

CHRO Trends 2022

*Insights from the
Fortune 200 Chief
Human Resources
Officer and Chief
People Officer
changes.*

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CHRO Trends

I am pleased to present our fifth edition of this Chief Human Resources Officer report that outlines the top ten trends in the Chief Human Resources Officer (CHRO) and Chief People Officer (CPO) roles and introduces the Fortune 200 new CHROs/CPOs who came into the role in 2021.

The Fortune 200 welcomed 30 new Chief Human Resources Officers in 2021, resulting in a 16% turnover rate for the role. These 2021 new CHROs/CPOs manage the human capital of more than 2.7 million employees and 2021 combined revenue of \$1.9 trillion.

The class of newly appointed 2021 CHROs/CPOs yield 10 trends, including:

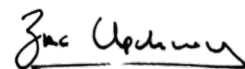
- External CHRO/CPO succession outpaces internal CHRO/CPO succession. For the first time since this report's inception, more CHROs/CPOs were appointed externally than internally.
- CHRO/CPO turnover is on the rise. 2021 saw an 11% increase in CHRO/CPO turnover relative to 2020, but turnover is still lower than the highs seen in 2017 and 2019 of 20% and 19% per year, respectively.
- The Chief Talent Officer/Head of Talent Management role emerges as a viable contender to the HR Business Partner role for the most likely role to ascend to CHRO/CPO.

In addition, there were 11 new companies to the Fortune 200 in 2021, all of whom had a stable CHRO/CPO (no new CHRO/CPO appointments). Of the 11 exits from the Fortune 200, 2 were acquired and 9 declined in Fortune ranking to below the Fortune 200 ranking.

I wish to thank the report contributors and I look forward to working with the existing and new Chief Human Resources Officers and Chief People Officers to advance the field of Human Resources in 2022 and beyond.

Read previous CHRO Trend Reports:

- [2021 CHRO Trends](#)
- [2020 CHRO Trends](#)
- [2019 CHRO Trends](#)
- [2018 CHRO Trends](#)



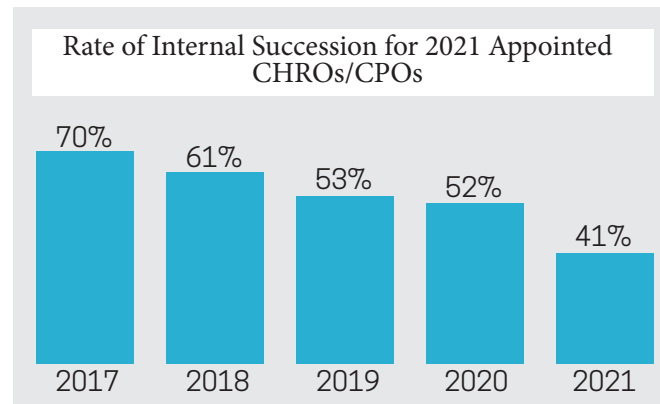
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The Trends

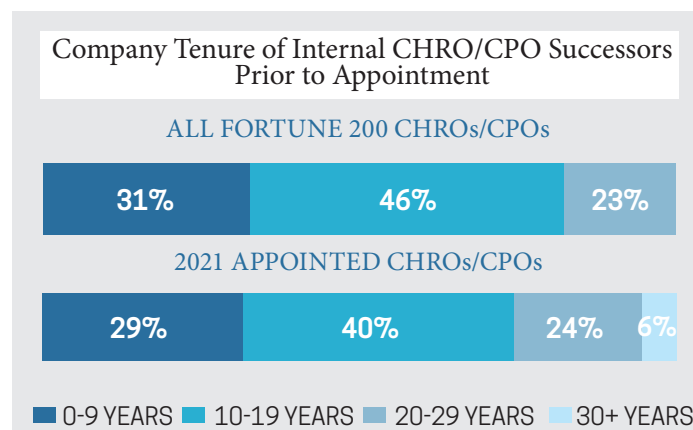
1.

EXTERNAL CHRO/CPO SUCCESSION EXCEEDS INTERNAL SUCCESSION

External Chief Human Resources Officer/Chief People Officer succession exceeded internal CHRO/CPO succession for the first time since this report's inception where 59% of 2021 CHRO/CPO appointments were external hires compared to 41% internal hires. This internal rate of succession represents a significant decline from 2017 where 70% of newly appointed CHROs/CPOs were internal successors. In total, the Fortune 200 CHROs/CPOs came into the role 54% of the time through internal succession versus 46% of the time through external succession.

