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CEO Power: A Review, Critique, and Future Research Directions

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CEO power has been extensively studied across various disciplines and country contexts. Despite the exponential growth of research, there has been limited effort to integrate the vast body of literature. Using bibliometric and other analytical techniques we apply to the 580 articles in our review, we identify and discuss the topics and major research streams considered in CEO power research and their evolution over the years. We also highlight several shortcomings in the existing literature, including four pressing challenges concerning unclear conceptualizations, varied measurement and methods, the under-contextualized nature of CEO power across international contexts, and a lack of attention to how the changing corporate governance landscape has affected CEO power. We provide a roadmap for future scholarship by offering suggestions for addressing these pressing challenges. Finally, we provide several new and promising research directions in our discussion.

Keywords: *CEO power; review; strategic leadership; corporate governance*

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Power is fundamental to understanding how people behave, interact, and make decisions (Finkelstein, 1992; Pfeffer, 1981). As Dahl (1957) noted, "That some people have more power than others is one of the most palpable facts of human existence. Because of this, the concept of power is as ancient and ubiquitous as any that social theory can boast" (p. 201). For generations, scholars have examined power in contexts as far-ranging as criminal activity (Box, 2002), the rise and fall of politicians (Okimoto & Brescoll, 2010), and bullying in schools (Juvonen & Graham, 2014). One of the most substantial research areas has focused on power in organizations, with extensive literature dedicated to understanding the power of the highest-ranked executive: the Chief Executive Officer (CEO).

The central premise of the collective work is that while CEOs are largely considered the most influential actors in their firms, they vary with respect to their power. While definitions for CEO power differ—a matter we address in our research—it is generally defined in terms of the capacity of the CEO to overcome resistance and exert their will over others (Finkelstein, 1992; Pfeffer, 1997). Moreover, CEO power has often been examined as a multi-dimensional construct emanating from various sources of power, such as structural (e.g., formal position), ownership (e.g., stockholdings), expert (e.g., skills and knowledge), and prestige (e.g., status and reputation) power (Finkelstein, 1992).

Across hundreds of studies conducted over several decades in multiple disciplines and varied international contexts, CEO power has been shown to have implications such as increasing CEO compensation (Song & Wan, 2019; van Essen, Otten, & Carberry, 2015), avoiding CEO succession (Boeker, 1992), strengthening the CEO's relationship with the board by shaping board independence and process (Westphal & Zajac, 1995), and helping a CEO set the firm's strategic direction and influence performance (Haynes, Zattoni, Boyd, & Minichilli, 2019). Furthermore, CEO power has been considered a boundary condition that amplifies or diminishes how executive attributes influence firm outcomes.

Despite its many advances over the years, the large literature on CEO power suffers from shortcomings, including issues as fundamental as a lack of a shared understanding of the meaning, dimensions, and measurement of the CEO power construct. As a result, scholars have employed a hodgepodge of approaches with limited explanation. In addition, there has been a lack of attention to contextualizing research in the international research setting and addressing the dramatically changing corporate governance landscape, such as regulations that have restricted CEO power in more recent years. Although the CEO power research is exponentially growing, these issues compromise the generalizability of the research and form a shaky foundation from which future research can be built.

A review of the CEO power literature to take stock of progress made, identify pressing challenges across studies, and set a path for future research is needed. There are reviews of literature addressing power more generally in organizations, including interpersonal power (Sturm & Antonakis, 2015), and reviews of research on specific forms of CEO power, such as having the dual role of CEO and board chairperson (Krause, Semadeni, & Cannella, 2014). Scholars have also reviewed research focused on other aspects of CEOs, such as CEO tenure (Darouichi, Kunisch, Menz, & Cannella, 2021) and the CEO–TMT (top management team) interface (Bromiley & Rau, 2016). Lastly, many reviews more generally pertain to executives, including reviews of executive background (Campbell, Bilgili, Crossland, & Ajay, 2023), executive confidence (Heavey, Simsek, Fox, & Hersel, 2022), managerial discretion (Wangrow, Schepker, & Barker, 2015), and strategic leadership research (Busenbark, Krause,

Boivie, & Graffin, 2016; Neely, Lovelace, Cowen, & Hiller, 2020). However, we are unaware of a review addressing the large body of research on CEO power.

In this research, we address this omission by conducting a 30-year review of the CEO power literature. Our extensive searches surface a rich, multidisciplinary literature comprised of 580 articles. While we discuss particular studies of CEO power, our primary focus is on integration. We "seek the forest for the trees" and, in so doing, hope to elevate the understanding of the literature as a whole. Our integrative approach is multi-faceted. After detailing our review methodology, we provide an over-arching analysis of the scope of the literature and dive into the major research streams, including the negative and positive implications of CEO power. We then identify four pressing research challenges the literature faces with insights for addressing each challenge. Finally, we conclude with a discussion of future research directions.

Our review offers several significant contributions to strategic leadership research. First, it provides the first systematic analysis and integration of the CEO power research that has been largely fragmented and dispersed across various disciplinary domains over the past 30 years. In so doing, we help highlight and clarify the research advances made, including but not limited to improving the understanding of both the negative and positive implications of CEO power. We also offer a roadmap for future research, with insights into addressing challenges that have plagued past studies as well as into new promising broad research directions. Collectively, our review offers an integrated and unified analysis of CEO power that can help pave the way for meaningful future research contributions.

Review Methodology

Best practices for literature reviews (Aguinis, Ramani, & Alabduljader, 2023; Hiebl, 2021) informed our search of the CEO power literature. Our search consisted of four steps. First, we performed online searches in the Web of Science (WoS), EconLit, ABI/Inform, JSTOR, and Google Scholar databases covering the 30-year window ending in 2022 and beginning in 1992—the year in which the seminal executive power article by Finkelstein (1992) was published. Second, we performed targeted keyword searches in 60 top journals using the journal list provided by a recent review of top executives (Heavey et al., 2022).[1] Third, we applied a "snowballing technique" (Heugens & Lander, 2009) to the articles identified in Steps 1 and 2, which involved checking the reference sections of the articles we previously identified (i.e., backward tracing). After, we forward-traced all the articles that cited Finkelstein's (1992) seminal paper until December 2022. Finally, the authors reviewed the abstracts/publications to exclude studies not directly related to CEO power, such as those that included CEO power only as a control.

We systematically coded each article for the following aspects: (a) type of the paper (e.g., theoretical/conceptual, case studies, etc.); (b) CEO power's role as a variable (i.e., independent variable, moderator, or dependent variable); (c) relationships examined; (d) conceptual definitions of CEO power; (e) theories invoked in each study; (f) measurement of CEO power (e.g., the number of indicators, dimensions, composite indexes used in each study); and (g) sample country. We also noted different analytical approaches employed in empirical studies along with the diverse types of robustness checks conducted to test the sensitivity of findings concerning CEO power. Furthermore, we manually extracted the author-provided keywords, whenever available, for each article that was not indexed in the WoS database.

Scope of the Literature

Our extensive search yielded a large literature comprising 580 articles that incorporated CEO power as a primary variable of interest. See Table 1 for a list of select articles and Appendix 2 in the online supplemental materials for a complete list of all articles. Of the 580 articles, 560 were published articles, and 20 were working papers. Moreover, 550 were empirical, 23 were theoretical, conceptual, or mathematical models, and seven were scale/index development and case studies. Our analysis shows exponential growth in research on CEO power: In the 30-year span of our review, the articles per year grew from two in 1992 to 81 in 2022.

Beyond the vast and growing body of the literature, a broad range of disciplines have examined CEO power. The studies we reviewed were published in journals from the fields of management (40.3%), finance (21.7%), accounting (11.7%), economics (11.0%), working papers (3.4%) and others (11.9%). There are 269 total journals reflected in our review. The five journals with the most CEO power articles published include the *Journal of Corporate Finance, Academy of Management Journal*, *Strategic Management Journal*, *Corporate Governance: An International Review*, and *Journal of Business Research*.

A noticeable trend has been to study CEO power in different international settings. There were 236 articles (40.7%) in our review that studied non-U.S. contexts, which complements and extends prior research on executives and CEOs that focused mainly on the U.S. context (van Essen et al., 2015). The articles span over 40 countries from six continents, with the United States, China, the United Kingdom, Malaysia, and Pakistan as the top five countries.

There has been a litany of research streams and topics on CEO power covered in the literature. To better understand the scope of the topics considered, we performed a series of analyses on keywords identified by authors across the articles in our review. Our analyses employed social network analysis and bibliometric techniques (Callon, Courtial, & Laville, 1991; Parker, Morgeson, & Johns, 2017). Using Biblioshiny—a shiny[2] application of Bibliometrix-R package (Aria & Cuccurullo, 2017)—we identified eight of the most common keywords specified by authors: CEO power ($N=252$), corporate governance ($N=145$), firm performance ($N=96$), CEO compensation ($N=76$), CEO ($N=45$), board of directors ($N=40$), agency theory ($N=37$), and corporate social responsibility (CSR; $N=33$). These findings are interesting because they reflect a tendency to refer to overall CEO power rather than specific dimensions or sources. It is also notable that agency theory was the only theory that had a high occurrence in the keywords identified by authors, which is consistent with our analysis below showing agency theory as the most frequently used theory in CEO power research.

We also analyzed how keywords have emerged and faded over time, using Kleinberg's (2002) burst detection algorithm implemented in *Citespace* (Chen, 2006), which identified the keywords with the strongest citation bursts during the 30-year window in our review. As depicted in Figure 1, several keywords with the strongest bursts have to do with the implications of CEO power. One of these includes CSR, which had the most recent burst (2021–2023). This makes sense, given the larger societal context of social movements such as #MeToo and Black Lives Matter that became especially pronounced around the same period and encouraged firms to reconsider their CSR practices.

