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CEO Characteristics Influence on CEO Duality: Evidence from the Philippines

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Abstract: This study investigates the influence of chief executive officers' (CEO) demographic characteristics on the likelihood of CEO duality on boards of Philippine publicly listed corporations (PLCs). It draws on the competing perspectives of agency and stewardship, as well as human capital and upper echelon theories. It uses logistic regression on a sample of 252 active PLCs as of the end of 2021. Results indicate 30% of Philippine PLCs continue to practice CEO duality, despite the recommendation of the 2016 Code of Good Governance for Philippine PLCs to separate the roles of CEO and chairman of the board (COB). It also demonstrates that the likelihood of CEO duality is influenced by gender, tenure, and age; that is, an older, longer tenured man has more chances to hold both the position of CEO and COB. This supports the idea that CEO duality choice is associated with experience-based human capital.

Keywords: CEO duality, CEO characteristics, stewardship theory, human capital theory, upper echelon theory, Philippines

1 Introduction

The separation of the chief executive officer (CEO) and chairman of the board (COB) roles between two distinct (and independent) individuals is a widely recommended principle of good corporate governance. According to the Organization for Economic Cooperation and Development (OECD, 2015, p. 51): "Separation of the two posts is generally regarded as good practice, as it can help to achieve an appropriate balance of power, increase accountability, and improve the board's capacity for decision-making independent of management." As such, many nations' corporate governance codes have adopted said practice. However, in 2021, 41% of S&P 500 firms, the largest publicly listed corporations (PLCs) in the United States (US), practice otherwise, albeit this is a marked improvement from 59% in 2011 (Spencer Stuart, 2021).

CEO duality, where a single individual holds both the CEO and COB roles, is a practice that has existed for some time. It became a distinct research topic in the 1990s with the foundational article of Finkelstein and D'Aveni (1994) (Krause, Semadeni, & Cannella, 2014). Finkelstein and D'Aveni (1994, p. 1080) characterize CEO duality as a "double-edged sword," highlighting the tension between unity of command and mitigating CEO entrenchment within the board. The interest in board leadership, and overall corporate governance, intensifies given large-scale accounting scandals, such as the Enron case in the early 2000s. These scandals underscore concerns about potential conflicts of interest and lack of oversight associated with CEO duality. Consequently, government reforms, like the Sarbanes-Oxley Act in the US, emerge and emphasize independent board oversight, indirectly pressuring companies to separate the CEO and COB roles.

Yet, despite all these, CEO duality persists. This is contrary not only to the OECD's recommendation and many nations' corporate codes but also to the tenets of agency theory (Jensen & Meckling, 1976). The separation of roles aims to reduce agency costs from conflicts of interest between owners (principal) and managers (agent), as well as to facilitate managerial oversight (Abels & Martelli, 2013; Ali et al., 2022; Goergen, Limbach, & Scholz-Daneshgari, 2020). However, several review papers (Kang & Zardkoohi, 2005; Krause et al., 2014; Van Essen, van Oosterhout, & Carney, 2012; Yu, 2023) and meta-analyses (Dalton, Daily, Ellstrand, & Johnson, 1998; Rhoades, Rechner, & Sundaramurthy, 2001; Van Essen et al., 2012) on the board leadership–firm performance link show that "separating the CEO and board chair positions does not, on its own, improve firm performance" (Krause et al., 2014, p. 282).

The persistence of CEO duality may possibly be explained by stewardship theory (Davis, Schoorman, & Donaldson, 1997; Donaldson & Davis, 1991), which views management as trustworthy stewards motivated by pro-organizational interests. It rejects the view that conflict of interests exists

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between owners and managers, and considers additional monitoring by outside directors superfluous (Abels & Martelli, 2013; Desai, Kroll, & Wright, 2003; Donaldson & Davis, 1991). In a review of S&P 500 company disclosures, Goergen et al. (2020, p. 2) find that almost half of the companies that practice CEO duality state their reason for doing so as: "combining the two roles allows them to lever the CEO's in-depth knowledge of the firm and its operations."

While it is critical to hypothesize why CEO duality persists, or even investigate the board leadership–performance link, there is limited understanding of the factors driving the decision to combine or separate the roles of CEO and COB. Krause et al. (2014, p. 278) state in their CEO duality review article: "While there remain opportunities to refine the field's understanding of CEO duality's effects, we see the greatest scholarly need being exploration of CEO duality's antecedents."

Hence, this study answers this call to further explore CEO duality's antecedents by investigating the influence of CEO demographic characteristics on board leadership in Philippine PLCs. It follows from Goergen et al.'s (2020) findings that leveraging CEO knowledge is a main reason for CEO duality, and it is grounded in human capital and upper echelon (UET) theories. According to human capital theory (Becker, 1962), a CEO's accumulated experience (along with other human capital) enhances his/her cognitive and productive capabilities likely to benefit the firm. While according to UET (Hambrick, 2007; Hambrick & Mason, 1984), these experiences (along with other personal values and traits) shape how a CEO interprets and acts in a situation. Additionally, UET views an executive's demographic characteristics as valid proxies of their cognitive frames and psychological characteristics; and Pfeffer (1983) highlights the advantages of objectivity and parsimony, among others, of using demographic variables.

The Philippines is an appealing institutional context to study CEO duality and CEO demographic characteristics influence on CEO duality. There are only a handful of published studies that explore CEO duality in the Philippines. It is often explored as one of many board characteristics and focuses on its influence on certain outcomes, such as: earnings management (Cudia, Cruz & Estabillo, 2021; Cudia & Dela Cruz, 2018); firm performance (Lizares, 2020); quality of ESG disclosures (Nery & Morales, 2022); and firm value (Ramirez & Ferrer, 2021). Only one study explores CEO duality antecedents (Supangco, 2002), based on the review of literature.

Further, despite the recommendation of the Philippines' Code of Corporate Governance to separate the CEO and COB roles (SEC, 2016, Recommendation 5.4, p. 25), this study shows that 30% of PLCs continue to practice CEO duality. For PLCs with CEO duality, the often-cited reason for noncompliance is the existence of adequate checks and balances to ensure board independence. Some also indicate the COB�CEO has superior knowledge of the business, like Goergen et al.'s (2020) findings, and unified leadership creates efficiencies. This study confirms the former reason—CEO tenure and age have a significant positive effect on the likelihood of CEO duality.

This study contributes in many ways to the literature of CEO duality, as well as reinforces the value of human capital development. It answers the call to add to the literature on CEO duality antecedents (Krause et al., 2014). For after all, "before attempting to link board leadership structure to firm performance a deeper understanding of the determinants of board leadership structure is warranted" (Krenn, 2014, p. 141). It further expands: (1) the theoretical explanation of CEO duality beyond the usual dichotomy of agency and stewardship theories by using human capital and UET theories; and (2) the CEO demographic characteristics used in prior studies by adding the variable of CEO board linkages and CEO gender. It also contributes to the limited existing research on CEO duality in the Philippines.

Furthermore, this study reinforces the value of human capital development for top management. Leveraging CEO knowledge, one of the main reasons for persistence of CEO duality, is supported by this study's findings. However, the stark underrepresentation of women CEO in Philippine PLCs (only 13%) raises concerns about the potential gender gap in leadership opportunities and the possibility that women (compared to men) are not offered the same human capital development opportunities and organizational rewards, such as training and development (Terjesen, Sealy, & Singh, 2009). This limited access may hinder women CEO's ability to acquire knowledge and expertise necessary to take on both the CEO and COB roles. Additionally, the underrepresentation itself may suggest implicit bias against women holding both positions (only three (4%) of the 75 combined CEO and COB roles are women).

