

## ALEX EDMANS

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### ACADEMIC EMPLOYMENT

5/13 - date	<b>London Business School</b> <i>Professor of Finance</i> <i>Governing Body Faculty Representative (from 10/16)</i> <i>Academic Director, Centre for Corporate Governance (from 1/17)</i>
7/13 - 6/15 7/07 - 6/13	<b>The Wharton School, University of Pennsylvania</b> <i>Associate Professor of Finance (with tenure, on leave from 1/14)</i> <i>Assistant Professor of Finance</i>
5/11 - 12/15	<b>National Bureau of Economic Research</b> <i>Faculty Research Fellow (Corporate Finance)</i>
5/13 - date	<b>Centre for Economic Policy Research</b> <i>Research Fellow (Financial Economics)</i>
9/11 - date	<b>European Corporate Governance Institute</b> <i>Research Associate</i>
5/10 - 6/13	<b>Federal Reserve Bank of Philadelphia</b> <i>Visiting Scholar</i>

### EDUCATION

2003-2007	<b>Massachusetts Institute of Technology, Sloan School of Management</b> <i>PhD Financial Economics (defended 5/06). UK/US Fulbright Scholar</i> <i>Advisors: Stewart Myers (chair), Xavier Gabaix, Dirk Jenter, Gustavo Manso</i>
1998-2001	<b>Merton College, University of Oxford</b> <i>BA (Hons) Economics and Management, Double First Class, top of university</i>

### RESEARCH

#### Research Interests

*Corporate finance* (corporate governance; executive compensation; investment, growth, and innovation; mergers and acquisitions); *behavioral finance and market efficiency*; *financial markets and the real economy*; *socially responsible investing*

#### Refereed Publications and Accepted Papers

1. "Sports Sentiment and Stock Returns" (with Diego García and Øyvind Norli) *Journal of Finance* 62(4), 1967-1998, August 2007
  - *Finalist, Smith-Breeden Prize for Best Paper in the Journal of Finance*
  - *Best Paper Award, Caesarea Center 3<sup>rd</sup> Annual Conference*
  - *Featured in the CFA Digest, February 2008, Volume 38*
2. "Is CEO Pay Really Inefficient? A Survey of New Optimal Contracting Theories" (with Xavier Gabaix) *European Financial Management* 15(3), 486-496, June 2009 (lead article)

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3. “Blockholder Trading, Market Efficiency, and Managerial Myopia.” *Journal of Finance* 64(6), 2481-2513, December 2009
4. “A Multiplicative Model of Optimal CEO Incentives in Market Equilibrium” (with Xavier Gabaix and Augustin Landier) *Review of Financial Studies* 22(12), 4881-4918, December 2009
5. “Inside Debt” (with Qi Liu) *Review of Finance* 15(1), 75-102, January 2011
  - Spangler IQAM Prize for Best Paper in the Review of Finance (runner-up)
  - McGraw-Hill/Irwin Best Paper in Corporate Finance Award, FMA 2006
6. “Do Investment Banks Matter For M&A Returns?” (with Jack Bao) *Review of Financial Studies* 24(7), 2286-2315, July 2011
7. “Governance Through Trading and Intervention: A Theory of Multiple Blockholders” (with Gustavo Manso) *Review of Financial Studies* 24(7), 2395-2428, July 2011
8. “The Effect of Risk on the CEO Market” (with Xavier Gabaix) *Review of Financial Studies* 24(8), 2822-2863, August 2011
9. “Does the Stock Market Fully Value Intangibles? Employee Satisfaction and Equity Prices” *Journal of Financial Economics* 101(3), 621-640, September 2011
  - Moskowitz Prize for Best Paper in Socially Responsible Investing, 2007
  - FIR-PRI Prize for Best Paper in Finance and Sustainability, 2011
10. “Tractability in Incentive Contracting” (with Xavier Gabaix) *Review of Financial Studies* 24(9), 2865-2894, September 2011 (lead article)
  - NYU Glucksman Prize for Best Working Paper in Finance, 2008/9 (First Place)
11. “Short-Term Termination Without Deterring Long-Term Investment: A Theory of Debt and Buyouts” *Journal of Financial Economics* 102(1), 81-101, October 2011
12. “The Real Effects of Financial Markets: The Impact of Prices on Takeovers” (with Itay Goldstein and Wei Jiang) *Journal of Finance* 67(3), 933-971, June 2012
  - Terker Prize in Investment Research (Honorable Mention), 2009
13. “Dynamic CEO Compensation” (with Xavier Gabaix, Tomasz Sadzik and Yuliy Sannikov) *Journal of Finance*, 67(5), 1603-1647, October 2012
  - Best Paper Award, Financial Research Association, 2009
  - Finalist, Harvard Business Review/McKinsey “Management Innovation of the Year”, 2012
14. “The Link Between Job Satisfaction and Firm Value, With Implications for Corporate Social Responsibility” *Academy of Management Perspectives* 26, 1-19, November 2012 (lead article)
15. “The Effect of Liquidity on Governance” (with Vivian Fang and Emanuel Zur) *Review of Financial Studies* 26(6), 1443-1482, June 2013
16. “Feedback Effects, Asymmetric Trading, and the Limits to Arbitrage” (with Itay Goldstein and Wei Jiang) *American Economic Review* 105(12), 3766-3797, December 2015
17. “The Real Costs of Financial Efficiency When Some Information Is Soft” (with Mirko Heinle and Chong Huang) *Review of Finance* 20(6), 2151-2182, October 2016
18. “Executive Compensation: A Modern Primer” (with Xavier Gabaix) *Journal of Economic Literature* 54(4), 1232-1287, December 2016
19. “Equity Vesting and Investment” (with Vivian Fang and Katharina Lewellen) *Review of Financial*

