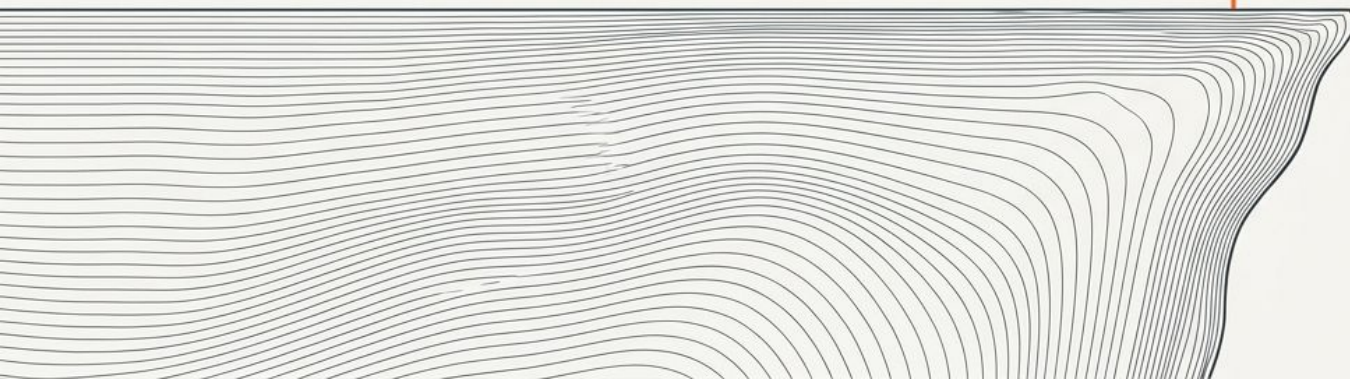


Standing at the Edge

Navigating the Glass Cliff: What the evidence actually says,
and how boards can set turnaround leaders up to succeed.



THE GOVERNANCE REALITY: SCAFFOLDING AT THE EDGE

THE CATALYST

SEPT
2026



Senior McKinsey partner dismisses the glass cliff as a myth and a claim of victimhood in public LinkedIn comments.

OCT
2026



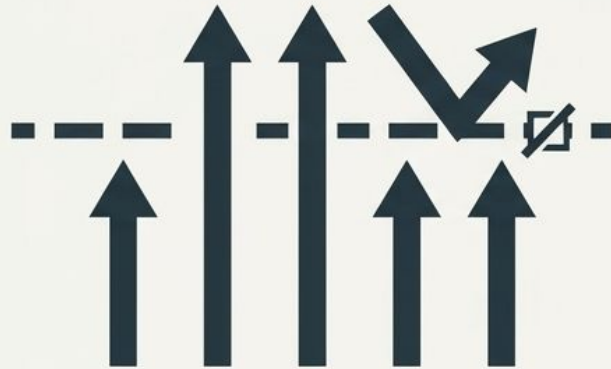
McKinsey confirms his removal from leadership roles, stating the comments fell short of firm standards, while keeping him as partner.



Both sides of the debate point to the exact same challenge for boards:

What does the evidence say about who gets handed the hardest assignments, and what structural controls exist to ensure they aren't set up to fail?

The Glass Ceiling



The Glass Cliff



It is not a
conspiracy, nor
is it universal.
It is probabilistic
and contextual.

Think Crisis, Think Female

(Ryan et al., 2011)

Stereotypes shift in crises, linking stereotypically feminine traits to turnaround leadership.

