

## SEMINARS AT FBA BETWEEN APRIL 2024 AND DECEMBER 2024

### Seminar by Dirk Matten

Apr 3 @ 10:30 am – 11:30 am



### **“ESG as the latest entrant to the alphabet soup: The challenges and dynamics of Business & Society research”**

*by Dirk Matten*

**York University**

Place: MA-330

#### **Abstract**

ESG (‘Environment, Social, Governance’) has recently joined the many labels in the ‘Business & Society’ field. I will critically assess the emergence of ESG, the reasons for such new language, and the challenges it poses. In doing so, I will relate my ongoing research work to three core questions that have been defining for the ‘Business & Society’ field for the last 40 years. (1) What is the status of the business case versus the moral case for business responsibility to society? (2) What are the dynamics of business responsibility, temporarily and comparatively? (3) What are the implications of Business & Society research for ongoing work in the field, and for the notion of business in mainstream business/management research?

#### **Bio**

Dirk Matten holds the Hewlett-Packard Chair in Corporate Social Responsibility (CSR) at the Schulich School of Business, York University in Toronto, Canada. He is also the founding director of Schulich’s Centre of Excellence in Responsible Business and was instrumental in making his school one of the world’s top ranked institutions in sustainable business research and education. He has a doctoral degree and the habilitation from Heinrich-Heine-Universität Düsseldorf in Germany.

Prof. Matten has published 30 books and edited volumes as well some 100 journal articles and book chapters which are cited widely and received numerous international awards. For instance, his 2008 paper on ‘Implicit and Explicit CSR’ (with J. Moon) has won the “Academy of Management Review Paper of the Decade” Award, for. He also received the Max Weber-Award for Business Ethics from the [Institut der Deutschen Wirtschaft](#), Berlin, for his textbook “Business Ethics” (with A. Crane, OUP). In 2023, he was ranked in the top five scholars in Political Science in Canada by [research.com](#). He has a truly global focus in his approach on CSR, having taught and done research at academic institutions in Argentina, Australia, Belgium, Britain, Canada, the Czech Republic, Denmark, France, Germany, India, Italy, Turkey, and the USA. In 2018/19 he held the prestigious [Gourlay Visiting Professor of Ethics in Business](#) at Trinity College of the University of Melbourne. He is also a Visiting Professor at the University of London, the University of Nottingham, and Copenhagen Business School.

## Seminar by Ayşegül Özsoyer

Apr 5 @ 1:30 pm – 2:30 pm



**“Brand – pandemic fit and eWOM intentions: The role of ad appeals and future focus”**  
**by Ayşegül Özsoyer**  
**Koç University**  
Place: MA-330

### Abstract

Since the outbreak of COVID-19 in March 2020 brands have quickly adapted the content of their advertising to include pandemic related social and health messages. This paper explores the relationship of fit between the advertised brand and the pandemic as a potential influence on consumers’ eWOM intentions in an advanced and emerging market. Inspired by metacognitive fluency theory, we propose and find that pandemic adapted advertisements for brands that are high on brand-pandemic fit enhance consumers’ eWOM intentions in both markets. This relationship is stronger for experiential ad appeals and future focus in the ads. In terms of temporal focus, building on construal level theory, we find that the effect of fit on eWOM is increased by using future focused ads. Together, the results establish relationships between brand-pandemic fit of advertisements, ad liking, ad-appeals, future focus, and eWOM intentions. We conclude with a discussion of how brand advertising can facilitate societal well-being as high fit brands help individuals solve pandemic related challenges and generate more consumer engagement via eWOM intentions.

### Bio

Ayşegül Özsoyer is Professor of Marketing at Koç University, Istanbul, Türkiye. She specializes in global marketing, branding, emerging markets and the role of marketing in tough economic times. Prof. Özsoyer has taught, consulted, and conducted research in the US before joining Koç University. She has published in top scholarly journals including the *Journal of Marketing*, *Journal of Marketing Research*, *International Journal of Research in Marketing*, *Journal of International Marketing and Human Resource Management*. She received several research awards including the 2011 Gerald Hills Best Paper Award for ten-year impact on entrepreneurship research, the 2013 Cavusgil Award for her paper investigating the interplay between global and local brands, and most recently the 2023 Cavusgil Award for her paper on marketing agility. Her research is well read and well cited with more than 5100 google scholar citations. Dr. Özsoyer has held visiting scholar positions at the Univ. of Michigan, Ann Arbor, the Anderson Graduate School of Management, UCLA, and Harvard University. Her co-authored book, *The New Emerging Market Multinationals: Four Strategies for Disrupting Markets and the Competition* (McGraw Hill) was selected the best strategy book by Business+Strategy. She is the incoming Editor in Chief of the *Journal of International Marketing*, an American Marketing Association Journal published by SAGE. <https://www.ama.org/press-releases/aysegul-ozsoyer-selected-as-next-journal-of-international-marketing-editor-in-chief/>

