



## **Twenty Years after Cadbury, Ten Years after Sarbanes-Oxley: Challenges of Corporate Governance**

Conference and Special Issue of Journal of Empirical Finance

Guest Editor: Professor Anna Zalewska

Academic Keynote Speakers:

Professor Kevin J. Murphy, USC Marshall School of Business, USA

Professor David Yermack, NYU Stern Business School, USA

Panel of practitioners:

**Lord Ian MacLaurin (Chair)**

Former CEO and Chairman of Tesco PLC, former Chairman of Vodafone Group PLC

**Sir Julian Horn-Smith**

Founding member of Vodafone Group, former Deputy CEO of Vodafone,  
Senior advisor to UBS Investment Bank, London, and CVC

**Philip Lowe**

Director General for Energy in the European Commission, and former Director General for Competition

**Charles Tilley**

Chief Executive of CIMA

**Lord Christopher Tugendhat**

Former Chairman of Abbey National plc and of Blue Circle Industries plc,  
and former Vice-President of the European Commission

24-25 June 2013, University of Bath, Claverton Campus, 8 West Building

### **Conference Chairs:**

Anna Zalewska            School of Management, University of Bath, UK  
Philip Cooper            School of Management, University of Bath, UK

### **Academic Programme Committee**

Renee Adams            University of New South Wales, Sydney, Australia  
Ruth Aguilera           College of Business, University of Illinois at Urbana-Champaign, USA  
Thomas Bates            W.P. Carey Business School, Arizona State University, USA  
Tom Berglund            Hanken Business School, Finland  
Andriy Bodnaruk        Mendoza College of Business, University of Notre Dame, USA  
Jeffrey Coles            W.P. Carey Business School, Arizona State University, USA  
Philip Cooper            School of Management, University of Bath, UK  
Francesca Cornelli      London Business School, UK  
Rafel Crespi            Universitat de les Illes Balears, Mallorca, Spain  
James Dow               London Business School, UK  
Rüdiger Fahlenbrach    École Polytechnique Fédérale de Lausanne, Switzerland  
Marc Goergen            University of Cardiff, UK  
Clive Lennox            Nanyang Technological University, Singapore  
William Megginson      Michael F. Price College of Business, University of Oklahoma, USA  
Darius Palia             Rutgers Business School, USA  
Raghavendra Rau        Judge Business School, University of Cambridge, UK  
Philip Reckers           W.P. Carey Business School, Arizona State University, USA  
Luc Renneboog          Tilburg University, NL  
Erik Theissen            University of Mannheim, Germany  
Steen Thomsen          Copenhagen Business School, Denmark  
Stephen Young           University of Lancaster, UK  
Anna Zalewska           School of Management, University of Bath, UK

### **Conference Support:**

Anastasia Petraki, University of Bath

## Academic Programme

### Day 1: Monday, 24 June 2013

- 8:50-9:00**      **Opening Talk: Professor Jane Millar**, Pro-Vice Chancellor for Research, University of Bath  
**Room 2.1**
- 9:00-10:00**      **Keynote Speech: "The Politics of Pay", Professor Kevin J. Murphy**, USC Marshall School of  
**Room 2.1**      Business, USA
- 10:00-11:30**      **Session 1: Governance and power**  
**Room 2.1**      **Chair: Anna Zalewska**, School of Management, University of Bath, UK
- The Effect of Liquidity on Governance**  
**Alex Edmans**, Wharton School, University of Pennsylvania, USA; Vivian W. Fang, University of Minnesota, USA; Emanuel Zur, Baruch College, The City University of New York, USA  
Discussant: Meziane Lasfer, Cass Business School, UK
- Concentration of Power and Corporate Performance Variability**  
**Alexandre Di Miceli da Silveira**, University of Sao Paulo, Brazil; Lucas Ayres B. de C. Barros, University of Sao Paulo, Brazil  
Discussant: John Puthenpurackal, University of Nevada, Las Vegas, USA
- CEO Duality and Firm Performance: Evidence from an Exogenous Shock to the Competitive Environment**  
Tina Yang, University of Villanova, USA; **Shan Zhao**, Grenoble École de Management, France;  
Discussant: Chrisostomos Florackis, University of Liverpool Management School, UK
- 11:30-11:45**      **Coffee Break**  
**Foyer**
- 11:45-13:15**      **Session 2: Executive pay and shareholder returns**  
**Room 2.1**      **Chair: Alex Edmans**, Wharton School, University of Pennsylvania, USA
- Excessive Bank CEO Pay and Financial Crisis: Evidence from Structural Estimation**  
**G. Nathan Dong**, Columbia University, USA  
Discussant: Jayant Kale, Georgia State University, Atlanta, USA
- CEO Compensation and Future Shareholder Returns: Evidence from London Stock Exchange**  
Nick Balafas, University of Liverpool Management School, UK; **Chrisostomos Florackis**, University of Liverpool Management School, UK  
Discussant: Thomas Bates, Arizona State University, Arizona, USA
- Executive Remuneration and the Payout Decision**  
**Philipp Geiler**, EMLYON Business School, France; Luc Renneboog, Tilburg University, NL  
Discussant: Alexandre Di Miceli da Silveira, University of Sao Paulo, Brazil
- 13:15-14:15**      **Lunch in the Wessex Restaurant**
- 14:15-15:15**      **Keynote Speech: "The disastrous consequences of mandatory say-on-pay", Professor David**  
**Room 2.1**      **Yermack**, NYU Stern Business School, USA

