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Pay for beauty? A Contingent Perspective of CEO Facial Attractiveness on CEO Compensation

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**Abstract**

The physical attractiveness stereotype maintains that what is beautiful is good. Does this also apply to Chief Executive Officers (CEOs) and influence their compensation? There are numerous debates on CEO compensation, and scholars have long been interested in understanding the factors that impact CEO compensation. Of the empirical studies investigating the antecedents of CEO compensation, little attention has been paid to CEO facial attractiveness. Drawing mainly from the physical attractiveness stereotype, we argue that CEO attractiveness increases CEO compensation, and the effect becomes stronger when the CEO has worked as a CEO in other firms, but weaker when the CEO is female or works for a high-technology firm. We tested our hypotheses by coding facial attractiveness for all CEOs in S&P 500 firms over 10 years (861 CEOs and 4,395 firm-year observations). Results partly support our predictions and show that the effect of CEO facial attractiveness on compensation is not only robust but also economically significant. Moderating effects were found using prior CEO experience and high tech industry as moderators. However, we found no moderating effect of CEO gender on the relationship between CEO facial attractiveness and compensation. This study suggests that CEO compensation is not an entirely rational process, and compensation committees appear to be biased in favor of beautiful individuals.

*Keywords*: physical attractiveness stereotype, beauty, CEO compensation, high-tech industry

**Pay for beauty? A Contingent Perspective of CEO Facial Attractiveness on CEO Compensation**

Researchers and practitioners alike have debated whether executive compensation is excessive, equitable (Nichols & Subramaniam, 2001), and even moral (Joutsenvirta, 2013, p. 463). In this paper, we examine whether the chief executive officer (CEO) compensation is influenced by CEO facial beauty, a factor that is theoretically unrelated to a CEO’s job-related knowledge to get the job done. We propose that CEO compensation is not an entirely objective or rational process because it is biased by beauty, and we find that firms do tend to be biased in favor of attractive CEOs. Moreover, we investigate three important moderators: CEO gender, prior CEO experience, and whether the CEO works in the high-tech industry.

Research has found that attractive workers (those who conform to norms of beauty regarding appearance, grooming, and facial features) will receive favorable treatment in the workplace and greater compensation (Hamermesh & Biddle, 1994; Hosoda, Stone-Romero & Coats, 2003; Judge, Hurst & Simon, 2009; Scholz & Sicinski, 2015). All else being equal, the wages of people with above-average beauty will be 10 to 15 percent higher than that of workers with below-average beauty. The economic impact of the beauty premium is comparable to that of race and gender gaps in the United States (U.S.) labor market (Mobius & Rosenblat, 2006). Controlling for a large set of variables such as IQ, family background, personality, confidence, and high school activities, Scholz and Sicinski’s (2015) longitudinal study not only confirms the existence of a beauty premium but also reveals that the effect has an enduring influence on future earnings. Studies in psychology also conclude that people judge others based on attractiveness and that attractive individuals will receive more positive judgements than less attractive people (Eagly, Ashmore, Makhijani, & Longo, 1991; Langlois, Kalakanis, Rubenstein, Larson, Hallam, & Smoot, 2000).

 These findings on the relationship between beauty and favorable outcomes such as pay, however, mainly draw samples from average employees or students. The findings about the beauty premium may not generalize to the highest-paid individuals, like CEOs, since CEO compensation differs from the average rank-and-file worker pay in various ways. First, CEO compensation of S&P 500 index firms is much higher than that of rank-and-file workers. According to Hembree (2018), a typical CEO made 20 times the salary of the average worker in the 1950s, but this number increased to 361 times in 2018. Second, the compensation committee of the board of directors oversees CEO compensation by considering many factors such as firm performance and CEO compensation of comparable firms. As such, it is not surprising to see scholars overlook CEO attractiveness as a factor affecting CEO compensation.

Investigating the effect of attractiveness on CEO compensation, however, is not only theoretically interesting but also practically relevant, since CEO compensation has long attracted attention from researchers, media, and practitioners, and has been a topic of heated debates (Bebchuk & Fried, 2004). Thus, the present paper makes several contributions to the literature. First, by focusing on the beauty premium argument for pay as opposed to the traditional arguments on using pay to align incentives, this study answers calls to examine alternative theoretical perspectives of CEO compensation (Devers, Cannella, Reilly, & Yoder, 2007; Gomez-Mejia & Wiseman, 1997). Scholars draw almost exclusively from economic (e.g., agency theory), social-psychological (e.g., social comparison), and political theory (e.g., CEO power) to examine the determinants of CEO compensation (Finkelstein, Hambrick, & Cannella Jr., 2009). Yet, CEO attractiveness has been underexplored as a predictor of compensation despite indirect evidence suggesting a beauty premium for CEOs. For instance, research shows that CEO facial appearance influences company profits (Rule & Ambady, 2008; Wong, Ormiston, & Haselhuhn, 2011). The present study advances the literature on CEO compensation by providing a different theoretical framework. Further, we contribute to extant research on the beauty premium by extending the argument to the CEO level as well as longitudinally investigating the consequences of attractiveness (Langlois et al., 2000).

Moreover, we enrich the study by introducing three conceptually meaningful moderators on the relationship between CEO beauty and compensation: CEO gender, prior CEO experience, and whether the CEO works in the high-tech industry. Specifically, we propose one factor that enhances the beauty premium (having prior CEO experience) and two factors that mitigate it (being a female CEO and working in high-tech firms). Using CEOs from Standard and Poor’s (S&P) 500 firms over a 10-year period, we test the impact of CEO attractiveness on their wages and examine our predictions that CEOs with previous CEO experience may be able to leverage their attractiveness better than others with no experience. We also test our prediction that the physical attractiveness stereotype leading CEO attractiveness to influence CEO compensation is less applicable to high-tech industries that rely heavily on innovation compared to other industries. In sum, this work expands the nomological network pertaining to the beauty premium of CEOs by taking into account both CEO-level and firm-level characteristics.

**Theory and Hypotheses**

**Facial Attractiveness and Pay**

Eminent philosophers, as well as regular people, acknowledge the importance of beauty. For instance, Aristotle said that personal beauty was a better introduction than any letter, whereas a Miami man’s statement in 2003 about his reason for committing crimes was “I am too ugly to get a job” (Mocan &Tekin, 2010: 15). Although we frequently hear three age-old maxims: beauty is in the eye of the beholder, never judge a book by its cover, and beauty is only skin-deep, studies in economics as well as psychology have demonstrated otherwise. The magnitude of beauty effects is not only the same as or larger than that of other social variables, but also robust and practically significant (Hamermesh & Biddle, 1994; Langlois et al., 2000; Scholz & Sicinski, 2015). All else being equal, participants judged attractive people more favorably than unattractive people, and trait and behavioral differences between attractive and unattractive people exist (Langlois et al., 2000).

 The physical attractiveness stereotype is simple: what is beautiful is good (Dion, Berscheid & Walster, 1972). Scholars have long used social stereotypes to explain the beauty premium. Zebrowitz (1997) suggested that social stereotypes create a beauty benefit through multiple causal mechanisms. First, facial attractiveness elicits social stereotypes or expectations for attractive and unattractive targets. Second, these stereotypes of perceivers will trigger differential judgment and treatment for attractive and unattractive targets. Third, based on differential judgment and treatment, these attractive and unattractive targets will develop different behaviors. Finally, attractive and unattractive individuals will internalize these judgments and treatment, even to formulate distinctive behavior and self-views. A meta-analysis shows that there are positive stereotypes associated with beauty (Eagly et al., 1991) and experiments in labor economics confirm the impact of stereotypes on the beauty premium in pay (Mobius & Rosenblat, 2006). Beauty stereotypes influence employers’ beliefs such that employers wrongly expect attractive employees will perform better than unattractive ones. Studies have shown positive relationships between attractiveness and self-confidence (Judge et al., 2009), and individuals who appear to be self-confident have more influence over others, tend to have better interpersonal relationships, elicit more respect, and tend to be high performers (Guillén, Mayo & Karelaia, 2017). Attractive individuals internalize favorable treatment and judgment by showing higher levels of confidence and better social and communication skills, which are important in increasing their compensation.

**CEO Attractiveness and Compensation**

 Scholars have explored many factors that influence CEO compensation. However, limited attention has been devoted to investigating the relationship between CEO beauty and compensation, mostly because the executive compensation literature has been historically dominated by economic theory. The positive relationship between CEO compensation and firm performance supports an agency theory approach by aligning CEO compensation with firm performance (Nyberg, Fulmer, Gerhart, & Carpenter, 2010). In various review articles on executive compensation (Devers et al., 2007; Gerhart, Rynes, & Fulmer, 2009; Gomez-Mejia & Wiseman, 1997), CEO attractiveness is not considered to be a factor that can influence CEO compensation. In fact, the large amount of literature on CEO compensation that does not treat CEO beauty as a factor influencing CEO compensation leads scholars to believe that CEO beauty may be an irrelevant factor to explain CEO compensation.

We propose something different and predict that beauty stereotypes will be as important as those factors reviewed in determining CEO compensation for the following reasons. First, the informational value of a face is positive and non-zero, and attractive individuals will be rewarded by the labor market. According to Eckel and Petrie (2011), seeing the photograph of a target (i.e., his/her face) provides information that helps perceivers develop expectations about the target’s behaviors. As such, important firm stakeholders may be affected by the appearance and the attractiveness of CEOs when forming expectations about them. It has been suggested that attractiveness is rewarded because people develop beliefs that attractive individuals will deliver better performance such as enhanced productivity (Scholz & Sicinski, 2015). Hatfield and Sprecher (1986) argued that the physical attractiveness stereotype could be a self-fulfilling prophecy whereby teachers believe attractive children to outperform in school and devote more attention to kids who are perceived to have better potential. In the labor market, employers are likely to infer unobserved characteristics such as intelligence, work ethic, or performance of individuals based on observable characteristics such as attractiveness (Mobius & Rosenblat, 2006). Similarly, directors may develop expectations that better looking CEOs will have work ethic and can enhance firm performance, thus rewarding those CEOs with more compensation.

