Public Activism and Labor-Related Corporate Disclosure*

Jiamin Zhao†

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Abstract

This paper examines whether public activism is relevant to corporate disclosure even when the underlying public activity is not directly targeted at the focal firm. Using non-firm-specific labor-related public activism in the same county as firms' headquarters, I find that greater local public activism is associated with less discussion of current labor-related operating conditions relative to talent-management information in subsequent earnings calls. Consistent with the potential informational relevance of public activism, the association is more pronounced when the underlying public activism has greater attention-generating potential and varies with the relevance and reach of surrounding audiences. The findings suggest that information about the surrounding public environment may be relevant to firms' disclosure choices even without direct firm-specific activist pressure. More broadly, they highlight how the potential use of investor-facing disclosure may depend on the prominence of an issue and the audiences that can use the disclosed information.

Keywords: public activism; corporate disclosure; stakeholders; earnings calls
JEL Classification: M41; M14; D82; G14

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†IESE Business School. Email: JZhao@iese.edu

1 Introduction

Public activism can convey information about social concerns even when the underlying activity does not directly target a particular firm.[1] Prior research shows that collective public action can influence public opinion, electoral outcomes, policymaking, and financial-market valuations (Madestam et al., 2013; Acemoglu et al., 2018; Wasow, 2020). An important insight from the political-economy literature is that observable mobilization can also reveal the intensity of public concerns and individuals' willingness to act on them (Lohmann, 1994). Recent evidence suggests that firms may respond to this information even when they are not themselves targeted by the underlying activity (Zhang et al., 2023). Whether information about societal concerns revealed through public activism is associated with firms' investor-facing disclosure decisions, however, remains less understood.

Existing accounting research identifies several channels through which external stakeholder concerns can affect corporate disclosure. Non-investor stakeholders may use publicly disclosed information in employment, bargaining, contracting, and other economic relationships with the firm (Hilary, 2006; deHaan et al., 2023; Choi et al., 2023a; Noh et al., 2025). Social and political concerns may also become relevant to disclosure when they represent firm-specific economic exposures, when activists directly target the firm, or when disclosure itself becomes the object of stakeholder demands (Christensen et al., 2021; Friedman and Ormazabal, 2024; Sautner et al., 2023; Baloria et al., 2019; Michelon et al., 2020). These studies establish why the external environment can matter when it is directly connected to the focal firm. It is less clear whether such a connection is necessary for public activism to be associated with corporate disclosure.

I examine this issue using non-firm-specific labor-related public activism in the same county as firms' headquarters and subsequent labor-related communication in earnings calls. The public

[1] I use *public activism* as an umbrella term for observable forms of collective public action, including protests, rallies, marches, and demonstrations, that are commonly studied as manifestations or tactics of social activism and social movements (Briscoe and Gupta, 2016). The term describes the observable public activity and does not imply that all such events belong to a particular social movement. I use *non-firm-specific* to distinguish public activity whose stated claims are not directed at an identified focal firm, its employees, or its operations. Such activity need not be untargeted more generally: it may concern government, public policy, an industry, or a broader social issue. In the empirical measure, I exclude identifiable firm-specific public activism.

activism need not target the focal firm, involve its employees, or concern its operations. Rather than interpreting this activity as a direct source of firm-specific economic information, public activism may provide information about current societal concerns. Managers may already know that labor concerns exist but may be less informed about their contemporaneous prominence in the surrounding public environment. Observed mobilization can provide information about the intensity of public concern and stakeholders' willingness to act on labor issues, even without direct activist pressure on the focal firm.

Such information may matter for disclosure because statements intended to inform investors are also available to audiences with different economic interests. Labor-related disclosure can help investors assess operating performance and risk (SEC Investor Advisory Committee, 2023; Jennings et al., 2025), but the same information may be used by employees, trade unions, faith-based shareholder advocates, and political actors to support labor-related demands or public-policy arguments (Hilary, 2006; deHaan et al., 2023; Choi et al., 2023a). Importantly, the potential costs of disclosure need not arise only from revealing unfavorable operating conditions. Statements indicating that firms have successfully accommodated higher labor costs may reassure investors about operating performance while also providing support for additional wage-related demands. The consequences of disclosure may therefore depend not only on the information conveyed but also on how that information may subsequently be used.

In turn, managers' assessment of these concerns may be influenced by non-firm-specific public activism. Greater labor-issue prominence may increase the perceived likelihood that corporate statements will attract attention or be used to support stakeholder demands and public-policy debates, even when the public activism does not concern the focal firm. At the same time on the demand side, investors may place greater value on workforce information when labor issues become more prominent. Thus, the surrounding public environment may affect both the demand for disclosure and its costs. Because these forces may operate in opposing directions, the association between public activism and labor-related disclosure is ambiguous ex ante (Verrecchia, 1983; Wagenhofer, 1990).

The association may also differ across types of workforce information. Therefore, I distinguish

discussion of current labor-related operating conditions—including staffing constraints, labor availability, compensation, turnover, overtime, and labor-cost pressures—from discussion of recruitment, retention, employee skills, workforce development, and talent-management practices. Current operating information is useful to investors but may also inform other audiences about firms' employment conditions and their ability to accommodate labor-related demands (Hilary, 2006; deHaan et al., 2023; Ham et al., 2026; Core et al., 2008). Talent-management information is likewise relevant to investors and other stakeholders but is generally less informative about contemporaneous labor costs and working conditions. These differences motivate separate examination of the two disclosure categories.

Earnings conference calls provide a useful setting for examining my research question. Although directed primarily toward capital-market participants, information disclosed in these calls is publicly accessible and may reach broader audiences through information intermediaries (Call et al., 2022). Earnings calls also allow distinctions among different components of corporate communication: analysts determine which questions to raise, while managers retain discretion over prepared remarks and how they respond (Matsumoto et al., 2011; Mayew, 2008; Gow et al., 2021; Dai et al., 2026). These features make earnings calls suitable for studying the relation between the surrounding public environment and labor-related disclosure.

To examine this relation empirically, I combine event-level public-activism data from the Crowd Counting Consortium with LSEG earnings-call transcripts and firm-level data for U.S. public firms from 2017 to 2023. I measure participation in non-firm-specific labor-related public activism within firms' headquarters counties, excluding events associated with identified firm-specific activism. Using Latent Dirichlet Allocation, I measure discussion of current labor-related operating conditions and talent-management information in subsequent earnings calls. The final sample comprises 39,262 earnings calls from 2,384 firms. The empirical design exploits within-firm variation of public activism over time and includes firm and calendar-quarter fixed effects, controls for non-labor public activism, and firm characteristics.

The principal finding concerns the composition of labor-related disclosure. Greater local

labor-related public activism is associated with less discussion of current labor-related operating conditions relative to talent-management information. This cross-topic difference is statistically significant in prepared remarks, the full Q&A, and management answers, but not in analyst questions. In management answers, I observe a reduction in discussion of current labor-related operating conditions rather than a detectable increase in talent-management information. The association with aggregate labor-related disclosure is also negative, although less robust across specifications.

The magnitude of the association is economically meaningful relative to the observed level of operating-condition discussion. A one-standard-deviation increase in the public-activism measure is associated with 0.074 percentage points less operating-condition discussion in management answers, equivalent to approximately 6.2% of the sample mean.

To address alternative explanations, I conduct additional analyses to assess whether the documented association can instead be attributed to more direct firm-specific pressures or local economic conditions. I examine observed activist targeting, local labor-market conditions, the geographic scope of the association, and managerial information availability. Using independent data on firm-specific activist campaigns, I find that the principal cross-topic association persists after accounting for observed direct labor targeting and among firms without identified direct targeting. The association also remains after controlling for ex ante local labor-market conditions and does not vary systematically with firms' prior hiring exposure to their headquarters counties. Geographic analyses suggest that the association does not simply follow physical proximity or shared local labor markets. Instead, the association also varies depending on whether public activism occurs within the firm's headquarters county or the congressional district containing its headquarters. Analyses of management responses to explicit analyst questions about labor costs provide limited evidence that reduced managerial information availability explains the negative association. These findings suggest that the principal association is not fully accounted for by the measured direct-pressure and local economic channels, although other firm-specific explanations cannot be ruled out.

I conduct additional analyses to characterize the informational relevance of public activism and the sensitivity of the main result. The negative association with current labor-related operating

disclosure is stronger for public activism with greater attention-generating potential, as measured using event characteristics such as violence, arrests, and disruption. A composite index of observable event characteristics is positively associated with documented media coverage.

Moreover, the difference in the association between high- and low-attention public activism depends on the level of public activism observed locally in recent periods. These patterns are consistent with the informational relevance of observed mobilization depending on its characteristics and the surrounding public environment.

I also exploit variation in the potential consequences of disclosure to assess the sensitivity of the main result. The negative association between labor-related public activism and aggregate labor-related disclosure is more pronounced among firms with greater ex ante media visibility, consistent with the potential reach of corporate statements being relevant to disclosure incentives. In addition, when labor-related activism concerns formal public-policy issues, the negative association extends beyond current operating information to talent-management disclosure. Additional analyses using predetermined employee reviews provide suggestive, but specification-sensitive, evidence that the association with operating-condition disclosure also varies with firms' pre-existing employee relations. These patterns are consistent with the association between public activism and corporate disclosure varying with the potential reach, relevance, and uses of corporate information, although they do not identify how such information is subsequently used.

To examine capital-market implications of the main result, I examine analyst forecast disagreement around the subsequent earnings call. Local labor-related public activism is associated with lower post-call disagreement, but not with pre-call disagreement. These patterns do not establish that changes in corporate disclosure cause analysts' forecasts to converge or that lower disagreement necessarily reflects improved information quality.

This study contributes to three related literatures. First, I extend research on the economic consequences of public activism by examining its association with corporate disclosure. Prior research shows that collective public action can convey information about public concerns and influence political and corporate decisions (Lohmann, 1994; Madestam et al., 2013; Acemoglu et al.,

2018; Wasow, 2020; Zhang et al., 2023). I provide evidence that non-firm-specific labor-related public activism in firms' headquarters counties is associated with the thematic content of earnings conference calls. To my knowledge, this is the first evidence linking non-firm-specific public activism to firms' investor-facing disclosure choices.

Second, I contribute to research on multi-audience disclosure by highlighting a state-dependent dimension of disclosure incentives. Prior research emphasizes how disclosure is shaped by stakeholders, firm-specific risk exposures, or the ability to exert direct stakeholder pressure (Hilary, 2006; deHaan et al., 2023; Choi et al., 2023a; Noh et al., 2025; Christensen et al., 2021; Friedman and Ormazabal, 2024; Sautner et al., 2023; Baloria et al., 2019; Michelon et al., 2020). I contribute to this research by examining a specific type of public activism that does not directly target the focal firm, yet the surrounding public environment is associated with its subsequent disclosure choices. The findings are consistent with the view that firms' disclosure incentives may depend on the prominence of the underlying issue and the potential use of investor-facing information by audiences with different economic interests. This suggests that multiple audiences may be relevant to firms' disclosure choices even in the absence of direct firm-specific stakeholder pressure.

Third, I contribute to research on voluntary human-capital disclosure by documenting variation in the composition of workforce-related communication. Prior research examines investor demand for human-capital information, variation in disclosure content and quality, and the relevance of corporate information to labor-market participants (Jennings et al., 2025; Bourveau et al., 2022; Dey et al., 2022; Baker et al., 2024; Choi et al., 2023b, 2026). I find that greater local labor-related public activism is associated with less discussion of current labor-related operating conditions relative to talent-management information. This evidence highlights disclosure composition as a margin of voluntary communication that may not be apparent from aggregate measures of labor-related disclosure.

The remainder of the paper proceeds as follows. Section 2 develops the conceptual framework and hypothesis. Section 3 describes the data and measurement, and Section 4 presents the research design. Section 5 reports the main results. Section 6 assesses alternative explanations, Section 7

presents additional analyses, Section 8 reports robustness tests, and Section 9 concludes.

2 Public Activism and Disclosure Incentives

2.1 Public Activism as Information about Labor-Issue Prominence

Public activism can convey information about social concerns that are otherwise difficult to observe. A central insight from the political-economy literature is that protests can aggregate dispersed information about citizens' preferences and concerns and make that information observable to decision makers (Lohmann, 1994; Battaglini, 2017). Observable mobilization may therefore reveal not only the existence of an issue, but also the intensity of public concern and individuals' willingness to act on it. Related research shows that public activism can attract media and elite attention, shape the public agenda, and affect political and economic outcomes (Madestam et al., 2013; Wasow, 2020; Acemoglu et al., 2018). I use *issue prominence* to refer to the extent to which an issue commands attention and concern in the surrounding community. Public activism may thus provide time-varying information about issue prominence even when the underlying issue is already known.

This informational role does not require the observed activity to target a particular firm. Zhang et al. (2023) show that diffuse street protests that do not target businesses are associated with subsequent governance choices among locally headquartered firms, consistent with an information-based interpretation of public activism. Related research suggests that firms' interpretations of public activism depend on the surrounding community context (Briscoe et al., 2026). Unlike the direct-pressure channel emphasized in much of the private-politics and social-movement literature, this perspective suggests that public activism may be relevant to firms because of what it reveals about the surrounding environment rather than because activists impose demands on them.

Corporate headquarters provide a geographic reference point for examining this informational environment. Headquarters situate corporate decision making within local institutional and social contexts, and prior research links headquarters-community characteristics to firms' reporting and

other corporate decisions (McGuire et al., 2012; Hasan et al., 2017; Marquis et al., 2007; Tilcsik and Marquis, 2013; Duchin and Sosyura, 2021). Managers may also become aware of local social activity through employees, community ties, civic actors, local events, and news coverage (Briscoe et al., 2026). Public activism in the same county as firms' headquarters may therefore provide information about the surrounding social environment, without implying that geographic proximity is the only relevant dimension of exposure.

I apply this perspective to non-firm-specific labor-related public activism in the same county as firms' headquarters. Rather than revealing that labor concerns exist, observed mobilization may inform managers about their current prominence in the surrounding public environment. I therefore use variation in local labor-related public activism to characterize changes in labor-issue prominence without requiring direct activist pressure on the focal firm. Whether this information is sufficiently relevant to be associated with subsequent corporate disclosure is the question developed next.

2.2 Labor-Issue Prominence and Disclosure Incentives

Corporate disclosure is primarily directed toward capital-market participants but is also available to audiences with different economic interests. Employees, labor organizations, and other stakeholders may use publicly disclosed information in employment, bargaining, contracting, and other economic interactions (Hilary, 2006; deHaan et al., 2023; Choi et al., 2023a; Noh et al., 2025). The potential consequences of disclosure, however, need not be confined to such direct economic relationships. Activists, including mission-driven investors, may use corporate statements to support labor-related shareholder proposals, while political actors may draw on the same information in public-policy debates. Thus, even when investors continue to value labor-related information, managers may face potential costs associated with its use by audiences pursuing different objectives. Disclosure theory recognizes that the benefits of informing investors can coexist with costs arising from the use of the same information by other audiences (Verrecchia, 1983; Wagenhofer, 1990; Bhojraj et al., 2004).

Importantly, the expected costs of disclosure may vary with the surrounding public environment

and need not arise solely from revealing unfavorable operating conditions. Statements indicating that firms have successfully accommodated higher wages may reassure investors about operating performance while also providing support for additional labor-related demands. [2] The potential consequences of disclosure therefore depend not only on the information conveyed but also on how that information may subsequently be used.

Non-firm-specific public activism may affect managers' assessments of these consequences. Observable mobilization provides information about the current prominence of labor issues, the intensity of public concern, and stakeholders' willingness to act. Even when the underlying activity does not concern the focal firm, it may affect managers' perceptions of the likelihood that their own public statements will attract attention or be used to support subsequent stakeholder demands or public-policy debates. At the same time, greater labor-issue prominence may increase the value of workforce information to investors assessing operating performance and risk (Sautner et al., 2023; Jennings et al., 2025). Thus, the surrounding public environment may affect both the expected benefits and costs of disclosure, leaving the net response ambiguous ex ante.

To organize this intuition, consider a simple framework in which managers assess the surrounding environment and subsequently choose how much information of type j to disclose:

$$I_t = U\left(I_{t-1}, A_t; Z_t^S\right),$$

$$D_{j,t+1}^* \in \arg\max_{D_{j,t+1} \in \mathcal{D}_j} E\left[B_j(D_{j,t+1}; Z_t^C) - C_j(D_{j,t+1}; Z_t^C) \mid I_t\right].$$

Here, A_t denotes observed public activism, and I_t summarizes managers' assessment of labor-

[2]The earnings call took place amid a national debate over raising the federal minimum wage, accompanied by public demonstrations advocating higher wages. In February 2021, Denny's CFO described favorable operating performance in California during gradual minimum-wage increases, while acknowledging the difficulties associated with more abrupt increases (Denny's Corporation, 2021). A subsequent shareholder proposal cited the favorable California experience in requesting an assessment of the feasibility of paying tipped workers the full minimum wage. Denny's board recommended against the proposal, which shareholders ultimately rejected (Denny's Corporation, 2022a,b). The shareholder proposal was submitted by the Benedictine Sisters of Mount St. Scholastica, a faith-based shareholder advocate. This example illustrates how investor-facing information can subsequently be used to advance stakeholder demands.

issue prominence and the potential consequences of making corporate information public. Z_t^S captures characteristics that may affect the information conveyed by observed public activism. Managers choose disclosure $D_{j,t+1}$ of information type j from the feasible set $\mathcal{D}_j$. The expected benefits $B_j(\cdot)$ and costs $C_j(\cdot)$ may depend on characteristics of the audience and institutional environment, denoted by Z_t^C. In particular, expected disclosure costs may reflect both the likelihood that corporate information will be used by other audiences and the potential consequences of such use. The framework organizes the economic intuition rather than specifying a structural model of disclosure choice.

The framework highlights two conceptually distinct dimensions. On the *information side*, the relevance of observed public activism may depend on its characteristics and the recent public environment: similar levels of public activism need not convey the same information about current labor-issue prominence. On the *disclosure-consequence side*, the expected benefits and costs of disclosure may differ across information types and with the potential reach, relevance, and uses of corporate information. These potential uses include direct economic interactions, such as employee bargaining, as well as broader stakeholder demands and public-policy debates. The two dimensions need not be empirically separable, as characteristics that make public activism more informative may also make disclosure more consequential.

A natural null is that non-firm-specific public activism provides little information relevant to the focal firm's disclosure incentives. Under this view, local labor-related public activism should have no systematic association with the amount or composition of subsequent labor-related disclosure.

2.3 Empirical Implications and Competing Explanations

The conceptual framework provides a basis for organizing the empirical analyses. I first examine whether the association between non-firm-specific public activism and corporate disclosure differs across types of workforce information and components of earnings calls. I then consider alternative explanations related to local economic conditions, direct firm-specific pressure, and managerial information availability. Finally, I examine how the association varies with the informational

relevance of public activism and the potential consequences of corporate disclosure, as well as a complementary capital-market implication.

Disclosure composition. The expected consequences of disclosure may differ across types of workforce information. Current labor-related operating information—including staffing conditions, labor availability, compensation, turnover, overtime, and labor costs—helps investors assess operating performance but may also be used by employees, labor organizations, and other audiences in evaluating firms' employment conditions and their ability to accommodate labor-related demands (Hilary, 2006; deHaan et al., 2023; Ham et al., 2026; Core et al., 2008; Kuhnen and Niessen, 2012). Importantly, even statements indicating that firms have successfully managed higher labor costs may provide support for additional wage-related demands. In contrast, talent-management information concerning recruitment, retention, employee development, and skills is less informative about contemporaneous labor costs and working conditions. These differences suggest that labor-related public activism may have different disclosure implications across the two categories. I therefore examine the relative responses of current labor-related operating disclosure and talent-management disclosure, without imposing a directional prediction on either category or on aggregate labor-related disclosure. A differential association would indicate that the disclosure response varies with the type of labor-related information disclosed.

