

The CFO Effect

How private equity firms shape financial leadership in Finnish portfolio companies

The CFO Effect

Odgers

Bulevardi 5A
00120 Helsinki

+358 10 424 1800
fi-office@odgers.com
www.odgers.com/en-fi/

Introduction

The CFO plays a pivotal role in private equity-owned companies.

Beyond financial stewardship, CFOs are key partners in value creation, strategic execution, leverage management, and exit preparation. As portfolio companies move through different ownership phases, CFO role requirements often change materially.

Despite this central role, empirical evidence on PE CFO appointments is limited.

The frequency and timing of CFO transitions during the holding period, as well as the experience profiles PE firms tend to favour are typically discussed anecdotally rather than analysed systematically. This report provides a datadriven view of how private equity ownership shapes CFO leadership.

The analysis examines CFO turnover, timing, and outcomes across 148 PE-owned companies

headquartered in Finland (revenues > €20m), including 83 Finnish PE-

owned and 65 internationally owned companies. The sample covers 62 exited investments (2020–2025) and 86 current holdings, analysing 283 CFO tenures in total.

The report focuses on:



Frequency and timing of CFO appointments during the holding period



Differences by ownership type and by PE firm

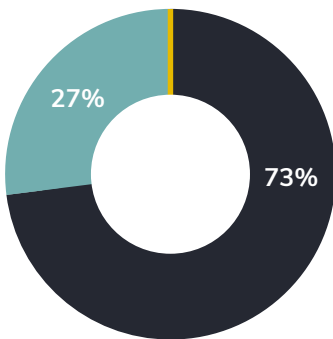


Professional background and tenure outcomes of appointed CFOs

CFO appointment patterns

CFO transition is the norm in PE ownership

Share of portfolio companies appointing a CFO during the holding period



■ New CFO appointed
■ Incumbent retained

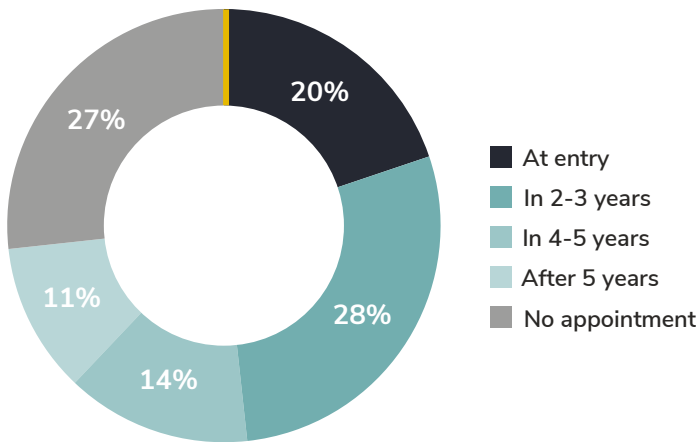
Key insights

- **73% of portfolio companies appoint a new CFO** during the holding period while 27% retain the incumbent throughout ownership.
- Internationally owned portfolio companies **appoint CFOs more frequently** than Finnish owned (77% vs 71%).
- **Repeated CFO transitions are common** with nearly one-third (29%) appointing a CFO more than once.
- **No material differences** are observed by company size or investment type (primary vs secondary).

Note: Analysis includes portfolio companies that have exited or have been held for more than five years.

In most PE investments, CFO change is a midholding-period decision rather than an entry action

Timing of the first CFO appointment



Key insights

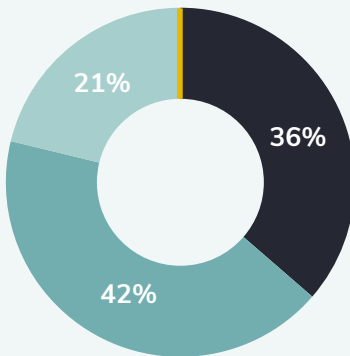
- **CFO replacement at entry is the exception.** Only 20% of companies appoint a new CFO within the first year of ownership.
- **More than half of companies** make their first CFO appointment during the mid-holding period.
- **International PE firms act earlier:** 28% of internationally owned companies appoint a new CFO at entry.
- **Timing is typically mid-cycle,** with the first CFO change occurring on average 3.2 years into ownership.

Note: Analysis includes portfolio companies that have exited or have been held for more than five years.



PE ownership often involves multiple CFO transitions

Number of CFOs during the holding period



■ One
■ Two
■ Three or more

Key insights

- **Only 36% of companies operate with a single CFO** throughout the holding period.
- **High-intensity CFO turnover is not uncommon.** One in five companies (21%) have three or more CFOs during PE ownership.
- **International PE ownership is associated with higher churn.** 28% of internationally owned companies have three or more CFOs, compared with 17% among Finnish PE-owned companies.

Note: Analysis includes portfolio companies that have exited or have been held for more than five years.

Private equity CFO profile

Portrait of a private equity CFO

Key insights

- PE-appointed CFOs are **predominantly external hires**.
- CFO appointments rely heavily on **domestic talent**.
- **Female representation remains below parity** as women account for less than one-third of CFOs.
- The private-equity CFO role is **often a first-time experience**.