Second, as the personal exchanges between the CEO and other firm stakeholders determine CEO compensation (Pandher & Currie, 2013), social psychological factors like friendship and stereotypes will play important roles (Bebchuk & Fried, 2006). In face-to-face interactions, attractive CEOs are more likely to elicit beauty stereotypes, thereby receiving positive treatment and judgment by perceivers like board directors (Langlois et al., 2000). In fact, because of consistent positive treatment for attractive individuals throughout their lifetime, these people tend to have appealing personality traits, such as higher levels of confidence and better communication skills, which are important for obtaining higher wages (Mobius & Rosenblat, 2006; Scholz & Sicinski, 2015). To reduce the beauty premium, scholars have suggested that employers should prevent oral interaction with attractive candidates (Mobius & Rosenblat, 2006). However, CEO candidates will have multiple interviews with the firm and existing CEOs always interact with the board such that it is more likely for better looking CEOs to extract a beauty premium by obtaining higher compensation. Thus, based on the beauty premium argument, we propose the following hypothesis.

*Hypothesis 1: CEO attractiveness will be positively related to CEO compensation*.

Just like the relationship between firm performance and CEO compensation is contingency-driven, the relationship between CEO attractiveness and CEO compensation also depends on internal and external factors. As for the internal factors, we argue that CEO gender and prior CEO experience will moderate the extent to which attractive CEOs enjoy their beauty premium. In regards to the external factor, we propose that CEO attractiveness will be less important in affecting CEO compensation in high-tech firms because these firms are more likely to align CEO compensation with firm-level outcomes such as innovation output.

**The Moderating Role of CEO Gender**

Although being attractive will yield positive outcomes for CEOs including high pay (Judge et al., 2009), this effect may not be uniform across genders. Extant research on the impact of attractiveness on personnel decisions has argued that, unlike men, beautiful women may actually be disadvantaged due to their beauty, especially if they are in a managerial role (Heilman & Saruwatari, 1979; Heilman & Stopeck, 1985a; 1985b). For instance, Heilman and Saruwatari (1979) found that individuals perceived female job applicants who were attractive as more qualified than their unattractive counterparts only when they were being considered for a nonmanagerial position, but not for a managerial position. The same pattern of results appeared when those applicants were being recommended for hiring. However, attractiveness was always a benefit for men, regardless of the position type. Heilman and Stopek (1985b) demonstrated that attractive women in managerial jobs were rated lower on performance evaluations, promotability, and appropriateness on a pay raise compared to unattractive women, while attractiveness consistently led to positive evaluations for men. Taken together, beauty can become a liability rather than an asset for women in leadership roles that are typically associated with masculinity (Koenig, Eagly, Mitchell, & Ristikari, 2011).

Attractiveness may have these differential effects for men and women because it strengthens gender stereotypes (Cash, Gillen, & Burns, 1977; Heilman & Saruwatari, 1979). In other words, good-looking women are perceived as more feminine than unattractive women while good-looking men are regarded as more masculine than unattractive men. Therefore, in male-dominated jobs or in positions in which success is defined by masculine attributes, attractive women will show greater lack-of-fit between the person and the job compared to unattractive women (Heilman, 1983; Heilman & Stopeck, 1985a). As a result, attractive women are likely to be disadvantaged in work-related outcomes such as pay in masculine roles. In contrast, attractive men will gain the most as their heightened masculinity will match the gendered requirements of the job. Even though these arguments have not yet been examined directly at the CEO level, they are highly relevant to CEOs. A CEO position, at the very pinnacle of the organization, is the highest level of leadership anyone can assume. Thus, CEO jobs are prototypically masculine and are occupied predominantly by men (i.e., only 5.8% of S&P 500 companies are led by women; Catalyst, 2020). As a result, attractive female CEOs are likely to be perceived as lacking fit for the role while this will not be the case for attractive male CEOs, which will make the magnitude of the beauty premium weaker for women compared to men.

*Hypothesis 2*: *CEO gender moderates the positive relationship between CEO attractiveness and CEO compensation such that the relationship is weaker for female CEOs than for male CEOs*.

**The Moderating Role of Prior CEO Experience**

We also propose that prior CEO experience will positively moderate the relationship between CEO attractiveness and CEO compensation for two reasons. First, the supply and demand nature of the CEO labor market will enable CEOs with prior experience to have more bargaining power, making them more effective in leveraging their attractiveness for higher compensation. There are a limited number of candidates who have prior CEO work experience. Given the lower supply of individuals with prior CEO work experience, candidates with such experience should have greater bargaining power to demand more compensation because they have already displayed directly relevant job experience. Previous research lends support to this notion by empirically finding that newly hired CEOs with prior CEO experience receive higher compensation than those without prior CEO experience (Bragaw & Misangyi, 2017). Of this small portion of CEOs with relevant work experience, it is even harder to find better looking CEOs who are believed to possess many favorable unobserved characteristics. Overall, since there is a much smaller proportion of CEOs who have both relevant work experience and more attractiveness, we argue that attractive CEOs who also have prior CEO work experience will obtain higher compensation than attractive CEOs who do not have prior CEO work experience.

Second, prior CEO experience speaks to a person’s qualifications to be CEO and such a proven record reinforces perceptions of compensation committee members that the particular person can deliver better performance. Although the physical attractiveness stereotype leads individuals to link attractiveness with many favorable unobservable characteristics, there is a lot of uncertainty about whether attractive CEOs can truly enhance firm performance. In fact, research has shown that physical attractiveness does not raise *actual* productivity, but only raises employers’ productivity *estimates* (Mobius & Rosenblat, 2006). For attractive CEOs with prior CEO experience, prior CEO experience serves as an important observable characteristic that reduces uncertainty by reassuring expectations that physical attractiveness improves firm performance (Graffin et al., 2013). To the contrary, for attractive CEOs without prior CEO experience, more objective qualifications should be the focal point when considering their compensation, because these individuals do not have experience as a CEO. While attractiveness may give them some advantage, the effects of attractiveness should not be as helpful for people without CEO experience because their qualifications for the job may be called into question, thus reducing the positive effect of attractiveness on CEO compensation.

Overall, attractive individuals with prior CEO experience should be able to secure higher compensation compared to less attractive individuals with prior CEO experience because of the supply and demand nature of the labor market and the uncertainty reduction function of relevant experience. We propose the following hypothesis.

*Hypothesis 3*: *Prior CEO experience moderates the positive relationship between CEO attractiveness and CEO compensation such that the relationship is stronger for those with prior CEO experience than for those without prior CEO experience*.

**The Moderating Role of High-Technology Industry**

 The literature has emphasized the importance of understanding the contextual factors that affect CEO compensation design (Devers et al., 2007). Unlike firms in other industries, high-technology firms that have R&D activities have different needs and preferences, which will moderate the positive relationship between CEO attractiveness and CEO compensation. We argue that the positive relationship between CEO attractiveness and CEO compensation will be weaker in high-tech firms than in other firms for the following reasons.

First, in high-tech firms, there is a greater likelihood for firms to decouple CEO compensation with other factors (e.g., CEO attractiveness) so that these firms can reward CEOs for the indicators of innovation activities, such as R&D investment and patents (Makri, Lane, and Gomez-Mejía, 2006). These activities are important for CEOs to have the ability to introduce breakthrough innovation that is crucial to achieving a sustained competitive advantage (Ahuja & Lampert, 2001). However, investing in innovation is inherently risky and uncertain because it may hurt firm performance in the short-run. Hence, aligning CEO compensation with short-term firm performance will discourage CEOs from investing in uncertain activities, like innovation, which might be detrimental for these firms in the long-run because of an inability to introduce novel technologies. Supporting the above argument, Balkin, Markman, and Gomez-Mejía (2000) demonstrated that innovation and R&D activities influence both long-term and short-term CEO compensation in high-technology firms. In another study, Makri et al. (2006) found that while high-tech financial performance affects CEO bonuses, invention-related behavioral outcomes such as scientific investment strongly influence CEO total compensation. Because shareholders care most about innovation output and can influence future investment (Balkin et al., 2000), the dynamic nature of innovation calls for entrepreneurially minded executives who can show individual initiative that can increase long-term performance. Therefore, in high-tech firms, investors will pay close attention to whether the CEO can introduce breakthrough technologies. Such an outcome-oriented tradition in high-tech firms will reduce the effects of CEO attractiveness stereotypes on CEO compensation.

Second, high-tech firms are known to be proactive in challenging taken-for-granted traditions. For instance, it is conventional to see formal attire in banking and service industries when a CEO addresses shareholders or talks to the media. However, examples in the media indicate that appearance and formal attire are downplayed by many in high-tech firms. For example, it is common to see CEOs in high-technology firms wearing casual clothing in otherwise formal settings such as introducing new products or accepting media interviews. According to one report, the dress code for engineers in Silicon Valley is jeans and a t-shirt (Kim, 2014), and in fact, this is what Facebook CEO, Mark Zuckerberg, wears even in his professional headshot photo (https://www.facebook.com/zuck). Given this, we argue that high-tech firms will also downplay the importance of attractiveness in deciding CEO compensation packages. Overall, although more attractive CEOs may receive better compensation than their less attractive counterparts, the effect of attractiveness on CEO compensation should be weaker in high-tech firms, because these firms prioritize CEOs’ entrepreneurial ability to innovate over other factors including CEO attractiveness, and high-tech firms are more likely to challenge taken-for-granted assumptions about the positive outcomes of facial attractiveness.