The Savior Effect

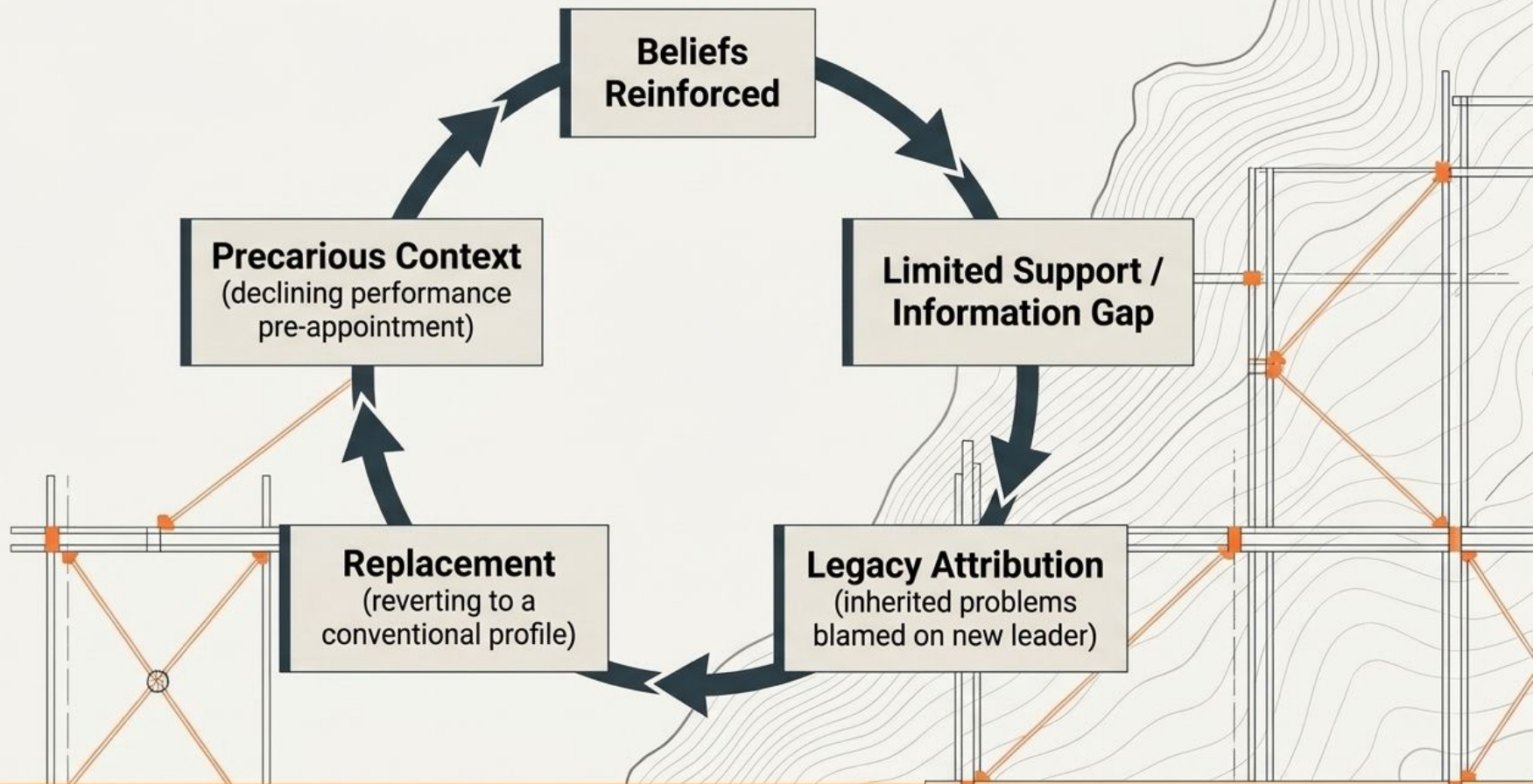
(Cook & Glass, 2014)

Declining performance under a nontraditional CEO is often followed by a return to a white male leader to restore order.

Signaling

(Reinwald et al., 2023)

Appointments used visibly to communicate a break from a male-led past.



Each stage in this cycle represents a structural point of intervention for corporate boards.

