



## 'Outside' CEOs Paid More than Top Execs Promoted from Within

By CNBC.com **CNBC.com**  
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A survey of CEO pay at 452 large companies found the pay of executives hired from outside is 20% higher than top officers promoted from within, CNBC's Mary Thompson reported.

Equilar, a compensation research firm, found that the median compensation of an "outside" CEO was \$8.9 million in 2005, compared with \$5.8 million for CEO promoted from within.

The 26% jump in pay is needed to entice outside CEOs to join a new company, said Johnny Taylor, former president of the Human Resource Society and **IAC/Interactive** senior vice president for human resources.

The survey reviewed CEOs' total compensation, including salary, bonus, stock options and other long-term incentives.

The survey found that the tenure of CEOs hired from outside the company is generally shorter than that of top officers promoted from within. That means outside CEOs have less time to pocket fat paychecks and build a nest egg. It also suggests that promoting from within may be a good way to save the company money.

Recent CEO compensation packages disclosed in filings with the Securities and Exchange Commission include:

Barry Diller, chairman of **Expedia**, took home more than \$11 million, but also earned more than \$17 million as chairman and chief executive of IAC/Interactive Group.

Meg Whitman of **eBay** made a little less than \$16 million in 2006.

James Dolan of **Cablevision** earned \$15 million in 2006.

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