TABLE V Main Regression with Firm-fixed Effect

|  |  |  |  |
| --- | --- | --- | --- |
|  | **OI**  **Model 1** | **OI**  **Model 2** | **OI**  **Model 3** |
| TEAMWORK | 0.229\*\*\* | 0.139\* | 0.219\*\*\* |
|  | (2.853) | (1.907) | (2.823) |
| TEAMWORK×ESOP1 |  | 0.311\*\*\* |  |
|  |  | (2.638) |  |
| TEAMWORK×ESOP2 |  |  | 0.141 |
|  |  |  | (0.464) |
| ESOP1 |  | -0.156\*\*\* |  |
|  |  | (-3.354) |  |
| ESOP2 |  |  | -0.092 |
|  |  |  | (-0.983) |
| SIZE | -0.002 | -0.002 | -0.002 |
|  | (-0.061) | (-0.085) | (-0.069) |
| ROA | 0.433\*\*\* | 0.435\*\*\* | 0.434\*\*\* |
|  | (4.207) | (4.349) | (4.219) |
| CFLOW | 0.123 | 0.123 | 0.122 |
|  | (1.241) | (1.260) | (1.228) |
| LEV | -0.107 | -0.106 | -0.106 |
|  | (-1.289) | (-1.517) | (-1.279) |
| TANG | -0.080 | -0.081 | -0.080 |
|  | (-0.720) | (-1.000) | (-0.727) |
| TOP1 | 0.095 | 0.085 | 0.092 |
|  | (0.701) | (0.731) | (0.674) |
| TOP10 | -0.075 | -0.063 | -0.073 |
|  | (-0.821) | (-0.777) | (-0.798) |
| SOE | -0.065\* | -0.066\*\* | -0.066\* |
|  | (-1.731) | (-2.389) | (-1.744) |
| SEP | -0.002 | -0.002 | -0.002 |
|  | (-1.275) | (-1.323) | (-1.275) |
| DIRN | 0.143 | 0.143\* | 0.143 |
|  | (1.322) | (1.777) | (1.320) |
| IND | 0.491\*\* | 0.499\*\* | 0.490\*\* |
|  | (2.060) | (2.346) | (2.053) |
| EMP | 0.057 | 0.059\*\* | 0.058 |
|  | (1.528) | (2.348) | (1.564) |
| DUAL | 0.030 | 0.030 | 0.030 |
|  | (1.530) | (1.585) | (1.558) |
| AC | 0.061\*\*\* | 0.061\*\*\* | 0.061\*\*\* |
|  | (4.428) | (6.771) | (4.428) |
| RDI | 0.001 | 0.001 | 0.001 |
|  | (0.407) | (0.401) | (0.400) |
| RDP | 0.002 | 0.002\* | 0.002 |
|  | (1.610) | (1.903) | (1.629) |
| HHI | -0.061 | -0.065 | -0.064 |
|  | (-0.535) | (-0.639) | (-0.559) |
| Intercept | -0.567 | -0.549 | -0.565 |
|  | (-0.823) | (-1.018) | (-0.817) |
| Firm | Included | Included | Included |
| Year | Included | Included | Included |
| N | 15188 | 15188 | 15188 |
| Adjusted R2 | 0.764 | 0.764 | 0.764 |

*Notes: \*\*\*, \*\*, and \* denote statistical significance at the 1, 5, and 10 % levels, respectively. T-statistics are reported in parentheses.*

