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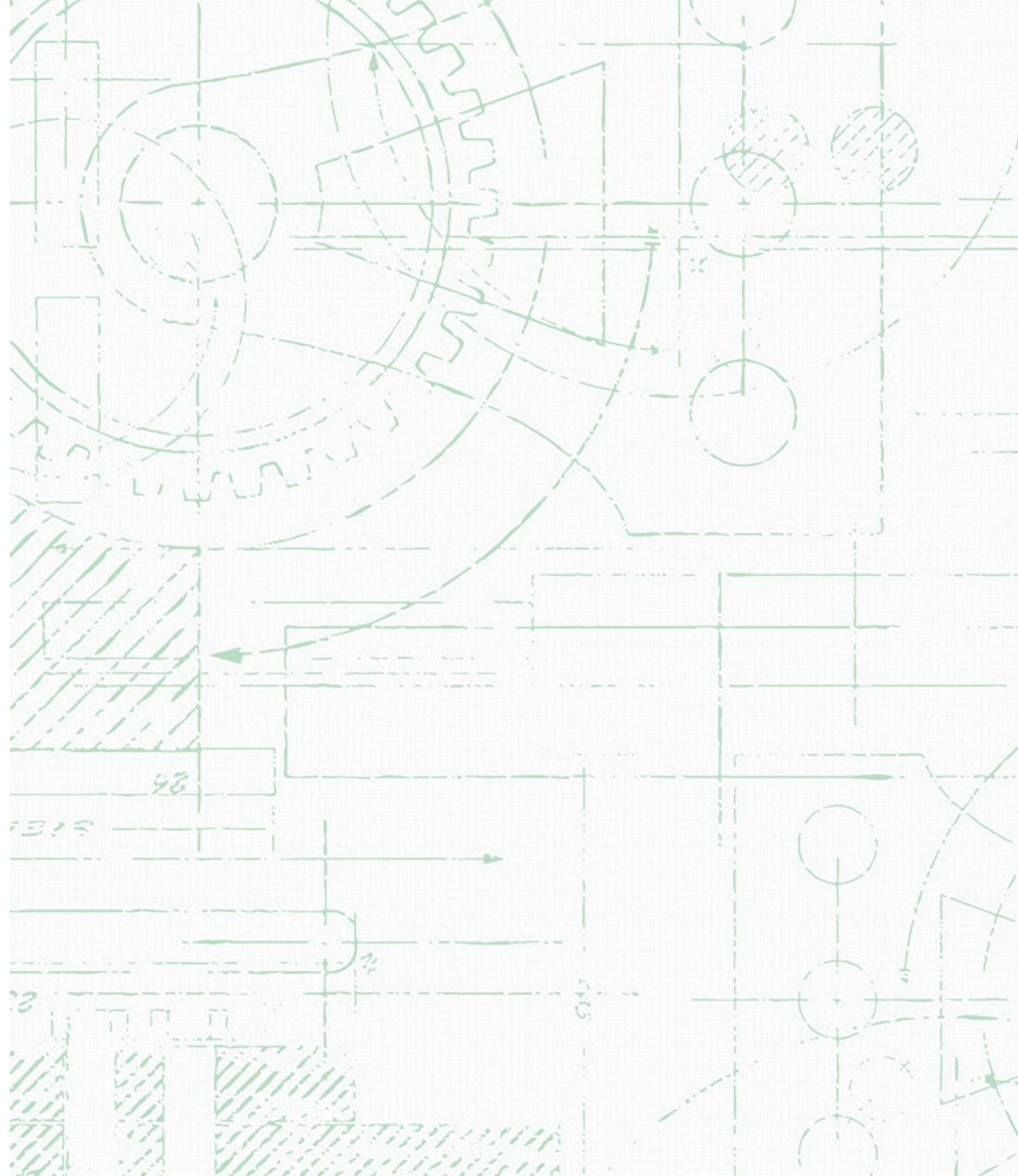
HR Leadership:
A Hiring Blueprint

HR leadership trends from company inception to IPO

September 2021

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Introduction

ICONIQ Growth Leadership Analytics

Executive hiring is the final frontier within the modern organization that is yet to benefit from the proliferation of data. Despite having data to guide nearly every other business decision – and despite the criticality of executive hiring decisions – CEOs and Founders have heretofore been forced to rely on anecdotal guidance.

ICONIQ Growth set out to change that.

Determined to help de-risk hiring decisions by empowering CEOs and Founders with data, we are studying every leadership hire between Founding and IPO at dozens of high-caliber SaaS companies. We segment each hiring decision by growth stage in order to deliver hyper-relevant insights.

The result is a series of **first-of-their-kind playbooks** that help guide decision-making across the entire private company lifecycle – whether you are making your first leadership hire or evaluating the skillsets needed to adeptly enter the public markets.

We hope this analysis, which examines **the backgrounds of HR/People executives at companies from Founding to IPO**, serves as a north star as you build and scale your leadership team.
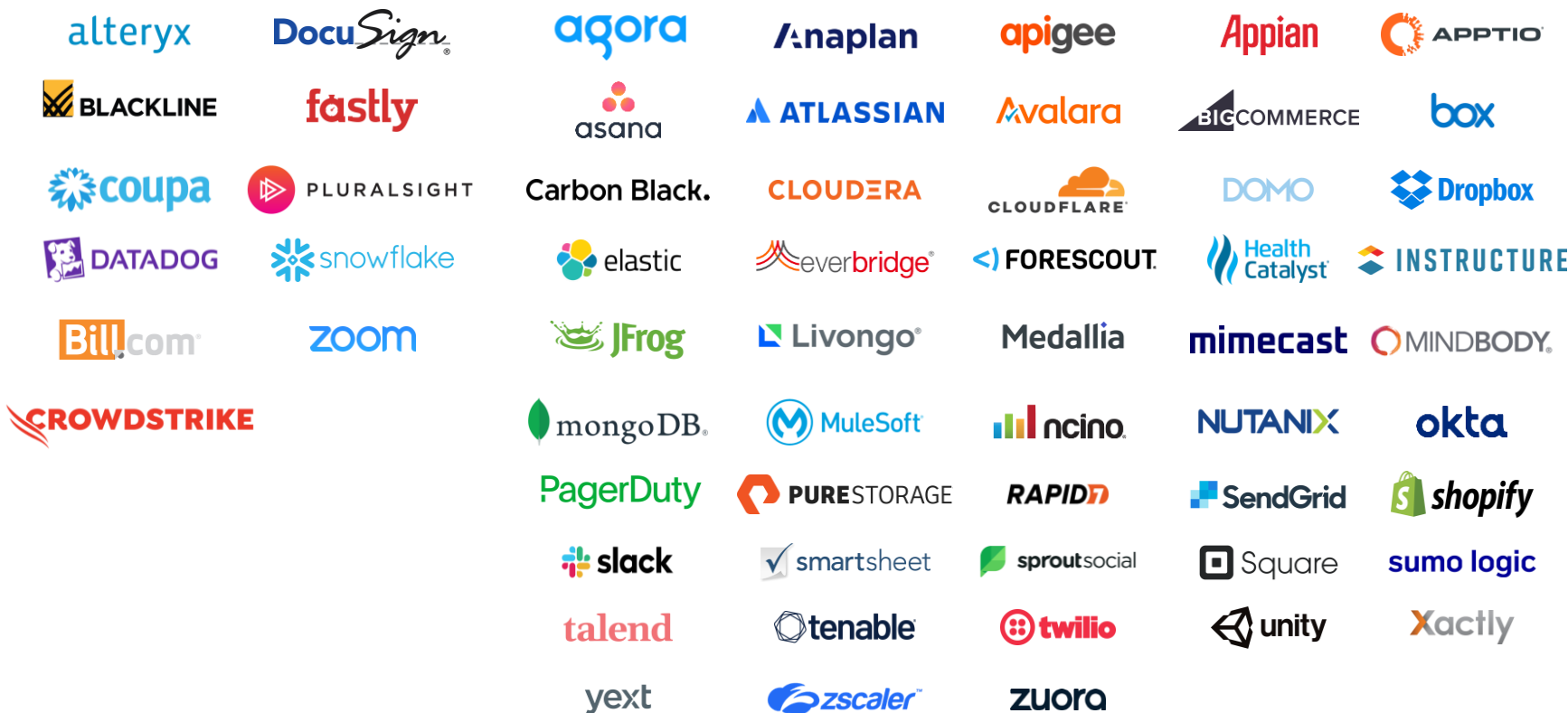
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The Dataset

We studied every Head of People hired at these 59 B2B SaaS companies from the day they were founded to the day they went public, capturing the entire private company lifecycle[1]:

ICONIQ Growth Portfolio Companies[2,3]

alteryx • DocuSign
BLACKLINE • fastly
coupa • PLURALSIGHT
DATADOG • snowflake
Bill.com • zoom
CROWDSTRIKE

Other Companies[3]

agora • Anaplan • apigee • Appian • APPTIO
asana • ATLASSIAN • Avalara • BIGCOMMERCE • box
Carbon Black. • CLOUDERA • CLOUDFLARE • DOMO • Dropbox
elastic • everbridge • FORESCOUT • Health Catalyst • INSTRUCTURE
JFrog • Livongo • Medallia • mimecast • MINDBODY
mongoDB • MuleSoft • ncino • NUTANIX • okta
PagerDuty • PURESTORAGE • RAPID7 • SendGrid • shopify
slack • smartsheet • sproutsocial • Square • sumo logic
talend • tenable • twilio • unity • Xactly
yext • zscaler • zuora

We defined "Head of People" as the senior-most executive responsible for the People/HR organization agnostic of title. This includes *CPO, CHRO, Head of People/HR, (E)(S)VP People/HR* and others, depending on organizational structure and titling conventions at each company.

Throughout this analysis, **we use "Head of People/HR" as a catchall term**.

When we refer to a company's first Head of HR, we are referring to the first dedicated (i.e., non-multifunctional role) HR leader (Director+ title), which may or may not be the same as the first HR. Heads of Recruiting are not discussed in this study; we are focused on core HR/People leadership roles.

In section IV of this analysis, **we also looked at the HR leaders at 2021 Cloud 100 companies** (p. 27) to help understand where the function is trending.

> *Company Inclusion Criteria:*
> - SaaS business model
> - Went public 2015-2020 via IPO or Direct Listing
> - Raised venture capital prior to going public
> - US-based (exception: Shopify)

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Executive Summary

1 HR Leadership Overview

- SaaS companies that went public between 2015-2020 hired on average two Heads of HR along their journeys to IPO.
- The first HR leader was hired after reaching ~220 employees on average, though this has dropped from 289 employees (2015 IPO cohort) to 119 employees (2020 IPO cohort). The Head of HR who leads the company through IPO is typically hired ~2.5 years in advance of this milestone. "Chief" titles are more common closer to IPO and are becoming more common recently: 60% of HR leaders at the time of IPO in 2019-2020 had a "Chief" title vs. 25% in 2015-2016.

2 HR Leadership Qualifications

- As they mature, companies are increasingly likely to hire a Head of HR with prior experience in this role, specifically at a public company. While only 27% of Heads of HR hired before ~$20M ARR had held this position previously, 72% hired after ~$100M had done so. Additionally, 72% of Heads of HR hired after reaching $100M had been a VP+ at a public company.
- Heads of HR typically step into this role with an average of 13-21 years of HR experience, depending on the scale of the company at time of hire. In addition, 77% of all HR leaders had previously spent 5+ years in an HR role at a single organization.

3 HR Backgrounds and Sub-Functional Experience

- Companies typically hire HR leaders with "horizontal" HR (HR generalist) experience. 85% of the leaders in our dataset held at least one horizontal HR role (e.g., HRBP, regional or business line HR leader, or simply HR generalist). 9% came from purely specialist backgrounds (e.g., recruiting), while 6% came from outside of HR.
- While a minority of leaders had purely specialist experience (e.g., recruiting), 35% had spent some time in recruiting, which is the most represented HR vertical, followed by Learning & Development (19% previously spent time here) and Human Capital Consulting (11%).

4 The Evolution of HR Leadership

- In addition to looking at HR leaders at SaaS companies that went public between 2015-2020, we also looked at HR leaders at 2021 Cloud 100 companies () to understand whether and how trends are changing.
- Cloud 100 leaders are less likely to come from purely "horizontal" HR backgrounds (41% vs. 51%), and more likely to have spent time in a different business function (31% vs. 18%), thus building a better understanding of their "customer."
- Additionally, we are beginning to see an uptick in prior analytical experience (e.g., People Analytics, strategy consulting) (24% vs. 7%) as well as a wider variety of backgrounds and paths into HR (including a variety of PhDs, JDs, and other non-obvious paths).
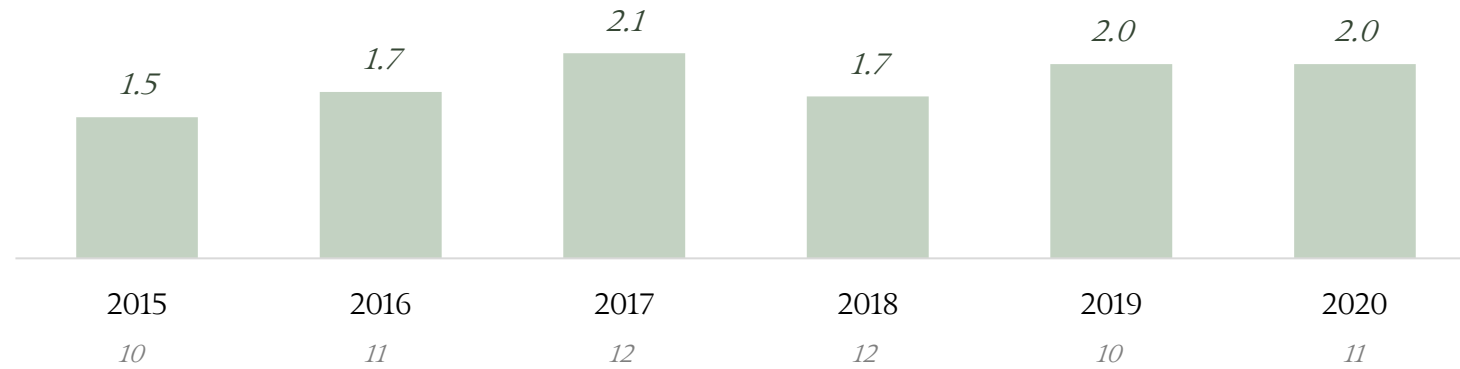
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HR Leadership Overview

