'STRONG IN THE SADDLE': THE EFFECT OF PRIO ORGANISATIONAL PERFORMANCE AND INSIDERNESS ON PUBLIC SECTOR CEOS' CAREER

ABSTRACT

Policymakers and scholars have called for a greater understanding of the factors that explain why public sector chief executive officers (CEOs) leave their organisations. While most research has focused mainly on push factors such as political conflict, this study explores the role of two drivers – prior organizational performance and CEO insiderness – in shaping the likelihood of CEO exit and the choice of destinations. The study employs a longitudinal database from 2003 to 2018 including 364 CEO's exit events in the acute and community care hospital sector in the English National Health Service. Using a combination of survival models, the analysis shows that poor organisational performance and insiderness are respectively increasing and decreasing the likelihood of CEO's exit. They also show that insider CEOs are capable of controlling their own destiny regardless of prior performance levels. In terms of choice of destinations, poor organisational performance increase the likelihood of a career demotion, while insiderness decreases CEO's mobility in terms of exit destinations. Thus, these findings highlight the critical role of insiderness as a resource that CEOs possess to control their own destinies.