Our analysis also reveals interesting patterns for how CEO power research studies relate to each other. We analyzed these patterns by creating a co-occurrence network of keywords using the Biblioshiny application.[3] In a co-occurrence network, the vertices represent the keyword,

Table 1

Brief Overview of CEO Power Studies

CEO Power	Relationship	Findings	CEO Power Measurement	Period	Sample	Reference
IV	Firm Performance	CEO pay slice is associated with lower industry-adjusted Tobin's Q and accounting profitability.	CEO pay slice	1993-2004	U.S. ExecuComp	(Bebchuk, Cremers, & Peyer, 2011)
IV	Firm Performance	CEO power index is negatively associated with firm-level performance.	CEO Power Index ($n=3$; PCA; duality, tenure, ownership)	2003-2008	U.K. Public/LSE	(Veprauskaite & Adams, 2013)
IV	Performance Variability	Firm stock returns are more variable when firms are led by powerful CEOs.	Index (Founder; Only insider; Concentration of titles)	1992-1999	U.S. Fortune 500	(Adams, Almeida, & Ferreira, 2005)
IV-DV	Firm Performance	Firm performance is both an antecedent and outcome of CEO power.	Structural (3 indicators), Ownership (2 indicators), Prestige (3 indicators), Expert power (1 indicator)	1987-1990	U.S. Fortune 500	(Daily & Johnson, 1997)
IV	Firm Performance	Increased co-CEO power gaps are positively associated with firm performance. It becomes negative at higher power gap levels.	Co-CEO Power Gap Index ($n=4$; standardized salary, tenure, ownership, and dichotomous board chair)	2000-2011	U.S. Public	(Krause, Priem, & Love, 2015)
IV	Firm Performance	Firms with powerful CEOs have higher performance and performance variability.	CEO Power Index ($n=8$; PCA; based on structural, expert, ownership, and prestige power)	2004-2008	China/ A-share	(Wu, Quan, & Xu, 2011)
IV	CEO Compensation	More powerful CEOs earn more compared to less powerful CEOs.	CEO Power Index ($n=3$; duality, founder, concentration of titles)	1993-2012	U.S. S&P 500	(Song & Wan, 2019)
IV	Rigged CEO Incentive Contracts	Incentive rigging—ex-post shifting of the weight toward better performing measures- is positively associated with CEO power.	CEO Power Index; Insider Percentage; Co-opted board members	1992-2003	U.S. ExecuComp	(Morse, Nanda, & Seru, 2011)
IV	Supplemental Executive Retirement Plans	SERP plans—less transparent compensation components—are primarily driven by CEOs's power over the board.	CEO power ($n=8$ indicators)	1997-2005	U.S. S&P/TSX60	(Kalyta, 2009)
IV	CSR Disclosure	There is a negative relationship between CEO power and CSR disclosure, and CEO power dampens the positive relationship between board and capital and disclosure.	CEO Power Index ($n=4$; duality, ownership, tenure, and family CEO)	2005-2013	Bangladesh DSE	(Muttakin, Khan, & Mihret, 2018)

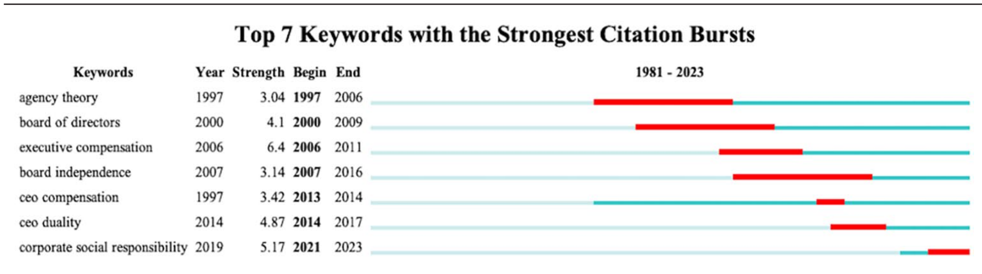
(continued)

Table 1 (continued)

CEO Power	Relationship	Findings	CEO Power Measurement	Period	Sample	Reference
IV	Material Accounting Manipulations	CEOs of firms with accounting manipulations have more power than CEOs of matching firms; findings suggest CFOs are involved in manipulations because they succumb to pressures from CEOs.	CEO pay slice, duality, founder	1982-2005	U.S. AAERs issued by SEC	(Feng, Ge, Luo, & Shevlin, 2011)
IV	Environmental Sustainability	CEOs with informal power are negatively associated with corporate environmental impact.	Informal Environmental Expert Power	2001-2007	U.S. "Dirty" industries	(Walls & Berrone, 2017)
Moderator	CEO Tenure-CEO Cognitive Complexity	The relationship is less steep when the CEOs have greater positional power.	CEO Positional Power Index ($n=3$; duality, shares owned by CEO, co-opted directors)	2004-2014	U.S. S&P 500	(Graf-Vlachy, Bundy, & Hambrick, 2020)
Moderator	CEO Political Liberalism-CSR	The positive relationship between CEO political liberalism and CSR is amplified when CEOs are more powerful.	CEO Power Index ($n=3$; standardized, logged; duality, relative ownership, proportion of outside directors appointed by CEO)	2005-2009	U.S. S&P 1500	(Chin, Hambrick, & Treviño, 2013)
Moderator	CEO Risk Propensity-Risky Internationalization	The positive relationship between CEO risk propensity and internationalization choices is amplified with CEO power.	Duality, board independence, family CEO, plus CEO power index capturing these indicators	2000-2013	Norway Limited liabilities firms	(Boustanifar, Zajac, & Zilja, 2022)
Moderator	Female CFO-Leverage	Firms with female CFOs take on less leverage only in firms not led by powerful CEOs.	Duality, insider ratio, CEO pay slice	1999-2017	U.K. LSE public	(Schopohl, Urquhart, & Zhang, 2021)
Moderator	TMT Functional Diversity-Firm Performance	The relationship between functional diversity and firm performance is amplified when the CEO is not the founder.	Founder		Belgium Netherlands IT firms	(Buyl, Boone, Hendriks, & Matthyssens, 2011)
DV	Board independence	Board independence mitigates CEO power.	CEO pay slice	1996-2010	U.S.	(Jiraporn, Jumreornvong, Jiraporn, & Singh, 2016)
DV	Female CEOs	Female CEOs do not obtain as much structural power as male CEOs.	Duality, President	2000-2010	U.S.	(Muller-Kahle & Schiehll, 2013)

Note. SERP = supplemental executive retirement plans; CSR = corporate social responsibility; DSE = dhaka stock exchange; AAERs = accounting and auditing enforcement releases; LSE = London stock exchange.

Figure 1
Top Keywords With the Strongest Citation Bursts



Top 7 Keywords with the Strongest Citation Bursts

Keywords	Year	Strength	Begin	End	1981 - 2023
agency theory	1997	3.04	**1997**	2006	
board of directors	2000	4.1	**2000**	2009	
executive compensation	2006	6.4	**2006**	2011	
board independence	2007	3.14	**2007**	2016	
ceo compensation	1997	3.42	**2013**	2014	
ceo duality	2014	4.87	**2014**	2017	
corporate social responsibility	2019	5.17	**2021**	2023	

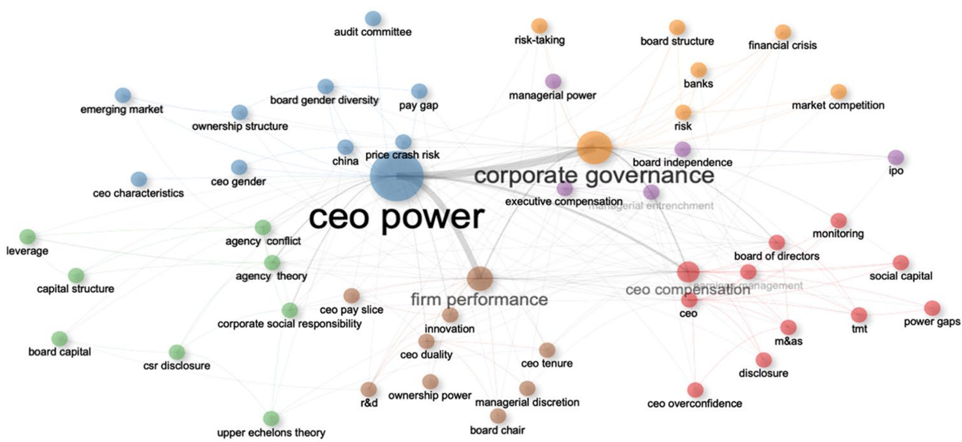
Note. For this analysis, we used the articles available in the WoS database, as the analysis depends on the citations of each publication. "Strength" reflects the measure of burst magnitude. A higher burst strength implies an increased frequency of citation of keywords over a period of time. "Begin" denotes the year when the bust started, and "End" represents the year when the burst ended. The red bars depict the years during which the keyword actively experienced a citation burst.

and the links represent at least one co-occurrence link among the pairs of vertices. The network, as shown in Figure 2, surfaces several insights. The keyword CEO power most commonly co-occurs with five keywords that are reflected in the major nodes: firm performance, CEO and executive compensation, CSR, and corporate governance. Such relationships are to be expected given the previous keyword analysis. However, perhaps more interesting to observe are the direct and indirect relationships between CEO power and other topics, such as innovation, research and development, risk, and the diversity of the TMT and CEO. More broadly, the co-occurrence network provides a bigger picture of the large and complex intellectual landscape explored in the CEO power literature.

We also analyzed the theories underpinning CEO power research by preparing a theoretical heat map (Figure 3) and identifying the representative arguments for the most common theories (Table 2). The bottom of Figure 3 indicates the frequencies of the 10 most commonly used theories, agency theory being by far the most dominant theory—it was referenced four times more frequently (41.7%) than the next theory, managerial power theory (MPT; 9.1%). Figure 3 also depicts the frequency with which the 10 theories have been used across time. While agency theory and MPT maintain a consistent presence in the literature, other theories were introduced later and appear to reflect changes in topics and major research streams examined in the literature. For example, institutional theory was introduced in the CEO power literature after 2010. Such timing makes sense given that institutional theory helps explain how institutional pressures curb CEO power, and the U.S. Dodd-Frank regulation restricting CEO compensation, along with other regulations affecting the CEO and board, was enacted in 2010.

Finally, we considered the scope of how CEO power has been studied empirically. As shown in Table 3, CEO power has most frequently been examined as a predictor influencing various outcomes (65.8%) or as a moderator affecting the strength of relationships (38.6%). Relatively less empirical work has sought to understand the determinants of CEO power (4.9%). We integrated these into a conceptual model (see Figure 4). Scholars have also employed a variety of analytical approaches to study CEO power, including mathematical modeling (Baldenius, Melumad, & Meng, 2014), case study approach (Matsuo, 2022),

Figure 2
Keyword Co-Occurrence Network Analysis of Research on CEO Power



Note. Based on author-provided keywords with 50 nodes, with equivalence normalization and Spinglass algorithm (Cobo, López-Herrera, Herrera-Viedma, & Herrera, 2011).

traditional variable-centered approaches, exploring both linear and non-linear relationships (Finkelstein & Hambrick, 1989; Li, Munir, & Karim, 2017), and relying on both archival and survey data (Shepherd, Hodgkinson, Mooi, Elbanna, & Rudd, 2020). Person-centered approaches to examine CEO power have also been pursued, mainly relying on configurational comparative methods using qualitative comparative analysis (Rihoux & Ragin, 2008) and its fuzzy set (fsQCA) variant (Lewellyn & Fainshmidt, 2017).