Communication across call components. Earnings calls allow me to distinguish among prepared remarks, analyst questions, and management answers. Analysts determine which questions to raise, whereas managers retain discretion over prepared remarks and how they respond (Matsumoto et al., 2011; Mayew, 2008; Hollander et al., 2010; Gow et al., 2021; Dai et al., 2026). These comparisons help characterize whether the association is more apparent in communication over which managers exercise greater discretion, but do not provide a clean decomposition of managerial disclosure supply and analyst information demand.

Competing explanations. An important alternative explanation is that local public activism reflects economic conditions that also affect firms' operations and disclosure. If this explanation drives the association, its geographic pattern may follow physical proximity or economically

integrated labor markets (Coval and Moskowitz, 1999; Ivković and Weisbenner, 2005; Baik et al., 2010). Alternatively, public activism may convey information about the surrounding social and institutional environment. Public concerns may become relevant to firms through political constituencies, even without direct firm targeting. Prior research shows that public activism can influence political outcomes and congressional representatives' behavior (Madestam et al., 2013). To the extent that corporate labor-related statements may be used in public or policy debates, public activism within a shared congressional constituency may be relevant even when it occurs outside the headquarters county. I therefore examine the geographic scope of the association across economic and institutional boundaries, including changes in congressional constituency membership following redistricting (Ma et al., 2025). These comparisons help assess the consistency of the association with alternative geographic explanations without identifying causal effects of political boundaries.

I also consider explanations more directly connected to the focal firm. Public activism may coincide with firm-specific activist pressure or local labor-market conditions affecting firms' employment decisions. I therefore examine observed direct targeting, local labor-market conditions, and firms' prior hiring exposure to their headquarters counties. In addition, reduced discussion of current operating conditions may reflect limited managerial information availability rather than changes in disclosure incentives. These analyses assess observable alternative explanations without ruling out other firm-specific channels.

Informational relevance of public activism. If public activism conveys information about labor-issue prominence, its association with disclosure may depend on the characteristics of the observed activity and the recent public environment. Events involving violence, arrests, or disruption may have greater attention-generating potential and provide a stronger indication that labor concerns command public attention and that stakeholders are willing to act on them. I therefore distinguish events with greater attention-generating potential and assess whether the corresponding event characteristics predict documented media coverage. I also examine whether the high- versus low-attention distinction varies with recent local public-activism history. These analyses characterize whether the disclosure association varies with the potential informational relevance of observed

activism.

State-dependent disclosure consequences. The expected consequences of making corporate information public may also depend on who can access and potentially use that information. First, the potential reach of corporate statements may affect the likelihood that information intended for investors is encountered or used by other audiences. Because financial journalists use earnings calls in their reporting (Call et al., 2022), I examine whether the association varies with firms' predetermined media visibility.

Second, the potential uses of corporate information may broaden when public activism concerns legislation, regulation, or government action. In such settings, a wider range of workforce-related statements may become relevant to public-policy debates and stakeholder demands, extending beyond information about current labor-related operating conditions. I therefore examine whether the disclosure association also extends to talent-management topics when the underlying public activism explicitly concerns labor policy. This comparison characterizes the breadth of the disclosure association rather than identifying managers' anticipated political costs.

Third, the potential consequences of labor-related disclosure may depend on firms' pre-existing employee relations. Information about labor costs, staffing conditions, and workforce operations may be particularly relevant to employees when workplace relations are strained. Accordingly, firms with less favorable employee perceptions may face different incentives to discuss current labor-related operating conditions when labor issues become more publicly prominent. I explore this possibility using predetermined employee ratings. Because these ratings provide an imperfect proxy for the potential use of corporate information by employees, I interpret the resulting tests as suggestive rather than definitive evidence of disclosure-consequence heterogeneity.

Capital-market implications. As a complementary implication, I examine analyst forecast disagreement around the subsequent earnings call. The direction is ambiguous ex ante because labor-related information may reduce information asymmetry while also supporting heterogeneous interpretations (Lang and Lundholm, 1996; Jennings et al., 2025). This analysis characterizes a related capital-market outcome without establishing that changes in disclosure cause changes in

analyst disagreement.

3 Data, Sample, and Measurement

3.1 Data and Sample

Public activism. I obtain event-level public-activism data from the Crowd Counting Consortium (CCC), which records protests, rallies, demonstrations, marches, and related forms of collective public action in the United States. The data report event dates, locations, issues and claims, organizational sponsors, estimated participation, and source information. After basic validity filters, the data contain 171,646 dated events during 2017–2023.

For each public activism event I identify county and calendar quarter. Headquarters ZIP codes are obtained from Compustat and mapped to county FIPS codes. This choice captures the public environment surrounding corporate decision makers without assuming that the firm's workforce or operations are concentrated in the headquarters county. I examine the geographic scope of this operationalization in Section 6.

Earnings calls and firm data. I obtain earnings-call transcripts from LSEG Workspace for 2017–2023 and exclude transcripts containing fewer than 100 words. Using speaker-role information, I separate prepared remarks from the Q&A and distinguish analyst questions from management answers. I merge conference call transcript data with financial data from Compustat and institutional ownership information from Refinitiv 13F database.

Sample construction. I relate public activism in calendar quarter t to earnings-call disclosure in quarter $t + 1$, with firm-level controls measured in quarter $t - 1$. I require the three quarters to be consecutive, with valid headquarters-county coverage in each quarter. After requiring complete baseline data and removing singleton observations induced by the fixed-effects specification, the final common sample contains 39,262 firm-quarter observations from 2,384 firms headquartered in 342 counties. Table 1 reports the sample-selection process.

Additional datasets used in supplementary analyses are described when those analyses are

introduced.

3.2 Variable Measurement

Non-firm-specific labor-related public activism. I identify labor-related public-activism events using a rule-based dictionary applied to the CCC *issues* and *claims* fields. The dictionary contains 98 labor-related terms and phrases, including *labor*, *workers*, *union*, *strike*, *minimum wage*, and *working conditions*. Online Appendix C reports the complete classification procedure.

Before constructing the measure, I remove duplicate events and manually exclude events whose stated claims identify firm-specific corporate disputes. The remaining events therefore capture labor-related public activism that is not identified as being directed at a particular firm, its employees, or its operations. I then aggregate reported participation across retained labor-related events within each county-quarter and define

$$LaborPA_{c,t} = \operatorname{asinh}\left(\sum_{e \in \mathcal{L}_{c,t}} Participants_e\right), \tag{1}$$

where $\mathcal{L}_{c,t}$ denotes retained non-firm-specific labor-related public-activism events in county c during quarter t. The IHS transformation accommodates zero values and the right-skewed distribution of participant counts (Burbidge et al., 1988; Bellemare and Wichman, 2020).

Consistent with Zhang et al. (2023), events without a reported participant estimate contribute zero participants to the participant-based measure. I examine alternative measures based on event occurrence, event frequency, and maximum event size in the robustness analyses. I construct *NonlaborPA* analogously from retained nonlabor events.

I interpret *LaborPA* as an observable, intensity-based measure of non-firm-specific labor-related public activism in the county where the company is headquartered. Under the framework developed in Section 2.1, this activity provides information about contemporaneous labor-issue prominence in the surrounding public environment. Accordingly, variation in *LaborPA* should be interpreted as variation in an observable proxy rather than as a participant-level treatment dose.

Labor-related disclosure. I measure earnings-call content using Latent Dirichlet Allocation (LDA), an unsupervised topic model that represents documents as mixtures of latent topics (Blei et al., 2003). I estimate a common LDA model using complete earnings calls as documents. Among the candidate specifications, the 75-topic model attains the highest C_v semantic-coherence score and is used throughout the analysis. Online Appendix Figure D1 reports the model comparison, and the Online Appendix provides additional implementation details.

I interpret the estimated topics using characteristic vocabulary and high-loading passages (Bochkay et al., 2023). Two topics capture economically distinct forms of labor-related communication. HC Labor Operations captures discussion of labor availability, staffing, wages, turnover, overtime, labor costs, and related current operating conditions. HC Talent captures discussion of recruitment, retention, employee skills, workforce development, and talent-management practices. I classify disclosure content into topics based on their semantic content before conducting any regression analyses. Online Appendix D provides validation details.

I apply the common topic structure separately to prepared remarks, the full Q&A, analyst questions, and management answers and use the resulting topic shares as disclosure measures. I define HC Overall as the sum of the HC Labor Operations and HC Talent shares. I also construct an alternative measure of the amount of labor-related discussion by multiplying the combined topic share by processed word count and applying the IHS transformation.

The principal analyses use unwinsorized topic shares. Because topic shares are compositional, the principal cross-topic tests compare the relative allocation of discussion across economically distinct types of labor-related information.

Control variables. The baseline specifications include contemporaneous *NonlaborPA* and six firm-level controls measured in quarter $t-1$: institutional ownership, market-to-book, firm size, leverage, PPE, and ROA. Appendix A provides detailed variable definitions and data sources.

3.3 Descriptive Statistics

Table 2 reports descriptive statistics. The final sample contains substantial variation in local labor-related public activism, with a median *LaborPA* of zero. The underlying sample contains 22,457 retained non-firm-specific labor-related public-activism events during 2017–2023 across 980 counties. Among events with non-zero reported attendance, median attendance is 60 participants; conditional on positive firm-quarter exposure, median exposure is 200 participants.

In the full earnings call, mean HC Labor Operations and HC Talent topic shares are 0.79% and 1.05%, respectively. Within management answers, the corresponding means are 1.20% and 1.27%.

4 Research Design

4.1 Baseline Specification

I estimate the association between non-firm-specific labor-related public activism in quarter t and labor-related disclosure in the subsequent earnings call using

$$Y_{i,t+1} = \beta_1 LaborPA_{c,t} + \beta_2 NonlaborPA_{c,t} + \boldsymbol{\gamma}'\mathbf{X}_{i,t-1} + \alpha_i + \delta_t + \varepsilon_{i,t+1}, \tag{2}$$

where $Y_{i,t+1}$ denotes a labor-related disclosure outcome for firm i in the subsequent earnings call. $LaborPA_{c,t}$ measures non-firm-specific labor-related public activism in firm i's headquarters county c during quarter t, and $NonlaborPA_{c,t}$ measures nonlabor public activism in the same county-quarter. $\mathbf{X}_{i,t-1}$ contains the lagged firm-level controls described in Section 3.2.

The specification includes firm fixed effects and calendar-quarter fixed effects. Accordingly, β_1 is estimated from within-firm variation in local labor-related public activism after controlling for contemporaneous nonlabor public activism, lagged firm characteristics, and shocks common across firms in the same calendar quarter. Standard errors are clustered by headquarters county, the level at which the public-activism measures vary. I interpret β_1 as a conditional association rather than a causal effect.

4.2 Cross-Topic and Call-Component Tests

The principal empirical test compares the association for current labor-related operating information with that for talent-management information. I estimate Equation 2 separately for the two disclosure categories and test

$$H_0 : \beta_{\text{Operations}} - \beta_{\text{Talent}} = 0. \tag{3}$$

I estimate coefficient differences using stacked regressions that account for covariance across the outcome equations. Because the conceptual framework does not imply a directional prediction for the relative response of the two information categories, the coefficient-difference tests are two-sided.

I conduct the analyses separately for prepared remarks, the full Q&A, analyst questions, and management answers. I also compare coefficients between analyst questions and management answers to characterize whether the cross-topic association is more apparent in manager-controlled communication than in analyst information demand. Because managers' answers respond in part to analysts' questions and the formal cross-component comparisons need not differ significantly, I do not interpret these tests as a clean decomposition of disclosure supply and information demand.

5 Main Results

5.1 Disclosure Composition

Table 3 presents the principal analysis. *LaborPA* is negatively associated with HC Labor Operations in prepared remarks ($\beta = -0.0074$, $p = 0.014$), the full Q&A ($\beta = -0.0190$, $p = 0.006$), and management answers ($\beta = -0.0219$, $p < 0.001$). The coefficient for analyst questions is also negative but statistically insignificant ($\beta = -0.0121$, $p = 0.151$). In contrast, the corresponding HC Talent coefficients are small and statistically insignificant across all four call components. Coefficients for disclosure-share outcomes are expressed in percentage points throughout this section.

Formal coefficient comparisons show that the HC Labor Operations association is more negative than the HC Talent association in prepared remarks ($p = 0.045$), the full Q&A ($p = 0.015$), and management answers ($p = 0.002$), but not in analyst questions ($p = 0.301$). These findings suggest that the negative association is concentrated in discussions of current labor-related operating conditions rather than reflecting a uniform reduction in human-capital communication. The insignificant HC Talent coefficients also provide no evidence of substitution toward talent-management disclosure.

One interpretation is that heightened public attention to labor issues increases the potential costs of making specific statements about workforce operations. Such statements may become more susceptible to external scrutiny, contestation, or subsequent accountability. Managers may therefore become more cautious about discussing operational labor conditions, while facing different incentives to communicate broader talent-management information. This interpretation is consistent with the disclosure-cost framework of Verrecchia (1983) and Wagenhofer (1990), which emphasizes how the expected costs of making information public can affect voluntary disclosure decisions.

The finding also provides a useful contrast with research documenting disclosure increases in response to stakeholder pressure. For example, Reid and Toffel (2009) find that shareholder activism and regulatory threats encourage corporate disclosure of climate-change strategies. Whereas such pressures can create incentives to demonstrate responsiveness through greater transparency, the present evidence suggests that a more prominent local labor issue may also be associated with reduced voluntary discussion of potentially sensitive operations. The direction of the disclosure response may thus depend on the nature of the information and the costs of communicating it, rather than stakeholder pressure necessarily leading to more disclosure.

As a broader cross-topic benchmark, Online Appendix Figure D2 reports the estimated *LaborPA* coefficients across all 75 management-answer topics. HC Labor Operations has the most negative estimated coefficient, placing the principal cross-topic contrast within the broader distribution of topic-level associations.

Economic magnitude. A one-standard-deviation increase in *LaborPA* (3.395) is associated

with a 0.074-percentage-point reduction in the share of management answers devoted to HC Labor Operations, equivalent to approximately 6.2% of the sample mean of 1.20%. Alternatively, moving from the sample median of zero to the 75th percentile (approximately 187 reported participants) is associated with a 0.13-percentage-point reduction, or approximately 10.8% of the mean. These magnitudes describe changes along the observed distribution of labor-related public activism rather than participant-level treatment effects.

5.2 Overall Labor-Related Disclosure

I next examine whether the composition result is accompanied by a change in overall labor-related communication. Table 4 reports the association between local labor-related public activism and subsequent labor-related disclosure. Panel A examines aggregate disclosure over the full earnings call. *LaborPA* is negatively associated with both *IHS HC Content* ($\beta = -0.0117$, $p = 0.003$) and the HC Overall share ($\beta = -0.0139$, $p = 0.002$). The former coefficient remains in IHS units.

Panel B examines HC Overall across call components. The association is negative in prepared remarks ($\beta = -0.0070$, $p = 0.044$), the full Q&A ($\beta = -0.0167$, $p = 0.027$), and management answers ($\beta = -0.0189$, $p = 0.015$). The coefficient for analyst questions is also negative but statistically insignificant ($\beta = -0.0131$, $p = 0.146$).

These results indicate that greater local labor-related public activism is associated not only with changes in the composition of labor-related disclosure but also with less labor-related communication overall. This pattern is consistent with the possibility that heightened labor-issue prominence raises the perceived costs of discussing labor matters in investor-facing communications.

However, the aggregate association is less robust across alternative specifications and measures. I therefore interpret it as complementary to the principal composition result. The more consistent finding is that disclosure concerning labor operations declines relative to other human-capital topics, rather than that firms uniformly reduce all labor-related communication.

5.3 Management Communication and Analyst Questions

I next examine where the cross-topic pattern appears within the earnings call. Distinguishing management answers from analyst questions is informative because management retains discretion over the information provided in its responses, whereas analyst questions also reflect external information demand. Prior research documents managerial discretion during conference calls, including decisions not to answer analysts' questions (Hollander et al., 2010). Related evidence shows that management presentations and analyst discussions make distinct contributions to the information content of conference calls (Matsumoto et al., 2011).

In analyst questions, neither the HC Labor Operations coefficient nor the HC Labor Operations–HC Talent difference is statistically significant. In management answers, by contrast, *LaborPA* is negatively associated with HC Labor Operations ($\beta = -0.0219$, $p < 0.001$), and the cross-topic difference is statistically significant ($p = 0.002$).

Nevertheless, the formal cross-component differences are not statistically significant. The HC Labor Operations coefficient is 0.0098 percentage points more negative in management answers than in analyst questions ($p = 0.181$), and the corresponding difference in the HC Labor Operations–HC Talent contrast is -0.0138 percentage points ($p = 0.167$).

Thus, the selective association is more apparent in management communication, consistent with the possibility that managers exercise discretion over labor-related discussion when public attention increases. However, the insignificant cross-component tests prevent a definitive attribution of the pattern to managerial disclosure supply rather than changes in analyst information demand. The evidence is therefore suggestive of a managerial communication response, rather than a conclusive decomposition of supply and demand.

6 Assessing Alternative Explanations

I next assess whether the principal disclosure association can be explained by channels more directly connected to firms' operations or activist pressure. I first examine local economic conditions

and the geographic scope of the association, and then consider direct firm targeting and managerial information availability.

6.1 Local Economic Conditions and Firm Exposure

A key alternative explanation is that *LaborPA* captures local labor-market conditions that directly affect firms' operations. Table 5 adds lagged headquarters-county unemployment, job-posting levels, and job-posting growth and examines heterogeneity in firms' prior local hiring exposure, defined as the extent to which firms had previously recruited workers in their headquarters counties.

The principal cross-topic association remains after controlling for local labor-market conditions, and the interaction with local hiring exposure is statistically insignificant across the principal outcomes, including specifications with headquarters-county × exposure-quarter fixed effects. These results provide little evidence that the association is concentrated among firms with greater direct economic dependence on the headquarters labor market.

6.2 Geographic and Institutional Boundaries

A remaining concern is that local public activism may proxy for economic shocks that also affect firms' labor-related disclosure. If this explanation drives the association, the geographic pattern may reflect physical proximity or economically integrated labor markets, where firms face related labor-market conditions. Alternatively, if public activism conveys information about labor-issue prominence and the potential actions of surrounding stakeholders, its relevance may extend beyond economic geography to institutional constituencies. In particular, activism within a shared congressional district may be relevant even when it occurs outside the headquarters county. I therefore compare exposure across commuting-based labor markets, geographic proximity, and congressional constituencies, and examine changes in constituency membership following congressional redistricting. These comparisons help assess whether the association is more consistent with local economic exposure or with the relevance of institutional boundaries, without ruling out other geographically correlated explanations.

6.2.1 Commuting-Based Economic Geography

Table 6 reports the principal analyses, with distance-band results reported in Online Appendix Table B3. The evidence provides little indication of a smooth distance gradient. The association does not decline systematically across successive distance bands, and exposure measured over the broader headquarters CBSA produces a weaker and imprecisely estimated association. When headquarters-county *LaborPA* and *LaborPA* elsewhere in the same CBSA are included jointly, the former remains negatively associated with HC Labor Operations, whereas the latter is close to zero; the coefficient difference is statistically significant.

6.2.2 Congressional Districts

A similar distinction appears across congressional constituencies. Among events within 25 miles of headquarters, *LaborPA* within the firm's congressional district is negatively associated with HC Labor Operations, whereas similarly nearby activity across the district boundary is not. Moreover, public activism outside the headquarters county but within the same congressional district remains negatively associated with HC Labor Operations.

6.2.3 Congressional Redistricting

Panel B provides complementary evidence from the 2023 congressional redistricting. Holding physical locations fixed, the association attenuates in the predicted direction for locations that leave the firm's congressional constituency relative to locations that remain within it, although the differential estimate is imprecise.

These patterns suggest that the geographic scope of the disclosure association does not simply follow physical proximity or integrated labor markets. The distinction across congressional constituencies is consistent with institutional boundaries being relevant to the surrounding public environment. However, these analyses do not identify a causal effect of constituency boundaries or establish that corporate statements are subsequently used by political actors.

6.3 Direct Firm Targeting

The main public-activism measure excludes identified firm-specific corporate disputes. I further examine whether the results depend on direct activist pressure using SIGWATCH data on labor-related campaigns targeting individual firms.

