

# exexchange news

We determine the Push-out Score™

12b.2018

## The most spectacular CEO changes in 2018

- **Activist investors and #MeToo movement force CEOs out of office**
- **Consumer goods companies and technology firms under high pressure**
- **Female CEOs are more likely to be fired than male CEOs**
- **In-depth analysis of more than 200 CEO departures in the U.S. from the past 12 months**

(exexchange) -- December 17, 2018 -- Campbell Soup Co., General Electric Co. and Texas Instruments Inc. are among the companies that have announced the most spectacular leadership changes in 2018.

Numerous CEO departures were driven by activist shareholders, changing consumer habits, technical upheavals, scandals and conduct issues.

Sometimes all these reasons came together.

Consumer goods companies, technology firms and healthcare providers were particularly often affected by obviously forced CEO changes.

Moreover, the #MeToo movement has increased public pressure on top managers who were reported to have behaved inappropriately.

These are the findings of a study conducted by the research firm exexchange, which has analyzed more than 200 CEO departures of publicly traded companies in the U.S. from the past 12 months (see Exhibit 1).

Approximately 5 percent of all chief executives who left Russell 3000 companies so far this year have been ousted with a specific reference to misconduct. All of them were male.

Approximately 6 percent of all chief executives who left Russell 3000 companies so far this year were female, and around 14 percent of them were replaced by female CEOs.

While the proportion of female CEOs of companies in the Russell 3000 has remained relatively constant at around 5 percent, four of the largest defense companies in the U.S. are now run by women.

In the Russell 1000, the following female CEOs announced their departure: **PepsiCo** Inc. CEO Indra Nooyi, **ITT** Inc. CEO Denise Ramos, **Campbell Soup** Co. CEO Denise Morrison, **Mattel** Inc. CEO Margo Georgiadis and **Sempra Energy** CEO Debbie Reed. All of them have been replaced by male CEOs.

Female CEOs are more likely to be fired than male CEOs, as can be seen from the Push-out Score, which is a measure of the pressure on the outgoing chief executive on a scale of 0 to 10.

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In 2018, outgoing female CEOs received an average Push-out Score of 6.8, well above the average Push-out Score of 5.9 for outgoing male CEOs.

exexchange uses a scoring system with a scale of 0 to 10 to measure the pressure on the departing executive and to determine the likelihood of a forced executive change. A Push-out Score™ of 0 indicates a completely voluntary management change, and a score of 10 indicates an overtly forced departure. Push-out Scores above 5 indicate that the red flags cannot be counted on the fingers of one hand, suggesting strong pressure.

The Push-out Score incorporates facts from company announcements and other publicly available data. It considers not only the official reason given for the departure, but also additional evidence that weighs on the credibility of that reason. The system also interprets the sometimes-cryptic language in corporate communications, using a proprietary algorithm (see Exhibit 2).

A Push-out Score of 6 means that six of the following nine criteria are fulfilled: unusual age, short notice, short tenure, poor share price performance, non-transparent reason, critical time, succession issues, formal anomalies and linguistic peculiarities in the announcement. When the manager is openly pushed out (e.g., "terminated for cause"), then 10 points are given.

The CEO Push-out Index™ reflects the average Push-out Score for CEO departures of companies in the Russell 3000 (see Exhibit 3).

Around 54 percent of the Push-out Scores of CEO departures in the U.S. from the past 12 months reached values between 6 and 10 (see Exhibit 4).

One in two CEOs stepped down under pressure.

The pressure on CEOs in 2018 was thus significantly higher than in the previous year. In 2017, approximately 37 percent of the Push-out Scores were above 5.

Many **food manufacturers** are among the corporates with the most remarkable CEO departures in 2018. The food industry is facing unprecedented change. Shoppers have started to avoid canned and boxed food, and online retailers such as **Amazon.com** Inc. are also entering the food business.

**Sprouts Farmers Market** Inc. CEO Amin Maredia (Push-out Score: 7) announced in November that he "will transition away from the company" on December 30, 2018 "to pursue other interests." Sprouts has had to contend with falling food prices as well as **Amazon.com** Inc.'s entry into the market through its acquisition of **Whole Foods** Market Inc. Jim Nielsen, Sprouts' president and chief operating officer, and Brad Lukow, the company's chief financial officer, will serve as co-interim CEOs.

**Bunge** Ltd. CEO Soren Schroder (Push-out Score: 7) announced in December that he will step down from the food company. Bunge in October bowed to the demands of activist investors **D. E. Shaw & Co.** and **Continental Grain** Co., adding four new board members and creating a strategic review committee that would explore all options for Bunge, including selling itself. Schroder will continue in his current role until a successor is named.

**Tyson Foods** Inc. CEO Tom Hayes (Push-out Score: 8) stepped down in September "for personal reasons" and handed over the reins to Noel White. The move was Tyson's second sudden CEO shift in only two years. The maker of Ball Park hotdogs and Jimmy Dean sausages has been rocked by concerns regarding tariffs as well as multiyear low prices for chicken.