## Online Research Seminar by Dong Lou

Apr 19 @ 1:30 pm – 2:30 pm



### **'Inferring Mutual Fund Intra-Quarter Trading an Application to ESG Window Dressing'** *by Dong Lou* **London School of Economics**

#### **Abstract**

We develop a novel method to infer intra-quarter trading of individual mutual funds. Although mutual funds report their holdings once every quarter, they are required to report their portfolio returns every day. After a mutual fund executes a trade, its reported portfolio returns further deviate from its quarter-end-holdings-based returns (assuming no trading). This sudden jump in return deviation allows us to infer the transaction date and amount. We apply our method to studying strategic trading of ESG stocks by mutual funds around quarter ends. Our evidence suggests that in recent years, mutual funds buy high-ESG stocks and sell low-ESG stocks right before quarter ends, and reverse their trades at the beginning of the next quarter. This trading pattern is concentrated among mutual funds right around the cutoff of four and five ESG rating stars, which have the strongest incentives to boost ESG performance. These trades also affect prices: high-ESG stocks outperform low-ESG stocks right before quarter ends, and underperform at the beginning of the next quarter.

#### **Bio**

**Dong Lou** is a Professor of Finance at the London School of Economics, a Research Fellow at the Centre for Economic Policy Research, and an Academic Consultant and Visitor to the Bank of England. He is an Associate Editor of the *Journal of Finance*, *Journal of Financial Economics*, and *Management Science*. Professor Lou teaches in the Master's, Executive Education, and Doctoral Programs at the London School of Economics.

Professor Lou frequently advises government organizations and regularly consults for investment management companies. His research has been published in top academic journals, has won many awards, and is frequently profiled in financial media outlets including the *Wall Street Journal*, *Forbes*, and *Bloomberg*. His main research areas include asset pricing, investment management, behavioral finance, and the Chinese financial markets. Professor Lou received a PhD in Financial Economics from Yale University in 2009 and an undergraduate degree in Computer Science from Columbia University in 2004 (<https://personal.lse.ac.uk/loud>).



**“Political Liquidity Creation: Electoral Cycles and State-Owned Banks”**

*by Mehmet Özsoy*  
**Özyeğin University**  
Place: MA-330

**Abstract**

This paper compares the liquidity creation of state-owned banks in Turkey with that of privately-owned banks both in normal times and around election times. Turkey provides an excellent laboratory to explore the role of state ownership in the banking industry as it is a country with a long history of state ownership of banks. Applying Berger and Bouwman (2009) framework to measure liquidity creation and using quarterly detailed regulatory dataset for the period of 2002-2017, we find that state banks create more liquidity per unit of assets than their private counterparts. More importantly, the documented statistically significant difference widens during the election quarters. Our findings suggest a divergence between behaviors of state and private banks because of political elections. We further show that the liquidity creation of state-owned banks around political elections, with respect to that of privately-owned banks, seem to not increase bank risk measured by RoaVol and Zscore but dampens state-owned banks performance measured by Roa. We finally document that the size effect can only explain the unconditional difference but it does not explain the documented difference around election quarters.

**Bio**

S. Mehmet Özsoy is an Assistant Professor of Financial Economics at Ozyegin University. He received his Ph.D. in Economics (2013) from Duke University, his M.A. in Economics from Koç University (2008) and his B.A. in Economics from Boğaziçi University (2006). His research interests include financial economics, financial intermediation and climate finance.



