CEO Hubris and Firm Performance: Exploring the Moderating Roles of CEO Power and Board Vigilance

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Abstract This study focuses on CEO hubris and its detrimental effect on corporate financial performance along with an examination of critical corporate governance contingencies (CEO power and board vigilance) that may moderate the negative effect. From 654 observations of 164 Korean firms over the years 2001–2008, we found that CEO power exacerbated the negative effect of CEO hubris on corporate financial performance, whereas board vigilance mitigated it. This study provides empirical evidence that entrenchment problems arising from CEO hubris would be exacerbated as CEOs become more powerful, but weakened as board of directors become more vigilant. Theoretical contributions and practical implications will be discussed.

Keywords CEO hubris · CEO power · Board vigilance · Korea

Introduction

High-profile ethical failures of CEOs are nothing new. John Thain spent $1.2 million on remodeling his Merrill Lynch office during the 2008 financial meltdown in the United States. Richard Fuld was enjoying a 6000-square-foot luxury condo while he was driving Lehman Brothers into bankruptcy. And Lloyd Blankfein is still the highest-paid banker in the world, even though he admitted that Goldman Sachs deliberately sold unprecedentedly risky bonds to its clients (Chamorro-Premuzic 2014). Such a reckless self-affirming characteristic of CEO has been often conceptualized as CEO hubris, defined as CEO’s exaggerated self-confidence or inflated pride (Hayward and Hambrick 1997).

Among many CEO characteristics, CEO hubris deserves to receive more scholarly attention. Hubristic CEOs could be most devastating, since they have a strong conviction that they can do no wrong while they misbehave. Notably, Malmendier and Tate (2008) pointed out that hubristic CEOs could jeopardize the firm, since they have an unshakable belief that they are best acting in the interest of shareholders even when they engage in value-destroying activities.

Given the significance of executive hubris, extant research has explored what makes CEOs hubristic. For instance, Hayward and Hambrick (1997) suggested that past organizational success, media praises, and a strong perception of self-importance lead executives to be hubristic. Hiller and Hambrick (2005) claimed that executives with a higher level of core self-evaluation (i.e., hyper CSE) are most likely to be hubristic. Kroll et al. (2000) proposed that hubris could originate from narcissism, series of success, uncritical acceptance of accolades, and exemption from the rules.

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On the other hand, other scholars have examined how hubristic CEOs behave or make strategic decisions. Li and Tang (2010) argued that hubristic CEOs tend to make a risky decision since they overestimate their own problem-solving capabilities, or underestimate the required resources and uncertainties. Hiller and Hambrick (2005) proposed that hubristic CEOs are likely to make a non-comprehensive, hasty, and less decentralized decisions. Petit and Bollaert (2012) noted that hubristic CEOs could make an unethical decision as hubris can be seen as the “vice of tyrant” (p. 269).

Despite the accumulated knowledge of executive hubris, existing research still has room for advancement. First, although existing works have explored the relationship between CEO hubris and various corporate outcomes, surprisingly little research has directly explored the relationship between CEO hubris and corporate financial performance. Given the immediate implication, corporate financial performance is a key agenda of hubris research that needs to be explored. This study tests the relationship between CEO hubris and corporate financial performance in a theoretically and empirically meaningful way. To this end, we employ managerial entrenchment theory (Shleifer and Vishny 1989; Walsh and Seward 1990) as an overarching theoretical framework.

Second, previous works have theorized hubris as an “individual” characteristic, yet ignored the power dynamic between top executives and corporate board in a decision-making context. This claim is legitimate because corporate decision is most likely the result of interaction between top executives and board of directors (Boyd et al. 2011). As a way of capturing such power dynamic, this study introduces the corporate governance contingency (Finkelstein et al. 2009) to see how CEO hubris interacts with governance contingency to affect corporate financial performance.

Lastly, existing research has been conducted mostly in Western contexts (Hambrick and Finkelstein 1987; Hayward and Hambrick 1997). Only few studies have been done in Eastern contexts (e.g., Li and Tang 2010). Since in general the country context involves the concern for external validity of findings, it is important to explore different country contexts to substantiate whether the previous findings can be generalized. In this regard, this study focuses on hubris of top executives in Korea, which have long been criticized by public with regard to their “tyrant-like” unethical and narcissistic leadership under the Chaebol system. As such, it is particularly meaningful to investigate how the corporate governance system should be structured to monitor hubristic CEOs and lessen their negative impact on firm performance in Korea.

In summary, this study examines the relationship between CEO hubris and corporate financial performance, and the moderating effect of corporate governance contingencies on this relationship in the Korean context. In considering power dynamic between a CEO and board members, this study tries to contribute to hubris literature by investigating an important yet underexplored prediction that corporate governance structure can help define boundary conditions of the effects of CEO hubris on corporate outcomes, and by examining if such relationships can be generalized to non-Western contexts (i.e., Korea). Figure 1 illustrates the conceptual linkage among focal variables of this study.

Theory and Hypotheses

The Concept of CEO Hubris

Hubris, as a human cognitive bias, is one’s exaggerated self-confidence or pride. According to Hayward and Hambrick (1997), the notion of hubris originally derives from Greek mythology in which it was considered man’s capital sin (Wiener 1973). The old myth described that those who are extremely confident and arrogant were harshly punished by the gods (Grimal 1986). The first seminal documentation of hubris was made by Richard Roll (1986) who explained why CEOs are willing to make corporate acquisitions by large scale, despite the sufficient evidence that corporations generally suffer rather than benefit from such transactions. Hayward and Hambrick (1997) extended the Richard Roll’s speculation by examining how much CEOs pay pre-bid market prices for acquisitions. This measure of acquisition premium was assumed to reflect the acquiring CEO’s assessment of how much more valuable the acquired company would be if it were under his/her administration. Without any direct...
measure of CEO hubris, Hayward and Hambrick introduced three sources of hubris: (1) the company’s recent performance under the CEO, (2) recent media praise for the CEO, and (3) the ratio of the CEO’s pay relative to the second highest-paid executive. The first two were situational conditions that may cause hubris, whereas the third measure may capture the CEO’s sense of self-importance central to any hubristic individual.

