

Cost and Benefits of Firms doing CSR/ESG

Notation :

\approx : Might imply

Highlight : the text is personal explanation of the conclusion of origin article

words in red color : the cost or benefits of the firms

Journal	Article Name	Category	Benefits	Costs
JF	Social Capital, Trust, and Firm Performance: The Value of Corporate Social Responsibility during the Financial Crisis	Performance during crisis	Green firms suffer less during financial crisis	
JFQA	Cross-Country Evidence on the Relationship between Societal Trust and Risk-Taking by Banks	Performance during crisis	banks in countries with higher societal trust exhibit lower risk-taking and that these banks also experienced less financial trouble and fewer failures during the 2007-2009 financial crisis \approx Firms might get loans from bank more easy	
JFE	Context Sensitive Links What do you think about climate finance?	cost of capital / firm decision	Investment and mandantory sector identify regulatory risk as the top climate risk to businesses and investors over the next five years \approx CSR might effect socail discount rate.	
JFE	Corporate social responsibility and stakeholder value maximization: Evidence from mergers	cost of capital / firm decision	acquirers' social performance is an important determinant of merger performance and the probability of its completion, and they support the stakeholder value maximization view of stakeholder theory \approx firm with CSR can yeild more benefits during merges	

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JFE	Are red or blue companies more likely to go green? Politics and corporate social responsibility.	cost of capital / firm decision		benefits to stakeholders from social responsibility ≈ direct expense of firm value (ROA)
JFQA	Stakeholder Orientation and the Cost of Debt: Evidence from State-Level Adoption of Constituency Statutes	cost of capital / firm decision	constituency statutes reduce the cost of debt through the channels of mitigating conflicts of interest between residual and fixed claimants and between holders of liquid claims and holders of illiquid claims, limiting legal liability and lowering takeover threats. ≈ 1.reduce the cost of debt 2.limiting legal liability and lowering takeover threats	
JFQA	Social Capital and Debt Contracting: Evidence from Bank Loans and Public Bonds	cost of capital / firm decision	higher levels of social capital incur lower bank loan spreads	
JFE	Corporate goodness and shareholder wealth	share holders wealth / Firm value		costly to do CSR
JFQA	Corporate Environmental Policy and Shareholder Value: Following the Smart Money.	share holders wealth / Firm value	Corporate environmental policies ≈ that mitigate environmental risk exposure create shareholder value.	In contrast, firms that increase greenness ≈ do not create shareholder value and are also shunned by institutional investors

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JFQA	The Effect of Cultural Similarity on Mergers and Acquisitions: Evidence from Corporate Social Responsibility.	share holders wealth / Firm value	we find that culturally similar (CSR) firms are more likely to merge. Moreover, these mergers are associated with greater synergies, superior long-run operating performance, and fewer write-offs of goodwill	
JFE	Socially responsible firms	share holders wealth / Firm value	1. positive relation exists between CSR and value 2. CSR attenuates the negative relation between managerial entrenchment and value	
JFE	Responsible investing: The ESG-efficient frontier	buy side	ESG roles play 2 roles: 1. providing information about firm fundamentals 2. affecting investor preference	ESG retrun : showing when ESG raises or lowers the required return
JFE	Institutional shareholders and corporate social responsibility.	buy side	exogenous increase in institutional holding caused by Russell Index reconstitutions improves portfolio firms' CSR performance \approx buy side stress is a motivation of firms to do CSR	
JFE	Socially responsible corporate customers	buy side	socially responsible corporate customers can infuse similar socially responsible business behavior in suppliers.	
JF	Do Investors Value Sustainability? A Natural Experiment Examining Ranking and Fund Flows	buy side	sustainability is viewed as positively predicting future	

