ZHANG, FAN

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EDUCATION

Ph.D. Candidate in Finance 2017 – present
W. P. Carey School of Business. Arizona State University Expected: 2022
Committee: Oliver Boguth (Chair), Ilona Babenko, Jessie Jiaxu Wang, Christoph Schiller

Ph.D. in Mathematics 2009 – 2015
University of Miami Florida, U.S.
Advisor: Chris Cosner. Dissertation: "A Nonlocal Spatial Model on Continuous Time and Space"

Bachelor in Mathematics 2005 – 2009
Fudan University Shanghai, China

WORKING EXPERIENCE

Teaching/Research Assistant 2017 – present
Arizona State University, Department of Finance Arizona, U.S.

Visiting Assistant Professor 2015 – 2017
Florida Atlantic University, Department of Mathematics Florida, U.S.

RESEARCH

Interests: Corporate finance; innovation; corporate governance; supply chain; institutional investors

Job Market Paper: "CEO Individualism and Corporate Innovation"

Presentation: Financial Management Association the Doctoral Student Consortium (2021)

Working Papers:

- "Boardroom Communication with Outside Directors"
- "Common Ownership and Customer Firm Financial Policies" (with Fangfang Du)
- "Common Ownership and Supply Chain Selection"

  Presentation: Arizona State University Brownbag

TEACHING EXPERIENCE

Instructor: FIN 361 (Advanced Managerial Finance, Undergraduate) 6.3/7.0 Summer 2020
Arizona State University

Instructor: FIN 700 (Research Method, PhD Course) Fall 2018, 2019, 2020, 2021
Arizona State University

Teaching Assistant: FIN 502, 302, 421 Fall 2019, Spring 2021, Spring 2018
Managerial Finance, Security Analysis Portfolio Management
Arizona State University

Instructor: MAC 2311, 2312, 2233, STAT 4032, 4442, 4102 Fall 2015 – Summer 2017
Calculus I, II, Method of Calculus, Probability and Statistics, Computational Statistics
Florida Atlantic University

OTHER RESEARCH

1. "Do Firms Prefer Likers or Doubters?" (with Zhenhua Wu, Xueyan Yin and Pei-yu Chen) The 13th China Summer Workshop on Information Management (CSWIM 2019), pp. 278-284. 2019.

2. "CEO and CFO Risk-taking Incentives and Earnings Guidance" (with Tianqi Jiang, Zhao Wang and Shingo Goto) *Applied Economics Letters* 27, No. 15 (2020): 1256-1259.

3. "Institutional Ownership and Market Risk Disclosure" (with Tianqi Jiang, Xin Luo and Zhao Wang 2018)

4. "Linear and Weakly Nonlinear Stability Analyses of Turing Patterns for Diffusive Predator–Prey Systems in Freshwater Marsh Landscapes" (with Li Zhang and Shigui Ruan) *Bulletin of Mathematical Biology* 79, No. 3 (2017): 560-593.

ACADEMIC ACTIVITIES

Committee: ASU Finance Doctoral Student Representative (2020-2021)

Discussant:

- 37th International Conference of the French Finance Association (AFFI 2021)
- 4th Dauphine Finance Ph.D. Workshop (2021)
- Financial Management Association (FMA 2019)

Session Chair: Southwestern Financial Association Annual Meeting (SWFA 2021)

HONORS AND AWARDS

ASU Department of Finance PhD Travel Grants (2019-2021)

ASU Graduate Fellowship (2017-2021)

ASU Graduate School Travel Awards (2019)

University of Miami Graduate Assistantship (2009-2015)

CERTIFICATION

CFA Level I (Completed)

SKILLS

Languages: English, Mandarin (Native)

Programming: SAS, MATLAB, Stata, R

REFERENCES

- Oliver Boguth (Chair)
  Associate Professor
  Arizona State University
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- Ilona Babenko
  Associate Professor
  Arizona State University
  480-965-1036
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- Jessie Jiaxu Wang
  Assistant Professor
  Arizona State University
  480-965-8074
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- Christoph Schiller
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ABSTRACTS

CEO Individualism and Corporate Innovation (Job Market Paper)

Using data on birthplaces of 2,065 CEOs and a local measure of cultural individualism based on the pace of westward-moving expansion in American history, I find a robust positive relation between CEO cultural individualism and corporate innovation. Firms with more individualistic CEOs file more patents, have more patent citations and higher patent originality, and generate patents with higher market values. I obtain these results using panel OLS regressions and the difference-in-differences estimation around CEO turnovers. CEO individualism increases innovation through its effect on corporate culture, internal capital reallocation, and the type of M&A deals pursued by the firm.

Boardroom Communication with Outside Directors

I analyze boardroom communication between inside and outside directors. Outside directors may connect to potential competitors hence possess valuable information. Disclosing information to outside directors allows the inside directors to obtain valuable advice at the cost of potentially leaking information to competitors. I build a game-theoretic model that to determine the optimal board structure in the presence of information transmission. In the model, the firm faces a trade-off between better advising from outside directors and strategic disclosure by inside directors. Results show that multiple equilibria can arise for board structure and competition. I extend the model to an information design framework with costly persuasion and analyze the role of directors' attention. The model has implications for corporate governance in new business and information-intensive sectors.

Common Ownership and Customer Firm Financial Policies (with Fangfang Du)

This paper investigates how customer firms' financial policies are affected by common ownership with their suppliers. Common institutional ownership enhances firms' relationships with their suppliers, increases the trade credit that customer firms obtain from suppliers, and improves inventory management efficiency. Consistent with this mechanism, we find that (i) customer firms with higher common institutional ownership with their suppliers hold less cash as precautionary savings, (ii) this effect is more pronounced for firms with limited access to external financing and (iii) firms with higher common ownership with their suppliers decrease the use of financial leverage and maintain a higher level of dividend payout. Regression analysis exploiting financial institution mergers as a quasi-natural experiment establishes the causality of the results.

Common Ownership and Supply Chain Selection

This paper investigates the effect of common ownership on supply chain relations, mainly on how common ownership affects the selection of suppliers and customers. Using samples contain actual and potential pairs, I show how common ownership affects firms' choices of supply chain partners. Common ownership between a pair of supplier and customer firms has impact on both the supplier firm and the customer firm. Results suggest that the impact of common ownership on potential suppliers and customers is positively associated with the likelihood that they form new relationships. This result provides evidence about how financial institutions affect the product market through vertical supply chain relations.