



香港浸會大學
HONG KONG BAPTIST UNIVERSITY

公司管治與金融政策研究中心
CENTRE FOR CORPORATE GOVERNANCE
AND FINANCIAL POLICY



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WHOLE PERSON EDUCATION
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School of
BUSINESS
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International Corporate Governance Conference 2016

Organized by the Centre for Corporate Governance and Financial Policy

16-17 June 2016

Hong Kong Baptist University

WLB 211, The Wing Lung Bank Building for Business Studies



International Corporate Governance Conference 2016

Open Session

Hong Kong Competitiveness: What does the 2016 IMD World Competitiveness Center Yearbook reveal?



Dr. Christos Cabolis
Chief Economist & Head of Operations
IMD World Competitiveness Center

Christos Cabolis is Chief Economist at the IMD World Competitiveness Center. Prior to joining IMD, he was at ALBA Graduate Business School at the American College of Greece, Executive Director of the International Center for Finance at Yale School of Management where he remains a Research Fellow, lecturer of Economics at Yale University, Dean of Jonathan Edwards College at Yale University, and Visiting Associate Professor at the University of North Carolina's Kenan-Flagler Business School. His research has been published in the Journal of Law and Economics and the Review of Financial Studies among others.

International Corporate Governance Conference 2016

Academic Program

Insider Trading Prior to Credit Rating Downgrades? Evidence from the European Sovereign Crisis

Arturo Bris (IMD)

Does One Bank Size Fit All? The Role of Diversification and Monitoring

Panagiotis Avramidis (ALBA), Christos Cabolis (IMD), and Konstantinos Serfes (Drexel University)

Trust and Contracting

Gilles Hilary (INSEAD), and Sterling Huang (Singapore Management University)

The Dog that Didn't Bark: Long-Term Strategies in Times of Recession

Caroline Flammer (University of Western Ontario), and Ioannis Ioannou (London Business School)

Reducing Peak-Hour Subway Crowding: Investigating the Effectiveness of Disincentives

Leonard Lee (National University of Singapore), Xiuping Li (National University of Singapore), and Catherine Yeung (Chinese University of Hong Kong)

Shareholder Approval in Mergers & Acquisitions

Kai Li (University of British Columbia), Tingting Liu (Creighton University), and Juan (Julie) Wu (University of Georgia)

Service Quality in Financial Intermediaries

Jiang Cheng (Shanghai University of Finance and Economics), Wenlan Qian (National University of Singapore), and David M. Reeb (National University of Singapore)

Corporate Environmental Liabilities and Capital Structure

Chang Xin (University of Cambridge), Kangkang Fu (INSEAD), Tao Li (Central University of Finance and Economics), Lewis H.K. Tam (University of Macau), and George Wong (Hong Kong Polytechnic University)

Hold-up Risk and Supplier Responsiveness in Performance Measurement Alignment in B2B Supply Chains

Neale G. O'Connor (Hong Kong Baptist University), and Bin Srinidhi (University of Texas)

Having the Wrong Friends at the Wrong Time: Effects of Political Turmoil on Politically-Connected Firms

Vinh Q.T. Dang (University of Macau), and Erin So (Hong Kong Baptist University)

What is the ex ante return to bribery? Evidence from corruption cases worldwide

Yan Leung Cheung (Education University of Hong Kong), Raghavendra Rau (University of Cambridge), and Aris Stouraitis (Hong Kong Baptist University)

Masculinity, Legal Expertise, and Management Earnings Forecast

Tony Kang (McMaster University), and Ray R. Wang (Hong Kong Baptist University)



Arturo Bris (IMD Business School)

Arturo Bris is Professor of Finance at IMD and Director of the IMD World Competitiveness Center. He has directed programs for senior executives in several industries and continents. Prior to joining IMD, he was the Robert B & Candice J. Haas Associate Professor of Corporate Finance at the Yale School of Management. A Research Associate of the European Corporate Governance Institute, and a member of the Yale International Institute for Corporate Governance, he has published his research in the *Journal of Finance* (3), *Journal of Financial Economics* (2), *Review of Financial Studies* (3), *Journal of Financial and Quantitative Analysis*, and the *Journal of Business*.