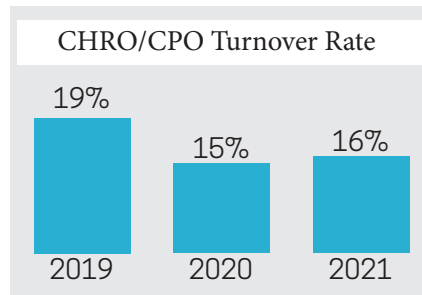


Significant company tenure for internal CHRO/CPO succession is desirable but is also on the decline. The average company tenure prior to appointment for the internally appointed 2021 CHROs/CPOs was 13.4 years on average. In total, the internal successor Fortune 200 CHROs/CPOs had an average company tenure of 15.4 years prior to appointment.



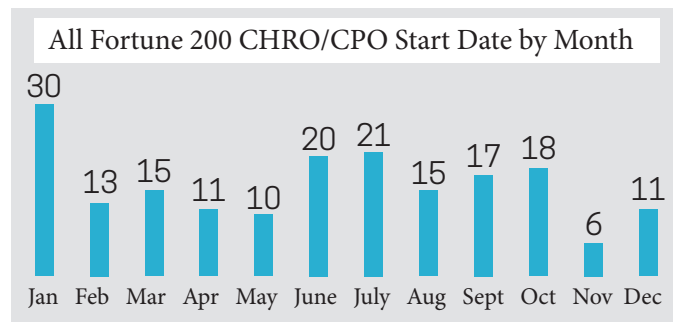
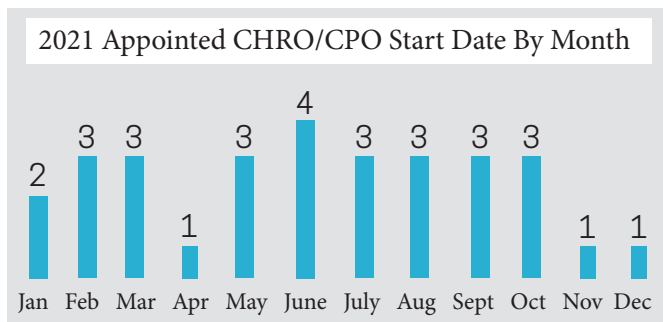
2. CHRO TURNOVER INCREASES

There were 30 Fortune 200 Chief Human Resources Officer and Chief People Officer appointments in 2021, resulting in a 16% CHRO/CPO turnover rate. This is an 11% increase in turnover from 2020 where there were 27 CHRO/CPO appointments, but lower than 2019's turnover rate of 19%. At a 16% annual turnover rate, the projected tenure of the average CHRO/CPO is 6.25 years.



The Business Services, Media, and Chemicals sectors had the highest sector turnover with 67%, 67%, and 50% turnover in each sector, respectively. The Financials and Technology sectors had the highest absolute turnover, with seven and six new CHRO/CPO appointments in 2021, respectively.

Unlike in prior years, there was not a preferred starting month for CHROs/CPOs with June as a slight favorite at four (4) CHRO/CPO starts. For the overall Fortune 200, the most popular CHRO/CPO start month was January with thirty (30) CHRO/CPO starts.



3. CHRO EXPERIENCE DOMINATES

The vast majority (84%) of CHROs/CPOs in the Fortune 200 have depth in the Human Resources domain prior to appointment, with this being even more the case with the 2021 newly appointed CHROs/CPOs where 93% had HR domain depth prior to appointment.

HR expertise was correlated to an increase in 2021 annual revenue. Companies with a CHRO/CPO that had HR domain expertise prior to appointment were 35% more likely to have an increase in annual revenue than companies led by a CHRO/CPO without HR domain expertise prior to appointment.

93%

of the 2021 newly appointed CHROs/CPOs had HR domain depth prior to appointment

Companies with a CHRO/CPO that had previous HR domain expertise were

35%

more likely to grow their 2021 revenue

4. FOUNDER CEOs TAKE BETS ON CHRO/CPO APPOINTMENTS

Fortune 200 companies with a founder serving as their CEO have been less likely to select a Chief Human Resources Officer or Chief People Officer with substantial HR domain expertise. A founder CEO is 3.5x more likely than other CEOs to select a CHRO/CPO without HR domain experience prior to their appointment. In addition, founder CEOs are 2x as likely to promote an internal HR professional into the CHRO/CPO role.

