THE UNIVERSITY of ADELAIDE

Course Profile

CORPFIN 7024/FIRN: EMPIRICAL CORPORATE FINANCE

1. GENERAL COURSE INFORMATION

1.1 COURSE DETAILS

Term: Semester 1 **Year: 2024**

Course Description: This course explores advanced theoretical tools and empirical techniques to evaluate contemporary issues in empirical corporate finance research. The course assumes a sound knowledge of the economic theory relating to the foundations of corporate finance. Students are challenged to think critically and broadly across different areas of corporate finance and the literature that bridges corporate finance theory and empirical corporate finance. By the end of the course, students will be familiar with some of the most advanced work in empirical corporate finance, the major empirical approaches utilized, and a solid understanding of what constitutes a strong corporate finance research paper.

1.2 COURSE STAFF

Name: Professor Alfred Yawson
Location: Room 12.42
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Email: alfred.yawson@adelaide.edu.au
Consultation: To be arranged with the student

1.3 COURSE TIMETABLE

Date:

March 19 & 26

April 2, 23, 30

May 7, 14, 21, 28

June 4 & 18

Times: All lectures will be held online (zoom link to be provided) on Tuesdays,10am-1pm

Course Learning Outcomes:

On successful completion of this course, students will achieve the following course learning outcomes (CLOs):

1. Evaluate critically across different areas of corporate finance and the literature that bridges corporate finance theory and empirical corporate finance (CLO1) .

2. Develop a solid understanding of some of the most advanced work in empirical corporate finance (CLO2).

3. Acquire advanced knowledge of the major empirical approaches utilized and what constitutes a strong corporate finance research paper (CLO3)

4. Present and communicate effectively to a knowledgeable audience about current theoretical and empirical research ideas in corporate finance (CLO4).

UNIVERSITY GRADUATE ATTRIBUTES

This course will provide students with an opportunity to develop the Graduate Attribute(s) specified below:

UNIVERSITY GRADUATE ATTRIBUTE	COURSE LEARNING
Deep discipline knowledge and intellectual breadth	CLO1 CLO2
Creative and critical thinking, and problem solving	CLO1 CLO3
Teamwork and communication skills	CLO4
Professionalism and leadership readiness	CLO1, CLO2, CLO3

2. TEACHING & LEARNING ACTIVITIES

LEARNING RESOURCES

Journal articles, course website

WORKLOAD

This is a PhD-level course and therefore you will be expected to treat this course at least as a standard 12 unit university course, implying that you are expected to commit to *at least* 9 hours of private study per week.

Students in this course are expected to attend all classes. Failure to attend 80% of the classes (9 sessions) will lead to an automate FAIL.

LEARNING ACTIVITIES SUMMARY

LEARNING & TEACHING MODES

The course focuses on empirical corporate finance. Lecture topics and basic reading lists are provided below. The teaching and learning approach adopted emphasises the importance of developing critical thinking and analytical skills. This is achieved through a mix of lectures, class presentations and discussions, quizzes and a proposal or research paper.

Weekly Class Activities:

In order to obtain the full benefit from the course, students should:
1. Read the assigned reading for each class and be prepared to ask critical questions and to answer specific questions about the readings.
2. Attend all classes and arrive on time.
3. Actively participate in class: Answer questions posed by the instructor, and ask your own questions.
4. If issues are still not clear, first ask your classmates, then ask the instructor, send me a mail, or come to my office during the consultation hours.

The rationale for the above suggestions and requirements in following these points is necessary to achieve the learning outcomes. Lectures and class discussions and presentations are all aimed to facilitate your learning. However, ultimately, the time and effort each student devotes to the course will determine how much he or she learns from it. During a typical 3-hour session, the first half of class will be devoted to covering the lecture material. These lectures are intended to establish an analytical framework for investigating major corporate finance issue. The lecturer will focus on the most challenging concepts and students are encouraged to engage in a dialogue to facilitate better understandings of the materials. The second half of the class will generally involve student presentations and discussions of the research articles on key issues raised during lectures, prior class discussions and assigned readings. These will help students develop both an understanding of the theoretical underpinning of the literature and a familiarity with how these theories are evaluated empirically.