Gilles Hilary (INSEAD)

Gilles Hilary is Professor of Accounting and Control at INSEAD and The Mubadala Chaired Professor in Corporate Governance and Strategy. He has also worked at the Hong Kong University of Science and Technology, HEC Paris and Big Four accounting firms. He has published in the *Journal of Accounting and Economics* (4), *Journal of Accounting Research*, *Accounting Review* (3), *Journal of Finance* (2), *Journal of Financial Economics*, *Journal of Financial and Quantitative Analysis*, *Management Science* (2), and the *Review of Accounting Studies*.



Ioannis Ioannou (London Business School)

Ioannis Ioannou is Associate Professor of Strategy and Entrepreneurship at London Business School. He is a frequent contributor to articles in the popular and managerial press including outlets such as the *Financial Times*, *The Guardian*, and *Forbes*. He is a regular contributor to multiple LBS executive education programmes including modules on Sustainability, which he teaches to the fellows of the World Economic Forum. His research has been published in *Strategic Management Journal* (3), *Management Science*, *Organization Science*, and the *Journal of International Business Studies*.



Leonard Lee (National University of Singapore)

Leonard Lee is Associate Professor of Marketing at the National University of Singapore, and Associate Editor in the *Journal of Consumer Research*. Before joining NUS, he was Associate professor at Columbia Business School. He was a finalist for the Paul Green Award at the *Journal of Marketing Research* in 2015. He has been widely quoted in the media, including outlets such as the *New York Times*, *The Wall Street Journal*, *Financial Times*, *NBC*, *Forbes*, *The Washington Post*, *BusinessWeek*, *Fox News*, *Harvard Business Review*, *China Daily*, and others. His research has been published in the *Journal of Consumer Research* (4), and the *Journal of Marketing Research* (2) among others.



Kai Li (University of British Columbia)

Kai Li holds the W.M. Young Chair in Finance and is Senior Associate Dean at the Sauder School of Business, University of British Columbia. She is also Associate Editor at *Management Science*. In 2004-2005 she was Visiting Associate Professor of Finance at MIT Sloan School of Management. Her research has been published in the *Journal of Financial Economics* (4), *Journal of Finance* (4), *Review of Financial Studies* (2), *Journal of Financial and Quantitative Analysis* (2), *Management Science*, *Journal of International Business Studies*, and the *Journal of Econometrics* (2) among others.



David Reeb (National University of Singapore)

David Reeb is the Mr and Mrs Lin Jo Yan Professor of Banking and Finance at National University of Singapore, Director of Research for the Centre for Asset Management Research & Investments (CAMRI), and Editor of the *Journal of International Business Studies*. He has been finalist twice for the Brattle Prize for Best Paper in Corporate Finance at the American Finance Association. His research has featured in the media including *BusinessWeek*, *Wall Street Journal*, *Bloomberg*, *CNN*, *Forbes*, *Financial Times*, *The Economist*, *MIT/Sloan Management Review*, and has been published in the *Journal of Financial Economics* (2), *Journal of Finance* (3), *Journal of Financial and Quantitative Analysis*, *Journal of Accounting and Economics* (2), *Accounting Review*, *Administrative Science Quarterly*, *Journal of International Business Studies* (3), and the *American Economic Review*.



Kangkang Fu (INSEAD/Hong Kong Baptist University)

Kangkang Fu is currently Post-Doctoral Fellow in the Department of Accounting and Control at INSEAD and will be joining Hong Kong Baptist University as Assistant Professor in the Department of Finance and Decision Sciences in August 2016. She holds a PhD in Finance from Nanyang Technological University. Her research interests are primarily in empirical corporate finance, and her research has been published in the *Journal of Financial Economics*.



Neale O'Connor (Hong Kong Baptist University)

Neale O'Connor is Associate Professor in the Department of Accountancy and Law at Hong Kong Baptist University. He holds a PhD from Griffith University in Australia. He has previously held positions at City University of Hong Kong, The University of Hong Kong, and National University of Singapore. His research has been published in *Accounting*, *Organizations and Society*, among others.



Erin So (Hong Kong Baptist University)

Erin So is Lecturer in the Department of Economics at Hong Kong Baptist University. She received her PhD from City University of Hong Kong. Her research interests are in the areas of the Chinese economy and financial markets, corporate finance and governance, political and institutional economics.