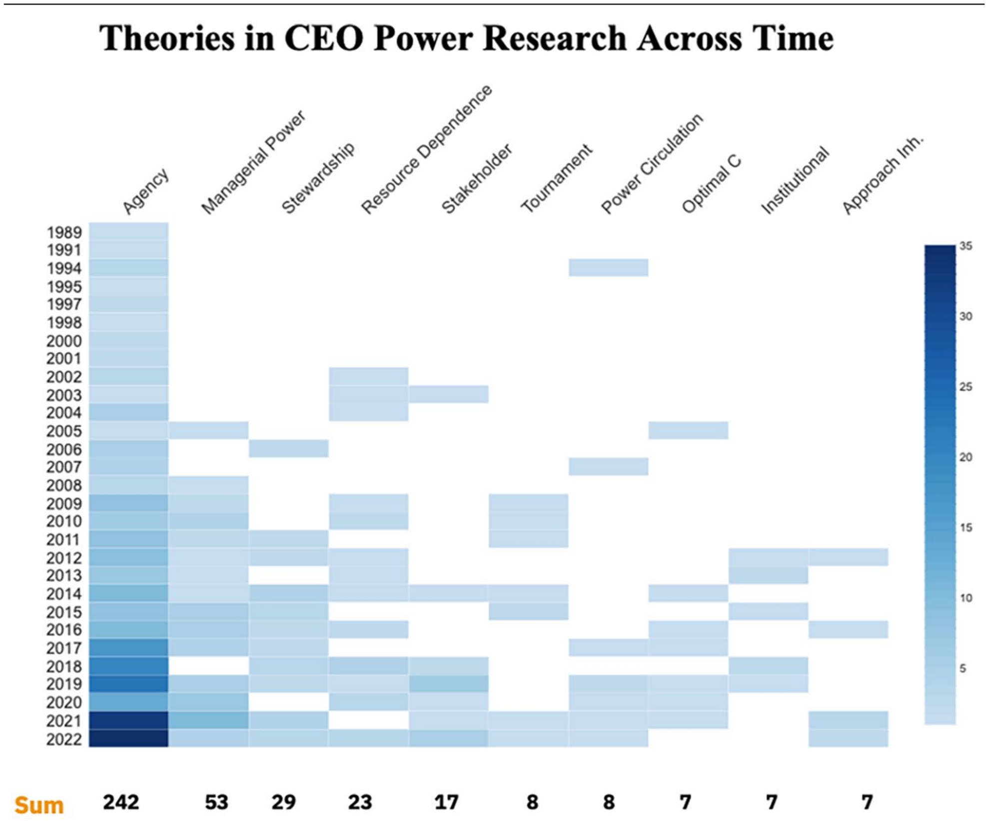
The Negative and Positive Implications of CEO Power

As our analysis of the scope of the literature reveals, the large majority of the research on CEO power focuses on how CEO power influences various outcomes. We review and integrate the research below concerning whether the implications of CEO power examined are negative or positive.

The Negative Implications of CEO Power

Two key finance-related questions have mainly driven research considering the outcomes of CEO power: (a) whether powerful CEOs help or harm firm performance (13.5%) and (b) whether high-powered CEOs use their power to obtain higher compensation (12.6%). These arguments are often couched within the agency framework (Fama & Jensen, 1983; Jensen & Meckling, 1976) or managerial power theory (Bebchuk & Fried, 2004; Bebchuk, Fried, & Walker, 2002). One of the central arguments is that power allows CEOs to pursue their self-interested agenda that may differ from or even contradict the needs of stakeholders (Daily & Johnson, 1997), which means powerful CEOs may hurt firm performance and firm value (Bebchuk, Cremers, & Peyer, 2011) or lead to decisions with extreme consequences and subsequent variability in firm performance (Adams, Almeida, & Ferreira, 2005).

Figure 3
Theories in CEO Power Research



Note. Only theories referenced in more than 1% of papers are reported. Upper Echelons Theory (UET) is not included here. Created by displayr.com

Power has also long been considered an influential factor in compensation-setting processes (Allen, 1981; Bebchuk & Grinstein, 2005; Finkelstein & Hambrick, 1989). The central tension in the field has revolved around whether high CEO compensation is due to managerial ability or power. The proponents of optimal contracting theory suggest that high compensation levels reflect the demand for CEOs' abilities and skills (Murphy & Zabojnik, 2004). On the other hand, MPT argues that CEO pay is a reflection of "rent extraction" (Bebchuk & Fried, 2005; Lambert, Larcker, & Weigelt, 1993), where powerful CEOs influence the remuneration decisions made by the board of directors and the board's compensation committee. Indeed, a significant body of research has linked CEO power to higher compensation (Allen, 1981; Choe, Tian, & Yin, 2014; Dikolli, Heater, Mayew, & Sethuraman, 2021; van Essen et al., 2015), and its various components, including cash salary, total pay, equity-based pay (Hoi, Wu, & Zhang, 2019), perks (Ting & Huang, 2018), and mergers and acquisitions (M&A) compensation (Grinstein & Hribar, 2004). Empirical evidence supports the power-pay relationships across different governance and country contexts (Cianci,

Table 2
Theories in CEO Power Research

Theory	Theoretical Assumptions and Representative Applications	DVs
Agency	ASM: Principals delegate authority to executives to act on their behalf. Executives pursue self-interest that may conflict with the interests of shareholders. To align interests, principals establish incentives and boards monitor executives. CEO power may curtail board monitoring, leading powerful CEOs to prioritize self-serving activities over shareholder interests, resulting in low performance.	Firm performance Compensation
Stewardship	ASM: Executives act as stewards, prioritizing the firm's best interests and safeguarding shareholder wealth, with governance structures providing support. Power can enable CEOs to make decisions that enhance firm performance.	Firm performance
Managerial Power	ASM: Executives have substantial influence over their pay. Executive pay is a result of CEO power. The greater the power, the greater the ability to extract rents.	Executive compensation
Optimal Contract	ASM: Compensation contracts are the result of arm's length bargaining that provides efficient incentives to overcome agency problems. High pay represents a market for CEOs and their skills (and not their power).	Executive compensation
Tournament	ASM: Tournaments are contests for a prize awarded based on relative rank designed to encourage an optimum level of effort. Tournament incentives may weaken in firms with powerful CEOs as an extended time horizon for succession emerges. Such incentives for the CEO position can fuel political sabotage and power contests.	Executive compensation Power stability
Resource Dependence	ASM: Organizations are interdependent on the provision of resources to manage and limit external uncertainty. Control over vital resources creates power. Powerful CEOs can access critical resources. Dependence on a CEO's knowledge can create power differentials.	Access to and being the resource
Stakeholder	ASM: Organizations have different stakeholder groups, each with unique interests. Executives need to effectively balance these interests to achieve organizational success. Power increases self-interest and reduces attention to diverse stakeholders or enables CEOs to influence decision-making to benefit all stakeholders.	Attention: CSR
Approach Inhibition	ASM: Increased power is linked to approach-related processes, and lack of power is associated with increased inhibition. Powerful CEOs may focus on the rewards rather than the associated risks. Power may lead to a perception that CEOs can act without consequences, leading them to disregard social norms.	Attention: Risky activities and disregard for social norms
Institutional	ASM: Emphasizes the pressures and constraints of the institutional environment and highlights adherence to rules and norms. External pressures can deinstitutionalize certain practices and limit CEO power. The extent to which firms will acquiesce to external pressures depends on CEO power.	Power stability: via external forces
Power Circulation	ASM: There are internal contests for control and opposition to the CEO. CEOs' power bases are subject to circulation and contestation. CEO power is subject to circulation and contestation. Peer executives may be sufficient to monitor low-power CEOs.	Power stability: via internal contests

Note. Only theories referenced in more than 1% of papers are reported. While UET has also been mentioned in the studies (10.2%), we do not delve deeply into the upper echelons in our analysis here. We also note that some papers mention multiple theories. The representative application of theories in articles is for illustrative purposes and is not exhaustive.
ASM =Assumptions

Fernando, & Werner, 2011). The bump in compensation linked to CEO power—that is, the "power premium"—can be quite substantial, such that a one standard deviation in CEO power leads to a 7.39% (or $722,455) average increase in CEO pay (Song & Wan, 2019).

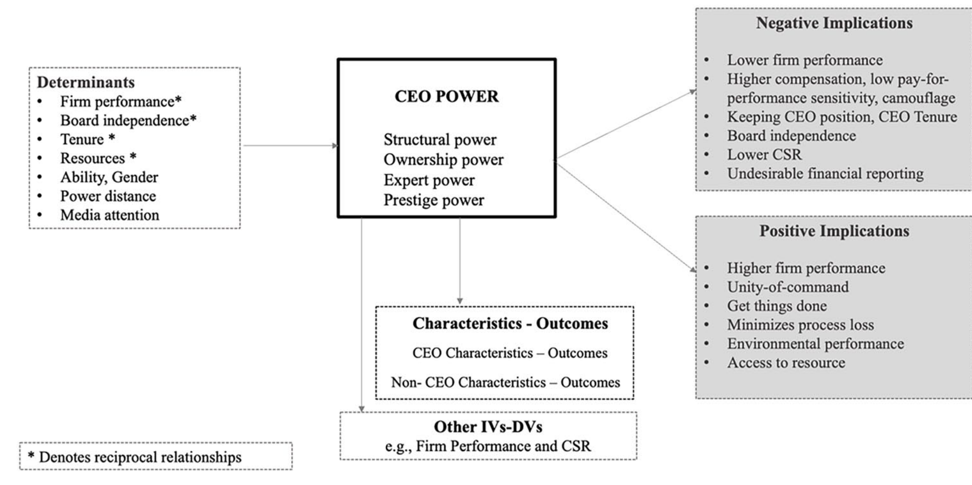
An extension of the CEO power-compensation stream has been focused on whether the compensation of powerful CEOs is sensitive to firm performance. Evidence suggests a

Table 3
CEO Power in Empirical Research

CEO Power	Number of Articles	Percentage
CEO Power as a Predictor (IV) of Various Outcomes	362	65.82
Firm performance	74	13.45
CEO compensation	69	12.55
Board characteristics and outcomes	35	6.36
Board independence	12	2.18
Board other characteristics	10	1.82
Similarity	3	0.55
Board size	4	0.73
CSR	27	4.91
CEO succession	21	3.82
Innovation	15	2.73
Mergers and Acquisitions	12	2.18
Risk-taking	12	2.18
Firm risk	12	2.18
CEO Power as a Moderator of Various Relationships	212	38.55
CEO Related - Outcomes	73	13.27
CEO Characteristics	69	12.55
CEO compensation - Outcomes	19	3.45
CEO personality/values - Outcomes	16	2.91
CEO work experience - Outcomes	8	1.45
CEO career horizon/tenure - Outcomes	4	0.73
CEO gender - Outcomes	4	0.73
CEO age - Outcomes	3	0.55
CEO social ties - Outcomes	2	0.36
CEO interface with other executives - Outcomes	2	0.36
CEO-CFO Interface - Outcomes	3	0.55
CEO-Board - Outcomes	1	0.18
Non-CEO Related - Outcomes	55	10.00
Board - Outcomes	26	4.73
C-suite executives - Outcomes	9	1.64
TMT - Outcomes	8	1.45
CFO - Outcomes	6	1.09
Audit - Outcomes	6	1.09
Common IV-DV	59	10.73
CSR-Firm Performance	7	1.27
Firm Performance-Dismissal/Turnover	6	1.09
Predictors - Compensation	19	3.45
Predictors - Firm Performance	14	2.55
Predictors - Innovation	5	0.91
CSR - Y	4	0.73
Predictors - Outcomes	33	6.00
CEO Power as a DV That Is Affected by Various Determinants	27	4.91
CEO-Level	9	1.64
Firm-Level	10	1.82
Firm performance	7	1.27
Board-Level	8	1.45
Industry-Level	3	0.55
External & Environment-Level	4	0.73

Note. Percentages are based on 550 empirical studies. Percentages will not add up to 100% because some studies examine multiple relationships. We only present the most commonly examined relationships in this table.
CSR = corporate social responsibility.