2 Review of literature: CEO duality and CEO characteristics

2.1 Theoretical underpinnings

The separation of the CEO and COB roles is grounded on agency theory, which focuses on monitoring and entrancement (Finkelstein & D'Aveni, 1994; Jensen & Meckling, 1976), while CEO duality is grounded on stewardship theory, which focuses on structure, leadership, and legitimacy (Davis et al., 1997; Donaldson & Davis, 1991; Finkelstein & D'Aveni, 1994). These are the two dominant perspectives in the study of corporate governance practices, conceptualized by Finkelstein and D'Aveni (1994, p. 1080) as "a double-edged sword forcing boards to choose between the contradictory objectives of unity of command and entrenchment avoidance." But "both theories reflect somewhat extreme and simplistic views of human nature" (Krause et al., 2014, p. 279), for few CEOs and managers are perfectly self-serving (agency perspective) or perfectly self-sacrificing (stewardship perspective) (Lin et al., 2023).

One often cited reason for CEO duality is that it leverages the CEO's depth of knowledge in the firm and in its operations (Goergen et al., 2020), knowledge gained from years of experience in the firm. Human capital theory (Becker, 1962) posits that this accumulated experiences (along with other components of human capital) enhance the individual's cognitive and productive capabilities to the organization's benefit. Additionally, UET (Hambrick, 2007; Hambrick & Mason, 1984) postulates that these experiences (along with other personal values and traits) shape how an individual interprets and acts given a situation. Effectively fulfilling a COB's role requires in-depth understanding of and experience in the firm's business, technology, human assets, industry, etc. (Kor & Sundaramurthy, 2009)—a situation where a CEO may have an edge given his/her accumulated experience from running the firm.

2.1.1 Agency theory

Agency theory (Jensen & Meckling, 1976) is the most common framework used to study corporate governance practices (Krause et al., 2014), and has its roots in finance and economics. The theory is directed at the agency relationship, where one party (the principal) delegates the performance of work to another (the agent) (Eisenhardt, 1989). Agency costs arise because of the diverse and likely conflicting interests of these two parties (Abels & Martelli, 2013; Ali. et al., 2022). The theory assumes people are driven by self-interest, have bounded rationality, and are risk averse (Eisenhardt, 1989). Thus, it depicts the CEO as opportunistic and self-serving; motivated to satisfy/maximize their own interest, possibly at the expense of owners' best interest; and unwilling to sacrifice personal objective for the interest of others (Abels & Martelli, 2013; Krenn, 2014). Furthermore, it posits that because of the CEO's firm-specific knowledge and expertise, the CEO can gain an advantage over owners who are not involved in firm operations (Krenn, 2014).

Hence, to reduce agency costs, it is recommended to delegate decision management to a CEO and decision control to an independent board charged with minimizing potential abuses of this delegation (Krenn, 2014) through enhanced and effective firm monitoring (Ali et al., 2022). Additionally, it is recommended to separate the roles of the CEO—accountable for managing the corporation—and the COB—accountable for controlling board-related responsibilities, including matters such as executive recruitment, CEO succession, and executive compensation (Abels & Martelli, 2013). This separation is to: (1) "account for the inherent differences between the tasks and roles of the CEO and chairman"; (2) "facilitate managerial oversight"; and (3) "allow the CEO to focus on managing the firm's day-to-day operations" (Goergen et al., 2020, p. 2). On the other hand, combining the roles merges decision management and decision control; this curtails effective firm monitoring and increases "CEO's entrenchment and power over the board, which leads to higher agency costs, particularly for larger and more complex firms that are more difficult to monitor and have more resources to waste" (Goergen et al., 2020, p. 2).

2.1.2 Stewardship theory

Stewardship theory offers an alternative framework to study corporate governance practices, particularly CEO duality, according to Davis et al. (1997) and Donaldson and Davis (1991). Their theory has its roots in organizational theory, specifically in psychology and sociology. It rejects the agency theory's basic assumption of conflicting interests (Abels & Martelli, 2013), and it sees additional monitoring by outside directors as superfluous (Desai et al., 2003). It assumes people, i.e., management, are trustworthy stewards and not opportunistic shirkers (Donaldson & Davis, 1991). These stewards are motivated by pro-organizational instead of self-serving interests, who in the process may also attain individual benefits (Abels & Martelli, 2013).

Hence, the theory posits that to minimize agency costs, the CEO and COB roles must be combined (Abels & Martelli, 2013). Goergen et al. (2020, p. 2) succinctly summarizes the major reasons for CEO duality, for it: (1) offers unity of command, "having a CEO-chairman promotes clear and consistent leadership, directional clarity, and effective and fast decision making;" (2) "enables the CEO to act as a bridge between management and the board, promoting information flows between the two;" and (3) "allows them to lever the CEO's in-depth knowledge of the firm and its operations,"

Elaborating on each of these three reasons, the unity of command principle, the first reason, has historical support. According to Fayol (1949), unity of command is essential to achieving unity of action, coordination, and focus. Under a combined board leadership structure, the CEO exercises more discretion, has clear authority over the organization, offers unambiguous decisions, and enjoys the benefits brought about by empowered leadership (Desai et al., 2003; Krenn 2014). For shareholders, CEO duality can "help promote the existence of (or illusion of) strong leadership at the top decision-making level of an organization" (Finkelstein & D'Aveni, 1994, p. 1101). On the other side, splitting the roles can create a rivalry between the CEO and COB and conflicts between management and the board; and cause confusion given the existence of two corporate spokespersons (Abels & Martelli, 2013; Krenn, 2014).

The second reason involves the bridging role of CEO duality. Abels and Martelli (2013) point out that CEO duality may bring harmony across the board, managers, and shareholders, translating to more efficient and effective means of achieving organizational goals. In a relationship built on trust between the shareholder and management, they say the costs of monitoring and controlling management behavior may decline. Furthermore, following Adams and Ferreira (2007), one can extend that under CEO duality, a CEO may be more willing to share more information with the board.

The third reason, leveraging CEO's knowledge, can be elaborated by human capital theory rooted in economics, and UET rooted in organizational behavior and strategic management. Effectively fulfilling a COB's role requires in-depth understanding of and experience in the firm's business, technology, human assets, industry, etc. (Kor & Sundaramurthy, 2009)—a situation where a CEO may have an edge given his/her accumulated experience from running the firm.

The study of CEO duality highlights a clear debate between the two dominant perspectives in corporate governance—agency and stewardship theories—with each theory facing criticisms. Critics of agency theory challenge its: (1) generalizability due to its reliance on the limited "economic man" model (Davis et al., 1997); (2) questionable behavioral assumptions (Hendry, 2005), and (3) neglect of the board's strategic role, a role beyond mere oversight (Zahra & Pearce, 1989). While critics of stewardship theory argue that it: (1) exaggerates the divergence of interests between agent and principal interests, increasing the theory's explanatory power, and (2) can be subsumed by agency theory, with stewards seen as agents acting irrationally in the principal's favor (Albanese, Dacin, & Harris, 1997). As Finkelstein and D'Aveni (1994) aptly describe it, CEO duality presents a "double-edged sword," forcing boards to navigate the potentially conflicting objectives of unified leadership and avoiding entrenched management. Despite these criticisms, the study of CEO duality remains valuable due to the strengths and insights offered by both agency and stewardship theory.

2.1.3 Human capital theory

Terjesen et al. (2009, p. 322) succinctly capture the essence of Becker's (1962) human capital theory—an examination of "the role of an individual's cumulative stocks of education, skills, and experience in enhancing cognitive and productive capabilities which benefit the individual and his/her organization." From an economic perspective, investing in human capital, an intangible asset, is considered a key driver of sustainable organizational performance and competitive advantage (Wuttaphan, 2017).