Direct targeting is substantially less common than exposure to non-firm-specific labor-related public activism: 87.7% of sample firms experience non-trivial *LaborPA* at least once, whereas 7.5% are ever observed as directly labor-targeted. Table 7 shows that controlling for direct targeting leaves the *LaborPA* association with HC Labor Operations essentially unchanged. The principal cross-topic pattern also persists after excluding firms with observed direct targeting and in a restricted matched sample of firms without observed targeting. These results indicate that the principal association is not confined to firms subject to observable direct labor-related activist pressure.

6.4 Managerial Information Availability

Another possible explanation is that managers discuss less labor-related operating information because such information is less available to them. Table 8 examines management responses to analyst questions that explicitly raise labor-cost issues. Across progressively restrictive samples, LaborPA is not significantly associated with the labor-operations content of management responses, conditional on the corresponding analyst-question content.

These findings do not provide affirmative evidence that reduced managerial information availability explains the baseline association. However, the estimates are imprecise and the conditional analysis is based on selected question-response pairs. Therefore, the results neither rule out differences in managerial information availability nor establish strategic withholding of labor-related information.

Taken together, the geographic comparisons and the analyses of direct exposure suggest that the principal association is not fully accounted for by the measured local economic conditions or observed direct activist pressure. The conditional Q&A analysis provides limited evidence for reduced managerial information availability.

7 Additional Analyses

I next provide additional evidence to characterize the economic interpretation of the main results. Following the framework in Section 2, I examine whether the disclosure association varies with characteristics of public activism that may affect its informational relevance and with features of the audience environment that may shape the potential reach and uses of corporate information. I then consider a complementary capital-market implication.

7.1 Informational Relevance of Public Activism

The information-based perspective developed in Section 2 suggests that observed public activism need not convey the same information about labor-issue prominence across settings. I first examine whether the disclosure association varies with the attention-generating potential of the underlying activity. I classify labor-related public activism as having greater attention-generating potential using source multiplicity and observable event characteristics associated with public attention, including police involvement, violence, injury, arrest, and disruption. Event size is not used in this classification.

Panel A of Table 9 shows that the association with managers' HC Labor Operations disclosure is substantially more negative for high-attention public activism ($\beta = -0.0272$, $p < 0.001$) than for low-attention public activism ($\beta = -0.0048$, $p = 0.549$); the difference is statistically significant ($p = 0.042$). The corresponding HC Labor Operations–HC Talent contrast is also significant for high-attention public activism ($p = 0.014$).

Online Appendix Table B10 provides complementary validation of the attention classification. A composite index based on observable event characteristics that excludes media-source information is positively associated with documented media coverage. This evidence is consistent with these characteristics capturing variation in attention-generating potential.

I next examine whether the informational relevance of observed public activism depends on the recent public environment against which it occurs. Online Appendix Table B11 compares the

high- versus low-attention distinction following periods with and without recent local labor-related public activism. Among observations following four quarters without such activity, high-attention public activism is negatively associated with HC Labor Operations ($\beta = -0.0414$, $p = 0.016$), whereas low-attention public activism is not ($\beta = 0.0289$, $p = 0.130$); the difference is statistically significant ($p = 0.025$). High-attention public activism also remains negatively associated with disclosure following recent exposure, and the difference between novel and repeated high-attention exposure is not statistically significant.

Taken together, these results are consistent with the informational relevance of public activism varying with characteristics of the observed activity and the recent public environment. However, attention-generating characteristics may also make the surrounding public environment more consequential. The analyses do not directly observe managers' information updating or changes in expected disclosure costs, nor do they imply that the association is limited to novel events.

7.2 Predetermined Media Visibility

The main results show that the disclosure association varies across types of workforce information, with the negative association concentrated in current labor-related operating information relative to talent-management information. As discussed in Section 2, statements intended to inform investors may also be used by other audiences to support labor-related demands or public-policy arguments. The expected consequences of making such information public may therefore depend on its potential reach and the uses to which it may be put. I first consider the potential reach of corporate statements.

I examine whether the disclosure association is stronger when corporate statements have greater potential reach. Information communicated through earnings calls may subsequently reach audiences beyond capital-market participants, including employees, labor organizations, shareholder advocates, and other public actors. Financial journalists can facilitate this dissemination by incorporating earnings-call information into their reporting (Call et al., 2022). Preexisting media visibility therefore provides one proxy for the potential reach of firms' public statements.

Predetermined Media Visibility is based on average firm-level media coverage during 2014–2016

using data from Boustanifar and Mansouri (2026). Because the source data cover S&P 1500 firms, this analysis uses a smaller matched sample.

Panel B of Table 9 shows that the interaction between *LaborPA* and predetermined media visibility is negative for managers' HC Overall disclosure ($\beta = -0.0207$, $p = 0.014$) and HC Labor Operations ($\beta = -0.0158$, $p = 0.033$), but not for HC Talent ($\beta = -0.0048$, $p = 0.293$). The difference between the HC Labor Operations and HC Talent interaction coefficients is not statistically significant ($p = 0.224$). Online Appendix Table B9 shows that the media-visibility interaction remains negative under headquarters-county-by-exposure-quarter fixed effects, although statistical precision declines in the smaller matched sample.

These results are consistent with the potential dissemination of corporate information being relevant to the disclosure association. Firms with greater predetermined media visibility may face wider exposure of their public statements to audiences beyond investors. However, the analysis does not observe subsequent stakeholder use of these statements, nor does it establish that media visibility explains the HC Labor Operations–HC Talent difference.

7.3 Policy-Oriented Public Activism

The preceding analysis examines whether the potential reach of corporate information matters. I next consider whether the scope of the association changes when labor issues enter the policy domain. In such settings, corporate statements about workforce practices may be used to support policy-related arguments or stakeholder demands, even when the underlying public activism does not target the focal firm. A broader range of workforce information may therefore become relevant to audiences beyond capital-market participants.

I classify public activism as policy-oriented when labor-related claims refer to legislation, regulation, government action, or another formal policy mechanism; generic political language alone does not qualify. I aggregate exposure separately into *PolicyLaborPA* and *OtherLaborPA* and include both measures jointly.

Table 10 shows that both measures are negatively associated with managers' HC Labor Operations

disclosure. The coefficient is more negative for *PolicyLaborPA*, although the difference is not statistically significant ($p = 0.127$). The clearer distinction concerns the breadth of labor-related communication. *PolicyLaborPA* is negatively associated with HC Talent ($\beta = -0.0448$, $p = 0.002$), whereas *OtherLaborPA* is not ($\beta = 0.0039$, $p = 0.435$); the difference is statistically significant ($p = 0.002$). The corresponding difference for HC Overall is also statistically significant ($p < 0.001$).

The policy-oriented association also appears in analyst questions: *PolicyLaborPA* is negatively associated with HC Labor Operations, whereas *OtherLaborPA* is not, with a significant difference between the two coefficients ($p = 0.045$).

Thus, policy-oriented public activism is associated with a broader change in labor-related communication rather than simply a larger reduction in current labor-related operating disclosure. This pattern is consistent with a wider range of corporate statements becoming potentially relevant to stakeholder demands and public-policy debates. The corresponding change in analyst questions also suggests that the association need not operate exclusively through managerial disclosure supply. These results do not directly identify how corporate information is subsequently used or establish that managers anticipate particular political costs.

7.4 Employee-Relations Sensitivity

The preceding analyses consider how public visibility and policy relevance may shape the potential uses of corporate information by external audiences. I next examine whether the association also varies with firms' pre-existing employee relations. Employees represent another potential audience for investor-facing disclosures, as information about labor costs, staffing, and operating conditions may be relevant to their assessment of workplace conditions and employment-related demands. When employee relations are less favorable, such information may carry greater potential consequences for the firm.

To examine this possibility, I construct predetermined measures of employee satisfaction using Glassdoor reviews from 2014 to 2016, before the sample period. I consider four rating dimensions: Compensation and Benefits, Overall Rating, Work-Life Balance, and Senior Management. Each

measure is standardized and reverse-coded so that higher values indicate less favorable employee perceptions. I require at least five historical reviews for each firm-rating measure and interact the resulting measure with *LaborPA*.

Table 11 reports suggestive evidence of greater disclosure sensitivity among firms with less favorable employee relations. With firm and industry-by-quarter fixed effects, the interaction between *LaborPA* and unfavorable Work-Life Balance ratings is negative for managers' HC Labor Operations disclosure ($\beta = -0.0277$, $p = 0.009$). The corresponding interaction for unfavorable Senior Management ratings is also negative ($\beta = -0.0227$, $p = 0.023$). In contrast, the interactions for HC Talent are small and statistically insignificant. The formal difference between the HC Labor Operations and HC Talent interactions is marginally significant for Work-Life Balance ($p = 0.064$), but not for Senior Management ($p = 0.116$).

These patterns are not uniform across specifications. The interactions are not statistically significant under firm and quarter fixed effects or when county-by-quarter fixed effects are included. Moreover, alternative measures based on strictly lagged rolling employee ratings do not reproduce the negative interactions. The analysis also uses a smaller matched sample of approximately 7,200 earnings calls, limiting the generalizability of the results.

Overall, the evidence provides qualified support for employee relations as another dimension of disclosure sensitivity. The more negative associations observed among firms with less favorable historical employee perceptions are consistent with labor-related operating information having greater potential consequences when employee relations are strained. However, the specification sensitivity prevents a strong conclusion, and the analysis does not establish that employees subsequently access or use the disclosed information.

7.5 Analyst Forecast Disagreement

I conclude the additional analyses by examining analyst forecast disagreement around the subsequent earnings call as a complementary capital-market implication. The direction of the relationship is ambiguous ex ante: less common information may increase disagreement, whereas

additional workforce information may itself support heterogeneous interpretations (Lang and Lundholm, 1996; Jennings et al., 2025).

The timing of the change in disagreement is also informative. If analysts respond directly to information contained in local public activism, disagreement may change before the subsequent earnings call. In contrast, a change concentrated around the call would indicate that the analyst response is not fully explained by direct reactions to public activism. I therefore compare forecast dispersion before and after the subsequent earnings call.

Table 12 shows no association between *LaborPA* and pre-call forecast dispersion ($\beta = -0.000099$, $p = 0.908$). In contrast, *LaborPA* is negatively associated with post-call dispersion ($\beta = -0.001620$, $p = 0.045$) and with the post-minus-pre change in dispersion ($\beta = -0.001521$, $p = 0.046$). The association with absolute consensus revisions is statistically insignificant ($p = 0.259$).

Thus, analyst disagreement does not differ detectably before the subsequent call but declines around the call following greater local labor-related public activism. This timing indicates that the change in disagreement is not fully explained by analysts directly responding to public activism before the call. I do not interpret the result as showing that reduced HC Labor Operations disclosure causes convergence in analysts' forecasts, nor does lower dispersion necessarily imply an improved information environment.

Taken together, the additional analyses are consistent with non-firm-specific public activism conveying information about labor-issue prominence and with the disclosure implications of that information varying across audience environments. In particular, the patterns suggest that the potential reach, relevance, and uses of corporate statements may be important dimensions of disclosure incentives. The evidence remains observational and does not directly identify managers' information updating, the subsequent use of corporate disclosures, or a unique causal mechanism.

8 Robustness Analyses

I examine the robustness of the principal HC Labor Operations–HC Talent contrast to alternative specifications, measurement choices, persistence in local labor-related public activism, and sample composition.

8.1 Alternative Specifications

Appendix Table B1 varies the clustering level and fixed effects, including specifications with headquarters-state × quarter, industry × quarter, their combination, and headquarters-county × year fixed effects.

The HC Labor Operations coefficient is negative in all seven specifications. The HC Labor Operations–HC Talent difference is also negative throughout, significant at the 5% level in six specifications and at the 10% level in the remaining specification. In contrast, the aggregate HC Overall and *IHS HC Content* associations are less stable under the more restrictive fixed effects. Thus, the cross-topic contrast is more robust than the aggregate decline in labor-related disclosure.

8.2 Alternative Measures

Appendix Table B4 compares HC Labor Operations with HC Talent and with two additional substantive topics: Financial Information and Energy Technology and Infrastructure Information. *LaborPA* is negatively associated with HC Labor Operations, and the corresponding coefficient differences are statistically significant.

Appendix Table B5 replaces topic shares with IHS-transformed LDA-implied topic content. The HC Labor Operations association remains negative, the HC Talent association does not, and the cross-topic difference remains statistically significant.

Appendix Table B6 considers alternative measures of labor-related public activism. An indicator for any labor-related public-activism event produces weaker evidence, whereas measures based on event frequency and maximum reported event size reproduce the negative HC Labor Operations

association and the cross-topic contrast.

Appendix Table B7 further separates positive-exposure county-quarters into lower- and higher-intensity labor-related public activism, with high intensity defined as more than 333 reported participants. HC Labor Operations is negatively associated with exposure in both groups, whereas HC Talent shows no corresponding response. The point estimate is more negative for higher-intensity exposure, but the difference across intensity groups is not statistically significant. Thus, the result is not confined to the highest-intensity observations, and the evidence does not establish a monotonic intensity gradient.

8.3 Persistence and Sample Composition

Appendix Table B2 adds average *LaborPA* over the preceding four quarters. The current HC Labor Operations association remains similar, whereas historical *LaborPA* is not significantly associated with disclosure. The cross-topic result also persists with headquarters-state $\times$ quarter fixed effects.

Appendix Table B8 examines whether the results are driven by a small number of counties. I separately exclude the ten headquarters counties with the largest aggregate labor-event participant totals and the ten counties contributing the most earnings calls. Each exclusion retains approximately 90% of the positive-*LaborPA* county-quarter support. In both samples, the HC Labor Operations coefficient and the HC Labor Operations–HC Talent difference remain negative and statistically significant.

Overall, the principal cross-topic contrast is robust across alternative specifications, disclosure and public-activism measures, historical exposure, and sample composition. The aggregate labor-related disclosure association is less uniform across specifications.

9 Conclusion

This study examines whether non-firm-specific public activism is associated with firms' investor-facing disclosure. Using labor-related public activism around corporate headquarters, I find that greater local public activism is associated with less discussion of current labor-related operating conditions relative to talent-management information in subsequent earnings calls. The cross-topic association is evident in prepared remarks, the full Q&A, and management answers. The association with aggregate labor-related disclosure is also negative but less consistent across specifications.

I conduct additional analyses to assess alternative explanations for the principal association. The cross-topic association persists after accounting for observed direct firm targeting and local labor-market conditions. Geographic analyses suggest that the association does not simply follow physical proximity or shared local labor markets, but also varies across headquarters counties and congressional constituencies. Analyses of managerial information availability provide limited evidence for an alternative explanation. Together, these findings suggest that the principal association is not fully accounted for by the measured direct-pressure and local economic channels, although other explanations cannot be ruled out.

Further analyses help characterize the conditions under which the association arises. The negative association with current labor-related operating disclosure is more pronounced for public activism with greater attention-generating potential. Other analyses show variation with firms' predetermined media visibility and whether labor issues enter the policy domain. Additional evidence from employee reviews suggests that pre-existing employee relations may also matter, although these results are sensitive to alternative specifications. I also find that local labor-related public activism is associated with lower analyst forecast disagreement following the subsequent earnings call, but not before it. Together, these patterns are consistent with public activism conveying information about labor-issue prominence and with the disclosure implications of that information varying across audience environments, although they do not directly identify managers' information updating or changes in expected disclosure costs.

The findings have two broader implications. First, they extend research on the informational role

of public activism to corporate information production. Public activism need not directly target a firm or reveal new information about its fundamentals to be associated with its investor-facing communication. Second, the findings highlight a state-dependent dimension of multi-audience disclosure incentives. Information intended to inform investors may also be used by other audiences to support stakeholder demands or public-policy arguments. The expected consequences of making such information public may therefore depend on the prominence of the underlying issue and the likelihood that corporate statements will reach and be used by audiences with different economic interests. The findings also highlight disclosure composition as a margin along which voluntary communication may vary with the surrounding public environment.

The analyses are observational and do not establish a causal effect of public activism on disclosure or directly identify changes in managerial beliefs and disclosure incentives. Headquarters-based public activism also provides an imperfect measure of the public environment relevant to individual firms. Future research could examine these relationships using more direct evidence on managerial information, audience attention, and the subsequent use of corporate disclosures. More broadly, the findings suggest that understanding voluntary disclosure may require considering not only firm-specific information and stakeholder relationships, but also how the surrounding public environment may shape the expected consequences of making corporate information public.

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Tables

Table 1: Sample Selection

Sample-selection step	Calls
Calls with a valid next-quarter disclosure outcome and headquarters-county PA data	52,504
Calls with an immediately preceding consecutive firm-control record	50,776
Complete values for all six firm controls at $t-1$	39,352
Less: firm fixed-effect singleton observations	90
Final sample observations	39,262
Final firms	2,384
Final headquarters counties	342

The final sample requires an earnings-call disclosure outcome in the immediately following consecutive firm quarter, $t+1$, verified headquarters-county coverage in the public-activism data, and complete firm controls measured in the immediately preceding consecutive firm quarter, $t-1$. The six firm controls are Institutional Ownership, Market-to-Book, Firm Size, Leverage, PPE, and ROA. Firm fixed-effect singleton observations are removed after these restrictions are imposed.

Table 2: Descriptive Statistics and Labor-Related Public Activism

Panel A: Regression-Sample Descriptive Statistics

Variable	*N*	Mean	Std. Dev.	P25	Median	P75
Public Activism						
LaborPA	39,262	2.8800	3.3953	0.0000	0.0000	5.9243
NonlaborPA	39,262	6.9154	3.3143	5.7366	7.4372	8.9949
Aggregate Labor-Related Disclosure Measures						
IHS HC Content	39,262	1.4369	2.3345	0.0000	0.0000	3.9579
HC Overall	39,262	0.0184	0.0463	0.0000	0.0000	0.0149
HC Labor Operations	39,262	0.0079	0.0219	0.0000	0.0000	0.0000
HC Talent	39,262	0.0105	0.0391	0.0000	0.0000	0.0000
Q&A Disclosure Measures						
HC Overall – Management Answers	39,262	0.0247	0.0622	0.0000	0.0000	0.0169
HC Labor Operations – Management Answers	39,262	0.0120	0.0332	0.0000	0.0000	0.0000
HC Talent – Management Answers	39,262	0.0127	0.0502	0.0000	0.0000	0.0000
HC Overall – Analyst Questions	39,262	0.0219	0.0578	0.0000	0.0000	0.0000
Firm Characteristics						
Institutional Ownership ($t-1$)	39,262	0.6926	0.2307	0.5870	0.7468	0.8553
Market-to-Book ($t-1$)	39,262	1.1568	0.9827	0.4941	1.0488	1.7272
Firm Size ($t-1$)	39,262	7.4559	1.9342	6.1575	7.4686	8.7487
Leverage ($t-1$)	39,262	0.2930	0.1977	0.1282	0.2917	0.4280
PPE ($t-1$)	39,262	0.2555	0.2430	0.0734	0.1572	0.3763
ROA ($t-1$)	39,262	0.0150	0.0486	0.0085	0.0243	0.0377

Panel B: Labor-Related Public Activism Setting

Measure	Count/*N*	Mean	Median	P75	P90
Final labor events	22,457	–	–	–	–
Counties with at least one labor event	980	–	–	–	–
County-quarters with at least one labor event	4,727	–	–	–	–
County-quarters with positive participant exposure	3,320	–	–	–	–
Labor events per positive county-quarter	3,320	5.54	1	3	7
Participants per labor event	9,118	422.59	60	200	600
Participants per positive county-quarter	3,320	1,160.60	100	236.5	950.7
Participants per positive firm-quarter exposure	18,030	3,303.41	200	870	3,682

Panel A reports descriptive statistics for the final sample of 39,262 earnings calls. LaborPA and NonlaborPA are inverse-hyperbolic-sine transformed county-quarter participant totals. IHS HC Content applies the inverse hyperbolic sine transformation to the corresponding absolute labor-related content measure. HC Overall, HC Labor Operations, and HC Talent in the aggregate-disclosure section are measured over the full earnings call. The Q&A disclosure measures are computed separately from management answers and analyst questions, as indicated. Disclosure topic shares are unwinsorized LDA posterior shares. Firm characteristics are measured in the immediately preceding consecutive firm quarter, $t-1$.