*Hypothesis 4*: *The positive relationship between CEO attractiveness and CEO compensation will be weaker for high-technology firms compared to other firms*.

**Method**

**Sample and Variables**

We are interested in whether facial attractiveness plays a role in determining CEO compensation. Hence, we used the 2013 S&P 500 list to identify the largest 500 public firms in the US. We tracked CEOs of these firms for 10 years, from 2004 to 2013. Overall, we were able to identify all 967 CEOs over these years. We collected compensation data from Execucomp, firm-level controls from Compustat, and individual-level experience of CEOs from BoardEx.

 **CEO compensation**. Following the literature (Custódio et al., 2013; Patel, et al., 2018), we used Execucomp’s total compensation as our compensation measure (Execucomp item TDC1). This variable was measured at time *t* and our control variables are measured at time *t-1*. As is standard to measure CEO compensation, total compensation includes salary, bonus, stock options, other long-term incentives, and all other types of cash compensation paid in a particular year (Patel, et al., 2018). For our main analyses, we rescaled CEO compensation to millions of dollars. As a robustness check, since wage distribution is a skewed variable and can have extreme values (Gerhart et al., 2009), we took a natural logarithm transformation of total compensation to reduce skew. Additional regression analyses showed that the main findings are robust using the log transformed total compensation measure.

**CEO attractiveness**. The research team searched for photographs of CEOs through Google searches, company websites, and online company documents. Our goal was to find professional headshots of each CEO displaying their head and shoulders/torso, with the CEO facing the camera and wearing professional attire. The photos were cropped to the same pixel height and width across all photos, so they were a consistent size.

We created 85 web surveys in 2016, each of which included 10 to 13 CEO headshots. The 967 CEOs were randomly assigned to be in one of the 85 surveys so that the order of the photos would be random. The 85 surveys were then administered to 605 participants, resulting in 5 to 9 participants (with an average of 7 participants) rating each photo. Participants were randomly assigned to complete one survey. Study participants were enrolled in business classes (executive education, full-time MBA, and undergraduates who came primarily from an institution with an older than average student body) at three universities located in three different regions of the United States. Participants were invited to complete an online survey via email, either on a volunteer basis or as part of a class assignment to earn course credit. They were asked to look at each CEO’s photo and rate different characteristics, including CEO attractiveness.

Study participants were 58% female, 44% White, 26% Hispanic, 11% Black, 9% Asian, 1% American Indian, and 9% bi-racial or other. Around 39% of the participants were MBA students and the rest were undergraduates. They were 29 years old on average, and 80% were currently working (54% full-time, 26% part-time). On average, they had nine years of full-time work experience and four years of part-time work experience.

 CEO attractiveness was measured using one item asking participants the following: “To what extent do you agree that this person appears attractive?” Multiple studies (both primary studies and a meta-analysis) have supported the use of single-item measures in business research and concluded that single item measures are highly correlated with multi-item scales of the same construct (Bergkvist & Rositer, 2007; Nagy, 2002; Wanous, Reichers, & Hudy, 1997). The participants rated each CEO’s photo on a five-point Likert-type scale (1 = *strongly disagree* to 5 = *strongly agree*). To examine inter-rater agreement and reliability, we calculated rWG, ICC(1), and the ICC(2) of CEO attractiveness for each survey. The value of rWG is 0.82, which suggests strong inter-rater agreement (LeBreton & Senter, 2008). Our calculation suggests that ICC(1) is 0.19, a relatively large effect size of individual ratings to group membership (LeBreton & Senter, 2008). The average ICC(2) across the 85 surveys was 0.66, suggesting adequate agreement across raters to aggregate their ratings (Atwater, Ostroff, Yammarino, & Fleenor, 1998; Kristof-Brown & Stevens, 2001). Since seven participants were rating each CEO’s facial appearance, on average, and there was enough agreement among raters, we averaged the values for each CEO to compute the measure of *CEO attractiveness*.

In order to provide more confidence that the CEO attractiveness measure captures whether the person is good looking, we collected a supplemental sample on Amazon’s Mechanical Turk (MTurk). The intent of the sample was to provide assurance that attractive = good looking. We also used this as an opportunity to obtain a slightly older sample and to ascertain whether participant age and race were having any effect on the ratings of CEO attractiveness since these variables were not all collected in our initial sample. We selected one of the male CEOs in our sample and solicited 70 workers to complete a survey on MTurk, telling them that the study was about CEOs of companies. A power analysis for a multiple regression with three predictors, alpha level of *p* = .05, power of .80, and an estimated R of .40 told us that a sample of *N* = 64 participants would be required. Therefore, we asked for up to 70 responses. We had 70 participants undertake the survey which showed one CEO headshot of a male CEO and asked participants “To what extent do you agree that this person appears” with answer choices. In order to disguise the intent of the questionnaire and provide information showing some convergent and discriminant validity for the attractiveness item, we included the word “attractive” as well as words that are related to CEO traits which should be somewhat related to CEO attractiveness (intelligent, professional, competent, confident) and other words that should be less strongly related to CEO attractiveness (fun, hip/cool, stimulating). We also asked participants to describe how much they agreed with the statement “This is a good-looking person” on a 5 point scale ranging from 1 = *strongly disagree* to 5 = *strongly agree*. In addition, we asked participants to provide their own demographics including sex, race, age, and work experience.

Of the 70 participants who began the survey, 67 mostly completed the survey and 64 provided full responses to every item for list-wise analyses. Participants were paid $1.50 for the minutes they spent completing the survey. In order to be eligible to participate in the survey, MTurk workers had to be employed adults living in the U.S. Participants were 34 years old on average with 15 years of full-time work experience. Of these, 81% of participants were under 40 years of age while 19% were 40 or older. The sample was 67% male and racial/ethnic background was as follows: 69% White, 6% Hispanic, 8% Black, 13% Asian, 3% Native American, and 1% biracial. This race variable was dummy coded such that race\_White = 1 and minority = 0.

Results show that the correlation between attractiveness and good-looking is .75 which is a large correlation, while the correlations between attractiveness and intelligent (.51), professional (.42), competent (.35), and confident (.39) are moderate in magnitude, and the correlations between attractiveness and fun (.11), hip/cool (.06), and stimulating (-.01) were small, as we expected. This provides some evidence that the attractiveness measure means the person looks good.

Research suggested that there is an interaction between rater gender and ratee gender – in hiring decisions, men prefer attractive women, women prefer attractive men but women prefer less attractive women (Luxen & Van De Vijver, 2006).To assess whether the age or the sex or race of the participants makes any difference in attractiveness ratings of the CEO, we ran linear regressions with these three variables predicting CEO attractiveness, and none of them were statistically significant predictors. We then dichotomized the age variable into older and younger groups by dummy coding those under 40 as 0 and those 40 or older as 1, since the Age Discrimination in Employment Act defines older workers as those being age 40 and up. This variable did not have any significant effect on CEO attractiveness either. Please see the Appendix (Table A1) for the supplemental MTurk sample correlations, Table A2 of the Appendix for the regression results predicting CEO attractiveness using age as a continuous variable, and Table A3 of the Appendix for regression results predicting CEO attractiveness using the 40+ older/younger dummy coded variable. None of these characteristics significantly influenced ratings of CEO attractiveness.

 **Female CEO**. We obtained CEO gender information from Execucomp. We created a *female CEO* variable (coded 1 = female, 0 = male) to gauge CEO gender.

 **Prior CEO experience**. Since most CEOs tend to have only one prior CEO experience, following prior research (Custódio et al., 2013), we used a dichotomous measure that equals “1” if the individual has worked as a CEO before being CEO of that firm and “0” otherwise. We first checked whether the current CEO was appointed as CEO in another firm in the Execucomp database. If Execucomp did not include the prior experience of a particular CEO, we then relied on BoardEx to check each CEO’s full work experience, including title in all firms, to determine whether the individual had worked as a CEO before.

**High-technology firms**. Prior studies (Makri et al., 2006) have used R&D activities to proxy whether firms perform innovative activities and are high-technology firms. As such, we retrieved each firm’s R&D activities from Compustat and identified high-technology firms by using a dichotomous measure where “1” stands for high-technology firms that have R&D activities and “0” otherwise.

**Control variables**. We controlled for individual-level, firm-level, and year fixed effects affecting CEO compensation to rule out alternative explanations. All control variables were measured at time *t-1* unless otherwise noted. For individual-level variables, we controlled for the CEO’s *current age*. We hand-coded each CEO’s work experience from work experience included in BoardEx, including the *number of boards*, the *number of functional areas*, *number of firms*, and the *number of industries* the CEO has worked for. For the *number of boards*, we counted the number of boards on which the CEO has served. For the *number of functional areas*, we captured how many functional areas (e.g., sales/marketing, accounting/finance, and production/operations) the CEO has worked in (Carpenter, Geletkanycz, & Sanders, 2004). Finally, we coded the number of distinct industries the CEO has worked in to measure the number of industries, as this represents a breadth of experience that reflects knowledge and can be valuable, thereby potentially influencing compensation.

We also controlled for *CEO tenure*, the number of years the CEO worked in the focal firm, to control for firm-specific human capital that may affect total compensation. To rule out the effects of general human capital, we checked each CEO’s educational background and determined whether the individual had obtained a *Ph.D.* degree or a *master’s* degree. These two education variables were measured as of the year before the person became CEO of his/her current firm.

