The destination may be the same, but research suggests that the path to the corner office is different in France, Germany, the United Kingdom, and the United States.
Heidrick & Struggles' most recent demographic study of global chief executives finds the typical CEO to be largely male, highly educated, and likely to have a background in finance—but with some notable differences by country. For example, some 85% of CEOs in the United States were promoted from within their companies; in France, the figure is 48%. CEOs in the United States are also likely to be older than their counterparts in France, Germany, and the United Kingdom. Meanwhile, the United Kingdom boasts a larger percentage of foreign nationals at the head of its companies, while US companies lag significantly in this respect and French companies are led almost exclusively by natives.

The research, conducted in mid-2016, encompasses current chief executives of each of the top 100 companies listed in the Fortune 500, the FTSE 100 in the United Kingdom, the DAX 30 and MDAX 50 in Germany, and the SBF 120 in France. This report represents the fourth in a series of such studies begun in 2011. It provides profiles of today’s top leaders, looks at how those profiles vary from country to country, and observes how they vary within countries by industry sector.

**Key findings include the following:**

- CEOs in the United States not only tend to be older than their counterparts in other countries but also take far longer to reach the top when they are promoted from within.
- CEOs in the United Kingdom are more diverse by nationality than CEOs in other countries, especially the United States and France.
- Finance, engineering, and sales and marketing are still the main ingredients of a CEO’s background, with the emphasis varying according to sector and country.
- Women have made little notable progress toward the top job in any country we studied since the inception of this research in 2011.

### Rising from within

Internal promotions remain the most common route to the top, especially in the United States and Germany, with 85% of CEOs in the former and 68% of CEOs in the latter promoted from within (Figure 1). By contrast, 61% of CEOs in the United Kingdom and only 48% of CEOs in France rose to the top through the ranks.

Internally promoted CEOs in the United States wait longer than their counterparts in Europe to receive the nod, and European CEOs are typically younger when promoted. Prior to being tapped as CEO, the US executives toiled, on average, for 20 years within their companies, while their European counterparts attained the top job after no more than 14 years, on average, on the inside.
Figure 1. On average, US CEOs have worked longer at their companies and are older when promoted.

<table>
<thead>
<tr>
<th>Country</th>
<th>Overall</th>
<th>Internal</th>
<th>External</th>
<th>Founder</th>
<th>Average Years to Appointment</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>52</td>
<td>53</td>
<td>53</td>
<td>27</td>
<td>20</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>49</td>
<td>48</td>
<td>51</td>
<td>45</td>
<td>13</td>
</tr>
<tr>
<td>France</td>
<td>48</td>
<td>48</td>
<td>51</td>
<td>37</td>
<td>14</td>
</tr>
<tr>
<td>Germany</td>
<td>50</td>
<td>50</td>
<td>52</td>
<td>32</td>
<td>14</td>
</tr>
</tbody>
</table>

Promotion Type by Country,* %

<table>
<thead>
<tr>
<th>Country</th>
<th>Internal</th>
<th>External</th>
<th>Founder</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>85</td>
<td>13</td>
<td>2</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>61</td>
<td>34</td>
<td>5</td>
</tr>
<tr>
<td>France</td>
<td>48</td>
<td>45</td>
<td>7</td>
</tr>
<tr>
<td>Germany</td>
<td>68</td>
<td>29</td>
<td>4</td>
</tr>
</tbody>
</table>

Distribution of Age at Appointment,* %

<table>
<thead>
<tr>
<th>Country</th>
<th>&lt;50 years old</th>
<th>50–59 years old</th>
<th>55–59 years old</th>
<th>60+ years old</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>25</td>
<td>39</td>
<td>31</td>
<td>5</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>54</td>
<td>30</td>
<td>15</td>
<td>1</td>
</tr>
<tr>
<td>France</td>
<td>48</td>
<td>32</td>
<td>15</td>
<td>5</td>
</tr>
<tr>
<td>Germany</td>
<td>52</td>
<td>31</td>
<td>15</td>
<td>3</td>
</tr>
</tbody>
</table>

*Numbers may not total 100% because of rounding.
Though the average CEO age across countries varies by only four years, the United States has by far the smallest proportion (at 17%) of CEOs under age 55 (Figure 2).

Figure 2. US CEOs tend to be older than their counterparts in the United Kingdom, France, and Germany.

<table>
<thead>
<tr>
<th>Age Distribution by Country, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>70+ years old</td>
</tr>
<tr>
<td>4</td>
</tr>
<tr>
<td>18</td>
</tr>
<tr>
<td>12</td>
</tr>
<tr>
<td>16</td>
</tr>
</tbody>
</table>

*Numbers may not total 100% because of rounding.