Human capital (i.e., knowledge, information, ideas, skills) is accumulated through experience and education, and it may be general or firm-specific. Education may be from formalized education at school, informal education at home and at work, on-the-job training and apprenticeships, and specialized vocational education at secondary and higher levels (Sweetland, 1996, p. 341), while experience may be accumulated through work and life in general. Meanwhile, general human capital is useful across various economic settings, and firm-specific human capital is valuable in more limited circumstances (Molloy & Barney, 2015). The later type of human capital can only be created on the job and generates the most value within the firm where it was created (Molloy and Barney, 2015).

Mahoney and Kor (2015, p. 297) conceptualize firm-specific human capital as a multifaceted construct. They say individuals accumulate it by engaging in "meaningful learning experiences and interactions with unique firm resources and personnel, while working on job assignments and socializing with others in the firm (and within the broader stakeholder domain)". They further identify three key components of this experiential based knowledge and their outcomes: (1) an understanding of the firm's idiosyncratic resources, capabilities, systems, and routines, to leverage the firm's unique strengths for optimal performance; (2) a knowledge of the firm's personnel abilities, limitations, idiosyncratic habits and the firm's culture, to facilitate trust building, collaboration, and productivity; and (3) an awareness of stakeholders' needs, as well as relationships and contributions to the firm, to secure long-term survival and success (pp. 298–299).

On the other hand, Oliveira and Holland (2007, p. 256) emphasize that individuals' learnings from their general set of life experience influence their life skills, values, beliefs, and personalities in a way work alone will not. In turn, the disposition they acquire in life influences their attitude to work and the extent to which they cooperate and contribute at work. They also point out the value of tacit knowledge, learned informally at work and from a general set of life experiences, in building a firm's competitive advantage. They state that the very nature of tacit knowledge— implicit and difficult to replicate—makes it an asset. Unlike easily transferable technical skills, it is deeply embedded within an organizational context, further strengthening its competitive advantage.

Clearly, individuals with high levels of human capital are more valuable to an organization (Kor & Sundaramurthy, 2009), especially those with accumulated firm-specific knowledge and experiences, not only for their operational value but also possibly for their psychological attachment. Oh, Chang, and Jung (2018) point out that through their experiences, CEOs may develop a strong sense of psychological ownership of the firm, viewing the firm as an entity they invested in and own. This in turn can lead to pro-organizational behavior, such as organizational commitment, stewardship, and citizenship behavior. They further posit that this psychological ownership may be amplified when long-tenured CEOs also serve as COB, for duality can possibly create "higher commitment to the firm (i.e., incentive) as well as a unity of command (i.e., capacity) with structural power" (p. 237).

2.1.4 Upper echelon theory

UET's central premise is that executives' experiences, values, and personalities greatly influence how they personally interpret a situation, which in turn affects their choices/actions (Hambrick, 2007; Hambrick & Mason, 1984). Though UET tends to focus on top management teams, significant contributions have arisen through the examination of CEOs and other individual leaders (Hambrick, 2007).

The theory builds on the concept of bounded rationality, suggesting executives have limitations in both knowledge and processing power (Hambrick, 2007; Simon, 1990). These limitations affect how they perceive and interpret opportunities, leading to a focus on a limited set of options and ultimately strategic choices they make (Giergia, 2021). Consequently, executives rely heavily on their past experiences to interpret complex situations and guide their decisions (Hambrick, 2007).

UET emphasizes the impact of individual level factors, particularly experience, on firm outcomes. Aside from experience (career and function), it posits that executive characteristics like age, socioeconomic background, education, value, and personality can influence strategic choices (e.g., innovation, R&D investment, cash holdings, etc.) and performance (Hambrick and Mason, 1984). Executives with relevant industry or functional experience possess specific (and likely valuable) knowledge and skills applicable to strategic decision-making within their domain (Hambrick & Mason, 1984).

Additionally, UET views executives' demographic characteristics (e.g., education, age, functional tracks, tenure, other professional experiences, socioeconomic roots, financial positions) as valid proxies of their cognitive frames and psychological characteristics. But UET acknowledges that these are still incomplete and imprecise representations of their psychological and social processes that drive their behavior, according to Hambrick (2007) and Hambrick and Mason (1984). However, they highlight the difficulty of gathering rich psychometric data from top executives—be it because they are busy and/or are unwilling to share (Krause et al., 2014). They further argue that substantial research evidence shows that demographic profiles of executives are highly related to outcomes. After all, Pfeffer (1983) has earlier touted the advantages of demographic variables as objective, parsimonious, comprehensible, and logical representations of constructs that are otherwise difficult to collect and validate.

2.2 Past Studies

The influence of CEO duality on various outcomes has been the focus of numerous studies, with much less studies on the antecedents of CEO duality. Krause et al.'s (2014, p. 274) CEO duality review article highlights the greater scholarly need in the exploration of CEO duality's antecedents, likely more in the investigation of individual (CEO) characteristics as antecedents.

2.2.1 CEO duality

The effect of CEO duality on a wide range of consequences[1] has received significant scholarly attention, while research investigating the antecedents of CEO duality remains comparatively fewer (Kang & Zardkoohi, 2005; Krause et al., 2014). This imbalance in research focus is particularly noteworthy, considering the lack of explanation provided in existing review articles by Kang and Zardkoohi (2005) and Krause et al. (2014). Perhaps, studying the consequences of CEO duality may be inherently easier. Outcomes are often readily observable and have quantifiable metrics compared to the factors that led to the decision of CEO duality. Information about boardroom decisions and rationale behind leadership structures may not be readily available publicly.

Studies have looked at antecedents at the board (Finkelstein, & D'Aveni, 1994; Supangco, 2002; Wang, DeGhetto, Ellen, & Lamont, 2019), firm (Iyengar & Zampelli, 2009), industry (Harrison, Torres, & Kukalis, 1988), and/or even country level (Wang et al., 2019) to explain CEO duality. But as pointed out by Krause et al. (2014, p. 278), aside from founder status (Daily & Dalton, 1992, 1993; Nelson, 2003), only Linck, Netter, and Yang (2008) hypothesize individual CEO characteristics as determinants of CEO duality.

Table 1 summarizes the relevant selected studies that focus on CEO duality antecedents *(See Table 1: CEO Duality Studies)*.

[1] The effect of CEO duality on a wide range of accounting and market related firm performance outcomes has generated several review papers (Kang & Zardkoohi, 2005; Krause et al., 2014; Van Essen et al., 2012; Yu, 2023) and meta-analysis (Dalton et al., 1998; Rhoades et al., 2001; Van Essen et al., 2012) to reconcile the mixed empirical evidence from different perspectives. The resounding conclusion is that CEO duality does not have a substantive systematic relationship with firm performance; the mere separation of the CEO and COB roles does not on its own improve firm performance (Dalton et al., 1998; Krause et al., 2014; Van Essen et al., 2012).

Aside from firm performance, the relationship of CEO duality on other outcomes has been empirically explored, such as but not limited to: acquisition performance (Desai et al., 2003); audit quality (Wan Abdullah, Ismail, & Jamaluddin, 2008); corporate diversification (Kim, Al-Shammari, Kim, & Lee, 2009); ESG disclosure scores (e.g., Bhatia & Marwaha, 2022; Nery & Morales, 2022); mergers and acquisitions and compensation (Dorata & Petra, 2008); and research and development intensity (Lin et al., 2023).