As for firm-level controls, we controlled for *firm size*, gauged by the log of total employees, because firm size strongly influences CEO compensation (Finkelstein et al., 2009). Based on the argument of pay-for-performance (Gerhart et al., 2009), it is also important to control for firm performance. We used *Tobin’s Q*, the sum of total assets plus the market value of equity minus book value of equity divided by total assets, to measure firm performance at time *t-1*. Tobin’s Q provides a stock market-based measure of performance that is less likely to be affected by accounting policies of the firm. Finally, we controlled for *firm profit*, measured as the log transformed net income. We also included year dummies to control for year fixed effects and 2-digit industry dummies to rule out luck effects due to industries and the macroeconomic environment.

Our final sample accounting for missing data included 861 CEOs and 4,395 firm-year observations. Table 1 reports correlations and summary statistics.

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Insert Table 1 about here

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**Results**

Since CEO attractiveness is time-invariant, fixed effects models are not appropriate for our analyses. We used multilevel mixed-effects linear regression (-*mixed*- in Stata) to test our hypotheses. Multilevel models are needed for our analyses because CEOs are nested in firm years. Failing to use mixed models for nested data will increase the risk of Type I and Type II errors (Bliese, Maltarich, & Hendricks, 2018). Table 2 displays a summary of our regression analyses with unstandardized coefficients and robust standard errors. In the discussion that follows, we also present standardized coefficients for comparison purposes across variables.

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Insert Table 2 about here

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Model 1 of Table 2 includes all control variables. While number of boards (*b* = -0.088, *p* < 0.01) negatively affects CEO compensation, CEO age (*b* = 0.08, *p <* 0.01), number of firms worked at (*b* = 0.206, *p* < 0.01), CEO tenure (*b* = 0.102, *p* < 0.01), firm size (*b* = 2.255, *p* < 0.01), Tobin’s Q (*b* = 0.684, *p* < 0.01), and prior CEO experience (*b* = 1.159, *p* < 0.01), all positively affect CEO compensation.

Hypothesis 1 predicted that CEO attractiveness will be positively related to CEO compensation. Model 2 of Table 2 investigates whether CEO attractiveness influences CEO compensation. The statistical significance of all control variables remains unchanged compared to Model 1. In line with our expectation, CEO attractiveness increases CEO compensation (*b* = 1.222, *p* < 0.01). Specifically, a one unit increase in the attractiveness rating will increase total compensation by $1.222 million. Regression analyses suggest that firm size (*b* = 2.255, Β = 0.342, *p* < 0.01) is a stronger predictor for CEO compensation than financial performance (*b* = 0.684, B = 0.093, *p* < 0.01), which is consistent with Tosi, Werner, Katz, and Gomez-Mejía’s (2000) meta-analytic finding that firm size accounts for more than 40% of the variance in CEO compensation while firm performance only accounts for 5% of the variance. The coefficient inequality tests suggest that the effect of CEO attractiveness is not significantly different from that of firm performance (*χ2* = 2.31, *p* = 0.130), providing some evidence that CEO attractiveness is an important factor in explaining CEO compensation. The model fit also increases substantially (χ2 increases by 15.353, *df* = 1, *p* < 0.01), suggesting the importance of CEO attractiveness in explaining CEO compensation. Therefore, Hypothesis 1 is supported.

Hypothesis 2 proposed that CEO gender would moderate the positive relationship between CEO attractiveness and pay such that the relationship is stronger for male CEOs compared to their female counterparts. Although the sign of the interaction term is consistent with our prediction (Model 3 of Table 2), we did not find statistical significance to support Hypothesis 2. This is an interesting finding that enriches prior research and we will explain this further in the discussion section.

Hypothesis 3 predicted that prior CEO experience moderates the positive relationship between CEO attractiveness and CEO compensation such that the relationship is stronger for those with prior CEO experience. Model 4 of Table 2 examines the moderating effect of prior CEO experience. Our result suggest prior CEO experience positively moderates the relationship between CEO attractiveness and compensation (*b* = 1.436, *p <* 0.1), only marginally supporting our prediction. Specifically, when the CEO has no prior CEO experience, a one unit increase in attractiveness enhances compensation by $1.221 million. When the CEO has worked as a CEO in another firm, a one unit increase in CEO attractiveness will increase compensation by $2.657 million (= 1.221 + 1.436). Clearly, as an indicator of credibility, prior CEO experience enables attractive CEOs to secure higher compensation. Figure 1 plots the interaction effect. According to the figure, more attractive CEOs make more than less attractive CEOs, and especially when CEO attractiveness is above the average, CEOs with prior relevant experience consistently make more money than those without prior CEO experience. A test for slope difference suggests that these two slopes are marginally different (*χ*2 = 3.49, *df* = 1, *p* < 0.1), providing some evidence that CEOs with prior CEO experience can get paid more for their beauty.

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Insert Figure 1 about here

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Hypothesis 4 predicted that the positive relationship between CEO attractiveness and CEO compensation will be weaker for high-technology firms compared to other firms. Model 5 of Table 2 examines the moderating effect of high-technology firms. Consistent with our hypothesis, high-tech firms negatively moderate the relationship between CEO attractiveness and CEO compensation (*b*= -1.334, *p* < 0.05). Specifically, when the CEO does not work for a high-technology firm, a one unit increase in attractiveness enhances compensation by $1.287 million. When the CEO works for a high-technology firm, a one unit increase in CEO attractiveness decreases compensation by $0.047 million (= 1.287 - 1.334). Apparently, as an indicator of research and innovation activity, high-technology firms reduce the likelihood of attractive CEOs securing higher compensation. Figure 2 plots the interaction effect. According to the figure, more attractive CEOs make more than less attractive CEOs, and CEO attractiveness is less positively associated with CEO pay in high-technology firms compared to other firms without R&D activities. A test for slope differences suggests that these two slopes differ significantly (*χ*2 = 4.27, *df* = 1, *p* < 0.05), supporting Hypothesis 4. Our conclusion remains unchanged in the full model (Model 6 of Table 2).

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Insert Figure 2 about here

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**Supplemental Analyses**

 We showed some evidence to support our predictions using CEO total compensation. Another important question is whether our findings remain unchanged using short-term and long-term compensation. Table 3 provides additional tests by breaking down total compensation into short-term and long-term compensation. Models 1 and 2 of Table 3 suggest that CEO attractiveness positively and significantly predicts short-term pay. Specifically, Model 1 shows that one unit increase in CEO attractiveness increases short-term pay by $0.383 million (*p* < 0.01). However, other than some marginal support for Hypothesis 4, we failed to find support for other moderating hypotheses. Model 3 of Table 3 reports that CEO attractiveness increases CEO long-term pay by $0.784 million (*p* < 0.05). Interestingly, we found support for Hypothesis 3 that CEO prior experience will strengthen the relationship between CEO attractiveness and compensation and some marginal support for Hypothesis 4 that high tech industry will weaken the relationship between CEO attractiveness and compensation.

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Insert Tables 3 & 4 about here

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We presented empirical evidence supporting the beauty premium argument in CEO compensation: more attractive CEOs earn greater compensation than less attractive CEOs. However, to what extent does CEO attractiveness matter for CEO compensation compared to other important factors such as firm size and firm performance? Since CEO attractiveness, firm size, and firm performance are in different metrics, we standardized these variables (mean is 0 and SD is 1) to make a fair comparison among them. We also standardized CEO total compensation. Table 4 reports regression results using standardized firm size, Tobin’s Q, and CEO attractiveness. As one can see from Model 1 of Table 4, the effect size of attractiveness (*B* = 0.067, *p* < 0.01) is around 20 percent of that of firm size (*B* = 0.342, *p* < 0.01), and 72 percent of the magnitude of the effect for firm performance (*B* = 0.093, *p* < 0.01). The coefficient inequality tests confirmed that there is no difference between standardized CEO attractiveness and standardized firm performance (*χ2* = 0.17, *p* = 0.687). This evidence suggests that CEO attractiveness has practically and economically significant effects on CEO compensation.

 To further investigate the effect of CEO attractiveness on different types of pay, we broke down CEO compensation and reran the regression for short-term (Model 2) and long-term pay (Model 3). Model 2 of Table 4 shows that firm performance has no impact on short-term pay (*B* = .011, *p* > .10), whereas CEO attractiveness (*B* = 0.071, *p* < 0.01) and firm size (*B* = 0.197, *p* < 0.01) positively and significantly affect short-term pay. Model 3 of Table 4 suggests that firm performance (*B* = 0.097, *p* < 0.01), firm size (*B* = 0.316, *p* < 0.01), and CEO attractiveness (*B* = 0.052, *p* < 0.01) all significantly increase CEO long-term pay. It is also noticeable that CEO attractiveness is more effective in determining short-term pay than firm performance. Also, CEO attractiveness has a larger effect on standardized short-term pay than standardized long-term pay, whereas firm performance and firm size have smaller effect on standardized short-term pay than on standardized long-term pay.

 We have argued that CEO compensation is not an entirely objective process. In other words, the design of CEO compensation is perhaps irrational, since compensation committee members may be biased toward CEO attractiveness rather than firm performance at the time the CEO’s contract is created. It is possible that firms with more attractive CEOs enjoy better performance. Therefore, we conducted another set of analyses using CEO attractiveness to predict firm performance to assess whether causality goes in the opposite direction. Table 5 summarizes these additional tests using return on asset (ROA), return on equity (ROE), Tobin’s Q, and company profit to proxy firm performance. Overall, we did not find evidence supporting the counter-argument that CEO attractiveness leads to better firm performance, and thus, there is economic benefit for firms to pay for CEOs’ beauty. Instead, the results of this supplemental analysis suggest, as we have argued, that CEO compensation might not be a fully rational process, and compensation committees may be susceptible to beauty premium effects.