Figure 4
Integrative Framework for Understanding CEO Power Research



weaker connection between CEO compensation and financial performance (i.e., pay-for-performance insensitivity) for more powerful CEOs compared to less powerful CEOs (Kim & Lu, 2011; Ting & Huang, 2018). Moreover, the insensitivity of CEO pay to firm performance has not been found to be explained by standard economic factors (Tian & Yang, 2014) such as ability, effort, risk premium, labor market premium, and other factors (Hill, Lopez, & Reitenga, 2016).

When there is pay-for-performance insensitivity, CEOs run the risk of outrage costs. Thus, a strong incentive exists to "try to legitimize, justify, or obscure—or, more generally, to camouflage—the amount and performance-insensitivity of executive compensation" (Bebchuk & Fried, 2005: 14). Evidence supports this phenomenon, suggesting that more powerful CEOs camouflage or rig their compensation contracts and incentive pay (Morse, Nanda, & Seru, 2011). For instance, they may attach easier targets to the initial performance-vested stock options they are granted (Abernethy, Kuang, & Qin, 2015).

Furthermore, powerful CEOs have been shown to remain as CEO longer, even when performance is low (Allen & Panian, 1982; Bebchuk et al., 2011; Boeker, 1992), and they do this through many means, such as using top executives as scapegoats, especially when they perceive those executives as potential heirs-apparent (Boeker, 1992). When successions occur, powerful CEOs are also more likely to have a say in the successor appointed (Perry, Yao, & Chandler, 2011) and negotiate a continued role with the firm, including as a member of the board of directors (Fahlenbrach, Minton, & Pan, 2011).

In a more recent research stream, scholars have examined CEO power and CSR practices. Often using the argument that CEOs avoid CSR because it may negatively impact financial performance and thus compromise the CEO's performance-based rewards, studies have shown that more powerful CEOs are less likely to engage in CSR activities (Harper & Sun, 2019; Jeong, 2020; Sheikh, 2019), more likely to increase CSR decoupling (the gap between CSR disclosure and performance; Shahab, Gull, Ahsan, & Mushtaq, 2022), and decrease

CSR strengths (Sheikh, 2019). In addition, recent research showed that when CEO power is higher, there is lower corporate sexual orientation equality (Brodmann, Hossain, Al Masum, & Singhvi, 2021), and some mixed evidence indicates less investment in labor-friendly programs (Bristy, Han, & Tian, 2022).

Another stream of research has focused on the relationship between CEO power and financial reporting. CEO power provides a greater opportunity for financial reporting wrongdoing (Schnatterly, Gangloff, & Tuschke, 2018), including CEOs exerting pressure on others within the organization (Chu, Dechow, Hui, & Wang, 2019; Feng, Ge, Luo, & Shevlin, 2011). While there have been some exceptions (Ouyang, Liu, & Sun, 2015), CEOs can also wield their power to minimize financial monitoring, such as by hiring less reputable external auditors (El-Dyasty & Elamer, 2021) or allowing lower internal audit function quality (Jiang, André, & Richard, 2018). Furthermore, powerful CEOs may use earning management and tax avoidance to withhold bad news from investors, increasing the risk of a stock price crash (Al Mamun, Balachandran, & Duong, 2020). Other research streams examine how CEO power may lead to riskier financial decisions (Fralich, 2012), such as riskier internationalization decisions (Boustanifar, Zajac, & Zilja, 2022) and subprime mortgage lending (Lewellyn & Muller-Kahle, 2012).

The negative implications of CEO power often depend on the nature of the power or contextual conditions. Several studies have found significant relationships between certain dimensions of CEO power and firm performance (Ting, Chueh, & Chang, 2017), while nonsignificant or opposite relationships have been observed among other dimensions of CEO power and firm performance (Asimakopoulos & Yan, 2019; Zavertiaeva & Ershova, 2022). Another critical aspect of the CEO power–firm performance relationship is the level of power available to the CEOs and whether it is excessive, average, or low (Bugeja, Matolcsy, & Spiropoulos, 2017; Lee, Park, & Park, 2015). An integration of this research suggests an inverted U-shaped relationship whereby both very low or no levels—as well as excessive or extreme levels—of CEO power are associated negatively (Bugeja et al., 2017; Krause, Priem, & Love, 2015; Lee et al., 2015; Tang, 2020), while more normal or moderate levels are associated positively with firm value (Lee et al., 2015). Furthermore, the strength of the CEO power–firm performance relationship has been found to depend on the firm's life cycle or development stage (Harjoto & Jo, 2009) and its competition in the market (Sheikh, 2018).

The Positive Implications of CEO Power

The literature also points to the positive implications of CEO power. Using an organization theory and the unity-of-command perspective, scholars have used the rationale that strong leadership is needed to make critical decisions and ensure organizational success (Finkelstein & D'Aveni, 1994). Essentially, power helps "get things done" (Perrow, 1972: 259), and "the diffusion of power makes it difficult to take any decisive actions" (Miller & Friesen, 1977: 268). Therefore, powerful CEOs may minimize process loss by reducing unnecessary conflict (Haleblian & Finkelstein, 1993). In addition, a powerful CEO may help overcome myopic investor and activist agendas. Furthermore, CEOs may not necessarily be the "opportunistic shirkers" as presumed in the agency view. From a stewardship theory perspective (Davis, Schoorman, & Donaldson, 1997; Donaldson, 1990), CEOs may be able to put the welfare and interests of their firms ahead of their own and use their power to pursue not self-interested actions but actions that may help maximize firm value.

Several empirical studies report positive implications of CEO power. CEO power has been shown to have a positive impact on several aspects of a firm's environmental performance, such as eco-innovation (Aibar-Guzmán & Frías-Aceituno, 2021), and environmental performance (Francoeur, Lakhal, Gaaya, & Ben Saad, 2021). In a related vein, CEO power has been found to be negatively associated with environmental impact and damage (Walls & Berrone, 2017). Another example is that research has suggested that some degree of CEO power improves CSR. Specifically, CEO power was found to have a curvilinear relationship with CSR, whereby CEO power initially leads to increases in CSR engagement, but after a certain threshold, it leads to declines in CSR investment (Jiraporn & Chintrakarn, 2013). Finally, while not as plentiful as studies reporting opposite findings, several studies report a positive relationship between CEO power and firm performance (Duan & Dong, 2024).

In addition, high-powered CEOs may access key resources more easily (Grabke-Rundell & Gomez-Mejia, 2002) and increase others' willingness to provide resources. Powerful CEOs may also be more willing to share information with the board, which may help boards overcome information deficits that can hinder their ability to perform their key roles (Boivie, Bednar, Aguilera, & Andrus, 2016). Research suggests that the reverse may also be true and that directors may provide more valuable strategic advice in the presence of powerful CEOs (Chen, 2014). Powerful CEOs may also be more disposed to pursue actions such as corporate activism, pushing back against regulatory pressures, being more innovative (Qiao & Fung, 2016), taking riskier strategic actions for goal attainment (Zhang, Li, Deng, & Zheng, 2022), and pursuing strategic change (Greve & Mitsuhashi, 2007).

Consistent with the research we summarized on the negative implications of CEO power, the positive implications may be dependent on context. Daily and Schwenk (1996) suggest that a dominant CEO may be helpful during organizational change and transitions or when firms have lower resource dependence. For instance, evidence based on CEO succession events between 1994 and 2001 indicates that poorly performing firms are more likely than strongly performing firms to appoint dominant CEOs (Tang & Crossan, 2017). CEO power may be beneficial in the early stages of a firm's life cycle (Harjoto & Jo, 2009), in high-competition markets (Sheikh, 2018), in product markets with higher demand (Li, Lu, & Phillips, 2019), or when quick decisions are needed (Dowell, Shackell, & Stuart, 2011).

The country setting may also matter. For example, the idea that powerful CEOs have a negative impact on firm performance has not been supported in an Indian context (Jackling & Johl, 2009), and there is some research to support a unity-of-command perspective in other country contexts (Duan & Dong, 2024). Moreover, CEO power has been found to improve the short- and long-term performance of Chinese firms (Qiao, Fung, Miao, & Fung, 2017).

Four Pressing Research Challenges and Insights

As the literature has developed over the last 30 years, unresolved issues have emerged that present challenges for integrating and synthesizing findings across the literature. Below, we discuss four of these challenges along with suggestions for how to address them.

Challenge #1: Conceptualizing CEO Power Clearly and Consistently

The first challenge concerns a lack of consensus about how to define CEO power within and across disciplines (see Table 4). Out of the 580 articles reviewed, about

Table 4

Conceptual Definitions of (CEO) Power

	Who	Ease	Decision					How	Relational	
Definition/Reference	CEO Power	Resist	Own Will	Other Decisions Goal	Decision Center	Decision Context	Freq.	Means	Relation	Change Others
“The capacity of individual actors to exert their will” (Finkelstein, 1992: 506).			X							
“The capability of one social actor to overcome resistance in achieving a desired objective or result” (Pfeffer, 1981).		X		X						
“Powerful CEOs are who can consistently influence key decisions in their firms, in spite of potential opposition from other executives” (Adams, Almeida, & Ferreira, 2005: 1405).	X	X		X			X		X	
“Power is the ability to get things done the way one wants them to be done” (Salancik & Pfeffer, 1977: 4).			X							
“The capability of a social actor to overcome resistance in achieving a desired objective or result” (Jones, Li, & Cannella, 2015: 1877).		X		X						
“The potential for the CEO to leverage ownership or position to pursue her or his own goals” (Combs, Ketchen, Perryman, & Donahue, 2007: 1300).	X		X					X		
“The ability of the CEO to influence key decisions within the organization and by the control of the CEO over the selection of board members who are sympathetic to the CEO’s strategic orientation or style of management” (Alexander, Fennell, & Halpern, 1993: 77).	X			X				X		
“We consider CEOs as powerful if they have the capacity to regularly affect corporate decisions” (Al-Sabah, 2020: 2).	X			X			X			
“As the capacity of an individual, in our case the CEO, to exert influence to change the behavior of a person or group in some intended way” (Bach & Smith, 2007: 32).	X								X	X
“Reflects the relative importance of the CEO in the top team” (Bebchuk, Cremers, & Peyer, 2011).	X								X	
“Indicates how much decision-making power is concentrated in the hands of the CEO” (Chintrakarn, Chatjuthamard, Tong, & Jiraporn, 2018: 51).	X				X					
“CEO power indicates how much key decision-making is left in the hands of the CEO” (Cheng, Gao, Lawrence, & Smith, 2014: 33).	X				X					
“Define the powerful CEOs as those who can consistently influence corporate financing decisions in their firms” (Li, Munir, & Karim, 2017: 5).	X				X	X	X			
“CEO power is a tool that allows CEOs to mobilize resources and influence others to ‘get things done’” (Lo & Shiah-Hou, 2022: 23).	X			X				X	X	
“Managerial decision-making power can be understood as managers’ ability to exercise their will and control the company’s operations and strategies” (Long, Tian, Hu, & Yao, 2020: 4).			X			X				
“Powerful CEOs as those who can consistently influence major decisions over the board in the banks” (Luo, 2015: 7).	X			X			X		X	
“The term ‘CEO power’ refers to bank CEO’s ability to influence board decisions” (Pathan, 2009: 1340).	X			X						

Note. Freq = frequency.

one-third (32%) provided either a definition or referenced a definition of CEO power from prior studies. Studies most commonly referred to the definitions provided by Finkelstein (1992), who defined executive power (the power of the CEO and other top executives) as "the capacity of individual actors to exert their will" (Finkelstein, 1992: 506) and Pfeffer (1981) who stressed that power involves needing to overcome resistance. Other common references include Weber (1978: 53), who defined power as "the probability that one actor within a social relationship will be in a position to carry out his will despite resistance," or Dahl's (1957) suggestion that power involves getting others to do things that they would not otherwise do.