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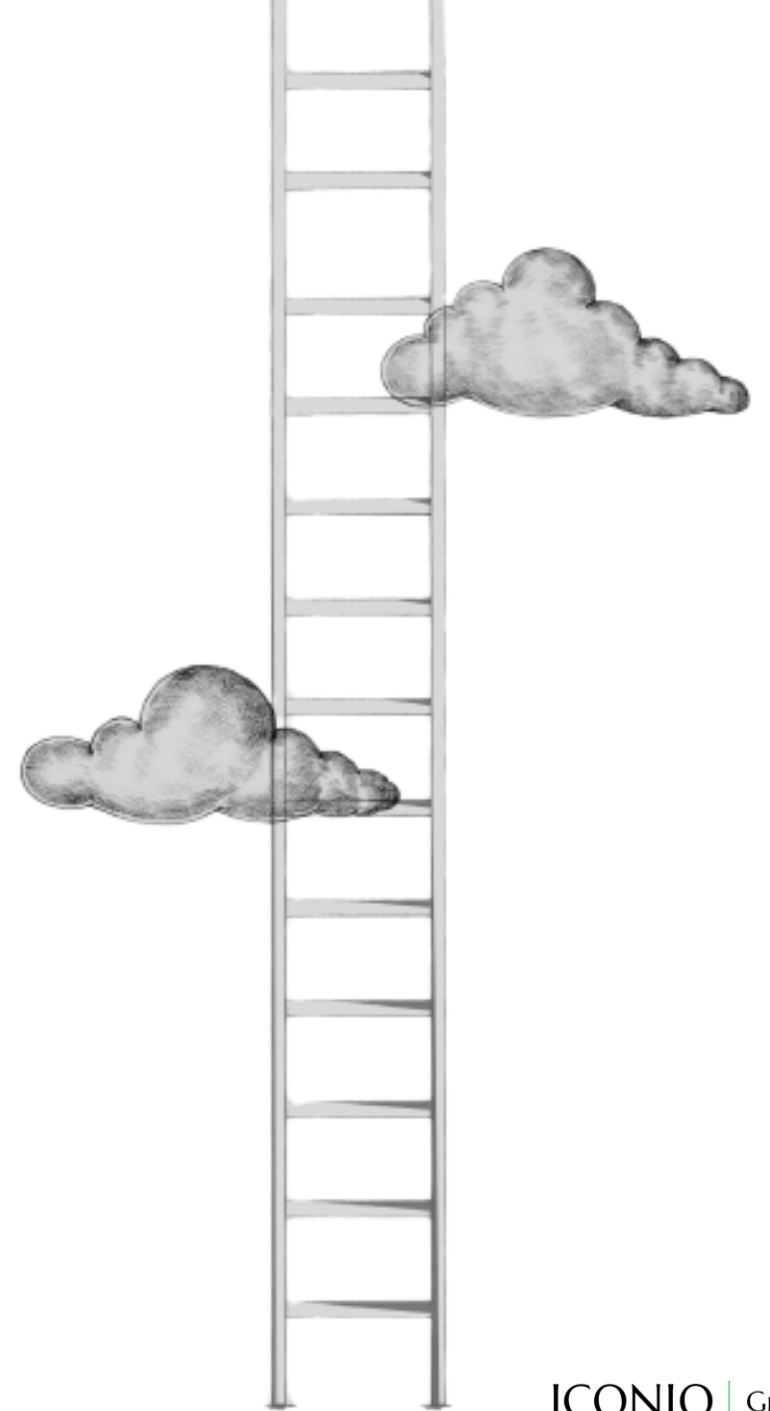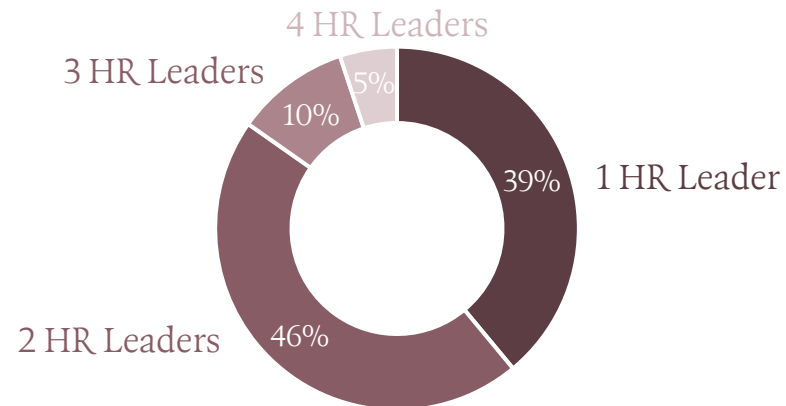
HR Leadership Overview: Number of Leaders

SaaS companies that went public between 2015-2020 hired on average 2 Heads of HR along their journeys to IPO.

Average number of HR leaders between company inception and IPO by cohort year

n = 59 companies

	2015	2016	2017	2018	2019	2020
Avg # of HR leaders	1.5	1.7	2.1	1.7	2.0	2.0
Average # of Years from Founding to IPO:	*10*	*11*	*12*	*12*	*10*	*11*

Number of HR Leaders Hired From Founding to IPO (% of Companies)

- 4 HR Leaders: 5%
- 3 HR Leaders: 10%
- 1 HR Leader: 39%
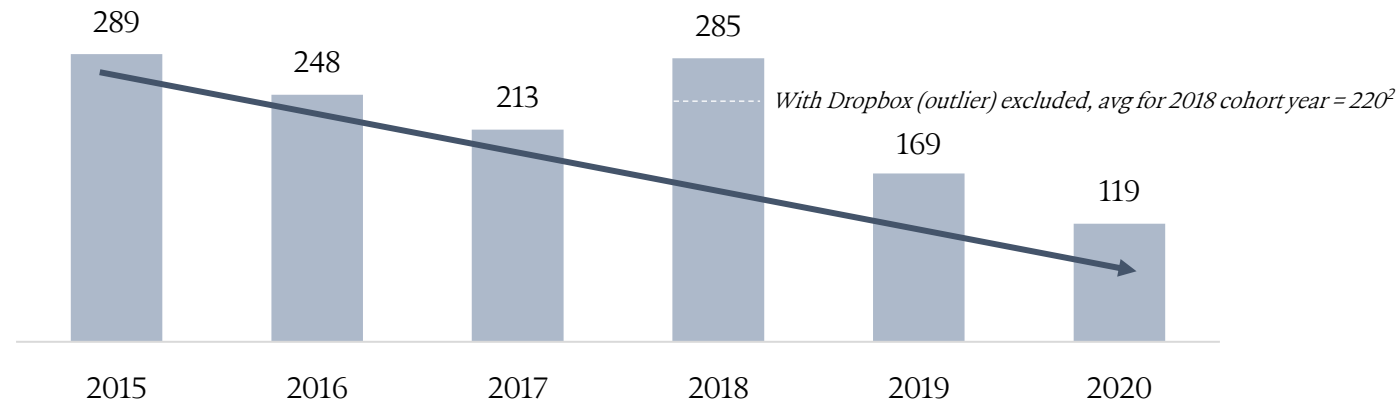- 2 HR Leaders: 46%

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HR Leadership Hiring Timing: First HR Leader, By Company Headcount

52% of companies hired their first HR leader when their headcount was between 100-300 employees. Companies are trending towards hiring their first Head of HR earlier.

Timing of first Head of HR hire, by Company Headcount
n = 56 companies[1]

14%	16%	27%	25%	18%
0-50	51-100	101-200	201-300	300+

Company Headcount

Average = 222
Median = 175
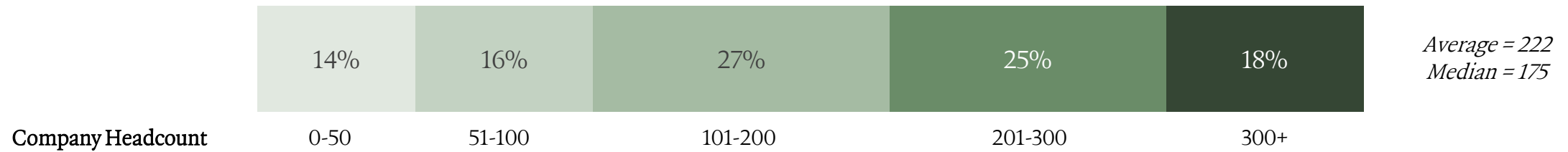
Average headcount at time of first Head of HR hire, by IPO cohort year
n = 56 companies[1]

289 — 2015
248 — 2016
213 — 2017
285 — 2018
169 — 2019
119 — 2020

With Dropbox (outlier) excluded, avg for 2018 cohort year = 220[2]

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HR Leadership Hiring Timing: First HR Leader, By Stage

47% of companies hired their first HR leader before reaching ~$20M ARR. Since 2017, the proportion of companies hiring their first Head of HR before reaching ~$20M ARR has increased from 22% to 75%.

Timing of first Head of HR hire, by Company Stage
n = 59 companies

47%	31%	14%	8%
Early Stage $0-$20M ARR	Early Growth Stage $20M-$50M ARR	Growth Stage $20M-$50M ARR	Late Growth Stage $100M+ ARR
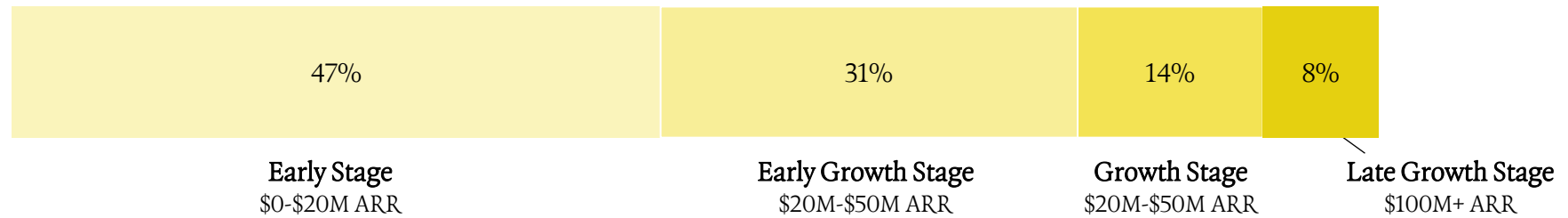
Company Stage at time of first Head of HR hire, by IPO cohort year
n = 59

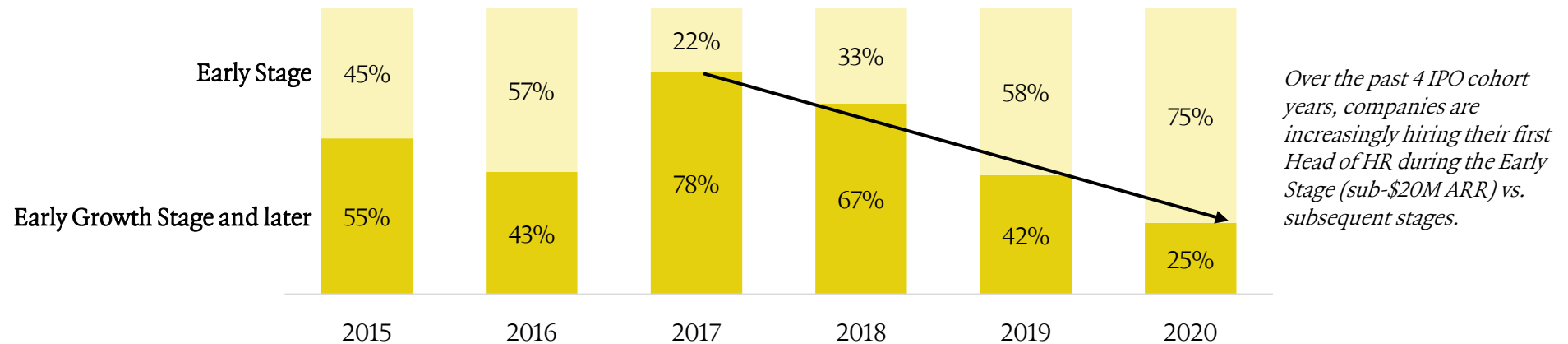|	2015	2016	2017	2018	2019	2020
Early Stage	45%	57%	22%	33%	58%	75%
Early Growth Stage and later	55%	43%	78%	67%	42%	25%

Over the past 4 IPO cohort years, companies are increasingly hiring their first Head of HR during the Early Stage (sub-$20M ARR) vs. subsequent stages.
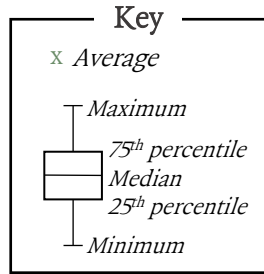
Note: this data refers to the first dedicated (i.e., non-split-role) HR leadership (Director+) hire, which is not necessarily the same as the first HR employee. Growth stages are estimations based on proxy metrics wherever ARR data unavailable.

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HR Leadership Hiring Timing: Leaders at IPO

Heads of HR who lead the company through IPO are hired, on average, 2.5 years in advance of this milestone, typically during the Growth or Late Growth stage.

When Heads of HR at IPO were Hired
n = 57 companies[1]
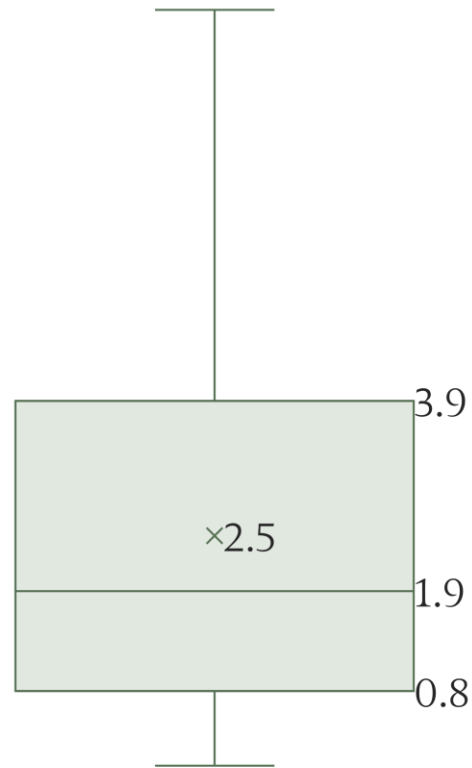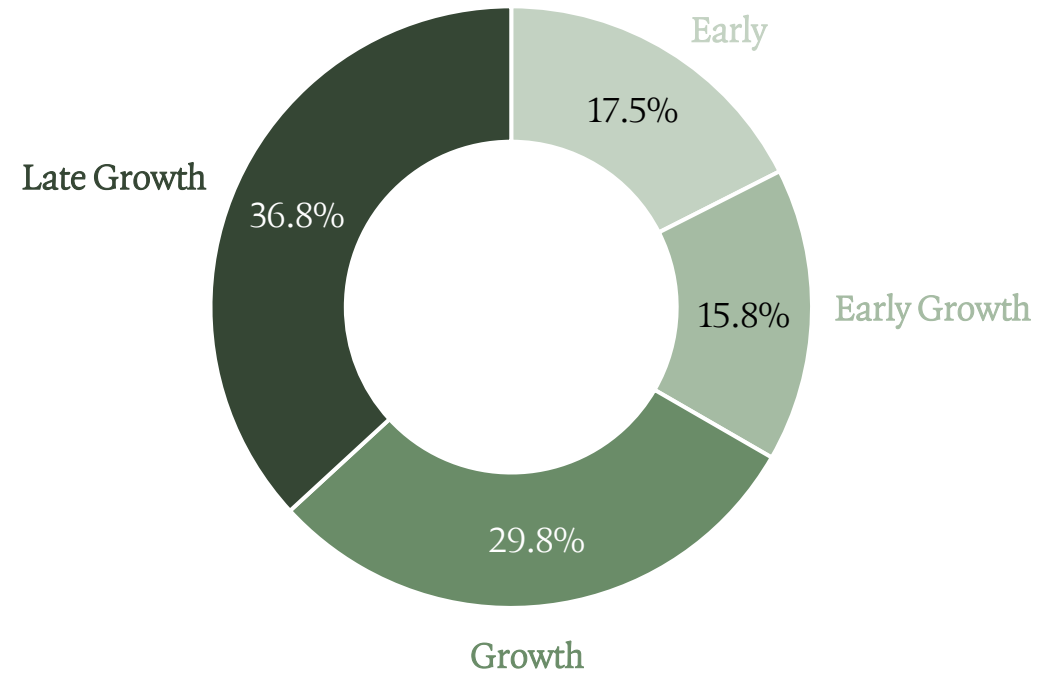
Key
- x *Average*
- *Maximum*
- *75th percentile*
- *Median*
- *25th percentile*
- *Minimum*

Time before IPO (Years)

3.9

×2.5

1.9

0.8

Stage of Hire

Early — 17.5%

Early Growth — 15.8%

Growth — 29.8%

Late Growth — 36.8%

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HR Leadership Overview: Internal vs. External Hires

84% of HR leaders at IPO were hired externally into the top HR job.