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Insert Tables 5 & 6 about here

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Research also shows that CEO facial appearance influences positive treatment from the media and analysts (Gomulya, Wong, Ormiston, & Boeker, 2017). To test whether our results are robust to media attention, we collected media articles from six leading business and news publications: Wall Street Journal, Bloomberg Businessweek, Forbes, Fortune, the New York Times, and the Washington Post. Using the Factiva database, we conducted a keyword search that included the name of each CEO in our sample. To ensure that a given article is was indeed about a particular CEO, three coders screened through the articles, and identified those that mentioned the CEO’s name at least 3 times. We initiated this search starting from the two most recent years in our data, 2012 and 2013, and this led to a total of 14,077 articles (7,445 for 2012 and 6,632 for 2013). To ensure that a given article was indeed about a particular CEO, the third author and three other coders screened all articles and identified those that mentioned the CEO’s name at least 3 times. Among the 14,077 articles, 1,491 were about someone else with the same name and 9,160 mentioned the CEO’s name less than three times. As a result, the final number of articles used in the analyses was 3,426.

As this shows, the volume of media articles for the CEOs in our sample was substantial and for the final data to be accurate and relevant, it required a labor-intensive screening process. To create a measure for positive media coverage of CEOs, we conducted content analysis using a computer-aided text analysis software called Language Inquiry Word Count (LIWC). LIWC has been used frequently in previous research pertaining to CEO media attention (e.g., Bednar, 2012; Gamache & McNamara, 2019; Love, Lim, & Bednar, 2017). This program has predefined and prevalidated dictionaries of vocabulary that represent a variety of constructs including positive and negative emotions. LIWC counts the number of words from each dictionary and calculates the percentage of those words appearing in a given text. The final measures for *positive media coverage* of CEOs are the percentage scores that LIWC produces for each CEO every year. In line with Gomulya et al. (2017), there is positive correlation between CEO facial attractiveness and positive media attention (*r* = 0.011) and the correlation is statistically insignificant (*p* = 0.729). Using only 2012 and 2013 and controlling for positive media coverage, our additional results provide some support for H1 and H4, though we did not find results for H2 and H3. Table 6 reports this additional analysis by controlling for media positive treatment.

**Discussion**

**Theoretical Implications**

Our study advances the literature on CEO compensation and beauty in several ways. First, this study extends the beauty premium argument in terms of compensation to the executive level/strategic leadership in organizations. Although labor economists (Hamermesh & Biddle, 1994; Scholz & Sicinski, 2015) and organizational psychologists (Dipboye, Arvey, & Terpstra, 1977; Dipboye, Fromkin, & Wilback, 1975) have shown robust effects of beauty on wages and job applications, there is limited research on whether such beauty effects apply to CEO compensation (Graham, Harvey, & Puri, 2016). Given that CEOs are paid much more than average employees (Mishel & Davis, 2015), and the pay negotiation process will differ from that of regular workers, we are interested in knowing whether beauty is important for CEO compensation as well. Results show that beauty allows CEOs to secure higher compensation, and this effect is as robust as firm size and firm performance. Having less visibility and fewer face-to-face interactions has been shown to somewhat reduce the beauty premium (Mobius & Rosenblat, 2006). However, CEOs are the public face of the company, and their visibility makes it easier to elicit beauty stereotypes, which may help them secure higher compensation. Our evidence advances research in labor economics by showing that a beauty premium is also prevalent among the highest-paid professionals, CEOs in S&P 500 firms.

Second, by demonstrating that CEO attractiveness matters for compensation based on the physical attractiveness stereotype, we answer calls for different theoretical approaches on CEO compensation. Although scholars have suggested using alternative theoretical perspectives on CEO compensation (Devers et al., 2007; Gomez-Mejía & Wiseman, 1997), extant research focuses more on traditional angles (e.g., agency theory) and pays less attention to the potential impact of other factors such as beauty stereotypes. We also enrich the literature documenting that attractive workers will receive greater pay (Hamermesh & Biddle, 1994; Dipboye et al., 1977; Hosoda, Stone-Romero, & Coats, 2003; Judge et al., 2009; Scholz & Sicinski, 2015). Specifically, the present study (Table 2) shows that all else being equal, a one unit increase in CEO attractiveness will enhance CEO compensation by $1.222 million (*p* < 0.01). Overall, this study contributes to the literature by enriching our understanding of an additional antecedent (facial attractiveness) of CEO compensation.

Third, we take a contingent view of CEO compensation by arguing that CEO gender, prior CEO experience, and high-tech industry will moderate the relationship between CEO beauty and compensation. Although Hamermesh and Biddle (1994, p.1187) wrote “If anything, the evidence goes in the opposite direction: men’s looks may have slightly larger effects on their earnings than do women's”, we failed to find support for the prediction that the positive impact of attractiveness on pay would be weaker for female CEOs in comparison with male CEOs. This may be reflecting the mixed perspectives that exist in the extant literature on the moderating role of gender. For instance, Marlowe, Schneider, and Nelson (1996) found that less attractive female applicants were always at the greatest disadvantage in selection and promotability evaluations using a sample of financial-institution managers. Similarly, a meta-analysis by Hosoda and colleagues (2003) shows that there is no gender difference in the effect of attractiveness on various employee outcomes. They also demonstrate that “physical attractiveness is always an asset for both male and female targets, regardless of the sex type of the job for which they applied or held” (Hosoda et al., 2003, p. 447), indicating that CEO positions being stereotypically masculine may not affect the attractiveness bias. Additionally, many of the studies supporting gender differences in beauty effects were conducted in the 1970s and 1980s. Even though recent data still consistently report gender biases and discrimination (e.g. the #MeToo Movement and 23,532 claims of sex discrimination filed with the Equal Employment Opportunity Commission in 2019; EEOC, 2020), the composition of the workforce has changed significantly since then and gender diversity has become an important part of organizational initiatives (Leslie, Manchester, & Dahm, 2017; PricewaterhouseCoopers 20th CEO Survey, 2017). In fact, some recent work suggests that the lack-of-fit perceptions toward women may apply less for CEOs or high-potential employees because they are regarded as unique and valuable for firms strategically (e.g., Hill, Upadhyay, & Beekun, 2015; Leslie et al., 2017). Thus, the gender dynamics around beauty effects vis a vis the lack-of-fit model may be different today, which will need additional research. All in all, by showing that both male and female CEOs benefit from their attractiveness, the present study adds more nuance to our understanding of the interaction between gender and beauty in the context of CEO compensation.

Although we found no support for our argument that CEO gender will moderate the relationship between CEO attractiveness and compensation, we do find some evidence to support the argument that CEOs who are attractive and have prior CEO experience will obtain greater compensation packages. One caveat to the findings is that CEO facial beauty is not as influential in high-technology firms. If one considers the founders of many leading high-technology firms, it is their innovation and intelligence that made them famous, not their good looks. Many Silicon Valley engineers pride themselves on being nerds, and the *New York Times* reports that it has become fashionable to be a nerd and geek culture is being equated with creativity (Cohen, 2014; Tufekci, 2014). Therefore, although we find robust support for the physical attractiveness stereotype, there is also evidence that this theoretical framework could be modified to account for industries such as high-tech where the culture has not valued or considered CEO attractiveness because innovation is prioritized above all else.

**Practical Implications**

In this paper, we show that CEO attractiveness is important in determining CEO compensation. We find support for the physical attractiveness hypothesis (Dion et al., 1972) stating that what is beautiful is good. The results of the present study support the claim that CEOs who are beautiful get paid more, controlling for many factors including education, work experience, firm size, and firm performance. This implies that social stereotypes operate at the highest levels of organizations and influence even the highest paid positions.

Moreover, the findings suggest, somewhat disturbingly, that compensation might not be a fully fair or even rational process. Other than the well-documented factors (e.g., performance, firm size) that affect CEO compensation, our results suggest that in the process of negotiating a new CEO’s salary, compensation committees of the board of directors and other influential decision-makers appear to be using their own biases about beauty to nudge CEO pay higher for those CEOs who have beautiful faces. Results show evidence of a logical rationale behind CEO pay with respect to the moderating effect of previous CEO experience (i.e., attractive CEOs who have prior CEO experience get paid the highest premium). However, there is also some evidence of appearance discrimination against less attractive CEOs. Unattractive CEOs with prior CEO experience did not receive much of a premium for their prior work qualifications in the form of compensation compared to attractive CEOs without prior CEO experience, even though they would be better qualified to run the company because of their experience. This means that even people at the highest levels of organizations, the upper echelons (Hambrick & Mason, 1984), are subject to biases and exhibit the biased behavior the physical attractiveness stereotype predicts.

This begs an ethical human resources question: Is it right for companies to use beauty as a differentiator for CEO compensation? If the physical attractiveness stereotype is pervasive and people react better to attractive individuals (Hamermesh & Biddle, 1994; Judge et al., 2009; Scholz & Sicinski, 2015), then an attractive CEO may be more likely to persuade stakeholders both inside and outside of the organization in a way that furthers organizational goals and accomplishments. However, such thinking also encourages appearance discrimination in favor of beautiful individuals and against unattractive individuals. Although this would seem to violate the spirit of equal opportunity employment laws, no federal law protects unattractive individuals, and therefore, there is no formal protection. While other major employment laws cover characteristics including sex, race, color, religion, national origin (i.e., Title VII of the Civil Rights Act), age (i.e., Age Discrimination in Employment Act), and disability (i.e., Americans with Disabilities Act) to name a few, attractiveness is not covered per se and is not a protected class. This means that nothing explicitly forbids organizations from discriminating on the grounds of attractiveness, perhaps because beauty is in the eye of the beholder. It could be difficult to prove discrimination on these grounds as it is considered rude or socially unacceptable to make negative comments about a candidate’s appearance. Organizations should be vigilant for biases against candidates based on facial beauty and attractiveness, because they may be missing out on well-qualified and knowledgeable candidates because of these biases.

