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## The Co-CEO Model: Addressing the Needs of Dynamic Business Landscape

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*Co-CEO model works only in specific contexts, but can be value creating.*

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A sign on President Harry Truman's desk famously read, "The Buck Stops Here," emphasizing the a concept of leadership traditionally upheld by most public U.S. companies. Typically, a single Chief Executive Officer (CEO) serves as the central authority, accountable to investors, stakeholders, and the board of directors. However, an alternative leadership model is gaining traction: the co-CEO structure. In this approach, two or more individuals share the roles and responsibilities of leading a company, challenging the conventional notion of the sole leadership at the helm.

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## The Co-CEO Model

Firms may appoint two or more CEOs based on their unique organizational needs, aligning leadership roles with the CEOs' skills and strengths. This model often emerges when a company requires a diverse skill set, such as expertise across different business verticals or geographic regions.

Co-CEOs can bring complementary leadership styles—for instance, one may be task-oriented while the other is people-oriented. Since these traits are deeply rooted in personality, finding a single leader who excels in both dimensions can be challenging. The co-CEO structure helps strike the right balance. Similarly, a visionary CEO can focus on high-level goals, market trends, and innovation, while a detail-oriented counterpart manages execution, deadlines, and quality control. Unlike the traditional CEO-COO hierarchy, which may create rank disparities, a co-CEO model allows both leaders to operate as equals. Another common distinction is between an "explorer" co-CEO, who pursues new opportunities, and an "exploiter" co-CEO, who optimizes existing operations.

By distributing leadership responsibilities, companies can harness the strengths of both executives to navigate complex and evolving business challenges effectively.

## Successful Examples in Financial Services

The co-CEO model has proven successful in the financial sector. Goldman Sachs, for example, has previously employed a co-leadership structure, with one leader overseeing the Investment Banking division while the other focused on expanding the trading business. In 2025, the firm announced that Anthony Gutman and Kunal Shah would serve as co-CEOs of Goldman Sachs International.

Similarly, Warburg Pincus, a pioneer in private equity, experienced remarkable growth under the co-leadership of Lionel Pincus and John Vogelstein for over a decade. Their partnership was complementary—Pincus excelled at raising capital, while Vogelstein managed investments. They led the firm together until 2002, when they handed over leadership to Chip Kaye and Joe Landy, who continued as co-CEOs until 2019.

Another example is KKR, which appointed Scott Nuttall and Joseph Bae as co-CEOs in 2021, succeeding the firm's billionaire co-founders, Henry Kravis and George Roberts. Interestingly, Kravis and Roberts themselves maintained a successful co-leadership dynamic for over 45 years, shaping KKR into a global financial powerhouse—so much so that their initials remain embedded in the firm's name.

Vontobel, a Switzerland-based global asset management firm, appointed Georg Schubiger, Head of Wealth Management, and Dr. Christel Rendu de Lint, Head of Investments, as Co-CEOs, effective January 1, 2024. The board selected these internal candidates for their deep understanding of Vontobel's operations and culture, as well as their strong history of collaboration. According to the board, their synergy enhances the firm's leadership, ensuring a unified vision and a cohesive strategy for the future.

# Successful Examples in Technology Sector

The rapid expansion of the tech industry over the past few decades has made the co-CEO model increasingly attractive, allowing companies to adapt to the sector's evolving demands. Notable examples include Oracle, SAP, and Salesforce, which have previously employed co-CEO structures, as well as Netflix, where the model continues to thrive. Additionally, Sergey Brin and Larry Page co-led Google as co-presidents until 2001, demonstrating the effectiveness of shared leadership in navigating the fast-paced tech landscape.

Netflix serves as a compelling case study in the co-CEO model. The company is currently led by Greg Peters and Ted Sarandos, who have clearly defined roles: Sarandos oversees communications, marketing, publicity, and legal affairs, while Peters focuses on product and technology, human resources, and operations. What sets Netflix's co-CEO structure apart—and perhaps offers a blueprint for other companies—is its succession planning strategy. In 2020, Reed Hastings, Netflix's founder, first appointed Ted Sarandos as co-CEO, facilitating a smooth leadership transition and preparing for his eventual exit. Two and a half years later, Greg Peters, who had been groomed for the role as COO, was elevated to co-CEO alongside Sarandos when Hastings stepped down. Hastings' transition to executive chairman further reinforced the co-CEO model, providing strategic oversight and serving as a conflict resolution mechanism to ensure the partnership remains effective. Netflix's approach highlights how a well-structured co-CEO model can enable continuity, stability, and long-term leadership success.

A similar model was adopted by Oracle. In 2014, Safra Catz and Mark Hurd were appointed as co-CEOs when Oracle's longtime leader, Larry Ellison, transitioned to the role of chairman. Their responsibilities were clearly divided: Catz oversaw manufacturing, finance, and legal functions, while Hurd managed sales, services, and global business units. Meanwhile, Ellison continued to lead Oracle's software and hardware engineering divisions.

More recently, in December 2024, Intel announced that David Zinsner and Michelle (MJ) Johnston Holthaus would serve as interim co-CEOs, marking another high-profile adoption of the model. Similarly, at Salesforce, Keith Block was appointed as co-CEO alongside Marc Benioff following the departure of a co-founder, though Block stepped down in 2020.

