

ARTICLE

Supply-chain officer focus: The strategic value of succession planning

Many organizations where the supply chain is crucial to operations have been elevating the strategic importance of their chief supply chain officers. But talent is scarce, and succession planning is taking on new urgency. Interviews with 30 supply chain leaders suggest three key elements of improvement.



The chief supply chain officer (CSCO) role has undergone unprecedented transformation in recent years, particularly in sectors where supply chains are mission critical—consumer goods, industrials, healthcare, and pharmaceuticals, for example. The role, which is also frequently referred to as chief operating officer (COO), is growing in scope and complexity, and in many companies is becoming more of a driving force behind strategic imperatives.

This transformation is unsurprising, given today's operational context. The Covid-19 pandemic exposed vulnerabilities in supply chains, demanding an extensive overhaul in the remit of CSCOs. Ongoing geopolitical tensions and economic volatility—including the effects of recent US tariff changes—have prompted companies to continue optimizing their operations to increase agility and resiliency, unlocking value while attempting to keep costs down. But with increased environmental regulations and a constant shift toward more localized supply chains, disruption and uncertainty will only continue. Many organizations have initiated large-scale transformation processes as a result.

To navigate this complex supply chain environment, companies are making changes in the leadership of their supply chain functions. Our analysis of more than 360 CSCO roles across the world in terms of tenure, diversity, and prior experience shows that 36% of the world's largest publicly listed companies have appointed new CSCOs since January 2023.¹ Furthermore, CSCOs spend on average 4.2 years in the role. And, while the shifting priorities of CSCOs are well-documented, less has been said about the critical importance of succession planning for these roles, despite the rate and pace of turnover.

The elevated strategic nature of the role is also demanding a more rigorous approach to succession planning and talent development than ever before. But organizations face a challenge: traditionally, supply chain and operations functions were not always the most attractive career paths for young leaders. High responsibility, limited visibility, and structural ambiguity have deterred many high-potential candidates, and the role's new breadth and enterprise influence have not yet changed the situation. When coupled with the relatively short tenures of these leaders, the lack of a pipeline dedicated to developing CSCOs' capabilities could become a significant threat to companies' ability to maintain a competitive edge and create long-term value.

To understand the critical leadership characteristics that will define success for the next generation of supply chain leaders in this context, we interviewed 30 supply chain leaders around the world. Their insights, and our ongoing work with CSCOs, also suggest how companies can future proof their organizations by rethinking succession planning for this function.

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¹ This and all following data from Heidrick & Struggles proprietary analysis of chief supply chain officers from companies in the Fortune 1000, Fortune 500 Europe, and APAC 150, 2023–2025 (YTD).

Reframing the CSCO as a strategic position



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CSCO responsibilities have undergone a profound transformation, shaped by shifting global dynamics, technological innovation, and rising expectations from stakeholders.

What was once a role focused primarily on cost and efficiency has rapidly expanded to encompass a broader, more complex set of priorities. “The role has been changing over the decade, but this has accelerated over the past couple years,” said a senior executive with more than 20 years’ experience. “In the past, there were just a few priorities, but now the list is much longer and includes sustainability, digital, and agility.”

For this leader, the transformation means CSCOs must hold a broader set of responsibilities in balance, while always keeping organizational strategy front of mind. “It is now a question of trade-offs on those priorities. For example, you can be brutal on cost savings, which will impact service levels or circularity targets. Now it is all about flexibility and resilience. Speed of change has massively increased, and the size of these changes is becoming bigger.”

In this context, leaders are most effective when the role is reframed as a strategic position with elevated influence and a direct communication line to major stakeholders.

Three tangible benefits arise from elevating the role in this way:

- 1 **Deepened strategic insights:** The CSCO serves as a vital link between business strategy and operational execution, ensuring the company’s vision is effectively translated into actionable plans and faster decision-making. Often, the CSCO is one of the few top leaders with an operational background, which makes their contribution invaluable. One CSCO said: “My ability to manage operational excellence is key at the leadership level. Most of our business unit presidents have a commercial background, so they need our help delivering cash via operations as well.”
- 2 **Increased responsiveness and agility:** Elevating the role to an integral position in executive leadership allows CSCOs to provide more foresight to the organization, quickly align with market realities, and increase responsiveness to unexpected changes. They are usually the first responders in the case of crisis or change. As one leader said: “We have to deal with all types of daily pressures, to keep everything working smoothly. Through regular leadership team meetings, I am trying to instill the sense of urgency in the team, pushing them to come up with quicker decisions around product ranges or engineering planning, so that we don’t miss opportunities or get left behind.”
- 3 **Improved talent attraction:** “Scarcity of talent is a growing issue,” the CSCO of a European consumer goods company told us. Elevating the role makes it more attractive to upcoming leaders, and this must be done in an intentional way for the greatest impact: “We are dedicated to developing future talent by establishing clear career paths, investing in leadership development, and positioning the supply chain as an attractive and dynamic field,” said another CSCO. At this company, providing young employees with opportunities to make a meaningful impact and build lasting legacies within the organization has greatly aided in amplifying the perception of the position.

Despite these upsides of an elevated CSCO profile, there are still too many companies where the broader supply chain and operations functions remain largely siloed. This not only limits the effectiveness of the role but also places a ceiling on how much value it can unlock. According to the supply chain and operations leader of a major international company, these companies have either failed to fully understand the benefits the role can deliver, or haven't been successful in prioritizing it as a critical position: "The CSCO is an underestimated, undervalued role in many companies. Many CSCOs do not enjoy a positive understanding from their CEOs."

However, given the operational context and benefits of a greater strategic profile, we expect more companies to elevate the role in the future. Reframing it must be done with **three key considerations** in mind:

- 1 **Position in organizational hierarchy:** Many organizations have already included the role on their executive committees to fully leverage the CSCO's expertise in enterprise strategy and to promote a holistic, end-to-end approach to managing global supply chains. In these companies, the CSCOs we spoke to say their role has continued to receive greater attention and visibility since the initial Covid-19-related spike in importance. "Boards are now becoming much more open to the transformative power of a CSCO," one supply chain leader stated. "A good CSCO should work with the board to educate them on the strategic possibilities of operations." Another CSCO noted how strategic elevation had impacted the role of the CEO too: "My CSCO role allows our CEO to focus on strategy, investors, culture, and people."
- 2 **Reporting line:** Reporting directly to the CEO offers the CSCO greater influence and supports faster decision-making. The CSCO at a multinational consumer company maintains that this setup is instrumental in his ability to contribute to strategic matters: "A CSCO must report to the CEO to wield strategic power and contribute to crucial decision-making." Other structures can also lead to success—as long as the supply chain function is an integral part of the executive structure.
- 3 **Direct access to the board:** Establishing a link between boards and CSCOs can support the clear and timely flow of crucial information, mitigate risks, and facilitate quicker approval of new supply chain initiatives. The CSCO of a global consumer company noted: "The relationship with the board is critical to push forward new initiatives." He is regularly invited by the board to discuss supply chain and environmental, social, and governance (ESG) issues.



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Rethinking capabilities and skillsets

Probably more than most other leadership positions, the CSCO role is tightly linked and tailored to its specific organizational context. The role reflects the company's maturity, strategy and goals, innovation, operating models, how it delivers value, and its go-to-market approach. Success demands that leaders embrace an end-to-end management approach, grounded in holistic thinking that integrates and coordinates every activity across the supply chain.

Many CSCOs noted that when they first assumed their roles, their organizations were highly siloed with minimal shared accountability. This hindered their effectiveness, prompting many to initiate significant transformation efforts from the outset of their tenures. "Supply chain executives have to balance decisions across many priorities," one CSCO shared with us. "These cannot be made in a functional silo but have to be made with an end-to-end mindset. Key stakeholders need to be around the table to decide what is best for business."

As the role continues to evolve, CSCOs highlighted **three critical competencies** required to deliver their mandate successfully: enterprise leadership, talent and organizational leadership, and technical mastery.

Enterprise leadership

With the role no longer just a functional one but also a business enabler and super connector, today's CSCOs are adopting a new mindset of being business leaders first and leaders of the supply chain and operations-related functions second. This transformation is reminiscent of the strategic elevation seen with chief people officers and chief artificial intelligence officers in recent years. **Enterprise leadership capabilities are now vital qualities for modern CSCOs and are built on five pillars:**

With the role no longer just a functional one but also a business enabler and super connector, today's CSCOs are adopting a new mindset of being business leaders first and leaders of the supply chain and operations-related functions second.

