

Expatriate Managers and Firm Performance

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CEU, MTA KRTK and CEPR

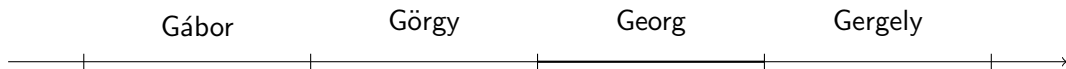
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MNB and MTA KRTK

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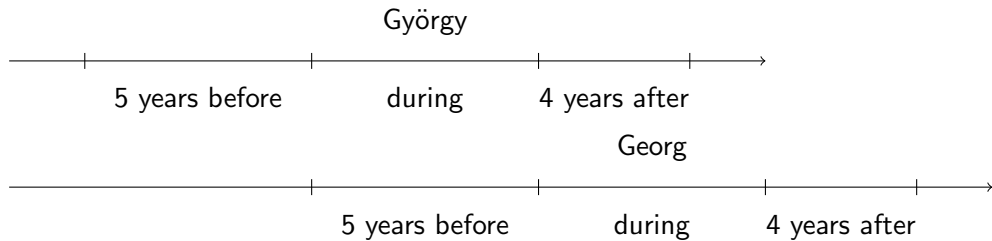
Data

CEO succession



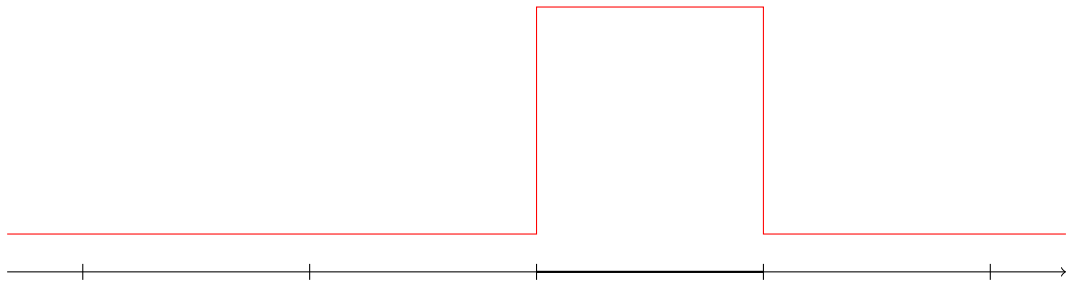
Research design