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5. CHROs/CPOs MOVE TO BIGGER COMPANIES

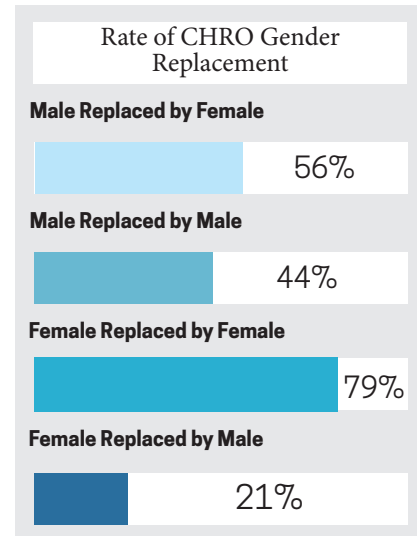
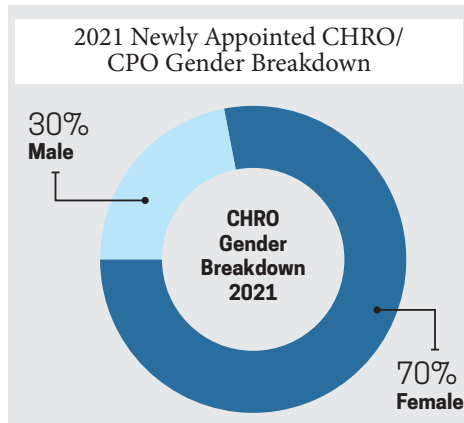
Human Resources domain experience was in high demand when hiring an external Chief Human Resources Officer or Chief People Officer. Almost all Fortune 200 (98%) external successors had depth in Human Resources. Nearly three out of four (72%) 2021 external CHRO/CPO appointments were individuals that previously served as a CHRO/CPO. This represents a slight decline from 2020 where 85% of externally appointed CHROs/CPOs were existing CHROs/CPOs. When a sitting CHRO/CPO moved to a new CHRO/CPO role, 82% of the time they moved to a larger company as measured by annual revenue. 2021 examples include:

- [Laurie Havanec](#) joined CVS Health (Fortune 4, \$292.1 billion in 2021 annual revenue) as Executive Vice President and Chief People Officer in February 2021, having previously served as EVP and Chief People Officer of Otis Worldwide Co. (Fortune 236, \$14.3 billion in 2021 annual revenue).
- [Fiona Clare Cicconi](#) joined Alphabet/Google (Fortune 9, \$257.6 billion in 2021 annual revenue) as Head of People Operations in January 2021, having previously served as Chief Human Resources Officer of AstraZeneca (Fortune 462, \$37.4 billion in 2021 annual revenue).
- [Elizabeth Adefioye](#) joined Emerson Electric (Fortune 181, \$18.2 billion in 2021 annual revenue) as Chief People Officer in August 2021, having previously served as Chief Human Resources Officer of Ingredion (Fortune 463, \$6.9 billion in 2021 annual revenue).

6.

FEMALE CHROs/CPOs OUTPACE MALE CHROs/CPOs

2021 continues the trend of female CHROs/CPOs out-representing male CHROs/CPOs. 70% of the 2021 appointed CHROs/CPOs were female compared to 30% male.



This trend towards the female CHRO/CPO looks to continue as measured by the replacement of CHROs/CPOs by gender. A male CHRO/CPO is replaced by a female CHRO/CPO 56% of the time while a female CHRO is replaced by a male CHRO/CPO a minority of the time (21%). There is no difference in CHRO/CPO gender representation based on the gender of the Chief Executive Officer – a male CEO and female CEO were equally likely to select a male/female CHRO/CPO in 2021.

7.

THE CHIEF TALENT OFFICER EMERGES AS A CHRO/CPO SUCCESSOR

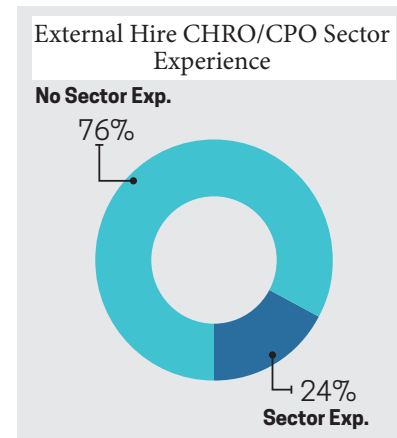
The four years since this report's inception saw two prevalent pathways to the appointment of a Chief Human Resources Officer or Chief People Officer of a Fortune 200 company – serve as an existing CHRO/CPO and move to a new company as CHRO/CPO or be appointed internally, with the role prior to appointment almost exclusively being the Human Resources Business Partner (HRBP).

