

# The Art of Timing: Strategic Finance Hires for IPO Triumph

Insights on key finance executives  
for an IPO



# Strategic Finance Hires for IPO Triumph



## Methodology

Russell Reynolds Associates analyzed the experience, archetypes, and route to the top of key finance executives at the US companies with the largest IPOs in 2021.



## The Power of Timing

The US IPO market has experienced significant turbulence and uncertainty, with 2023 being the worst year for IPOs since the financial crisis. However, despite the challenges, there is a growing sense of optimism among bankers, who foresee a more favorable landscape with a soft opening in 2024 and a surge of IPO activity in 2025. Despite the ambiguity around timing, **organizations aiming to go public in the next few years have the certainty to make a critical decision: ensuring they have the right finance team.**

Selecting a skilled and knowledgeable finance team becomes paramount as companies strategize their IPO journey. To better understand the right timing, experience, and archetypes for these key finance hires, Russell Reynolds completed this analysis so organizations can have certainty in hiring the right finance team for IPO triumph.

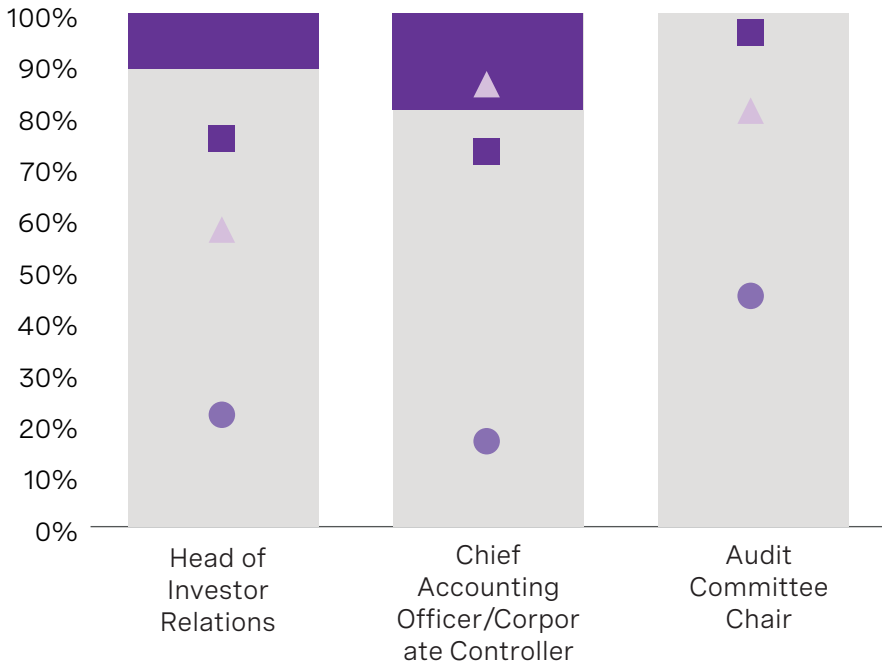


## Must-have Finance Talent for an IPO

Beyond a CFO for IPO, an accounting officer, an audit committee chair (ACC), and a head of investor relations have proven to be critical hires amongst the most successful IPO companies. Experience, archetypes, and timing of these hires vary depending on the organizational strategy, existing talent, and skills gaps.

# The majority of organizations hire externally for their IPO finance team

## Key Finance Role Placements, Experience and Appointment Timing



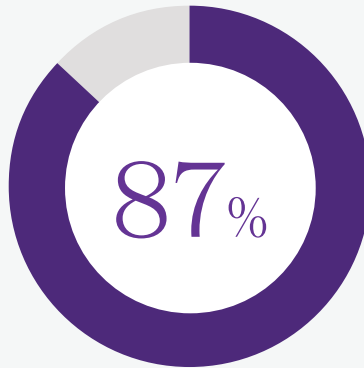
- Accounting Officers and Audit Committee Chairs (ACC) are must-have hires pre-IPO, while fewer opted to hire a head of IR before the IPO.
- The ACC remains in the role the longest post-IPO, often bringing IPO experience themselves.

Source: RRA Analysis of Key Finance Executives at the Largest IPOs in 2021, US, N= 101

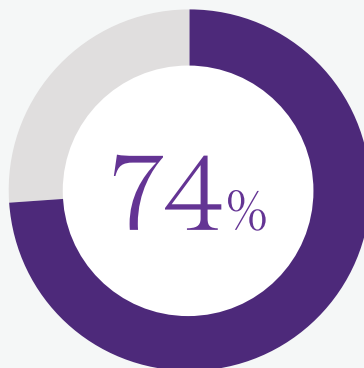
# While important to an IPO, heads of IR having IPO experience isn't essential to IPO success

87% of organizations hired a Head of IR before or shortly after IPO, mostly hiring externally.