Note: Analysis includes CFOs appointed during PE ownership.



89%

external hires



68%

first time private equity CFOs



28%

female



95%

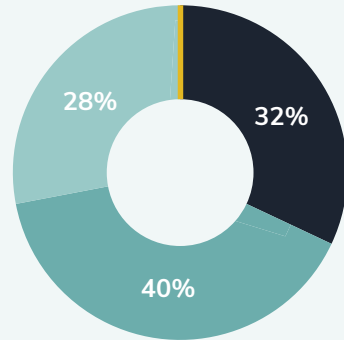
Finnish nationals

Prior PE CFO experience is not a prerequisite for appointment

Key insights

- **Prior PE CFO experience is not a prerequisite:** only 32% of appointed CFOs have previous experience as a CFO in a PE-owned company.
- **PE firms draw from a broad CFO talent pool:** 40% of appointed CFOs bring CFO experience from outside PE environments, while 28% step into their first CFO role.
- **Experience profiles are consistent across contexts:** No meaningful differences are observed by company size, ownership type (Finnish vs international PE), or stage of the holding period.

Professional experience of appointed CFOs

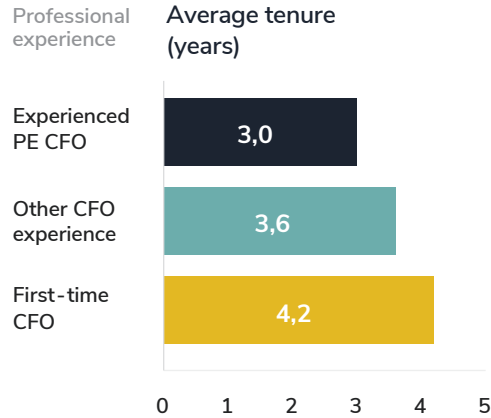


- Experienced PE CFO
- Other CFO experience
- First-time CFO

Note: Analysis includes CFOs appointed during PE ownership.

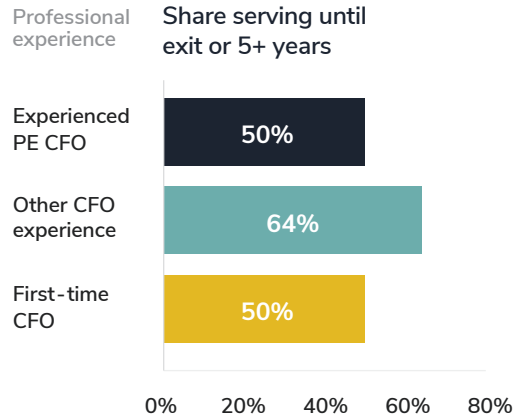


CFO tenure outcomes challenge the value of prior PE experience



Key insights

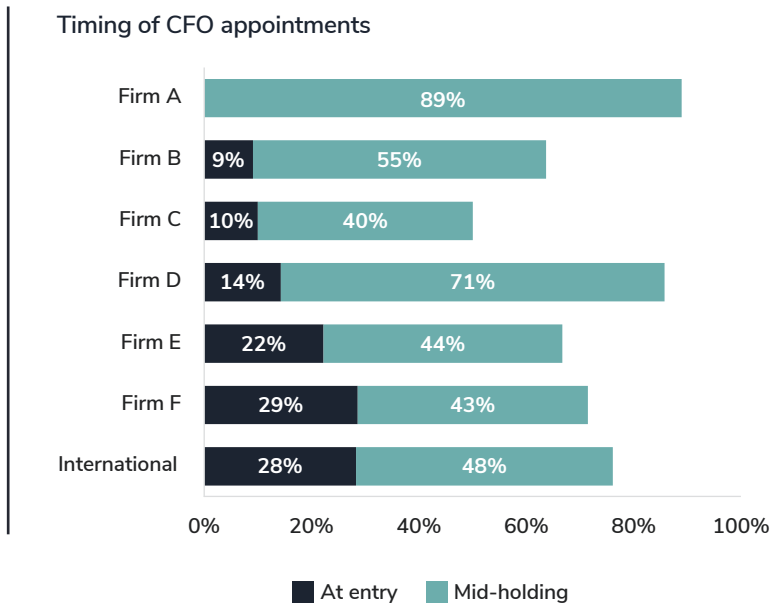
- Prior PE CFO **experience does not translate into longer tenure** or retention until exit
- **CFOs with general CFO experience** outside PE are most likely to serve until exit or 5+ years (64%).
- Despite limited prior experience, **first-time CFOs show the longest average tenure** (4.2 years)



Note: Analysis includes current and former CFOs appointed more than five years ago, as well as CFOs in exited portfolio companies.