Conceptually, hubris is distinguished from other neighborhood constructs, such as self-esteem, core self-evaluation, or narcissism (Chatterjee and Hambrick 2007; Hiller and Hambrick 2005). Self-esteem refers to an individual’s overall self-acceptance, self-liking, or self-respect (Harter 1990; Baumeister et al. 1996). Although self-esteem aligns with hubris in terms of the aspect of self-admiration, self-esteem lacks core features of arrogance or sense of entitlement (Chatterjee and Hambrick 2007). Since core self-evaluation contains the construct of self-esteem itself, core self-evaluation seems similar to hubris. However, core self-evaluation only involves the hubristic feature when self-evaluation reaches the “hyper” level (Hiller and Hambrick 2005). Narcissism differs from hubris in that while hubris is a psychological state brought on by some combination of confidence-evoking stimuli and one’s cognitive tendencies, narcissism can be better positioned as a strong dispositional trait (Emmons 1984; Raskin and Terry 1988).

CEO Hubris and Firm Performance

It has long been a topic of interest how hubristic top executives behave. In general, there exist two competing views toward CEO hubris: heroic versus pessimistic view. The heroic view maintains that dominant, powerful CEOs can be “heroes or saviors” (Tang et al. 2011, p. 1480), since they may help top management teams get the complicated decision-making process done in a timely and efficient fashion (Khurana 2002; Kisfalvi and Pitcher 2013) or often suggest deviant strategies that may yield superior performances (Tang et al. 2011). Indeed, a world has witnessed hubristic yet successful CEOs in the broader areas of uncertain, fast-changing, highly competitive industries. For instance, despite their unbeatable success, Steve Jobs, Jeff Bezos, Donald Trump, and others have been known to be hubristic leaders through disclosures in many biographies and media presses (e.g., Gergen 2000; Isaacson 2011).

On the other hand, the pessimistic view argues that hubristic CEOs are generally harmful because of their extreme level of confidence and conviction. Hiller and Hambrick (2005) conceptualized the notion of executive hubris, arguing that overconfident CEOs tend to use up significant amounts of available cash to invest in many projects that they should not be invested, since such CEOs tend to overestimate their personal capabilities to yield success. Li and Tang (2010) argued that hubristic CEOs tend to make a risky decision since they overestimate their own problem-solving capabilities, or underestimate the required resources and uncertainties. Hiller and Hambrick (2005) proposed that hubristic CEOs are likely to make a narrow, careless, and self-centered decisions. Taken together, previous works have not reached the solid conclusion whether hubristic CEOs are contributive or detrimental to corporate success.

To resolve the existing tension from the mixed findings, this study attempts to contextualize the scope of theorizing for the effect of CEO hubris on the firm performance. By integrating the managerial entrenchment theory (Shleifer and Vishny 1989) with an account of context-specific institutionalism (Sundaramurthy 2000), we assume that hubristic CEOs are likely to become entrenched, but whether such entrenchment could serve to corporate outcomes positively or negatively depends on the context in which firms are instituted.

CEO’s hubris can be formed through past achievement, frequent public recognition, or extremely optimistic cognitive mindset for the self (Hayward and Hambrick 1997; Hiller and Hambrick 2005; Malmendier and Tate 2008). If individuals are empowered by past achievements, recognition, or self-confidence, they are likely to have a strong motivation to stay longer in their current position and keep themselves from any challenges that threaten their prestigious status and identity. Thus, hubris-infected CEOs are likely to become entrenched in the organization, which can be formally defined as the executives’ maneuvers to protect their position or current status by increasing their influences over governance/market controls (Shleifer and Vishny 1989).

The existing literature further suggests that whether entrenched CEOs are contributive or detrimental to the firm depend upon the contexts that involve the external capital market or internal corporate structure (Sundaramurthy 2000). On one hand, entrenched CEOs may enhance corporate value. Under the highly active capital market, firms confront tremendous pressures for the performance. When underperformed, firms often become a victim of takeover. Since the most important concern for the entrenched CEOs is to protect their prestigious position in the organization, such CEOs try to focus their attention on enhancing corporate earnings and values in order to protect themselves from external pressures and threats. As such, entrenched CEOs in such contexts are expected to make best effort to increase corporate value.

On the contrary, entrenched CEOs can hurt corporate value in the context in which the capital market does not assign substantial pressure to the firm performance. Under this condition, since the entrenched CEOs still want to
preserve their prestigious status, yet are relatively free from external pressures, they are likely to make an excessive investment for their own “self” so as to make their replacement extremely costly (Morck et al. 1990; Shleifer and Vishny 1989). Then such “manager-specific” investments allow CEOs to exploit corporate resources or exercise a greater power even if such investments are value-destroying ones (Shleifer and Vishny 1989). In fact, Malmeidier and Tate (2005) argued that hubristic CEOs increase the likelihood of investment in “pet projects” that hurts organizational bottom line, which can be seen as a strong indication of entrenchment. Relatively, hubristic CEOs may also become entrenched by neutralizing the governance controls imposed by principals. The entrenched CEOs not only make themselves more valuable than any other alternatives, but they also involve making corporate control mechanisms more expensive to use. As a result, such entrenched CEOs can wield enormous power without check and balance (Shleifer and Vishny 1989), which can make firms financially suffer.

Integrating managerial entrenchment theory with the context-specific institutionalism elaborated above, the present study hypothesizes that hubris leads CEOs to become entrenched, and such entrenchment is negatively associated with the firm performance in the Korean context. First of all, Korean firms have not been frequently exposed to an intense pressure from capital market. Under the context of such a low external pressure, entrenched CEOs are expected to pursue only their survival and self-interests, which can make firms financially suffer. Moreover, a number of CEOs in Korea have been “inner-circle” members of founding families under the conglomerate structure known as Chaebol (Chang 2003). One of the main concerns for such CEOs is to protect founding families’ wealth and heritage from any kind of external threats. In compensating for maximizing the founding families’ wealth, a strong patronage of founding families is granted to such CEOs, therefore they can exercise an extraordinary power even when strategic decisions result in value destroying to the minority shareholders. This kind of behavior has been echoed in a number of corporate governance research in Korea (e.g., Chang 2003), and often described with a notion of principal–principal problem in the general management literature (e.g., La Porta et al. 1999; Morck and Yeung 2003).