Key

External Hire
Promoted from within the HR function
Promoted from another function
Acquisition

Head of the HR function: internal vs. external hires, by company growth stage

n = 107

	External Hire			N-size
Early	94%		6%	31
Early Growth	79%	13%	8%	24
Growth	84%	4%	12%	25
Late Growth	78%	15%	7%	27
All CHROs at IPO	84%	11%	5%	57

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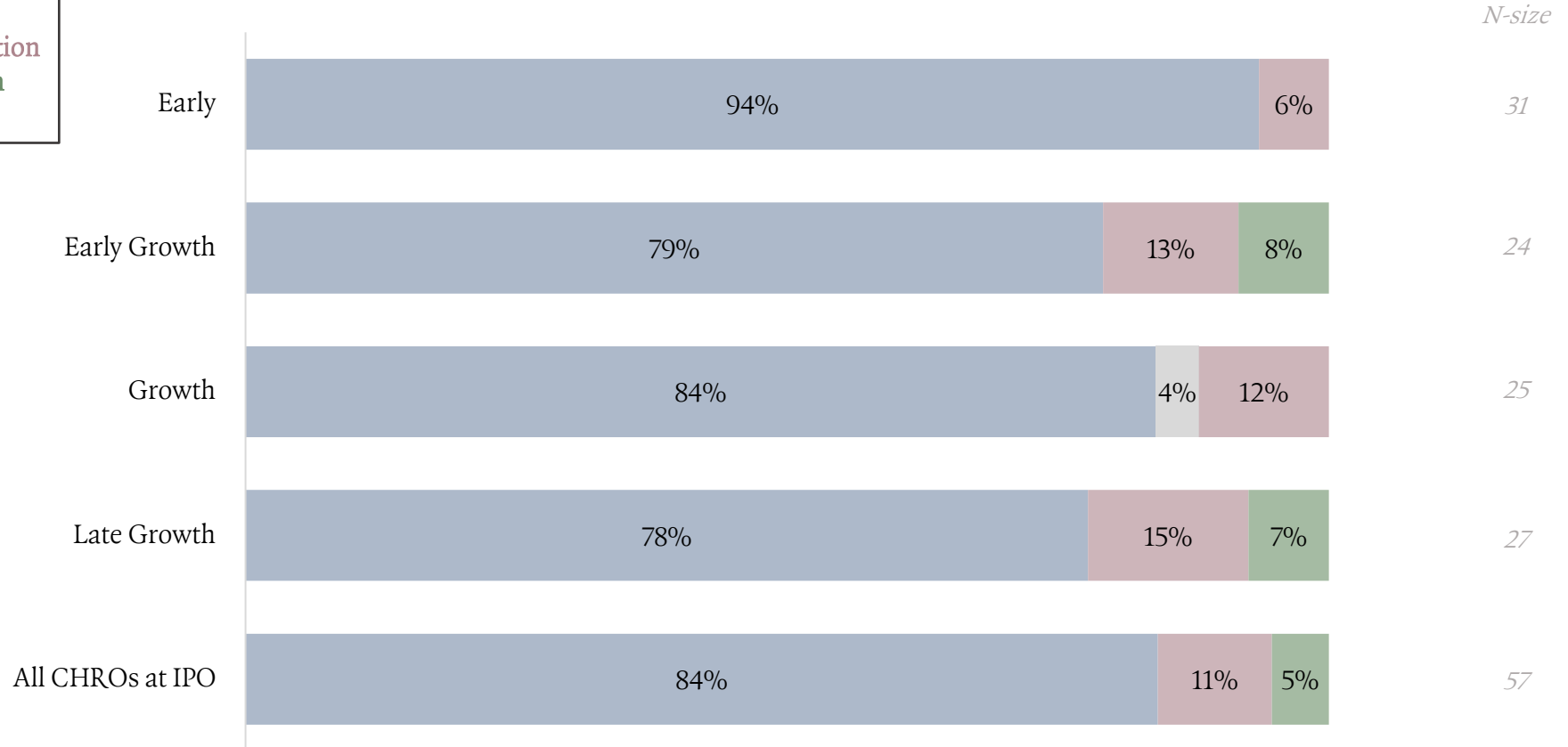
HR Leadership Overview: Titling – All Companies

The top HR leader's title is generally correlated with growth stage. C-level titles become more common closer to IPO.

Title of the top HR leadership role, by company growth stage[1]

	Early	Early Growth	Growth	Late Growth	All CHROs at IPO
CHRO / CPO	13%	13%	23%	40%	47%
EVP/SVP	10%	13%	17%	18%	23%
VP	43%	41%	39%	36%	26%
Sr. Director / Director	20%	22%	13%	—	—
Head of HR / People	13%	11%	7%	6%	4%
N-size	30	46	69	67	57

(Late Growth Sr. Director / Director not shown)

60% of HR leaders at IPO in 2019-2020 had a "Chief" title, vs. 25% in 2015-2016, suggesting rising perceived importance of this role.
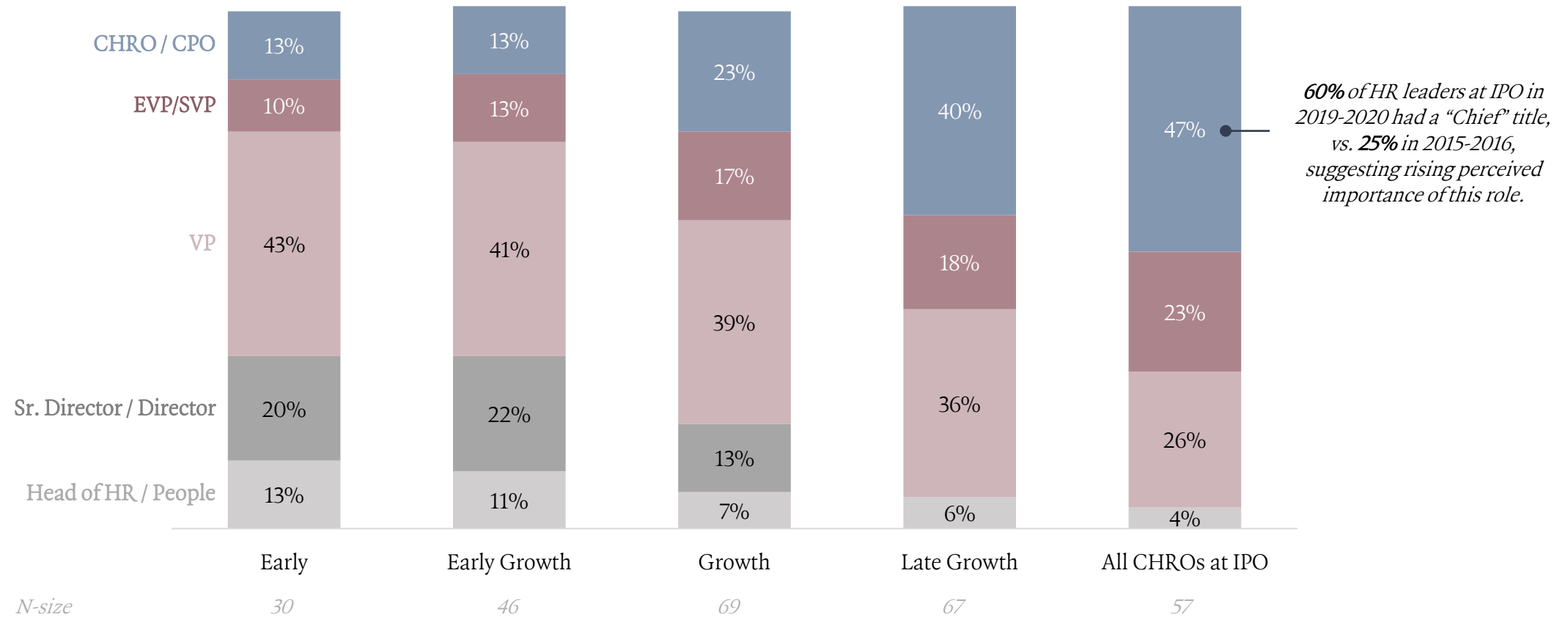
(1) If a company had multiple titles during one stage, either due to having 2+ leaders during that stage or promoting their leader to a new title, both titles were counted.

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HR Leadership Qualifications

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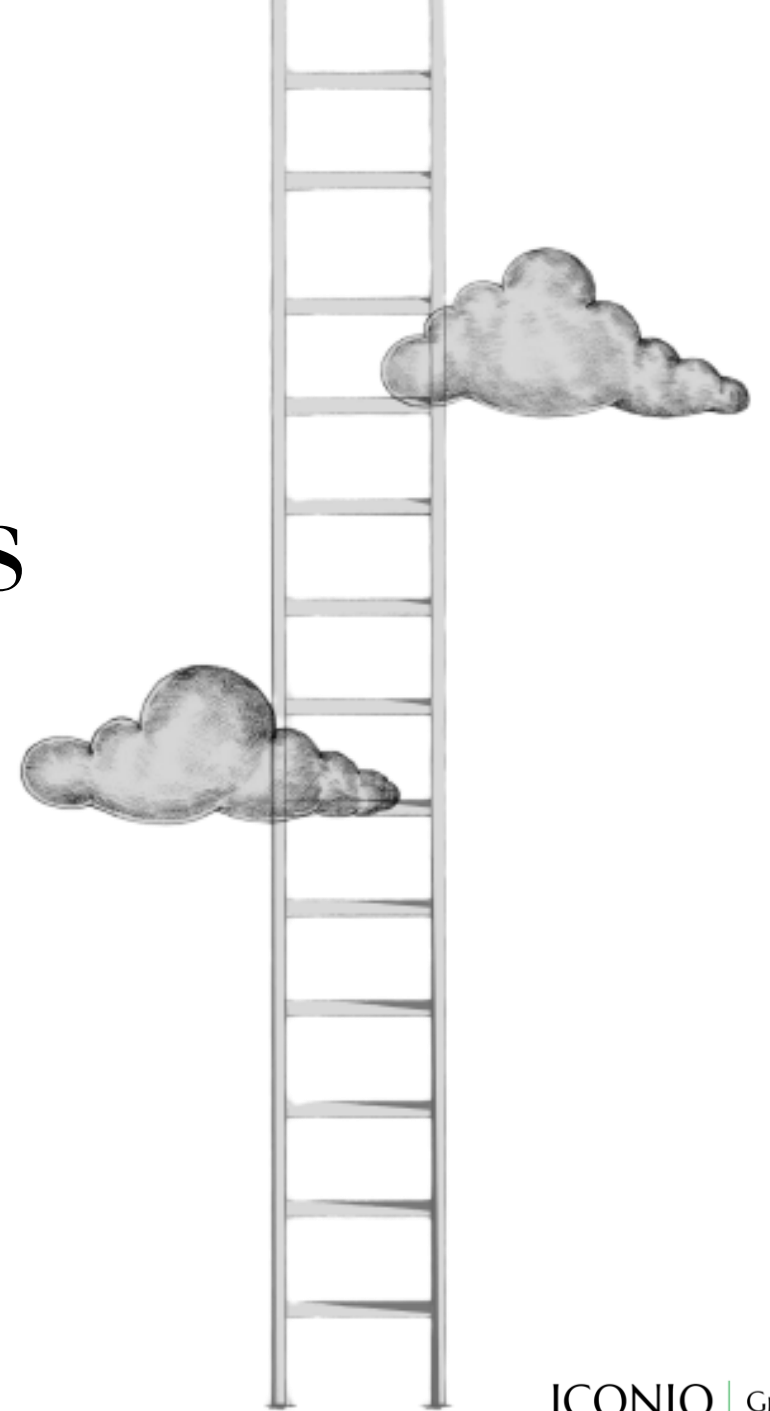
HR Leadership Qualifications: Prior Head of HR Experience by Stage
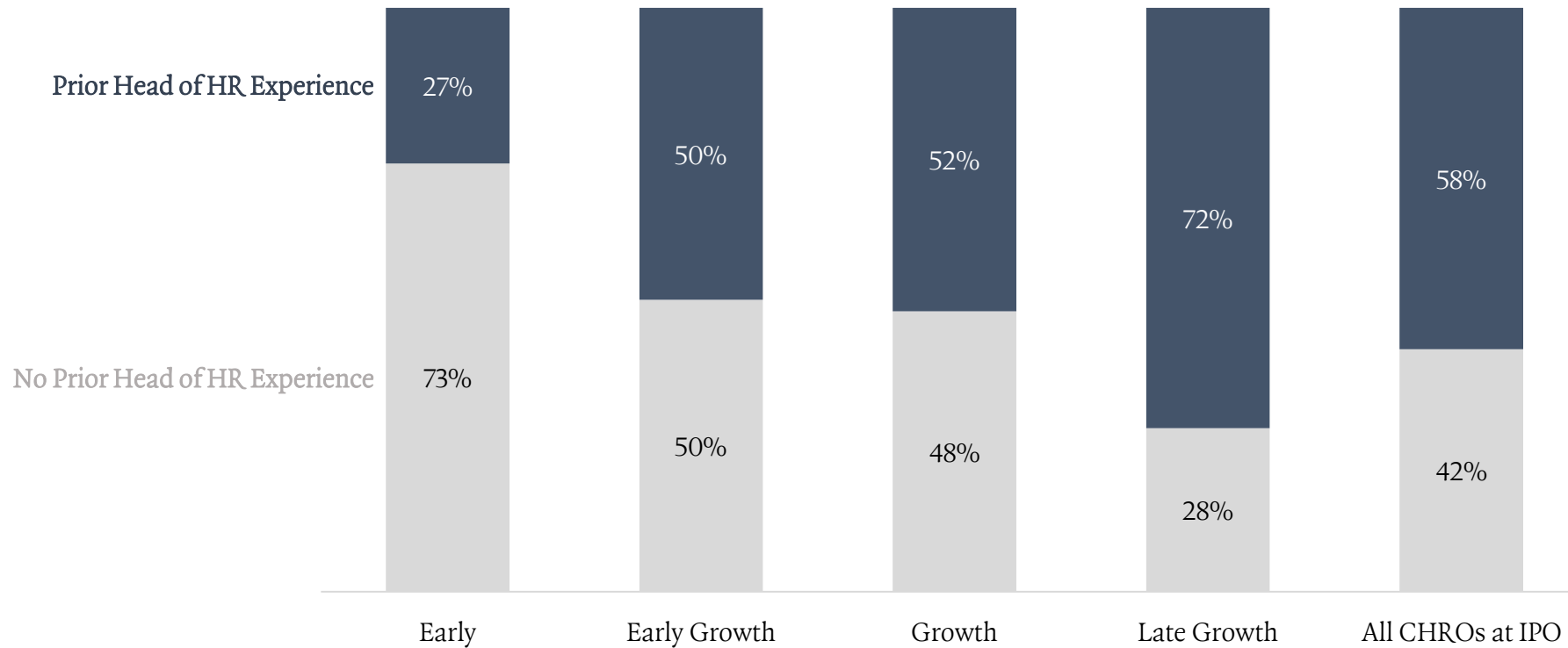
As they mature, companies increasingly hire Heads of HR who previously held a Head of HR role.

Proportion of Heads of HR with previous experience as a Head of HR

Early – Late Growth: n = 102[1] | At IPO: n = 53[1]

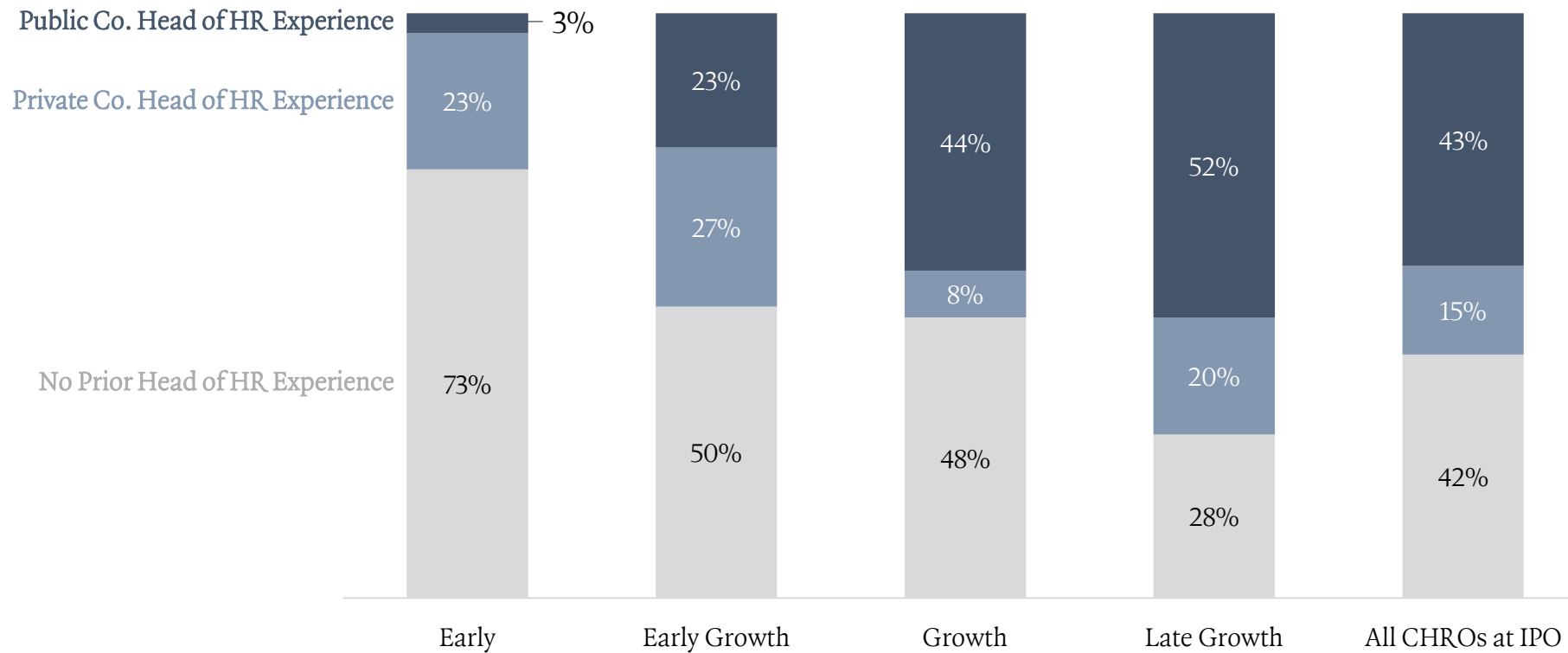|	Early	Early Growth	Growth	Late Growth	All CHROs at IPO
Prior Head of HR Experience	27%	50%	52%	72%	58%
No Prior Head of HR Experience	73%	50%	48%	28%	42%

(1) Excludes leaders hired internally from another business function

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HR Leadership Qualifications: Type of Prior Head of HR Experience by Stage

As they mature, companies increasingly hire Heads of HR who previously held a Head of HR role at a public company.