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*Studies* 30(7), 2229-2271, July 2017 (lead article)

- *Wharton School-WRDS Award for Best Empirical Finance Paper, WFA 2014*
- *Featured in UK Government's Green Paper on Corporate Governance Reform, November 2016*

20. "The Source of Information in Prices and Investment-Price Sensitivity" (with Sudarshan Jayaraman and Jan Schneemeier) *Journal of Financial Economics*, forthcoming
  - *Best Paper Award, German Finance Association, 2016*
21. "Does Improved Information Improve Incentives?" (with Pierre Chaigneau and Daniel Gottlieb) *Journal of Financial Economics*, forthcoming
22. "Strategic News Releases in Equity Vesting Months" (with Luis Goncalves-Pinto, Moqi Groen-Xu, and Yanbo Wang) *Review of Financial Studies*, conditionally accepted
  - *Featured in the NBER Digest, January 2015*

### Working Papers

23. "Contracting With Synergies" (with Itay Goldstein and John Zhu)
24. "Financing Through Asset Sales" (with William Mann)
25. "The Effect of Diversification on Price Informativeness and Governance" (with Doron Levit and Devin Reilly)
26. "The Value of Performance Signals Under Contracting Constraints" (with Pierre Chaigneau and Daniel Gottlieb)
27. "The Informativeness Principle Without The First-Order Approach" (with Pierre Chaigneau and Daniel Gottlieb)
28. "Employee Satisfaction, Labor Market Flexibility, and Stock Returns Around The World" (with Lucius Li and Chendi Zhang)
  - *Honorable Mention, Moskowitz Prize for Best Paper in Socially Responsible Investing, 2014*
29. "The Responsible Homeowner Reward: An Incentive-Based Solution to Strategic Mortgage Default"
  - *Named one of the 50 Best Inventions of 2010 by Time magazine*

### Survey Papers

- S1. "The Real Effects of Financial Markets" (with Philip Bond and Itay Goldstein) *Annual Review of Financial Economics* 4, 339-360, October 2012
- S2. "Blockholders and Corporate Governance" *Annual Review of Financial Economics* 6, 23-50, December 2014
- S3. "Blockholders: A Survey of Theory and Evidence" (with Cliff Holderness). Chapter 9 in Benjamin E. Hermalin and Michael S. Weisbach (eds.), *Handbook of the Economics of Corporate Governance*, Elsevier: Amsterdam, 2017
- S4. "Executive Compensation: A Survey of Theory and Evidence" (with Xavier Gabaix and Dirk Jenter). Chapter 10 in Benjamin E. Hermalin and Michael S. Weisbach (eds.), *Handbook of the Economics of Corporate Governance*, Elsevier: Amsterdam, 2017

### Editorials

- E1. "Editorial" (with Franklin Allen) *Review of Finance* 21(1), 1-6, March 2017.

