

CRIST | KOLDER ASSOCIATES
Volatility Report 2018
Chicago's Leading Companies

CRIST|KOLDER Volatility Report

Crain's Chicago Business Top 100

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Foreword

The annual Crist | Kolder Volatility Report examines the turnover of C-Suite executives in America's leading companies (Fortune 500 and S&P 500). It is one of the authoritative sources of information on executive turnover.

In 2012, Crist | Kolder Associates added a section about Chicago's leading companies. This Chicago Report is an examination of trends in local C-Suite hiring and some background on Chicago's most senior executives. The report includes turnover, tenure, and the educational backgrounds of the top individuals in the Chicago rankings.

The companies analyzed in the following report are from the Chicago Crain's Top 100 Publicly Held Companies for 2018.



Methodology

Methodology:

The top 100 Chicago companies, as published in Crain's Chicago Business, were individually examined, noting C-Suite personnel changes and details of each executive background

This is the sixth Crist | Kolder Chicago Volatility Report. Data Gathered begins January 1st, 1995 and goes through August 1st, 2018. The winter release, available in January, will have full data through December 31st, 2018.

Resources:

- Bloomberg: www.bloomberg.com
- Businessweek: www.businessweek.com
- Capital IQ: www.capitaliq.com
- Crain's Chicago Business Magazine
- Fortune: www.fortune.com
- LinkedIn: www.linkedin.com
- SEC Company Filings: www.sec.gov
- Yahoo Finance: www.finance.yahoo.com
- Individual company websites

Color Key

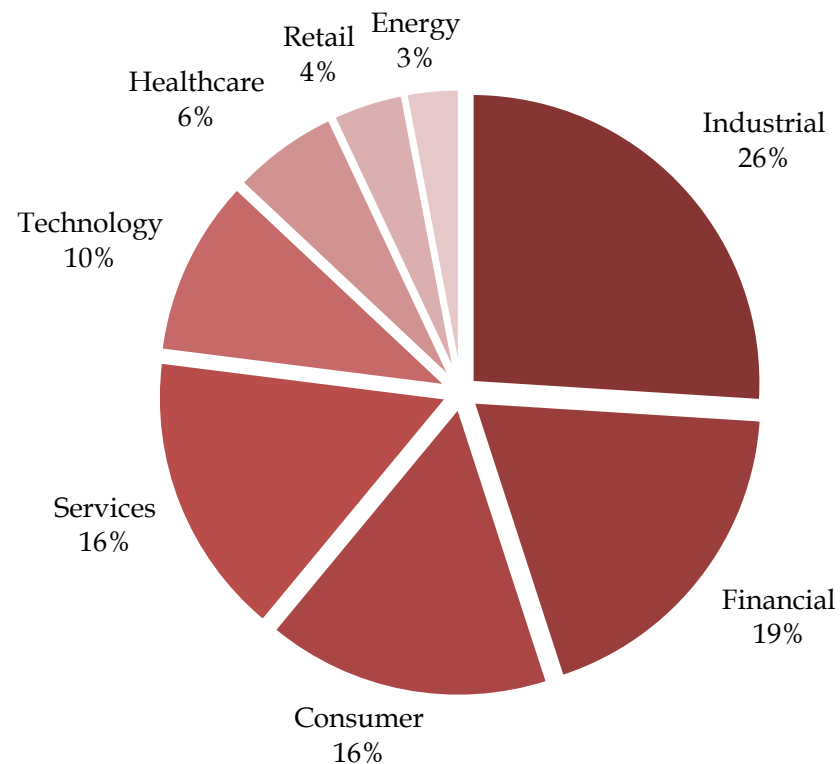
Blue = CEO

Green = CFO

Purple = COO

Graphs and data correspond with the color key above

Company Industry Breakdown



Definitions

C-Suite: Limited to CEO, CFO, and COO roles

Volatility: Turnover is noted when the executive starts in the new role (as opposed to the date of announcement)

Internal change: An executive is promoted to a new role at the company where he/she is already employed

External change: An executive is recruited to a position at a company to which his/her previous position has no formal ties

Mergers: In a merger of equals, the combined company is considered a new entity. A change in leadership, therefore, is marked for all mergers. A change is internal if the executive was previously employed by either of the merging companies

Acquisitions: In the event an executive from the acquired company is appointed to a role in the acquiring company, it is an external change

Partial year: Designation indicates data gathered up to August 1, 2018, not a projection

COO Role: The COO role is strictly limited to individuals with the title “Chief Operating Officer”



Chicago CEO Index

MBA Degree

Chicago - 53%

National - 45%

Average Age

Chicago - 56 years

National - 57 years

Youngest

John Holmes (41)

AAR Corp.

