Departmental Seminar (2019-2020)

Count Me In: Which Firms Pursue Opportunities Created by Transnational Climate Regulations?

Speaker: Dr Sanjay PATNAIK
The George Washington University, USA

Date: 18 November 2019 (Monday)
Time: 2:00 pm - 3:30 pm
Venue: Suite 3001, 30/F, Courtyard by Marriott Hong Kong Shatin
1 On Ping Street, Sha Tin, New Territories, Hong Kong

Abstract

This paper uses the behavioral theory of the firm to examine firms’ strategic responses to new transnational climate regulations. Within the empirical context of the European Union Emissions Trading Scheme (EU ETS), the world’s largest regulatory program for greenhouse gases, we explore which firms take advantage of profitable opportunities by capitalizing on price differences in the market for emissions permits. We predict that information advantages and systematic differences in managerial attention influence the likelihood that firms sense and seize these new opportunities. Leveraging pre-existing differences in operating structure, location, and industry we find results consistent with these predictions. This is the first study investigating how managerial attention and information shape firms’ responses to regulations, and it contributes to our understanding of how complex transnational regulations can influence firm advantage within the context of new climate change policies.

Short bio

Sanjay Patnaik is a faculty member in the Department of Strategic Management and Public Policy at the George Washington University (GWU) School of Business in Washington, D.C. He also has an affiliation as Senior Fellow for the Initiative for Environmental Leadership (IGEL) at the Wharton School, University of Pennsylvania. In addition, he serves on the advisory board for IGEL, and is a Fellow for the Initiative for Sustainable Energy Policy (ISEP) at Johns Hopkins University. Before joining GWU, Prof. Patnaik was a visiting lecturer and senior fellow in the Management Department at the Wharton School, Univ. of Pennsylvania. He earned his doctorate in business administration (strategy) from Harvard Business School. Dr. Patnaik’s main research and teaching interests include among others strategic management, global strategy, climate change and environmental regulation, non-market strategy and carbon markets. Prior to the completion of his doctoral studies at Harvard Business School, Prof. Patnaik worked in investment banking and academia. He holds a master’s degree in economics and computer science and a master’s degree in business engineering and computer science, both from the Vienna University of Technology in Austria.