

A Survey on Recent Studies on Corporate Governance

Sung-Hwan Choi* · Jee-Hoon Lee** · Dong-Ryung Yang***

Abstract

This paper surveys the evolution of corporate governance issues influencing Korean public companies. The study first reviews literature presenting conventional explanations of why business groups prevails in certain countries, while in other countries, most of the companies exist as stand-alones with diversified ownership. The literature points out that benefits that controlling shareholders enjoy motivate the individuals to form the business groups. Individuals controlling entire business groups with limited stock ownership have incentives to pursue private benefits at the cost of minority shareholders. Such possibility necessitates an institution against corporate decisions hampering the rights of minority shareholders. Board of directors, especially outside directors, are supposed to monitor corporate insiders, in case that the insiders make decisions not beneficial to general shareholders. Such institutional requirement sometimes does not serve its original purpose as intended, when the insiders name outside directors who represent the best interest of the incumbent managers (or controlling individuals) not that of general shareholders. This caveat triggers the need of alternative channels by which minority shareholders directly participate in corporate decision making process. Recent rise of institutional investors, such as pension funds, private equities, and hedge funds, provides a new opportunity where the investment vehicles are directly vocal for or against corporate decisions. Such monitoring mechanism becomes more enforceable, as the monitoring is conducted not by agents (corporate directors) but directly by stockholders (institutional investors) holding significant portion of corporate. As a conclusion, we

* Associate Professor, Department of Welfare Management, Corea Welfare Cyber College. First author.

** Associate Professor, Department of Business Administration, Seojeong College. Co-author.

*** Assistant Professor, Department of Hotel Management, Seojeong College. Corresponding author.

propose that the protection of minority shareholders becomes more effective when they find ways to directly participate in corporate decision process, compared to a situation where the shareholders designate an agent, such as outside directors, to make her protect their rights.

〈Key Words〉 Corporate Governance, Business Group, Board of Directors, Activism of Institutional Investors

I . Introduction

Within modern corporate finance field, corporate governance becomes one of the most important topics. Such phenomenon is justifiable, as people come to realize how governance issues significantly influence the variations of firm value. All else equal, companies adopting more transparent governance policy, such as seating more number of independent directors, maintaining more shareholder-friendly payout policy, and having more objective audit committee in place, are highly valued from stock market. Under a circumstance where it becomes more difficult to find new lucrative business opportunities to increase shareholders' value, it becomes a reasonable and less costly options for public firms to employ better governance policy in order to earn higher appreciation from stock market.

The existence of minority shareholders plays an essential role in modern financial markets. For the companies lack of new capital to execute novel projects, the financial markets become indispensable. The markets need to invite as many individual investors as possible, who are willing to put their personal wealth into public firms without any explicit guarantee to be paid back. Such uncertainty about the future of their investment necessitates regulatory measures which prevent the investors from being exploited by the companies for which the individuals provide financial support. If measures of investor right protection are not best prepared, general investors have no incentive to participate in financial markets. Such inactive financial markets eventually make companies miss one of efficient financing vehicles. Therefore, government bodies have a good incentive to institutionalize the measures of investor protections without which financial markets do not function as originally designed.

Under a condition that the companies are effectively controlled by a few individuals, namely controlling shareholders, corporate managers hired by the major shareholders are apt to have personal incentives serving best interest of the controlling individuals, while neglecting that of minority shareholders.

If the controlling individuals' personal interest is not best aligned with that of

general shareholders, the controlling shareholders might pursue their personal interest in the course of corporate management, using their control power within public firms. Such discrepancy between personal interest and the interest of general shareholders is maximized when the controlling individuals effectively manage public companies only with minimal share holdings.

Ownership structure frequently found in pyramid business groups maximizes the effect of discrepancy between the share ownership and control rights of controlling individuals. Within the pyramidal ownership structure, controlling individuals possess share holdings significant enough to control a company at the apex of entire business groups. The shareholders do not necessarily hold shares of other companies within their business empire, as the apex company which is effectively governed by the controlling individuals exercises its control power over the subsidiaries on behalf of the controlling shareholders. By structuring the chain of ownership in that way, controlling shareholders can control every company within her business group without putting much needed capital for the companies, except for the apex company. Such pyramidal ownership structure allows controlling individuals to exercise their control power in full swing for the companies for which the individuals do not have meaningful share holdings matching their control rights.