Table 1. CEO Duality Studies

Study (alphabetical)	Relevant findings	Empirical setting
Daily and Dalton, 1992	Founder-managed firm has no effect on CEO duality	Inc. magazine's 100 fastest-growing small US PLCs in 1990
Daily and Dalton, 1993	Founder-managed firm has a positive effect on CEO duality	186 small US PLCs (fewer than 500 employees and sales less than USD 20 million) in 1990
Davidson, Ning, Rakowski, and Elsaid, 2008	(1) When the CEO successor is not the designated heir, the incidence of CEO duality increases; (2) executives appointed as both CEO and COB are older than those appointed only as a CEO	1,017 CEO successions in US PLCs from 1992 to 1999
Finkelstein and D'Aveni, 1994	(1) Board vigilance is positively associated with CEO duality; (2) CEO duality is weakened when CEO has high informal power and when firm performance is high	108 US PLCs in the printing and publishing, chemicals, and computer industries from 1984 to 1986
Goergen et al., 2020	(1) Reasons firms state for combining or separating the roles of CEO and COB; (2) Disclosures of firms with CEO duality have more information about their board leadership structure and present this information with a more positive sentiment	458 US PLCs in the S&P from March 1, 2010 to February 28, 2011
Harrison et al., 1988	(1) Weak firm performance decreases CEO duality; (2) Board independence and industry concentration increase CEO duality	671 large manufacturing US PLC from 1978 to 1980
Iyengar and Zampelli, 2009	Firm performance does not have an effect on CEO duality	1,880 firm-years of US PLCs, nonfinancial and nonutility from 1995 to 2003
Krause et al., 2014	(1) Review and integrate disparate literature on demonstrated antecedents and consequences of CEO duality; (2) Offer new theoretical, methodological, and contextual directions to explore and extend knowledge in CEO duality	Journal articles on CEO duality for the period 1989 to 2013
Linck et al., 2008	Firm size, CEO age, and CEO tenure have a positive effect on CEO duality	6,931 US PLCs from 1990 to 2004
Monem, 2013	CEO duality is positively related to CEO age and CEO tenure, and negatively related to firm size and profitability	1,505 Australian PLCs as 31 December 2006
Nelson, 2003	Founder CEOs are less likely to be COB as well	157 firms that completed an IPO in 1991 on a major US equity exchange
Supangco, 2002	(1) Board independence is positively related to CEO duality; (2) (Positive) relationship between board independence and duality is moderated by industry	65 Philippine PLCs listed in the Corporate Handbook

2.2.2 CEO characteristics

The influence of CEOs' individual traits on corporate policy has attracted academic research over the past two decades (Osei Bonsu, Liu, & Yawson, 2024). Numerous studies have investigated CEO's characteristics effect on various outcomes, such as but not limited to: firm performance (e.g., Kaur & Singh, 2019; Peni 2014); corporate environmental performance (Tran, 2022); corporate leverage decisions (Nilmawati, Untoro, Hadinugroho, & Atmaji, 2021); corporate risk-taking (e.g., Bsoul, Atwa, Odat, Haddad, & Shakhatreh, 2022; García-Gómez, Zavertiaeva, & López Iturriaga, 2023); internationalization (Saeed & Ziaulhaq, 2019); CEO duality (Linck et al., 2008); and internal control quality (Lin, Wang, Chiou & Huang, 2014). This surge in research has led to a wealth of review (e.g., Osei Bonsu et al., 2024; Shen, 2021) and meta-analytical studies (e.g., Wang, Holmes, Oh, & Zhu, 2016), synthesizing existing findings, proposing new conceptual frameworks that among others categorize

CEO research, and/or offering promising avenues for future research (e.g., Bromley & Rau, 2016; Busenbark, Krause, Boivie, & Graffin, 2016).

CEO attribute research has been categorized in many ways, highlighting the fragmented theories in existing literature (e.g., Busenbark et al., 2016). Bromiley and Rau (2016) propose a categorization based on research focus: (1) CEO observable (demographic) characteristics (e.g., career, age, tenure, gender); (2) CEO underlying characteristics (e.g., personality, values, affect, intelligence); and (3) interactions dynamics with others (e.g., power, social ties); while Busenbark et al. (2016) offer a "configurational perspective" on CEO-related research centered on: (1) CEO role and job structure (e.g., corporate governance mechanism, decision making, selection); (2) CEO personal characteristics and self-perceptions (e.g., individual differences, identification with the firm, perceived peer and referent groups); and (3) external perceptions of the CEO (e.g., attribution of firm performance, assumptions about the CEO). Furthermore, numerous theories underpin research on CEO attributes, including UET, tournament theory, theories on personalities, agency and stewardship theories, and contingency theory. Notably, UET has emerged as the most prominent theory for investigating the influence of CEO personal characteristics.

CEO (observable) demographic characteristics are often used to explain various outcomes, like CEO duality (Linck et al., 2008), because: "There is a general perception that organizations are unwilling to provide access to their boards and their executives, especially the closed-door discussions" (Krause et al., 2014, p. 281). In Shen's (2021, p. 5–7) review article, she discusses how CEO's demographic (and other) characteristics have been used to explain CEO succession; CEO power, stock ownership, and stock option pay; a firm's time to IPO; and CEO narcissism. She echoes the central premise of UET and the advantages of using demographic factors (Hambrick & Mason, 1984), and elaborates on the concept of experiences of human capital theory— "life experience (age), firm experience (tenure), and functional experience (functional specification)" (p. 5). Wang et al. (2016, Abstract) meta-analysis study also supports UET's predictions that "CEO characteristics (i.e., tenure, formal education, prior career experience, and positive self-concept) are significantly associated with firm strategic actions, which in turn are significantly related to future firm performance."

3 Hypothesis

Grounded in stewardship theory (Davis et al., 1997; Donaldson & Davis, 1991), human capital theory (Becker, 1962) and UET (Hambrick, 2007; Hambrick & Mason, 1984), this study focuses on CEO demographic characteristics, as a proxy for a CEO's accumulated experience, in hypothesizing the likelihood of CEO duality. These theories suggest that CEOs with greater experience are likely to possess the knowledge, skills, and abilities necessary to effectively manage the complexities of CEO duality. However, directly measuring experience can be challenging. Therefore, demographic characteristics offer an objective, parsimonious, comprehensible, and logical representation of constructs that are otherwise difficult to collect and validate (Pfeffer, 1983).

Building on these theoretical foundations, this study investigates four specific CEO demographic characteristics (in parenthesis): firm-specific experience (tenure), general life experience (age), other board experience (board linkages), and gender-specific/different experiences (gender).

3.1 Tenure

Learning on the job is an investment in human capital. A CEO's tenure reflects a level of unparalleled and valuable firm-specific knowledge and experiences a CEO has accumulated over time, beneficial to organizational outcomes (Linck et al., 2008; Oh et al., 2018). Hence, CEO tenure is a measure of experience-based human capital. "Longer management experience may suggest higher perceived ability" (Monem, 2013, p. 26), and additional skills to make broader perspective decisions (Bsoul et al., 2022).

Oh et al. (2018, p. 326) highlight that a CEO who stays longer in the position expands his/her knowledge set, skill repertoires, and has a sense of "psychological ownership, which can lead to pro-organizational behavior, such as organizational commitment, stewardship, and citizenship behavior." This firm-specific knowledge set can help the CEO understand the different interests of multiple stakeholders and know the internal resources and capabilities that can satisfy those interests. Oh et al.

(2018) also introduce the concept of social capital, which the CEO builds with his/her stakeholders, and that can translate to goodwill and trust stakeholders have towards the firm.

These few empirical studies all show that the longer the CEO tenure, the more likely the CEO and COB roles are merged (Linck et al., 2008; Monem, 2013).

