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CEOS LEAVE THEIR POSTS AT FASTEST PACE SINCE FEBRUARY 2020

CHICAGO, August 12, 2021 – As job openings hit a record high in June, according to the Bureau of Labor Statistics Job Openings and Labor Turnover Survey, and companies hold tight to their talent, 127 CEOs left their posts in July, the most CEO changes in 18 months. That is up 22% from the 104 who left their posts in June, according to a report by global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc. Last month's total is virtually unchanged from the 125 CEOs who left their posts in July of 2020. So far this year, 770 chief executives have left their posts, down 2.3% from the 788 CEOs who left their posts in the first seven months of last year.

“CEOs were likely leaving for very different reasons last July than this July. Leaders have a slew of unique issues to navigate now in terms of talent management, retention, hiring, and reimagining the workplace post-COVID,” 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 26 CEO changes in July for a total of 148 this year.

Technology announced the second-most CEO exits in July with 23, the highest monthly total for the sector since January 2020 when 35 CEOs left their posts. In nearly half of these instances, the CEO remained with the company in some capacity as it entered a new phase of growth. Five of these exits occurred because the CEO had another opportunity last month.

In fact, so far this year, 93 CEOs have left for new roles in completely different companies or in different companies within the hierarchy of their current organizations, with 25 occurring last month. This is compared to 68 CEOs who similarly found new roles through the same period in 2020.

“Companies are increasingly reporting talent shortages at every level of their organizations. The skill sets that many CEOs have are in high demand. A quality candidate could get poached even from within,” said Challenger. Another 17 CEOs left Hospitals last month for a total of 59. Nine CEOs left Entertainment/Leisure companies and 8 exited from Food & Beverage companies in July.

So far in 2021, 221 CEOs have stepped down into other roles within the same company, typically on the Board or into another C-Level role, compared to 194 who did so through July last year. Another 187 retired, 46 saw their interim periods end, and 25 left after an acquisition or merger.

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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	127	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	770	1,314	1,640	1,452	1,160	1,248	1,221

Type	Number of Companies
Private/Government/Non-Profit	677
Public	93

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-Jul	21-Jun	21-Jul	Year to Date 2020	Year to Date 2021
Aerospace/Defense		3		8	9
Apparel				6	3
Automotive	2	1	2	8	9
Cannabis	2		1	8	4
Chemical		1	2	3	4
Commodities				0	0
Construction	2		1	8	8
Consumer Products	4	3	3	14	29
Electronics		1		4	5
Energy	7	3	4	21	15
Entertainment/Leisure	10	7	9	52	58
Financial	7	6	3	45	49
FinTech	1	1	1	9	8
Food	3	1	8	21	18
Government/Non-Profit	28	26	26	148	151
Health Care/Products	18	4	7	78	80
Hospitals	6	16	17	64	59
Industrial Goods	3	1	1	25	11
Insurance	2	1	2	11	20
Legal	2			6	5
Media	3		2	17	16
Pharmaceutical			2	14	6
Real Estate	6	5	1	13	14
Retail	4	1	4	20	15
Services	4	5	4	56	52
Technology	10	13	23	93	92
Telecommunications		1		5	4
Transportation	1	3	1	19	15
Utility		1	3	12	11
TOTAL	125	99	127	788	770

CHALLENGER CEO REPORT
By State

EAST	Jul-21	YTD
Connecticut	2	14
Delaware	2	4
Dist. of Columbia	3	15
Maine		0
Maryland	1	10
Massachusetts	2	29
New Hampshire	2	5
New Jersey	3	12
New York	7	47
Pennsylvania	4	36
Rhode Island		2
Vermont		0
	26	174

MIDWEST	Jul-21	YTD
Illinois	2	22
Indiana	2	15
Iowa	1	7
Kansas	1	7
Michigan	1	16
Minnesota	1	22
Missouri	5	22
Nebraska	1	2
Ohio	4	31
Wisconsin	2	9
TOTAL	20	153

CHALLENGER CEO REPORT**By State**

WEST	Jul-21	YTD
Alaska		0
Arizona		14
California	16	95
Colorado	5	24
Hawaii	1	2
Idaho	2	4
Montana		0
Nevada		5
New Mexico	3	9
North Dakota		0
Oklahoma		1
Oregon	6	14
South Dakota		1
Texas	12	63
Utah		1
Washington	7	22
Wyoming	2	2
TOTAL	54	257

SOUTH	Jul-21	YTD
Alabama	2	10
Arkansas	1	2
Florida	4	49
Georgia	4	19
Kentucky	2	19
Louisiana	1	9
Mississippi		2
N. Carolina	3	21
S. Carolina	2	10
Tennessee	2	18
Virginia	4	24
West Virginia	2	3
TOTAL	27	186

CHALLENGER CEO REPORT

By Reason

Reason	July	YTD
Stepped Down		221
Retired		187
Resigned		81
No Reason Given		73
New Opportunity		73
Interim Period Over		46
Acquisition/Merger		25
New Position within Company		20
Deceased		8
Personal Reasons		7
Terminated		6
Scandal		5
Differences with Board		3
Contract Expired	1	3
Bankruptcy		2
Relocation	1	2
Financial Losses	1	2
Allegations of Sexual Misconduct		2
Allegations of Racism/Issues Surrounding Race		1
Internal Investigation	1	1
Legal Trouble		1
Health	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	63.3	58	10.9	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	357
Internal Replacement	323

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-July 2021	CEOs (Interim) Jan-July 2020
Women Replacing Women	49 (1)	52 (4)
Men Replacing Women	67 (7)	64 (5)
Women Replacing Men	113 (10)	112 (7)
Men Replacing Men	454 (15)	483 (34)
Total	683	711
Percentage of New CEOs Who are Women	23.72%	23.07%

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. ©