Manager-level event study

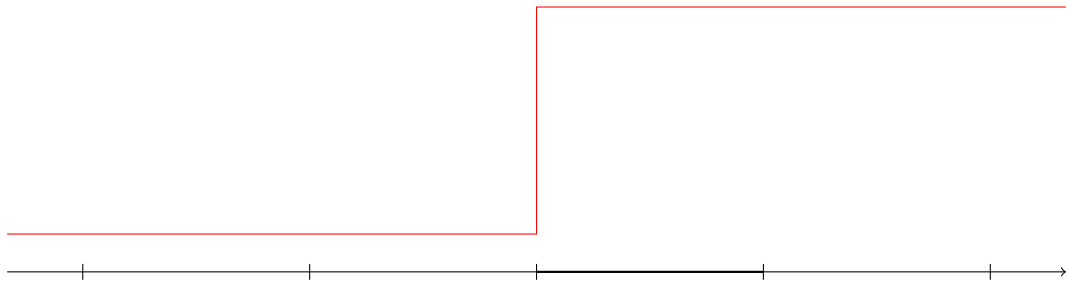


Mechanism

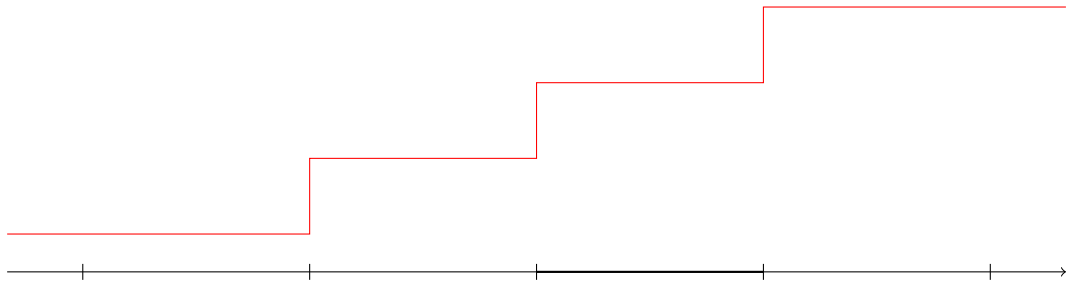
Specific knowledge



Technology transfer

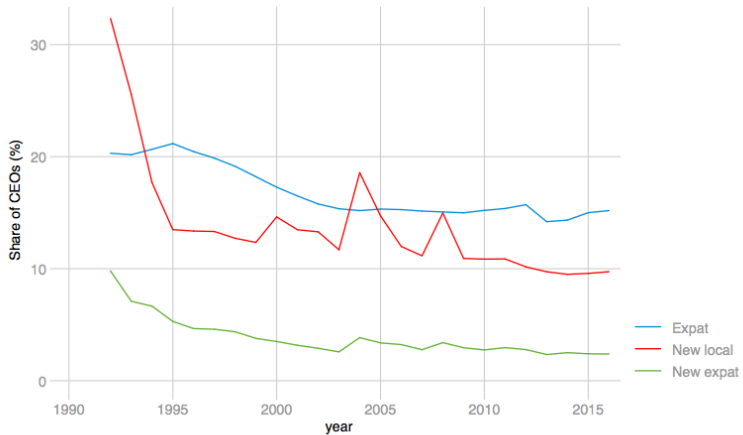


Reorganization

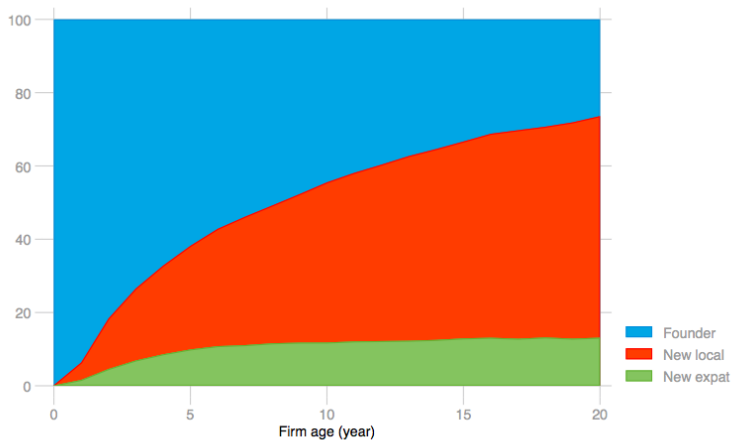


Descriptives

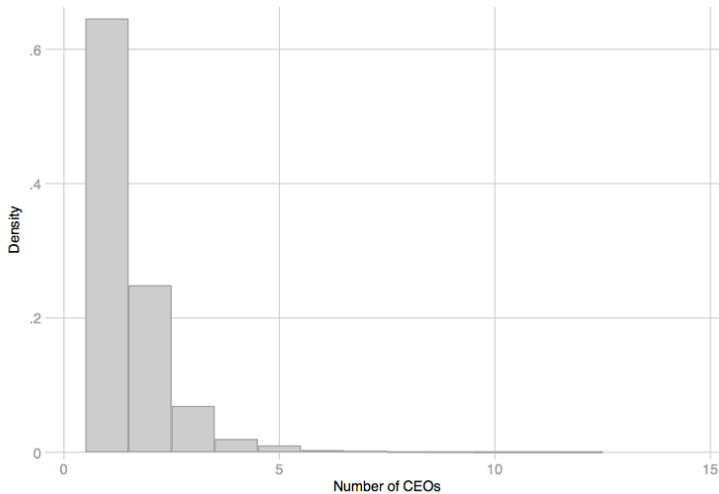
Local and expat managers over time



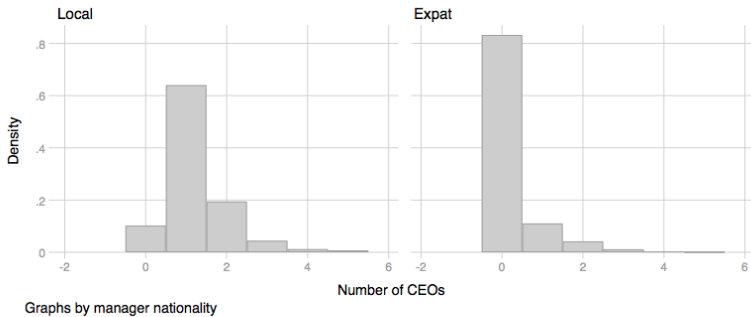