Korea is known as a country where business groups controlled by a few controlling families prevail (La Porta et al., 1999). Such ownership structure provides the controlling families with an incentive to use their control power over public firms in the pursuit of personal interest, at the expense of minority shareholders. Faced with a situation where controlling individuals may abuse their control power, regulatory bodies implement several institutions in order to protect the rights of minority shareholders.

One of such measures is to force listed firms to hire independent directors from outside. The outside directors are responsible for review and decide whether or not to approve corporate agendas raised by incumbent management. The specialists from outside are paid for their jobs rejecting projects possibly harming shareholder's value and are also faced with potential litigations raised by shareholders who might allege their rights as shareholders are infringed by the outside directors' negligence of their duties. To protect their reputation and not

to be involved in shareholder litigations, outside directors are expected to put their best effort to be faithful to general shareholders. But, in reality, it becomes difficult for the outside directors to be vocal against agendas raised by incumbent managers, many of whom only follows the directions from controlling shareholders. That is because it is the controlling shareholders that allow the seats within boardroom for the outside directors. The outside directors have another incentives to judge corporate agendas not on behalf of general shareholder but of controlling shareholders who allow the directors their leadership position inside the boardroom. A serious dilemma here is that outside directors hired in order to protest agendas destructing the value of general shareholders are concerned about their own job securities and adversely behave for the best interest of controlling shareholders. Such dilemma is indispensable, as outside directorship is designed to protect minority shareholders but controlling individuals can appoint somebody more likely to be cooperative with incumbent management.

The main reason making outside directors not as vocal against value-destructive projects raised by incumbent managers as originally intended is that the officers are also dependent upon the controlling shareholders for their own job security. The outside directors are expected to act solely as agents representing general shareholders. If the agents do not fully represent the interest of the principles (shareholders) delegating their rights, monitoring by outside directorship does not serve the best interest of the shareholders.

The rise of institutional investors holding significant share of public companies opens a possibility of direct supervisorship on the incumbent management. This type of monitoring system is different from the supervision mechanism by outside directors, in a sense that the institutional investors can secure their position as direct shareholders and can vote for/against corporate decisions, using their voting rights. Therefore, the institutions can directly influence corporate decisions while not merely acting as one of monitoring agents inside boardroom. Recent empirical study (Kim et al., 2009) reports positive reaction from stock market if institutional investors become actively involved in corporate management.

As a summary, measure to protect investor's right is needed to make financial markets flourish. Without such protective measures, general investors have no

reason to participate in capital markets. Lack of proper capital markets eventually make companies find it more difficult and expensive to find capital inflow for new projects, leading to less vibrant economy. Under unique ownership structure prevalent in Korea, controlling individuals of public firms maintain their control power only with limited share holdings. Such discrepancy between stock ownership and control rights motivate the controlling shareholders to manage companies in a way that only best serves their personal interest but not the interest of minority shareholders. In an effort to establish an institution for the protection of the right of minority shareholders, public firms are required to hire independent outside directors. But, as the monitoring officers are named following the direction of controlling individuals, the officers also have incentives to serve the interest of the controlling shareholders not of other shareholders. Recent rise of institutional investors, such as pension funds or private equities, provide a better environment where the institutions become directly active in supervising incumbent managers in order to protect general shareholders. Monitoring by outside directorship becomes fragile, as the directors are paid by the people who the individuals are supposed to supervise.

II. The Origin of the Abuse of Control Power

Business group where a family or individual effectively controls multiple firms while not putting necessary capitals into the firms prevails in most of countries nowadays. There have been research attempts to find out what is the underlying motivations to set up business groups, not to run a stand-alone enterprise. Literature for the past 15 to 20 years try to understand the motivation from different perspectives. First perspective pays attention to controlling motivation. Controlling shareholders can effective control all the firms under business group umbrella without putting 100% of necessary capital. Second perspective mention about internal capital market. According the perspective, as firms developing countries cannot enjoy solid institutional help to run business, individuals running a business try to form business group to mimic institutional establishment. The institutional help may include capital raising facilities such as equity market or

debt facilities, labor market, etc. Firms within same business groups share human resources and financially help each other in needy time. This section reviews articles on what is the motivation of business group formation and potential problems which may occur when business group structure is misused.

