



Challenger, Gray & Christmas, Inc.
The original outplacement company



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CEO TURNOVER TICKS UP SLIGHTLY FROM MAY, 104 CEO EXITS IN JUNE

CHICAGO, July 7, 2021 – U.S. companies announced 104 CEO changes in June, up 5% from the 99 who left their posts in May, according to a report by global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

In the second quarter, 336 CEOs left their posts, an increase of 9% over the 307 CEOs who left their posts last quarter, and a 51% increase from the 222 CEOs who left their posts in the second quarter of 2020. It is the highest quarterly total since the first quarter of 2020, when 441 CEO exits were announced.

Last month's total is up 14% from the 91 CEOs who left their posts in June 2020. So far this year, 643 CEOs have left their posts, down 3% from the 663 CEO changes tracked through the first half of last year.

"CEO Turnover has leveled off somewhat since the peaks and valleys we saw in 2020. Many employers are concerned about an exodus of talent, and that includes from the top levels," said Andrew Challenger, Senior Vice President of Challenger, Gray & Christmas, Inc.

CEO turnover is led by Government/Non-Profit entities, which include charities, foundations, school systems, transportation authorities, and other government-funded entities. This sector announced 125 CEO changes this year, up 4.2% from the 120 announced in the first half of 2020.

Another 73 CEOs left Health Care/Products firms, 22% higher than the 60 who left through the same period last year. Technology firms announced 69 CEO changes, down 17% from the 83 chief executives who left Tech companies through the first five months of 2020.

Companies in Consumer Products manufacturing announced 26 CEO changes this year, up 160% from the 10 who left their post. Meanwhile, Real Estate CEO turnover increased 86% to 13 from 7 who left their posts last year.

"Supply chain issues are still plaguing many industries as the economy recovers from COVID-19. Commercial Real Estate is in total flux as workplaces determine whether they will keep workers in a physical office or downsize," said Challenger.

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CHALLENGER CEO REPORT

CEO DEPARTURES

By Month

Month	2021	2020	2019	2018	2017	2016	2015
January	89	219	157	132	128	131	110
February	106	128	124	113	72	87	94
March	112	94	135	96	101	101	95
April	133	48	97	109	91	108	97
May	99	83	114	91	80	100	90
June	104	91	99	90	95	97	102
July		125	124	94	102	92	128
August		109	159	154	96	109	107
September		119	151	148	101	119	104
October		92	172	149	105	99	94
November		110	148	147	94	106	86
December		96	160	129	95	99	114
TOTAL	643	1,314	1,640	1,452	1,160	1,248	1,221

Month	CEO Departures from Fortune-Ranked Companies
20-May	3
20-Jun	3
20-Jul	8
20-Aug	8
20-Sept	4
20-Oct	5
20-Nov	13
20-Dec	3
21-Jan	4
21-Feb	5
21-Mar	7
21-Apr	8
21-May	3
21-Jun	4

Type	Number of Companies
Private/Government/Non-Profit	561
Public	82

Annual CEO Turnover by Company Type

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
CEO Turnover at Public Companies	278	296	266	249	278	254	230	230	262	311	176

CHALLENGER CEO REPORT
By Industry

	20-Jun	21-May	21-Jun	Year to Date 2020	Year to Date 2021
Aerospace/Defense	1	3	3	8	9
Apparel	2			6	3
Automotive		2	1	6	7
Cannabis	2	2		6	3
Chemical	1	1	1	3	2
Commodities				0	0
Construction	3	1		6	7
Consumer Products	1	2	3	10	26
Electronics	2		1	4	5
Energy	3	2	3	14	11
Entertainment/Leisure	5	6	7	42	49
Financial	5	2	6	38	46
FinTech		2	1	8	7
Food	2	3	1	18	10
Government/Non-Profit	22	22	26	120	125
Health Care/Products	11	6	4	60	73
Hospitals	3	6	16	58	42
Industrial Goods	2	4	1	22	10
Insurance	3	3	1	9	18
Legal		1		4	5
Media	2	3		14	14
Pharmaceutical		1		14	4
Real Estate	1	4	5	7	13
Retail		2	1	16	11
Services	9	2	5	52	48
Technology	6	14	13	83	69
Telecommunications	1	2	1	5	4
Transportation	3	1	3	18	14
Utility	1	2	1	12	8
TOTAL	91	99	104	663	643