Oldest

Aldo Zucaro (79)

Old Republic International Corp.

Average Tenure

Chicago - 6.3 years

National - 7 years

Longest Tenure

LeRoy Carlson (32.6 years)

Telephone & Data Systems, Inc.



Chicago CFO Index

MBA Degree

Chicago - 52%

National - 49%

Average Age

Chicago - 52 years

National - 52 years

Youngest

David Knopf (30)

The Kraft Heinz Company

Oldest

Andrea Tarbox (67)

Kapstone Paper & Packaging Corp.

Average Tenure

Chicago - 4.4 years

National - 4.9 years

Longest Tenure

David Stoehr (16.6 years)

Wintrust Financial Corp.

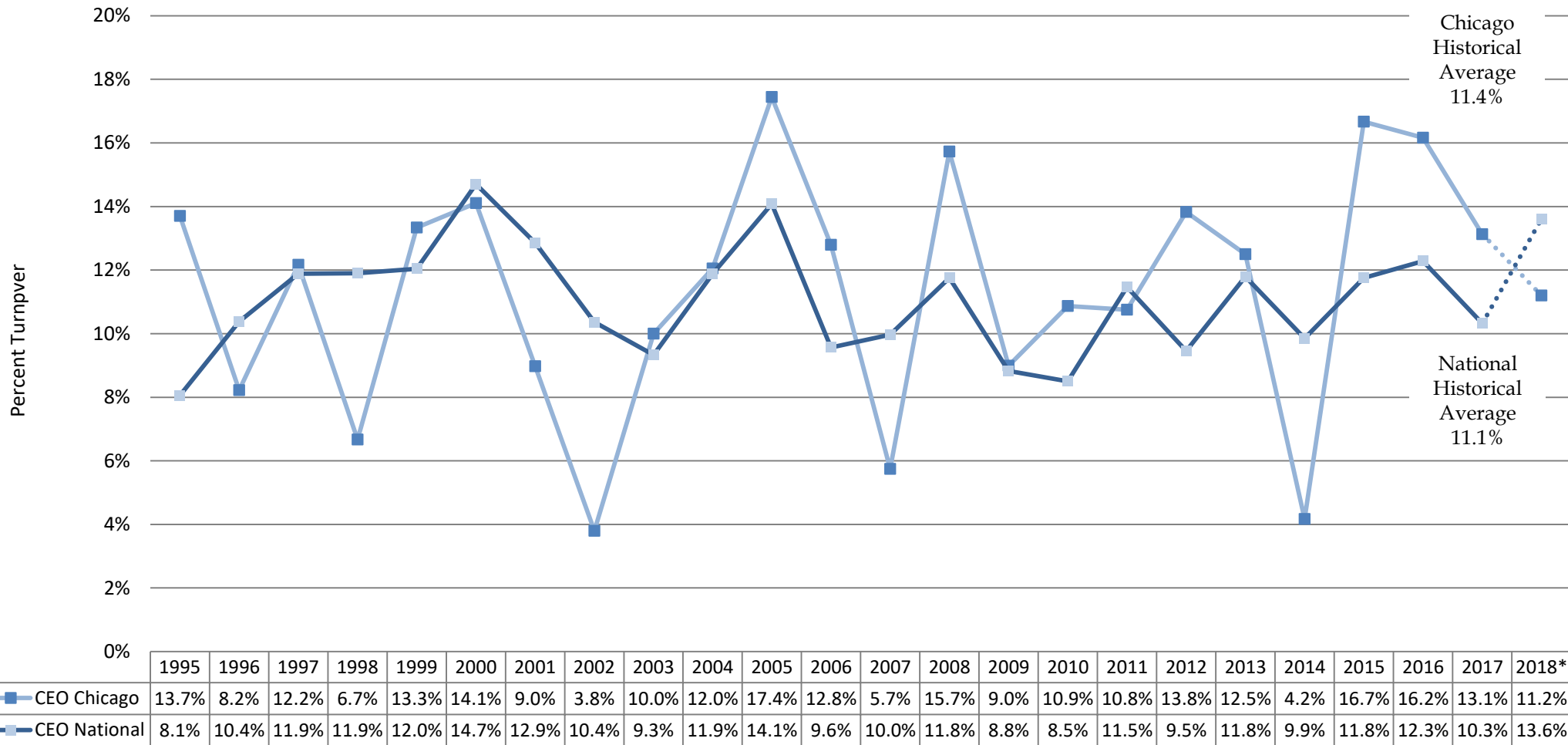


Executive Turnover



Chicago CEO turnover is projected to be equal to or slight greater than the national average