Taken together, whether CEO hubris is positive or negative to the firm performance depends on the contexts. As such, given the relatively weak capital market pressure and unique corporate structure (i.e., Chaebol), it is reasonable to propose that hubristic CEOs should be entrenched to detrimentally affect a firm’s performance in Korea. Therefore, we develop our baseline hypothesis as follows:

**Hypothesis 1** CEO hubris will be negatively associated with a firm’s financial performance in Korea.

### The Moderating Role of Corporate Governance Contingencies

If CEO hubris is associated with poor firm performance, then what factors can alleviate or exacerbate its performance consequence? We assume corporate governance contingencies, which capture the power dynamics between a CEO and board members, to be key moderating factors. According to managerial entrenchment theory again, entrenchment is a managerial maneuver to protect the position or current status of hubristic CEOs by increasing their discretionary power over governance/market controls. As one way of entrenchment, top executives tend to try to neutralize the governance controls imposed by principals (Walsh and Seward 1990). However, since corporate decision is most likely the result of interaction between top executives and board of directors (Boyd et al. 2011), an entrenched CEO’s neutralization tactics can be often checked by governance contingencies. In this regard, power dynamic is a critical underlying mechanism through which hubris-infected CEO entrenchment affects the firm performance.

The notion of power dynamic suggests that corporate governance contingencies involve a set of power trade-offs between CEOs and board members (Westphal and Zajac 1995) and focus not only on the functioning of board vigilance, but also on the power of CEOs vis-à-vis the board (Finkelstein et al. 2009). As CEOs become entrenched, they may use power to pursue their own interests at the shareholders’ expenses. Circumstances may arise, however, in which the board of directors is particularly vigilant, potentially restraining CEOs from pursuing their managerial interests (O’Sullivan 2009). In keeping with our base argument regarding the CEO hubris and its negative performance consequence, we thus assume CEO power as an enabler and board vigilance as a constraint of CEO hubris.

### Reinforcing Effect of CEO Power

Power refers to the capacity of individual actors to exert their will and achieve their goals in a particular relationship (Pfeffer 1981). Specifically, CEO power refers to the extent to which a CEO has authority and influence over a firm and its management. Finkelstein (1992) suggested that CEOs acquire power from various sources, including internal
sources (e.g., managerial expertise and ownership control) as well as external sources (e.g., personal prestige and social status). CEO power is reflected in a CEO’s capacity to exert his or her will and strengthen a CEO’s position relative to the board. A broad observation is that CEO power increases over time in the current position, regardless of its sources (Shen 2003). As CEO tenure increases, CEOs likely acquire managerial expertise, develop relationships with directors, and gain considerable influence over the board (Walters et al. 2010). And CEOs can also gain power relative to the board through ownership because CEO ownership can reduce the board’s influence (Finkelstein 1992). In this context, we consider CEO tenure and ownership as a critical source of CEO power over the board. Below, we develop hypotheses regarding the moderating effect of these two CEO power variables on the hubris–performance relationship.

**CEO Tenure**

CEOs’ power is largely associated with their tenure (Shen 2003). New CEOs tend to confront significant challenges and obstacles that they have never experienced. In order to secure their authority power, new CEOs must be accepted and obstacles that they have never experienced. In order to meet the expectations of their boards, the power of new CEOs will be much weaker than that of established CEOs (Ocasio 1994). However, a CEO’s tenure increases, his or her managerial expertise and discretion will also increase (Shen 2003). Taking advantage of this increased expertise and discretion, CEOs may try to strengthen their power by selecting “compliant” directors (Westphal and Zajac 1995). Such directors may not be able to monitor effectively the entrenched CEOs, so the entrenched CEOs’ tendency to make an excessive investment for their own talent through resource expropriation would become more severe, and in turn financial performance would suffer more seriously. Thus, we hypothesize that the entrenchment problem arising from CEO hubris coupled with an increased power from tenure would make the negative hubris–performance relationship stronger.

**Hypothesis 2a** The longer the CEO’s tenure, the stronger the negative relationship between CEO hubris and a firm’s financial performance.

**CEO Ownership**

Managerial power accrues to managers in their capacity as agents acting on behalf of shareholders (Finkelstein 1992). Generally, CEOs with significant shareholdings will be more powerful due to their substantial ownership control. In addition, CEOs who are founders of a firm or are related to founders may gain power, as they take advantage of their unique positions to gain implicit control over boards of directors. Thus, CEO ownership provides a CEO with increased power, which can lead him or her to become more entrenched within a firm (Connelly et al. 2010). As a result, the entrenched CEOs’ tendency to make an excessive investment for their own talent through resource expropriation would become more severe, and in turn financial performance would suffer more seriously. Existing works have already documented that the executive power conveyed by larger equity stakes can increase the capacity to make self-centered decisions (McClelland et al. 2012) and may have entrenching effects (Florackis et al. 2009). Thus, we propose that the negative effect of CEO hubris on firm performance should be more pronounced as a CEO has more power through the ownership control.

**Hypothesis 2b** The higher the level of CEO ownership, the stronger the negative relationship between CEO hubris and a firm’s financial performance.

**Constraining Effect of Board Vigilance**

Board vigilance is at the center of corporate governance and is defined as the extent to which boards effectively monitor and discipline top managers, especially CEOs (Finkelstein et al. 2009). Faced with the inherent principal–agent problem, weak board vigilance may permit top executives to self-serve (Petrovic 2008). However, circumstances that may promote board vigilance can still exist. We focus on two circumstances of strong board vigilance: non-duality (i.e., the separation of the CEO from a chairperson position in the board) and outside director representation (i.e., a relative ratio of outside directors in the board). Below, we develop hypotheses regarding the effects of these two board vigilance variables on the hubris–performance relationship.

**Non-duality**

It is suggested that the board vigilance is weakened when a CEO also chairs its board, promoting CEO entrenchment (Hayward and Hambrick 1997). CEO duality can amplify managerial entrenchment concerns because chair-CEOs (1) can dominate the agendas and contents of board meetings, (2) can control most valuable information emerging from board meetings, and (3) can strengthen their power by selecting directors who are loyal to them (Finkelstein and D’Aveni 1994). As such, CEO duality is more likely to allow chair-CEOs to seek their personal interests in a relatively uncontrolled manner (O’Sullivan 2009). On the contrary, when the board chair and CEO positions are separated, such CEOs may be less powerful of enabling their hubristic
mindsets to drive the firm in their attempts. Existing works have already documented the possible influence of CEO duality on their entrenchment. It was found that in general CEO duality harms board independence and enables managerial entrenchment by protecting their own positions (Cannella and Lubatkin 1993; Daily and Dalton 1997; Schepker and Oh 2013). Thus, we propose that the negative effect of CEO hubris on firm performance should be attenuated as a CEO has restrained power in the case of separated executive and chair positions.

