



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

## **CONTACTS**

**James K. Pedderson**, Director of Public Relations  
Office: 312-332-5790, Ext 3023  
Mobile: 847-567-1463  
[jamespedderson@challengergray.com](mailto:jamespedderson@challengergray.com)

**Colleen Madden**, Media Relations Manager  
Office: 312-332-5790, Ext 3004  
[colleenmadden@challengergray.com](mailto:colleenmadden@challengergray.com)

## **FOR IMMEDIATE RELEASE**

### **Economic Conditions, Resume Fraud Cited** **FEBRUARY SEES LOWEST CEO TURNOVER SINCE 2004**

**CHICAGO** – Chief executive officer turnover nosedived in February with just 83 departures recorded during the month. That is down 26.5 percent from January's 113 CEO exits and represents the lowest monthly turnover since December 2004, when 56 CEO departures were announced

The latest report on CEO turnover, released Wednesday by global outplacement and business coaching firm Challenger, Gray & Christmas, Inc., showed that February departures were 27.1 percent lower than the 114 chief executive exits recorded in February a year ago.

Overall, 196 CEOs have left their posts this year, down 20 percent from 248 CEO changes recorded in the first two months of 2008.

Health care led all sectors in CEO departures with 21. The technology sector – electronics, e-commerce, computer and telecommunications – saw 12 CEOs leave their posts, while the government/non-profit industry lost 9. Seven chief executives left financial institutions.

While most (24) CEOs resigned last month with no other explanation, four companies cited that the worsening economic conditions led to restructuring of the management team. One leader left directly because of the credit collapse, while another cited bankruptcy. Four CEOs were fired last month.

So far this year, 57 chief executives resigned while 27 retired. Fifty-three stepped into other positions within the company, usually as a board member or other C-suite executive. Eighteen found new positions in other companies, while 4 found positions within their current companies, usually as the head of a different division or subsidiary operation.

While the economy was most often mentioned as the reason organizations were restructuring management teams, one CEO resigned after reports of resume embellishments were uncovered by the Fraud Discovery Institute and published by Bloomberg News. Patrick Avery, former President and CEO of chemical-miner Intrepid Potash Inc., claimed to have earned a bachelors degree from Colorado University and a masters from Loyola Marymount. Although he attended and took courses at both institutions, he never received the degrees.

“Resume fraud is likely to become more prevalent in the downturn, even among high-level executives. With increased competition for available positions, there is more pressure to find and keep a position. With this pressure comes the temptation to embellish one’s education or work record. More of these embellishments are likely to be uncovered, however, as companies become more selective and more diligent in the vetting process,” said John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

“While a few missed courses might not matter to hiring manager, lying on a resume certainly will,” said Challenger, who noted that education is the most common area where job seekers exaggerate.



March 11, 2009

**CHIEF EXECUTIVE DEPARTURES**

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
<b>January</b>	113	134	114	139	92
<b>February</b>	83	114	127	112	103
<b>March</b>		123	103	87	129
<b>April</b>		112	126	115	117
<b>May</b>		115	144	148	120
<b>June</b>		126	105	127	120
<b>July</b>		124	88	118	96
<b>August</b>		144	124	114	116
<b>September</b>		140	112	152	121
<b>October</b>		125	96	122	96
<b>November</b>		104	132	113	118
<b>December</b>		123	85	131	94
<b>TOTAL</b>	<b>196</b>	<b>1,484</b>	<b>1,356</b>	<b>1,478</b>	<b>1,322</b>

**Challenger, Gray & Christmas, Inc.®**

Copyright 2009 Challenger, Gray & Christmas, Inc.



March 11, 2009

<b>CHIEF EXECUTIVE DEPARTURES</b>			
<b>Public vs. Private</b>			
	<b>2009</b>	<b>2009</b>	<b>2008</b>
	February	Y-T-D	Yearly Total
Private	57	143	1,001
Public	26	73	483

<b>FEBRUARY CEO DEPARTURES</b>	
Health Care/Products	21
Government/Non-Profit	9
Financial	7
Computer	5
Electronics	5
Services	5
Media	4
Automotive	3
Entertainment/Leisure	3
Food	3
Insurance	3
Apparel	2
Energy	2
Industrial Goods	2
Retail	2
Telecommunication	2
Chemicals	1
Commodities	1
Consumer Products	1
Transportation	1
Utility	1
<b>TOTAL</b>	<b>83</b>



March 11, 2009

<b>YEAR-TO-DATE CEO DEPARTURES</b>		
<b>By Industry</b>		
	<b>2009</b>	<b>2008</b>
Health Care/Products	35	42
Government/Non-Profit	27	28
Computer	21	23
Financial	20	23
Services	12	13
Electronics	9	9
Entertainment/Leisure	9	9
Media	8	11
Energy	7	5
Telecommunication	7	9
Food	6	7
Retail	6	14
Industrial Goods	4	11
Insurance	4	4
Automotive	3	1
Pharmaceuticals	3	12
Transportation	3	3
Apparel	2	1
Chemicals	2	6
Commodities	2	2
Real Estate	2	0
Construction	1	4
Consumer Products	1	6
E-Commerce	1	1
Utility	1	3
Aerospace/Defense	0	1
<b>TOTAL</b>	<b>196</b>	<b>248</b>



March 11, 2009

<b>FEBRUARY CEO DEPARTURES</b>	
<b>By Reason</b>	
Resigned	24
Step Down	19
Retired	12
New position in another company	8
Interim period ended	6
Fired	4
Economic Conditions	4
Merger	2
Died	1
Credit Collapse	1
Bankruptcy	1
Another position within company	1

<b>YEAR-TO-DATE CEO DEPARTURES</b>	
<b>By Reason</b>	
Resigned	57
Step Down	53
Retired	27
New position in another company	18
Interim period ended	16
Fired	6
Economic Conditions	4
Another position within company	4
Died	3
Credit Collapse	3
Merger	2
Health	2
Bankruptcy	1



March 11, 2009

**Average Age, Tenure of Departing CEOs**

<u>2009</u>	<u>Age</u>	<u>Tenure</u>	<u>2008</u>	<u>Age</u>	<u>Tenure (Yrs.)</u>
January, 2009	52.5	7.9	January	59.6	6.7
February	60.8	8.4	February	58.7	6.3
			March	65.4	8.7
			April	60.2	9.5
			May	60.2	8.5
			June	57.4	8.7
			July	59.3	9.9
			August	64.3	9.8
			September	60.9	9.7
			October	56.6	7.0
			November	56.1	6.5
			December	65.4	9.0