S&P 500 CEO Feeder Roles: Diversity and the Corporate Leadership Pipeline

Introduction

This report examines whether the demographic makeup of S&P 500 CEOs is better explained by a shortage of qualified diverse executives or by the way companies distribute senior executives across different types of leadership roles.

The dataset covers 500 S&P 500 companies. For this analysis, **non-white-male** refers to executives who are female and/or non-white. Senior leadership positions are separated into **feeder roles**, which generally involve direct responsibility for a business, operations, revenue, or profit-and-loss performance, and **staff roles**, which generally support the enterprise through functions such as human resources, legal, communications, and similar areas.

This distinction matters because not every C-suite position provides the same pathway to CEO. Independent research on the S&P 500 shows a similar functional divide: women and executives from historically underrepresented racial and ethnic groups hold 43% of major C-suite roles overall, but fewer than one-quarter of CEO and COO positions, compared with 78% of CHRO roles and 70% of chief communications roles. Spencer Stuart also finds that 76% of S&P 500 CEOs were promoted from within their companies, making the composition of the internal leadership pipeline especially important. (https://www.spencerstuart.com/research-and-insight/sp-500-c-suite-snapshot-2025-profiles-in-functional-leadership)

The results show a consistent pattern: diversity is substantially higher in senior staff positions than in the operating positions that most directly feed into the CEO role.

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1. Does CEO Representation Resemble Feeder Roles or Staff Roles?

Pipeline stage	Non-white-male share
Current CEOs	**22.4%**
Feeder roles	**25.3%**
Staff roles	**45.0%**

This is the clearest finding in the dataset.

Of the 500 CEOs, **112, or 22.4%, are non-white-male**, compared with 25.3% of executives in feeder roles and 45.0% of executives in staff roles.

CEO representation is therefore only **2.9 percentage points below feeder-role representation**, but **22.6 percentage points below staff-role representation**.

This pattern is also widespread rather than being caused by a small number of unusual companies. **358 of 500 companies, or 71.6%, have more non-white-male representation in staff positions than in feeder positions.** Median representation is 25.0% in feeder roles and 44.4% in staff roles, producing an average staff-to-feeder gap of 19.7 percentage points.

Interpretation

The result suggests that the main demographic drop occurs **before the final CEO selection**.

Diverse executives clearly exist at senior corporate levels: they make up nearly half of the staff-role leadership measured in this dataset. The larger difference is where these executives are positioned. They are substantially less represented in positions involving business ownership, operations, revenue, and P&L responsibility—the experiences boards commonly look for when choosing future CEOs.

Outside evidence supports this interpretation. Spencer Stuart similarly finds that diversity is much greater among HR, communications, marketing, and legal leaders than among CEOs and COOs in the S&P 500. (https://www.spencerstuart.com/research-and-insight/sp-500-c-suite-snapshot-2025-profiles-in-functional-leadership) Research by McKinsey has also described a long-running tendency for women to become increasingly concentrated in staff rather than line roles as their careers progress, even though line positions have a much higher likelihood of leading to the C-suite. (https://www.mckinsey.com/featured-insights/gender-equality/whats-stalling-progress-for-women-at-work)

This does not prove that companies intentionally steer diverse executives away from operating jobs. Personal career preferences, industry backgrounds, hiring pipelines, and other factors also matter. However, the consistency and size of the gap make it difficult to explain low CEO diversity simply by arguing that qualified diverse senior executives do not exist.

The data are more consistent with a **feeder-role bottleneck**: diverse talent reaches senior leadership but is less likely to occupy the particular positions from which CEOs are normally selected.

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2. Does Greater Feeder-Role Diversity Translate Into Greater CEO Diversity?

Non-white-male share of feeder roles	Companies	Non-white-male CEOs	CEO share
0%	171	32	**18.7%**
1–24%	65	15	**23.1%**
25–49%	156	34	**21.8%**
50%+	108	31	**28.7%**

Companies where at least half of feeder-role executives are non-white-male have a **28.7% non-white-male CEO rate**, compared with only **18.7%** among companies with zero non-white-male feeder-role representation.