**Hain Celestial** Group Inc. CEO Irwin Simon (Push-out Score: 6) announced in June his departure from the CEO post after around 25 years in the role. The maker of Blueprint juices and Terra vegetable chips is under pressure from activist investor **Engaged Capital** LLC, which previously disclosed a 9.9 percent stake. On October 29, Hain Celestial appointed former **PepsiCo** Inc. and **Pinnacle Foods** Inc. executive Mark Schiller as its new CEO.

**Campbell Soup** Co. CEO Denise Morrison (Push-out Score: 10) retired in May. Under Morrison, the producer of canned soups suffered four straight years of sales declines in its core U.S. soups business. Morrison tried to focus on building a healthy fresh food and snack portfolio. Morrison's duties were taken over in the interim by board member Keith McLoughlin, a former CEO of **Electrolux** AB. In

October, the "Wall Street Journal" reported that Campbell is in talks to sell its fresh-foods business. The news came as Campbell faced pressure from activist investor **Third Point** LLC, run by Daniel Loeb.

There were more bumpy CEO changes in the **consumer goods and services sectors** in 2018:

**Gannett** Co. CEO Bob Dickey (Push-out Score: 6) announced his upcoming retirement in December. Similar to other newspaper publishers, Gannett faces the challenge of finding new sources of revenue. Gannett's assets include the national newspaper USA Today. The board has engaged an outside search firm, **Egon Zehnder**, to assist in evaluating both internal and external CEO candidates.

**Coty** Inc. CEO Camillo Pane (Push-out Score: 9) resigned in November "for family reasons." His departure came days after the beauty company spooked investors by saying it was grappling with supply chain issues. Coty struggles to digest its \$12 billion acquisition of beauty brands from **Procter & Gamble** Co. Pane's move followed a decline in Coty's share price of 70 percent since August 2016. Pane's duties were taken over by Pierre Laubies, most recently CEO of **Jacobs Douwe Egberts**.

**Caesars Entertainment** Corp. CEO Mark Frissora (Push-out Score: 10) announced in November that he will leave the gaming corporation, effective February 8, 2019. Caesars turned down a recent offer from Tilman Fertitta's **Golden Nugget** LLC proposing a reverse merger. Caesars is under pressure from activist investor **HG Vora** Capital Management LLC. The company emerged from bankruptcy last year after a restructuring process that began shortly before Frissora became CEO.

**Adient** Plc CEO Bruce McDonald (Push-out Score: 10) stepped down in June after less than two years on the job. His duties at the automotive parts manufacturer were taken over in the interim by board member Fritz Henderson, a former CEO of **General Motors** Co. Adient was formed when **Johnson Controls** International Plc spun off its automotive seating business in 2016. The company has struggled to deliver consistent profits. In September, Adient tapped Douglas DelGrosso, CEO of automotive supplier **Chassis** Inc., as its new CEO.

**GameStop** Corp. CEO Mike Mauler (Push-out Score: 9) resigned "for personal reasons" in May after only three months in the position. The video games retailer is struggling to adapt to a world where software is often delivered online. Mauler's duties were taken over in the interim by Executive Chairman Daniel DeMatteo. In June, former **Microsoft** Corp. executive Shane Kim was named the new interim CEO of GameStop. GameStop stated in May that it had received a letter from hedge fund **Tiger Management** LLC.

**Mattel** Inc. CEO Margo Georgiadis (Push-out Score: 9) stepped down in April after approximately one year in the position. The toy company has had a difficult year, with weak sales of its iconic brands such as American Girl Doll and Fisher-Price. The bankruptcy and subsequent liquidation of **Toys "R" Us** Inc., which was the largest toy retailer and a top channel for Mattel sales, was another blow to the Barbie dolls maker. Georgiadis handed the helm to board member Ynon Kreiz, a former CEO of **Maker Studios** Inc. In July, Mattel disclosed that it would be cutting 2,200 jobs.

**Lowe's** Cos. CEO Robert Niblock (Push-out Score: 7) announced his retirement in March. Activist investor **D.E. Shaw** & Co. pushed the world's second-largest home-improvement retailer to match growth at **Home Depot** Inc. Lowe's found its next CEO in **J.C. Penney** Co. boss Marvin Ellison, a former Home Depot executive.

There were also several rough CEO changes in the **industrial, healthcare and technology sectors**.

**General Electric** Co. CEO John Flannery (Push-out Score: 9) left his post at the conglomerate company in October after 14 months in the role. His move was one of the most spectacular leadership changes in recent history. GE was once the most valuable U.S. corporation and a global symbol of American business power. In June, GE lost its spot in the blue-chip Dow Jones Industrial Average after 111 years. The company is under activist attack by Nelson Peltz's **Triun Fund** Management LP. Flannery's duties were taken over by board member Larry Culp, a former CEO of **Danaher** Corp.

**Nielsen Holdings** Plc CEO Mitch Barns (Push-out Score: 10) announced in July his forthcoming retirement from the data analytics company. In August, activist hedge fund **Elliott Management** Corp.

