



School of Business

Research Seminar Series 2021-2022

“Dividend policy and systemic risk vulnerability”

Dr. Thomas O’Connor – School of Business

Date: Tuesday 29, March 2022

Time: 1pm – 2pm

Venue: MS Teams

Paper Abstract

We analyse whether the systemic risk vulnerabilities that firms face influences their payout policies. We compute two firm-specific measures of systemic risk vulnerability for 1,145 non-financial corporations and confirm that systemically vulnerable firms make lower dividend payouts. Systemic risk vulnerability does not influence the decision to pay, initiate, or omit a dividend. We find no evidence that the payout mix is affected; systemically vulnerable firms do not prefer repurchases over dividends. Our results are not driven by the global financial crisis period of 2008-2009.