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A quantitative study of CEO visibility on professional social media platforms and subsequent compensation in Sweden and the U.S.

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Abstract

CEO compensation is a contested topic in business research, shaped by several determinants. One such factor is CEO visibility, which prior research has linked to CEO compensation in traditional media settings. However, it remains unclear whether this visibility-compensation relationship extends to professional social media platforms (PSMPs). This study examines whether CEO PSMP visibility is associated with subsequent CEO compensation, and whether this association differs between Sweden and the U.S.

The study relies on signaling theory as the main theoretical framing, while national culture is used to motivate the country-level expectation. It applies a quantitative, comparative, and lagged firm-year design, where CEO PSMP visibility is measured before CEO compensation in the following year. CEO PSMP visibility is operationalized through a composite of LinkedIn engagement metrics, consisting of likes, comments, and reposts. The empirical sample consists of 818 firm-year observations from 336 publicly listed BICS Industrials firms in Sweden and the U.S. The hypotheses are tested using pooled OLS regressions with firm-clustered standard errors, firm-level controls, year fixed effects, and robustness specifications.

The results show that CEO PSMP visibility is positively associated with CEO compensation, supporting the first hypothesis. The association remains consistent across the empirical analyses, but is economically modest. The second hypothesis is not supported, as the visibility-compensation association is not stronger in the U.S. than in Sweden. The study contributes by extending the CEO visibility-compensation literature from traditional media to a PSMP setting, examining the association in Sweden alongside the U.S., which is the more extensively studied context in related research, and comparing whether the relationship differs across the two national settings. Overall, the findings suggest that CEO PSMP visibility should be understood as a modest, complementary CEO-level factor, rather than as a central or causal explanation of CEO compensation.

Keywords: CEO Compensation, CEO Visibility, Professional Social Media Platforms, LinkedIn Engagement, Signaling Theory, National Culture

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Sincerely,
Markus Olsson, Andreas Törnell, John Öhagen

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1. Introduction

1.1 Background

CEO compensation remains an important and debated topic in business research because it concerns how firms reward top managerial talent, justify those rewards, and signal what they value in executives. In publicly listed firms, CEO compensation is not only an internal contractual matter, but a decision scrutinized by shareholders, boards, regulators, and the wider public. This scrutiny arises because CEO compensation is expected to reflect the managerial contribution, firm performance, and the need to attract and retain capable executives, while also remaining defensible to those who evaluate the firm. The debate therefore concerns not only the level of CEO compensation, but also the factors that shape how top executives are evaluated and rewarded.

Prior research explains CEO compensation through several partly competing perspectives, including competitive markets for managerial talent (Frydman & Jenter, 2010), shareholder-value considerations (Edmans et al., 2017), managerial power (Bebchuk & Fried, 2004), and rent extraction (Bebchuk & Fried, 2004; Edmans et al., 2017; Frydman & Jenter, 2010). At the same time, meta-analytic evidence on compensation-related factors, particularly firm size and firm performance, shows that even established factors provide only a partial explanation (Tosi et al., 2000). CEO compensation should therefore be understood as a broad outcome shaped by several explanations.

Within this broader compensation discussion, CEO visibility provides a more specific CEO-level angle. CEOs may be evaluated not only through firm-related outcomes, but also through the attention they receive as visible professional representatives of their firms. Prior research has shown a positive association of CEO visibility in traditional media with both subsequent CEO compensation and firm-level outcomes (Kang & Kim, 2017; Nguyen, 2015), suggesting that visibility matters beyond public exposure alone. Building on this logic, the present study treats CEO visibility as one CEO-level factor within the broader CEO compensation discussion.

1.2 Problematization

Prior research on CEO visibility provides the starting point for this study, but also leaves an important question unresolved. Kang and Kim (2017) find that CEO visibility in traditional media is positively related to compensation in the following year, while Nguyen (2015) connects CEO media coverage to firm value and subsequent CEO compensation. These studies suggest that CEO visibility matters for compensation-related outcomes. However, they only examine visibility in traditional media settings, where CEOs become visible through journalists, business publications and other media actors that choose to feature them.

CEO visibility is no longer limited to traditional media exposure. Professional social media platforms (PSMPs), such as LinkedIn, provide a setting in which CEOs can communicate directly with large audiences and become visible through their own professional online activity and the engagement it receives (Ruparel et al., 2023). The substantial professional audience on LinkedIn as the "world's largest professional network" makes CEO visibility on the platform relevant as observable professional visibility, rather than merely as communication (LinkedIn, n.d., para. 1). The question is therefore whether this form of professional online visibility carries similar compensation-related relevance as CEO visibility in traditional media.

Related research on CEO social media exists, but does not answer this question directly. Recent studies connect such activity to stock-market reactions (Ahmed & Saxton, 2025; Ali Qureshi, 2024), corporate outcomes, and CEO compensation (Du et al., 2024). However, social media is not one uniform empirical setting. PSMPs represent a more explicitly professional online setting than general social media platforms, with previous research connecting them to professional presentation, networking, and career-related outcomes (Davis et al., 2020; Mashayekhi & Head, 2022; Pena et al., 2022; Ruparel et al., 2023). The gap is therefore not that CEO social media is completely unexplored, but that it remains unclear whether the visibility-compensation logic that exists in traditional media also extends to CEO visibility on PSMPs.

A further gap concerns the role of national context. Much of the literature on CEO compensation, CEO visibility, and CEO social media activity is based on U.S. settings (Aabo et

al., 2022; Core et al., 2008; Davis et al., 2020; Du et al., 2024; Edmans et al., 2017; Frydman & Jenter, 2010; Grullon et al., 2004; Kang & Kim, 2017; Kuhnen & Niessen, 2012; Mooney et al., 2025; Nguyen, 2015). This raises the question of whether the same visibility-compensation relationship appears across different national settings. Sweden provides a useful comparison because it offers a less examined setting for studying CEO visibility and compensation, while still sharing several conditions with the U.S. that make them comparable. At the same time, prior research suggests that CEO compensation should not be treated as culturally neutral (Tosi & Greckhamer, 2004), and Hofstede's (1980, 2011) framework provides a theoretical basis for deriving expectations about cross-cultural differences in how CEO visibility may be valued. The Sweden-U.S. comparison is therefore relevant both as an international extension beyond the dominant U.S. context, and as a way to examine whether the association differs across international business settings.

This leaves open whether PSMP CEO visibility is associated with subsequent CEO compensation, and whether this association differs between Sweden and the U.S.

1.3 Research Purpose, Aim and Contribution

Building on the gap identified above, the purpose of this study is to examine whether CEO PSMP visibility is associated with subsequent CEO compensation, and whether this relationship differs between Sweden and the U.S. The study uses an aggregate composite of LinkedIn engagement as the operationalization of CEO PSMP visibility and compares selected listed firms in the two countries. The aim is to assess whether PSMP visibility is associated with later compensation as a complementary CEO-level factor within the broader CEO compensation discussion. Hence, the research question guiding the study is:

Is CEO PSMP visibility associated with subsequent CEO compensation? If so, how does this association differ between Sweden and the U.S.?

To answer this question, the study uses a quantitative, comparative, and lagged firm-year design, where CEO visibility is measured before subsequent CEO compensation. Signaling theory

provides the main theoretical framing for why visibility may matter, while national culture is used to derive and interpret the country-level expectation.

The study contributes by extending the CEO visibility-compensation discussion from traditional media to a PSMP setting. This matters because PSMPs provide a modern route through which CEOs become professionally visible through their own online activity, rather than through media actors choosing to feature them. Examining this setting therefore helps assess whether CEO PSMP visibility should be considered part of the CEO compensation discussion. The Sweden-U.S. comparison contributes by examining whether this visibility-compensation association appears outside the more extensively studied U.S. social media context, and whether it differs between the two national settings.

1.4 Delimitations

This study is delimited in three main empirical ways. First, although the study uses the broader concept of CEO PSMP visibility, the visibility composite is operationalized through LinkedIn. The findings should therefore be understood in relation to LinkedIn-based visibility, rather than CEO visibility across all PSMPs. Second, the empirical setting is limited to publicly listed firms in the BICS Industrials sector in Sweden and the U.S. that meet a market capitalization threshold of one billion in local currency. This allows for a focused comparison within a clearly defined setting, but also means that the results should not be directly generalized to all CEOs, firms, or countries. Third, the study focuses on total CEO compensation rather than separate compensation components, which limits insight into whether visibility is more strongly associated with particular parts of compensation.

The study is also delimited in its interpretive scope. It examines associations rather than causal effects. Similarly, the Sweden-U.S. comparison examines whether the association differs between the two national contexts, not whether one specific national mechanism explains any such difference.

1.5 Outline of the Thesis

The remainder of the thesis is structured as follows. Chapter 2 reviews the relevant literature and develops the theoretical foundation for the hypotheses. Chapter 3 outlines the methodology, including the research design, sample, variables, empirical strategy, and methodological limitations. Chapter 4 reports the empirical results. Chapter 5 discusses the findings in relation to prior research, the theoretical framework, and suggestions for future research. Chapter 6 concludes the thesis by summarizing the main findings and contributions.

2. Literature Review

2.1 CEO Compensation, CEO Visibility, and PSMPs

2.1.1 CEO Compensation and Traditional Media Visibility

CEO compensation is a broad and contested area, and should not be understood as an outcome explained by one factor alone (Bouteska & Mefteh-Wali, 2021; Deckop, 1988; Edmans et al., 2017; Frydman & Jenter, 2010; Tosi et al., 2000). Frydman and Jenter (2010) review prior, mainly U.S.-based CEO compensation research and frame high CEO pay through competing explanations, including managerial power and rent extraction versus efficient contracting in the executive labor market. Through a broad survey largely based on U.S. public firms, Edmans et al. (2017) similarly show that executive compensation is shaped by several factors, including shareholder value considerations, rent extraction, and institutional influences. At the same time, the meta-analysis by Tosi et al. (2000) shows that firm size and firm performance are among the most established compensation-related factors, while also demonstrating that even such central factors only provide a partial explanation. This underlines the need to account for established compensation drivers when examining whether additional factors are associated with CEO compensation.

Research on CEO and firm visibility provides a more specific entry point into this broader compensation discussion. Prior literature connects visibility to investor recognition and firm-level outcomes such as stock returns, market value, investor breadth, and liquidity (Fang & Peress, 2009; Ginesti et al., 2025; Grullon et al., 2004; Kang & Kim, 2017; Merton, 1987; Nguyen, 2015). Kang and Kim (2017) provide the most direct empirical link between CEO visibility and CEO compensation. Examining 2,666 U.S. firms from 1997 to 2009, they find that CEO visibility in traditional media, operationalized through CNBC interviews and major news articles, is positively related to compensation in the following year. Their study also shows that this relationship depends on surrounding conditions: it is weaker in larger firms, stronger after strong stock-market performance, and disappears when the CEO is a founder or holds high equity ownership. This makes their study central because it links CEO visibility to subsequent

compensation while also providing a benchmark for examining visibility alongside established CEO compensation drivers. Rather than studying visibility in isolation, Kang and Kim (2017) control for several CEO-, firm-, and industry-level variables.

Nguyen (2015) provides further support for the relevance of CEO visibility, but from a clearer investor-recognition perspective. Studying Fortune 500 CEOs from 1992 to 2002, he measures CEO media coverage through by-name mentions in major world publications. Nguyen (2015) finds CEO media coverage to be positively related to firm value. He further connects CEO visibility to CEO rent extraction through compensation, suggesting that visibility is related not only to firm-level outcomes, but also to CEO compensation. Nguyen (2015) therefore complements Kang and Kim (2017) by linking CEO visibility to firm value and compensation through investor-recognition logic.