Although existing definitions provided in CEO power articles overlap to some extent, there are differences in their defining characteristics. While not an exhaustive treatise, Table 4 highlights key similarities and differences among different definitions. For instance, some definitions explicitly include the power holder (i.e., CEO). Others refer to power more generally without distinguishing between power and CEO power. There are also definitions that emphasize overcoming resistance as a key defining aspect, whereas other definitions do not explicitly incorporate opposition from others. Furthermore, definitions present CEO power as part of pursuing one's own goals/agenda, whereas other definitions relate it to influencing strategic decisions without attaching a personal agenda. CEO power has also been conceptualized in terms of the consistency of influence, the specific contexts of decision-making, the concentration of decision-making power, the means of achieving goals, and the relational aspects of power.

Another observation we have is about the relative and multi-dimensional aspect of CEO power. Some scholars have examined the relative power of CEOs over various referents, such as the board (Chin, Hambrick, & Treviño, 2013; Ittner, Larcker, & Rajan, 1997; Kalyta, 2009; Shin, 2016), TMT (Tang, 2017; Walls & Berrone, 2017), and Chief Financial Officer (CFO; Baker, Lopez, Reitenga, & Ruch, 2019; Florackis & Sainani, 2018). For instance, studies have included CEOs' relative power over the board in the context of CEO pay (Elhagrasey, Harrison, & Buchholz, 1998; Ittner et al., 1997; Kalyta, 2009; Shin, 2016) and over CFO, to explore financial reporting process and cash policies (Baker et al., 2019; Florackis & Sainani, 2018). However, it is surprising that studies like these are relatively rare (14%)—most studies we reviewed did not explicitly conceptualize the relative aspects of CEO power despite it being a relative construct. Moreover, scholars lack a consistent way of incorporating the power sources, or dimensions, into their conceptualizations of CEO power. Although there is no consensus in the literature on the sources of CEO power, four commonly referred to sources include structural, ownership, expert, and prestige (Finkelstein, 1992). However, whether and how these sources—or other sources—are incorporated into studies varies widely.

Insights for improving construct conceptualization. To move the field forward, we urge scholars to use more consistent terminology for CEO power across studies. As part of these efforts, it is important to distinguish CEO power from similar constructs. Indeed, terms like CEO dominance and CEO centrality have been used interchangeably with CEO power in research. However, dominance (Sidanius, Pratto, Van Laar, & Levin, 2004) and centrality (Borgatti, 2005) may represent other well-established constructs that are conceptually different from CEO power. For instance, social dominance refers to "the extent of individuals' desires for group-based dominance and inequality" (Pratto, Sidanius, & Levin, 2006: 281).

An individual's centrality may also be understood in terms of a CEO's network and ties, and their activity in the network (Balkundi, Kilduff, & Harrison, 2011).

We also suggest that more attention be paid to the distinction and relationship between CEO power and CEO discretion. Managerial discretion refers to the latitude of action that top leaders have in making strategic choices, which is derived from the degree to which the environment, the organization, and the individual executive characteristics pose constraints for the executive (Hambrick & Finkelstein, 1987). Hambrick and Finkelstein (1987) explain that CEO power is part of the managerial characteristics that can lead to more discretion: The stronger the CEO's power, the more discretion the CEO can have in making strategic decisions because the CEO can leverage their power over others to generate possible courses of action. As such, managerial discretion can serve as the intervening mechanism driving the effects of CEO power on strategic decision-making. However, scholars tend not to include discretion in models of CEO power and rather map right to firm outcomes, as we discuss above under the negative and positive implications of CEO power. We encourage future research to more carefully consider managerial discretion and help shed light on how they might work together to lead to outcomes.

Finally, we recommend that more attention be paid to explicitly conceptualizing CEO power as a relative, multi-dimensional construct. Specifically, we suggest that scholars (a) establish the link between the selection of the referent relative party and the outcome/relationship examined and (b) choose power dimensions (bases) reflective of the relative power over the selected referent party. While the four dimensions outlined by Finkelstein (1992) are well-established, other emerging bases of power may be relevant for CEOs. For instance, as suggested by recent research showing that global leaders attain power through downward deference and social distance reduction (Neeley & Reiche, 2022), respect may be an emerging base of power for CEOs (Clarke, 2011). There may also be other meaningful ways of referring to power sources. For example, some common distinctions include "formal versus informal" (Walls & Berrone, 2017), "position versus personal" (Yukl & Falbe, 1991), and "explicit versus implicit" (Feifei, Jiong, Russo, & Gao, 2022) with formal, position, and implicit power often referring to structural and sometimes ownership power, and informal, personal, and implicit power usually referring to expert and prestige power.

Challenge #2: Using Appropriate Measures and Methods to Study CEO Power

The second challenge we identify involves the wide variability of measures and methods employed in CEO power research. First, we consider measures, as we summarize in Table 5. A common way to measure CEO power is with a single index or a composite measure combining multiple indicators (35% of studies). As shown in Table 5, these indices are developed to capture more general definitional aspects of CEO power (see Panel A) or some, but not necessarily all, of the four key dimensions of CEO power (see Panel B). Another notable observation is that indices have been constructed with anywhere from two to 10 indicators. The other common approach is to measure CEO power by identifying particular indicators and including the indicator on its own or with other indicators, but not combining them.

Whether indicators are combined in an index or used separately in models, the indicators most commonly used to measure CEO power are CEO duality, CEO tenure, and CEO pay slice (CPS), measured as the percentage of the CEO's pay relative to the aggregate pay of the top five executives (see Panel C). Among the CEO power dimensions considered, structural

Table 5
CEO Power Measures

	Number of Articles	Percentage[a]
Panel A: CEO Power Composite by Indicators	133	24.19
Number of indicators used		
2 indicators	14	2.55
3 indicators	54	9.82
4 indicators	32	5.82
5 indicators	22	4.00
6 indicators	9	1.64
7 indicators	4	0.73
8 indicators	1	0.18
9 indicators	3	0.55
10 indicators	1	0.18
Panel B: CEO Power Composite by Dimensions	59	10.73
All Four Dimensions (Structural, Ownership, Expert, Prestige)	25	4.55
4 indicators	7	1.27
5 indicators	4	0.73
6 indicators	1	0.18
7 indicators	1	0.18
8 indicators	10	1.82
10 indicators	2	0.36
Some but Not All Dimensions	37	6.73
Structural, ownership, expert power	21	3.82
Structural, ownership, prestige power	2	0.36
Structural, expert, prestige power	1	0.18
Ownership, expert, prestige power	2	0.36
Structural and ownership power	11	2.00
Expert and prestige power	1	0.18

Panel C: Most Commonly Used Single Indicators	Number of Articles	Percentage[a]
Duality		
As indicator of composite	102	18.55
As indicator of dimension(s)	93	16.91
As single indicator	168	30.55
Tenure		
As indicator of composite	76	13.82
As indicator of dimension(s)	75	13.64
As single indicator	100	18.18
CEO Pay Slice		
As indicator of composite	13	2.36
As indicator of dimension(s)	16	2.91
As single indicator	69	12.55

	Number of Articles	Percentage[a]
Panel D: CEO Power By Dimensions	92	16.73
Structural power	74	13.45
Composite	12	2.18
Single indicators[b]	63	11.45

(continued)

Table 5 (continued)

	Number of Articles	Percentage[a]
Duality	42	7.64
CEO pay slice	7	1.27
Ownership power	54	9.82
Composite	8	1.45
Single indicators[b]	46	8.36
Ownership	38	6.91
Founder and relations to founder	8	1.45
Expert Power	50	9.09
Composite	6	1.09
Single indicators[b]	45	8.18
Tenure	25	4.55
Functional areas	3	0.55
Prestige Power	32	5.82
Composite	6	1.09
Single indicators[b]	27	4.91
Directorship	10	1.82
Elite education	9	1.64

Panel E: Number of Different Indicators for CEO Power Dimensions

Dimensions	Number of indicators
Structural power	37
Ownership power	34
Expert power	27
Prestige power	23

Note. [a]Based on empirical papers ($N=550$). However, we caution the readers that having power indexes with the same *number* of indicators or power dimensions does not necessarily mean they are equivalent. For instance, indexes based on three indicators may include different combinations of indicators and have been constructed using various analytical approaches, such as principal component analysis, among others. [b]Only the top two indicators are listed.

power is the most common (13.5%), followed by ownership (9.8%) and expert power (9.1%), with prestige power being the least frequently captured one (5.8%; see Panel D). There are also differences in the indicators used for each CEO power dimension. For example, we identified 37 different indicators used to measure structural power (see Panel E).

Another issue is that few studies address the potential for reciprocal relationships in their theoretical and empirical models. For example, an often-overlooked reciprocal relationship is between CEO power and firm performance. According to the bargaining power model (Hermalin & Weisbach, 1998), CEOs gain power due to good firm performance. However, there is also evidence suggesting that powerful CEOs can positively impact firm performance. Similarly, there is a strong presumption that CEOs are likely to consolidate their power during their tenure (Hill & Phan, 1991) by gaining greater legitimacy and access to resources, which allows them to perpetuate their power and leads to the development of a sense of "taken-for-grantedness" regarding their power (Ocasio, 1994: 289). At the same time, powerful CEOs are likely to have longer tenure (Allen & Panian, 1982) as they may strive to hold on to their power and retain their positions despite poor performance.

Insights for using appropriate measures and methods to study CEO power. More consensus is needed concerning the most appropriate ways to measure CEO power. Indeed, there are many benefits and drawbacks to the different measurement approaches, as summarized in Table 6. One potential path forward would be to have validation studies shedding light on the type and number of indicators needed to cover the scope of CEO power's domain content. For instance, Walls and Berrone (2017) rely on the CEO's environmental expert power to examine environmental performance. Additionally, to better understand the empirical implications of using different measurements (Morse et al., 2011), future research can use meta-analytic procedures to outline whether effect sizes among different measures of CEO power and outcomes differ.

