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FOR IMMEDIATE RELEASE

WOMEN'S GAINS IN CEO ROLES STAGNATE IN 2017

CHICAGO, January 18, 2018 - The rate of women taking over the role of Chief Executive Officer in 2017 remained virtually unchanged from 2016 at 18 percent, according to a report released by global outplacement consultancy Challenger, Gray & Christmas, Inc.

Of the 993 replacement CEOs recorded in 2017, 183, or 18.4 percent, were women. That is down slightly from 2016, when women represented 193, or 18.5 percent, of the 1,043 replacement CEOs announced by U.S.-based companies.

Last year was an improvement over 2015, when women represented 15.3 percent of new CEOs.

Men still represent the vast majority of CEO replacements, accounting for 82 percent of the replacements recorded in 2017. In 87 of those instances, men were named as replacements for women. Last year saw 117 women replace male Chief Executive Officers.

“The tremendous strides for women in the workplace following the #MeToo and #TimesUp movements have yet to be truly felt in the C-Suite. As companies grapple with issues and potential policy changes stemming from the onslaught of sexual misconduct allegations in the workplace, they would be wise to ensure women have seats at the table,” said Andrew Challenger, Vice President of Challenger, Gray & Christmas, Inc.

Of the 11 CEOs who left due to sexual misconduct allegations in 2017 – all men – seven companies announced replacements for those leaders, four of whom were women, according to Challenger tracking.

The Legal industry announced 50 percent of incoming CEOs were women last year. The next highest percentage of women in new CEO roles came in the Government/Non-Profit sector, as 42.3 percent of new CEOs were women. Women made up 33 percent of new CEOs in Education entities and 28.6 percent in Construction companies.

Of the companies who announced CEO replacements, no women took over the CEO role in the Automotive, Chemical, Commodities, or Telecommunications industries.

INDUSTRY	NUMBER OF WOMEN CEO REPLACEMENTS	PERCENTAGE OF NEW CEOs IN INDUSTRY
Government/Non-Profit	58	42.3%
Financial	24	21.6%
Hospitals	22	25.6%
Services	16	15.7%
Healthcare/Products	14	16.5%
Retail	9	22.0%
Computer	7	7.1%
Entertainment/Leisure	7	15.2%
Pharmaceutical	5	12.5%
Food	3	10.7%
Insurance	3	13.0%
Real Estate	3	27.3%
Construction	2	28.6%
Consumer Products	2	7.4%
Media	2	13.3%
Aerospace/Defense	1	14.3%
Education	1	33.3%
Energy	1	3.0%
Legal	1	50.0%
Transportation	1	4.5%
Utility	1	16.7%
Commodities	0	0.0%
Automotive	0	0.0%
Chemical	0	0.0%
Telecommunications	0	0.0%

Source: Challenger, Gray & Christmas, Inc. ©

A study from Grant Thornton found the number of women in leadership roles rose just 1 percent, from 24 percent in 2016 to 25 percent in 2017. Meanwhile, the number of companies with no women in leadership roles rose from 33 percent in 2016 to 34 percent last year.

“The lack of gender diversity at many companies, especially in leadership roles, is a huge detriment. Studies have shown that more women in leadership positions correlates to higher profits and better stock performance,” said Challenger.

Currently, 26 women are CEOs of Fortune 500 companies, compared to the beginning of 2017, when there were 32. Some notable exits were Meg Whitman of Hewlett Packard Enterprise and Irene Rosenfeld of Mondelez International, both of whom were replaced by men.

Meanwhile, the latest data from the U.S. Bureau of Labor Statistics (BLS) indicates that women still trail men in management occupations. As of December 2016, there were 6.8 million women in these jobs, compared to 10.6 million men.

Women are making strides in some industries more than others. According to the BLS, 74.2 percent of human resources managers are women, while 72.3 percent of healthcare managers are women. Public relations, fundraising, and social work occupations all have over 70 percent women managers.

Women are increasingly creating their own leadership opportunities through entrepreneurship. In 2017, women owned over 11 million businesses employing almost 9 million people, according to a report by American Express. That is 49 percent more than the 7.8 million women-owned businesses reported by the Census Bureau in 2007.

CEO REPLACEMENTS BY GENDER

Industry	2017 Total (interim)	2016 (interim)	2015 (interim)	2014 (interim)	2013 (interim)
Women Replacing Men	117 (11)	129 (18)	108 (8)	103 (9)	61 (12)
Women Replacing Women	66 (9)	64 (6)	49 (1)	52 (0)	45 (2)
Men Replacing Women	87 (9)	99 (13)	88 (6)	87 (9)	116 (18)
Men Replacing Men	723 (76)	751 (74)	780 (65)	796 (55)	755 (54)
TOTAL Replacements	993	1,043	1,025	1,038	977

Source: Challenger, Gray & Christmas, Inc.

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