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stated that it had taken an 8.4 percent stake in Nielsen and urged the company to put itself up for sale. On November 20, Nielsen appointed David Kenny, previously head of **International Business Machines Corp.**'s artificial-intelligence unit, as its CEO, effective December 3.

**Northrop Grumman Corp.** CEO Wes Bush (Push-out Score: 6) announced his departure in July. The defense contractor faced concerns about its ability to execute big programs following delays and cost over-runs in projects such as the James Webb Space Telescope. Bush is succeeded by Kathy Warden, most recently chief operating officer of Northrop Grumman. Her ascension means that women run four of the most prominent defense firms in the industry at a time when female CEOs are all too rare. Warden joins Marilyn Hewson, CEO of **Lockheed Martin Corp.**; Phebe Novakovic, CEO of **General Dynamics Corp.**; and Leanne Caret, CEO of **Boeing Defense, Space & Security**.

**Akorn Inc.** CEO Raj Rai (Push-out Score: 10) announced his retirement from the specialty generic pharmaceutical company in December. His move came after the Delaware Supreme Court ruled that a rapid downturn in Akorn's business was grounds for **Fresenius SE** to walk away from a \$4.3 billion buyout of Akorn.

**Gilead Sciences Inc.** CEO John Milligan (Push-out Score: 8) announced his upcoming departure in July. The biopharmaceutical company has faced increased competition from rival pharmaceutical manufacturer **AbbVie Inc.** Investors had been pressuring Gilead in recent years to find new sources of growth. On December 10, Gilead named **Roche Holding AG's Daniel O'Day** as its new CEO.

**Athenahealth Inc.** CEO Jonathan Bush (Push-out Score: 10) suddenly stepped down in June after 21 years in the role. Paul Singer's activist firm, **Elliott Management Corp.**, in May had proposed buying Athenahealth for \$160 a share. Jonathan Bush, a nephew of former U.S. President George H.W. Bush, departed after a series of allegations about misconduct involving women. Athenahealth started to explore "strategic alternatives" to maximize shareholder value. Bush's departure came four months after Jeff Immelt, the former CEO of **General Electric Co.**, took over as chairman of Athenahealth. Following Bush's departure, the position of CEO has not been filled for the time being, and Immelt has assumed the position of executive chairman. In November, private-equity firm **Veritas Capital Fund Management LLC** and Elliott acquired Athenahealth for \$135 per share.

**Xerox Corp.** CEO Jeff Jacobson (Push-out Score: 10) resigned in May after less than a year and a half in the position. Jacobson's move was a triumph for activist shareholders Carl Icahn and Darwin Deason. They had criticized the \$6.1 billion deal to combine the U.S. printer and copier maker into **Fuji Xerox Co.**, an existing joint venture with **Fujifilm Holdings Corp.** Icahn and Deason had won a court order to block the deal. Jacobson was succeeded at the top by John Visentin, who has been a consultant to Icahn in the feud against Xerox.

**Dun & Bradstreet Corp.** CEO Bob Carrigan (Push-out Score: 10) abruptly stepped down from his post at the data and analytics company in February. His duties were taken over by Lead Director Tom Manning. Dun & Bradstreet was a longtime buyout target. Private equity firms have circled the company previously, only to be rebuffed. Dun & Bradstreet agreed in August to be bought by an investor group led by **CC Capital, Cannea Holdings Inc.** and **Thomas H. Lee Partners LP** in a deal valued at \$6.9 billion.

### **In-depth analysis of 242 CEO departures**

In the period from January 1, 2018 to December 16, 2018, around 33.9 percent of the CEOs in the U.S. left their post with no reason given in the announcement.

Around 7.9 percent departed "to pursue other opportunities" and around 2.1 percent "to spend time with their family," statements that are sometimes taken as code for firings.

Around 2.5 percent left for "personal reasons," and around 5 percent have been ousted with a specific reference to misconduct (see Exhibit 5).

CEOs who departed "to pursue other opportunities" received an average score of 7.7. CEOs who left "to spend time with their family" received an average score of 7.6, and CEOs who stepped down for "personal reasons" received an average score of 7.8.

Companies are, within certain limits, not necessarily required to reveal the reason for a CEO departure (see Exhibit 6). However, if they consider it appropriate, they may give a reason for the move, for example to curb speculation.

In the past 12 months, exexchange recorded the following CEO changes in the Russell 3000 index that were openly linked in the corporate announcement to alleged or actual conduct issues.