**Hypothesis 3a** The negative relationship between CEO hubris and a firm’s financial performance will be weaker in the case of separated executive and chair positions.

**Outside Director Representation**

The presence of outside directors has important implications for the power dynamics between a CEO and the board. Corporate governance theorists have long emphasized board independence as a primary condition for a board’s vigilance to monitor and control top management (Finkelstein et al. 2009). Outside directors are likely to increase board independence and thus improve board vigilance and firm performance (Petrovic 2008). Outside directors are more independent and vigilant compared to inside directors because they (1) rely on financial performance in monitoring, (2) are obliged to dismiss underperforming CEOs, and (3) are interested in developing their personal reputations as directors (Finkelstein and D’Aveni 1994). As such, outside directors have substantial motivation to monitor CEOs vigilantly. Specifically, outside directors can monitor the entrenched executives by controlling the resource expropriation from manager-specific investments through disapproving budget proposals from executives or voting for CEO replacement. Thus, we assert that the monitoring role of the outside directors in a board can potentially restrain the deleterious consequence of CEO hubris. Therefore, we propose that the negative effect of CEO hubris on firm performance should be attenuated as a CEO has restrained power through the monitoring mechanism of outside directors.

**Hypothesis 3b** The higher the outside director representation in a board, the weaker the negative relationship between CEO hubris and a firm’s financial performance.

**Methods**

**A Research Context**

We believe that Korea is an ideal research setting to test our research hypotheses. During Asian financial crisis in late 1990s, most large Korean business groups (known as Chaebol) had been criticized with lack of transparency in corporate decision making, lower accountability of top management, and higher debt–equity ratios compared to their principal international competitors (Black et al. 2001). In the wake of economic crisis, Korea has made a significant progress in corporate governance reforms with the hope that these reforms will lead to increases in transparency of corporate decision making and accountability of top management. The Korean government has largely adopted the Anglo-American governance system, which includes chair-CEO separation and introducing independence of board of directors (Chang et al. 2007; Min and Bowman 2012). Specifically, the Securities and Exchange Act was amended to require that at least 25 % of the board members of listed firms be independent outside directors, whose fiduciary duty is to monitor the company in accordance with applicable law and the company’s articles of incorporation. As such, the present study could be informative in that it alternatively assesses whether Western-based corporate governance reforms have been effective for post-crisis Korean firms (Choi et al. 2007).

**Sample and Data Collection**

Our initial sample comprised the 200 largest firms listed on the Korea Stock Exchange (KOSPI 200) for the years 2001–2008. The reason for selecting the large firms was to ensure that our sample firms are under the substantial amount of institutional pressure from the attention of the public and the market for corporate governance reforms. Among the initial sample, we excluded 19 financial service firms in addition to 17 firms with limited data accessibility. Finally, 654 (firm-year) observations of 164 firms were used for the empirical test.

To collect data of sample firms, we relied on various archive sources: (1) Data Analysis, Retrieval and Transfer System (DARTS), (2) Korea Listed Companies Association’s Directory of Corporate Management (KLCADCM), (3) Korea Integrated News Database System (KINDS), and (4) Korea Investors Services (KIS). The primary data source for CEOs and board structures was the executive/director list provided in each firm’s annual report from the DARTS database. Additional descriptive information of top management members, such as profiles of CEOs and directors, were obtained from the KLCADCM database. Data for CEO hubris were collected from various sources such as news media articles provided by the KINDS database, award/certification information provided by the Federation of Korean Industries database, and CEO letters in the annual reports of sample firms. Data for firm performance and other financial statements were gathered from the KIS database.
To examine causal relationships, we intentionally imposed time lags between independent, moderating, and dependent variables. The CEO hubris variable (IV) was measured by an average score of hubris composite during the period from \( t - 3 \) to \( t - 1 \); both CEO power and board vigilance variables (MV) were measured based on year \( t \); and firm performance (DV) was measured by an average score of ROA during the period from \( t \) to \( t + 1 \). For example, for the data feature of the year of 2004, IV has an average score of hubris composite during 2001–2003, while DV has an average score of ROA during 2004–2005. Thus, to allow such a time lag structure for our dataset, we collected data for IV during 2001–2006 period, for MV during 2004–2007 period, and for DV during 2004–2008 period.

**Variables and Measures**

**Dependent Variable**

A firm’s financial performance was measured as a two-year average of industry-adjusted return on asset (Ad-ROA), which has been widely used as a performance measure in existing literature (e.g., Cannella and Lubatkin 1993). To control for potential industry effects on firm performance, we need to subtract the corresponding industry median ROA from each firm-level measure. As such, Ad-ROA was calculated by subtracting the industry median ROA at the two-digit Korean Standard Industry Code (KSIC) from each firm’s ROA (Wiersema and Zhang 2011). We then averaged Ad-ROA for two years (i.e., year \( t \) and year \( t + 1 \)) in order to reduce bias caused by single-year outliers (Johnson and Greening 1999).

**Independent variable**

Research on CEO psychological factors like hubris is challenging because any type of self-report from CEOs is subject to social desirability bias (Cycyota and Harrison 2006; Tourangeau and Yan 2007). Chatterjee and Hambrick (2007) suggest that research on CEO personality traits would be to use “unobtrusive” indicators. Hence, to measure the hubris of existing CEOs, we relied on the secondary database, investigating the media praises, award/certification records, and CEO statement in annual report during CEO tenure in the current company (Hayward and Hambrick 1997; Hayward et al. 2004). CEO hubris is also likely to be cultivated by major economic or governmental institutions’ awards/certifications for CEO’s merits in managerial activities and performance (Wade et al. 2006). In addition, CEO hubris can be revealed through their language, which can be assessed by the extent to which a CEO is confident about the future actions and performance of the firm. As such, our CEO hubris measure is a composite of three hubris indicators. More details of hubris measurement are articulated below.