TABLE VI Endogeneity

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **2SLS** | | | | **Add Lagged OI** | | |
|  | **TEAMWORK**  **Model 1** | **OI**  **Model2** | **OI**  **Model3** | **OI**  **Model4** | **OI**  **Model 5** | **OI**  **Model 6** | **OI**  **Model 7** |
| TEAMWORK (Predicted) |  | 0.960\*\*\* | 0.484\*\*\* | 0.516\*\*\* | 0.155\*\*\* | 0.108\*\* | 0.129\*\*\* |
|  | (3.172) | (4.044) | (2.710) | (3.497) | (2.132) | (2.832) |
| TEAMWORK(Predicted) ×ESOP1 |  |  | -0.063 |  |  | 0.184\*\* |  |
|  |  | (-0.341) |  |  | (2.029) |  |
| TEAMWORK(Predicted) ×ESOP2 |  |  |  | 0.351\* |  |  | 0.373\*\* |
|  |  |  | (1.755) |  |  | (2.419) |
| TEAMWORK\_IN | 0.967\*\*\* |  |  |  |  |  |  |
|  | (13.622) |  |  |  |  |  |  |
| TEAMWORK\_PR | 0.500\*\*\* |  |  |  |  |  |  |
|  | (12.069) |  |  |  |  |  |  |
| ESOP1 |  |  | -0.019 |  |  | -0.072\*\* |  |
|  |  |  | (-0.342) |  |  | (-2.263) |  |
| ESOP2 |  |  |  | -0.235\*\*\* |  |  | 0.373\*\* |
|  |  |  |  | (-3.082) |  |  | (2.419) |
| Lagged OI |  |  |  |  | 0.705\*\*\* | 0.704\*\*\* | 0.704\*\*\* |
|  |  |  |  |  | (89.654) | (89.633) | (89.587) |
| SIZE | 0.004\* | 0.205\*\*\* | 0.210\*\*\* | 0.208\*\*\* | 0.089\*\*\* | 0.089\*\*\* | 0.089\*\*\* |
|  | (1.929) | (14.884) | (18.290) | (17.277) | (8.334) | (8.354) | (8.373) |
| ROA | 0.075\*\*\* | 0.519\*\*\* | 0.570\*\*\* | 0.546\*\*\* | 0.524\*\*\* | 0.524\*\*\* | 0.523\*\*\* |
|  | (3.791) | (4.990) | (4.709) | (4.548) | (5.117) | (5.112) | (5.108) |
| CFLOW | -0.041\*\* | 0.232\* | 0.181 | 0.208\* | 0.158 | 0.157 | 0.154 |
|  | (-2.148) | (1.944) | (1.475) | (1.697) | (1.467) | (1.450) | (1.424) |
| LEV | -0.030\*\*\* | -0.075 | -0.017 | -0.092\* | -0.019 | -0.018 | -0.022 |
|  | (-3.873) | (-1.575) | (-0.329) | (-1.807) | (-0.421) | (-0.421) | (-0.493) |
| TANG | -0.060\*\*\* | 0.121\*\* | 0.041 | 0.089 | 0.111\*\* | 0.111\*\* | 0.111\*\* |
|  | (-6.714) | (2.038) | (0.769) | (1.576) | (2.280) | (2.276) | (2.273) |
| TOP1 | 0.005 | 0.076 | -0.010 | 0.060 | 0.073 | 0.071 | 0.066 |
|  | (0.344) | (0.742) | (-0.102) | (0.631) | (0.930) | (0.895) | (0.833) |
| TOP10 | 0.023\*\* | -0.044 | -0.001 | -0.016 | -0.020 | -0.016 | -0.012 |
|  | (1.996) | (-0.570) | (-0.011) | (-0.217) | (-0.315) | (-0.249) | (-0.194) |