Hence, following from the conceptual arguments and empirical findings, this study hypothesizes that:

H1: CEO duality is positively associated with CEO tenure.

3.2 Age

Like tenure, age is a measure of experience-based human capital. But this experience is not limited to a firm, but expands to cover experiences gained from industry, other organizations, extra- and co-curricular activities, and life experience.

Davidson et al. (2008, p. 389) point out that "age confer experience," and that "older executive may give the appearance of having greater experience and depth of managerial talent." Older CEOs are expected to have a reasonable edge compared to their younger counterparts, who have less experience in the corporate sector (Ali et al., 2022).

Like tenure, few empirical studies show that the likelihood of CEO duality increases with CEO age (Davidson et al., 2008; Linck et al., 2008; Monem, 2013).

Hence, following from the conceptual arguments and empirical findings, this study hypothesizes that:

H2: CEO duality is positively associated with CEO age.

3.3 Board linkages

Board linkages, sitting on other boards, highlight the director's human and social capital (Terjesen et al., 2009). CEO membership on other boards develops general director human capital through exposure to various strategic and governance issues, and problems and solutions of upper management and the board (Kor & Sundaramurthy, 2009). It also develops social capital, the "ability to access information and resource networks through external and internal connections" (Kor & Sundaramurthy, 2009, p. 984). General director human capital can be applied to the operations of the CEO's firm, and social capital, based on resource dependence theory (Pfeffer & Salancik, 2003), can help the CEO manage external dependencies and reduce environmental uncertainty.

Based on the review of literature, no empirical study has explored the association between CEO board linkages and CEO duality.

Hence, following from the conceptual arguments, this study hypothesizes that:

H3: CEO duality is positively associated with CEO board linkages.

3.4 Gender

Terjesen et al. (2009, p. 322) point out that "women have traditionally made fewer investments in education and work experience;" and "gatekeepers, who are mostly male, do not offer women the same organizational rewards, such as training and development." They further highlight that a woman's combination of experience-based human capital differs from the traditional man. More importantly, because of or as a result of this phenomenon, opportunities for women executives are less than for men. Women CEOs only hold 8.2% (41) of CEO positions in S&P 500 companies ("Women CEOs," 2023).

Similarly, based on the review of past literature, no empirical study has explored the association between CEO gender and CEO duality.

Hence, despite the paucity of empirical research on the association of CEO gender and CEO duality, but given the well-documented underrepresentation of women in CEO positions, this study hypothesizes that:

H4: CEO duality is positively associated with the CEO being a man.

4 Methodology

4.1 Sample

To investigate the influence of CEO demographic characteristics on CEO duality, this study focuses on PLCs on the Philippine Stock Exchange (PSE). PLCs are ideal for this research, as they are subject to stricter regulations and reporting requirements compared to private companies. This ensures greater transparency and accessibility of data on variables relevant to this analysis. This study's initial sample includes all 252 active PLCs as of the end of 2021. However, this sample is reduced to 159 PLCs with complete information on all variables for the regression analysis. The CEO, board, and firm data are from the PLCs' annual reports (SEC Form 17-A), ORBIS, and Thomson Reuters/Refinitiv EIKON database. Data from these different sources are merged and checked for accuracy and consistency of data.

Philippine PLCs are guided by the Code of Corporate Governance for PLCs (SEC, 2016). It clearly recommends against CEO duality, stating: "The positions of Chairman of the Board and Chief Executive Officer should be held by separate individuals and each should have clearly defined responsibilities" (SEC, 2016, Recommendation 5.4, p. 25). Yet CEO duality exists because the corporate code takes a "comply or explain" approach, which combines voluntary compliance with mandatory disclosure (SEC, 2106, p. 4). That is, firms are not compelled to comply, but they must report in their annual corporate governance reports areas of and reasons for noncompliance (SEC, 2016, p. 4). For PLCs with CEO duality, the often-cited reason for noncompliance is the existence of adequate checks and balances to ensure board independence, such as, but not limited to, written policies, independent directors, committees headed by independent directors, exclusion of COB–CEO in board committees, and one vote only as COB–CEO. Other explanations used are: the combined role is necessary (in the interim) to ensure continuity of firm operations, given the resignations of top leaders; the firm's size, risk profile, and complexity of operations may not warrant role separation; the COB–CEO has superior knowledge of the business, and unified leadership creates efficiencies; and company bylaws, crafted many decades before the corporate governance code, combine the roles.

4.2 Variables

Table2 details this study's variables based on the review of literature *(See Table 2: Study Variables and Measures)*.

Table 2. Study Variables and Measures

Variable	Definition
Dependent	
CEO Duality	1 = CEO is also the COB, 0 = otherwise; dichotomous measure
Independent	
CEO Tenure	December 31, 2021 minus CEO's date of first board appointment; continuous measure
CEO Age	CEO's age as of December 31, 2021; continuous measure
CEO Board Linkages	Number of other PLCs the CEO sits on as a director; continuous measure
CEO Gender	1= CEO is a man, 0= CEO is a woman; dichotomous measure
Control	
Board Size	Number of directors on the board; continuous measure
Prop of ED	Number of executive directors on the board divided by board size; continuous measure
Prop of ID	Number of independent directors on the board divided by board size; continuous measure
Prop of Sholder	Sum of all directors who are shareholders divided by board size; continuous measure
CEO Sholder	1= CEO is a shareholder, 0 = otherwise; dichotomous measure

Variable	Definition
Avg Board Tenure	Sum of all directors' tenure divided by board size; continuous measure
Avg Board Age	Sum of all directors' ages divided by board size; continuous measure
Avg Board Linkages	Sum of all directors' other PLC directorships divided by board size; continuous measure
Prop of Gender	Sum of all male directors on the board divided by board size; continuous measure
Firm Age	December 31, 2021 minus date of firm's incorporation; continuous measure
Firm Size	Natural log of total assets as of December 31, 2021; continuous measure
Ownership Concentration	
- Business Group	1= part of business group, 0 = otherwise; dichotomous measure
- Family Owned	At least 20% owned by a family, 1= yes, 0 = otherwise; dichotomous measure

The dependent variable *CEO Duality* represents the probability that the CEO is also the COB. Like several prior studies, it is coded as a dichotomous variable (0,1) (e.g., Ali et al., 2022; Bsoul et al., 2022; Finkelstein & D'Aveni, 1994; Linck et al., 2008; Monem, 2013; Supangco, 2002).

The four independent variables represent the CEO's characteristics, and their measures are taken from several prior studies: *CEO Age* (e.g., Ali et al., 2022; Bsoul et al., 2022; Goergen et al., 2020; Monem, 2013; Tran, 2022) and *CEO Gender* (e.g., Ali et al., 2022; Bsoul et al., 2022; Tran, 2022)*.* The measure *CEO Board Linkages* is author defined as no prior studies used this as a variable, based on the review of literature. Lastly, *CEO Tenure* is measured as the time from the first board appointment versus the time from the ascension into the CEO role, the measure used by many other studies. Philippine PLCs' annual reports are more explicit on the date of first board appointment, and often are silent on the date of ascension into the CEO role. These two dates often align, or in the worst case, the board tenure may be longer than the CEO tenure if the CEO has sat on the board previously as a C-level executive.