LEARNING ACTIVITIES SUMMARY

1. Financial Policy: Capital structure

Date: Tuesday, 19 March, 10am -1pm

Readings

1. Modigliani, Franco, and Merton Miller, 1958, The Cost of Capital, Corporation Finance and the Theory of Investment, American Economic Review 48, 261-297.
2. Stiglitz, Joseph E., 1974, On the Irrelevance of Corporate Financial Policy, American Economic Review, 851-865.
3. Myers, Stewart, 1984, The Capital Structure Puzzle, Journal of Finance 37, 575-592.
4. Titman, Sheridan, and Roberto Wessels, 1988. The Determinants of Capital Structure Choice, Journal of Finance 1-19.

5. Fama, Eugene, and Kenneth French, 2005. Financing Decisions: Who Issues Stock? Journal of Financial Economics 76, 549–582.
6. Lemmon, Michael, Michael Roberts, and Jaime Zender, 2008. Back to the Beginning: Persistence and the Cross-section of Corporate Capital Structure, Journal of Finance 63, 1575–1608.
7. DeAngelo, H.,Roll,R., 2015. How Stable are Corporate Capital Structures? Journal of Finance 70, 373–418.
8. Ralf Elsas, Mark J. Flannery, Jon A. Garfinkel, 2014. Financing Major Investments: Information about Capital Structure Decisions, Review of Finance 18, 1341–1386
9. Cheol S. Eun, Lingling Wang, 2016. International Sourcing and Capital Structure , Review of Finance 20, 535–574.
10. Vahap B. Uysal, 2011. Deviation from the target capital structure and acquisition choices. Journal of Financial Economics 102. 602–620.
11. Harry DeAngeloLinda DeAngeloToni M. Whited 2014. Capital structure dynamics and transitory debt. Journal of Financial Economics 99, 235–26
12. Klasa, S., Ortiz-Molina, H., Serfling, M., Srinivasan, S., 2018. Protection of trade secrets and capital structure decisions. Journal of Financial Economics 128, 266-286.
13. DeAngelo, H. 2022. The capital structure puzzle: What are we missing? Journal of Financial and Quantitative Analysis, 57, 413-454.

2. Financial Policy: Capital Raising

Date: Tuesday, 26 March, 10am -1pm

Readings

14. Alexander Ljungqvist, 2006. IPO Underpricing" in B. Espen Eckbo (ed.), Handbook of Corporate Finance: Empirical Corporate Finance, Volume A, (Handbooks in Finance Series, Elsevier/North-Holland), Chapter 7.
15. Ritter, J.R., 1987. The Costs of Going Public, Journal of Financial Economics 19, 269-282.
16. Masulis, Ronald W., and Ashok N. Korwar, 1986. Seasoned Equity Offerings: An Empirical Investigation, Journal of Financial Economics 15, 91–118.
17. Mikkelson, Wayne H., and Megan M. Partch, 1986. Valuation Effects of Security Offerings and the Issuance Process, Journal of Financial Economics 15, 31–60.
18. Asquity, Paul, and Mullins, 1986. Equity Issues and Offering Dilution. Journal of Financial Economics 15, 61−89.
19. DeAngelo, H., DeAngelo, L. Stulz, R. M. 2010. Seasoned equity offering, market timing, and the corporate lifecycle. Journal of Financial Economics 95, 275-295.
20. Brugler, J., Comerton-Forde, C., & Hendershott, T. 2020. Does Financial Market Structure Affect the Cost of Raising Capital? Journal of Financial and Quantitative Analysis, 1-38.
21. Adhikari, B., Cicero, D., & Sulaeman, J. 2020. Does Local Capital Supply Matter for Public Firms' Capital Structures? Journal of Financial and Quantitative Analysis, 1-35.
22. Amy Dittmar, Ran Duchin ,Shuran Zhang, 2020. The timing and consequences of seasoned equity offerings: A regression discontinuity approach. Journal of Financial Economics138, 254-276.
23. Ann Marie Hibbert, Qiang Kang, Alok,Kumar, Suchi Mishra 2020. Heterogeneous beliefs and return volatility around seasoned equity offerings. Journal of Financial Economics, 137, 571-589.

24. Aggarwal, D., Eldar, O. Yael V.Hochberg, Y. V., Litov, L. P. 2022. The rise of dual-class stock IPOs, Journal of Financial Economics 122-153.
25. Aghamolla, C., Thakor, R. T. IPO peer effects. Journal of Financial Economics, In Press.
26. Busaba, W. Y., Restrepo, F. 2022. The "7% solution" and IPO (under)pricing. Journal of Financial Economics, 144, 953-971.