## **Practitioner Publications**

- P1. “Performance-Based Pay for Executives Still Works” *Harvard Business Review*, February 2016
- P2. “28 Years of Stock Market Data Shows a Link Between Employee Satisfaction and Long-Term Value” *Harvard Business Review*, March 2016
- P3. “Stop Making CEO Pay a Political Issue” *Harvard Business Review*, July 2016
- P4. “Why We Need to Stop Obsessing Over CEO Pay Ratios” *Harvard Business Review*, February 2017
- P5. “The Answer to Short-Termism Isn’t Asking Investors to Be Patient” *Harvard Business Review*, July 2017

*Citation count:* 1,048 citations in published and forthcoming papers and books + 50 citations by myself or coauthors = 1,098. 5,250 Google scholar citations.

## **ADDITIONAL ACADEMIC HONORS**

2016	Rising Star in Finance (Fordham/NYU/Imperial)
2015-8	European Research Council grant for “Long-Term Investing” (€900,000)
2011	Rising Star in Corporate Governance, Yale University’s Millstein Center
2009	Dorinda and Mark Winkelman Distinguished Scholar
2007-14	Goldman Sachs & Co. Research Fellowship

## **SEMINAR PRESENTATIONS**

Amsterdam (x2), Arizona State, Bank of England, Baruch, Berkeley, Brigham Young, Boston College (x3), Cambridge, Cass, Central Bank of Peru, Chicago, Colorado, Columbia (x2), Dartmouth (x2), DePaul, Drexel, Duke, Exeter, Federal Reserve (Board, Cleveland, New York, Philadelphia, Richmond), Frankfurt, Geneva, George Mason, Georgia State, HBS, HEC Paris (x2), HM Treasury, Houston, HKUST, IMF, Imperial, Indiana, INSEAD, Lausanne, LBS (x2), LSE, Maastricht, Mannheim, Maryland, Melbourne, Miami, MIT (x2), National University of Singapore, Norwegian School of Management (x2), Northwestern, Notre Dame, NYU, Ohio State, Oregon, Oxford, Penn State, Pittsburgh, Reading, Rice, Rochester, Rotterdam, SEC, Singapore Management University, Stanford, Stockholm, Temple, Tilburg, Toronto, Toulouse, UBC, UC Irvine, UCLA, UHK, UNC, UNSW, USC, UT Austin, UT Dallas, Utah, Vanderbilt, Vienna, Virginia, Virginia Tech, Warwick, Wash U, Wharton, Wisconsin, Yale (x3), York

## **PROFESSIONAL ACTIVITY**

Co-led a session on Behavioural Economics at the World Economic Forum in Davos  
Testified in House of Commons as part of UK Parliament’s inquiry into corporate governance  
Lead plaintiff in derivative lawsuit against Bazaarvoice (NASDAQ: BV), successfully implementing corporate governance reforms  
Steering Group of The Purposeful Company, proposing evidence-based policy reform to encourage companies to pursue long-term purpose over short-term profit

Behavioral Exchange (organized by the “Nudge Unit”), “Behavioral Insights at Work”  
Economic Policy Institute, “Executive Compensation Policy Lab”

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European Corporate Governance Conference, “Corporate Governance and Short-Termism”  
Leadership Conference 2017, “Purposeful Entrepreneurship”  
London Stock Exchange, “Human Capital Reporting”  
Royal London Asset Management, Responsible Investment Advisory Committee, 2016-  
TEDx 2015, “The Social Responsibility of Business” (<http://bit.ly/csrtedx>)  
TEDx 2017, “From Post-Truth to Pro-Truth” (<http://bit.ly/protruth>)  
World Economic Forum, member of Expert Network on Banking and Capital Markets

