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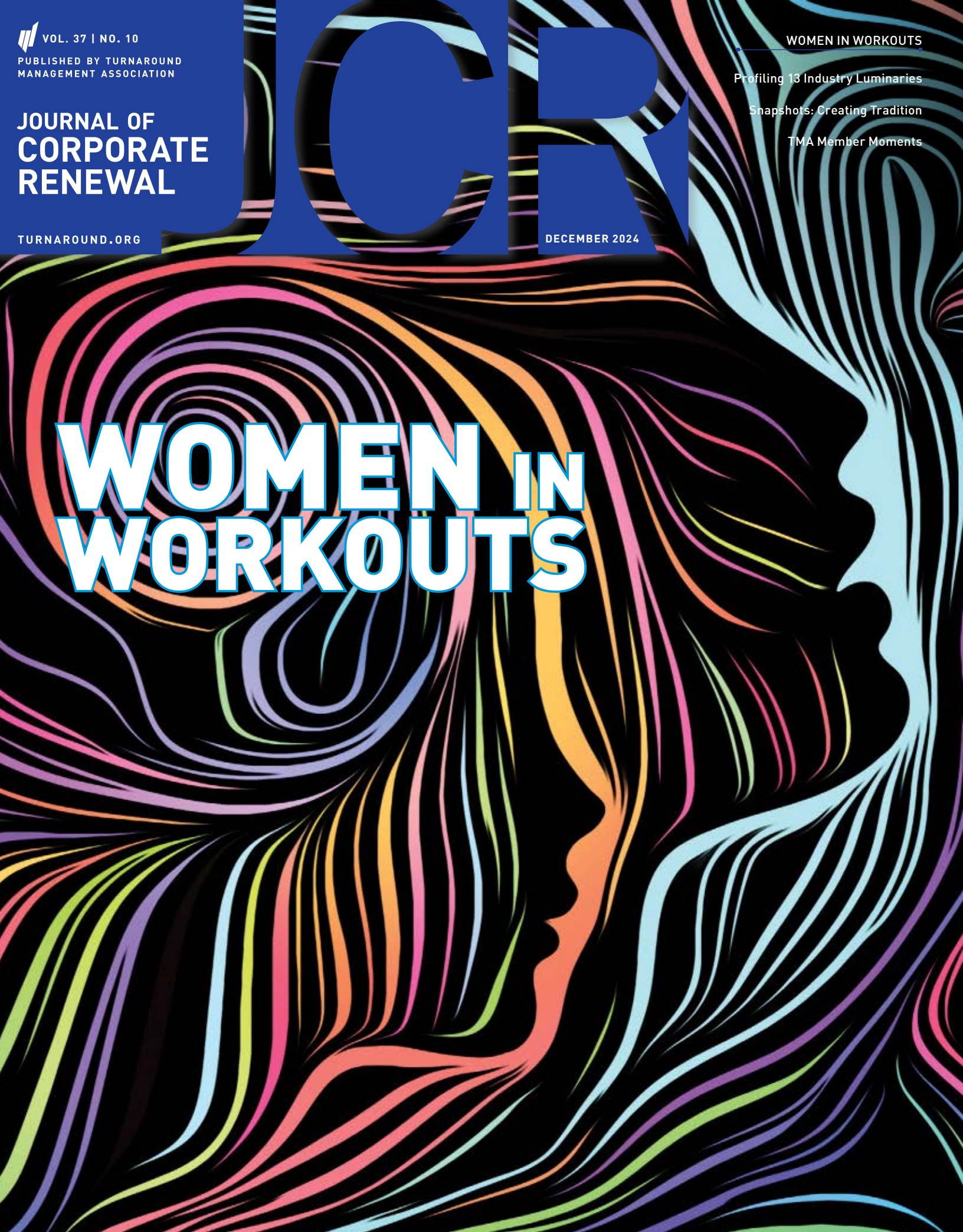
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WOMEN IN WORKOUTS



RENEE FELLMAN, CTP



Renee Fellman, the first woman to win TMA's Turnaround of the Year Award, has been interim CEO for 20 companies and an outside consultant to 21. She has led efforts that produced results such as improving profitability from -27% to +4.4% within 12 months, increasing gross profit by 350% in six months, and boosting on-time deliveries from 50% to 98% within five months. Her first referral from a special assets department, in 1987, is still in business under next generation leadership.