The Evidence Heatmap

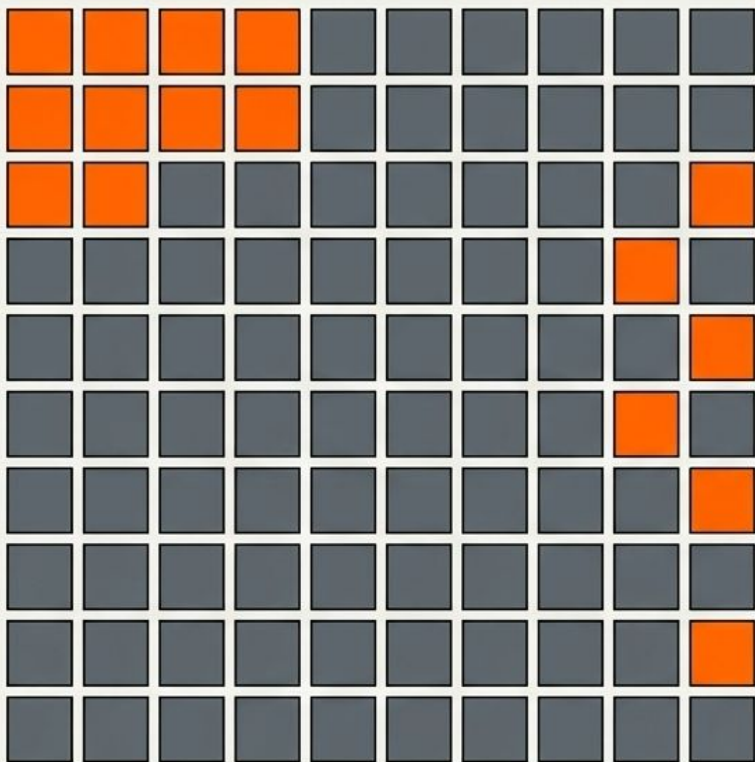
Strong Evidence

- ✓ Lab experiments evaluating candidate suitability in crisis (Hedges' $g = 0.32$)
- ✓ Leader-selection experiments (Women 1.45x more likely to be chosen in crisis)
- ✓ Political races and non-profits
- ✓ Racial/ethnic minorities in archival data ($g = 0.21$)

Weak / Contested Evidence

- Large corporate management archival data (e.g., Adams 2009; Li et al., 2025 finding no effect or reverse effects)
- Sports leadership

People who say it is a myth are overstating the data; so are people who describe it as a universal rule. The phenomenon is real but highly context-dependent.



11.2%

Female Fortune 500 CEOs
as of 2026 (56 companies,
up from 2 in 1998)

In the UK FTSE 350 (2026), women hold 43% of board seats but only 8% of CEO roles.

The Visibility Trap: When a group holds roughly one in ten top jobs, high-profile exits shape market perceptions disproportionately. A handful of misattributions creates a narrative that affects the entire talent pipeline.

The Organizational Costs of Getting it Wrong

Churn & Discontinuity

Paying for two executive transitions without ever fixing the structurally entrenched root causes.

Distorted Learning

(Kulich et al., 2007)

