

DOES INSIDER OWNERSHIP CONCENTRATION MATTER FOR INVESTMENT PERFORMANCE IN EMERGING MARKETS?

Victoria A. Cherkasova,

Associate Professor Faculty of Economics NRU-HSE

Regina F. Duniashева

NRU-HSE

Abstract

This paper contributes to understanding the relationship between insider ownership and investment performance in emerging markets measured by marginal Tobin's Q. We will attempt to separate the positive wealth effect of managerial ownership from the negative entrenchment effect. The research analyses other determinants of corporate investment performance: institutional ownership, firm size and R&D intensity. The study was conducted on the sample of companies of Brazil, Russia, India and South Africa over 4-year period, 2009-2012.

Keywords: insider ownership, ownership concentration, corporate performance, investment performance, agency conflict, institutional ownership, marginal Tobin's Q

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