## Failures of the Co-CEO Model

However, not all co-CEO arrangements prove successful. In 2012, Deutsche Bank appointed Anshu Jain and Jürgen Fitschen as joint CEOs in a landmark move aimed at balancing leadership: Jain was tasked with expanding the fast-growing Anglo-American investment banking division, while Fitschen focused on consolidating domestic German operations. Despite these strategic intentions, the co-CEO structure was short-lived. Both leaders resigned in 2015, prompting the bank to revert to a single-CEO model. This case underscores the challenges of shared leadership, particularly when differing priorities and management styles create friction.

Several factors contributed to the failure of Deutsche Bank's co-CEO model, including regulatory challenges, internal resistance, and an imbalanced growth strategy. The bank faced persistent legal and compliance issues, notably hefty penalties linked to the LIBOR scandal, which continued to haunt the institution after the global financial crisis. Its aggressive focus on high-growth investment banking seemingly came at the expense of regulatory compliance—a key weakness of the joint CEO model when growth takes precedence over risk management.

Moreover, the success of a co-leadership structure often depends on strong organizational buy-in. In Deutsche Bank's case, appointing a non-German co-CEO may have intensified internal resistance, further complicating the implementation of shared leadership. These challenges ultimately undermined the co-CEO framework, leading the bank to abandon the model in 2015.

# How to Make Co-CEO Model Succeed?

When leaders have vastly different personalities or lack prior experience working together, dual leadership structures can become strained, particularly due to power-sharing conflicts. A notable example is the failed co-CEO tenure of Kewsong Lee and Glenn Youngkin at the private equity firm Carlyle Group, where these challenges led to significant friction and ultimately the collapse of the co-leadership arrangement.

Co-CEO arrangements are more likely to succeed when the leaders share a strong relationship or have a history of effective collaboration, which reduces potential conflicts. For example, at Salesforce, the partnership between Marc Benioff and Keith Block was largely successful due to their close friendship and compatibility. This dynamic fostered transparent communication, mutual respect, and more effective decision-making. In contrast, the subsequent pairing of Marc Benioff and Bret Taylor lasted only 18 months, possibly due to imbalanced power dynamics, with Benioff, as the co-founder, holding a dominant influence.

A key factor in the success of co-CEO models is the presence of a solid governance framework, which includes executive oversight and an effective conflict resolution mechanism. Founders or former star CEOs often play a critical role in this process, acting as mediators to resolve disputes and ensure alignment between co-CEOs. For instance, at Netflix, Reed Hastings continues to serve as chairman, providing guidance and oversight for the joint leadership of Ted Sarandos and Greg Peters. Similarly, at Oracle, Larry Ellison played a pivotal role as chairman, supporting the co-leadership of Safra Catz and Mark Hurd.

Additionally, businesses led jointly by co-founders or family members often face fewer power-sharing issues. Many small firms thrive under co-founders who assume co-CEO roles, with their success often attributed to the absence of ego clashes or power struggles. For example, SkyKick, a tech firm, credits its success to the harmonious collaboration between Todd Schwartz and Evan Richman, the founders. Similarly, Mobi Wireless Management and Bluefish Wireless, technology firms with five co-founders and CEOs, shows how shared leadership can succeed when roles are well-defined and relationships

are strong. Family-run businesses, such as J.M. Smucker, experienced fewer power-sharing issues, benefited from established trust and a shared long-term vision, with Timothy and Richard Smucker as co-CEOs.

Co-leadership can also be an effective strategy in mergers of equals. A co-CEO structure can help mitigate the cultural integration challenges and power struggles that often accompany mergers by allowing the existing CEOs of both entities to retain leadership positions, thus unlocking synergies. For example, Green Canopy Node, a construction firm, achieved synergy through the amicable merger of two firms and co-led by the two founders, Aaron Fairchild and Bec Chapin.

Finally, firm-wide acceptance is critical to sustaining a co-leadership model. A culture of collaboration at all organizational levels, aligned with a shared vision, significantly enhances the success of such models. A prime example is Gensler, a leading architecture and design firm that thrived under a co-CEO model for decades. The co-CEOs oversee different regions and bring diverse expertise, and the firm's widespread adoption of the co-leadership model reinforces its effectiveness by fostering organizational collaboration at the highest levels.

## Limitations of Dual Leaderships

Despite its advantages, dual leadership can become unstable or inefficient during times of crisis or when decisive action is required. Shared leadership may slow down decision-making, especially during periods that demand swift, tough decisions. As a result, many firms revert to a single-CEO model after experiencing declining performance and the need for more streamlined leadership.

For example, Unilever once adopted a co-CEO model under Patrick Cescau and Antony Burgmans. However, declining sales and profits, coupled with the need for restructuring, led the board to transition back to a single CEO who could make the tough decisions needed to drive a turnaround. Similarly, during the COVID-19 crisis, SAP discontinued its

co-leadership model and appointed a single CEO to guide the company through the challenges of the pandemic. A single CEO during such challenging times can reduce ambiguity in decision-making and provide a clear, unified direction for the organization.

## Conclusion

The co-CEO model offers substantial advantages, especially in complex and rapidly evolving industries. By pairing leaders with diverse expertise and complementary skills, the model can effectively navigate technological advancements, foster innovation, and respond to market disruptions. However, its success hinges on strong governance, robust conflict resolution mechanisms, and a high level of alignment between the co-CEOs. While it holds significant potential to drive growth and resilience in dynamic environments, the model's sustainability requires careful implementation, firmwide cultural acceptance, and unified vision to meet future challenges.

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