

Record CEO Turnover Is Reshaping Which Search Firms Win

The biggest opportunity is emerging before the search begins

AUSTIN, TX, UNITED STATES, July 1, 2026 /EINPresswire.com/ -- Boards are replacing CEOs faster than at any point in two decades, and many of those departures are setting off a chain reaction that can ripple through the C-suite for months or even years. CEO tenure continues to shrink, activist campaigns increasingly target top executives, and boards are showing less willingness to wait for turnaround plans to bear fruit. What appears to be a single leadership transition is often the beginning of a much larger reshuffling of talent across an organization.

Global CEO departures hit 234 in 2025, the highest level Russell Reynolds has tracked in the eight years of its index, up 16 percent from 2024 and 21 percent above the eight-year average. Average global CEO tenure has fallen from 8.3 years in 2021 to 7.1 years in 2025. The rate of CEOs leaving within 30 to 36 months of appointment rose 79 percent year over year.

In other words, boards are making the call much earlier than they used to.

A decade ago, boards typically gave a new CEO several years before passing judgment. Boards are now dominated by institutional investors, many of whom have been shaped by the performance expectations of fast-growing technology companies. Economic volatility, rate pressure, and AI-compressed business cycles have further shortened the window. Chief marketing officer tenure has followed a similar pattern, falling to roughly four years among S&P 500 companies, down from 4.3 years in 2024. The compression runs deeper in high-growth and private tech firms, where CMO tenure can run closer to 18 months, the shortest of any C-suite role.

Activist campaigns hit 255 globally in 2025, a record, surpassing the previous high of 249 set in 2018. In the United States, 141 campaigns were launched, a 23 percent year-over-year increase. Thirty-two CEOs resigned within a year of an activist campaign, 60 percent above the four-year average. Eighteen percent of all U.S. activist campaigns in 2025 followed a CEO resignation directly, a 38 percent increase over the prior four-year average. Activist filings, M&A announcements, and earnings misses tend to precede executive change, often well before any departure becomes public.

Only 21 percent of organizations have a formal CEO succession plan. Among large U.S. and

Canadian companies, only 37 percent do regular, formal succession planning at the CEO or direct-report level, and more than half of those plans include fewer than two candidates. Most boards begin serious succession conversations just 12 to 18 months before an expected transition, and only 8 percent plan five years or more out. Nearly half of private company directors say their board would be unprepared to identify a successor if the CEO left tomorrow.

Staying in touch with a client between engagements, tracking changes within a client's organization, and keeping a mental list of who might be ready for a role that doesn't yet exist are common in most long-term client relationships in executive search. It happens without a separate fee attached, folded into the cost of doing business rather than priced as a service. Too many executive search firms are still organized around filling vacancies one at a time, and much of the work that surrounds those vacancies goes unbilled.

Greg Foran was named Kroger's CEO in February 2026, following a search that began after Rodney McMullen's sudden resignation in early 2025 amid a board inquiry. Within months of Foran's arrival, four senior executives departed: the chief associate experience officer, the senior vice president of retail divisions, the global vice president of Kroger's capability center, and another senior vice president of retail divisions, who left to become chief operating officer at another company. One board decision led to at least five executive transitions, including the CEO role itself, in eighteen months.

In the large majority of cases, new CEOs reshuffle their management teams within two years. External CEO hires, who tend to bring in their own people, nearly doubled as a share of incoming S&P 500 CEOs in 2025, reaching the highest external-hire rate in eight years. Internal promotions fell below 70 percent of CEO appointments for the first time in eight years.

Korn Ferry's recurring digital revenue, derived from talent analytics, psychometric assessment, and succession planning tools, accounts for roughly 35 percent of total fee revenue and is growing at about 11 percent annually. More than 83 percent of Korn Ferry's assignments in fiscal 2025 came from clients the firm had served within the prior three years. Meanwhile, Heidrick & Struggles posted consulting revenue growth of 16.6 percent year over year in the second quarter of 2025, faster than its core search revenue grew over the same period. Both firms run this revenue alongside their core search business rather than in place of it.

Yet despite these examples, most search firms still struggle to capture that value. The reason is structural: client and candidate relationships in executive search are frequently personal to the individual recruiter rather than the firm. A sixteen-year client relationship can end when the recruiter does, taking years of context and succession thinking with it.

A succession-intelligence retainer, a standing relationship fee, or an advisory engagement priced independently of any specific search gives a client a reason to stay engaged between hiring cycles. Tracking activist filings, M&A activity, and leadership announcements as outreach triggers turns relationship-building from a passive habit into an active practice.

Executive turnover may fluctuate from year to year, but the baseline has shifted. Institutional board composition, activist financial incentives, and compressed performance windows are not the kind of conditions that reverse on their own. The firms that recognize the value already embedded in succession intelligence, relationship continuity, and year-round client engagement have more to work with than a placement fee alone has ever captured.

Want to learn more how to profit from this shift? Check out [Loxo](#) - the unified AI recruiting platform powered by talent intelligence.

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