We also recommend researchers operationalize and share findings that use a variety of CEO power measures (Connelly, Ketchen, & Zhou, 2023), as we believe it will contribute to the cumulative knowledge of the field. For instance, some scholars have incorporated other dimensions of CEO power in supplemental analyses (Haga, Huhtamäki, & Sundvik, 2022). Other studies have adopted a "breakdown" approach by running additional sensitivity analyses relying on the separate dimensions that make up their CEO power measure (Blagoeva, Mom, Jansen, & George, 2020; Boumosleh & Cline, 2023; Krause, Withers, & Semadeni, 2017) or a "build up" approach by combining indicators to measure CEO power dimensions (Lisic, Neal, Zhang, & Zhang, 2016). Additionally, there are sensitivity analyses involving the operationalization of the same measure, such as by changing the cut-off values of percentile scores, using lagged values, dropping off some indicators from the index (Schmid, Altfeld, & Dauth, 2018), and using a different functional form. For example, some studies tease out the distinction between high versus low CEO power based on whether the CEO power index is above versus below industry-year adjusted mean value or based on a CEO's power relative to other periods (Asante-Appiah & Sharma, 2022; Harper & Sun, 2019; Mande & Son, 2012).

Even without research to shed light on the relative merits of different CEO power measures, scholars can be more mindful of how they make measurement decisions. Scholars can take more care to ensure alignment between how CEO power is conceptualized and theorized and how it is measured. We also suggest that the rationale for measures be made explicit. For composite measures, this means providing a rationale for the indicators used. For example, CEO duality may be appropriate for examining the CEO's power over the board but less consequential in measuring the CEO's power over the TMT. Indeed, the CEO pay slice—CEO's pay relative to other TMT members—may be more appropriate for a study of CEO power over the TMT. We also encourage scholars to take into account whether the indicators are formative or reflective (Coltman, Devinney, Midgley, & Venaik, 2008). While there are relative advantages and disadvantages of both formative and reflective measures, scholars have suggested that a formative approach may be more appropriate given that CEO power originates from multiple distinct sources, and that a CEO being powerful on one dimension does not necessarily imply being powerful on all other dimensions (Briscoe, Chin, & Hambrick, 2014; Chin & Semadeni, 2017). Care should also be taken in justifying how the composite measure is constructed (e.g., principal component analysis, standardizing then summing, or averaging).

Finally, given the examples of potential reciprocal relationships discussed above, we urge scholars to consider them in their research. Many theoretical models we examined in the CEO power literature paid little attention to reciprocal relationships and feedback loops

Table 6

Benefits and Drawbacks of CEO Power Measures

Measure	Benefits	Drawbacks
Perceptual Measures	• Provide shared judgments about power among social actors in organizations.	• Subjective, sensitive, difficult to access. • Executives may not be allowed to participate or be unwilling to share their perceptions of power dynamics. • May be vulnerable to response bias and measurement error.
Objective Indicators	• Asses power objectively.	• Provide second-hand information. • Each indicator has its own limitations.
CEO Power Dimensions	• Multi-dimensional aspects of the power.	• Expertise and prestige dimensions may reflect more distal measures of power. Some studies exclude these dimensions. • Some of the excluded dimensions, especially those relating to relational capital, may matter more in country contexts with weak formal institutions.
CEO Power Index/ Composite	• Reflects the multi-dimensional nature of the construct.	• Requires content and indicator specification. • Commonly used indexes vary with respect to number, type of indexes included, and their measurement.
CEO Pay Slice	• Captures (un)observable factors and CEOs' relative power. • Controls for firm-level characteristics. • Captures the actual exercise of CEO power rather than its *potential.*	• May instead be capturing managerial ability or tournament incentives. • Presents conflation issues when studying the effect of CEO power on the compensation of the CEO or TMT members. • Relies on publicly available compensation data; country context and firm types (e.g., international, private, or small firms) may pose constraints on data availability and generalizability. • Pre- and post-2006 EXECUCOMP compensation data are not comparable and require adjustment.
Single Indicators	Easy access	• May not capture the full complexity of power.
Equity	• Relevant to Anglo-Saxon countries and the agency conflicts that may arise from the separation of ownership and control.	• May not be applicable to not-for-profit organizations.
Duality	• Easily accessible.	• May have different applicability across institutional contexts.

among key constructs. More careful theorizing can shed light on the temporal context and the "sequence of events" (Abbott, 1995) that explain CEO power, its implications, and how those implications might have reciprocal effects on CEO power. Moreover, the risks of endogeneity posed by these potential reciprocal relationships should be considered in empirical models as they may influence findings. For example, techniques that have been employed in the CEO power literature include the instrumental variable method (Adams et al., 2005; Bebchuk et al., 2011), propensity score matching, and the difference-in-difference framework utilizing exogenous shocks such as the sudden death of CEOs.

Challenge #3: Contextualizing CEO Power Research Across International Contexts

Another challenge we observed in the literature is that little attention has been paid to contextualizing research findings across different international contexts. To analyze this further, we relied on prior work to cluster country cultures (Ronen & Shenkar, 2013, 2017) and then considered the differences between country clusters in terms of theories (Figure 5) and CEO power implications (Figure 6).

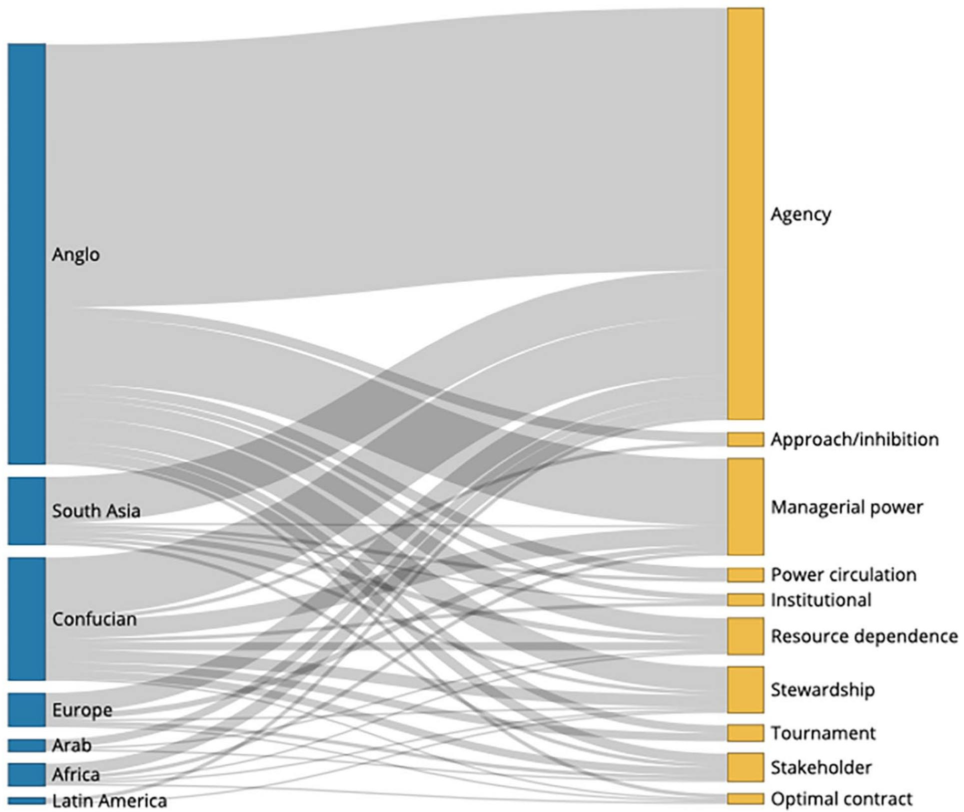
The bands in the Sankey diagram in Figure 5 depict the relationships between clusters and theories. The widths of the bands, which are proportional to the importance of the flow, indicate that agency theory is the prevailing theoretical framework across clusters. The width of the rectangles further reveals that CEO power primarily originates from the Anglo, Confucian, South Asia, and European clusters, with other clusters, such as the Latin American cluster, remaining relatively underexplored. Although not depicted in Figure 5, we also considered the temporal evolution of CEO power across culture clusters. We observed that the dominant clusters in CEO power research, such as the Anglo, the Confucian, the South Asia, and the European, surfaced relatively earlier compared to the African, Arab, and Latin American clusters, which have emerged only recently.

Finally, we analyzed how country clusters have differed with respect to how they have examined the implications of CEO power (see Figure 6). We observed diversified research focusing on the implications of CEO power within the Anglo and Confucian clusters. Notably, firm performance emerges as the implication with the highest percentage within the Confucian, South Asia, Arab, and African clusters, with CEO compensation taking precedence in the Anglo and European clusters. Furthermore, CSR as an implication of CEO power is more prominent within the South Asia, Confucian, and Anglo clusters, respectively.

This area is a challenge because, despite the differences we observed in the studies across country clusters, the influence of international context is rarely incorporated into theory. In fact, only 16.9% of the studies conducted with non-U.S. samples incorporated some elements of national context into hypotheses development. Of the remaining 83.1% of studies, only 59.7% acknowledged national context as a research gap to be filled or expressed motivation to test the generalizability of United States/Western findings in a different setting.

Insights for contextualizing CEO power research in international settings. We encourage scholars to pay more attention to explicitly addressing the international context in future research, and offer some insights into factors they might consider.

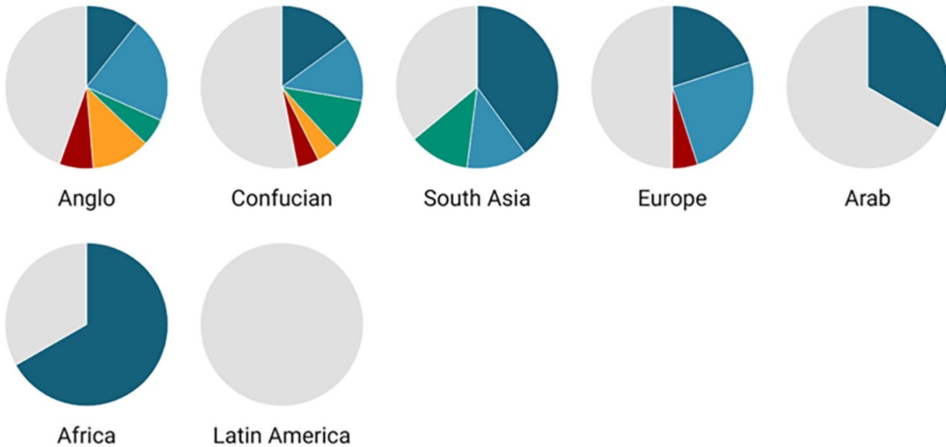
Figure 5
Theories Across Culture Clusters



Note. The "Anglo" cluster includes the United States, the United Kingdom, Canada, and Australia; the "Confucian" cluster includes China, Korea, Singapore, Taiwan, and Japan; the "South Asia" cluster includes Malaysia, Pakistan, India, Indonesia, Bangladesh, and Iran; the "Europe" cluster includes France, Spain, Italy, Netherlands, Germany, Norway, Russia, Finland, Slovenia, Sweden, Switzerland, and mixed samples including European countries; the "Africa" cluster includes South Africa, Uganda, Nigeria, Ghana, Kenya; the "Arab" cluster includes Saudi Arabia, Egypt, and mixed samples including Arab countries; the "Latin America" cluster includes Brazil and samples from Latin America. Excluded from the display are studies with multiple country samples that may encompass multiple clusters. Additionally, studies with samples from Vietnam, Tunisia, Libya, Palestine, Sri Lanka, and Turkey are also excluded. Created by displayr.com.

