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MONTHLY CEO TURNOVER SLOWS IN FEBRUARY AFTER RECORD-SETTING JANUARY

CHICAGO, March 11, 2020 – Chief Executive Officer turnover fell 42%, from the record 219 who left their posts in January to 128 in February. Last month's total is 3% higher than the same month last year, when 124 CEOs left their posts, according to a report released Wednesday by global outplacement and business and executive coaching firm Challenger, Gray & Christmas, Inc.

So far this year, 347 CEOs have left their posts, 23.5% higher than the 281 who left their posts through February last year. It is the highest January-February total on record, followed by last year's total for the first two months of the year. The third-highest total occurred in 2008, when 248 CEOs left their posts.

"The slowdown could be a reaction to the outbreak of COVID-19, as companies hunker down and determine their next steps. Making a leadership change during a time of such uncertainty will not inspire confidence in workers nor shareholders," said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

"The virus is contributing to both a supply and demand shock, as well as a downturn in foreign demand. After supply was cut off in mid-January in response to the first reported death from the virus in China, many companies have been working to understand the impact in both the short and long term," he added.

Using SEC filings, news reports, and company announcements, Challenger tracks CEO changes each month from U.S.-based companies that have been in business for at least two years and employ a minimum of ten employees. So far this year, Challenger has tracked ten CEO exits from Fortune 1000 companies.

February's total was led by the Government/Non-Profit sector, which saw 22 chief executive exits, for a total of 63 this year. That is 6.8% higher than the 59 CEOs who left their posts in this sector during the same period last year.

The Technology sector followed with 16 exits in February, for a year-to-date total of 51, 121.7% higher than the 23 who left their posts through February 2019.

“The Technology sector is undergoing massive changes, and boards are requiring leaders who can handle either a new phase of growth or the need to pivot to new technology, along with changing consumer behavior,” said Challenger.

The Services sector, which includes consulting, accounting, engineering, and marketing services, announced 13 CEO changes last month, for a total of 30 this year.

The majority of CEOs (43) resigned last month, while 29 retired from their posts. Twelve saw their interim periods end, while seven found new opportunities. Three CEOs left amid scandal last month.

Of the 313 replacements Challenger tracked this year, 168 came from outside the company, while 145 were internal candidates. So far this year, 24% of replacement CEOs are women.

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NEW: Challenger will now report on replacement data each month. Please see tables on the last page of this report.

CHALLENGER CEO REPORT

CEO DEPARTURES

By Month

Month	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
January	219	157	132	128	131	110	131	113	123	96	89	113	134
February	128	124	113	72	87	94	112	110	104	92	132	82	114
March		135	96	101	101	95	123	86	94	99	119	114	123
April		97	109	91	108	97	94	94	90	103	101	78	112
May		114	91	80	100	90	98	104	99	103	125	115	115
June		99	90	95	97	102	103	94	99	113	107	105	126
July		124	94	102	92	128	105	128	83	104	88	126	124
August		159	154	96	109	107	119	113	104	104	95	101	144
September		151	148	101	119	104	124	107	95	108	111	105	140
October		172	149	105	99	94	122	104	108	91	81	89	125
November		148	147	94	106	86	103	94	112	82	79	94	104
December		160	129	95	99	114	107	99	103	83	107	105	123
TOTAL	347	1,640	1,452	1,160	1,248	1,221	1,341	1,246	1,214	1,178	1,234	1,227	1,484

Company Type, YTD 2020

Private/Government/Non-Profit	289
Public	58

Month	Announced CEO Departures from Fortune 1000 Companies
Jan-19	4
Feb-19	9
Mar-19	9
Apr-19	5
May-19	2
Jun-19	4
Jul-19	8
Aug-19	10
Sep-19	8
Oct-19	5
Nov-19	14
Dec-19	10
Jan-20	6
Feb-20	4

