

Washington University in St. Louis

Washington University Open Scholarship

Spring 2018

Washington University
Senior Honors Thesis Abstracts

Spring 2018

Females in CEO Positions: The Impact of Gender on Company Performance and Market View

Kiran Kuttickat

Washington University in St. Louis

Harry Varon

Follow this and additional works at: https://openscholarship.wustl.edu/wushta_spr2018

Recommended Citation

Kuttickat, Kiran and Varon, Harry, "Females in CEO Positions: The Impact of Gender on Company Performance and Market View" (2018). *Spring 2018*. 74.

https://openscholarship.wustl.edu/wushta_spr2018/74

This Abstract for Business School is brought to you for free and open access by the Washington University Senior Honors Thesis Abstracts at Washington University Open Scholarship. It has been accepted for inclusion in Spring 2018 by an authorized administrator of Washington University Open Scholarship. For more information, please contact digital@wumail.wustl.edu.

FEMALES IN CEO POSITIONS: THE IMPACT OF GENDER ON COMPANY PERFORMANCE AND MARKET VIEW

Kiran Kuttickat and Harry Varon

Mentor: Ohad Kadan

An already established body of literature examined the relationship between shareholder sentiment towards female CEOs and concluded that companies with female CEOs performed better than their male counterparts. Previous research has also been done to determine if negative expectations of a female CEO has led to the company's stock to outperforming expectations and providing excess returns for shareholders. While credible, previous research had weak statistical power and no certain conclusion was proposed regarding investors tendency to underestimate female CEOs leading them to have unrealized excess returns. To build off of past research, we are furthering these findings by analyzing the fiscal performance of S&P 1000 companies in regard to a new CEO announcement by using executive and stock price data from 1992 and 2017. To test this hypothesis, we examined newly announced male-to-male and male-to-female CEO changes to determine their effects on company's fundamental and market performance. By comparing market views to the company's actual performance this research examines possible market inefficiencies in pricing companies with female CEOs.