**Limitations and Future Research**

A limitation of this study is that we only focus on facial attractiveness ascertained through CEO headshots. Attractiveness has been more broadly defined as conformity to norms of “attractiveness on both mutable facets of appearance, such as dress and grooming, and relatively immutable facets, such as facial features, body weight, and stature” (Dipboye, 2005, p. 282). Therefore, future research can extend our findings by considering other aspects of attractiveness that can explain compensation. For instance, research has shown strong evidence of a height premium: controlling for family background, taller employees receive a pay premium that is similar in magnitude to gender and race gaps (Persico, Postlewaite, & Silverman, 2004). Judge and Cable (2004) also found that tall people enjoy advantages in several aspects of their careers and organizational lives, including social status. It would be valuable to know whether height influences CEO compensation or moderates the relationship between beauty and CEO pay.

Second, future research should also consider CEO attractiveness as a multi-dimensional construct, meaning that it is important to study how inner attributes such as humor, morality, and charisma influence CEO compensation. Scholars have shown that single-item measures tend to highly correlate with multi-item scales of the same constructs (Bergkvist & Rositer, 2007; Nagy, 2002; Wanous, Reichers, & Hudy, 1997), and we followed existing labor economists’ approach of using a single-item measure for CEO attractiveness. Yet, given the multi-dimensionality of attractiveness, future research should consider a multi-item measure for CEO attractiveness.

Third, like all other research examining the relationship between attractiveness and pay (Hamermesh & Biddle, 1994; Scholz & Sicinski, 2015), we were not able to solicit individuals who actually set CEO pay to participate in the survey. Although a meta-analysis suggests that raters show high and significant levels of agreement for evaluating attractiveness of others both within and across cultures (Langlois et al., 2000), it is ideal to identify people who can decide pay to evaluate attractiveness. For our study, the best participants will be the firm owners or board members who can decide CEO compensation. Unfortunately, we are unable to get board directors or firm owners to evaluate CEO attractiveness.

Finally, it would also be interesting for future research to examine the effect of beauty on CEO wage premiums in smaller U.S. public firms. Since smaller firms have different internal and external characteristics than larger firms, the effect of beauty on CEO pay may be stronger or weaker. Although there is a remarkable similarity in beauty ratings within and across cultures (Langlois et al., 2000), different macro-level and firm-level environments could change the effects of beauty on compensation premiums.

**Conclusion**

 The present study proposes and finds that CEO facial attractiveness increases CEO compensation. This effect becomes stronger when the CEO has previously worked as a CEO in another firm, but it becomes weaker for CEOs in the high-tech industry. Using a sample of all CEOs in S&P 500 firms over a 10-year period (4,395 observations), results show that the effect of CEO facial attractiveness on compensation is robust. CEOs with beautiful faces get paid more, controlling for many factors including education, work experience, firm size, and firm performance. This implies that physical attractiveness biases operate at the highest levels of organizations and influence even the top paid positions. Researchers have long wondered whether CEO compensation is ethical and moral (Joutsenvirta, 2013; Nichols & Subramaniam, 2001). The results of this study suggest that executive compensation may not be completely rational or strictly based on job-related factors.

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Table 1: Correlation and Summary Statistics

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|   | Variables  | *Mean* | *s.d.* | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) |
| (1) | Total compensation | 10.096 | 9.346 | 1.000 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| (2) | CEO age | 61.447 | 6.754 | 0.068 | 1.000 |  |  |  |  |  |  |  |  |  |  |  |  |  |
| (3) | No. of boards | 5.928 | 7.417 | 0.053 | 0.319 | 1.000 |  |  |  |  |  |  |  |  |  |  |  |  |
| (4) | No. of functional areas | 1.886 | 1.020 | 0.080 | 0.195 | 0.214 | 1.000 |  |  |  |  |  |  |  |  |  |  |  |
| (5) | No. of firms worked | 6.609 | 4.356 | 0.114 | 0.250 | 0.680 | 0.286 | 1.000 |  |  |  |  |  |  |  |  |  |  |
| (6) | No. of industries | 2.873 | 1.541 | 0.105 | 0.223 | 0.517 | 0.353 | 0.642 | 1.000 |  |  |  |  |  |  |  |  |  |
| (7) | Tenure | 7.286 | 6.242 | 0.084 | 0.339 | 0.085 | 0.011 | 0.033 | 0.083 | 1.000 |  |  |  |  |  |  |  |  |
| (8) | PhD degree | 0.158 | 0.364 | 0.047 | 0.032 | 0.072 | 0.217 | 0.132 | 0.154 | 0.033 | 1.000 |  |  |  |  |  |  |  |
| (9) | Master's degree | 0.440 | 0.496 | 0.034 | 0.013 | 0.015 | 0.020 | 0.025 | 0.060 | -0.026 | -0.383 | 1.000 |  |  |  |  |  |  |
| (10) | Firm size | 2.927 | 1.423 | 0.253 | 0.069 | 0.073 | 0.022 | 0.009 | 0.125 | -0.022 | -0.042 | 0.010 | 1.000 |  |  |  |  |  |
| (11) | Tobin's Q | 2.019 | 1.241 | 0.029 | -0.089 | -0.109 | -0.060 | -0.097 | -0.058 | 0.105 | 0.051 | -0.097 | -0.134 | 1.000 |  |  |  |  |
| (12) | Company profit | 5.782 | 3.419 | 0.112 | 0.012 | -0.038 | 0.037 | -0.035 | -0.006 | -0.007 | -0.012 | 0.016 | 0.218 | 0.056 | 1.000 |  |  |  |
| (13) | Female CEO | 0.025 | 0.156 | -0.003 | -0.086 | 0.017 | 0.009 | 0.057 | 0.092 | -0.070 | 0.014 | -0.052 | 0.034 | -0.019 | 0.048 | 1.000 |  |  |
| (14) | Prior CEO experience | 0.226 | 0.418 | 0.012 | 0.045 | 0.167 | 0.008 | 0.278 | 0.118 | -0.061 | -0.005 | -0.012 | -0.053 | -0.061 | -0.070 | -0.011 | 1.000 |  |
| (15) | High tech firms | 0.412 | 0.492 | 0.042 | -0.057 | 0.025 | 0.027 | -0.046 | -0.041 | -0.068 | -0.028 | 0.071 | 0.083 | 0.220 | 0.027 | 0.056 | -0.054 | 1.000 |
| (16) | CEO attractive | 2.846 | 0.511 | 0.084 | -0.160 | -0.075 | 0.001 | -0.020 | -0.014 | -0.127 | 0.002 | -0.047 | 0.072 | -0.014 | 0.045 | 0.197 | -0.078 | 0.012 |

*Notes*: *N* = 4,395 firm-year observations, |*r*| > 0.03, *p* < 0.05. Total compensation is in million $.

Table 2: Regression Results Predicting CEO Compensation

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|   | Model 1 | Model 2 | Model 3 | Model 4 | Model 5 | Model 6 |
| CEO age | 0.080\*\* | 0.097\*\* | 0.098\*\* | 0.096\*\* | 0.092\*\* | 0.091\*\* |
|  | (0.031) | (0.031) | (0.031) | (0.031) | (0.031) | (0.031) |
| No. of boards | -0.088\*\* | -0.080\*\* | -0.080\*\* | -0.077\*\* | -0.084\*\* | -0.080\*\* |
|  | (0.029) | (0.029) | (0.029) | (0.029) | (0.029) | (0.029) |
| No. of functional areas | -0.169 | -0.180 | -0.180 | -0.185 | -0.172 | -0.178 |
|  | (0.153) | (0.153) | (0.153) | (0.153) | (0.153) | (0.153) |
| No. of firms worked at | 0.206\*\* | 0.201\*\* | 0.201\*\* | 0.203\*\* | 0.206\*\* | 0.208\*\* |
|  | (0.059) | (0.058) | (0.059) | (0.059) | (0.059) | (0.059) |
| No. of industries | -0.186 | -0.202 | -0.202 | -0.204 | -0.208 | -0.210 |
|  | (0.154) | (0.154) | (0.154) | (0.154) | (0.154) | (0.154) |
| Tenure | 0.102\*\* | 0.101\*\* | 0.101\*\* | 0.101\*\* | 0.102\*\* | 0.102\*\* |
|  | (0.031) | (0.031) | (0.031) | (0.031) | (0.031) | (0.031) |
| PhD degree | 0.340 | 0.330 | 0.331 | 0.307 | 0.272 | 0.252 |
|  | (0.529) | (0.528) | (0.528) | (0.528) | (0.528) | (0.529) |
| Master's degree | 0.326 | 0.385 | 0.387 | 0.409 | 0.418 | 0.438 |
|  | (0.377) | (0.376) | (0.376) | (0.376) | (0.376) | (0.377) |
| Firm size | 2.255\*\* | 2.236\*\* | 2.235\*\* | 2.232\*\* | 2.243\*\* | 2.238\*\* |
|  | (0.201) | (0.200) | (0.200) | (0.201) | (0.200) | (0.201) |
| Tobin's Q | 0.684\*\* | 0.689\*\* | 0.689\*\* | 0.674\*\* | 0.674\*\* | 0.660\*\* |
|  | (0.146) | (0.145) | (0.145) | (0.145) | (0.145) | (0.146) |
| Company profit | -0.004 | -0.007 | -0.007 | -0.005 | -0.005 | -0.004 |
|  | (0.035) | (0.035) | (0.035) | (0.035) | (0.035) | (0.035) |
| Female CEO | -0.620 | -1.159 | -0.922 | -1.247 | -1.130 | -1.338 |
|  | (0.979) | (0.988) | (1.837) | (0.988) | (0.987) | (1.842) |
| Prior CEO experience | 1.159\*\* | 1.244\*\* | 1.245\*\* | 1.272\*\* | 1.247\*\* | 1.273\*\* |
|  | (0.409) | (0.408) | (0.409) | (0.409) | (0.408) | (0.408) |
| High tech firms | 0.941 | 0.955 | 0.954 | 0.906 | 0.982 | 0.936 |
|  | (0.732) | (0.729) | (0.729) | (0.730) | (0.729) | (0.730) |
| CEO attractive |  | 1.222\*\* | 1.222\*\* | 1.221\*\* | 1.287\*\* | 1.283\*\* |
|  |  | (0.331) | (0.331) | (0.331) | (0.332) | (0.332) |
| CEO attractive × female CEO |  |  | -0.381 |  |  | 0.198 |
|  |  |  | (2.490) |  |  | (2.497) |
| CEO attractive × prior CEO experience |  |  |  | 1.436+ |  | 1.354+ |
|  |  |  |  | (0.739) |  | (0.742) |
| CEO attractive × high tech firms |  |  |  |  | -1.334\* | -1.270\* |
|  |  |  |  |  | (0.634) | (0.635) |
| Constant | -0.500 | -1.302 | -1.304 | -1.203 | -0.984 | -0.905 |
|  | (2.199) | (2.203) | (2.204) | (2.205) | (2.208) | (2.209) |
| Chi-squared | 302.881 | 318.234 | 318.234 | 321.839 | 322.906 | 326.104 |