That is a **10.0 percentage-point difference**.

Interpretation

This strengthens the pipeline explanation.

If diverse executives are not placed into the positions from which CEOs are normally selected, companies naturally have a smaller pool of diverse internal candidates when succession occurs. Conversely, companies with highly diverse feeder pipelines are substantially more likely to have a diverse CEO.

The relationship is not perfectly linear. The 25–49% group, for example, has a slightly lower diverse CEO rate than the 1–24% group. Therefore, the data should not be interpreted as showing that increasing feeder diversity automatically or immediately causes greater CEO diversity.

CEO turnover is infrequent, and today's feeder-role population may also be very different from the pipeline that existed when a current CEO was appointed. Founder-led firms and external CEO hires can further weaken the relationship.

Nevertheless, the difference between the two extremes—**18.7% versus 28.7%**—is meaningful. It suggests that what matters is not simply whether a company has a diverse executive team, but whether diverse executives are represented specifically in the company's CEO succession pipeline.

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3. Do Diverse CEOs Reach the Top With Weaker P&L Experience?

Founder/no-handover cases were excluded from this comparison, leaving 353 white-male and 101 non-white-male CEO successions.

Pre-CEO P&L responsibility	White-male CEOs	Non-white-male CEOs
Yes	**47.6%**	**51.5%**
Partial/shared	**41.6%**	**40.6%**
No/unclear	**10.8%**	**7.9%**

External-hire rates are also nearly identical:

- **White-male CEOs: 20.4%**
- **Non-white-male CEOs: 21.8%**

Interpretation

There is no evidence in this dataset that the diverse executives who reach the CEO position have weaker conventional operating experience.

In fact, **51.5% of non-white-male CEOs immediately came from jobs with clear P&L responsibility**, compared with 47.6% of white-male CEOs. Diverse CEOs are also slightly less likely to come from roles with no or unclear P&L responsibility.

The similar external-hire rates are important as well. Diverse CEOs are not primarily being brought in from outside as an alternative to the normal internal leadership pathway. Spencer Stuart's broader S&P 500 research shows that internal succession is the dominant route to CEO, with 76% of CEOs promoted internally. (https://www.spencerstuart.com/research-and-insight/sp-500-c-suite-snapshot-2025-profiles-in-functional-leadership)

This shifts the question away from whether diverse executives are qualified enough when boards make the final selection. Among people who actually became CEOs, their operating backgrounds are at least comparable.

Instead, the more important question is **who receives the opportunity to develop P&L credentials in the first place**.

There is an important limitation here. The analysis only observes executives who successfully became CEOs. It cannot see equally qualified diverse executives who remained in staff roles, left their companies, or were passed over. The finding therefore does not prove that CEO selection itself is completely equal; it shows that a lack of P&L experience among successful diverse candidates does not explain their lower overall representation.

4. Which Industries Have the Largest Staff-to-Feeder Gaps?

Sector	Feeder	Staff	Gap	Non-white-male CEOs
Real Estate	12.8%	43.3%	**30.4 pp**	16.1%
Utilities	27.0%	50.6%	**23.7 pp**	25.8%
Health Care	25.7%	49.0%	**23.4 pp**	25.4%
Energy	12.8%	34.2%	**21.5 pp**	9.5%
Industrials	21.2%	42.1%	**20.9 pp**	25.9%
Consumer Staples	29.9%	50.3%	**20.3 pp**	8.8%
Consumer Discretionary	25.9%	44.1%	**18.2 pp**	19.1%
Materials	21.7%	38.6%	**16.8 pp**	26.9%
Financials	30.2%	46.4%	**16.2 pp**	13.2%
Information Technology	30.7%	46.7%	**16.1 pp**	40.5%
Communication Services	27.4%	39.1%	**11.7 pp**	10.0%

Perhaps the most striking result is that **all 11 sectors move in the same direction**. Every sector has greater non-white-male representation in staff positions than in feeder positions.