However, visibility should not be assumed to have a simple positive association with compensation. Prior research suggests that negative media attention can create public scrutiny around executive pay and may affect compensation structure (Core et al., 2008; Kuhnen & Niessen, 2012). Visibility may also have value in itself. Aabo et al. (2022), studying S&P 1500 CEOs, find that narcissistic CEOs may accept lower monetary compensation in exchange for media coverage. These studies show that the visibility-compensation relationship is not straightforward, since type of attention and the value attached to visibility may both matter.

2.1.2 CEO Social Media and PSMPs

More recent literature extends the visibility discussion from traditional media to social media, with X, formerly Twitter, serving as the central platform in much of the reviewed CEO-focused research (Ahmed & Saxton, 2025; Ali Qureshi, 2024; Du et al., 2024). This research connects CEO social media activity to both firm- and CEO-level outcomes. Du et al. (2024) link CEOs' personal Twitter use to higher compensation, while Ali Qureshi (2024) and Ahmed and Saxton (2025) examine stock-market responses to CEO tweets. Mooney et al. (2025) add a more direct visibility perspective by showing that CEO social media celebrity is partly shaped by CEOs' own

posting behavior. This suggests that CEOs can play an active role in social-media-based visibility.

However, social media is not one uniform empirical context. Prior research distinguishes between different functions and platform types, with social networking sites appearing as a central category (Aichner et al., 2021; Kaplan & Haenlein, 2010; Kietzmann et al., 2011). Later research further distinguishes between socially and professionally oriented platforms (Mashayekhi & Head, 2022). Although terminology differs, this professionally oriented category is discussed through related labels such as professional online networks (Brenner et al., 2020), professional networking tools (Davis et al., 2020), professional network platforms (Pena et al., 2022), and professional social media platforms (Ruparel et al., 2023). Following Ruparel et al. (2023), the present study refers to this category as professional social media platforms (PSMPs). LinkedIn is widely treated as a central platform in this category and is described as the "world's largest professional network", making it a suitable empirical setting for studying CEO visibility on PSMPs (LinkedIn, n.d., para. 1).

2.1.3 Engagement-Based Visibility on LinkedIn

Prior research connects PSMP use, and LinkedIn specifically, to career-related benefits and career outcome expectations (Davis et al., 2020; Pena et al., 2022). Davis et al. (2020) show that frequency of use matters more than the number of contacts, suggesting the need to look beyond mere network size. At the same time, measuring social-media visibility is not straightforward. Muñoz et al. (2022) note that there is no consensus on how social-media engagement should be measured. The operationalization of CEO PSMP visibility therefore requires further justification.

Engagement is seen as a driver of visibility with prior research arguing it is central for social-media visibility. In a Facebook context, Bene et al. (2022, p. 429) state that "higher engagement leads to higher visibility", while Yang et al. (2023, p. 316) note that "user engagement is by far the best predictor of viewership". Other studies use aggregate interaction measures to capture total engagement, including combinations of likes, shares, comments, and reactions (Olinski & Szamrowski, 2021; Yang et al., 2023). While research has focused mainly

on other platforms, Usera and Durham (2025) provide a useful bridge to LinkedIn. They treat reactions, comments and reposts as measurable engagement metrics that are interrelated, while noting that reposts are tied to both reach and visibility. Further, they describe reactions on LinkedIn as one-click engagement with positive connotations, and thus similar in both meaning and action to "likes" on other platforms. Thus, throughout the present study, "likes" is used shorthand for "reactions" on LinkedIn. Taken together, these studies provide the basis for operationalizing CEO PSMP visibility through an aggregate composite of engagement metrics, with the exact measurement specified in Section 3.3.2.

2.2 Signaling Theory and CEO Visibility

A useful way to understand why CEO visibility matters in this setting is through signaling theory. In his original formulation, Spence (1973) argues that employers rely on observable signals when making decisions under uncertainty, because they cannot directly observe all relevant qualities of the person being evaluated. Connelly et al. (2011) extend this logic into a broader business setting by showing that it has been applied beyond hiring contexts. They further argue that signaling depends on who sends it, who receives it, and how it is interpreted. This makes the theory relevant here because CEO PSMP visibility can be understood as observable information about the CEO's professional activity and external attention. It is not treated as direct evidence of CEO ability, but as a signal that external audiences can interpret when direct information is incomplete.

Building on Section 2.1, this visibility signal may matter for compensation through two related mechanisms: managerial labor-market visibility and investor recognition.

The first mechanism concerns managerial labor-market visibility. Drawing on Milgrom and Oster (1987 cited in Kang & Kim, 2017), Kang and Kim (2017) treat labor-market visibility as the extent of information potential employers have about a worker. Applied to the current topic, visibility makes CEOs more observable beyond the current firm. Within signaling theory, CEO PSMP visibility can therefore function as partial information for potential employers, possibly

strengthening the CEO's bargaining position as the current employer may face greater pressure to retain a CEO who is more visible externally.

The second mechanism concerns investor recognition. In his capital-market model, Merton (1987) argues that investors do not have complete knowledge of all firms, and that a firm must first be recognized before investors can process and act on firm-specific information. Empirically, Grullon et al. (2004) show that firm visibility among investors is associated with a larger number of investors and better stock liquidity. In this mechanism, the receivers are investors and broader market audiences, while the signal is the CEO's visible professional activity and the public attention it receives. For investors, this signal operates primarily at the level of recognition: it shows that the CEO, and thus the firm, is visible and receiving public attention. Nguyen (2015) brings this logic closer to an empirical CEO visibility setting by showing that CEO media coverage is related to firm value and later CEO compensation.

Taken together, these mechanisms suggest that CEO PSMP visibility is relevant to more than one external audience. This fits Kang and Kim's (2017) description of CEO media appearances as having multifaceted effects. Potential employers may interpret visibility as information about the CEO, while the CEO and the firm also become visible to investors and market audiences. Combined with previous research linking traditional-media CEO visibility to subsequent compensation, this provides the theoretical basis for testing whether a similar relationship appears in a PSMP setting (Kang & Kim, 2017; Nguyen, 2015). This leads to the first hypothesis:

H1: CEO PSMP visibility is positively associated with subsequent CEO compensation.

2.3 Sweden and the U.S. as National Settings

2.3.1 Similarities between Sweden and the U.S.

Before discussing why the relationship between CEO visibility and compensation may differ between Sweden and the U.S., it is useful to clarify why these two countries form a meaningful

comparison. The purpose is not to treat them as identical, but to show that they share several conditions relevant to examining the same visibility-compensation relationship in both settings.

First, both countries represent advanced business and equity-market settings (IMD, 2025; MSCI, 2025; Schwab, 2019). Broad competitiveness rankings place both countries among leading economies, with the U.S. and Sweden both ranking highly in the World Economic Forum's Global Competitiveness Index 4.0 and the IMD World Competitiveness Ranking 2025 (IMD, 2025; Schwab, 2019). More directly for the present study, MSCI classifies both the U.S. and Sweden as developed equity markets, which is relevant because the study focuses on listed firms and uses market-based variables such as market capitalization and stock performance (MSCI, 2025).

Second, CEO compensation data is publicly available in both settings. In the U.S., Item 402 of Regulation S-K requires disclosure of compensation awarded to, earned by, or paid to named executive officers, including the principal executive officer (17 C.F.R. § 229.402(a)(2)–(3), 2026). Swedish listed companies are also subject to remuneration-reporting requirements, and the Swedish remuneration rules apply to companies whose shares are admitted to trading on a Swedish regulated market (Swedish Stock Market Self-Regulation Committee, 2021). CEO compensation can therefore be collected from public company reporting in both national settings.

Third, LinkedIn provides a comparable platform for measuring CEO visibility in both countries. Having established LinkedIn as a PSMP, a practical issue is whether the platform has substantial reach in both national settings. To assess this, the present study used LinkedIn Campaign Manager, LinkedIn's own advertising tool to estimate each reachable audience size (LinkedIn, 2024). Using country-level targeting, it showed an estimated audience size of over 6.7 million for Sweden and over 280 million for the U.S., corresponding to roughly 63% and 82% of each population, respectively (LinkedIn, 2026; World Bank Group, n.d.). These figures are not treated as active-user counts, but indicate that LinkedIn has a substantial reachable professional audience in both settings.

These similarities support the choice of Sweden and the U.S. as comparable national settings, which is important because the study compares only two countries. Lijphart (1971, p. 686) describes the main problem of the comparative method as "many variables, small N", and argues that focusing on comparable cases can reduce the number of operative variables, although comparability can only be approximated in practice. The shared conditions discussed above therefore support the comparison before Section 2.3.2 turns to theoretically relevant country differences.

2.3.2 National Culture and Country-Level Expectations

Despite the similarities presented above, Sweden and the U.S. may still differ in how CEO PSMP visibility is interpreted and valued. Section 2.2 argued that such visibility can function as an observable signal to external audiences. The country comparison extends this logic by asking whether the same visibility signal may carry different values across the two national settings. National culture is therefore used as a theoretical basis for developing the expectation that the visibility-compensation association may differ between Sweden and the U.S.

Hofstede's cultural framework originates in *Culture's Consequences: International Differences in Work-Related Values* (Hofstede, 1980). In a later presentation, Hofstede (2011, p. 3) defines culture as "the collective programming of the mind that distinguishes the members of one group or category of people from others". The framework identifies six dimensions of national culture and is useful here because it provides a structured way of comparing broader value patterns across countries. Although later frameworks have offered alternative approaches to cross-cultural research, they are often not detached from Hofstede's framework. Rather, they build on, respond to, or are compared with it, including GLOBE, Trompenaars' framework, and Schwartz's value framework (Hofstede, 2011). Later reviews and meta-analyses further show Hofstede's continued influence and relevance (Kirkman et al., 2006; Taras et al., 2010; Taras et al., 2012).

At the same time, Hofstede's framework requires careful use. Criticism has focused on its methodological assumptions, the treatment of nations as cultural units, and the use of numerical indices to represent culture (Baskerville, 2003; McSweeney, 2002). Williamson (2002) provides

a useful middle-ground by arguing that Hofstede's scores should be understood as approximate indicators of cultural tendencies, rather than direct or complete measures of culture. Taras et al. (2012) further show that culture is dynamic and everchanging, and that older approximations should not be considered timeless. In the present study, Hofstede's framework is therefore used as a theoretical and interpretive lens, not as a basis for statistically isolating culture as the causal mechanism.

The country scores from The Culture Factor Group's (n.d.) country comparison tool show that Sweden and the U.S. differ across several cultural dimensions.

Table 1

Sweden-U.S. cultural dimensions scores from The Culture Factor Group (n.d.)

Dimension	**Sweden**	**USA**	**Diff**
Power Distance	31	40	9
Individualism	87	60	27
Masculinity	5	62	57
Uncertainty Avoidance	29	46	17
Long-term orientation	52	50	2
Indulgence	78	68	10

Note. Diff refers to the absolute difference between Sweden and the U.S. Scores are taken from The Culture Factor Group's (n.d.) country comparison tool.

Four of Hofstede's dimensions provide cultural background for the country comparison, but fit less directly with the visibility-compensation association examined here. Power distance concerns acceptance of unequal power relations, uncertainty avoidance concerns comfort with ambiguity, long-term orientation concerns future-oriented values, and indulgence versus restraint concerns gratification and social control (Hofstede, 2011). These dimensions are relevant to

national settings more broadly, but their connection to public CEO visibility appears much more indirect than individualism and masculinity/femininity.

Individualism is more relevant because it concerns the extent to which people are understood primarily as individuals rather than as members of a collective (Hofstede, 2011). In the present study, this matters because CEO PSMP visibility attaches attention to the CEO as an individual, rather than only to the firm or wider organization. However, individualism mainly helps explain why attention may attach to the CEO personally. It says less about whether such visibility is valued positively once observed, and therefore provides a weaker basis for deriving the expected country difference than masculinity/femininity.