*Notes*: + *p* < 0.1, \* *p* < 0.05, \*\* *p* < 0.01. *N* = 4,395. Unstandardized coefficients are presented. Standard errors in parentheses. Year and industry dummies in all models are not reported. Outcome variable = total compensation in million $.

Table 3: Short-Term versus Long-Term Pay

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|   | Model 1 | Model 2 |   | Model 3 | Model 4 |
|   | Short-term pay |   | Long-term pay |
| CEO age | 0.025\*\* | 0.024\* |  | 0.074\*\* | 0.068\* |
|  | (0.010) | (0.010) |  | (0.028) | (0.029) |
| No. of boards | -0.012 | -0.013 |  | -0.067\* | -0.066\* |
|  | (0.009) | (0.009) |  | (0.027) | (0.027) |
| No. of functional areas | -0.016 | -0.014 |  | -0.151 | -0.151 |
|  | (0.048) | (0.048) |  | (0.143) | (0.143) |
| No. of firms worked at | 0.021 | 0.022 |  | 0.188\*\* | 0.195\*\* |
|  | (0.018) | (0.018) |  | (0.054) | (0.054) |
| No. of industries | 0.035 | 0.034 |  | -0.224 | -0.233 |
|  | (0.048) | (0.048) |  | (0.142) | (0.142) |
| Tenure | 0.021\* | 0.022\* |  | 0.080\*\* | 0.080\*\* |
|  | (0.010) | (0.010) |  | (0.029) | (0.029) |
| PhD degree | -0.060 | -0.068 |  | 0.454 | 0.37 |
|  | (0.164) | (0.164) |  | (0.488) | (0.488) |
| Master's degree | 0.000 | 0.006 |  | 0.416 | 0.460 |
|  | (0.117) | (0.117) |  | (0.348) | (0.348) |
| Firm size | 0.377\*\* | 0.379\*\* |  | 1.866\*\* | 1.869\*\* |
|  | (0.059) | (0.059) |  | (0.178) | (0.178) |
| Tobin's Q | 0.023 | 0.023 |  | 0.654\*\* | 0.625\*\* |
|  | (0.045) | (0.045) |  | (0.135) | (0.135) |
| Company profit | -0.013 | -0.013 |  | 0.012 | 0.015 |
|  | (0.011) | (0.011) |  | (0.033) | (0.033) |
| Female CEO | -0.361 | -0.064 |  | -0.777 | -1.405 |
|  | (0.310) | (0.581) |  | (0.920) | (1.719) |
| Prior CEO experience | 0.063 | 0.057 |  | 1.104\*\* | 1.139\*\* |
|  | (0.127) | (0.127) |  | (0.378) | (0.378) |
| High tech firms | -0.423+ | -0.406+ |  | 1.464\* | 1.432\* |
|  | (0.218) | (0.218) |  | (0.657) | (0.658) |
| CEO attractive | 0.383\*\* | 0.398\*\* |  | 0.784\* | 0.834\*\* |
|  | (0.103) | (0.104) |  | (0.307) | (0.308) |
| CEO attractive × female |  | -0.434 |  |  | 0.895 |
|  |  | (0.788) |  |  | (2.332) |
| CEO attractive × prior CEO experience |  | -0.35 |  |  | 1.631\* |
|  |  | (0.232) |  |  | (0.689) |
| CEO attractive × high tech firms |  | -0.329+ |  |  | -1.078+ |
|  |  | (0.198) |  |  | (0.589) |
| Constant | 0.783 | 0.839 |   | -2.346 | -1.99 |
|  | (0.671) | (0.673) |  | (2.008) | (2.014) |
| Chi-squared | 341.085 | 346.587 |   | 372.602 | 382.32 |

*Notes*: + *p* < 0.1, \* *p* < 0.05, \*\* *p* < 0.01. *N* = 4,395. Unstandardized coefficients are presented. Standard errors in parentheses. Year and industry dummies in all models are not reported. Pay in million $.

Table 4: Supplementary Analyses Predicting CEO Compensation

|  |  |  |  |
| --- | --- | --- | --- |
|   | Model 1 | Model 2 | Model 3 |
|   | Total compensation | Short-term pay | Long-term pay |
| CEO age | 0.010\*\* | 0.009\*\* | 0.008\* |
|  | (0.003) | (0.003) | (0.003) |
| Female CEO | -0.124 | -0.132 | -0.097 |
|  | (0.106) | (0.113) | (0.109) |
| No. of boards | -0.009\*\* | -0.004 | -0.008\*\* |
|  | (0.003) | (0.003) | (0.003) |
| No. of functional areas | -0.019 | -0.006 | -0.018 |
|  | (0.016) | (0.018) | (0.017) |
| No. of firms worked at | 0.022\*\* | 0.008 | 0.023\*\* |
|  | (0.006) | (0.007) | (0.006) |
| No. of industries | -0.022 | 0.013 | -0.027 |
|  | (0.016) | (0.017) | (0.017) |
| Tenure | 0.011\*\* | 0.008\* | 0.010\*\* |
|  | (0.003) | (0.003) | (0.003) |
| PhD degree | 0.035 | -0.022 | 0.056 |
|  | (0.056) | (0.060) | (0.058) |
| Master's degree | 0.041 | 0.000 | 0.050 |
|  | (0.040) | (0.043) | (0.041) |
| Prior CEO experience | 0.133\*\* | 0.023 | 0.130\*\* |
|  | (0.044) | (0.046) | (0.045) |
| High tech firms | 0.102 | -0.154+ | 0.173\* |
|  | (0.078) | (0.080) | (0.078) |
| Company profit | -0.001 | -0.005 | 0.001 |
|  | (0.004) | (0.004) | (0.004) |
| Standardized values of (Tobin’s Q)  | 0.093\*\* | 0.011 | 0.097\*\* |
|  | (0.020) | (0.021) | (0.020) |
| Standardized values of (firm size)  | 0.342\*\* | 0.197\*\* | 0.316\*\* |
|  | (0.031) | (0.031) | (0.030) |
| Standardized values of (attractive)  | 0.067\*\* | 0.071\*\* | 0.052\*\* |
|  | (0.018) | (0.019) | (0.019) |
| Constant | -0.374 | 0.059 | -0.446+ |
|  | (0.235) | (0.245) | (0.238) |
| Chi-squared | 318.234 | 341.085 | 377.01 |

*Notes*: + *p* < 0.1, \* *p* < 0.05, \*\* *p* < 0.01. *N* = 4,395. Standardized coefficients are presented. Standard errors in parentheses. Year and industry dummies in all models are not reported. Compensation in million $.

Table 5: Supplementary Analyses Predicting Firm Performance

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | Model 1 | Model 2 | Model 3 | Model 4 |
|   | ROA | ROE | Tobin's Q | Profit |
| CEO age | 0.001\*\* | -0.006 | 0.010\*\* | 0.019 |
|  | (0.000) | (0.010) | (0.004) | (0.012) |
| Female CEO | 0.001 | -0.846\* | 0.026 | 0.669+ |
|  | (0.008) | (0.353) | (0.106) | (0.398) |
| No. of boards | 0.000 | 0.003 | -0.006\* | -0.029\* |
|  | (0.000) | (0.010) | (0.003) | (0.012) |
| No. of functional areas | 0.000 | 0.012 | 0.005 | 0.036 |
|  | (0.001) | (0.058) | (0.016) | (0.063) |
| No. of firms worked at | -0.001+ | 0.009 | 0.000 | -0.017 |
|  | (0.000) | (0.020) | (0.006) | (0.023) |
| No. of industries | 0.001 | -0.046 | 0.028+ | 0.055 |
|  | (0.001) | (0.049) | (0.017) | (0.059) |
| Tenure | -0.001\* | 0.018+ | 0.001 | -0.006 |
|  | (0.000) | (0.010) | (0.004) | (0.012) |
| PhD degree | -0.001 | -0.096 | 0.114+ | 0.067 |
|  | (0.004) | (0.167) | (0.060) | (0.203) |
| Master's degree | -0.001 | 0.127 | -0.034 | -0.015 |
|  | (0.003) | (0.122) | (0.043) | (0.146) |
| Firm size | -0.005\* | 0.103\* | -0.234\*\* | 0.435\*\* |
|  | (0.002) | (0.043) | (0.027) | (0.062) |
| Prior CEO experience | 0.002 | -0.063 | 0.007 | -0.132 |
|  | (0.003) | (0.138) | (0.046) | (0.160) |
| High tech firms | -0.017\*\* | -0.319+ | -0.055 | 0.510\* |
|  | (0.006) | (0.169) | (0.089) | (0.246) |
| CEO attractive | 0.004 | -0.083 | -0.003 | 0.177 |
|  | (0.003) | (0.109) | (0.037) | (0.129) |
| Constant | 0.056\*\* | 0.027 | 1.510\*\* | 3.468\*\* |
|  | (0.019) | (0.653) | (0.272) | (0.793) |
|  | (0.012) | (0.011) | (0.012) | (0.011) |
| Chi-squared | 246.786 | 31.538 | 650.718 | 320.587 |
| N | 4068 | 4068 | 4049 | 4414 |

*Notes*: + *p* < 0.1, \* *p* < 0.05, \*\* *p* < 0.01. Unstandardized coefficients are presented. Standard errors in parentheses. Year and industry dummies in all models are not reported. ROE = Return on Equity.

