Tackling Shareholder Short Termism And Managerial Myopia

"THE MCGRAW-HILL EXECUTIVE MBA SERIES" "Executive education is suddenly every CEO's favorite strategic weapon." --BusinessWeek" Now repackaged in easily transportable paperback editions, these informative titles--written by frontline executive education professors and modeled after the programs of the nation's top business schools--will find new popularity with today's on-the-go, every-second-counts executive.

Runaway climate change and rampant inequality are ravaging the world and costing a fortune. Who will help lead us to a better future? Business. These massive dual challenges—and other profound shifts, such as pandemics, resource pressures, and shrinking biodiversity—threaten our very existence. Other megatrends, such as the push for a clean economy and the unprecedented focus on diversity and inclusion, offer exciting new opportunities to heal the world, and prosper by doing so. Government cannot do this alone. Business must step up. In this seminal book, former Unilever CEO Paul Polman and sustainable business guru Andrew Winston explode fifty years of corporate dogma. They reveal, for the first time, key lessons from Unilever and other pioneering companies around the world about how you can profit by fixing the world's problems instead of creating them. To thrive today and tomorrow, they argue, companies must become "net positive"—giving more to the world than they take. A net positive company: Improves the lives of everyone it touches, from customers and suppliers to employees and communities, greatly increasing long-term shareholder returns in the process. Takes ownership of all the social and environmental impacts its business model creates. This in turn provides opportunities for innovation, savings, and building a more humane, connected, and purpose-driven culture. Partners with competitors, civil society, and governments to drive transformative change that no single group or enterprise could deliver alone. This is no utopian fantasy. Courageous leaders are already making it real—and the stakes couldn't be higher. With bold vision and compelling stories, Net Positive sets out the principles and practices that will deliver the scale of change and transformation the world so desperately needs. Join the movement now at netpositive.world

The globalization of capital markets since the 1980s has been accompanied by a vigorous debate over the convergence of corporate governance standards around the world towards the shareholder model. But even before the financial and economic crisis of 2008/2009, the dominance of the shareholder model was challenged with regard to persisting divergences and national differences in corporate law, labor law and industrial relations. This collection explores this debate at an important crossroads, echoing Karl Polanyi's famous observation in 1944 of the disembeddedness of the market from society. Drawing on pertinent insights from scholars, practitioners and regulators in corporate and labor law, securities regulation as well as economic sociology and management theory, the contributions shed important light on the empirical effects on the economy of the shift to shareholder primacy, in light of a comprehensive reconsideration of the global context, policy goals and regulatory forms which characterize market governance today. This sixth peer review of the OECD Principles of Corporate Governance analyses the corporate governance framework and practices relating to corporate risk management, in the private sector and in state-owned enterprises.

Nuclear Decommissioning Authority : Oral and written Evidence

The rules of business are changing dramatically. The Aspen Institute's Judy Samuelson describes the profound shifts in attitudes and mindsets that are redefining our notions of what constitutes business success. Dynamic forces are conspiring to clarify the new rules of real value creation—and to put the old rules to rest. Internet-powered transparency, more powerful worker voice, the decline in importance of capital, and the complexity of global supply chains in the face of planetary limits all define the new landscape. As executive director of the Aspen Institute Business and Society Program, Judy Samuelson has a unique vantage point from which to engage business decision makers and identify the forces that are moving the needle in both boardrooms and business classrooms. Samuelson lays out how hard-to-measure intangibles like reputation, trust, and loyalty are imposing new ways to assess risk and opportunity in investment and asset management. She argues that “maximizing shareholder value” has never been the sole objective of effective businesses while observing that shareholder theory and the practices that keep it in place continue to lose power in both business and the public square. In our globalized era, she demonstrates how expectations of corporations are set far beyond the company gates—and why employees are both the best allies of the business and the new accountability mechanism, more so than consumers or investors. Samuelson's new rules offer a powerful guide to how businesses are changing today—and what is needed to succeed in tomorrow's economic and social landscape. Shareholder engagement with publicly listed companies is often seen as a key means to monitor corporate malpractices. In this book, the authors examine the corporate governance roles of key institutional investors in UK corporate equity, including pension funds, insurance companies, collective investment funds, hedge and private equity funds and sovereign wealth funds. They argue that institutions’ corporate governance roles are an instrument ultimately shaped by private interests and market forces, as well as law and regulatory obligations, and that policy-makers should not readily make assumptions regarding their effectiveness, or their alignment with public interest or social good. Now in its fourth edition, Principles of Contemporary Corporate Governance offers comprehensive coverage of the key topics and emerging themes in private sector corporate governance. It explains both the principles of corporate governance systems and their real-world application in an authoritative and engaging manner. This fully revised and updated text has four parts: basic concepts, board structures and company officers; corporate governance in Australia; corporate governance in international and global contexts; and shareholder activism and business ethics. The coverage of international contexts includes sections on the US, the UK, Canada, South Africa, the EU, the OECD, Germany,
Japan, China and Indonesia, plus new sections on New Zealand and Australia. A new chapter on business ethics and corporate governance presents contemporary discussions on the topic and explores some of the broader legal issues. Principles of Contemporary Corporate Governance is an indispensable resource for business and law students, academic researchers and practitioners.


