

BICM Research Seminar 51

We cordially invite you to join our research seminar and contribute to share academic excellence. Please note the following specifics about the upcoming seminar.

Paper details	
Title	Proxy Contest, Interlocking Directors and Insider Trading Profitability
Authors	Dewan Rahman University of Queensland
	Muhammad Asger University of Queensland
	Muhammad Kabir University of Manitoba
	Barry Oliver University of Queensland
Presentation details	
Presenter researcher	Dewan Rahman
Date	19 January 2026 (Monday)
Time	03:30 – 04:30 PM
Venue	BICM Multipurpose Hall
Expected Participants	Faculty Members of BICM & Invited Guests
Discussants	Saiful Islam President Dhaka Brokers Association of Bangladesh (DBA)
	Dr. Sadia Noor Khan Associate Professor Department of Banking and Insurance, University of Dhaka

About the Presenter

Dr. Dewan Rahman is a Senior Lecturer in Finance at UQ Business School. He completed his PhD in Finance at the same university with a prestigious Endeavour Scholarship. He also holds an MSc in Finance from the University of Strathclyde, UK, with a Commonwealth Scholarship. Before joining UQ, Dr. Rahman also served at the University of Dhaka. Dewan's research interests span insider trading, corporate finance, corporate governance, and corporate disclosures. His work has been published in leading international journals, including the Journal of Corporate Finance, Journal of Banking and Finance, European Accounting Review, and Accounting and Business Research. In recognition of his research contributions, he received the UQ Business School Excellence in Research Award in 2020. In 2024-2025, Dewan was a Fulbright scholar at the Ross School of Business, University of Michigan. He teaches asset pricing, finance, and investment and portfolio management across undergraduate and postgraduate programs, and finds both teaching and research deeply rewarding, particularly when engaging with students and collaborating on research projects.

The paper abstract is given below. If you have any questions regarding the seminar or you wish to present a paper or invite a guest researcher, please do not hesitate to contact S. M. Kalbin Salema, Assistant Professor, BICM at kalbin@bicm.ac.bd.

Proxy Contest, Interlocking Directors and Insider Trading Profitability

Dewan Rahman¹, Muhammad Asger¹, Muhammad Kabir², & Barry Oliver¹,

Abstract

We empirically examine whether and how proxy contests affect insider trading profitability in interlocked firms following directors' involvement in proxy contests at target firms. After facing proxy contests, directors face a significant decline in directorships in both target and non-target firms. Using a U.S. sample of 819 target firms and 2,908 interlocked firms from 1998-2020, we show the disciplinary effects of proxy contests in interlocked firms. In a difference-in-differences setting, we find that insider trading profitability decreases in the interlocked firms following proxy contests, as directors enhance monitoring and improve governance to avoid facing future proxy contests. Our results are robust to a wide range of tests, including methods addressing endogeneity concerns. Our cross-sectional analyses further show that the reduction in insider trading profitability is due to less information asymmetry and improved governance mechanisms. Overall, the results display the importance of career concerns for directors and common ownership in driving policy spillovers across interlocked firms.

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