



CERF Fellow Report

Please note this information will be published on the CERF website.

1. Personal Details

Name and Faculty:	Bang Dang Nguyen
Date:	March 30, 2016
CERF Fellowship Period:	May 2014 – May 2016

2. Research Update

Research Title and Abstract Please tell us your CERF Funded Research Title and Abstract (250 words max)	Social Networks, Risk Taking, and Firm Value: Evidence from Corporate Control Activities This project investigates the impact of social ties between the Chief Executive Officer (CEO) and board members on corporate risk-taking in mergers and acquisitions (M&As) and on shareholder value. Using a measure of CEO-director connections in a large sample of U.S. firms from 2000 to 2011, we study whether boardroom connections lower firm acquisitiveness. We investigate if connected CEOs are likely to choose focus and value-creating acquisitions, and to pursue smaller M&A deals and pay in stock. We also study if CEO-board connections enhance firm value in M&As by analyzing announcement returns, premium paid, and deal completion time.
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<p>Key Research findings to date: (250 words max)</p>	<p>Using a large sample of U.S. firms from 2000 to 2011, we document that boardroom connections lower firm acquisitiveness. In M&As, connected CEOs are less likely to choose focus and value-creating acquisitions and more likely to pursue smaller M&A deals and pay in stock. Boardroom connections do not enhance firm value in M&As. More connected boards are associated with lower announcement returns, higher premium paid, and shorter deal completion time. The network effect on firm acquisitiveness is stronger among firms with less analyst coverage and less institutional shareholding. Our results are robust to alternative explanations and various robustness checks.</p>

3. Weblinks to your work

We would like to provide CERF Managers with weblinks to the research output of CERF Funded Projects and the following information:

- links to your research outputs
- publications generated during the CERF fellowship
- seminars, conference presentations, press releases and other academic activities



- links to your research outputs

Web Page:

<http://www.jbs.cam.ac.uk/research/faculty/nguyenb.html>

SSRN Author Page:

<http://ssrn.com/author=451382>

- publications generated during the CERF fellowship

1. “What Death Can Tell: Are Top Executives Paid for their Contributions to Firm Value?” with Kasper Nielsen.

- *Management Science*, Volume 60, No. 12, December 2014, pages 2994-3010.

- Finalist, Best Corporate Finance Paper Award, Financial Management Association 2010 Meeting, New York, USA.

- Links:

<http://ssrn.com/abstract=1695366>

DOI: 10.1287/mnsc.2014.2011

2. “Is More News Good News? Media Coverage of CEOs, Firm Value, and Rent Extraction”

- *Quarterly Journal of Finance*, Volume 05, No. 04, December 2015, pages 1-38.

- Links:

<http://ssrn.com/abstract=800746>

- seminars, conference presentations, press releases and other academic activities

http://www.jbs.cam.ac.uk/fileadmin/user_upload/faculty_cvs/nguyenbd_cv.pdf



PAPER PRESENTATIONS AND PARTICIPATION IN ACADEMIC CONFERENCES

2015

European Finance Association Meetings EFA, 2015, discussant.

Vietnam Development Symposium, January 2015, Harvard University Center for International Development, Cambridge, MA, USA, “Giving Form and Substance for Vietnamese (SOE) Inc., in the Decade to Come.”

2014

Financial Management Association Meeting, October 2014, Nashville, USA, “Sugar and Spice and Everything Nice: What Are Good Directors Made of?” *

London School of Business Summer Finance Symposium, June 2014, London, “Political Connections and Firm Value: Evidence from the Regression Discontinuity Design of Close Gubernatorial Elections.”

Microsoft Research Workshop on Games, Learning, and Markets 2014, June, 2014, Cambridge, U.K., “Political Connections and Firm Value: Evidence from the Regression Discontinuity Design of Close Gubernatorial Elections.”

Econometric Society, Asian Meeting, June 2014, Taiwan, “Political Connections and Firm Value: Evidence from the Regression Discontinuity Design of Close Gubernatorial Elections.” *

Cambridge Judge Business School-Darden School of Business, Entrepreneurship and Innovation Research Conference, June 2014, Cambridge, Discussant, “Geography and U.S. Venture Capital Contracting.”

Vietnam International Conference in Finance, June 2014, Hanoi, Vietnam, “When Blockholders Leave Feet First: Do Ownership and Control Affect Firm Value?” *

Vietnam International Conference in Finance, June 2014, Hanoi, Vietnam, Keynote Speech, “Why My Directors Are A Lot Like Me: Independent Directors, Corporate Governance, and Firm Value.”

Vietnam International Conference in Finance, June 2014, Hanoi, Vietnam, Discussant, “Geographic Location, Foreign Ownership, and Cost of Equity Capital: Evidence from Privatization.”



Shanghai School of Economics and Finance Brown Bag Seminar, January 2014, “Social Networks, Risk Taking, and Firm Value: Evidence from Corporate Control Activities” *

INVITED SEMINAR PRESENTATIONS

2015

Wharton School, University of Pennsylvania, November 2015.

Waseda University, April 2015.

University of Birmingham Business School, March 2015

2014

Cambridge Judge Business School, March 2014, Brown Bag Seminar

PUBLICATIONS IN BUSINESS AND POPULAR PRESS, AND MEDIA MENTIONS

2015

Business Review Europe, May 26, 2015, “CEOs? Publish and be damned!”

<http://www.businessrevieweurope.eu/leadership/489/CEOs-publish-and-be-damned>

Institute of Directors, May 22, 2015, “Director: No such thing as bad press.”

<http://www.director.co.uk/no-such-thing-as-bad-publicity-for-ceos-news-22-may-2015/>

Financial Times, May 21, 2015, “Column inches aid share prices.”

<http://www.ft.com/cms/s/0/9ebe01e8-fb22-11e4-9aed-00144feab7de.html#axzz3afOVQiID>

2014

The Times of India, *Education Times*, 22 September 2014, “Are CEOs underpaid?”

http://www.educationtimes.com/article/95/2014092220140919195720484c0b7bd45/Are-CEOs-underpaid.html?utm_source=twitterfeed&utm_medium=twitter

Yahoo! News Spain, 15 September 2014, “How sudden death of CEO impacts company’s stock market”

<https://es.finance.yahoo.com/noticias/por-qu-bajan-las-empresas-235332579.html>

The Economist, August 21, 2014, “Executive pay. The final reckoning. When bosses die in office, their true value is revealed.” <http://www.economist.com/node/21615591/print>

Management Today, August 27, 2014, “42% of dead CEOs were paid too much: Want to know how valuable the boss is to the firm? Wait till (s)he dies...”

<http://www.managementtoday.co.uk/news/1309688/study-even-dead-ceos-paid-much/>



Financial Times, August 27, 2014, “Market reaction to a CEO’s death can reveal attitudes to pay.” <http://www.ft.com/cms/s/0/b3a369dc-2e03-11e4-b330-00144feabdc0.html?siteedition=uk#axzz3CveGV3a8>

Bloomberg/Business Week, August 21, 2014, “How Sudden CEO Deaths Help Us Understand Executive Compensation.” <http://www.businessweek.com/articles/2014-08-21/how-sudden-ceo-deaths-explain-the-executive-compensation-debate>

4. Additional information

Is there any other information you would like to share with us about your work to date?

Please return completed form to The Administrator, admin@cerf.cam.ac.uk