- **Lam Research Corp.** CEO Martin Anstice resigned in December "as the company investigates allegations of misconduct in the workplace and conduct inconsistent with the company's core values, including allegations about Mr. Anstice."
- **Abeona Therapeutics Inc.** CEO Carsten Thiel was terminated in November "due to personal misconduct that violated the company's code of business conduct and ethics."
- **Axalta Coating Systems Ltd.** CEO Terrence Hahn resigned in October "by mutual agreement with the Board, following an investigation by outside counsel into conduct by Mr. Hahn unrelated to financial matters that Axalta believes was inconsistent with company policies."
- **CBS Corp.** CEO Les Moonves resigned in September following allegations of sexual misconduct, while CBS and Moonves will donate \$20 million "to one or more charitable organizations that support the #MeToo movement and equality for women in the workplace."
- **Texas Instruments Inc.** CEO Brian Crutcher resigned in July due to "violations of the company's code of conduct."
- **Barnes & Noble Inc.** CEO Demos Parneros was terminated in July for "violations of the company's policies."
- **Rambus Inc.** CEO Ron Black was terminated in June after his "conduct fell short of the company's standards."
- **Intel Corp.** CEO Brian Krzanich resigned in June after a "violation of Intel's non-fraternization policy" and after a "past consensual relationship with an Intel employee."
- **Avid Technology Inc.** CEO Louis Hernandez was terminated in February due to "violations of company policies related to workplace conduct."
- **Wynn Resorts Ltd.** CEO Steve Wynn resigned in February because he found himself "the focus of an avalanche of negative publicity."
- **Lululemon Athletica Inc.** CEO Laurent Potdevin left in February because "Lululemon expects all employees to exemplify the highest levels of integrity and respect for one another, and Mr. Potdevin fell short of these standards of conduct."
- **Equinix Inc.** CEO Steve Smith resigned in January after exercising "poor judgment with respect to an employee matter."

In 2017, exexchange recorded only one comparable case.

In the U.S., the average tenure of departing CEOs in the 12-month period from January 2018 to December 2018 was 9 years (see Exhibit 7).

The average CEO retirement age in the U.S. was 60.8 (see Exhibit 8).

In the past 12 months, the highest average Push-out Scores in the U.S. were determined in the consumer sector with 7 and in the technology sector with 6.9.

The lowest Push-out Scores were determined in the financial sector with 3.9 and the services sector with 4.6.

In the healthcare sector, the average Push-out Score was 6.5, in the basic materials sector it was 5.4, and in the industrial sector it was 5.2.

These results were calculated from 242 individual CEO departures of companies listed in the Russell 3000 index, which provide a homogenous and wide data pool for the analysis of CEO departures.

The Russell 3000 seeks to be a benchmark of the entire U.S. stock market and encompasses the 3,000 largest U.S.-traded stocks, in which the underlying companies are all incorporated in the U.S.

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The exchange study annually documents and analyzes CEO departure events of Russell 3000 companies, updating a database first introduced in 2017.

Corporate governance experts from Stanford University (David Larcker and Brian Tayan) and Harvard University (Ian Gow, now University of Melbourne) have investigated exchange's analysis model and found that Push-out Scores are positively correlated with stock market volatility. See <https://ssrn.com/abstract=2975805>

**This report, including exhibits, is available at <https://exchange.com/research-news>**

### **About exchange**

exchange is an independent research provider widely recognized as an important voice on executive changes. exchange determines the Push-out Score and was featured by *The Wall Street Journal*, *Harvard Business Review* and *Stanford University*. For more information, visit [exchange.com](http://exchange.com).

Exhibit 1

<b>Selected CEO departures under pressure</b>			
<b>Announced</b>	<b>Company</b>	<b>Name</b>	<b>Push-out Score *</b>
10-Dec-18	Bunge Ltd.	Soren Schroder	7
7-Dec-18	Akorn Inc.	Raj Rai	10
5-Dec-18	Gannett Co.	Bob Dickey	6
5-Dec-18	Lam Research Corp.	Martin Anstice	10
29-Nov-18	Sprouts Farmers Market Inc.	Amin Maredia	7
12-Nov-18	Coty Inc.	Camillo Pane	9
7-Nov-18	CDK Global Inc.	Brian MacDonald	10
1-Nov-18	Caesars Entertainment Corp.	Mark Frissora	10
16-Oct-18	Realty Income Corp.	John Case	6
8-Oct-18	Perrigo Co. Plc	Uwe Roehrhoff	10
8-Oct-18	Axalta Coating Systems Ltd.	Terrence Hahn	10
1-Oct-18	Aspen Insurance Holdings Ltd.	Chris O'Kane	6
1-Oct-18	General Electric Co.	John Flannery	9
23-Sep-18	Regal Beloit Corp.	Mark Gliebe	6
17-Sep-18	Tyson Foods Inc.	Tom Hayes	8
9-Sep-18	CBS Corp.	Les Moonves	10
4-Sep-18	ADT Inc.	Tim Whall	7
26-Jul-18	Nielsen Holdings Plc	Mitch Barns	10
25-Jul-18	Gilead Sciences Inc.	John Milligan	8
17-Jul-18	Texas Instruments Inc.	Brian Crutcher	10
12-Jul-18	Northrop Grumman Corp.	Wes Bush	6
25-Jun-18	Hain Celestial Group Inc.	Irwin Simon	6
21-Jun-18	Intel Corp.	Brian Krzanich	10
11-Jun-18	Adient Plc	Bruce McDonald	10
6-Jun-18	Athenahealth Inc.	Jonathan Bush	10
18-May-18	Campbell Soup Co.	Denise Morrison	10
11-May-18	GameStop Corp.	Mike Mauler	9
1-May-18	Xerox Corp.	Jeff Jacobson	10
19-Apr-18	Macerich Co.	Art Coppola	6
19-Apr-18	Mattel Inc.	Margo Georgiadis	9
26-Mar-18	Lowe's Cos.	Robert Niblock	7
15-Mar-18	EQT Corp.	Steve Schlotterbeck	9
12-Feb-18	Dun & Bradstreet Corp.	Bob Carrigan	10
6-Feb-18	Wynn Resorts Ltd.	Steve Wynn	10
5-Feb-18	Lululemon athletica Inc.	Laurent Potdevin	10
25-Jan-18	Equinix Inc.	Steve Smith	10