However, the size of the gap differs considerably, and the three largest—Real Estate, Utilities, and Health Care—illustrate different ways a feeder bottleneck can develop.

Real Estate: 30.4-Percentage-Point Gap

Real Estate has the largest staff-to-feeder gap in the dataset: **43.3% non-white-male representation in staff roles compared with only 12.8% in feeder roles**, a difference of **30.4 percentage points**.

The size of this gap is best understood as the result of several reinforcing mechanisms rather than a single hiring decision.

First, the industry's most important CEO-feeding positions are concentrated in areas such as **acquisitions, development, investment management, asset management, leasing,**

brokerage, and capital markets. These roles allow executives to build visible records of sourcing deals, allocating capital, managing portfolios, and generating investment returns. By contrast, functions such as HR, legal, communications, ESG, and administration can reach senior levels without providing the same record of direct revenue or investment responsibility. As a result, diversity can increase substantially within senior staff functions without producing an equivalent increase in the operating and investment positions from which CEOs are most often selected.

The underlying talent pool for these commercial roles also remains heavily male. Women represent only about **38% of the commercial real estate workforce**, and that figure has changed very little over roughly two decades. Women also remain severely underrepresented in senior leadership. Importantly, men and women report similar levels of C-suite ambition, which weakens the explanation that the leadership gap simply reflects lower interest among women. (CREW Network and MIT Center for Real Estate, 2025: https://crewnetwork.org/resources/gender-diversity-research/benchmark-studies/workplace-data-and-trends-in-commercial-real-estate-2025)

A second mechanism is **gendered occupational stereotyping**. Leadership research continues to find that people more readily associate leadership with stereotypically masculine qualities such as assertiveness, dominance, competitiveness, confidence, and decisiveness, while women are more strongly associated with communal traits such as empathy, cooperation, and interpersonal support. These stereotypes can affect judgments about who appears naturally suited to high-risk commercial, investment, and operating roles even when decision-makers do not consciously intend to discriminate. (https://pmc.ncbi.nlm.nih.gov/articles/PMC9912935/)

In Real Estate, this matters because feeder roles frequently involve negotiation, risk-taking, large capital decisions, aggressive business development, and responsibility for major transactions. If those activities are culturally associated with a stereotypically masculine model of leadership, men may be more readily perceived as future deal leaders or business heads, while women may be more readily viewed as strong candidates for people-oriented, advisory, legal, or support functions. Over many promotion cycles, small differences in who is considered a “natural fit” for each type of assignment can produce a very large difference in the demographics of the two pipelines.

A third mechanism is the industry's reliance on **informal sponsorship and relationship networks**. Commercial real estate is highly relationship-dependent: access to major clients, investors, lenders, investment committees, and deals often develops through repeated interactions with senior industry figures. CREW finds that women consistently identify access to senior mentors and sponsors as one of the most important factors in career advancement, while gender discrimination remains a major reported barrier. (CREW Network, 2025: https://crewnetwork.org/resources/news/2025/crew-network-benchmark-study-reveals-a-reduction-in-the-gender-pay-gap-and-rise-in-gender-discrimination-in-cre)

When senior dealmaking networks are already disproportionately male, sponsorship can become self-reinforcing. Executives tend to build trust with people with whom they have worked closely, and those relationships influence who receives the next major transaction, portfolio, or client assignment. The executive who receives the first important deal is then

better positioned to receive the second. Over time, unequal access to early opportunities can accumulate into large differences in operating credentials.

