Publication date: Available online 14 September 2016
Source: Journal of World Business

Author(s): Barbara Del Bosco, Nicola Misani

We propose that cross-listing is associated with better environmental, social, and governance (ESG) performance, because cross-listed firms adopt ESG practices to mitigate the liability of foreignness (LOF) in foreign financial markets. Institutionalization processes have made ESG practices important for managing challenges associated with the LOF. With tests involving the S&P Global 1200 index, we show that cross-listing improves corporate social responsibility (CSR; i.e., social and environmental dimensions) but not corporate governance. The effects of cross-listing on CSR also depend on investor protection regimes of listing destinations: Stronger regimes correspond with poorer CSR performance, suggesting that they limit managerial discretion.

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