\* The Push-out Score on a scale of 0 to 10 is a measure of the pressure on the departing CEO. Push-out Scores above 5 suggest strong pressure. Source: exexchange

Exhibit 2

**Push-out Score: Examples of factors considered**

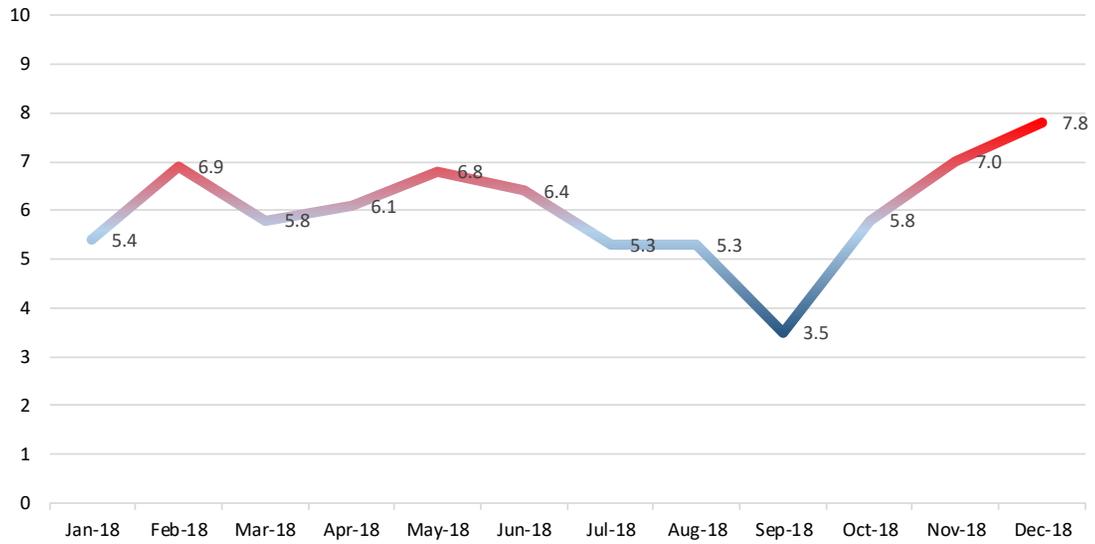
<b>Dimension</b>	<b>Selected factors</b>
Form	Dedicated press release (yes or no) Placement (top of release or buried in other news, such as earnings release) Length of disclosure (e.g., excessively short or long, omissions)
Language	Tone of announcement (warm, neutral, cold) Language used in quotations (e.g., poisoned praise, hidden criticism) Clarity of language
Age	Age of departing executive relative to typical retirement age
Notice period	Length of time between announcement and last day
Tenure	Length of time in post (reasonable or excessively short)
Share price	Recent share price performance Significant positive or negative relative performance
Official reason	Official reason given (yes or no) Clarity of official reason (ambiguous or understandable) Stated post-employment activity
Circumstances	Industry performance Peer group performance Governance factors (controversy, restatements, lawsuits) Severance payments made (yes or no)
Succession	Signs of continuity Successor identified (yes or no) Internal vs. external successor Interim or permanent replacement Successor added to corporate website (yes or no)

Source: exchange

Exhibit 3

### How strong the pressure is: CEO Push-out Index

Average Push-out Score in the 12-month period from January 1, 2018 to December 16, 2018 in the U.S. stock index Russell 3000