Panel B describes the underlying labor-activism setting during 2017–2023 across the 50 states and the District of Columbia. A positive county-quarter has a positive recorded participant total. Event-level participant statistics are based on the 9,118 labor events with positive known attendance estimates. Participant estimates are aggregated within county-quarter before LaborPA is constructed. The final row is firm-quarter weighted and therefore repeats a county-quarter when multiple sample firms are headquartered in that county. Missing event-level participant estimates are excluded from the reported event-attendance distribution.

Table 3: HC Labor Operations versus HC Talent

	(1) Prepared Remarks	(2) Full Q&A	(3) Analyst Questions	(4) Management Answers
HC Labor Operations				
LaborPA	-0.0074**	-0.0190***	-0.0121	-0.0219***
	(0.0030)	(0.0069)	(0.0084)	(0.0062)
HC Talent				
LaborPA	0.0004	0.0024	-0.0010	0.0030
	(0.0021)	(0.0043)	(0.0052)	(0.0049)
Cross-Topic Comparison				
Operations − Talent	-0.0078**	-0.0214**	-0.0111	-0.0249***
	(0.0039)	(0.0087)	(0.0107)	(0.0081)
NonlaborPA	Yes	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
Exposure year-quarter fixed effects	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county
Observations	39,262	39,262	39,262	39,262

The dependent variables are unwinsorized LDA posterior shares of HC Labor Operations and HC Talent within the indicated earnings-call component. Reported coefficients and standard errors are multiplied by 100, so that the estimates are expressed in percentage points. LaborPA and NonlaborPA are inverse-hyperbolic-sine transformations of the corresponding county-quarter participant totals and are measured in exposure quarter t. Firm controls include Institutional Ownership, Market-to-Book, Firm Size, Leverage, PPE, and ROA, measured in the immediately preceding consecutive firm quarter, $t-1$. Disclosure outcomes are measured in the immediately following consecutive firm quarter, $t+1$. All specifications include firm and exposure year-quarter fixed effects and cluster standard errors by headquarters county. The cross-topic comparison reports the difference between the LaborPA coefficient for HC Labor Operations and the corresponding coefficient for HC Talent. Standard errors for these differences are obtained from stacked regressions that account for covariance across outcomes.

*, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table 4: Local Labor-Related Public Activism and Labor-Related Disclosure

Panel A: Overall Labor-Related Disclosure

	(1) IHS HC Content	(2) HC Overall (Share)
LaborPA	-0.0117***	-0.0139***
	(0.0039)	(0.0045)
NonlaborPA	0.0021	-0.0031
	(0.0047)	(0.0061)
Institutional Ownership ($t-1$)	0.0739	0.0766
	(0.1418)	(0.1731)
Market-to-Book ($t-1$)	0.0671**	0.1080***
	(0.0283)	(0.0411)
Firm Size ($t-1$)	-0.1487***	-0.1768**
	(0.0502)	(0.0789)
Leverage ($t-1$)	-0.2854**	-0.2197
	(0.1217)	(0.2085)
PPE ($t-1$)	0.1900	0.4498
	(0.2305)	(0.3933)
ROA ($t-1$)	0.0641	-0.1508
	(0.3297)	(0.4582)
Firm fixed effects	Yes	Yes
Exposure year-quarter fixed effects	Yes	Yes
Standard-error clustering	HQ county	HQ county
Observations	39,262	39,262
Adjusted R^2	0.605	0.832
Dependent-variable mean	1.4369	1.8393

Panel B: HC Overall by Call Component

	(1) Prepared Remarks	(2) Full Q&A	(3) Analyst Questions	(4) Management Answers
LaborPA	-0.0070**	-0.0167**	-0.0131	-0.0189**
	(0.0035)	(0.0075)	(0.0090)	(0.0077)
NonlaborPA	Yes	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
Exposure year-quarter fixed effects	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county
Observations	39,262	39,262	39,262	39,262
Adjusted R^2	0.808	0.665	0.399	0.666
Dependent-variable mean	1.2217	2.6931	2.1897	2.4705

Panel A reports overall labor-related disclosure using two complementary measures. IHS HC Content is the inverse-hyperbolic-sine transformation of the LDA-implied amount of labor-related content, while HC Overall is the combined HC Labor Operations and HC Talent topic share. Panel B reports HC Overall separately for prepared remarks, full Q&A, analyst questions, and management answers. For topic-share outcomes (Panel A, column (2), and Panel B), reported coefficients, standard errors, and dependent-variable means are multiplied by 100 to express disclosure shares and their changes in percentage-point units. Panel A, column (1), remains in IHS units. LaborPA and NonlaborPA are inverse-hyperbolic-sine transformations of the corresponding county-quarter participant totals and are measured in exposure quarter t. Firm controls include Institutional Ownership, Market-to-Book, Firm Size, Leverage, PPE, and ROA, measured in the immediately preceding consecutive firm quarter, $t-1$. Disclosure outcomes are measured in the immediately following consecutive firm quarter, $t+1$. All specifications include firm and exposure year-quarter fixed effects and cluster standard errors by headquarters county. Topic-share outcomes use unwinsorized LDA posterior shares. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table 5: Local Labor-Market Conditions, Hiring Exposure, and Labor-Related Disclosure

	(1) HC Overall	(2) HC Labor Operations	(3) HC Talent	(4) HC Labor Ops Analyst Questions	(5) Formal Difference
Panel A: Controlling for Local Labor-Market Conditions					
LaborPA	-0.0167**	-0.0215***	0.0048	-0.0089	-0.0264***
	(0.0078)	(0.0062)	(0.0050)	(0.0088)	(0.0082)
County unemployment rate ($t-1$)	Yes	Yes	Yes	Yes	Yes
County job-posting level ($t-1$)	Yes	Yes	Yes	Yes	Yes
County job-posting growth ($t-2$ to $t-1$)	Yes	Yes	Yes	Yes	Yes
NonlaborPA	Yes	Yes	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes	Yes
Exposure year-quarter fixed effects	Yes	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county	HQ county
Observations	38,456	38,456	38,456	38,456	38,456
Panel B: Local Hiring Exposure					
LaborPA × Local Hiring Exposure	-0.0059	-0.0056	-0.0003	-0.0135	-0.0053
	(0.0078)	(0.0061)	(0.0050)	(0.0094)	(0.0080)
NonlaborPA × Local Hiring Exposure	Yes	Yes	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes	Yes
Exposure-year fixed effects	Yes	Yes	Yes	Yes	Yes
Standard-error clustering	Firm	Firm	Firm	Firm	Firm
Observations	28,424	28,424	28,424	28,424	28,424
Panel C: Local Hiring Exposure with Headquarters County × Exposure-Quarter Fixed Effects					
LaborPA × Local Hiring Exposure	-0.0095	-0.0012	-0.0083	-0.0158	0.0071
	(0.0118)	(0.0065)	(0.0084)	(0.0105)	(0.0093)
NonlaborPA × Local Hiring Exposure	Yes	Yes	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes	Yes
Headquarters county × exposure-quarter fixed effects	Yes	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county	HQ county
Observations	24,545	24,545	24,545	24,545	24,545

Panel A adds lagged headquarters-county unemployment and job-posting controls. Panels B and C examine heterogeneity by Local Hiring Exposure, defined as the standardized share of the firm's prior-year U.S. job postings located in its headquarters county. Interaction models also include the corresponding NonlaborPA interaction.

All specifications include the six $t-1$ firm controls. Panel B includes firm and exposure-year fixed effects with firm-clustered standard errors; Panel C includes firm and headquarters-county × exposure-quarter fixed effects with headquarters-county clustering. Outcomes are measured in $t+1$.

Column (5) reports covariance-aware HC Labor Operations − HC Talent differences. Reported coefficients and standard errors are multiplied by 100 to express changes in disclosure shares in percentage points. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table 6: Audience Relevance and the Geographic Scope of Labor-Related Public Activism

	(1) Commuting-Based Geography	(2) Congressional District	(3) County × Congressional District
Panel A: Geographic and Constituency Boundaries			
Within-boundary LaborPA	-0.0223***	-0.0260***	-0.0252**
	(0.0058)	(0.0063)	(0.0119)
Comparison LaborPA	0.0000	-0.0047	-0.0004
	(0.0090)	(0.0070)	(0.0076)
Coefficient Comparisons			
Within − Comparison	-0.0222**	-0.0214**	-0.0248*
	(0.0105)	(0.0099)	(0.0139)
Firm controls ($t-1$)	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes
Exposure year-quarter fixed effects	Yes	Yes	Yes
Standard-error clustering	HQ CBSA	HQ county	HQ county
Observations	39,138	38,081	38,081
Panel B: Congressional Redistricting and Constituency Membership			
	(1) 25 Miles	(2) 50 Miles	(3) 100 Miles
Switch-out post-minus-pre change	0.0379*	0.0422**	0.0502**
	(0.0215)	(0.0210)	(0.0220)
Always-same post-minus-pre change	0.0179	0.0185	0.0194
	(0.0210)	(0.0209)	(0.0209)
Differential change:			
Switch-out − Always-same change	0.0199	0.0236	0.0309
	(0.0231)	(0.0221)	(0.0224)
p-value: pre-period stability	0.785	0.694	0.599
Firm controls ($t-1$)	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes
Exposure year-quarter fixed effects	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county
Observations	13,287	13,287	13,287

This table examines the geographic relevance of labor-related public activism for HC Labor Operations in management answers. In Panel A, column (1) compares headquarters-county LaborPA with LaborPA in other counties within the same CBSA; column (2) compares same- and across-district LaborPA within 25 miles; and column (3) compares different-county LaborPA occurring in the same versus a different congressional district. Panel B compares fixed locations that move outside the headquarters congressional district following the 2023 redistricting with locations that remain in the district. Eligibility is defined using pre-redistricting exposure only. All specifications include the corresponding NonlaborPA measures, six $t-1$ firm controls, firm and exposure year-quarter fixed effects. Coefficient comparisons account for covariance across estimates. Reported coefficients and standard errors are multiplied by 100 to express changes in disclosure shares in percentage points. Additional geographic and redistricting diagnostics are reported in the Online Appendix. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table 7: Direct Firm-Specific Targeting and Local Labor-Related Public Activism

	Management Answers			HC Labor Operations Analyst Questions
	(1) HC Overall	(2) HC Labor Operations	(3) HC Talent	(4)
Panel A: Direct Firm-Specific Labor Targeting and LaborPA				
LaborPA	-0.0189**	-0.0219***	0.0030	-0.0121
	(0.0077)	(0.0062)	(0.0049)	(0.0084)
High-Pressure Direct Labor Targeting	-0.3257*	-0.2805**	-0.0453	0.1230
	(0.1795)	(0.1411)	(0.1477)	(0.5077)
Observations	39,262	39,262	39,262	39,262
Adjusted R^2	0.666	0.378	0.770	0.209
Dependent-variable mean	2.4705	1.2045	1.2660	1.4122
Panel B: Excluding Firms Ever Observed Directly Labor-Targeted				
LaborPA	-0.0184**	-0.0205***	0.0021	-0.0120
	(0.0080)	(0.0064)	(0.0051)	(0.0084)
Observations	35,621	35,621	35,621	35,621
Adjusted R^2	0.670	0.374	0.773	0.199
Dependent-variable mean	2.5297	1.1978	1.3319	1.3573
Panel C: Bridge-Matched Firms with No Observed Direct Labor Targeting				
LaborPA	-0.0434**	-0.0475***	0.0042	-0.0219
	(0.0191)	(0.0127)	(0.0129)	(0.0176)
Observations	9,326	9,326	9,326	9,326
Adjusted R^2	0.539	0.408	0.685	0.260
Dependent-variable mean	2.1553	1.3843	0.7710	1.6084
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
Exposure year-quarter fixed effects	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county

Panel A jointly includes LaborPA and High-Pressure Direct Labor Targeting, identified from firm-specific labor-related SIGWATCH campaigns. The direct- targeting HC Labor Operations − HC Talent difference is not significant ($p = 0.300$).

Panels B and C restrict the sample to firms with no observed labor-related SIGWATCH targeting, with Panel C further requiring validated SIGWATCH linkage. The corresponding LaborPA cross-topic differences are significant ($p = 0.007$ and $p = 0.003$).

All specifications include NonlaborPA, the six $t-1$ firm controls, firm and exposure year-quarter fixed effects, and headquarters-county clustered standard errors. Outcomes are measured in $t+1$. Reported coefficients, standard errors, and dependent-variable means are multiplied by 100 to express disclosure shares and their changes in percentage points.

*, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table 8: Management Responses to Explicit Labor-Cost Questions

	(1) Explicit Labor-Cost Question	(2) HC Labor Operations Among Top 3 Topics	(3) HC Labor Operations Ranked First
Dependent Variable: HC Labor Operations Intensity in Management Response			
LaborPA	0.0305	-0.0727	-0.5167
	(0.1225)	(0.2790)	(0.5144)
HC Labor Operations Intensity in Analyst Question	0.2885***	0.2429***	0.2747***
	(0.0195)	(0.0323)	(0.0751)
NonlaborPA	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes
State × exposure-quarter fixed effects	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county
Qualifying Q&A pairs	5,487	2,496	917
Calls	3,794	1,826	753
Firms	815	418	213

This table examines managers' responses when analysts explicitly raise labor-cost issues during the Q&A portion of earnings calls. The unit of observation is an analyst-question–management-response pair. Column (1) includes questions containing explicit labor-cost vocabulary. Column (2) further requires HC Labor Operations to be among the three highest-probability LDA topics in the analyst question, and column (3) requires HC Labor Operations to be the highest-probability topic. The dependent variable is HC Labor Operations intensity in the corresponding management response. All specifications control for HC Labor Operations intensity in the analyst question. Both management-response and analyst-question disclosure intensities are expressed in percentage points.

LaborPA and NonlaborPA are inverse-hyperbolic-sine transformations of the corresponding county-quarter participant totals and are measured in exposure quarter t. The analyst question and corresponding management response are observed in the immediately following consecutive firm quarter, $t+1$. The six firm controls—Institutional Ownership, Market-to-Book, Firm Size, Leverage, PPE, and ROA—are measured in the immediately preceding consecutive firm quarter, $t-1$. All specifications include firm and headquarters-state × exposure-quarter fixed effects and cluster standard errors by headquarters county.

*, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table 9: Informational Relevance, Audience Exposure, and Labor-Related Disclosure

	Management Answers			HC Labor Operations Analyst Questions
	(1) HC Overall	(2) HC Labor Operations	(3) HC Talent	(4)
Panel A: Attention-Generating Labor-Related Public Activism				
High-Attention LaborPA	-0.0324***	-0.0272***	-0.0052	-0.0209**
	(0.0091)	(0.0072)	(0.0054)	(0.0089)
Low-Attention LaborPA	0.0038	-0.0048	0.0086	0.0030
	(0.0095)	(0.0081)	(0.0064)	(0.0106)
Coefficient Comparisons				
High − Low: Operations		-0.0223**		
		(0.0110)		
High: Operations − Talent		-0.0219**		
		(0.0089)		
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
Exposure year-quarter fixed effects	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county
Observations	39,262	39,262	39,262	39,262
Adjusted R^2	0.666	0.378	0.770	0.209
Dependent-variable mean	2.4705	1.2045	1.2660	1.4122
Panel B: Predetermined Firm Media Visibility				
LaborPA	-0.0163	-0.0242***	0.0079	-0.0089
	(0.0116)	(0.0088)	(0.0074)	(0.0125)
LaborPA × Media Visibility	-0.0207**	-0.0158**	-0.0048	-0.0146
	(0.0083)	(0.0074)	(0.0046)	(0.0117)
Cross-Topic Comparison				
Operations − Talent		-0.0110		
		(0.0090)		
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
Exposure year-quarter fixed effects	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county
Observations	21,128	21,128	21,128	21,128
Adjusted R^2	0.678	0.409	0.783	0.237
Dependent-variable mean	2.7324	1.4316	1.3007	1.6833

Panel A separates exposure to high- and low-attention labor-related public activism; high-attention events exhibit multiple-source coverage, police involvement, violence, injury, arrest, or disruption. Event size is not used in the classification. Panel B examines predetermined firm media visibility, measured using firms' average article coverage during 2014–2016. All specifications include NonlaborPA, the six firm controls measured at $t-1$, firm and exposure year-quarter fixed effects, and headquarters-county clustered standard errors. Disclosure outcomes are measured in the immediately following consecutive firm quarter, $t+1$. Coefficient comparisons account for covariance across estimates. Reported coefficients, standard errors, and dependent-variable means are multiplied by 100 to express disclosure shares and their changes in percentage points. The difference-in-differences between the High − Low contrasts for HC Labor Operations and HC Talent is not statistically significant ($p = 0.571$). *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table 10: Potential Consequences: Policy-Oriented Labor-Related Public Activism

	(1) HC Overall Management	(2) HC Labor Operations	(3) HC Talent	(4) HC Labor Ops Analyst Questions
PolicyLaborPA	-0.0860***	-0.0411***	-0.0448***	-0.0468***
	(0.0163)	(0.0139)	(0.0141)	(0.0159)
OtherLaborPA	-0.0142*	-0.0180***	0.0039	-0.0089
	(0.0079)	(0.0064)	(0.0049)	(0.0088)
PolicyLaborPA − OtherLaborPA	-0.0718***	-0.0231	-0.0487***	-0.0379**
	(0.0176)	(0.0151)	(0.0153)	(0.0188)
Observations	39,262	39,262	39,262	39,262

This table examines whether the association between labor-related public activism and labor-related communication differs when the underlying public activism is explicitly connected to labor policy. PolicyLaborPA is the inverse hyperbolic sine of total reported participants in policy-oriented labor public-activism events in the firm's headquarters county-quarter. Policy-oriented events are identified from event claims that explicitly reference a labor-policy issue or closely connect a substantive labor issue to a formal policy mechanism or government action. OtherLaborPA is constructed analogously from all remaining labor public-activism events. The two measures jointly partition the participant exposure underlying LaborPA. The sample contains 637 policy-oriented labor public-activism events and 21,820 other labor public-activism events. Each specification jointly includes PolicyLaborPA and OtherLaborPA, contemporaneous NonlaborPA, the six exact consecutive $t-1$ firm controls, firm fixed effects, and exposure-year-quarter fixed effects. Standard errors, reported in parentheses, are clustered by headquarters county. Disclosure is measured in the exact consecutive quarter $t+1$. The PolicyLaborPA − OtherLaborPA rows report covariance-aware formal coefficient-difference tests. Reported coefficients and standard errors are multiplied by 100 to express changes in disclosure shares in percentage points. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table 11: Public Activism, Employee Relations, and Human Capital Disclosure

	(1) Compensation and Benefits	(2) Overall Rating	(3) Work-Life Balance	(4) Senior Management
Panel A: HC Labor Operations — Management Answers				
LaborPA	-0.0300**	-0.0293**	-0.0312**	-0.0299**
	(0.0132)	(0.0134)	(0.0131)	(0.0136)
LaborPA × Unfavorable Employee Rating	-0.0218	-0.0097	-0.0277***	-0.0227**
	(0.0144)	(0.0103)	(0.0103)	(0.0098)
Panel B: HC Talent — Management Answers				
LaborPA	0.0015	0.0023	0.0018	0.0009
	(0.0105)	(0.0109)	(0.0104)	(0.0105)
LaborPA × Unfavorable Employee Rating	0.0013	0.0045	0.0030	-0.0010
	(0.0087)	(0.0110)	(0.0148)	(0.0112)
Panel C: Difference in Interaction Coefficients				
HC Labor Operations − HC Talent	-0.0231	-0.0142	-0.0307*	-0.0217
	(0.0175)	(0.0152)	(0.0163)	(0.0136)
NonlaborPA	Yes	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
Industry × quarter fixed effects	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county
Calls	7,316	7,329	7,316	7,231
Firms	416	417	416	412
HQ counties	84	84	84	83

This table examines whether pre-existing employee relations moderate the association between LaborPA and subsequent human capital disclosure. Columns (1)–(4) use Glassdoor ratings for Compensation and Benefits, Overall Rating, Work-Life Balance, and Senior Management, respectively. Ratings are based on at least five reviews from 2014–2016, standardized and reverse-coded so that higher values indicate less favorable employee perceptions.
Panels A and B report interactions for managers' HC Labor Operations and HC Talent disclosure. Panel C reports covariance-adjusted differences between these interactions. LaborPA and NonlaborPA are IHS-transformed county-quarter participant totals measured in quarter t; disclosure is measured in $t+1$. All regressions include six firm controls measured in $t-1$, firm and industry × quarter fixed effects, and HQ-county-clustered standard errors. Coefficients and standard errors are multiplied by 100 to express changes in disclosure shares in percentage points. Standard errors are reported in parentheses. The interaction results are not robust to alternative fixed effects.
*, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table 12: Labor-Related Public Activism and Analyst Forecast Disagreement

	(1) Pre-Call Dispersion	(2) Post-Call Dispersion	(3) Post − Pre Dispersion	(4) Absolute Consensus Revision
LaborPA	-0.099	-1.620**	-1.521**	1.241
	(0.855)	(0.806)	(0.758)	(1.097)
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
Exposure year-quarter fixed effects	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county
Observations	19,371	19,371	19,371	21,493
Adjusted R^2	0.544	0.475	0.023	0.334

This table examines analyst forecast disagreement around the earnings call immediately following LaborPA exposure. LaborPA and NonlaborPA are inverse-hyperbolic-sine transformations of the corresponding county-quarter participant totals and are measured in exposure quarter t. Firm controls are measured in the immediately preceding consecutive firm quarter, $t-1$. All specifications include NonlaborPA, firm fixed effects, and exposure year-quarter fixed effects and cluster standard errors by headquarters county.

