EBERHARD KARLS UNIVERSITÄT TÜBINGEN

Wirtschafts- und Sozialwissenschaftliche Fakultät

FB Wirtschaftswissenschaft
Lehrstuhl für Personal & Organisation
Prof. Dr. Kerstin Pull

Master Seminar

„Who cares, wins? – Antecedents and outcomes of ESG“

I. Antecedents

1. HR Practices and ESG

Recent studies have examined the link between HR practices and ESG. Based on a panel dataset of S&P 500 companies from 2011 to 2023, CAI et al. (2024) quantitatively assess the impact of HR practices on firms' ESG performance whereas ALCARAZ et al. (2019) study the effect of HRM on corporate social responsibility and environmental sustainability relying on a qualitative approach.

Cai, Xinyu, et al. (2024). Interrelation between human capital management and ESG engagement: evidence from S&P 500 firms. *Humanities and Social Sciences Communications* 11(2024) 1: 1-17.

Alcaraz, José M. (2019). The human resources management contribution to social responsibility and environmental sustainability: Explorations from Ibero-America. *International Journal of Human Resource Management,* 30(22), 3166–3189.

2. Gender and ESG

Several studies have investigated the link between board gender diversity and ESG. ALKHAWAJA et al. (2023) analyze the link between board gender diversity and ESG disclosure for a sample of 8,262 firms across 48 countries from 2005 to 2019. Similarly, MANITA et al. (2021) focus on the effect of board gender diversity on ESG disclosure using a sample of 379 firms from the S&P 500 companies from 2010 to 2015.

Alkhawaja, Abdallah, et al. (2023). Board gender diversity, quotas, and ESG disclosure: Global evidence. *International Review of Financial Analysis* 90 (2023): 1-15.

Manita, Riadh, et al. (2018). Board gender diversity and ESG disclosure: evidence from the USA. *Journal of Applied Accounting Research* 19(2018) 2: 206-224.

3. Firm Size and ESG

Also, the link between firm size and ESG performance is repeatedly analyzed. DREMPETIC/KLEIN/ZWERGEL (2020) use Thomson Reuters ASSET4 ESG ratings to analyze how firm size impacts ESG performance. GREGORY (2024) investigates the link between firm size and ESG performance – controlling for, among others, industry effects.

Drempetic, Samuel, Christian Klein, and Bernhard Zwergel (2020). The influence of firm size on the ESG score: Corporate sustainability ratings under review. *Journal of Business Ethics* 167 (2020)2: 333-360.

Gregory, Richard Paul (2024). The influence of firm size on ESG score controlling for ratings agency and industrial sector. *Journal of Sustainable Finance & Investment* 14 (2024)1: 86-99.

II. Outcomes

4. ESG and Corporate Financial Performance

Several studies analyze the link between ESG and corporate financial performance. BAGH et al. (2024) use a sample of US and Chinese listed firms from 2018 to 2022 to investigate the non-linear effect of ESG performance on a firm's sustainable growth. CHEN/XIE (2022) study the link between ESG disclosure and corporate financial performance using a sample of non-financial listed companies from 2000 to 2020.

Bagh, Tanveer, et al. (2024): ESG resilience: Exploring the non-linear effects of ESG performance on firms' sustainable growth. *Research in International Business and Finance* 70 (2024): 102305.
Chen, Zhongfei, Guanxia Xie (2022): ESG disclosure and financial performance: Moderating role of ESG investors. *International Review of Financial Analysis* 83 (2022): 102291.

5. ESG and Risk

LANDI et al. (2023) analyze the influence of ESG on risk management. VELTRI et al. (2023) examine whether incorporating ESG factors—particularly relevant for the reputation-sensitive utilities sector—enhances the operational efficiency of utilities companies and reduces banks' credit risk.

Landi, Giovanni Catello, et al. (2022). Embedding sustainability in risk management: The impact of environmental, social, and governance ratings on corporate financial risk. *Corporate Social Responsibility and Environmental Management* 29(2022)4: 1096-1107.
Veltri, Stefania, et al. (2023): Do ESG factors improve utilities corporate efficiency and reduce the risk perceived by credit lending institutions? An empirical analysis. *Utilities Policy* 81 (2023): 1-11.

6. ESG and Pay Dispersion

KHURRAM et al. (2024) examine the relationship between ESG disclosure and the pay gap between executives and employees in green, high-tech, and state-owned enterprises in China. HUANG/LU (2022) focus on the link between ESG performance & disclosure and the gender pay gap.

Khurram, Muhammad Usman, et al. (2024): ESG disclosure and internal pay gap: Empirical evidence from China. *International Review of Economics & Finance* 92 (2024): 228-244.
Huang, June, and Shirley Lu. ESG performance and voluntary ESG disclosure: Mind the (gender pay) gap. Available at SSRN 3708257 (2022).