



Abteilung Finanzmanagement

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## 24254 Seminar “Bachelorarbeit in Corporate Financial Management” (12 KP)

### Topics HS 2020

#### Topic Area 1 – Corporate Financing and Investing

##### 1. Drivers of IPO returns and SEO returns and what it means for corporates and investors?

- Akhigbe, A., & Whyte, A. M. (2015). SEO announcement returns and internal capital market efficiency. *Journal of Corporate Finance*, 31, 271-283.
- Bradley, D., Kim, I., & Krugman, L. (2015). Top VC IPO underpricing. *Journal of Corporate Finance*, 31, 186-202.
- Cattaneo, M., Meoli, M., & Vismara, S. (2015). Financial regulation and IPOs: Evidence from the history of the Italian stock market. *Journal of Corporate Finance*, 31, 116-131.

##### 2. Do underwriters increase value?

- Boeh, K. K., & Dunbar, C. (2016). Underwriter deal pipeline and the pricing of IPOs. *Journal of Financial Economics*, 120(2), 383-399.
- Fernando, C. S., Gatchev, V. A., May, A. D., & Megginson, W. L. (2015). Prestige without purpose? Reputation, differentiation, and pricing in US equity underwriting. *Journal of Corporate Finance*, 32, 41-63.
- Liu, X., & Ritter, J. R. (2011). Local underwriter oligopolies and IPO underpricing. *Journal of Financial Economics*, 102(3), 579-601.

##### 3. Corporate cash management, financial policy and firm behavior

- Gu, T. (2017). US multinationals and cash holdings. *Journal of Financial Economics*, 125(2), 344-368.
- Byoun, S., & Xu, Z. (2016). Product market competition and financial decisions during a financial crisis. *Financial Management*, 45(2), 267-290.
- Harford, J., Klasa, S., & Maxwell, W. F. (2014). Refinancing risk and cash holdings. *Journal of Finance*, 69(3), 975-1012.

#### 4. What explains a firm's capital structure?

- Graham, J. R., Leary, M. T., & Roberts, M. R. (2015). A century of capital structure: The leveraging of corporate America. *Journal of Financial Economics*, 118(3), 658-683.
- Robb, A. M., & Robinson, D. T. (2014). The capital structure decisions of new firms. *Review of Financial Studies*, 27(1), 153-179.
- Graham, J. R., & Leary, M. T. (2011). A review of empirical capital structure research and directions for the future. *Annual Review of Financial Economics*, 3(1), 309-345.

#### 5. How are information problems and economic risks reflected in capital structures?

- Pan, L. H., Lin, C. T., Lee, S. C., & Ho, K. C. (2015). Information ratings and capital structure. *Journal of Corporate Finance*, 31, 17-32.
- An, Z., Li, D., & Yu, J. (2015). Firm crash risk, information environment, and speed of leverage adjustment. *Journal of Corporate Finance*, 31, 132-151.
- Elsas, R., Flannery, M. J., Garfinkel, J. A. (2014). Financing major investments: information about capital structure decisions. *Review of Finance*, 18(4), 1341-1386.

#### 6. What is the banks' role in financial decisions?

- Aslan, H. (2016). Do lending relationships affect corporate financial policies? *Financial Management*, 45(1), 141-173.
- Qian, M., & Yeung, B. Y. (2015). Bank financing and corporate governance. *Journal of Corporate Finance*, 32, 258-270.
- Dittmann, I., Maug, E., & Schneider, C. (2009). Bankers on the boards of German firms: What they do, what they are worth, and why they are (still) there. *Review of Finance*, 14(1), 35-71.

#### 7. Do dividends contain unique information about corporations?

- Almeida, H., Fos, V., & Kronlund, M. (2016). The real effects of share repurchases. *Journal of Financial Economics*, 119(1), 168-185.
- Floyd, E., Li, N., & Skinner, D. J. (2015). Payout policy through the financial crisis: The growth of repurchases and the resilience of dividends. *Journal of Financial Economics*, 118(2), 299-316.
- Amin, A. S., Dutta, S., Saadi, S., & Vora, P. P. (2015). Institutional shareholding and information content of dividend surprises: Re-examining the dynamics in dividend-reappearance era. *Journal of Corporate Finance*, 31, 152-170.