Table 6: Supplementary Analyses Using Media Treatment as Additional Control Variable

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|   | Model 1 | Model 2 | Model 3 | Model 4 | Model 5 | Model 6 |
| CEO age | -0.006 | 0.011 | 0.012 | 0.011 | 0.011 | 0.01 |
|  | (0.055) | (0.055) | (0.055) | (0.055) | (0.055) | (0.055) |
| No. of boards | 0.045 | 0.054 | 0.053 | 0.054 | 0.045 | 0.045 |
|  | (0.081) | (0.081) | (0.081) | (0.081) | (0.081) | (0.081) |
| No. of functional areas | -0.244 | -0.252 | -0.250 | -0.255 | -0.285 | -0.291 |
|  | (0.458) | (0.457) | (0.457) | (0.457) | (0.456) | (0.456) |
| No. of firms worked at | 0.273\* | 0.270\* | 0.271\* | 0.269+ | 0.288\* | 0.286\* |
|  | (0.138) | (0.138) | (0.138) | (0.138) | (0.137) | (0.138) |
| No. of industries | 0.162 | 0.157 | 0.155 | 0.158 | 0.145 | 0.144 |
|  | (0.294) | (0.293) | (0.293) | (0.293) | (0.293) | (0.293) |
| Tenure | 0.133\* | 0.137\* | 0.136\* | 0.138\* | 0.135\* | 0.136\* |
|  | (0.054) | (0.054) | (0.054) | (0.054) | (0.054) | (0.054) |
| PhD degree | 1.206 | 1.242 | 1.241 | 1.253 | 1.104 | 1.122 |
|  | (0.966) | (0.964) | (0.964) | (0.965) | (0.964) | (0.965) |
| Master's degree | -0.142 | -0.048 | -0.038 | -0.053 | -0.004 | 0.001 |
|  | (0.665) | (0.665) | (0.666) | (0.665) | (0.664) | (0.665) |
| Firm size | 2.007\*\* | 1.975\*\* | 1.979\*\* | 1.977\*\* | 1.999\*\* | 2.006\*\* |
|  | (0.269) | (0.268) | (0.269) | (0.268) | (0.268) | (0.268) |
| Tobin's Q | 0.200 | 0.226 | 0.227 | 0.226 | 0.202 | 0.204 |
|  | (0.242) | (0.242) | (0.242) | (0.242) | (0.242) | (0.242) |
| Company profit | -0.123 | -0.121 | -0.121 | -0.122 | -0.121 | -0.123 |
|  | (0.084) | (0.083) | (0.083) | (0.084) | (0.083) | (0.083) |
| Female CEO | -2.595 | -3.118+ | -3.755 | -3.141+ | -2.983+ | -3.832 |
|  | (1.600) | (1.623) | (3.037) | (1.627) | (1.621) | (3.035) |
| Prior CEO experience | -0.638 | -0.478 | -0.478 | -0.483 | -0.523 | -0.536 |
|  | (0.765) | (0.768) | (0.768) | (0.769) | (0.767) | (0.767) |
| High tech firms | 2.079\* | 2.100\* | 2.088\* | 2.107\* | 2.266\* | 2.274\* |
|  | (1.037) | (1.035) | (1.036) | (1.035) | (1.036) | (1.037) |
| ***Media positive treatment*** | -1.502\*\* | -1.519\*\* | -1.509\*\* | -1.519\*\* | -1.467\*\* | -1.455\*\* |
|  | (0.521) | (0.520) | (0.521) | (0.520) | (0.520) | (0.521) |
| CEO attractive |  | 1.058+ | 1.063+ | 1.066+ | 1.081+ | 1.106+ |
|  |  | (0.589) | (0.590) | (0.591) | (0.588) | (0.589) |
| CEO attractive × female CEO |  |  | -0.281 |  |  | -0.613 |
|  |  |  | (1.286) |  |  | (1.303) |
| CEO attractive × prior CEO experience |  |  |  | 1.030 |  | 1.298 |
|  |  |  |  | (4.140) |  | (4.158) |
| CEO attractive × high tech firms |  |  |  |  | -2.187\* | -2.281\* |
|  |  |  |  |  | (1.109) | (1.121) |
| Constant | 11.449\*\* | 10.625\*\* | 10.541\*\* | 10.657\*\* | 10.624\*\* | 10.591\*\* |
|  | (3.568) | (3.589) | (3.601) | (3.592) | (3.581) | (3.598) |
| Chi-squared | 135.03 | 138.769 | 138.855 | 138.829 | 143.259 | 143.696 |

*Notes*: + *p* < 0.1, \* *p* < 0.05, \*\* *p* < 0.01. *N* = 925 for years 2012 and 2013. Unstandardized coefficients are presented. Standard errors in parentheses. Year and industry dummies in all models are not reported. Millions $.

**Figure 1**: Moderating effects of CEO prior experience (DV = compensation in millions $)



**Figure 2**: Moderating effects of high-tech firms (DV = compensation in millions $)



APPENDIX

Table A1

*Means, Standard Deviations, and Correlations for Supplemental MTurk Sample Rating CEO Photo*

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Variable | *Mean* | *s.d.* |  1 |  2  |  3 |  4 |  5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 1. Attractive | 3.67 | .79 |  |  |  |  |  |  |  |  |  |  |  |  |
| 2. Good-looking | 3.64 | .76 | .75\*\* |  |  |  |  |  |  |  |  |  |  |  |
| 3. Intelligent | 4.05 | .92 | .51\*\* | .42\*\* |  |  |  |  |  |  |  |  |  |  |
| 4. Professional | 4.14 | 1.01 | .42\*\* | .40\*\* | .79\*\* |  |  |  |  |  |  |  |  |  |
| 5. Competent | 4.15 | .79 | .35\*\* | .43\*\* | .73\*\* | .71\*\* |  |  |  |  |  |  |  |  |
| 6. Confident  | 4.08 | .93 | .39\*\* | .39\*\* | .66\* | .76\*\* | .49\*\* |  |  |  |  |  |  |  |
| 7. Hip/Cool | 3.09 | 1.03 | .06 | .12 | .26\* | .24 | .15 | .07 |  |  |  |  |  |  |
| 8. Fun | 3.20 | .98 | .11 | .22 | .13 | .04 | .20 | -.08 | .57\*\* |  |  |  |  |  |
| 9. Stimulating | 3.47 | .98 | -.01 | .21 | .22 | .26\* | .40\*\* | .18 | .32\*\* | .38\*\* |  |  |  |  |
| 10. Sex (1 = male, 0 = female) | .67 | .47 | -.19 | -.17 | -.04 | -.06 | -.03 | -.13 | .12 | .04 | .01 |  |  |  |
| 11. Race (1 = White, 0 = minority) | .69 | .47 | .21 | .24 | .11 | .11 | .05 | .19 | -.01 | -.07 | -.15 | .03 |  |  |
| 12. Age (continuous variable) | 34.19 | 11.76 | .26\* | .24 | .14 | .21 | .12 | .19 | -.12 | -.03 | -.21 | -.17 | .23 |  |
| 13. Age (1 = 40 or over, 0 otherwise) | .19 | .39 | .22 | .24 | .11 | .07 | .11 | .10 | -.15 | .02 | -.28\* | -.18 | .24 | .89\*\* |

*Note.* *N* = 64; Two-tailed tests.

\* *p* < .05
\*\* *p* < .01

Table A2

Regressing CEO Attractiveness on Rater Sex, Race, and Age as a Continuous Variable

(MTurk Sample)

|  |  |
| --- | --- |
|  | Model 1 |
|  | *b* | *SE* |
| Sex (1 = male, 0 = female) | -.28 | .20 |
| Race (1 = White, 0 = minority) | .29 | .21 |
| Age (continuous variable) | .01 | .01 |
| *R* | .32 |
| *R*2 | .12 |
|  |  |

*Note.* *N* = 64; \* *p* < .05.

Table A3

Regressing CEO Attractiveness on Rater Sex, Race, and Age as a Dichotomous (age 40 or over) Variable

(MTurk Sample)

|  |  |
| --- | --- |
|  | Model 1 |
|  | *b* | *SE* |
| Sex (1 = male, 0 = female) | -.29 | .21 |
| Race (1 = White, 0 = minority) | .30 | .21 |
| Age (1 = 40 or over, 0 otherwise) | .30 | .26 |
| *R* | .32 |
| *R*2 | .10 |
|  |  |

*Note.* *N* = 64; \* *p* < .05.