- 15:15-16:45**  
**Room 3.13** **Parallel sessions**
- Session 3: Executive pay and incentives**  
**Chair: Kasper Meisner Nielsen**, Hong Kong University of Science and Technology, Hong Kong
- Compensation and Competition for Talent: Talent Scarcity or Incentives?**  
Mariassunta Giannetti, Stockholm School of Economics; **Daniel Metzger**, Stockholm School of Economics, Sweden  
Discussant: Thomas Schmid, Technische Universität München, Germany
- Do executives hold on to equity-linked incentives? The role of minimum shareholding policies**  
**Piotr Korczak**, University of Bristol, UK; Xicheng Liu, University of Bristol  
Discussant: Georgios Voulgaris, University of Warwick, UK
- Incentives and Innovation: Evidence from Chief Executive Officer Compensation Contracts**  
Bill B. Francis, Lally School of Management and Technology, Rensselaer Polytechnic Institute, USA; Iftekhar Hasan, Schools of Business, Fordham University, USA; **Zenu Sharma**, College of Management, Long Island University C.W. Post, USA  
Discussant: Julien Sauvagnat, Toulouse School of Economics, France
- Room 3.14** **Session 4: Board compensation**  
**Chair: Thomas Bates**, Arizona State University, Arizona, USA
- Top Management Ties with Board Members: Their Impact on Pay-Performance Sensitivity and IPO Performance**  
Salim Chahine, American University of Beirut, Lebanon; **Marc Goergen**, Cardiff Business School, UK  
Discussant: Bang Dang Nguyen, University of Cambridge, UK
- Inequalities in Managerial Pay and Voluntary Turnover**  
**Jayant Kale**, Georgia State University, Atlanta, USA; Ebru Reis, Bentley University, Waltham, USA; Anand Venkateswaran, Northeastern University, Boston, USA  
Discussant: Alex Edmans, Wharton School, University of Pennsylvania, USA
- Gentlemen do not talk about money: Remuneration dispersion and performance of British firms**  
**Anna Zalewska**, School of Management, University of Bath, UK  
Discussant: Darius Palia, Rutgers Business School, USA
- 16:45-17:00**  
**Foyer** **Coffee break**
- 17:00-18:30**  
**Room 2.1** **Panel session**  
**Chair: Lord Ian MacLaurin**, Former CEO and Chairman of Tesco PLC and former Chairman of Vodafone Group PLC  
Participants:  
**Sir Julian Horn-Smith**, Founding member of Vodafone Group, former Deputy CEO of Vodafone, Senior advisor to UBS Investment Bank, London, and CVC  
**Philip Lowe**, Director General for Energy in the European Commission and former Director General for Competition  
**Charles Tilley**, Chief Executive of CIMA  
**Lord Christopher Tugendhat**, Former Chairman of Abbey National plc and of Blue Circle Industries plc and former Vice-President of the European Commission
- 19:30-22:00** **Conference dinner at Roman Baths**