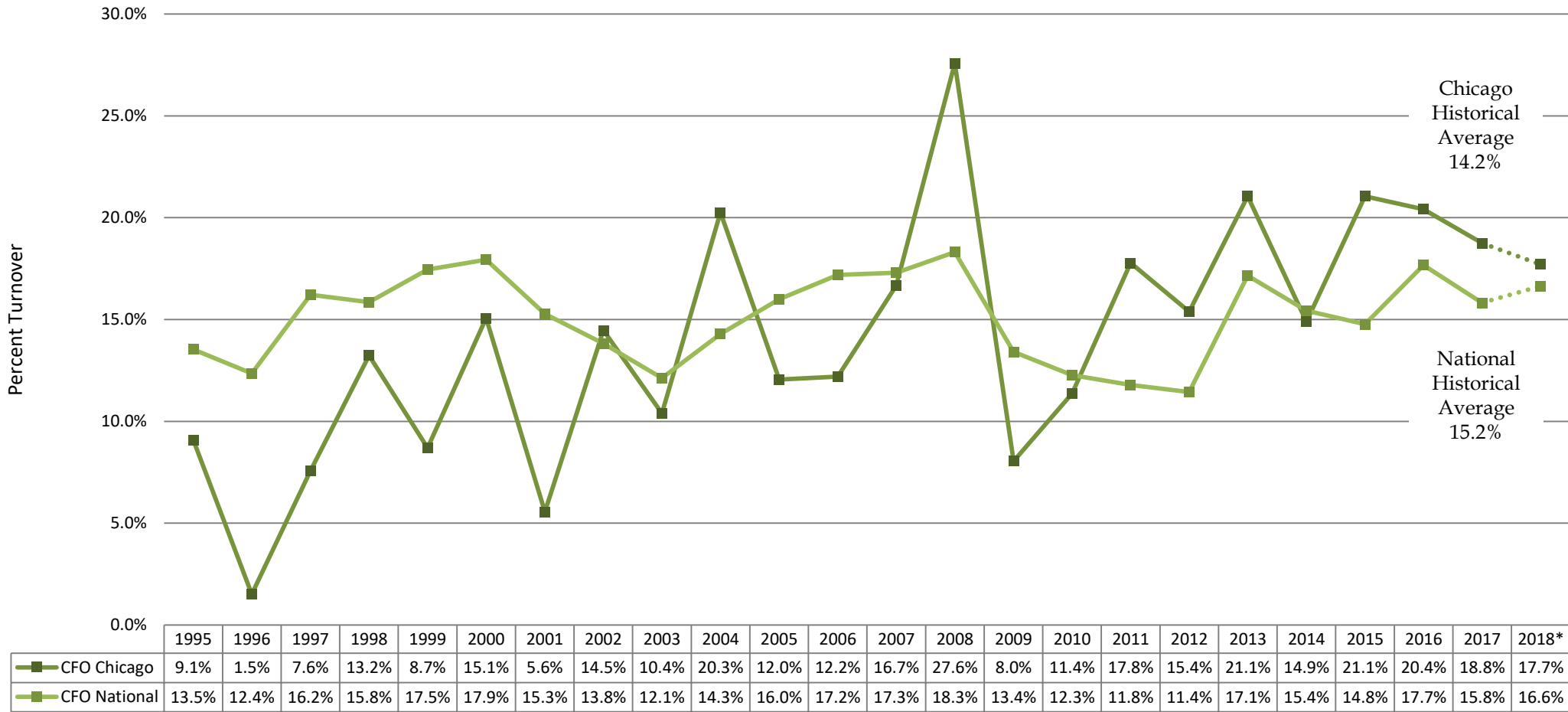
CEO Volatility (1995-2018)
 2018 Crain's Chicago Business Top 100 Companies (98 Sitting Chicago CEOs; 679 Sitting National CEOs)