Presentations to Accenture, AQR, Coutts, Deutsche Bank, Fidelity, Goldman Sachs, HM Treasury, Leadership College London, McKinsey, Morgan Stanley, Network Rail, No. 10 Policy Unit, OECD, PwC, Risk Metrics, Rockefeller, UBS, Unilever

## ACADEMIC SERVICE

**Managing Editor:** Review of Finance (Jan 2017-). (Editor, Nov 2015-Dec 2016. Associate Editor, Jan 2014-Oct 2015)

**Associate Editor:** European Financial Management (Aug 2012-), Financial Management (Oct 2011-Sept 2014), Journal of Financial and Quantitative Analysis (Feb 2012-), Journal of Financial Economics (Aug 2016), Review of Corporate Finance Studies (July 2015-), Review of Financial Studies (July 2011-June 2014)

**Referee:** AEJ-Micro, AER, AMP, ECMA, FM, IER, JCF, JEEA, JEL, JEMS, JET, JF, JFE, JFQA, JFI, JFM, JIE, JPE, MS (*Meritorious Service Award, 2013*), NSF, QJE, RAND, RESud, RoF, RFS (*inaugural Distinguished Referee Award, 2009*)

**Association committees:** AFA Nominating Committee, 2017-

**Keynote speaker:** EFMA Doctoral Seminar 2013, Brazilian Society of Finance 2015, Swiss Finance Institute Annual Meeting 2016

**Track chair:** EFA (Corporate Finance and Governance – Theory)

**Session chair:** AFA, FIRS, SFS Cavalcade

**Discussant:** AFA, EFA, FIRS, Five Star, NBER (Behavioral, Corporate, Law and Economics, Microstructure), SFS Cavalcade, Texas Finance Festival, UNC-Duke, Wash U Corp Fin, WFA

**Program committee:** AFA 2016, Caesarea 2013-6, EFA 2011-5, Edinburgh Corporate Finance Conference 2014-6, European Winter Finance Conference 2014-6, FIRS 2013-6, FMA 2007-10, Napa Valley 2012-3, SFS Cavalcade 2012-6, WFA 2009-16, Wash U Corporate Finance 2010-16

**PhD students advised:** LBS: Jean-Marie Meier (transfer committee), Irem Erten and Jan Starmans (advisor). Wharton: Ali Aram (2<sup>nd</sup> year paper advisor), Christian Goulding (2<sup>nd</sup> year paper advisor), Michael Lee (1<sup>st</sup> year paper advisor), Qi Liu (chair), William Mann (thesis committee), Ryan Peters (1<sup>st</sup> year paper advisor), Roy Shashua (thesis committee). MIT: Pavitra Kumar (thesis committee)

**Service to LBS:** Junior recruiting committee chair (2013-5), seasoned recruiting committee (2013-4), MBA curriculum committee (2014-), MBA review committee (2015-6), MBA culture committee (2015-), Editorial Board (2016-)

**Service to Wharton:** Co-founder of Wharton-wide junior faculty meetings to promote interdepartmental interactions (2011-13), founder of corporate finance reading group (2009-11), member of finance junior recruiting committee (2009-10), member of PhD admissions committee (2009-10, 2010-11), organizer of junior faculty lunch (2010-11),

## TEACHING

**LBS – Professor, Corporate Finance (MBA Core)**

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Best Teacher Award: MBA 2016 (2016)

MBA Class of 2016 Teaching Award, highest-rated professor school-wide (2015)

Speaker: 2013 Masters Experience Day, 2013 Masters in Finance Faculty Research Series, 2014 School Meeting, 2014 Alumni Weekend, 2014 and 2015 Admit Weekend, 2014 Faculty Research Series, 2015 LBS-wide Learning & Development seminar on personal leadership (x2), 2016 Sloan Summit

Orientation Speaker to MBA 2017, MBA 2018, MBA 2019, MFA/MiM/GMiM 2017

Graduation Speaker to MBA 2017, MFA 2017, MiM 2017

### **Wharton – Professor, Accelerated Financial Analysis (MBA Core) 2007-10, 12, 13**

Wharton MBA Excellence in Teaching Award (2010, 2012, 2013)

Wharton MBA Core Teaching Award (2007, 2008)