«Este livro trata de forma sistemática os diversos aspetos relacionados com a regulação dos mercados, discutindo os seus fundamentos técnicos? Esta discussão é essencial, num momento em que é necessário avaliar a qualidade da extensa reforma levada a cabo nos últimos anos e também o modo em que a sua aplicação pelos diversos reguladores. Espero que seja também um contributo para os que atuam nos mercados de capitais reforçem os seus conhecimentos e a sua racionalidade e que no futuro não tenhamos de ler afirmações como a de Robert Shiller em “Irrational Exuberance” (2000): “O mercado está em alta devido ao efeito combinado da opinião indiferenciada de milhões de pessoas, das quais muito poucos sentiram a necessidade de investigar cuidadosamente o valor de longo prazo dos investimentos no mercado e que, no fundo, são guiadas essencialmente pelas suas próprias emoções, por uma atenção distribuída de forma aleatória e por uma percepção convencional da realidade.”

(Excerto de prefácio de Carlos Tavares)

Rising defaults in the financial market in 2007, the current widespread economic recession and debt crisis have added impetus to existing doubts about companies’ governance, and cast new light on future trends in shareholder-oriented corporate practice. Taking account of these developments in the field and realising the current need for changes in governance, this book offers a thorough exploration of the origins, recent changes and future development of the corporate objective—shareholder primacy. Legal and theoretical aspects are examined so as to provide a comprehensive and critical account of the practices reflecting a shareholder primacy in the UK. In the wake of the financial crisis, this book investigates the direction of future policy, with particular attention to changes in governing rules and regulations and their implications for preserving the objective of shareholder primacy. It reflects the current UK and EU regulatory context and corporate governance and social responsibility as well as examining the changing role of directors in the corporate governance process and the potential friction between proposed legal changes and commercial practices.

This book will be useful to researchers and students of company law, and business and management studies.


We obsess about what our politicians are doing, but ignore that our companies are no longer investing, instead they are focusing on next quarter’s profits in order to justify ever higher executive compensation. This is in turn accelerating the West’s economic decline versus the East. While the short-term focus of business is becoming widely acknowledged, we are not doing enough to reverse this. Looking at the less known history of companies shows us the choices we can no longer afford to ignore. Some current reforms need to go further and some areas that need reform are currently being ignored. Encouraging our businesses to invest again is one of the most important issues of our time.

This book takes us back to the financial crisis and asks: should the directors of the financial institutions that caused the crisis be held responsible to their investors? LougheyÖs and her contributorsÖ analysis of that question and the suggestions to implement their proposals are insightful and timely. This is a must-read book for those of us who are still trying to determine how to avoid the next financial crisis. This book is a must-read for all academic researchers and practitioners, and is an important contribution to the literature on corporate governance. While there has been a remarkable paucity of litigation against bank directors for breach of their duties, this book assesses whether the law relating to directorsÖ duties and shareholder litigation has contributed to this, taking into account the changes to both that were introduced by the Companies Act 2006. With contributions from leading academics and practitioners, the book examines the directorÖs duty of care and skill, the s.172 duty, reporting obligations under s.417 of the Companies Act 2006, and shareholder litigation including the derivative action and just and equitable winding up. It concludes that neither the common law nor the statutory duties and derivative action under the Companies Act 2006 function effectively to hold directors to account and analyses why this is so. This detailed book will appeal to academics in company law and corporate governance as well as commercial law practitioners particularly those who specialize in company litigation.