## The majority of Heads of IR are hired externally

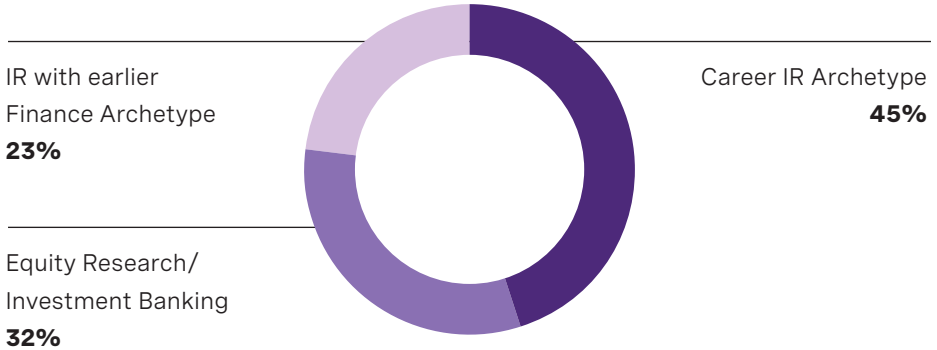


External appointments

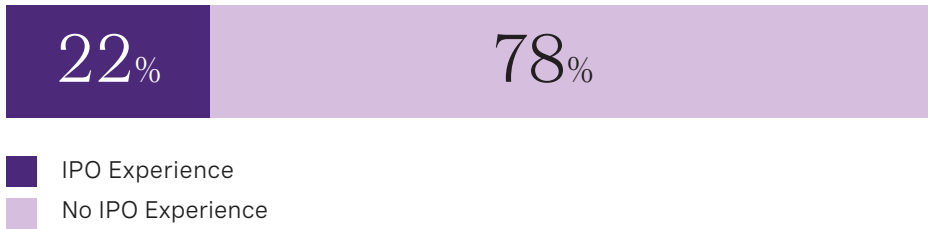


Still in role?

## Head of IR archetypes



### The majority of IR leaders are placed pre-IPO, and few bring IPO experience



59%

appointed their Head of IR before IPO

10 months

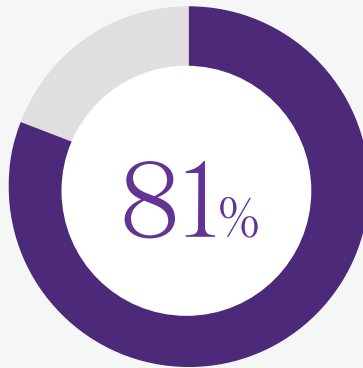
average tenure of appointed Heads of IR before IPO

Source: RRA Analysis of Key Finance Executives at the Largest IPOs in 2021, US, N= 101

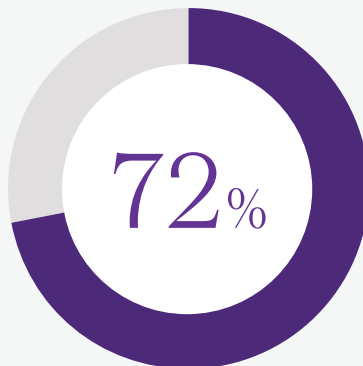
# Accounting officers are a key hire pre-IPO, on average appointed 2 years before IPO

98% of organizations have an accounting officer, and 84% had them in place before or shortly after the IPO.

The majority of accounting officers are hired externally

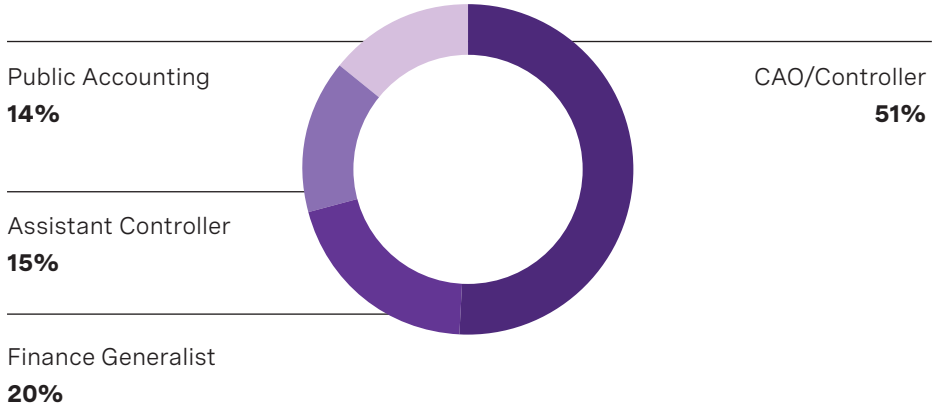


External appointments



Still in role?

## Accounting officer archetypes



### The majority of accounting officers are placed pre-IPO, and few bring IPO experience



- IPO Experience
- No IPO Experience

85%

appointed their accounting officer  
before IPO

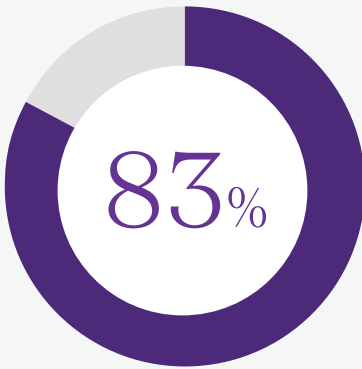
2  
years

average tenure of accounting  
officers appointed before IPO

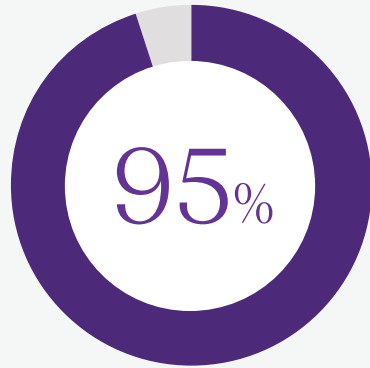
Source: RRA Analysis of Key Finance Executives at the Largest IPOs in 2021, US, N= 101

# Audit committee chairs are most likely to bring IPO experience, lending their expertise pre and post-IPO

The ACC stays in role longer than other IPO Finance team members



External appointments



Still in role?

# 1.7 years

average tenure of appointed  
ACC before IPO



### Almost half of IPO ACCs bring IPO experience



- IPO Experience
- No IPO Experience

Source: RRA Analysis of Key Finance Executives at the Largest IPOs in 2021, US, N= 101

Audit Committee Chairs often bring IPO experience to advise the finance team through the IPO and stay on after



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