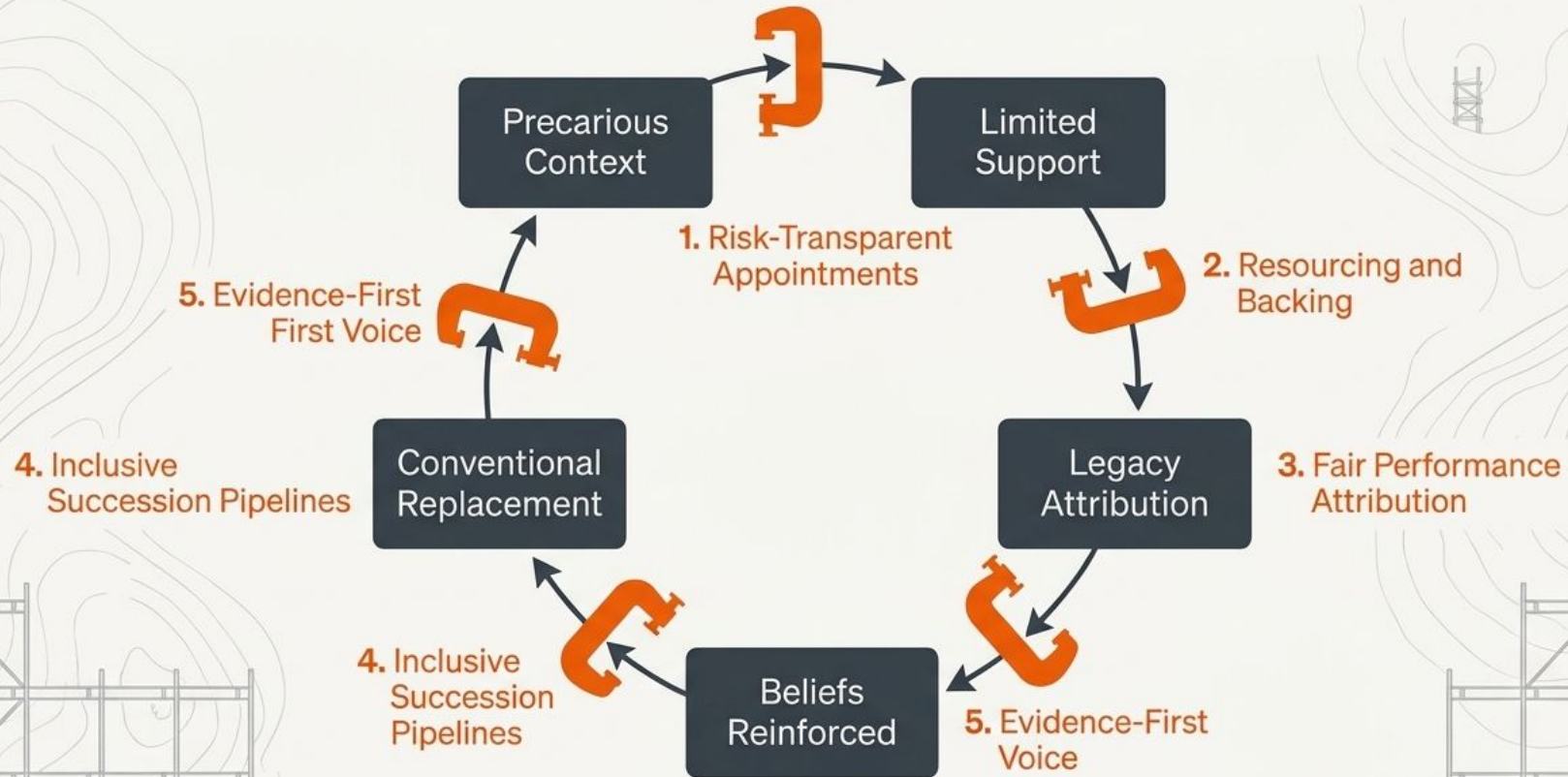
Evaluators frequently disconnect a female leader's rewards from the results they produce. If attribution defaults to the leader rather than the legacy, the organization learns the wrong lesson from a failed turnaround.

Scrutiny & Dismissal Asymmetry

(Gupta et al., 2020)

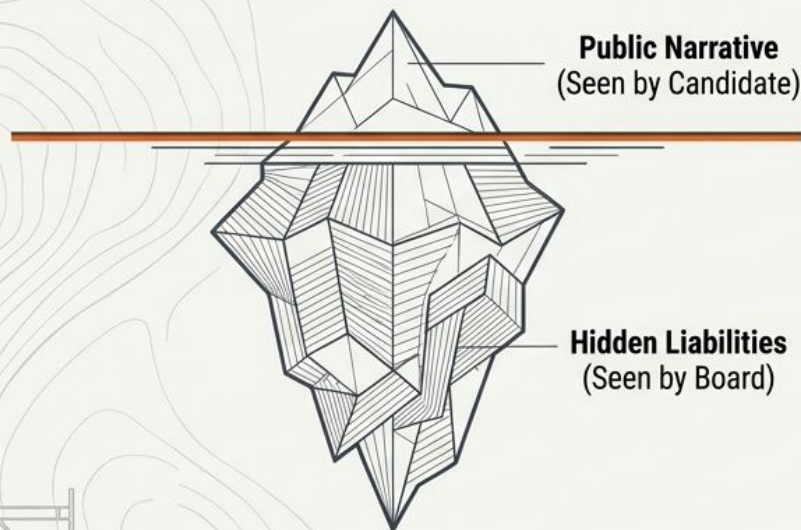
Strong firm performance significantly reduces dismissal risk for male CEOs, but female CEOs face similar dismissal likelihood regardless of performance.

The Governance Intervention Framework



Intervention 1: Risk-Transparent Appointments

The Information Gap



Hidden Legacy Example: General Motors / Mary Barra (2014). Inherited ignition-switch recall linked to 13 deaths; scale unrevealed until post-appointment Valukas report.