The current volume offers a concise and analytical portrait of the contemporary world. The author encompasses concepts and theories from multiple disciplines notably sociology, anthropology, international relations and their implications for examining the major sociocultural transformations of the economic world, their underlying causes, and their consequences. The volume is organized in 10 chapters dealing with a variety of topics including global demographic trends, globalization, culture, foreign affairs, emerging markets, environmental degradation, global security, global health, large corporations, and economic inequality. Each chapter is divided into separate sections examining the accompanying themes. This book is a valuable reference for managers and business leaders, students, policy makers, and all those who are interested in acquiring a better understanding of the sociocultural trends that are shaping our world.

There are many deep-seated reasons for the current financial turmoil but a key factor has undoubtedly been the serious failings within the corporate governance practices of financial institutions. There have been shortcomings in the risk management and incentive structures; the boards’ supervision was at times weak; disclosure and accounting standards were in some cases inadequate; the institutional investors’ engagement with management was at times insufficient and, last but not least, the remuneration policies of many large institutions appeared inappropriate. This book will provide a critical overview and analysis of key corporate governance weaknesses, focusing primarily on three main areas: directors’ failure to understand complex company transactions; the poor remuneration practices of financial

In the age of global capitalism, shareholders, and profits are not the only concerns of modern business corporations. Debates surrounding economic and environmental sustainability, and increasing intense media scrutiny, mean that businesses have to show ethical responsibility to stakeholders beyond the boardroom. A commitment to corporate social responsibility may help the wider community. It could also protect an organization’s brand and reputation. Including key articles and original perspectives from academics, NGOs and companies themselves, The Corporate Social Responsibility Reader is a welcome and insightful introduction to the important issues and themes of this growing field of study. This book addresses: the changing relationships between business, state and civil society the challenges to business practice what businesses should be responsible for, and why issues of engagement, transparency and honesty the boundaries of CSR – can businesses ever be responsible? While case studies examine major international corporations like Coca Cola and Starbucks, broader articles discuss thematic trends and issues within the field. This comprehensive but eclectic collection provides a wonderful overview of CSR and its place within the contemporary social and economic landscape. It is essential reading for anyone studying business and management, and its ethical dimensions.

One of the fastest growing investment sectors ever seen, hedge funds are considered by many to be exotic and inaccessible. This book provides an intensive learning experience, defining hedge funds, explaining hedge fund strategies while offering both qualitative and quantitative tools that investors need to access these types of funds. Topics not usually covered in discussions of hedge funds are included, such as a theoretical discussion of each hedge fund strategy followed by trading examples provided by successful hedge fund managers.

Throughout, they identify common errors that lead to inaccurate valuation, and show how to avoid them. From start to finish, this guide doesn't just make valuation comprehensible: it provides the tools and insight to make valuation work. For all financial professionals concerned with valuation, especially those involved in potential mergers, acquisitions, and restructurings; and for corporate finance instructors and students in Executive MBA programs concerned with valuation. One of the fastest growing investment sectors ever seen, hedge funds are considered by many to be exotic and inaccessible. This book provides an intensive learning experience, defining hedge funds, explaining hedge fund strategies while offering both qualitative and quantitative tools that investors need to access these types of funds. Topics not usually covered in discussions of hedge funds are included, such as a theoretical discussion of each hedge fund strategy followed by trading examples provided by successful hedge fund managers.

Timorous: adj, 1) shy, not bold 2) easily frightened. Economics: n, social science concerned with the production and consumption of goods and services. What is the best way to run a country? How long should a country be obliged to work every day? What will the economy look like after Brexit? In this new take on the Scottish economy, experts Trebeck, Boyd and Kerevan address how our economy can serve us, and not colonised by a powerful few. This is a vital new contribution to the pressing debate on how to reduce inequality and combat austerity.