1 Deep business acumen: With end-to-end responsibility for supply chain management, CSCOs are uniquely positioned to influence strategic decisions across the entire business. Gaining early experience in commercial or P&L roles helps build essential business acumen, preparing them to meet the broader demands of the position. One CSCO we spoke to noted that his company "actively seeks individuals with an entrepreneurial mindset, curiosity, and strong business acumen—qualities that drive innovation and a consumer-focused approach."

Developing more CSCOs with this kind of experience will require a change in the most common career paths: our analysis found that CSCOs most often come from supply chain (39%) and operations and manufacturing (20%), with adjacent areas such as procurement, technology, strategy, and transformation being some of the other sources of experience.

2 Strategic thinking and foresight: Because supply chain and operations functions are often the first affected by external events or policy changes, leaders need to understand how external factors translate into risks and opportunities for their function and the business. The complex nature of supply chain management calls for a thorough, dynamic framework for anticipating risks and contingency planning. One CSCO explained how their company maintains its industry-leading position: "Foresight is extremely important to us. We aim to build our strategy with a minimum time horizon of six to seven years to stay ahead of the market and retain a pioneer mindset."

3 Change management: Supply chain and operations functions typically account for a sizable share of a company's workforce and activity. As a result, they are often the driving force behind many transformation processes, such as the adoption of new technologies, efficiency and performance improvement, and embedding sustainability. One CSCO said: "All organizations are transforming, and we need to know how to deal with conflicting priorities and ambiguity to make sound decisions in a fast-paced environment." Heidrick & Struggles research shows that to successfully drive major transformations, leaders must be able to disrupt and challenge the status quo by fostering new ways of thinking, initiating bold changes, and encouraging experimentation. The most effective leaders champion innovation by guiding change, collaborating across organizational boundaries, and scaling new ideas.

4 Cross-functional knowledge and experience, with deep sector knowledge: "A high-performing CSCO has to be well-versed with the end-to-end process, as supply chain is a truly global function and interdependent and cannot be managed in isolation," explained one CSCO. "That means that the ability to engage and work across different functions with a wide range of leaders is critical to be effective. And indeed, the supply chain function interacts with almost every other function: finance, IT, engineering, product development, and human resources." Making informed strategic decisions while avoiding confusion and speeding up processes requires leaders to be sensitive to these interdependencies, something which CSCOs with broader functional backgrounds may develop more easily.

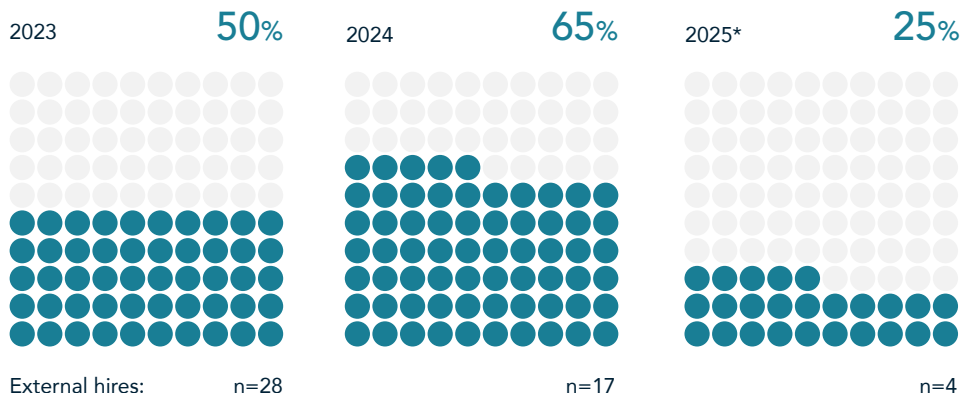
A deep understanding of the intricacies of their broader sector is vital too; however, 43% of externally appointed CSCOs come from companies in different industries. This puts additional pressure on both supply chain leaders and their companies to fill any sector-specific knowledge gaps during onboarding and early tenure.

5 Stakeholder management: Stakeholder management has become a far more important part of the CSCO role. One told us: "As a CSCO I think you have many more stakeholders to manage, such as peers, the board, third party suppliers, experts, and other leaders in the business—and they can have conflicting priorities. An example is the digital agenda: all functions want to invest in IT and digital, but resources are limited." Today's CSCOs need to be able to relay complex operational matters as compelling commercial narratives, while managing a growing network of stakeholders outside the company.