Founder CEOs are slowly replaced



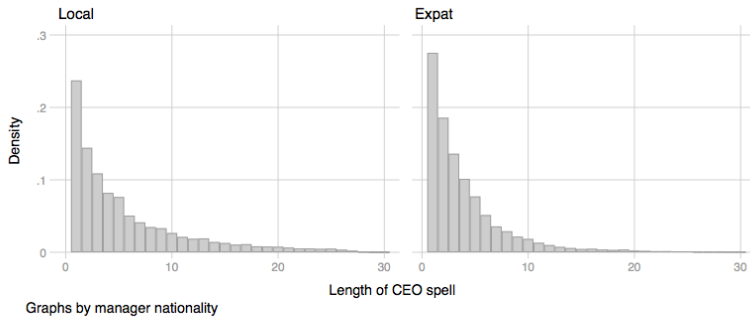
Firms sometimes have multiple CEOs



80 percent of firms have no expat CEO

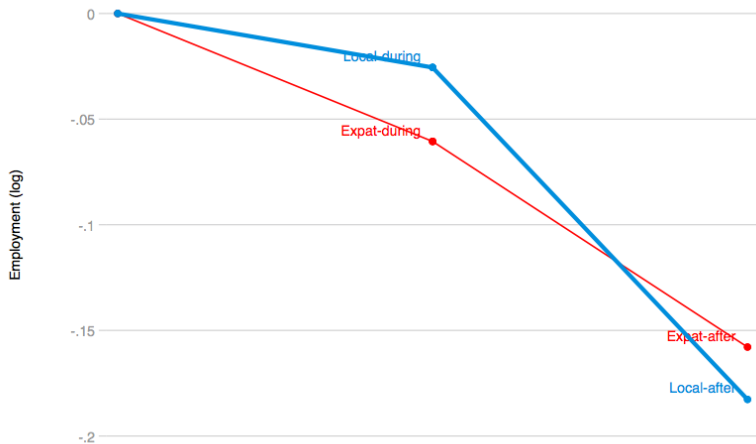


Expat CEOs leave somewhat earlier

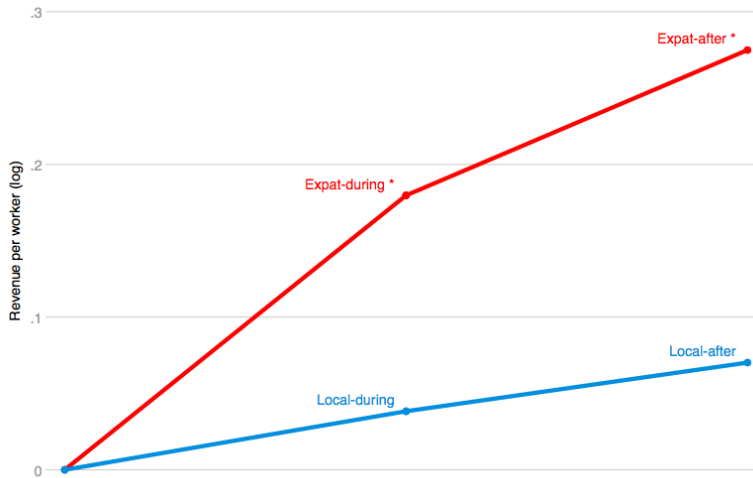


Estimates from acquisitions sample

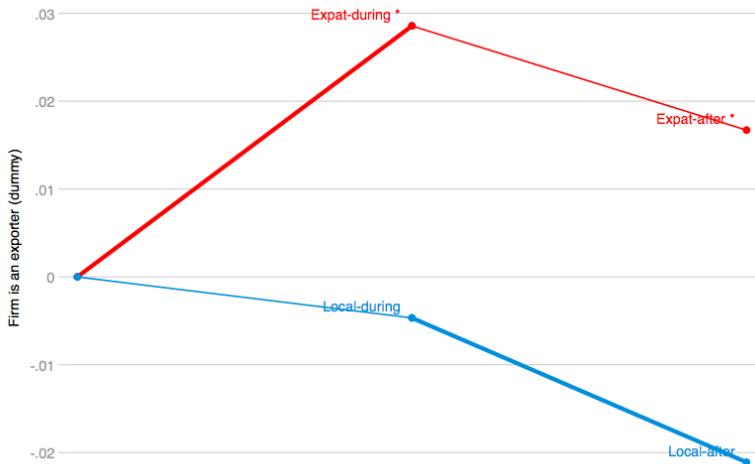
Local and expat managers reduce employment by same amount