About the Book: Alfred Rappaport, who first introduced the principles and practical application of “shareholder value” in his groundbreaking 1986 classic Creating Shareholder Value, reiterated the basic message in his 2006 Harvard Business Review article: Focusing on Wall Street quarterly earnings expectations rather than on creating long-term value is an invitation to disaster. Rappaport shows how deeply flawed short-term performance incentives for corporate and investment managers were an essential cause of the recent global financial crisis. In Saving Capitalism from Short-Termism, Rappaport examines the causes and consequences of “short-termism” and offers specific recommendations for how publicly traded companies and the investment management community can overcome it. Whether you’re a corporate manager, money manager, public policymaker, business-school student, or simply concerned about your financial future, Saving Capitalism from Short-Termism provides valuable insights and practical ideas to change the course of your organization and contribute to a healthier economy that benefits all.
Where To Download Tackling Shareholder Short Termism And Managerial Myopia

nachgewiesen, dass Gründer-CEOs – die klassischen Unternehmer – signifikant weniger myopisch handeln.

This publication is a sequel to the OECD 2015 report on social impact investment (SII), Building the Evidence Base, bringing new evidence on the role of SII in financing sustainable development.

Apart from MiFID, the Alternative Investment Fund Managers Directive (AIFMD) may be the most important European asset management regulation of the early twenty-first century. In this in-depth analytical and critical discussion of the content and system of the directive, thirty-eight contributing authors – academics, lawyers, consultants, fund supervisors, and fund industry experts – examine the AIFMD from every angle. They cover structure, regulatory history, scope, appointment and authorization of the manager, the requirements for depositaries and prime brokers, rules on delegation, reporting requirements, transitional provisions, and the objectives stipulated in the recitals and other official documents. The challenging implications and contexts they examine include the following: – connection with systemic risk and the financial crisis; - nexus with insurance for negligent conduct; - connection with corporate governance doctrine; - risk management; - transparency; - the cross-border dimension; - liability for lost assets; - impact on alternative investment strategies, and - the nexus with the European Regulation on Long-Term Investment Funds (ELTIFR). Nine country reports, representing most of Europe’s financial centres and fund markets add a national perspective to the discussion of the European regulation. These chapters deal with the potential interactions among the AIFMD and the relevant laws and regulations of Austria, France, Germany, Italy, Luxembourg, Liechtenstein, The Netherlands, Malta and the United Kingdom. The second edition of the book continues to deliver not only the much-needed discussion of the inconsistencies and difficulties when applying the directive, but also provides guidance and potential solutions to the problems it raises. The second edition considers all new developments in the field of alternative investment funds, their managers, depositaries, and prime brokers, including, but not limited to, statements by the European Securities and Markets Authority (ESMA) and national competent authorities on the interpretation of the AIFMD, as well as new European regulation, in particular the PRIIPS Regulation, the ELTIF Regulation, the Regulation on European Venture Capital Funds (EuVeCaR), the Regulation on European Social Entrepreneurship Funds (EUSEF), MiFID II, and UCITS V. The book will be warmly welcomed by investors and their counsel, fund managers, depositaries, asset managers, administrators, as well as regulators and academics in the field.

Consideration of harmful short-termism in capital markets is prevalent amongst legal and business academics. It is also garnering increased attention in corporate board rooms and executive suites, and from the investing public. As a result, correcting perceived short-termism in capital markets has become a rationale for reform used by regulators across the globe. Despite the considerable attention given to this phenomenon, there has not yet been a comprehensive book analyzing the perceived short-termism problem, its sources and causes, and reform efforts undertaken to date. This book fills this gap by documenting the rise of the short-termism discussion, analyzing the significance of the problem, and considering the proposed legal remedies. Based on this analysis, a framework for effective short-termism reform is offered.

The Routledge Handbook of Corporate Law provides an accessible overview of current research in the field, from an international and comparative perspective. In recent years there has been an explosion of corporate law research, as this area of law continues to develop rapidly throughout the world. Traditionally, Anglo–American corporate law theory has dominated debates and publications; however, this handbook readdresses the balance by exploring the treatment of corporate law in both Europe and Asia, as well as new developments in the field. Bringing together a wide range of key thinkers in the field, this volume is divided into three main parts: Thinking about corporate law Corporate law principles and governance Some cross-cultural comparisons Providing up-to-date and authoritative articles covering all the key aspects of corporate law, this reference work is essential reading for advanced students, scholars and practitioners in the field.