CHALLENGER CEO REPORT
By State

EAST	Jun-21	YTD
Connecticut	2	12
Delaware		2
Dist. of Columbia	4	12
Maine		0
Maryland	1	9
Massachusetts	3	27
New Hampshire	1	3
New Jersey	1	9
New York	5	40
Pennsylvania	6	32
Rhode Island	1	2
Vermont		0
	24	148

MIDWEST	Jun-21	YTD
Illinois	4	20
Indiana	1	13
Iowa		6
Kansas		6
Michigan	1	15
Minnesota	3	21
Missouri	1	17
Nebraska		1
Ohio	7	27
Wisconsin	1	7
TOTAL	18	133

CHALLENGER CEO REPORT**By State**

WEST	Jun-21	YTD
Alaska		
Arizona	4	14
California	11	79
Colorado	10	19
Hawaii	1	1
Idaho	1	2
Montana		
Nevada		5
New Mexico		6
North Dakota		
Oklahoma		1
Oregon	1	8
South Dakota		1
Texas	8	51
Utah		1
Washington	2	15
Wyoming		
TOTAL	38	203

SOUTH	Jun-21	YTD
Alabama	1	8
Arkansas		1
Florida	11	45
Georgia	1	15
Kentucky	1	17
Louisiana	1	8
Mississippi	1	2
N. Carolina	2	18
S. Carolina	3	8
Tennessee	1	16
Virginia	2	20
West Virginia		1
TOTAL	24	159

CHALLENGER CEO REPORT

By Reason

Reason	June	YTD
Stepped Down	22	190
Retired	28	159
No Reason Given		73
Resigned	21	56
New Opportunity	12	54
Interim Period Over	6	36
Acquisition/Merger	5	24
New Position within Company	4	14
Deceased	1	7
Personal Reasons		6
Terminated	2	6
Scandal		5
Differences with Board		3
Bankruptcy		2
Contract Expired	1	2
Allegations of Sexual Misconduct		2
Allegations of Racism/Issues Surrounding Race		1
Relocation		1
Financial Losses	1	1
Legal Trouble	1	1

Average Age, Tenure

	Age		Tenure	
	2021	2020	2021	2020
January	57.9	55.7	9.6	10.6
February	56.5	53.3	11.1	10.3
March	55.8	53	8.8	10
April	56.0	53.4	10.6	6.8
May	61.2	56.1	11.0	11.4
June	68.0	54.7	10.7	12
July		58		11.6
August		52		8.7
September		55.1		10.5
October		57		12.2
November		60.3		11.6
December		55		9.9

Challenger CEO Report
CEO Replacements

Replacement Type	YTD
External Replacement	298
Internal Replacement	272

Annual Internal vs. External Replacement CEOs											
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
External Replacements	469	469	431	513	524	478	493	462	564	784	636
Internal Replacements	458	479	529	480	539	560	557	515	630	620	528

Incoming CEOs by Gender

Incoming	CEOs (Interim) Jan-June 2021	CEOs (Interim) Jan-June 2020
Women Replacing Women	43 (1)	46 (3)
Men Replacing Women	56 (7)	54 (4)
Women Replacing Men	93 (8)	92 (2)
Men Replacing Men	381 (14)	399 (26)
Total	573	591
Percentage of New CEOs Who are Women	23.73%	23.40%

Annual

	2014	2015	2016	2017	2018	2019
Women Replacing Women	54	50	64	69	89	119
Men Replacing Women	89	91	99	88	120	131
Women Replacing Men	107	109	130	119	182	189
Men Replacing Men	812	788	757	741	814	983
Grand Total	1,062	1,038	1,050	1,017	1,205	1,422
Percentage of Women Replacement CEOs	15.20%	15.30%	18.50%	18.50%	22.50%	21.70%

Source: Challenger, Gray & Christmas, Inc. ©