Objectives: The objective of this course is to introduce doctoral students to research in corporate finance and will cover papers on the topics listed below.

Course Materials: Journal articles and working papers. You are responsible for obtaining copies of the articles.

Grade and Course Requirements:

Term Paper: (70% of grade) Students are required to write a term paper. The term paper will involve your formulating and answering a specific and original research question in corporate finance.

The first step in writing a term paper is to identify an area in which you are going to work. You can choose any of the topics listed in the syllabus. If there is another area that you want to examine, please talk to me. Let me know latest by Feb 24 the topic of your choice.

The second part of the term paper process is to do a literature survey in your chosen topic and identify the question that you want to answer. Every student needs to give me a written report that is fashioned like a journal article surveying the literature and motivating your question. There should also be a reference list of papers cited and studied. This paper (no more than 15 pages in double space, font 12) is due on March 24. The students will also do a presentation of their literature survey and idea in class on March 24. The presentation is worth 5% and the report is worth 20%.

The third part of the term paper is to collect and analyze the data to answer the question. The data collection, description and its analysis should be added to the literature survey and motivation. This final term paper is due latest by May 31, 2014. The final term paper is worth 35%.

Note, every week each student will have to make a short presentation (about five minutes) describing the progress on your term paper. These presentations will constitute 10% of the grade.

Final exam (30% of grade): This will be in class written exam.
Students should have reviewed Capital Structure issues that were discussed in Prof. Nanda class.

1. Theory of the Firm


2. Capital Structure


***S. Myers and N. Majluf, 1984, Corporate financing and investment decisions when firms have information that investors do not have, Journal of Financial Economics, 13, 187-221


3. Product markets


3. Dividend policy


Benartzi, S., R. Michaely and R. Thaler, 1997, Do changes in Dividends signal the future or the past, Journal of Finance


4. Cash Holdings


**Rettl, Danile, 2012, Growth Opportunities, Cash Holdings and Payout Policy, Working paper Vienna Graduate School of Finance


5. Initial public offerings


4. Employee Compensation


5. Corporate Fraud and Earnings Management


7. Do CEO and their Preferences Matter?


Landier, Augustin and David Thesmar, 2009, Financial Contracting with Optimistic Entrepreneurs, Review of Financial Studies


8. Shareholder Activism


Gantchev, N. and C. Jotikasthira, 2013, Hedge Fund Activists: Do they take cues from Institutional exit? Available at SSRN


8. Geography


Almazan, De Motta, Titman and Uysal, 2010, Financial structure, Acquisition Opportunities and Firm Location, JF

Kang and Kim, 2008, the Geography of Block Acquisitions, JF

Malloy, 2005, The Geography of Equity Analysis, JF

Landier, Nair, and Wulf, 2009, Tradeoffs in staying close: Corporate decision making and geographic dispersion, RFS

Kedia, Panchapegesan and Uysal 2008, Geography and Acquirer Returns, JFI

Kedia and Rajgopal, 2011, Does the SEC’s preferences affect Corporate Misconduct, JAE


9. Role of the Press

10. Networks