1. Why Business Groups Prevail

What is the typical corporate governance structure of public companies? How do controlling shareholders maintain their controls when they run more than one business entities? To answer these questions, it is beneficial to see who controls firms in different countries and what kind of governance protocols prevail. In this section, groups of existing literatures are presented to answer the following questions. What is the typical governance structure of firms in different countries? Why do different governance structure prevail in different countries? Why does business group rise in certain countries? Who benefits from forming pyramids? What is the motivation to set up pyramid?

In their pioneering paper, La Porta et al.(1999) argue that countries with poorer investor protection measures show more prevalence of pyramid-type corporate governance structure, while in countries with better investor protections, widely-held firms prevail. Underlying implication of the paper is that investors in the countries of weaker investor protection are reluctant to buy equity stocks from the fear of being exploited by controlling shareholders and therefore prefer investing on debt instruments or bank-deposit both of which require less stringent investor protection measures relative to equity investment to secure their investments. The authors also find that there exists significant gap between cash flow rights and control rights for controlling shareholders of business groups. This finding implies that pyramidal structure is set up by controlling shareholders to control multiple businesses while committing necessary capital as least as possible. Khana and Palepu(2000a) propose different reason for forming business group. They, using Indian data, show that both of accounting and stock return performance are enhanced as business group diversification increases. They interpret this finding as evidence that with the lack of proper institutional functions, firms in emerging markets benefit from their

business group affiliation by replicating institutions within the business group.

On the other hand, business group structure can be also formed primarily for controlling shareholders' private benefits. Bebchuk et al.(2000) present three ways with which controlling shareholders can exercise controlling in excess of their cash flow rights. The authors point cross-ownership, pyramidal structure, and dual class equity structures as measures that controlling shareholders maintain their controls while holding relatively smaller claims for corporate cash flows. Faccio and Lang(2002) support Bebchuk et al.(2000) that controlling shareholders of European firms enhance their corporate control, using dual class shares and pyramids.

2. Who Benefits from Business Group Formation

How do firms of business groups perform in accounting measure and stock market returns? Johnson et al(2000) use 1997-98 Asian financial crisis to test whether the difference in corporate governance leads to different level of depreciation in currency or stock market during the crisis. They find that countries with weaker corporate governance experience severer currency depreciation and stock value decreases. The authors interpret this finding, by saying that in countries of poor investor protection measures, weaker institutional mechanism allows corporate managers to expropriate corporate resources, yielding bigger drops in currency value and stock market performance. Baek et al.(2004) study stock return performance of Korean firms with different level of corporate governance measures. The authors argue that during 1997 Asian financial crisis, the stock prices of the firms with better governance drop less. They test the relation between stock market returns and various governance measures. The measures include ownership percentage of unaffiliated foreign investors and high quality disclosure.

To answer why business group is set up and who benefits from the group formation, Bae et al.(2002) test with Korean intra-business group acquisitions and find evidence that in acquisitions among Korean business groups("chaebols") controlling shareholders benefits while minority shareholders lose by the acquisitions, an evidence consistent with tunneling hypothesis. Baek et al.(2006)

examine whether private securities offerings are used for the benefits of controlling shareholders. The authors find that stock price for the private securities offerings are set in favor of controlling shareholders, while minority shareholders do not benefit by the offerings. Both of the papers support tunneling hypothesis by presenting evidences that intra-group transactions, whether or not the transactions are equity offerings or acquisitions, are set up in favor of controlling shareholders.