Masculinity/femininity is interpreted as a more direct basis for the country-level expectation. Hofstede (2011, pp. 12-13) describes this dimension as contrasting achievement-oriented values and "admiration for the strong" with more modest and caring values. The Culture Factor Group (n.d., n.p.) later labels this dimension as "Motivation towards Achievement and Success", and describes lower-scoring cultures as settings where "standing out from the crowd is not admirable". Since PSMP visibility involves public professional attention directed toward an individual executive, this dimension connects more directly to the signaling logic above and how such visibility may be interpreted.

As shown in Table 1, the masculinity/femininity dimension shows a considerable contrast between Sweden's low score of 5 and the U.S.'s considerably higher score of 62 (The Culture Factor Group, n.d.). If PSMP-based CEO visibility functions as an observable professional signal, the value attached to that signal may depend on whether public, individual, and achievement-oriented visibility is culturally interpreted positively. The argument is not that Swedish CEOs cannot benefit from visibility, or that U.S. CEOs automatically do. Rather, the same visibility signal is expected to fit more naturally within the U.S. setting, providing a basis for expecting the visibility-compensation association to be stronger in the U.S.

Tosi and Greckhamer (2004) provide further support for treating CEO compensation as not culturally neutral. Using Hofstede's framework, they examine how uncertainty avoidance, power

distance, individualism, and masculinity relate to total CEO compensation, variable pay, and the ratio between CEO compensation and lower-level employee pay. Their findings show that several CEO compensation dimensions are related to national culture, although masculinity is not directly linked to total CEO compensation. For the present study, their article is therefore most useful as broader support for the idea that CEO compensation can vary with national culture.

Taken together, the visibility mechanisms developed in Section 2.2 and the masculinity/femininity dimension provide the theoretical basis for expecting the visibility-compensation association to differ between Sweden and the U.S. Since the U.S. scores considerably higher than Sweden on this dimension, CEO PSMP visibility is expected to be more culturally aligned with the U.S. setting. Based on this, the second hypothesis is:

H2: The relationship between CEO PSMP visibility and subsequent CEO compensation is stronger in the U.S. than in Sweden.

2.4 Research Gap and Positioning of the Present Study

Taken together, the reviewed literature provides a basis for expecting CEO PSMP visibility to be positively associated with CEO compensation. Kang and Kim (2017) link CEO visibility in traditional media to subsequent compensation, while Nguyen (2015) connects such visibility to firm value and later CEO compensation. Section 2.2 developed this logic through signaling theory (Connelly et al., 2011; Spence, 1973), managerial labor-market visibility (Kang & Kim, 2017), and investor recognition (Merton, 1987; Nguyen, 2015). More recent CEO social media research links CEO platform activity to stock-market responses (Ahmed & Saxton, 2025; Ali Qureshi, 2024) and CEO compensation (Du et al., 2024), while Mooney et al. (2025) show that CEO social media celebrity is partly shaped by CEO posting behavior. Finally, PSMP research supports LinkedIn as a professionally relevant setting (Davis et al., 2020; Pena et al., 2022), while engagement and LinkedIn research provides a basis for measuring visibility through an aggregate composite of engagement metrics (Bene et al., 2022; Olinski & Szamrowski, 2021; Usera & Durham, 2025; Yang et al., 2023).

This leaves two questions unresolved: whether CEO PSMP visibility is associated with subsequent CEO compensation, and whether such an association exists outside the U.S. or differs between national settings. This matters because Hofstede's (2011) framework suggests that national value patterns may shape how visibility signals are interpreted, while Tosi and Greckhamer (2004) show that CEO compensation should not be treated as culturally neutral. The gap is therefore not that these research streams are unexplored separately, but that their connection remains unclear in a PSMP visibility-compensation setting.

The present study addresses this gap by examining whether CEO PSMP visibility, operationalized through an aggregate composite of LinkedIn engagement, is associated with subsequent CEO compensation, and whether this association is stronger in the U.S. than in Sweden. In doing so, it extends the CEO visibility-compensation literature into a PSMP setting, adds a Sweden-U.S. comparison, and positions CEO PSMP visibility as a complementary CEO-level factor within the broader CEO compensation discussion.

3. Method

3.1 Research Design

This study applies a quantitative, comparative, and lagged firm-year design to examine whether CEO PSMP visibility is associated with subsequent CEO compensation in Sweden and the U.S. Following a deductive approach, hypotheses are developed from prior theory and empirical research before being tested through regression analysis (Bell et al., 2022). The lagged structure with visibility measured in year *t* and compensation in year *t+1* provides clearer temporal ordering than a same-year design and follows Kang and Kim (2017) and Nguyen (2015), who examine CEO traditional media visibility in relation to subsequent compensation. The unit of analysis is the CEO-year observation, and because the data is observational all regression estimates are interpreted as associations rather than causal effects.

3.2 Sample Selection and Data Sources

3.2.1 Population and Industry Selection

The empirical population consists of publicly listed firms in Sweden and the U.S. classified in the Industrials sector under the Bloomberg Industry Classification System (BICS; Bloomberg L.P., n.d.a) and meeting a market capitalization threshold of one billion in local currency. The restriction to a single sector reflects comparability, theoretical fit, and feasibility. Restricting the sample to one sector improves comparability by limiting sector-level variation in CEO compensation practices, disclosure conditions, and the likely relevance of public visibility. The sector also fits the study's theoretical focus on professional rather than consumer visibility, and the focus on industrial firms broadly aligns with Tosi and Greckhamer's (2004) industrial-company setting used to find cross-national compensation differences relating to culture. Furthermore, manually gathering CEO-level LinkedIn visibility data across two countries and three years was only feasible within a limited empirical frame and the industrials sector offered a sufficiently large and consistently observable set of listed firms in Sweden while allowing a comparable U.S. sample under the same BICS classification.

The threshold of 1 billion was applied as SEK 1 billion in Sweden and USD 1 billion in the U.S. to define larger listed BICS Industrials firms within each national market, reflecting data availability and the importance of relative market prominence rather than strict absolute size matching. Screening showed that firms below the respective thresholds had much less consistent coverage of the required financial data, while a higher Swedish threshold would have substantially reduced the Swedish data availability. The 2022–2024 compensation window reflects the most recent period for which CEO compensation data was consistently available in both markets at the time of analysis. The criteria produced a sample frame of 78 Swedish firms and 303 U.S. firms (381 firms total), all of which the study aimed to include.

3.2.2 Data Sources and Collection

The study's three data sources are Bloomberg, company reports, and publicly available LinkedIn data. Financial, governance, and CEO biographical variables were retrieved from Bloomberg. For Swedish firms where Bloomberg compensation data was missing, values were manually retrieved from publicly available remuneration reports prepared in accordance with the Swedish remuneration rules (Swedish Stock Market Self-Regulation Committee, 2021), and converted to USD using the annual average exchange rate for the relevant year, published by Sveriges Riksbank (n.d.).

CEOs were primarily identified through Bloomberg, which provides the name and appointment date of the current CEO. For CEOs appointed after 2021, the preceding CEO was manually identified through publicly available annual reports to match the correct CEO to each year-observation. Only year-observations where one CEO served the entire compensation year, *t+1*, were retained since Bloomberg reports mid-year transition compensation as a combined figure for the outgoing and incoming CEO without distinguishing between them. The Main specification assigns visibility in year *t* to the individual who serves as CEO for the full compensation year *t+1*, even if that individual was CEO for only part of the visibility year. After applying the data-availability filters, 71 Swedish and 265 U.S. firms remained (336 firms total). Of the three year-observations for each of the 336 firms, 99 transition years and 91 single

year-observations with missing financial data were excluded, resulting in the sample comprising 818 year-observations.

LinkedIn profiles were then located through structured manual searches on LinkedIn, conducted using a predefined set of search combinations. The name variants for each CEO, consisting of the full name and then each of their names separately, were combined both with and without the firm name, and in turn, both with and without the title "CEO". For Swedish firms, the same combinations were also repeated with "VD" in place of "CEO". Depending on the CEO's country and number of names, this procedure generated between 12 and 30 possible search combinations per CEO. The initial search consisting of the CEO's full name and firm name returned the profile directly for the majority of CEOs, and among the remaining cases, most were found within the first few additional searches. When no publicly accessible profile could be located throughout the searches, the observation was noted as having no identifiable profile and assigned zero on all engagement metrics. This applied to 21.0% of firm-year observations in the main sample. For each identified CEO profile, the number of likes, comments, and reposts at the time of analysis were manually noted for every post published in each visibility year, covering 6,650 posts in total (1,382 Swedish and 5,268 U.S.).

The LinkedIn data collection was limited to publicly visible profile and post information, meaning that no private messages, private connections, restricted posts, or non-public interactions were accessed. Although this information is publicly available, it concerns identifiable individuals, and the analysis is therefore reported at an aggregate and statistical level rather than as an evaluation of individual CEOs. Ultimately, the visibility measure captures observable professional activity and audience engagement.

3.3 Variable Operationalization

3.3.1 Dependent Variable: CEO Compensation

The dependent variable is the natural logarithm of total CEO compensation in year *t+1*, denoted $\ln(comp_{i,t+1})$. Total compensation is used because the study examines overall CEO compensation

outcomes rather than the allocation of pay across separate components, consistent with prior executive compensation research and the visibility-compensation design of Kang and Kim (2017). The variable is measured using Bloomberg's "Total Compensation Paid to CEO and Equivalent" (Bloomberg L.P., n.d.b), which includes base salary, bonus, and other compensation components. This logic follows prior executive compensation studies that log-transformed compensation variables due to their right-skewed distributions (Core et al., 1999; Kang & Kim, 2017).

3.3.2 Independent Variable: CEO PSMP Visibility

The main independent variable is CEO PSMP visibility in year *t*, operationalized through an aggregate composite of LinkedIn engagement metrics. As developed in Section 2.1, LinkedIn provides the empirical PSMP setting and offers a substantial reachable audience in both Sweden and the U.S. (LinkedIn, 2026). The aggregate visibility composite motivated in Section 2.1.3 is used as the visibility measure. The composite accounts for likes, comments, and reposts and weights them equally, following Olinski and Szamrowski (2021) and Yang et al. (2023). Following Kang and Kim (2017), the natural log compresses the right-skewed distribution, and adding a one before logging retains zero-engagement observations as low-visibility cases rather than missing data. Therefore, the visibility measure is calculated as:

$$ln(1 + visibility_{i,t}) = ln(1 + likes_{i,t} + comments_{i,t} + reposts_{i,t})$$

3.3.3 Moderator: Country Indicator

The country moderator is an indicator variable coded 1 for the U.S. and 0 for Sweden, the reference category. In the H1 specification it absorbs the average compensation level difference between the two countries, so that the visibility coefficient reflects within-country variation. In the H2 specification, the model includes an interaction between the country indicator and visibility, where the coefficient on this interaction is used to test whether the visibility-compensation association differs between the U.S. and Sweden.

3.3.4 Control Variables

Control variables capture established determinants of CEO compensation, reducing the risk of the visibility coefficient reflecting other firm characteristics rather than visibility itself. The control set consists of the country indicator, year fixed effects, and five firm-level controls, which are firm size, return on assets, total stock return, Tobin's Q, and leverage. The firm-level controls follow Kang and Kim's (2017) structure and are broadly aligned with Aabo et al. (2022). Additional central Kang and Kim (2017) CEO- and governance-level controls are introduced only in the Extended specification to assess sensitivity to broader controls without having to reduce the main sample size due to control variable data availability.

