The C-Suite Has Changed. Succession Has to Catch Up.

How management evolved in each of 24 sectors, where each seat is heading, and what works now when a board chooses who sits in it.

In 2025 the S&P 1500 appointed **168 new CEOs**, the most since 2010, and **84% of them had never been a CEO before**. Most boards are choosing a leader for a seat the candidate has never held, in a setting none of their predecessors faced. The résumé cannot show how that person will lead in this seat. Behavior can.

168
new CEOs in the S&P 1500 in 2025, the most since 2010

84%
of the 2025 class were first-time CEOs

48%
came through the COO or president role; 60% were promoted from inside

37%
of departing CEOs left within five years; the average tenure was 8.5 years

55
forced CEO departures in the Russell 3000 in 2025 (49 in 2024), about 1 in 7 successions

44%
of 2025 forced departures were for underperformance, the largest single reason

Sources: Spencer Stuart, *2025 S&P 1500 CEO Transitions* (Feb 2026); The Conference Board, ESGAUGE, Russell Reynolds Associates and Rutgers, *Forced CEO Departures* (Harvard Law School Forum on Corporate Governance, 19 Sep 2026). The forced-departure counts are described by their authors as conservative.

FIVE WAYS C-SUITE SUCCESSION IS DIFFERENT NOW

1. **Almost nobody has done the job before.**
Five of six new CEOs are first-timers. A track record in the last seat says little about behavior in this one. Boards need evidence of how a candidate actually achieves: which styles they use, under pressure, as others see it.

2. **It is a team move, not one hire.**
A CEO change now moves the seats around it. Home Depot named its CFO as CEO on 17 Nov and named a president/COO and a new CFO the same day (WRDW, 17 Nov 2026). Nvidia's CFO became interim CEO (WSJ, 13 Nov). JPMorgan named a new finance chief in the middle of its CEO contest (WSJ, 18 Nov).

3. **It happens more often, and more often by force.**
The 2025 S&P 1500 count was the highest since 2010. Forced departures in the Russell 3000 rose from 49 to 55. Activist pressure figured in 8 of 19 forced S&P 500 departures from 2024 to August 2026.

4. **It happens in public.**
After Nvidia's founder-CEO resigned, employees and investors circulated an open letter and a petition (106,000 names by 15 Nov), and the Treasury Secretary publicly urged an outside CEO, all while the board was still searching (WSJ, 16–17 Nov 2026).

5 **The seat itself has changed.**
Regulators, investors, employees, partners and governments push back at the same moment, often within hours. In 1996, CLI's founder named this the Connective Era: "Commands are out; negotiations are in" (Lipman-Blumen, *The Connective Edge*, p. 7).

BEYOND THE CEO: EVERY SEAT IN THE C-SUITE HAS MOVED

Seat	How the seat was run	What the seat is now	Achieving Styles™ it adds to the team
CEO	Set the strategy and gave the orders; the résumé was the proof.	Connects investors, regulators, employees, partners and the public, often in public view, with little time.	Range across all nine, especially the Instrumental set (Personal, Social, Entrusting).
CFO	Kept the score and the controls.	Allocates capital, speaks to markets, and is often the interim CEO or the successor (Nvidia, Home Depot, Nov 2026).	Social and Personal for markets; Entrusting for a finance bench.
COO / President	Ran the machine day to day.	The main proving ground: 48% of 2025's new S&P 1500 CEOs came through it.	Entrusting and Collaborative, tested before the top job.
CHRO	Administered personnel.	Owns talent, culture and the succession process itself, and reports to the board on the bench.	Vicarious and Contributory (develops others); Social.
CIO / CTO / AI	Ran IT as a cost center.	Sets the data and AI agenda that changes every other seat; new AI leadership roles are appearing.	Collaborative (works across every function); Entrusting.
Legal, Risk & Compliance	Kept the company out of trouble.	Guards conduct and reputation; since 2023 boards have removed CEOs over conduct breaches in energy, rail, food and defense.	Contributory and Vicarious, the checking styles, backed by real authority to stop (Entrusting from above).

