



Launching CFO Movement Index

At what rate is industry appointing new CFOs? The answer is key to understanding and evaluating the CFO movement risk at your organization.

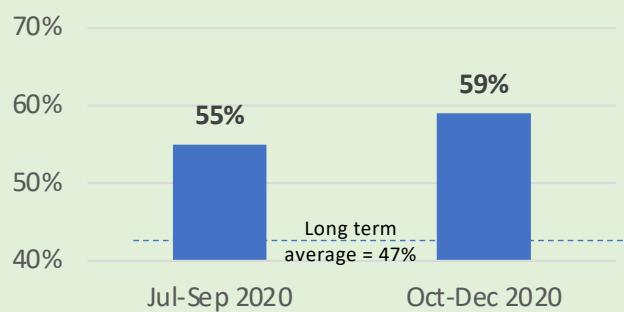
We are pleased to launch what we believe to be the country's first CFO Movement Index, which maps the CFO movement rate in the quarter, within the ET500 companies.

CFO Movement Rate



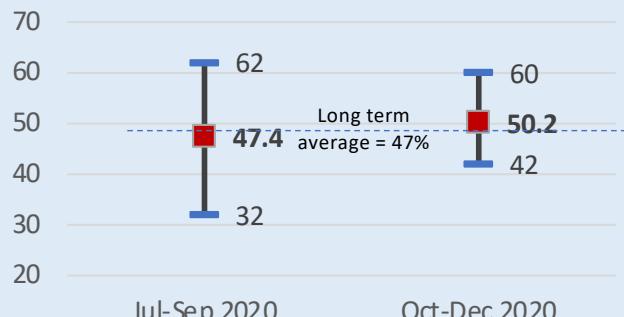
- 4% of the ET500 (excl 74 PSUs) appointed new CFO in the Oct-Dec 2020 quarter.
- At this rate, in roughly 6 years, the entire set of CFOs would have changed jobs.
- This 4% rate is lower than previous quarter's and marginally higher than the long-term average of 3.75%/quarter.

External Hiring Rate



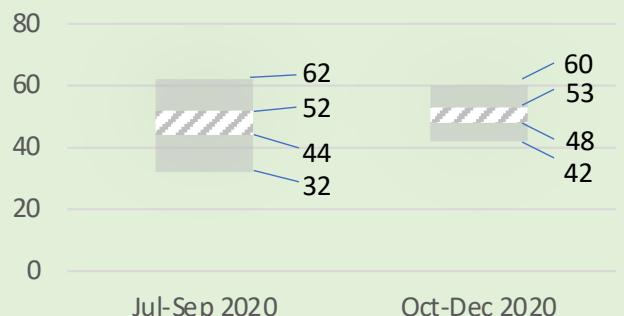
- 59% of the companies that appointed CFO in Oct-Dec 2020, hired the CFO from the external market.
- This 59% is higher than the long-term average of 47%.
- Companies continue to rely on talent from external market and the reliance seems to be increasing, not decreasing.

Avg age at appointment



- Avg age of the CFO, on the date of appointment, was 50.2y in Oct-Dec 2020 quarter, with minimum being 42y and maximum being 60y.
- This is broadly conforms to the long-term average of 48.7y.

Age quartiles



- In Oct-Dec 2020 quarter, the middle half were in the 48-53y range, while the oldest quartile appointed were in the 53-62y age range and the youngest quartile were in the 42-48y range.
- So, if you are in the market for a 48-53y CFO, you will be targeting only 50% of the CFO pool; if you specified 53y+, you will be targeting only 25% of the pool and, likewise, if you specified 48y or younger, you will be targeting only 25% of the available pool.

Questions on above or need help in hiring a CFO? Please reach out to saroja@resource-bridge.com. Long-term averages and trends in CFO hiring are from our earlier article "A Peek into CFO Transitions – 2020 Edition" – read at <https://resource-bridge.in/a-peek-into-cfo-transitions-2020/>.