Accepted Manuscript

Corporate lobbying and labor relations: Evidence from employee-level litigations

Omer Unsal, M. Kabir Hassan, Duygu Zirek

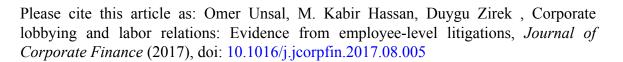
PII: S0929-1199(17)30158-X

DOI: doi: 10.1016/j.jcorpfin.2017.08.005

Reference: CORFIN 1245

To appear in: Journal of Corporate Finance

Received date: 13 March 2017 Revised date: 31 July 2017 Accepted date: 11 August 2017



This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.



ACCEPTED MANUSCRIPT

Corporate Lobbying and Labor Relations:

Evidence from Employee-Level Litigations

Omer Unsal
Assistant Professor of Finance
Girard School of Business
Merrimack College
315 Turnpike Street, North Andover, MA 01845
Email: unsalo@merrimack.edu
Phone: (269) 548-5524

M. Kabir Hassan
Professor of Finance and
Hibernia Professor of Economics and Finance
Department of Economics and Finance
University of New Orleans
New Orleans, LA 70148
Email: mhassan@uno.edu
Phone: 504-280-6163

Duygu Zirek
Assistant Professor of Finance
Department of Economics and Finance
University of New Orleans
New Orleans, LA 70148
Email: dzirek@uno.edu
Phone: (504) 280-6913

Abstract

In this study, we analyze employee litigation and other work-related complaints to examine if the judicial process favors firms that engage in lobbying. We gather data for 27,794 employee lawsuits (after their initial court hearings) filed between 2000 and 2014 and test the relationship between employee allegations and firms' lobbying strategies. We find that employee litigation increases the number of labor-related bills in our sample. We document that an increase in employee lawsuits may drive firms into lobbying to change policy proposals. We also find robust evidence that case outcomes are different for lobbying firms compared to non-lobbying rivals, which may protect shareholder wealth in the long run. Our results suggest lobbying activities may make a significant

Download English Version:

https://daneshyari.com/en/article/5093118

Download Persian Version:

https://daneshyari.com/article/5093118

<u>Daneshyari.com</u>