Columns (1)–(3) use the same matched firm–forecast-period observations. Pre-call (post-call) dispersion is the inverse-hyperbolic-sine transformation of forecast dispersion measured at the latest valid I/B/E/S consensus snapshot before (first valid snapshot after) the earnings call. Column (3) is the difference between the post- and pre-call IHS dispersion measures. Column (4) is the inverse-hyperbolic-sine transformation of the absolute consensus forecast revision. Continuous analyst outcomes are winsorized at the pooled 1st and 99th percentiles after transformation. The I/B/E/S sample uses annual forecasts with FPI equal to one.

Reported coefficients and standard errors are multiplied by 1,000 for ease of presentation. The dependent variables remain in IHS-transformed units.

*, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Online Appendix

A Variable Definitions

Table A1 defines the variables used throughout the paper.

Table A1: Variable Definitions

Variable	Definition	Source
Panel A: Public-Activism Measures		
LaborPA	Inverse hyperbolic sine of the total reported participants in retained labor-related public-activism events occurring in the firm's headquarters county during exposure quarter t. Events with missing participant estimates remain classified as events but contribute zero participants to the county-quarter participant total.	CCC
NonlaborPA	Inverse hyperbolic sine of the total reported participants in retained nonlabor public-activism events occurring in the firm's headquarters county during exposure quarter t.	CCC
High-Attention LaborPA	Inverse hyperbolic sine of the county-quarter participant total from retained labor-related events classified as high attention. An event is classified as high attention if it is covered by multiple sources or exhibits at least one predetermined attention-related feature, including police involvement, violence, injury, arrest, or disruption. Event size is not used to determine the high-attention classification.	CCC
Low-Attention LaborPA	Inverse hyperbolic sine of the county-quarter participant total from retained labor-related events not classified as high attention.	CCC
Low/Moderate LaborPA	Indicator equal to one when the raw labor-event participant total in the headquarters county during exposure quarter t is positive and no greater than 333, and zero otherwise.	CCC
High-Intensity LaborPA	Indicator equal to one when the raw labor-event participant total in the headquarters county during exposure quarter t exceeds 333, and zero otherwise.	CCC
Any Labor Event	Indicator equal to one when at least one retained labor-related public-activism event occurs in the firm's headquarters county during exposure quarter t, and zero otherwise.	CCC
IHS Labor Event Count	Inverse hyperbolic sine of the number of retained labor-related public-activism events occurring in the firm's headquarters county during exposure quarter t.	CCC
IHS Maximum Labor Event Size	Inverse hyperbolic sine of the maximum known participant count among retained labor-related public-activism events in the firm's headquarters county during exposure quarter t.	CCC
Panel B: Labor-Related Disclosure Measures		
IHS HC Content	Inverse hyperbolic sine of LDA-implied labor-related content in the full earnings call, calculated as the combined HC Labor Operations and HC Talent topic share multiplied by the number of processed words in the call.	Refinitiv; LDA
HC Overall	Combined HC Labor Operations and HC Talent LDA topic share within the relevant earnings-call component.	Refinitiv; LDA
HC Labor Operations	LDA topic share capturing labor availability, staffing constraints, wages, turnover, overtime, labor-cost pressures, and related operating labor conditions within the relevant earnings-call component.	Refinitiv; LDA
HC Talent	LDA topic share capturing recruitment, retention, employee skills, workforce composition, workforce development, and talent-management practices within the relevant earnings-call component.	Refinitiv; LDA
HC Overall – Analyst Questions	Combined HC Labor Operations and HC Talent LDA topic share within analyst questions.	Refinitiv; LDA
HC Labor Operations – Analyst Questions	HC Labor Operations LDA topic share within analyst questions.	Refinitiv; LDA
IHS HC Labor Operations Content	Inverse hyperbolic sine of LDA-implied absolute HC Labor Operations content in management answers, calculated as the HC Labor Operations topic share multiplied by the number of processed words in management answers.	Refinitiv; LDA
IHS HC Talent Content	Inverse hyperbolic sine of LDA-implied absolute HC Talent content in management answers, calculated as the HC Talent topic share multiplied by the number of processed words in management answers.	Refinitiv; LDA

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Table A1 – *Continued*

Variable	Definition	Source
Financial Information	Management-answer LDA topic share aggregating four topics related to financial and capital-market information, including financing and credit markets, banking and payments, capital allocation and cash flow, and acquisition and integration activity. Used as a comparison disclosure category.	Refinitiv; LDA
Energy Technology and Infrastructure Information	Management-answer LDA topic share capturing discussion of energy technologies and infrastructure. Used as a comparison disclosure category.	Refinitiv; LDA
Panel C: Firm-Level Control Variables		
Institutional Ownership	Aggregate shares held by institutional managers in Thomson/Refinitiv S34 divided by shares outstanding. S34 `shrout1` is used for shares outstanding, with Compustat `cshoq` used when `shrout1` equals zero and `cshoq` is positive. The ratio is winsorized at the pooled 1st and 99th percentiles and is neither log transformed nor capped at one.	Thomson/Refinitiv S34; Compustat
Market-to-Book	$\ln[(\texttt{CSHOQ} \times \texttt{PRCCQ})/\texttt{CEQQ}]$, defined when market equity and `CEQQ` are positive and winsorized at the pooled 1st and 99th percentiles.	Compustat
Firm Size	Natural logarithm of total assets (`ATQ`).	Compustat
Leverage	$(\texttt{DLTTQ} + \texttt{DLCQ})/\texttt{ATQ}$.	Compustat
PPE	$\texttt{PPENTQ}/\texttt{ATQ}$.	Compustat
ROA	$\texttt{OIBDPQ}/\texttt{ATQ}$.	Compustat
Panel D: Additional-Analysis and Robustness Variables		
Predetermined Media Visibility	Standardized inverse hyperbolic sine of the firm's average annual article coverage during 2014–2016.	Boustanifar and Mansouri (2026)
High-Pressure Direct Labor Targeting	Indicator for labor-related SIGWATCH campaigns directed at the focal firm that combine negative campaign sentiment with high target prominence.	SIGWATCH
Local Hiring Exposure	Share of the firm's prior-year U.S. job postings located in its headquarters county, constructed for firm-years with at least 10 U.S. job postings and standardized in the relevant regression sample.	Lightcast
County Unemployment Rate	Lagged unemployment rate in the firm's headquarters county.	BLS
County Job-Posting Level	Lagged level of job postings in the firm's headquarters county.	Lightcast
County Job-Posting Growth	Growth in headquarters-county job postings from exposure quarter $t-2$ to $t-1$.	Lightcast
Historical LaborPA	Mean of the quarterly IHS-transformed LaborPA measures in the firm's headquarters county over exposure quarters $t-1$ through $t-4$.	CCC
Analyst-Question HC Labor Operations Intensity	HC Labor Operations topic share in a qualifying analyst question that explicitly raises labor-cost issues. Progressively narrower samples additionally require HC Labor Operations to rank among the three highest-probability topics or as the highest-probability topic in the question.	Refinitiv; LDA
Management-Response HC Labor Operations Intensity	HC Labor Operations topic share in the management response corresponding to a qualifying analyst labor-cost question.	Refinitiv; LDA
Pre-Call IHS Forecast Dispersion	Inverse hyperbolic sine of I/B/E/S analyst forecast dispersion (`STDEV`) measured at the latest valid consensus snapshot strictly before the earnings call. The pre-call and post-call snapshots refer to the same forecast-period end date (`FPEDATS`). The transformed measure is winsorized at the pooled 1st and 99th percentiles.	I/B/E/S
Post-Call IHS Forecast Dispersion	Inverse hyperbolic sine of I/B/E/S analyst forecast dispersion (`STDEV`) measured at the first valid consensus snapshot strictly after the earnings call. The pre-call and post-call snapshots refer to the same forecast-period end date (`FPEDATS`). The transformed measure is winsorized at the pooled 1st and 99th percentiles.	I/B/E/S
Post-minus-Pre IHS Forecast Dispersion	Post-call IHS forecast dispersion minus pre-call IHS forecast dispersion, measured using matched pre-call and post-call I/B/E/S consensus snapshots for the same forecast-period end date.	I/B/E/S
IHS Absolute Consensus Forecast Revision	Inverse hyperbolic sine of the absolute change in the I/B/E/S consensus mean forecast (`MEANEST`) between the matched pre-call and post-call snapshots for the same forecast-period end date. The transformed measure is winsorized at the pooled 1st and 99th percentiles.	I/B/E/S
Unfavorable Employee Rating	Negative of the standardized firm-level average Glassdoor rating from employee reviews dated 2014–2016. Ratings cover Compensation and Benefits, Overall Rating, Work-Life Balance, and Senior Management. Each measure requires at least five nonmissing reviews per firm and is standardized across eligible firms. Higher values indicate less favorable employee perceptions. The measures are fixed throughout the sample period.	Zhou et al. (2024)

B Additional Analyses and Robustness

Table B1: Alternative Fixed Effects and Clustering

Panel A: Alternative Fixed Effects and Clustering

	(1) Year Firm Cluster	(2) Year County Cluster	(3) YQ County Cluster	(4) State × YQ County Cluster
IHS HC Content – Full Call	-0.0058*	-0.0058	-0.0117***	-0.0095**
	(0.0032)	(0.0038)	(0.0039)	(0.0042)
HC Overall – Management Answers	-0.0075	-0.0075	-0.0189**	-0.0151*
	(0.0075)	(0.0070)	(0.0077)	(0.0087)
HC Labor Operations – Management Answers	-0.0150***	-0.0150***	-0.0219***	-0.0228***
	(0.0054)	(0.0057)	(0.0062)	(0.0076)
HC Talent – Management Answers	0.0075	0.0075*	0.0030	0.0078
	(0.0054)	(0.0045)	(0.0049)	(0.0063)
HC Overall – Analyst Questions	-0.0031	-0.0031	-0.0131	-0.0095
	(0.0088)	(0.0084)	(0.0090)	(0.0101)
HC Labor Operations − HC Talent – Management Answers	-0.0225***	-0.0225***	-0.0249***	-0.0306***
	(0.0077)	(0.0076)	(0.0081)	(0.0109)
Exposure-year FE	Yes	Yes	No	No
Exposure YQ FE	No	No	Yes	No
State × exposure YQ FE	No	No	No	Yes
Firm-clustered SE	Yes	No	No	No
HQ-county-clustered SE	No	Yes	Yes	Yes
Observations	39,262	39,262	39,262	39,143
Firms	2,384	2,384	2,384	2,378
HQ counties	342	342	342	337

Table B1: Alternative Fixed Effects and Clustering (continued)

Panel B: More Restrictive Time-Varying Fixed Effects

	(5) Industry × YQ	(6) State × YQ + Industry × YQ	(7) County × Year + YQ
IHS HC Content – Full Call	-0.0041	-0.0056	-0.0029
	(0.0034)	(0.0040)	(0.0029)
HC Overall – Management Answers	-0.0024	-0.0039	-0.0084
	(0.0091)	(0.0100)	(0.0069)
HC Labor Operations – Management Answers	-0.0101*	-0.0178**	-0.0106**
	(0.0059)	(0.0076)	(0.0053)
HC Talent – Management Answers	0.0077	0.0139*	0.0022
	(0.0067)	(0.0078)	(0.0050)
HC Overall – Analyst Questions	0.0006	-0.0058	-0.0018
	(0.0110)	(0.0120)	(0.0103)
HC Labor Operations − HC Talent – Management Answers	-0.0178**	-0.0317***	-0.0128*
	(0.0088)	(0.0117)	(0.0076)
Industry × exposure YQ FE	Yes	Yes	No
State × exposure YQ FE	No	Yes	No
HQ county × exposure-year FE	No	No	Yes
Exposure YQ FE	No	No	Yes
Observations	37,084	36,957	39,211
Firms	2,299	2,293	2,384
HQ counties	340	335	342

Notes: This table reports LaborPA estimates under alternative fixed-effects and clustering specifications. IHS HC Content is measured over the full earnings call. HC Overall, HC Labor Operations, and HC Talent are measured in management answers, while HC Overall – Analyst Questions is measured in analyst questions. All models include NonlaborPA, firm fixed effects, and the six $t-1$ firm controls. LaborPA and NonlaborPA are IHS-transformed county-quarter participant totals. HC Labor Operations − HC Talent differences compare the corresponding management-answer coefficients and are estimated using stacked regressions. Coefficients and standard errors for disclosure-share outcomes and their cross-topic differences are multiplied by 100 to express changes in percentage points. Coefficients and standard errors for IHS HC Content remain in their original IHS units. Standard errors are reported in parentheses. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table B2: Persistence and Recent History of Local Labor-Related Public Activism

Panel A: Persistence of Local Labor-Related Public Activism

Descriptive statistic	Value
Headquarters counties	342
Unique headquarters county-quarters	7,625
Counties ever experiencing positive LaborPA	253
Positive LaborPA county-quarters	1,791
Positive LaborPA county-quarters preceded by positive LaborPA in the immediately prior quarter	51.54%
Novel LaborPA county-quarters	338
Repeated LaborPA county-quarters	1,322
Positive LaborPA county-quarters with insufficient history	131
Corr(LaborPA_t, LaborPA_{t+1})	0.4478

Panel B: Current LaborPA Conditional on Historical LaborPA

	(1) IHS HC Content	(2) HC Labor Operations	(3) HC Talent	(4) Labor-Related Analyst Questions
Current LaborPA:				
Baseline specification	-0.0118***	-0.0226***	0.0020	-0.0173*
	(0.0044)	(0.0066)	(0.0052)	(0.0100)
Current LaborPA:				
Including Historical LaborPA	-0.0120***	-0.0229***	0.0022	-0.0171*
	(0.0044)	(0.0067)	(0.0053)	(0.0100)
Historical LaborPA	-0.0151	-0.0189	0.0093	0.0108
	(0.0117)	(0.0203)	(0.0242)	(0.0297)
NonlaborPA	Yes	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
Exposure YQ fixed effects	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county
Observations	34,484	34,484	34,484	34,484

Panel C: Headquarters State × Exposure YQ Fixed Effects

	HC Labor Operations Management Answers
Current LaborPA	-0.0238***
	(0.0076)
Historical LaborPA	-0.0212
	(0.0205)
NonlaborPA	Yes
Firm controls ($t-1$)	Yes
Firm fixed effects	Yes
HQ state × exposure YQ fixed effects	Yes
Standard-error clustering	HQ county
Observations	34,397

Continued on next page

Table B2: Persistence and Recent History of Local Labor Activism (*continued*)

Panel D: Current Exposure Conditional on Recent Activism History

	(1) HC Overall Management	(2) HC Labor Operations	(3) HC Talent	(4) HC Labor Operations Analyst Questions
Novel activation:				
Current positive − current zero	0.0050	-0.0104	0.0154	-0.0208
	(0.1122)	(0.0947)	(0.0830)	(0.1286)
Repeated/reactivation:				
Current positive − current zero	-0.0951*	-0.1268***	0.0317	-0.0355
	(0.0545)	(0.0415)	(0.0355)	(0.0630)
Repeated/reactivation				
− Novel activation	-0.1002	-0.1164	0.0163	-0.0147
	(0.1289)	(0.1069)	(0.0806)	(0.1383)
NonlaborPA	Yes	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
Exposure YQ fixed effects	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county
Observations	34,484	34,484	34,484	34,484

Panel E: Formal Cross-Topic Selectivity Tests

	HC Labor Operations − HC Talent
Novel activation	-0.0258
	(0.1383)
Repeated/reactivation	-0.1585***
	(0.0547)
Repeated/reactivation − Novel activation	-0.1327
	(0.1386)

Panel A summarizes the persistence of local labor-related public activism. Novel (repeated) LaborPA denotes positive current exposure with no (at least one) positive exposure in the preceding four quarters. The correlation uses IHS-transformed LaborPA.

Panel B compares current LaborPA coefficients with and without Historical LaborPA, defined as average IHS LaborPA over quarters $t-1$ through $t-4$, using the same sample. Panel C replaces exposure-YQ fixed effects with headquarters-state × exposure-YQ fixed effects.

Panel D compares positive versus zero current exposure separately for observations without recent activism (novel activation) and with recent activism (repeated/reactivation), where recent activism refers to positive LaborPA in the preceding four quarters. It also tests the difference between these two contrasts. Panel E tests the corresponding HC Labor Operations − HC Talent differences in management answers and whether these cross-topic contrasts differ by recent activism history. All coefficient comparisons account for covariance across estimates.

LaborPA and NonlaborPA are IHS-transformed county-quarter participant totals. All regressions include NonlaborPA, six $t-1$ firm controls, firm fixed effects, and the indicated time fixed effects, with standard errors clustered by headquarters county. Disclosure is measured in $t+1$. YQ denotes exposure year-quarter. Disclosure-share coefficients and standard errors are multiplied by 100 and expressed in percentage points; IHS HC Content estimates remain in IHS units. *, **, and *** indicate significance at the 10, 5, and 1 percent levels, respectively.