3. Alternative Explanation of Business Group Formation

Literatures presented in the previous section mostly say about tunneling or controlling motivations of business group formation. On a different note, Almeida and Wolfenzon(2006) present a rationale to explain why a new project is run by a pyramidal subsidiary, not by a privately-held firm. They argue that controlling shareholders, as individuals, are reluctant to initiate new risky and sizable projects on their own and therefore let pyramidal subsidiaries under their control take the projects instead. On the other hand, controlling shareholders begin less risky and small-sized projects with a firm that they directly control without any intermediary, in order to maximize personal wealth from the relatively safe projects. Maulis et al.(2011) study the firms from 45 countries and conclude that family-controlled business group is set up not only from controlling motivation but also to alleviate financial constraint. They find that in firm level, investment intensity is greater in pyramids than in horizontal stand-alones, reflecting financing advantage of pyramid. The authors also find that within pyramid, internal equity funding and investment intensity increase down from intermediary to subsidiary. The implication of these findings is that pyramidal subsidiaries can have financing advantage compared to stand-alones. By effectively creating internal capital markets within business group, the firms within same business group help firms that have difficulties in raising capital or that launch new projects too risky to be financed by external financial institutions.

Bena and Ortiz-Molina(2013) test this hypothesis by investigating newly-established infant firms in Europe. They find that infant firms created as pyramidal subsidiaries are smaller and less profitable than firms set up as

stand-alone. The authors' finding is consistent with Almeida and Wolfenzon(2006)'s framework to predict what kind of firm characteristics determine whether a new project is supported by pyramidal subsidiary or by a stand-alone firm.

III. Board of Directors

This section surveys the literature about board of directors. The section begins with papers studying whether the size of boards matters to firm performances, visits existing literatures on how effective boards monitor CEO compensation packages, and ends with a study empirically testing the effectiveness of the monitoring system.

There are two main streams of literature regarding board of directors. The first part of the literature is about how well board of directors functions to protect shareholders' wealth. The main duty of board members is to monitor management which is potentially exposed to agency problem. This part of literature generally surveys whether monitoring mechanism is well-functioning and firms with better monitoring system perform better, both in stock price and accounting outcomes.

The second part of the literature is about potential mechanism by which incumbent management may exercise their power to mitigate monitoring mechanism of board of directors. As incumbent CEOs' personal interest is different from that of firms hiring them, in many cases, conflicts of interest situations arise. CEOs' personal interests are about longer tenure, generous compensation, and less sensitive pay-performance scheme. Therefore, there can exist diverse ways for incumbent CEOs to employ measures to protect their status or monetary compensation.

1. Board Characteristics and firm performance

Yermack(1996) shows the negative relation between the size of boards and performance(measured by Tobin's Q). The author argues that after controlling for

factors affecting firms' stock market performances, the negative relation between the size of boards and Tobin's Q is found. With the evidence, the author concludes that small boards are more effective. Weisbach(1988) tests whether outside directors are more effective in penalizing CEOs who show ill performances. He shows that firms where outside directors dominate boards show higher chances of eliminating CEOs in the presence of bad performance, which supports the effectiveness of outside directors in monitoring managements.

Cotter and Zenner(1997) study how outsider directors play their role to protect firm value when the firm gets tender offers from outside bidders. They find empirical evidences supporting a view that outside directors are generally effective in protecting shareholders' value. Specifically, they find that tender offer target firms with independent board show higher offer premium and target shareholders gain throughout the offers, evidences in favor of positive roles of outside directors.

2. The Role of Board of Directors

Shivdasani and Yermack(1999) find that firms where CEOs serve on board nominating committee appoint less directors from outside and that stock market reaction to outside directors' appointment are lower for firms where CEOs actively participate in selecting directors. These findings are consistent with a story that CEOs try to influence board members selection to maintain their control by electing less directors from outside and stock market reacts in negative direction.

Hwang and Kim(2009) study social ties. They show that many of board of directors conventionally classified as "independent" are not actually so after considering social ties between CEOs and directors. The authors measure social ties with attending same university, military service record, or growing up in same hometown, etc. In their study, the authors argue that firms with purely independent boards, after removing socially-tied directors, pay less compensation for directors and also show higher sensitivity for pay-performance. The main idea of this paper is that firms preferentially treat board members with some sort of social ties with top management.

Kim and Black(2012) use an institutional shock in Korea to test market reaction to hiring outside directors. The authors test whether market reaction is positive for firms obligated to accept new directors from outside, by newly enacted Korean law in 1999. The Korean law forces firms above a certain level of size to fill at least 50% of board members from outside. The authors find that stock market reacts positively to the news for large firms relative to small firms.