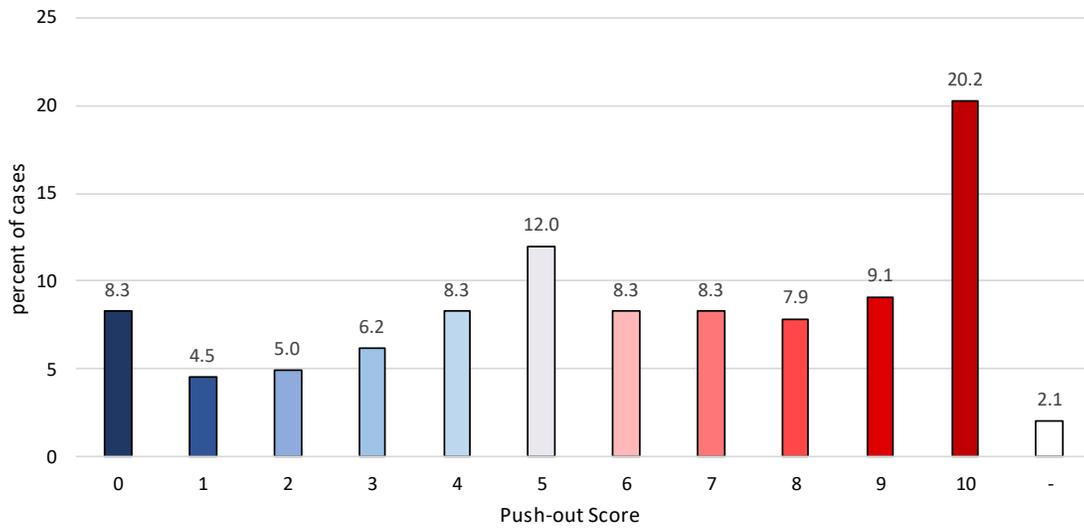


Legend: The Push-out Score on a scale of 0 to 10 is a measure of the pressure on the departing CEO. Values above 5 suggest strong pressure. Sample includes 242 observations. Source: exchange

Exhibit 4

### How the pressure on CEOs is distributed

Percentage distribution of Push-out Scores in the 12-month period from January 1, 2018 to December 16, 2018 in the U.S. stock index Russell 3000

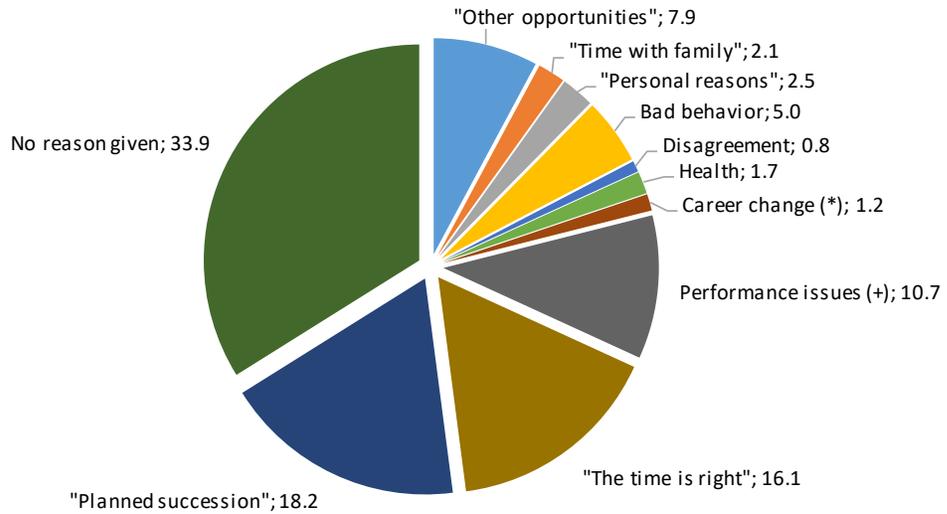


Legend: Around 8 percent of the CEOs received a Push-out Score of 0. Cases in which a score is not determined (e.g., death) are summarized under '-'. Sample includes 242 observations. Figures may not total to 100 due to rounding. Source: exchange

Exhibit 5

### Why they leave: CEO departure reasons

Percentage distribution of departure reasons in corporate announcements in the 12-month period from January 1, 2018 to December 16, 2018 in the U.S. stock index Russell 3000



(\*) if precise information about the new position is available immediately after the departure announcement; (+) if explicitly mentioned; Sample includes 242 observations. Figures may not total to 100 due to rounding. Source: exexchange

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Exhibit 6

## **SEC requirements**

Companies are, within certain limits, not necessarily required to reveal the reason for a CEO departure. However, if they consider it appropriate, they may give a reason for the move, for example to curb speculation.

The Securities and Exchange Commission requires that public companies must issue a securities filing called an 8-K within four business days if a major event relevant to shareholders occurs (see <https://www.sec.gov/files/form8-k.pdf>).

While Item 5.02(b) of Form 8-K requires companies to disclose when a principal executive officer "retires, resigns or is terminated from that position," companies only need to "disclose the fact that the event has occurred and the date of the event."

When companies make statements, they must act responsibly, including endeavoring to ensure the statements are not false or misleading and do not omit information a reasonable investor would consider important in making an investment decision.

If the CEO is also a director, which a CEO often is, and departs in their capacity as a director because of a disagreement with the company "on any matter relating to the company's operations, policies or practices," or has been removed for cause from the board of directors, item 5.02(a) of Form 8-K requires the company to disclose "a brief description of the circumstances representing the disagreement that the registrant believes caused, in whole or in part, the director's resignation, refusal to stand for re-election or removal."