The compensation structure provides additional evidence that men and women remain differently positioned within the industry's revenue-producing work. CREW reports that the gender gap in base salary has narrowed to approximately **4%**, while the gap in commissions, bonuses, and profit-sharing remains around **35%**. These forms of variable compensation are particularly associated with transactions, investment results, and revenue generation. (CREW Network and MIT Center for Real Estate, 2025: https://crewnetwork.org/resources/gender-diversity-research/benchmark-studies/workplace-data-and-trends-in-commercial-real-estate-2025)

Finally, traditional caregiving expectations can interact with the industry's working model. CREW reports that **27% of women compared with 10% of men** say family status or caregiving has negatively affected their career or compensation. Commercial real estate feeder roles can require long hours, travel, site visits, client dinners, networking, relocation, and unpredictable transaction schedules. Because women continue to bear a greater share of family and caregiving responsibilities, these apparently neutral job demands can produce unequal access to the relationship-building and high-visibility assignments that lead to operating leadership. (CREW Network, 2025: https://crewnetwork.org/resources/news/2025/crew-network-benchmark-study-reveals-a-reduction-in-the-gender-pay-gap-and-rise-in-gender-discrimination-in-cre)

The unusually large Real Estate gap can therefore be understood as the cumulative result of **historically male commercial pipelines, stereotypes about who fits investment and dealmaking leadership, unequal access to sponsorship and networks, and caregiving constraints that disproportionately affect participation in the industry's most relationship-intensive roles**. Diversity can consequently rise much faster in corporate staff leadership than in the positions controlling transactions, capital, assets, and P&L responsibility.

Utilities: 23.7-Percentage-Point Gap

Utilities has **50.6% non-white-male representation in staff roles but only 27.0% in feeder roles**, producing a **23.7-percentage-point gap**.

Unlike Real Estate, much of the Utilities gap begins well before executives reach senior management. The sector's traditional CEO pipeline is heavily connected to **engineering, generation, transmission and distribution, construction, field operations, infrastructure management, safety, and large capital projects**. Future CEOs often accumulate decades of operational credibility through these technical functions before becoming business presidents or enterprise executives.

These fields have historically been heavily male. Women account for only around **one-fifth of the broader energy workforce**, and in many skilled technical occupations—including electricians, line workers, and related trades—their representation remains below 5%.

(International Energy Agency, *Energy and Gender*: https://www.iea.org/topics/energy-and-gender)

This produces an important **pipeline lag**. A utility can diversify its HR, legal, regulatory affairs, communications, sustainability, or government-relations leadership relatively quickly by hiring experienced professionals from broader external labor markets. It cannot instantly create a new population of executives with 20 or 25 years of experience managing power plants, transmission systems, field operations, or multibillion-dollar infrastructure projects.

Today's feeder-role demographics therefore reflect not only current corporate promotion practices, but also the demographic composition of technical and engineering cohorts that entered the industry decades earlier.

Societal stereotypes contribute to this upstream sorting. Engineering, skilled trades, heavy infrastructure, mechanical work, and field operations have historically been treated as masculine occupations, while administrative, communication, and people-oriented functions have been more strongly associated with women. Research on occupational stereotypes shows that gendered beliefs about technical ability, leadership, and appropriate careers can influence educational choices, hiring, self-selection, and promotion long before employees reach executive levels. (https://pmc.ncbi.nlm.nih.gov/articles/PMC9912935/)

This means that the feeder-role gap can emerge even without obvious discrimination at the point of CEO succession. If far fewer women entered engineering and utility field operations 20 years ago, fewer women will today possess the specific operating history that boards traditionally treat as evidence of readiness to run an electric or gas utility.

The structure of the industry can further reinforce this effect. Utilities operate safety-critical infrastructure and make enormous long-term capital investments. Boards therefore place significant value on executives with demonstrated experience managing **reliability, engineering risk, construction, regulation, infrastructure, and large operating workforces**. Those requirements are reasonable from a business perspective, but when the occupations that provide those credentials have historically been male-dominated, the selection criteria can reproduce an earlier demographic imbalance.

