Home ▶ All Journals ▶ Applied Financial Economics ▶ List of Issues ▶ Volume 14, Issue 18 ► The role of hostile takeovers in corpora

Applied Financial Economics > Volume 14, 2004 - Issue 18

1.989 17

Views CrossRef citations to date Altmetric

Original Articles

The role of hostile takeovers in corporate governance

Rajeeva Sinha

Pages 1291-1305 | Published online: 02 Feb 2007

66 Cite this article ⚠ https://doi.org/10.1080/0960310042000280492

> Sample our Business & Industry Journals >> Sign in here to start your access to the latest two volumes for 14 days

Full Article

Figures & data

References

66 Citations

Metrics

➡ Reprints & Permissions

Read this article

Abstract

The study makes a distinction between the role of hostile takeovers as a mechanism for downsizing and exit in the process of 'creative destruction' and the role of hostile takeovers as a corporate governance mechanism for curbing managerial slack and opportunism. The likelihood that underperforming firms with ineffective internal governance structures are the targets of hostile takeover bids is examined using a

ale of firms in the LIK. The stud panel dat

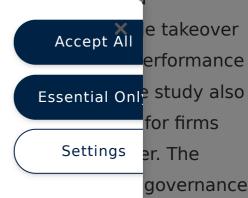
underpe bid. The

in hostil

structur

comi subje empirica About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our Privacy Policy



Acknowledgements

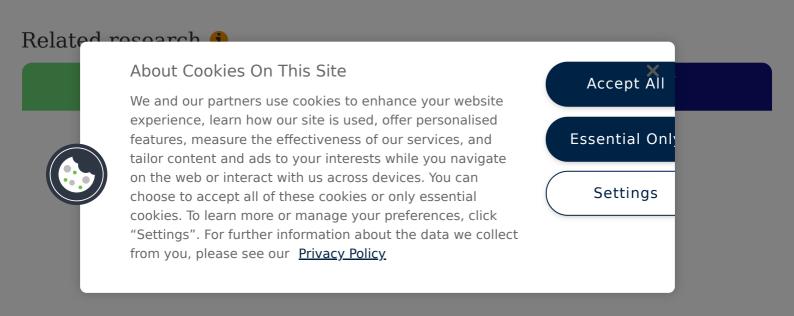
This study has gained from the reviews and comments of Paul Stoneman of the Warwick Business School, Sudi Sudersanam of Cranfield Business School, and Steve Thompson of Department of Economics, University of Leicester.

Notes

'In most countries, including the United States, control is not contestable. When control is not exerted through control blocks, anti-takeover devices like poison pills, classified boards and anti-takeover laws limit the scope for control challenges through markets. The United Kingdom, where such challenges are possible, is an exception' (Gugler, 2001).

Only slope dummies have been used. Sector dummies cannot be used. The use of both sector dummies and firm specific dummies as in panel data estimates causes the collapse of the estimation process because of collinearity

The variance inflation factor is computed by regressing each of the independent variables in the regression equation on the remaining repressors. If the value of the ratio $\{1/(1-R)^2\}$ for any of the repressors exceeds 5 then the independent variable is considered to be significantly correlated with one or more of the remaining variables



Information for

Authors

R&D professionals

Editors

Librarians

Societies

Opportunities

Reprints and e-prints

Advertising solutions

Accelerated publication

Corporate access solutions

Open access

Overview

Open journals

Open Select

Dove Medical Press

F1000Research

Help and information

Help and contact

Newsroom

All journals

Books

Keep up to date

Register to receive personalised research and resources by email



Sign me up











Copyright © 2024 Informa UK Limited Privacy policy Cookies Terms & conditions



Accessibility

Registered in England & Wales No. 3099067 5 Howick Place | London | SW1P 1WG

About Cookies On This Site



We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our Privacy Policy



Essential Onl

Settings