3. Financial Policy: Dividend Policy

Date: Tuesday, 2 April, 10am -1pm

Readings

27. Miller, Merton, and Franco Modigliani, 1961, Dividend Policy, Growth and the Valuation of Shares, Journal of Business 34, 411-433.
28. Miller, Merton, and Kevin Rock, 1985, Dividend Policy Under Asymmetric Information, Journal of Finance 40, 1031-1051.
29. DeAngelo, H., DeAngelo, L., Skinner, D.J., 2004. Are dividends disappearing? Dividend concentration and the consolidation of earnings. Journal of Financial Economics 72, 425—456.
30. DeAngelo, H., DeAngelo, L., Stulz, R.M., 2006. Dividend policy and the earned/contributed capital mix: a test of the life-cycle theory. Journal of Financial Economics 81, 227—254.
31. Hammed, A., Xie, J. 2019. Preference for dividends and return comovement. Journal of Financial Economics, 132, 103–125.
32. Grennan, J. 2019 , Dividend payments as a response to peer influence, Journal of Financial Economics 131 549–570.
33. Ham, C. G,. Zachary R. Kaplan, Z. R. .Leary, M. T. Do dividends convey information about future earnings? Journal of Financial Economics, In press.
34. David J. Denis, D. J., Osobov, I. 2008. Why do firms pay dividends? International evidence on the determinants of dividend policy. Journal of Financial Economics 89, 62– 82.
35. Floyd, E., Nan 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, 299-316.
36. Janis Berzins, Øyvind Bøhren, Bogdan Stacescu, 2018. Shareholder Conflicts and Dividends, Review of Finance 22, 1807–1840.
37. Kale, J., Kini, O., & Payne, J. 2012. The Dividend Initiation Decision of Newly Public Firms: Some Evidence on Signaling with Dividends. Journal of Financial and Quantitative Analysis 47, 365-396.
38. Kahle, K.M., Stulz, R.M., 2020. Are Corporate Payouts Abnormally High in the 2000s? Journal of Financial Economics 142, 1359-1380.
39. Michaely, R. Amani, M., 2022. Disappearing and reappearing dividends. Journal of Financial Economics 143, 207-226.

4. Investment Policy: The Market for Corporate Control

Date: Tuesday, 23 April, 10am -1pm

Readings

40. Andrei Shleifer, Robert W. Vishny, 2003, Stock Market Driven Acquisitions, Journal of Financial Economics, Volume 70, 295-311.

41. Masulis, R., Wang, C., Xie, F., 2007. Corporate Governance and Acquirer Returns. Journal of Finance, 62: 1851-1889.
42. Harford, J., Humphery-Jenner, M., Powell, R. G., 2012. The Sources of Value Destruction in Acquisitions by Entrenched Managers. Journal of Financial Economics, 106: 247-261.
43. Ahern, Kenneth R., 2012. Bargaining Power and Industry Dependence in Mergers. Journal of Financial Economics, 103: 530-550.
44. Golubov, A. Yawson, A. Zhang, H., 2015. Extraordinary Acquirers. Journal of Financial Economics, 116: 314-330.
45. Albert Sheen. 2014. The Real Product Market Impact of Mergers. The Journal of Finance, 69, 2651 – 2688.
46. Eckbo, B.E., Makaew, T., Thorburn, K.S., 2018. Are stock-financed takeovers opportunistic? Journal of Financial Economics 128, 443-465.
47. Olivier Dessaint, O., Golubov, A., Volpin, P. 2017. Employment protection and takeovers, Journal of Financial Economics 125, 369-388.
48. Claudio Loderer, URS Waelchli, 2015. Corporate Aging and Takeover Risk, Review of Finance 19, 2277–2315.
49. Dai, Y., Gryglewicz, S., & Smit, H. 2021. Less Popular but More Effective Toeholds in Corporate Takeovers. Journal of Financial and Quantitative Analysis, 56, 283-312.
50. Guernsey, S. Simone M.Sepe, S. M., Serfling, M. 2022. Blood in the water: The value of antitakeover provisions during market shocks, Journal of Financial Economics 143, 1070-1096.
51. Antón, M., Azar, J., Gine, M., Lin, L., X. 2022. Beyond the target: M&A decisions and rival ownership. Journal of Financial Economics 144, 44-66.

