

CEO TURNOVER IN CANADA: 2025 FINDINGS

INSIGHTS FROM THE KORN FERRY INSTITUTE'S 2025 GLOBAL CEO TURNOVER RESEARCH



EXECUTIVE SUMMARY

Canada's 2025 CEO turnover data reveals a distinct succession story, one that extends beyond the global headline. Against a backdrop of elevated CEO turnover globally, Canadian boards faced a higher volume of leadership transitions and a correspondingly greater governance challenge. Across 74 Canadian companies in the S&P Global Large- and Mid-Cap universe, 12 changed CEOs in 2025, representing a 16.2% turnover rate compared with 11% globally.

At first glance, Canada's turnover story appears to be about volume. The deeper story is about continuity. Outgoing Canadian CEOs were older and longer-tenured than their global peers: 62.6 years old on average, with 12 years in role, compared with 59.4 years old and 5.9 years of tenure globally. Incoming Canadian CEOs, by contrast, looked much closer to the global pattern, with an average age of 54.5 versus 54.3 globally. Boards were often managing leadership transitions after unusually long periods of continuity.

That distinction matters for boards and CEOs because long CEO tenure changes the nature of succession. It can create stability, institutional knowledge, investor confidence, and deep stakeholder relationships.

When the moment of transition arrives, boards are managing far more than a leadership appointment. They are overseeing a shift in influence, decision rights, executive team dynamics, and confidence in the company's next chapter.

KEY FINDINGS

Canada's CEO turnover rate was meaningfully above the global benchmark

Of the 74 Canadian companies included in the dataset, 12 changed CEOs in 2025. That 16.2% turnover rate exceeded the 11% global rate across more than 3,600 S&P Global Large- and Mid-Cap companies and was also above the 13% turnover rate recorded in developed markets overall.

CEO succession is increasingly a continuous governance responsibility rather than a periodic exercise. With turnover exceeding both global and developed-market benchmarks, Canadian boards cannot afford to treat succession as a future contingency. The organizations best positioned to navigate leadership transitions maintain an ongoing view of successor readiness, external market options, transition scenarios, and stakeholder expectations long before a change becomes imminent.

Canadian transitions involved a sharper tenure reset

The average outgoing Canadian CEO was 62.6 years old, compared with a global average of 59.4. Incoming Canadian CEOs, by contrast, averaged 54.5 years old, nearly identical to the global average of 54.3.

The more consequential difference was tenure. Outgoing Canadian CEOs had served an average of 12 years in role, more than double the global average of 5.9 years and well above the 7.5-year average in developed markets.

This is one of the most distinctive features of the Canadian data. Many of these CEO transitions marked the end of long periods of leadership continuity, raising the stakes of the succession process. Boards were often replacing leaders who had shaped strategy, culture, stakeholder relationships, and decision-making patterns for more than a decade.

Importantly, the incoming CEOs themselves looked broadly consistent with global patterns. What set many Canadian successions apart was the context they inherited. Successors were often stepping into organizations deeply influenced by a long-serving predecessor, creating a more significant leadership reset than the incoming CEO profile alone would suggest.

The transition period therefore deserves the same level of attention as the selection decision itself. Executive team alignment, stakeholder confidence, and organizational readiness can meaningfully influence the success of the succession process.

Gender diversity remained limited among incoming CEOs

Only one of the 12 incoming CEOs in Canada was a woman, broadly in line with the global average of 8% of incoming CEOs. No outgoing CEOs in the Canadian sample were women, compared with 5% globally.

The movement from 0% of outgoing CEOs to one incoming woman CEO suggests some progress at the point of appointment, but the overall picture remains one of limited representation.

The Canadian sample is small, but the finding reinforces a broader succession reality. CEO diversity is largely determined years before a selection process begins. It reflects the experiences, visibility, assessments, and developmental opportunities that shape the succession pipeline over time.

For boards, the challenge is ensuring that women executives have opportunities to lead at enterprise scale, gain meaningful exposure to the board, and build the track record required to be considered credible CEO successors when transition decisions arise.

Canadian boards leaned harder into internal succession

Only two of the 12 incoming CEOs in Canada were externally hired, meaning roughly 83% of Canadian CEO appointments came from inside the organization. That is higher than the global internal appointment rate of 72% and the developed-market rate of 77%.

Canadian boards largely chose continuity. A strong preference for internal succession can be a sign of sustained investment in leadership development and a well-prepared succession pipeline. Internal appointments can preserve institutional knowledge and support continuity during leadership transitions. Their success, however, depends on clear evidence that the successor can lead the organization's next chapter. Boards need confidence in a candidate's capacity to meet future strategic demands, not only their track record within the current environment.

Four of the 12 incoming Canadian CEOs (33%) had previously served as CEOs, compared with 44% globally, where prior CEO experience was especially common among external hires. Prior CEO experience provides boards with visible evidence that a leader has operated at the highest levels of organizational complexity. Internal candidates require equally compelling proof points, including objective assessment, enterprise-wide leadership experience, and demonstrated capacity to lead the organization's future agenda.