For 2018, CFO turnover in Chicago is projected to be slightly above the national average

CFO Volatility (1995-2018)

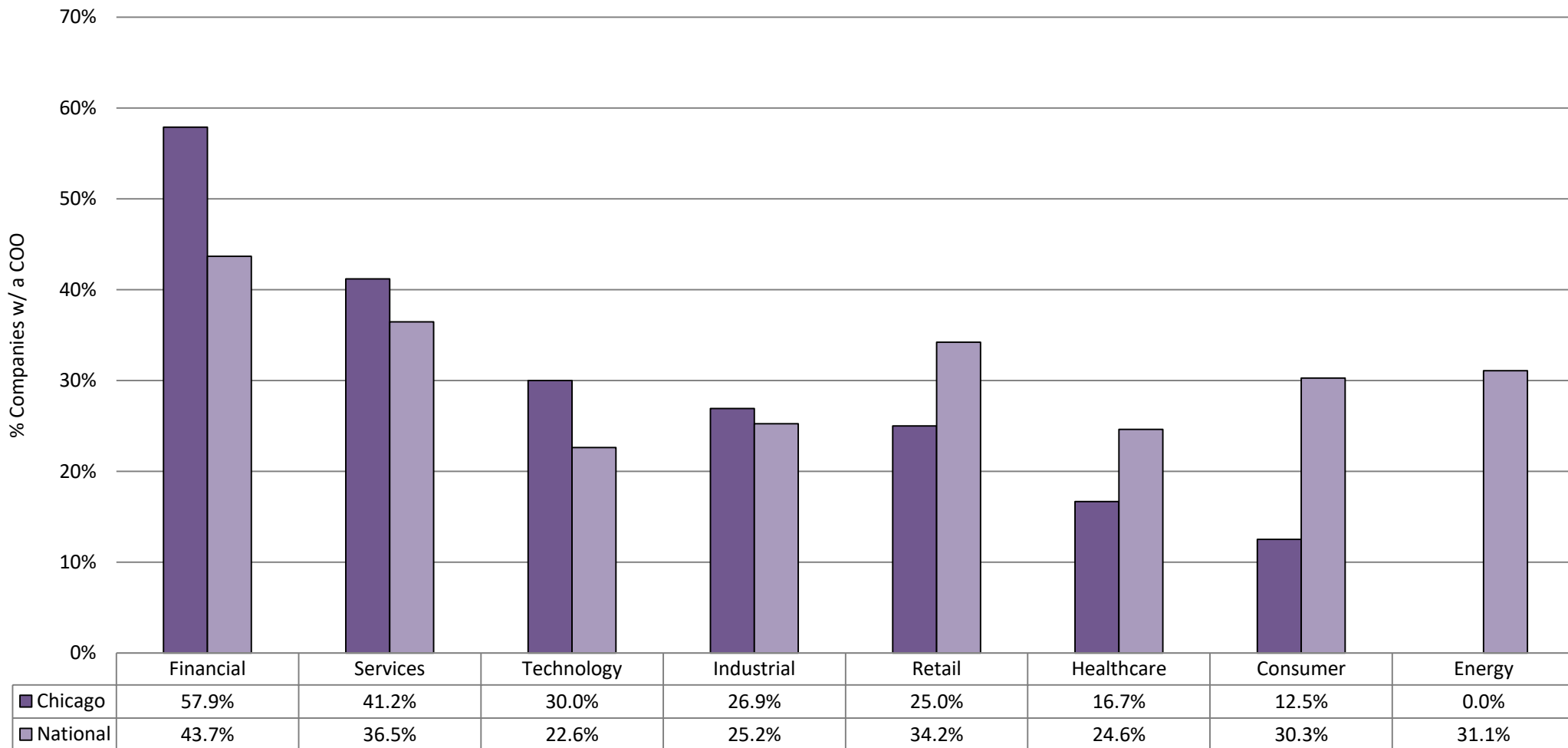
2018 Crain's Chicago Business Top 100 Companies (96 Sitting Chicago CFOs; 670 Sitting National CFOs)



58% of Financial sector firms in Chicago utilize the COO role

Percentage of Companies with COO by Industry

2018 Chicago Crain's Business Top 100 Companies and 2018 Fortune 500 and S&P 500 Companies
(100 Chicago Companies; 673 National Companies; 32 Sitting Chicago COOs; 215 Sitting National COOs)

