

# Active but Hasty? CEO Age, Ownership Structure, and the Quantity–Quality Trade-off in Investment

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## Abstract

We examine whether the well-documented tendency of young CEOs to invest more aggressively translates into efficient capital allocation. Estimating both the quantity (capex sensitivity to sales growth) and quality (return on invested capital) of investment across CEO age groups within a unified framework, we find that young CEOs (aged 39 and under) exhibit the highest investment sensitivity but the lowest efficiency—an “Active but Hasty” pattern. Ownership structure is the key moderator: the quantity–quality gap is most acute in solo-owner firms, mitigated by kinship-based monitoring in family-owner firms, and driven by an efficiency deficit in non-owner firms. These findings suggest that the value of youth-driven investment activity depends critically on the governance environment in which it occurs.

**Keywords:** CEO age; investment efficiency; ownership structure; capital allocation; ROIC; corporate governance

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