



Firm Value:

By Gao, Ning

Condition: New. Publisher/Verlag: VDM Verlag Dr. Müller | What does Stock and Accounting Performance Tell us about Corporate Outsourcing? | Over the last decade, an increasing number of outsourcing contracts have been signed. We investigate a large sample of outsourcing contracts signed by firms listed on the US markets from 1990 through 2003. We construct a data set that identifies the outsourcing client and vendor firms and use this data set to examine announcement effects on firm value and the post-event changes in both the stock and accounting measures of performance. We find that around the contract announcement date, vendor firms as a whole group experience significantly positive average abnormal stock returns; while client firms realize positive abnormal returns when their sizes are small, when they outsource to bigger vendors, when they are opaque firms and need to focus on their core activities, and when their liquidity levels are low. We also find evidence that client firms experience both significantly positive buy-and-hold abnormal stock returns and significant improvement in operating efficiency in three years following the contract effectiveness. Our study bridges efficient capital market theory and firms' business strategies, providing management a useful guidance with their outsourcing decisions. | Format: Paperback | Language/Sprache: english | 180 gr | 220x150x6 mm | 108 pp.



READ ONLINE
[7.32 MB]

Reviews

This publication is amazing. It is definitely basic but shocks in the fifty percent of your publication. You won't feel monotony at any time of your own time (that's what catalogues are for concerning if you question me).

-- Prof. Kirk Cruickshank DDS

This kind of book is every little thing and taught me to look ahead of time and a lot more. I am quite late in starting reading this one, but better than never. I found out this book from my dad and I encouraged this pdf to find out.

-- Justus Hettinger