Talent and organizational leadership

Some CSCOs told us their remit can make up as much as 80% of their company's workforce. People management skills are essential for success in this role.

"By the time you get to CSCO, you have already proven your technical skills in at least one area of manufacturing, supply chain, procurement, or R&D," said one experienced CSCO. "People skills are what make the difference between a good head of supply chain or manufacturing and an excellent CSCO who sits on the group executive committee and uses operations as a strategic lever of the business." Organizations need to be prepared to help new CSCOs make this transition as leaders, especially given the high shares of CSCOs who are new not only to their company but to the role itself. In 2024, for example, 65% of external hires were first-time or step-up appointments.

First-time or step-up CSCO appointments (%)

Source: Heidrick & Struggles' proprietary analysis of chief supply chain officers from companies in the Fortune 1000, Fortune 500 Europe, and APAC 150, 2023–2025 (YTD)

Another CSCO highlighted that “You need to have communication and influencing skills. CEOs and CFOs are asked to do so much externally that CSCOs are now taking on an outsized position in managing the internal organization and decisions on investment. You have to be able to influence more now than ever. You have to be better at managing disruptions and shepherding the organization through changes.”

CSCOs must also now collaborate closely with chief people officers to ensure effective succession planning and a strong talent pipeline for operations positions, alongside comprehensive development for all professionals within the operations organization.

Technical mastery

Leading the supply chain and operations function not only requires expertise in core areas like planning, sourcing, manufacturing, and delivery but also a keen understanding of adjacent functions such as innovation, product development, IT, and customer service.

As sustainability becomes a core aspect of their responsibilities, CSCOs must also learn how to seamlessly integrate sustainable solutions into their supply chains to drive efficiencies across cost, environmental impact, and operational processes. “Sustainability is still very high on the agenda,” a CSCO told us. “The CFO has an important role in terms of reporting, but the CSCO needs to implement the strategy and get funding from the CEO—80 to 90% of the execution lies within the supply chain.”

Another supply chain leader who has helped develop several sustainability models throughout his career stressed the importance of balancing sustainability goals with financial performance: “Implementing sustainability models needs to be done in a way that does not expose the business; CSCOs need to develop the skills to take on ESG fully as part of their responsibilities.” On this topic, companies across sectors and geographies may take more diverging paths going forward, especially given the recent decreased emphasis on this in the United States.

Digital expertise is another technical skill that is critical, though scarce, among CSCOs. “Digitalization and AI have become very important,” shared one leader. “This means understanding complexities and maturity levels and knowing AI.” In a world of rapidly advancing digital tools, being an early adopter of AI, automation, and data-driven decision-making in supply chain and wider operations could be a significant competitive advantage for CSCOs and their companies.²

² Fabrice Lebecqz, “How AI is delivering value in an integrated supply chain: A conversation with James Borzi, EVP and chief supply chain officer at Baxter International,” Heidrick & Struggles, June 2, 2025, heidrick.com.

Redesigning succession planning for CSCOs

For companies heavily reliant on their supply chain, a robust pipeline of effective and talented potential CSCOs is paramount. While some of the executives we spoke to are confident in their organizations’ ability to either establish or maintain a steady pipeline of leaders, others are not as optimistic.

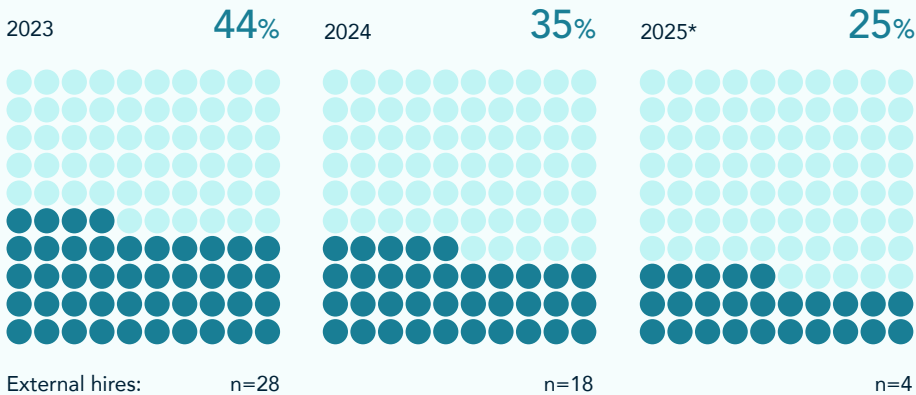
The CSCO of a global car brand told us that while her company did not initially have a strong pipeline of talent, she has started improving it since her appointment. “The company is now focusing on hiring individuals with high potential and developing them from within. We place a strong emphasis on lifelong learning and skills development. We have programs to reskill employees and have a dedicated focus on culture and leadership development through a global executive leadership development initiative. Collaborations with academic and educational institutions further support our talent development efforts.”