Types of companies at which Heads of HR previously held a Head of HR role

Early – Late Growth: n = 102[1] | At IPO: n = 53[1]

Public Co. Head of HR Experience — 3%

Private Co. Head of HR Experience — 23% (Early)

No Prior Head of HR Experience — 73% (Early)

Early:
- 3%
- 23%
- 73%

Early Growth:
- 23%
- 27%
- 50%

Growth:
- 44%
- 8%
- 48%

Late Growth:
- 52%
- 20%
- 28%

All CHROs at IPO:
- 43%
- 15%
- 42%

X-axis: Early | Early Growth | Growth | Late Growth | All CHROs at IPO

Deep dive on stage-specific insights on pages 34-37
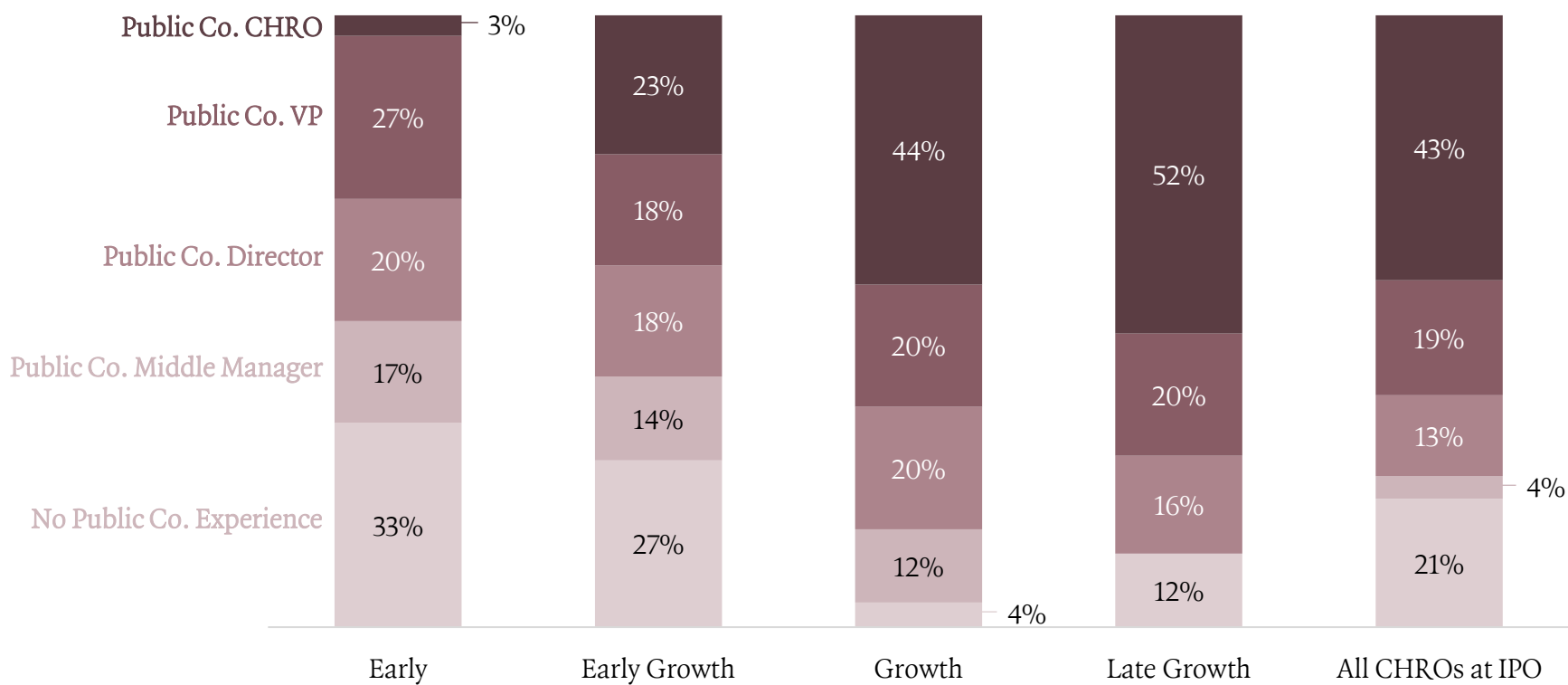
(1) Excludes leaders hired internally from another business function

HR Leadership Qualifications: Prior Public Company Experience

72% of HR leaders hired during the Late Growth stage had VP+ public company experience, compared with 30% of those hired during the Early Growth stage.

Leaders' prior public company HR experience by stage of hire (any of their prior roles)[1]

n = 102[2]

	Early	Early Growth	Growth	Late Growth	All CHROs at IPO
Public Co. CHRO	3%	23%	44%	52%	43%
Public Co. VP	27%	18%	20%	20%	19%
Public Co. Director	20%	18%	20%	16%	13%
Public Co. Middle Manager	17%	14%	12%	12%	4%
No Public Co. Experience	33%	27%	4%		21%

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HR Leadership Qualifications: Prior HR Experience

HR leaders hired during the Late Growth stage (~$100M+ ARR) typically have over two decades of HR experience.

Average years of prior HR experience, by stage[1]
n = 102

Key
- All leaders
- Leaders at IPO
- *Median*

| Stage	Median	All leaders	Leaders at IPO
Early	12.8	13.1	14.8
Early Growth	14.6	14.1	14.2
Growth	16.2	16.1	17.8
Late Growth	19.0	20.7	21.8
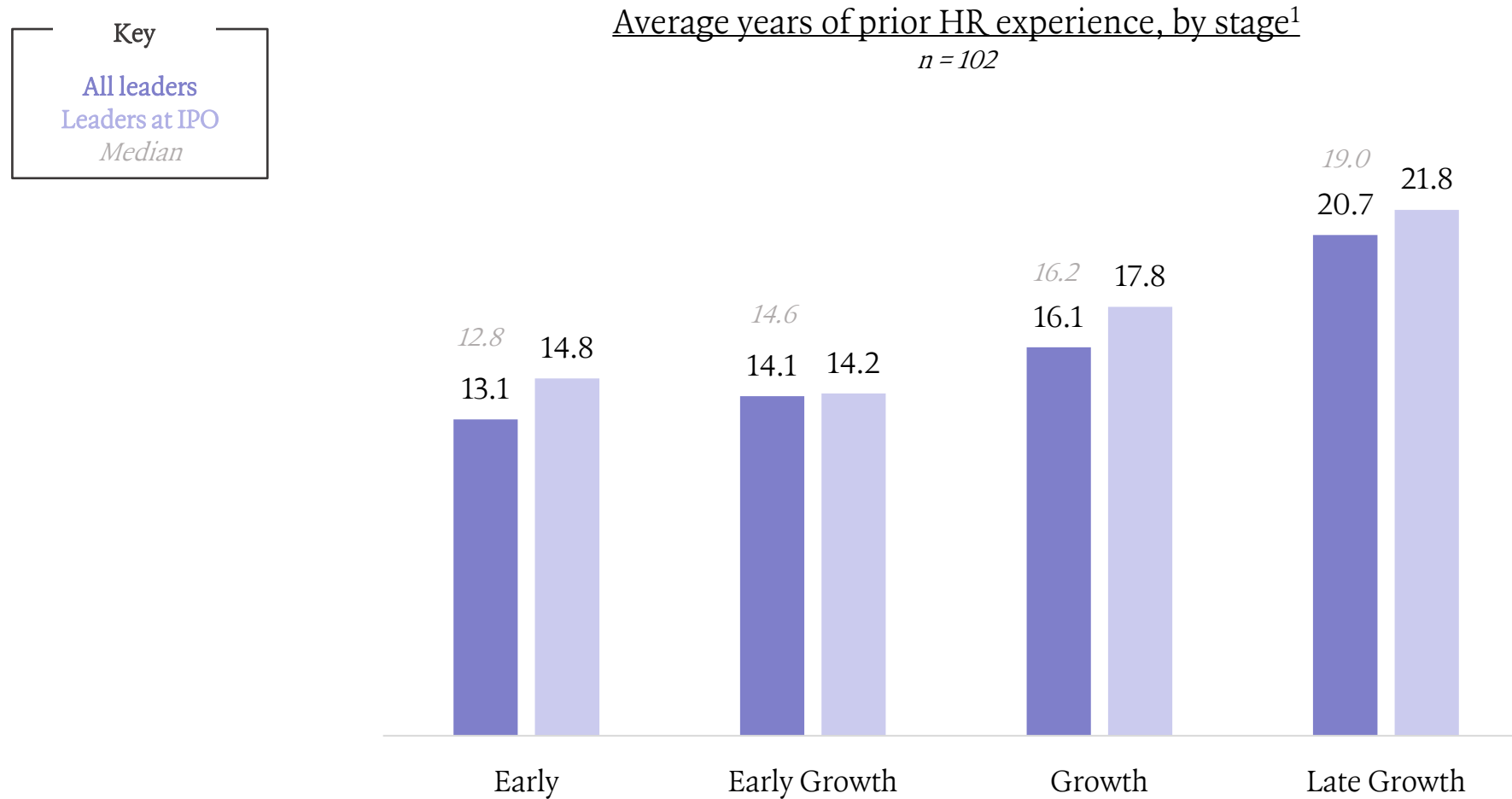
(1) "HR experience" includes recruiting and HR consulting roles. Data excludes anyone who was hired internally from a different function (e.g., Finance). For those promoted internally into the Head of HR role from within HR, their prior experience at the organization is included.

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HR Leadership Qualifications: Prior HR Experience at a Single Organization

77% of all HR leaders, and 83% of HR leaders at IPO, have spent at least five years at a single organization in an HR capacity[1].
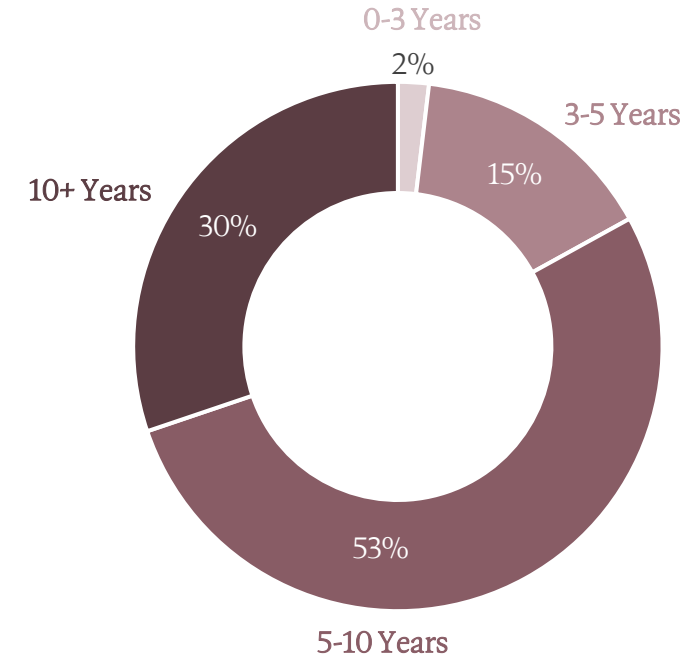
Longest tenure at a single organization: ALL HR Leaders
n = 102[2]

- 0-3 Years: 4%
- 3-5 Years: 19%
- 5-10 Years: 54%
- 10+Years: 24%
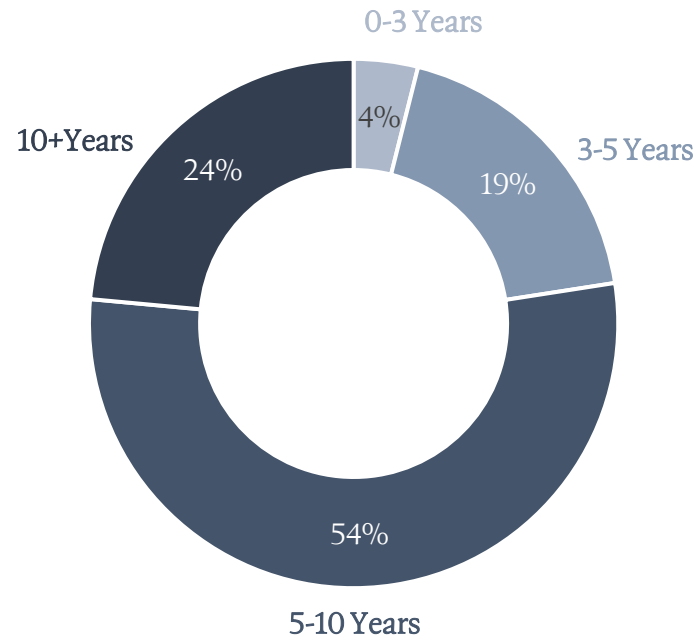
Longest tenure at a single organization: HR Leaders at IPO
n = 53[2]

- 0-3 Years: 2%
- 3-5 Years: 15%
- 5-10 Years: 53%
- 10+ Years: 30%

(1) *We believe this is a relevant qualification as it is a proxy for the scale that a leader has seen. While not all these organizations were hypergrowth companies, it is likely that these leaders saw – and shepherded – meaningful organizational change over a 5-10+ year period at a single company.*
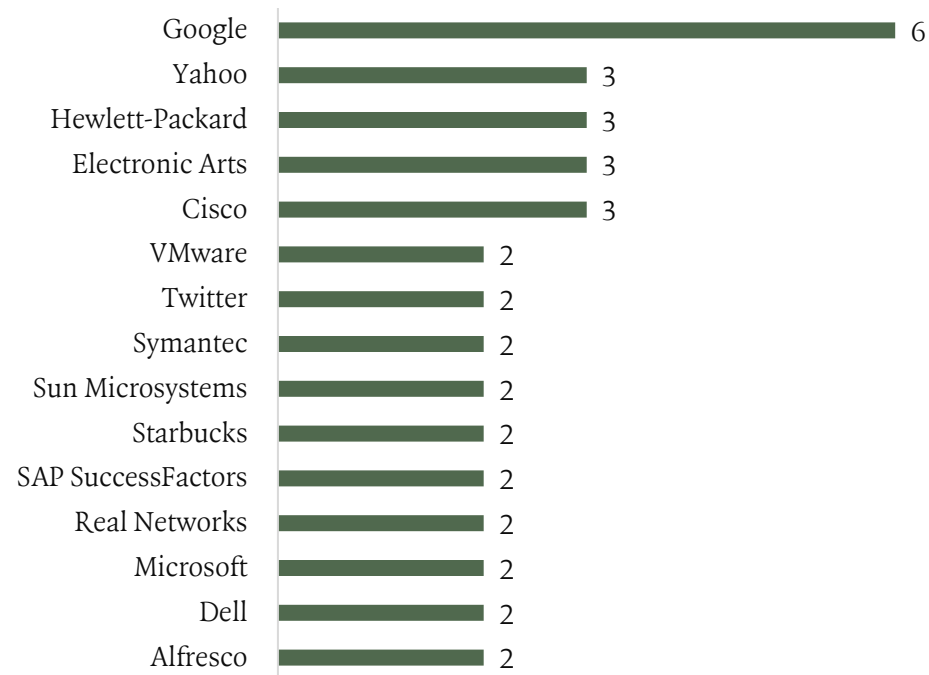
(2) *Excludes leaders hired internally from other functions.*

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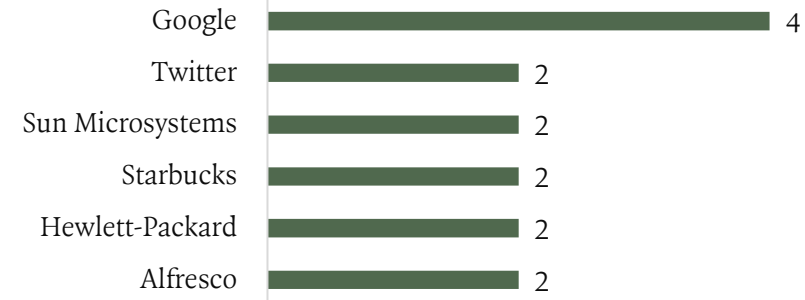# HR Leadership Qualifications: "Feeder Companies"

23% of HR leaders at IPO had recently spent time at one of six companies.