HOW MANAGEMENT EVOLVED: THREE ERAS, THREE DIFFERENT SEATS

Era	What the setting looked like	What the seat asked of its leader
Physical Era	Forests, mountains and oceans formed barriers that both protected and obstructed a well-defined group.	Independence and strength: defend the group, break through the barrier.
Geopolitical Era	Borders and ideologies defined the differences between groups; alliances were led by their strongest member; change was slow.	Authority and competitive drive; followers were expected to be obedient and passive.
Connective Era	Boundaries are easily penetrated; interdependence and diversity pull in opposite directions; technology tightens the links every year.	A wider repertoire. Shorter time frames, few second chances, and constituents who demand new ethical standards.

Direct
Masters own tasks

Intrinsic – Excels
Competitive – Outperforms
Power – Takes Charge

Instrumental
Maximizes interactions

Personal – Persuades
Social – Networks
Entrusting – Empowers

Relational
Contributes to others' tasks

Collaborative – Joins Forces
Contributory – Helps
Vicarious – Mentors

Source: Lipman-Blumen, *The Connective Edge* (Jossey-Bass, 1996), pp. 3–9. The book calls the traditional foundations "authoritarian, competitive, and ruggedly individualistic" and names the instrumental (political) set the most important addition for the Connective Era, used ethically. **No individual style is better than any other**; the Connective Era rewards the broadest and most flexible repertoire.

SECTOR BY SECTOR: HOW THE SEAT WAS RUN, WHAT IS CHANGING, WHAT WORKS NOW

The 24 sectors of the Briefing Room. "What works now" is CLI's read of the styles each seat now needs more of, alongside a strong Direct set, and of the succession practice that fits the sector. Dated facts are as reported by the cited outlet and have not been independently verified. Not a rating of any company or person.

Sector	How the seat was run	What is changing	What works now
TRANSPORT & TRAVEL			
Airlines & Aviation	Regulated fares and routes until the 1978 Airline Deregulation Act; then decades of cost wars, bankruptcies and mergers led by cost-cutters and hard-line labor negotiators.	A few large carriers; unionized crews with real contract power; IT and weather meltdowns judged by customers on social media within the hour.	Choose from leaders who have run operations alongside the unions; test for labor consent, not only cost discipline. Let the board hear front-line leaders before the vote. Collaborative Entrusting
Logistics & Transportation	Operating chiefs; the precision-scheduled-railroading era rewarded efficiency command: fewer crews, longer trains, lower operating ratios.	Safety and conduct under public scrutiny (a 2023 derailment in East Palestine, Ohio; the same railroad fired its CEO for conduct in 2024); e-commerce volumes; crew and driver shortages.	Select for crew trust as well as the operating ratio. Put conduct vetting inside the process, not after it. Contributory Entrusting
Automotive	Engineers and finance leaders took turns; volume, cost, dealer networks and periodic union contracts.	Electric, software and self-driving cars beside the trucks that earn today's profit; Chinese competition; the 2023 UAW strike. GM's next CEO must bridge both worlds (WSJ, 19 Nov 2026).	Range between two ways of leading: run the profit engine and partner for the new business. Test partnering, not only cost command. Collaborative Social
TECHNOLOGY, MEDIA & TELECOM			
Technology	Founder-engineers and product visionaries; the founder was the strategy.	Platform scale, antitrust and AI rules, governments as customers and regulators, activist investors, the AI transition.	Plan the founder-to-successor handover years ahead and widen the bench. Adobe chose an insider in Sep 2026 after a search of about six months with internal and external candidates (Adobe; Constellation Research). Entrusting Social
Semiconductors & Electronics	Engineer-founders and process technologists; each new chip generation was the strategy.	Export controls, government subsidies (CHIPS Act, 2022) and AI demand make the seat geopolitical. Nvidia's founder-CEO resigned on 12 Nov with no named successor; the CFO is interim CEO and the board is searching (WSJ, 13 Nov 2026).	Name and develop successors while the founder is still there; build leaders who own whole businesses and relationships with governments. Social Entrusting Vicarious