Aris Stouraitis (Hong Kong Baptist University)

Aris Stouraitis is Professor & Head of the Department of Finance and Decision Sciences, and Director of the Centre for Corporate Governance and Financial Policy at Hong Kong Baptist University. He holds a PhD from Imperial College London, and prior to joining HKBU he was Associate Professor at City University of Hong Kong. His research interests are in corporate restructuring, corporate governance, and corruption. His research has been published in the *Journal of Financial Economics*, and the *Journal of Financial and Quantitative Analysis* among others, and has featured in financial press articles in *The Economist*, the German financial daily newspaper *Handelsblatt*, and other media in Hong Kong, North & South America, and Europe.



Ray Wang (Hong Kong Baptist University)

Ray Wang joined the Department of Accountancy and Law at Hong Kong Baptist University as Assistant Professor in 2015. She received her PhD from the University of Hong Kong. Her research interests are in voluntary disclosures, analyst forecasts, debt covenants, audit quality, auditor independence, and corporate governance.

Thursday, June 16

Pick up Van from Royal Plaza Hotel (09:30)

Welcome coffee & snacks (09:45)

Open Session 1 (10:30-11:45)

Hong Kong Competitiveness: What does the 2016 IMD World Competitiveness Center Year-book reveal?

Christos Cabolis (IMD World Competitiveness Center)

Lunch break

Session 2 (13:00-14:30)

Trust and Contracting

Gilles Hilary (INSEAD), and **Sterling Huang** (Singapore Management University)

Service Quality in Financial Intermediaries

Jiang Cheng (Shanghai University of Finance and Economics), **Wenlan Qian** (National University of Singapore), and **David M. Reeb** (National University of Singapore)

Coffee break

Session 3 (14:50-16:20)

Reducing Peak-Hour Subway Crowding: Investigating the Effectiveness of Disincentives

Leonard Lee (National University of Singapore), **Xiuping Li** (National University of Singapore), **Catherine Yeung** (Chinese University of Hong Kong)

Hold-up Risk and Supplier Responsiveness in Performance Measurement Alignment in B2B Supply Chains

Neale G. O'Connor (Hong Kong Baptist University), and **Bin Srinidhi** (University of Texas)

Coffee break

Session 4 (16:40-18:10)

Insider Trading Prior to Credit Rating Downgrades? Evidence from the European Sovereign Crisis

Arturo Bris (IMD)

What is the ex ante return to bribery? Evidence from corruption cases worldwide

Yan Leung Cheung (Education University of Hong Kong), **Raghavendra Rau** (University of Cambridge), and **Aris Stouraitis** (Hong Kong Baptist University)

Dinner at Royal Plaza Hotel (18:30)

Friday, June 17

Pick up Van from Royal Plaza Hotel (09:30)

Welcome coffee & snacks (09:45)

Session 5 (10:00-12:15)

Masculinity, Legal Expertise, and Management Earnings Forecast

Tony Kang (McMaster University), and Ray R. Wang (Hong Kong Baptist University)

Shareholder Approval in Mergers & Acquisitions

Kai Li (University of British Columbia), Tingting Liu (Creighton University), Juan (Julie) Wu (University of Georgia)

Having the Wrong Friends at the Wrong Time: Effects of Political Turmoil on Politically-Connected Firms

Vinh Q.T. Dang (University of Macau), and Erin So (Hong Kong Baptist University)

Lunch break

Session 6 (13:30-15:45)

The Dog that Didn't Bark: Long-Term Strategies in Times of Recession

Caroline Flammer (University of Western Ontario), and Ioannis Ioannou (London Business School)

Does One Bank Size Fit All? The Role of Diversification and Monitoring

Panagiotis Avramidis (ALBA), Christos Cabolis (IMD), and Konstantinos Serfes (Drexel University)

Corporate Environmental Liabilities and Capital Structure

Chang Xin (University of Cambridge), Kangkang Fu (INSEAD), Tao Li (Central University of Finance and Economics), Lewis H.K. Tam (University of Macau), and George Wong (Hong Kong Polytechnic University)

Van departure for the Royal Plaza Hotel (16:00)

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