First, media praises for the CEO were measured through content analysis of major Korean newspapers with a three-year window from year \( t - 3 \) to year \( t - 1 \). We searched for articles on 288 CEOs from the sample firms in ten major newspapers with high circulation and significant business coverage nationwide (e.g., Chosun, Joongang, Donga Daily, etc.). We collected 4313 articles mentioning or indicating 234 CEOs through the KINDS database. Two of the coauthors coded each of the 4313 articles independently on the following scale: 3 points (the article unequivocally praised the CEO), 2 points (the article was on balance favorable to the CEO but did reveal some critical comments), 1 point (the article was on balance neither positive nor negative about the CEO), −1 point (the article was on balance negative about the CEO but also contained some positive remarks), −2 points (the article about the CEO was unequivocally negative), and 0 point that was assigned to 54 cases where CEOs received no press coverage. The inter-rater reliability was very high \( r = 0.973, p < .001 \). For 143 out of 4313 articles, two raters discussed until they reached an agreement about the assessment of each articles. A true score of media praises was a sum across all press releases. For example, a CEO who was rated 3 points in one media exposure and 2 points in another exposure received a total score of 5 for media praise.

Second, we collected the records of CEO award/certification as another source of hubris indicator. CEO profiles were obtained from the KLCADCM database for the 2001–2006 period. We only counted CEO certifications granted by the Federation of Korean Industries, the government-related organization, and two major economy newspapers (MBN, Hankyung) since other award/certification data were only presented sporadically with little credibility among the experts in management or business fields. Following Wade et al. (2006), a true score of CEO award/certification was calculated as the number of awards that CEOs had won from the year \( t - 3 \) to year \( t - 1 \). About 60 percent (i.e., 170 CEOs) of the total CEOs in our sample received awards from the \( t - 3 \) to year \( t - 1 \). For those who received any awards during such a window, the per-capita awards ranged from 1 to 29 with its mean value of 4.35 and standard deviation of 4.22.

Third, we analyzed CEO letters in annual reports to measure CEO hubris indicating how they are overconfident...
(Hirshleifer et al. 2012). For this indicator, we counted the total number of vocabularies that may portray a hubristic mindset of CEOs, including confident, confidence, optimistic, optimism, affirmative, extraordinary, tremendous, and/or excessive. We also counted the total number of vocabularies that may capture anti-hubristic mindset of CEOs, including reliable, cautious, conservative, practical, frugal, steady, not confident, and/or not optimistic. Then, we calculated the difference between the total number of the first set of words (hubris) and that of the second set of words (anti-hubris) to measure the degree of CEO hubris indicator (Malmendier and Tate 2008). The value of this hubris indicator ranged from −5 to 14 with its mean value of 2.07 and standard deviation of 2.89.

Finally, we derived a composite measure of CEO hubris from factor analysis of the three hubris indicators. The three indicators formed a single factor with an eigenvalue of 2.08, accounting for 70 percent of the variance and reasonable factor loadings (media praise = 0.85, record of CEO award = 0.82, and CEO self-confidence = 0.81). The loading values were used as a weight to construct an overall hubris index (Hayward and Hambrick 1997).

Moderating Variables

We used two different indicators of CEO power: CEO tenure and ownership. CEO tenure was measured as the number of years that a CEO holds the position up to the base year (Wiersema and Zhang 2011). CEO ownership was measured as 1 if a CEO or his/her family is a blockholder owning more than 5 percent shares of the firm and 0 otherwise (Kim 2010; Thomsen et al. 2006). Previous studies have measured board vigilance by proxies such as CEO non-duality, or outside director representation (Walters et al. 2010). Non-duality was coded as 1 if a CEO did not serve as a board chairperson and 0 otherwise. Outside director representation was measured as the proportion of outside directors among all board members (Combs et al. 2007). To measure moderating variables, we relied on various databases such as the DARTS and the KLCADCM databases.

Control Variables

Due to a potential influence on a firm’s financial performance, we controlled for firm size, prior firm performance, leverage ratio, Chaebol dummy, share dispersion, board size, CEO succession, and year fixed effects. Firm size was measured as the natural log of a firm’s total asset in thousands of Won (Korean currency) at the end of the fiscal year (Cannella et al. 2008). Prior firm performance was measured as a prior two-year average of industry-adjusted ROA. Leverage ratio was measured as the debt-to-equity ratio of the firm. Chaebol dummy was coded as 1 if the firm belonged to Chaebol groups listed in the Korean Fair Trade Commissions and 0 otherwise. Share dispersion was measured as an entropy index for the ownership percentage of the top five shareholders at the firm in a given year. Board size was measured as the total number of directors in the board (Zajac and Westphal 1996). Finally, we considered CEO succession as a control variable, since change in CEO could influence subsequent firm performance (Huson et al. 2004). CEO succession was coded as 1 if the CEO was a newly appointed CEO in a given year and 0 otherwise. Finally, to control for differences in firm performance due to economic cycles, we included year fixed effects.

Analysis

The assumption of continuous time that is necessary for many longitudinal estimation techniques was not met for our panel data. Consequently, we used the generalized least squared (GLS) procedure to avoid the problem of cross-sectional heteroskedasticity without considering within-unit serial correlation (Cannella et al. 2008).

Normally, fixed-effects models are preferred in panel data analyses (Greene 2003). However, we were precluded from using a fixed-effects approach because some of our variables were stable across time for sample firms. This is a common problem when there are relatively few observations per cross-sectional unit (Greene 2003). When the fixed-effects approach is ruled out, a random-effects approach can be used where the fixed effects are uncorrelated with independent variables. Results from Hausman test revealed no significant correlation between the independent variable and the firm-level fixed effects ($p > 0.25$). Hence, we used random-effects models to test hypotheses.

Results

Table 1 shows the descriptive statistics and correlations among the variables included in this study. The descriptive statistics for our sample show that the average tenure of CEOs is about 3.5 years over the target window of this study; the proportion of firms with the separated executive and chairperson positions is about 48%; and the proportion of firms with blockholder CEOs is about 38%. And the average outside director ratio is about 31% and the average number of board members in the sample is 7.4.

Standardized values of all key independent and moderator variables were used to test our hypotheses. Standardization reduces multicollinearity and facilitates the interpretation of interaction terms (Aiken and West 1991). Nonetheless, to avoid possible problem of multicollinearity, we checked variance inflation factors (VIFs) for all
variables. All the VIFs were smaller than 2. Consequently, our regression models were relatively free from potential multicollinearity problems (Chatterjee and Hadi 2006).

Table 2 provides the results of the hypothesis test. Model 1 is the baseline model consisting only of control variables. Model 2 was developed to test Hypothesis 1 predicting the negative relationship between CEO hubris and a firm’s financial performance. Models 3, 4, and 7 examined the moderating role of CEO power as stated in Hypotheses 2a and 2b, whereas Models 5, 6, and 8 investigated the moderating role of board vigilance as described in Hypotheses 3a and 3b. Finally, Model 9 is the full model comprising all the variables.