Firm size is one of the most established determinants of CEO pay (Tosi et al., 2000), and following Kang and Kim (2017) and Aabo et al. (2022) it is operationalized as the natural logarithm of total assets in USD. ROA and total stock return, both in percentage points, are firm-performance controls. Higher-performing firms tend to pay their CEOs more and might also attract more visibility, which is why firm performance is controlled for (Aabo et al., 2022; Kang & Kim, 2017).

Firms with greater investment opportunities may structure their executive compensation policies differently (Smith & Watts, 1992). Tobin's Q is used as a proxy for these investment opportunities and market valuation, following Aabo et al. (2022). Following Kang and Kim (2017), the variable is constructed as:

$$Tobin's\ Q_{i,t} = \frac{(Market\ Capitalization_{i,t} + Short\ and\ Long\ Term\ Debt_{i,t})}{(Shareholder\ Equity_{i,t} + Short\ and\ Long\ Term\ Debt_{i,t})}$$

Leverage, measured as total debt divided by total assets, controls for capital structure and financial risk, since firms with different risk profiles may compensate CEOs differently (Kang & Kim, 2017). Year fixed effects are included to absorb year-specific shocks affecting CEO pay (Kang & Kim, 2017).

3.4 Empirical Strategy

3.4.1 Regression Specifications

The empirical specification for H1 is:

$$ln(comp_{i,t+1}) = \beta_0 + \beta_1 \cdot ln(1 + visibility_{i,t}) + \beta_2 \cdot U.S._i + \gamma' X_{i,t} + \alpha_t + \varepsilon_{i,t}$$

Where $comp_{i,t+1}$ denotes CEO compensation for firm *i* in the following year, $visibility_{i,t}$ denotes PSMP CEO visibility for firm *i* in year *t*, and $U.S._i$ is a country indicator equal to one for U.S. firms and zero for Swedish firms. β_0 is the intercept, β_1 is the coefficient for CEO PSMP visibility, and β_2 is the coefficient for the U.S. indicator. $X_{i,t}$ represents the firm-level control variables specified in Section 3.3.4, γ' represents their corresponding coefficients, α_t denotes year fixed effects, and $\varepsilon_{i,t}$ is the error term. Since both compensation and the visibility measure are log-transformed, β_1 is interpreted approximately as the percentage change in compensation associated with a one percent increase in 1 + visibility. H1 is tested through β1, where a positive and statistically significant coefficient would support the hypothesis.

The empirical specification for H2 is:

$$ln(comp_{i,t+1}) = \beta_0 + \beta_1 \cdot ln(1 + visibility_{i,t}) + \beta_2 \cdot U.S._i + \beta_3 \cdot (ln(1 + visibility_{i,t}) \times U.S._i) + \gamma' X_{i,t} + \alpha_t + \varepsilon_{i,t}$$

Where β_3 is the coefficient for the interaction between CEO PSMP visibility and the U.S. indicator. This interaction term is included to test whether the visibility-compensation association differs between the U.S. and Sweden. Since Sweden is the reference category, β_1 represents the Swedish visibility-compensation slope, while β_3 represents the difference between the U.S. and Swedish slopes. H2 is therefore tested through β_3, where a positive and statistically significant coefficient would support the hypothesis. To support interpretation of the interaction model, the visibility-compensation coefficients are also estimated separately for the Swedish and U.S.

subsamples after excluding the country indicator and interaction term, and are reported only as a descriptive complement.

Pooled OLS is used because the study estimates the association between CEO visibility and subsequent compensation across the Swedish and U.S. samples. Firm-clustered standard errors are reported as the primary inferential benchmark to account for potential serial correlation and heteroscedasticity within firms over the three-year panel (Petersen, 2009). The number of firm clusters ranges from 71 in the Sweden-only subsample to 336 in the Main specification, both above the range in which cluster-robust inference becomes unreliable which reduces concerns associated with few-cluster inference (Cameron & Miller, 2015). Firm fixed effects are not used because they would absorb the country indicator and shift the analysis to within-firm variation only, which is not the target of the comparative design. Random effects are also not used because unobserved characteristics, such as firm innovativeness, may plausibly correlate with the regressors, which violates the random-effects assumption that such unobserved effects are uncorrelated with the regressors.

3.4.2 Descriptive Statistics and Model Diagnostics

The empirical analysis begins with descriptive statistics for the full pooled sample and for the Swedish and U.S. subsamples. These statistics report central tendency, dispersion, and distributional shape to describe the sample and assess whether the transformations in Section 3.3 are appropriate. Pearson correlations are used to examine bivariate relationships and screen for high pairwise correlations among the regression variables, with absolute correlations above approximately 0.7 treated as a warning sign of potential multicollinearity (Hair et al., 2019). Variance Inflation Factors (VIF) are used as the multivariate diagnostic, with values above 10 typically considered indicative of problematic multicollinearity (Hair et al., 2019). VIF values are computed for the H1 and Extended specifications without the visibility × U.S. interaction term, since interaction terms may inflate VIF values without necessarily indicating problematic multicollinearity among the underlying predictors.

Residual-vs-fitted plots and Q-Q plots are produced for the H1 specification as supplementary diagnostics. The residual-vs-fitted plot is used to assess systematic residual patterns and unequal dispersion, while the Q-Q plot is used to assess departures from residual normality (Hair et al., 2019). These plots are reported in Appendix A and interpreted as visual model checks rather than formal assumption tests.

3.4.3 Inference and Significance Thresholds

All hypothesis tests are conducted as two-tailed tests at the conventional significance threshold of $\alpha = 0.05$, weighing and managing the risk of Type I and Type II errors (Bell et al., 2022). Statistical significance is interpreted as evidence that the estimated association is unlikely to reflect random variation in the observed sample alone. Two-tailed tests are used despite the directional hypotheses, consistent with Kang and Kim (2017), as this provides a more conservative test and allows statistically significant relationships in the opposite direction to be identified. Results with p-values in the range $0.05 < p < 0.10$ are reported as "marginally significant" and are treated as suggestive evidence rather than as confirmed support for the hypothesis under test. For hypothesis tests that do not reach conventional significance, power-based sensitivity checks are reported to show the minimum effect size detectable at the conventional 80% power threshold associated with Cohen (1988). This helps distinguish between a result that provides little support for the hypothesized effect and a result that may simply be underpowered to detect smaller effects.

3.5 Robustness Strategy

The robustness checks are selected to address methodological concerns arising from the study's specific design and data structure. Section 4.4 reports the number of firm-year observations for each specification, as the sample size changes depending on additional data availability requirements or deliberate sample restrictions.

An Extended specification re-estimates the H1 and H2 models with additional CEO-level and governance controls to assess whether the results are sensitive to CEO and governance characteristics that the H1 specification does not capture. These controls are omitted in the Main hypothesis specifications because they would substantially reduce the available sample. The Extended specification follows Kang and Kim (2017) in including CEO duality, female CEO, founder status, CEO age, and CEO tenure as additional controls. The indicator variables (duality, female CEO, founder) are coded as 1 when the CEO is also chairman, is female, or is the firm's founder, while CEO age and tenure are measured in years, where the year of appointment is coded as year 1 for tenure. Board independence is added as a governance control to account for board-level monitoring conditions that may influence CEO compensation (Core et al., 1999). At the same time, several variables in Kang and Kim's (2017) specifications are however omitted due to limited relevance or data availability, such as institutional ownership, equity ownership, industry-average compensation, and any traditional media variables.

A Strict specification uses the main control set but restricts the sample to firms with the same CEO across all observation years and no CEO transitions in either the visibility or compensation year. This provides an additional sample-sensitivity check by testing whether the main association holds among firms with stable CEO-firm relationships, beyond the observation-level transition handling in the Main specification.

An Active-user specification estimates the H1 and H2 models on the subsample of CEOs with strictly positive engagement. This is intended to address an important part of the logic specific to this study design. While the Main specification retains zero-visibility observations through the $\ln(1 + x)$ transformation, this specification tests whether the main association holds among CEOs with measurable engagement, rather than being driven by zero-engagement observations.

A Winsorized specification re-estimates the H1 and H2 models by winsorizing the dependent variable, independent variable, and firm-level controls at the 1st and 99th percentiles within each country subsample, using the scale on which each variable enters the regression. Winsorizing the 1st and 99th percentiles follows Kang and Kim (2017), while the within-country application is applied to avoid the U.S.-specific tail observations affecting the smaller Swedish distribution.

The specification addresses the influence of extreme observations documented in the descriptive statistics.

A Size-restricted specification re-estimates the H2 interaction on a sample restricted to the overlapping 10th to 90th percentile range of country-specific ln(total assets). This restriction addresses a comparability concern arising from the sample design, where firm selection is shaped by relative firm size thresholds within each country. Because these local thresholds leave the Swedish and U.S. subsamples in partly different absolute size ranges, the overlapping restriction produces a more comparable firm size distribution across countries. Although ln(total assets) is already included as a control variable, this only adjusts for the average linear association between firm size and compensation without ruling out that the visibility-compensation relationship may differ structurally across larger and smaller firms in ways that may affect the H2 interaction.

A Reverse-direction specification regresses the visibility composite in year $t+1$ on CEO compensation in year t, using the main controls and year fixed effects, on the restricted sample for which both observations can be paired. This tests whether higher-paid CEOs subsequently become more visible, examining one specific form of reverse causality without ruling out broader endogeneity concerns. H2 is not reverse-tested because it concerns the visibility × country interaction effect in the visibility-to-compensation relationship and as such reversing the model would test a separate compensation-to-visibility interaction effect.

A Decomposed visibility specification re-estimates H1 and H2 separately for the three subcomponents of the visibility composite: likes, comments, and reposts. This robustness check follows from the discussion in Section 2.1.3 about measurement uncertainty around social-media visibility and the distinction between engagement metrics. The purpose is to assess whether the association holds for each subcomponent or if it is specific to the composite operationalization.

3.6 Validity, Reliability, and Replicability

This section evaluates the study in terms of validity, reliability, and replicability, following the methodological quality criteria discussed by Bell et al. (2022). Remaining limitations despite these methodological choices are discussed separately in Section 3.7.

3.6.1 Validity

Construct validity concerns whether measures capture the concepts they are intended to measure (Bell et al., 2022). The dependent variable, total CEO compensation, supports construct validity by relying on disclosed compensation data. The operationalization of the independent variable, CEO PSMP visibility, through an aggregate measure of engagement metrics, is supported by prior research connecting engagement to visibility (Bene et al., 2022; Yang et al., 2023), and by LinkedIn-specific research treating reactions, comments, and reposts as core engagement metrics (Usera & Durham, 2025). The ln(1 + visibility) transformation also supports construct validity by retaining CEOs with no observable LinkedIn engagement, rather than excluding low-visibility cases from the main analysis.

Internal validity concerns the credibility of the relationship inferred between the independent and dependent variables (Bell et al., 2022). Since the study is observational, it does not claim to identify causal effects. However, the lagged structure strengthens the temporal ordering by measuring CEO PSMP visibility before subsequent CEO compensation. Internal validity is further supported by control variables drawn from prior CEO compensation research (Aabo et al., 2022; Kang & Kim, 2017; Tosi et al., 2000) and by robustness checks that test sensitivity to alternative specifications and study-specific design concerns outlined in Section 3.5. These choices do not eliminate concerns about omitted variables or causality, but they reduce the risk that the findings are driven by reverse or simultaneous timing, or depend on one model specification.

External validity concerns the extent to which findings can be generalized beyond the analyzed observations (Bell et al., 2022). In this study, external validity is strongest within the defined

population of larger listed BICS Industrials firms in Sweden and the U.S. observable through the Bloomberg-based sample frame. Within this defined scope, coverage is high. After applying data quality and CEO-transition criteria, the main sample retains 71 of 78 Swedish firms and 265 of 303 U.S. firms. This strengthens the relevance of the findings for the specific population studied, while broader limits of generalization are discussed in Section 3.7.4.

