



CONTACTS

James K. Pedderson, Director of Public Relations
Office: 312-422-5078
Mobile: 847-567-1463
jamespedderson@challengergray.com

Colleen Madden, Media Relations Manager
Office: 312-422-5074
colleenmadden@challengergray.com

FOR IMMEDIATE RELEASE

CEO EXITS CONTINUE TO RISE IN APRIL WITH 108

CHICAGO, May 11, 2016 – Turnover among the nation’s chief executive officers increased for the second consecutive month in April, as 108 CEO departures were announced during the month. That was up 7 percent from 101 in March, according to a report released Wednesday by global outplacement consultancy Challenger, Gray & Christmas, Inc.

The April total was 11.3 percent higher than the same month a year ago, when announced CEO departures totaled 97. Last month marked the third time this year that departures exceeded 100.

To date, 427 CEOs have left their posts in 2016, 7.8 percent more than the 396 CEOs who exited during the first four months of 2015.

April CEO changes were led by hospitals which announced 15 exits, bringing the 4-month total to 49. Financial firms have also announced 49 CEO departures through April, including 13 last month.

Computer firms, along with government and non-profit organizations, each saw 14 CEO changes in April.

Computer firms have now announced 42 CEO departures this year, which ranks it just behind hospitals and financial firms for highest turnover. The year-to-date total is up 31 percent from a year ago, when computer companies announced 32 CEO exits in the first four months of the year.

“Despite a relatively healthy business conditions for technology, computer firms appear to be going through a period of increased volatility. This is seen in higher CEO turnover, as well as increased employee layoffs, which are up 262 percent from a year ago,” said John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

To date, computer firms have announced 33,925 job cuts, up from 9,368 through the first four months of 2015.

“The volatility can be traced to shifts in strategy, as opposed to weakness in the sector. This was the case with Intel, which announced 12,000 job cuts last month, as it moves away from traditional desktop and laptop computing toward mobile,” noted Challenger.

Similarly, Symantec Corporation recently pivoted its focus away from desktop security toward one exclusively centered around cybersecurity. In the wake of this shift, Symantec’s CEO Michael Brown announced he would step down once a suitable replacement is found.

Of course, not all tech CEO changes were related to strategy shifts. April saw the ouster of Priceline CEO Darren Huston after an investigation uncovered an inappropriate relationship with an employee.

Retirement was the most oft-cited reason for departure in April as 34 chief executives used this reason with 129 occurring year to date. Another 25 stepped down into other positions, usually at the C-level or as board chair. Fifteen found new positions in other companies.

###

CHALLENGER CEO REPORT

CEO DEPARTURES

By Month

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
January	131	110	131	113	123	96	89
February	87	94	112	110	104	92	132
March	101	95	123	86	94	99	119
April	108	97	94	94	90	103	101
May		90	98	104	99	103	125
June		102	103	94	99	113	107
July		128	105	128	83	104	88
August		107	119	113	104	104	95
September		104	124	107	95	108	111
October		94	122	104	108	91	81
November		86	103	94	112	82	79
December		114	107	99	103	83	107
TOTAL	427	1,221	1,341	1,246	1,214	1,178	1,234

Copyright 2016 Challenger, Gray & Christmas, Inc.

CHALLENGER CEO REPORT

CEO DEPARTURES

By Industry

	15-Apr	16-Mar	16-Apr	Jan-Apr 2015	Jan-Apr 2016
Aerospace/Defense	1	1	2	1	4
Apparel	1			4	1
Automotive	4	3	3	9	8
Chemical	1	1		3	2
Commodities				1	1
Computer	11	9	14	32	42
Construction		1	2	4	5
Consumer Products	2	7	4	9	14
Electronics	2		2	3	4
Energy	1	2	5	10	14
Entertainment/Leisure	5	4	9	21	30
Financial	12	13	13	50	49
Food	2	3	1	16	7
Government/Non-Profit	9	20	14	46	75
Health Care/Products	10	3	5	28	22
Hospitals	9	17	15	52	49
Industrial Goods	2	1	2	6	11
Insurance			1	7	5
Legal				4	1
Media	3	1	3	8	10
Pharmaceutical	9	2	2	20	15
Real Estate	5	1	2	14	8
Retail	1	4	1	10	13
Services	4	4	5	13	17
Telecommunications	1	1		5	3
Transportation		1	1	13	8
Utility	2	2	2	7	9
TOTAL	97	101	108	396	427

CHALLENGER CEO REPORT

CEO DEPARTURES

By State

EAST	APRIL	Y-T-D
New York	6	23
Pennsylvania	4	19
Dist. of Columbia	2	12
Massachusetts	2	11
Maryland	3	8
New Jersey	2	7
Connecticut	5	6
Vermont	1	4
Maine		3
Rhode Island	1	3
New Hampshire		2
Delaware	1	1
TOTAL	27	99

MIDWEST	APRIL	Y-T-D
Ohio	5	25
Illinois	5	23
Minnesota	4	20
Michigan	2	14
Missouri	1	12
Wisconsin	3	7
Indiana	1	7
Iowa	2	5
Kansas		2
Nebraska		2
TOTAL	23	117

CHALLENGER CEO REPORT

CEO DEPARTURES

By State

WEST	APRIL	Y-T-D
Texas	7	46
California	13	42
Colorado	2	12
Arizona	4	9
Oregon	4	9
Washington	2	5
Oklahoma		4
Nevada		3
Wyoming	2	3
Idaho		2
Utah	1	1
New Mexico	1	1
Hawaii	1	1
South Dakota	1	1
Alaska		
North Dakota		
Montana		
TOTAL	38	139

SOUTH	APRIL	Y-T-D
Florida	4	20
Tennessee	4	13
Georgia	6	12
N. Carolina	2	11
Virginia	2	6
S. Carolina	1	6
Kentucky		2
Alabama	1	1
Louisiana		1
West Virginia		
Arkansas		
Mississippi		
TOTAL	20	72

CHALLENGER CEO REPORT

CEO DEPARTURES

By Reason

	Apr-16	YTD
Retirement	34	129
Step Down	25	99
Resigned	14	82
New position in another company	15	38
Interim Period Ended	11	33
Ousted	5	17
Pursuing other opportunities		7
Acquisition/Merger	2	4
Another position within company		3
Died	1	3
Personal Reasons		2
Financial Losses		2
Health		2
Scandal		2
Bankruptcy		1
Leave of Absence		1
Replaced		1
New Focus	1	1

CEO DEPARTURES

Average Age, Tenure

	Age		Tenure	
	2015	2014	2015	2014
January	63.4	64	9.9	14.8
February	61.0	63.9	7.9	10
March	60.5	61.7	9.9	11.4
April	65.2	57.5	10.8	9.1
May	65.0	61.1	12.6	8.2
June		62.4		8.6
July		63.8		8.3
August		61.7		9.7
September		61.2		8.4
October		62.5		10.1
November		62.6		7.5
December		65.0		10.5