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## FOR IMMEDIATE RELEASE

# OCTOBER CEO TURNOVER FALLS 23% IN MONTH BEFORE ELECTION

**CHICAGO, November 11, 2020** – In a tumultuous economic year with uncertainty dictating most business decisions, CEO turnover remains below 2019’s record level. Last month, the nation’s companies announced 92 CEO changes, down 23% from the 119 announced in September, according to a report released Wednesday by global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

October’s total was 47% lower than the 172 CEO exits reported in the same month last year. For the year, 1,108 chief executives have left their roles, down 16.8% from the 1,332 CEOs who announced their departures in the first ten months of last year.

"Undoubtedly companies were waiting for the outcome of the presidential election to inform not just business strategy, but also leadership decisions," said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

October’s total is the lowest since June, when 91 CEO changes were recorded. It is the seventh time this year CEO changes were lower than in the corresponding month one year earlier.

Government/Non-Profit firms announced the highest number of changes last month, with 17, bringing the year-to-date total to 202, a 28.1% decrease from the 281 CEOs who left their positions in this sector during the same period last year. This sector includes charities, foundations, and government-run entities, such as transportation authorities, chambers of commerce, and public education institutions.

Hospitals saw the second-highest number of CEO changes in October with 11, for a total of 90 so far this year. This is a 5.3% decrease from the 95 exits announced in this sector through October last year. Hospitals have been plagued by furloughs, job cuts, and other cost-cutting measures due to revenue losses in the face of COVID-19.

Entertainment/Leisure companies, also hit hard due to the COVID pandemic, announced the third-highest number of CEO changes in October with nine. This industry has announced 70 CEO changes so far this year, 37% higher than the 51 announced through October 2019.

Of those who gave a reason for leaving their position this year, the majority of CEOs (291) stepped down, meaning they stayed with the company for a period of time after leaving the position. Another 249 announced retirements and 114 saw their interim periods end. Some companies provided more specifics: 15 left due to a scandal (usually something that resulted in legal proceedings, such as financial mismanagement or fraud), four left due to allegations of racism or racism-related issues, four left amid allegations of professional misconduct, and one left amid allegations of sexual misconduct.

For the first time this year, the rate of new CEOs who are women dipped below 23%, as 22.8% of new CEOs are women through October this year. This is higher than the rate of new women CEOs in 2019, when 21.7% were women.

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**CHALLENGER CEO REPORT**  
**CEO DEPARTURES**  
**By Month**

Month	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Jan	219	157	132	128	131	110	131	113	123	96	89	113	134
Feb	128	124	113	72	87	94	112	110	104	92	132	82	114
Mar	94	135	96	101	101	95	123	86	94	99	119	114	123
Apr	48	97	109	91	108	97	94	94	90	103	101	78	112
May	83	114	91	80	100	90	98	104	99	103	125	115	115
Jun	91	99	90	95	97	102	103	94	99	113	107	105	126
Jul	125	124	94	102	92	128	105	128	83	104	88	126	124
Aug	109	159	154	96	109	107	119	113	104	104	95	101	144
Sep	119	151	148	101	119	104	124	107	95	108	111	105	140
Oct	92	172	149	105	99	94	122	104	108	91	81	89	125
Nov		148	147	94	106	86	103	94	112	82	79	94	104
Dec		160	129	95	99	114	107	99	103	83	107	105	123
<b>TOTAL</b>	<b>1,108</b>	<b>1,640</b>	<b>1,452</b>	<b>1,160</b>	<b>1,248</b>	<b>1,221</b>	<b>1,341</b>	<b>1,246</b>	<b>1,214</b>	<b>1,178</b>	<b>1,234</b>	<b>1,227</b>	<b>1,484</b>

**Company Type, YTD 2020**

Private/Government/Non-Profit	<b>840</b>
Public	<b>176</b>

Month	CEO Departures from Fortune-Ranked Companies	
	19-Jun	4
	19-Jul	8
	19-Aug	10
	19-Sep	8
	19-Oct	5
	19-Nov	14
	19-Dec	10
	20-Jan	6
	20-Feb	4
	20-Mar	6
	20-Apr	1
	20-May	3
	20-Jun	3
	20-Jul	8
	20-Aug	8
	20-Sept	4
	20-Oct	5

#### Annual CEO Turnover by Company Type

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
CEO Turnover at Public Companies	278	296	266	249	278	254	230	230	262	311

**CHALLENGER CEO REPORT**  
**By Industry**

	19-Oct	20-Sep	20-Oct	Year to Date 2019	Year to Date 2020
Aerospace/Defense	2	1	3	10	12
Apparel	3	1	3	12	10
Automotive	1	2		11	13
Cannabis	1			7	11
Chemical		1		1	5
Commodities	2			6	0
Construction	4	4		16	12
Consumer Products	2	1	4	23	23
Electronics	1			3	8
Energy	2	4	2	48	31
Entertainment/Leisure	5	3	9	51	70
Financial	13	6	4	104	61
FinTech	2	2	3	11	15
Food	9	3	3	54	31
Government/Non-Profit	35	20	17	281	202
Health Care/Products	5	8	6	98	106
Hospitals	16	9	11	95	90
Industrial Goods	2	3		52	28
Insurance		2	2	13	18
Legal			1	5	7
Media	1	4		20	25
Pharmaceutical	10	2	2	55	18
Real Estate	6	4	2	27	20
Retail	7		2	47	23
Services	11	11	8	69	88
Technology	27	16	8	181	126
Telecommunications	1	2	1	4	10
Transportation	2	7		19	28
Utility	2	3	1	9	17
<b>TOTAL</b>	<b>172</b>	<b>119</b>	<b>92</b>	<b>1,332</b>	<b>1,108</b>