5. Role of Investment Banking in Corporate Finance

Date: Tuesday, 30 April, 10am -1pm

Readings

52. Corwin, S. A., Schultz, P., 2005. The role of IPO Underwriting Syndicates: Pricing, Information Production, and Underwriter Competition. Journal of Finance, 60: 443-486.
53. Golubov, A., Petmezas, D., Travlos, N. G., 2012. When it Pays to Pay your Investment Banker: New Evidence on the Role of Financial Advisors in M&As. Journal of Finance, 67: 271-312.
54. Agrawal, A., Cooper, T., Lian, Q., Wang, Q., 2013. Common Advisers in Mergers and Acquisitions: Determinants and Consequences. Journal of Law and Economics, 56: 691-740.
55. Sibilkov, Valeriy, McConnell, John J., 2014. Prior Client Performance and the Choice of Investment Bank Advisors in Corporate Acquisitions. Review of Financial Studies, 27: 2475-2503.
56. Bao, J., Edmans, A., 2011. Do Investment Banks Matter for M&A Returns? Review of Financial Studies, 24: 2286-2315.
57. Chemmanur, T.J., Ertugrul, M., Krishnan, K., 2019. Is it the investment bank or the investment banker? A study of the role of investment banker human capital in acquisitions. Journal of Financial and Quantitative Analysis, 54, 587-627.
58. Nihat Aktas, Audra Boone, Alexander Witkowski, Guosong Xu, Burcin Yurtoglu, 2021. The Role of Internal M&A Teams in Takeovers, Review of Finance 25, 1047–1088.
59. Yawson, A., Zhang, H. 2021. Central Hub M&A Advisors, Review of Finance 25, 1817–1857.
60. Eaton, G.W., Guo, F., Liu, T, Officer, M. S. 2022. Peer selection and valuation in mergers and acquisitions. Journal of Financial Economics, 146, 230-255

6. Labor and Finance

Date: Tuesday, 7 May, 10am -1pm

61. Merz, M. & Yashiv, E. (2007). Labor and the market value of the firm. *The American Economic Review, 97* (4), 1419–1431.
62. Pinnuck, M. & Lillis, A. M. (2007). Profits versus losses: Does reporting an accounting loss act as a heuristic trigger to exercise the abandonment option and divest employees? *The Accounting Review*, *82* (4), 1031–1053.
63. Jung, B., Lee, W.-J. & Webber, D. P. (2014). Financial reporting quality and labor investment efficiency. *Contemporary Accounting Research*, *31* (4), 1047–1076.
64. Ben-Nasr, H. & Alshwer, A. A. (2016). Does stock price informativeness affect labour investment efficiency? Journal of Corporate Finance, 38 (1), 249–271.
65. Cao, Z. & Rees, W. (2020). Do employee-friendly firms invest more efficienctly? Evidence from labor investment efficiency. Journal of Corporate Finance, 65, 1-25.
66. Ghaly, M., Dang, V. A., & Stathopoulos, K. (2020). Institutional investors' horizons and corporate employment decisions. *Journal of Corporate Finance*, 64, 1-25.
67. Khedmati, M., Sualihu, M. A., & Yawson, A. (2019). CEO-director ties and labor investment efficiency. *Journal Corporate Finance*, 65, 1-25.
68. Sualihu, M.A, Rankin, M., & Haman, J. (2021). The role of equity compensation in reducing inefficient investment in labor. *Journal of Corporate Finance*, *66*, 1–25.
69. Sualihu, M. A., Yawson, A., & Iliyas, Y. (2021). Do analysts' forecast properties deter suboptimal labor investment decisions: Evidence from Regulation Fair Disclosure, Journal of Corporate Finance 65, 1-23.
70. Heese, J., Pérez-Cavazos, G., 2020. When the boss comes to town: the effects of headquarters' visits on facility-level misconduct. *The Accounting Review*, 95, 235–261.
71. Raghunandan, R., 2021. Financial misconduct and employee mistreatment: evidence from wage theft. Review of Accounting Studies, 26, 867–905.
72. Heese, J., Pérez-Cavazos, G., &C. D. Peter, C. D. (2022). When the local newspaper leaves town: The effects of local newspaper closures on corporate misconduct." *Journal of Financial Economics*, 145 (2022), 445-463.
73. Chircop, J., Tarsalewska, M., & Trzeciakiewicz, A. (2022). CEO risk taking equity incentives and workplace misconduct. Retrieved from https://ssrn.com/abstract=3511638 on 31/01/2022.
74. Chircop, J. Tarsalewska, M., & Trzeciakiewics, A. (2022). Accounting comparability and environmental violations. Retrieved from https://ssrn.com/abstract=4080925 on 08/06/2022.
75. Ben-Nasr, H. & Ghouma, H. (2018). Employee welfare and stock price crash risk. Journal of Corporate Finance, 48, 1-24.
76. Cao, Z. & Rees, W. (2020). Do employee-friendly firms invest more efficienctly? Evidence from labor investment efficiency. Journal of Corporate Finance, 65, 1-25.
77. Fauver, L., McDonald, M. B., & Taboada, A. G. (2018). Does it pay to treat employees well? International evidence on the value of employee-friendly culture. *Journal of Corporate Finance* 50, 84-108.
78. Filbeck, G. (2001). Mother Jones: Do better places to work imply better places to invest. Journal of Financial Economics, 10, 57-70.
79. Atanassov, J. & Kim, E. H. (2009). Labor and corporate governance: International evidence from restructuring decisions. *The Journal of Finance, LXIV* (1), 341–374.