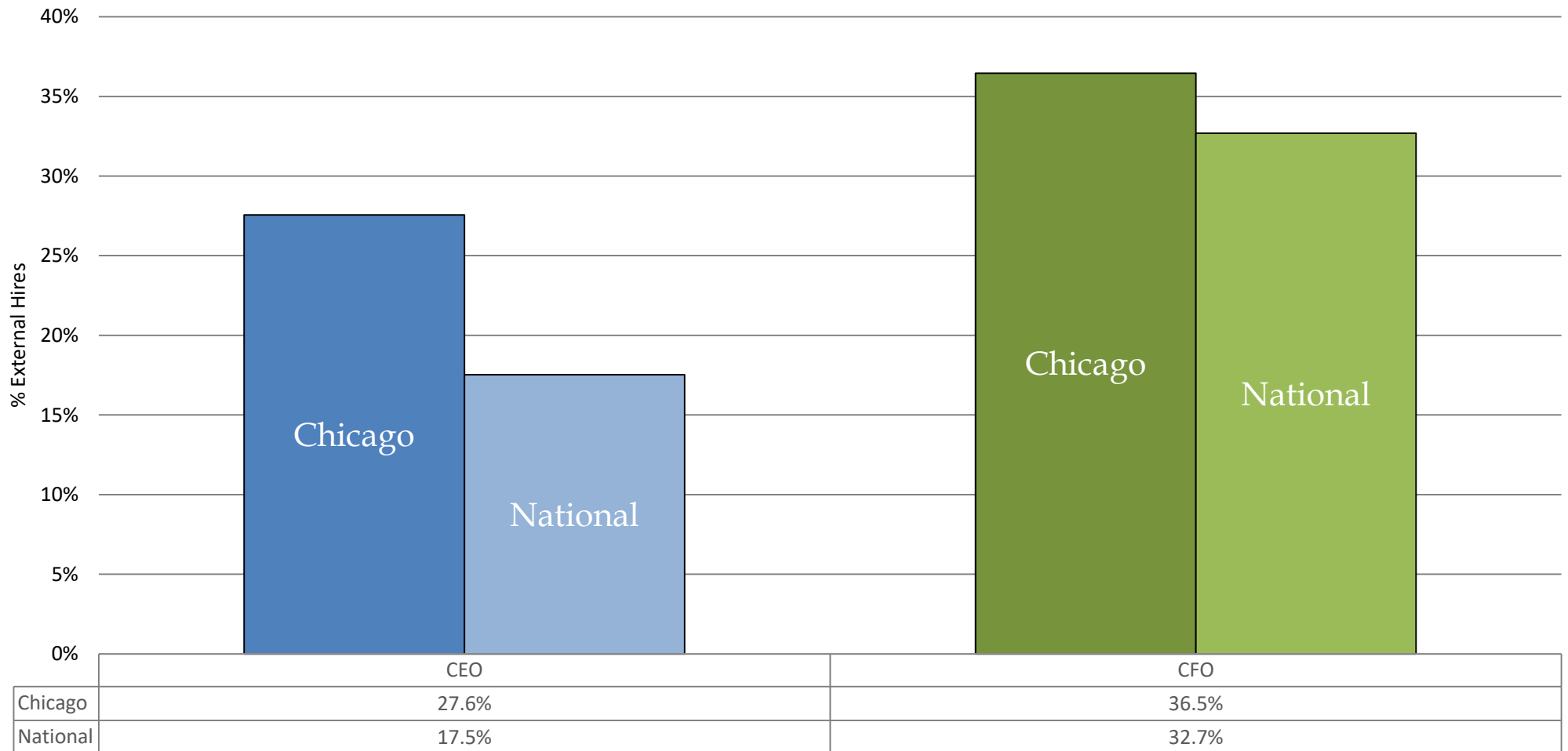


External recruitment is more prevalent in Chicago based companies than their national counterparts

Percentage of External Hires

Sitting Executives of 2018 Crain's Chicago Business Top 100 Companies

(100 Chicago Companies; 673 National Companies; 98 Sitting Chicago CEOs; 679 Sitting National CEOs; 96 Sitting Chicago CFOs; 670 Sitting National CFOs)

