

REEXAMINING CEO DISMISSAL AND KEY CORPORATE GOVERNANCE CHARACTERISTICS

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ABSTRACT

This paper focuses on comparing firms that do not dismiss any of their top executives with firms that fire their CEOs to examine what key corporate governance characteristics determine the two dismissal decisions. I find that a firm is more likely to dismiss none of the top executives if the board is smaller; the board has fewer independent directors; the board holds fewer board meetings a year; the CEO is in the firm for a shorter time; the CEO has higher ownership; the CEO is hired from outside; or the leverage is relatively lower.

Keywords: *CEO Dismissal, Other Executives, the Board of Directors, Firm Characteristics, Corporate Governance*