Symmetric Scrutiny Checklist

- 1. **Appointee Due Diligence Pack:** Disclosing known, hidden liabilities to finalists.
- 2. **Explicit Mandates:** Success criteria established for 6, 18, and 36 months.
- 3. **Independent Baselines:** Third-party condition audits upon arrival.

Public Baseline Example: Citigroup / Jane Fraser (2020). Pre-existing OCC/Fed consent orders established a visible baseline for subsequent 2024 regulatory fines.

Intervention 2: Resourcing and Backing Turnaround Leaders

Visible Board Sponsorship

Real Authority
(Decision Rights)

Agreed Resources
(Capital/Talent)

Realistic Time Horizons

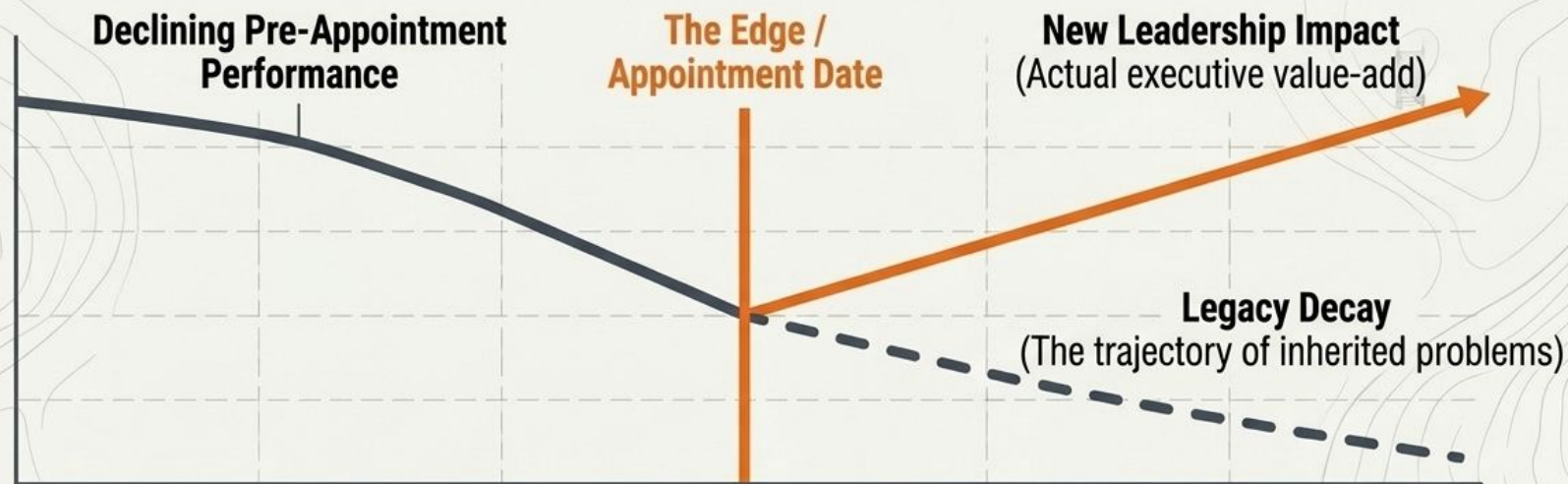
Fully Resourced (Success)

Xerox under Anne Mulcahy (2001):
Inherited **\$17B** debt & SEC probe.
Secured **\$2.5B** in cash, protected R&D,
given 90 days to listen before
executing.

Authority Gaps (Volatility)

Reddit under Ellen Pao (2015): Interim CEO
faced **190k** petition revolt; short mandate.
X under Linda Yaccarino (2025): Resigned
amidst clashes over platform content and
decision rights with ownership.

