

# Jiajun Tao

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## EDUCATION

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**Bayes Business School (formerly Cass), City, University of London** 2018 - Present

*PhD in Finance; GPA: 3.6/4.0*

**University of Birmingham** 2016 - 2017

*MSc Investments; GPA:82.9% (Top 1 student)*

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## RESEARCH INTERESTS

**Primary Fields:** Empirical Corporate Finance; CSR/ESG; Labour and Finance

**Secondary Fields:** Ownership, Green Finance, Mergers and Acquisitions (M&As)

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## WORKING PAPERS

### 1. Corporate Social Responsibility and Post-merger Labour Restructuring (Job Market Paper)

Using a unique panel of target firms in European countries, this paper examines how corporate social responsibility (CSR) affects employment policies after acquisitions. Surprisingly, I find that acquirers with greater CSR performance are *more* likely to lay off employees in target firms. My findings are primarily driven by the *Social* component of the CSR rating. I further document a positive impact of acquirers' social performance on target firms' labour productivity, technical efficiency, and staff costs. In addition, I show that socially responsible firms enjoy higher announcement returns, especially when they do more layoffs. These results are consistent with the cost-saving channel that higher labour costs induced by the implementation of CSR policies decrease the optimal level of employment in acquired targets. Overall, my paper contradicts the argument that socially responsible firms are inconsistent with value maximisation and shows that they are managed to maximise shareholder interests by *engaging in more* post-merger labour restructuring.

*Selected presentations: FMA Europe Doctoral Consortium (2023); EFMA Doctoral Seminar (2023); EFMA (2023); FMCG PhD Symposium (2023); Finance and Accounting 2023 Annual Research Symposium; RES Annual Conference (2023); 17th Asia-Pacific Financial Markets Conference (2022), 8th Paris Financial Management Conference (2022); New Zealand Finance Meeting (2022); 35th Australasian Finance and Banking Conference; University of Bologna Sustainable and Socially Responsible Finance Conference (2022); Conference on Mergers, Innovation & the Labour Market (2022); Bayes Business School Finance Research Day (2022)*

### 2. Does Knowledge Protection Spur Common Ownership? Evidence from the Inevitable Disclosure Doctrine (with *Jiaying Li*)

We study the effects of knowledge protection on common ownership by exploiting the staggered adoption of the Inevitable Disclosure Doctrine (IDD) in a difference-in-difference setting. We find that the recognition of IDD causes an increase in firm-level common ownership. The effect is stronger for firms in industries that rely more on human capital and that with higher R&D spillovers. We show that the IDD-induced increase in common ownership is mainly led by long-term investors. Our findings shed light on the efficiency-improving hypothesis of common ownership - in the presence of an active IDD, firms conduct more innovation activities and enjoy better operating performance when there is an exogenous increase in common ownership. Overall, this paper provides direct evidence that information sharing serves as an important motive for common ownership.

*Selected presentations: LBS Trans-Atlantic Doctoral Conference (2023); NBIM-Oxford Conference on Common Ownership (2023); SGF Conference PhD Session (2023); RES Annual Conference (2023); Bayes Business School Finance Research Day (2021)*

### 3. Employment Protection and Business Groups (with *Giacinta Cestone* and *Francisco Urzua*)

This paper exploits the adoption of Spanish labour reform in 2012 to study how business groups in response to the changes in employment protection legislation (EPL). Our research shows that the existence of internal labour

markets (ILMs) allows the business groups to relocate employees across group units cheaply. The business group firms are thus less responsive to the exogenous changes in labour regulations than similar unaffiliated firms. In particular, we find that group firms experience less employment growth and more investment after the reform and this relation is more pronounced for the geographically concentrated group, where affiliates face more favourable internal mobility. We also show that the adoption of the labour reform decreases the value of the ILM, and makes group affiliation less attractive. This finding is consistent with the view that ILM plays an essential role in driving group affiliations.

*Selected presentations: Bayes Business School Finance Research Day (2020)*

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## SELECTED WORK-IN-PROGRESS

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### 1. Does Local Corruption Spur Corporate Carbon Emissions? (with *Lihang Chen*)

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#### CONFERENCE/SEMINAR PRESENTATIONS (INCLUDES SCHEDULED AND INVITED)

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**2023:** LBS Trans-Atlantic Doctoral Conference; FMA Europe Doctoral Consortium; EFMA Doctoral Seminar; EFMA; FMCG PhD Symposium; NBIM-Oxford Conference on Common Ownership; SGF Conference PhD Session; Finance and Accounting 2023 Annual Research Symposium; RES Annual Conference; BAFA Annual Conference

**2022:** 17th Asia-Pacific Financial Markets Conference, 8th Paris Financial Management Conference; New Zealand Finance Meeting; 35th Australasian Finance and Banking Conference; University of Bologna Sustainable and Socially Responsible Finance Conference; Conference on Mergers, Innovation & the Labour Market; Bayes Business School Finance Research Day

**2021:** Bayes Business School Finance Research Day

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#### TEACHING EXPERIENCE

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<b>Bayes Fellow in Finance (Teaching)</b>	2022 - 2023
<i>IF3108 Corporate Finance (BSc)</i>	
<i>SM233 Mergers &amp; Acquisitions (MSc)</i>	
<b>Teaching Assistant at Bayes Business School</b>	2019 - 2022
<i>IF1104 Introduction to Finance (BSc)</i>	
<i>FR1101 Finance and Investment (BSc)</i>	

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#### HONORS AND AWARDS

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<b>Cass Business School PhD Studentship</b>	2018 - 2023
<b>MSc Investment Prize at University of Birmingham (Top 1 student)</b>	2017
<b>CFA Program University Student Scholarship (Top 3 students)</b>	2016

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#### REFERENCES

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**Giacinta Cestone**  
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City, University of London  
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#### PROGRAMMING SKILLS

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Stata, EViews, Microsoft Office, L<sup>A</sup>T<sub>E</sub>X, Python (Beginner)