| SOE | -0.011\*\*\* | -0.094\*\*\* | -0.089\*\*\* | -0.095\*\*\* | -0.117\*\*\* | -0.116\*\*\* | -0.115\*\*\* |
|  | (-2.582) | (-2.841) | (-3.238) | (-3.502) | (-4.900) | (-4.831) | (-4.821) |
| SEP | -0.001\*\*\* | -0.001 | -0.002\* | -0.002 | -0.002\*\* | -0.002\*\* | -0.002\*\* |
|  | (-4.746) | (-1.160) | (-1.768) | (-1.629) | (-2.396) | (-2.437) | (-2.420) |
| DIRN | 0.024\*\*\* | 0.209\*\*\* | 0.151\*\*\* | 0.212\*\*\* | 0.051 | 0.048 | 0.047 |
|  | (2.681) | (3.361) | (2.764) | (3.878) | (1.069) | (1.004) | (0.983) |
| IND | 0.077\*\*\* | 0.686\*\*\* | 0.589\*\*\* | 0.715\*\*\* | 0.254\* | 0.259\* | 0.256\* |
|  | (2.776) | (3.653) | (3.499) | (4.309) | (1.787) | (1.818) | (1.799) |
| EMP | 0.019\*\*\* | 0.031\*\* | 0.024\*\* | 0.041\*\*\* | 0.020\* | 0.020\* | 0.021\* |
|  | (9.697) | (2.482) | (2.004) | (3.366) | (1.859) | (1.888) | (1.959) |
| DUAL | 0.006\*\* | -0.005 | -0.004 | -0.001 | 0.010 | 0.010 | 0.010 |
|  | (2.348) | (-0.295) | (-0.220) | (-0.073) | (0.736) | (0.722) | (0.753) |
| AC | 0.0062\*\*\* | 0.091\*\*\* | 0.100\*\*\* | 0.095\*\*\* | 0.042\*\*\* | 0.043\*\*\* | 0.043\*\*\* |
|  | (7.698) | (14.468) | (20.514) | (18.959) | (9.847) | (9.891) | (9.992) |
| RDI | 0.000 | 0.010\*\*\* | 0.010\*\*\* | 0.010\*\*\* | 0.003\* | 0.003\* | 0.003\* |
|  | (0.566) | (4.682) | (4.686) | (4.662) | (1.712) | (1.754) | (1.727) |
| RDP | 0.001\*\*\* | 0.003\*\*\* | 0.003\*\*\* | 0.003\*\*\* | 0.002\*\* | 0.002\*\* | 0.002\*\* |
|  | (6.0587) | (2.935) | (4.269) | (3.712) | (2.349) | (2.377) | (2.371) |
| HHI | 0.0024 | 0.047 | -0.105\* | 0.032 | 0.067 | 0.069 | 0.067 |
|  | (0.0936) | (0.321) | (-1.777) | (0.215) | (0.492) | (0.502) | (0.488) |
| Intercept | -0.436\*\*\* | -5.924\*\*\* | -5.671\*\*\* | -5.950\*\*\* | -2.296\*\*\* | -2.289\*\*\* | -2.300\*\*\* |
|  | (-8.445) | (-18.798) | (-20.708) | (-21.071) | (-10.431) | (-10.392) | (-10.448) |
| Industry | Included | Included | Included | Included | Included | Included | Included |
| Year | Included | Included | Included | Included | Included | Included | Included |
| N | 15188 | 15188 | 15188 | 15188 | 13111 | 13111 | 13111 |
| Adjusted R2 | 0.413 | 0.179 | 0.185 | 0.189 | 0.501 | 0.502 | 0.502 |

