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EXECUTIVE SUMMARY

Aerospace & Defense

2026 Sector Talent Trends

*A&D in the Age of AI: Leadership Implications
Recruiting Executive Talent for the New Environment*



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Industra Talent Partners provides unmatched access to executive talent across the Industrial sector, including manufacturing, aerospace & defense, energy and utilities, critical infrastructure, automotive, and many more.

Industra Talent Partners recruits the most effective leaders for portfolio companies in private equity-backed industrial companies.

Executives placed by Industra Talent Partners have generated more than \$10 billion in enterprise value for their companies.

The team brings more than 25 years of experience and has recruited more than 300 senior leaders including President & CEO, CFO, CRO/CCO, CHRO/CPO, CTO, CIO, COO and other EVP/SVP/VP functional leaders.

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Learn more at

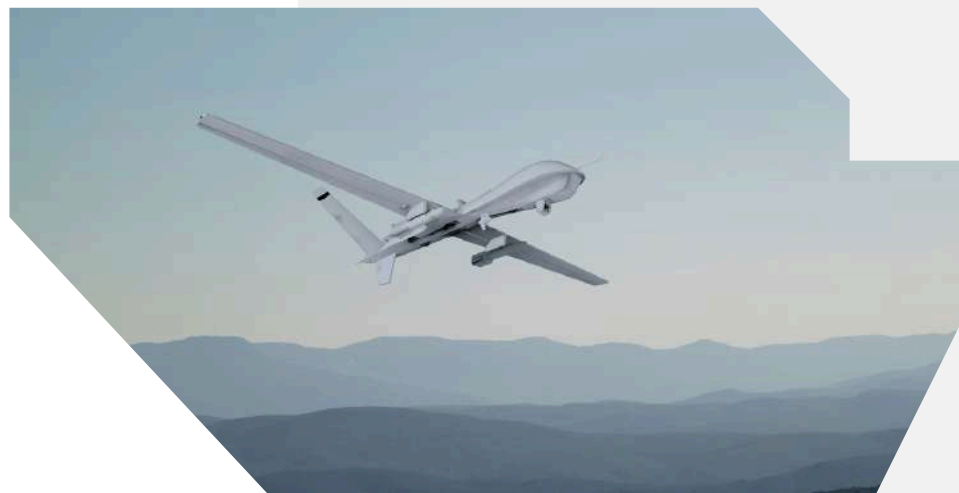
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Overview

Aerospace and defense leadership requirements are being reshaped by modernized defense priorities, technology-driven program complexity, and execution under constraint.

This executive summary draws from Industra Talent Partners' full 2026 A&D Sector Talent Trends report, covering the key talent trends, team composition dynamics, and executive compensation benchmarks that private equity-backed A&D portfolio companies and their sponsors need to understand heading into the second half of 2026.

[Access the complete report at industrapartners.com.](https://www.industrapartners.com)



Key Talent Trends

A&D talent is now a capability race, not a tenure race.



Value Creation

Sponsors and boards are underwriting value creation around three core priorities:

Operational execution under constraint:

- capacity
- certification
- supply
- continuity
- quality

Defense-tech adjacency:

- AI
- software
- data
- autonomy
- cyber
- digital engineering

Contracting and compliance fluency:

- now a value and contract eligibility issue, not a checkbox

[Download the full report](#) to see how AI-enabled mapping addresses the hardest-to-find A&D profiles, from cleared leaders to step-up candidates and adjacency hires.



[Download the full report](#) for the complete sponsor playbook, including how to calibrate leadership specs to investment thesis stage and evaluate AI and digital claims in candidate assessment.

⚙️ **Dealmaking is oriented around repositioning and capability acquisition.**

Platform strategies in 2026 increasingly involve portfolio reshaping, divestitures, and targeted capability buys, especially in [defense tech and space-related adjacencies](#). Buyers are acquiring capability, not just scale, and leadership specs must reflect that directly.

⚙️ **Digital engineering and defense tech are reshaping leadership demand.**

[Growing demand](#) is concentrated in CTOs and Chief Engineers with MBSE and AI awareness, CIO/CISO profiles with modern security architecture and compliance delivery credibility, and GM/BU leaders who can connect capability to capture rates, program execution, and margin.