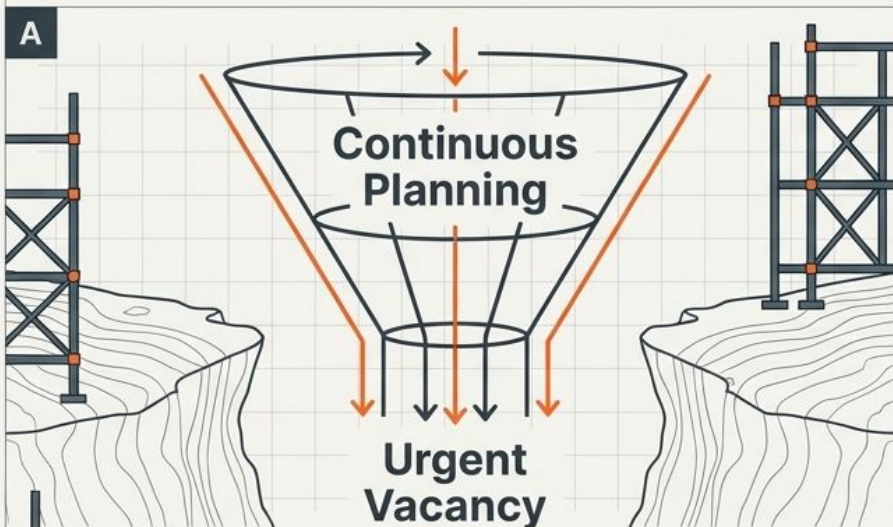
Intervention 3: Fair Performance Attribution



Diagnostic Example: Yahoo under Marissa Mayer (2012)

Inherited structural data breaches leading to Verizon cutting purchase price from **\$4.8B to \$4.5B** in 2017. Fair attribution requires a Legacy Register separating prior strategic position from operational decisions made during tenure.

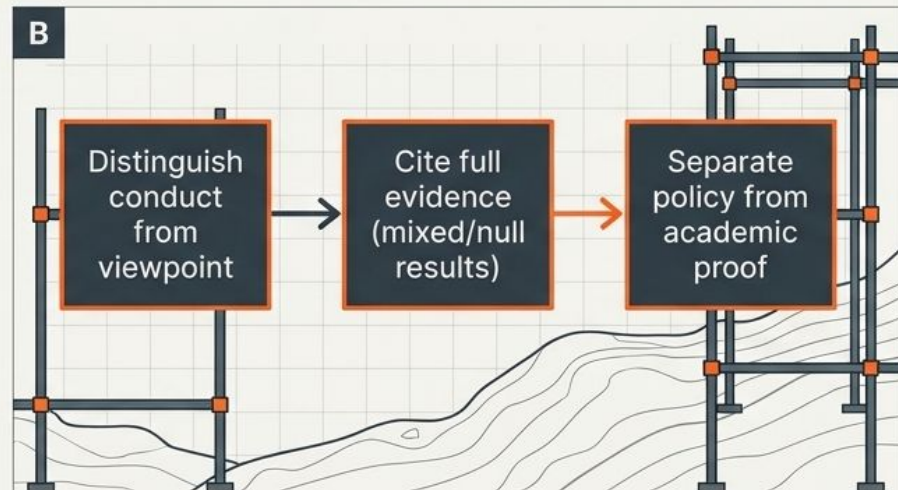
Intervention 4: Early Pipelines



Diversity in the decision-making room is the **strongest predictor of tenure**.

Data Proof: NFL Rooney Rule increased minority head coach hiring by **19-21%** (DuBois, 2016). Mansfield Rule targets **30%** pipeline metrics.

Intervention 5: Evidence-First Voice



Example: McKinsey's 2026 handling punished conduct, avoiding adjudication of the academic dispute.