For instance, CEOs may possess more formal power in countries marked by high levels of hierarchy and power distance (Urban, 2019), where the power gap aligns with the societal norms that accept an unequal distribution of power (Hofstede, 1984). Similarly, there might be a larger power gap between CEOs and other executives in more authoritarian countries such as Russia (Zavertiaeva & Ershova, 2022). Apart from culture, corporate governance models may differentially affect CEO power across countries (Jouber, 2019). For instance, CEO power may be reduced in countries with a two-tier board system (Velte, 2020), which prohibits CEO duality and separates management and control. Furthermore, CEO power may

Figure 6
Implications of CEO Power Across Culture Clusters



Note. The "Anglo" cluster includes the United States, the United Kingdom, Canada, and Australia; the "Confucian" cluster includes China, Korea, Singapore, Taiwan, and Japan; the "South Asia" cluster includes Malaysia, Pakistan, India, Indonesia, Bangladesh, and Iran; the "Europe" cluster includes France, Spain, Italy, Netherlands, Germany, Norway, Russia, Finland, Slovenia, Sweden, Switzerland, and mixed samples including European countries; the "Africa" cluster includes South Africa, Uganda, Nigeria, Ghana, Kenya; the "Arab" cluster includes Saudi Arabia, Egypt, and mixed samples including Arab countries; the "Latin America" cluster includes Brazil and samples from Latin America. In the Anglo cluster, additional dependent variables (DVs) include, among others, firm risk, M&As, and financial irresponsibility. Within the Confucian cluster, other DVs include, among others, innovation, leverage, and environmental performance. The South Asian cluster includes other DVs such as innovation and financial responsibility, among others. Other DVs in the European cluster include risk-taking and debt, among others. In the Arab cluster, other DVs include disclosure tone and auditor. Lastly, the Latin America cluster includes initial public offerings (IPOs) and earnings management.

vary across countries based on the type of shareholders (Cheikh & Loukil, 2012) and ownership concentration (Crossland & Chen, 2013), where a more dispersed ownership structure may afford CEOs more power. In addition, the nationality of the CEO can become a source of power in certain contexts (Van der Laan, 2010).

Scholars might also consider how country-level differences influence the extent to which CEO power is susceptible to contestation. Powerful CEOs may encounter less opposition in certain countries such as China and India, where the concept of "saving face" is critical such that any offense or personal slight is to be avoided at all costs (Kelley, Whatley, & Worthley, 1987: 23). Directors and other executives in such contexts may be less inclined to contest an incumbent CEO, unlike directors in the United States, who might directly confront a CEO to address a disagreement (Urban, 2019).

Differences at the national level can also shape the relevance of different sources of CEO power. In countries where legal restrictions limit CEOs' use of formal power, CEOs may resort to informal power to influence decisions (Hutzschenreuter, Kleindienst, & Greger, 2015). In relation-based countries, like the French business context, CEOs' networks, relationships, and prestige power play a dominant role (Chikh & Filbien, 2011). This is also evident in China and East Asia, where cultural aspects like guanxi (Lovett, Simmons, & Kali, 1999) or filial piety (Cheung & Chan, 2005) may contribute to the centralization of power (Jin, Li, & Liang, 2023). Additionally, diverse political connections can enhance CEOs' power in different countries (Fralich & Fan, 2018; Saleh, Eleyan, & Maigoshi, 2022). Beyond networks, societal norms may render different factors relevant to CEO power. For instance, respect for education and age within society may contribute to CEOs attaining power (Veliyath & Ramaswamy, 2000; Yan, Schiehll, & Muller-Kahle, 2019). Moreover, the national context can influence the availability and accessibility of various types of CEO power data (Chen, Ezzamel, & Cai, 2011; Muttakin, Khan, & Mihret, 2018). Thus, one aspect pertaining to the measurement of CEO power is the cross-country applicability of certain power indicators.

Differences in national context may inform the relationship between CEO power and outcomes, including firm performance. For example, in countries like Italy, which has many small-sized firms, CEO duality could mitigate the agency problem by fostering a stronger identification with the firm, which, in turn, may motivate CEOs to prevent business failure (Ciampi, 2015). Similarly, in countries like China, a concentrated CEO power structure is aligned with the social norms and, therefore, may increase the legitimacy of the organization and positively influence firm performance (Duan & Dong, 2024).

Regarding CEO compensation, although the structures of CEO power and compensation may vary across countries, there appears to be a consensus on the relationship between pay and power. That is, there is a lack of alternative arguments connecting CEO power to lower CEO compensation, possibly rooted in the belief that executives in other countries, under similar ownership arrangements, would be motivated to manipulate their pay if they have the leverage to do so (Barkema & Pennings, 1998: 999). Nevertheless, variations in institutional factors, such as the level of stringency in compensation disclosure requirements, reduced transparency, limited disciplinary actions from the labor market, or diminished external scrutiny by analysts, may enhance the capacity of powerful CEOs to shape executive pay (Lee, 2014; Veliyath & Ramaswamy, 2000). It is important to note that CEO power and different sources of power may have a stronger influence on specific outcomes in certain country contexts, depending on the legal regime, the economic development stage of the country, and cultural issues (Mollah, Al Farooque, Mobarek, & Molyneux, 2019; Switzer, Tu, & Wang, 2018). We encourage further future research to shed light on the nuances of the predictors and outcomes of CEO power across different country contexts.

Challenge #4: Addressing Changes in the Corporate Governance Landscape

The final challenge in our review concerns the dramatic changes in the corporate governance landscape that have taken place, particularly since 2010. These changes included new regulations that were introduced by the Dodd-Frank Act—for example, independent compensation committees, the right for shareholders to cast non-binding votes on executive compensation ("say-on-pay" vote), and a mandate for financial experts to chair audit committees.[4]

Beyond Dodd-Frank, many other changes have occurred due to varied environmental and stakeholder pressures and developments. Some more notable changes include the decline of U.S. firms with CEO duality, the rise in the use of lead independent directors, and the drop in the average number of board seats for each director (SpencerStuart, 2023)—all of which presumably limit CEO power.

Governance changes are only likely to continue. Shareholder activists have been on a steady rise, waging more campaigns for corporate governance reforms in 2023 than in previous years (Christopher, Gez, & Akkoyun, 2023). Some of the key agenda items for these campaigns include more changes in board composition to improve independence and diversity, advocating for limits on executive pay or better pay-performance alignment, challenging the company's strategic direction (e.g., opposing specific merger and acquisition deals), and pressing for better environmental, social, and governance (ESG) policies (for a review of 30 years of shareholder activism research, see Denes, Karpoff, and McWilliams (2017)). As recently emphasized by SEC Commissioner Eli Rolsman, proxy advisory firms (e.g., Institutional Shareholder Services) are also playing an increasing role in governance reforms by advising institutional shareholders on corporate governance matters, particularly issues related to shareholder voting.[5]

Moreover, the media is increasingly serving as an additional governance mechanism, or "watchdog," of top management by limiting the asymmetry of information between management and external stakeholders, which can have both positive and negative effects (Bednar, 2012; Dyck, Volchkova, & Zingales, 2008). For example, media coverage can promote a CEO's reputation and potentially celebrity status (Lovelace, Bundy, Pollock, & Hambrick, 2022) and allow CEOs to command more pay (Nguyen, 2015). On the other hand, the media can draw attention to CEO overcompensation, which can damage the reputation of the firm and CEO and subsequently lead to a decrease in CEO compensation (Vergne, Wernicke, & Brenner, 2018) and possibly CEO dismissal (Bednar, 2012).

The changing corporate governance landscape is a pressing research challenge because these changes have had, and are likely to continue to have, a major impact on CEO power—both in terms of how much power CEOs are able to acquire, as well as in its effects on the CEO and the firm. Over half the studies we reviewed included data from 2010 or later (53.6%), either with samples that are 2010 or later (8.7%) or with samples that span pre- and post-2010 periods (44.9%). However, our overall impression of the literature is that despite having the data to consider corporate governance changes on CEO power, few studies have explicitly done so.

Insights for addressing the changes in the corporate governance landscape. We urge research to consider how the changing corporate governance landscape is affecting CEO power and how it might shape what we know about CEO power from the literature. We specifically recommend that research adopt a more temporal perspective to study CEO power. Select studies (particularly in finance) have considered the impact of the Dodd-Frank regulations (Lisic et al., 2016), but the findings are mixed and focus little on CEO power specifically. Scholars might consider conducting meta-analyses comparing periods pre- and post-2010 periods to see whether the effect sizes of examined relationships are different and in what ways, as well as the mean values of CEO power. Additionally, while corporate governance changes have relatively consistent effects across firms, shareholder activism and media may pay more attention to certain sectors or firms over others. One path to unpacking

how these forces affect CEO power would be to monitor CEOs' moves in the labor market and whether they are influenced by a quest to secure more power.

Future research on CEO power with more recent sampling periods that address research questions that are especially relevant in light of corporate governance changes may also be promissing. At the most fundamental level, it would be helpful to address how much power CEOs have and from what sources (e.g., structural, ownership, expert, prestige). Given the mounting governance pressures on CEOs, it would also be interesting to consider how CEOs exert their power and whether they are perhaps more likely to employ covert rather than overt ways. Scholars may especially consider how and to what degree the CEO is able to exert influence over the board, and whether that depends on factors such as whether there is CEO duality, a lead outside director, and whether the CEO is the lone insider on the board.

Another insight for research is to "flip the script" and focus more research on the loss of power by CEOs. Despite the substantial research on powerful CEOs, we comparatively know much less about what powerless or less powerful CEOs do. Similarly, there has been limited attention to what has been called "hamstrung" CEOs, modestly powerful CEOs (Tang, 2020), or related concepts that refer to the reduction of CEO power, such as power decentralization (Cao, Simsek, & Zhang, 2010). The extant research focus on high-power CEOs has contributed to a one-side theory building and knowledge accumulation. Given the changing corporate governance landscape, CEOs may find themselves in less powerful positions relative to the board, other executives, and the government. Yet, predictions and testing in the extant literature rely on powerful CEOs. Although some studies touch upon level issues in CEO power, presuming that low-power CEOs will act in opposite ways to high-powered CEOs is not warranted, and both low- and high-power CEOs may act in similar ways and choose similar actions (Schaerer, Du Plessis, Yap, & Thau, 2018).

Discussion and Broad Research Directions

We began our review with the premise that CEO power is an important area of study with growing relevance across multiple disciplines. CEO power is an enormous literature: We identified 580 articles published across multiple disciplines and studied in over 40 countries, and there is exponential growth in the number of articles published each year. We also noted broad intellectual interest in CEO power, with various topics and major research streams examined that have advanced the understanding of CEO power. In particular, there has been a great deal of advances made in understanding the negative and positive implications of CEO power. Nevertheless, our review also points to four fundamental challenges that cut across the majority of CEO power studies and potentially compromise the contributions and generalizability of the literature. For each challenge, we present insights that we believe are promising avenues for future research in the areas of CEO power conceptualization, measures and methods, international context, and the changing corporate governance landscape. In this discussion, we offer additional future research directions that we believe have a strong potential for contributing to the literature.

