



CERF Fellow Report

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

1. Personal Details

Name and Faculty:	Bang Dang Nguyen
Date:	July 30, 2014
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. If connected CEOs undertake M&As, they are less likely to choose focus and value-creating acquisitions, and more likely to pursue smaller M&A deals and pay in stock. CEO-board connections do not enhance firm value in M&As. Higher levels of boardroom connection are associated with lower announcement returns, higher premium paid, and shorter deal completion time. The effect of boardroom ties 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

“What Death Can Tell: Are Top Executives Paid for their Contributions to Firm Value?” with Kasper Nielsen, 2014.

- Management Science, Forthcoming.

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

- Links:

http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1572216

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

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



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