Sector	How the seat was run	What is changing	What works now
Telecommunications	A regulated monopoly until the 1984 AT&T breakup; network engineers and regulatory lawyers ran the seat.	Connectivity is a commodity; costly fiber and 5G build-outs; cost cuts; a heavily unionized front line; partners that are also rivals.	Culture-led turnarounds outlast cost-only command. Test the ability to partner with rivals and to keep the front line engaged. Collaborative Contributory
Media & Entertainment	Moguls and studio heads; deal-making and creative judgment concentrated in one person.	Streaming economics, consolidation, the 2023 writers' and actors' strikes, AI and talent rights. A former CEO was recalled in 2022 after a handover failed (Disney).	Creative trust plus deal range; an overlap period with a fixed end date, so the successor is not undermined. Contributory Vicarious Personal
MONEY, PROPERTY & ADVICE			
Finance & Banking	Partnerships and relationship banking; then trading floors and deal-makers; after 2008, regulators and stress tests.	Fintech and AI, conduct and risk culture, capital rules. JPMorgan runs a years-long contest: two co-presidents named in June, a new finance chief this month (WSJ, 18 Nov 2026).	Long, visible contests with rotations through big roles, and a plan to keep the runners-up. Social Entrusting
Real Estate	Founders, families and deal-makers; relationships with lenders and tenants were the franchise.	Office demand reset since 2020, higher rates, capital partners who want transparency; many founder and family firms face their first handover.	Write the family/founder succession rules before they are needed; select for relationship capital. Social Collaborative
Professional Services	Partnerships that elect their leaders; the top rainmakers rose.	AI changes the pyramid of junior work; private capital enters the field; partners can stop a strategy (a Big Four split plan was dropped in 2023). Sullivan & Cromwell named its next co-chairs more than a year before a January 2028 handover (WSJ, 20 Nov 2026).	Leaders who hold partner consent; long, planned handovers with the successors named early. Collaborative Contributory
HEALTH			
Health Care	Physician-led and community hospitals; administrators managed beds and budgets.	Large systems, insurers and providers merging, clinician burnout and unionization, policy and cost pressure. Health care made up 35% of Russell 3000 forced CEO departures in 2026 to date (Conference Board et al.).	Paired clinical and administrative leadership; test how candidates handle physician and nurse voice. Contributory Vicarious
Pharma & Biotech	Scientists ran the labs; in the blockbuster era, commercial leaders took the seat.	Patent cliffs, U.S. drug-price negotiation (Inflation Reduction Act, 2022), AI in discovery, deal-driven pipelines.	Science-literate leaders who keep scientists, plus the reach to work with policymakers and partners. Vicarious Contributory Social
Medical Devices	Engineer-founders and surgeon relationships; growth by acquisition.	Integrating acquired teams, regulation, activist investors. Cooper Companies' CEO left "effective immediately" on 29 Oct 2026 after activist pressure; an independent director runs the company while a search firm looks (MedTech Dive).	Integrators who keep acquired talent; an interim design decided before it is needed. Collaborative Entrusting

