

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

A Plus

Journal	Year	Article Name	Category	Benefits	Costs
JF	2017	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	2019	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	2021	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.	

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JFE	2013	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	
JFE	2013	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 \approx direct expense of firm value (ROA)

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JFQA	2021	Stakeholder Orientation and the Cost of Debt: Evidence from State-Level Adoption of Constituency Statutes	cost of capital / firm decision	<p>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. ≈</p> <p>1.reduce the cost of debt 2.limiting legal liability and lowering takeover threats</p>	
JFQA	2015	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	2015	Corporate goodness and shareholder wealth	share holders wealth / Firm value		costly to do CSR
JFQA	2017	Corporate Environmental Policy and Shareholder Value: Following the Smart Money	share holders wealth / Firm value	<p>Corporate environmental policies ≈ that mitigate environmental risk exposure create shareholder value.</p>	<p>In contrast, firms that increase greenness ≈ do not create shareholder value and are also shunned by institutional investors</p>

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JFQA	2018	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	2015	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	2021	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	2019	Institutional shareholders and corporate social responsibility.	buy side	exogenous increase in institutional holding caused by Russell Index reconstitutions improves portfolio firms' CSR performance ≈ buy side stress is a motivation of firms to do CSR	

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JFE	2020	Socially responsible corporate customers	buy side	socially responsible corporate customers can infuse similar socially responsible business behavior in suppliers.	
JF	2019	Do Investors Value Sustainability? A Natural Experiment Examining Ranking and Fund Flows	buy side	sustainability is viewed as positively predicting future	

Note : The journal other than A-plus that were listed only focus on the **investment** criteria

Other Journal

Journal	Year	Article Name	Category	Benefits	Cost
JCF	2021	Integrating corporate social responsibility criteria into executive compensation and firm innovation: International evidence	CSR contracting /firm investmet	CSR contracting has a positive effect on firm innovation	
Strategic Management Journal	2019	Corporate governance and the rise of integrating corporate social responsibility criteria in executive compensation: Effectiveness and implications for firm outcomes	CSR contracting /firm investmet	1. increase in long-term orientation 2. increase in firm value 3. increase in green innovation	
JBFA	2019	Employee treatment and firm innovation	Firm Investment	Good employee treatment brought innovation	

