

The New Pipeline: CPO to CEO

By Anna Auerbach and Charles Gray



Where will the next generation of CEOs come from?

Your mind may go to the more traditional pathways of COOs and CFOs, but what you may not have considered is the next CEO may currently be a Chief Product Officer (CPO).

Today, Product may not a traditional path to the top job, but the software industry is challenging that calculus. In software, where fundamentally the company IS the product, CPO has been a stepping stone to CEO. Sundar Pichai of Google is a good example. Pichai joined Google in 2004, where he led the product management and innovation efforts for a suite of Google's client software products, including Google Chrome and Chrome OS. Pichai was selected to become the next CEO of Google on Aug. 10, 2015, after previously being appointed Product Chief by CEO Larry Page. Ryan Roslansky provides another example. Roslansky joined LinkedIn in 2009 as one of Jeff Weiner's first hires. He was Senior Vice President, Products & User Experience for 11 years before being named CEO in 2020.

Other industries are following software's lead, embracing and promoting the role of CPO. That's no surprise given software's status as a business trend setter. Software has been at the leading edge of business, not just for its technology but also for its innovative ways of organizing for success. The CPO is a role software invented to act as a bridge between what is technically possible and commercially viable. While this was once a process unique to technology companies, now it is taking hold across industries. As all companies are now called to embrace their digital future, the CPO role is emerging as a powerful force.

The rise of the CPO is playing out in a variety of ways across industries. In Media, we see the role that was initially titled Chief Digital Officer switching to CPO as media comes to terms with digital not as a distinct channel but as a platform. For healthcare device makers, we see a CPO role emerging as a necessary transformer to bridge new discoveries in science and medical devices with the complex marketplace of healthcare delivery. Retailers and consumer products companies, once stocked with brand managers, are moving to product managers to better encompass the broader demands of the role. In direct-to-consumer companies, the role is sometimes called Chief Experience Officer – a reflection of heightened expectations from today's customer of an omnichannel experience. In financial services, the product was originally just the digital face, but now encompasses the actual financial products (which or may not have a digital component).

What connects all of these examples is the mandate to harness technological innovation and deploy it for success in the marketplace. Once, that was a mission confined largely to technology companies. But now, as digital transformation sweeps through industry categories, the need for leadership that marries technical innovation with commercial success is in hot demand.

To be sure, the CPO to CEO path is not always obvious. One of the challenges for this role is that they are generally matrixed roles rather than hierarchical and tend to rely on influencing versus directly owning large teams or P&Ls. That can leave the CPOs with what appear to be skills gaps when it comes time to seek out possible CEO successors. But companies are signaling support for the rise of the CPO role by adding to its responsibilities. In many software companies, the CPO and CTO roles are being combined. That allows CPOs to lead the engineering function and head a much larger team with direct accountability. Other firms are pushing product managers to function as general managers, with more direct responsibility for a product/business unit's P&L. This is a trend that's seen as a step toward a CEO role.

Software has given the larger business world many innovative tactics, from scrum, to matrix, holocracy and more. Now it is spotlighting a new proving ground for top leadership. The rise of CPOs in software and other industries illustrates how the concept is gaining support across business. As we think about the future of leadership, the role that bridges what's possible with what's viable will take on increased importance. These are the leaders who will position companies for success. Look for more CPO roles across a variety of industries and keep them in view: they are potential CEO successors.



Authors

Anna Auerbach

+1 212 519 6092

anna.auerbach@egonzehnder.com

Anna Auerbach, based in New York, is a core member of Egon Zehnder's Technology and Digital practice. Anna is an experienced advisor, founder, and operator. She works across advisory and search work, and has a particular focus on the intersection of product, technology and marketing for high-growth companies. Anna is also active in the firm's HR officers practice.

Charles Gray

+1 212 519 6296

chuck.gray@egonzehnder.com

Charles "Chuck" Gray, based in New York, is a leader in the Technology Officers, Board and Diversity Practices. As the North America leader of Egon Zehnder's Technology Officers Practice, he advises companies on CIO, CTO, CDO and other technical leadership roles across numerous industries including financial services, health care, consumer, technology and the public sector. Chuck also co-leads the North America Diversity Practice, with a focus on board of director recruitment and succession planning.

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