**“Voice-Pitch Bias in Political and Economic Environments”**

*by Özgür Kıbrıs*  
**Sabancı University**  
Place: MA-330

**Abstract**

We present two studies that respectively analyze the implications of voice pitch in political and economic decisions. In the first study, we use an online experiment to analyze the relative effect on voter behavior of a candidate’s voice pitch and policy stance. We demonstrate a strong voice-pitch bias: between candidates who are identical in every other aspect, voters are more likely to choose the one with the lower voice-pitch, and more so in elections between men than women candidates. We then introduce a novel phenomenon: persistence of voice-pitch bias is the amount of policy difference needed to compensate for voice-pitch bias. While persistence is also gender-dependent, the effect is now reversed: voice-pitch bias is more persistent in elections between women than men candidates. As a possible mechanism, we show that voters perceive candidates with lower voice-pitch as more competent and trustworthy. The second study is an ongoing project where we aim to experimentally analyze whether employers’ evaluation of current or potential employees is subject to a voice-pitch bias. If this is the case, we aim to measure the premium an employee receives/foregoes in response to a unit change in her voice pitch, the so-called voice-pitch premium. We present the design of our experiment as well as some preliminary findings from its first stage.

**Bio**

Professor Kıbrıs received a BS in industrial engineering in 1992 and an MA in economics in 1995 from Bilkent university. He received his PhD in economics in 2000 from University of Rochester.

Professor Kıbrıs joined Sabancı University in 2001 as an assistant professor. He became an associate professor in 2009 and a full professor in 2015. Outside Sabancı University, Professor Kıbrıs also worked at Universite Catholique de Louvain (2000-2001), University of Rochester (2006-2007), and Duke University (2011-2012). At Sabancı University, he previously served as the dean (2017-2020) and the vice-dean (2016-2017) of the Faculty of Arts and Social Sciences. Professor Kıbrıs’ research and teaching activities focus on behavioral economics, decision theory, political economy, game theory, and economic design. The Turkish Academy of Sciences has awarded his research with an Incentive Award in 2003 and a GEBIP Award in 2006. His teaching activities on these fields were awarded by Sabancı University with a Faculty of Arts and Social Sciences Teaching Award in 2010. He is a fellow of the Murat Sertel Center for Advanced Economic Studies.

**Seminar by Şelale Tüzel**  
**May 24 @ 1:30 pm – 2:30 pm**



**“Investing in Misallocation”**  
***by Şelale Tüzel***  
**University of South California**  
Place: MA-330

**Abstract**

We document that 20% of Compustat firms have above-median investment rates despite having below-median marginal product of capital (MPK), seemingly “misallocating” productive resources. These firms are typically younger and significantly more likely to experience a substantial upward jump in their sales and MPK in the following years. They account for a significant share of innovative activity and their investments predict future aggregate productivity in the economy, creating value in ways not captured by their MPK. We propose and estimate a simple endogenous firm growth model that captures the key features of the cross-section of firms and allows for counterfactual analysis. Hypothetical firm investment policies that ignore the potential for future jumps reduce MPK and investment dispersion but also lower aggregate productivity.

**Bio**

Professor Selale Tuzel is an Associate Professor of Finance and Business Economics and serves as the Academic Director of the Real Estate Finance and Development program at USC Marshall School of Business. She holds a PhD in Management (Finance) from UCLA’s Anderson School of Management. Her research spans various areas, including macro-finance, household finance, and real estate, with contributions in both empirical and theoretical domains. Her work has been published in leading finance, management, and economics journals such as the Journal of Finance, Journal of Financial Economics, and the Review of Financial Studies. Currently, she holds the role of Associate Editor at Management Science. Professor Tuzel primarily teaches Real Estate Finance courses to graduate and undergraduate students at the Marshall School of Business.

## Online Research Seminar by Stefano Puntoni

Oct 4 @ 4:00 pm – 5:00 pm



### **“Offshoring, Automation, and the Legitimacy of Efficiency”** *by Stefano Puntoni* **Wharton School**

#### **Abstract**

Collective layoffs can occur for many reasons, often related to a firm’s pursuit of greater efficiency and cost reduction, and they tend to trigger negative reactions among the public. Anecdotal evidence suggests that offshoring, one of the most controversial and politicized aspects of globalization, evokes particularly negative reactions. We propose a social contract account of consumer reactions to collective layoffs and demonstrate differential consumer responses to collective layoffs due to offshoring versus other reasons, such as automation. Layoffs due to offshoring are perceived as an especially egregious violation of the normative expectation that firms should support the local community. Data from eleven experimental studies ( $N = 6,773$ ), public consumer responses to layoffs in a large online community ( $N = 29,045$ ), and layoff announcements in the European Union ( $N = 1,261$ ) confirm that consumers react more negatively to collective layoffs due to offshoring compared to automation or other reasons. Supporting our social contract account, the negative effect of offshoring is stronger when offshoring affects workers in the consumers’ home (vs. foreign) country, when the firm is domestic (vs. foreign), and when most customers are domestic (vs. foreign).