The control variables are numerous, but not all have empirically supported relationship with *CEO* Duality, given the scarcity of antecedent studies on CEO duality. The first set of control variables are firm-related, all of which reveal both positive and negative associations with *CEO Duality*: (1) *Firm Age,* positive (Monem, 2013) and negative (Finkelstein & D'Aveni, 1994; Nelson 2003) association with *CEO Duality*; (2) *Firm Size*, positive (Linck et al., 2008) and negative (Monem, 2013) association with *CEO Duality*; (3) Ownership concentration, as measured both by *Business Group and Family Owned*, has also shown both positive (Monem, 2013) and negative (Nelson, 2003) association with *CEO Duality.*

The second set of control variables are board-related and mirror the variables of CEO characteristics. A*vg Board Tenure and Avg Board Age* indicate a positive relationship *with CEO Duality* (Wang et al., 2019). *Prop of Gender* shows that boards with more women have a higher incidence of CEO Duality (Wang et al., 2019). These positive relationships between board human capital and *CEO Duality* can be due to the directors' identification with their monitoring roles and their confidence in monitoring a combined board leadership (Wang et al., 2019). *Avg Board Linkages*, like *CEO Board Linkages*, is author defined as no prior studies used this as a variable, based on the review of literature.

The third and last set of control variables are also board-related, but are independent of the CEO characteristics. *Prop of ID*, a proxy for board independence/vigilance, has shown a consistent positive effect on *CEO Duality* (Finkelstein & D'Aveni, 1994; Linck et al., 2008; Monem, 2013; Supangco, 2002; Wang et al., 2019). Perhaps "vigilant boards are more concerned with unity of command than with entrenchment avoidance," contrary to agency theory, as pointed out by Finkelstein and D'Aveni (1994, p. 1000). *CEO Sholder* (Monem, 2013) and *Prop of Sholder* (Wang et al., 2019) both show negative effects on *CEO Duality*. *Board Size* and *Prop of ED* are variables added and author defined as no prior studies used these variables, based on the review of literature.

4.3 Model

This study uses a cross-sectional, logistic regression analysis to examine if CEO characteristics influence CEO duality. The unit of observation is the CEO, who either serves as the COB or not. The model is specified as follows:

$$\begin{aligned} CEO\ Duality\ =\ & \beta_0 + \beta_1 CEO\ Board\ Tenure + \beta_2 CEO\ Age + \beta_3 CEO\ Board\ Linkages \\ & + \beta_4 CEO\ Gender\ +\ \beta_5 Board\ Size + \beta_6 Prop\ of\ ED + \beta_7 Prop\ of\ ID \\ & + \beta_8 Prop\ of\ Sholder + \beta_9 CEO\ Sholder + \beta_{10} Avg\ Board\ Tenure \\ & +\ \beta_{11} Avg\ Board\ Age + \beta_{12} Avg\ Board\ Linkages + \beta_{13} Prop\ of\ Gender \\ & + \beta_{14} Firm\ Age + \beta_{15} Firm\ Size + \beta_{16} Business\ Group + \beta_{17} Family\ Owned +\ u_i \end{aligned}$$

where β_0 is the constant term and u_i is the error term.

Note: These coefficients do not directly reflect the effects of the variables on the dependent variable, and are not easy to interpret given they are on a logit scale. Hence, marginal effects of x on y is calculated.

5 Results

5.1 Descriptive and correlation results

Table 3 indicates the mean, standard deviation, minimum, and maximum values of the variables for the total sample and sub-samples of PLCs with and without CEO duality *(See Table 3: Descriptive Results)*. Seventy-five PLCs, or 30% of the sample, practice CEO duality contrary to recommendation 5.4 of the Code of Corporate Governance for PLCs (SEC, 2016, p. 25). CEOs that also hold the COB roles have longer board tenures (*CEO Tenure*: M = 18.412, +8.033 years); are older in age (*CEO Age:* M = 66.027, +8.556 years); sit on more PLCs (*CEO Board Linkages*: M = 1.427, +0.421 boards); and are men (*CEO Gender*: M = 0.960, +0.119).

In terms of board characteristics, PLCs with CEO duality tend to have longer-tenured directors (*Avg Board Tenure*: M = 11.292, +1.674 years); a lower proportion of directors that sit in other PLC boards (*Avg Board Linkages*: M = 0.941, -0.285); and a higher proportion of firm ownership of directors (*Prop of Sholder*: M = 0.468, +0.091) and of CEOs (*CEO Share*: M = 0.760, +0.180).

In terms of firm characteristics, PLCs with CEO duality are less likely to be part of a business group (*Business Group*: M = 0.507, -,0.114) and tend to be smaller (*Firm Size*: M = 5.110, -0.699).

Table 3. Descriptive Results

Variable	All PLCs					PLCs with CEO duality					PLCs with no CEO duality				
	# of Obs	Mean	Std. Dev.	Min	Max	# of Obs	Mean	Std. Dev.	Min	Max	# of Obs	Mean	Std. Dev.	Min	Max
CEO Duality	252	0.298	0.458	0	1	75	1	0	1	1	177	0	0	0	0
CEO Tenure	224	12.889	10.443	0.041	47.030	70	18.412	12.251	0.145	47.030	154	10.379	8.424	0.041	35.022
CEO Age	243	60.041	11.266	36	87	73	66.027	12.006	40	87	170	57.471	9.910	36	80
CEO Board Linkages	251	1.131	1.726	0	9	75	1.427	1.710	0	7	176	1.006	1.722	0	9
CEO Gender	251	0.876	0.330	0	1	75	0.960	0.197	0	1	176	0.841	0.367	0	1
Board Size	252	9.238	2.151	5	15	75	8.960	1.996	5	15	177	9.356	2.209	5	15
Prop of ED	252	0.300	0.143	0.067	0.778	75	0.356	0.151	0.125	0.778	177	0.276	0.133	0.067	0.667
Prop of ID	252	0.305	0.091	0	0.571	75	0.292	0.082	0	0.444	177	0.311	0.095	0	0.571
Prop of Sholder	252	0.404	0.293	0	1	75	0.468	0.310	0	1	177	0.377	0.282	0	1
CEO Sholder	251	0.633	0.483	0	1	75	0.760	0.430	0	1	176	0.580	0.495	0	1
Avg Board Tenure	170	10.110	5.069	1.079	23.815	50	11.292	5.946	1.575	23.815	120	9.618	4.594	1.079	23.236
Avg Board Age	237	62.885	5.919	45.333	74.909	71	62.736	5.385	51.818	74.909	166	62.949	6.148	45.333	74.750
Avg Board Linkages	252	1.141	0.986	0	4.222	75	0.941	0.861	0	3.818	177	1.226	1.026	0	4.222
Prop of Gender	252	0.812	0.149	0.273	1.000	75	0.839	0.148	0.364	1.000	177	0.800	0.148	0.273	1
Firm Age	252	45.284	25.970	1.197	118.469	75	43.707	24.782	11.375	97.014	177	45.952	26.497	1.197	118.469
Firm Size	245	5.595	2.643	-5.905	11.171	75	5.110	2.625	-5.905	10.155	170	5.809	2.630	-4.650	11.171
Business Group	252	0.587	0.493	0	1	75	0.507	0.503	0	1	177	0.621	0.486	0	1
Family Owned	252	0.762	0.427	0	1	75	0.787	0.412	0	1	177	0.751	0.433	0	1

Table 4 shows the sample's PSE industrial sector breakdown *(See Table 4: PSE Industrial Breakdown)*. Half of the firms in the mining and oil sector practice CEO duality, greater than the sample's average of 30%, and only one-fifth of the firms in the property and financial sectors practice CEO duality, lower than the sample's average.