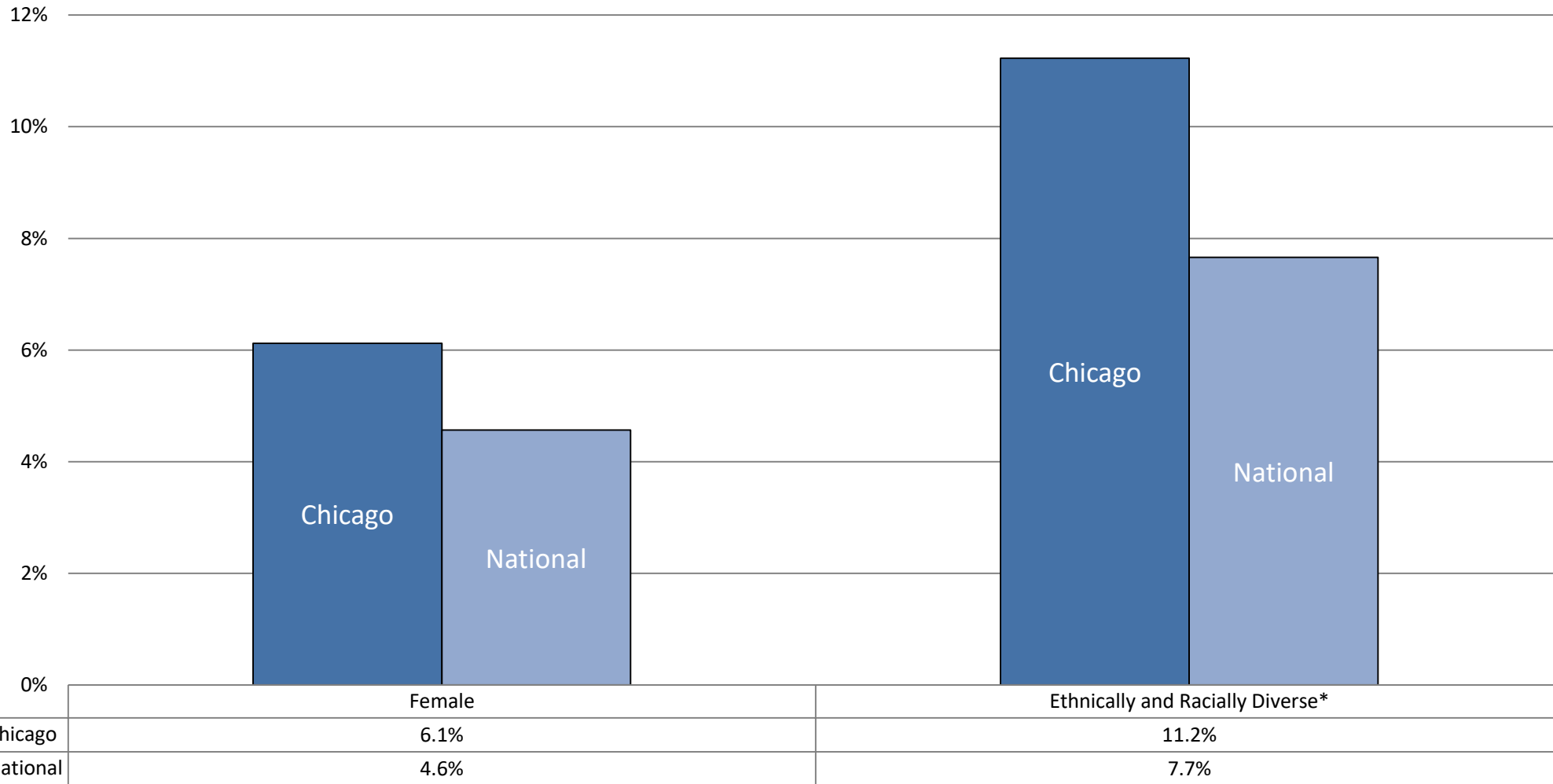


Diversity Landscape



There is more CEO diversity in Chicago based companies than the national average

Percentage of Diverse CEOs in Chicago versus Nationally
 2018 Crain's Chicago Business Top 100 Companies (98 Sitting Chicago CEOs; 679 Sitting National CEOs)