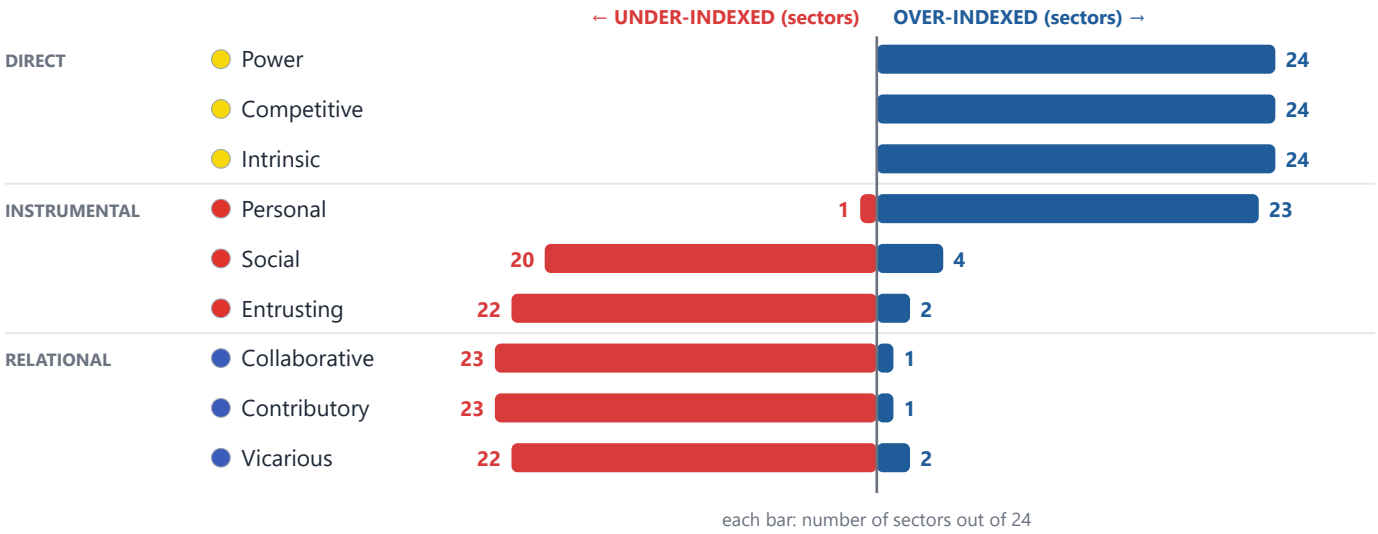
Sector	How the seat was run	What is changing	What works now
CONSUMER			
Consumer Discretionary	Brand founders and merchants; taste and instinct.	Digital and direct-to-consumer, social media, activist investors, front-line labor.	Culture carriers: test how candidates lead the front line, not only the P&L. Personal Contributory
Retail & Consumer	Merchant princes and store-expansion operators.	E-commerce, wages and unions, store labor shortages, theft. Home Depot named its CFO since 2019 (with the company since 2005) as CEO, and named a president/COO and a new CFO the same day (WRDW, 17 Nov 2026).	Promote from within as a C-suite package; associate-facing styles. Contributory Vicarious
Consumer Staples	Brand-management schools; long-tenured insiders rose through the ranks.	Activist investors, changing diets and private labels, slower growth; conduct enforced fast (Nestlé dismissed its CEO in 2025).	Make conduct and trust selection criteria; test insiders against an outside slate. Entrusting Vicarious
Restaurants & QSR	Franchise-system builders and operators; speed, unit growth, same-store sales.	Labor costs, union votes, digital ordering, value wars, franchisee relations.	Crew-developing styles and franchisee relationships; see candidates run stores, not only strategy. Contributory Vicarious Social
INDUSTRY & ENERGY			
Industrials	The conglomerate era: command operators, Six Sigma, portfolio management.	Breakups (GE into three companies, 2023–24), reshoring, automation, the energy transition, skilled-labor shortages.	Transformation leaders who hand real authority to business heads; announce succession early. Entrusting Collaborative
Defense & Aerospace	Engineering cultures; later, finance-led leadership (debated since the 1997 Boeing–McDonnell Douglas merger).	Safety and quality under regulators' eyes, government as the customer, supply-chain strain. L3Harris's board ousted its CEO over a conduct breach; the successor took over in August (WSJ, 17 Nov 2026).	Engineer trust plus reach into government; boards that hear engineers before the vote. Contributory Vicarious Social
Energy & Oil	Engineers and asset operators; safety, scale and command.	Strategy swings on the energy transition, investor pressure in both directions, conduct exits (BP's CEO resigned in 2023).	Leaders with operating and stakeholder records; governments and communities are part of the seat. Social Entrusting
Utilities	Regulated monopolies; engineers; slow, predictable change.	Power demand from data centers and AI, wildfire and storm liability, decarbonization, regulators and the public at once.	Regulator trust is the asset; long insider benches with outside checks. Social Entrusting
Materials & Chemicals	Plant engineers and cycle managers; cost and capacity.	Energy costs, decarbonization, trade and tariffs, safety, a shrinking skilled workforce.	Crew-trust styles; test candidates on safety leadership. Contributory Entrusting

Sector	How the seat was run	What is changing	What works now
PUBLIC & MISSION			
Higher Education	Scholar-presidents; shared governance with the faculty.	Politics, donors, federal funding and campus conflict; the 2023–24 wave of presidential resignations.	Governance by consent; search committees that include the constituencies the president must lead. Collaborative Contributory Personal
Government & Public Sector	Civil-service careers and appointed agency heads; contractors run like programs.	Political turnover, mission legitimacy, shortages of cleared talent, contractors at scale.	Mission service and agency networks; continuity plans that survive a change at the top. Contributory Social

THE PATTERN ACROSS ALL 24 SECTORS

Where the leaders who lost the seat leaned, and where they were thin

Number of the 24 Briefing Room sectors in which CLI's read of at-risk and ousted leaders over-indexed (right) or under-indexed (left) on each style.



Method: count of the style charts in the 24 "CEO Turnover" briefings of this Briefing Room (Issues 1–24). Those charts are CLI's interpretive reads of leaders' public words and actions, not measured inventory scores.