Most recent[1] employers of HR leaders
Graphs include companies with at least 2 alumni

Most recent employers of <u>ALL</u> HR leaders

Company	Count
Google	6
Yahoo	3
Hewlett-Packard	3
Electronic Arts	3
Cisco	3
VMware	2
Twitter	2
Symantec	2
Sun Microsystems	2
Starbucks	2
SAP SuccessFactors	2
Real Networks	2
Microsoft	2
Dell	2
Alfresco	2

Most recent employers of <u>HR leaders AT IPO</u>[2]

Company	Count
Google	4
Twitter	2
Sun Microsystems	2
Starbucks	2
Hewlett-Packard	2
Alfresco	2

*One individual represented here worked at two of these companies and is thus double-counted. The number of unique individuals is 13 (out of 57 total leaders at IPO) = **23% worked at this group of companies previously**.*

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(1) *Includes each leader's **two** most recent prior roles*
(2) *This represents a subset of the group depicted on left side*

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HR Backgrounds & Sub-Functional Experience

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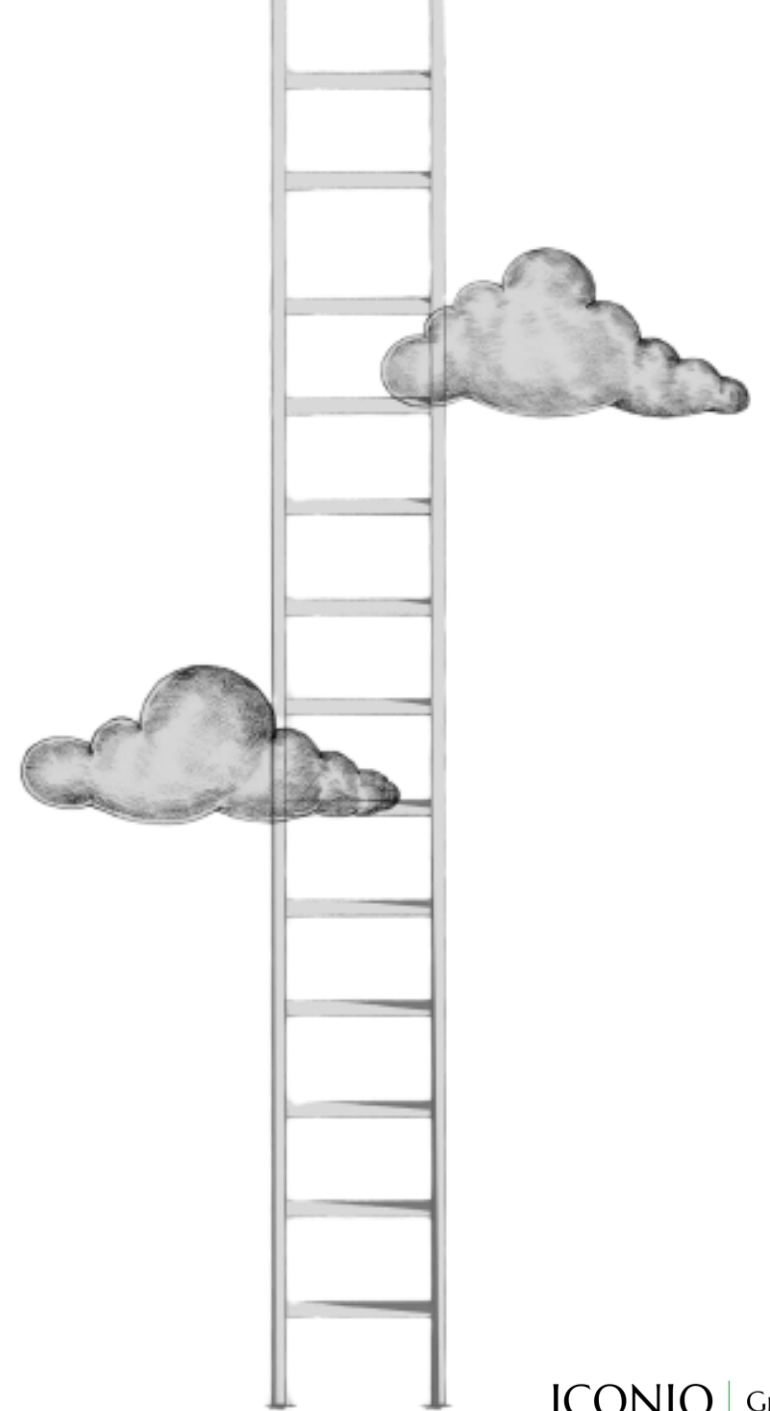
Primer: Types of HR Backgrounds

For the purposes of this analysis, we categorized each HR sub-domain as "Vertical," "Horizontal," or "HR Adjacent."

Vertical

- Learning & Development
- Compensation and Benefits
- Recruiting
- Culture / Employee Engagement / Internal Comms
- HR M&A or Org Design

Horizontal[1]

- HR Generalist
- HR Business Partner
- Employee Relations
- People Ops
- Regional or business line HR ownership (e.g., VP EMEA HR)
- HR leadership roles overseeing multiple HR sub-functions

HR Adjacent

- Human Capital consulting

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Type of HR Background by Stage of Hire

Companies do not typically hire HR leaders who lack horizontal HR experience.

HR leaders' background type by stage of hire
Early – Late Growth: n = 102 | At IPO: n = 53

Vertical SaaS

Horizontal SaaS

Vertical & Horizontal SaaS

2% No Prior HR Experience

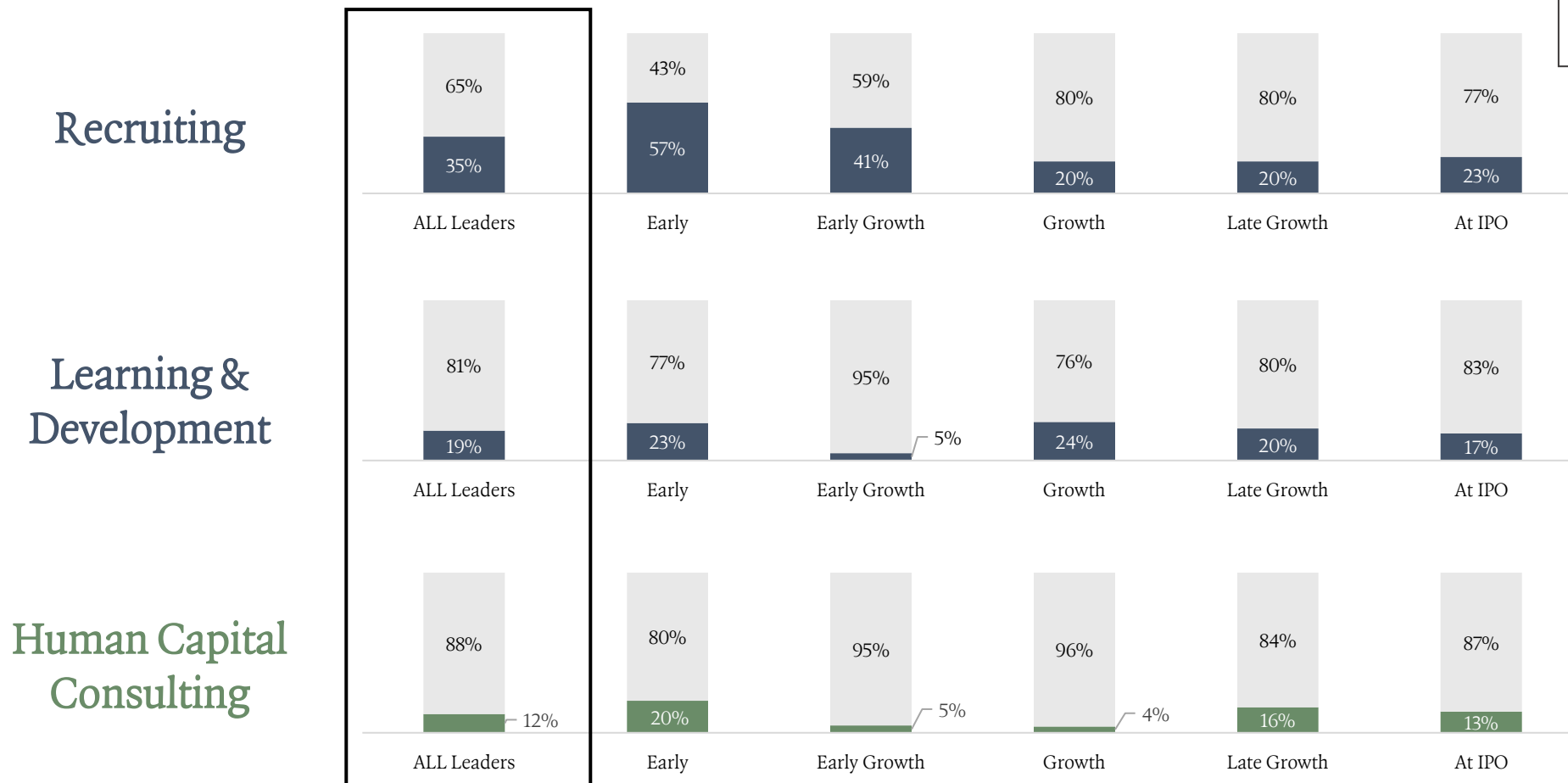|	Early	Early Growth	Growth	Late Growth	All CHROs at IPO
No Prior HR Experience		5%	4%	4%	
Vertical SaaS	17%	9%	8%	4%	6%
Horizontal SaaS	27%	41%	40%	48%	49%
Vertical & Horizontal SaaS	57%	45%	48%	48%	43%

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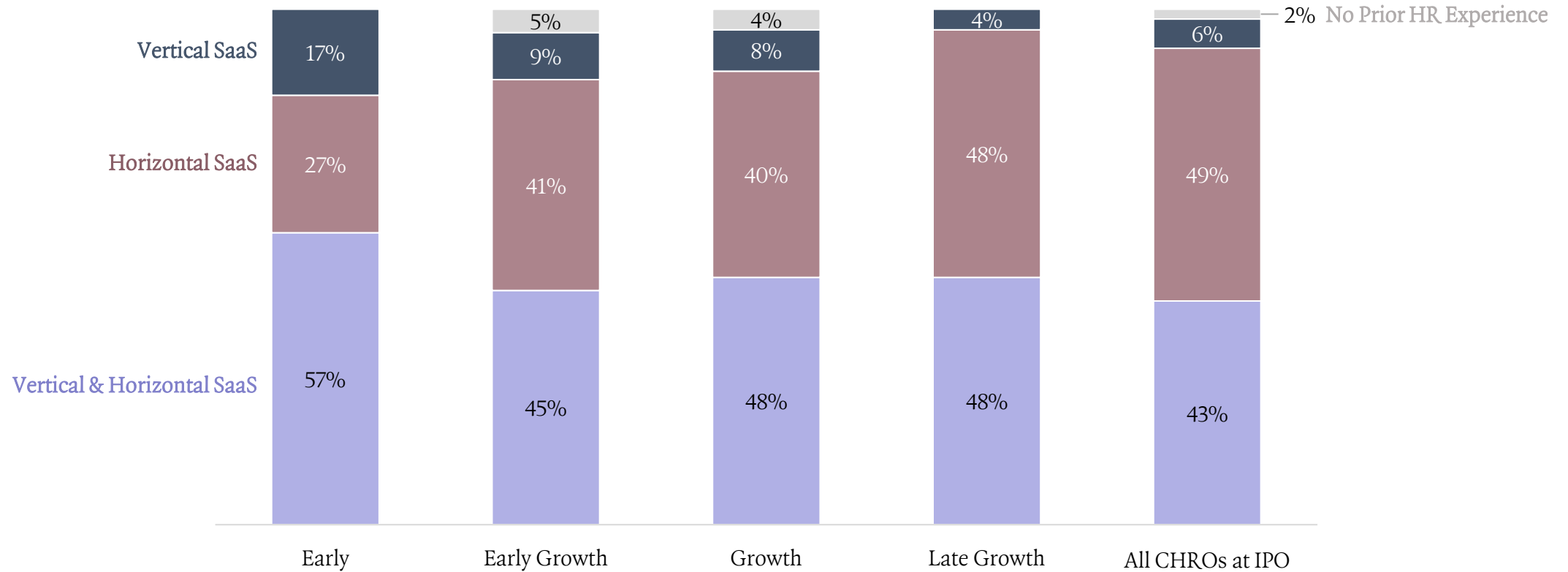
Prevalence of Sub-Functional HR Backgrounds – Vertical HR & HR Adjacent

35% of Heads of HR had previously spent time in Recruiting, whereas only 19% and 12% had worked in Learning & Development and HR Consulting roles, respectively.

Prevalence of sub-functional HR backgrounds by stage of hire
All Leaders: n = 102 | Early – Late Growth: n = 102 | At IPO: n = 53

Legend:
- **Vertical SaaS** sub-functional experience
- **HR Adjacent** sub-functional experience
- Horizontal SaaS sub-functional experience
- No experience in sub-function

Recruiting

	ALL Leaders	Early	Early Growth	Growth	Late Growth	At IPO
No experience	65%	43%	59%	80%	80%	77%
Vertical SaaS	35%	57%	41%	20%	20%	23%

Learning & Development

	ALL Leaders	Early	Early Growth	Growth	Late Growth	At IPO
No experience	81%	77%	95%	76%	80%	83%
Vertical SaaS	19%	23%	5%	24%	20%	17%

Human Capital Consulting

	ALL Leaders	Early	Early Growth	Growth	Late Growth	At IPO
No experience	88%	80%	95%	96%	84%	87%
HR Adjacent	12%	20%	5%	4%	16%	13%

Notes: each person may be counted under multiple sub-functional backgrounds.
Based on explicitly named roles only (e.g., VP Compensation), not inferred skillsets.
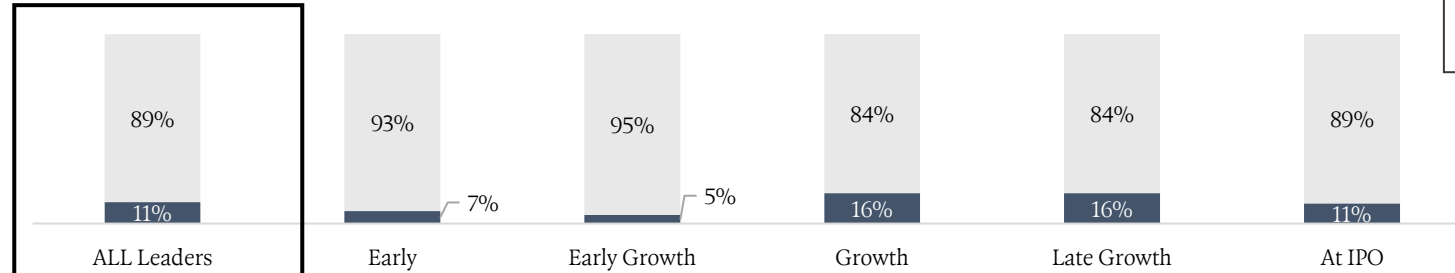
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Compensation & Benefits, Culture/Communications, and HR M&A/Organizational Designs are not prevalent skillsets among Heads of HR.