<table>
<thead>
<tr>
<th>Age</th>
<th>Average</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>59</td>
<td>43</td>
<td>85</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>54</td>
<td>40</td>
<td>71</td>
</tr>
<tr>
<td>France</td>
<td>57</td>
<td>36</td>
<td>74</td>
</tr>
<tr>
<td>Germany</td>
<td>55</td>
<td>32</td>
<td>76</td>
</tr>
</tbody>
</table>
Little progress for women

In all four countries we studied, women continue to represent only a small percentage of chief executives (Figure 3). Although the United States leads the way, with about 8%, that figure marks a decline of one percentage point from 2015 to 2016. The share of female CEOs in the United Kingdom rose from 5% in 2015 to 6% in 2016, while the proportion of women CEOs in both France and Germany remained at a dismal 2% and 1%, respectively.

Figure 3. Women continue to make up a small proportion of CEOs in the United States, the United Kingdom, France, and Germany.
Degrees of difference

Almost all of the CEOs we studied hold at least an undergraduate degree (Figure 4). France has by far the highest proportion of CEOs with advanced degrees, followed by the United Kingdom, the United States, and Germany. Advanced degrees are defined as Master of Arts/Science, Master of Business Administration, and/or doctoral degree.

Figure 4. The majority of CEOs hold advanced degrees.

CEOs with Undergraduate and Advanced Degrees, %

<table>
<thead>
<tr>
<th></th>
<th>Advanced Degree</th>
<th>Undergraduate Degree Only</th>
<th>None</th>
<th>Unknown</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>69</td>
<td>28</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>United Kingdom</td>
<td>70</td>
<td>27</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>United States</td>
<td>86</td>
<td>12</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>68</td>
<td>22</td>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

*Numbers may not total 100% because of rounding.

The United States, the birthplace of the MBA program, has the greatest percentage of CEOs who have earned the degree—some 35% (Figure 5). But that figure is down from 42% in 2015 and sharply down from 49% six years ago. The country with the smallest percentage of MBAs at the top is Germany, where CEOs are more likely to have pursued doctoral degrees. In France, most executives graduate from one of the country’s elite grandes écoles. These highly selective institutions typically focus on a single subject such as business or engineering and do not offer MBA degrees.

Figure 5. US CEOs hold the most MBAs.

CEOs with MBAs, %

<table>
<thead>
<tr>
<th></th>
<th>MBA</th>
<th>No MBA</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>35</td>
<td>65</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>United States</td>
<td>26</td>
<td>74</td>
</tr>
<tr>
<td>Germany</td>
<td>11</td>
<td>89</td>
</tr>
</tbody>
</table>
Finance in the driver’s seat

Among the CEOs we studied, finance is the most common functional background in the United Kingdom, the United States, and Germany (Figure 6). In the United Kingdom, 36% of CEOs have backgrounds in finance; in the United States, 31% of CEOs have finance backgrounds; and in Germany, the figure for CEOs with a finance background is 26%. In France, the leading functional background among CEOs is engineering, at 24%, while finance is second at 21%.

Figure 6. Finance is the leading functional background among CEOs.

CEO Functional Backgrounds Across Countries,* %

*Numbers may not total 100% because of rounding.
Functional experience among US CEOs

After finance, engineering, at 18%, is the second most common background among the CEOs we studied in the United States. This background leads in the global technology and services (GTS) sector and is a close second to finance in the industrial sector (Figure 7). In the consumer sector, CEOs are most likely to have experience in operations.

Figure 7. Most US sectors favor CEOs with finance or engineering backgrounds.
Functional experience among UK CEOs

In the United Kingdom, where London's financial hub generates one-third of the country's tax revenue, some 36% of CEOs have finance backgrounds, a higher proportion than in any of the other three countries we studied. Sales and marketing, at 18%, is the second most common background overall and the most common in the consumer sector (Figure 8).

Figure 8. Most UK sectors favor CEOs with finance backgrounds.

CEO Functional Background, %

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Other</th>
<th>Academia</th>
<th>Engineering</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>2</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Sales/Marketing</td>
<td>18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operations</td>
<td>12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance</td>
<td>36</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sector Breakdown, %

<table>
<thead>
<tr>
<th>Life Sciences</th>
<th>Industrial</th>
<th>GTS</th>
<th>Financial Services</th>
<th>Consumer</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>24</td>
<td>28</td>
<td>38</td>
<td>32</td>
</tr>
</tbody>
</table>

CEO Functional Background by Sector, %

<table>
<thead>
<tr>
<th>Consumer</th>
<th>Financial Services</th>
<th>GTS</th>
<th>Industrial</th>
<th>Life Sciences</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>6</td>
<td>25</td>
<td>3</td>
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<tr>
<td>9</td>
<td>7</td>
<td>20</td>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>

*Numbers do not total 100% because of rounding.*
Functional experience among French CEOs

In France, unlike the other countries we studied, CEOs are most likely to come from engineering backgrounds, at 24%, followed by finance, at 21% (Figure 9). Notably, the third most common background is government, at 18%, far outpacing the percentage of CEOs with government experience in the United Kingdom (6%), Germany (5%), and the United States (4%). The relatively high percentage of French CEOs with engineering degrees or experience in government may partly be explained by the fact that many future business leaders attend one of the two top *grandes écoles*—École Polytechnique, which focuses on engineering, or École Nationale d’Administration, which requires years of government service after graduation in exchange for financial support of its students.