3.6.2 Reliability and Replicability

Reliability concerns the consistency of the measurement process, while replicability concerns whether another researcher could follow the same procedure and arrive at comparable data and results (Bell et al., 2022). For non-LinkedIn variables, reliability is supported by established and official data sources, with Bloomberg as the main database and public remuneration reports used as supplementation. For LinkedIn data, reliability is supported by the structured manual search procedure, profile matching based on CEO name, firm, and role information, and consistent coding definitions for posts, likes, comments, reposts, and profile presence, as outlined in Sections 3.2.2 and 3.3.2. These procedures support procedural replicability by making the collection process transparent and consistently applicable across observations.

Replicability is further supported by the specified variable construction and transformations in Section 3.3, the model equations in Section 3.4.1, and the robustness tests in Section 3.5. Inferential reliability is also strengthened by firm-clustered standard errors, which account for potential serial correlation and heteroscedasticity within firms over the three-year sample. However, exact replication may be limited because LinkedIn content and engagement counts can change over time and may require access to the same profile and post information at the same point in time.

3.7 Methodological Limitations

3.7.1 Limitations of the LinkedIn Visibility Measure

The first set of limitations concerns how the visibility measure is constructed and observed. The composite treats likes, comments, and reposts equally, which is a pragmatic simplification rather than an assumption that the three forms of engagement are exact equivalents. LinkedIn-specific research treats them as distinct but interrelated metrics reflecting different forms of audience response and dissemination (Usera & Durham, 2025), and the study aims to address this through robustness tests using decomposed visibility measures. Additionally, engagement is an imperfect proxy for visibility, and although prior research links it to visibility and viewership, the precise relationship between engagement metrics and actual reach is difficult to establish (Bene et al., 2022; Muñoz et al., 2022; Usera & Durham, 2025; Yang et al., 2023). Beyond this, only publicly available LinkedIn activity could be captured, which excludes posts that might have been deleted or made unavailable. Because engagement was collected after the relevant calendar years, likes, comments, and reposts may reflect cumulative engagement at the time of collection rather than engagement received strictly within each year. Since the empirical data come only from LinkedIn, the results should also not be generalized automatically to all PSMPs.

The second set of limitations concerns what the measure represents. Engagement may also reflect factors such as LinkedIn's algorithmic amplification, firm-level reputation, or coordinated company communication, rather than CEO visibility specifically, and the data do not show whether it comes from investors, labor-market actors, employees, recruiters, customers, or other users. The study also cannot verify whether CEOs personally write or manage the activity connected to their profile, although the two possible mechanisms outlined in Section 2.2 (Kang & Kim, 2017; Merton, 1987; Nguyen, 2015) operate on the visibility attached to the CEO's public professional profile rather than on authorship. However, since the measure does not identify the audience, the analysis cannot separate or determine which one might drive any observed association.

3.7.2 Limitations of Causal Interpretation

Other limitations concern causal interpretation. The study uses a lagged structure in which CEO visibility is measured before subsequent compensation to improve temporal ordering. However, the study remains observational rather than experimental and does not manipulate the independent variable. The results therefore cannot establish causality. Control variables, robustness checks, and a reverse-causality test reduce some concerns, but unobserved CEO-, firm-, or country-level factors may still influence both LinkedIn visibility and compensation. The results should therefore be interpreted as associations rather than causal effects.

A related limitation is that PSMP visibility may partly capture broader CEO visibility. CEOs with high PSMP visibility may also receive attention through traditional media or other professional visibility channels. Part of the observed association may therefore reflect broader CEO visibility rather than LinkedIn visibility alone. This fits the broader CEO visibility literature behind the present study, but limits interpretations of the results as a purely LinkedIn-specific effect.

3.7.3 Limitations of the Country Comparison

A third limitation concerns the country comparison. The study compares Sweden and the U.S. as two national settings, using culture to motivate and interpret the expected difference. The country indicator therefore does not isolate culture as a causal mechanism. Instead, it captures the broader national setting in which CEO compensation and PSMP visibility are observed. Any estimated country difference should therefore be interpreted as a country-level contextual difference, rather than as evidence of one specific cultural mechanism.

Data comparability and sample construction also limit the country comparison. U.S. compensation data is entirely retrieved from Bloomberg, while some missing Swedish values are manually collected from remuneration reports. Although both sources aim to capture total CEO compensation, different collection paths may create minor comparability issues. The study also applies a market-capitalization threshold of one billion in local currency in each market. This

supports the inclusion of firms that are comparatively large and visible within their respective national markets, which is relevant for a Sweden-U.S. comparison. However, the local-currency thresholds do not create identical absolute firm-size distributions across the two samples, which the Size-restricted specification aims to address.

3.7.4 Limitations of Sample Scope and Time Period

A final limitation concerns the sample and time period. The study focuses on publicly listed BICS Industrials firms in Sweden and the U.S. above the market-capitalization threshold, which limits direct generalization to smaller firms, private firms, other sectors, or other national settings. Even within Industrials, firms differ in business models, international exposure, communication practices, and compensation structures, meaning that sector classification does not remove all underlying firm heterogeneity. The three-year period also limits the ability to assess longer-term patterns, and the findings may partly reflect conditions specific to 2021–2024, including post-pandemic compensation dynamics and LinkedIn use. These limitations do not remove the relevance of the findings within the defined population, but they mean that broader generalization should be made only with attention to differences in sector, firm type, country context, and time period.

4. Results

4.1 Descriptive Statistics

This section presents descriptive statistics for the Main regression sample of 818 firm-year observations from 336 firms, 182 Swedish observations from 71 firms, and 636 U.S. observations from 265 firms. The Extended subsample consists of 515 observations from 219 firms, including 116 Swedish observations and 399 U.S. observations. The tables describe the central tendency, dispersion, and distributional shape of the variables that enter the empirical analysis and they also illustrate why the variable transformations defined in Section 3.3 are appropriate for the empirical analysis. The section focuses on patterns relevant to the regression design, country comparison, transformations, and robustness checks.

4.1.1 Dependent and Independent Variables

Table 2

Descriptive Statistics, Dependent and Independent Variables

Variable	Group	Mean	Median	SD	Min	Max	Skewness	Kurtosis
Ln(Compensation)	All	15.37	15.61	1.07	11.85	18.92	-0.65	0.100
	Swe	13.98	13.90	0.86	11.85	16.73	0.21	-0.25
	US	15.77	15.82	0.75	13.39	18.92	-0.36	0.97
Ln(1 + Visibility)	All	3.16	0	3.79	0	11.88	0.557	-1.349
	Swe	3.55	4.03	3.51	0	9.99	0.17	-1.66
	US	3.05	0	3.86	0	11.88	0.65	-1.25
Raw CEO Compensation	All	7,572,368	5,993,597	8,681,733	140,510	164,525,728	8.32	133.80
	Swe	1,714,479	1,092,890	1,901,718	140,510	18,443,993	4.52	33.30
	US	9,248,682	7,406,213	9,126,603	653,625	164,525,728	8.75	134.68
Raw Visibility (Likes + Comments + Reposts)	All	2,854	0	10,743	0	144,310	7.73	78.46
	Swe	1,197	55	2,942	0	21,995	4.38	23.64
	US	3,328	0	12,043	0	144,310	6.94	62.40

Note. Monetary values are expressed in USD. Swedish values were converted as described in Section 3.2.2.

CEO compensation differs extensively between the countries, median compensation is 7.4 million USD in the U.S. compared with 1.1 million USD in Sweden. Raw compensation is strongly right-skewed in both subsamples, with skewness 8.75 in the U.S. and 4.52 in Sweden, while the U.S. distribution also has a heavy right tail reflected in kurtosis of 134.68. The log transformation compresses this skew, with both distributions within ±0.4 skewness and kurtosis below 1. This supports the log transformation specified in Section 3.3.1.

Raw visibility has a median of zero in both the pooled sample and the U.S. subsample, while the Swedish median is 55. This indicates that non-zero visibility is more common in the Swedish subsample, despite Sweden having a lower mean visibility value than the U.S., 1,197 compared to 3,328. On the log scale, ln(1 + visibility) has a mean of 3.55 in Sweden and 3.05 in the U.S., reflecting the lower share of zero-visibility observations in the Swedish subsample.

In the main sample, 172 of 818 observations (21.0%) lack an identifiable profile and CEOs with a profile but no likes, comments, or reposts account for an additional 288 observations (35.2%). Combined, 460 of 818 observations (56.2%) have zero visibility. The combination of strong right-skewness and many zeroes support the ln(1 + visibility) transformation, preserving low-visibility observations rather than dropping them. The remaining 358 observations (43.8%) constitute the active-user subsample analyzed in Section 4.4.

Furthermore, the visibility composite is dominated by likes in the full sample. 94.4% are likes, 3.3% are comments, and 2.4% are reposts, and this pattern persists in the country-subsamples as well. This concentration of likes in the visibility composite supports the Decomposed visibility robustness specification test in Section 4.4.

4.1.2 Firm-level Controls

Table 3

Descriptive Statistics, Main Control Variables

Variable	Group	Mean	Median	SD	Min	Max	Skewness	Kurtosis
Ln(Total Assets)	All	21.69	21.69	1.56	16.29	26.02	-0.10	0.45
	Swe	20.75	20.65	1.73	16.29	24.93	-0.08	-0.13
	US	21.96	21.85	1.39	17.69	26.02	0.26	0.20
ROA (%)	All	6.35	6.18	9.01	-81.18	47.66	-2.30	18.95
	Swe	7.67	6.58	8.30	-47.83	47.66	-0.47	14.35
	US	5.98	6.12	9.18	-81.18	37.99	-2.69	19.65
Tobin's Q	All	3.12	2.26	3.76	0.38	84.68	13.21	271.78
	Swe	3.28	2.22	2.97	0.64	20.71	2.79	10.26
	US	3.07	2.28	3.96	0.38	84.68	14.27	285.13
Leverage (%)	All	27.78	26.76	16.02	0	110.62	0.68	1.50
	Swe	23.77	24.02	11.66	0	55.97	-0.02	-0.11
	US	28.93	27.70	16.90	0	110.62	0.65	1.25
Stock Return (%)	All	29.01	12.79	278.72	-71.48	7864.62	27.27	767.21
	Swe	62.90	11.02	584.31	-68.54	7864.62	18.30	178.46
	US	19.31	13.08	46.96	-71.48	336.79	2.08	8.68

Note. Monetary values are expressed in USD. Swedish values were converted as described in Section 3.2.2.

U.S. firms in the main sample are larger, with median total assets of 3.09 billion USD compared with 0.93 billion USD in Sweden and a maximum observation of 199 billion USD compared with 67.2 billion USD. Logged total assets is close to symmetric in the pooled sample, with skewness of -0.10 and kurtosis of 0.45, and shows limited skewness in both country subsamples. This supports the log specification used in the regressions.

Return on assets is broadly comparable in central tendency. ROA has large negative tail observations in both subsamples, -81.2% in the U.S. and -47.8% in Sweden. Leverage shows similar central tendency in both subsamples and modest right-skew. The U.S. presents one observation above 100% leverage.

Tobin's Q has nearly identical medians across the two markets, 2.28 in the U.S. and 2.22 in Sweden. However, the U.S. subsample contains an extreme maximum observation of 84.68, which contributes to the high pooled skewness and kurtosis of Tobin's Q.

Total stock return shows the largest divergence between mean and median values among the firm-level controls. The Swedish mean of 62.9% is strongly affected by a maximum observation of 7,864.6%, while the median is 11.0%. The U.S. distribution is less extreme, with mean 19.3% and median 13.1%.

The presence of extreme observations across multiple firm-level controls, such as a leverage observation above 100%, a Tobin's Q maximum of 84.68, and a Swedish stock return of 7,864.6%, supports the relevance of the Winsorization robustness specification described in Section 3.5.