Her route to leading turnarounds and becoming a CTP, however, was decidedly circuitous. After graduating from Northwestern University, teaching eighth grade for four years, and leading her Beaverton, Oregon, neighborhood to victory at City Hall, she was the first woman elected to Beaverton's City Council. Two years later, she was elected mayor but did not serve because a charter amendment changed the form of government to strong mayor. Because her sons were young, she did not run for the new position and instead ran the successful campaign for the first person to fill that slot.

While pursuing her MBA, after hearing about a professional who worked in hospital turnarounds, she knew that leading turnarounds would be her path.

"In those days, however, turnarounds were not yet 'a thing,'" Fellman said. "So I told potential referral sources, 'I'm looking for a company that needs an organizer.'"

Within three months, she landed her first engagement. The company was in dire straits—burdened with an irrational owner, steep losses, operational issues, factoring receivables, and the IRS threatening a shut down.

Within two months, the company was cash positive, the IRS had decided to wait, and she had identified a buyer that ultimately bought the company. Despite

all this, the owner fired her—but Fellman received referral after referral from the bank's special assets department.

Years later, she ran into the person who had been the branch manager of that first client's bank.

"When he congratulated me on winning the TMA Turnaround of the Year award, I said, 'Oh, Hal, when the CEO fired me, I thought my career was over,'" Fellman said. "He responded, 'Are you kidding? We figured if you could last two months with that guy, you must be incredible!'"

Just as Fellman continued to grow throughout her career, the TMA of now looks a lot different from the organization of 30 years ago.

"When I attended my first TMA conference in 1994, there were precisely three other women," she said. "TMA was national, not international. There was no such thing as a CTP, and the focus was on turnarounds—actually restoring profitability in distressed companies. I remember meeting two fabulous attorneys, but many—possibly most—of the attendees led turnarounds, and most of the conference sessions provided tools we could use to improve financial and operational outcomes. No one used the words restructuring and CRO."

While the professional background of TMA members diversified, so too did the membership itself, with more and more women entering what had historically been a male-dominated industry.

"Since 1994, many facets of TMA have changed significantly both for the organization and for women," Fellman said. "As membership has grown to include more attorneys, accounting and consulting firms, investors, lenders, judges and others, the focus and subject matter of conferences and publications has broadened, and the focus on turnarounds has diminished.

"Women have increasingly earned recognition for their abilities and played leading roles in many of TMA's activities and functions. In addition, TMA's Network of Women (NOW) provides women with opportunities for networking, learning, finding resources, and friendship."

In most industries, women as a group have not yet reached parity with men in terms of either percent representation or compensation. For example, in TMA, there are 353 CTPs—and only 25 (7%) of those are women.

But what can be done to attract greater numbers of competent women into turnarounds and related professions?

"Countless publications, presentations, and consultants have provided countless ideas and tools to enhance opportunities and outcomes for women," Fellman said, "but here are two frequently overlooked ideas that would be beneficial for all concerned.

"First, those who make decisions about hiring or recommending turnaround experts will increase the likelihood of achieving the best possible outcomes if they base those decisions primarily on the candidate's results rather than on that person's or firm's experience. When results achieved become the most important criteria, women who might not otherwise be considered will often rise to the top of the list.

"Second, women need to do a better job of helping other women. Although there have been some notable exceptions, over the course of my career, men have generally been more supportive and appreciative of the skills I bring to the table than other women. In too many instances, women have been precisely the opposite of helpful. Many other professional women have shared similar experiences."