80. Belo, F., Lin, X. & Bazdresch, S. (2014). Labor hiring, investment, and stock return predictability in the cross-section. *Journal of Political Economy, 122* (1), 129–177.
81. Cronqvist, H., Heyman, F., Nilsson, M., Svaleryd, H., Vlachos, J. (2009). Do entrenched managers pay their workers more? *The Journal of Finance*, 64, 309-339.
82. Pagano, M. & Volpin, P. F. (2005). Managers, workers, and corporate control. *Journal of Finance*, LX (2), 841–868.

7. Corporate Governance – Chief Executive Officers

Date: Tuesday, 14 May, 10am -1pm

Readings

83. Malmendier, U & Tate, G 2005, 'CEO overconfidence and corporate investment', Journal of Finance, vol.60, no.6, pp. 2661-2700.
84. Malmendier, U., Tate, G., 2009. Superstar CEOs. Quarterly Journal of Economics, 124: 1593-1638.
85. Custódio, C., Metzger, D., 2014. Financial Expert CEOs: CEO׳s work Experience and Firm׳s Financial Policies. Journal of Financial Economics, 114: 125-154.
86. Custódio, C., Metzger, D., 2013. How do CEOs Matter? The Effect of Industry Expertise on Acquisition Returns. Review of Financial Studies, 26: 2008-2047.
87. Banerjee, S., Humphery-Jenner, M., Nanda, V., 2015. Restraining Overconfident CEOs through Improved Governance: Evidence from the Sarbanes-Oxley Act. Review of Financial Studies, 28: 2812-2858.
88. Faleye, O., Kovacs, T., & Venkateswaran, A. (2014). Do Better-Connected CEOs Innovate More? Journal of Financial and Quantitative Analysis, 49(5-6), 1201-1225.
89. Hoitash, U., & Mkrtchyan, A. (2018). Recruiting the CEO from the Board: Determinants and Consequences. Journal of Financial and Quantitative Analysis, 53(3), 1261-1295.
90. Morten Bennedsen, Francisco P´erez-gonz´alez,and Daniel Wolfenzon, Do CEOs Matter? Evidence from Hospitalization Events. Journal of Finance, 75, 1877 – 1911.
91. Benmelech, E & Frydman, C 2015, 'Military CEOs', Journal of Financial Economics, vol. 117, no.1, pp. 43-59.
92. Cain, MD & McKeon, SB 2016, 'CEO personal risk-taking and corporate policies', Journal of Financial and Quantitative Analysis, vol. 51 no.1, pp. 139-164.
93. El-Khatib, R, Fogel, K, Jandik, T 2015, 'CEO network centrality and merger performance'. Journal of Financial Economics, vol.116, no.2, pp. 349-382.
94. Li, M., Lu, Y., & Phillips, G. (2019). CEOs and the Product Market: When Are Powerful CEOs Beneficial? Journal of Financial and Quantitative Analysis, 54(6), 2295-2326.
95. Islam E., Jason Zein, J. 2020. Inventor CEO. Journal of Financial Economics 135, 505–527.
96. Ellis, J., Guo, L., & Mobbs, S. (2020). How Does Forced-CEO-Turnover Experience Affect Directors? Journal of Financial and Quantitative Analysis, 1-29.