4.1.3 Extended Controls

Table 4

Descriptive Statistics, Extended Controls

Variable	Group	Mean	Median	SD	Min	Max	Skewness	Kurtosis
Board Independence (%)	All	77.07	83.33	17.21	0.00	100.00	-1.76	3.81
	Swe	60.54	57.74	18.55	0.00	100.00	0.31	0.47
	US	81.87	87.50	13.44	0.00	100.00	-3.56	16.99
CEO Age	All	56.09	56.00	6.43	39.00	82.00	0.83	1.56
	Swe	53.78	54.00	5.37	42.00	72.00	0.57	1.34
	US	56.76	57.00	6.57	39.00	82.00	0.82	1.47
CEO Tenure	All	7.77	5.00	7.30	1.00	52.00	2.51	8.50
	Swe	7.99	6.00	6.91	2.00	36.00	2.05	4.63
	US	7.71	5.00	7.42	1.00	52.00	2.62	9.40

Note. CEO duality, female CEO, and founder are indicator variables and are therefore described in the text rather than reported in the table.

Board independence is higher on average in the U.S. subsample, and the negative skewness of -3.6 indicates that observations are concentrated near the upper end of the distribution. CEO age is slightly higher in the U.S., with a mean of 56.8 years compared with 53.8 years in Sweden. CEO tenure is similar in central tendency across the two subsamples, although the U.S. distribution has a longer right tail, with a maximum tenure of 52 years compared with 36 years in Sweden.

CEO duality is observed in 149 of 515 Extended observations (28.9%) and all 149 cases are in the U.S. Female CEOs account for 41 of 515 observations (8.0%), with similar figures in the respective markets. Founder-CEOs account for 25 of 515 observations (4.9%), again with similar country rates.

4.2 Correlation Matrix and VIF Analysis

4.2.1 Pearson Correlation Matrix

Table 5

Pearson Correlation Matrix

	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**
(1) Ln(Compensation)	1.00							
(2) Ln(1 + Visibility)	0.118	1.00						
(3) Ln(Total Assets)	0.739	0.185	1.00					
(4) ROA (%)	0.038	-0.059	0.070	1.00				
(5) Stock Return (%)	-0.063	-0.039	-0.041	-0.004	1.00			
(6) Tobin's Q	-0.067	0.071	-0.146	0.146	0.020	1.00		
(7) Leverage (%)	0.250	0.112	0.354	-0.075	0.018	-0.164	1.00	
(8) U.S. Dummy	0.697	-0.055	0.324	-0.078	-0.065	-0.024	0.134	1.00

Note. Table 5 reports Pearson correlations among the main regression variables.

The visibility composite correlates positively with subsequent compensation, r = 0.118, providing an initial descriptive indication of the H1 relationship. The strongest correlations with compensation are with firm size, r = 0.739, and the U.S. dummy, r = 0.697. The visibility composite correlates only weakly with the U.S. dummy, r = -0.055, indicating that the visibility measure does not mechanically capture country-level variation. The highest correlation among the main control regressors is between leverage and ln(total assets), r = 0.354, well below the $|r|$ = 0.70 warning threshold (Hair et al., 2019).

4.2.2 Variance Inflation Factors

Table 6

Variance Inflation Factors

Variable	Main	Extended
Ln(1 + Visibility)	1.08	1.21
U.S. Dummy	1.16	1.60
Ln(Total Assets)	1.36	1.34
ROA (%)	1.06	1.37
Stock Return (%)	1.01	1.05
Tobin's Q	1.08	1.36
Leverage (%)	1.18	1.15
Board Independence (%)		1.40
CEO Duality		1.34
Female CEO		1.06
CEO Age		1.58
CEO Tenure		1.90
Founder		1.46

Note. VIF values are computed without the visibility × U.S. interaction term.

The highest VIF across all specifications is 1.90 and concerns CEO tenure in the Extended specification. Overall, the Extended specification shows slightly higher VIF values than the Main

specification but all remain well below the conventional threshold of 10, indicating no evidence of problematic multicollinearity (Hair et al., 2019).

4.3 Hypothesis Test Results

4.3.1 Hypothesis 1: CEO PSMP Visibility and Subsequent Compensation

Table 7

Main Regression Results, H1

Visibility Coefficient	SE	p-value	N	R^2	Adj. R^2
0.012**	0.006	0.042	818	0.786	0.784

Note. The dependent variable is $\ln(comp_{i,t+1})$. Standard errors are robust and clustered at the firm level. The specification includes year fixed effects. ***p < 0.01, **p < 0.05, *p < 0.10.

The coefficient on the visibility composite is positive ($\beta = 0.012$) and statistically significant at the $\alpha = 0.05$ (clustered $p = 0.042$). The result supports H1: CEO PSMP visibility in year *t* is positively associated with CEO compensation in year *t+1*.

The model explains a substantial 78.4% of the variation in log CEO compensation. That is largely driven by firm size which is in line with the previous literature. Firm size as well as the U.S. indicator are positive and significant at the $\alpha = 0.01$ level, while ROA, Tobin's Q, stock return, and leverage are not statistically significant. The full coefficient estimates and significance for the control variables are reported in Appendix A, Table A1. Visual diagnostics for the H1 Main specification are reported in Appendix A, Figures A1 and A2. The residual vs. fitted plot shows no strong systematic pattern across fitted values while the Q-Q plot indicates tail deviations and a small number of large residuals. This supports the choice of robust inference and the Winsorized robustness specification check reported in Section 4.4.

4.3.2 Hypothesis 2: Country Moderation

Table 8

Main Regression Results, H2

Interaction Coefficient	SE	p-value	N	R^2	Adj. R^2
0.003	0.013	0.834	818	0.786	0.783

Note. The dependent variable is $\ln(comp_{i,t+1})$. Standard errors are robust and clustered at the firm level. The specification includes year fixed effects. ***p < 0.01, **p < 0.05, *p < 0.10.

The interaction term between the visibility composite and the U.S. indicator is small (β = 0.003) and not statistically significant (clustered p = 0.834). H2 is therefore not supported: the slope of the visibility-compensation relationship does not differ significantly between Sweden and the U.S.

Country specific regressions on the Swedish (N = 182) and U.S. (N = 636) subsamples yield coefficients of similar magnitude, with β = 0.013 for Sweden and β = 0.015 for the U.S. Only the U.S. estimate is statistically significant (clustered p = 0.018), while the Swedish estimate is not (clustered p = 0.253). A post-hoc sensitivity check further shows that the H2 interaction test had limited ability to detect small country differences. The observed interaction coefficient is β = 0.003, while the 80% minimum detectable effect is approximately β = 0.03. This means that the model was only sensitive to a substantially larger country difference than the one observed. Country-specific regressions further illustrate this as the Swedish and U.S. subsamples yield coefficients of similar magnitude, with β = 0.013 and β = 0.015 respectively. H2 is therefore not supported, but small cross-country differences cannot be ruled out. The H2 model retains a high adjusted R^2 of 0.783, driven by a control-variable pattern that remains very similar to the H1 model and is reported in full in Appendix A, Table A2.

4.4 Robustness and Subgroup Analyses

To assess whether the main results are sensitive to model specification, outlier treatment, sample restrictions, or the construction of the PSMP visibility measure, this section reports a set of robustness checks and supplementary analyses. These tests are presented separately for H1 and H2 and should be read as supporting evidence for the baseline models, not as additional hypothesis tests.

4.4.1 H1 Robustness Results

Table 9

H1 Robustness Specifications

Model	Visibility Coefficient	SE	p-value	N	Adj. R^2
Extended	0.019***	0.007	0.006	515	0.759
Strict	0.018**	0.008	0.017	423	0.842
Active users	0.028*	0.017	0.097	358	0.852
Winsorized	0.011*	0.005	0.0502	818	0.804

Note. The dependent variable is $\ln(comp_{i,t+1})$. Standard errors are robust and clustered at the firm level. All specifications include year fixed effects. ***p < 0.01, **p < 0.05, *p < 0.10.

The Extended specification adds CEO- and governance-level controls to the model. The visibility coefficient remains positive ($\beta = 0.019$) and statistically significant (clustered $p = 0.006$). This indicates that the H1 result is not weakened when accounting for further observable CEO and governance characteristics. As reported in Appendix A, Table A3, firm size and the U.S. indicator remain the strongest control variables, while the added governance and CEO controls are not individually significant. Stock return is significant in this specification, but rather than being caused by the added controls, it is better interpreted as a feature of the reduced sample. When the base control model is estimated on the same 515-observation subsample, stock return already becomes significant.

The Strict specification restricts the sample to observations where the same CEO is observed across the full period. The visibility coefficient remains positive (β = 0.018) and statistically significant (clustered p = 0.017). This reduces the concern that the main result is driven by changes in both visibility and compensation caused by CEO transitions during the observation period. The result therefore supports the stability of H1 when observations involving CEO changes are excluded.

The Active-user specification restricts the sample to observations with positive PSMP visibility. This addresses the concern that the main association is only driven by the difference between CEOs with no visibility and CEOs with some visibility. Compared to the Main specification the visibility coefficient is larger in the active-user subsample (β = 0.028), suggesting that the relationship is not limited to the zero-versus-positive visibility distinction. However, the result is only marginally significant (clustered p = 0.097), meaning that it should be interpreted as suggestive subgroup evidence rather than as equally strong support as the other models.

The Winsorized specification tests whether the H1 result is sensitive to extreme observations in the visibility measure, compensation, and the core financial controls. The visibility coefficient changes only slightly from the Main specification (β = 0.012) to the Winsorized specification (β = 0.011), while the clustered p-value increases from 0.042 to 0.0502. This indicates that winsorization does not materially change the estimated relationship, although the clustered p-value is marginally above the 5% threshold and the support should be interpreted more cautiously.

Table 10

Reverse-Direction Specification

Model	Compensation Coefficient	SE	p-value	N	Adj. R^2
Reverse causality	0.789	0.555	0.157	171	0.049

Note. The dependent variable is $\ln(1 + \text{visibility}_{i,t})$. Standard errors are robust and clustered at the firm level. The specification includes year fixed effects. ***p < 0.01, **p < 0.05, *p < 0.10.

The Reverse-direction specification examines whether the relationship may instead run from CEO compensation to subsequent PSMP visibility. The coefficient is positive (β = 0.789) but statistically insignificant (clustered p = 0.157), and the model has limited explanatory power, Adj. R^2 = 0.049. Since this test is based on a substantially smaller sample, N = 171, the result should be interpreted cautiously. However, when the original H1 direction is re-estimated on the same 171 observations, the relationship is stronger and marginally significant at 10% with clustered p = 0.082. This does not establish causality or rule out that the relationship could also operate in the reverse direction, but it provides more support for the direction tested in H1 than for the Reverse specification. The larger coefficient (β = 0.789) in the reverse-direction specification should not be interpreted as a stronger relationship, since the dependent variable changes and differences in scale make the coefficients not directly comparable across specifications.

Table 11

H1 Decomposed Visibility Specification

Model	**Visibility Coefficient**	**SE**	**p-value**	**N**	**Adj. R^2**
Likes	0.012**	0.006	0.042	818	0.784
Comments	0.019**	0.009	0.044	818	0.783
Reposts	0.021**	0.010	0.032	818	0.783

Note. The dependent variable is $\ln(\text{comp}_{i,t+1})$. Standard errors are robust and clustered at the firm level. All specifications include year fixed effects. ***p < 0.01, **p < 0.05, *p < 0.10.