*Notes: \*\*\*, \*\*, and \* denote statistical significance at the 1, 5, and 10 % levels, respectively. T-statistics are reported in parentheses.*

TABLE VII Robustness Tests

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **OI1**  **Model 1** | **OI1**  **Model 2** | **OI1**  **Model 3** | **OI2**  **Model 4** | **OI2**  **Model 5** | **OI2**  **Model 6** |
| TEAMWORK | 0.101\*\* | 0.046 | 0.243\*\*\* | 5.640\*\*\* | 4.124\*\* | 3.675\*\* |
|  | (2.531) | (1.015) | (4.606) | (3.621) | (2.322) | (2.274) |
| TEAMWORK×ESOP1 |  | 0.241\*\*\* |  |  | 6.044\* |  |
|  | (2.885) |  |  | (1.826) |  |
| TEAMWORK×ESOP2 |  |  | 0.563\*\*\* |  |  | 21.701\*\*\* |
|  |  | (3.007) |  |  | (4.337) |
| ESOP1 |  | -0.110\*\*\* |  |  | -2.270\* |  |
|  |  | (-3.763) |  |  | (-1.874) |  |
| ESOP2 |  |  | -0.291\*\*\* |  |  | -6.570\*\*\* |
|  |  |  | (-4.071) |  |  | (-3.194) |
| SIZE | 0.175\*\*\* | 0.176\*\*\* | 0.209\*\*\* | 2.202\*\*\* | 2.161\*\*\* | 2.151\*\*\* |
|  | (18.644) | (18.742) | (17.331) | (5.258) | (5.155) | (5.147) |
| ROA | 0.030 | 0.025 | 0.566\*\*\* | -4.422 | -4.391 | -3.590 |
|  | (0.324) | (0.271) | (4.725) | (-0.999) | (-0.992) | (-0.812) |
| CFLOW | 0.108 | 0.104 | 0.197 | 16.715\*\*\* | 16.840\*\*\* | 16.312\*\*\* |
|  | (1.132) | (1.092) | (1.612) | (4.074) | (4.104) | (3.983) |
| LEV | -0.189\*\*\* | -0.189\*\*\* | -0.099\*\* | -0.691 | -0.614 | -0.909 |
|  | (-4.810) | (-4.805) | (-1.967) | (-0.409) | (-0.363) | (-0.538) |
| TANG | 0.076\* | 0.075\* | 0.075 | 2.207 | 2.131 | 2.378 |
|  | (1.744) | (1.712) | (1.336) | (1.200) | (1.158) | (1.295) |
| TOP1 | 0.051 | 0.039 | 0.065 | -4.393 | -4.347 | -3.607 |
|  | (0.703) | (0.537) | (0.686) | (-1.572) | (-1.548) | (-1.290) |
| TOP10 | 0.019 | 0.032 | -0.012 | -0.748 | -0.723 | -1.182 |
|  | (0.330) | (0.565) | (-0.161) | (-0.328) | (-0.316) | (-0.518) |
| SOE | -0.017 | -0.014 | -0.098\*\*\* | 0.413 | 0.448 | 0.369 |
|  | (-0.806) | (-0.644) | (-3.622) | (0.537) | (0.581) | (0.480) |
| SEP | -0.001 | -0.001 | -0.002\* | -0.044 | -0.044 | -0.046 |
|  | (-1.188) | (-1.266) | (-1.858) | (-1.467) | (-1.456) | (-1.520) |
| DIRN | 0.192\*\*\* | 0.186\*\*\* | 0.220\*\*\* | 1.177 | 1.163 | 1.389 |
|  | (4.527) | (4.375) | (4.029) | (0.721) | (0.711) | (0.850) |
| IND | 0.515\*\*\* | 0.515\*\*\* | 0.746\*\*\* | 2.220 | 2.601 | 2.928 |
|  | (4.002) | (4.000) | (4.504) | (0.462) | (0.541) | (0.611) |
| EMP | 0.033\*\*\* | 0.034\*\*\* | 0.046\*\*\* | 0.116 | 0.152 | 0.121 |
|  | (3.520) | (3.564) | (3.809) | (0.270) | (0.351) | (0.280) |
| DUAL | -0.003 | -0.004 | -0.000 | 1.788\*\*\* | 1.764\*\*\* | 1.742\*\*\* |
|  | (-0.264) | (-0.285) | (-0.006) | (3.464) | (3.416) | (3.382) |
| AC | 0.061\*\*\* | 0.061\*\*\* | 0.096\*\*\* | -0.046 | -0.034 | -0.026 |
|  | (15.773) | (15.923) | (19.401) | (-0.303) | (-0.222) | (-0.171) |
| RDI | 0.009\*\*\* | 0.009\*\*\* | 0.011\*\*\* | -0.067 | -0.062 | -0.057 |
|  | (5.384) | (5.441) | (4.743) | (-0.938) | (-0.869) | (-0.797) |
| RDP | 0.002\*\*\* | 0.002\*\*\* | 0.003\*\*\* | 0.033 | 0.034 | 0.030 |
|  | (3.508) | (3.556) | (3.990) | (1.252) | (1.286) | (1.125) |
| HHI | 0.071 | 0.071 | 0.024 | 2.140 | 2.318 | 2.299 |
|  | (0.607) | (0.603) | (0.162) | (0.330) | (0.358) | (0.356) |
| Intercept | -4.542\*\*\* | -4.554\*\*\* | -5.629\*\*\* | -51.542\*\*\* | -50.660\*\*\* | -50.645\*\*\* |
|  | (-17.500) | (-17.539) | (-22.609) | (-6.541) | (-6.419) | (-6.441) |
| Industry | Included | Included | Included | Included | Included | Included |
| Year | Included | Included | Included | Included | Included | Included |
| N | 15188 | 15188 | 15188 | 3764 | 3764 | 3764 |
| Adjusted R2 | 0.173 | 0.174 | 0.189 | 0.099 | 0.100 | 0.104 |

*Notes: \*\*\*, \*\*, and \* denote statistical significance at the 1, 5, and 10 % levels, respectively. T-statistics are reported in parentheses.*