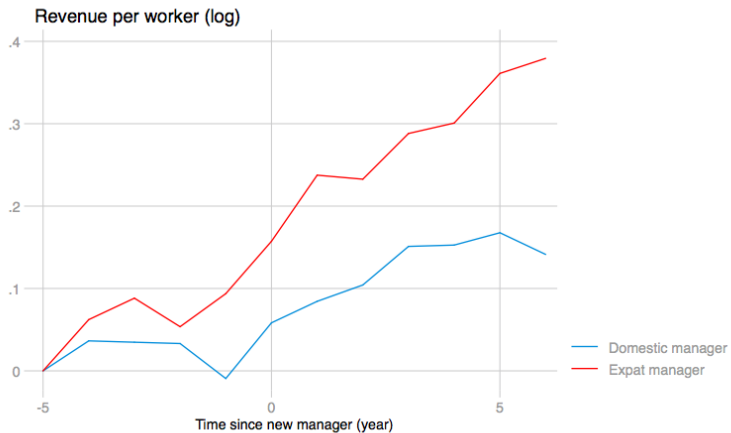
Expatriate managers improve revenue per worker by 15–25 percent



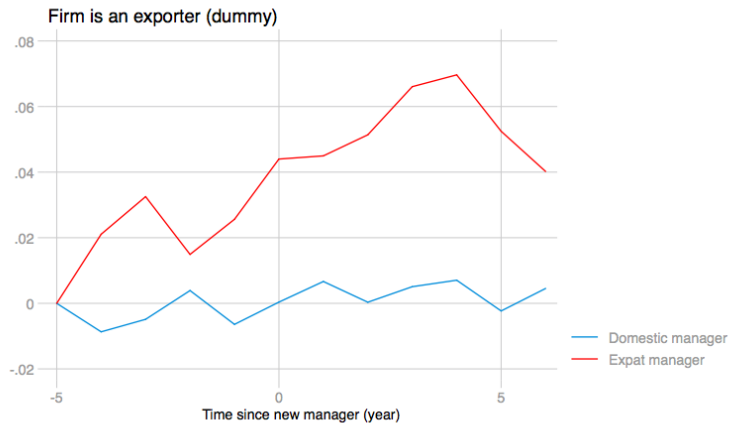
Expat managers increases probability of exporting by 3pp



Expatriate managers have persistent effect on revenue per worker

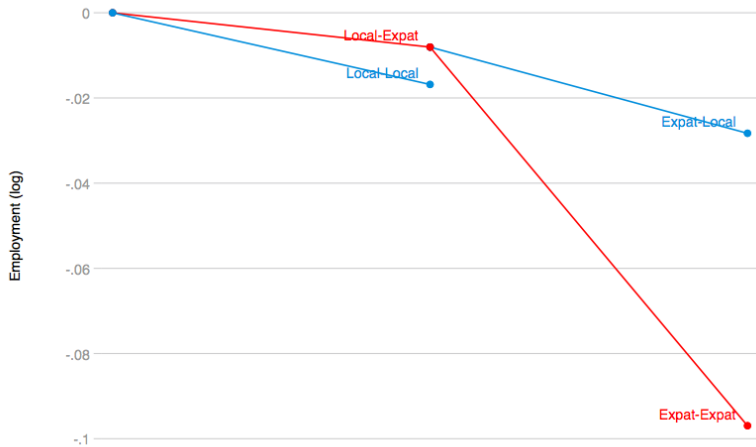


Exporting firms are more likely taken over by an expat

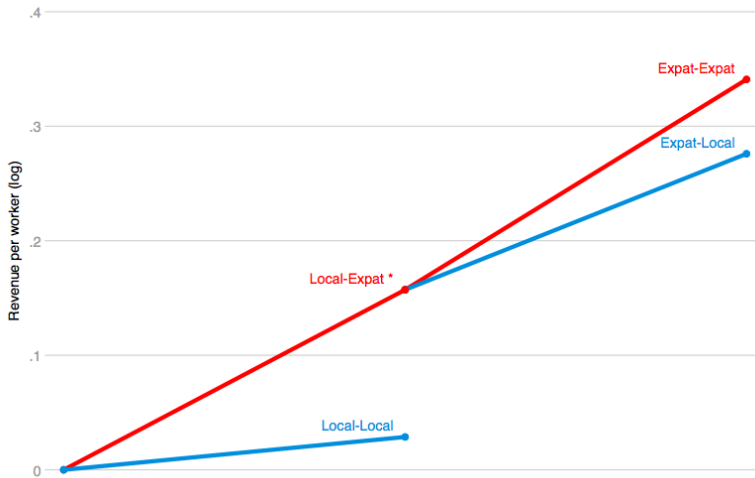


Estimates from manager switches

All reorganization results in loss of employment



Productivity effect of expats remains after they leave



Exporting effect of expats remains after they leave