#### **Bio**

**Stefano Puntoni** is the Sebastian S. Kresge Professor of Marketing at The Wharton School and the Co-Director of AI at Wharton. He holds a PhD in marketing from London Business School and a degree in Statistics and Economics from the University of Padova, in his native Italy. His research has appeared in many leading academic journals and major managerial outlets. Most of his ongoing research investigates how new technology is changing consumption and society, including how humans are adopting and evolving with AI. He is a former MSI Young Scholar and MSI Scholar, and the winner of several grants and awards. He is currently an Associate Editor at the Journal of Consumer Research and at the Journal of Marketing. Stefano teaches in the areas of AI and automation, marketing strategy, and decision making.

## Online Research Seminar by Julien Cayla

Oct 18 @ 1:30 pm – 2:30 pm



### **“Changing the Market with Stories: Social Media Influencers as Innovation Catalysts” by Julien Cayla Nanyang Business School**

#### **Abstract**

Social media influencers have largely been portrayed as glamorous personalities who use their followers to benefit brands. But what if influencers defied this stereotype and did more than just spread brand messages to passionate fans? What if influencers played a key role in making an entire market more innovative? In this study, we examine a rapidly evolving context—the dynamic agricultural market in rural India—to explore the role influencers play in innovation. We show that influencers’ social media stories operate as powerful narrative devices stimulating market innovation by: 1) making market knowledge more understandable; 2) inspiring new ways of acting and thinking about the market; 3) spreading new dominant values; and 4) changing power dynamics within the market. Our research thus complements the existing literature on influencers by assigning them a new role: Influencers as innovation catalysts. Given the urgent need for innovation in the Global South, these findings should be particularly valuable for businesses and policy makers. Social media influencers are far more than mere brand ambassadors. They change the market with their stories.

#### **Bio**

**Julien Cayla** is an Associate Professor of Marketing at Nanyang Business School (Singapore). His work has been published in outlets such as the Journal of Consumer Research, Journal of Marketing, Organization Studies, Journal of Retailing and MIT Sloan Management Review. Most recently, he has been working on the pains and pleasures of service interactions. Passionate about India, he is the founder of the consumer culture lab at IIM Udaipur: <https://cclab.iimu.ac.in/>. He will start his second term as Associate Editor of JCR in January 2025.





**“Regulate first innovate later? An exploration into Autonomous Vehicle Industry”**  
**by İzzet Sıdkı Darandeli**  
**California State University**  
Place: MA-330

**Abstract**

This study investigates how innovative activity in specific locations influences the timing and nature of regulatory interventions, focusing on the Autonomous Vehicles (A.V.) sector. Drawing on New Economic Geography and institutional perspectives, it explores the interplay between innovation and regulation, emphasizing the proactive role of innovators in shaping regulatory outcomes. Analyzing patent data and regulatory developments, the research uncovers a significant correlation between innovation levels and regulatory trajectories. Regions with higher concentrations of innovative activity tend to lead regulatory initiatives, fostering conducive environments for technological advancements. Contrary to common perceptions, stringent regulations can catalyze innovation by providing market clarity and stability. By elucidating the spatial dynamics of innovation and regulation, this study offers insights for policymakers aiming to foster innovation ecosystems and sustainable economic growth.

**Bio**

İzzet Sıdkı Darandeli is the Director of The Smith Center for Entrepreneurship and Associate Professor of Management at California State University, East Bay. He is also an adjunct faculty at Bogaziçi University, Kadir Has University. Darandeli holds a Ph.D. in Strategic Management from Fox School of Business, Temple University, Philadelphia. Darandeli has published extensively on International Business, Innovation and Institutions. In addition to his academic successes and research on innovation and entrepreneurship, he has founded, invested, and advised multiple startups and served as a member of the Board of Directors for several Multinational Corporations in the U.S and Europe.