The pattern is the same in every sector. The seat was filled for **Direct** achievement: setting the standard, winning, taking charge. The leaders who lost it were thin in the styles that build trust and a bench: **Entrusting**, and the whole **Relational** set. That is not a case against the Direct styles; every one of these seats still needs them. It is a case against hiring for them alone. The seat now asks for range.

WHAT WORKS NOW: SEVEN PRACTICES

1. **Start years ahead and run it as a process, not an event.**
   Departing S&P 1500 CEOs averaged 8.5 years in the seat, and 37% left within five. The next search starts the day a CEO is appointed. JPMorgan shows the long form: candidates tested in big roles, in view of the board, over years. Sullivan & Cromwell named its successors more than a year ahead.

2. **Define the seat before meeting the candidates.**
Write down what this seat demands now (its constituents, its pressures, the styles it calls for), not what the last holder did well. CLI's ASSET-T measures the behaviors a role demands; the board agrees the profile before any name is discussed.

3. **Judge range, not the résumé.**
With five of six new CEOs being first-timers, the evidence has to be behavioral: how each candidate achieves, as they see it (ASI) and as others see it (ASI 360°), set against the seat (ASSET-P). Look hardest at the styles the seat needs that the last holder did not use.

4. **Build the bench through roles that test range.**
48% of new CEOs came through the COO or president seat. Use those roles, and rotations across businesses and functions, to see who can entrust, partner and develop others, not only who can run the machine.

5. **Choose the C-suite as a team.**
Fit the CEO and the CFO, COO, CHRO and technology leaders around them as one set of styles, so the team covers what one person cannot. A strong Direct CEO needs Relational and Instrumental strength beside them.

6. **Design the interim on purpose.**
This year's cases show at least four designs: the CFO (Nvidia), interim co-CEOs (lululemon), a board director (HP) and an independent director as executive chair (Cooper). Decide in advance whether the interim is a caretaker, a bridge or a candidate.

7. **Put a panel that achieves differently in charge of the choice, and keep measuring after the vote.**
"A checking function only works when its members achieve differently from those they check" (CLI, *Designing Against Groupthink*); that applies to the committee that chooses. After the hire, read the new leader's Say–Do gap in the first 100 days and track what the organization actually rewards (OASI) against what it says it wants (A-OASI).

The read

In every sector, the old seat was filled for command and won with the Direct styles. The new seat sits among investors, regulators, employees, partners and governments, all at once and often in public. A board that hires for the last era's seat will get an excellent leader for a seat that has moved. The question for the vote is not "who has done the most?" but "whose range fits what this seat now demands, and who on the team covers the gaps?"

In the Briefing Room: a short "Replacing the CEO" briefing for each of the 24 industries (connectiveleadership.com/briefing-room). **Coming in this series:** Brief 2, *The nine styles and the seat* · Brief 7, *Define the seat before you meet the candidates* · Brief 10, *Ten questions a board must answer before the vote*. CLI's Hiring & Role Fit (ASSET) and Board Directors dashboards build the seat's behavioral profile and set candidates against it. See connectiveleadership.com.

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Sources. Spencer Stuart, *2025 S&P 1500 CEO Transitions* (Feb 2026) · The Conference Board, ESGAUGE, Russell Reynolds Associates, Rutgers, *Forced CEO Departures*, Harvard Law School Forum on Corporate Governance, 19 Sep 2026 · Lipman-Blumen, J., *The Connective Edge*, Jossey-Bass, 1996, pp. 3–9 · Connective Leadership Institute, Connective Leadership™ / Achieving Styles™ model summary; *Designing Against Groupthink*; Briefing Room "CEO Turnover" briefings, Issues 1–24 · The Wall Street Journal: 13 Nov 2026 p. A1; 16 Nov p. A14; 17 Nov p. A9 and the L3Harris item; 18 Nov pp. B1, B3; 19 Nov

p. B2; 20 Nov (Sullivan & Cromwell); 5 Nov p. 24 (HP) · Adobe news release, 12 Mar 2026; Constellation Research, 3 Sep 2026 · MedTech Dive, 29 Oct 2026 · WRDW, 17 Nov 2026 · lululemon news release, 11 Dec 2025 · Historical events (1978 deregulation, 1984 AT&T breakup, 1997 Boeing–McDonnell Douglas merger, 2022 CHIPS Act and Inflation Reduction Act, 2023 strikes, GE separations, the conduct-related CEO exits named) are matters of public record. Illustrative; not a rating of any company or person. Press facts are as reported and have not been independently verified.

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