8. Managerial Incentives - Corporate Decisions & Risk-taking

Date: Tuesday, 21 May, 10am -1pm

Readings

97. Edmans, A., Gabaix, X., Jenter, D. 2017. Executive Compensation: A Survey of Theory and Evidence. The Handbook of the Economics of Corporate Governance 1, 383-539.
98. Core, J.E., R.W. Holthausen, and D.F. Larcker, 1999, Corporate Governance, Chief Executive Officer Compensation, and Firm Performance, Journal of Financial Economics, 51(3), 371-406.
99. Core, J. E., Guay, W., Larcker D. F. 2008. The power of the pen and executive compensation. Journal of Financial Economics, 88, 1–25
100. Jensen, M.C., Murphy, K.J., 1990a. Performance pay and top-management incentives. Journal of Political Economy 98, 225 - 264.
101. K. J. Martijn Cremers, Yaniv Grinstein, 2014. Does the Market for CEO Talent Explain Controversial CEO Pay Practices?, Review of Finance 18, 921–960.
102. Mike Burkart, Konrad Raff, 2015. Performance Pay, CEO Dismissal, and the Dual Role of Takeovers, Review of Finance 19, 1383–1414.
103. Focke, F., Maug, E., Niessen-Ruenzi, A. 2017. The impact of firm prestige on executive compensation. Journal of Financial Economics, 123, 313–336.
104. Correa, R., Lel, U. 2016. Say on pay laws, executive compensation, pay slice, and firm valuation around the world. Journal of Financial Economics 122, 500–520.
105. Gillan,S. L., Hartzell, J. C., Koch, A., Starks, L. T., 2018. Getting the Incentives Right: Backfilling and Biases in Executive Compensation Data. Review of Financial Studies 31, 460–1498.
106. Cebon, P., Hermalin, B. E., 2015. When Less Is More: The Benefits of Limits on Executive Pay. Review of Financial Studies 28, 1667–1700.
107. Hoi, C. K., Wu, Q., Zhang, H. 2019. Does social capital mitigate agency problems? Evidence from Chief Executive Officer (CEO) compensation. Journal of Financial Economics 133, 498-519.
108. Denis, D. K., Jochem, T. Rajamani, A. 2020. Shareholder governance and CEO compensation: The peer effects of Say on Pay. Review of Financial Studies 33, 3130–3173.
109. ClaireLiu, C., Ronald W.Masulis, R. W., Stanfield, J., 2021. Why CEO option compensation can be a bad option for shareholders: Evidence from major customer relationships. Journal of Financial Economics 142, 453-481.

9. Emerging Trends in Empirical Corporate Finance (eg. AI, Cyber attacks, Terrorist attacks and Empirical Corporate Finance)

Date: Tuesday, 28 May, 10am -1pm

110. Babina, Tania, Anastassia Fedyk, Alex Xi He, and James Hodson, 2024, Artificial intelligence, firm growth, and industry concentration, Journal of Financial Economics
111. Babina, Tania and Fedyk, Anastassia and He, Alex X and Hodson, James, 2023, Firm Investments in Artificial Intelligence Technologies and Changes in Workforce Composition, Working paper.
112. Cao, Sean, Wei Jiang, Baozhong Yang, and Alan L. Zhang, 2023, From Man vs. Machine to Man + Machine: The Art and AI of Stock Analyses, Journal of Financial Economics forthcoming
113. Cao, Sean, Wei Jiang, Baozhong Yang, and Alan L. Zhang, 2023, How to talk when a machine is listening: Corporate disclosure in the age of AI, Review of Financial Studies forthcoming.
114. Jansen, Mark, Hieu Nguyen, and Amin Sham, 2023, Rise of the Machines: The Impact of Automated Underwriting, Working paper.

115. Chava, Sudheer and Du, Wendi and Paradkar, Nikhil, More than Buzzwords? Firms' Discussions of Emerging Technologies in Earnings Conference Calls, Working paper.
116. Chen, W., Wu, H., Zhang, L., 2021. Terrorist Attacks, Managerial Sentiment, and Corporate Disclosures. The Accounting Review 96 (3), 165-190.
117. Dai, Y., Rau, P.R., Stouraitis, A., Tan, W., 2020. An ill Wind? Terrorist Attacks and CEO Compensation. Journal of Financial Economics 135 (2), 379-398.
118. Garg, P 2020, Cybersecurity breaches and cash holdings: Spillover effect. Financial Management, 49(2), pp. 503-519.
119. Huang, H.H. and Wang, C., 2021. Do banks price firms' data breaches? The Accounting Review, 96(3), pp. 261-286.
120. Kamiya, S., Kang, J.K., Kim, J., Milidonis, A. and Stulz, R.M., 2021. Risk management, firm reputation, and the impact of successful cyberattacks on target firms. Journal of Financial Economics, 139(3), pp. 719-749.