The 2021 new CHRO/CPO appointments introduced a third viable pathway – through the Chief Talent Officer (or equivalent role). The near majority (47%) of 2021 Fortune 200 CHRO appointments were previous serving CHROs/CPOs. Of those appointments where an individual was new to the CHRO/CPO role, 47% of the time, they were in an HRBP role prior to appointment, and 32% of the time they served as a Chief Talent Officer or Head of Talent Management prior to appointment. The remaining 22% CHRO/CPO appointments previously served in a business role (11%) or in another HR role such as compensation (11%). For example:

- [Mandell Crawley](#) was appointed Chief Human Resources Officer of Morgan Stanley (Fortune 61, \$59.8 billion in 2021 annual revenue), having previously served as Head of Private Wealth Management at Morgan Stanley.
- [Kausik Rajgopal](#) was appointed EVP, Chief Human Resources Officer of PayPal (Fortune 134, \$25.4 billion in 2021 annual revenue), having previously served as Managing Partner at McKinsey and Company.

8. SECTOR EXPERIENCE IS A RARITY

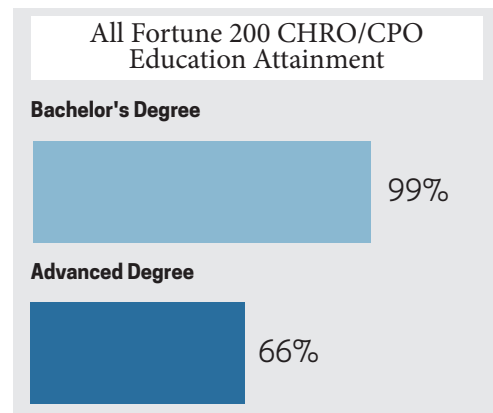
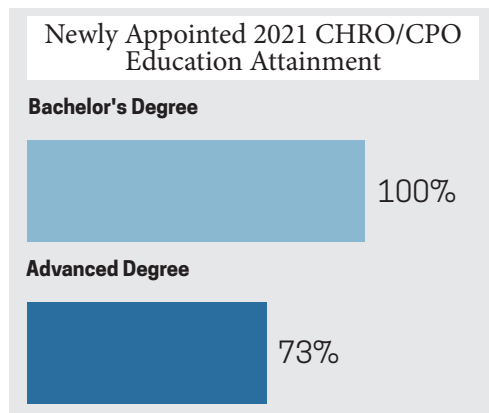
Sector experience is not a critical determinant to the selection a Chief Human Resources or Chief People Officer. Three out of every four (76%) 2021 externally appointed CHROs/CPOs did not have experience in the sector of their new company. For the entire class of 2021 appointed CHROs/CPOs (internal and external successors), slightly over half (53%) had at least two years of experience in the sector of the company prior to the appointment.



9. CHROs/CPOs ARE INCREASINGLY EDUCATED

100% of the 2021 newly appointed Chief Human Resources Officers and Chief People Officers had a bachelor's degree or equivalent. In the Fortune 200 overall, 99% of CHROs/CPOs hold a bachelor's degree or equivalent.

73% of the 2021 newly appointed CHROs and CPOs had an advanced degree with Psychology as the most popular advanced degree followed by a law degree (J.D.) and MBA.



10.

OUTGOING CHROs/CPOs HAVE A SECOND ACT

The majority (55%) of outgoing CHROs/CPOs have a second act serving as a Chief Human Resources Officer or Chief People Officer for another company, consulting, or serving in other HR roles, investing roles, or Board roles. Nine of the 2021 outgoing CHROs/CPOs retired outright. Three predecessor CHROs/CPOs moved into business roles. Examples include:

- [Lori Niederst](#) moved into a role as CRM President at Progressive Insurance. Lori previously held HR roles at Progressive prior to her appointment as Chief Human Resources Officer.
- [Sandra Rivera](#) moved into an EVP, General Manager of Datacenter and AI role at Intel. Sandra previously held marketing and GM roles at Intel prior to her appointment as Chief People Officer.
- Venture Capital and Private Equity firms increasingly serve as a second act with [Jessica Neal](#), formerly of Netflix moving to TCV a Venture Capital Private Equity firm and [Tracy Keogh](#), formerly of Hewlett Packard (HP) moving to Great Hill Partners, a Private Equity firm.