One broad research direction that we believe is especially promising is to investigate whether, under which conditions, and to whom powerful CEOs listen and take advice. Scholars have argued that "CEOs should listen to anybody—inside or outside the company who has a potentially good idea about any subject relevant to the company's mission" (Locke, 2003: 232). However, there is some suggestion that the most powerful may not listen or take

advice as readily as those less powerful (Lammers & Galinsky, 2009). Indeed, the typical characterization of a board and TMT dynamic in the presence of a powerful CEO indicates that the CEO often faces opposing views from others and that the CEO's method of resolving such conflicts is to exert their power to steer the decision-making. Therefore, powerful CEOs are implicitly viewed as unwilling to listen to or consider the views of others. Future research can explore the influence of CEO power on CEOs listening and advice-taking, such as under which conditions powerful CEOs listen and attend to the market (Chikh & Filbien, 2011) and employee feedback (Dube & Zhu, 2021). Additionally, researchers can explore how CEO power affects the way the CEO listens and gathers input from the TMT or, more broadly, how it affects TMT-level power dynamics that affect how well the team works together (Simsek, Veiga, Lubatkin, & Dino, 2005). Contrary to suggestions in the literature, it may be that powerful CEOs feel more secure in their positions and less defensive of opposing views, and thus more willing to listen and gather input from others.

Additionally, it would be interesting to examine whether and how CEO power relates to less distal outcomes that serve as mechanisms influencing firm performance, such as organizational culture, employee satisfaction, and commitment, (Berson, Oreg, & Dvir, 2008; Surroca, Tribó, & Waddock, 2010; Warrick, 2017). In particular, focusing on how CEO power influences organizational culture represents an underexplored research terrain and a timely issue with practical importance. Indeed, a recent survey of North American executives reports that most executives (84%) believe their company needs to improve its culture (Graham, Grennan, Harvey, & Rajgopal, 2022), and findings from employee surveys reveal that employees are willing to give up a portion of their annual earnings (i.e., 1.7% or $1,159/year) to have a one standard deviation increase in their organizational culture (Makridis, 2018).

Given that significant research has shown that the "possession of power has metamorphic effects" on individuals (Lammers & Galinsky, 2009: 67), another possible future research direction is to examine whether power spills over to CEOs' personal lives and their off-the-job behavior and decision-making. For instance, scholars may examine whether CEO power affects personal risk-taking such as legal infractions (Davidson, Dey, & Smith, 2015), indiscretion (Griffin, Kruger, & Maturana, 2019), traffic violations (Mironov, 2015), and tax evasion (Chyz, 2013). CEO power may also influence their well-being and health. For instance, scholars may test competing arguments about whether powerful CEOs "enjoy the quiet life" (Bertrand & Mullainathan, 2003) or experience increased job demands (Hambrick, Finkelstein, & Mooney, 2005) that may benefit or harm them (Foulk & Lanaj, 2022).

How CEO power influences stakeholder perceptions and evaluations is another promising research direction. Some evidence suggests that investors are leery of powerful CEOs. For example, Graham, Kim, and Leary (2020) found that markets respond positively to the death of powerful CEOs. They interpret their findings as being consistent with the argument that "powerful CEOs can become entrenched or extract excess pay, and thus removing these CEOs (which presumably would have been costly without a death occurrence) would increase shareholder value" (p. 634). Consistently, there is evidence suggesting that firms with powerful CEOs may become the targets of lower valuations due to the perception that such firms suffer from weak governance (Cheng, Gao, Lawrence, & Smith, 2014). Scholars can build on this work and extend it to consider perceptions of other stakeholder groups, such as how employees' feelings about the desirability of the workplace or customers' brand loyalty are affected by CEO power.

Despite the public outcry and significant research highlighting adverse outcomes associated with CEO power, our review reveals that there is much less academic interest in understanding the determinants of CEO power. It would be interesting to know to what extent external pressures such as those we reviewed (e.g., regulations, shareholder activism, and media) are sufficient mechanisms to ensure CEOs do not abuse power. There is also an opportunity for future research to examine individual-level predictors of CEO power, such as CEO personality (e.g., narcissism), or group-level predictors (e.g., the nature of the TMT or board).

In addition to serving as a determinant of power, the nature of the CEO may also affect how CEOs construe and exercise power. For example, in line with research suggesting that CEO power may not be damaging when CEOs are self-disciplined in their use of power (Tang, 2021), scholars might consider CEO characteristics that help associate CEO power with positive outcomes. One particular characteristic worth exploring is CEO values. Values represent trans-situational motivational goals, and their relative importance guides human behavior (Schwartz, 2006). Understanding values may help reconcile the positive and negative faces of CEO power, such as when powerful CEOs prioritize other-oriented values, such as benevolence. Similarly, scholars can consider the underlying motivations of CEOs and distinguish between personalized versus socialized power (McClelland, 1970), with personalized power concerned with seeing life through a "zero-sum game" and seeking to win over others, and socialized power focused on benefitting others and ambivalence over holding power (McClelland, 1970). It may be that CEOs who are powerful do not necessarily use that power to influence others, or use it in different ways based on different motivations. It may also be that CEOs' use of power shifts over time based on different motivational factors. Furthermore, research tends to adopt a "power corrupts" perspective (Acton, 1907). It may be that CEO power is more complicated than what a "power corrupts" construal suggests, and that perhaps a "power reveals" approach (Caro, 2009), or power as a responsibility versus opportunity construal, is more appropriate. (Foulk, Chighizola, & Chen, 2020). Put differently, we suggest that future research further explore the positive effects of CEO power.

Future research may also consider the extent to which board independence constrains CEO power. In the Anglo-American domain, most boards are populated by outside directors with only the CEO and possibly one other executive as inside directors. However, board independence may not necessarily lead to automatic monitoring by the board as different barriers "may hinder effective obtaining, processing, and sharing of information" (Boivie et al., 2016: 12). One such barrier is norms of deference within the board (Boivie et al., 2016). Based on social norms in a board where deference to CEOs prevails, directors might be disinclined to voice opinions, which will constrain directors' quality of monitoring (Westphal & Zajac, 2013). As we discussed under the third pressing challenge above, the deference to the CEO might be even stronger in some country contexts, limiting directors' motivation to contest a powerful CEO. Furthermore, board independence often leads to informational dependence on the CEO (Zorn, Shropshire, Martin, Combs, & Ketchen, 2017) as CEOs determine the information that the board of directors receives (Lorsch & Young, 1990). For instance, Joseph, Ocasio, and McDonnell (2014) challenge the assumption that powerful CEOs will always prefer insider directors by examining the likelihood of adopting a structure with the CEO as the lone insider. They found that boards with CEOs as lone insiders are more likely when the CEO has greater formal power, which may be preferable to powerful CEOs because it allows an information brokerage position and helps them eliminate potential internal contestants for

power and position. In a consistent fashion, Baldenius et al. (2014: 64) note that “the CEO at times has incentives to appoint a board that is excessively focused on monitoring. Such a board is less likely to generate incrementally new information and, therefore, more willing to delegate decision-making power to the CEO.”

Finally, another intriguing avenue of research is to elucidate the bases of power that may be more pertinent in the changing business environment. For instance, it has been recently reported that leaders who exert their structural power through coercive tactics to urge employees to return to working from the office versus home are triggering organizational culture issues, which suggests that other, more personalized approaches to exerting power may be more successful at creating a positive culture (Sherman, 2022; Tsipursky, 2023). Moreover, there may be different ways of focusing on sources of power. While often dealt with under expert power, it may be fruitful to focus on technical expertise as a source of power given the influence of digital technologies and artificial intelligence (AI) in shaping power dynamics. For instance, recent responses from an international survey of 1,559 leaders indicate that nearly 20% of the participants view digital transformation as “a threat to current power structures” (Fitzgerald, Kruschwitz, Bonnet, & Welch, 2014). Evidence indicates that digital tools influence power dynamics in all types of organizations (Cortellazzo, Bruni, & Zampieri, 2019). It would be interesting to address questions such as how digital technology and AI adoption would shape the distribution of power, what kinds of skills, training, and mindsets would lead to power, and how it would change the unification collaboration patterns.

Limitations

Before concluding, we want to acknowledge that our review is not without limitations, and we discuss three limitations here. First, while we have performed a comprehensive search to identify relevant articles, one potential limitation of our work is that we excluded research on TMT power and board power. It may be that TMT and board power are related to the inverse of the relationships we observed in CEO power research, which would be interesting to explore. Second, we excluded studies that used CEO power as a control. In so doing, we likely have not captured in our review all of the different operationalizations and measurements of CEO power in the literature. A third limitation is that we provided representative examples but did not systematically inventory or quantify all of the analytic approaches employed both to examine hypothesized relationships (e.g., regression techniques) or construct CEO power indices (such as PCA, standardization, and aggregation).

Conclusion

The literature on CEO power is vast and gaining speed, with an exponentially growing number of published works spanning decades, disciplines, and countries. As we discuss, scholars have addressed a plethora of topics and pursued several major research streams. However, with growth often comes growing pains. Our review reveals that the greatest sources of pain for the CEO power literature are an inconsistent and unclear conceptualization of the CEO power construct, a lack of consensus on how to measure and analyze CEO power, inattention to contextualizing CEO power in international contexts, and a pressing need to address the changing corporate governance landscape in CEO power research. The fundamental nature of these pressing challenges necessitates serious consideration, and we

provide a number of insights into how the challenges can be addressed. By doing so, we hope we help clear a path for scholars to meaningfully advance the field further and start to address the exciting new directions for future research, including but not limited to the many new research directions we suggest.

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Notes

1. While Heavey et al. (2022) studied a different topic—executive confidence—their list of 60 journals is applicable to CEO power as they represent journals that regularly publish articles on executives. See Appendix A for a list of keywords, which is presented along with our other appendices, at https://osf.io/dc3yb/?view_only=f7ec765884df43e6906ce0cbef6edc00
2. Shiny, a free and open-source R package, is used to develop web applications using R (see https://www.rstudio.com/products/shiny/)
3. To construct this network, we first extracted bibliometric data from 370 articles on the Web of Science (WoS). We complemented this dataset by manually extracting and incorporating author keywords for studies not indexed in the WoS into a single format (Donthu, Kumar, Mukherjee, Pandey, & Lim, 2021). We normalized author keywords (He, 1999) by integrating plural and singular forms keywords (e.g., CEO and CEOs) and synonyms and conceptually equivalent keywords (e.g., CEO power and powerful CEOs are integrated into CEO power). A total of 792 unique keywords were obtained from 481(82.93%) articles with author keywords.
4. https://www.sec.gov/news/speech/2012-spch060912ljshtm
5. https://www.sec.gov/news/statement/roisman-proxy-advice-20211117

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