Firm-level comparison

CFO appointment timing varies materially by PE firm, pointing to distinct ownership strategies



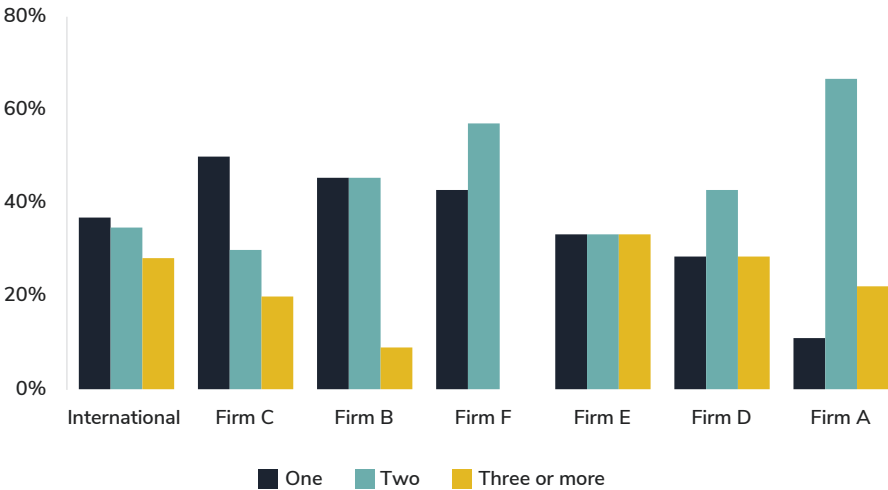
Key insights

- The frequency of appointing a CFO at entry **ranges from 0% to nearly 30%**, indicating markedly different approaches.
- **Mid-holding-period appointments dominate** with frequencies ranging from 40% to almost 90%.
- **Finnish PE firms often defer CFO changes**, concentrating appointments almost entirely in the mid-holding period.
- A subset of Finnish firms adopt **entry-active strategies** similar to international PE firms.

Note: Finnish PE firms are anonymised as Firm A–F; “International” represents non-Finnish PE owners in the sample.

CFO continuity differs sharply across PE firms

Number of CFOs over holding period



Key insights

- **The share of companies with a single CFO ranges from 11% to 50%**, while the share with three or more CFOs ranges from 0% to nearly 30%.
- **28% of internationally owned companies have three or more CFOs**, placing them at the upper end of turnover intensity.
- **Some Finnish PE firms maintain relatively stable CFO structures** with no or very limited incidence of three or more CFOs.
- **Other Finnish PE firms display high CFO churn**, comparable to international PE ownership.

Note: Finnish PE firms are anonymised as Firm A–F; “International” represents non-Finnish PE owners in the sample.



Conclusions and implications

→ Conclusions



CFO change is the norm in private equity ownership with nearly three-quarters of portfolio companies appointing a new CFO during the holding period and often more than once.



CFO replacement is typically a mid-holding-period decision reflecting evolving value-creation needs.



CFO strategies differ materially by PE firm. Both the timing and intensity of CFO turnover vary significantly, pointing to deliberate firm-level approaches.



Prior PE CFO experience is not a prerequisite for success. CFOs without PE-specific backgrounds (including first-time CFOs) show strong tenure outcomes.



Implications for PE firms

- **View the CFO role as phase-specific.** CFO capability requirements evolve across ownership phases; a single-profile CFO may not fit the full holding period.
- **Be explicit about CFO expectations.** Clear alignment on mandate, time horizon, and value-creation priorities may help stabilise CFO tenure.
- **Broaden the CFO talent pool.** Strong tenure outcomes among non-PE and first-time CFOs suggest PE firms can hire for capability and potential, not only prior PE exposure.
- **Recognise CFO strategy as an ownership lever.** Differences across PE firms indicate CFO turnover is a strategic choice, not an inevitability.



Implications for CFOs

- **Expect change to be part of the PE environment.** CFO turnover is common and should be understood as structural rather than personal.
- **Clarify the mandate early.** Understanding the phase-specific expectations of the role is critical to long-term success.
- **Prior PE experience is helpful but not essential.** First-time PE CFOs and first-time CFOs can succeed and often stay longer.
- **Resilience and adaptability matter.** The ability to evolve with the company's ownership phase appears more important than PE-specific experience alone.



About Odgers

As a global leader in executive search, leadership assessment and board services, our mission is to transform our clients' performance through building outstanding leadership teams.

What we do matters; our work impacts peoples' lives and drives our clients' success. It is a privilege to help build the world's best leadership teams, a trusted role we never take for granted.

This ethos underpins our commitment to our clients and candidates and motivates our colleagues to strive for excellence in all we do.

While headquartered in the UK, we are deeply rooted in our local markets, which we combine with global perspective and reach, enabling us to serve clients across six continents.



Samppa Nylund
Partner, Helsinki
+358 40 773 8214
samppa.nylund@odgers.com



Piia-Noora Kauppi
Partner, Helsinki
+358 500 584 347
piia-noora.kauppi@odgers.com



Patrik Kvikant
Partner, Helsinki
+358 40 500 8855
patrik.kvikant@odgers.com



Casimir Tallqvist
Partner, Pointer Search, Helsinki
+358 40 555 7790
casimir.tallqvist@pointersearch.fi

 2

#2 global executive
search firm globally
(excl. US)

 59

59 offices in
33 countries

 450

Over 450 world-
wide partners &
consultants

 60

Over 60 years of
search experience.
In Finland since 1990

ODGERS 