↓ 2021 Newly Appointed Fortune 200 CHROs/CPOs

Company Name	CHRO/CPO	Title	Insider/ Outsider	Diver- sity
CVS Health	Laurie Havanec	EVP, Chief People Officer	Outsider	Female
Alphabet	Fiona Clare Cicconi	Head of People Operations	Outsider	Female
Cigna	Cindy Ryan	EVP, Chief Human Resources Officer	Insider	Female
Walgreens Boots Alliance	Holly May	EVP, Chief Human Resources Officer	Outsider	Female
Verizon Communications	Samantha Hammock	EVP, Chief Human Resources Officer	Insider	Female
Dell Technologies	Jennifer Saavedra	Chief Human Resources Officer	Insider	Female
United Parcel Services	Darrell Ford	EVP, Chief Human Resources Officer	Outsider	Male
Wells Fargo	Bei Ling	SEVP, Human Resources	Outsider	Female
Intel	Christy Pambianchi	EVP, Chief People Officer	Outsider	Female
Freddie Mac	Dionne Wallace Oakley	SVP, Chief Human Resources Officer	Outsider	Female
Walt Disney	Paul Richardson	SEVP, Chief Human Resources Officer	Insider	Male
HP	Kristen Ludgate	Chief People Officer	Outsider	Female
StoneX	Linda Curran	Head of Human Resources	Insider	Female
Sysco	Ron Phillips	EVP, Chief Human Resources Officer	Outsider	Male
Morgan Stanley	Mandell Crawley	Chief Human Resources Officer	Insider	Male
Progressive	Bill Clawson	Chief Human Resources Officer	Insider	Male
Nationwide	Vinita Clements	Chief Human Resources Officer	Insider	Female
3M	Zoe Dickson	EVP, Chief Human Resources Officer	Insider	Female
Netflix	Sergio Ezama	Chief Talent Officer	Outsider	Male
Broadcom	Jill Turner	VP, Human Resources	Outsider	Female
Lennar	Nicole Ashe	Chief Human Resources Officer	Outsider	Female
Visa	Kelly Mahon Tullier	Vice Chair, Chief People & Administrative Officer	Insider	Female
PayPal Holdings	Kausik Rajgopal	EVP, Chief Human Resources Officer	Outsider	Male
Dupont	Christopher Raia	SVP, Chief Human Resources Officer	Insider	Male
ConocoPhillips	Heather Sirdashney	VP, Human Resources & Real Estate and Facilities Services	Insider	Female
PG&E	Julius Cox	EVP, People, Shared Services, & Supply Chain	Outsider	Male
Lincoln National	Jen Warne	EVP, Chief People Officer	Insider	Female
American Airlines Group	Cole Brown	Chief People Officer	Outsider	Female
Emerson Electric	Elizabeth Adefioye	Chief People Officer	Outsider	Female
Western Digital	Christine Bastian	EVP, Chief People Officer	Outsider	Female

*Nicole Ashe at Lennar was on short-term assignment but is included in this analysis as she served in a Chief Human Resources Officer capacity.

About the Research

This report was produced by analyzing the Fortune 200 companies (based on the 2021 Fortune ranking) and publicly available information for Chief Human Resources Officers and Chief People Officers. We additionally spoke with many CHROs and CPOs and their teams to validate data where publicly available information was not sufficient.

In total, 187 of the Fortune 200 companies had a sitting, identifiable CHRO or CPO at the time of this report writing. The trends highlight those 187 companies. Some companies, for example Berkshire Hathaway, do not have a sitting Chief Human Resources Officer or Chief People Officer. In those situations, the company was excluded from this report's analysis.

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Zac directs the daily operations of the Talent Strategy Group, including strategy, research, and finance across all lines of the TSG business. He frequently consults with the Boards and Executive Teams of the world's most advanced organizations on Human Resources and Talent Management with a focus on the intersection of people and organizations, and enabling the full potential of both. Zac graduated Summa Cum Laude from Arizona State University with a Bachelor's of Science in Economics. He can be reached at zac@talentstrategygroup.com.



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