

The Impact of ESG Performance on Firm Value Based on Heterogeneity of Executive Team

Ma Heng¹, Zheng Yingfei²

^{1,2}Nanjing University of Aeronautics and Astronautics, China

Abstract

This paper conducts an empirical analysis on a total of 6030 observed values of 1,206 A-share listed companies from 2017 to 2021, and uses stakeholder theory, principal-agent theory, information asymmetry theory and high-level team theory to explore the relationship between ESG and firm value, as well as the moderating effect of heterogeneity of senior management team on this relationship. The two-way fixed effect model was used in regression analysis, and the results showed that ESG was significantly positively correlated with enterprise value, and the heterogeneity of senior management team had a partial moderating effect on ESG and enterprise value. Among them, the smaller the age and gender heterogeneity of the executive team, the more beneficial the promotion effect of ESG on enterprise value, while the moderating effect of the heterogeneity of executive education background on ESG and enterprise value is not obvious. According to the group regression of property rights and industry nature, the results show that the influence of ESG on firm value and the moderating effect of executive team heterogeneity are more significant in non-state-owned and non-polluting enterprises.

Keywords: ESG, the Heterogeneity of Senior Management Team, Enterprise Value, the TwoWay Fixed Effect Model, the High-Level Team Theory