Table 4. PSE Industrial Breakdown

Sector	Total	CEO Duality	Percentage	Not CEO Duality	Percentage
Financial	25	5	20.00	20	80.00
Holding Company	33	9	27.27	24	72.73
Industrial	64	19	29.69	45	70.31
Mining & Oil	22	11	50.00	11	50.00
Property	42	8	19.05	34	80.95
Services	60	21	35.00	39	65.00
SME	6.0	2	33.33	4	66.67
Total	252	75	29.76	177	70.20

Table 5 contains the correlation results of the variables *(See Table 5: Correlation Results)*. Given the data values are a mix of continuous and binary measures, different correlations are computed—Pearson correlation between continuous measures; point biserial correlation between a binary measure and a continuous measure; and tetrachoric between binary measures. *CEO Duality* reflects a significant correlation with the CEO characteristics of *CEO Tenure* ($r = 0.357$, $p < 0.01$), *CEO Age* ($r = 0.348$, $p < 0.01$), and *CEO Gender* ($r = 0.0410$, $p < 0.01$); and board characteristics of *Prop of ED* ($r = 0.257$, $p < 0.01$), *Prop of Sholder* ($r = 0.142$, $p < 0.05$) and *CEO Shareholder* ($r = 0.295$, $p < 0.01$), and *Avg Board Linkages* ($r = -0.132$, $p < 0.05$). Some CEO characteristics are significantly correlated with board characteristics, which is unsurprising as their values factor into the computation of the total board values: *CEO* and *Avg Board Tenure* ($r = 0.650$, $p < 0.01$), *CEO* and *Avg Board Age* ($r = 0.407$, $p < 0.01$), and *CEO* and *Prop of Gender* ($r = 0.324$, $p < 0.01$).

Table 5. Correlation Results

		1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	CEO Duality	1													
2	CEO Tenure	0.357**	1												
3	CEO Age	0.348**	0.467**	1											
4	CEO Board Linkages	0.112	0.288**	0.076	1										
5	CEO Gender	0.410*	-0.034	0.005	0.106	1									
6	Board Size	-0.084	-0.008	0.089	0.082	0.036	1								
7	Prop of ED	0.257**	0.131*	0.086	-0.042	0.119	-0.351**	1							
8	Prop of ID	-0.094	-0.198**	-0.155*	0.020	-0.039	-0.171**	-0.215**	1						
9	Prop of Sholder	0.142*	0.230**	0.124	-0.074	-0.030	-0.017	0.045	-0.007	1					
10	CEO Sholder	0.295**	0.319**	0.078	-0.009	-0.072	0.015	-0.065	0.006	0.583**	1				
11	Avg Board Tenure	0.151*	0.650**	0.363**	0.115	0.068	-0.036	0.135	-0.141	0.389**	0.232**	1			
12	Avg Board Age	-0.017	0.361**	0.407**	0.136*	0.051	0.155*	-0.185**	0.096	0.124	0.023	0.539*	1		
13	Avg Board Linkages	-0.132*	0.148*	0.073	0.646**	0.013	0.062	-0.212**	0.241**	-0.068	-0.032	0.118	0.266**	1	
14	Prop of Gender	0.119	-0.052	0.023	0.029	0.324**	0.024	-0.024	-0.021	0.015	-0.027	-0.035	0.028	-0.018	1
15	Firm Age	-0.04	0.099	0.257**	0.033	0.026	0.267**	-0.127*	-0.173**	0.067	-0.009	0.245**	0.290**	0.090	0.107
16	Firm Size	-0.122	0.092	0.033	0.240**	0.042	0.267**	-0.226**	0.268**	0.042	0.045	0.116	0.280**	0.386**	-0.076
17	Business Group	-0.181	0.051	0.069	0.397**	0.014	0.142*	-0.201**	0.085	-0.062	0.067	0.084	0.209*	0.572**	-0.131
18	Family Owned	0.062	0.150*	0.016	0.075	-0.018	-0.107	0.078	0.172**	0.140*	0.181	0.302**	0.140*	0.183**	-0.110

*p<0.05, **p<0.01

		15	16	17	18
15	Firm Age	1			
16	Firm Size	0.030	1		
17	Business Group	0.118	0.277**	1	
18	Family Owned	0.000	0.234**	0.376**	1

*p<0.05, **p<0.01

5.2 Regression results

Table 6 contains the results of the four regression models, containing only the control variables (regression 1) and their marginal effects (regression 2) and all variables (regression 3) and their marginal effects (regression 4) *(See Table 6: Logistic Regression and Marginal Effects)*.

Table 6. Logistic Regression and Marginal Effects

	(1)	(2)	(3)	(4)
	Control variables	Marginal effects	All variable	Marginal effects
CEO Tenure			0.155***	0.017***
			(0.045)	(0.004)
CEO Age			0.120***	0.013***
			(0.031)	(0.003)
CEO Board Linkages			0.454	0.050
			(0.257)	(0.027)
CEO Gender			2.299**	0.254**
			(0.822)	(0.087)
Board Size	0.088	0.016	0.044	0.005
	(0.109)	(0.020)	(0.141)	(0.015)
Prop of ED	1.936	0.356	0.799	0.088
	(1.482)	(0.275)	(2.445)	(0.269)
Prop of ID	-0.057	-0.011	4.665	0.514
	(2.312)	(0.425)	(3.312)	(0.351)
Prop of Sholder	0.894	0.164	3.376**	0.372**
	(0.681)	(0.121)	(1.131)	(0.123)
CEO Sholder	0.189	0.025	-1.352	-0.149
	(0.465)	(0.085)	(0.719)	(0.080)
Avg Board Tenure	0.070	0.013	-0.145	-0.016
	(0.048)	(0.008)	(0.088)	(0.010)
Avg Board Age	0.020	0.004	-0.027	-0.003
	(0.038)	(0.007)	(0.063)	(0.007)
Avg Board Linkages	0.031	0.006	-1.166**	-0.129**
	(0.214)	(0.039)	(0.451)	(0.048)
Prop of Gender	2.005	0.369	1.604	0.177
	(1.531)	(0.270)	(1.592)	(0.171)
Firm Age	-0.007	-0.001	-0.020	-0.002
	(0.009)	(0.002)	(0.013)	(0.001)
Firm Size	-0.099	-0.018	-0.274*	-0.030*
	(0.098)	(0.018)	(0.128)	(0.013)
Business Group	-0.368	-0.073	0.256	0.028
	(0.462)	(0.084)	(0.582)	(0.064)
Family Owned	0.103	0.019	0.148	0.016
	(0.513)	(0.094)	(0.699)	(0.077)
Pseudo R^2	0.088	0.088	0.422	0.422
No. of Observations	159	159	159	159
p-value	0.299	0.299	0.001	0.001

note: standard errors in parentheses
* p<0.05, ** p<0.01, *** p<0.001

The addition of the independent variables, *CEO Tenure*, *CEO Age, CEO Board Linkages*, and *CEO Gender* in regression models 3 and 4 does two things. First, it improves the p-value and makes significant the overall model indicating the likelihood of observing a relationship between the independent and dependent variables. Second, it improves the pseudo R^2 (+0.334) and enhances the model's goodness of fit.

All hypotheses, except hypothesis 3 on CEO Board Linkages, are supported by the regression results. These independent variables show a significant positive association with *CEO Duality,* like the correlation results.

CEO Tenure ($\beta = 0.155$, $p < 0.001$ for regression 3; $\beta = 0.017$, $p < 0.001$ for regression 4), as posited by hypothesis 1, shows a significant positive relationship with *CEO Duality*. This echoes the results of previous empirical studies (Linck et al., 2008; Monem, 2013), and supports the argument that CEOs with longer tenure have more experience-based human capital valuable to the firm.