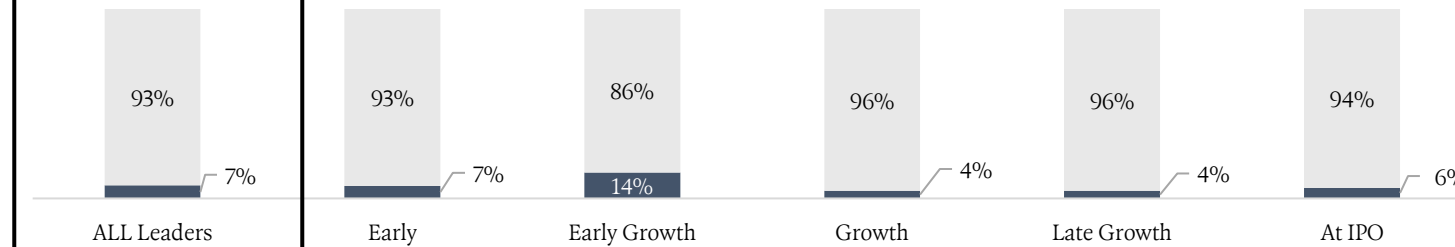## Prevalence of sub-functional HR backgrounds by stage of hire
All Leaders: n = 102 | Early – Late Growth: n = 102 | At IPO: n = 53

Vertical SaaS sub-functional experience
HR Adjacent sub-functional experience
Horizontal SaaS sub-functional experience
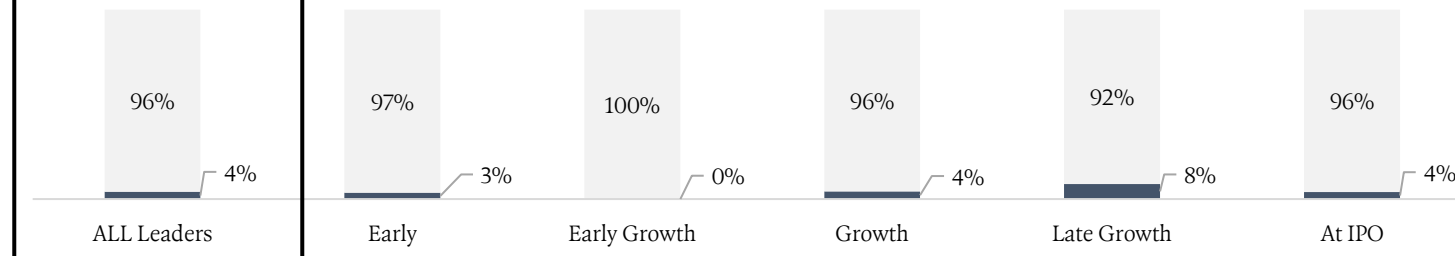No experience in sub-function

Compensation & Benefits

ALL Leaders	Early	Early Growth	Growth	Late Growth	At IPO
89%	93%	95%	84%	84%	89%
11%	7%	5%	16%	16%	11%

Culture & Communications

ALL Leaders	Early	Early Growth	Growth	Late Growth	At IPO
93%	93%	86%	96%	96%	94%
7%	7%	14%	4%	4%	6%

HR M&A or Org Design

ALL Leaders	Early	Early Growth	Growth	Late Growth	At IPO
96%	97%	100%	96%	92%	96%
4%	3%	0%	4%	8%	4%

Notes: each person may be counted under multiple sub-functional backgrounds.
Based on explicitly named roles only (e.g., VP Compensation), not inferred skillsets.

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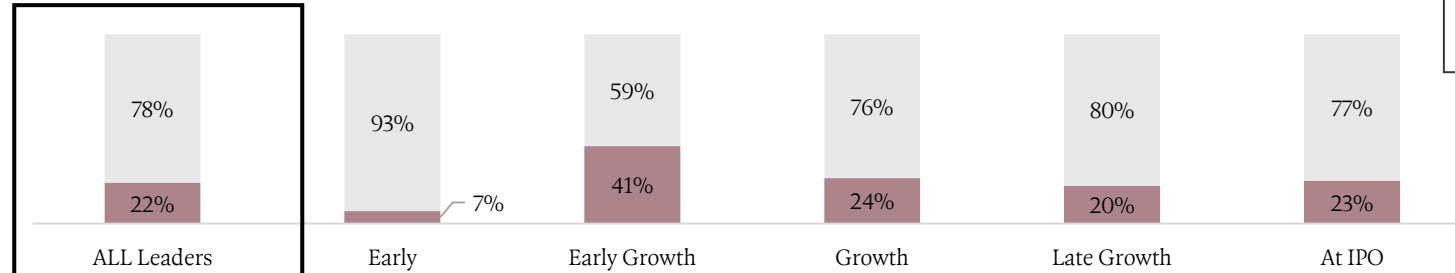# Prevalence of Sub-Functional HR Backgrounds – Horizontal HR

Whereas 21% and 22% of HR leaders respectively have held HRBP or regional/business line HR roles, 85% of HR leaders have held at least one role that pertains to day-to-day HR operations and/or spans multiple verticals.

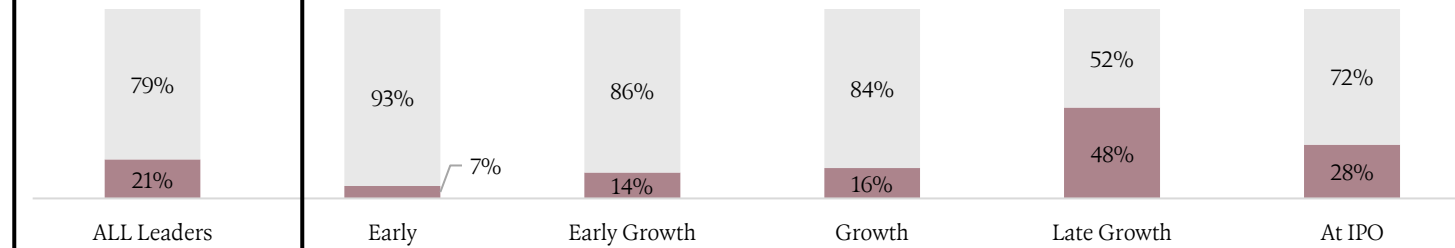## Prevalence of sub-functional HR backgrounds by stage of hire
All Leaders: n = 102 | Early – Late Growth: n = 102 | At IPO: n = 53

Legend:
- Vertical SaaS sub-functional experience
- HR Adjacent sub-functional experience
- Horizontal SaaS sub-functional experience
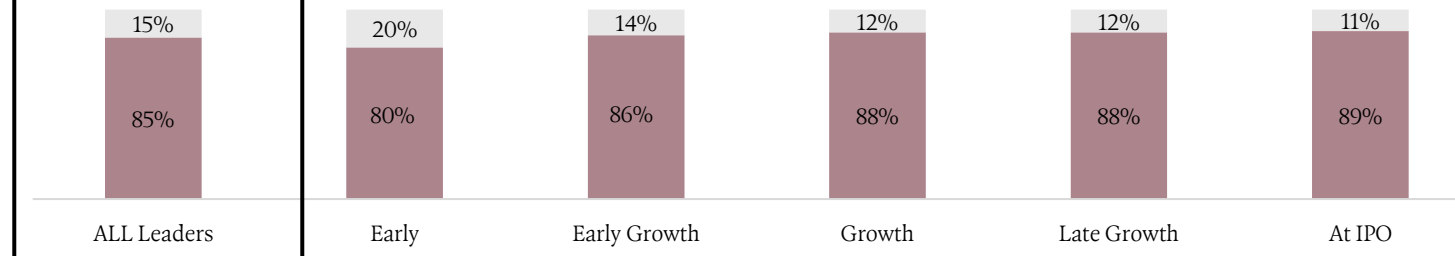- No experience in sub-function

HR Business Partner

	ALL Leaders	Early	Early Growth	Growth	Late Growth	At IPO
No experience	78%	93%	59%	76%	80%	77%
Horizontal SaaS	22%	7%	41%	24%	20%	23%

Regional or business line HR ownership

	ALL Leaders	Early	Early Growth	Growth	Late Growth	At IPO
No experience	79%	93%	86%	84%	52%	72%
Horizontal SaaS	21%	7%	14%	16%	48%	28%

HR Generalist Roles[1]

|	ALL Leaders	Early	Early Growth	Growth	Late Growth	At IPO
No experience	15%	20%	14%	12%	12%	11%
Horizontal SaaS	85%	80%	86%	88%	88%	89%

Note: each person may be counted under multiple sub-functional backgrounds.
(1) Any role involved with day-to-day HR operations and/or spanning across multiple verticals (agnostic of level). Does not include HRBP or regional/business line HR roles.

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The Evolution of HR Leadership

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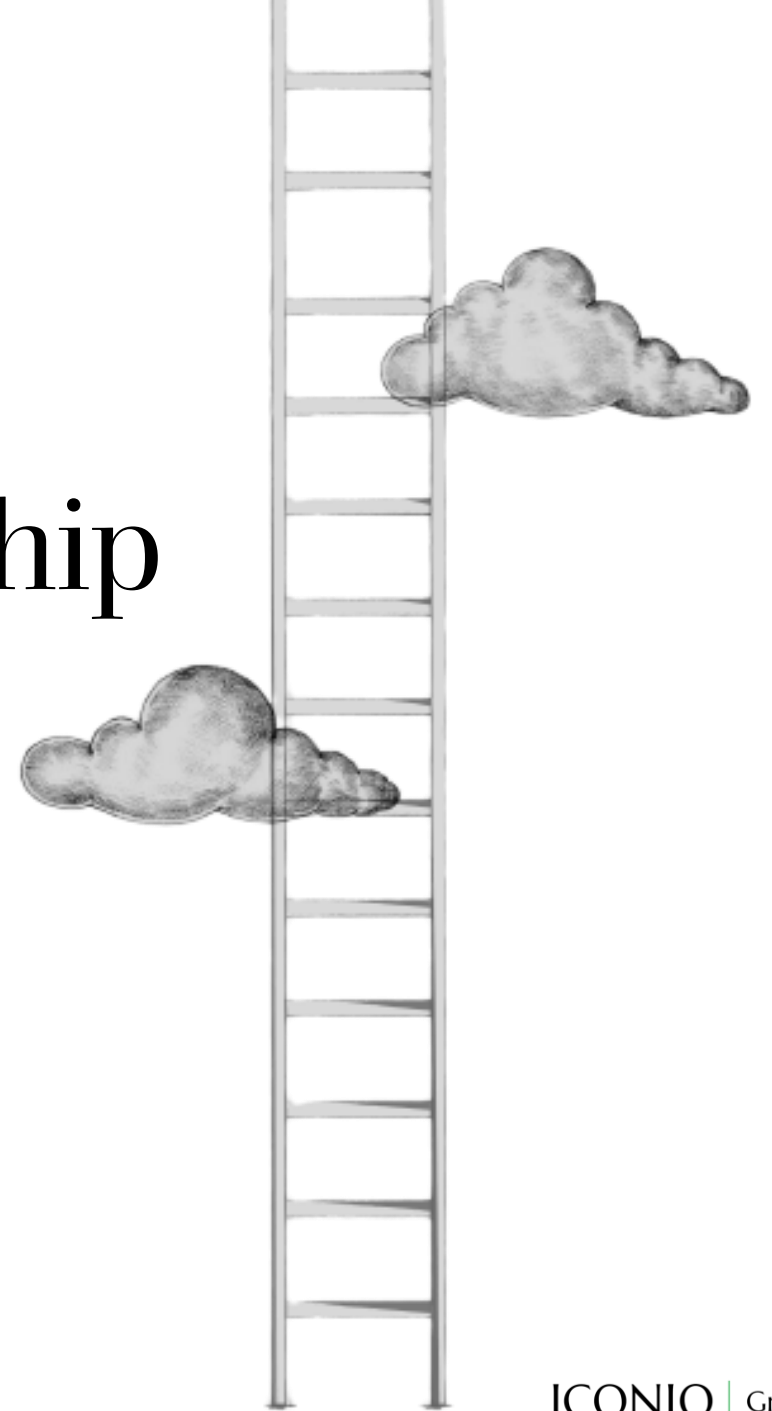
2021 Cloud 100 Companies

This section features a comparison analysis of the 2015-2020 SaaS IPO Leaders vs. 2021 Cloud 100 Leaders.

1. Stripe	26. OneTrust	51. Yotpo	76. Dataminr
2. Databricks	27. Netskope	52. InVision	77. Mambu
3. Canva	28. Gong.io	53. Cedar	78. AvidXchange
4. HashiCorp	29. Automation Anywhere	54. Postman	79. TripActions
5. Toast	30. Guild Education	55. Lucid	80. Grafana Labs
6. Plaid	31. Fivetran	56. Automattic	81. Riskified
7. Figma	32. Scale AI	57. Razorpay	82. Sisense
8. ServiceTitan	33. Calendly	58. Airwallex	83. ActiveCampaign
9. Checkout.com	34. DataRobot	59. Pendo	84. Flutterwave
10. Freshworks	35. MessageBird	60. Intercom	85. DISCO
11. GitLab	36. Miro	61. OutSystems	86. Entrata
12. Attentive	37. Amplitude	62. Benchling	87. Workato
13. Zapier	38. Outreach	63. Weave	88. BigID
14. Mailchimp	39. Snyk	64. Chainalysis	89. FanRuan Software[1]
15. Klaviyo	40. Collibra	65. Cockroach Labs	90. OwnBackup
16. Airtable	41. Cohesity	66. HighRadius	91. Socure
17. Talkdesk	42. ThoughtSpot	67. MX	92. Jushuitan (JST)[1]
18. Tanium	43. Grammarly	68. Kong	93. BrowserStack
19. Samsara	44. Icertis	69. Webflow	94. Shippo
20. Celonis	45. Notion	70. Cloudinary	95. VTS
21. Hopin	46. Highspot	71. Contentful	96. Loom
22. Carta	47. LaunchDarkly	72. Exabeam	97. 6sense
23. Braze	48. Forter	73. Podium	98. Papaya Global
24. Rubrik	49. Checkr	74. KeepTruckin	99. Culture Amp
25. Gusto	50. Yardi	75. Rapyd	100. Axonious

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2015-2020 SaaS IPO Leaders vs. 2021 Cloud 100 Leaders: Primary Persona

Comparing HR leaders at SaaS companies that IPO'd between 2015-2020 against 2021 Cloud 100 HR leaders, we observed a decreasing proportion of Horizontal HR backgrounds (51% vs. 41%) and an increasing proportion of HR Converts (9% vs. 19%).

Predominant "persona" of HR Leaders at 2015-2020 SaaS IPOs vs. 2021 Cloud 100 HR Leaders

2015-2020 SaaS IPOs: n = 55[1] | Cloud 100: n = 88[2]

	Horizontal	Vertical & Horizontal SaaS	Vertical	HR Convert	Non-HR
HR Leaders at time of IPO at SaaS companies that went public 2015-2020	51%	27%	5%	9%	7%
HR Leaders at 2021 Cloud 100 companies	41%	20%	13%	19%	7%

Most traditional →→→→→ *Least traditional*
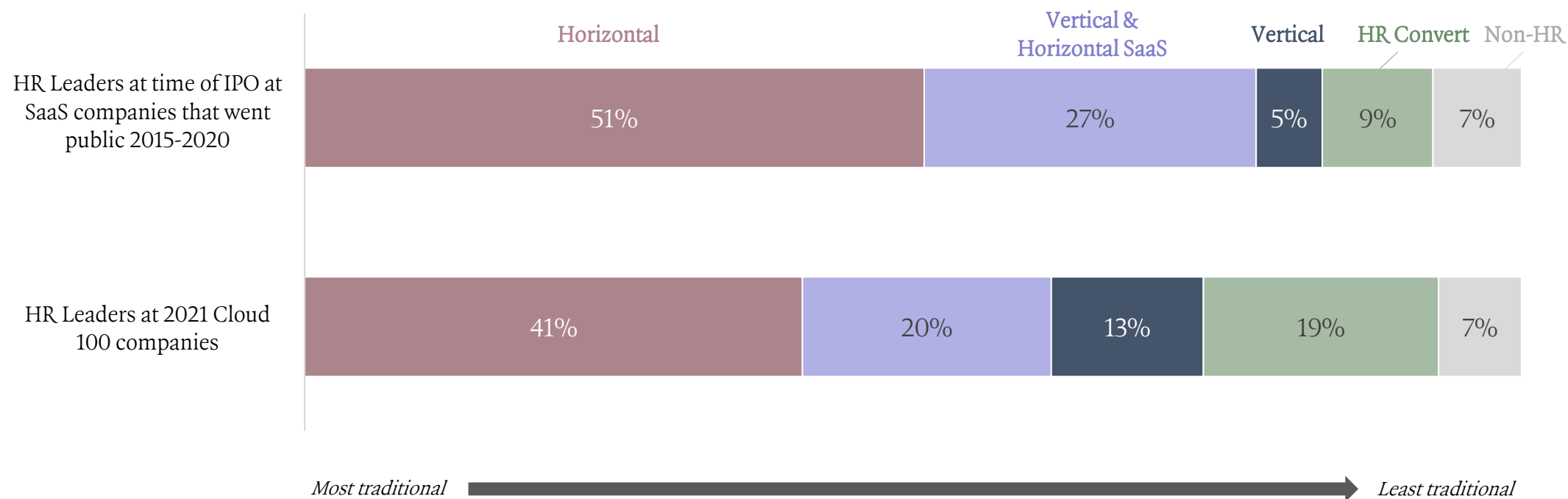
Definitions: "HR Converts" started their career in a different line of work and became HR professionals mid-career. They have held other prior HR roles. "Non-HR" professionals also started their career in a different line of work, but are currently in their *first* Head of HR role.