Our analysis first revealed a negative and significant relationship between CEO hubris and a firm’s financial performance ($b = -0.039$, $p < .01$). This result was stable across different model specifications from Models 2 to 9, providing strong support for Hypothesis 1. Second, the moderating effect of CEO tenure in Models 3, 7, and 9 was not significant, failing to support Hypothesis 2a. However, we found that CEO ownership strengthened the negative effect of CEO hubris on a firm’s financial performance in Model 4 ($b = -0.027$, $p < .01$). The moderating effect of CEO ownership on the relationship between the CEO hubris and a firm’s financial performance continued to be significant in Models 8 and 9, providing strong support for Hypothesis 2b. Finally, we found that both non-duality and outside director representation weakened the negative relationship between CEO hubris and a firm’s financial performance. Through Models 5, 6, 8, and 9, the results were stable, providing support for both Hypotheses 3a and 3b, indicating that board vigilance can mitigate the negative effect of CEO hubris on a firm’s financial performance. All moderating effects are illustrated in Fig. 2.

**Robustness Check**

We conducted several analyses of robustness check to examine whether our results remain stable. First, we used a two-year average of industry-adjusted ROE as firm performance instead of industry-adjusted ROA. We obtained basically identical results to those reported in this paper. Second, we confined our sample to those cases where there is no change in CEO position. About 20 percentage of our observations belong to CEO succession cases where a new CEO was appointed in that year under investigation. We conducted the same empirical analyses with eliminating those CEO succession cases from our sample and obtained similar results. Finally, instead of GLS we used generalized estimating equation (GEE) procedure, which derive maximum likelihood estimation and control for non-independent observations, and obtained identical results to those revealed in this paper.
<table>
<thead>
<tr>
<th>Variables</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5</th>
<th>Model 6</th>
<th>Model 7</th>
<th>Model 8</th>
<th>Model 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO hubris</td>
<td>-0.039** (0.013)</td>
<td>-0.038** (0.013)</td>
<td>-0.038** (0.013)</td>
<td>-0.040** (0.014)</td>
<td>-0.070*** (0.013)</td>
<td>-0.037** (0.014)</td>
<td>-0.068*** (0.014)</td>
<td>-0.065*** (0.014)</td>
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<tr>
<td>CEO hubris × CEO tenure</td>
<td>0.010 (0.018)</td>
<td>0.012 (0.017)</td>
<td>0.012 (0.017)</td>
<td>0.012 (0.017)</td>
<td>0.012 (0.017)</td>
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<tr>
<td>CEO hubris × CEO ownership</td>
<td>-0.027** (0.010)</td>
<td>-0.027** (0.010)</td>
<td>-0.027** (0.010)</td>
<td>-0.027** (0.010)</td>
<td>-0.027** (0.010)</td>
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<td>-0.027** (0.010)</td>
<td>-0.027** (0.010)</td>
<td></td>
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<tr>
<td>CEO hubris × Non-duality</td>
<td>0.034** (0.011)</td>
<td>0.022* (0.011)</td>
<td>0.027** (0.011)</td>
<td>0.027** (0.011)</td>
<td>0.027** (0.011)</td>
<td>0.027** (0.011)</td>
<td>0.027** (0.011)</td>
<td>0.027** (0.011)</td>
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<tr>
<td>CEO hubris × Outside director ratio</td>
<td>.062*** (0.012)</td>
<td>.057*** (0.012)</td>
<td>.055** (0.012)</td>
<td>.055** (0.012)</td>
<td>.055** (0.012)</td>
<td>.055** (0.012)</td>
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<td>Controls</td>
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<td></td>
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<td></td>
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<tr>
<td>Firm size</td>
<td>-0.029 (0.022)</td>
<td>-0.018 (0.022)</td>
<td>-0.020 (0.022)</td>
<td>-0.020 (0.022)</td>
<td>-0.020 (0.022)</td>
<td>-0.020 (0.022)</td>
<td>-0.020 (0.022)</td>
<td>-0.020 (0.022)</td>
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<tr>
<td>Prior firm performance</td>
<td>.612*** (0.033)</td>
<td>.598*** (0.033)</td>
<td>.605*** (0.033)</td>
<td>.598*** (0.033)</td>
<td>.595*** (0.033)</td>
<td>.569*** (0.033)</td>
<td>.603*** (0.033)</td>
<td>.567*** (0.033)</td>
<td></td>
</tr>
<tr>
<td>Leverage ratio</td>
<td>-0.019 (0.022)</td>
<td>-0.021 (0.022)</td>
<td>-0.024 (0.022)</td>
<td>-0.015 (0.022)</td>
<td>-0.022 (0.021)</td>
<td>-0.020 (0.021)</td>
<td>-0.020 (0.021)</td>
<td>-0.020 (0.021)</td>
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<tr>
<td>Chaebol</td>
<td>-0.011 (0.027)</td>
<td>0.006 (0.027)</td>
<td>0.011 (0.027)</td>
<td>0.006 (0.027)</td>
<td>-0.004 (0.027)</td>
<td>0.008 (0.027)</td>
<td>0.011 (0.027)</td>
<td>0.001 (0.027)</td>
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<tr>
<td>Share dispersion</td>
<td>0.017 (0.024)</td>
<td>0.007 (0.024)</td>
<td>0.007 (0.024)</td>
<td>0.007 (0.024)</td>
<td>0.006 (0.024)</td>
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<td>0.003 (0.024)</td>
<td>0.003 (0.024)</td>
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<tr>
<td>Board size</td>
<td>-0.06 (0.027)</td>
<td>-0.003 (0.027)</td>
<td>-0.006 (0.027)</td>
<td>-0.003 (0.027)</td>
<td>-0.004 (0.027)</td>
<td>-0.001 (0.027)</td>
<td>-0.006 (0.027)</td>
<td>-0.005 (0.027)</td>
<td></td>
</tr>
<tr>
<td>CEO succession</td>
<td>0.051** (0.018)</td>
<td>0.051** (0.020)</td>
<td>0.048** (0.020)</td>
<td>0.051** (0.020)</td>
<td>0.048** (0.020)</td>
<td>0.058** (0.020)</td>
<td>0.048** (0.020)</td>
<td>0.056** (0.020)</td>
<td></td>
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<tr>
<td>CEO tenure</td>
<td>-0.011 (0.024)</td>
<td>0.002 (0.024)</td>
<td>0.003 (0.024)</td>
<td>0.002 (0.024)</td>
<td>-0.001 (0.024)</td>
<td>0.015 (0.024)</td>
<td>0.005 (0.024)</td>
<td>0.012 (0.024)</td>
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<tr>
<td>CEO ownership</td>
<td>-0.002 (0.023)</td>
<td>-0.001 (0.023)</td>
<td>-0.001 (0.023)</td>
<td>-0.001 (0.023)</td>
<td>-0.002 (0.023)</td>
<td>-0.008 (0.023)</td>
<td>0.001 (0.023)</td>
<td>-0.008 (0.023)</td>
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<tr>
<td>Non-duality</td>
<td>-0.008 (0.028)</td>
<td>-0.001 (0.028)</td>
<td>-0.002 (0.028)</td>
<td>-0.001 (0.028)</td>
<td>-0.011 (0.028)</td>
<td>-0.004 (0.028)</td>
<td>-0.004 (0.028)</td>
<td>-0.004 (0.028)</td>
<td></td>
</tr>
<tr>
<td>Outside director ratio</td>
<td>-0.030 (0.028)</td>
<td>-0.019 (0.028)</td>
<td>-0.016 (0.028)</td>
<td>-0.018 (0.028)</td>
<td>-0.027 (0.028)</td>
<td>-0.020 (0.028)</td>
<td>-0.014 (0.028)</td>
<td>-0.025 (0.028)</td>
<td></td>
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<tr>
<td>Constant</td>
<td>0.055 (0.040)</td>
<td>0.058 (0.039)</td>
<td>0.052 (0.039)</td>
<td>0.057 (0.039)</td>
<td>0.065† (0.039)</td>
<td>0.022 (0.039)</td>
<td>0.052 (0.039)</td>
<td>0.030 (0.039)</td>
<td></td>
</tr>
<tr>
<td>Wald $\chi^2$</td>
<td>440.16***</td>
<td>446.65***</td>
<td>467.80***</td>
<td>447.35***</td>
<td>474.81***</td>
<td>509.28***</td>
<td>466.45***</td>
<td>523.81***</td>
<td>540.95***</td>
</tr>
</tbody>
</table>