Table B3: Geographic Scope of the Local Public Environment

Panel A: Geographic Distance from Headquarters

	HC Labor Operations Management Answers
LaborPA: 0–25 miles	-0.0059
	(0.0061)
LaborPA: >25–50 miles	-0.0022
	(0.0080)
LaborPA: >50–100 miles	0.0014
	(0.0073)
LaborPA: >100–200 miles	0.0000
	(0.0077)
0–25 miles − >100–200 miles	-0.0059
	(0.0107)
p-value: equality of all four LaborPA coefficients	0.898
Observations	38,112

Panel B: Commuting-Based Economic Geography

	(1) HC Overall Management	(2) HC Labor Operations	(3) HC Talent	(4) HC Labor Operations Analyst Questions
CBSA LaborPA	-0.0037	-0.0099	0.0063	0.0041
	(0.0089)	(0.0066)	(0.0057)	(0.0086)
Own-county LaborPA	-0.0194***	-0.0223***	0.0029	-0.0121
	(0.0074)	(0.0058)	(0.0051)	(0.0080)
Other-CBSA LaborPA	-0.0041	0.0000	-0.0041	0.0082
	(0.0105)	(0.0090)	(0.0076)	(0.0120)
Own county − Other CBSA	-0.0152	-0.0222**	0.0070	-0.0203
	(0.0126)	(0.0105)	(0.0091)	(0.0155)
Observations	39,138	39,138	39,138	39,138

Continued on next page

Table B3: Geographic Scope of the Local Public Environment (continued)

Panel C: Congressional-District Geography within 25 Miles

	(1) HC Overall Management	(2) HC Labor Operations	(3) HC Talent	(4) HC Labor Operations Analyst Questions
Same-district LaborPA	-0.0194**	-0.0260***	0.0066	-0.0207**
	(0.0087)	(0.0063)	(0.0058)	(0.0098)
Across-district LaborPA	-0.0113	-0.0047	-0.0067	-0.0031
	(0.0094)	(0.0070)	(0.0069)	(0.0100)
Same district − Across district		-0.0214**		
		(0.0099)		
Observations	38,081	38,081	38,081	38,081

Panel D: County × Congressional-District Geography within 25 Miles

	HC Labor Operations Management Answers
Same county / Same district	-0.0251***
	(0.0068)
Same county / Different district	-0.0146*
	(0.0084)
Different county / Same district	-0.0252**
	(0.0119)
Different county / Different district	-0.0004
	(0.0076)
Different county / Same district	
− Different county / Different district	-0.0248*
	(0.0139)
Same county / Same district	
− Same county / Different district	-0.0104
	(0.0109)
Observations	38,081

This table examines the geographic scope of the association between local labor-related public activism and labor-related disclosure. Panel A partitions LaborPA into mutually exclusive distance bands from headquarters. Panel B examines commuting-based economic geography using fixed August 2017 Core Based Statistical Area (CBSA) delineations and separately identifies own-county and other-CBSA exposure. Panel C partitions activism within 25 miles of headquarters according to whether the event occurs in the same congressional district as headquarters. Panel D jointly partitions within-25-mile exposure by county and congressional district. Reported coefficient differences are covariance-aware formal tests.

All specifications include the corresponding NonlaborPA measures. Panels C and D additionally control for LaborPA and NonlaborPA in the >25–50, >50–100, and >100–200 mile bands. Except in Panel B, standard errors are clustered by headquarters county; Panel B clusters standard errors by headquarters CBSA. Regressions include the six exact consecutive $t-1$ firm controls, firm fixed effects, and exposure-year-quarter fixed effects. Raw participant totals are aggregated within the relevant geographic unit before applying the IHS transformation. Disclosure is measured in the exact consecutive quarter $t+1$. Reported coefficients and standard errors are multiplied by 100 to express changes in disclosure shares in percentage points. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table B4: HC Labor Operations Compared with Other Disclosure Categories

	(1) HC Labor Operations	(2) HC Talent	(3) Financial Information	(4) Energy Technology and Infrastructure
LaborPA	-0.0219***	0.0030	0.0290**	-0.0050
	(0.0062)	(0.0049)	(0.0139)	(0.0037)
Formal Cross-Category Comparisons				
HC Labor Operations minus category	–	-0.0249***	-0.0509***	-0.0169**
		(0.0081)	(0.0138)	(0.0073)
NonlaborPA	Yes	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
Exposure YQ fixed effects	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county
Observations	39,262	39,262	39,262	39,262
Adjusted R^2	0.378	0.770	0.550	0.647

All outcomes are management-answer topic shares. LaborPA and NonlaborPA are IHS-transformed county-quarter participant totals. All specifications include NonlaborPA, the six $t-1$ firm controls used in the main analyses, firm fixed effects, and exposure year-quarter fixed effects, with standard errors clustered by headquarters county. Disclosure is measured in the immediately following consecutive firm quarter, $t+1$. The comparison row reports stacked-regression differences between the LaborPA coefficient for HC Labor Operations and the corresponding comparison category. Reported coefficients and standard errors are multiplied by 100 to express changes in disclosure shares in percentage points. YQ denotes exposure year-quarter. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table B5: Alternative Measurement of Labor-Related Disclosure

	(1) IHS HC Labor Operations Content	(2) IHS HC Talent Content
LaborPA	-0.006783*	0.002783
	(0.003725)	(0.001820)
HC Labor Operations minus HC Talent	-0.009566**	
	(0.004323)	
NonlaborPA	Yes	Yes
Firm controls ($t-1$)	Yes	Yes
Firm fixed effects	Yes	Yes
Exposure year-quarter fixed effects	Yes	Yes
Standard-error clustering	HQ county	HQ county
Observations	31,526	31,526
Adjusted R^2	0.383	0.736
Dependent-variable mean	0.7842	0.5190

The dependent variables provide alternative measures of absolute management-answer content. For each topic, absolute content is constructed by multiplying the topic share by the number of processed management-answer words and applying the inverse hyperbolic sine transformation. LaborPA and NonlaborPA are inverse-hyperbolic-sine transformations of the corresponding county-quarter participant totals and are measured in exposure quarter t. All specifications include the six $t-1$ firm controls used in the main analyses, firm fixed effects, and exposure year-quarter fixed effects, with standard errors clustered by headquarters county. Disclosure outcomes are measured in the immediately following consecutive firm quarter, $t+1$. The HC Labor Operations − HC Talent estimate is obtained from a stacked regression using the corresponding IHS-transformed content measures. Coefficients, standard errors, and dependent-variable means are reported in IHS units without rescaling. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table B6: Alternative Measures of Labor-Related Public Activism

	(1) Any Recorded Labor Event	(2) IHS Labor Event Count	(3) IHS Maximum Known Event Size
Aggregate Labor-Related Disclosure			
IHS HC Content	-0.001096	-0.042925**	-0.008320*
	(0.023096)	(0.018602)	(0.004416)
HC Overall – Whole Call	-0.0136	-0.0584**	-0.0099**
	(0.0286)	(0.0250)	(0.0048)
Component-Level Labor-Related Disclosure			
HC Labor Operations – Management Answers	-0.0548	-0.0757**	-0.0180**
	(0.0402)	(0.0301)	(0.0072)
HC Talent – Management Answers	0.0320	-0.0061	0.0038
	(0.0408)	(0.0213)	(0.0063)
HC Labor Operations – Analyst Questions	-0.0222	-0.0921**	-0.0148
	(0.0621)	(0.0419)	(0.0117)
HC Labor Operations minus HC Talent	-0.0867	-0.0697*	-0.0217**
	(0.0630)	(0.0385)	(0.0101)
Analogous NonlaborPA control	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes
Exposure YQ fixed effects	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county
Observations	39,262	39,262	33,150

This table examines alternative measures of labor-related public activism in the firm's headquarters county during exposure quarter t. Column (1) uses an indicator for any recorded labor event. Column (2) applies the inverse hyperbolic sine transformation to the number of recorded labor events, and column (3) applies the inverse hyperbolic sine transformation to the largest available participant estimate among labor events in the county-quarter. Each specification includes the analogous nonlabor-activism measure, the six $t-1$ firm controls used in the main analyses, firm fixed effects, and exposure year-quarter fixed effects, with standard errors clustered by headquarters county. IHS HC Content is the IHS-transformed absolute labor-related content measure. HC Overall is measured over the whole call; HC Labor Operations and HC Talent are measured in management answers, and HC Labor Operations – Analyst Questions is measured in analyst questions. The final row reports stacked-regression differences between the HC Labor Operations and HC Talent coefficients. Reported coefficients and standard errors for disclosure-share outcomes and their cross-topic differences are multiplied by 100 to express changes in percentage points. IHS HC Content estimates remain in their original IHS units. YQ denotes exposure year-quarter. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table B7: Labor-Related Public Activism Intensity and Labor-Related Disclosure

	(1) HC Labor Operations Management Answers	(2) HC Talent Management Answers	(3) HC Labor Operations Analyst Questions
Low/Moderate-Intensity LaborPA	-0.0878**	0.0553	0.0009
	(0.0346)	(0.0368)	(0.0556)
High-Intensity LaborPA	-0.1543**	0.0062	-0.1641**
	(0.0682)	(0.0466)	(0.0725)
Formal Within-Outcome Comparisons			
High minus Low/Moderate	-0.0665	-0.0491	-0.1651**
	(0.0660)	(0.0485)	(0.0639)
NonlaborPA	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes
Exposure YQ fixed effects	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county
Observations	39,262	39,262	39,262
Adjusted R^2	0.378	0.770	0.209

This table examines heterogeneity in disclosure responses by the intensity of labor activism in the firm's headquarters county during exposure quarter t. Low/Moderate-Intensity LaborPA equals one when the raw county-quarter labor participant total is positive and no greater than 333; High-Intensity LaborPA equals one when the total exceeds 333. County-quarters with no recorded labor participants form the omitted category. Both indicators enter the same regression. All specifications include IHS-transformed NonlaborPA, the six $t-1$ firm controls used in the main analyses, firm fixed effects, and exposure year-quarter fixed effects, with standard errors clustered by headquarters county. The comparison row reports the difference between the High- and Low/Moderate-Intensity coefficients within each outcome. Coefficients and standard errors are multiplied by 100 to express changes in disclosure shares in percentage points. YQ denotes exposure year-quarter. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table B8: Geographic Concentration of Labor-Related Public Activism

	(1) Full Sample	(2) Exclude Top 10 Labor-Participant Counties	(3) Exclude Top 10 Sample-Call Counties
Panel A: LaborPA Support			
SD of IHS LaborPA	3.395	3.070	3.067
Observations with LaborPA > 0	45.92%	39.81%	37.28%
Positive LaborPA county-quarters	1,791	1,614	1,611
Positive county-quarter support retained	100.00%	90.12%	89.95%
Panel B: LaborPA Coefficients			
HC Overall – Management Answers	-0.0189**	-0.0214**	-0.0139
	(0.0077)	(0.0091)	(0.0103)
HC Labor Operations – Management Answers	-0.0219***	-0.0228***	-0.0186**
	(0.0062)	(0.0073)	(0.0081)
HC Talent – Management Answers	0.0030	0.0014	0.0047
	(0.0049)	(0.0059)	(0.0069)
HC Labor Operations – Analyst Questions	-0.0121	-0.0110	-0.0059
	(0.0084)	(0.0101)	(0.0109)
HC Labor Operations minus HC Talent	-0.0249***	-0.0242**	-0.0233**
	(0.0081)	(0.0096)	(0.0110)
NonlaborPA	Yes	Yes	Yes
Firm controls ($t-1$)	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes
Exposure YQ fixed effects	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county
Observations	39,262	33,644	27,679
Firms	2,384	2,033	1,670
HQ counties	342	332	332

This table examines whether the results are driven by geographic concentration in LaborPA or in the earnings-call sample. Column (1) reports the full-sample estimates. Column (2) excludes the 10 headquarters counties with the largest aggregate raw labor-event participant totals, and column (3) excludes the 10 headquarters counties with the largest numbers of sample calls. LaborPA and NonlaborPA are IHS-transformed county-quarter participant totals. Panel A reports the remaining support for LaborPA in each estimation sample; support retained is measured relative to the 1,791 positive LaborPA county-quarters in the full sample. Panel B reports LaborPA coefficients. All specifications include NonlaborPA, the six $t-1$ firm controls used in the main analyses, firm fixed effects, and exposure year-quarter fixed effects, with standard errors clustered by headquarters county. HC Labor Operations minus HC Talent differences are estimated using stacked regressions. Panel B coefficients and standard errors are multiplied by 100 to express changes in disclosure shares in percentage points. Panel A descriptive statistics remain in their original units. YQ denotes exposure year-quarter. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table B9: Predetermined Media Visibility with County-by-Quarter Fixed Effects

	Management Answers			Labor-Related Analyst Questions
	(1) HC Overall	(2) HC Labor Operations	(3) HC Talent	(4)
Panel A: Headquarters County-by-Exposure-Quarter Fixed Effects				
LaborPA × Media Visibility	-0.0231*	-0.0168	-0.0063	-0.0139
	(0.0119)	(0.0105)	(0.0049)	(0.0133)
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
HQ county × exposure-quarter fixed effects	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county
Observations	18,159	18,159	18,159	18,159
Firms	974	974	974	974
HQ counties	137	137	137	137
Panel B: Adding NonlaborPA × Predetermined Media Visibility				
LaborPA × Media Visibility	-0.0232*	-0.0170	-0.0063	-0.0139
	(0.0119)	(0.0105)	(0.0049)	(0.0133)
Firm controls ($t-1$)	Yes	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes	Yes
HQ county × exposure-quarter fixed effects	Yes	Yes	Yes	Yes
NonlaborPA × Media Visibility	Yes	Yes	Yes	Yes
Standard-error clustering	HQ county	HQ county	HQ county	HQ county
Observations	18,159	18,159	18,159	18,159
Firms	974	974	974	974
HQ counties	137	137	137	137

This table reports robustness tests for the interaction between LaborPA and Predetermined Media Visibility. Predetermined Media Visibility is measured as the standardized inverse-hyperbolic-sine transformation of firms' average media coverage during 2014–2016. LaborPA and NonlaborPA are inverse-hyperbolic-sine transformations of county-quarter participant totals measured in exposure quarter t.

Panel A replaces exposure year-quarter fixed effects with headquarters county-by-exposure-quarter fixed effects, thereby absorbing shocks common to firms headquartered in the same county and quarter. Because LaborPA and NonlaborPA vary at the county-quarter level, their standalone effects are absorbed by these fixed effects. Predetermined Media Visibility is time invariant and is absorbed by firm fixed effects; the interaction terms remain identified from within-county-quarter differences in firms' predetermined media visibility.

Panel B additionally includes the interaction between NonlaborPA and Predetermined Media Visibility. Adding this interaction changes the LaborPA × Media Visibility coefficient by at most 0.68 percent in absolute proportional terms across the four outcomes.

All specifications include the six firm controls measured at $t-1$. Disclosure outcomes are measured in the immediately following consecutive firm quarter, $t+1$. Standard errors are clustered by headquarters county. Reported coefficients and standard errors are multiplied by 100 to express changes in disclosure shares in percentage points.

*, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table B10: Validation of Attention-Generating Event Characteristics

	(1) Number of Media Sources	(2) Any Media Coverage	(3) Number of Media Sources	(4) Any Media Coverage
Panel A: Aggregate Attention-Generating Characteristics				
Non-Source Attention Index	0.368***	0.130***	0.311***	0.099***
	(0.017)	(0.007)	(0.019)	(0.008)
Year fixed effects	Yes	Yes	Yes	Yes
State fixed effects	No	No	Yes	Yes
Observations	9,118	9,118	9,118	9,118
Adjusted R^2	0.141	0.079	0.309	0.220
Dependent-variable mean	0.835	0.574	0.835	0.574
Panel B: Joint Event-Characteristic Specification				
Large Event	0.734***	0.235***	0.687***	0.208***
	(0.032)	(0.013)	(0.044)	(0.018)
Disruption	0.405***	0.207***	0.328***	0.152***
	(0.020)	(0.012)	(0.022)	(0.013)
Police Involvement	-0.020	-0.103***	0.047	-0.061**
	(0.064)	(0.028)	(0.066)	(0.028)
Arrest	0.182	0.066	0.279**	0.117**
	(0.120)	(0.049)	(0.123)	(0.050)
Injury	1.128***	0.344***	1.017***	0.278***
	(0.301)	(0.088)	(0.319)	(0.091)
Violence	-0.089**	-0.087***	-0.065*	-0.069***
	(0.037)	(0.020)	(0.039)	(0.021)
Year fixed effects	Yes	Yes	Yes	Yes
State fixed effects	No	No	Yes	Yes
Observations	9,118	9,118	9,118	9,118
Adjusted R^2	0.181	0.113	0.334	0.237
Dependent-variable mean	0.835	0.574	0.835	0.574

This table validates observable attention-generating characteristics of labor public-activism events using documented media coverage. Number of Media Sources counts distinct classified media/news domains covering an event, and Any Media Coverage is an indicator for positive documented media coverage. The Non-Source Attention Index is constructed from event size, disruption, police involvement, arrest, injury, and violence and does not use media-source information. Large Event indicates reported participation of at least 600. Panel B includes all six characteristics jointly. The sample is restricted to events with reported participant counts. Standard errors are HC1 robust.

*, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

Table B11: Recent Public-Activism History, Attention, and Labor-Operations Disclosure

	HC Labor Operations Management Answers
Panel A: LaborPA by Recent Exposure History and Attention	
Novel High-Attention LaborPA	-0.0414**
	(0.0170)
Novel Low-Attention LaborPA	0.0289
	(0.0190)
Repeated High-Attention LaborPA	-0.0239***
	(0.0080)
Repeated Low-Attention LaborPA	-0.0099
	(0.0093)
Panel B: Formal Coefficient Comparisons	
Novel: High − Low	-0.0703**
	(0.0312)
Repeated: High − Low	-0.0140
	(0.0123)
Repeated High − Novel High	0.0175
	(0.0168)
Difference in High–Low contrasts:	
Repeated − Novel	0.0563*
	(0.0321)
NonlaborPA	Yes
Firm controls ($t-1$)	Yes
Firm fixed effects	Yes
Exposure YQ fixed effects	Yes
Standard-error clustering	HQ county
Observations	34,484
Firms	2,304
HQ counties	338
Adjusted R^2	0.387
Dependent-variable mean (pp)	1.2536

This table examines whether the association between local labor-related public activism and management disclosure varies with recent exposure history and attention. Novel (repeated) exposure denotes positive LaborPA with no (at least one) positive LaborPA observation during the preceding four quarters. High- and low-attention events are classified as in Table 9. Each exposure component is the IHS-transformed participant total for the corresponding attention category, interacted with recent exposure history. High- and low-attention exposure can coexist within a county-quarter.

Panel A reports coefficients from a joint regression of the four exposure components. Panel B reports covariance-adjusted coefficient differences. All specifications include IHS-transformed NonlaborPA, six $t-1$ firm controls, firm and exposure year-quarter fixed effects, and headquarters-county clustered standard errors. Disclosure is measured in the immediately following consecutive quarter, $t+1$. YQ denotes exposure year-quarter. Coefficients and standard errors are multiplied by 100 to express changes in disclosure shares in percentage points. Standard errors are reported in parentheses. *, **, and *** denote significance at the 10, 5, and 1 percent levels, respectively.

C Construction and Distribution of LaborPA

Crowd Counting Consortium data. I obtain public-activism data from the Crowd Counting Consortium (CCC), which collects event-level information on protests, rallies, demonstrations, marches, and related forms of collective action in the United States. The data report each event's date and location, issue and claim descriptions, organizational sponsors, estimated participation, and source information. The current CCC source contains 171,646 valid dated events during 2017–2023 before the labor-event classification and production filters described below.

Labor-event classification. I identify labor-related public activism using a production labor dictionary constructed from the terminology appearing in the CCC *issues* and *claims* fields. I first manually reviewed these fields to understand how labor-related events are described in the CCC data and used this review to develop a set of labor-related terms and phrases. After removing duplicate rules, the resulting dictionary contains 98 unique positive literal matching rules. I then applied this predefined dictionary systematically to lower-case versions of the CCC *issues* and *claims* fields. An event is classified as labor-related when at least one of the predefined terms or phrases matches the relevant CCC text field.

I manually reviewed the complete dictionary to verify that each retained term or phrase had a plausible labor-related interpretation in the CCC setting. I also reviewed all events identified by broader or potentially ambiguous terms using the underlying CCC *issues* and *claims* descriptions. Events identified by the production rules as firm-specific corporate disputes are excluded from the LaborPA event universe, and I retain only events with valid county locations. This procedure yields 22,457 final labor-related events during 2017–2023. The dictionary construction, manual validation, and event classification were conducted without reference to earnings-call outcomes or regression results. The complete set of 98 production matching rules is reported in Table C4.

Construction of LaborPA. I assign each retained event to a county using its CCC county FIPS code and, when necessary, a ZIP-to-county crosswalk, and assign events to calendar quarters based on their event dates. Following Zhang et al. (2023), I measure activism intensity using estimated event participation. For labor-related event e in county c and quarter t, let $Participants_e$ denote the CCC participant estimate. I aggregate participant estimates across retained labor-related events within each county-quarter:

$$LaborParticipants_{c,t} = \sum_{e \in \mathcal{L}_{c,t}} Participants_e,$$

where $\mathcal{L}_{c,t}$ denotes the set of retained labor-related events in county c during quarter t.

