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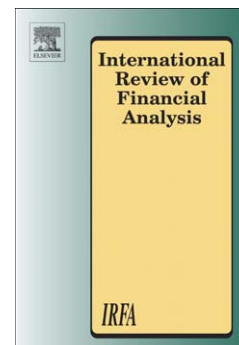
CEO Incentive Compensation in U.S. Financial Institutions

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**Abstract:**

This paper empirically addresses the questions of whether and, if yes, how U.S. bankers are compensated in particular with regard to incentive pay. Although the level of bank CEO pay has dropped during the financial crisis period, bank CEOs fared much better in comparison to their firms (and, in turn, their shareholders). Furthermore, bank CEO incentive pay beyond the justifiable portion is positively associated with CEO power measures. There is also some evidence, albeit weaker, that CEO power is positively related to CEO incentive pay switches.

**Keywords:**

Executive compensation; financial institutions; CEO power; financial crisis

**Article Classification:**

G30

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