## Seminar by Francesca Sotgiu

Nov 8 @ 1:30 pm – 2:30 pm



### **“From Washing to Hushing: Brand Ecosystem Positioning Strategies and Their Impact on Social Media Engagement”**

*by Francesca Sotgiu*

**Vrije Universiteit Amsterdam**

Place: MA-330

#### **Abstract**

Social media enables brands to take a more interactive approach to brand building, allowing them to stay relevant by shifting towards dimensions relevant to the larger ecosystem in which they operate, even when these dimensions are not central to their brand identity. For example, a brand may align its positioning with the UN Sustainable Development Goals. When this communication is not supported by clear actions, brands may be accused of “washing” practices. At the same time, brands may decide to remain silent on social media on topics central to their brand identity but potentially controversial, opting for a “hushing” strategy. These adaptations lead to misalignment between the brand identity and brand positioning, creating tension between the need of brands to stay relevant, avoid controversy, and the marketing communication mantra advocating for a consistent brand positioning. Such a misalignment may erode customer support, reflected in decreased social media engagement. This paper examines whether brands can deviate from their brand identity without risking losing customer support, focusing on positioning dimensions (what brand say), and brands actions (what brands do). Specifically, we quantify the engagement lift generated for different positioning strategies, highlighting the greater risks of hushing practices, which have been largely overlooked.

#### **Bio**

**Francesca Sotgiu** is professor of Marketing at Vrije Universiteit Amsterdam. She holds a doctoral degree in marketing from Rotterdam School of Management, Erasmus University. Francesca’s research focuses on retailing, in particular on the impact of changes in the retailing landscape on brand manufacturers’ and retailers’ performance. Her research investigates the consequences of channel changes (e.g., price wars, cross-chain effects, price promotions, front-of-package labels, planogram decisions) and media changes (eWOM, social media, location-based advertising, mobile push notifications). Her work has been presented at numerous conferences and published in journals such as Journal of the Academy of Marketing Science, Journal of Marketing Research, Journal of Retailing, Journal of Advertising, Journal of Product and Brand Management, International Review of Retail, Distribution & Consumer Research, Micro & Macro Marketing and Revue Française du Marketing. She serves as Area Editor for Journal of Retailing and is on the editorial board of Journal of the Academy of Marketing Science and Journal of Interactive Marketing.

Her research was selected as finalist for the prestigious Weitz-Winer-O’Dell Award (2021), as well as for the AMS Sheth Foundation Best Paper Award (2021), and won the Best Paper in Track Award Winter AMA (2020), the Best Paper AMA Marketing and Public Policy Conference (2019), ABRI Best Faculty Paper Award (2016) and the William Davidson Honorable Mention (2017). Her work has been featured as “high impact” and “recommended for managers to read” by the Marketing Science Institute.

## Online Research Seminar by Richard A. Hunt

Nov 15 @ 4:00 pm – 5:00 pm



### **“Entrepreneurship In Abandoned Places: From Ghost Towns and Vacant Cities to the Chernobyl Exclusion Zone” by Richard A. Hunt Virginia Tech**

#### **Abstract**

Entrepreneurs play a key role in the imagination – and sometimes in the re-imagination – of new socio-cultural, economic, environmental, and institutional possibilities. Through the commitment of non-trivial, irreversible investments of time, capital, and other tangible and intangible resources, business venturers engage in novel action to generate reproducible benefits. While a large body of scholarly literature examines the manner which entrepreneurs identify, develop, and exploit new commercial possibilities in untapped frontiers, entrepreneurs also have the ability to exert enormous regenerative influence upon abandoned, deserted, or even destroyed locales. Extending and enhancing recent work on “spatial entrepreneurship,” we develop and test a novel perspective concerning the entrepreneurial reimagination of abandoned places.

We uncover potent implications for scholars, practitioners, and policymakers in the finding that without the involvement of entrepreneurs, efforts to reimagine, reclaim, and revitalize abandoned human structures are fruitless.

#### **Bio**

**Dr. Richard “Rick” A. Hunt** (Ph.D., University of Colorado) is an Associate Professor of Strategy and Entrepreneurship at Virginia Tech’s Pamplin College of Business, where he also serves as Research Director at the Apex Center for Entrepreneurs. Additionally, Rick is an Associate Editor at *Entrepreneurship Theory and Practice* and serves on the editorial boards of *Academy of Management Review*, *Journal of Business Venturing*, and *Journal of Business Venturing Insights*.

