Do CEOs nearing retirement attempt to boost short-term firm performance or do they care more about what type of legacy they will leave behind? The two opposing predictions about the behavior of CEOs upon retirement suggest that retiring CEOs' decisions about certain long-term investment items may be more complex than suggested in the literature. In search of an answer to this question, we examine the relationship between CEO retirement and the level of firm commitment to corporate social responsibility (CSR). The results show that CEO retirement has a negative effect on firm commitment to CSR. However, we found that the negative effect becomes weaker when CEOs retire at relatively older ages or are retained on the board of directors of their own firms. Our finding suggests that CEOs who face weaker pressure from the labor market for corporate directors may pay more attention to preserving their legacy.

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