### 8. Are there new insights regarding corporate diversification?

- Ushijima, T. (2016). Diversification, organization, and value of the firm. *Financial Management*, 45(2), 467-499.
- Hoehle, D., Schmid, M., Walter, I., & Yermack, D. (2012). How much of the diversification discount can be explained by poor corporate governance? *Journal of Financial Economics*, 103(1), 41-60.
- Scharfstein, D. S., & Stein, J. C. (2000). The dark side of internal capital markets: Divisional rent-seeking and inefficient investment. *Journal of Finance*, 55(6), 2537-2564.

### 9. What are the effects of divestitures?

- Prezas, A. P., & Simonyan, K. (2015). Corporate divestitures: Spin-offs vs. sell-offs. *Journal of Corporate Finance*, 34, 83-107.
- Chemmanur, T. J., Krishnan, K., & Nandy, D. K. (2014). The effects of corporate spin-offs on productivity. *Journal of Corporate Finance*, 27, 72-98.
- Colak, G., & Whited, T. (2007). Spin-offs, divestitures and conglomerate investment. *Review of Financial Studies*, 20, 557-595.

### 10. Do relocations pay-off?

- Larsen, M. M., Manning, S., & Pedersen, T. (2013). Uncovering the hidden costs of offshoring: The interplay of complexity, organizational design, and experience. *Strategic Management Journal*, 34(5), 533-552.
- Prezas, A. P., Simonyan, K., & Vasudevan, G. (2010). Does offshoring create value for shareholders? *Review of Financial Economics*, 19(4), 179-191.

### 11. Do M&A generate value?

- Cain, M. D., McKeon, S. B., & Solomon, S. D. (2017). Do takeover laws matter? Evidence from five decades of hostile takeovers. *Journal of Financial Economics*, 124(3), 464-485.
- Cremers, M., & Ferrell, A. (2014). Thirty years of shareholder rights and firm value. *Journal of Finance*, 69(3), 1167-1196.
- Atanassov, J. (2013). Do hostile takeovers stifle innovation? Evidence from antitakeover legislation and corporate patenting. *Journal of Finance*, 68(3), 1097-1131.
- Erel, I., Liao, R. C., & Weisbach, M. S. (2012). Determinants of cross-border mergers and acquisitions. *Journal of Finance*, 67(3), 1045-1082.

### Topic Area 3 – Corporate Governance

#### 12. What is the impact of shareholder activism on firm outcomes?

- Becht, M., Franks, J., Grant, J., & Wagner, H. F. (2017). Returns to hedge fund activism: An international study. *Review of Financial Studies*, 30(9), 2933-2971.
- McCahery, J. A., Sautner, Z., & Starks, L. T. (2016). Behind the scenes: The corporate governance preferences of institutional investors. *Journal of Finance*, 71(6), 2905-2932.
- Dimson, E., Karakaş, O., & Li, X. (2015). Active ownership. *Review of Financial Studies*, 28(12), 3225-3268
- Becht, M., Franks, J., Mayer, C., & Rossi, S. (2008). Returns to shareholder activism: Evidence from a clinical study of the Hermes UK Focus Fund. *Review of Financial Studies*, 22(8), 3093-3129.
- Brav, A., Jiang, W., Partnoy, F., & Thomas, R. (2008). Hedge fund activism, corporate governance, and firm performance. *Journal of Finance*, 63(4), 1729-1775.

#### 13. What is the role of proxy advisors in corporate governance?

- Hitz, J. M., & Lehmann, N. (2017). Empirical evidence on the role of proxy advisors in European capital markets. *European Accounting Review*, 1-33.
- Malenko, N., & Shen, Y. (2016). The role of proxy advisory firms: Evidence from a regression-discontinuity design. *Review of Financial Studies*, 29(12), 3394-3427.
- Larcker, D. F., McCall, A. L., & Ormazabal, G. (2015). Outsourcing shareholder voting to proxy advisory firms. *Journal of Law and Economics*, 58(1), 173-204.
- Ertimur, Y., Ferri, F., & Oesch, D. (2013). Shareholder votes and proxy advisors: Evidence from say on pay. *Journal of Accounting Research*, 51(5), 951-996.