Rick’s research examines entrepreneurial environments, advantageous knowledge, new sector formation, market entry, and early-stage operational behavior. His work has placed more than 70 peer-reviewed articles, proceedings, and book chapters in top management and entrepreneurship outlets and has been recognized through numerous awards, including the NFIB Prize for Outstanding Dissertation, the Sumantra Ghoshal Research & Practice Award, three ENT Division – Academy of Management Awards for Best Conceptual Paper (2017, 2019, 2021), and more than three dozen other honors and awards for conceptual and empirical research.

Prior to his doctoral studies, Rick worked in Indonesia, Hong Kong, China, and the USA as a consultant and educator, as well as a corporate finance and planning executive in pharmaceuticals, investment banking, and high-tech. He also co-owned a successful start-up, providing environmental services throughout the Western USA. In addition to his Ph.D., Rick holds degrees from Rice (B.A.), Harvard (M.A.) and Stanford (M.B.A.).



**“Jazzing Through Task Uncertainty: The Improvisation Mindset, Appraisals, and Performance in Uncertain Tasks”**  
***by Oğuz Gençay***  
**University of Maryland**  
Place: MA-330

**Abstract**

Task uncertainty—the unpredictability of task processes and outcomes—often leads to adverse consequences, such as impaired decision-making and deteriorated task performance. Because uncertainty makes individuals feel as if they are losing control (Matta et al., 2017), individuals usually react to it with control-maintaining strategies, such as engaging in research or planning. In the present research, I draw from arts (jazz music/improv theatre) and improvisation literature, then build on appraisal theory (Lazarus & Folkman, 1984) to propose that an improvisation mindset—an approach that involves giving up active control—can be a counter-intuitive but highly effective strategy to deal with task uncertainty. Specifically, I hypothesize that an improvisation mindset (triggered by situational interventions developed in this research) can help individuals see uncertain tasks as more of a challenge and less of a hindrance, thus improving their task performance. During my talk, I will present three main studies (an online experiment, an in-person lab experiment, and an initial field experiment) that support these expectations. Additionally, I will briefly discuss several additional studies that bring validity evidence for the improvisation mindset construct and support my theoretical and conceptual arguments. Lastly, I will discuss future studies and contributions to the literature on uncertainty, appraisals, and improvisation at the workplace.

**Bio**

**Oğuz Gençay** is a Ph.D. candidate in Organizational Behavior at the University of Maryland, where he currently teaches ethical leadership at the master’s level. He finished his undergraduate degree at Middle East Technical University and University of California Berkeley and received his master’s degree from Boğaziçi University. His research examines the drivers and inhibitors of prosociality and performance at work while developing targeted interventions. He conducts this research in three often intersecting domains: music, social/task context, and self-regulation. In his talk, he will present his dissertation on how an improvisation mindset can help employees navigate task uncertainty.



**“Standing Out while Fitting In: Visual Rightness of Text Overlays in Social Media Communication”**

*by Francisco Villarroel Ordenes*

**University of Bologna**

**Abstract**

The vast amount of content on social media platforms makes it extremely challenging to get posts noticed. An increasingly popular approach to increase engagement relies on text overlays (TOs), such that text is inserted within the visual space of an image. Such practices raise questions about how the separate features should be emphasized, prompting the current investigation into how and why salient features of the TO and images should be combined for effective consumer engagement.

Three fundamental characteristics, commonly used by practitioners, are salient and can trigger engagement: the degree of dynamism or implied motion in images and the size and centrality of the TO. With multiple methods, including field studies, online experiments, and managerial interviews, the authors consistently establish that a TO that is too large and placed centrally, combined with dynamic images, has negative effects on consumer engagement, due to diminished perceptions of visual rightness. That is, consumers regard the social media composition as visually unattractive and its formal execution as suboptimal. By leveraging these findings, the authors develop a new app to help managers compose more engaging multimodal social media posts.

**Bio**

**Dr. Francisco Villarroel Ordenes** (PhD. in Marketing, Maastricht University) is a Full Professor of Marketing at the University of Bologna. Francisco has experience teaching the courses Branding, Social Media Marketing, Performance Marketing, Analytics, and Text Mining, at the Bachelor, Master's and PhD level. His research revolves around the themes of branding, customer experience, and digital marketing, and it has been published in leading journals including the Journal of Consumer Research, Journal of Marketing, Journal of Service Research, Journal of Retailing, among others. He currently serves on the editorial review boards of the Journal of Consumer Research, Journal of Retailing, the Journal of Service Research, and the Journal of Business Research.