⚙️ **CMMC 2.0 is a contract eligibility issue.**

[With the final DFARS rule integrating CMMC requirements into defense contracts](#), cybersecurity maturity is now inseparable from revenue protection. Gaps in security posture can remove a portfolio company from competition entirely. CISO and CIO hiring is accelerating earlier in the hold period as a result.

Team Composition & Turnover Patterns

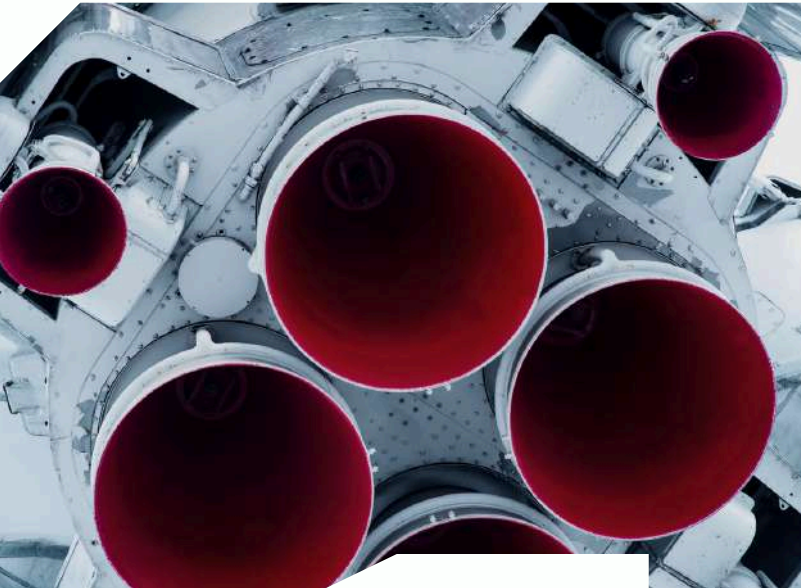
2026 A&D team design reflects the sector's convergence of execution and modernization. The roles most commonly in scope for PE-backed portfolio builds include:

- **CEO/President/GM** (investor cadence and program accountability)
- **CFO** (cash discipline and deal/integration fluency)
- **COO / VP Ops** (OTD, quality, ramp, supply chain)
- **Chief Engineer / CTO** (digital engineering and technical roadmap)
- **CIO/CISO** (security posture and compliance delivery; increasingly elevated)
- **Supply Chain / Procurement leader** (supplier development and risk)
- **Growth / BD / Capture leader** (depending on defense vs commercial mix)

Turnover patterns align to thesis stage.

Early hold often requires leadership change to establish operating cadence. Mid-hold demands stability, as churn during a production ramp is costly. Pre-exit puts CEO and CFO narratives under heavy scrutiny. In 2026, cyber and compliance gaps are accelerating leadership changes outside the normal cycle because they threaten contract access.

[Download the full report](#) for a deeper breakdown of how leadership change patterns align to hold period, and what that means for timing your search.



Executive Compensation

Compensation in A&D is driven by scarcity of specific constraints, not generic seniority.

The profiles commanding the highest premiums are program and execution leaders in regulated, high-reliability environments, cyber and compliance leaders who can implement and sustain CMMC readiness, and operators who can scale production and quality systems under supply stress. Variable compensation tied to milestone execution, ramp performance, contract wins, and margin/cash outcomes is increasingly standard.



Role	\$0-\$100M	\$1B+
CEO	\$634,000	\$1,554,000
CFO	\$395,000	\$854,000
COO	\$462,000	\$655,000
CRO	\$498,000	\$815,000
CIO/CTO	\$390,000	\$667,000
CMO	\$329,000	\$607,000
CHRO	\$274,000	\$629,000
CEO	\$634,000	\$1,554,000

The full report includes equity participation ranges, detailed variable compensation structures, and a breakdown of averages by company scale.

[Download your complimentary report.](#)

Figures shown as Total Cash (base + bonus) ranges from lowest to highest by revenue band. Source: Industra Talent Partners and Bespoke Partners proprietary placement data, complemented with reported compensation packages in public A&D companies.

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Access the Full Report

The full 2026 A&D Sector Talent Trends report includes detailed equity and variable compensation structures, AI-enabled search methodology, sponsor playbook recommendations, and role-by-role hiring priority guidance.

[Access the complete report at industrapartners.com.](https://industrapartners.com)



Questions? Contact the A&D search practice team directly.

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