IV. Managerial Compensation

This section summarizes literature on managerial compensation related issues. Important questions include whether top management compensation is proportional to their contributions for firm value enhancement. It is rational to set up compensation package for top management so as to pay them as they work. In other words, corporate CEOs should be paid well when they are good at increase shareholders' value, while compensation package should shrink when the CEOs are ill performing. Researchers have been long interested in whether this seemingly rational compensation mechanism functions well. Next question is whether other mechanisms employed to make top management's personal interest aligned with firm performance function as the mechanisms are originally designed. Stock option plan is one of the prevalent items in this sort. The option plan is originally established to make top management work for firms' sake, not for their personal interest, as their compensation amount varies along with firm's stock price. But, there also exists empirical evidences that incumbent CEOs try to lock-in their compensation.

1. Top Management Compensation

Is "Pay As You Do" valid in top management compensation? As mentioned earlier, it is rational to set up a management compensation package such that the increase(decrease) of total compensation should be accompanied by increase(decrease) of shareholders' value. Jensen and Murphy(1990) argue that CEO wealth changes is only \$3.25 per \$1,000 shareholder wealth changes. The

authors interpret this magnitude too small to state that CEOs compensation varies with the changes in shareholder wealth. They argue that the size of CEO compensation is irrelevant to firm performance and therefore there exists no incentive for CEOs to do their best to enhance shareholder values. On the other hand, Hall and Liebman(1998) present empirical evidences that the elasticity of CEO compensation to firm performance is meaningful. Their empirical study includes stock option values for CEOs' total compensation, which lead to main difference in empirical results against Jensen and Murphy(1990).

Along with formal monetary compensation, other types of personal benefits can be also considered compensation. Yermack(2006) studies personal use of corporate planes and finds that firms with disclosure of the personal use experience negative stock market reaction.

2. Stock Options

One of the mechanisms that firms use to align management's personal interest with firm's performance is to make some portion of management compensation as deferred in stock option scheme. With stock option by which top management can buy corporate stocks with pre-determined price, the top management has more incentive to improve firm performance to increase the value of his(her) stock option. But, some researchers present empirical evidences showing that top management takes advantage of their power to lock-in their compensation value, regardless of stock option scheme. Yermack(1997) finds systemic evidence that stock option awards coincide with favorable stock market movement of the firms which award the options. The author argue that it seems plausible for CEOs to manipulate the timing of stock option award to maximize the compensation amount of the CEOs. Lie(2005) find similar evidence that unexpected stock option award happens right before the abnormal stock returns and the stock price rises after the award, consistent with Yermack(1997).

V. Institutional Activism

There are two main trend in global institutional investor society. First is the rise of new investment vehicles such as hedge funds and private equities. This type of investors establish funds with wealthy individuals or institutions and execute their investment philosophy based upon their own specialties. They are also relatively free from strict regulations, as regulators feel less pressure for protecting the knowledgeable investors. As the size of the assets managed by these two types increase, the managers of hedge funds or private equities begin to raise their voices against firms where the funds hold large share holdings.

The other trend is the rise of national pension funds among institutional investors. Some of the pension funds are even more aggressive to ask the firms for which the funds invest act in socially beneficial way.

These two lines of new investment waves differentiate themselves by actively trying to participate management decision of the firms where they hold large shares.

As new institutional investors rise recently, related papers only come lately. Brav et al(2008) investigate the nature of hedge fund activism with the research questions of whether hedge funds seek for only capital gains or actively pursue corporate controls. In their paper, the authors show that hedge funds rarely try to control firms which they invest on and for various corporate issues and do not vote against incumbent management's decision. On the contrary, Klein and Zur(2009) study confrontational hedge fund activism and find that confrontational reaction of hedge funds against the firms that they invest on yield positive stock market reactions. The authors also find that hedge funds going against incumbent management's decision succeed in carry through their plans overall.

Guercio and Hawkins(1999) study pension funds' activism and conclude that there exists significant variance of investment objectives and tactics among different pension funds. The authors also report that the pension funds are generally good at initiating positive changes inside the firms that the funds have stakes of.