#### 14. What are the market implications of “common ownership”?

- Azar, J., Schmalz, M. C., & Tecu, I. (2018). Anticompetitive effects of common ownership. *The Journal of Finance*, 73(4), 1513-1565.
- Edmans, A., Levit, D., & Reilly, D. (2018). Governance under common ownership. *The Review of Financial Studies*, 32(7), 2673-2719.

#### 15. Why do corporate scandals occur and how can they be prevented?

- Dyck, A., Morse, A., & Zingales, L. (2010). Who blows the whistle on corporate fraud?. *Journal of Finance*, 65(6), 2213-2253.
- Johnson, S. A., Ryan, H. E., & Tian, Y. S. (2009). Managerial incentives and corporate fraud: The sources of incentives matter. *Review of Finance*, 13(1), 115-145.
- Agrawal, A., & Chadha, S. (2005). Corporate governance and accounting scandals. *Journal of Law and Economics*, 48(2), 371-406.

## 16. What is the optimal compensation policy?

- Gillan, S. L., Hartzell, J. C., Koch, A., & Starks, L. T. (2017). Getting the incentives right: Backfilling and biases in executive compensation data. *The Review of Financial Studies*, hhx061.
- Bolton, P., Mehran, H., & Shapiro, J. (2015). Executive compensation and risk taking. *Review of Finance*, 19(6), 2139-2181.
- DeYoung, R., Peng, E. Y., & Yan, M. (2013). Executive compensation and business policy choices at US commercial banks. *Journal of Financial and Quantitative Analysis*, 48(1), 165-196.
- Bertrand, M., & Mullainathan, S. (2003). Enjoying the quiet life? Corporate governance and managerial preferences. *Journal of Political Economy*, 111(5), 1043-1075.

## 17. What are the effects of say-on-pay?

- Cuñat, V., Gine, M., & Guadalupe, M. (2015). Say pays! Shareholder voice and firm performance. *Review of Finance*, 20(5), 1799-1834.
- Cai, J., & Walkling, R. A. (2011). Shareholders' say on pay: Does it create value?. *Journal of Financial and Quantitative Analysis*, 46(2), 299-339.
- Ferri, F. & Maber, D. (2013). Say on pay votes and CEO compensation: Evidence from the UK. *Review of Finance*, 17(2), 527-563.

## Topic Area 4 – Private Equity, Venture Capital, Innovation

## 18. How do private equity firms create value?

- Gompers, P., Kaplan, S. N., & Mukharlyamov, V. (2016). What do private equity firms say they do? *Journal of Financial Economics*, 121(3), 449-476.
- Jenkinson, T., & Sousa, M. (2015). What determines the exit decision for leveraged buyouts? *Journal of Banking & Finance*, 59, 399-408.
- Axelson, U., Jenkinson, T., Strömberg, P., & Weisbach, M. S. (2013). Borrow cheap, buy high? The determinants of leverage and pricing in buyouts. *Journal of Finance*, 68(6), 2223-2267.
- Guo, S., Hotchkiss, E. S., & Song, W. (2011). Do buyouts (still) create value? *Journal of Finance*, 66(2), 479-517.

## 19. Do the sources of finance affect innovation of start-ups?

- Dutta, S., & Folta, T. B. (2016). A comparison of the effect of angels and venture capitalists on innovation and value creation. *Journal of Business Venturing*, 31(1), 39-54.
- Chemmanur, T. J., Loutskina, E., & Tian, X. (2014). Corporate venture capital, value creation, and innovation. *Review of Financial Studies*, 27(8), 2434-2473.

- Bammens, Y., & Collewaert, V. (2014). Trust between entrepreneurs and angel investors: Exploring positive and negative implications for venture performance assessments. *Journal of Management*, 40(7), 1980-2008.
- Mollick, E. (2014). The dynamics of crowdfunding: An exploratory study. *Journal of Business Venturing*, 29(1), 1-16.

