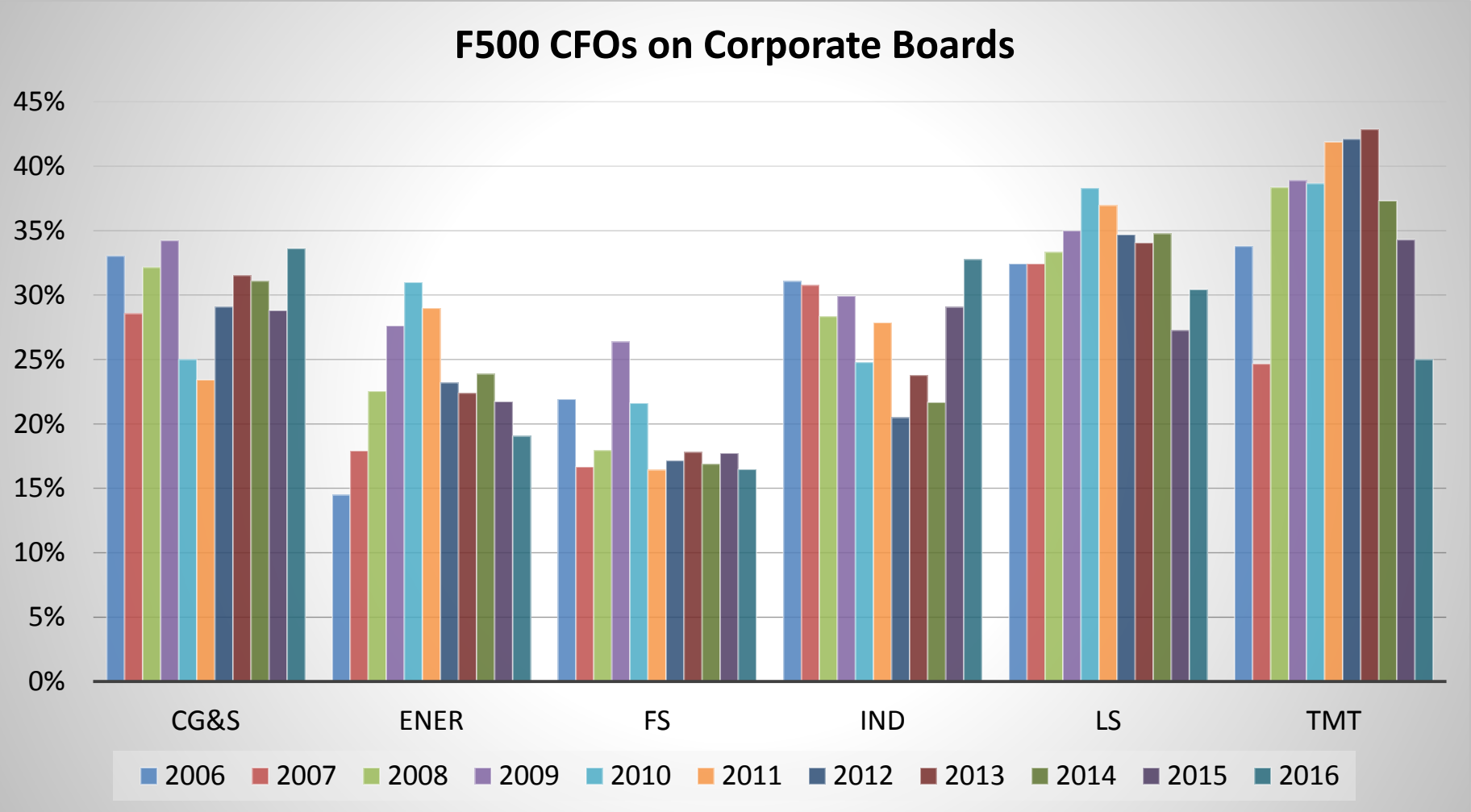
# Fortune 500 CFOs in the Boardroom

## F500 CFOs on Corporate Boards



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
— All	29%	26%	30%	32%	29%	29%	28%	29%	27%	27%	28%
— Class Of	15%	13%	19%	27%	16%	22%	21%	20%	15%	15%	13%