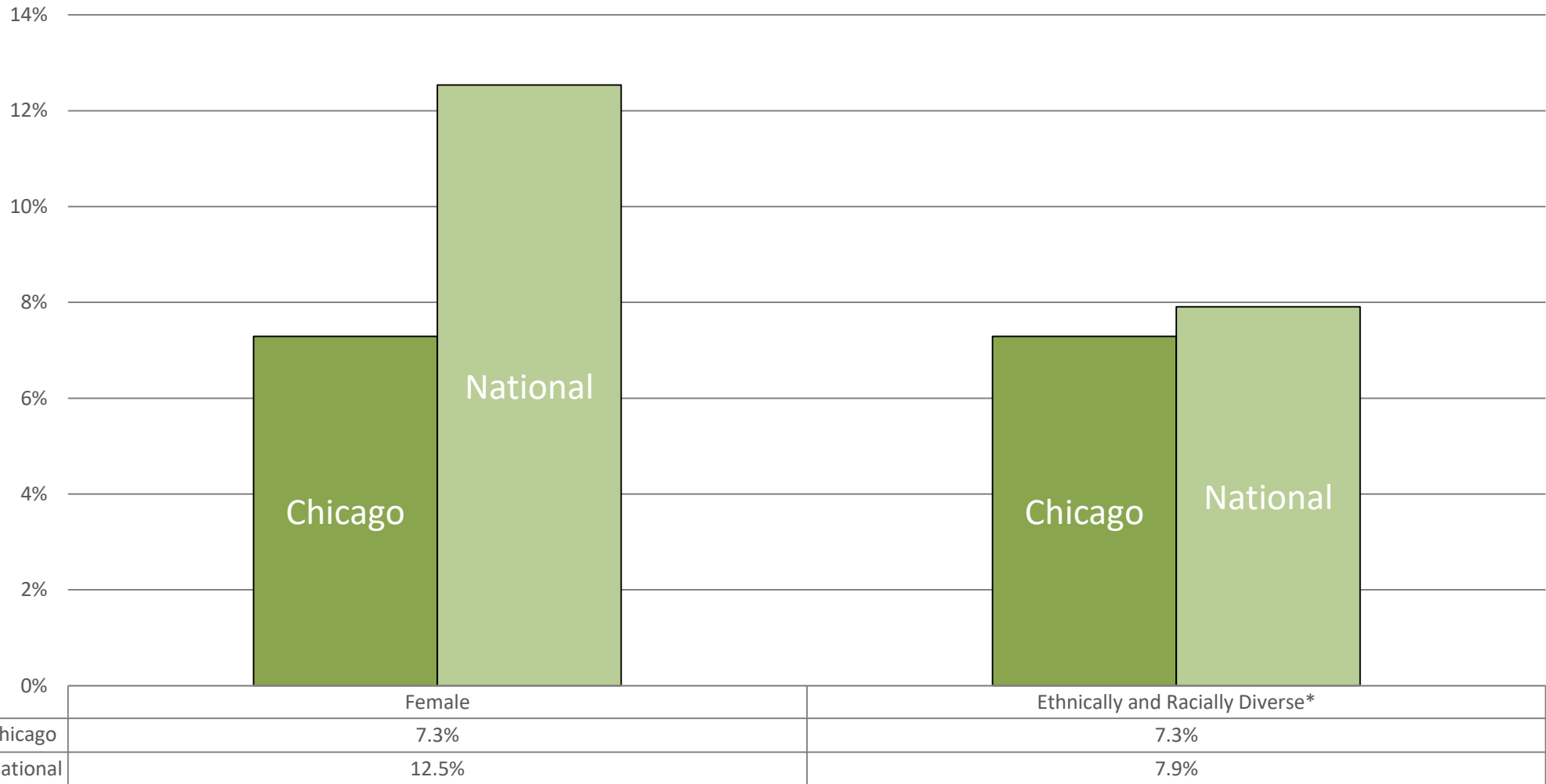


*Asian/Indian, African American, Hispanic/Latino



Compared to the national average, Chicago has less diversity in the CFO role

Percentage of Diverse CFOs in Chicago versus Nationally
 2018 Crain's Chicago Business Top 100 Companies (96 Sitting Chicago CFOs; 670 Sitting National CFOs)