## 20. Do institutions and regulation matter for entrepreneurship?

- El Ghouli, S., Guedhami, O., Kwok, C., & Shao, L. (2016). National culture and profit reinvestment: Evidence from small and medium-sized enterprises. *Financial Management*, 45(1), 37-65.
- Chemmanur, T. J., Krishnan, K., & Nandy, D. K. (2011). How does venture capital financing improve efficiency in private firms? A look beneath the surface. *Review of Financial Studies*, 24(12), 4037-4090.
- Cumming, D., Schmidt, D., & Walz, U. (2010). Legality and venture capital governance around the world. *Journal of Business Venturing*, 25(1), 54-72.

## 21. What role does monitoring play in venture capital?

- Bernstein, S., Giroud, X., & Townsend, R. R. (2016). The impact of venture capital monitoring. *Journal of Finance*, 71(4), 1591-1622.
- Hochberg, Y. V. (2011). Venture capital and corporate governance in the newly public firm. *Review of Finance*, 16(2), 429-480.
- Bottazzi, L., Da Rin, M., & Hellmann, T. (2008). Who are the active investors?: Evidence from venture capital. *Journal of Financial Economics*, 89(3), 488-512.

## Topic Area 5 – Investment Management

## 22. Has value investing kept its promise across boom and bust cycles?

- Pankaj, N. P., Yao, S., & Barefoot, H. (2006). High yield, low payout, *Credit Suisse Quantitative Equity Research*. 15, 1-24.
- Keppler, A. M. (1991). The importance of dividend yields in country selection. *Journal of Portfolio Management*, 17(2), 24-29.

## 23. Do Smart Beta and Index Funds constitute the future of asset management?

- Levine, A., & Pedersen, L. H. (2016). Which trend is your friend? *Financial Analysts Journal*, 72(3), 51-66.
- Kahn, R. N., & Lemmon, M. (2016). The asset manager's dilemma: How smart beta is disrupting the investment management industry. *Financial Analysts Journal*, 72(1), 15-20.
- Gennaioli, N., Shleifer, A., & Vishny, R. (2012). Neglected risks, financial innovation, and financial fragility. *Journal of Financial Economics*, 104(3), 452-468,



**24. Active and passive equity investing: Do Index Funds on average outperform actively managed strategies on the swiss market?**

- Bogle, J. C. (2016). The index mutual fund, 40 years of growth, change, and challenge. *Financial Analysts Journal*, 72(1), 9-13.
- Siegel, J. (2016). The Shiller cape ratio: A new look. *Financial Analysts Journal*, 72(3), 41-50.

**25. How does aggregate volatility affect the cross-section of expected stock returns on the swiss market?**

- Li, X., Sullivan, R. N., & Garcia-Feijóo, L. (2016). The low-volatility anomaly: Market evidence on systematic risk vs. mispricing, *Financial Analysts Journal*, 72(1), 36-47.
- Umutlu, M. (2015). Idiosyncratic volatility and expected returns at the global level. *Financial Analysts Journal*, 71(6), 58-71.
- Fallon, W., Park, J., & Yu, D. (2015). Asset allocation implications of the global volatility premium. *Financial Analysts Journal*, 71(5), 38-56.
- Ang, A., Hodrick, R. J., Xing, Y., & Zhang, X. (2006). The cross-section of volatility and expected returns. *Journal of Finance*, 61(1), 259-299.

**26. How and to which extent do fees alter the potential of optimal portfolio diversification?**

- Jennings, W. W., & Payne, B. C. (2016). Fees eat diversification's lunch. *Financial Analysts Journal*, 72(2), 31-40.
- Malkiel, B. G. (2013). Asset management fees and the growth of finance. *Journal of Economic Perspectives*, 27(2), 97-108.

**27. Do financial analysts contribute to better investment decisions?**

- Arand, D., & Kerl, A. G. (2015). Sell-Side analyst research and reported conflicts of interest. *European Financial Management*, 21(1), 20-51.
- Espahbodi, H., Espahbodi, P. & Espahbodi, R. (2015). Did analyst forecast accuracy and dispersion improve after 2002 following the increase in regulation? *Financial Analysts Journal*, 71(5), 20-37.