In our experience, **effective succession planning for the role encompasses three key elements:** a future-focused approach, tailored development programs, and detailed, proactive planning.

Future-focused approach: The traditional path to and process for hiring the CSCO role need to be reimagined through the lens of the skills and competencies required of the role going forward. As noted, nearly 70% of CSCOs in our analysis came up through broad functional leadership roles in supply chain, procurement, or manufacturing; indeed, many of the leaders we talked with reached their position through these pathways. While these areas are foundational to the role, they offer limited exposure to P&L, innovation leadership, and cross-functional collaboration, all of which are integral blocks of expertise for a successful business leader today. The widespread lack of clarity about the full scope of responsibilities that comes with being a CSCO only adds to the persistent challenge of future proofing the CSCO leadership pipeline. As the supply chain leader of an international constructions company put it, “Many do not understand what a CSCO does. Usually, interviews do not talk about P&L or business mindset—they focus more on size, footprint, and so on. The best supply chain leaders will be the ones with an end-to-end bias.”

Tailored development programs: With CSCO talent scarce, and the role increasingly strategically significant, developing talent from within is essential. External hiring appears to be on a downward trajectory: in 2023, 44% of newly appointed CSCOs were external hires, while so far in 2025, only 25% of hires have been external.

External hiring for CSCO roles has steadily declined (%)

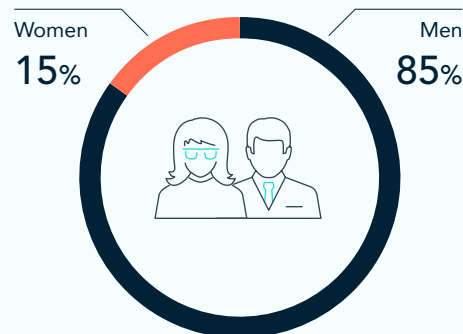


Source: Heidrick & Struggles’ proprietary analysis of chief supply chain officers from companies in the Fortune 1000, Fortune 500 Europe, and APAC 150, 2023–2025 (YTD), n=50

This suggests that more thorough talent mapping and tailored development programs may be beginning to address both current capabilities and future growth. Several executives emphasized that taking on stretch assignments, rotating through various areas of the supply chain, gaining exposure to related functions like product development or R&D, and acquiring international experience were all vital for developing the skills needed to lead effectively. Though there has been progress, our interviews suggest that most companies will need to incorporate more of all these elements into their development processes for potential CSCOs going forward.

Many CSCOs also mentioned the challenges of building a diverse pipeline, especially as attracting women to operations roles remains difficult. Our analysis backs their view, with only 15% of the CSCOs in our study being women. One CSCO is considering starting a graduate program to bring in young female leaders.

CSCO Gender (%)



Detailed, proactive planning: A rigorous, proactive succession plan that accounts for a variety of potential scenarios—such as planned retirement, the surprise departure of an existing leader, or foreseeable geopolitical shocks—can mitigate risks to business continuity. It is crucial to review and update this plan on a regular basis to be ready for any leadership exit, whether voluntary, sudden, or driven by organizational changes resulting from mergers and acquisitions. Here, organizations may benefit from making greater use of data, particularly assessment data.³ Recent Heidrick & Struggles research on what makes both CEOs and executives more effective also suggests that aligning succession plans with strategic planning and communicating transparently are central elements.⁴

³ For more, see Sarah Arnot, Sharon Sands, and Todd Taylor, “Leadership assurance: How data can improve every aspect of executive leadership development and succession planning,” Heidrick & Struggles, July 31, 2024, heidrick.com.

⁴ For more, see “Route to the Top 2025 | The ascent redefined: Charting more effective routes to the summit,” Heidrick & Struggles, July 23, 2025, heidrick.com.

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