Unprepared transitions were less common, but still exposed the need for scenario planning

Unprepared successions accounted for 18% of Canadian CEO transitions, below the global average of 25%. Nevertheless, 36% of Canadian successions involved same-day appointments, with successors named and appointed on the same day, leaving new CEOs without the preparation runway typically associated with a leadership transition of this scale.

The data presents an interesting contrast. The age and tenure profile of outgoing CEOs suggests many transitions were foreseeable, yet more than one-third were announced and completed on the same day. This highlights an important distinction between succession planning and transition planning. Boards may have a successor identified and prepared, while still needing to determine how leadership authority, stakeholder communications, executive team alignment, and knowledge transfer will be managed through the transition.

Some transitions will inevitably unfold under compressed timelines. The organizations best positioned to navigate them are those that have established transition scenarios, decision rights, and communication plans before they are needed.

Post-transition roles were more advisory than board-based

Among 12 outgoing CEOs with available post-transition data, six left their companies entirely and five moved into advisory roles to support the transition. Only one remained on the board. The Canadian data suggests a preference for transitional advisory support over formal board involvement following succession.

That distinction matters. The outgoing CEO's role after transition can either reinforce the incoming leader's authority or create ambiguity around it. The strongest transitions define that role deliberately: how the former CEO will advise, where decision-making authority resides, and how the board supports the incoming CEO's ability to establish leadership.

IMPLICATIONS FOR BOARDS AND CEOS

The Canada data reinforces a clear leadership and governance agenda.

First, succession should be treated as continuous, not episodic. Canada's turnover rate exceeded both the global and developed-market averages, and many transitions involved long-serving CEOs. That means CEO succession is always in motion, even when no immediate departure is expected. CEOs, in turn, play an important role in strengthening the leadership bench, creating visibility for potential successors, and supporting a transition process that serves the company.

Second, internal succession requires sharper proof of readiness. Canada's reliance on internal appointments was stronger than the global pattern. That makes leadership pipeline discipline even more important: objective assessment, enterprise exposure, board visibility, development against the future CEO mandate, and a clear view of where external talent may still be needed.

Third, transition design matters because Canada's 2025 CEO changes often followed long periods of leadership continuity. In many cases, boards also created several months between announcing a CEO departure and completing the leadership transition. It is important to also give successors sufficient time in preparing for their new roles. That runway can help preserve stakeholder confidence, and support an orderly transfer of authority, relationships, and leadership rhythm.

Fourth, transitions after a long-tenured CEO deserve their own scenario. When a CEO has served for a decade or more, succession is not just a handoff. It is a shift in influence, rhythm, relationships, and strategic authorship that can shape how investors and other stakeholders interpret the company's stability and direction. That requires deliberate alignment among the board, outgoing CEO, incoming CEO, and executive team, supported by a clear transition narrative that reinforces confidence in what comes next.

Fifth, the strongest succession processes pressure-test both the slate and the system around it. The question is not only whether there are credible CEO candidates. It is whether the organization has the governance discipline, leadership depth, assessment rigor, communication plan, and transition support to move from decision to execution with confidence.

CONCLUSION

Canada's 2025 CEO turnover picture is defined by active succession, long-serving outgoing leaders, a stronger-than-global preference for internal appointments, and limited movement on gender representation among incoming CEOs. Compared with the global data, Canada stands out most clearly on turnover rate, outgoing CEO tenure, and internal succession.

The central insight is that Canada's CEO changes were more frequent than the global average, and, in many cases, more consequential because of the tenure and influence of the leaders departing. For boards and CEOs, this raises the standard for succession governance. The work is to identify the next CEO and ensure the organization is ready for the transition that follows.

This is where disciplined succession work creates value. Boards and CEOs need a fact-based view of readiness, a clear understanding of the future mandate, a credible internal and external view of talent, and a transition plan that protects confidence from day one. Korn Ferry can help enable your high-stakes leadership decisions, help you build enduring leadership depth, and set your CEO and their team up to deliver lasting value creation.

In a market that rewards clarity and punishes uncertainty, CEO succession has become one of the most visible tests of board readiness and leadership depth. The best-prepared organizations will not only choose the right next CEO. They will manage the transition in a way that gives investors, employees, customers, and the broader market confidence in what comes next.

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HOW WE DID IT:

We analyzed CEO transitions during calendar year 2025 among S&P Global Large- and Mid-Cap companies. The global dataset included more than 3,600 companies, of which 74 were headquartered in Canada. Twelve Canadian companies changed CEOs during the year.

We identified CEO changes using S&P Capital IQ platform, then reviewed company announcements, regulatory filings, executive biographies, and credible business and financial-media coverage to verify each transition and code the characteristics of the outgoing CEO, incoming CEO, and succession process. Variables included age, tenure, gender, internal or external appointment, prior CEO experience, transition timing, use of an interim CEO, and the predecessor's post-transition role. Canadian findings were compared with the full global sample and with developed-market benchmarks.

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