**“Are ESG ratings relevant? Evidence from dividend cuts”**

*by Güner Velioğlu*

**Loyola University**

Place: MA-330

**Abstract**

I find that the market reactions to dividend cuts are significantly less severe when the underlying firms have high Environmental, Social, and Governance (ESG) ratings. Among different components of ESG ratings, I find that the environmental pillar rating contributes most significantly to my findings. I further document that high ESG performance premium tend to partially substitute for dividend premium. Overall, my findings are consistent with the notion that negative demand shocks from dividend cuts are absorbed with milder reactions when firms are favored by ESG-motivated investors.

**Bio**

**Güner Velioğlu** is an Assistant Professor of Finance at Loyola University Chicago, Quinlan School of Business. Prior to joining Quinlan School of Business, he earned his Ph.D. in Finance at the University of Florida, Warrington College of Business. He also holds a master’s degree in Economics from Sabancı University, and a bachelor’s degree in Business Administration from Boğaziçi University. The main theme of his research is private information, and how it affects corporate decisions as well as the related asset prices. His research interests, while primarily in corporate finance, span across various topics in finance such as corporate social responsibility, credit risk, financial intermediation, information flow between securities markets, and market frictions and their impact in OTC markets.



**“The Fed and the Wall Street Put”**  
*by Mete Kılıç*  
**University of Southern California**  
Place: MA-330

**Abstract**

We study the trading behavior of financial intermediaries around Federal Open Market Committee (FOMC) announcements in the S&P 500 options market using daily and high-frequency data. We find that proprietary trading firms are net sellers of options on FOMC days while all other investor categories are net buyers. The liquidity provision by these intermediaries is especially pronounced when monetary policy is more accommodative than expected and market interest rates fall. Strikingly, proprietary trading firms’ morning trades predict monetary policy shocks later in the day and subsequent option price movements, suggesting that some financial institutions may have preferential access to the upcoming information release by the Fed. Our findings show that monetary policy not only boosts intermediaries’ willingness to take on risk and provide liquidity through option trades but also gives them a trading edge due to their informational advantage.

**Bio**

**Mete Kılıç** is an economist whose research areas are asset pricing, macro-finance, investor behavior, and risk factors in financial markets. He joined USC Marshall in 2017, after completing his PhD in Finance at the Wharton School. Mete’s research has been published in leading outlets including Journal of Financial Economics, Journal of Finance, Review of Financial Studies, and Journal of Monetary Economics. Mete earned a BS in Industrial Engineering from the Karlsruhe Institute of Technology, and an MS in Money and Finance from the Goethe University Frankfurt.

## Research Seminar by Bünyamin Önal

Dec 25 @ 1:30 pm – 2:30 pm



### **“Creating Value by Diluting Managerial Ownership”** *by Bünyamin Önal* **Sabancı University** Place: MA-330

#### **Abstract**

Owner-managers of competing firms benefit when they jointly commit to reducing efforts by lowering their stakes in their respective firms. Convertible debt helps to sustain such cooperation. By issuing debt that is convertible into equity, the owner of a firm can commit to reducing her stake only if her rival does the same. Empirical evidence strongly supports this theory: firms are more likely to issue convertible debt when they face more antitrust scrutiny or when the possibility of a rival entry is high. Furthermore, this effect is located typically where our theory predicts, i.e., when the firm is privately held and in a high-growth industry.

#### **Bio**

**Bünyamin Önal** is an Assistant Professor of Finance at Sabancı University. He previously worked at Aalto University (2012–2019) and holds a Ph.D. in Finance from Georgia State University (2012) and a B.Sc. in Economics from Middle East Technical University (2004). His research focuses on corporate finance and governance, covering topics such as boards of directors, executive compensation, mergers and acquisitions, capital structure, and corporate social responsibility. His work appeared in leading journals including *Review of Financial Studies* and *Journal of Corporate Finance* as well as outlets such as *Fortune*, AACSB Research Roundup, and Harvard Law School Forum on Corporate Governance and Financial Regulation.