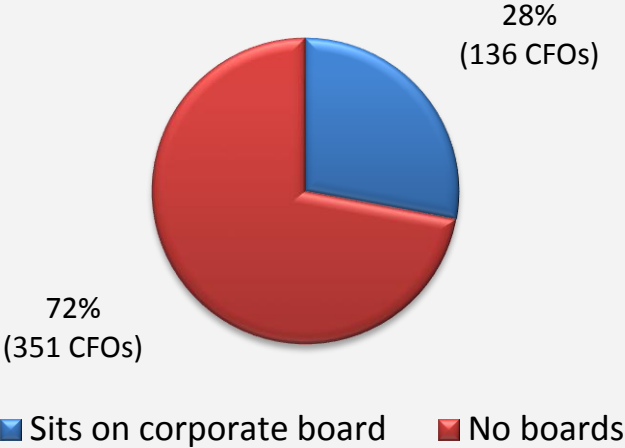
# Fortune 500 CFOs in the Boardroom



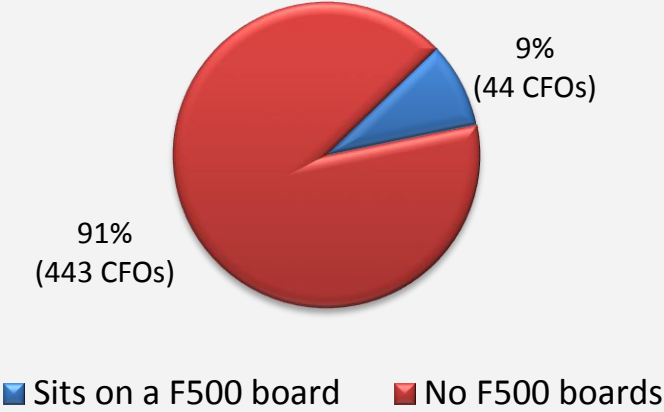
**NOTE: This data includes CFOs sitting on their own company board.**

# Fortune 500 CFOs in the Boardroom

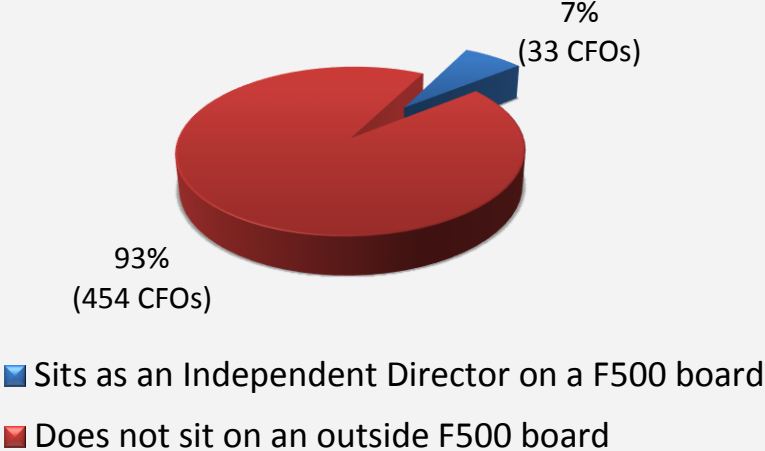
**F500 CFOs on Corporate Boards**



**F500 CFOs on F500 boards**



**F500 CFOs on Outside F500 Boards**



\*Some CFOs sit on their own corporate board and external corporate board(s)

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# Appendix

# Fortune 500 Company Breakdown by Industry

	2006		2007		2008		2009		2010		2011		2012		2013		2014		2015		2016	
<b>CG&amp;S</b>	112	22%	112	22%	112	22%	111	22%	112	22%	111	22%	110	22%	111	22%	119	24%	118	24%	116	23%
<b>ENER</b>	69	14%	67	13%	71	14%	76	15%	71	14%	69	14%	69	14%	67	13%	67	13%	69	14%	63	13%
<b>FS</b>	73	15%	78	16%	78	16%	72	14%	74	15%	73	15%	70	14%	73	15%	77	15%	79	16%	85	17%
<b>IND</b>	132	26%	130	26%	127	25%	127	25%	117	23%	122	24%	122	24%	122	24%	120	24%	117	23%	119	24%
<b>LS</b>	37	7%	37	7%	36	7%	40	8%	47	9%	46	9%	49	10%	47	9%	46	9%	44	9%	46	9%
<b>TMT</b>	74	15%	73	15%	73	15%	72	14%	75	15%	74	15%	76	15%	77	15%	67	13%	70	14%	68	14%
<b>TTL</b>	497		497		497		498		496		495		496		497		496		497		497	

SpencerStuart