**28. Does the tone in corporate communication impact corporate and investor behavior?**

- Blau, B. M., DeLisle, J. R., & McKay Price, S. (2015). Do sophisticated investors interpret earnings conference call tone differently than investors at large? Evidence from short sales. *Journal of Corporate Finance*, 31, 203-219.
- Brockman, P., Li, X., & McKay Price, S. (2015). Differences in conference call tones: managers vs. analysts. *Financial Analysts Journal*, 71(4), 24-42.

**29. Is there an information content in social media?**

- Sprenger, T. O., Tumasjan, A., Sandner, P. G., & Welpe, I. M. (2014). Tweets and trades: The information content of stock microblogs. *European Financial Management*, 20(5), 926-957.

### **30. Does corporate social responsibility improve firm performance?**

- Lins, K. V., Servaes, H., & Tamayo, A. (2017). Social capital, trust, and firm performance: the value of corporate social responsibility during the financial crisis. *Journal of Finance*, DOI: 10.1111/jofi.12505
- Flammer, C. (2015). Does corporate social responsibility lead to superior financial performance? A regression discontinuity approach. *Management Science*, 61(11), 2549–2568
- Krüger, P. (2015). Corporate goodness and shareholder wealth. *Journal of Financial Economics*, 115(2), 304-329.
- Cheng, B., Ioannou, I., & Serafeim, G. (2014). Corporate social responsibility and access to finance. *Strategic Management Journal*, 35(1), 1-23.
- Servaes, H., & Tamayo, A. (2013). The impact of corporate social responsibility on firm value: The role of customer awareness. *Management Science*, 59(5), 1045-1061.

### **31. Are “green” financial products able to keep up with the market? – “Green” Index vs S&P 500 and SPI**

- Andersson, M., Bolton, P., & Samama (2016). Hedging climate risk. *Financial Analysts Journal*, 72(3), 13-32.

### **32. Does the Swiss Stock Market Value Eco-Efficiency?**

- Hong, H., & Kacperczyk, M. (2009). The price of sin: The effects of social norms on markets, *Journal of Financial Economics*, 93(1), 15-36.
- Derwall, J., Guenster, N., Bauer, R., & Koedijk, K. (2005). The eco-efficiency premium puzzle. *Financial Analysts Journal*, 61(2), 51-63
- Fama, E. F., & MacBeth, J. D. (1973). Risk, return, and equilibrium: Empirical tests. *Journal of Political Economy*, 81(3), 607–636.

### **33. Does academic research have an Influence on stock return predictability on the swiss market?**

- Mclean, R. D., & Pontiff, J. (2016). Does academic research destroy stock return predictability? *Journal of Finance*, 71(1), 5–32.
- Barberis, Nicholas, & Andrei Shleifer (2003). Style investing, *Journal of Financial Economics*, 68(2), 161–199.

### **34. Are reverse mortgage loans a suitable instrument for retirement planning?**

- Nakajima, M. & Telyukova, I. A. (2017). Reverse mortgage loans: a quantitative analysis. *Journal of Finance*, 72(2), 911–950.

### **35. Do sell side analysts improve the efficiency of capital markets?**

- Merkley, K., Michaely, R., & Pacelli, J. (2017). Does the scope of the sell-side analyst industry matter? An examination of bias, accuracy, and information content of analyst reports. *Journal of Finance*, 72(3), 1285–1334.
- Boni, L., & Womack, K. L. (2006). Analysts, industries, and price momentum. *Journal of Financial and Quantitative Analysis*, 41(11), 85–109.



### **36. The benefits of currency hedging in mixed asset portfolios**

- Perold, A.F., & Schulman, E.C. (1988). The free lunch in currency hedging: Implications for investment policy and performance standards. *Financial Analysts Journal*, 44(3), 45-50.

### **37. Should regulators push for more transparency in investment products?**

- Koh, B., Koh, F., Lee, D., Lim, K. G., Ng, D., & Phoon, K. F. (2015). A risk- and complexity-rating framework for investment products. *Financial Analysts Journal*, 71(6), 10-28.