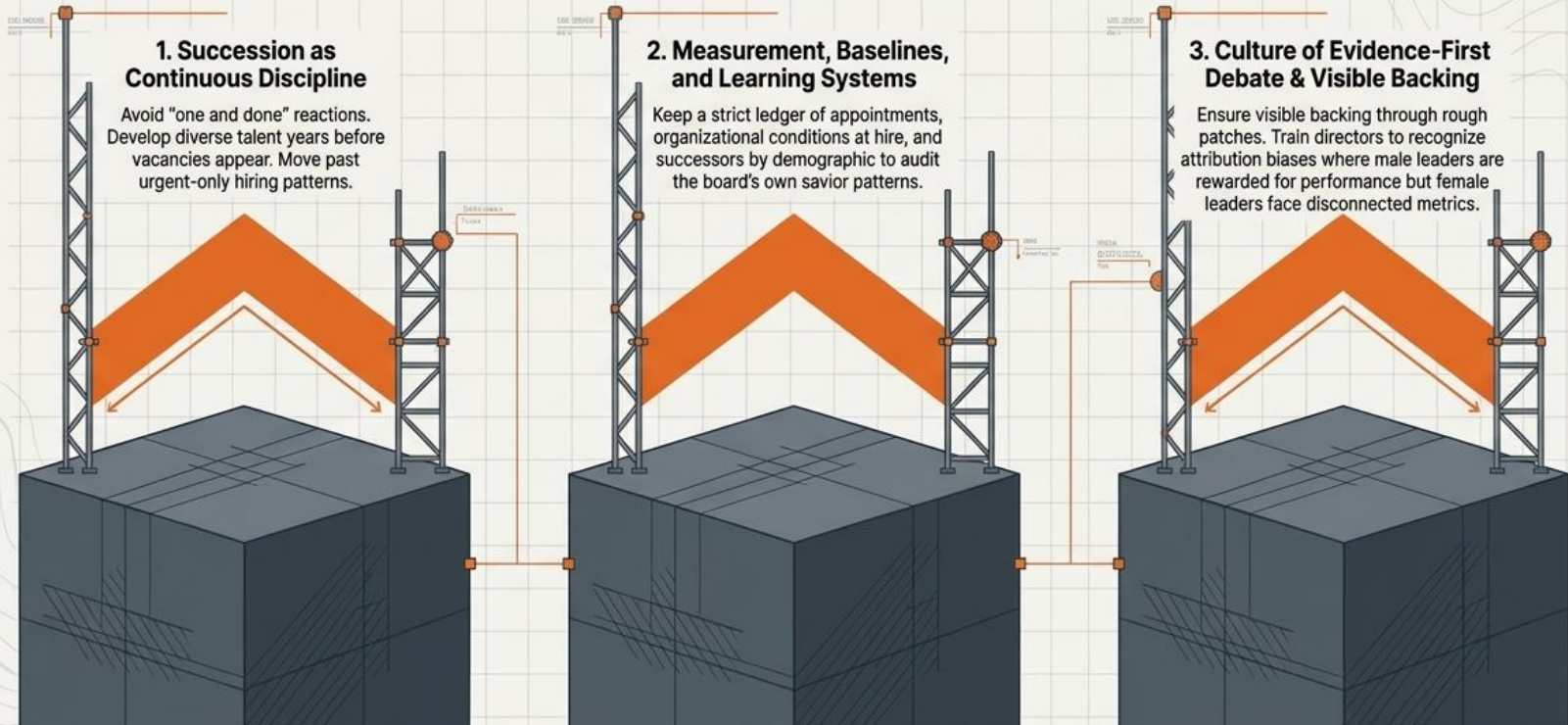
Caveat: Nasdaq diversity rule **struck down (Fifth Circuit 2024)** — proving boards must rely on **durable internal** governance over temporary mandates.

Matrix: Lessons from the Edge (Real-World Diagnostic)

Company & Leader	Scenario	Structural Challenge	The Governance Lesson
Citigroup (Jane Fraser)	Inherited regulatory remediation	Visible Baseline	Public consent orders allow fair measurement of progress.
General Motors (Mary Barra)	Hidden fatal product defect	Legacy Information Gap	Massive liabilities can remain hidden without independent pre-appointment audits.
Xerox (Anne Mulcahy)	\$17B debt & bankruptcy threat	Resource Allocation	Crisis appointments can succeed with massive, explicit board backing and protected budgets.
Reddit / X (Pao / Yaccarino)	Volatile communities & ownership	Authority Gap	Accountability without ultimate decision rights leads to rapid, high-profile churn.

The 3 Pillars for Durable Capability

Embedding structural integrity into governance DNA.



The Playbook Summary

1

Give Candidates Due Diligence

Share a full, confidential picture of known risks and liabilities with every finalist before they accept.

2

Build the Bench Early

Maintain multi-year succession plans so a crisis is never the first time an underrepresented candidate is considered.

3

Back With Resources & Authority

Assign a board sponsor, settle transition budgets, and explicitly define decision rights.

4

Evaluate Against a Baseline

Document the company's exact condition at appointment to separate inherited decay from leadership impact.

5

Audit Your Pattern

Track board appointments, tenures, and exits by demographic to detect internal savior effects or biased attribution.

6

Debate With Evidence

Present the full range of research on contested topics. Judge leaders' public comments on conduct and accuracy, not conclusions alone.