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-Feb	20-Jan	20-Feb	Year to Date 2019	Year to Date 2020
Aerospace/Defense		3	1	2	4
Apparel		3		1	3
Automotive		3		5	3
Cannabis		1	2	2	3
Chemical		1	1	0	2
Commodities				0	0
Construction	1	1		3	1
Consumer Products	5	6	2	7	8
Electronics			2	0	2
Energy	7	3	2	12	5
Entertainment/Leisure	5	12	7	9	19
Financial	6	15	7	19	22
FinTech			1	1	1
Food	4	3	4	8	7
Government/Non-Profit	30	41	22	59	63
Health Care/Products	11	18	12	28	30
Hospitals	6	18	12	11	30
Industrial Goods	6	10	3	15	13
Insurance		1	1	3	2
Legal	2	2	1	2	3
Media	1	4	3	2	7
Pharmaceutical	8	6	2	18	8
Real Estate	1	1	1	9	2
Retail	3	6	5	9	11
Services	14	17	13	27	30
Technology	13	35	16	23	51
Telecommunications		3		1	3
Transportation	1	4	4	3	8
Utility		2	4	2	6
TOTAL	124	219	128	281	347

CHALLENGER CEO REPORT

By State

EAST	FEBRUARY	YTD 2020	YTD 2019
Connecticut	3	6	7
Delaware	1	3	0
Dist. of Columbia		3	2
Maine		0	0
Maryland		1	4
Massachusetts	5	19	17
New Hampshire		1	0
New Jersey	6	13	3
New York	9	26	21
Pennsylvania	6	11	10
Rhode Island		1	0
Vermont		0	0
	30	84	64

MIDWEST	FEBRUARY	YTD 2020	YTD 2019
Illinois	7	13	10
Indiana	1	4	6
Iowa	2	3	1
Kansas	1	3	3
Michigan		3	3
Minnesota	2	8	9
Missouri	3	11	12
Nebraska		0	1
Ohio	6	10	10
Wisconsin	5	9	4
TOTAL	27	64	59

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CHALLENGER CEO REPORT

By State

WEST	FEBRUARY	YTD 2020	YTD 2019
Alaska		0	0
Arizona	3	6	10
California	13	48	36
Colorado	2	8	11
Hawaii	1	3	1
Idaho	2	5	2
Montana		0	0
Nevada	2	5	1
New Mexico	2	6	0
North Dakota		0	0
Oklahoma	1	3	2
Oregon	2	4	3
South Dakota	1	1	2
Texas	10	24	23
Utah	2	2	1
Washington	3	7	7
Wyoming		0	1
TOTAL	44	122	100

SOUTH	FEBRUARY	YTD 2020	YTD 2019
Alabama	2	5	4
Arkansas		0	0
Florida	3	16	16
Georgia	4	10	5
Kentucky	1	6	2
Louisiana	2	4	5
Mississippi		0	1
N. Carolina	5	9	5
S. Carolina	1	5	4
Tennessee	5	14	7
Virginia	4	7	8
West Virginia		1	1
TOTAL	27	77	58

CEO DEPARTURES

By Reason

Reason	February	YTD
Stepped Down	3	83
Retired	29	78
Resigned	43	55
Interim Period Over	17	37
No Reason Given	12	36
New Opportunity	7	22
Acquisition/Merger	3	9
Deceased	2	6
Scandal	3	6
Relocation		2
Personal Reasons	1	2
Terminated	1	2
Allegations of Professional Misconduct		1
Financial Losses		1
Contract Expired	1	1
New Position Within Company	3	
Differences with Board	1	
Bankruptcy	1	
Leadership Restructuring	1	

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		57.6		11.2
April		60		8.8
May		61.4		11.1
June		61.6		8.7
July		59.2		9
August		68.5		10.6
September		58.9		8.8
October		53.3		10.7
November		53.2		9.4
December		57.2		11.5

Challenger CEO Report

CEO Replacements

Replacement Type	YTD
External Replacement	168
Internal Replacement	145

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

Source: Challenger, Gray & Christmas, Inc. ©

Replacements by Gender, January

Replacement	CEOs (Interim)
Women Replacing Women	26 (2)
Men Replacing Women	30 (2)
Women Replacing Men	49 (1)
Men Replacing Men	208 (14)
Total Replacements	313
Percentage of New CEOs who are Women	24.00%

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
Grand Total	934	947	961	995	1,062	1,038	1,050	1,017	1,205	1,422
Percent of Women Replacement CEOs	12.4%	12.6%	14.2%	16.3%	15.2%	15.3%	18.5%	18.5%	22.5%	21.7%