Wharton MBA Core Curriculum Award (“goes above and beyond the call of duty”) (2007, 2008, 2009, 2010, 2012, 2013)

Wharton MBA Core Curriculum Award (“tough, but we’ll thank you in 5 years”) (2008, 2013)

Wharton MBA Teaching Commitment and Curricular Innovation Award (2012)

Graduation Speaker to Class of 2014

Faculty Marshal to Class of 2014

Keynote Speaker, 2009 Wharton Welcome Weekend

Faculty Liaison to Cohort K, 2010, 2011

Graduation Speaker to Cohort D, 2010

Selected for Faculty Showcase at 2008, 2009, 2010, 2011, 2013 Wharton Welcome Weekend; 2008, 2009, 2010, 2011, 2012, 2013 Wharton Winter Welcome Weekend

### **MIT Sloan – Teaching Assistant, Finance Theory and Options and Futures (MBA, undergrad)**

MIT Graduate Teaching Award, 2006-7

MIT Sloan Outstanding Teaching Assistant of the Year, 2004-5

### **INDUSTRY EXPERIENCE**

2004 Morgan Stanley – Fixed Income Division (New York). *Summer Associate*

2001-3 Morgan Stanley – Investment Banking Division (London). *Financial Analyst*

2000 Chase Manhattan – Global Investment Banking (London). *Summer Analyst*

### **SELECTED PRESS COVERAGE**

#### **TV interviews**

- Channel 4, 11/22/16
- Sky Sports, 10/5/15
- Channel 5, 10/2/15
- Sky News, 8/17/15
- CCTV America, 3/20/15
- Yahoo Finance, 8/13/14
- Bloomberg Surveillance, 8/6/14, 9/9/14
- Reuters TV, 6/20/14, 10/5/15
- CNN International (Quest Means Business), 6/12/14, 6/30/14, 7/11/14
- ITV London News, 6/12/14

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- BBC World News (World Business Report), 4/9/14, 7/9/14
- BBC World News (Business Edition From Davos), 1/24/14
- Wall Street Journal (The Experts live webinar), 7/23/13
- CNBC Closing Bell, 3/18/13
- Fox Business Network (Money for Breakfast) 2/12/09
- Report on Business Television (AM Business), 7/10/06
- ESPN Cold Pizza, 5/24/06
- CNBC Squawk Box, 3/16/06

### Radio interviews

- BBC World Service (World Business Report, 7/9/14; The World Today, 6/15/06)
- BBC London (The Breakfast Show), 25/6/14
- BBC Radio 2 (Simon Mayo Drivetime, 23/6/14; The Chris Evans Show, 6/15/06)
- NPR (Here and Now), 5/18/09
- Sirius Satellite Radio (Good Company), 1/9/09
- BBC Radio 4 (In Business), 6/19/08
- BBC Five Live (Wake Up To Money), 6/12/06

### Invited articles

- “Link Executive Pay to Wider Societal Benefits” *Financial Times* 2/16/17
- “Why Purpose is Critical for Long-Term Success” *World Economic Forum*, 5/7/16
- “Should We Pay CEOs With Debt?” *World Economic Forum*, 3/14/16
- “Does Socially Responsible Investing Make Financial Sense?” *Wall Street Journal*, 2/28/16
- “How Much Do Financial Markets Matter?” *World Economic Forum*, 2/17/16
- “How Can We Help Businesses Think Long-Term?” *World Economic Forum*, 8/12/15
- “There Is No Trade-Off Between Purpose and Profit” *Huffington Post*, August 2015
- “Five Ways CFOs Can Focus on the Long Term” *Wall Street Journal Experts*, 6/24/15
- “Why Companies Need To Think Long-Term” *World Economic Forum*, 2/16/15
- “Why Happier Workers Matter More Than You Think” *World Economic Forum*, 1/16/15
- “How Should CEOs Be Paid?” *World Economic Forum*, 11/13/14
- “How to Fix Executive Compensation” *Wall Street Journal*, 2/27/12