## Day 2, Tuesday, 25 June 2013

9:00-11:00 Parallel sessions

Room 3.13 Session 5: Regulation and codes

Chair: **Philip Cooper**, School of Management, University of Bath, UK

### **Pigou Tax of Systemic Important Financial Intermediaries In Financial Networks: An Empirical Application of Systemic Risk Monitoring and Governance**

**Sheri Markose**, University of Essex, UK; **Simone Giansante**, University of Bath, UK

Discussant: **G. Nathan Dong**, Columbia University, USA

### **IFRS and the Use of Accounting-Based Performance Measures in Executive Pay**

**Georgios Voulgaris**, University of Warwick, UK; **Konstantinos Stathopoulos**, University of Manchester, UK; **Martin Walker**, University of Manchester, UK

Discussant: **Zenu Sharma**, College of Management, Long Island University C.W. Post, USA

### **Can Market Power and Sarbanes-Oxley Explain Rising Audit Fees? An Analysis Using the Workhorse Audit Fee Model and Panel Data Techniques**

**Lawrance Evans**, US Government Accountability Office, USA; **Jeremy Schwartz**, Loyola University Maryland, USA

Discussant: **Salim Chahine**, American University of Beirut, Lebanon

### **Is Soft Regulation of Corporate Governance Efficient?**

**Marc Steffen Rapp**, Philipps-Universität Marburg; **Thomas Schmid**, Technische Universität München, Germany; **Michael Wolff**, Georg-August Universität Gottingen

Discussant: **Ignacio Requejoa**, Universidad de Salamanca, Spain

Room 3.14 Session 6: Board composition

Chair: **Darius Palia**, Rutgers Business School, USA

### **Has Governance Doomed Board Meetings?**

**Peter D. Hahn**, Cass Business School, UK; **Meziane Lasfer**, Cass Business School, UK

Discussant: **Stefano Colonnello**, École Polytechnique Fédérale de Lausanne, Switzerland

### **Causes and Consequences of Employee Representation on Corporate Boards**

**Tom Berglund**, Hanken School of Economics, Finland; **Martin Holmen**, University of Gothenburg, Sweden; **Rakesh Rana**, University of Gothenburg, Sweden

Discussant: **Piotr Korczak**, University of Bristol, UK

### **Board gender diversity and firm performance: The impact of information environment**

**John Puthenpurackal**, University of Nevada, Las Vegas, USA; **Arun Upadhyay**, University of Nevada – Reno, USA

Discussant: **Kasper Meisner Nielsen**, Hong Kong University of Science and Technology, HK

### **Female directors and board independence: Evidence from boardrooms with mandatory gender balance**

**Oyvind Bohren**, Norwegian Business School (BI), Norway; **Siv Staubo**, Norwegian Business School (BI) Norway

Discussant: **Daniel Metzger**, Stockholm School of Economics, Sweden

11:00-11:15 Coffee Break

Foyer

**11:15-13:15**  
**Room 2.1**

**Session 7: Corporate Control**

**Chair: Alexandre Di Miceli da Silveira**, University of Sao Paulo, Brazil

**Takeover Discipline and Asset Tangibility**

**Julien Sauvagnat**, Toulouse School of Economics, France

Discussant: Marc Goergen, Cardiff Business School, UK

**Private Equity Alliances in Mergers**

Tae-Nyun Kim, Frostburg State University, USA; **Darius Palia**, Rutgers Business School, USA

Discussant: Tom Berglund, Hanken School of Economics, Finland

**Family control, expropriation, and investor protection: A panel data analysis of Western European corporations**

Julio Pindado, Universidad de Salamanca, Spain; **Ignacio Requejoa**, Universidad de Salamanca, Spain; Chabela de la Torre, Universidad de Salamanca, Spain

Discussant: Philipp Geiler, EMLYON Business School, France

**When Blockholders Leave Feet First: Do Ownership and Control Affect Firm Value?**

Bang Dang Nguyen, University of Cambridge, UK; **Kasper Meisner Nielsen**, Hong Kong University of Science and Technology, Hong Kong