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2015-2020 SaaS IPO Leaders vs. 2021 Cloud 100 Leaders: Non-HR Skillsets

Cloud 100 HR leaders increasingly demonstrate prior experience in a different business function relative to their 2015-2020 SaaS IPO peers.

Percentage of HR leaders with experience in a different domain

2015-2020 SaaS IPOs: n = 56[1] | Cloud 100: n = 88[2]

30%

18%

Non-GTM

16%

11%

14%

GTM

7%

HR Leaders at IPO at SaaS companies that went public 2015-2020

HR Leaders at 2021 Cloud 100 companies
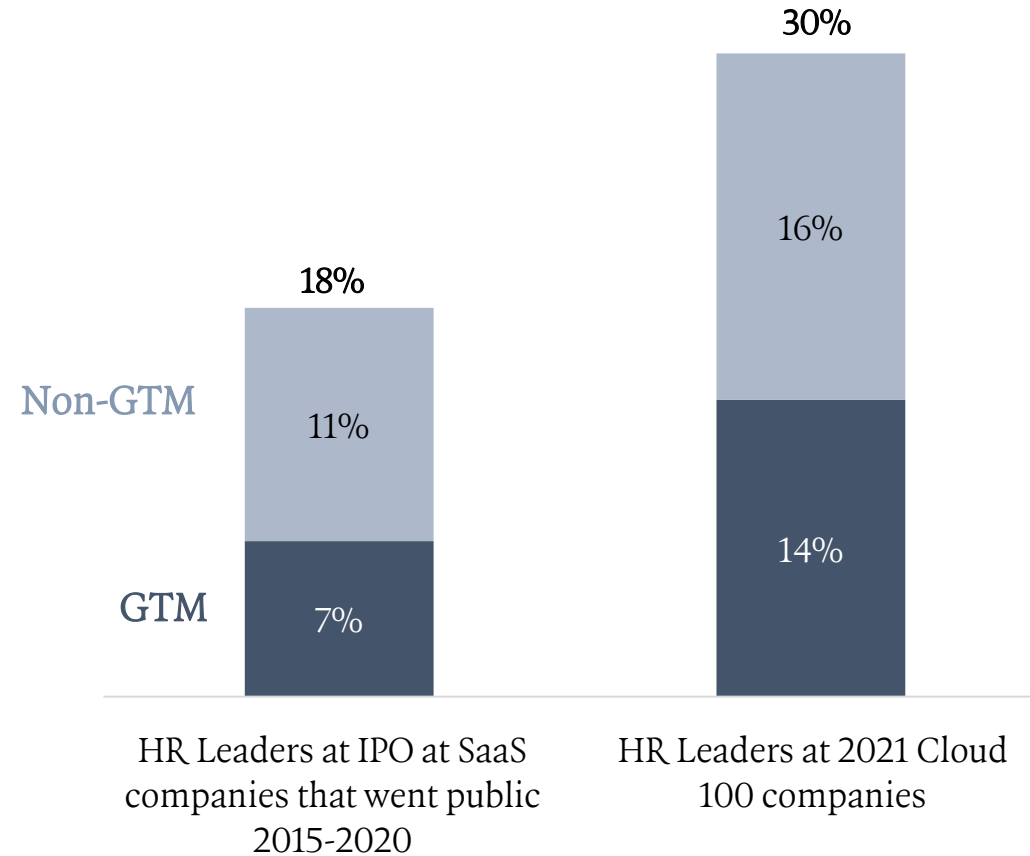
We believe that prior corporate experience in a different business function helps HR leaders better understand their "customers" and gain a valuable outside-in perspective.

Select examples of functions in which Cloud 100 HR leaders previously spent time:
- Sales (GTM)
- Marketing (GTM)
- Customer experience (GTM)
- Finance (Non-GTM)
- Operations (Non-GTM)

(1) *Comprised of HR leaders at the time of IPO, less any leaders with LinkedIn profiles that were not detailed enough to analyze.*
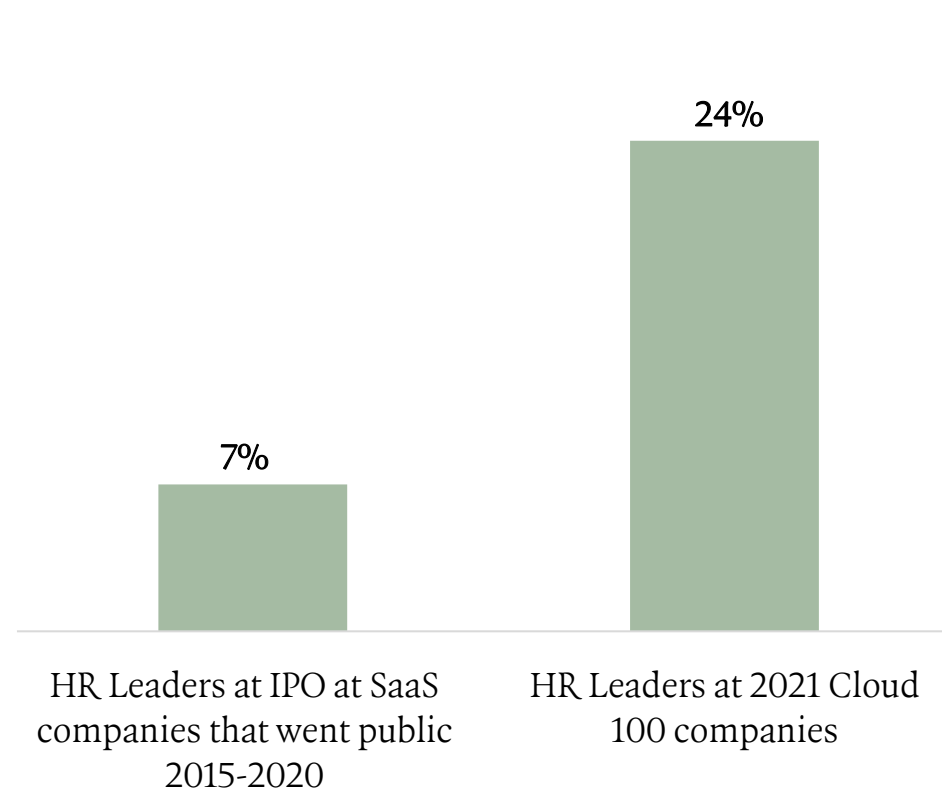(2) *n = 88 due to vacancies and/or incomplete LinkedIn profiles.*

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2015-2020 SaaS IPO Leaders vs. 2021 Cloud 100 Leaders: Non-HR Skillsets

Cloud 100 HR leaders increasingly demonstrate prior experience in a different business function as well as analytical skills, relative to their 2015-2020 SaaS IPO peers.

Percentage of HR leaders with analytics experience

2015-2020 SaaS IPOs: n = 56[1] | Cloud 100: n = 88[2]

24%

7%

HR Leaders at IPO at SaaS companies that went public 2015-2020

HR Leaders at 2021 Cloud 100 companies

We believe that, as HR becomes an increasingly quantitative and data-driven field, companies will endeavor to hire HR leaders with strong analytical DNA.

Select examples of Cloud 100 HR leaders' prior exposure to analytics:
- Strategy consulting
- Business operations
- People Analytics
- Research-intensive PhD programs
- Product management

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2021 Cloud 100 HR Leaders: Noteworthy Backgrounds

We are beginning to see an increase in HR leaders from a variety of fields with non-obvious yet profound connections to people leadership.

Non-exhaustive list of non-traditional backgrounds among Cloud 100 HR leaders

- A lawyer who spent several years in employment law before becoming a Head of People while also working in the company's Legal org

- A leader with a top MBA who spent several years at a top strategy consulting firm before transitioning to a career in HR leadership

- A leader who began their career in customer support and worked their way up to VP Customer Experience before transitioning to HR leadership roles focused on *employee* experience

- An executive with a JD who was first a lawyer, then spent over a decade in Sales, and is now an HR leader

- A military veteran who pursued a top MBA followed by strategy consulting and in-house strategy roles before moving into HR

- A leader with a PhD in Counseling Psychology who used their clinical experience in suicide prevention and unique understanding of human behavior to pivot into organizational change management followed by HR leadership

- A former high school teacher with an MA in Education who held multiple corporate Chief Learning Officer roles before becoming a CPO

The role of an HR leader is to operationalize solutions to nuanced human problems, ascending Maslow's Hierarchy of Needs to support not only our needs for pay, benefits, and human connection, but also our needs for advancement, achievement, and new challenges. Based on emerging trends within the Cloud 100 cohort, we hypothesize that HR leaders will come from increasingly varied backgrounds that mirror these applications, but in unique and non-traditional ways.
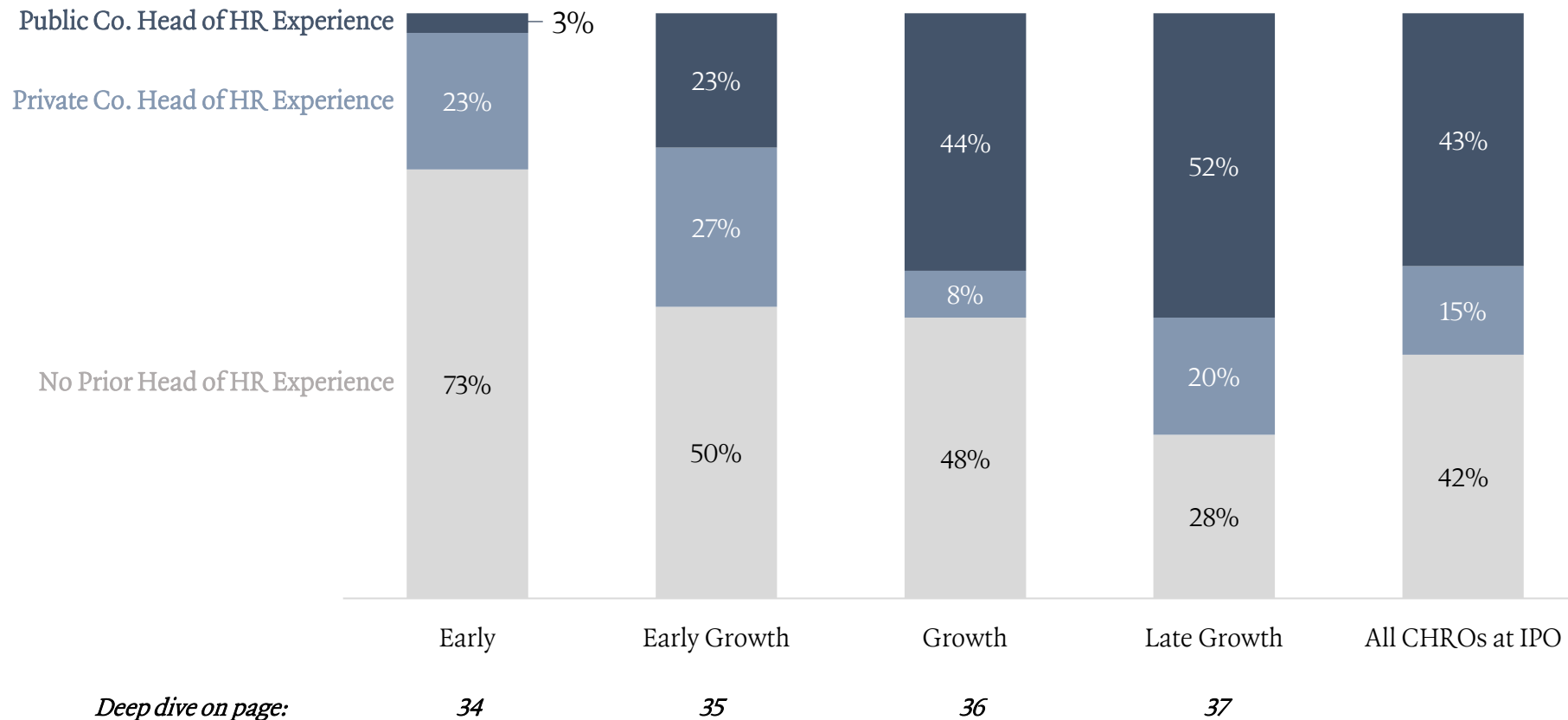
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Appendix: Stage-Specific Insights

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HR Leadership Qualifications: Type of Prior Head of HR Experience by Stage

As they mature, companies increasingly hire Heads of HR who previously held a Head of HR role at a public company.

Types of companies at which Heads of HR previously held a Head of HR role
Early – Late Growth: n = 102[1] | At IPO: n = 53[1]

Public Co. Head of HR Experience — 3%

Private Co. Head of HR Experience

No Prior Head of HR Experience

	Early	Early Growth	Growth	Late Growth	All CHROs at IPO
Public Co. Head of HR Experience	3%	23%	44%	52%	43%
Private Co. Head of HR Experience	23%	27%	8%	20%	15%
No Prior Head of HR Experience	73%	50%	48%	28%	42%

*Deep dive on page:*   *34*   *35*   *36*   *37*

(1) Excludes leaders hired internally from another business function

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HR Leadership Qualifications: Early Stage Head of HR Experience

Leaders hired during the Early Stage with prior Head of HR experience tend to stay at the company longer.

## Additional detail on HR leaders hired during the Early Stage

n = 30

Public Co. Head of HR Experience — 3%

Private Co. Head of HR Experience — 23%

No Prior Head of HR Experience — 73%

Early
$0-$20M ARR
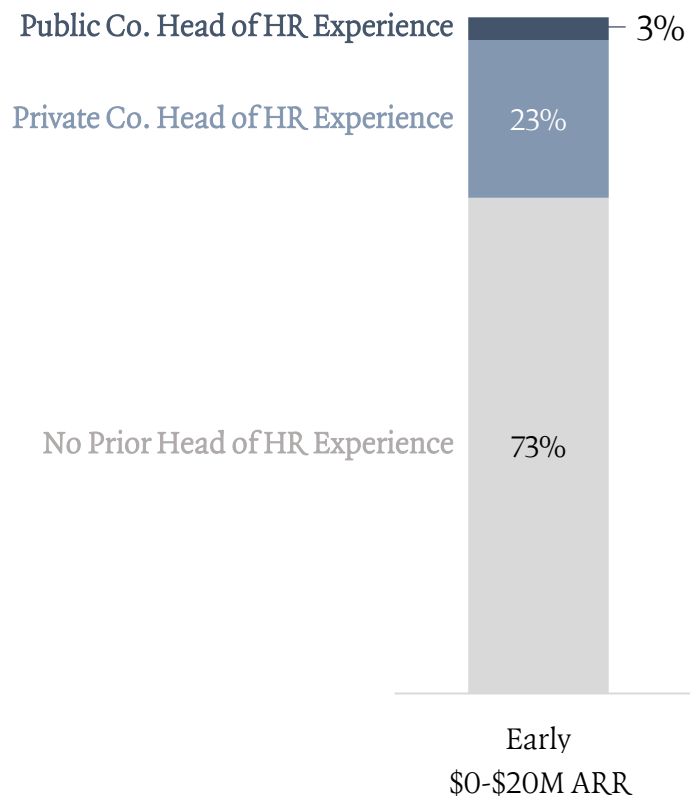
Salient trends:

1 Among those *with* prior Head of HR experience (public or private), not all had led the HR function at *software* companies. However, **all** of these leaders had *at least been a Director+ at a software company*.

2 *71%* of those with prior Head of HR experience at a private company (5 out of 7 leaders) stayed through IPO vs. *18%* of the "No Prior Head of HR Experience" group (4 out of 22 leaders), *suggesting a higher likelihood of longevity among those who have held this leadership role previously.* Across all leaders in these groups (not just those who made it to IPO), average tenure was *6.6* years vs. *4.1* years.