### Selected newspaper coverage

1. “Sports Sentiment and Stock Returns”
  - “England Takes the Lead in Euro 2016 Market Predictions” *Wall Street Journal*, 6/10/16
  - “Sour Sentiment, Stalled Stocks” *Wall Street Journal*, 6/20/06
  - “Fevered Pitch: Soccer Can Move Markets, Start Wars, Make Peace” *Wall Street Journal*, 6/13/06
  - “Losing at World Cup Can Hit a Nation’s Stocks” *Wall Street Journal*, 6/3/06
  - “World Cup Facts” *Financial Times*, 5/26/06
  - “How Stocks Share in Soccer Sorrows” *Financial Times*, 11/30/05
5. “Inside Debt”
  - “Coco Bonuses May Do Little to Stem Bankers’ Risk Appetites” *Financial Times*, 1/25/11
  - “Paying Executives in Debt” *Reuters*, 7/13/10
6. “Do Investment Banks Matter For M&A Returns?”

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- “Does It Pay To Hire Top Banks?” *Financial Times*, 3/21/12
  - “Going Beyond Rankings to Assess M&A Bankers” *Wall Street Journal*, 12/2/08
  - “Top Firms May Not Deliver Top Dollar, Study Says” *New York Times*, 11/3/08
  - “Rank Injustice” *The Economist*, 5/1/08
9. “Does the Stock Market Fully Value Intangibles? Employee Satisfaction and Equity Prices”
- “Like Your Job? The Stock Market Will Probably Like Your Company” *Wall Street Journal*, 3/11/15
  - “Profiting From Happiness” *The Economist*, 12/17/09
  - The topic of several Morgan Stanley and UBS equity research reports
13. “Dynamic CEO Compensation”
- “Economists Suggests Fix to Bonus Problems” *Wall Street Journal*, 3/17/09
17. “The Real Costs of Financial Efficiency When Some Information Is Soft”
- “Against Disclosure” *New York Times*, 11/8.13
19. “Equity Vesting and Investment”
- “Rewrite Tax Regimes To Spur Greater Investment” *Financial Times*, 12/5/16
  - “The Law of Unintended Consequences” *The Economist*, 2/8/14
22. “Strategic News Releases in Equity Vesting Months”
- “US Chiefs Hoard Good News for Stock Sales” *Financial Times*, 9/17/14
- Miscellaneous topics
- “A Soft Green Paper” *The Economist*, 12/3/16
  - “Private Cos Targeted in U.K. Corp Governance Reform” *Wall Street Journal*, 11/30/16
  - “Business Leaders Challenge Theresa May’s Pay Proposals” *BBC News*, 11/25/16
  - “Theresa May Suffers Backlash Over Flagship Pay Reforms” *Financial Times*, 11/24/16 (front page)
  - “Marketing, Statistics, and Rock ‘n’ Roll” *Financial Times*, 7/12/16
  - “Pay Dirt” *The Economist (Schumpeter)*, 4/23/16
  - “Burberry Takes Inventive Approach to Management” *Financial Times*, 10/10/14
  - “Atlantic Gap Opens in Bank Chiefs’ Pay” *Financial Times*, 2/6/14
  - “Boutique Firms’ M&A Success Starts To Fade” *Financial Times*, 8/11/14
  - “J.C. Penney Slashes Pay of Its Chief” *New York Times*, 4/3/13
  - “How to Pay Your Financial Advisor” *Wall Street Journal*, 12/12/11
  - “Can the Country’s Mortgage Mess Be Fixed?” *Wall Street Journal*, 11/10/10

## MISCELLANEOUS

**Languages:** English (native), French (advanced), German (advanced), Spanish (operational)

**Other Service Activities:** Head Running Coach, American Cancer Society Philadelphia (inaugural Nancy Lavelle award for contributions to fighting cancer); Governor of Dolphin School (England) and trustee and director of Bursary Fund; Musician at Liberti Church Center City (Philadelphia), Holy Trinity Brompton (London), St. Luke’s Redcliffe Gardens (London); Member, Audit and Risk Management Committee of Marshall Scholarship; Advisory Council, Resurgo Trust

**Interests:** boxing, chess (former England junior international), ice hockey, music (keys / guitar), rowing, soccer, tennis, triathlon