County-quarter participant totals are highly right-skewed and contain a substantial number of zero values. I therefore transform the aggregated participant measure using the inverse hyperbolic sine (IHS) transformation (Burbidge et al., 1988; Bellemare and Wichman, 2020) :

$$LaborPA_{c,t} = \operatorname{asinh}\left(LaborParticipants_{c,t}\right) = \ln\left[LaborParticipants_{c,t} + \sqrt{LaborParticipants_{c,t}^2 + 1}\right].$$

The IHS transformation is defined at zero and behaves similarly to the logarithm for large positive values, allowing the measure to accommodate zero activism while reducing the influence of the highly skewed upper tail without adding an arbitrary constant.

Consistent with Zhang et al. (2023), missing participant estimates contribute zero participants when I aggregate event-level participation within a county-quarter. The underlying events nevertheless remain classified as labor-related events. Consequently, a county-quarter can contain recorded labor activism while having zero participant-based LaborPA if all recorded events have missing participant estimates. Because the primary measure depends on reported event size, I also examine alternative constructions based on event occurrence, event frequency, and event scale in the robustness analyses.

I construct NonlaborPA analogously from retained public-activism events that do not satisfy the labor-event definition, using the same county-quarter aggregation and IHS transformation. I map each firm's headquarters ZIP code to a county FIPS code and assign the corresponding county-quarter LaborPA and NonlaborPA measures to the firm.

LaborPA therefore measures the intensity of labor-related public activism in the environment surrounding the firm's headquarters during exposure quarter t. I interpret greater LaborPA as indicating greater contemporaneous labor-issue prominence around corporate headquarters. The measure is not intended to capture the geographic distribution of the firm's workforce or operations.

Labor-activism setting. Figure C1 describes time-series variation in the public-activism setting. Panel A compares the annual number of retained public-activism events with the labor-related subset. Panel B compares annual labor-event counts with recorded participant totals. The two labor-activism series do not move mechanically together, which is relevant because the primary LaborPA measure incorporates event scale through reported participation rather than relying solely on event frequency.

Event attendance. Attendance varies substantially across labor-related public-activism events. Among the 9,118 final labor events with positive reported participant estimates, mean attendance is approximately 423 participants and median attendance is 60 participants. The 75th and 90th percentiles are 200 and 600 participants, respectively. Figure C2 reports the event-level attendance distribution. Because attendance is highly right-skewed, the horizontal axis is displayed on a logarithmic scale, and the full observed range is retained.

Participant estimates are unavailable for 13,339 of the 22,457 final labor events, or approximately 59.4%. These events are excluded from Figure C2; when constructing LaborPA, their missing participant estimates contribute zero participants to the county-quarter participant total. Because the participant-based measure can therefore differ from measures based on event occurrence or frequency, the robustness analyses also consider alternative LaborPA constructions based on event counts and event size.

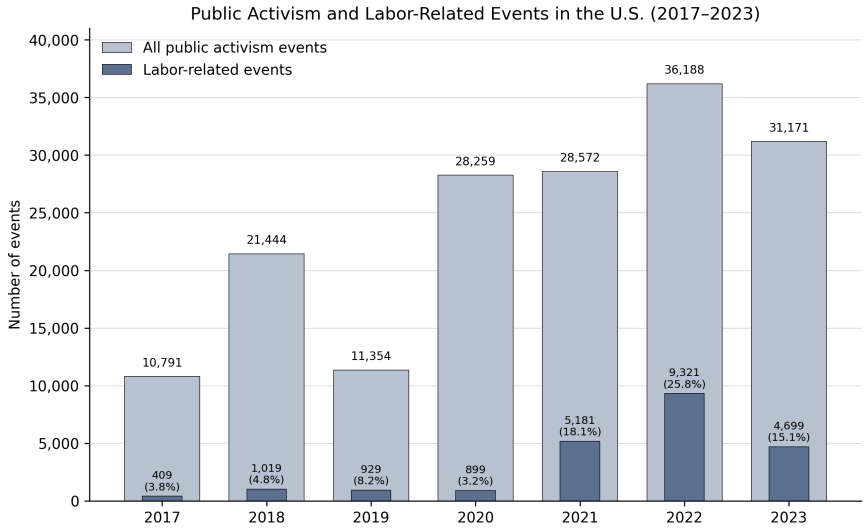
Distribution and scale of LaborPA. Table C1 provides descriptive statistics on the scale of labor-related public activism. Panel A reports the distribution across unique U.S. county-quarters, while Panel B reports the corresponding participant distribution weighted by firm-quarter observations in the final manuscript sample.

Among county-quarters with positive LaborPA, the median participant total is 100, while the mean is 1,161, illustrating substantial right-skewness in activism intensity. Labor PA is also typically represented by relatively few events: among county-quarters containing at least one recorded labor event, the median event count is one. In the final regression sample, the firm-quarter-weighted median participant total conditional on positive LaborPA is 200, reflecting the greater representation of firms headquartered in higher-participation county-quarters.

Geographic distribution of LaborPA. Figure C3 reports the geographic distribution of LaborPA during 2017–2023 using each county's mean quarterly LaborPA. Labor-related activism is broadly distributed geographically, although the scale of activism is uneven across counties.

Across the 50 states and District of Columbia, 980 counties record at least one labor-related event during 2017–2023, and 787 counties have positive LaborPA in at least one quarter. The final regression sample contains firms headquartered in 342 counties, of which 253 have positive LaborPA in at least one exposure quarter represented in the regression sample. Thus, positive LaborPA exposure occurs across a substantial number of headquarters locations, although aggregate event participation is concentrated in several high-activity counties.

Panel A: Public Activism and Labor-Related Events by Year



Panel B: Labor-Related Events and Recorded Participants by Year

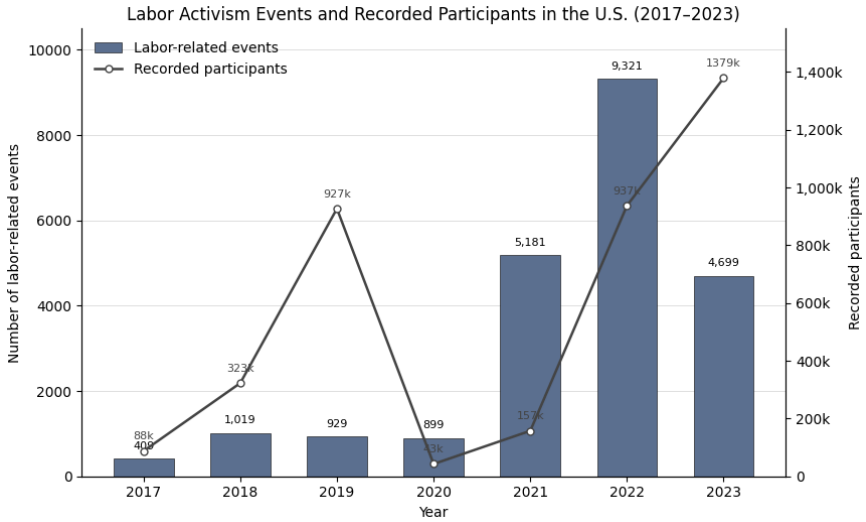


Figure C1: Labor-related Public Activism Setting

Notes: Panel A reports the annual number of retained public-activism events and the subset classified as labor-related during 2017–2023. The event universe reflects the production filters used to construct the county-quarter activism measures. The narrower bars report labor-related events, with the percentage in parentheses indicating the share of retained public-activism events classified as labor-related in each year.

Panel B reports the annual number of final labor-related events together with the corresponding sum of recorded participant estimates. Events without an observed participant estimate contribute zero to the participant total used to construct LaborPA. The panel illustrates that labor-event frequency and participant-based activism capture distinct dimensions of the labor-activism setting.

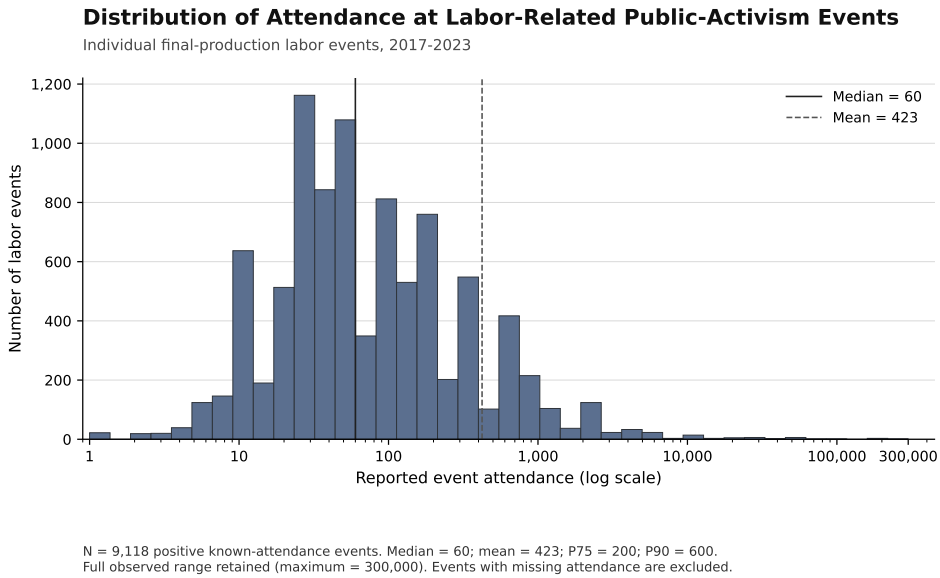


Figure C2: Distribution of Attendance at Labor-Related Public-Activism Events

Notes: This figure reports the distribution of reported attendance across final labor-related public-activism events during 2017–2023. The sample includes 9,118 events with positive reported participant estimates. Mean attendance is approximately 423 participants, median attendance is 60, and the 75th and 90th percentiles are 200 and 600 participants, respectively. The horizontal axis is shown on a logarithmic scale because the attendance distribution is highly right-skewed. The full observed range is retained. Events with missing participant estimates are excluded from the figure.

Table C1: Distribution and Scale of Labor-Related Public Activism

	N	Mean	P25	Median	P75	P90
Panel A: Nationwide Unique County-Quarters						
Participants, conditional on positive LaborPA	3,320	1,161	30	100	237	951
Labor-event count, conditional on at least one event	4,727	4.75	1	1	2	6
Panel B: Final Manuscript Sample, Firm-Quarter Weighted						
Participants, conditional on positive LaborPA	18,030	3,303	67	200	870	3,682

Panel A reports statistics across unique county-quarters in the 50 states and District of Columbia during 2017–2023. Participant statistics are conditional on positive LaborPA. Event-count statistics are conditional on at least one recorded labor-related event. Of the 4,727 county-quarters containing at least one recorded labor event, 3,320 (70.2%) have positive participant-based LaborPA. Panel B reports the participant distribution in the final manuscript sample, weighting headquarters county-quarters by firm-quarter observations. Missing event-level participant estimates contribute zero to the county-quarter participant total.

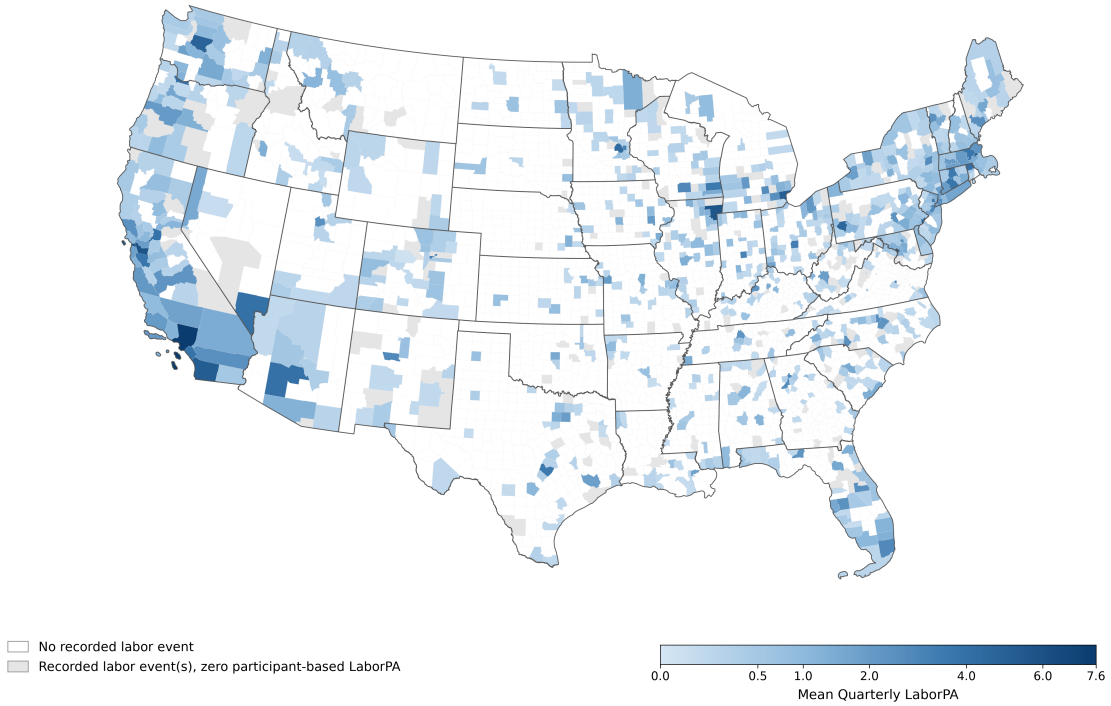


Figure C3: Geographic Distribution of Labor-related Public Activism

Notes: The figure reports mean quarterly LaborPA by U.S. county over 2017–2023. LaborPA is the inverse hyperbolic sine of the total reported participants in retained labor-related public-activism events in the county-quarter. Missing event-level participant estimates contribute zero to the county-quarter participant total. Counties with recorded labor events but zero participant-based exposure are distinguished from counties with no recorded labor event. The map displays the contiguous United States; Alaska and Hawaii are included in the underlying descriptive statistics but omitted from the map for readability.

Table C2: Geographic Concentration of Labor-related Public Activism

Rank	County	State	Count	Share of Nationwide Total (%)
Panel A: Counties with the Largest Numbers of Labor-Related Events				
1	New York County	NY	976	4.35
2	Los Angeles County	CA	866	3.86
3	Kings County	NY	810	3.61
4	King County	WA	808	3.60
5	Cook County	IL	769	3.42
6	Tuscaloosa County	AL	707	3.15
7	San Diego County	CA	612	2.73
8	Mercer County	NJ	503	2.24
9	Allegheny County	PA	449	2.00
10	San Francisco County	CA	372	1.66
Top 10 Total			–	30.60
Panel B: Counties with the Largest Labor-Event Participation				
1	Los Angeles County	CA	680,269	17.65
2	District of Columbia	DC	469,372	12.18
3	King County	WA	403,767	10.48
4	Racine County	WI	159,800	4.15
5	San Francisco County	CA	152,269	3.95
6	New York County	NY	128,589	3.34
7	Mobile County	AL	104,034	2.70
8	Hennepin County	MN	97,508	2.53
9	Denver County	CO	97,445	2.53
10	Des Moines County	IA	93,200	2.42
Top 10 Total			–	61.93

The table describes the geographic distribution of labor-related public activism during 2017–2023 using the production labor-event classification. Panel A ranks counties by the number of recorded labor-related events. Panel B ranks counties by the sum of CCC participant estimates across labor-related events. Missing event-level participant estimates contribute zero to the participant total. Shares are calculated relative to the nationwide 50-state and District of Columbia labor-event universe.

Firm-level exposure and direct targeting. Finally, I examine the firm-level support of LaborPA and its overlap with observed firm-specific labor targeting. Table C3 shows that 2,091 of the 2,384 sample firms (87.7%) experience positive LaborPA in their headquarters county at least once during the seven-year sample period. Because this is a cumulative firm-level measure, it does not imply that LaborPA is positive in most firm-quarters: positive LaborPA occurs in 18,030 of the 39,262 baseline firm-quarter observations.

Observed firm-specific labor targeting is substantially less common. Only 179 firms (7.5%) are observed as directly labor-targeted in SIGWATCH during the sample period. Among the 2,205 firms with no observed direct labor targeting, 1,929 (87.5%) nevertheless experience positive LaborPA at least once. Panel B reports the corresponding firm-level overlap. These descriptives show that LaborPA has substantially broader empirical support than observed firm-specific labor targeting, while allowing the two forms of exposure to overlap. The direct-targeting analyses in Section 7 formally examine whether the disclosure association persists after accounting for this firm-specific exposure.

Table C3: Firm-Level LaborPA Exposure and Direct Labor Targeting

Panel A: Firm-Level Exposure

	Firms	**Percent**
Ever positive LaborPA	2,091	87.71%
Never positive LaborPA	293	12.29%
Ever observed directly labor-targeted	179	7.51%
Never observed directly labor-targeted	2,205	92.49%

Panel B: Overlap Between LaborPA Exposure and Direct Labor Targeting

	Ever Observed Directly Labor-Targeted		
Ever Positive LaborPA	**Yes**	**No**	**Total**
Yes	162	1,929	2,091
No	17	276	293
Total	179	2,205	2,384

This table reports firm-level exposure to local labor-related public activism and observed firm-specific direct labor targeting in the baseline sample of 2,384 firms during 2017–2023. A firm is classified as *Ever positive LaborPA* if its headquarters county has positive LaborPA in at least one exposure quarter represented in the baseline sample. Positive LaborPA corresponds to a positive reported participant total for retained labor-related public-activism events before application of the IHS transformation. A firm is classified as *Ever observed directly labor-targeted* if it is linked to at least one validated labor-related firm-specific targeting event in the SIGWATCH data during 2017–2023. Firms classified as not directly targeted therefore have no *observed* direct labor targeting in SIGWATCH. The direct-targeting classification used in this table includes any validated labor-related SIGWATCH targeting event and is therefore broader than the High-Pressure Direct Labor Targeting measure used in Panel A of the main direct-targeting analysis. Percentages in Panel A are calculated relative to the 2,384 firms in the baseline sample. Panel B reports the overlap between the two classifications.

Labor-event classification dictionary. Table C4 reports the complete set of 98 unique positive literal matching rules used in the production labor-event classification. The table is reported here for transparency and reproducibility; the construction and application of the classification are described above.

