



Star CEOs in the Restaurant Industry: Risk Takers or Status Quo?

In this research [Dr Bora Kim](#) explores the intriguing dynamics of celebrity CEOs in the restaurant industry, particularly their influence on risk-taking behaviours.

CEOs with celebrity status—figures who attract significant public and media attention—are increasingly visible in today’s business world. In industries like hospitality and restaurants, where high volatility and rapid change are common, the strategic decisions made by such leaders can have profound impacts on their organizations.

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However, understanding how celebrity status directly influences these decisions, especially in terms of risk, has remained underexplored until now.

This study addresses this gap by investigating how celebrity status affects managerial risk-taking actions, with a particular focus on two moderating factors: whether the CEO is an outsider (hired from outside the organization) and the level of franchising within the firm.

ACADEMIC WEEKLY DIGEST



About Dr Bora Kim

Bora Kim is a Senior Lecturer and Director of Studies for Surrey Hospitality and Tourism Management at the University of Surrey. Her research explores how corporate decisions

are made particularly by upper echelons and their impact on people, firm performance, and driving positive social and environmental change.

RESTAURANT CELEBRITY CEOS AND RISK-TAKING: THE ROLE OF ORIGIN AND FRANCHISING

By Bora Kim & Seoki Lee

The findings reveal that, contrary to popular belief, celebrity status alone does not significantly drive risk-taking. Instead, it's the combination of CEO origin and firm structure that tips the scales. Outsider celebrity CEOs—those not originally from the company—tend to exhibit bolder, more aggressive strategies. This risk propensity is further amplified in firms with a higher degree of franchising, a business model commonly used in the restaurant industry to manage risk and expand operations.

For boards, shareholders, and corporate governance bodies, these findings are particularly important. They suggest that when making decisions about hiring celebrity CEOs or evaluating their strategic direction, it is crucial to consider not just the CEO's visibility or media popularity but also their background and the firm's structural factors.

These elements collectively shape the risk profile of the organization, which, in turn, affects long-term success. For restaurant and hospitality companies, where managing volatility while fostering growth is key, these insights offer practical guidance for making more informed leadership decisions.

Publication:

Kim, B., & Lee, S. (2024). Restaurant Celebrity CEO and Risk-taking: The Moderating Role of CEO Origin and Franchising. *Tourism Economics*.



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