The Decomposed visibility specifications test whether the H1 result depends on the combined visibility composite or whether the same pattern appears when likes, comments, and reposts are examined separately. The results show that each component has a positive and statistically significant association with subsequent CEO compensation, with coefficients of β = 0.012 for

likes, β = 0.019 for comments, and β = 0.021 for reposts. This supports the robustness of the main result by showing that the positive association appears across all three components, rather than depending on one single part of the composite or on the aggregated visibility composite alone. It also addresses the concern that the main result is driven only by likes, which make up the largest share of the composite, or by the aggregation of engagement metrics itself.

4.4.2 H2 Robustness Results

Table 12

H2 Robustness Specifications

Model	Interaction Coefficient	SE	p-value	N	Adj. R^2
Extended	-0.0005	0.017	0.975	515	0.759
Strict	-0.002	0.016	0.911	423	0.842
Active users	-0.049*	0.030	0.099	358	0.852
Winsorized	-0.002	0.013	0.908	818	0.803
Size-restricted	0.010	0.018	0.585	547	0.655

Note. The dependent variable is $\ln(comp_{i,t+1})$. Standard errors are robust and clustered at the firm level. All specifications include year fixed effects. ***p < 0.01, **p < 0.05, *p < 0.10.

The Extended, Strict and Winsorized specifications do not change the interpretation of H2 compared with the Main specification. A difference is the Active-user specification, where the interaction is negative (β = -0.049) and marginally significant (clustered p = 0.099). Since this estimate is opposite to the main result direction, it is treated as further indication that the data do not support a stronger U.S. relationship. However, it should not be interpreted as evidence of the opposite direction as robustness checks are meant to validate main results, not uncover new results. Any new finding in repeated testing risks being a chance result. The Size-restricted specification does improve the alignment of the Swedish and U.S. ln(total assets) distributions (Sweden: mean = 21.41, SD = 0.81. U.S.: mean = 21.73, SD = 0.74), and although the interaction shifts to a small positive value (β = 0.010), it remains far from statistical significance

(clustered p = 0.585), indicating that no U.S.-specific premium emerges even under more comparable size conditions.

Table 13

H2 Decomposed Visibility Specification

Model	Interaction Coefficient	SE	p-value	N	Adj. R^2
Likes	0.003	0.013	0.834	818	0.783
Comments	-0.0003	0.023	0.989	818	0.783
Reposts	0.020	0.023	0.399	818	0.783

Note. The dependent variable is $\ln(comp_{i,t+1})$. Standard errors are robust and clustered at the firm level. All specifications include year fixed effects. ***p < 0.01, **p < 0.05, *p < 0.10.

The Decomposed visibility specifications show the same pattern as the main H2 test. None of the individual visibility components provide evidence that the visibility-compensation relationship differs between Sweden and the U.S.

4.5 Summary of Results

Table 14

Summary of Hypothesis Outcomes

Hypothesis	Prediction	Conclusion
H_1	*CEO PSMP visibility is positively associated with subsequent CEO compensation.*	Supported
H_2	*The relationship between CEO PSMP visibility and subsequent CEO compensation is stronger in the U.S. than in Sweden.*	Not supported

H1 is supported by the results. Given the log-log specification, the coefficient of $\beta = 0.012$ implies that a 1% increase in (1 + visibility) is associated with approximately 0.012% higher subsequent CEO compensation, or roughly 4.6% higher compensation at a one standard deviation increase in log visibility, reflecting the wide dispersion of the measure. 56.2% of observations have zero visibility, but the Active-user specification, together with the Extended, Winsorized, Strict, Reverse-direction, and Decomposed specifications, remains broadly consistent with the H1 result. The VIF values, correlation matrix, and residual diagnostics likewise do not raise concerns that would undermine this conclusion.

H2 is not supported, meaning that the results do not provide evidence that the visibility-compensation association is stronger in the U.S. than in Sweden, and the robustness tests are broadly consistent with this conclusion. Descriptively, the country-specific estimates are $\beta = 0.013$ for Sweden and $\beta = 0.015$ for the U.S. The observed interaction coefficient, $\beta = 0.003$, is well below the 80% minimum detectable effect of approximately $\beta = 0.03$, indicating that country moderation of roughly the observed size would be too subtle to detect reliably in this sample.

5. Discussion and Analysis

5.1 H1: CEO PSMP Visibility and Subsequent Compensation

The support for H1 suggests that the CEO visibility-compensation logic is not limited to traditional media. In Kang and Kim (2017) and Nguyen (2015), CEO visibility depends on whether journalists, business publications, or other media actors choose to feature the CEO. In the present study, visibility is instead tied to the CEO's own LinkedIn activity and the engagement that activity receives (Mooney et al., 2025). Thus, PSMP visibility represents an alternative and more direct route through which CEOs can gain professional visibility that may matter when boards, compensation committees, or external labor-market actors evaluate the CEO's perceived value. In signaling terms, PSMP visibility can be interpreted as a digital professional signal: it does not prove CEO ability, but makes the CEO's professional activity and external attention more observable to audiences who may interpret it.

This interpretation is consistent with the two mechanisms developed in the literature review. From a managerial labor-market perspective, PSMP visibility can make the CEO more observable beyond the current firm, potentially strengthening the CEO's bargaining position by increasing retention pressure (Kang & Kim, 2017). From an investor-recognition perspective, such visibility can also make the CEO and the firm more recognizable to market audiences, which connects to Merton's (1987) recognition logic and Nguyen's (2015) associated findings. These mechanisms differ mainly in who receives and interprets the signal: potential employers in the first case, and investors or broader market audiences in the second. Since the empirical model does not test these mechanisms separately, they should be understood as complementary interpretations rather than isolated explanations.

The finding also adds to previous PSMP research by providing a more executive-level interpretation. Prior LinkedIn research connects platform use to career-related benefits, while emphasizing active usage over mere network size (Davis et al., 2020; Usera & Durham, 2025). The present finding suggests that PSMP visibility may be relevant beyond networking and profile presentation alone. This does not mean that all LinkedIn engagement carries

compensation relevance, but it indicates that PSMP CEO visibility can form part of how CEOs are observed and evaluated in a professional setting.

Finally, the size of the association should be understood in relation to the broader CEO compensation literature. As established, CEO compensation is shaped by several determinants (Edmans et al., 2017; Frydman & Jenter, 2010; Tosi et al., 2000). Against this background, the modest size of the PSMP visibility association is consistent with the theoretical positioning of the study: CEO PSMP visibility is a complementary CEO-level factor, not a main explanation of CEO compensation. Of the two elasticity figures, the per-standard-deviation interpretation of roughly 4.6% is the more informative one, since it reflects the kind of visibility gap that actually exists between CEOs in the sample rather than the much smaller 0.012% per-percent change. It implies that a CEO who is clearly more visible than average is associated with around 4.6% higher subsequent pay, a real but modest premium that places PSMP visibility as a marginal rather than dominant input into CEO compensation. At the same time, the consistency of the positive association across the empirical analyses strengthens this interpretation, since it suggests that the finding is not dependent on one narrow model specification. H1 is therefore supported in a way that positions CEO PSMP visibility as an additional, but modest, part of the broader CEO compensation discussion.

5.2 H2: Country Differences and Cultural Interpretation

H2 expected the association between CEO PSMP visibility and subsequent CEO compensation to be stronger in the U.S. than in Sweden. This expectation was derived from the cultural argument developed in Section 2.3.2, where Hofstede's masculinity/femininity dimension provided the theoretical basis for expecting CEO PSMP visibility to be more culturally aligned with the U.S. setting. The results do not support this expectation. Instead, they show a positive association in both settings, but no clear difference in its strength between Sweden and the U.S. H2 is therefore not supported.

This result does not mean that culture is irrelevant. Rather, it weakens the specific expectation that the visibility-compensation association would be stronger in the U.S. In this study, national

culture was used to derive and interpret the country-level expectation, while country itself was the observable comparison. The unsupported H2 result should therefore be understood as a lack of support for the expected U.S.-Sweden difference, not as evidence that culture has no relevance to CEO visibility.

One possible explanation is that culture may shape how CEOs create visibility, rather than whether PSMP CEO visibility is associated with compensation. The visibility measure captures audience engagement, but not the content, tone, or purpose of the CEO's LinkedIn activity. This matters because Swedish and U.S. CEOs may generate engagement through different communication styles, each adapted to what is considered appropriate or valuable in its respective setting. If different forms of communication generate engagement within their own contexts, the visibility-compensation association may appear similar even though the underlying communication differs.

A second possible explanation concerns the audience receiving the visibility signal. In signaling terms, CEO PSMP visibility is a partial signal about the CEO's professional activity and the attention surrounding it. However, the receivers of that signal are not perfectly identified and are not necessarily confined to the firm's home country. In the managerial labor-market mechanism, visibility may reach international actors who affect the CEO's outside opportunities and, in turn, the firm's retention pressure. In the investor-recognition mechanism, the signal may be received by investors and professional audiences whose interpretation is not necessarily shaped by the firm's national culture. Since listed firms can be observed by audiences beyond their domestic setting, a CEO may be evaluated within a wider professional arena than the firm's country alone suggests.

The role of LinkedIn itself may also help explain why the expected country difference does not appear clearly. Given LinkedIn's substantial reachable audience in both Sweden and the U.S., professional online visibility may already be relatively normalized in both settings (LinkedIn, 2026). If CEOs in both countries use a platform accepted as part of professional communication, broader cultural differences may become less visible in the measured association. Such differences may have been more apparent during earlier stages of PSMP adoption, before it

became more established. Combined with the modest size of the visibility-compensation association, this suggests that any country-level difference may be smaller than expected. The country comparison therefore still contributes to the thesis by showing that the visibility-compensation association is not clearly stronger in the U.S., despite the theoretical reasoning behind H2.

5.3 Contributions and Implications

A central contribution of this study is that it extends the CEO visibility-compensation discussion into a PSMP setting. Previous research has linked CEO visibility in traditional media to subsequent CEO compensation and firm-level outcomes (Kang & Kim, 2017; Nguyen, 2015). By finding a positive association in a PSMP setting, the present study shows that the visibility-compensation discussion can also include forms of CEO visibility that emerge through professional online activity, rather than traditional media selection.

The study also contributes to PSMP research by connecting PSMP visibility to an executive-level outcome. Prior PSMP research has emphasized professional networking, profile presentation, and career-related benefits (Davis et al., 2020; Pena et al., 2022; Ruparel et al., 2023). The present study additionally shows that PSMP visibility can be examined in relation to executive compensation. This moves the discussion beyond whether PSMPs are professionally relevant toward how visibility on such platforms may relate to outcomes at the top-management level.

The Sweden-U.S. comparison provides a further contribution. Although H2 is not supported, the comparison is valuable by examining whether the visibility-compensation association exists outside the more extensively studied U.S. context, and whether it differs between two national settings. The findings show that the association is not clearly stronger in the U.S., despite the cultural reasoning developed in Chapter 2. This refines the initial expectation and suggests that CEO PSMP visibility may operate more similarly across the two national settings than expected.

The research implications mainly concern how PSMP visibility should be positioned in future CEO compensation research. The findings suggest that PSMP visibility should be considered part of the broader CEO compensation discussion, alongside established visibility channels. The positive association indicates that professional online visibility may function as a complementary CEO-level factor when studying compensation. However, PSMP visibility should not be treated as identical to traditional-media visibility as it provides an alternative route through which CEOs gain professional attention.

The practical implications are more cautious but relevant. If PSMP visibility should be considered alongside other visibility channels in research, it should be given a similar significance in practice. Thus, it should be treated as part of the broader visibility environment surrounding CEOs and firms, rather than as a separate or detached form of visibility. Compared with traditional media exposure, PSMP visibility is more directly connected to the CEO's own professional activity and the engagement it receives. CEOs and firms therefore have greater ability to control this visibility channel, even if they cannot directly control audience responses. For CEOs, this suggests that PSMP activity may contribute to external professional positioning across employers, investors, and broader professional audiences. For firms and communication teams, such visibility should be understood and treated as part of the firm's and leadership's wider external visibility. However, the findings do not show that higher PSMP visibility directly causes higher compensation or that LinkedIn engagement should be used as a compensation benchmark.