10. Methodological Approaches in Empirical Corporate Finance

Date: Tuesday, 4 June, 10am -1pm

Readings

121. Coles, J. L. and Li, Z. F. 2023. An Empirical Assessment of Empirical Corporate Finance. Journal of Financial and Quantitative Analysis Vol. 58, pp. 1391–1430.
122. Mitton, T (2022). Methodological Variation in Empirical Corporate Finance. The Review of Financial Studies 35, 527–575.
123. Roberts, M. and T. Whited, 2013, Endogeneity in Empirical Corporate Finance, Handbook of the Economics of Finance (PA), 493-572.
124. Karpoff, J. and M. Wittry, 2018, Institutional & Legal Context in Natural Experiments: The Case of State Anti-Takeover Laws, Journal of Finance, 73(2), 657-714.
125. Bertrand, M. and S. Mullainathan, 2003, Enjoying the Quiet Life? Corporate Governance and Managerial Preferences, Journal of Political Economy, 111, 1043-1075.
126. Chaney, T., D. Sraer and D. Thesmar, 2012, The Collateral Channel: How Real Estate Shocks Affect Corporate Investment, American Economic Review, 102, 2381-2409.
127. Gormley, T. and D. Matsa, 2014, Common Errors: How to (and Not to) Control for Unobservable Heterogeneity, Review of Financial Studies, 27(2), 617-661.
128. Roberts, M. and T. Whited, 2013, Endogeneity in Empirical Corporate Finance, Handbook of the Economics of Finance (PA), 493-572 (sections on Matching and DDR).
129. Chemmanur, T. and X. Tian, 2018, Do Antitakeover Provisions Spur Corporate Innovation? A Regression Discontinuity Analysis, Journal of Financial and Quantitative Analysis, 53(3), 1163-1194.
130. Bena, J. and T. Xu, 2013, Competition and Ownership Structures of Closely-Held Firms, Review of Financial Studies, 30(5), 1583-1626.
131.

11. Presentation/Submission of Research Proposal in Empirical Corporate Finance

Date: Date: Tuesday, 18 June, 10am -1pm

12. ASSESSMENT

To pass this course you must undertake each assessable component listed in the table below and receive at least a PASS grade in each, individual component. A failure to satisfy any component will result in a FAIL grade for the course.

ASSESSMENT SUMMARY

The assessment components are as follows:

Assessment	Due Date and time	Requirement	Weighting	Related Course Learning Outcomes
Research questions, novel research ideas and quizzes.	This is determined in class.	You must submit your research question and and novel research ideas.	30%	CLO1 CLO2
Presentation of the relevant literature	This is determined in the class, but usually you have one to two weeks to prepare	Presentation & electronic submission of the powerpoint slides.	30%	CLO3
Research Proposal	Thursday 27 April	Presentation & submission of a research proposal.	40%	CLO4

Note:
(i) Further details of the assessments will be discussed in class.
(ii) Work will be graded based on effort, not necessarily success in completing the tasks.

Presentation Template

Topic:

- Review the literature – provide a coherent discussion of the prescribed literature along with related papers as determined by the student.

- Comment on the general methodology used in the recent literature.

- Comment on the key contributions of the reviewed articles.

- Identify the gaps in the literature.

- Provide two research questions arising from the review (explain why the research questions are novel).

- List of references

Presenter(s): You are required to present your work to the class. Presentations will be for approximately 30 minutes followed by general discussions. You will need to hand in your slides (email to *alfred.yawson@adelaide.edu.au*) so it is important that the presentation is clear and comprehensive. The University of Adelaide student should also submit their work on MyUni. Marks will be awarded for (i) understanding of the papers; ability to (ii) provide a coherent review and identify gaps in the literature; (iii) generate new research questions; and (iv) answer questions from the floor.

Participants: Each non-presenting student is to read the prescribed articles and prepare **three questions** for the presenter and **one novel research idea** to share. This will be submitted at the end of the session (email to alfred.yawson@adelaide.edu.au). Marks will be awarded based on the *quality* of the handed in work.