Kim et al.(2009) test how effective institutional activism is in monitoring firms. The authors use public announcements of firms, when a certain block shareholder of the firms switches its investment purpose from pure capital gain to managerial participation. The stock market reaction, on average, is positive for

the public announcements. They interpret this empirical finding as evidence that active management involvement of institutional investors increases firm values.

VII. Conclusion

In this paper, we review recent literatures covering various issues on corporate governance. The issues include typical governance structure of modern corporate, the motivations of business group formation, the role and efficiency of board of directors, topics on managerial compensation, and finally recent movement of institutional activism. Except business group related issues, empirical studies of recent governance literatures mostly focus on US data. That is partially because of data limitation of other countries.

It is necessary to review article on specific topics periodically for better implementing regulations from social welfare perspectives. It still remains to summarize articles focusing on Korea or Asian countries to have necessary implications for implementing new regulations on current Korean corporate environment.

본 논문은 다른 학술지 또는 간행물에 게재되었거나 게재 신청되지 않았음을 확인함

References

- Almeida, H., and D. Wolfenzon (2006). A theory of pyramidal ownership and family business groups, *Journal of Finance* 61, pp. 2637-2680.
- Bae, L., Kang, J., and D. Kim (2002). Tunneling or value added? Evidence from mergers by Korean business groups, *Journal of Finance* 71, pp. 2695-2740.
- Baek, J., Kang, J., and I. Lee (2006). Business groups and tunneling: Evidence from private securities offerings by Korean chaebols, *Journal of Finance* 61, pp. 2415-2449.
- Baek, J., Kang, J., and K. Park (2004). Corporate governance and firm value : Evidence from the Korean financial crisis, *Journal of Financial Economics* 71, pp. 265-313.
- Bebchuk, L. A., R. Kraakman, and G. Triantis (2000). Stock pyramids, cross-ownership and dual class equity: The mechanisms and agency costs of separating control from cash-flow rights, In R. K. Morck, (ed.), *Concentrated Corporate Ownership*, pp. 295-318. Chicago: University of Chicago Press.
- Bena, J., and H. Ortiz-Molina (2013). Pyramidal ownership and the creation of new firms. *Journal of Financial Economics* 108, pp. 798-821.
- Brav, A., Jiang, W., Partnoy, F., Thomas, R. (2008). Hedge fund activism, corporate governance, and firm performance. *Journal of Finance* 63, p.1729-1803.
- Cotter, J. A. Shivdasani, and M. Zenner (1997). Do independent directors enhance target shareholder wealth during tender offers?, *Journal of Financial Economics* 43, p.195-218.
- Del Guercio, D., Hawkins, J. (1999). The motivation and impact of pension fund activism. *Journal of Financial Economics* 52, p.293-340.
- Faccio, M., and L. Lang (2002). The ultimate ownership of Western European corporations, *Journal of Financial Economics* 65:3, pp. 365-395.
- Hall, B., and J. Liebman (1998). Are CEOs really paid like bureaucrats?, *Quarterly Journal of Economics*, Vol 113, p. 653-691.
- Hwang, B., and S. Kim (2009). It pays to have friends, *Journal of Financial Economics* 93:1, p. 138-158.
- Jensen, M. and K. Murphy (1990). Performance Pay and Top-Management Incentives, *Journal of Political Economy* 98, p.225-264.
- Johnson, S., Boone, P., Breach, A., and E. Friedman (2000). Corporate governance