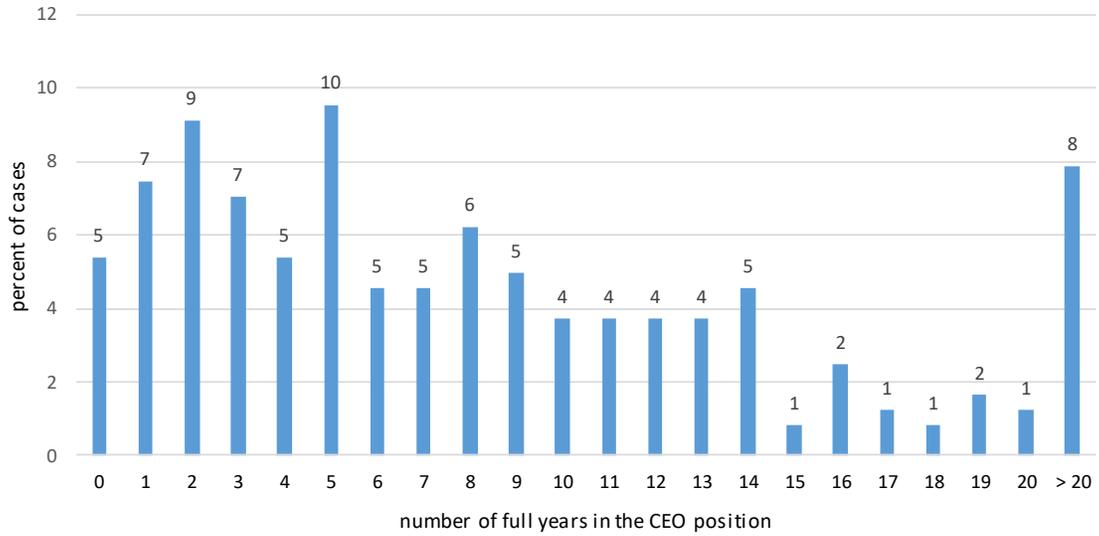
The SEC does not detail how specific that description must be.

While statements must not be misleading, companies sometimes give vague reasons for a CEO's departure. This approach may be sensible because an investigation has not yet been completed, due to privacy concerns for the CEO, in order to prevent a defamation action by the departing CEO against the company, or to have more flexibility in case a CEO tries to litigate a "for cause" departure or the elimination of severance payments.

Exhibit 7

### How long they stay: Departing CEO tenure

Percentage distribution in the 12-month period from January 1, 2018 to December 16, 2018 in the U.S. stock index Russell 3000

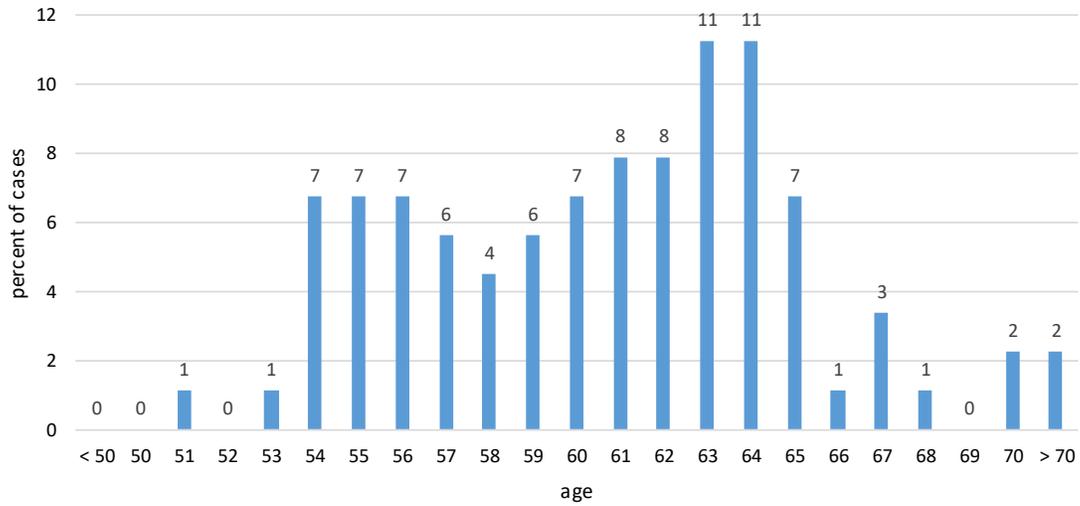


Legend: Around 7 percent of the CEOs who announced their departure within the above mentioned period left their post after 1 full year in the position. Sample includes 242 observations. Figures may not total to 100 due to rounding. Source: exchange

Exhibit 8

### When they come to rest: CEO retirement age

Percentage distribution in the 12-month period from January 1, 2018 to December 16, 2018 in the U.S. stock index Russell 3000



Legend: Around 11 percent of the CEOs who announced their retirement within the above mentioned period were 64 years old. Sample of all departing CEOs includes 242 observations. Figures may not total to 100 due to rounding. Source: exchange

## **Push-out Score™: The number you need to know**

*Forced or voluntary departure?* The Push-out Score is the number you need to know.