Table C4: LaborPA Classification Dictionary

Rule	CCC Field	Matching Term or Phrase
1	Issues	labor
2	Claims	workers
3	Claims	unionization

Continued on next page

Table C4 continued

Rule	CCC Field	Matching Term or Phrase
4	Claims	unionized
5	Claims	union
6	Claims	strike
7	Claims	airport worker
8	Claims	for hazard pay and safe workplaces for grocery workers during the coronavirus pandemic
9	Claims	against planned layoffs of postal workers
10	Claims	fair contract
11	Claims	fair wages
12	Claims	better working condition
13	Claims	labor day
14	Claims	for higher wages
15	Claims	empowering working class
16	Claims	minimum wage
17	Claims	workers rights
18	Claims	labor protest
19	Claims	for higher pay and better benefits for actors and performers
20	Claims	better wages and an end to a two-tier wage system for recently hired workers
21	Claims	for higher wages and a dental health plan for erie strayer company workers
22	Claims	in celebration of international workers day, for workers' rights, for labor unions
23	Claims	for payment of retirement incentives due to state insurance funding corporation workers under law 80, ley 80 - retiro ya exigiendo justicia
24	Claims	demanding new contract for graduate employees; support labor rights
25	Claims	against lack of pay
26	Claims	against outsourcing
27	Claims	protest unfair contract; protest salary changes
28	Claims	for more personal protective equipment for healthcare workers during coronavirus pandemic
29	Claims	bargaining rights
30	Claims	in support of theater workers during the pandemic
31	Claims	for worker rights
32	Claims	for worker's rights
33	Claims	for a fair contract for ups delivery workers
34	Claims	for fair pay and better pensions for healthcare workers
35	Claims	for increased workplace safety and making more ventilators during coronavirus pandemic
36	Claims	against outsourcing of jobs at general electric
37	Claims	protesting staff reduction
38	Claims	for higher wages and better treatment of healthcare workers at saugus rehabilitation and nursing center
39	Claims	supporting demands for better pay; against sexual harrassment and discrimination
40	Claims	for higher pay for healthcare workers
41	Claims	protesting low wages and other workplace issues
42	Claims	against unsafe working conditions
43	Claims	for better working conditions and higher pay for resident physicians
44	Claims	for fair basic wages for restaurant workers, for racial and economic justice
45	Claims	for higher pay and better benefits for actors
46	Claims	against layoffs at local newspaper
47	Claims	protesting lack of safe staffing levels
48	Claims	support striking baystate franklin nurses
49	Claims	to call on hospital executives to agree to a contract nurses deem fair
50	Claims	stall contract negotiations
51	Claims	support front-line workers during covid pandemic
52	Claims	demand better pay and working conditions for nurses; hospital
53	Claims	against wage theft
54	Claims	protesting unsafe working conditions
55	Claims	equal pay
56	Claims	protest and reaffirm worker rights
57	Claims	for unionization of graduate student workers
58	Claims	for unionization
59	Claims	strike; rallying for safer working conditions
60	Claims	for higher pay and better benefits for auto workers
61	Claims	protesting income inequality
62	Claims	protesting working conditions
63	Claims	for universal basic income

Continued on next page

Table C4 continued

Rule	CCC Field	Matching Term or Phrase
64	Claims	for higher pay for working actors
65	Claims	flight attendants
66	Claims	protesting their contracts and calling for better pay and healthcare
67	Claims	protesting being locked out of work by stalled union/company negotiation
68	Claims	protesting unsafe working conditions at hotel
69	Claims	rally for salary increase
70	Claims	for fair pay and safe working conditions for farmworkers
71	Claims	wage equity now
72	Claims	rallying for union bargaining team
73	Claims	rallying for support in contract negotiations
74	Claims	protest for improved wages and working conditions
75	Claims	for safer working conditions
76	Claims	demand higher pay
77	Claims	for higher pay and better benefits for woodworkers
78	Claims	marching for a fair work contract
79	Claims	against understaffing
80	Claims	demanding fair pay
81	Claims	rallying for a living wage
82	Claims	demand accountability for a co-worker's death and back wages
83	Claims	protesting their employment contract
84	Claims	for farmworkers' rights
85	Claims	rallying for higher pay/contract
86	Claims	for higher pay and better benefits for writers and actors in entertainment industry
87	Claims	#rspct for city workers
88	Claims	against planned closures of meta offices
89	Claims	protesting inadequate staffing levels
90	Claims	seek to be recognized as workers
91	Claims	for higher pay for concrete workers
92	Claims	unfair labor practices
93	Claims	highlight ongoing struggles with contract negotiations
94	Claims	rally for higher salaries
95	Claims	for job security
96	Claims	better compensation
97	Claims	striking workers
98	Claims	fast-food industry workers

Notes: The table reports the complete set of unique positive literal matching rules used to classify labor-related CCC events in the production LaborPA measure. Matching is performed on lower-case versions of the indicated CCC text fields. For readability, leading and trailing whitespace in the production literals is omitted and text-encoding artifacts in apostrophes are standardized.

D Interpretation and Validation of Labor-Related LDA Topics

This section describes the selection of the LDA specification, provides topic-level transparency across the broader LDA topic space, and presents evidence supporting the interpretation of the two labor-related topics used in the empirical analyses.

LDA model selection. I select the number of topics based on model coherence. Specifically, I estimate LDA models over alternative numbers of topics and compare their C_v coherence scores, which capture the extent to which high-probability words within a topic tend to occur together in the underlying corpus. As shown in Figure D1, coherence increases substantially at lower numbers of topics and then reaches a relatively stable high-coherence region. Among the candidate specifications, the 75-topic model attains the highest coherence score. I therefore use the 75-topic specification throughout the empirical analyses. Topic coherence is used to compare alternative specifications estimated on the same corpus and is not interpreted as an absolute measure of model accuracy.
This procedure determines the granularity of the topic model but does not determine the economic interpretation of individual topics. I interpret individual topics subsequently using their characteristic vocabulary and high-loading passages from the underlying earnings-call text.

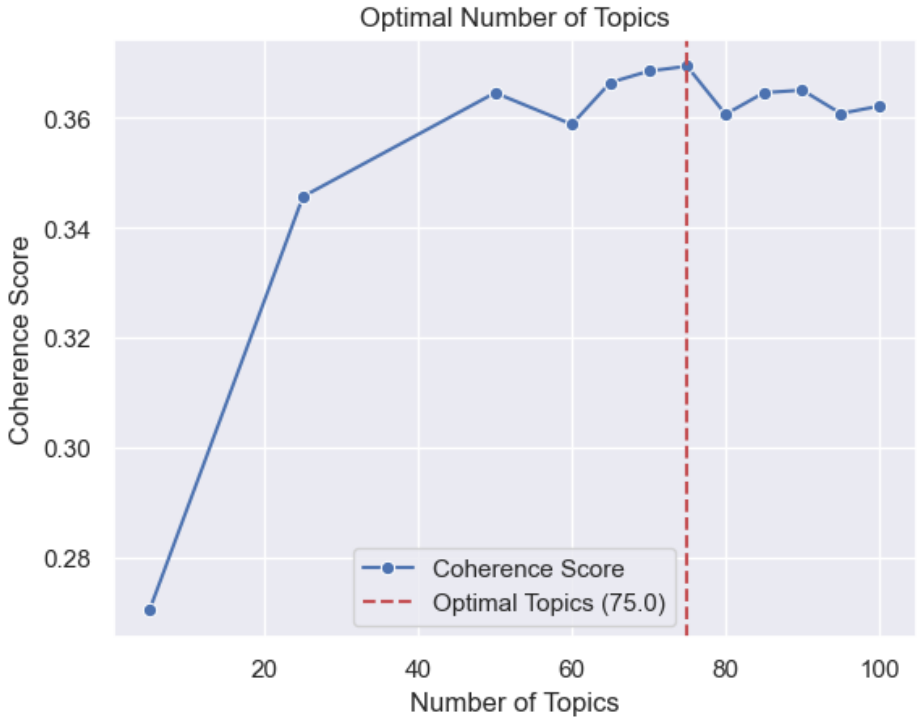


Figure D1: LDA Model Selection Based on Topic Coherence

Topic-level transparency. To provide a broader view of the LDA output, I estimate the baseline LaborPA specification separately for each individual management-answer topic available from the 75-topic model. Figure D2 reports the full distribution of these estimates rather than only the labor-related topics emphasized in the main analyses. HC Labor Operations has the most negative LaborPA coefficient among the 75 available topics and is the only individual topic that remains statistically significant at the 5 percent level after both Benjamini–Hochberg false-discovery-rate and Bonferroni corrections. The corresponding estimate for HC Talent is close to zero.
This exercise is not used to select the number of topics or assign economic labels to individual topics. Rather, it provides transparency about the broader topic-level evidence and shows where the two focal labor-related topics lie within the full set of estimated topic associations.
Notes: This figure plots the estimated LaborPA coefficient from separate regressions of each of the 75 management-answer LDA topic shares on LaborPA using the baseline specification. Positive coefficients are shown above zero and negative coefficients below zero. HC Labor Operations and HC Talent are labeled.

Interpretation of labor-related topics. Table D1 reports the most relevant terms for the HC Talent and HC Labor Operations topics. Terms are ranked using the relevance measure

$$r(w, k \mid \lambda) = \lambda \log \phi_{kw} + (1 - \lambda) \log \left(\frac{\phi_{kw}}{p_w} \right),$$

which combines the probability of word w within topic k with its lift relative to its corpus-wide frequency. Because LDA identifies topics from patterns of word co-occurrence, I interpret each topic based on its vocabulary as a whole rather than treating individual words as independently determining the topic label.
The HC Talent topic captures firms' efforts to attract, retain, and develop employees. Its characteristic vocabulary emphasizes talent acquisition, workforce stability, and employee capabilities, including terms such as *talent*, *hire*, *recruit*, *retention*, *attrition*, *engagement*, *skill*, and *capability*. Because LDA is unsupervised, the topic also contains words reflecting the business contexts in which talent-related discussions occur, such as references to clients or business activities. I therefore interpret the topic based on the broader pattern of co-occurring words rather than any individual term.

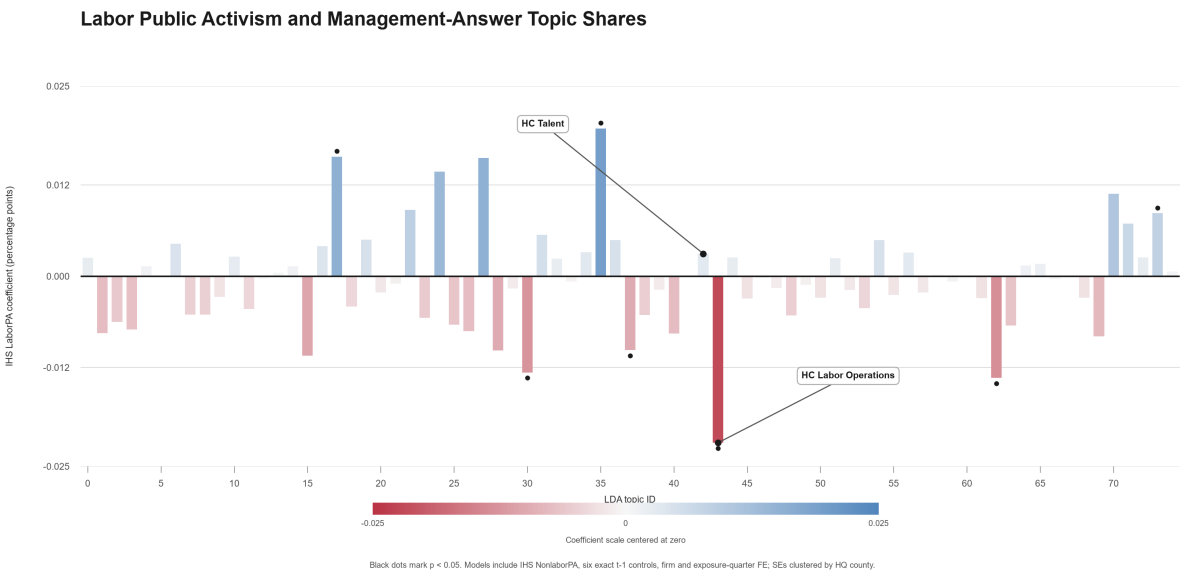


Figure D2: Estimated LaborPA Coefficients Across Management-Answer Topics

Table D1: Most Relevant Terms for Selected LDA Topics

HC Talent	**HC Labor Operations**
client	labor
consult	inflation
talent	wage
service	rate
business	increase
revenue	inflationary
analytics	environment
retention	turnover
hire	certainly
large	price
work	high
vertical	cost
technology	pressure
area	back
solution	still
pipeline	inflationary_pressure
employee	level
skill	trend
capability	staff

The HC Labor Operations topic instead captures labor as an input to current operations. Its vocabulary emphasizes labor costs, staffing constraints, and labor utilization, including terms such as *labor*, *wage*, *payroll*, *tight*, *worker*, *workforce*, *turnover*, *staff*, and *overtime*. Although some workforce-related terms appear in both topics, their broader co-occurrence patterns distinguish talent management from current operating labor conditions. Section OA.3 presents representative high-loading passages that further illustrate this distinction.

E Illustrative Earnings-Call Evidence

This appendix provides illustrative earnings-call evidence that complements the measurement and institutional analyses in the paper. The first subsection presents representative passages associated with the two labor-related topics. The second illustrates how broader labor activism enters earnings-call discussions. The third provides examples of how labor-related statements made during earnings calls can reach broader audiences through subsequent media coverage.

E.0.1 Representative Excerpts for Labor-Related Topics

The following excerpts provide illustrative examples of earnings-call passages that load highly on the two labor-related topics. They are intended to clarify the economic interpretation of the topics rather than to constitute an independent manual classification test.

HC Labor Operations The following excerpt illustrates discussion of labor-market tightness, staffing constraints, contract labor, overtime, wage adjustments, and labor-related operating costs.

Brookdale Senior Living Inc. (BKD), Q4 2021 Earnings Call

Management Presentation

Steve Swain, EVP and CFO.

> Now, turning to community levels of labor expense. First, contract labor and overtime. We had a sequential increase in the third quarter, and as discussed, this accelerated throughout the fourth quarter of 2021. With a difficult labor market and COVID-19 affecting associates in January 2022, we continued to use higher levels of contract labor. We plan to actively reduce overtime and contract labor costs by filling open positions. The savings from lower overtime and fewer contractors will more than offset the cost of filling these positions. In most cases, the cost of contract labor per hour is at a significant premium compared to a permanent associate's rate. The second component is merit and market rate adjustments.
>
> As Cindy mentioned, in 2021, we reviewed wages in all of our markets and made adjustments where appropriate. We will monitor to ensure we remain competitive in 2022. The final component is incremental variable labor cost, which is expected to increase with continued occupancy growth. In summary, when we combine these three components, we expect total community labor expense will increase at a higher percentage in 2022. Therefore, we expect annual facility operating expenses to increase mid-single digits in 2022.

Analyst Question: Labor Shortages and Contract Labor

Steven Valiquette, Barclays.

> All of your commentary on the labor expense was pretty helpful. I guess I'm just curious as a follow-up whether or not you're seeing any notable circumstances within the overall Brookdale community portfolio where you've had to turn away any new prospective residents because of staffing issues. Can we check the box that the potential trend of, let's call it, you know, lost occupancy due to labor shortages is hopefully something that you're, you know, generally not expecting to be prevalent within Brookdale in 2022 because of your ability to tap into temporary or contract labor across the majority of your communities.

Management Response

Cindy Baier, President and CEO.

> The second issue that you asked specifically about is whether we have had to turn away move-ins because of labor in our communities, and that has not been a significant issue. One of the things that's true about our business is that we have to be staffed, and we have to operate 24 hours a day, seven days a week, 365 days a year.
>
> If we have an opening, we need to call in contract labor, and that is an expensive alternative for us. It can be 2x–3x the cost of our normal workers. It is something that we pay attention to, but luckily, we have not had to turn away any significant number of residents as a result of labor.

HC Talent The following excerpt illustrates discussion of talent acquisition, employee skills and development, workforce composition, recruitment, and employee engagement.

EXLService Holdings, Inc. (EXLS), Q2 2022 Earnings Call

Management Presentation

Rohit Kapoor, CEO.

> Our ability to provide work that matches the aspirations of highly capable people, our culture of constant improvement, our relentless investment in learning, and our consistent growth are factors that help us attract the best people. We crossed a milestone of 40,000 total employees in June, with close to 50% growth in analytics talent from the first half of 2021 to the first half of 2022.
>
> Also, more than 70% of our current hiring is for complex skills, which are aligned with our data-led and digital solutions delivery for our clients. In fact, this quarter, in a market with high demand for talent, our employee engagement increased to the highest level we've ever recorded.
>
> Our world-class talent, resilient business model, and robust pipeline make me confident in EXL's ongoing growth prospects. We will continue to closely monitor our client base and the broader macroeconomic environment for signs of headwinds.

Analyst Question: Analytics Talent

Maggie Nolan, William Blair.

> Nice quarter. You gave some data points around how your employee base of analytics-focused employees is growing nicely. So what does that look like in terms of the percentage of overall employees? And how has that been trending?
>
> And as that grows, should we expect it to have an impact on your revenue per employee over time?

Management Response

Rohit Kapoor, CEO.

> Thanks, Maggie. So yes, the head count in our analytics business has grown very nicely, and it's grown by 50% year-over-year.
>
> We have a very strong recruitment program from the premier colleges and institutions in the U.S. and in India, and we continue to build our brand in these institutions.
>
> The total headcount for the Analytics business has certainly increased as a percentage of our total headcount. So that's something which continues to drive up.
>
> And yes, the revenue per headcount will continue to move up as our employee base in Analytics continues to move up.

E.0.2 Representative Excerpts on Labor-Related Activism

The following excerpts illustrate that labor activism and broader labor mobilization can enter earnings-call discussions even when the discussion is not limited to a labor dispute involving the focal firm. The examples are intended to provide institutional context for the LaborPA measure rather than to establish the mechanism underlying the main empirical results.

Starbucks, Q2 2022. During Starbucks' second-quarter 2022 earnings call, Interim Chief Executive Officer Howard D. Schultz characterized ongoing unionization activity as part of a broader labor movement extending across firms and industries:

> *Howard D. Schultz, Interim Chief Executive Officer:*
>
> Now let me turn to a subject in the news. Across America, there is **a movement in the media and across multiple industries**, including the service sector, whereby fellow citizens have begun turning to labor unions as a means of gaining voice, representation and improved working conditions. **This movement is not related to any specific company.**
>
> These young people have completely valid concerns given today's uncertainty and economic instability. They look around and they see the burgeoning labor movement as a possible remedy to what they are feeling. I understand the climate and I'm deeply sensitive to the needs of all of our Green Apron partners.

The excerpt illustrates that managers may perceive labor PA not only as firm-specific pressure but also as part of a broader public environment in which labor issues become more salient.

Carrier Global, Q3 2021. During Carrier Global's third-quarter 2021 earnings call, an analyst explicitly linked broader U.S. strike activity to questions about the focal firm's wages, labor availability, and labor relations:

> *Vladimir Benjamin Bystricky, Citigroup:*
>
> We've covered a lot of ground here, obviously. Just going back to labor. Obviously, labor availability seems to be a growing issue. And we've now seen some labor actions in the U.S. in terms of strike activity. So can you talk about what you're seeing in terms of wage inflation and labor availability in general? And then more broadly, how you're thinking about labor relations overall and the risk of potential disruptions?
>
> *David L. Gitlin, Chief Executive Officer and Chairman:*
>
> Yes, Vlad. We – to set the stage, we have 80% of our people outside the United States. And I would say the real labor challenges we have are at a couple of our sites in the United States. And we have very close relationships with our union partners and – in some areas in the United States, we've had to raise wages a bit and we've also put in place some bonus structures for output. But we stay very, very close with our union partners here, and we feel confident that if we continue to create the right environment where people want to work here, then we'll manage that.

This exchange illustrates how broader labor activism can become salient to capital-market participants and lead them to seek information about the focal firm's own labor costs, workforce conditions, and labor relations.

E.0.3 Examples of Media Amplification of Earnings-Call Labor Disclosure

Earnings calls are primarily directed toward capital-market participants, but labor-related statements made during these calls can subsequently reach broader audiences through media coverage. The following examples illustrate how management discussion of employee wages and labor relations can be reframed and amplified outside the original investor setting. These examples are intended only to illustrate the multi-audience nature of earnings-call disclosure and do not constitute evidence on the mechanism examined in the main analyses.

Starbucks, Q2 2022. During Starbucks' second-quarter 2022 earnings call, Chief Executive Officer Howard Schultz discussed substantial additional investments in employee wages, training, and benefits while also addressing the company's relationship with employees seeking union representation (Starbucks Corporation, 2022). These statements were subsequently reported by national media outlets, which emphasized both the planned wage increases and the implications of the announced benefits for unionized and organizing stores (Saric, 2022; Picchi, 2022).
The earnings-call statements subsequently remained part of the broader public and labor-relations debate surrounding Starbucks' unionization campaign, including later media coverage of proceedings before the National Labor Relations Board (Gurley, 2022). This example illustrates how labor-related information initially communicated in an earnings call can be amplified through the media and become relevant to employees, unions, and other non-investor audiences.

AT&T, Q1 2022. During AT&T's first-quarter 2022 earnings call, an analyst asked management about labor availability and wage pressures. In discussing rising labor costs, Chief Executive Officer John Stankey stated:

> "I'm not happy about the fact that wages are rising as fast as they are."

The statement, made in the context of a discussion of labor costs and wage inflation (AT&T Inc., 2022), was subsequently highlighted in media coverage emphasizing the CEO's dissatisfaction with rapidly rising wages (Goovaerts, 2022). The example illustrates how a comment made for capital-market participants can take on a different interpretation when transmitted to a broader public audience.