

# THE HONG KONG POLYTECHNIC UNIVERSITY DEPARTMENT OF MANAGEMENT AND MARKETING

## Departmental Research Seminar



### Feelings in the Boardroom: Shareholder Activism and Director Emotion By

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**Date : 27 Apr 2022 (WED)**  
**Time : 9 am – 10:30 am**  
**Venue : Online via Zoom**

#### **Abstract**

The growth in shareholder activism has fueled scholarly attention regarding how firms respond when investors intervene to influence organizational decision making. We argue that prior work underestimates the extent to which shareholder activism arouses director emotion, potentially affecting how objectively boards respond to activist demands. We theorize that episodes of shareholder activism produce director emotion because these interactions impact whether board members can realize the basic psychological needs that motivate board service and support psychological well-being. We leverage prior research to identify the situational characteristics of activism that are most likely to generate various types of director emotion. Our theory also addresses how these emotions affect individual-level and group-level decision processes in ways that impact responsiveness. By recognizing the link between investor activism and director emotion, we aim to highlight the largely unexamined role of emotion in the boardroom and build a more complete understanding of board responsiveness.

**Prof. Amanda Cowen's** research interests center on corporate governance and strategic leadership. Her work aims to develop socially informed theories that help to explain decision making and outcomes in these domains. She is especially interested in understanding how key stakeholders interpret and respond to organizational failures or controversies. Professor Cowen's research is published in journals such as *Academy of Management Journal*; *Academy of Management Review*; *Strategic Management Journal*; *Journal of Management*; *Journal of Applied Psychology*; *Journal of Personality and Social Psychology*; and *Journal of Accounting and Economics*. She is currently an associate editor at *Academy of Management Journal*. She also serves on the editorial review board of *Academy of Management Review* and is a member of the leadership team for the Strategic Management Society's Strategic Leadership & Governance interest group.

**All interested are welcome.**



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