“Thought provoking and fresh - this book challenges how we think about economics.” Gillian Tett, Financial Times For further information about recent publicity events and media coverage for Rethinking Capitalism please visit http://marianamazzucato.com/rethinking-capitalism/ Western capitalism is in crisis. For decades investment has been falling, living standards have stagnated or declined, and inequality has risen dramatically. Economic policy has neither reformed the financial system nor restored stable growth. Climate change meanwhile poses increasing risks to future prosperity. In this book some of the world’s leading economists propose new ways of thinking about capitalism. In clear and compelling prose, each chapter shows how today’s deep economic problems reflect the inadequacies of orthodox economic theory and the failure of policies informed by it. The chapters examine a range of contemporary economic issues, including fiscal and monetary policy, financial markets and business behaviour, inequality and privatisation, and innovation and environmental change. The authors set out alternative economic approaches which better explain how capitalism works, why it often doesn’t, and how it can be made more innovative, inclusive and sustainable. Outlining a series of far-reaching policy reforms, Rethinking Capitalism offers a powerful challenge to mainstream economic debate, and new ideas to transform it.

In its journey from the margins to the mainstream, the idea of corporate responsibility has become a significant part of the business agenda. Whilst society has always held expectations of business that go beyond wealth creation, the backdrop against which businesses now operate - characterised by financial crisis, climate change, political shifts, and population growth - has seen corporate responsibility becoming increasingly central to the ability of businesses to address global concerns. In a world where prosperity is measured in terms of economic growth, the pressure on business to maximise profits whilst also being held publically accountable for its social and environmental record, continues to increase. Drawing on numerous case studies, theories, and perspectives, this textbook explores what corporate responsibility reveals about the changing role of
business in the twenty-first century. The third edition has been updated to reflect the full impact of the 2008-9 financial crisis and new examples of actual business practice have been presented throughout. These include: Google and their struggles with the Chinese government over censorship; Trafigura and their illegal dumping of toxic waste; and Proctor and Gamble and their charitable work to provide clean water to poor communities. The text is accompanied by an Online Resource Centre which includes: For students: Additional case studies Further reading Sources on regulation and governance Suggested films Web exercises Web links For lecturers: Images from the book This insightful Research Handbook contributes to the theoretical and practical understanding of corporate purpose and personhood, which has become the central debate of corporate law. It provides cutting-edge thoughts on the role of corporations in society and the nature of their rights and responsibilities. Designing a successful retail business depends on relationships with four groups of people: customers, shareholders, employees and suppliers. This book takes you inside those strategic relationships and shows you how to redesign your business to get them right. Don't let the humour fool you, there are ground-breaking ideas here. Highlights include a new theory of brands which shows how customer loyalty and service can be transformed. Insights into supply chain structure reveal a path to a new level of excellence. Job satisfaction is also given a complete overhaul for the new century. In each case the solution seems paradoxical - by finding a way to let the human element back into strategy we can actually increase its objectivity and extend its reach. Combining hardcore retail experience with state of the art theory and a steady flow of humour, this is the retail strategy book you've been waiting for. It's infectiously readable, relentlessly illuminating and irreverently funny - it's also the key to successful retail. Human rights have not been a central concern of corporate law. Corporate actors have not been a central concern of international human rights law. This book examines existing and emerging strategies that could conceivably close a global governance gap that places human rights at risk and puts commercial actors in the position of becoming complicit in human rights abuses or implicated in abuses when conducting business in emerging market economies or other complex environments. Corporate codes of conduct, sustainability reporting, and selected multi-stakeholder initiatives are presented as the building blocks of a system of strengthening "soft law" that could solidify to become binding baseline standards for better business practices. It explains the conditions that have given rise to constructive change as well as those methods and mechanisms with promise for ensuring that business enterprises incorporate human rights considerations into business operations. This book explores how capital and consumer markets could provide an additional or alternative form of enforcement to promote responsible business conduct. It provides comparative accounts of the creation of industry sector specific regulatory instruments and governance institutions arising from allegations of corporate complicity in human rights abuses after conflicts with concerned constituencies and affected communities. It considers market-based strategies to bring business practices into alignment with the responsibility to respect human rights and examines how corporate social responsibility initiatives could close the governance gap and how codes of conduct could come to regulate like real rules. It argues that regulation through information is essential to ensure that corporate conduct will be informed by human rights considerations and that business policies and practices will be implemented consistent with respect for human rights.