*Asian/Indian, African American, Hispanic/Latino

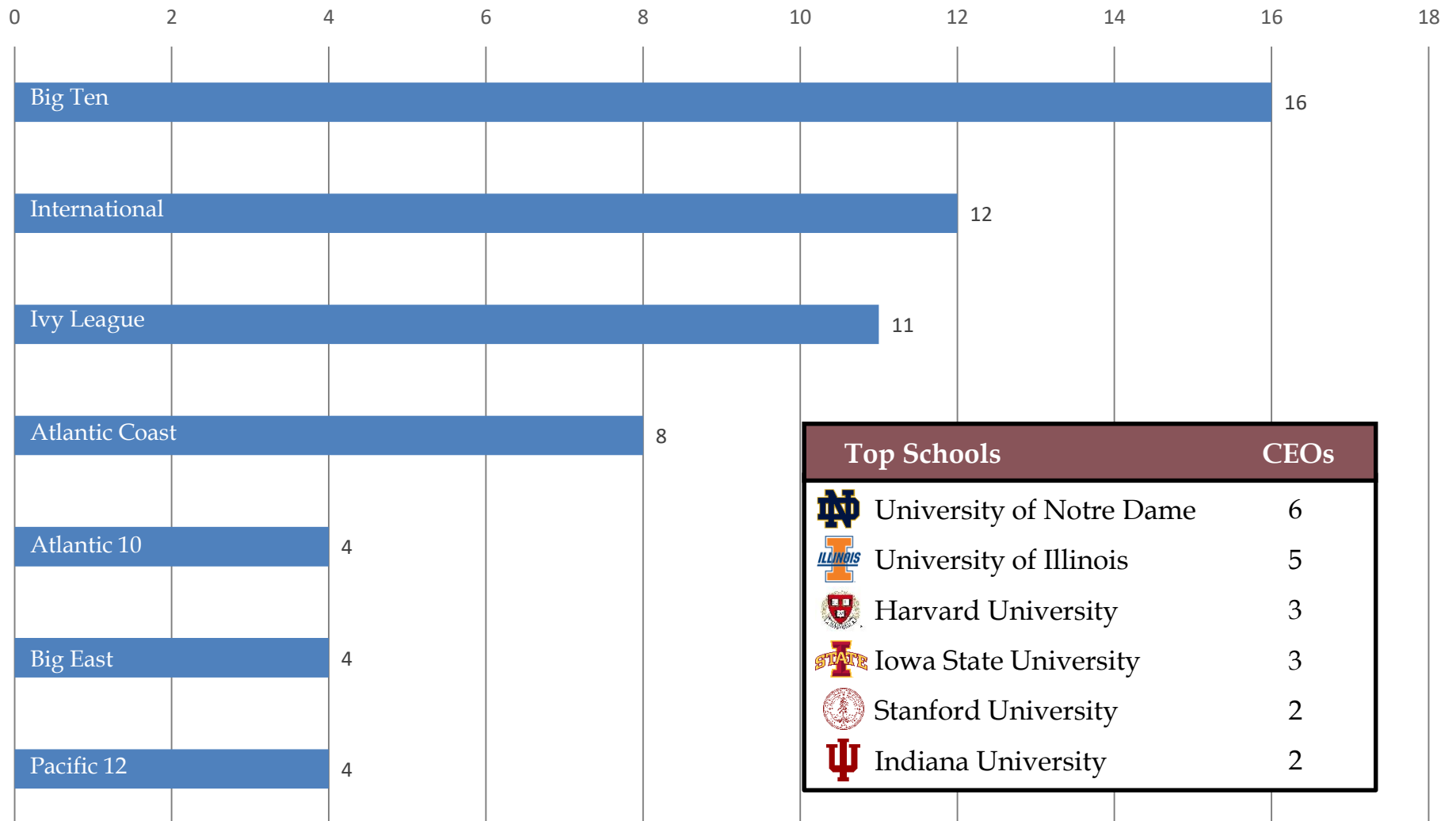


Education Background



The Big Ten currently produces the most sitting CEOs based in Chicago

Undergraduate University Conference Affiliation of Sitting Chicago CEOs
 2018 Chicago Crain's Top 100 Companies (91 Known CEO Education Backgrounds)



Top Schools	CEOs
University of Notre Dame	6
University of Illinois	5
Harvard University	3
Iowa State University	3
Stanford University	2
Indiana University	2



The University of Illinois, Champaign-Urbana currently produces the most sitting CFOs based in Chicago

Undergraduate University Conference Affiliation of Sitting Chicago CFOs
2018 Chicago Crain's Top 100 Companies (82 Known CFO Education Backgrounds)