3 Leaders who came into the organization *without* prior Head of HR experience had *an average of ~13 years of HR experience*. Additionally, *77%* (17 out of 22 leaders) had spent five or more years at a single organization (in an HR capacity), suggesting that they had likely previously seen significant organizational change.

4 Leaders who came into the organization *without* prior Head of HR experience came from *Director+ level roles 68% of the time* (although the types of companies at which they were Directors varies). *36%* previously held a Director+ level role at a public company.

(1) Excludes leaders hired internally from another business function

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HR Leadership Qualifications: Early Growth Stage Head of HR Experience

Leaders with prior Head of HR experience at a private company had the shortest average tenure, suggesting that quality of experience as well as public company exposure are key qualifications to consider.

## Additional detail on HR leaders hired during the Early Growth Stage
n = 22

Public Co. Head of HR Experience — 23%

Private Co. Head of HR Experience — 27%

No Prior Head of HR Experience — 50%

Early Growth
$20M-$50M ARR
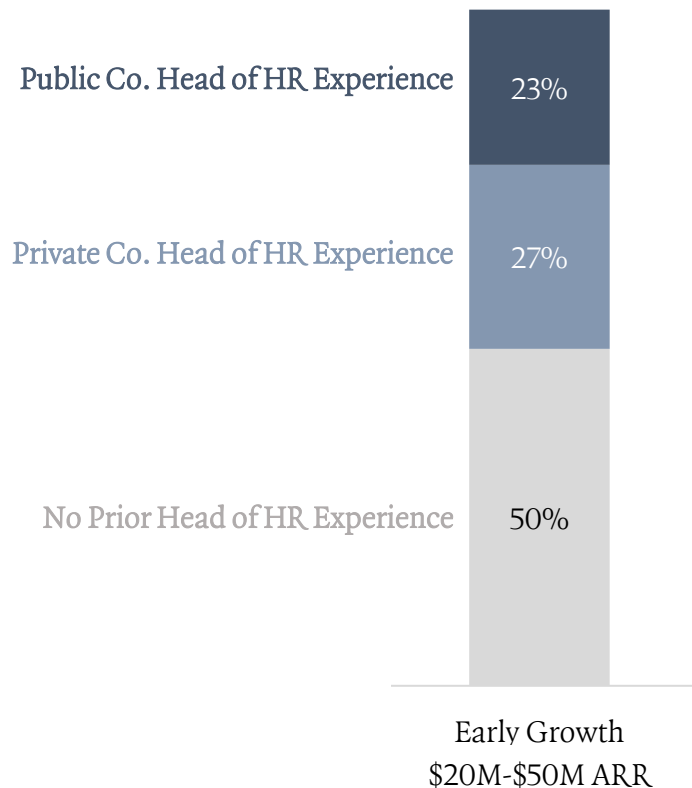
Salient trends:

1 80% (4 out of 5) of the leaders with prior **public** company CHRO experience led HR at **software** companies. The leader who came from a non-software background led HR at a prominent technology company. Only 1 of these **leaders participated in the IPO process** for the company at which they led HR; the rest joined their respective organizations after they had gone public. They had an average **of ~18 years of prior HR experience**. While 1 of these leaders left shortly after joining and another was hired as an interim Head of HR, the rest stayed through the IPO.

2 Leaders with **private** company Head of HR experience hired during the Early Growth stage generally came from companies that had raised <$50M in primary capital, if they were venture funded at all. While 2 of these leaders also had Director-level public company experience, most had not spent time at public companies, or had done so in junior-level roles. They averaged **~13 years of prior HR experience**.

3 Of the three populations represented on this page, the cohort with **private** company HR experience had the shortest average tenure (**2.6** years vs. **3.5** years for Heads of HR with prior public company Head of HR experience vs. **3.9** years for those with no prior Head of HR experience) and only 1 stayed until IPO, suggesting that this constellation of qualifications is perhaps not optimal for this growth stage.

4 Leaders who came into the organization without prior Head of HR experience also had an average of **~13 years of prior HR experience**. 4 of these leaders had VP-level public company experience (including 1 who was present during the IPO process), while 2 of these leaders had Director-level public company experience. This cohort remained in-role the longest (on average), staying until at least $100M ARR ~75% of the time.

(1) Excludes leaders hired internally from another business function

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HR Leadership Qualifications: Growth Stage Head of HR Experience

Prior public company experience (either as the Head of HR or as a Director/VP within HR) becomes increasingly prevalent among Heads of HR hired during the Growth stage.

Additional detail on HR leaders hired during Growth Stage

n = 25

Public Co. Head of HR Experience — 44%

Private Co. Head of HR Experience — 8%

No Prior Head of HR Experience — 48%

Growth
$50M-$100M ARR
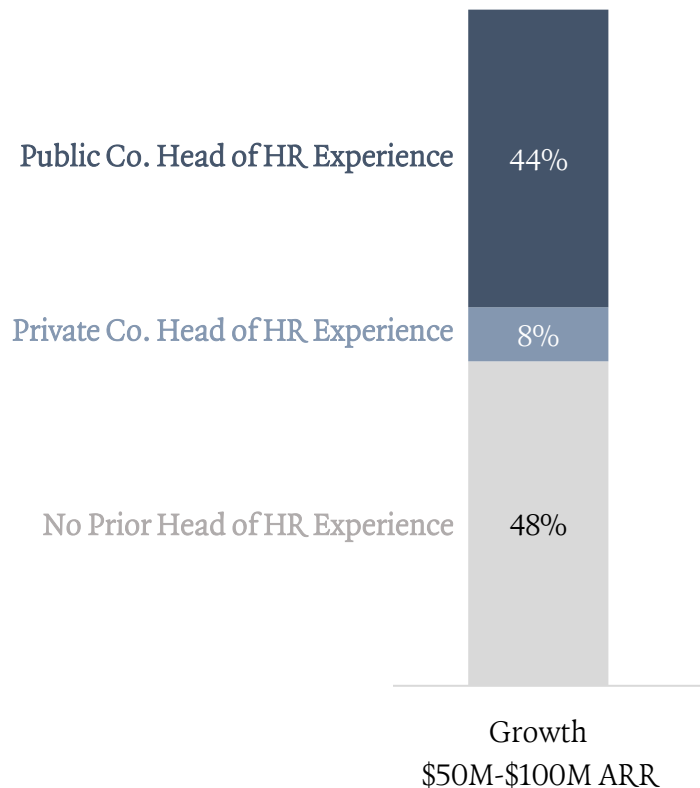
Salient trends:

1 82% (9 out of 11) of the leaders with prior **public** company CHRO experience led HR at **software** companies. Additionally, 64% (7 out of 11) leaders served as Heads of HR **during an IPO process**. While only 1 of these leaders had multiple Head of HR roles at public companies, 73% (8 leaders) had multiple prior Head of HR roles (i.e., at a private company in addition to their single public company experience).

2 Leaders with prior Head of HR experience (**public** or **private**) stayed slightly longer than those **without** it (**3.3** years vs. **3.0** years). Both cohorts (those with and those without prior Head of HR experience) stayed through the IPO in roughly equal proportions (**69%** and **66%**, respectively).

3 Leaders hired without prior Head of HR experience came in with **~16.5 years** of prior HR experience, on average. **75%** (9 out of 12 leaders) had prior public company Director+ experience (4 were previously public VP/SVP/EVPs; 5 were previously public Directors). Of these 9 leaders, 7 stayed through the IPO. Across all cohorts represented here (previous **public** or **private** Head of HR experience; no prior Head of HR experience), **84%** of leaders had **been at least a Director at a public company previously**.

4 Unlike leaders hired without prior Head of HR experience during prior stages, most of these leaders (75%) previously spent time at **other prominent technology companies** (e.g., Hewlett-Packard, Electronic Arts [2], VMWare, Cisco, Microsoft, and others), either immediately prior to this role or previously in their careers, demonstrating an increasing emphasis on occupational pedigree.

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HR Leadership Qualifications: Late Growth Stage Head of HR Experience

For leaders hired during the Late Growth stage, prior public company Head of HR experience is optimal, as measured by likelihood of staying in-role through the IPO.

Additional detail on HR leaders hired during Late Growth Stage

n = 25

Salient trends:

Public Co. Head of HR Experience — 52%

Private Co. Head of HR Experience — 20%

No Prior Head of HR Experience — 28%

Late Growth
$100M+ ARR
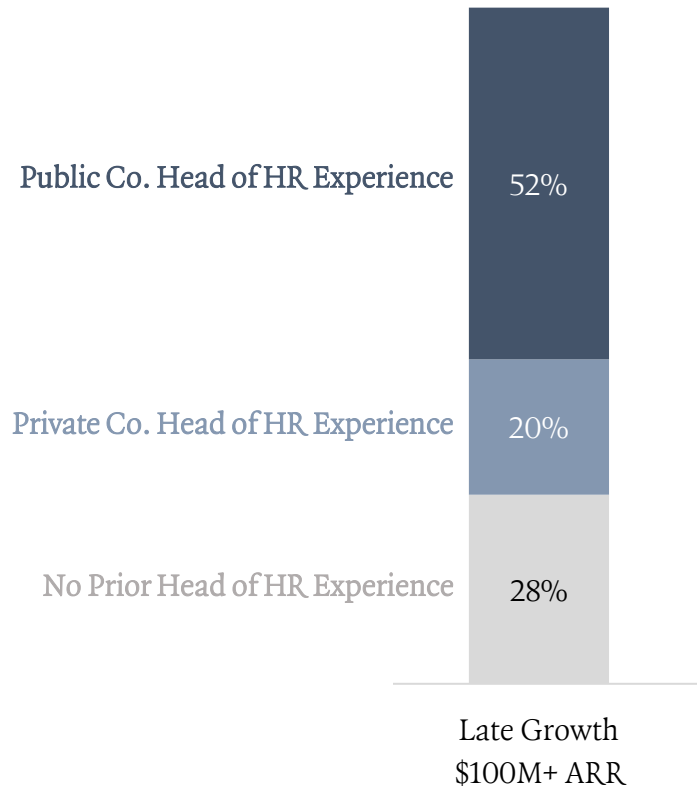
1 On average, leaders with prior public company Head of HR experience stepped into the role with ~25 years of prior Head of HR experience. Leaders with prior private company Head of HR experience stepped into the role with ~18 years of prior Head of HR experience, followed by ~15 years for those with no prior Head of HR experience.

2 Demonstrating an increase compared to leaders hired during the Growth stage, 38% (5 of 13) of leaders with prior public company Head of HR experience held more than one prior public company Head of HR role, with 2 leaders having three prior public company Head of HR roles. 62% of leaders (8 of 13) held multiple prior Head of HR roles (at private or public companies).

3 Only 20% (1 of 5) leaders hired during the Late Growth stage with only private company Head of HR experience stayed through the IPO. The average tenure among this group was 2.1 years, compared with 2.8 years for those with prior public company Head of HR experience (all but 1 of whom – 92% – stayed through the IPO).

4 57% of leaders (4 of 7) without prior Head of HR experience had owned HR either within a region or within a business line at a large public company (e.g., Google, Walmart); 2 of these leaders made it through the IPO period while 2 did not.

(1) Excludes leaders hired internally from another business function

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Thank you!
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Other reports from ICONIQ Growth Leadership Advisory

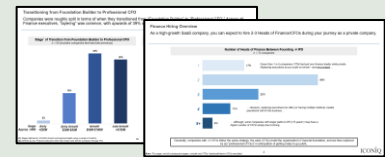|		
Leadership Advisory Overview	• Overview of our core motions and ways that we can support your organization	
Chief Marketing Officer Study (Two-Part Series)	• Quantitative analysis of the most prevalent – and most successful – operational backgrounds and qualifications for Heads of Marketing at private SaaS companies, segmented by Growth Stage • *Data source: Proprietary dataset of >200 marketing leaders at 63 SaaS companies*	
★ **Chief People Officer Study**	• Quantitative analysis of the most prevalent – and most successful – operational backgrounds and qualifications for Heads of People at private SaaS companies, segmented by Growth Stage • *Data source: Proprietary datasets of >100 People leaders at 59 SaaS companies; 2021 Cloud 100 People leaders*	
President & Chief Operating Officer Study	• Examination of the advantages and challenges of having a COO and/or President role • *Data source: Proprietary dataset of every past and current COO/President at 61 SaaS companies*	
Chief Financial Officer Study	• Quantitative analysis of the most prevalent – and most successful – operational backgrounds and qualifications for Heads of Finance at private SaaS companies, segmented by Growth Stage • *Data source: Proprietary dataset of >170 finance leaders at 72 SaaS companies*	
Chief Revenue Officer Study (Two-Part Series)	• Quantitative analysis of the most prevalent – and most successful – operational backgrounds and qualifications for Heads of Sales/CROs at private SaaS companies, segmented by Growth Stage • *Data source: Proprietary dataset of >180 sales leaders at 69 SaaS companies*	
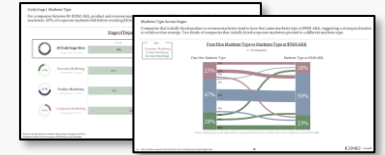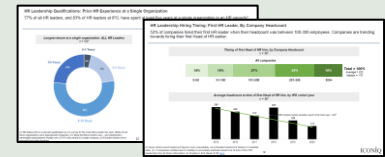
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A global portfolio of category-defining businesses
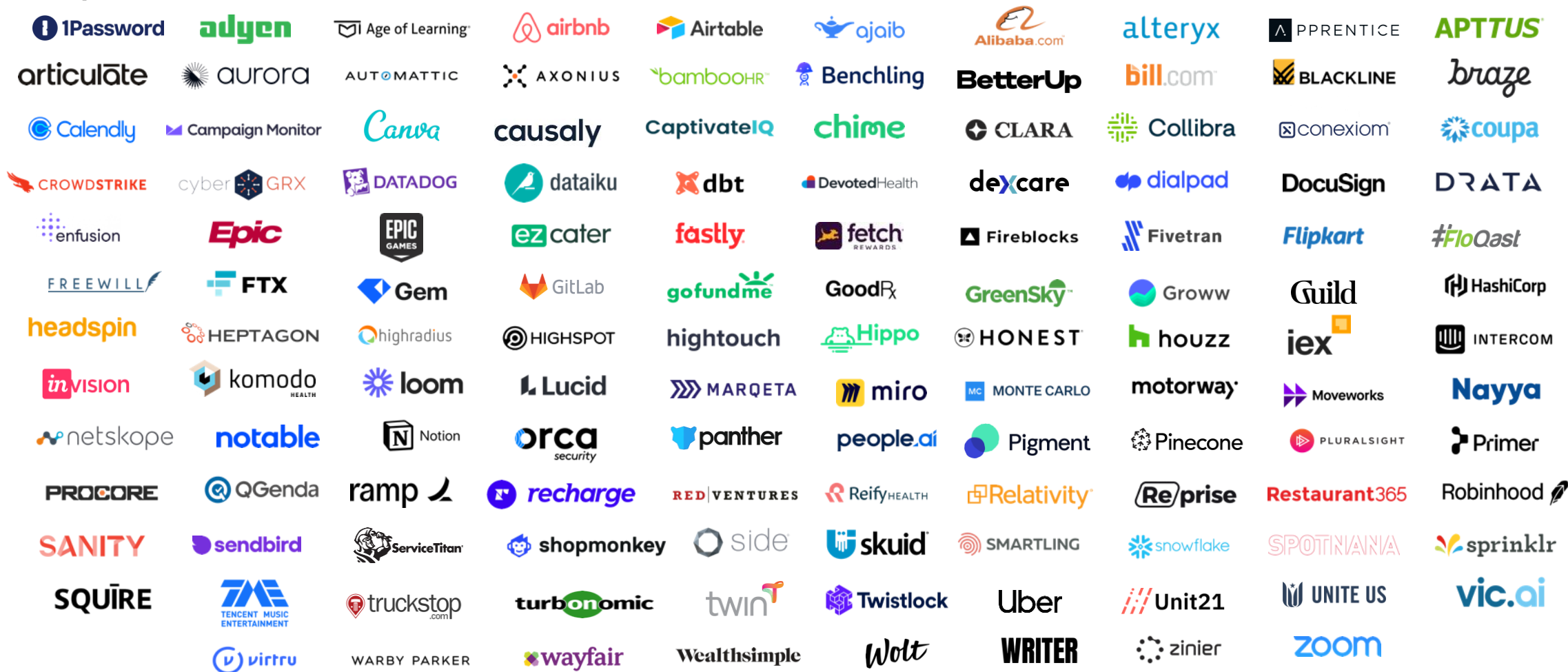
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