Figure 9. French sectors favor CEOs with engineering, finance, or government backgrounds.

![CEO Functional Background](image-url)

<table>
<thead>
<tr>
<th>Sector Breakdown, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Sciences</td>
</tr>
<tr>
<td>Industrial</td>
</tr>
<tr>
<td>GTS</td>
</tr>
<tr>
<td>Financial Services</td>
</tr>
<tr>
<td>Consumer</td>
</tr>
</tbody>
</table>

CEO Functional Background by Sector, %

- **Consumer**
  - Academia: 8
  - Engineering: 23
  - Operations: 15
  - Sales/Marketing: 4
  - Strategy: 4
  - Finance: 27
  - Legal: 8
  - Government: 12

- **Financial Services**
  - Academia: 5
  - Engineering: 45
  - Operations: 20
  - Sales/Marketing: 5
  - Strategy: 10
  - Finance: 5
  - Legal: 5

- **GTS**
  - Academia: 5
  - Engineering: 23
  - Operations: 18
  - Sales/Marketing: 18
  - Strategy: 18
  - Finance: 18
  - Legal: 18

- **Industrial**
  - Academia: 5
  - Engineering: 42
  - Operations: 19
  - Sales/Marketing: 19
  - Strategy: 5
  - Finance: 2
  - Legal: 7

- **Life Sciences**
  - Academia: 27
  - Engineering: 18
  - Operations: 18
  - Sales/Marketing: 18
  - Strategy: 5
  - Finance: 4
  - Legal: 10

*Numbers do not total 100% because of rounding.*

10  Route to the Top 2017
Functional experience among German CEOs

In Germany, as in the United States and the United Kingdom, CEOs are most likely to come from backgrounds in finance, at 26%, followed closely by engineering, at 20%, which may be accounted for by Germany’s large industrial sector (Figure 10).

Figure 10. Most German sectors favor CEOs with finance or engineering backgrounds.

CEO Functional Background, %

<table>
<thead>
<tr>
<th>Sector</th>
<th>Strategy</th>
<th>Sales/Marketing</th>
<th>Operations</th>
<th>Legal</th>
<th>Government</th>
<th>Finance</th>
<th>Engineering</th>
<th>Academia</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Sciences</td>
<td>7</td>
<td>20</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>24</td>
<td>20</td>
<td>7</td>
<td>24</td>
</tr>
<tr>
<td>Industrial</td>
<td>52</td>
<td>15</td>
<td>5</td>
<td>15</td>
<td>15</td>
<td>15</td>
<td>15</td>
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<tr>
<td>Financial</td>
<td>52</td>
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<td>5</td>
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<td>15</td>
</tr>
<tr>
<td>Consumer</td>
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<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>20</td>
</tr>
</tbody>
</table>

*Numbers do not total 100% because of rounding.
Global leaders

In the United Kingdom, 40% of CEOs hail from other countries, up from 35% in 2015 (Figure 11). In Germany, 17% of CEOs come from another country, and in the United States, 13% of top leaders were born elsewhere. Meanwhile, in France, the figure is only 10%, though up two percentage points from last year. One possible explanation for this low percentage: many French business leaders who graduate from École Nationale d’Administration and spend years in government service build up valuable networks that give them an advantage over outside executives who lack these connections, which can be particularly useful given the heavy involvement of the government in a number of industries.

Figure 11. The vast majority of CEOs in France are nationals, whereas CEOs in the United Kingdom are often foreign.

*Numbers do not total 100% because of rounding.
Global long-term trends

Given average CEO tenures of six to eight years, the overall profiles for each country change slowly. Nevertheless, in the six years since the inception of this study, we can see some clear global trends:

Companies appear more open to appointing non-nationals as CEOs.

The United Kingdom has consistently led the way in this regard, with its percentage of non-national leaders holding more or less steady, from 41% in 2011 to 40% in 2016. In the United States, the figure has risen slightly, from 11% in 2011 to 13% in 2016.

CEOs with MBAs are becoming somewhat less common.

This category dropped 14 percentage points in the United States, from 49% in 2011 to 35% in 2016; 11 percentage points in France, from 37% in 2011 to 26% in 2016; and 6 percentage points in Germany, from 16% to 11% over the same period. And in the United Kingdom, the percentage has stayed relatively flat—30% in 2016, the same figure as in 2011.

Women remain largely blocked from the top job.

In 2011, only 2.5% of companies in our study were led by female CEOs. This figure rose to only 4.0% in 2016.

In the years to come, we will see these and other numbers from this study change. Some, such as the percentage of women CEOs, could change rapidly. Others, such as average CEO age, likely will not. In any case, we will continue to compile these numbers, map the route to the top, and provide a time-lapse look at the changing face of the CEO.
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