- in the Asian financial crisis, *Journal of Financial Economics* 58, pp. 141-86.
- Khanna, T., and K. Palepu (2000). Is group affiliation profitable in emerging markets? An analysis of diversified Indian business groups, 55,p.867-92.
- Kim, W., and B. Black (2012). The effect of board structure on firm value: A multiple identification strategies approach using Korean data, *Journal of Financial Economics* 104:1, p. 203-226.
- Kim, W., Kim, W., and K. Kwon (2009). Value of outside blockholder activism: Evidence from the switchers, *Journal of Corporate Finance* 15, p.505-522.
- Klein, A., Zur, E. (2009). Entrepreneurial Shareholder Activism: Hedge Funds and Other Private Investors, *Journal of Finance* 64, p. 187 -229.
- La Porta, R., Lopez-de-Silanes, F., and A. Shleifer (1999). Corporate ownership around the world, *Journal of Finance* 54, pp. 471-517.
- Lie, E. (2005). On the timing of CEO stock option awards, *Management Science* 51, p 802-812.
- Masulis, R., P. K. Pham, and J. Zein (2011). Family business groups around the world: Financing advantages, control motivations, and organizational choices, *Review of Financial Studies* 24, pp. 3556-3600.
- Shivdasani, A. and David Yermack (1999). CEO Involvement in the Selection of New Board Members: An Empirical Analysis, *Journal of Finance*, 54, p. 1829-1854.
- Weisbach, Michael S. (1988). Outside Directors and CEO Turnover, *Journal of Financial Economics* 20, p.431-460.
- Yermack, D. (1997). Good timing: CEO stock option awards and company news announcements, *Journal of Finance* 52, p.449-476.
- Yermack, D. (2006). Flights of fancy: Corporate jets, CEO perquisites, and inferior shareholder returns, *Journal of Financial Economics* 80(1), 211-242.
- Yermack, David (1996). Higher Valuation of Companies with a Small Board of Directors,” *Journal of Financial Economics* 40 (2), p.185-212.

기업지배구조 최근 연구 방향에 관한 고찰

최 성 환* · 이 지 훈** · 양 동 령***

요 약

본 논문은 기업지배구조에 관하여 논한 최근 연구 결과물들을 고찰하였다. 기업지배구조에 관하여 다루어졌던 주요한 이슈들은 다음과 같다. 기업집단이 형성되는 이유, 기업 집단 형성에 따른 이익과 사회적 영향, 기업 이사회는 주주가치 보호라는 본래의 설립 취지를 살려 잘 운영되어 왔는지 여부, 최고 경영진에 대한 적절한 보상 수준, 최근의 기관투자자들의 투자자 행동주의의 효과 등이다. 일반적으로 기업지배집단은 여러 기업의 경영권을 유지하면서, 타인 자본 활용의 효과를 함께 활용하려는 최대주주에 의해 설립될 수 있다는 의견과 상대적으로 기업 활동을 보조하기 위한 사회적 인프라가 될 갖추어진 국가에서 동일 기업 집단 내의 재무적, 인적 자원을 상호 활용하고자 하는 동인에서 설립된다는 논문들이 조사되었다. 최근 들어 급격히 성장하고 있는 최고경영진의 보상 수준에 대한 논문들은 그러한 보상 수준에 걸맞도록 최고경영진이 기업 가치 상승에 도움을 주었는지를 주요 논점으로 다루고 있으며, 연구 결과는 이러한 문제에 대해 일관된 답을 주지 못하고 있는 것으로 판단된다. 최근 들어 급격히 성장한 대규모의 연금 펀드 및 사모펀드를 포함한 기관투자자들이 적극적으로 피투자회사의 경영에 관여하고 있는지 여부와 그러한 개입이 기업 가치 증대에 긍정적인 영향을 미치는 지에 대해 최근 많은 연구가 이루어져왔다. 전반적으로 사모펀드 등은 적극적 개입을 통해 주주 가치 극대화를 추구하는 경향이 있는 반면, 연금 펀드 등은 경영 참여 등을 자제하는 동시에 투자 수익률의 극대화를 소극적으로 추진하는 것으로 판단된다. 이러한 기존 논문들에 대한 고찰은 기업 지배구조에 관한 여러 가지 규제 및 제도의 도입을 고려하고 있는 현재 한국의 실정을 고려할 때, 각 규제 혹은 제도가 미칠 수 있는 잠재적 영향을 여러 각도에서 고찰할 수 있는 기회를 제공한다는 측면에서 의의를 찾을 수 있다.

(Key Words) 기업 지배구조, 기업 집단, 이사회, 행동주의 기관투자자

* 한국복지대학교 복지 경영학과 교수, choish369@hanmail.net, 053-712-3066, 제1저자.

** 서경대학교 경영과 교수, johnlee@seojong.ac.kr, 공동저자.

*** 서경대학교 호텔경영과 교수, dongryung.yang@gmail.com, 교신저자.