Discussant: Jeremy Schwartz, Loyola University Maryland, USA

**13:15-14:15**    **Lunch at the Wessex Restaurant**

## List of Conference Participants

<b>Surname</b>	<b>Name</b>	<b>Institution</b>
Alhabshan	Khalid	Brunel University, UK
Alzahrani	Youseif	Brunel University, UK
Appiah	Kingsley	University of Loughborough, UK
Bates	Thomas	Arizona State University, USA
Berglund	Tom	Hanken Business School, Finland
Brandon	Sonia	University of Portsmouth, UK
Chahine	Salim	American University of Beirut, Lebanon
Clarke	Richard	ICAEW, UK
Colonnello	Stefano	Swiss Finance Institute and École Polytechnique Fédérale de Lausanne, Switzerland
Cooper	Philip	University of Bath, UK
Di Miceli da Silveira	Alexandre	University of Sao Paulo, Brazil
Donaggio	Angela	University of Sao Paulo, Brazil
Dong	Nathan	Columbia University, USA
Edmans	Alex	Wharton School, University of Pennsylvania, USA
Fernau	Erik	University of Mannheim, Germany
Florackis	Chris	University of Liverpool, UK
Geiler	Philipp	EMLYON Business School, France
Giansante	Simone	University of Bath, UK
Goergen	Marc	University of Cardiff, UK
Hay Davison	Ian	Former Chief Executive of Lloyd's of London and former Chairman of BHS, Mothercare, UK
Herpfer	Christoph	École Polytechnique Fédérale de Lausanne, Switzerland
Hope-Hailey	Veronica	University of Bath, UK
Horn-Smith	Sir Julian	Founding member of Vodafone Group, former Deputy CEO of Vodafone, Senior advisor to UBS Investment Bank, London, and CVC, UK
Inniss	Sonia	Consultants at Work, UK
Kale	Jayant	Georgia State University, USA
Korczak	Piotr	University of Bristol, UK
Lasfer	Meziane	Cass Business School, UK
Liu	Xicheng	University of Bristol, UK
Lowe	Philip	Director General for Energy in the European Commission and former Director General for Competition, Belgium
Lu	Yiqing	London School of Economics and Political Sciences, UK
Lord MacLaurin	Ian	Former CEO and Chairman of Tesco PLC and former Chairman of Vodafone Group PLC, UK
Markose	Sheri	University of Essex, UK

Marnet	Oliver	Exeter Business School, UK
McAleer	Dorothy	UGSM-Monarch Business School, Switzerland
McGuire	Craig	Royal London Group, UK
Metzger	Daniel	Stockholm School of Economics, Sweden
Murphy	Kevin	USC Marshall School of Business, USA
Millar	Jane	University of Bath, UK
Nguyen	Bang Dang	University of Cambridge, UK
Nielsen	Kasper Meisner	Hong Kong University of Science and Technology, Hong Kong
Palia	Darius	Rutgers Business School, USA
Petraki	Anastasia	University of Bath, UK
Punkari	Timo	University of Turku, Finland
Puthenpurackal	John	University of Nevada, USA
Rapp	Marc Steffen	Philipps-Universität Marburg, Germany
Ray	Suparna	University of Exeter, UK
Requejo	Ignacio	Universidad de Salamanca, Spain
Rolle	Gudrun	University of Luxembourg, Luxembourg
Room	Graham	University of Bath, UK
Saddiq	Mohammed	GENeco, UK
Sauvagnat	Julien	Toulouse School of Economics, France
Schmid	Thomas	Technische Universität München, Germany
Schwartz	Jeremy	Loyola University Maryland, USA
Sharma	Zenu	Long Island University, USA
Staubo	Siv	Norwegian Business School, Norway
Tilley	Charles	CIMA, UK
Tonks	Ian	University of Bath, UK
Lord Tugendhat	Christopher	Former Chairman of Abbey National plc and of Blue Circle Industries plc and former Vice-President of the European Commission, UK
Voulgaris	Georgios	University of Warwick, UK
Xu	Hongmei	University of Münster, Germany
Yan	Yan	University of Bath, UK
Yermack	David	NYU Stern Business School, USA
Zalewska	Anna	University of Bath, UK
Zelleke	Andy	Harvard Business School, USA
Zhang	Xiu-Ye	University of Lancaster, UK
Zhao	Shan	Grenoble École de Management, France
Zhu	Guangyao	University of Rotterdam, Netherlands