# Push-out Score™

How likely is it the manager was pushed out or felt pressure to leave the post?



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### **How the scoring works**

The Push-out Score is a measure of the pressure on the departing executive.

exexchange's Push-out Scoring System™ is based on the assumption that management changes are triggered by pull-out forces and push-out forces.

The higher the score, the more likely the manager was pushed out or felt pressure to leave the position.

When the manager is openly pushed out (e.g., "terminated for cause") or when there is absolutely no doubt that the manager left the position due to pressure, then 10 points are given.

If the manager was not openly pushed out and the reason for the departure is not health-related, one point is given for each of the following parameters (proxy variables) when certain criteria are fulfilled.

1. Form of the announcement
2. Language in the announcement
3. Age
4. Notice period
5. Tenure
6. Share price development
7. Official reason given
8. Circumstances of the management change
9. Succession

A Push-out Score of **0 to 1** suggests no significant signs for push-out forces.

A Push-out Score of **2 to 5** suggests significant signs for push-out forces.

A Push-out Score of **6 to 9** suggests strong signs for push-out forces.

Who comes. Who leaves.  
Who wants to go. Who has to go.  
Who is praised. Who is blamed.  
Who wins. Who loses.  
Who's in. Who's out.  
Who is good. Who is well.  
Who recovers. Who is bad.  
Who advises. Who is well advised.  
Who steps back. Who kicks back.  
Who is appointed. Who is disappointed.  
Who signs. Who resigns.  
Who separates amicably. Who separates mutually.  
Who escapes. Who is a scapegoat.  
Who fits. Who quits.  
Who's old. Who's obsolete.  
Who's number 1. Who's number 2.  
Who goes ahead. Who goes behind.  
Who is there. Who is gone.  
Who is right. Who is left.  
Who fights for honor. Who fights for money.  
Who is selected. Who is sorted out.  
Who is honored. Who is humbled.  
Who benefits. Who suffers.  
Who goes through hell. Who keeps going.  
Who gets a golden hello. Who gets a golden handshake.  
Who bows. Who bows out.  
Who is host. Who is hostile.  
Who is goodman. Who is badman.  
Who is a friend. Who is an enemy.  
Who is hired. Who is fired.  
Who steps up. Who steps down.  
Who chairs. Who presides.  
Who is over. Who is under.  
Who gives in. Who gives up.  
Who says thanks. Who says No thanks.  
Who wishes all the best. Who wishes the best of luck.  
Who prompts. Who repeats.  
Who leaves early. Who leaves late.  
Who designs. Who resigns.  
Who excites. Who exits.  
Who is first. Who is last.  
Who throws his hat. Who throws in the towel.  
Who ranks first. Who is the first available.  
Who is successful. Who is successor.  
Who congratulates. Who wishes luck.  
Who packs in. Who packs out.  
Who reigns. Who serves.  
Who retires from office. Who retires from the world.  
Who is in seventh heaven. Who is on cloud nine.

Who speaks. Who is silent.  
Who sits. Who lies.  
Who heals. Who hurts.  
Who sees green. Who sees red.  
Who soothes. Who scolds.  
Who is sorry. Who is sad.  
Who is thrilled. Who mourns.  
Who is up. Who is down.  
Who helps. Who betrays.  
Who is not named. Who is shamed.  
Who is missed. Who is dismissed.  
Who commands. Who obeys.  
Who is a leader. Who is a follower.  
Who accepts. Who regrets.  
Who is at C-level. Who is at eye level.  
Who feels pity. Who feels schadenfreude.  
Who shows grace. Who falls from grace.  
Who tells the story. Whose fate is unknown.  
Who is hero. Who is zero.  
Who is welcomed. Who is ousted.  
Who is severe. Who gets severance.  
Who quits at the right time. Who says the time is right.  
Who decides. Who departs.  
Who is groomed. Who is doomed.  
Who is major. Who is minor.  
Who assists. Who stands by.  
Who is refunded. Who is replaced.  
Who contributes. Who distributes.  
Who is family. Who is familiar.  
Who is confident. Who is confidant.  
Who has tailwind. Who has headwind.  
Who makes a big deal. Who makes a big fuss.  
Who is in quest. Who is at rest.  
Who does well. Who means well.  
Who will be back. Who leaves for good.  
Who stumbles. Who crumbles.  
Who topples. Who tumbles.  
Who is victor. Who is victim.  
Who pays. Who pays back.  
Who earns it. Who deserves it.  
Who is vested. Who is invested.  
Who gives the last shirt. Who gives the last penny.  
Who is personal. Who takes it personally.  
Who is a big wheel. Who is a bigwig.  
Who is chief. Who is big kahuna.  
Who is a personality. Who is a person.  
Who is Who. Who says what.  
Who has a vote. Who has a say.  
Who has the last word. Who can say it?

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