At the same time, women and other diverse professionals can reach senior levels through legal, regulatory, sustainability, HR, communications, and customer-facing functions. These roles are important, but they do not always provide responsibility for the physical operating system or full P&L of a regulated utility.

The result is effectively **two senior-leadership pipelines operating inside the same company**:

- a relatively diverse professional and staff pipeline; and
- a less diverse technical and operational pipeline that carries more traditional CEO credentials.

The Utilities gap is therefore likely to remain large today partly because **current executive outcomes are the delayed product of decades of gendered educational and**

occupational sorting. Even rapid improvements in current recruiting would take years to fully change the demographics of senior executives with extensive operating experience.

Health Care: 23.4-Percentage-Point Gap

Health Care has **49.0% non-white-male representation in staff roles compared with 25.7% in feeder roles**, a **23.4-percentage-point difference**.

Health Care is especially revealing because the gap cannot be explained by an absence of diverse talent. Women make up approximately **three-quarters of entry-level employees** in surveyed health-care organizations, yet their representation declines substantially as careers progress toward the highest levels of leadership. (McKinsey, 2025: https://www.mckinsey.com/industries/healthcare/our-insights/a-five-year-review-of-womens-representation-in-healthcare)

The central mechanism is **occupational segregation within the industry itself**.

Health Care has historically divided work along gendered lines. Women became heavily concentrated in nursing, caregiving, patient services, HR, and other people-oriented professions, while men were more strongly represented in areas carrying financial, technical, physician, and enterprise operating authority. These historical patterns continue to influence today's leadership pipelines.

BCG finds that women have reached or exceeded parity in senior health-care functions such as **human resources, nursing, and marketing and communications**, while remaining underrepresented in **operations, finance, strategy, risk, IT, and medical leadership**. Women can therefore constitute a large share of senior leadership overall without constituting an equally large share of the positions boards most commonly treat as CEO preparation. (BCG, 2025: https://www.bcg.com/publications/2025/elevating-women-in-health-care)

This is closely connected to long-standing stereotypes about gender and work. Women have historically been associated with **caregiving, empathy, interpersonal support, and nursing**, while leadership stereotypes have placed greater emphasis on stereotypically masculine characteristics such as authority, assertiveness, decisiveness, and control. (https://pmc.ncbi.nlm.nih.gov/articles/PMC9912935/)

These stereotypes can influence how organizations value different forms of leadership. A chief nursing officer may manage thousands of employees, control a major portion of hospital operations, and be essential to patient outcomes. However, a board may still regard a regional hospital president, insurance-market leader, pharmaceutical business head, or executive responsible for a full P&L as having more conventional CEO credentials.

The difference therefore concerns not simply **how senior an executive becomes**, but **what kind of authority that executive is given**.

McKinsey has identified this problem directly in Health Care. Its research found that women's representation in line roles declines sharply as seniority increases and that women can become concentrated in professional tracks that do not naturally transition into full business leadership. Because CEOs are more commonly selected from executives with line and P&L responsibility, this occupational sorting narrows the effective succession pool even in an industry with extremely high female representation overall. (McKinsey: https://www.mckinsey.com/industries/healthcare/our-insights/women-in-the-healthcare-industry)

The structure of nursing provides a clear example. Nursing is overwhelmingly female and offers substantial leadership responsibility, but its traditional advancement route often leads toward positions such as chief nursing officer rather than toward responsibility for an entire hospital, health system, insurance market, or business P&L. This can create a **career-track ceiling**: women can rise very high inside a function without entering the separate operating track from which CEOs are disproportionately selected.