5.4 Limitations and Future Research

Section 3.7 discussed the study's methodological limitations in detail. This section therefore focuses on the limitations most important for interpreting the findings and future research directions. First, the findings should be understood in relation to the study's empirical scope. The sample is limited to publicly listed BICS Industrials firms in Sweden and the U.S. above the market-capitalization threshold used in the sampling process. This does not make the findings irrelevant beyond the industrials setting, since prior cross-national CEO compensation research has also used industrial-company data to develop broader arguments about compensation and

national culture (Tosi & Greckhamer, 2004). However, the present study remains more narrowly tied to LinkedIn-based visibility, two national settings, and a defined population of larger listed BICS Industrials firms. The results should therefore be read as suggestive for the broader visibility-compensation discussion, but should not be generalized directly to all CEOs, firms, sectors, or national settings.

Second, although the lagged design strengthens the temporal ordering between CEO PSMP visibility and subsequent compensation, the study examines associations rather than causal effects. This leaves an interesting gap for future research. Future studies could examine whether changes in PSMP visibility are followed by changes in compensation over longer time periods, look further into whether highly compensated or prominent CEOs become more visible, or whether both visibility and compensation reflect other confounding variables. Such research would move the discussion from whether the association exists, toward a clearer understanding of its direction and dynamics.

Third, since the present study focuses on the aforementioned association, it does not examine what shapes CEO PSMP visibility in the first place and whether it is something CEOs and firms actively seek or avoid. Future research should therefore examine possible drivers, including firm reputation, communication strategy, and differing incentives to invite or avoid public scrutiny. ESG performance could be one relevant example, as firms with stronger or weaker stakeholder-related profiles may have different incentives to become visible or maintain a lower public profile.

Fourth, PSMP visibility should also be examined alongside other visibility channels. This study extends traditional-media visibility research into a PSMP setting, but does not examine whether PSMP visibility overlaps with, substitutes for, or complements traditional media visibility. Comparing PSMP visibility with other forms of public exposure would help clarify whether PSMP visibility is distinct or part of a broader visibility profile.

Finally, the country comparison should be interpreted within the limits of a two-country design. While the results do not support the expected difference developed in H2, the design cannot

isolate national culture from other country-level factors. A broader multi-country design would allow cultural dimensions to be examined more systematically in relation to variation in the visibility-compensation association. Combining such a design with content analysis and audience-level data would be especially useful, since culture may shape both how CEOs create visibility and how different audiences interpret it.

6. Conclusion

This study set out to examine whether CEO PSMP visibility is associated with subsequent CEO compensation, and whether this association differs between Sweden and the U.S. The findings answer the research question in two parts. First, H1 is supported, as CEO PSMP visibility, measured through a composite of LinkedIn engagement metrics, is positively associated with CEO compensation in the following year. Second, H2 is not supported, as the findings do not indicate that the visibility-compensation association is stronger in the U.S. than in Sweden. The country-specific estimates are instead similar in magnitude.

The findings suggest that CEO PSMP visibility is relevant to the broader CEO compensation discussion, but that its role should be interpreted with caution. In signaling terms, the CEO's PSMP activity and the attention it receives can function as a signal providing partial information to external audiences, without being treated as direct evidence of CEO ability. The positive association also does not establish that higher PSMP visibility directly causes higher CEO compensation. Rather, it indicates that CEO PSMP visibility may form one additional CEO-level factor within a compensation outcome shaped by several established determinants. In line with the theoretical positioning of the study, CEO PSMP visibility should therefore be understood as a modest, complementary factor, not as a central explanation of CEO compensation.

The present study contributes by extending the CEO visibility-compensation discussion from traditional media to a PSMP setting. It shows that PSMP visibility created through professional online activity can be associated with subsequent compensation, while the Sweden-U.S. comparison indicates that this association is not clearly stronger in the U.S. despite the theoretical expectation. This contribution should be understood within the limits of the study's LinkedIn-based operationalization, focus on publicly listed BICS Industrials firms, two-country comparison, and observational empirical design. Within these limits, the study shows that CEO PSMP visibility should not be dismissed as merely communication or networking, but understood as part of the wider visibility context surrounding CEOs and firms.

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Appendix A

Table A1

Control Variable Coefficients, H1 Main Specification

Variable	Coefficient	SE	p
Ln(Total Assets)	0.393***	0.018	0.0000
ROA (%)	0.005	0.003	0.132
Stock Return (%)	−0.0000	0.0000	0.436
Tobin's Q	0.005	0.010	0.615
Leverage (%)	−0.001	0.002	0.459
U.S. Dummy	1.344***	0.061	0.0000

Note. The dependent variable is $\ln(comp_{i,t+1})$. Standard errors are robust and clustered at the firm level. All specifications include year fixed effects. ***p < 0.01, **p < 0.05, *p < 0.10.

Table A2

Control Variables, H2 Main Specification

Variable	Coefficient	SE	p
Ln(Total Assets)	0.393***	0.018	0.0000
ROA (%)	0.005	0.003	0.132
Stock Return (%)	−0.0000	0.0000	0.436
Tobin's Q	0.005	0.010	0.615
Leverage (%)	−0.001	0.002	0.459
U.S. Dummy	1.344***	0.061	0.0000

Note. The dependent variable is $\ln(comp_{i,t+1})$. Standard errors are robust and clustered at the firm level. All specifications include year fixed effects. ***p < 0.01, **p < 0.05, *p < 0.10.

Table A3

Control Variables, Extended Specification, H1 and H2

Variable	H_1	Coef.	SE	p	H_2	Coef.	SE	p
Ln(Total Assets)		0.390***	0.025	0		0.390***	0.025	0
ROA (%)		0.002	0.003	0.505		0.002	0.003	0.503
Stock Return (%)		0.001**	0.0006	0.024		0.001**	0.0006	0.025
Tobin's Q		0.0215	0.017	0.207		0.022	0.017	0.207
Leverage (%)		−0.0003	0.002	0.873		−0.0003	0.002	0.873
U.S. Dummy		1.254***	0.089	0		1.254***	0.116	0
Board Independence (%)		0.187	0.171	0.276		0.187	0.172	0.277
CEO Duality		0.061	0.082	0.456		0.061	0.082	0.454
Female CEO		−0.185	0.132	0.164		−0.185	0.132	0.165
CEO Age		−0.002	0.007	0.78		−0.002	0.007	0.781
Founder		−0.076	0.205	0.711		−0.076	0.204	0.709
CEO Tenure (years)		−0.0003	0.008	0.973		−0.0003	0.008	0.973

Note. The dependent variable is $\ln(comp_{i,t+1})$. Standard errors are robust and clustered at the firm level. All specifications include year fixed effects. ***p < 0.01, **p < 0.05, *p < 0.10.

Figure A1

Residuals vs. Fitted Values, Main H1 Specification

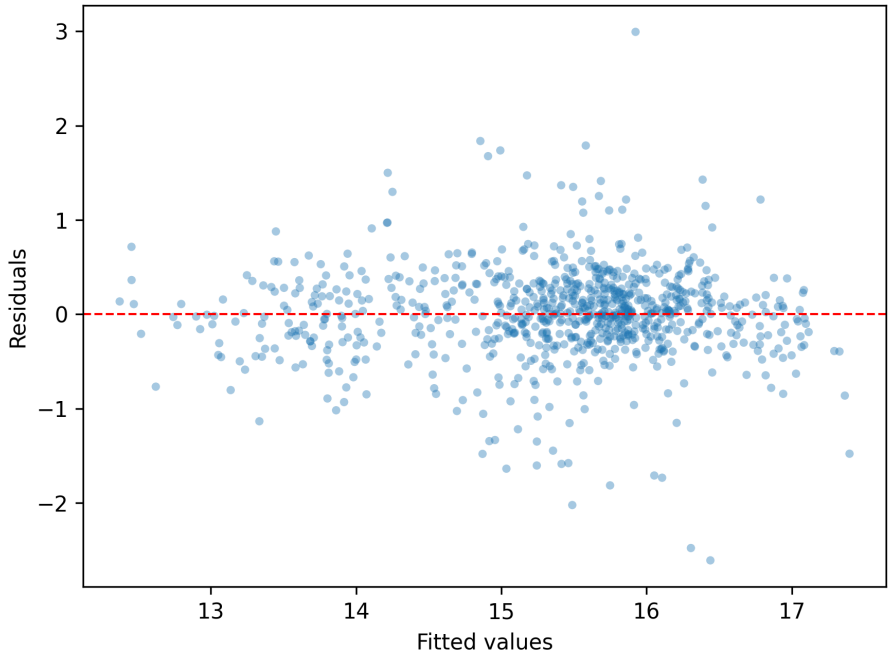
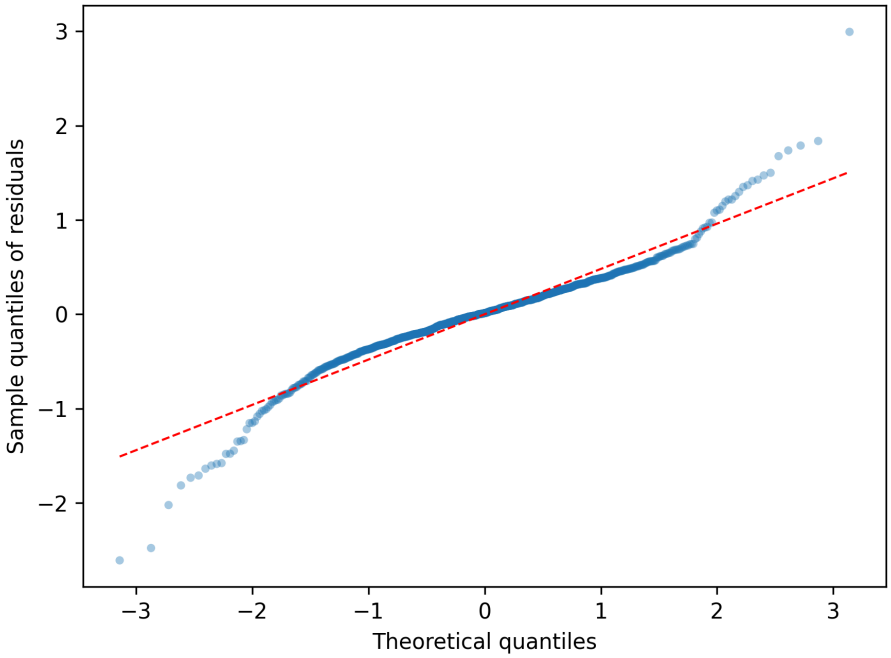


Figure A2

Q-Q Plot of Residuals, Main H1 Specification



Appendix B: Authorship Statement

All authors have contributed equally to the research design, data collection, analysis, and interpretation of results, as well as to the drafting and revision of the thesis. We further declare that we are the sole authors of this thesis. The authors take full responsibility for the content and have approved the final version prior to submission.

Appendix C: AI Usage Statement

Generative AI tools were used in the preparation of this study, specifically ChatGPT (OpenAI) and Claude (Anthropic). ChatGPT usage included version 5.5 while Claude usage included Opus 4.7 and Opus 4.6. These were used to improve readability, remove grammatical errors, and suggest synonyms to avoid unnecessary repetition. The tools were not used as co-authors, and were not used to collect data, calculate empirical results, generate references, or make final analytical interpretations. The AI output for these purposes was treated as suggestions that were critically reviewed by the authors, and the authors retain full responsibility for the content of the thesis.

Examples of prompts used include:

1. Can you improve the readability of this sentence?
2. Can you check for grammatical errors in this paragraph?
3. Can you suggest synonyms for this word?