INSIGHT BY THE NUMBERS

HOW A DEPARTING CEO IMPACTS STOCK VALUE

Given the highly visible nature of their roles, it is not hard to imagine how sudden and unexpected executive exits can create uncertainty, especially on Wall Street and exchanges around the globe. When investors view these departures as a sign of internal issues or a lack of corporate vision, a company's stock value is often caught in the cross-hairs. But by how much? And what other factors can exacerbate the situation? **Let's run the numbers.**

70%

FLAT FOOTED

Percentage of boards who feel **unprepared for a CEO's exit.**

4.2%

SINGLE DIP

Average drop in stock price **30-days following a CEO's exit**, if planned.

13.5%

DOUBLE DIP

Average drop in stock price when a CEO's exit is **forced or unplanned.**

11%

CRASH RISK

Increased likelihood of a stock crash for companies with **highly visible and powerful CEOs.**

2.4x

DOUBLE TROUBLE

Increased likelihood a new CEO will be replaced early when they **also occupy the role of board chair.**

IQ

$255B

Average decrease in intellectual capital at a departing CEO's previous employer.

$ONE TRILLION

Total market value (USD) wiped out by badly managed CXO transitions in the S&P 1500 annually.