Promotion dynamics compound the problem. McKinsey finds that women's representation falls at multiple levels of the Health Care pipeline rather than disappearing at a single promotion point. Small differences in promotion rates repeated across several career stages can produce large differences at the top. (McKinsey: https://www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/women-in-healthcare-moving-from-the-front-lines-to-the-top-rung)

Caregiving expectations can add another layer. Health-care leadership roles can involve long and unpredictable hours, relocation, clinical emergencies, and substantial operational responsibility. Women continue to perform a disproportionate share of caregiving outside work, which can affect willingness or ability to accept relocations, intensive operating assignments, or other career moves that build feeder-role credentials. This does not mean women lack ambition; rather, the structure of the career path can impose different costs on employees depending on their responsibilities outside work. (McKinsey, 2025: https://www.mckinsey.com/industries/healthcare/our-insights/a-five-year-review-of-womens-representation-in-healthcare)

The gap can be even larger for women of color. McKinsey has documented particularly steep declines in their representation between entry-level employment and senior health-care leadership, indicating that gender and racial barriers can compound rather than operate independently. (McKinsey: https://www.mckinsey.com/industries/healthcare/our-insights/women-in-healthcare-and-life-sciences-the-ongoing-stress-of-covid-19)

Health Care's large staff-to-feeder gap can therefore be explained by a paradox: **the industry is highly diverse overall precisely because many women entered professions historically categorized as caregiving and support work, while the smaller set of roles associated with enterprise financial and operating control remained less diverse**.

This explains how Health Care can simultaneously have extremely high representation of women and diverse talent throughout the workforce while still producing a much narrower pipeline into CEO-feeding positions.

Other notable sectors

Consumer Staples is another important outlier. Staff roles are already 50.3% non-white-male, while feeder positions fall to 29.9% and CEOs to only **8.8%**. This suggests a particularly large disconnect between visible executive diversity and representation at the very top.

Energy shows a somewhat different problem. Both staff diversity (34.2%) and feeder diversity (12.8%) are relatively low, suggesting that its CEO disparity may reflect both a broader industry talent-pipeline issue and additional concentration in feeder roles.

At the other extreme, **Information Technology** provides an important counterexample. Despite having a 16.1-point staff-to-feeder gap, **40.5% of current technology CEOs are non-white-male**, the highest rate of any sector in the dataset. This shows that a feeder-role gap does not produce identical CEO outcomes everywhere and suggests that industry-specific pathways—such as technical leadership, global talent pipelines, or founder routes—may provide alternative paths to CEO.

Overall Conclusion

Across the four visualizations, the same basic story emerges.

The central pattern is:

45.0% staff roles → 25.3% feeder roles → 22.4% CEOs

The largest demographic decline happens **before executives reach the final CEO selection**, between senior staff positions and the operating roles that traditionally feed into CEO succession.

This matters because it changes how the lack of CEO diversity should be interpreted. The evidence does not strongly support the idea that there simply are not enough qualified diverse executives. Diverse executives already make up 45% of the senior staff population measured in the dataset, and the diverse executives who do become CEOs have P&L backgrounds at least as strong as those of white-male CEOs.

Instead, the results are more consistent with **unequal access to the types of positions that build CEO credentials**.

Companies with highly diverse feeder pipelines also have meaningfully higher rates of diverse CEOs, while the sector analysis shows that the exact mechanism varies by industry. Real Estate appears particularly divided between corporate leadership and transaction/investment authority; Utilities between professional staff and technical/operating leadership; and Health Care between its highly diverse clinical and functional workforce and the narrower group that controls enterprise P&Ls.

The dataset cannot establish that this sorting is deliberate, nor can it prove that increasing feeder-role diversity would automatically cause CEO diversity to rise. But the consistency of the pattern—staff roles are more diverse in **all 11 sectors and 71.6% of individual companies**—suggests that it is more than a handful of isolated appointment decisions.

The strongest conclusion is therefore:

> **Low CEO diversity appears to reflect not simply who enters senior corporate leadership, but who receives access to the operating, commercial, and P&L roles from which CEOs are most often selected.**

In other words, the key inequality is not only **who reaches the C-suite**, but **what kind of power and career opportunity they receive once they get there**.