$n = 654$; standardized coefficients are reported with standard errors in parentheses; year dummies are not included in the table

$^\dagger p < .1, * p < .05, ** p < .01, *** p < .001$

**Discussion**

With a sample of Korean large firms, this study focuses on CEO hubris and its detrimental effect on corporate financial performance along with an examination of critical corporate governance contingencies (CEO power and board vigilance) that may moderate the negative effect. Evidence of this study offers three conclusions: (1) CEO hubris makes firms underperform in Korea; (2) corporate governance contingencies, involving a set of power dynamics between a CEO and the board, moderate the CEO hubris–performance relationship; and especially (3) board vigilance is found to effectively reduce the entrenchment problems arising from CEO hubris in Korea as similarly observed in previous Western-based literature.
First of all, we found that CEO hubris had a negative effect on the firm’s financial performance in Korea. CEO’s hubris can be formed through past achievement, public praise, or positively inflated mindset for the self and own decision (Hayward and Hambrick 1997; Hiller and Hambrick 2005; Malmendier and Tate 2008). Once individuals are indulged with achievements, recognition, praises, or self-confidence, they are likely to be inclined to stay longer in their current prestigious position, and namely entrench themselves in the organization. Then entrenched CEOs by hubris may make an excessive investment for their own talent through resource expropriation (i.e., manager-specific investment) so as to make their replacement extremely costly or try to neutralize the governance control. Consequently, top managers can further expropriate corporate resources easily and engage in uncontrollable discretionary behaviors even when such behavior is value destroying (Shleifer and Vishny 1989). This tendency is more pronounced in Korean context that is marked by the weak capital market pressure and a unique corporate structure (i.e., Chaebol). Evidence of our study confirms the detrimental effect of CEO hubris on the firm performance.

However, we also found that the detrimental effect of CEO hubris could be moderated by corporate governance contingencies, including CEO power and board vigilance variables.

CEO power variables in this study include CEO tenure and ownership. We found the strong support for the moderating effect of CEO ownership as predicted. Thus, the results indicate that, with increased CEO ownership, the risk of CEO entrenchment increases, making CEO hubris more dysfunctional. For CEO tenure, however, it is not clear why the interaction between CEO hubris and tenure turned out to be insignificant. This is partly because CEO tenure may not translate the CEO’s active control and power into the firm’s actions and outcomes in the same way that CEO ownership does. Perhaps, power may not stem from the number of years during which CEOs have held their positions; instead, it can arise from their expertise, prestige, and legitimacy they have amassed over the course of their tenure.

The board vigilance variables include non-duality and outside director representation. These two variables are assumed to promote board independence in ways to reduce managerial entrenchment problems, given that independence of board structure is a prerequisite for improving board vigilance. When the CEO and chairperson positions are separated and when the number of outside directors are assigned to ensure board independence, potential entrenchment problems are of less concern, as our results indicated. These findings are consistent with recommendations by corporate governance scholars that the board should be filled with a large percentage of outside directors and select board chairs who are not CEOs so as to enhance board independence (Hayward and Hambrick 1997; O’Sullivan 2009).

Theoretical Contributions and Managerial Implications

Based on findings and conclusions, this study offers important theoretical contributions. First, this study
explores the relationship between CEO hubris and corporate financial performance in a theoretically meaningful way. The present study integrates managerial entrenchment theory (Shleifer and Vishny 1989) with an account of context-specific institutionalism (Sundaramurthy 2000), proposing that whether hubristic CEOs are positive or negative to corporate outcomes depend upon the contexts in which firms are instituted. This study particularly suggests that CEO entrenchment by hubris could be detrimental to the firm performance in Korea, since Korean large firms have been instituted in the context in which the market pressure for the performance is relatively less intense, and firms are governed largely by powerful founding families under the name of Chaebol. Thus, the present study contributes to the literature by contextualizing the scope of theorizing for the effect of CEO hubris on the firm performance, so that the hubris–performance relationship is more precisely understood.