CEO Age ($\beta = 0.120$, $p < 0.001$ for regression 3; $\beta = 0.013$, $p < 0.001$ for regression 4) also indicates a significant positive relationship with *CEO Duality* as predicted in hypothesis 2. This echoes the results of previous empirical studies (Davidson et al., 2008; Linck et al., 2008; Monem, 2013). This finding is unsurprising given the high correlation between *CEO Tenure and CEO Age* ($r = 0.467$, $p <0.01$, Table 5), and high mean age of CEOs ($M = 60.41$, Table 3).

CEO Gender ($\beta = 2.299$, $p < 0.001$ for regression 3; $\beta = 0.254$, $p < 0.001$ for regression 4), as posited by hypothesis 4, has the single most significant positive association with *CEO Duality*. Being a man increases the occurrence of CEO Duality by 25 percentage points, an unsurprising result given that the majority (87.6%, Table 3) of CEOs in Philippine PLCS are men.

Only the control variables *Avg Board Linkages, Prop of Sholder*, and *Firm Size* indicate a significant effect on *CEO Duality*. Of these, *Prop of Sholder* ($\beta = 3.376$, $p < 0.01$ for regression 3; $\beta = 0.372$, $p < 0.001$ for regression 4) has the single largest significant positive association with *CEO Duality*, and contrary to the results of Wang et al. (2019). Perhaps board members who are also shareholders possess greater familiarity and involvement in the business, such that they carry out their monitoring function with confidence, demanding less board independence and the separation of the CEO and COB roles.

On the other hand, *Avg Board Linkages* ($\beta = -1.166$, $p < 0.01$ for regression 3; $\beta = -0.129$, $p < 0.001$ for regression 4) has the single largest significant negative association with *CEO Duality*. Perhaps these busy board members have less time to monitor and control the firm, demanding more board independence and the separation of the CEO and COB roles.

Lastly, *Firm Size* ($\beta = -0.274$, $p < 0.05$ for regression 3; $\beta = -0.030$, $p < 0.05$ for regression 4) has a significant negative association with *CEO Duality*, consistent with Monem (2013). *Firm Size* can proxy for firm complexity and the more complex a firm becomes: (1) the greater the demands on the CEO, making excessive the additional responsibilities of the COB role; and/or (2) the greater the demand for outside monitoring and separation of the CEO and COB roles (Monem, 2013).

6 Discussion

This study explores how CEO demographic characteristics impact the likelihood of CEO duality in Philippine PLCs. Drawing from the theories of stewardship, human capital, and upper echelon, it employs logistic regression on a sample of 252 active PLCs as of the end of 2021. The findings reveal that 30% of Philippine PLCs still maintain CEO duality, despite the 2016 Code of Good Governance recommendation to separate the CEO and COB roles. Moreover, this study illustrates that gender, tenure, and age play a role in determining the likelihood of CEO duality. Specifically, older, longer-tenured men are more likely to hold both the positions of CEO and COB, highlighting the influence of experience-based human capital on the choice of CEO duality.

Among the CEO characteristics influencing CEO duality, *CEO Gender* has the strongest impact. Note, this is the only study, based on the review of literature, that shows CEO gender's association with CEO duality. Being a male CEO increases the occurrence of CEO duality by 25 percentage points. This is unsurprising given that only 13% of Philippines PLCs have women CEOs; of the combined CEO and COB roles, only three (4%) of the 75 COB–CEO are women. It is plausible that these women CEOs have: (1) not received the same level of investment in work experience as their male counterpart to boost their experience-based human capital (Terjesen et al., 2009); and/or (2) a combination of human capital, different from that of men (Terjesen et al., 2009), and positively not as valued; and/or (3) the same level and type of experience-based human capital as that of men, but firms just demand more from women. This last point is worthy of future research.

Combined, *CEO Tenure* and *CEO Age* increases the occurrence of CEO duality by 3 percentage points. This is clearly much smaller than the impact of *CEO Gender*, but it does provide support for experience-based human capital as a reason for CEO duality—firm-specific experiences (*CEO Tenure*) and broader experiences (*CEO Age*). Superior knowledge of the business as a reason for CEO duality is seen in both US (Goergen et al., 2020) and Philippine PLCs.

The issue of agency arises with CEO duality. Many Philippine PLCs believe that they possess adequate checks and balances to ensure board independence. Board independence has consistently shown a significant positive relationship with CEO duality in many other studies (Finkelstein & D'Aveni, 1994; Linck et al., 2008; Monem, 2013; Supangco, 2002; Wang et al., 2019), but unfortunately not for this study, albeit its sign is positive (*Prop of ID:* $\beta = 4.665$, $p > 0.05$ for regression 3; $\beta = 0.514$, $p > 0.05$ for regression 4, Table 6).

The positive (as hypothesized) but not significant results of *CEO Board Linkages* require additional investigation. The value of director-based human capital (exposure to various strategic and governance issues) is seen as less than the value of firm-specific human capital. Perhaps there is a lack of applicability of this director's human capital to the CEO's own firm, and/or social capital is what is more valuable with these board linkages. Following from resource dependence theory (Pfeffer & Salancik, 2003, p. 161), the management of external dependencies and the reduction of environmental uncertainty through "accessing resources, exchanging information, developing interfirm commitments, and establishing legitimacy" (p. 161) may be what is valued. This is also worthy of future research

This study contributes in many ways to the literature on CEO duality and reinforces the value of human capital development. First, it answers the call to add to the literature on CEO duality antecedents (Krause et al., 2014). It does so by expanding (1) the theoretical explanation of CEO duality beyond the usual dichotomy of agency and stewardship theories and uses human capital and UET theories and (2) the CEO demographic characteristics explored in prior studies by adding the variables of CEO board linkages and CEO gender. It also contributes to the limited research on CEO duality in the Philippines. Second, its managerial implications emphasize the value of human capital development for top management, in general, and for women in top management, in particular. Leveraging CEO knowledge, one of the main reasons provided for persistence of CEO duality, is supported by this study's findings. It also reinforces the possibility that women (compared to men) are not offered the same organizational rewards, such as training and development.

This study opens areas for future research, both by addressing its limitation and by extending its findings. Ultimately, this study is one sided, looking only at the antecedent of CEO duality. Kang and Zardkoohi (2005) highlight that literature of antecedents and consequence of CEO duality progressed independently from each other; now may be the time link both sides in one study. The link with the consequence side of board leadership may take many or a combination of forms, such as: a longitudinal dataset to establish causal effects of the link (Rechner & Dalton, 1991); addition of contingency factors to moderate the relationship (Boyd, 1995; Finkelstein & D'Aveni, 1994); and/or inclusion of industry effects and use of numerous performance measures for comprehensiveness (Baliga et al., 1996), Longitudinal dataset for establishing causality and contingency factors for moderating relationship are also research extensions available to the antecedent side of board leadership. The use of longitudinal dataset, addresses this study's limitation of a sample that is cross-sectional and hence, only establishing associations of the chosen variables and not their causal mechanisms.

Aside from a longitudinal dataset, a qualitative research technique may provide insights into said causal mechanism. Krause et al., (2014) point out that a more in-depth qualitative studies can be explored: content-analyzing press interviews, proxy statements, and board meetings minutes; and if possible, getting access to the boardroom and witnessing the discussions and interactions taking place, as well as conducting multiple in-depth interviews with directors and executives.

Finally, the scope of future research can be expanded by investigation additional hypothesis and variables like the studies of Linck et al., (2008) and Monem (2003), as well as the theories grounding them (e.g., CEO board linkages and resource dependence theory). Building on the suggestive findings of this study, a deeper investigation into the relationship between overall board characteristics, such as ownership and board linkages/busyness, and CEO duality may be fruitful. Further, understanding the scarcity of women in board leadership positions in relation to their human capital offers a promising avenue for future research.

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