**CHALLENGER CEO REPORT**  
**By State**

<b>EAST</b>	<b>OCTOBER</b>	<b>YTD 2020</b>	<b>YTD 2019</b>
Connecticut		13	26
Delaware		4	2
Dist. of Columbia		7	31
Maine		3	2
Maryland	1	7	25
Massachusetts	2	46	48
New Hampshire	1	4	2
New Jersey	3	25	25
New York	5	75	79
Pennsylvania	4	34	49
Rhode Island	1	2	2
Vermont		2	4
	<b>17</b>	<b>222</b>	<b>295</b>

<b>MIDWEST</b>	<b>OCTOBER</b>	<b>YTD 2020</b>	<b>YTD 2019</b>
Illinois	6	44	67
Indiana	1	12	23
Iowa	2	12	7
Kansas	1	16	9
Michigan	1	21	24
Minnesota	2	24	33
Missouri		27	31
Nebraska		2	7
Ohio	6	35	50
Wisconsin	2	23	21
<b>TOTAL</b>	<b>21</b>	<b>216</b>	<b>272</b>

**CHALLENGER CEO REPORT****By State**

<b>WEST</b>	<b>OCTOBER</b>	<b>YTD 2020</b>	<b>YTD 2019</b>
Alaska		1	3
Arizona	2	23	31
California	15	163	175
Colorado	3	31	37
Hawaii		7	11
Idaho		7	8
Montana	1	1	3
Nevada	1	9	8
New Mexico	4	15	8
North Dakota		1	3
Oklahoma		7	8
Oregon	1	16	23
South Dakota	1	4	5
Texas	7	93	109
Utah		4	6
Washington	2	23	32
Wyoming		2	2
<b>TOTAL</b>	<b>37</b>	<b>407</b>	<b>472</b>

<b>SOUTH</b>	<b>OCTOBER</b>	<b>YTD 2020</b>	<b>YTD 2019</b>
Alabama		14	11
Arkansas		4	4
Florida	9	78	82
Georgia	1	33	26
Kentucky		19	21
Louisiana	2	7	13
Mississippi	1	1	3
N. Carolina	3	26	25
S. Carolina		15	10
Tennessee		30	44
Virginia	1	33	49
West Virginia		3	5
<b>TOTAL</b>	<b>17</b>	<b>263</b>	<b>293</b>

**CHALLENGER CEO REPORT****By Reason**

<b>Reason</b>	<b>October</b>	<b>YTD</b>
<b>Stepped Down</b>	31	<b>291</b>
<b>Retired</b>	27	<b>249</b>
<b>No Reason Given</b>	4	<b>141</b>
<b>New Opportunity</b>	7	<b>86</b>
<b>Interim Period Over</b>	11	<b>114</b>
<b>Resigned</b>	3	<b>97</b>
<b>Deceased</b>	1	<b>17</b>
<b>Personal Reasons</b>		<b>17</b>
<b>Scandal</b>		<b>15</b>
<b>Leadership Restructuring</b>	3	<b>7</b>
<b>Bankruptcy</b>		<b>7</b>
<b>Allegations of Racism/Issues Surrounding Race</b>		<b>4</b>
<b>New Position within Company</b>	1	<b>9</b>
<b>Acquisition/Merger</b>	2	<b>23</b>
<b>Relocation</b>		<b>2</b>
<b>Allegations of Professional Misconduct</b>		<b>4</b>
<b>Financial Losses</b>		<b>1</b>
<b>Terminated</b>	1	<b>7</b>
<b>Differences with Board</b>		<b>5</b>
<b>Contract Expired</b>		<b>7</b>
<b>Economic Conditions</b>		<b>5</b>
<b>Allegations of Sexual Misconduct</b>	1	<b>1</b>



**Average Age, Tenure**

	Age		Tenure	
	2020	2019	2020	2019
January	55.7	60.7	10.6	11.6
February	53.3	57.1	10.3	11.4
March	53.0	57.6	10.0	11.2
April	53.4	60	6.8	8.8
May	56.1	61.4	11.4	11.1
June	54.7	61.6	12.0	8.7
July	58.0	59.2	11.6	9
August	52.0	68.5	8.7	10.6
September	55.1	58.9	10.5	8.8
October	57.0	53.3	12.2	10.7
November		53.2		9.4
December		57.2		11.5

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**Challenger CEO Report  
CEO Replacements**

Replacement Type	YTD
External Replacement	540
Internal Replacement	436

**Annual Internal vs. External Replacement CEOs**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
External Replacements	469	469	431	513	524	478	493	462	564	784
Internal Replacements	458	479	529	480	539	560	557	515	630	620

Replacements by Gender, YTD 2020

Replacement	CEOs (Interim)
Women Replacing Women	68 (7)
Men Replacing Women	83 (9)
Women Replacing Men	158 (12)
Men Replacing Men	682 (51)
<b>Total</b>	<b>991</b>
Percentage of New CEOs who are Women	22.81%

Annual

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Women Replacing Women	39	24	42	45	54	50	64	69	89	119
Men Replacing Women	58	67	72	78	89	91	99	88	120	131
Women Replacing Men	77	95	94	117	107	109	130	119	182	189
Men Replacing Men	760	761	753	755	812	788	757	741	814	983
<b>Grand Total</b>	<b>934</b>	<b>947</b>	<b>961</b>	<b>995</b>	<b>1,062</b>	<b>1,038</b>	<b>1,050</b>	<b>1,017</b>	<b>1,205</b>	<b>1,422</b>
Percentage of Women Replacement CEOs	12.4%	12.6%	14.2%	16.3%	15.2%	15.3%	18.5%	18.5%	22.5%	21.7%

Source: Challenger, Gray & Christmas, Inc. ©