Second, this study suggests that hubris researchers need to pay more attention to internal power dynamics between a CEO and the board as well as boundary conditions that can change such dynamism. This study suggests that the effect of hubristic CEOs would depend upon power balancing forces, and thus the notion of power dynamics should be considered in a broader context. Prior research has shown that CEO hubris influences the firm’s decision processes and outcomes (Hayward and Hambrick 1997; Hiller and Hambrick 2005; Malmendier and Tate 2005, 2008), but very few studies have examined potential boundary conditions of the impact of CEO hubris on firm performance (Li and Tang 2010). Centered on CEO-board power dynamics, this study introduces a set of corporate governance contingencies that amplify (by CEO power variables) or buffer (by board vigilance variables) a detrimental effect of CEO hubris on corporate performance. Thus, it is a clear contribution of this study to develop a theoretical framework for hubris–performance linkage, which is both sufficiently detailed to convey its complexity and informative enough to render the future hubris–performance predictive models feasible.

Last, prior studies on CEO hubris have been conducted mostly in Western country contexts (Hambrick and Finkelstein 1987; Hayward and Hambrick 1997). Only few studies have been done in non-Western country contexts such as Asia (Li and Tang 2010). To address this gap, this study investigated a sample of large Korean firms. Cho and Kim (2007) broadly argued that despite corporate governance reforms, Korean large firms are suspicious in demonstrating the effectiveness of board’s monitoring role (especially outside directors) due to a strong heritage of “owner-controlled” governance structure. In this regard, Korea’s unique corporate governance structure may make it a particularly difficult setting in which to find support for the propositions tested in our study. Nevertheless, this study still found significant moderating effects of board vigilance variables for the relationship between CEO hubris and the firm’s financial performance. This study thus contributes to the literature by establishing the effect of board vigilance on CEO hubris–performance relationship even in a non-Western context.

In addition to theoretical contributions, this study also offers practical implications for corporate managers. First, departing from previous literature, this study has directly explored the relationship between CEO hubris and corporate financial performance. Although previous studies tackled various strategic processes in relation to CEO hubris, they have left the linkage to corporate performance unanswered. Given the immediate implication, corporate financial performance is a key agenda of hubris research that needs to be examined.

Second, this study offers some practical insights of how to prevent the detrimental effect of CEO hubris on corporate outcomes. In the Western context, confident and self-exaggerated CEOs have often been juxtaposed as heroic leaders (Khurana 2002; Whitney 1987). It is particularly true especially when they are visionary entrepreneurs who have been growing firms substantially (Maccoby 2004). However, this study explores CEO hubris among Korean large firms, focusing on the criticism for their narcissistic leadership of top managers who wield absolute power at the expense of other stakeholders. As such, it is particularly instructive to investigate how to monitor hubristic CEOs among Korean firms and lessen their negative impact on firm performance. This study suggests that chair-CEO separation and assigning outside directors could be an effective means to control a detrimental effect of hubristic CEOs in Korea.

Additionally, evidence of this study shows that Korean corporate governance reforms are headed in the right direction. In Korea, various corporate governance initiatives were adopted following the Asian financial crisis of 1997–1998. For example, a certain percentage of the board of directors must consist of outside directors by the amended Securities and Exchange Act. However, some Korean scholars challenged that these outside directors have not effectively performed the function of checks and balances against the CEOs in protecting the wealth of shareholders (e.g., Chang and Shin 2006). Indeed, the corporate governance of Korean firms is different from that of the Western firms in nature because Korea has developed a unique corporate structure as Chaebol, under which individual firms are affiliated with large family-run, diversified business groups. In such a structure, the boards in Chaebol firms used to serve simply as “rubber stamps” for the benefit of owner families (Korea Stock Exchange 2000). The prevalence of CEO duality practice in Korea
compounded the board vigilance concerns. In effect, without an independent chair, a board may find its monitoring role to be particularly difficult. However, consistent with recent corporate governance literature, our findings regarding non-duality and outside director independence combined confirm that the Korean corporate governance reforms have been fairly effective.

Although our findings clearly indicate the monitoring role of board vigilance on hubristic CEOs, implications should be offered with a great caution. As shown in Fig. 2, role of board vigilance on hubristic CEOs, implications reforms have been fairly effective. Combined confirm that the Korean corporate governance regarding non-duality and outside director independence with recent corporate governance literature, our findings monitoring role to be particularly difficult. However, consistent without an independent chair, a board may find its monitoring concerns. In effect, compounded the board vigilance concerns. Therefore, measures to ensure an independent chair can help reduce the negative effect of CEO hubris. However, managing hubristic CEOs does not necessarily lead to positive performance or creating value of the firm. This finding may hint at an overall idea why organizations should redirect their focus from controlling hubristic leaders to promoting “authentic” leaders (Petit and Bollaert 2012). The authentic leader is humble, self-disciplined, and highly connected to an organization and stakeholders that he or she has to lead, and therefore enduring values can be created (George 2003). Thus, the authentic CEOs could be a critical asset for an organization’s long-term success. As such, organizations need to seek various ways to promote a CEO’s authenticity while keeping monitoring his or her hubristic behaviors and decisions by establishing a proper corporate governance structure.

Limitations and Future Research

Despite the contributions, some limitations must also be acknowledged to present fruitful avenues for future research. First, although we used the hubris–performance relationship as a point of departure, it is quite difficult to tease out the isolated effect of CEO hubris on a firm’s financial performance, given the various internal and external determinants of firm performance, such as luck, environmental conditions, firm resources and capabilities, or the other characteristics of CEO. Second, in this study, we develop the CEO hubris as a step toward examining the unhealthy influence of CEO hubris on the actions and performance of a firm. Although we provided a theoretical discussion on how governance concerns and related problematic decisions may arise from CEO hubris, the degree of CEO hubris is partially assessed by the exposure of media praise. However, extant studies have used the phenomenon of media praise to capture not only the negative term of “CEO hubris” (Hayward and Hambrick 1997), but also the neutral term of “CEO celebrity” (Hayward et al. 2004). Future research might explore further more sophisticated indices or scales that capture CEO hubris.

In closing, this study suggests that research on CEO hubris and firm performance should be understood under the country-specific and CEO-board power dynamic contexts. Also, this study highlights the deleterious consequence of CEO hubris on performance and various moderating conditions, yet further suggests the need for future fine-grained research on various antecedents and consequences of CEO hubris.

Compliance with Ethical Standards

Conflict of interest All authors declare that they have no conflict of interest in this study.

References


